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SENATE—*Thursday, April 12, 1973*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou, in whose life we find our life, through the gift of whose spirit we do our work and bear our burdens, grant us now the sense of Thy nearness. We would open our hearts freely to Thy spirit, our minds to Thy law, and our wills to Thy quickening energy. Dwell in us and make us fruitful for the welfare of this Nation and the betterment of mankind. At the close of day reward us with the consciousness of work well done.

We pray in the name of the Lord of Life. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, April 11, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MEMORIAL TO VETERANS OF THE VIETNAM WAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 102, Senate Joint Resolution 45.

The PRESIDENT pro tempore. The clerk will state the joint resolution by title.

The legislative clerk read the joint resolution (S.J. Res. 45) by title, as follows:

A joint resolution to provide for the erection of a memorial to those who served in the Armed Forces of the United States in the Vietnam war.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HUDDLESTON. Mr. President, this legislation is very simple in purpose. It authorizes the Secretary of the Interior to erect a monument in the District of Columbia as a memorial honoring those Americans who served in the Vietnam war.

As I said when I introduced this joint resolution, the monument is not designed to honor or glorify war—especially this particular war. But it is designed to pay tribute to thousands of brave young men who were called on to fight a long, unpopular, and little understood war.

Grim statistics tell the story: Since 1961, the death toll of American soldiers killed in hostile action—45,958; the number killed in nonhostile Vietnam action—10,303; the number wounded—303,649.

These are not mere statistics. Each one represents an American life that has either been taken from us, or has suffered grevious physical injury. A man can make no greater sacrifice for his country than to give or risk his very life.

That is why we must memorialize and pay tribute to these men who fought in the Vietnam war. We must let them and their families know that regardless of how each of us felt about the war, we honor the men who served for their bravery and their sacrifice.

It is also my hope that this monument will serve to heal some of the divisions that arose in this country as a result of the war. As with our POW's, there is no disagreement among us about honoring the men who answered the call to fight this war. We can all agree that they served their country well, that they sacrificed for their country, and that they are worthy of our honor.

I believe everyone in this country is relieved and happy that the war is now over—at least as far as American participation is concerned—and we can look to the future and the solution of some of our problems here at home. We have a right to rejoice, but we also have an obligation to look back and honor those who bore the burden of this war.

This monument will not bring back the dead; it will not heal the wounded; nor will it erase the scars of war suffered by thousands. But it will symbolize and serve as a constant reminder to all of us of the courage and bravery of thousands of our countrymen.

That is what the monument is to be—a symbol of the country's gratitude. We must also express that gratitude by making sure we provide our returning veterans with the maximum possible benefits for education, job training, health, and other services.

The monument will symbolize our gratitude; servicemen's benefit programs will demonstrate it.

So I urge the Senate to pass this joint resolution in the hope that it will help bring the country closer together by honoring the bravery of those who have fought, sacrificed, and even died for their country.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 45) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 45

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized and directed to erect on public grounds in the District of Columbia owned by the United States a memorial in honor of those who served in the Armed Forces of the United States in the Vietnam war.

SEC. 2. The design and location of the memorial shall be subject to the approval of the Commission of Fine Arts and the National Capital Planning Commission.

SEC. 3. The maintenance and care of the memorial authorized to be erected by the first section of this Act shall be the responsibility of the Secretary of the Interior.

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a bill (H.R. 3180) to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled joint resolutions:

H.J. Res. 210. Joint resolution asking the President of the United States to declare the fourth Saturday of September 1973, "National Hunting and Fishing Day";

H.J. Res. 275. Joint resolution to authorize the President to issue a proclamation designating the month of May 1973, as "National Arthritis Month"; and

H.J. Res. 437. Joint resolution to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week."

The enrolled joint resolutions were subsequently signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 3180) to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress, and for other purposes, was read twice by its title and referred to the Committee on Post Office and Civil Service.

CAMBODIA

Mr. MANSFIELD. Mr. President, the news from Cambodia is bad and has been for the past month. Gen. Alexander Haig has just returned from a special mission to that country and is due to report his findings and possibly his recommendations to the President today. There is talk about using South Vietnamese troops on one flank and Thai troops on the other to stabilize the tenuous position of the present Cambodian Government. This would be a most dangerous procedure and could have the possible effect of once again involving this country in a quagmire, because the support—logistical and otherwise—would come from the United States.

In my opinion, there are no legal or constitutional grounds for our becoming involved in any way, shape, or form in the Cambodian civil war. The Southeast Asia Treaty, SEATO, does not apply, because Cambodia specifically refused to come in under that umbrella. The Tonkin Gulf resolution, which I never thought gave the United States the power to intervene in Southeast Asia, is now a thing of the past.

The various Khmer elements aided by North Vietnam are evidently in control of approximately four-fifths of the country and have been able to maintain a steady offensive despite bomb runs by U.S. fighters and 50 to 60 B-52's on a daily basis.

The Lon Nol government has far greater numbers of soldiery at its disposal than does its opponents. It has been the recipient of hundreds of millions of dollars of American aid of all types, yet the situation gets worse. The Government has almost ceased to function; inflation and corruption are rampant; the use of "ghost" soldiers is a recognized fact and there seems to be little or no hope for this Government to stand with or without reinforced outside assistance. If there is any foundation to the rumors that South Vietnamese and Thai troops may become engaged in Cambodia, it is my belief that this would only embitter the struggle more and make a solution much more difficult because of the decades-old antipathy between the Cambodians and their two neighbors.

There seems to be only one other possibility in Phnom Penh and that would be the restoration to power of Sirik Matak who at least seems to have some recognition of the facts of life concerning his country and hopefully the entering into of negotiations with the other side to the end that a truce could be arranged and peace restored to this unhappy land and its peaceful people.

I note in the press that Prince Norodom Sihanouk has spent a month and a half with the rebel forces in Cambodia. Would it not be feasible to consider the possibility of his return to this country? Would it not be possible to step up our contacts with the Soviet Union and the People's Republic of China—contacts which have been going on for some time—to the end that they could exert what influence they have with the other side to counterbalance what influence we have with the present Lon Nol government, and in that way try to bring about a cease-fire, an end to the fratricidal struggle now going on, and hopefully bring about stabilization and a restoration of peace to this most unhappy country.

I hope that some way can be found to wind up a long, difficult, and unnecessary war. The hour is late.

Mr. SCOTT of Pennsylvania. Mr. President, I, too, hope that the Government of Cambodia would welcome into the government, and into influence with the government, Sirik Matak.

It would offer an opportunity for some solution among the contending parties. The difficulty, I understand, in arriving at any possible cease-fire is due to the fact that there are a number of guerrilla movements in the country, and it is not possible to determine with whom one can meet or deal to discuss a cease-fire.

Prince Sihanouk himself mentioned a number of those organizations by name. Evidently he is well informed of the fact that they are numerous and that they do not seem to have united sufficiently to meet with the government of Lon Nol. Sirik Matak might well be able to do something to help with the affair, although I do not pretent to have any expertise in that field. The main difficulty is that there just does not seem to be any forum and enough people with whom to meet or have a meeting of the minds. I hope something can be done. It is deplorable that the military support by air has to continue. At the same time, I do not want to see Phnom Penh—a city with which I am familiar, by the way—destroyed by the advancing forces. I do not want to see the Government of Cambodia assassinated. I hope that before long we shall see a termination of hostilities in that area.

TAX REFORM

Mr. SCOTT of Pennsylvania. Mr. President, I understand that today a number of Senators will discuss tax reform. I hope they will be practical about it and address their speeches to sustaining the budget ceiling. They could help us by sustaining vetoes, because they have bound themselves, in their own caucus, to exercise restraint on excessive expenditures over and above the ceiling. A ceiling has been fixed, but that is by no means a guarantee that will be adhered to.

Finally, when we talk about tax reform, let us not have a whole lot of vague talk about closing loopholes. Let us find out what loopholes they want closed. Do they want to close the mortgage loopholes, by which millions of Americans are benefited? Do they want to reduce the benefits for beneficiaries? Do they want to say, "Let us get rid of the depletion allowance," when we are faced with the greatest energy crisis that has ever faced the Nation? Or do they want to do away with such things as the investment credit type of relief? If so, let them say so.

Above everything else, let them have some figures on what the closing of those loopholes will mean in additional revenue. Otherwise, we will have no information but will just have a lot of oratory. We will have tax reform, yes. However, usually people say that they are for tax increases. Whom are they going to soak? How much are they going to soak them? Where are they going to get the money, and how much will the closing of each loophole cost? How much real chance do they think they have of closing loopholes?

I hope today that oratory may be ingrained with a little fact or at least inlaid with some factual statements in order that we might see some substance in what is normally a very cloudy type of subject.

The PRESIDENT pro tempore. Under the previous order, the Senator from Maine is now recognized for not to exceed 10 minutes.

Mr. MUSKIE. Mr. President, in response to the remarks of the distinguished minority leader who seeks substance on the issue of tax reform, I point out that in January of this year I spelled out the elements of what I thought would be a responsible program. Last week I introduced a bill, S. 1439, that was 62 pages long and had many constructive suggestions that get down to the nitty-gritty of the issue.

I remind the minority leader that last week, in adopting a ceiling, the Senate took the position that in the event additional revenues are generated by tax reform measures, Congress shall look at the ceilings again for the purpose of determining whether the additional revenues should be used to fund essential services that might otherwise be neglected.

So, may I say to the distinguished minority leader that those of us who speak this morning do speak responsibly. We do offer specifics. We do not have to rely upon such red herrings as the possibility of eliminating or reducing the mortgage interest for the purpose of benefiting the home owner.

Mr. President, if I may continue——

Mr. SCOTT of Pennsylvania. Mr. President, will the Senator from Maine yield briefly?

Mr. MUSKIE. Mr. President, I am limited to 10 minutes, which was supposed to start at 9:30. I have a commitment at 10 o'clock this morning. I would be delighted normally to yield to the Senator from Pennsylvania. However, I do have a limitation on time.

Mr. President, with the assurance of

the distinguished majority whip that I will have time yielded to me, I will yield briefly. However, the other Senators also have limited time.

I now yield to the distinguished minority leader.

Mr. SCOTT of Pennsylvania. Mr. President, I ask the Senator to cover one other subject. He has spoken of additional revenues obtained and what uses may be found for them. I respectfully ask the distinguished Senator from Maine if it ever occurred to him that, if we do obtain additional revenues, they might be returned to the taxpayer so that he might put them in his pocket?

Mr. MUSKIE. That is another red herring that the leader and some of the other members of his party throw down on this issue.

The proposal offered by the Senator from Maine last week does not add a *penny to the* tax income of middle Americans. This is offered so that the tax burden will be shared more equitably among those who do not now bear a fair share.

I intend to get into some of this matter in my 10 minutes this morning. I am sure that some of the other Senators will do the same in the colloquy that will be had.

I suggest also to the distinguished minority leader that the President of the United States last year promised us that there would be tax reform legislation, a promise about which we have heard nothing from the administration or its spokesmen in the Senate this year.

I think that the American people are struggling with the burden of the increased cost of living and the inflation brought on by the policies of this administration. And every taxpayer would be interested to know that the President proposes to do to see that the burden is shared fairly among Americans who do not now bear them.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time already consumed by the Senator from Maine be taken out of the time allotted to me under my order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I thank the distinguished majority whip.

TAX REFORM: A TOP PRIORITY

Mr. MUSKIE. Mr. President, the combined effort of Senators taking the floor this morning to speak together to the subject of tax reform represents more than an oratorical exercise. We hope our voices will carry one simple message beyond the walls of this Chamber: tax reform must be a top priority of this Congress.

The inequities of the Federal tax system can be cured. Many of them are well-known, and their perpetuation, through inaction by the Congress, denies our claims both to fairness and to fiscal responsibility. Every year that we fail to correct unjustness in the tax code more citizens lose confidence in their Government and its will to justice.

And every year that tax shelters, tax preferences, and tax incentives remain unexamined and unreviewed, the Federal Treasury loses billions of dollars in revenues. One estimate places their total cost at $77 billion a year, more than one quarter of the total direct Federal budget. To make good our claim to fiscal responsibility, we must give these tax expenditures the same thorough scrutiny we give the budget itself.

The President claims that Congress is irresponsible when it appropriates funds for social programs. He feels these appropriations drain the Treasury, fuel inflation, and do not respond effectively to the Nation's most pressing needs. He has made himself the sole judge of the effectiveness of these programs.

Vetoing an authorization of funds—not an appropriation, just an authorization—for the rehabilitation of America's handicapped, the President alleges that:

> The cumulative effect of a Congressional spending spree would be a massive assault upon the pocketbooks of millions of men and women in this country.

His personal decision on our spending priorities reflects an unjustifiable emphasis on defense spending, at the expense of our human needs.

But leaving aside this deep policy disagreement, I agree, as most in the Congress do, that we must act with frugality and responsibility in our spending decisions. We must make sure that the purposes of Government spending are worth the costs they impose on the public and on the Treasury.

Although tax expenditures are conceptually similar to direct Federal spending, the evaluations they receive are quite different. A direct Federal spending program is usually proposed in Congress as an authorization bill. It receives thorough hearings in those House and Senate committees familiar with the problems and programs in the subject areas. After committee hearings, each House acts on the authorization, with the opportunity for full debate. But in most cases, this initial evaluation is only the beginning of the decisionmaking process. Before any money is spent, funds must be appropriated by still another set of committees. And throughout this authorization and appropriations process, the President is forced to give us the benefit of his judgment and evaluation on spending items.

This process is not, of course, a perfect one. Congress needs to reevaluate its budget process and resolve disputes with the President as to his role. But in the process of modeling the direct Federal budget, we are forced to make distinct and visible judgments on the cost and the benefits of direct Federal program.

But tax expenditures receive no regular cost-benefit evaluation. Some of the most costly of the tax preferences have been on the books for many years—the mineral depletion allowance and the exemption for interest on municipal bonds, for example. Some of them, such as the ADR system, and the special preferences for domestic international sales corporations, were added more recently. In none of these cases, however, did these tax preferences receive the systematic assessment they deserve.

There is more than one procedure which will allow us to make regular evaluations of tax expenditures. One proposal was made jointly by our distinguished majority leader, Mr. MANSFIELD, and the chairman of the House Ways and Means Committee, Mr. MILLS, last summer. Under their plan Congress would prospectively repeal all tax preferences. Then, as each repeal fell due, Congress would be forced to evaluate whether the expenditures deserved to be continued, whether they actually met their policy goals, or whether they should be modified or abolished.

Another approach would be to study the preferences and expenditures and decide which needed to be changed and which should be repealed. This is the approach I took in introducing S. 1439, the Tax Reform Act of 1973. It would create an additional $18 billion in Federal revenue by fiscal year 1975 through modification and repeal of a number of tax shelters and preferences.

But whichever approach Congress takes, it is important that we measure tax expenditures just as we weigh direct expenditures. We never assume that Federal money should be appropriated unless someone proves the expenditure is unwise. On the contrary—we always assume that only the most effective and least expensive programs should be funded by the Federal Treasury.

This approach puts the burden of proof on those who would spend money. They must justify the goals of the expenditures and, more importantly, they must demonstrate why Federal dollars must be spent for these purposes, rather than others. They must show us why the program they propose will be an effective use of money and how it will solve the problems it is designed to meet.

But this same approach has never been applied to tax expenditures. For instance, the special benefits for oil and gas were not initially adopted to encourage drilling for scarce fuels. And the favored treatment for real estate investments was not designed to encourage building of apartments and office buildings. Never have the many preferences in the tax code received the same thorough analysis we make of the Federal budget.

Now is the time to analyze these preferences and end or alter those that operate unfairly to enrich the few. And that analysis, I believe, shows that we should cut back on the expenditures in the tax code before we cripple needed human programs in the Federal budget.

This administration seeks to phase out the Office of Economic Opportunity, supposedly to save $780 million in this and the next 2 fiscal years. Instead, I believe we should phase out the preferences we accord income from foreign investments—for new Treasury revenues of $1.5 billion annually in 1975.

The administration is attempting to terminate Federal housing and model cities programs, supposedly to save $1.7 billion through fiscal 1975. Instead of abandoning these programs which offer shelter to the disadvantaged, we should be phasing down the special treatment given capital gains income—and bring into the Treasury an extra $2.1 billion a year by 1975.

This administration seeks to end Federal support for Hill-Burton hospital construction programs, at a bookkeeper's saving of $156 million by the end of fiscal 1975. It wants to increase the costs to the elderly, in the medicare and medicaid programs, to "save" $1.5 billion in that same period.

These and other vital programs work for the health of all Americans. Instead of wiping them out or cutting them back, we should be improving the health of the Federal Treasury by wiping out the favoritism of the ADR system for large corporations—and earning the Treasury over $4 billion a year in 1975.

We have a choice in this Congress, one that affects the well-being of all Americans and of our system. We can continue to behave as though our resources were unequal to our needs, or we can use tax reform to bring both fairness to the law and financial support to the objectives of progress we all share.

The choice is simple. It is responsible. It is essential that we make it correctly and make it now.

The PRESIDENT pro tempore. Under the previous order, the Senator from Massachusetts (Mr. KENNEDY) is recognized for not to exceed 10 minutes.

Mr. KENNEDY. Mr. President, I am pleased to join in this important colloquy this morning as a timely symbol and demonstration of our commitment in the Senate to the cause of tax reform.

Across the Nation next Monday, April 16, millions of American taxpayers will file their Federal income tax returns to meet the annual deadline of the Internal Revenue Service. It is entirely appropriate, therefore for the Senate to take the occasion this morning to deal with tax reform, a subject that is of growing interest to every taxpayer in the Nation.

We have a crisis over tax reform today because countless ordinary men and women now realize that our revenue laws are basically unfair. Our present Federal revenue laws are nothing but a giant sieve, full of loopholes through which pour billions of dollars in special benefits each year. In fact, the Internal Revenue Code is America's biggest welfare bill of all. But it is the sort of welfare that only Alice in Wonderland can understand, because the greatest benefits of tax welfare go entirely to the richest individuals and the Nation's largest corporations.

Rarely has anyone described the existing feeling more effectively than Phil Stern in the title of his new best-seller, "The Rape of the Taxpayer." We have a tax system in the Nation today that flouts the principle of our progressive income tax, and turns it instead into a Swiss cheese full of loopholes, incentives, shelters, and safe harbors for the special interests and the few who have the wealth and expertise to profit from such provisions.

To paraphrase a famous aphorism, our tax laws in their majestic equality allow the poor as well as the rich to invest in State and local bonds, to reap long-term capital gains, to search for oil, and to hire tax lawyers and accountants to navigate their way effectively through the revenue laws.

But we know that only the rich are able to play the loopholes well. Middle and lower income Americans simply cannot afford the substantial sums that are necessary if they are to take advantage of the many different tax shelters that now exist. Not only do we have a promiscuous system of tax welfare, but it has a "means" test, too. According to most estimates, the threshold income level for effective use of tax shelters is in the neighborhood of $50,000 a year, far beyond the reach of any ordinary citizen.

Wherever we look, we find the tax base being eroded by deductions and exemptions, by windfall subsidies, by questionable incentives for various industries, by benefits that have long since outlived whatever justification they might have had when they were first enacted, and even by sinister loopholes quietly written into the law for the benefit of particular individuals or corporations—"tax fingerprints" that dot the Revenue Code in silent tribute to the political muscle of the wealthy and the powerful in the Nation.

An excellent recent study by the Brookings Institution tells the story. According to the findings, the income taxes paid today are extremely modest when calculated on the basis of "effective tax rates"—the percentage of a taxpayer's total income that actually goes for income taxes. The difference between the stated rate and the effective rate gives rise to what Mr. Stern and many others call "tax welfare"—the annual subsidy a taxpayer receives because of the loopholes in the laws:

Overall income	Effective tax rate (percent)	Average annual tax welfare payment
Under $3,000	0.5	$16
$3,000 to $5,000	1.7	148
$5,000 to $10,000	5.3	340
$10,000 to $15,000	8.7	651
$15,000 to $20,000	10.7	1,181
$20,000 to $25,000	12.1	1,931
$25,000 to $50,000	14.5	3,897
$50,000 to $100,000	23.5	11,911
$100,000 to $500,000	29.5	41,480
$500,000 to $1,000,000	30.4	202,752
Over $1,000,000	32.1	720,448

The effective tax rates are still progressive, to be sure, but instead of ranging from 14 percent to 7 percent, as the schedules say, they range instead from less than 1 percent to only 32 percent.

The really interesting figures, however, are the figures on tax welfare—the enormous subsidies bestowed by the Revenue Code on upper income taxpayers. There are six million families in the "under $3,000" category, yet they receive only $16 in "tax welfare." The 3,000 families with income over $1 million get over $700,000 in tax welfare each. Put another way, 70 percent of the Nation's families have incomes less than $15,000 a year, but they get only 25 percent of the tax welfare. And the 0.3 percent of the families with incomes over $100,000 get 15 percent of the tax welfare.

It is facts like these that make the case for tax reform so compelling. How can the administration fail to see the need? Or is it just that only the tax barons have the President's ear, so the issue always seems remote and unimportant?

Clearly, when we talk about tax reform, we are not talking about insignificant amounts. We are talking about billions of dollars in urgently needed funds—dollars that can be used in a variety of ways to help meet all the challenges we face at home and overseas.

Tax reform can provide dollars to reduce the budget deficit; dollars for homes and jobs and schools and health; dollars for policemen and drug control; dollars for transportation and the environment; dollars to reduce the soaring burden of property and payroll taxes; dollars for revenue sharing with State and local governments—in short, dollars to meet all our urgent national priorities that have already been set in the past, and that will be set in the future by Congress, the administration, and the American people.

It is no accident, therefore, that tax reform is now erupting as one of the most important issues in the Nation this year. It is a powerful mass movement that can no longer be denied, and it is long past time for the administration to take up the people's cause.

Two weeks ago, on the interest equalization tax bill, the Senate adopted an amendment I offered requiring the administration to submit a comprehensive tax reform program by the end of July. In order to avoid the compulsion of that amendment, the administration suddenly decided to accept a long-standing invitation, and agreed to testify before the House Ways and Means Committee on April 30. Although the amendment was later dropped by the House-Senate conference, it served its purpose, and the members of the Ways and Means Committee will now have the opportunity to question the administration on whether it really believes the only meaningful loopholes are those that give deductions for contributions to the Boy Scouts and for homeowners' mortgage payments. The Nation will endure April 16 with more than a little pain, but it will be watching April 30 with more than a little interest.

ORDER OF BUSINESS

Mr. MOSS. Mr. President, will the distinguished Senator from Massachusetts yield?

Mr. KENNEDY. Mr. President, I yield my remaining time to the Senator from Utah.

The PRESIDENT pro tempore. The Senator from Utah has 5 minutes.

Mr. MOSS. Mr. President, could I be recognized under the order in which I was assigned 10 minutes?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Utah (Mr. Moss) may now be recognized without prejudice to the distinguished Senator from New York.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TAX REFORM PROPOSALS

Mr. MOSS. Mr. President, I am pleased to join my colleagues in today's colloquy on the subject of tax reform. As the annual deadline for the payment of Federal income taxes approaches, it is very important that Congress serve notice on the President that the American people do care deeply about fundamental change in our tax system, to make it more equitable and more productive even though President Nixon has chosen to place his head in the sand, apparently hoping that the issue will go away.

The case for tax reform is, first and foremost, a matter of simple equity. We cannot, in good conscience, continue to place the heaviest tax burden on the middle and lower income groups—in other words, on those who are least able to bear the heavy weight of taxation. So the first objective of tax reform should be to reduce the burden now placed upon families of moderate income.

But while the question of fairness remains the moral basis of reform, it is also high time we recognized that our present tax structure involves terrible economic waste. The tax breaks—or loopholes—granted to the moneyed interests in society are nothing less than vast Government subsidies. When persons with incomes in the hundreds of thousands of dollars pay no income tax, they do so at great Government expense. And at a time when programs vital to the disadvantaged members of society are starved for funds, our Nation can ill afford to make Government handouts to the very rich.

For all the zeal the President has expressed in slashing Federal spending, the President has remained strangely silent about the large subsidies the Government pays out every year in the form of tax advantages. In fact, the only sound we have heard from the administration has come from domestic affairs advisor John Ehrlichman. According to Mr. Ehrlichman, tax reform will bring additional revenue only by eliminating the homeowners' deduction for mortgage interest and the deduction for contributions to such charities as the Boy Scouts and churches.

This statement is simply preposterous. According to Stanley Surrey, former Assistant Secretary of the Treasury, tax preferences cost of the Federal Government the whopping sum of $60 billion in 1972. Revenue lost through charitable contributions and homeowners mortgage interest represents only a minute portion of this sum. There are many other costly subsidies that have no benefit for the average American taxpayer. Let me cite just two prominent examples.

Under the current tax laws, a provision known as the Asset Depreciation Range—ADR—permits a business firm tc write off plant and equipment at a rate of 20 percent faster than the industry average. When ADR was put into effect in 1971 its purpose was to encourage investment in new plants and equipment. But the 7-percent tax credit was also put into effect during the same year for exactly the same purpose. There is serious question as to whether either of these provisions are really necessary, and quite obviously we do not require both of them. So even if we decided to keep an investment subsidy in the form of the 7-percent tax credit—and I am not sure that we should—we could still save $4 billion by discontinuing ADR.

Another provision in our tax laws permits a capital asset to be held and passed on from generation to generation without the appreciation on the asset ever being subject to taxation. In this period of inflation especially, this particular subsidy is one of the most inequitable in our tax structure. It benefits mainly those families with considerable accumulated wealth, and serves no useful economic purpose. In fact, it probably hinders reasonable allocation of resources by freezing investment positions. By taxing capital gains at death, we could gain nearly $3 billion in additional revenue in 1974, even if we retain exemptions for small estates and certain personal and household effects.

Mr. President, several bills have been introduced in this session of Congress that point to a number of other areas in the tax structure where reform is long overdue. It is incumbent on Congress to undertake a searching examination of our system of tax preferences. We must do so in the name of both fairness and economy. We should view tax subsidies, such as those granted to capital gains or to foreign investment, in the same critical light that we view Government social programs or defense projects. If we view tax reforms in terms of the savings they might bring the Government, our budgetary choices are not limited to the narrow ones that President Nixon has attempted to impose. We can keep expenditures at a noninflationary level, without dismembering the Federal programs that are so vital to many Americans.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from California (Mr. CRANSTON) is now recognized for not to exceed 10 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Colorado (Mr. HASKELL) may be recognized under his order at this time, without prejudice to other Senators, and I ask unanimous consent that any time that remained to the distinguished Senator from Utah (Mr. Moss) under his order may be reserved to my control.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HASKELL. I thank the distinguished Senator from West Virginia.

THE NEED FOR EQUITY IN TAX REFORM

Mr. HASKELL. Mr. President, during the campaigns for the Presidency, for the Senate, and for the House of Representatives, a great deal was said about the necessity of reforming and bringing equity into our income tax structure.

Recently, President Nixon, speaking through John Ehrlichman, stated that there were no loopholes, that there was no way to reform, that our income tax laws did not need reforming, and that persons who would, so to speak, reform the tax laws would take away from the middle and the lower income tax persons deductions for such things as charitable contributions and interest on mortgages on homes. Mr. Ehrlichman ignored the facts. Whether it be intentionally or unintentionally, I would hesitate to speculate.

The senior Senator from Maine has introduced a tax reform measure in the Senate which I am extremely pleased and proud to join in as a cosponsor. The bill of the senior Senator from Maine would not affect exemptions or deductions of the moderate or the low-income tax group. Indeed, the Senator from Maine addresses his bill to the loopholes of the extremely wealthy and the large corporate interests of this country. He demonstrates that it is possible, without ever affecting the broad spectrum of taxpayers in this country, to raise $18 billion in tax revenue. I point out that the Executive budget shows a deficit of $12 billion, and therefore the bill of the Senator from Maine not only would close the gap of the deficit but also would raise $6 billion in addition.

Mr. President, the inequities of our tax laws can best be demonstrated by the fact that any business or any person of great wealth has two separate, perfectly legal statements of income.

The first statement of income is prepared for the owner of a business or the stockholders, using normal accounting principles. The second statement of income is for the benefit of the Federal Government, on which taxes are paid.

It has been demonstrated over and over again that the first statement of income is many times higher than the second statement of income. Only by pointing this out can I put into focus the fact that there are indeed loopholes, that the realistic statement of income is many times larger than the statement of income on which taxes are paid.

Mr. President, I trust that in this session we can fulfill campaign promises, that we can put equity into our tax laws, and that we can do justice to the broad spectrum of U.S. citizens.

In closing, I am very pleased to join in this effort to put common decency and fairness into our income tax laws.

I yield back the remainder of my time.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Rhode Island (Mr. PELL), is recognized for not to exceed 10 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time yielded back by the distinguished Senator from Colorado may be under my control.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time of the Senator from New York (Mr. JAVITS), allocated under the order, may be under my control.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, the time to be taken out of my time.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from California (Mr. CRANSTON) is recognized for not to exceed 10 minutes.

TAX REFORM

Mr. CRANSTON. Mr. President, I believe meaningful tax reform should serve two purposes. It should make the tax laws more equitable—that is less burdensome proportionately—for lower and middle income wage earners; and it should be a means of raising new Federal revenues.

Responding to the public's demand for tax reform, President Nixon's chief adviser for domestic affairs said plainly the only way to raise new money through tax reform is to remove two of the most basic deductions for middle income wage earners—the interest payments on home mortgages, and the charitable contribution deduction.

I, for one, do not accept Mr. Ehrlichman's conclusion. I believe Congress needs to undertake a complete and thorough review of the tax laws, examining each deduction for its current appropriateness. Recognizing that the Federal revenue pie is not unlimited, we must get the most for our money. This will require the elimination of inefficient and outmoded tax breaks. I do not question that at the time of enactment of most existing deductions, there was some justification for them. But many, if examined in the context of a full scale tax review, would not stand the test of time. I believe a mechanism should be established for reviewing all deductions regularly, perhaps every 3 years, to reconsider their cost/benefit ratio. This way we can make the most efficient use of our Federal dollars.

I was a cosponsor last year of the Mills-Mansfield proposal. I supported the bill as a vehicle for a top to bottom examination of all tax breaks, deductions, and loopholes. I felt then, and I do now, that any kind of tax reform should be considered within the context of a comprehensive review of all the tax laws. This is a difficult undertaking. Maybe it is an impossible undertaking. But I think piecemeal tax reform, as has been done in the past, will only result in new inequities and contribute to the patchwork nature of our present tax laws.

It seems to me Congress should prepare a kind of tax budget to determine the cost in terms of lost revenues of existing tax breaks, and the estimated dollar benefit of any new tax proposals. Any tax reform measures would then be considered in the context of their effect on the total revenue picture. And the cost/benefit relationship of existing deductions would be easily assessed.

At this point, I would like to cite an example of an appropriate area for tax reform. It is one which would serve both purposes I stated earlier. It would both raise new Federal revenues and shift some of the tax burden to higher income levels.

During my 8 years as State comptroller in California, I became quite familiar with the workings of the Federal estate tax system. It became clear to me that the laws affecting accumulation of assets, capital gains and inheritance, clearly worked to the advantage of those who would accumulate huge estates in the form of appreciated assets which, if sold, would be subject to sizable capital gains taxes. If held, at the time of death these assets are appraised at fair market value and subjected only to normal estate taxes.

For example, take a case where a farmer bought a parcel of property for $5,000 in 1930. Suppose that asset has appreciated to a quarter of a million dollars in 1970. If he sells the property while he is alive, he has to pay a capital gains tax on the difference between what he paid for the property and the selling price. And that amounts in this case to such a substantial sum that the major part of the property winds up being confiscated. Unwilling or unable to sell the property under these conditions, and desirous of passing the benefit of his appreciated property on to his heirs, the farmer has no choice but to hold the land until he dies. It then passes to his children through the estate. The reason is, at the time of his death the property is appraised as an asset of the probate estate at its fair market value on the date of his death. That asset, at a quarter of a million dollars, is subject to the normal deductions against the estate. The heir pays a Federal estate tax computed on the basis of the full estate. Then the quarter of a million dollar asset passes to the heirs and they may do what they wish with it.

To continue with my fictitious example, the heirs sell the property for a quarter of a million dollars. They pay no capital gains tax. The property has not appreciated in their possession. So no capital gains tax was ever collected by the Federal Government on the difference between the original purchase price of $5,000 and the appreciated value of $250,000. The only tax has been the estate tax on the total property inherited, and that would have been collected anyway, even if the father had sold the property, paid capital gains tax on it, and passed on to his heirs the cash value of the sold property.

This example, compounded many times by the huge accumulations of property by some of our Nation's wealthiest families, represents an estimated loss of revenue to the Federal Treasury of about $2 billion annually. The effect of the laws is to encourage the amassing of large estates and discourage liquidation of appreciated investments.

I believe Congress should revise the estate tax laws along the lines of a proposal which has already been submitted on the House side.

The proposal involves collecting a capital gains tax at the times of death according to the appraised value of the property. Once the estate has reported to the court on the value of the property, IRS would make a determination that there was a capital gains tax owed by the estate. Like any other delinquent tax owed by the estate, income tax for example, the capital gains tax would be due and payable immediately, or during the probate of the estate.

That capital gains tax would be, to go back to the example of the farmer, the tax on the difference between the $5,000 purchase price of the property and the $250,000 assessed value of the property at the time of death. The tax due from the estate would be viewed like any other encumbrance, that is to say it would be a deduction against the fair market value of the estate. For the purpose of determining the value of the estate for Federal estate tax purposes, the taxable value of the estate would be reduced by the amount of capital gains tax owing.

If Congress were to adopt this proposal, I think we would have to make it fair to individuals who have been holding appreciated assets for many years based on existing laws. They have made sacrifices and they have not enjoyed the income from their appreciated property in order to permit their heirs to have it.

Many individuals I have known in California have resorted to living close to poverty on their extensive land holdings simply because they cannot afford to sell the property and pay enormous capital gains taxes. We certainly shouldn't pass a law that says to these people that the ballgame has now been completely changed. I think we would have to grandfather in certain types of preexisting conditions.

So I say to Mr. Ehrlichman: there are ways to effect tax reforms and increase Federal revenues without making the already overtaxed wage earner bear the brunt.

I believe it is Congress' responsibility to find these ways. And I hope we can give high priority to the job that needs to be done.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Washington (Mr. JACKSON) may be recognized at this time without prejudice to Senators whose orders precede his.

The **PRESIDING OFFICER** (Mr. CLARK). Without objection, it is so ordered.

The Senator from Washington is recognized.

FEDERAL EFFORTS TO ENCOURAGE STATE TAX REFORM

Mr. JACKSON. Mr. President, I welcome this opportunity to speak on the subject of tax reform. Specifically, I would like to address myself to the problem of overloaded State tax systems. I will make two principle points in my remarks. First, State, and local tax systems have become alarmingly regressive and intolerably burdensome to the average taxpayer in recent years. This fact makes it necessary and desirable that the Federal Government make an extensive effort to relieve the increasing tax pressures. And second, the best method of helping to relieve State tax pressures is to completely relieve the State taxpayer of the heavy financial burden of supporting welfare and to greatly reduce the burden, which falls primarily on the property taxpayer, of supporting public education. These objectives can be achieved on the one hand by "federalizing" the welfare system and on the other by increasing Federal aid to education from the present level of 7 percent of State educational budgets to at least one-third of those budgets over a period of 5 years.

There was a time, not too long ago, when the State tax collector was like a troublesome child in the neighborhood; he could be an annoyance and an inconvenience, but compared to the Federal tax collector he was hardly noticed. This situation has changed drastically. The State "taxman" is now more like a child who has grown up a bit and has become the "bully" on the block. His total impact is approaching that of the Federal tax collector and, moreover, the State tax collector is thoroughly regressive in his collection habits.

Let me illustrate this point. In 1960 State tax collections totaled only $18 billion; in 1972 this rose to nearly $60 billion. This represents an increase of over 300 percent in total State and local tax collections, and a per capita increase in collections of 280 percent in just 12 years. The increasing State tax bite has come about as the result of spiraling increases in State budgets. For example, between 1960 and 1972 State and local spending for welfare increased about four times; spending for education went up three times and the cost of medical and health programs doubled.

Thirty years ago total State tax collections amounted to approximately one-fourth of total Federal tax collections. Compared to the Federal tax collector the State taxman was a minor factor. But by 1972 State tax collections were up to 71 percent of Federal collections. And as if this were not enough of a burden on State taxpayers, it must be remembered that these tax increases have occurred primarily in the two most regressive taxes in existence, that is, the property tax and the sales tax. Together these two taxes account for approximately 51 percent of all the revenue raised by State and local governments, and these taxes hit hardest against the low income homeowner and consumer who can least afford to pay.

It is clear to me that State tax systems have reached the breaking point because of the incredible increase in the cost of State government and the growing burden imposed by regressive State taxes.

Tax reform at the State level is essential and the several State legislatures ought to act to relieve the pressure that is building and which threatens to bring about a full scale tax revolt among State taxpayers. Congress cannot, of course, act directly to alter State tax laws. However, I believe that Congress can take positive action to help relieve the excessive State tax burden by helping to relieve the spiraling financial obligations of the States.

Congress intended to achieve this purpose when it passed the Revenue Sharing Act. I supported this legislation for that reason. However, revenue sharing has turned out to be of less assistance than the States believed it would be, and it is being used as a "Trojan horse" by the Nixon administration to conceal cuts in other programs of assistance to State and local governments.

I believe that it would be far more effective for the Congress to assist the States by federalizing the existing welfare system and by substantially increasing Federal aid to public education. The cost of welfare and education represents over 51 percent of all State and local expenditures and are the biggest items in almost all State budgets. In 1970 education expenditures accounted for over 40 percent of the money raised through State and local taxes and welfare accounted for an additional 11.2 percent.

At present the Federal Government pays for about half of the cost of welfare and a mere 7 percent of the cost of public education. I believe that the Federal Government ought to completely take over and reform the welfare system. At present the system is a hodgepodge with 50 separate State welfare programs.

This only makes possible welfare abuse and a system in which there is no incentive for the working poor. The welfare mess is a national problem which must be attacked from the Federal level. During the last Congress H.R. 1 was enacted into law. One feature of this legislation was to federalize assistance for the aged and blind. This legislation was a step in the right direction, but it did not go far enough. The federalization of old age assistance and assistance to the blind will save the States over $883 million in 1974. However, if all welfare were federalized, we would have a fairer and better welfare system and we would at the same time relieve the States of nearly 12 percent of their State budgets.

Second, if Federal aid to education were increased to 33 percent of the total cost of education it would do a great deal to relieve the pressure on the property tax which at present accounts for the vast bulk of revenues out of which education is financed. The property tax is a classic example of regressive taxation; it hits low-income people and particularly the elderly with a vengeance. Among elderly homeowners property taxes take fully 8.1 percent of all income and very frequently the income of an elderly person is limited and not likely to increase. Among homeowners under age 65 with an income of below $5,000 property taxes take 7.2 percent of all income; this figure decreases in a straight line until it reaches 2.9 percent for homeowners with an income over $25,000.

Clearly, this is an intolerable burden to impose on our lower income and aged citizens. So long as the property tax remains virtually the only source of revenue available to local school districts there cannot be equity in the State tax system. Increased Federal aid is essential to improve the present situation where property taxes have reached almost confiscatory levels.

Applying 1970 data on State and local expenditures and Federal assistance to the States the following results would flow from the proposal I am making here. First, total Federal assistance to the States would be nearly doubled, from 16.7 to 31 percent. Thus, State budgets would be relieved of 15 percent of the existing tax burden. By federalizing welfare and greatly increasing aid to education we could achieve desirable reforms in the programs involved, we could more fairly distribute the costs of these programs throughout the population, and we could permit the States to cut back on their overburdened property and sales taxes.

Mr. President, I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, who is to be recognized now?

The **PRESIDING OFFICER**. The Senator from Rhode Island (Mr. PELL).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged against the order allotted to me.

The **PRESIDING OFFICER**. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, the coffers of our Federal Government represent very well the misery Charles Dickens described when he wrote, in "David Copperfield":

> Annual income twenty pounds, annual expenditure nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery.

This fiscal misery has been the subject of innumerable diatribes passed back and forth along Pennsylvania Avenue in recent weeks. The so-called battle of the budget has focused on the responsibility for the level and direction of government spending. But Charles Dickens did not forget, and neither should we, that there are two sides to the budget coin—expenditure and income.

Mr. President, for every minute we spend on the floor of the Senate debating how to allocate the Federal dollar, we should spend an equal amount of time debating from whom that Federal dollar is being collected. The "who, what, and how much" of the appropriations process is equally as critical for our system of taxation.

Every year we carefully consider 13 appropriations bills. Mr. President, I submit that our tax laws deserve as much attention. And so I welcomed the proposal made last year by our distinguished majority leader, Senator MANSFIELD, and the distinguished chairman of the House Ways and Means Committee, Mr. MILLS, to systematically review virtually all of the tax preferences in the code.

In 1970 there were at least 112 Americans with incomes above $200,000 who paid no taxes at all. Critics scoff at the mention of such a melodramatic statistic, saying that taxes from these persons would represent only a relatively miniscule amount of additional revenue. But for every one of these 112 legal tax evaders, there are thousands who paid almost no taxes. And for every dollar these people do not pay, one more dollar is withheld from some average wage earner's pay envelope.

Our tax rates are supposed to be progressive. Those who can afford the most are supposed to pay the most. Table X in form 1040 says that if your income is over $100,000, you are supposed to pay 70 percent. But nobody pays 70 percent. If anyone does, he ought to fire his accountant, because the real after-loophole tax ceiling in America today is about 30 percent.

Consider the $750 personal exemption, which affects everyone. At present, the personal exemption is worth $525 in taxes saved to the taxpayer in the highest bracket and only $107 to the taxpayer in the lowest bracket. By simply substituting a $150 tax credit for the personal exemption, we could simultaneously reduce the tax burden for about 30 million taxpayers with incomes below $10,000 and save almost $2 billion in revenue a year.

Last year the Joint Economic Committee reported that there are almost $40 billion in taxes every year which the Federal Government might collect but does not. Some of these tax breaks are entirely justified. They serve the interests of all the people, and their cost is legitimately borne by all the people. But how do we justify loophole after loophole serving the interests of a few at the expense of the taxpaying public?

In 1969, President Nixon said:

> Special preferences in the law permit far too many Americans to pay less than their fair share of taxes. Too many other Americans bear too much of the tax burden. This administration is determined to bring equity to the federal tax system.

One need only look as far as the Revenue Act of 1971 to see the results of this determination.

The President threatened to veto the bill as it emerged from the Senate with what he called "budget busting" provisions, such as an increase in the low-income allowance and my own amendment to allow a tax credit for those elderly citizens paying property taxes. The President, however, was perfectly content with the permanent loss of revenue embodied in the investment credit, liberalized ADR and DISC.

Again, last June, the President promised to make recommendations for tax reform along with the budget. Well, we have had the budget for 3 months now and we still do not have tax reform proposals from the administration.

Only last week the frustration of consumers over the high cost of meat vented itself in a revolt of sorts in the form of a nationwide meat boycott. For some time now we have been told that a taxpayers' revolt is not as unlikely as we may have thought. Mr. President, before yet another April 15 is upon us, before the frustration and anger over an unfair tax system can build up over another year, it is my sincere hope that Congress will take the initiative toward meaningful tax reform.

Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time be taken from the time of the Senator from West Virginia.

Mr. HUGHES. Mr. President, if the majority leader would like, I can proceed out of order.

Mr. MANSFIELD. Mr. President, I make that unanimous request.

The PRESIDING OFFICER. Without objection, the Senator from Iowa is recognized for not to exceed 10 minutes.

TAX REFORM

Mr. HUGHES. Mr. President, I am pleased to have this opportunity to participate in the discussion on tax reform and the tax structure of our country.

For months now we have heard the administration's rhetoric justifying the abandonment of years of Federal effort to improve the quality of life for millions upon millions of Americans as being necessary to avoid a tax increase. Lately the rhetoric has included the use of figures—we are told that the programs the Congress is proposing—and the President is vetoing—would mean an inevitable 15-percent increase in the income tax. And at this particular time of year, such a possibility would appear to be particularly ominous.

Furthermore, we are being told that the only kind of tax reform that would result in increased revenues so as to pay for Federal programs would be reform which would deny to the average family present allowable deductions on his home, his medical expenses, his charitable contributions.

In other words, Mr. President, the hard-pressed average taxpayer in this country is being told that the only way he can avoid even more difficulty for himself is to sacrifice those even more unfortunate.

No longer, we are told, can we afford to help the farmer practice sound conservation.

No longer, we are told, can we afford to help the unemployed to be retrained or to find other employment.

No longer, we are told, can we afford to pay half the cost of medical care for our elderly.

No longer should we help the youth of our country to stay off the streets and out of trouble through summer jobs.

No longer should we help mothers to stay off welfare by seeing to it that their children get adequate child care.

No longer should we prevent the warehousing of our retarded or handicapped through special help.

We must, we are told, put a moratorium on the effort to provide decent housing for all of our citizens.

We must, we are told, put a moratorium on expanding educational opportunities for vast numbers of American youth.

We must, we are told, put a moratorium on expanding our supply of nurses, doctors, and research scientists.

If we do not, we are warned, income taxes will be increased.

The average American taxpayer has a right to be concerned, and no one can blame him if he is worried about the possibility of a tax increase. For he knows, Mr. President, that a tax increase has already been imposed on him in the form of an increase in the social security tax rate and the broadening of the social security tax base. He knows, too, that only the covered wage earner making $10,600 or less bears the major brunt of this increased taxation. Is it any wonder that he feels frustrated? Is it any wonder that he is seeking a scapegoat?

But I submit, Mr. President, that it is a sham and a fraud for him to be told that the only way the Federal Government can continue its humanitarian programs is through increased taxation of the average citizen. I repeat, it is a sham and a fraud.

On the budgetary side, we all know while people programs are being sliced, cut to the bone, or eliminated, our military and foreign assistance budget calls for an increase of $6.7 billion, or some 8.3 percent. This huge increase has been requested even though the *hostilities* in Vietnam are mercifully over, even though the cold war is winding down, even though huge military expenditures are known to be the major cause of inflation.

Congress can and will, I know, cut these huge military expenditures so that they will more realistically fit *today*'s world conditions and yet maintain an adequate defense. By taking such action we will be able to free more money to be used for so many of our unmet domestic needs. By taking such action we can continue those programs which have, slowly but surely, step by hesitating step, had an impact on the lives of millions of Americans who turned to their Government for help when it was unavailable from any other source.

On the revenue side, Mr. President, it is incumbent upon us to see to it that the tax burden is shared equitably. Unfair taxation is perhaps the greatest wrong a government can perpetrate upon its people. For as the knowledge and recognition of inequities grow, frustration, distrust, and the sense of futility mount. When two individuals have the same income but are taxed at different rates because the source of the income was different, is it any wonder that one of the taxpayers feels that taxes are unfair? When studies show that a man making $10,000 a year pays about one-third of that income in Federal, State, and local taxes—just as does the man making $25,000 a year—is it any wonder that the former feels something is amiss? And when a single person pays more in taxes simply because he is single, can we blame him for calling foul? And when the corporate income tax share of the Federal revenue dollar has declined from 19 cents in fiscal 1970 to 14 cents in fiscal 1974 while the social security contributions share of the revenue dollar has increased from 23 to 29 cents, can we not discern a significant shift in tax liability.

I have long maintained that Congress should make tax reform a major consideration. As we all know, important tax reform legislation was introduced in the 92d Congress and has again been introduced in the 93d Congress. During all of this time, however, the administration has been silent; not a single significant tax reform proposal has been sent to the Congress despite ever-increasing budgetary deficits.

In the face of this silence from the administration, and because I believe tax reform action is imperative I have joined as a cosponsor of the Tax Reform Act of 1973 which was recently introduced by our distinguished colleague from Maine (Mr. MUSKIE). This measure would eliminate many of the blatant and costly tax preferences now enjoyed only by the very wealthy and our large corporations and the estimated increase in tax revenue is $18 billion by fiscal 1975. Even in this day of trillion-dollar gross national product, $18 billion is a considerable sum. It would more than pay for the combined costs of the Departments of Agriculture, Commerce, HUD, and Justice as budgeted by the administration for 1974. Or it could more than wipe out the administration-anticipated deficit for 1974 of $12.7 billion. Or, at present levels, it could run the Congress for 30 years.

The most important and long-lasting result which would flow from the enactment of tax reform, however, is that we would be keeping faith with the American people, and their confidence in the essential fairness of their Government would be restored. It is time Congress acted.

Mr. President, when we look at the scare tactics used by the administration, trying to tell the average American taxpayer that it is impossible to meet the human needs of the Nation without increasing their taxes 15 percent, when any intelligent examination of the structure of the tax system would disclose that there are billions of dollars available in tax loopholes in the structure of the rich and the corporations of this Nation, it is absolutely irresponsible action on their behalf to use such scare tactics at a time when we have the ability to meet our human needs and have the responsibility to do it, and the resources are there, with adequate reductions in the defense budget which are unneeded, while still maintaining the power of this country which is adequate for our defense responsibilities and be able still to plug the loopholes in the tax structure, we can reach only one conclusion; namely, that this administration cares little about those who have the least and cares most about those who are getting by with the most in avoiding the closing of the loopholes in the tax structure.

Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from South Dakota (Mr. ABOUREZK) be recognized at this time.

The PRESIDING OFFICER (Mr. CLARK). Under the previous order, the distinguished Senator from South Dakota (Mr. ABOUREZK) is recognized for not to exceed 10 minutes.

Mr. ABOUREZK. Mr. President, this colloquy on tax reform can serve a useful purpose if it helps balance the President's lopsided propaganda advantage as far as economic issues are concerned.

The White House has done a successful job of sloganeering.

Inflation is blamed on a Congress which he depicts as irresponsible and spend-crazy. That sloganeering leaves no room for mention of the Vietnam war and its contribution of well over $100 billion to the national debt.

Tax reform is sloganeered as an unfair attack on the Boy Scouts and charities of America.

A whole generation of domestic social legislation is sloganeered away as being wasteful, ineffective, unworkable, and even Marxist.

Putting the three hucksterisms together, the President is enabled to veto work training programs for the disabled and a program that keeps raw sewage out of our drinking water, among others, to announce that the Federal Government cannot afford to tackle those problems and then hang Congress for high meat prices and a tax increase if we behave otherwise.

It is potent political stuff but not very responsible in the long run.

In the long run this Nation has a monumental responsibility to house its ill-housed, clean up its streams and air, educate its disadvantaged, care for its sick, feed its hungry, and guarantee equal opportunity for all of its people.

We can ignore that responsibility in the short-term and pretend that we are getting away with it.

In the long run, though, the bills will come due. That short-term convenience, if prolonged, will eventually rob the people of liberty, vitality, hope, pride, and health.

The President's jingle writers might interpret what I have just said as a call to arms for utterly reckless fiscal policy, but I respectfully submit that there is a marriage to be made between economic prudence and the great tasks ahead.

In short, no one will argue with the proposition that Government ought to live within its means.

No one would argue that the taxpayers deserve another round of bloodletting and that they are thoroughly enchanted with the results their tax dollars buy.

But I would argue that we could—and should—realine our spending priorities after defining the revenue foregone through tax loopholes as Government spending, which it is.

I would argue that the tax revenue we forego to encourage the export of American jobs ought to be recaptured and spent to build a better America.

I would argue that the tax revenue we forego to put an excessive premium on money earned by money as opposed to money earned by sweat ought to be recaptured and spent to build a better America.

I would argue that the tax revenue we forego to give the oil industry elite status in the business community ought to be recaptured and spent to build a better America.

I would argue that the tax revenue we forego to encourage plant expansion while something like a fifth of our industrial capacity lies fallow ought to be recaptured and spent to build a better America.

This list could continue for some time without assaulting Boy Scouts, churches or middle-income homebuyers.

The President correctly senses frustration in the American public—frustration because what they pay in taxes is too much and what they get back is too little.

The President chooses to fuel that frustration by undermining the public's confidence in its Government. In so doing, he fuels hot resentment against taxes to make any discussion of them here politically dangerous.

We should reject that strategy on its face, because it perpetuates unconscionable favoritism to the rich and denies everybody else a tax system that is fair.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time for the quorum call be charged against my time.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the distinguished Senator from Minnesota (Mr. MONDALE) is now recognized for not to exceed 10 minutes.

Mr. MONDALE. Mr. President, the conventional wisdom is that tax reform is dead for this year, if not for all time.

No one cares about tax reform, we are told. The people do not care, and Congress does not care. The big stir over the past few years concerning tax reform was just an election-year flash in the pan.

Well, Mr. President, I think they are mistaken.

A few days ago, I released some figures I obtained from the Treasury Department which showed that 276 wealthy Americans with 1971 incomes of over $100,000 each paid no Federal income tax at all for that year. It further showed that among that number there were two wealthy Americans who reported over $1 million in reportable income, but because of the tax loopholes were not required to pay a single penny of taxes to the Federal Government.

Since that report, I have received mail from people all over the country expressing their outrage that our tax system permits this kind of grand scale tax avoidance by the rich. Many of them say they do not mind paying their own fair share, but they expect others to do the same.

But there was a disturbing note that occurred often in these letters. Many people were angry, but they also were cynical. They know that the system is unfair, but they do not believe Congress will do anything about it. They have little faith in those of us who are supposed to be representing them.

For those of us whose job is politics, this kind of corrosive cynicism about politicians that I have seen in some of these letters should be a matter of deep concern. These people know it is our job to make the tax system fairer, but they do not believe we have the will or the ability to do it.

I think that if they sensed that there was a serious commitment on the part of Congress to correct the injustices of the American tax system, we would be surprised at the tremendous interest and support that exists for that effort across this country. This colloquy today is a sign that that cynicism may be misplaced.

The Nixon administration, of course, has done everything possible to convince people that tax reform is either not needed, not possible, or bad for them.

John Ehrlichman's performance last month on "Issues and Answers" is probably the most blatant example. He said:

> You don't raise very much money by making every taxpayer pay some tax. You don't raise very much money by making every corporation pay a tax.

The only way to raise more money through tax reform, he claimed, is to increase the tax burden on homeowners, widows, orphans, the Boy Scouts, and the Little Sisters of the Poor.

I realize that Mr. Ehrlichman is a busy man, and he cannot be expected to know all about the loopholes in the tax code; but he certainly should be aware of those initiated by the administration which he serves.

There is, for example, the asset depreciation range system of special, fast writeoffs for business property, passed in 1971 at Mr. Nixon's urging. As a matter of fact, he proceeded first illegally to grant this $3 billion tax loophole for business by regulation, and then the accelerated depreciation rate legislation followed. Closing that particular loophole would raise at least $3 billion a year.

Then there is the DISC provision, also passed in 1971 at the administration's insistence, which relieves American corporations of one-half of the taxes due on their exports, at a cost to the Treasury of $240 million a year. There are many other loopholes as well.

Another example of the administration's "all-is-for-the-best-with-this-best of-all-tax-codes" technique is the extraordinary effort they mobilize every year to prove that it is not so bad that some rich people do not pay any taxes.

Slide rules and computers are put to work, magic lantern slide shows are worked up, and speechmakers are sent out into the countryside, all to convince the public that those few hundred rich people who do not pay any taxes are "special cases" who are perfectly entitled to escape all taxes.

But what all this overlooks is that these few wealthy tax avoiders—276 with incomes over $100,000 in 1971—are just the barest tip of the iceberg. Thousands more pay only a few hundred dollars in taxes on their huge incomes. It is, after all, something of a tour de force to reduce your tax bill to absolutely nothing. It is a trick, a gimmick, and it probably takes more of an accountant's or a lawyer's time than it is really worth. It is far better to just pay a couple of hundred dollars in taxes and avoid embarrassing scrutiny from IRS auditors.

More important, however, the Treasury statistics count only "adjusted gross income"—a Treasury concept which conveniently excludes large amounts of income from some of the biggest loopholes in the tax code.

Adjusted gross income does not include tax-exempt capital gains income, for example, or the interest from State and local bonds, or the income shielded by the oil depletion allowance or special rapid depreciation provisions for business property.

Someone could make well over $100,000 from these loopholes and not even appear in the Treasury's statistics. Thousands of wealthy tax avoiders are escaping the statisticians as well as the tax collectors.

If the administration would spend more time pursuing the thousands of wealthy tax avoiders who pay next to nothing, and less time defending those who pay nothing at all, we might get some tax reform in this country.

This administration's hard-line defense of an unfair tax system poses a serious tactical problem for those of us in Congress who would like to see something done. Even if we do pass a good tax reform bill, the President almost certainly will veto it; and, as the last couple of weeks have shown, Presidential vetoes are not very easy to override.

I suggest, therefore, that we give some consideration to attaching a relatively small and manageable number of tax reforms to measures which are coming before this body and in which the President is interested.

I believe that the national feeling toward the inequities of this Nation's tax structure constitutes one of the most compelling issues in America today. When a man who works hard to care for himself and his family, pays his taxes, stays off welfare, is a good citizen, reads that there are millionaires who are not paying a dime in taxes or are paying practically nothing, I can think of nothing that can undermine confidence and affection for the American system of democracy more than that.

I believe it is a question of equity as well as a question of capturing the revenue that is needed for essential public services at Federal, State, and local levels, and providing tax relief where it is needed. All this indicates a need to deal with this tremendous and compelling problem of tax justice in the United States. Those who think the issue is going to go away, I think, are going to be terribly surprised.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. NUNN). Under the previous order, the Senator from New Jersey (Mr. WILLIAMS) is recognized for not to exceed 10 minutes.

THE NEED FOR TAX REFORM

Mr. WILLIAMS. Mr. President, some weeks ago, the President's spokesman on domestic affairs, John Erlichman, announced that meaningful tax reform is impossible, and that there are no tax loopholes which, if closed, would bring a significant amount of revenue into the Federal Treasury. Mr. Erlichman stated:

> Where you really can raise money by closing loopholes is if you don't let the average householder deduct the interest on his mortgage any more, and you don't let him deduct charitable contributions to his church or to the Boy Scouts, or you don't let him take personal exemptions . . . there is no way to raise the $15 billion, for instance, that the spenders in Congress want to run over the President's budget, unless you start digging into the average taxpayer's exemptions, or charitable deductions or mortgage credits or something of that kind.

That is the end of Mr. Ehrlichman's "wisdom" on the question of taxation and its loopholes.

This kind of rhetorical excess would be amusing if it were not so coldly calculated to mislead the American public.

Mr. Ehrlichman is certainly not naive or uneducated in the intricacies of the Federal tax structure.

The statement that there are no tax loopholes to be closed without hurting the average taxpayer is the grossest of misrepresentations.

To put it baldly, it is scare tactics—scare tactics of the same brand and breed we have seen in so many areas of life these days.

While Mr. Ehrlichman has been unable to sniff out any significant loopholes, Iring R. Steinblatz, a 23-year-old consultant, has uncovered 3,000.

The fact that Mr. Steinblatz is not kidding around is evidenced by the fact that he has netted *$3 million* in fees from grateful clients in his first 8 months of business.

Perhaps President Nixon should consider retaining Steinblatz to clue him in about the 2,977 loopholes Ehrlichman overlooked.

Our tax structure is so rife with inequities and loopholes that a study done by the Brookings Institution shows that the Treasury would pick up $77.3 billion in revenue if the tax laws were tightened up.

Despite Mr. Ehrlichman's suggestion, you can be pretty sure that it is not the

Boy Scouts who are pocketing that $77.3 billion.

In 1970, 394 individuals with adjusted gross incomes over $100,000 did not pay a nickel in Federal taxes, and another 318 individuals at this income level paid only a minimum tax averaging around 4 percent.

Adjusted gross income, however, is not the whole story.

Mr. President, let us examine the effect of capital gains tax provisions.

Individuals whose incomes are less than $3,000 per year save an average of $1.66 in taxes because capital gains receive special treatment.

Individuals with incomes between $5,000 and $7,000—and more than half the taxpayers make this amount or less—save an average of $7.44.

People with incomes between $10,000 and $15,000 save an average of $16.31.

Individuals making between $50,000 and $100,000 save $2,616.10 on the average, and those with incomes above $100,000 average $38,126.29 in savings.

Someone with capital gains of $300,000 pays taxes at the same effective rate as the salaried taxpayer with $32,000 worth of income.

The effect of the myriad of loopholes Mr. Ehrlichman was incapable of uncovering becomes even more clear when you examine the effective rate of taxes for those individuals who are theoretically in high tax brackets.

In 1972, the effective tax rate for the average person with actual net income between $100,000 and $1 million was between 29 and 30 percent.

For those with over $1 million in actual net income the average effective rate was 33 percent.

Bear in mind that under the present statutory tax tables the rate for an individual with income of $100,000 should be 45 percent; for the person with income of $500,000 it should be 64 percent; and for the individual with income of $1 million, 67 percent.

Mr. President, it seems to me that the Nixon administration's theory of taxation is like that of King Louis XIV.

He thought that—

> The art of taxation consists in so plucking the goose as to obtain the largest amount of feathers with the least amount of hissing.

It is not the average householder who runs around at election time with suitcases stuffed with hundred-dollar bills, but it is that kind of hissing to which the administration's ear seems to be attuned.

I am afraid that if Mr. Ehlichman has his way it is the rich man who will be feathering their nests, and the average taxpayer who will be getting plucked.

Mr. President, I was not here through all the assigned time for this subject of taxation, tax loopholes, and how we can through tightening our tax laws make them far more just and far more equitable, and, indeed, save a substantial part of the amount of money that is proposed to be authorized and then appropriated for programs in health and conservation, in housing and education, in the rehabilitation of those who are handicapped in this land.

I am on the side of doing as much as we can to bring a greater measure of national attention to the lives of those who need our concern, and it is not only those who are very poor but it is also the middle-income family, too, that needs our concern and our attention in housing programs, in antipollution programs, in education, and in health programs.

Mr. President, when I stand here and vote for those programs and then vote to override vetoes of those programs, I know we are not putting this country in any budgetary crisis that should lead to any kind of national panic because a lot of that money can be found right here in what we are talking about today—tightening up the tax loopholes for greater justice and equity and finding that money that is sliding through the loopholes.

The PRESIDING OFFICER (Mr. NUNN). The time of the Senator has expired.

HIGHWAY SAFETY ACT OF 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 101, S. 893, without prejudice to Senators under orders previously entered, and I ask unanimous consent that the time consumed for this measure be charged against me under the various orders reserved to my control.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered. The bill will be stated by title.

The legislative clerk read as follows:

> A bill (S. 893) to authorize appropriations for certain highway safety projects, to extend and improve the federal highway safety program, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with amendments on page 2, line 1, after "(a)", strike out "$150,000,000" and insert "$80,000,000"; in line 2, after the word "and", strike out "$150,000,000" and insert "$100,000,000"; in line 6, after the word "Administration", insert a period; in the same line, after the amendment just stated, strike out "of which $10,000,000 in each such year shall be for the purposes of section 402(i)(1), and $10,000,000 for section 402(i)(2)."; in line 10, after "(b)", strike out "$85,000,000" and insert "$25,000,000"; in line 11, after the word "and", strike out "$85,000,000" and insert "$25,000,000"; in line 14, after the word "Administration", insert a period; in the same line, after the amendment just stated, strike out "of which $25,000,000 for the fiscal year ending June 30, 1974, shall be exclusively available for the purchase of equipment for payment the purchase of equipment for pavement marking."; in line 17, after "(c)", strike out "$50,000,000" and insert "$42,500,000"; in line 18, after the word "and", strike out "$50,000,000" and insert "$42,500,000"; in line 23, after "(d)", strike out "$15,000,000" and insert "$7,500,000"; in line 24, after the word "and", strike out "$15,000,000" and insert "$7,500,000"; on page 3, after line 2, strike out:

RAIL HIGHWAY CROSSINGS

SEC. 103. (a) In addition to funds which may be otherwise available to carry out section 130 of title 23, United States Code, there is authorized to be appropriated out of the highway trust fund for projects for the elimination of hazards of railway highway crossings, $100,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 for the fiscal year ending June 30, 1975. Such sums shall be available for obligation for one year in advance of the fiscal year for which authorized and shall remain available for obligation for a period of two years after the close of the fiscal year for which authorized.

(b) Funds authorized by this section shall be available for expenditure as follows:

(1) two-thirds for projects on any Federal aid system (other than the Interstate System); and

(2) one-third for projects on highways not included on any Federal aid system.

(c) Funds made available in accordance with paragraph (1) of subsection (b) shall be apportioned to the States in the same manner as sums authorized to be appropriated under paragraph (1) of section 105 of the Federal Aid Highway Act of 1970. Funds made available in accordance with paragraph (2) of subsection (b) shall be apportioned to the States in the same manner as is provided in section 402(c) of this title, and the Federal share payable on account of any such project shall not exceed 90 per centum of the cost thereof.

And, in lieu thereof, insert:

FEDERAL-AID SAFER ROADS SYSTEM

SEC. 103. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 405. Federal-aid safer roads system

"(a) The Federal-aid safer roads system shall consist of all public roads or segments thereof needing improvements to correct safety hazards, selected or designated by each State subject to the approval of the Secretary.

"(b) Not later than June 30, 1974, each State shall identify projects on the Federal-aid safer roads system for all public roads in such State, including projects to improve highway marking and signing, to eliminate roadside obstacles, to eliminate hazards at railroad-highway grade crossings, and to correct high-hazard locations, identified by accident reporting, traffic records and hazards analysis systems established in accordance with standards promulgated under subsection (a) of section 402 of this title. Each State shall assign priorities for and undertake the systematic correction of identified hazards, to provide for the most effective improvement in highway safety.

"(c) There is authorized to be appropriated for the Federal-aid safer roads system, for projects on public roads which are not Federal-aid highways for the removal of roadside obstacles, the elimination of hazards at railroad-highway grade crossings, and the proper marking and signing of highways in accordance with subsection (b) of this section, out of the Highway Trust Fund, $200,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975. Such sums shall be apportioned among the States in accordance with the formula established under subsection (c) of section 402 of this title. The Federal share payable on account of any such project shall not exceed 90 per centum of the cost thereof. The provisions of chapter 1 of this title relating to the obligation, period of availability, and expenditure for Federal-aid primary highway funds shall apply for funds apportioned to carry out this subsection. Prior to June 3, 1974, funds shall be available for such projects as determined by the State, subject to the approval of the Secretary.

"(d) A State is authorized to expend any sums apportioned to it under paragraphs (1), (2), (3), and (6) of subsection (b) of section 104 of this title for the purpose of carrying out projects on the Federal-aid safer roads system on Federal-aid highways within such State. The Federal share payable on account of any such project shall not exceed 90 per centum of the cost thereof.

"(e) It shall be the responsibility of each State to maintain adequate pavement markings on all Federal-aid highways and on any public road marked with funds available under this section in such State.

"(f) In any State wherein the State is without legal authority to construct or maintain a project under this section, such State shall enter into a formal agreement for such construction or maintenance with the appropriate local officials of the county or municipality in which such project is located.

"(g) If the Secretary determines that a State after June 30, 1974, has not properly met its responsibilities under subsection (b) of this section, the Secretary shall withhold from obligation from the account of such State 10 per centum of the sums apportioned to such State under paragraphs (1), (2), (3), and (6) of subsection (b) of section 104 of this title and all sums apportioned to such State under subsection (c) of this section. Any sums so withheld shall be released to the account of such State for the purpose of carrying out projects on the Federal-aid safer roads system, upon compliance with the requirements of subsection (b) of this section. In any case where the Secretary determines that on June 30, 1975, a State from which sums have been withheld under this subsection is not in compliance with subsection (b) of this section, the Secretary shall promulgate procedures to identify projects and assign priorities in accordance with subsection (b) of this section and shall require such State to obligate such withheld sums for projects identified under this subsection."

(b) The table of contents of chapter 4 of title 23, United States Code, is amended by adding at the end thereof:

"405. Federal-aid safer roads system.".

(c) The third sentence of subsection (c) of section 402 of title 23, United States Code, is amended by striking "subsection" and inserting in lieu thereof "chapter".

On page 7, line 13, after the word "systems", insert "and inserting in lieu thereof "on any public road"."; after line 20, strike out:

(c) Subsection (f) of section 144 of title 23, United States Code, is relettered as subsection (g) (including references thereto); and immediately after subsection (c) the following new subsection (f) is inserted:

"(f) Funds authorized by this section shall be available for expenditure as follows:

"(1) two-thirds for projects on any Federal aid system; and

"(2) one-third for projects on highways not included on any Federal aid system."

(d) Existing subsection (g) of section 144 of title 23, United States Code, is relettered as subsection (h) (including references thereto).

PENALTIES FOR DRIVING WHILE INTOXICATED

SEC. 105. Subsection (a) of section 402 of title 23 of the United States Code is amended by inserting after the fifth sentence the following: "Effective as soon as practicable after the date of enactment of the Highway Safety Act of 1973 such standards shall also include provisions requiring (1) laws prohibiting persons from operating motor vehicles while under the influence of intoxicating liquors or any narcotic or drug which impairs their ability to operate a motor vehicle properly and safely, (2) procedures for effective enforcement of such laws, (3) penalties for violation of such laws which provide a meaningful deterrent to their violation, and, where appropriate, adequate medical treatment for persons violating such laws who are in need of treatment.".

On page 8, after line 23, insert:

BICYCLE SAFETY

SEC. 105. (a) The fourth sentence of subsection (a) of section 402 of title 23, United States Code, is amended by striking the period at the end thereof and inserting in lieu thereof the following: "and bicycle safety."

(b) Paragraph (b)(1)(E) of section 402 of title 23, United States Code, is amended by striking "and" before "(5)" and by striking the period at the end of such paragraph and inserting in lieu thereof a comma and the following: "and (6) driver education programs, including research, that will assure greater safety for bicyclists using public roads in such State."

On page 9, line 18, after the word "therefrom", strike out "such" and insert a period; in the same line, after the amendment just stated, insert "Such"; at the top of page 10, strike out "Compliance With Alcohol Safety Standard" and insert "Notification of Suspension"; in line 3, after "Sec. 108." strike out "(a)"; in line 4, after the word "amended", strike out "by inserting before the period at the end of the next to the last sentence thereof a comma and the following: "*Provided, however*, That the provisions of this sentence shall not apply in the case of any State which has not prior to July 1, 1974, properly implemented the Secretary's highway safety programs standard numbered 8 (relating to alcohol in relation to highway safety) or any modification or addition to such standard prior to such date.".; at the beginning of line 13, strike out "(b) Such subsection is further amended"; in line 16, after the word "the", strike out "seventh" and insert "eighth"; on page 11, after line 2, strike out:

INCENTIVES FOR COMPLIANCE WITH HIGHWAY SAFETY STANDARDS

SEC. 110. Section 402 of title 23 of the United States Code is amended by adding a new subsection (i), as follows:

"(i)(1) The Secretary shall award, in addition to other grants pursuant to this section, $10,000,000 in grants in each fiscal year to States which he determines, in accordance with criteria which he shall establish and publish, to have attained above average results in carrying out and achieving the purposes of this chapter. Such grants shall be used by recipient States only to further the purposes of this chapter. The amount appropriated in each fiscal year for the purpose of carrying out this paragraph shall be appropriated among the States eligible for grants pursuant to this paragraph in the ratio which the total apportionments to each State pursuant to section 104(b) (1) and (2) for such year bears to the total such apportionments to all such eligible States for such year.

"(2) The Secretary may also award, in addition to other grants pursuant to this section, $10,000,000 in grants in each fiscal year to States which he determines, in accordance with criteria which he shall establish and publish, to have made the most significant improvements in carrying out and achieving the purposes of this chapter. Such grants shall be used by recipient States only to further the purposes of this chapter. No State shall receive in excess of $500,000 in any fiscal year pursuant to the provisions of this paragraph.".

On page 12, at the beginning of line 7, change the section number from "111" to "110"; in line 8, after the word "subsection". strike out "(j)" and insert "(i)"; at the beginning of line 10, strike out "(j)" and insert "(i)"; on page 13, at the beginning of line 8, change the section number from "112" to "111"; on page 14, at the beginning of line 17, change the section number from "113" to "112"; on page 15, at the beginning of line 8, change the section number from "114" to "113"; at the beginning of line 18, change the section number from "115" to "114"; and, at the beginning of line 23, change the section number from "116" to "115".

Mr. BENTSEN. Mr. President, the concern of the Federal Government for the safety of our highways dates back to 1924, when Herbert Hoover, who was then Secretary of Commerce, convened the first national conference on street and highway safety. Since that time, the Federal Government has been increasingly involved in efforts to reduce death and injury among those who use our public roads and streets.

Federal activities have accelerated concurrent with the increased use of motor vehicles for transportation in this country. Our involvement reached its high point in 1966 with passage of the National Traffic and Motor Vehicle Safety Act and the Highway Safety Act. These two laws have facilitated significant improvements in the safety records of our highways. Obviously, however, the job remains incomplete. Last year, more than 56,000 people were killed on America's highways even though the actual rate of death was more than halved between 1946 and 1972.

Legislation now before the Senate proposes to amend the Highway Safety Act of 1966. It builds upon 7 years of experience with that legislation and draws upon current conditions in recommending a number of important changes in the basic statute.

During the 92d Congress, highway safety legislation was considered as part of the general Federal-Aid Highway Act. As members know, however, this act did not become law. The Subcommittee on Transportation this year decided that highway safety should be considered as a measure separate from the general highway bill. We adopted this approach because the nature of the subject demanded that highway safety be considered apart from other matters which might detract from it. Legislation dealing solely with highway safety could and did receive the undivided and intense consideration that would have been impossible were this subject merely part of a larger package.

The bill (S. 893) developed by the Subcommittee on Transportation and the Committee on Public Works—and I must say with a very definite and major contribution by the ranking minority member of that committee, the Senator from Vermont (Mr. STAFFORD)—contains several notable provisions. Of primary importance is our belief that highway safety activities should be financed from the highway trust fund. This reflects the committee's conviction that safety is an integral part of the total highway program and that its support from user revenues is fully justified and desirable.

Authorizations in this measure total $457.5 million for fiscal 1974, and $477.5 million for fiscal 1975. Many of the authorization levels are near those proposed by the administration in its fiscal year 1974 budget recommendations. The largest single item among the authorizations is the $200 million proposed annually for a new program entitled "the Federal-aid safer roads system."

Mr. President, the creation of this program reflects the committee's conviction that great benefits can result from physical improvements to existing highways. A large percentage of the death and injury on highways is caused by safety hazards, particularly on rural roads, that can be identified and eliminated.

In a study during 1972, the general accounting office made this finding:

> Fixed roadside obstacles—wall-like bridge abutments, unyielding sign posts, rigid light poles, concrete footings, and spearlike guardrails—are among the more easily identified and correctable types of highway hazards. Such hazards have been called booby traps and have been responsible for killing and maiming thousands of motorists each year.

The safer roads system is intended to facilitate the elimination of such hazards and to carry out other relatively small projects that can significantly improve the physical safety of our highways. In approving this program, the committee envisions that the funds provided will be used for the following type of projects:

First. Installation or modification of median barriers, guardrails, and roadside delineation markers;

Second. Installation of improved signs, lighting, and markings;

Third. Use of new protective devices at railroad-highway grade crossings;

Fourth. Installation of breakaway signs; and

Fifth. Use of impact-absorbing devices around hazards to protect motorists from danger.

Existing law already authorizes States to use a portion of their regular Federal funds for similar safety activities on Federal-aid highways.

In recognition of the large percentage of accidents that take place on roads that are not a part of the Federal-aid system, this program is intended to be carried out on these non-Federal aid roads. As a further encouragement to this work, the bill establishes the Federal share of such projects at 90 percent, both on and off the Federal-aid system, instead of the 70 percent level for regular highway activities that will be in effect beginning on July 1st.

To obtain maximum results, the legislation also directs the States to prepare an inventory and priority list of projects to be carried out under this program. If a State fails to complete this work by June 30, 1974, the Secretary of Transportation would be directed to withhold the State's share of the $200 million in safer roads funds, as well as 10 percent of its regular noninterstate apportionment. If a State still has not acted during an additional year, the Federal Government would identify necessary projects and require the State to obligate the withheld money to these projects.

In 1970, the Congress approved the special bridge replacement program. This activity responded to the fact that throughout the United States there are thousands of old, deficient bridges in need of repairs or replacement. This bill provides $100 million for each of the next two fiscal years for this program. It also expands Federal involvement in bridge replacement by making projects off the Federal-aid system eligible under this program.

This legislation continues the basic highway programs authorized by the 1966 act at approximately the existing levels of funding. These are the so-called section 402 programs under which funds are allocated to the States for a wide range of safety activities. For fiscal year 1974 the bill authorizes expenditures totaling $105 million. These are increased in fiscal year 1975 to $125 million.

Research and development funds for activities of both the National Highway Traffic Safety Administration and the Federal Highway Administration are authorized at a total of $52.5 million for each of the 2 years covered by this bill.

Mr. President, I observed at the outset of my remarks that the Congress is acting upon highway safety because of our inability to enact such legislation last year. This bill, however, is a totally new measure. The past 6 months have afforded the Subcommittee on Transportation and the Committee on Public Works additional time to more thoroughly consider highway safety needs and to formulate what we believe is an effective response to these needs. This legislation extends the commitment of the Federal Government to the further reduction of death and injury on our country's roadways. This is a goal which we have set and it is one to which we must dedicate our energies and our resources.

Mr. President, at this time I would like to yield to the distinguished ranking minority member of the committee, the Senator from Vermont (Mr. STAFFORD), who contributed so much to the consideration of this bill.

Mr. STAFFORD. Mr. President, I certainly appreciate the kind words of the distinguished chairman of the subcommittee, the Senator from Texas (Mr. BENTSEN). I would like to say at the outset that probably the most satisfying and stimulating experience I have had as a Member of the Senate has been in service with the Senator from Texas on the Transportation Subcommittee of the Committee on Public Works, because the chairman has handled the work of the committee in an enlightened way that has made it possible for us to arrive at what we on the committee believe are innovative programs which will save lives and make the highways of the Nation safer for all of us who use them.

Mr. President, it is most appropriate that we are considering the issue of safety on our Nation's highways as a separate piece of legislation this year.

Somewhere along the line, we seem to have been unable to generate enough concern about protecting this Nation's most valuable resource—the lives of Americans.

We are a nation on the move and, for the most part, we use motor vehicles to achieve that movement. But, each year more than 50,000 Americans are killed on our highways, and our Nation does not seem to be able or willing to do much about it.

It is almost as if we have accepted the high risk of death and injury as natural consequences of highway travel. I do not think we should make that kind of concession, and I am confident Members of the Senate agree.

S. 893 proposes a new effort to reduce the level of highway accidents in the Nation. The present trend, if left unchecked, would see the deaths of an estimated 600,000 Americans from highway accidents during the decade of the 1970's. Unless we reverse the trend, estimates are that an additional 20 million Americans will be seriously injured during this same 10-year period. The economic waste from highway accidents during the decade will be close to $200 billion.

I do not think any of us is—or should be—willing to concede that terrible toll in human life and in pain and suffering. The Highway Safety Act of 1973 as embodied in the legislation before us is an effort to meet the challenge.

At the heart of this bill is the provision that creates a new highway system, which we are calling the Federal-aid safer roads system. It authorizes the spending of 200 million each year out of the highway trust fund to make our non-Federal-aid roads safer for all of us. The money would pay for things that would not only reduce the risk of accidents, but would also reduce the chance of injury when an accident happens.

The provision also encourages States to spend some of their regular Federal-aid highway construction money for similar types of safety programs on the Federal-aid highway system. To encourage more spending for safety purposes, the Federal Government will provide 90 percent of the cost of safety measures, as compared to 70 percent of the cost of regular highway construction. And, the new concept would give the Federal Government the power to require a State to spend 10 percent of its regular construction money for safety projects if any State fails to live up to its obligation to make its highways safer for all motorists.

The reasoning behind this concept is that these kinds of efforts produce the greatest dividends in highway safety for the money invested. Two of every three fatal highway accidents in our Nation occur in rural areas. One of every four highway deaths happens when a vehicle runs off a rural road and strikes some kind of fixed object.

The Federal-aid safer roads system gives the States the flexibility to concentrate their efforts on one or all of a series of safety target areas. Special emphasis is placed on improved pavement marking to make the roads easier to see, particularly at night and in bad weather. The proposal calls for better signs and markers to warn of dangers. It calls for the removal of roadside obstacles, particularly those built by man.

The proposal calls for the installation of signs and posts that break off easily when struck, in place of those that destroy vehicles and kill their occupants. In short, the idea is to make the highway environment less deadly for the motorist who makes a mistake.

All the information available to me suggests this kind of effort will save lives and will give America its best return on the money invested. In the effort to show congressional responsibility in the fight against inflation and in the effort to hold down Federal spending, the bill authorizes substantially less spending than the level set in the conference report on the Federal-Aid Highway Act of 1972 last year. But, the bill recognizes that the urgency of the issue requires a minimum level of Federal spending.

We can afford to do no less and to spend no less in this new effort to reverse a trend that has seen more Americans die each year on our highways than were killed in all the years of our involvement in the war in Vietnam.

Mr. President, I again express my deep appreciation to the chairman of the subcommittee for yielding me his time and express the feeling of satisfaction that I get out of serving on the subcommittee under his leadership.

Mr. President, I yield back the remainder of my time.

Mr. BENTSEN. Mr. President, I want to extend my gratitude to the ranking minority member, Mr. STAFFORD, for his many contributions to this legislation.

I also want to thank Barry Meyer, the chief counsel of the Public Works Committee, for his outstanding service.

In addition, thanks are due to Ron Katz of the Transportation Subcommittee, Vic Maerki of Senator STAFFORD's staff, and to Bailey Guard, Phil Cummings, Hal Brayman, Paul Chimes, Katherine Cudlipp, Clark Norton, and John Yago.

I believe we have an excellent bill which we can take to conference with the House.

Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

Mr. BUCKLEY. Mr. President, my colleagues have already spoken of the significance of this bill. I share their views, and I believe that enactment of the committee amendments to S. 893 will go far toward making our highways safer for motorists.

When originally referred to the committee, S. 893 targeted a new effort toward the elimination of hazards at railroad-highway grade crossings. It was my view that such a program, while useful and necessary, would be far too limited in scope.

As a result, amendments were offered that individually would establish new Federal assistance to programs that would more effectively mark and sign existing highways, and remove or protect existing roadside obstacles, such as poorly designed bridge abutments or light standards. I would like to commend the distinguished Senators from Vermont (Mr. STAFFORD) and New Mexico (Mr. DOMENICI) particularly for their leadership in developing these concepts.

In committee, it was decided that these categorical highway safety efforts should be combined into a single consolidated program, giving greater flexibility and latitude to each State in the development of the most effective construction program designed to reduce roadway hazards. Narrow categorical programs would unnecessarily limit the ability of the States to do the best possible job at the least possible cost.

I recognize that such construction work may prove to be an endless one; if every bridge abutment is to be protected in a manner that would protect an errant motorist from serious injury in an accident involving the abutment, such work could take many years and many hundreds of millions of dollars. The same can be said for lessening the danger of roadside signs, and railroad-highway grade crossings.

Nevertheless, I believe that an immediate effort to remove highway obstacles can result in a major advance toward highway safety.

The development of the safest possible highway environment can never prevent all loss of life in highway accidents. But I believe that a noticeable reduction in deaths is possible if the number of accident-exaggerating roadside obstacles can be eliminated.

Instead of guard rails that impale a vehicle, guard rails must be installed that will guide a car to a safe stop. Instead of rigid light standards that can result in accidents of such violence that all occupants of a car may be killed on impact, the States must utilize equipment designed to give away on impact. This will not eliminate the "accident," but it would greatly reduce the accident's toll in human suffering.

While there may be some dispute over the true value of proper marking of highway pavement with a reflectorized strip or raised reflectors, I am convinced that such work can have great value, particularly on meandering rural and suburban roads.

While I recognize that much of the authority for such work already exists in law, this authority has too often been neglected in favor of new highway construction by the States.

The emphasis of this bill would encourage the States to increase dramatically the effort to remove or neutralize the presence of roadside obstacles, pending the longer term benefits that will accrue to all motorists as a result of the effective implementation of the 18 highway safety standards promulgated as a result of section 402 of title 23.

It is my expectation that if the States grasp effectively the full provisions and intent of the new section 405 of title 23, American motorist will be able to utilize our national road system with greater safety and confidence.

There is one further provision in the bill that I would like to call to the attention of my colleagues. This is a new initiative relating to bicycle safety.

Last year, more than 1,000 bicyclists were killed in highway accidents. Because the Senate recognizes that the best protection for bicyclists would be to physically separate bicyclists from motor vehicles, the Senate approved new authority for bike path construction in S. 502, the Federal Aid Highway Act of 1973, which passed on March 15.

But I believe that other measures are needed to promote bicycle safety. For this reason, at my suggestion, the committee decided to expand and encourage the development and promulgation of highway safety standards that relate to bicycle safety. It is my hope and expectation that the States will undertake programs to promote bicycle safety. This can take the form of the education of motorists, who often drive as if might makes right when they encounter a bicyclist on a street or road, as well as the education of bicyclists who, out of ignorance or unconcern, fail to comply with the laws of the road that are applicable to them. Another alternative would involve programs for the striping of a street or road to provide for bicyclists a single purpose right-of-way, in these areas where a separate path under S. 502 would be impractical or uneconomical.

I believe that no program holds the opportunity to provide a quicker payoff in safety than a program that would insulate bicyclists from the inherent danger when they must compete with motorists for the same travel space.

Mr. DOMENICI. Mr. President, I wish to express my strong support for S. 893, the Highway Safety Act of 1973.

This may become one of the most significant bills adopted during this session of the Congress, for it provides important new initiatives that should lessen the tragic toll of deaths on our highways.

My colleagues on the Committee on Public Works have given the Senate a full discussion of the bill. But I would like to mention a couple of provisions that I believe have particular significance.

Certainly, the most important new initiative is contained in section 103. This section creates a new section 405 in title 23 of the United States Code entitled "the Federal-aid safer roads system."

The purpose of this new section is to alleviate the danger that all motorists confront due to the existence of many roadside hazards.

Highway-related factors, including roadside hazards, were a contributing cause in 36 percent of the traffic deaths that occurred across America in a recent 7-year period, according to the National Safety Council.

For example, 18,350 persons were killed in 1971 in single-car accidents during which the vehicle left the roadway. In most of these cases, the vehicle then struck an abutment or some other fixed object adjacent to the highway pavement.

Such fixed roadside obstacles—bridge abuatements, rigid sign posts and light poles, and spearlike guardrails—should be easy to eliminate or to cushion. This would greatly enhance safety.

In an annual report evaluating its work to remove highway hazards the California Division of Highways offered this description:

> This program consisted of 343 projects costing a total of $5,607,000 for construction. These projects resulted in first year savings of 561 accidents and 48 fatalities. The economic value of these first year savings is $4,628,000, which is 83 percent of the constuction cost.

During the markup of this bill, Senator **Stafford** and I proposed several new programs to eliminate such hazards. The committee, I believe, wisely decided to unify these proposals within a single new program specifically designed to remove hazards both on and off the Federal-aid system.

This new program encourages the States to go forward as quickly as possible to complete their identification of roadside obstacles, roads that are poorly marked or signed, hazardous railroad-highway grade crossings, and other such high-hazard locations. In making such identifications the States must also establish a priority list for the removal of these hazardous situations.

Once a State has completed its identification and priority list, it would undertake the correction of these hazards as expeditious as feasible.

To facilitate this work, the committee has authorized $200 million annually out of the highway trust fund, for such projects off the Federal-aid highway systems.

The committee emphasized correcting hazards off the Federal-aid system, because of the severe danger often present on such roads.

About 68 percent of annual highway fatalities occur in rural areas, where the death rate per miles traveled is half again as high as on all public roads.

To meet the danger on Federal-aid roads, the committee bill also authorizes the States to use any percentage of their apportioned primary, secondary, urban extension, and urban systems money for similar projects on those systems.

In committee, we discussed a possible amendment that would have mandated that a certain percentage of those non-interstate funds be spent for hazard removal. The committee felt the States should have broad latitude without any legal maximum or minimum.

I would note that the national need for hazard removal—which totals in the billions of dollars—is approximately equally divided between the Federal-aid system and the non-Federal-aid system. If a State sought to balance its off-system effort under this proposed new program, that State must allocate approximately 10 percent of its primary-secondary-urban money for hazard removal on the Federal-aid system. I hope that the States will undertake such a balancing.

As a further encouragement to this safety work, we also set the Federal share for such projects at 90 percent, both on and off the Federal-aid system. This compares with a 70-percent share, beginning in fiscal year 1974, for most traditional highway construction work.

Before closing, I would also point out that provisions in the bill also focus new attention on highway safety relating to American Indians.

A brief examination of the figures shows that American Indians suffer more than any other group as a result of highway accidents. The counties adjacent to Indian reservation lands typically have highway death rates several times the national average.

For example, there is one sparsely populated county near the Navajo Reservation in my State that suffered 81 highway fatalities in 1971. While there are no records on the number of Indian Americans among those 81 persons killed, it is estimated that Indians comprised the great majority. To place that tragic death rate in perspective, New Mexico's most heavily populated area—Albuquerque—had fewer highway fatalities that same year.

To meet this tragic situation, this bill would designate the Secretary of the Interior as a "State" or the "Governor of a State" for the purposes of administering highway safety funds, with 95 percent of such funds apportioned to the Secretary to be expended by the tribes themselves to carry out highway safety programs within their jurisdictions. To that end, an Indian tribe would be considered a "political subdivision of a State."

I believe that the highway safety problems on Indian reservation warrant the special attention that this provision provides, and it should measurably improve highway safety on the reservations.

In conclusion, Mr. President, I urge approval of this important legislation.

Mr. MONTOYA. Mr. President, I am very pleased to join with my colleagues on the Senate Committee on Public Works in cosponsoring S. 893, the Highway Safety Act of 1973, and in urging its adoption without amendment.

Developed under the leadership of Senator **Bentsen**, the chairman of the Subcommittee on Transportation, this measure provides several innovative approaches which ought to make significant contributions toward reducing traffic accidents.

In addition to authorizing substantial funds for the continuation of ongoing Federal and State highway safety programs, S. 893 would establish a new Federal-aid safer roads system aimed at eliminating dangerous hazards located primarily on rural roads not previously eligible for Federal aid.

The bill directs that $200 million for each of the next 2 fiscal years be apportioned among the States from the highway trust fund for improvement of highway hazards on roads which are not on any Federal-aid system.

Statistics demonstrate that about two-thirds of all deaths attributable to highway accidents occur in rural areas. Moreover, those roads not part of the Federal-aid system are much more dangerous and account for a much greater percentage of accidents than those on the Interstate, primary or secondary systems financed in part with Federal funds.

States would be directed by this bill to identify their hazardous highway locations and to establish priority lists for the correction of these deficiencies as soon as possible. Each State would have considerable discretion in selecting hazards to be corrected; however, the funds would permit them to improve and eliminate highway-railroad grade crossings, replace rigid roadside poles and signs with "breakaway" standards, install adequate pavement markings, construct median barriers and less dangerous guardrails, provide better lighting and directional signs, and protect unremovable obstacles with impact-absorbing devices.

I am especially pleased that the committee has proposed to continue funding at substantial levels the special bridge reconstruction and replacement program established by the 1970 Federal-Aid Highway Act. As a Senator from a State which recently experienced a most tragic bus collision on a narrow, inadequate bridge costing the lives of many innocent young people, it is difficult for me to overstress the importance of this program.

Mr. President, it is time that the Nation began to rid itself of its killer bridges and its killer highways. S. 893 would authorize $100 million for each of fiscal years 1974 and 1975 to continue the special bridge replacement program. I recognize, of course, that this sum will not be sufficient to modernize the thousands of bridges that are structurally deficient or are truly death traps, but it should help reconstruct some of those ranked by States to be most critical.

By enacting this bill, Congress will be taking a significant step toward a better and safer highway system. These two programs alone—the safer roads system and the bridge reconstruction and replacement program—will provide a total of $600 million during the next 2 years for correcting highway features generally recognized to be dangerous. Without these funds, States would lack resources necessary to implement a meaningful improvement program.

There are other provisions of this bill, Mr. President, which are worthy of the attention of the Senate. I mention only briefly such items as the encouragement for the development and implementation of standards for bicycle safety, the authorization for research on the relationship between the use of drugs and highway safety, the apportionment for the first time of highway trust funds to Indian reservations for highway safety purposes, and the commitment of funds for research and demonstration grants to explore the advantages of administrative adjudication for the handling of traffic violation cases.

Mr. President, although there has been an improvement in recent years in the highway-accident death rate when measured by the total passenger miles traveled, this is not enough. We cannot be satisfied with a slight improvement in mortality rates while we continue to lose more than 50,000 lives, inflict disabling and crippling injuries on hundreds of thousands of other persons, and destroy several billions of dollars worth of property on our highways each year.

S. 893, if enacted, would enable State

and local governments to embark on very useful highway safety programs which would help reduce the annual toll now exacted by unsafe roads, and it is without hesitation that I urge its adoption.

Mr. BENTSEN. Mr. President, I ask unanimous consent to have printed in the RECORD statements on the bill by the distinguished Senator from Alaska (Mr. GRAVEL) and the distinguished Senator from West Virginia (Mr. RANDOLPH).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR GRAVEL

I am sure I speak for everyone in this chamber today in expressing a very profound sense of relief that, for the first time in more than a decade, Americans are not risking death in Vietnam combat.

I still can derive little comfort from the fact, though, that again this year we are going to kill at least as many men, women and children on this country's highways as we lost in military action during the entire period of our Southeast Asia involvement.

According to figures compiled by the Highway Users Federation, there were at least 56,300 highway fatalities last year—highest in U.S. history—despite all the efforts exerted up to this point to try to reduce the grisly toll.

The figure is expected to come close to 60,000 a year by 1980 unless there is a dramatic shift in the trend, those same sources predict.

Simply as raw statistics, the death and injury figures are shocking.

Translated into terms of human suffering, grief and loss—not to mention the staggering economic cost entailed—they almost defy imagination.

Such a terrible toll is intolerable in a nation so rich in resources and in its demonstrated capacity for solving vast and complex problems.

I am convinced that this problem, too, can be solved or at least greatly minimized and I believe that the new approach embodied in S. 893, the Highway Safety Act of 1973 which we are now considering, provides a guidepost for the direction in which we need to move.

The strength of this legislation lies in the fact that it puts major emphasis on identification of locations and conditions responsible for a major share of accidents and provides the means of correcting those specific situations once they have been pinpointed.

By targeting directly as will be possible through creation of the new category designated as the federal-aid safer roads system and then earmarking the major share of the authorized funds for that category, I believe S. 893 is far superior to earlier highway safety measures which tended to dissipate their benefits by too general an approach.

While the $200 million a year authorized under the bill will not be enough to correct all high hazard situations immediately, it certainly will give us a good start toward that goal.

Since most of the problems with which the bill would deal are on two-lane rural roads, the measure will be of particular importance to my state of Alaska where 6,955 out of 7,817 highway miles are in rural areas. Most recent figures show that 82 percent of the fatalities in the state occurred on that type of road and the $1 million a year Alaska will receive as it share of the safer-roads system allocation will be very helpful.

That figure will, of course, be in addition to the $525,000 for fiscal 1974 and $625,000 for fiscal 1975 which the state would get as its share of general highway safety program funds.

I am also pleased that the bill make special provision for alloting available highway safety funds to Indian tribes which would be considered as a political subdivision of the state for that purpose. I think this will help substantially in Alaska's situation.

In summary, I consider S. 893 to be a strong and sound measure providing an imaginative approach as well as a practical one to a very serious problem. I consider it an honor to have taken part in its development by the Public Works Transportation Subcommittee of which I am a member and I very much hope it will be adopted by Congress and signed by the President without substantive change.

STATEMENT BY SENATOR RANDOLPH

Over the years the Federal Government has steadily increased its commitment to the construction of modern highways to provide fast efficient transportation in all parts of our country. The American people are overwhelmingly committed to motor vehicles to provide the bulk of their transportation. The number of cars, trucks and buses serving the people of the United States grows each year.

It is, therefore, proper that we should have a firm commitment to increasing safety on our roads and streets.

The Highway Safety Act of 1973 (S. 893) reaffirms the decisions made with passage of the Highway Safety Act of 1966. This measure expanded the intensified involvement of the Federal Government in a variety of highway safety programs. Seven years of experience with the statutes has provided us with considerable knowledge about what form highway safety activities should take in the years immediately ahead.

Our streets and roads have unquestionably become safer. In 1971, 54,700 people died as a result of highway accidents. This is a figure which has remained fairly stable in recent years even though the actual death rate has decreased markedly. We have made some progress, but we cannot be complacent so long as thousands of Americans continue to be killed and maimed on our roads.

The bill now before the Senate is the product of searching inquiry and thoughtful deliberation by members of the Senate Committee on Public Works and our Subcommittee on Transportation. Initial development of this measure was carried out under the leadership of the Chairman of the Subcommittee on Transportation, the knowledgable and able Senator from Texas, (Mr. Bentsen). The hearings he conducted added to our knowledge of this subject and pointed the direction that this legislation should take.

This measure is not extravagant in terms of monetary authorizations. It does, however, propose expenditures adequate to meet the urgent needs of highway safety.

The Committee once again recommends that highway safety programs be financed by the Highway Trust Fund. The fund is the financing mechanism for highway construction and it is imminently proper that it should also support programs to improve highway safety. We have long been aware that defects in the roads themselves are major contributors to accidents. We also know that a disproportionment number of highway accidents occur on roads that are not part of the Federal-aid systems.

The Safer Roads System is designed as a comprehensive response to this situation. The bill authorizes $200,000,000 a year for the safer roads program to correct deficiencies at high-hazard locations. Studies have shown that these relatively small projects can provide a high return in terms of improved safety.

It is a program addressed to problems which we have neglected far too long.

Mr. President, in 1970 I sponsored and the Congress established the special bridge replacement program. This activity was a direct outgrowth of the tragic collapse of the Silver Bridge into the Ohio River in December, 1967. The investigations triggered by the disaster revealed an alarming situation. We learned that many thousands of highway bridges in this country are not capable of carrying modern traffic loads and that many thousands of bridges are antiquated and should be replaced.

The 1970 Act provided $250,000,000 for the program during its first two years. With these funds a modest start has been made toward replacing some of our most deficient bridges. Substantial progress also has been made in compiling an inventory of highway bridges in the United States.

The Highway Safety Act of 1973 continues the bridge replacement program and authorizes $100,000,000 for each of the next two years for this activity. I am under no illusion that this sum is adequate to meet the demonstrated need. We are faced, however, with many calls on available highway funds. In addition, the Executive Branch has indicated, through its budget proposals, that it intends to spend no more than $75,000,000 for bridge replacement during fiscal year 1974. Faced with these considerations, the Committee agreed to recommend an authorization of $100,000,000 per year for bridge replacement and to channel available highway funds into other programs.

It is my personal hope that bridge replacement can continue to receive the emphasis that it deserves and that replacement activities can be accelerated in the near future.

Mr. President, the bill before the Senate continues and refines a program of personal importance to every American. I urge members of the Senate to join me in renewing our commitment to safety on American roads and streets.

Mr. McCLURE. Mr. President, I wish to state briefly my strong support of this important bill.

I am convinced it will greatly accelerate our national effort to improve safety on our highways.

In addition, I would like to point out that the authorization level of the bill as originally introduced was reduced in committee. Despite the inclusion of the new Federal-aid safer roads system funded at $200 million yearly, the fiscal 1974 total authorization of S. 893 now stands at $453 million, compared with $500 million in the bill, as introduced.

Such a reduction in total authorization brings the program to a more realistic level, allowing for funds to be shifted into this important new safer roads hazard removal effort, which my colleagues have discussed so eloquently.

In addition, I would like to point out some of the benefits of section 104 of the bill. This provision carries on the bridge reconstruction program, which was initiated by the Federal-Aid Highway Act of 1970. The annual authorization for this program is set at $100 million.

Unlike most programs under the Federal Highway Administration, funds for bridge reconstruction are not apportioned to the States on the basis of any formula. Rather, funds are distributed project by project on the basis of priorities to replace bridges that are "unsafe, because of structural deficiencies, physical deterioration, or functional obsolescence."

When the program was initiated, each State provided a list of up to 10 of their most critically deficient bridges.

In my own State, the Perrine Bridge on U.S. 93 crossing the Snake River near Twin Falls, Idaho, has been approved for replacement at an estimated total cost of $8,651,000. At latest count approximately 8,500 applications for bridge replacements have been submitted to FHWA.

The Highway Administration estimates that the total number of structurally deficient bridges, carrying Federal-aid highways, will eventually total 12,000 with reconstruction or replacement costs totaling $4 billion. There are another estimated 12,000 bridges on the Federal-aid systems that are considered functionally obsolete.

Continued implementation of this program will enable us to eliminate those dangers.

S. 893 also recognizes that not all critically deficient bridges are on the Federal-aid system. Initial estimates projected that there are 64,900 such structures not on a Federal-aid route. This bill allows a State to determine which bridge projects—on or off the Federal-aid system—have highest priority for reconstruction and, with the approval of the Secretary of Transportation, permits the State to use Federal funds for its most critical needs.

Mr. President, this is a sound and reasonable bill. It deserves the support of the full Senate.

Mr. STAFFORD subsequently said:

Mr. President, this morning the Senate considered and passed the Highway Safety Act of 1973, S. 893. I now ask unanimous consent that a statement by the distinguished Senator from Tennessee (Mr. BAKER), who is the ranking Republican on the Public Works Committee, and an insertion at the conclusion of his statement, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BAKER

I regret that because of the press of other duties I was unable to be in the Chamber when the Senate took up S. 893, the Highway Safety Act of 1973. But I am thoroughly familiar with the bill and followed its development closely, and know that the Chairman of the Transportation Subcommittee and its ranking minority member (Mr. Bentsen and Mr. Stafford) ably presented to the Senate the justification and need for this important measure.

Approximately 57,000 persons lost their lives on American roads last year. Highway accidents are the sixth leading cause of death in the United States. Among persons aged 15 to 24, highway fatalities ranked first as the cause of death; second in the 1–14 age group, and third in the 25 to 44 group. Sometime this year, the 2 millionth person will die as a result of an accident on an American highway.

The fatality rate on our highways represents a staggering loss to this Nation. In a comprehensive assessment of direct or indirect costs of motor vehicle accidents, the National Highway Traffic Safety Administration (NHTSA) has estimated that these costs to society, measured in terms of dollars, totalled about $46 billion in 1971. Put another way, that represents a loss of $200 for every man, woman, and child in the United States.

Federal legislation was passed in 1966 to enhance the safety of motor vehicles and to improve driver and pedestrian performance, as well as safety factors in highway design. Although it is not possible to ascertain the full impact of the national highway safety programs, analysis of both short-term and long-term fatality trends indicate that reductions in injury-producing accidents have taken place. The most encouraging indication is the decrease in fatality rate per 100,000,000 vehicle miles, which was 5.7 in 1966 and fell to 5.2 in 1969, 4.9 in 1970 and 4.7 in 1971.

This slight improvement is no cause for celebration, however. Preliminary figures show there were 57,000 deaths from highway continue, losses will approach 75,000 in 1980. Highway travel which in 1971 reached 1.17 trillion vehicle miles is expected to increase to between 1.5 and 1.7 trillion in 1980. Other factors contributing to highway accidents—vehicle speed and consumption of alcohol—are likewise expected to increase.

In developing S. 893, the Transportation Subcommittee and the Public Works Committee drew upon the experience of the Department of Transportation with safety programs established pursuant to the Highway Safety Act of 1966, in order to identify those which could deliver immediate benefits as well as those which seemed to promise longer-range results.

Research by the Federal Highway Administration has identified several improvements which can be made in existing highways to reduce—at least in the short run—the number and gravity of highway accidents and injuries. Because of the immediate effectiveness of such projects and the critical need for such improvements off the Federal-aid system, the Committee established the Federal-Aid Safer Roads System, a program which authorizes funds for specific kinds of projects—highway-railroad grade crossings, highway marking and signing, and elimination of roadside hazards—off the Federal-aid system.

Great credit is due the junior Senator from Vermont (Mr. Stafford), the ranking minority member of the Transportation Subcommittee, for his initiative in developing this program. He, together with Senator Domenici and with the other members of the Subcommittee, shaped his proposals into what I believe is a responsible and effective attack on known highway hazards.

S. 893 also continues funding for the bridge replacement program established in 1970 and allows these funds to be spent on routes whether or not they are part of the Federal-aid system. Further, the bill makes explicit that regular highway construction funds may be spent for safety-related construction projects. I might add that the Committee strongly urges the States to use a portion of their funds for these highly effective, life-saving projects.

The Committee bill authorizes funds for the existing State safety grant programs and research and development projects. NHTSA has gained valuable knowledge from the experimental and demonstration programs in traffic law enforcement, alcohol countermeasures, and safety education created pursuant to the Highway Safety Act of 1966. That legislation also established the Federal role in highway safety as one of providing technical and financial assistance to States in developing comprehensive, statewide safety programs. There have been tangible results from the Federal, State and local efforts, and I add a brief description of some of these programs at the conclusion of my remarks.

Much remains to be done. We must recognize that significant, enduring improvement will require a sustained, long-term effort. I would hope that as Federal highway safety agencies and the States gain more experience with evaluating the effectiveness of certain approaches to highway safety and are able to identify effective methods to reduce injuries and property loss, both States and the Federal government will increase expenditures to implement, evaluate and continually improve valuable life-saving programs.

Senator Bentsen, chairman of the Transportation Subcommittee, Senator Stafford and other members of the Subcommittee, Senator Randolph and members of the full committee have, in S. 893, brought before the Senate a bill which, I believe, strikes the proper balance between immediate results and needed long-term research.

FEDERAL HIGHWAY SAFETY PROGRAMS

The first significant legislative initiative in highway safety occurred in 1956 with passage of the Federal-Aid Highway Act. That act, which created the Interstate Highway System, also directed the Secretary of Commerce to make a comprehensive investigation of highway safety problems. A report of this investigation was published in 1959 under the title "The Federal Role in Highway Safety."

While the enactment in 1965 of section 135 of title 23, United States Code, established the responsibility of the Federal Government for providing leadership in a national safety effort, it was not until the following year that the Congress addressed the problem in a comprehensive way by enacting the Highway Safety Act and the National Traffic and Motor Vehicle Safety Act.

The Congressional enactments recognized the 40 percent rise in highway deaths which accompanied a 30 percent increase in vehicle mileage during the early 1960's. The mileage fatality rate (fatalities per 100 million vehicle miles of travel) was rising—from 5.31 in 1960 to 5.70 in 1966, representing a reversal of a long-term downward trend starting about 1923. More important, the fatality rate per 100,000 population rose even more precipitously—from 21.2 in 1960 to 27.1 in 1966.

The National Traffic and Motor Vehicle Safety Act provided for the establishment of standards or countermeasures to improve the safety and performance of new and used motor vehicles, tires and equipment, and to conduct research programs to develop better and more advanced concepts in automobile safety construction, for the evaluation of manufacturer compliance with the safety standards, and for the investigation and notification of safety defects. To supplement that authority, the Congress in 1972 enacted the Motor Vehicle Information and Cost Savings Act to promote competition among motor vehicle manufacturers in the design and production of safer motor vehicles having greater resistance to damage.

The Highway Safety Act provided for technical and financial assistance to encourage States to adopt and implement comprehensive highway safety programs based, in large part, on national standards to reduce highway accidents, deaths, injuries, and property damage.

The following year, the Department of Transportation was established to provide a more coordinated and effective national transportation program. A major objective was greater transportation safety. The Highway Safety Act of 1970 provided additional support for an effective Federal program to improve safety on our highways.

The Highway Safety Act of 1966 created a Federal-State partnership to improve highway safety. The key feature of the act provides that each State develop a program to reduce traffic accidents, deaths, injuries and property damage, and that the program is to be directly under the authority of the Governor who is to coordinate action by State and local governments. The Federal role is one of providing leadership, technical guidance, and financial assistance in developing such programs.

Eighteen National Highway Safety Program Standards have been developed and are in effect. Prior to 1966, few States had established comprehensive traffic records. All States today have such systems to meet operational needs. In 1966, only two States had a full-time Emergency Medical Service (EMS) staff. Today, all 50 States have such staffs. Ninety-six projects are focusing on analyses of State rules of the road and establishing local ordinances consistent with changes in

State traffic laws. Twenty-five States now have uniform rules for traffic court procedures. All 50 States now have vehicle registration programs for rapid vehicle and owner identification. All but five States now have helmet laws for motorcyclists. Only 17 States in 1966 periodically examined all drivers. Today, the large majority of States have initiated projects to establish or improve driver licensing. In 1966, only 20 States had implied ated projects to establish or improve driver Today, all 50 States have such a law and most States have adopted the presumptive level of intoxication of .10 percent of blood-alcohol concentration which has been established as a national standard.

The Federal Highway Administration has been active in the area of traffic engineering services. Uniform rules for continuing surveillance of traffic operations are being adopted by the States. Surveillance of critical highway locations aided by installation of new devices have been credited with saving lives and preventing injuries. New signing for freeway travelers has resulted in less confusion and safer driving. Programs have been developed to protect motorists from the danger of bridge abutments, roadside signs, and other physical hazards of the roadway environment, by installation of energy absorbing devices at critical places along the roadway and by removal of barriers which contribute to the severity of the crash.

Highway safety program modifications are being made as experience is gained. The 18 standards are in the process of revision and consolidation. Through research and demonstrations, NHTSA has identified several programs for concentrated experimental study and demonstration, with results being evaluated for safety payoff.

Reports from accident investigating teams, medical examiners, and other sources show that alcohol is involved in more than 50 percent of our fatal traffic crashes, and that although constituting less than 10 percent of the driving population the problem drinkers are responsible for at least two-thirds of the alcohol-related fatal crashes.

In March 1970, a special Office of Alcohol Countermeasures in the NHTSA was formed to guide the comprehensive program. A four-pronged attack is being implemented on a nationwide basis incorporating:

A research and development campaign to produce effective countermeasures for community use;

A public education campaign about alcohol and highway safety;

Alcohol Safety Act Programs (ASAP) at the local level in selected communities;

Emphasis on alcohol countermeasures in States and local programs funded under the Highway Safety Act.

The thirty-five federally funded ASAP projects are the central feature of the NHTSA Alcohol Countermeasures Program, and currently cover approximately 15 million of the 110 million licensed drivers in the United States.

Selective Traffic Enforcement Projects (STEP) is another effort being carried out in a few communities. This is an effort to identify and improve the kinds of law enforcement that can be applied selectively to places with abnormally highway accident records to test or demonstrate various enforcement techniques. These activities also are being applied by States in their regular enforcement programs and in short-term Fatal Accident Reduction Enforcement (FARE) efforts to induce measurable reductions in injury-producing accidents.

NHTSA for the past several years has been developing and testing cost-effective concepts and techniques for improving driver behavior through improved driver examination, licensing and re-education. Comprehensive traffic and pedestrian safety education, also, is receiving special attention in the recognition that 20 percent of our highway fatalities are pedestrians.

Based on past experience, Federal highway safety personnel believe that future emphases should be placed on additional alcohol countermeasures, developing and implementing new law enforcement techniques, upgrading traffic court organizations, facilities, and personnel, and comprehensive traffic safety education programs which would extend from kindergarten pupils to senior citizens and would include activities in the effects of alcohol on driver performance, pedestrian and bicycle safety, motorcycle safety, pupil transportation, driver education and re-education.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill (S. 893) was ordered to be engrossed for a third time, and passed, as follows:

S. 893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 101. This Act may be cited as the "Highway Safety Act of 1973".

AUTHORIZATION

SEC. 102. There are authorized to be appropriated out of the Highway Trust Fund—

(a) $80,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 for the fiscal year ending June 30, 1975, for carrying out section 402 of title 23 of the United States Code (relating to highway safety programs) by the National Highway Traffic Safety Administration.

(b) $25,000,000 for the fiscal year ending June 30, 1974, and $25,000,000 for the fiscal year ending June 30, 1975, for carrying out such section 402 by the Federal Highway Administration.

(c) $42,500,000 for the fiscal year ending June 30, 1974, and $42,500,000 for the fiscal year ending June 30, 1975, for carrying out section 403 of such title (relating to highway safety research and development) by the National Highway Traffic Safety Administration.

(d) $7,500,000 for the fiscal year ending June 30, 1974, and $7,500,000 for the fiscal year ending June 30, 1975, for carrying out sections 307(a) and 403 of such title by the Federal Highway Administration.

FEDERAL-AID SAFER ROADS SYSTEM

SEC. 103. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 405. Federal-aid safer roads system

"(a) The Federal-aid safer roads system shall consist of all public roads or segments thereof needing improvements to correct safety hazards, selected or designated by each State subject to the approval of the Secretary.

"(b) Not later than June 30, 1974, each State shall identify projects on the Federal-aid safer roads system for all public roads in such State, including projects to improve highway marking and signing, to eliminate roadside obstacles, to eliminate hazards at railroad-highway grade crossings, and to correct high-hazard locations, identified by accident reporting, traffic records and hazards analysis systems established in accordance with standards promulgated under subsection (a) of section 402 of this title. Each State shall assign priorities for and undertake the systematic correction if identified hazards, to provide for the most effective improvement in highway safety.

"(c) There is authorized to be appropriated for the Federal-aid safer roads system, for projects on public roads which are not Federal-aid highways for the removal of roadside obstacles, the elimination of hazards at railroad-highway grade crossings, and the proper marking and signing of highways in accordance with subsection (b) of this section, out of the Highway Trust Fund, $200,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975. Such sums shall be apportioned among the States in accordance with the formula established under subsection (c) of section 402 of this title. The Federal share payable on account of any such project shall not exceed 90 per centum of the cost thereof. The provisions of chapter 1 of this title relating to the obligation, period of availability, and expenditure for Federal-aid primary highway funds shall apply for funds apportioned to carry out this subsection. Prior to June 3, 1974, funds shall be available for such projects as determined by the State, subject to the approval of the Secretary.

"(d) A State is authorized to expend any sums apportioned to it under paragraphs (1), (2), (3), and (6) of subsection (b) of section 104 of this title for the purpose of carrying out projects on the Federal-aid safer roads system on Federal-aid highways within such State. The Federal share payable on account of any such project shall not exceed 90 per centum of the cost thereof.

"(e) It shall be the responsibility of each State to maintain adequate pavement markings on all Federal-aid highways and on any public road marked with funds available under this section in such State.

"(f) In any State wherein the State is without legal authority to construct or maintain a project under this section, such State shall enter into a formal agreement for such construction or maintenance with the appropriate local officials of the county or municipality in which such project is located.

"(g) If the Secretary determines that a State after June 30, 1974, has not properly met its responsibilities under subsection (b) of this section, the Secretary shall withhold from obligation from the account of such State 10 per centum of the sums apportioned to such State under paragraphs (1), (2), (3), and (6) of subsection (b) of section 104 of this title and all sums apportioned to such State under subsection (c) of this section. Any sums so withheld shall be released to the account of such State for the purpose of carrying out projects on the Federal-aid safer roads system, upon compliance with the requirements of subsection (b) of this section. In any case where the Secretary determines that on June 30, 1975, a State from which sums have been withheld under this subsection is not in compliance with subsection (b) of this section, the Secretary shall promulgate procedures to identify projects and assign priorities in accordance with subsection (b) of this section and shall require such State to obligate such withheld sums for projects identified under this subsection."

(b) The table of contents of chapter 4 of title 23, United States Code, is amended by adding at the end thereof:

"405. Federal-aid safer roads system.".

(c) The third sentence of subsection (c) of section 402 of title 23, United States Code, is amended by striking "subsection" and inserting in lieu thereof 'chapter''.

BRIDGE RECONSTRUCTION AND REPLACEMENT

SEC. 104. (a) Subsection (b) of section 144 of title 23, United States Code, is amended by striking out "on any of the Federal-aid systems" and inserting in lieu thereof "on any public road".

(b) Subsection (e) of section 144 of title 23, United States Code, is amended by striking out "1972; and" and inserting in lieu thereof "1972,"; by inserting immediately after "1973," the following: "$100,000,0000 for the fiscal year ending June 30, 1974, and

$100,000,000 for the fiscal year ending June 30, 1975,".

BICYCLE SAFETY

SEC. 105. (a) The fourth sentence of subsection (a) of section 402 of title 23, United States Code, is amended by striking the period at the end thereof and inserting in lieu thereof the following: ", and bicycle safety."

(b) Paragraph (b)(1)(E) of section 402 of title 23, United States Code, is amended by striking "and" before "(5)" and by striking the period at the end of such paragraph and inserting in lieu thereof a comma and the following: "and (6) driver education programs, including research, that will assure greater safety for bicyclists using public roads in such State."

MANPOWER TRAINING AND DEMONSTRATION PROGRAMS

SEC. 106. (a) The first sentence of subsection (c) of section 402 of title 23, United States Code, is amended by inserting immediately after "approved in accordance with subsection (a)," the following: "including the development and implementation of manpower training programs, and of demonstration programs that the Secretary determines will contribute directly to the reduction of accidents, and deaths and injuries resulting therefrom. Such funds.".

PUBLIC ROAD MILEAGE

SEC. 107. Subsection (c) of section 402 of title 23, United States Code, is amended by inserting immediately after the third sentence the following: "Public road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary."

NOTIFICATION OF SUSPENSION

SEC. 108.Subsection (c) of section 402 of title 23 of the United States Code, is amended by adding immediately after the next to the last sentence thereof the following: "Whenever the Secretary suspends the application of the eighth sentence of this subsection, he shall report within ten days the reasons for such suspension and the period of such suspension to the Committees of the Senate and House of Representatives on Public Works, Commerce, and Interstate and Foreign Commerce, and shall publish such report in the Federal Register, and shall notify the State or States involved of such suspension, the reasons therefor and the period thereof, and warn them of the penalty involved.".

MINIMUM APPORTIONMENT

SEC. 109. Subsection (c) of section 402 is amended by striking "one-third of 1 per centum" in the fifth sentence thereof as amended, and inserting "one-half of 1 per centum.".

HIGHWAY SAFETY ON INDIAN RESERVATIONS

SEC. 110. (a) Section 402 of title 23 of the United States Code is amended by adding a new subsection (i), as follows:

(i) For the purpose of the application of this section on Indian reservations, 'State' and 'Governor of a State' includes the Secretary of the Interior and 'political subdivision of a State' includes an Indian tribe: *Provided*, That, notwithstanding the provisions of subparagraph (C) of subsection (b)(1) hereof, 95 per centum of the funds apportioned to the Secretary of the Interior shall be expended by Indian tribes to carry out highway safety programs within their jurisdictions: *And provided further*, That the provisions of subparagraph (E) of subsection (b)(1) hereof shall be applicable except in those tribal jurisdiction in which the Secretary determines such programs would not be practicable.".

(b) Subsection (d) of section 402 of title 23, United States Code, is amended by inserting at the end of the first sentence thereof the following: ", and except that, in the case of a local highway safety program carried out by an Indian tribe, if the Secretary is satisfied that an Indian tribe does not have sufficient funds available to meet the non-Federal share of the cost of such program, he may increase the Federal share of the cost thereof payable under this Act to the extent necessary.".

DRUG USE AND HIGHWAY SAFETY

SEC. 111. Section 403 of title 23 of the United States Code is amended by inserting "(a)" immediately before the first sentence thereof, and by adding at the end thereof the following new subsections:

"(b) In addition to the research authorized by subsection (a) of this section, the Secretary, in consultation with such other government and private agencies as may be necessary, is authorized to carry out safety research on the relationship between the consumption and use of drugs and their effect upon highway safety and drivers of motor vehicles. As soon as practicable, the Secretary shall promulgate a highway safety program standard with respect to drug use in relation to highway safety. The research authorized by this subsection may be conducted by the Secretary through grants and contracts with public and private agencies, institutions, and individuals.

"(c) In addition to the research authorized by subsections (a) and (b) of this section, the Secretary is authorized either independently or in cooperation with other Federal departments or agencies, to conduct research into, and to make grants to or contracts with State or local agencies, institutions, and individuals for demonstration projects for programs of administrative adjudication of traffic infractions. Such administrative adjudication programs shall be designed to improve highway safety by providing fair, efficient, and effective adjudication of traffic infractions, and by utilizing appropriate punishment, training, and rehabilitative measures for traffic law offenders. The Secretary shall report to Congress by July 1, 1975, on the research and demonstration projects authorized by this subsection, and shall include in such report a comparison of the fairness, efficiency, and effectiveness of administrative adjudication of traffic infractions with other methods of handling such infractions.".

HIGHWAY SAFETY RESEARCH AND DEVELOPMENT

SEC. 112. The second sentence of subsection (a) of section 403 of title 23, United States Code, is amended to read as follows: "In addition, the Secretary may use the funds appropriated to carry out this subsection, either independently or in cooperation with other Federal departments or agencies, for making grants to or contracting with State or local agencies, institutions, and individuals for (1) training or education of highway safety personnel, (2) research fellowships in highway safety, (3) development of improved accident investigation procedures, (4) emergency service plans, (5) demonstration projects, and (6) related activities which are deemed by the Secretary to be necessary to carry out the purposes of this section. The Secretary shall assure that no fees are charged for any meetings or services attendant thereto or other activities relating to training and education of highway safety personnel.".

TRANSFER OF DEMONSTRATION PROJECT EQUIPMENT

SEC. 113. Section 403 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Secretary may, where he deems it to be in furtherance of the purposes of section 402 of this title, vest in State or local agencies, on such terms and conditions as he deems appropriate, title to equipment purchased for demonstration projects with funds authorized by this section.".

NATIONAL HIGHWAY SAFETY ADVISORY COMMITTEE

SEC. 114. Subsection (a)(1) of section 404 of title 23, United States Code, is amended by inserting immediately after "Federal Highway Administrator," the following: "the National Highway Traffic Safety Administrator.".

DATE OF ANNUAL REPORT

SEC. 115. The first sentence of subsection (a) of section 202 of the Highway Safety Act of 1966 (80 Stat. 736) is amended by deleting "March 1" and substituting in lieu thereof the following: "July 1".

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against my time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that the distinguished Senator from Alabama (Mr. ALLEN) may now be recognized without prejudice to any Senators whose orders precede his.

The PRESIDING OFFICER. Without objection, it is so ordered. Under the previous order, the Senator from Alabama is recognized for not to exceed 15 minutes.

THE NEED FOR A CONSTITUTIONAL AMENDMENT TO FORBID FORCED BUSING OF SCHOOLCHILDREN

Mr. ALLEN. Thank you, Mr. President.

Mr. President, I wish to discuss briefly at this time the need for a constitutional amendment to forbid forced busing of schoolchildren.

This proposal is embraced in a proposed amendment to the Constitution (S.J. Res. 28) which has been introduced with Senator BAKER, Senator BIBLE, Senator BROCK, Senator BUCKLEY, Senator ERVIN, Senator HELMS, Senator NUNN, Senator SCOTT of Virginia, my distinguished senior colleague from Alabama (Mr. SPARKMAN), Senator STENNIS, Senator TALMADGE, Senator THURMOND, and Senator TOWER as cosponsors.

Mr. President, the proposed amendment is very simple. It can be understood by one and all. It is contained in two short sections, as follows:

> SECTION. 1. No public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school.
>
> SEC. 2. Congress shall have the power to enforce this article by appropriate legislation.

It will be recognized that the language is precisely that of the Lent amendment which is reported to have majority support in the House. It is also in the language of the amendment offered by the distinguished Senator from Tennessee, Mr. BROCK. It is also the precise language of a proposed amendment contained in resolutions offered by the separate State legislatures which have petitioned Congress to call a constitutional convention for the purpose of considering the proposal.

Mr. President, I think that the greatest contribution that any of us can make to a discussion of this and similar proposals is by way of clarification of the issue. My remarks will be confined to this purpose; and in the process, I hope to demonstrate that the central and controlling question concerns the power of governments—State and Federal—to use their power to coerce the people in the implementation of racial policies; that State and Federal Governments should not have that power; and that a constitutional amendment is the only means to settle the issue with any degree of finality.

Mr. President, with reference to the controlling question, a proposition has been affirmed that the U.S. Constitution vests a power in governments—State and Federal—to classify citizens by race and to compel them to be transported from their rural communities and from urban neighborhoods for the purpose of receiving public school education. I reject that theory and that principle.

Sociological arguments and recent judicial precedents in support of this proposition beg the question—both presume a power in State and Federal Governments to establish racial policies and to enact legislation based on racial classifications to implement such policies. The proposed amendment which we have submitted raises the question of whether or not State and Federal Governments ought to have such powers—it invokes the ultimate sovereign power of the people for a decision. We ask that the people be permitted to decide this issue.

Mr. President, in Plessy against Ferguson decided in 1896, and in subsequent decisions, the U.S. Supreme Court conceded the power in State and Federal Governments to enact laws based on racial classifications under certain circumstances. This ruling led to the "separate but equal" doctrine.

In the 1954 Brown decision, the U.S. Supreme Court did more than overrule the separate but equal doctrine—is overruled the premise on which it was based. It held that State and Federal Governments did not have the power under the Constitution to enact laws which created classifications by race in furtherance of racial policies. It reasoned that such classifications were discriminatory in the context of public school education and that such laws could not be rationalized as an exercise of inherent power in furtherance of the general welfare.

If the Supreme Court had stopped there and said that the States could not require the assignment of pupils for the purpose of maintaining segregation, that would have been well and good; but in the past few years, the Supreme Court has gradually abandoned the ruling of Brown as it related to the powers of government to legislate racial policies. The Court has now reverted to the Plessy concept of inherent powers in government and once again maintains that State and Federal Governments may enact laws embracing racial classifications and may use the coercive power of the State to implement such policies both in the context of public school education and in other areas of public concern.

So the Supreme Court has gone to a point where it has changed courses 180 degrees. It said in Brown that there could not be any law requiring assignment on the basis of race. That is fine; nobody objects to that. But now they say that the States must assign on the basis of race. So they have gone full circle and are now going in exactly the opposite direction to what they were going in 1954 in the Brown case.

The difference in the position of the present U.S. Supreme Court and the Plessy Court relate not to the power in government to classify by race and implement racial policies by coercion, but as to the desirability of the ends to be achieved by racial policies and governmental coercion. The coercive power of the State may now be used to implement racial policies to achieve what may be considered desirable social ends. In short, the present U.S. Supreme Court and some Members of Congress have accepted the argument that the U.S. Constitution embraces the principle that the ends justify the means. In accepting that argument, they necessarily accept the basic premise of the Inquisition.

However, the result is that much debate has evolved around conflicting evidence as to the desirability of the ends to be achieved. The fundamental constitutional question concerning the power of government to adopt racial policies to be implemented by racial classification and coercion has been smothered over by arguments concerning the merits of the ends. Sociologists with bags full of selected data have been in the thick of the fray. One may be excused if he has gotten the impression that sociologists have been leading the Supreme Court around by a ring in its nose. It is evident that sociologists have decreed public policy and that the U.S. Supreme Court has implemented it to the extent that the Court understands it. In this connection, one cannot escape the conclusion that some Members of Congress have followed the Court like Mary's little lamb—wherever the Supreme Court went, these Members were sure to go. In blithely following the U.S. Supreme Court, they have been led up a blind alley.

In an effort to avoid the consequences of supporting the Supreme Court contention that the Federal Government has the power to create racial policies and coerce citizens in the implementation of such policies in their own States, they have had to resort to the de jure-de facto distinctions as applied to racially segregated schools.

Mr. President, this conclusion can be demonstrated and deserves a few words because it points up the fact that some States, as well as the Federal Government, have reverted to the old Plessy doctrine which upheld the State power to establish racial policies.

When the Civil Rights Act of 1964 was enacted, certain Members of Congress created so-called legislative history by which they sent a cryptic message to the Supreme Court that the power of Congress and the Court to establish and to implement racial policies by coercion must not be applied in States outside the South. Why the Supreme Court bought this argument is beyond my comprehension. Nevertheless, it did, and it brought about two significant developments. On the one hand, the Supreme Court was compelled to acknowledge that Congress could determine and limit the rights to be protected under the "Equal Protection" clause of the 14th amendment—thus refuting the argument of civil rights agitators that Congress could only expand the rights protected by the amendment. On the other hand, it produced arguments in support of de facto school segregation. It was and still is argued that the States, outside the South, have the power to enact legislation based on racial classifications and to implement racial policies by coercion. The arguments in support of de facto segregation boil down to a simple contention that the States and not the Federal courts should exercise the power to establish racial policy and coerce the people into compliance with such policies. In other words, the champions of de facto segregation take a position that both State and Federal Governments have the power to establish and implement racial policies in the context of public school education. Consequently, those who wish to maintain the status quo as reflected in de facto segregation have found it expedient to berate the South while upholding the concept of State power which led to the Plessy decision and to segregation de jure. It is something more than ironic—it is cynical in the extreme when we consider that there is infinitely more school segregation in most of the States outside of the South than there is in most States within the South.

Mr. President, once it is conceded that State and Federal Governments have the power under the Constitution to establish racial policies and to coerce the citizens into compliance with those policies, there are simply no bounds to the social areas in which these powers may be applied. It is not an exaggeration to say that every social policy now advocated by those who profess a "passion for equality" can be justified by a judicial construction of the "Equal Protection" clause of the 14th amendment or by a judicial construction of the "Due Process" clause of the fifth amendment. There is no want of sociologists, Marxists, Fabian Socialists, anarchists, syndicalists, and special pleading to support any racial policy which the Supreme Court may wish to implement.

Recent history affords us with persuasive examples of justifications for racial policies which run the gauntlet from Wounded Knee to Siberia by way of Auschwitz. No government has ever lacked a rationale for its racial policies. But our Constitution is color blind and it ought to be color blind. The achievement of the 14th and 15th amendments was in affording persons regardless of color the status of citizenship with all the privileges and rights and immunities, and duties and responsibilities of citizenship. There is no room in our Constitution for classifications of citizens by race or color. The Supreme Court once held that doctrine. It haw now repudiated it on the grounds that the ends to be achieved justify the abandonment of a priceless limitation on the power of government to coerce its citizens.

Mr. President, one of the most appalling aspects in the implementation of current Supreme Court doctrine is the manner in which the Court has been compelled to twist and contort traditional principles of equity in the implementation of its racial policies. In 1954, in overruling the Plessy concept of powers of government, the Supreme Court resorted to the equity power in U.S. district courts to desegregate public schools in the South. The Court cited flexibility of equity in formulating equitable decrees and the possibility of adjusting decrees to meet specific local circumstances. The Court invoked traditional principles of equity as guidelines and limitations on the exercise of the discretionary equity power of U.S. district courts.

Experience has since demonstrated that there is absolutely no way by which these massive busing and cross-busing decrees could be squared with traditional principles of equity. Instead of decrees which take into consideration the health, safety, convenience of children and parents as determined by differing local circumstances, the Court has resorted to the wooden and barbaric criteria of racial balance as the absolute criterion of compliance in desegregation of all schools in the South. No equitable consideration has been sufficiently persuasive to alter the racial balance asininity decreed by district courts and approved by the U.S. Supreme Court. Under the pretense of an equitable power, U.S. District Court Judges have utterly disregarded the legislative power of local governments to establish tax and spend policies. The courts have by decree burdened local governments and political subdivisions of governments with financial responsibilities which could be met only by allocating tax funds in accordance with priorities established by the Court.

Mr. President, I have searched for some judicial precedent or even judicial theory to rationalize an equity power in courts to disregard State constitutions and State laws in the matter of allocating tax funds for support of public school education. There is no precedent that I can find, and the practice does not square with commonsense reasoning or with the principles of a Republican form of government. Members of Congress must take into account that new ground is being plowed in the school desegregation cases. Precedent is being established which can be made to apply to every conceivable aspect of our daily lives. The implications are downright frightening.

Mr. President, at this point I want briefly to summarize. Certain members of Congress and the U.S. Supreme Court support the Plessy construction of the Constitution to the effect that State and Federal Governments have the power to establish racial policies and to implement those policies by use of the coercive power of government.

The defenders of de facto segregation contend that States outside of the South should establish their own racial policies and should not be required to implement racial policies established by either Congress or the Federal courts. Judging by results since 1954, the racial policy in many States outside of the South has been to maintain de facto segregation.

Federal courts have distorted traditional principles of equity into instruments of judicial tyranny. For one thing, considerations involving the health, safety, education, and welfare of schoolchildren have been subordinated to an inflexible "equitable" requirement of racial balance in schools. Under this inflexible requirement, schoolchildren are uprooted from their rural communities and from their urban neighborhoods and forcibly transported to strange and distant environments. Tax and spend policies have been imposed upon local governments under the strange and dangerous perversions of equity powers in courts. The constitutional doctrine of separation of powers has been demolished by means of equity decrees.

Judicial precedents are being established in the process of implementing racial policies by judicial decree. Judicial compliance is enforced by the levy of confiscatory fines and the threat of imprisonment of public officials without benefit of trial by jury. These precedents pose a serious threat to the freedom and well-being of people throughout the United States. It is not a local problem, it is a national problem, and one which must be approached from the national level of government.

This leads us to a consideration of the appropriate means by which to correct the problem. Is a constitutional amendment necessary? We believe that it is.

Most legislation which has been introduced in Congress on this subject has been designed to correct gross abuses of judicial powers as reflected in callous treatment of schoolchildren and a contemptuous disregard of the letter, spirit, and intent of the U.S. Constitution. The trouble with the legislative approach to the solution is that, with few exceptions, the legislation accepts the basic premise that State and Federal Governments have the power to establish racial policies and to enforce those policies by use of the coercive power of government. Such legislation is a palliative and not a cure. In addition, legislation which does not challenge the basic premise is subject to amendment and modification by Congress and further abuses of power by judicial construction.

I strongly favor legislation to curb abuses of judicial power by the Federal courts and legislation which would place limits on the discretionary equity power of Federal courts to formulate decrees implementing current racial policies. On the other hand, I do not believe that we can reach the fundamental constitutional question without the aid of a constitutional amendment. If Congress refuses to submit a proposed amendment to the States, then I shall support in every way that I can the present movement to petition Congress by resolutions passed by the separate States which will compel Congress to call a constitutional convention to consider the merits of this proposed amendment.

In the meantime, this proposed amendment, if ratified, would preserve the traditional neighborhood schools. It would prevent massive busing and cross busing of children for the purpose of achieving an arbitrary racial ratio in public schools. It would prevent Federal courts from ordering perfectly good public schools to be closed or abandoned for racial reasons. It would prevent Federal courts from pairing schools and pairing grades for racial reasons. It would prevent Federal courts from gerrymandering school attendance districts for the purpose of achieving racial ratios in schools. It would prevent Federal courts from disregarding the geographic boundaries of political subdivisions of States in enforcing its racial ratios upon the schools in the separate political subdivisions. It would prevent Federal courts from establishing tax-and-spend policies for local government.

It would get Federal courts out of the business of establishing public school policies in supervising the administration of local public schools. Finally, it would reject the proposition that State and Federal Governments have the constitutional power to establish and enforce racial policies by use of the coercive power of government.

Mr. President, these considerations commend the proposal to the people. I trust that the Judiciary Committee will take the first step in submitting the proposal to the people by a favorable report to the Senate.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the orders for the recognition of Senators JAVITS, PELL, SYMINGTON, and HATHAWAY be vacated and that their time be allotted to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of Mr. Bartlett be vacated, and I ask unanimous consent, further, that his time be allotted to my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged to the time reserved to me.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may require to the distinguished Senator from Georgia (Mr. NUNN), out of the time reserved to me.

FORCED BUSING OF SCHOOLCHILDREN

Mr. NUNN. Mr. President, I am not going to take much time today.

I commend the distinguished Senator from Alabama (Mr. ALLEN) for the very thorough presentation he has just made on a subject that I think is of prime importance not only to the people of Alabama and Georgia but also to all the other people in this Nation.

We have seen in the last 2 years the Supreme Court of the United States on one occasion after another take the position that laws passed by Congress are unconstitutional, by strained logic that only those on the Court can seem to understand.

Senator ALLEN has two measures which I think are excellent. I have joined as a cosponsor of both. In effect, they would require the Court to get back to the premise of education rather than forced busing. Senator ALLEN also has a constitutional amendment which I believe, in the final analysis, is going to have to be the course Congress takes.

The senior Senator from Georgia (Mr. TALMADGE) also has a constitutional amendment. I have joined as a cosponsor of both measures, and I intend to support whatever constitutional amendment comes out of the Committee on the Judiciary to prohibit forced busing.

I think it is time that all of us realize that the business of education is suffering by court edicts which make no sense to black people, to white people, or to anyone concerned with the educational process.

I think that those who argue against a constitutional amendment because of the time required should take a close look at what happened with respect to the constitutional amendment giving 18-year-olds the right to vote, with the full thrust of public opinion behind that amendment, approximately 2 years ago. It took only 6 months to pass and ratify that amendment, which has become the 26th amendment to the Constitution.

Mr. President, I submit that if the Supreme Court of the United States persists in traveling the road of no logic on which they have gone in connection with the question of busing for so long, there is going to be enough public thrust and public sentiment to pass a constitutional amendment which will forever solve this problem and allow us to get back to the business of education.

I have testified before the Committee on the Judiciary in connection with this subject, and I believe Senator ALLEN also will testify. Senator TALMADGE gave some very fine testimony yesterday. I also commend Senator EASTLAND for calling these hearings, which I think are important to many people throughout this country.

I received a letter recently from a constituent who gave a very fine group of reasons for his opposition to forced busing, and he closed with a comment that I think is worthy of our attention. He said:

> We must face problems people to people, not class to class, group to group, or race to race. . . . We must concentrate our forces on the betterment of education within the schools. . . . We must decide to try to work together not against each other.

I repeat my sincere thanks for the comments made and the great efforts made by the Senator from Alabama in this area, which I submit would help black people and would help white people and would begin to get us back to the vital needs of education, rather than persisting in talking about equities, in talking about a breach of the Brown decision, as the Senator has already outlined, and in talking about the educational needs of our country.

I also submit that those who insist that busing is the answer really must have been educated, themselves, on a school bus, because their logic defies all reason.

So I commend the Senator from Alabama for a very fine presentation.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement I made before the Committee on the Judiciary on April 11, 1973.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SAM NUNN FOR THE SENATE JUDICIARY COMMITTEE IN SUPPORT OF AN ANTIFORCED SCHOOL BUSING AMENDMENT, APRIL 11, 1973

Mr. Chairman, I appreciate the opportunity to appear before this distinguished Committee and explain my opposition to forced busing, my reasons for cosponsoring two proposed constitutional amendments and two statutes to prohibit this forced busing.

At the onset I want to state that I have had an opportunity to review the remarks made to you yesterday by the distinguished Senior Senator from Georgia, the Honorable Herman E. Talmadge. I am grateful that the people of Georgia are served by such an able and qualified legislator. I concur and heartily endorse his remarks.

When considering the issue of forced busing we must first consider the autocratic federal judiciary which has totally ignored and disregarded the supreme law of this land as embodied in the United States Constitution. For some reason these mortals feel that the simple act of placing a federal judge's robe around their shoulders has given them omnipotence and immortality—the power to dictate their wills and desires on the citizens of this nation, black and white in spite of the Constitution rather than because of it. The very existence of public education has been all but torn asunder by their arbitrary disregard for established legal precedents.

For the first time black and while parents have joined together in opposing their high-handed decisions. The majority of both black and white parents condemn forced busing plans. One can only assume that these judges received their legal education while commuting on a bus since their logic is the logic of Alice in Wonderland.

The tragedy, however, is that their innocent victims are not fictional Alices but the flesh and blood upon which this country's future is dependent—our children; and their domain is no wonder or fantasy land but rather the public schoolroom which is being destroyed.

While some Congressional leaders argue that the issue can best be handled through normal legislative channels, Congress has passed legislation on this subject only to have it ignored by the Supreme Court and an opposite ruling imposed. In my opinion a constitutional amendment is the only final answer unless the court changes its direction.

On several occasions this Congress has addressed itself to the issue of forced busing only to have its statutes ignored, disregarded and prostituted by legal jargon and false logic.

I am cosponsoring Senator Allen's Equal Educational Opportunities Act (S. 416) and his Uniform Criteria Act (S. 619) which would prohibit school boards from assigning or transferring students beyond their neighborhood schools. These acts also provide that school boards shall not be required to take action if their formerly unitary school systems become resegregated because of resident population shifts. These same prohibitions are placed upon the judiciary in formulating orders in school cases.

However, I am convinced that this country has reached a critical stage on the issue of forced busing to impose racial balance in our school system. A firm answer must be provided, and I am convinced that the only sure way to approach the issue is through a constitutional amendment.

On February 15, Senator Talmadge and I introduced a proposed constitutional amendment (SJ Res. 62) prohibiting the involuntary assignment of school children beyond their neighborhood school. I have also cosponsored Senator Allen's (D.-Ala.) constitutional amendment which includes similar provisions.

Although it is more difficult to pass a constitutional amendment—requiring two-thirds vote of both Houses and ratification by three-fourths of the states—it can be done. If the court continues its present trend, in my judgment there will be enough pressure for the passage of a constitutional amendment.

Normally it would take about four years to amend the Constitution, but it took only six months to pass and ratify the 26th amendment, which gave the vote to 18-year-olds. Intense public interest served as a catalyst for the passage of the 18-year-old amendment.

This same type of citizen involvement can make it possible to pass a constitutional amendment prohibiting forced busing for the purpose of achieving racial balance within a reasonable period of time.

As one of my constituents, who vigorously opposes forced busing, recently wrote:

> We must face problems people to people, not class to class, group to group, or race to race. . . We must concentrate our forces on the betterment of education within the schools. . . We must decide to try to work together not against each other.

Our goal in this endeavor must be the betterment of public education not the purchase of school buses and fuel. Quality education is not and will never be a valid by-product of forced busing.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. NUNN. I yield.

Mr. ALLEN. I thank the distinguished junior Senator from Georgia (Mr. NUNN) for his remarks, and I commend him for his great record of service to the people of Georgia and to the Nation and for the great grasp he has of the issues confronting Congress and the Nation at this time. I appreciate the contribution he has made to the consideration of this constitutional amendment.

The junior Senator from Georgia is certainly one of the ablest Members of the Senate and is a worthy successor to that perhaps greatest of all U.S. Senators, Senator Richard B. Russell of Georgia.

I commend the distinguished Senator from Georgia for his remarks.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

JOB SECURITY ASSISTANCE ACT OF 1973—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate a message from the President of the United States, which was referred to the Committee on Finance. The message is as follows:

To the Congress of the United States:

Difficult as it may be to live by the old saw, a sunny day remains the best time to fix a leaky roof. That is why today—with civilian employment in the American economy at an all-time record high of 83.9 million workers, with a solid business expansion continuing, and with the rate of unemployment down to 5 percent and likely to decline still further this year—I am requesting prompt action by the Congress on several reforms in our unemployment insurance system.

The principles behind my proposals were originally advanced as part of my unemployment insurance package almost four years ago. Most of that package became law in August, 1970, when I signed the far-reaching Employment Security Amendments of 1970. At that time coverage was extended to some 6 million jobs which had never before been eligible for unemployment insurance; a much-needed provision for extended benefits triggered automatically at high unemployment levels was added to the system; and basic financial and administrative improvements were effected. In all, these were the most significant improvements ever made in our system of assistance for persons between jobs since that system was established in 1935.

Left unfulfilled in the 1970 legislation, however, were several important objectives on this Administration's agenda for working Americans. The Job Security Assistance Act of 1973, which we are proposing to the Congress today would meet those objectives by making three major changes in our unemployment insurance system:

—First, it would establish minimum benefit standards for the States, providing an adequate level of benefits to all workers who are covered by the system.

—It would also extend coverage for the first time to most farm employees.

—Finally, it would set up strong safeguards to preserve the neutrality of the unemployment insurance system during industrial disputes.

GUARANTEEING AN ADEQUATE LEVEL OF BENEFITS

A properly designed system of unemployment insurance should serve a dual purpose—both helping to tide individual workers financially over the periods when they are without a job, and stabilizing the economy as a whole by helping make up for wage losses which would otherwise cut consumer purchasing power and accelerate business downturns.

But effective performance of both of these functions depends on the provision of benefits which are adequate in relation to a worker's usual weekly wage. It is generally accepted that unemployment benefits are inadequate unless they are equal to at least half what workers would be earning if employed. Otherwise, families relying on the benefits will too often be unable to meet their basic, nondeferrable living expenses, and communities hit by unemployment will find that aggregate benefits are too little to have a significant counter-recessionary impact.

Under present Federal law, the setting of formulas to determine minimum and maximum benefit levels is largely the province of the individual States. On paper, most States do promise the unemployed worker a benefit equal to one-half his usual weekly wage. But many of them also place unrealistically low ceilings on maximum benefit amounts, rendering the guarantee meaningless for a large percentage of workers, especially family breadwinners. In fact, more than two-fifths of all workers now covered by the unemployment insurance system find their benefits limited by State ceilings at a level *below* the half-pay ostensibly guaranteed them.

In my July 1969 unemployment insurance reform proposals to the Congress, I asked for action by the States themselves to remedy this serious deficiency. I suggested that the maximum benefit ceiling in each State be raised to at least two-thirds of the average wage of that State's covered workers. The goal was to provide at least four-fifths of the Nation's insured work force half-pay or better when unemployed.

While many States responded in part to this request, only four States, whose workers comprise less than 3 percent of the national covered work force, actually established the standard I had recommended. However, States comprising more than three-fifths of the national covered work force still have weekly benefit ceilings that are less than half their average weekly wage levels. Without denigrating the good-faith efforts of numerous legislatures to liberalize the benefit structure, we simply cannot be content with this situation any longer. The time has come for Federal action.

My proposed Job Security Assistance Act would therefore amend the Federal Unemployment Tax Act by adding a provision that every eligible insured worker, when unemployed, must be paid a benefit equal to at least 50 percent of his average weekly wage, up to a State maximum which shall be at least two-thirds of the average weekly wage of covered workers in the State.

The decentralization of our national unemployment insurance system is one of its greatest strengths. This decentralization permits more flexible adjustment to local needs and circumstances, and I believe that it should be preserved. I also believe, however, that the States have a responsibility to adhere to the basic principles of the system, and that it is up to the Federal Government to furnish such standards and guidelines as may be necessary to protect those principles. That is why I am now submitting to the Congress the same benefit reform recommendation that I urged the States to adopt in 1969.

Estimates indicate that this new requirement would result in an average increase of 15 percent in costs to State pooled unemployment insurance funds, which would, in turn, affect the costs of employers whose taxes support our unemployment compensation programs. To put this increase in perspective, however, we should note that unemployment insurance is one of the least expensive of all fringe benefits related to employment—accounting for less than a penny in each payroll dollar. Considering the enormous importance of this protection to unemployed workers and to economic stability in general, the relatively small cost of keeping it adequate and up to date is a very sound investment.

When the new Federal benefit standard goes into effect, our unemployment insurance system would begin delivering on its promise to working Americans in a way it has never delivered before. The special programs which in the past have substituted for inadequate State unemployment benefit payments—such as the special allowances provided under the Trade Expansion Act of 1962 for workers who lose their jobs because of foreign imports—would become unnecessary as unemployment benefits are raised to fairer levels.

Upon passage of the unemployment insurance reforms proposed today and of the trade proposals which I outlined to the Congress earlier this week, trade adjustment assistance would be gradually phased out and replaced with a temporary program of Federal supplements to bring up to an adequate level the State unemployment benefits for workers displaced by import trade. When State unemployment payments come up to the half-pay minimum I am seeking, the Federal supplement payments would be discontinued, since all workers would then be eligible under the liberalized State laws for benefits that are reasonably adequate in amount. Some would even be eligible for larger weekly benefits than they can now receive under the Trade Expansion Act adjustment assistance program.

The Job Security Assistance Act would thus make unemployment insurance protection more equitable for everyone, by assisting all workers evenhandedly regardless of the reason for their loss of job. Unemployment is just as costly to an individual and his family whether it results from trade, environmental constraints, fluctuations in government procurement, declines in business activity, or any other cause. The effect of my proposals would be to remove arbitrary distinctions among such causes in protecting workers who are involuntarily out of work.

UNEMPLOYMENT PROTECTION FOR THE FARMWORKER

Agriculture is America's oldest and largest industry—and increasingly it truly is an industry, not just an individual enterprise. A growing percentage of the people engaged in farming no longer are their own bosses but work as someone else's employees. Most of these employees earn relatively low wages, have only precarious job security, and have no termination pay coming if they are laid off. Many are members of disadvantaged minority groups.

For all of these reasons, I consider it of urgent importance that we act at once to extend unemployment insurance coverage to as many agricultural employees as can feasibly be accommodated in the system.

Farmworkers were orginally denied unemployment insurance protection on the ground that it was not administratively feasible to cover many thousands of family-operated farms which kept no payroll records. This objection has since been disproved, however, by the successful extension of income and Social Security taxes to a large number of such enterprises.

In 1970 the Congress postponed action on my recommendations for extending coverage to agricultural labor, directing instead that a study be made on the question. The study was undertaken by the Department of Labor in cooperation with land-grant universities and State employment security agencies, and the results are now in. They conclusively demonstrate the administrative and financial feasibility of extending unemployment insurance coverage to approximately 66,000 agricultural enterprises employing some 635,000 agricultural workers.

Accordingly, the Job Security Assistance Act which I am recommending to the Congress would modify the present agricultural labor exclusion provisions of the Federal Unemployment Tax Act, bringing under the unemployment system any farm operator who employs four or more workers in each of 20 weeks in a calendar year or who pays wages for agricultural labor of at least $5,000 in a calendar quarter. The change would take effect on January 1, 1975, thus allowing State legislatures time to make necessary adjustments in their unemployment compensation laws.

The criterion of payroll size was not included in my 1969 farm coverage proposal. Adding this test strengthens the bill by substantially increasing the number of farm jobs affected. The new bill also includes safeguards to help ensure that migrant workers—who especially need unemployment protection—will not be disqualified because of the special problems associated with record-keeping and tax collection in migrant employment.

The coverage definition I am proposing would provide needed protection to the employees of larger agricultural businesses without needlessly adding to the difficulties of small farm operations. It would achieve coverage for about two-thirds of all hired farm workers while affecting fewer than one in 14 farm employers.

In most States, coverage of the larger agricultural enterprises would be self-financing, with the contributions of these concerns meeting the full cost of benefit payments to their workers who become unemployed. Net increases in benefit costs to State pooled funds should be zero in most cases and negligible in all but two States. Even in these two instances, the net increases would amount to only 20 cents or less per $100 of taxable wages.

I know that many in the Congress share my concern that agricultural employees are too frequently excluded from the rights and protections afforded to workers in other industries, and I hope for prompt Congressional approval of this proposal so that we can begin rectifying the injustice. We cannot in good conscience defer this action any longer.

MAINTAINING NEUTRALITY IN INDUSTRIAL DISPUTES

As we move to establish a uniform Federal standard that would ensure adequate State benefit levels, we must also insist on strong safeguards to preserve the neutrality of the unemployment insurance system in industrial disputes. The unemployment tax which an employer is required to pay was never intended to supplement strike funds of those engaged in a dispute with the same employer. Neither, on the other hand, was the income protection which unemployed workers are guaranteed under the insurance system intended to be interrupted where an innocent bystander is put out of work by someone else's dispute.

I therefore propose that the Federal Unemployment Tax Act be amended to prohibit both the payment of unemployment insurance benefits to strikers and the practice of denying benefits to nonstrikers. A gray area does exist between the clear-cut extremes of strike participation and non-participation, where complex definitional problems can arise. Resolution of these problems can properly be left to the judgment of individual States. But to deal with the clear cases, it is appropriate for the Federal Government to set a uniform standard on which each State can elaborate. This the Job Security Assistance Act would do.

Our unemployment insurance system puts some of America's finest principles into action—including those of prudent provision during times of affluence for times of need; effective compassion for our fellow citizens; creative partnership between the Federal Government and the States; and supportive action by the public sector to help keep our private enterprise system stable, healthy, just, and humane.

The Congress can significantly improve the system's fidelity to each of these guiding principles by enacting the proposed Job Security Assistance Act of 1973. This legislation would bring genuine improvement in the lives of millions of those people on whom the Nation depends most heavily—our working men and women.

RICHARD NIXON.

THE WHITE HOUSE, *April 12, 1973.*

REPORT ON FEDERAL ADVISORY COMMITTEES—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Government Operations. The message is as follows:

To the Congress of the United States:

In accordance with the provisions of Sec. 6(c) of the Federal Advisory Committee Act, the report on the status of advisory committees in 1972 is herewith forwarded.

RICHARD NIXON.

THE WHITE HOUSE, *April 12, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate *proceedings*.)

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that it be without prejudice to the distinguished Senator from Minnesota (Mr. HUMPHREY), who is to be recognized under the sequence of orders. I ask unanimous consent that the time be charged against the time reserved to my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time for the quorum call be charged against the time of the Senator from Minnesota (Mr. HUMPHREY) under the first order.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Minnesota has a total of 21 minutes remaining.

TAX REFORM

Mr. HUMPHREY. Mr. President, I want to join with a number of my colleagues who have expressed themselves today on the subject of tax reform, recognizing that this is one of the most complex and difficult issues facing the Congress of the United States, and yet one of the imperatives, as I see it, of public policy for this Congress and this Government.

The present American tax system is unfair.

It is rigged against the workingman.

It is, in a sense, rigged against the average family.

And it is definitely rigged in favor of

unearned income, or what we call preferential income.

It is a system that penalizes that little guy who earns an hourly wage, and rewards the wealthy investor who receives checks from stocks, bonds, and large dividends.

The American working families and middle-income Americans in particular are demanding tax fairness. Those families are tired of millonaires escaping their fair share. They are tired of large American corporations paying more to governments abroad than to the U.S. Treasury.

I recognize, Mr. President, that all corporations are not guilty of that, nor should they be so charged. I also recognize that many people of great wealth perform many valuable services for our country. They are generous in their philanthropy, and their wealth is frequently invested in tools and equipment, shops and factories that make possible jobs and a better living for other Americans.

My concern today is only this: That the American tax system have a quality of fairness and justice which can command respect, confidence, and support from the American people.

Every Member of this body can cite chapter and verse on the loopholes in the tax laws. Some of these were placed there for specific economic reasons and, therefore, many are still useful. But others have outlived their economic and fiscal usefulness, and today represent nothing more than a form of welfare for the rich.

In 1971, more than 266 persons making more than $100,000 paid no Federal income tax. The fact is that if you are rich enough and smart enough to hire a good tax lawyer, you sometimes can get very substantial reductions in your taxes, or, as was indicated by the figures that I have read, get away without paying Uncle Sam any taxes.

The basic income tax schedules are supposed to run from 14 percent to 70 percent. But in fact, because the tax law is shot through with special provisions, exemptions, deductions, and exclusions, the real tax rates are much lower.

A study done by Mr. Joseph Pechman and Mr. Benjamin A. Okner of the Brookings Institution for the Joint Economic Committee of this Congress shows that the real tax rates are way less than the so-called statutory rates.

For example, the real effective tax rates at the $1 million income mark are only 32.1 percent, not the 70 percent that is listed in the law. Giant corporations and some of the privleged few can take advantage of any of the following provisions of law: The asset depreciation range, or accelerated depreciation rules, the so-called minimum tax law, and there are depreciation allowances, capital gains treatment, and a number of other things that certain privileged individuals and corporations can take into consideration in the payment of their taxes.

There are surely some areas that ought to be reexamined. I do not stand here today to say that we have all of the information that we need as to which of these tax laws should be kept or modified, or which should be abandoned, strengthened, or reduced. There is considerable discussion today about revising the tax law on capital gains at death. There is considerable reason to want to revise the investment tax credit, to remove the Domestic International Sales Corporation, known as DISC.

Obviously there is concern over the taxable income of foreign subsidiaries of U.S. corporations. This should be examined. I would further suggest that a careful study be made as to the capital gains tax itself and whether the present rates are fair and, second, whether the period of the holding of properties for the purpose of capital gains treatment is sufficiently long.

These are some of the areas that I believe we should examine and look into, as well as others.

One other area is the payroll tax. Before the present administration took office, the payroll tax brought in 21 percent of the total tax revenue of the U.S. Government. Now the payroll tax supplies 31 percent of the tax revenues.

Workers this year making $12,000 will pay $631.80 in payroll tax.

Next year, the annual payroll tax will be $702.

In the 4-year period 1971–74, payroll taxes will be increased by 73.1 percent.

The fact is that the payroll tax is becoming a regressive tax. It hits heaviest on those who make the least and, in many instances, is the only tax that the poor pay. But it is still a net deduction from their income. Therefore, there is real need in Congress to reexamine the whole structure of the payroll tax looking toward reform that will give some relief.

I have introduced legislation that would bring about a system of one-third general revenue financing of the payroll tax for social security. This legislation would allow the tax to be reduced by about $150 to $200 for each worker.

Mr. President, Congress must also examine the entire question of property taxes. Property taxes are regressive. They hit the elderly and low-income persons with equal vengeance. Property taxes today are utilized for financing a whole host of expenditures to which they were never intended.

Support of public schools, for example, is a worthy objective and surely one in which the local input must remain strong. But we must not sacrifice quality education for our children simply because of tax and property value disparities in the various localities.

I join the distinguished Senator from Maine (Mr. MUSKIE), and the distinguished Senator from Illinois (Mr. PERCY), as a cosponsor of the Property Tax Reform Act of 1973. I would hope that the Senate might begin hearings on this legislation at the earliest possible date.

Finally, Mr. President, I recently received a letter from the Citizens for the Control of Federal Spending, which is making what it calls "an effort to increase public awareness of the necessity for control of the Federal budget."

I could not agree more with the suggestion that Congress pay attention to the effects on the country of the budget as a whole. It was as a result of just such scrutiny that I proposed a Joint Resolution on National Priorities, calling for long-needed tax reforms and modest cuts in the defense budget so that money would be available to meet human needs.

The Citizens for Control of Federal Spending say that—

> We believe that economy can be achieved without sacrificing programs which benefit the American people.

I concur. That is why I voted to override the President's veto of the vocational rehabilitation bill—because we do not have to sacrifice programs which benefit the American people. In this I concur.

The Citizens for Control of Federal Spending opposed the vocational rehabilitation bill and asked me to do likewise. I was curious as to how they came to be interested in vocational rehabilitation, so I looked at the membership list which they sent to me. I found that about 60 percent of those listed as members identified themselves with businesses or corporations. But nowhere on the list did I see anyone associated with vocational rehabilitation.

The Citizens for Control of Federal Spending said that they formed themselves "for the purpose of conducting an education campaign to acquaint the public with the implications of excessive Federal spending." Education is a noble purpose. It is one of the purposes that is being cut back in President Nixon's new budget.

Mr. President, I ask unanimous consent that the profit increase for a number of corporations listed in the advertisement of the Citizens for Control of Federal Spending be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, I do this because I believe that it is important for the public to know just what has been happening at the corporate level in terms of net profits in the years 1972, 1971, and coming to 1973.

Basically, the President's approach to fiscal restraint is to cut back domestic programs. My approach is to cut military waste and close tax loopholes. My approach is to support vocational rehabilitation, because we cannot afford to throw the handicapped out into the streets.

I believe that the corporations can afford to pay their fair share in taxes. Many of the members of the Citizens for Control of Federal Spending are associated with corporations whose substantial profit increases for last year were listed in a Business Week article of March 10 of this year.

The Nixon administration is trying to substitute public debate over spending reform for public debate over tax reform.

It is no wonder, therefore, that representatives of these giant corporations are backing the Nixon administration's political offensive against the Congress.

These corporations all use the special

tax privileges of the asset depreciation range and the investment tax credit.

And, they have all had banner years in profits.

Last fall, the American people were treated to a parade of administration spokesmen saying that the administration would soon have a tax reform plan of its own.

Treasury Secretary Shultz on September 1, said that—

> The administration was working on a tax reform plan of its own.

On October 10, 1972, John Ehrlichman said:

> We are going to propose to the next Congress a plan that will relieve that will start down the road to reducing the burden of property taxes.

In June of last year, President Nixon said in effect—

> We will make proposals on tax reform before the first of the year; but they will not be considered by Congress until after the first of the year.

It is now April 1973. The House Ways and Means Committee is now holding hearings on tax reform. April 16, tax day, is close at hand. Still there are no proposals from the Nixon administration. And, we hear that the American public will have to wait until first of May to see what the Nixon administration has in mind.

I also have noticed that administration spokesmen are speaking glibly this year about a 15-percent tax increase. Might I suggest that instead of taking the views of some kind of tax lobby, they get down to the task of sending to Congress reform proposals. As soon as we have these proposals before us, we will have some better idea of what is needed to meet the public necessities of our people.

EXHIBIT 1

PERCENT INCREASE FOR YEAR 1972 OVER YEAR 1971

CORPORATIONS IDENTIFIED WITH "CITIZENS TO CONTROL FEDERAL SPENDING"

Hewlett-Packard	63
Rockwell International, from 4th Quarter, 71 to 72	12
General Electric	12
Allied Chemical	27
Goodyear	13
Eastman Kodak	30
Pepsico	14
R. J. Reynolds	5
Exxon Corp	1
Eastern Airlines	304
Aluminum Co. of America	86
Inland Steel Co	38
McDonnell Douglas	38
Sears Roebuck	15
Procter and Gamble	14
American Cyanimid Co	16
Monsanto Co	30

TAX REFORM NEEDED IN THIS SESSION OF CONGRESS

Mr. SYMINGTON. Mr. President, substantial questions continue to be raised about the fairness of various aspects of our Federal tax laws:

Is it fair to permit gains on capital investments held for less than a year to be taxed, in effect, at half the rates imposed on income which a taxpayer earns in wages?

Are depletion allowances for oil and gas wells and other natural deposits too generous when compared to depreciation authorized for other business enterprises?

Is it reasonable to allow individuals to become nontaxpayers altogether by virtue of the fact that they possess capital and choose to invest all resources in local and State government bonds?

Questions of fairness are balanced by other and often correlating questions concerning the consequences of tax breaks and the success of these laws in achieving asserted objectives of social and economic benefits for all citizens.

For examples:

Does the foreign tax credit applied to multinational corporations encourage plant location, say in France, rather than in Missouri? Can the deferral of tax until repatriation of corporate profits earned abroad be justified in balance of payments terms?

Is the non-Federal taxation of interest on bonds an economical method of financing local and State government?

Do oil and gas depletion allowances actually encourage discovery of new wells?

Do these allowances result in subsidized lower gas prices that also encourage wasteful consumption?

Our tax laws need sifting from the standpoint of equity and in regard also to their consequences and asserted social and economic benefits. When programs to assist low-income Americans are being repeatedly attacked as ineffective by this administration which plans budget savings through their elimination, this Congress can and should make certain that low- and middle-income Americans are not discriminated against in the operation of our tax laws.

I would hope that the Congress, in this session, is prepared to consider these issues and make such changes as will achieve greater equity in the sharing of the tax burden, and also provide additional revenues to reduce the growing deficit.

TAX REFORM IS NEEDED NOW

Mr. PELL. Mr. President, too often, in the current debate over the budget of the Federal Government, it is forgotten that there are two sides to the Federal budget. In addition to the spending side of the budget, which has been so much emphasized by the administration, there is a revenue or income side.

We have heard a great deal about the spending of the budget—about the need to restrain Government spending to combat inflation. And indeed, the Senate already has acted to put a lid on Federal spending by approving a spending ceiling for the coming fiscal year of $268 billion—some $700 million less than the spending proposed by the President. I gave my full support to setting the budget ceiling, because I believe it is one vital step toward stopping the constant increase in the cost of living we have experienced under this administration.

For all of its concern about the budget, however, the administration has been almost silent about the other side of the budget—the revenue or income side.

At a time when there is widespread agreement that reform of our tax structure is badly needed in the interests of simple fairness, the administration has failed to put forward any comprehensive proposals for tax reform. I think there is a basic inconsistency in calling for sweeping changes in the way the Government spends its money, while completely ignoring the obvious need for reform in the tax system through which the Government collects the money it spends.

Simple fairness demands that changes be made in our tax system so that no American pays less than his fair share of the tax burden and no American pays more than his fair share.

Fairness and equity are sufficient and compelling reasons for tax reform. But there is additional reason to reform our Federal tax structure. There are serious human needs in our Nation that are not being met, because Federal revenues are not sufficient. We have critical needs in education, health, housing, and environmental protection which are not being met. The administration has proposed or unilaterally imposed substantial cutbacks in many of these fields, often citing a lack of sufficient Federal revenues to finance the programs without incurring inflationary budget deficits.

Tax reform could yield additional revenues that would help us improve education, health, housing, and environmental conditions without increasing the tax burden on the average citizen.

I will not attempt here to prescribe a comprehensive reform of our tax laws, but there are some obvious reforms that should be enacted.

The existing minimum tax on preferential income should be strengthened to eliminate the situation in which some extremely wealthy individuals are able to avoid paying any taxes at all, or pay only a nominal tax rate compared with the average working American.

Out of fairness, the higher tax rate imposed on single, unmarried taxpayers should be eliminated. I have cosponsored legislation introduced by the junior Senator from Oregon (Mr. PACKWOOD) to accomplish this.

And I believe we should revise the capital gains tax provisions so that we do not give a special tax break to speculators, while recognizing that equity may require some different treatment of capital gains and ordinary income.

We should also take a close look at our oil and mineral depletion allowances to see if they really are fulfilling their public purpose—encouragement of investment to assure us a dependable supply of oil—or whether these allowances are merely an unmerited and unjustifiable tax windfall to the oil industry.

And I believe it is time to tighten up, administratively, on the burgeoning and excessive use of expense account living—a practice which all too often permits the wealthy businessman to live well on tax-deductible expense accounts while the average man pays his own way out of his own pocket.

Mr. President, we need a balanced examination of Government income and spending. Just as Government spending should be carefully examined, so should our system of taxation. Tax reform is needed now.

DAVID BRINKLEY ON TAXES AND SPENDING

Mr. FANNIN. Mr. President, this is the final weekend for Americans to figure and file their income tax. And it is a good time to give a thought to whether the Federal Government really needs to exact so much from our citizens.

NBC commentator David Brinkley, who is not noted for conservatism, made some good observations in a broadcast earlier this week. He labeled all the outcry for tax reform as simply a sideshow to the main issue. The real issue, Mr. Brinkley observed, is the Federal Establishment's appetite for spending. As Mr. Brinkley put it, our Government demands outrageous amounts of money from people who work to earn it.

Mr. President, I am most pleased to hear a commentator with Mr. Brinkley's large following join in the fight to cut Federal spending and to stop the proliferation of costly Government programs. I request that a transcript of Mr. Brinkley's commentary be reprinted in the Record at this point:

There being no objection, the commentary is ordered to be printed in the Record, as follows:

Commentary by David Brinkley, April 9, 1973

David Brinkley, NBC News, Washington, with a few rambling comments about this week, the week for paying the Federal income taxes. Some lucky people, of course, will be getting refunds. They will get back the money taken from them which they did not owe. A small point: they will get no interest on it. And so the U.S. Government has had the use of their money (for all or part of a year) interest-free. But, on the other hand, if you file a tax return in good faith, figure it as honestly as you can, complicated as it is, if a year later they audit you and disagree on some point and make you pay more, you have to pay interest on the additional payment on the theory that you have had use of money rightfully belonging to the government. But this same standard of fairness is not applied to their use of your money. And so on.

Anyway, this is the week. And over the weekend I've been reading a lot of more or less scholarly works on this subject, new books, or reviews of new books, essays and so on. Virtually all of them agree the American tax system is grossly unfair. But most of them arrive at this conclusion from the same premise: some number of rich people, and companies, pay modest amounts of taxes, or none at all. Well, that is true, of course, and it's unfair and it ought to be stopped. But all of that is a sideshow. There are a hundred or two or three high income add rich people who pay little or nothing, but there are thousands of other high income people who pay in taxes, 50 and 60 percent of their incomes. But nevertheless, in nearly all discussions of this question, it is said people of middle income have to pay so much because the high incomes don't pay enough. Which is not true. The real reason middle income people have to pay so much is that Federal establishment's appetite for spending money cannot be satisfied and it demands outrageous amounts of money from people who work to earn it. People who need it—for housing, feeding, clothing and educating their families.

Yet we keep hearing that because of loopholes and so on, the tax system does not raise enough money for the Federal government's needs. Well, people involved in government programs do not, or cannot, separate their needs from their wants. Any spending program anyone in Washington can think up, however useless, is immediately labeled a need when it may be only a half-baked idea to fill more jobs and offices and filing cabinets, already over-filled. These so-called needs ought to be balanced against the taxpayers real needs: food, with beef at $1.89, college tuition now 4 and 5 thousand dollars a year, and the rest of it. Those are needs, real ones. They get no consideration whatever in the tax law. Even so, there's nothing to do but pay it. But in so doing, we should not be misled by these sideshows. David Brinkley, NBC News, Washington.

ORDER OF BUSINESS

Mr. HUMPHREY. Mr. President, I believe I have some additional time under the orders, if I am correctly informed by the majority whip.

The PRESIDING OFFICER. The Senator from Minnesota has 9 minutes remaining.

THE FLANIGAN REPORT ON AGRICULTURE TRADE POLICY

Mr. HUMPHREY. Mr. President, I said to the Senate yesterday, that today I would address myself briefly to the Flanigan report on agricultural trade policy. I call the attention of the Senate to the importance of the report.

Mr. President, I ask unanimous consent to have printed in the Record, following the completion of my remarks, the so-called Flanigan report on agricultural trade policy, which was prepared at the request of Peter J. Flanigan, Assistant to the President for International Economic Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, the development of this report was under the direction of the Foreign Agricultural Service of the U.S. Department of Agriculture, with several other USDA agencies participating, including the Economic Research Service of the Agricultural Stabilization and Conservation Service. The director of this effort was Mr. Howard L. Worthington, now serving as a Special Assistant for International Trade to Secretary of the Treasury Shultz.

While neither Mr. Flanigan nor USDA wish to claim "parenthood" concerning this report, the report was, in fact, developed by USDA at the specific request of Mr. Flanigan. To remove any doubt as to who requested this study and who conducted it, I ask unanimous consent, Mr. President, that a memorandum which was prepared in October 1972 by Mr. Carmen O. Nohre, assistant study coordinator for this project, be printed at this point in the Record.

There being no objection, the memocoordinator for this project, be printed in the Record, as follows:

Flanigan Trade Study Task Force

(By Carmen O. Nohre)

The Flanigan Study was an attempt to bring together the skills of a large number of people in USDA to analyze within a very short time period the implications of policy alternatives in agricultural trade. The study was requested by Peter J. Flanigan, Assistant to the President for International Economic Affairs. It was under the overall direction of the Foreign Agricultural Service. Representatives of several USDA agencies participated in the study and especially the Economic Research Service and the Agricultural Stabilization and Conservation Service. While no formal titles were assigned, the following may be used for purposes of exposition: Study Director, H. L. Worthington; Study Coordinator, K. E. Ogren; and Assistant Study Coordinator, C. O. Nohre.

Mr. Worthington had final responsibility for the study. Mr. Ogren had the major operational role in assigning responsibility and in working with personnel in identifying tasks and attempting to assure that satisfactory progress was made. Mr. Nohre assisted Mr. Ogren, particularly in arranging for participation of ERS personnel and in coordinating the work of these personnel.

Before the study was initiated, a detailed outline (prepared mainly by the Study Coordinator) was circulated to and discussed with representatives of the following staff offices of the President—the Special Trade Representative, Council of Economic Advisers, and the Council of International Economic Policy. These offices gave their general approval to the objectives, content and procedures proposed in the outline, but they did not participate directly in the study or the writing of the report.

Preliminary discussions on substantive matters and procedures to be followed got underway about mid-March 1972 and the study outline was approved in early April. The target date for completion was June 1, 1972. The study was actually completed and submitted on July 4.

The study outline states that "the basic purpose (of the study) is to develop, with respect to agricultural trade, a U.S. strategy for the proposed round of multilateral negotiations." It called for a preliminary report to be completed by June 1, based on whatever analyses were available or could be completed within this time deadline. The study was supposed to identify additional analyses that could provide information for the negotiations proper as well as preparations for the negotiations. It was recognized that in some instances, the report would contain preliminary estimates subject to further study and analyses.

The outline provided for a report containing sections on: (1) overall U.S. goals for international trade in agricultural products, (2) problems and barriers to achieving these goals, (3) how to achieve these goals, and (4) recommendations on a particular strategy (or strategies) to be adopted. Part of the section on how to achieve the goals was concerned with commodity studies. The rationale for these studies was that a selection of an approach or combination of approaches must be made with respect to situations on trade barriers, domestic policies, etc., for specific commodity groups.

Rather early in the planning, it was decided that a good deal of emphasis should be placed on studies of a few selected commodities. This decision was made by the Study Director after meetings with several participants. Ideally, that should have been completed first to serve as major inputs to the general report. However, due to the limited time available, work on all parts went forward concurrently with the intention of making the necessary revisions in the general report as late as possible.

Groups were set up for the following commodities: grains, beef, dairy products, sugar and tobacco. FAS personnel were designated as committee chairman. Two were division directors, two were branch chiefs and one was an assistant to an assistant administrator. Personnel from FAS, ERS, and ASCS were assigned to each committee. There were five to seven members on each committee with, generally, two to four from FAS, one from ASCS, and two from ERS. The norm for ERS representation was one person from FDCD and one from ESAD, MED, or FPED. Major sections in the commodity reports were to be (1) historical data on production, utilization, and trade for major countries, (2) a description of the domestic and trade policies of these countries, (3) alternative sets of assumptions of different levels of trade liberalization and (4) projections of production, utilization, and trade of the major countries under the different sets of policy assumptions.

In general, work got underway in early April 1972. Existing U.S. agricultural export and import projections for 1980 were reviewed and adjusted. In addition, a set of projections of "liberalized" trade were developed under the leadership of the Study Coordinator in discussions with commodity experts in FAS and ERS. These served as a basis for estimating the potential impact of trade liberalization on U.S. farm income, government costs, and the balance of payments. Assignments were made by the Study Coordinators for drafting sections in the report. Most of these drafts ended up as annexes to the overall report. The commodity groups started by developing historical data and policy descriptions. The sugar and tobacco groups were able to proceed into the remaining phases of the commodity studies more or less independently except for continuing liaison and coordination with the study coordinators. It was decided that the grain, beef and dairy products studies should be combined for the sections concerned with policy alternatives and projections because of the interrelationships among the commodities. These sections were developed largely by the chairmen of the three committees involved. Because of the importance of the grain-livestock products in the export trade of the U.S., this portion of the study received the most emphasis in the report prepared by the Study Director.

October, 1972.

Mr. HUMPHREY. Mr. President, I have had a copy of the "Flanigan Report" for several weeks. I withheld release of it until today, because I was hopeful that the administration would officially release it. I also was concerned about releasing certain parts of it for fear that the public release of these parts might unduly expose our Nation's negotiating strategy with respect to upcoming multilateral agricultural trade negotiations with other nations.

However, several factors and developments have occurred that make it imperative that the report now be made public—not only to some newspapers, or certain selected people, but to the Congress and the entire country.

First, copies of this report have been circulated not only to members of the national press, but also it is now in the hands of foreign embassy officials, a few farm and business groups, and numerous individuals throughout this country and the world. Details of the report are now common talk at most Washington cocktail parties, and are grist for most national newspaper columns. Many having an interest in international agricultural trade policy today either has a copy, or has seen a copy of the report—that is, of course, with the exception of Congress. No report has been sent here. There has been some editorial opinion on it in selected newspapers. It is in the hands of certain columnists. It is in the possession of certain embassies. But no report has been made available to the elected representatives in Congress.

Should you be wondering, Mr. President, why the administration has withheld this particular report from Congress, let the words of the report speak to that.

On page 72 of the report, it reads:

> We should not approach Congress until after the negotiations have been concluded. . . . It has been traditional under the trade agreement program to seek legislation before beginning negotiations and to implement the results by Executive Order. This procedure has been the strength of the program. . . .
>
> Going to the Congress in advance, however, would require spelling out the kind of authority we need to complete the negotiation. This is reasonably easy when all that is proposed is reduction or elimination of import duties, but when changes in support systems become involved, matters become more complicated. . . . Legislation could thus attract crippling amendments on points which subsequently may become critical. Also we may find ourselves battling strongly on, and paying dearly for, points which may drop by the wayside in negotiations. Moreover, in the negotiations, matters may take a direction unforseen when legislation is sought, and for which no authority has been gotten. The remedy for this, of course, is to get authority from the Congress for the broadest possible changes, but it is inconceivable that the agricultural committees of the Congress would give this kind of authority, and it is quite possible that it would be unconstitutional for them to do so. On the other hand, it is possible that some of the changes in program, or policy, which we might wish to make could be made without recourse to Congress.

Mr. President, as I study this report, I feel that I may have been remiss for not releasing it sooner. Already much has been done behind the back of Congress and out of sight of the public. While the Secretary of Agriculture has been patting the farmer on the back and telling him how great things are, the Secretary and other high officials of this administration have been hard at work carrying out their secret strategy.

Included in this report, Mr. President, is a step-by-step chronology of actions to be taken with respect to revealing the contents and implementing the recommendations of this report. For example, at one point in the report, it states:

> (1) The report and our proposal should be placed before a group of eminent agriculturalists for review, discussion and recommendation. This review would be confidential. Some of the people we might want to call in are Gale Johnson, Dale Hathaway, Vernon Sorenson, Hendrick Houthakker and Lawrence Krause (July–September, 1972).

Mr. President, I understand that something of this sort has already been done on a highly selected basis and was the subject of a leaked story to the press. The report continues:

> (2) If it stands this test, the report should then be considered in a restricted interagency CIEP review (October-December, 1972) and additional supporting studies should be begun.

Mr. President, I do not know what a restricted interagency CIEP review may be. But I doubt whether it should have been taken in a manner which excluded Congress from knowing what is going on. I continue now with the strategy outlined in the report:

> At the turn of the year (1973) we could convene an Advisory Committee of farm and commodity groups to review and comment upon the proposal. Alternatively, we could publish the proposal and call for public hearings either by the Department or by the Trade Information Committee. This move should be considered at the time we decide how to handle other parts of our liberalization program.

I hope my colleagues all noted that nothing was said here about consultation with any Member of Congress or any of our committees. Also, to the best of my knowledge, no farm advisory committee either has been formed or convened to review this report.

Mr. President, when I consider the limitless funds which the executive branch is provided to hire talent, I am surprised at the naivete of some of the remarks in this report. For example, one sentence in the report would seem to undermine and explode the entire Flanigan strategy to disregard Congress until after an international agreement is already signed, sealed and delivered. It says:

> Other countries, and particularly the Europeans, have made it clear that they will take us seriously only when we have obtained legislation which will allow us to implement the results of negotiation without returning to Congress.

Listen to this:

> A shift away from high price supports and downward adjustments in supply to meet market demand is not easy to achieve politically—in the United States as well as in other countries. Farmers are deeply suspicious of any moves to reduce prices and shift them to dependence on payments from national treasuries. A rapid decline in farm numbers is taking place generally in all countries; it alarms farmers, and their political representatives in national legislatures.
>
> Nevertheless, farm people in all of the developing countries continue to have strong political influence.

Mr. President, I would add here, thank God they do. Let me continue with the report:

> While the number of farm voters continue to decline in the U.S., farm organizations still pack legislative power increasingly through commodity organizations which can rally support for specific issues because of a unity of goals among the membership.
>
> The general farm organizations—the American Farm Bureau Federation, the Grange, the Farmers Union, and the National Farmers Organization—are less effective because of a diversity of member views and of viewpoints between the organizations.

Now let me read what the report has to say about a farm bill this year:

> In this connection, new farm legislation will be up for consideration in 1973. We could seek in our own new farm program to move farther toward the kind of system we wish to see in the world and to build into the new program as much flexibility as possible to adapt to a negotiated situation without further recourse to Congress.
>
> For agriculture, therefore, from these standpoints it appears to make more sense to negotiate before we approach the Congress.

How do you like them apples?

Mr. President, seen in the light of the Flanigan report language I have just read, the President's recent farm message is right on time and on target with the strategy outlined in the report.

President Nixon, as Senators know, has called for the abolishment of our Nation's farm commodity programs and wants to substitute in lieu thereof a general cropland retirement program, a proposal one of his top agricultural economists, Dr. Don Paarlberg, suggests will not work.

Let us examine once again a few of the things that President Nixon had to say about all this in his recent message to Congress on Natural Resources:

> AMERICAN AGRICULTURE—A BASIC NATURAL RESOURCE
>
> Government influence in the farm commodity market place must be reduced. Old fashioned Federal intrusion is as inappropriate to today's farm economy as the old McCormick reaper would be on a highly sophisticated modern farm.
>
> We must allow farmers the opportunity to produce for expanding domestic demands and to continue our vigorous competition in export markets. We will not accomplish that goal by telling the farmer how much he can grow or the rancher how much livestock he can raise. Fidelity to this principle will have the welcome effect of encouraging both fair food prices for consumers and growing income from the marketplace for farmers.
>
> We must reduce the farmers' dependence on Government payments through increased returns from sales of farm products at home and abroad. Because some of our current methods of handling farm problems are outmoded, the farmer has been unfairly saddled with the unflattering image of drinking primarily at the Federal well. Let us remember that more than 93 percent of gross farm income comes directly through the marketplace. Farmers and ranchers are strong and independent businessmen; we should expand their opportunity to exercise their strength and independence.
>
> Finally, we need a program that will put the United States in a good posture for forthcoming trade negotiations.

Even a most cursory review of the contents of the Flanigan report and the actions taken these past several months by the President and Secretary Butz should leave little or no doubt in anyone's mind as to what the administration is up to concerning the development and implementation of this Nation's future domestic and foreign agricultural policy.

In reviewing these matters, it is most obvious that this administration is orchestrating all aspects of this policy without consultation with Congress.

Mr. President, while I have many questions and serious concerns about many of the premises, proposals and recommendations contained in this "fatherless" report, I want to make it clear that I am not condemning either the contributors to this report or the right of the Executive to request its agencies or experts to develop and submit recommendations of this type to it for consideration. However, when such studies and research are undertaken, I believe that both the Congress and the public are entitled to share and review the basic analysis underlining such efforts. In short, why was not the basic economic analysis released to the Congress and to the public, omitting the sections of this report on strategy? Is the Congress and the public expected as a matter of course to finance research in the Department of Agriculture for the exclusive use of the White House? What plans does Secretary Butz or Secretary Shultz have for releasing this basic analysis of trends in export markets in the absence of a liberalization of existing policies and estimated effect of liberalization through full market orientation?

Analyses such as provided in the Flanigan Report are expected of USDA researchers—but Congress, farm leaders and others also are the clientele of that Department—not just the White House.

The procedure that has been followed by the White House in this instance, is but another example of the attitude that the President and his associates in the White House have for the Congress and the people of this Nation—an attitude characterized by lack of trust, confidence or respect for the legislative process. Yes, the attitude of only "they" know what is best and therefore only "they" should be permitted to make all of the important decisions relating to the future policies of this Nation.

In making the Flanigan report available today, I hope Congress and others interested or who have a stake in our Nation's agricultural policies will take the time to carefully study and comment on its contents. It is time for all the cards to be laid on the table for eveyone to see and assess for themselves.

What this report reveals, in other words, is a strategy for the administration to follow in terms of trade, particularly in the agricultural area, without having any agreement, without having any legislation in advance, to get all the details of negotiation tied down, to make commitments, and then come to Congress and say, "Here is what we have agreed to. Now we want you to pass a bill that will certify the legality of what has been done."

I am not saying that all the factors of this report are in error or represent policy with which I do not concur. As a matter of fact, I think many areas of the report are sound and commendable. My purpose today is not merely to endorse or condemn the contents of this report, but to call attention to secrecy with which surrounds it and the actual manner in which many of the report's recommendations either have or are being carried out beyond public view.

For instance, one set of recommendations contained in this report that disturbs me in particular are those relating to our Nation's dairy industry. The report offers dismantlement of our dairy industry as one of our Nation's gifts to the world at the international bargaining table. The report states:

> On the import side there would be an increase of a billion dollars, entirely accounted for by dairy products.

	1970	1980 Base	1980 Situation III
Production (billion pounds, milk equivalent)	117.4	112.5	104.0
Production value (billions of dollars)	6.7	8.4	7.8
Consumption (billion pounds, milk equivalent)	117.4	113.5	116.0
Net trade quality (billion pounds, milk equivalent)		−1.0	12.0
Net trade value (millions of dollars)		−15	−944
Farm prices (hundredweight, milk equivalent)	$5.70	$7.50	$7.50

> The above table indicates that dairy production in the United States will drop more in a fully liberalized situation that if current policies and programs are continued. The projections show milk production dropping from 117.4 billion pounds in 1970 to 112.5 billion pounds in base 1980, and to 104.0 billion pounds in case III 1980. The fact that dairy production would decline even without liberalization suggests that liberalization would not mean a reverse of existing trends in dairy production. Rather it would intensify those already in motion.
>
> The trend in dairy for some time has been to convert grassland from milk cows to beef cattle. The increased profitability of beef relative to milk would pull more resources out of dairy in Case III than is base 1980, even though the price of milk would not be significantly different in either situation. Net income to the dairy industry would be less under free trade than under a continuation of present policies, but it would still be greater than in 1970. Furthermore, the presence of alternative employment opportunities in agriculture under free trade would mean that some farmers going out of dairy could improve their income position without leaving agriculture altogether, while the per capita income of those farmers remaining in dairy could increased because the aggregate would be shared among a smaller number.

Tobacco farmers in States like North Carolina, Virginia, Kentucky, Tennessee, and Georgia are also being set up for eventual elimination of their price support program. The report says:

> For this report tobacco leaf trade and consumption have been projected by the major world trading partners to 1980 under three sets of assumptions. Generally speaking, these sets of assumptions provide for:
>
> I. No trade liberalization and a continuation of present domestic and foreign policies.
>
> II. Certain liberalized trade policies, including lower U.S. price support levels.
>
> III. Maximum liberalization resulting in a reasonably free and competitive world market for tobacco.
>
> The countries involed in liberalization in Cases II and III would be the United States, the European Community and Australia.
>
> Assuming improvement in the U.S. balance of payments position to be the principal objective of trade negotiations, the study group concluded that some liberalization along the lines of Case II would produce the most balanced package of results. The potential gains would be about $200 million. However, it is recognized that this would be an awkward package to negotiate. Furthermore, the lower prices would result in income losses to U.S. tobacco farmers.
>
> The study group therefore felt that a better alternative to general trade liberalization in tobacco would be to subsidize tobacco exports as necessary to keep them flowing into world markets at approximately 1970 levels. This is a useful possibility whether or not the tobacco support program is continued in its present form. In the latter event, the cost of export subsidies would be substantially less but there would probably be a drop in farm income in the tobacco sector.

As you see, the report acknowledges that many of America's dairy and tobacco farmers would be injured. But the report also tries to make a case for claiming that America's wheat, feed grain, soybean, pork, poultry and beef producers would be greatly aided.

Personally I do not believe that this report's projections in this regard will be as bullish as indicated. But here is what the report recommends be done with respect to these products:

> A Negotiating Strategy.
>
> The potential gains from negotiating a policy Alternative III liberalization in the grain-feed-livestock sector as set out in the percent every two years. For variable levies, a ceiling would be calculated and this ceiling would be reduced by 20 percent each two year period. For import quotas a liberalization schedule involving increased quantities over the five year period before full liberalization would have to be agreed upon. Wheat boards and state trading agencies present a more difficult problem. They may have to progressively relinquish their import function allowing the international trading companies to take over this function.
>
> (2) Agree that internal support systems will be adjusted on a similar schedule or schedule designed to allow the progressive liberalization to proceed unhindered.
>
> (3) Agree that export subsidies will be progressively reduced.
>
> (4) Establish a coordinating council to oversee the operation of the new system. Such a council would be absolutely necessary to keep track of changes that were taking place and to make necessary adjustments in commitments if the course and burden of adjustments did not go as anticipated. It is conceivable that the present IWA structure—the Council and Secretariat—could be the nucleus of such a coordinating council. The council could, but need not be, within the GATT framework.
>
> What we are proposing, therefore, is a commodities agreement, but not one of the traditional kind limited to a single commodity which seeks to rig international prices at artificially high levels. The commodities agreement we foresee would cover a family of commodities. It would be a liberalizing agreement removing restrictions from trade, permitting supply and demand to have free reign within this economic family of commodities, and allow prices to seek their own natural levels.

Mr. President, this surely puts a new twist on the International Wheat Agreement. In fact, it is such a twist that it is a 180-degree turn. As further explanation of this recommendation, the report states on page 65:

> As our analysis shows there is an element of balance in the grain-feed-livestock negotiations for the developed countries, except Japan, even though the major trade benefit accrues to the United States. Europe will export considerably larger quantities of dairy products inasmuch as she will be efficient in dairy products, a point which she has made to us consistently for a considerable period of time.

This report is the base for our Nation's future agricultural trade policy and it has been under implementation for the past several months by this Government. It has been talked about; it has been circulated; it has been commented upon in the foreign press; it has been commented upon generously and with actual quotations in what we call the business and commodity press; its contents are known all over the world. Yet, a copy of this report has not been shared officially with appropriate committees of Congress. It was only by some very good fortune on my part that I was able to obtain a copy of this report. Today, I have made it part of the RECORD.

Nothing in this report is damaging to our country. It is merely a matter of recommended policy and strategy to be pursued. I hope it will be reviewed carefully by Members of Congress.

The Senate Subcommittee on Foreign Agricultural Policy plans to thoroughly review and study this report, along with the President's proposed Trade Reform Act of 1973.

EXHIBIT 1

AGRICULTURE TRADE AND THE PROPOSED ROUND OF MULTILATERAL NEGOTIATIONS

PREFACE

This report was prepared at the request of Peter Flanigan, Assistant to the President for International Economic Affairs, for use by the Council on International Economic Policy. Many people in the Department of Agriculture helped produce it, and they all deserve my sincere thanks for the help they have been. It isn't possible to list all who have participated, but I have given the names of a number of those who worked on the report and its annexes immediately following this preface. This has a dual purpose. It gives credit where it is due and it enables readers to go directly to those who know what they are talking about as questions arise. Questions are bound to come up, because in this report we have tried an unusual approach to the problem of assessing the results of trade negotiation—the commodities sector approach. We think it makes good sense, but with it we are striking out into areas which are at best imperfectly charted.

Before the study was initiated, an outline of our studies was circulated to and discussed with representatives of the Special Trade Representative, the Council of Economic Advisers, and the Council on International Economic Policy. These offices gave their general approval to the objectives, content, and procedures proposed in the outline, but they did not participate directly in the study or the writing of this report. I hope we have not disappointed them.

HOWARD L. WORTHINGTON.

JULY 4, 1972.

PERSONS—PARTICIPATING IN THE STUDY

Overall Direction:

Howard L. Worthington, Associate Administrator, FAS, 44–75691.

Kenneth E. Ogren, Deputy Assistant Administrator, Commodity Programs, FAS, 44–77053.

Carmen O. Nohre, Deputy Director, Foreign Demand and Competition Division, ERS, 44–79100.

Howard C. Williams, Staff Assistant, Program Evaluation and Appraisal Staff, ASCS, 44–76375.

Report:

Howard L. Worthington, Associate Administrator, FAS, 44–75691.

Kenneth E. Ogren, Deputy Assistant Administrator, Commodity Programs, FAS, 44–77053.

Philip L. Mackie, Assistant to the Assistant Administrator, Commodity Programs, FAS, 44–77645.

Barbara H. Sharkey, International Economist, Trade Policy Division, FAS, 44–77709.

Edward Karpoff, Assistant to the Assistant Administrator, Commodity Programs, FAS, 44–77820.

Annex I:

Joseph R. Barse, Economist, Trade Branch, Foreign Demand and Competition Division, ERS, 44–78327.

John F. Hudson, International Economist, Trade Policy Division, FAS, 44–77677.

Annex II:

John F. Hudson, International Economist, Trade Policy Division, FAS, 44–77677.

Annex III:

Robert L. Tontz, Economist, Trade Branch, Foreign Demand and Competition Division, ERS, 44–78237.

Annex IV:

Richard E. Bell, Director, Grain and Feed Division, FAS, 44–76885.

Donald J. Novotny, Deputy Director, Grain and Feed Division, FAS, 44–76219.

William R. Askew, Chief, Procurement Adjustment Branch, Grain Division, ASCS.

Annex V:

Philip L. Mackie, Assistant to the Assistant Administrator, Commodity Programs, FAS, 44–77645.

Larry E. Stenswick, Economist, Livestock and Meat Division, FAS.

Thomas A. Twomey, Agricultural Economist, Foreign Demand and Competition Division, ERS.

Annex VI:

Samuel L. Crockett, Chief, Commodity Analysis Branch, Dairy and Poultry Division, FAS, (retired).

William F. Deering, Assistant to the Assistant Administrator, International Trade, FAS, 44–72688.

Anthony S. Rojko, Chief, Commodities Branch, Foreign Demand and Competition Division, ERS.

Floyd A. Lasley, Leader, Dairy Group, Marketing Economics Division, ERS.

Sidney Cohen, Chief, Program Development Branch, Livestock and Dairy Division, ASCS.

Annex VII:

Donald J. Novotny, Deputy Director, Grain and Feed Division, FAS, 44–76219.

Philip L. Mackie, Assistant to the Assistant Administrator, Commodity Programs, FAS, 44–77645.

Samuel L. Crockett, Chief, Commodity Analysis Branch, Dairy and Poultry Division, FAS.

James Vermeer, Assistant Director, Farm Production Economics Division, ERS.

Anthony S. Rojko, Chief, Commodities Branch, Foreign Demand and Competition Division, ERS.

Annex VIII:

Hugh C. Kiger, Chief, Tobacco Division, FAS, 44–73000.

B. G. Andrews, Chief, Commodity Analysis Branch, Tobacco Division, FAS.

Barbara H. Sharkey, Economist, Trade Policy Division, FAS.

Robert H. Miller, Head, Tobacco and Specialty Crops Section, Economic and Statistical Analysis Division, ERS.

Thomas A. Von Garlem, Economist, Tobacco Division, ASCS.

Annex IX:

Leslie C. Hurt, Acting Director, Sugar and Tropical Products Division, FAS, 44–72916.

Robert R. Stansberry, Jr., Assistant to the Director, Sugar Division, ASCS.

Hans G. Hirsch, Economist, Commodities Branch, Foreign Demand and Competition Division, ERS.

Annex I: Policies Affecting Agriculture and Agricultural Trade: Review of Policies of the United States, Western European Countries, Japan, Canada, Australia, and New Zealand.

Annex II: The "Uri Report."

Annex III: Costs and Benefits of Trade Policies: European Community and Japan.

Annex IV: Commodity Report on Grains.

Annex V: World Beef Production and Trade: Background and Projections.

Annex VI: World Dairy Production and Trade: Recent Trends and Projections.

Annex VII: Analysis of the Impact of Trade Liberalization in the Grain-Feed-Livestock Sectors of U.S., E.C., Japanese and Canadian Agriculture.

Annex VIII: Analysis of the Impact of Trade Liberalization on World Trade in Tobacco.

Annex IX: Sugar Trade Study.

I. ISSUES IN AGRICULTURAL AND TRADE POLICIES

A. Some perspectives

In the Kennedy Round, U.S. negotiators sought from the beginning to include agriculture as a full partner. The U.S. chief negotiator Christian A. Herter emphasized in addressing the opening session of the Agricultural Ministers of the Kennedy Round negotiations, as well as in talks given in the United States, that it was the firm position of the U.S. Government that negotiations must include agricultural products. . . . And, further that the U.S. Government would not be prepared to conclude the negotiations until equitable tariff and trade arrangements had been developed for agricultural products. EC Commissioner Mansholt, speaking to the GATT for the Community, also stressed the importance of a successful negotiation on agriculture and committed the European Community unequivocally to a negotiation on domestic agricultural policies. The Agricultural Ministers subsequently adopted a resolution which became a part of the charter for the Kennedy Round. It stated: "That, in view of the importance of agriculture in world trade, the trade negotiations shall provide for acceptable conditions of access to world markets for agricultural products."

The results from 4 years of protected negotiations, as is well known, were most disappointing. Results in agriculture fell far short of those in the industrial sector. Some minor concessions on U.S. export products were negotiated, and the U.S. gave a valuable duty binding on canned hams. In the final hours of the Kennedy Round an International Grains Arrangement (IGA) was concluded that provided for food aid by major developed countries and for world wheat prices at levels believed favorable to both exporting and importing countries (in the context of a worldwide wheat shortage). The price stabilization part of this agreement collapsed in 1969, and the International Wheat Agreement which replaced the IGA in 1970 does not contain price provisions at all (although it provides for negotiating them at some future time).

Since the conclusion of the Kennedy Round, U.S. negotiators have continued to press for liberalization of agricultural trade arrangements in bilateral negotiations with many countries, but especially the EC Countries, as well as in GATT and other multilateral forums, with many of the same frustrations and lack of results that characterized the Kennedy Round. Japan has liberalized its quotas on a number of items and U.S. sales have responded. In the EC, however, the situation has steadily worsened as internal prices on grains, and thus variable levies at the border, have risen and as more products have been placed under the restrictive CAP's.

In spite of the commitment made in early 1972 to begin preparation for a new negotiation, the EC appears most reluctant to contemplate liberalization of agricultural trade. For example, the High Level Trade Group of the OECD is now in its final stages of preparing its report on recommendations for improvements in the international economic environment in the 1970's. The group has found the agricultural trade issue among the thorniest of all issues, and it appears doubtful that they can reach any meaningful agreement. Many of the group's members apparently believe that agriculture must be put aside as a special problem that cannot be dealt with in parallel fashion to the issues of industrial products and can be dealt with only in the time span of a generation. Also, the EC is being exceedingly difficult in the GATT article XXIV: 5 examination, even to the point of claiming that the common agricultural policy must fall outside the scope of this examination.

B. Domestic agricultural policies: Barriers to trade liberalization

Why has so little progress been made on agricultural problems in previous multilateral and bilateral trade negotiations? Part of the answer can be found in the conflict between freer trade and the domestic farm policies of all countries, part in the continued political potency of farm people and part in the extreme concern on the part of EC countries, most notably the French, to protect the common agricultural policy, which is seen as the most tangible manifestation of European regionalism.

Incomes of farmers in all industrialized countries lag behind those of non-farm groups. A prime objective of national agricultural policies is raising the level of farm incomes both in absolute and in relative terms. Policies adopted which are intended to meet this objective often conflict with the objectives of liberalization of trade in agricultural products. In the opening three paragraphs of its chapter on agriculture, the report of the Williams Commission summarized succinctly the consequences of this interrelationship of domestic agricultural and trade policies as follows: [1]

"In no sector of the economy are domestic and international policies more closely related than in agriculture. Their interdependence is almost always a consequence of government policies, especially in many industrial countries which seek to improve farm income primarily by means of price supports. These support prices are in many cases determined with too little regard to market conditions or to changes in agriculture itself; rapid technological progress, increases in labor productivity, reductions in the number of farms, and increases in the number and importance of larger, highly mechanized farms.

"High price supports have stimulated major expansions of uneconomic production in many countries. To find outlets for this expanded production, these countries have increasingly curtailed foreign access to their home markets, and have disposed of surpluses by means of export subsidization.

"Particularly adverse have been the trade effects of the Common Agricultural Policy developed by the European Community during the 1960's. The high prices fixed under this policy—supported primarily by means of variable import levies—have prevented effective price competition and forced third countries into the position of residual suppliers. Furthermore, the Community has used export subsidies aggressively to dispose of surpluses produced under the stimulus of its high support prices."

In Annex I of this report we have summarized the major features of the agricultural policies of the countries of Western Europe, Japan, Australia, and New Zealand, Canada and the United States—with emphasis on the policies affecting trade.[3] Attention is also given to significant changes or trends in farm policy in recent years.

High price supports, it can be readily seen from these country policy reviews, have been and continue to be the essential features of the agricultural policies in Japan and the European Community. In the EC and several other countries these price supports are guaranteed to producers without any limitations on production.

These high price supports while intended to remedy the income problem, have been largely unsuccessful for many reasons. In the first place, a small proportion of producers—the large farmers—get by far the largest benefits from price supports or other programs based on volume of production; for example, in the United States 60% of direct government payments in 1970 went to 20% of the farmers, those with gross sales over $20,000. In most countries there are many farmers with low incomes. They have a small volume of marketings and they cannot get any substantial income benefits from high price supports. These farms are too small to be different economic units and can survive in competition with productive farmers in their own country or abroad only by accepting very low returns for their efforts. In effect, chronic low incomes from farming stem from having too many of the "wrong" resources in farming—too many farmers and too many outmoded farm skills and methods, too many crops not in great demand by consumers on too much land—plus too few of the "right" resources in farming—not enough capital per farm, too small an acreage per farm although too much land in farming overall, and too little of the right kinds of farm skills. There is an unsatisfactory use of existing resources, and not enough of needed resources.

High price supports stimulate production that leads directly to agricultural surpluses, import barriers, and subsidized exports of high cost commodities. Farm prices for most products and in most countries cannot be substantially increased without creating excessively large commodity inventories as long as price guarantees are given without limitation.

Rising consumer incomes in most developed countries do not lead to greater total food consumption per person, only to changes in the mixture of foods consumed to more expensive, better quality foods more desired by consumers.[3] A rigid system of high price supports, however, does not provide the necessary signals to farmers through the marketplace to adjust their production decisions in the direction of changing consumer demands.

Also, it has become clear that the benefits of high price supports are capitalized into high land prices which are of future benefit only to the present owners of land. In practically all countries the increase in prices of land during recent years has been markedly greater than in agricultural incomes.[4] Thus, the benefits of high price supports accrue to present owners not as much in increased current incomes as in higher capital values—a gain which they can reap at time of sale, but it represents an added capital cost to the new buyer and a further deterrent to needed adjustments in farm policies.

Other misallocations of resources are induced indirectly through the influence of present agricultural policies. Under the assurance of high prices farmers apply larger quantities of fertilizer, herbicides and other non-farm inputs than would otherwise be used. In the case of the United States, an artificial scarcity of land is created through the supply adjustment programs. In Western Europe and Japan where grain and rice prices are supported at levels from 100 to 300 percent above world price levels, uneconomic investments of a long-term nature are the result as well as over-use of fertilizers and other production inputs on an aggregate basis. In addition to inefficiencies in use of resources these added inputs pose environmental problems.

Not only are present policies inefficient in solving the chronic problems of low incomes for rural people, but they are costly to consumers and taxpayers in the form of higher food prices and government costs of programs. According to Professor Johnson of the University of Chicago, the annual world cost of the "combination of barriers at the border and domestic price supports and subsidies" may approach $40 billion including about $13 billion in the EC and almost $10 billion in the United States.[5] A significant part of this cost estimate for the United States is the cost of programs to remove acres from production—supply adjustment problems thrust upon the United States (the world's largest producer and exporter of

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Footnotes at end of article.

grain (a) because of restricted access to markets closed by high price supports and import barriers and (b) because other countries with few exceptions make no attempt to restrict production or control marketings.

Our conclusion on how to deal with the conflict between farm policies and expanded international trade is that a solution can be found only if domestic support policies move away from high price supports. To the extent this conflicts with farm income objectives, payments should be made which will be as nearly production neutral as possible. This will help reduce income disparities within agriculture, promote a greater flexibility in prices, and prices can assume more of their role in adjusting supply and demand. At the same time this change would permit a liberalization of trade barriers and help insure that the national costs of farm income support will be borne directly by the societies which deem them necessary rather than by the world as a whole.

A shift away from high price supports and downward adjustments in supply to meet market demand is not easy to achieve politically—in the United States as well as in other countries. Farmers are deeply suspicious of any moves to reduce prices and shift them to dependence on payments from national treasuries. A rapid decline in farm numbers is taking place generally in all countries; it alarms farmers, and their political representatives in national legislatures.

Nevertheless, farm people in all of the developed countries continue to have strong political influence.

While the number of farm voters continues to decline in the U.S., farm organizations still pack legislative power increasingly through commodity organizations which can rally support for specific issues because of a unity of goals among the membership.

The general farm organizations—the American Farm Bureau Federation, the Grange, the Farmers Union, and the National Farmers Organization—are less effective because of a diversity of member views and of viewpoints between organizations.

The commodity organizations, on the other hand, can zero in on legislation, and they are taking over legislative functions once performed by the general organizations.

They are more sophisticated, they are better organized, and they have better access to power than many other special interest groups. Dairy farmers in particular are well-organized, well-financed, and politically articulate! Dairy farms in considerable numbers are still found in almost every political district.

Representative George Mahon, as another example, led the floor fight last week when the House beat back (192–189) an attempt to reduce the farm program payment limitation to $20,000 from $55,000. Working hardest behind the scenes were the National Cotton Council, the National Association of Wheat Growers, and the Grain Sorghum Producers.

There are many regional groups such as the tobacco associations, the Peanut Council, and the Rice Council that can bring pressure to bear in the interests of their members. The American National Cattlemen's Association remains a potent force.

The National Council of Farmer Cooperatives is also effective, particularly on tax policy and other things that concern a cooperative membership that ranges from small supply and purchasing co-ops to the huge Sunkist and Goldkist operations.

The farm sector in Japan is a highly organized, politically active factor. Probably the most politically active and effective organ in the agricultural area is the Central Union of Agricultural Cooperatives, which has local cooperatives in virtually every rural area in Japan. Japanese agriculture can wield great political influence since, in the first place, it is overrepresented in the Diet as compared to the urban areas and, secondly, it is a large supporter of the ruling Liberal Democratic Party and undoubtedly is the greatest factor in their maintaining a majority in the Diet.

In the EC, the powerful farm organizations influence the determination of agricultural policies in the EC member states and also the positions these states take in determining Community policy on agricultural issues. One of the most effective is the 1.2 million member German *Bauernverband*, a consistent supporter of high farm prices and opponent of the German government's efforts to induce small farmers to leave agriculture. The *Assemblée Permanente des Chambres d'Agriculture* and *La Fédération Nationale des Syndicats d'Exploitants Agricoles* are the leading organizations in France, although the social and political importance of individual landowners is also very significant in determining French policy. In Italy, the *Conjererazione Nazionale dei Coltivatori Diretti*, which emphasizes social welfare measures for its small-farm members, has led a decisive voice in the selection of Italian agriculture ministers since the late 1940's. The Belgian *Boerenbond* and the Dutch *Landbeuwschap* also exert pressure on their respective governments. These and other organizations are members of the Committee of Professional Agriculture Organizations (COPA), which is, in effect, the farmers union of the Six.

The power of such organizations was demonstrated last December after the meeting between Presidents Pompidou and Nixon concerning monetary and trade questions. Following his return to Paris and meetings with farm organization representatives, Mr. Pompidou made several public statements supportive of the common agricultural policies and critical of the United States that were much harsher in tone than those he made in the days immediately following his meeting with Mr. Nixon.

The well-organized and well-publicized efforts of the German Bauernverband to stiffen the position of the German government with regard to the EC Commission's 1972–73 farm support price proposals is another example. Freiherr von Heereman, the president of the organization, stated in a letter to Chancellor Brandt that the proposals were absolutely unsatisfactory for German agriculture, that monetary policy decisions must by no means lead to a burden on German agriculture, and that he was summoning German farmers to take part in a nationwide warning demonstration, which he did. Whether the Bauernverband's efforts moved the German government or were merely used by it to promote the government's position in Brussels, these efforts were a factor in the final settlement.

Moreover, the Europeans view the Common Agricultural Policy (CAP) as the only significant political accomplishment of the European Community. For each, it is a symbol of political unity. Some—more particularly the French—seem genuinely to believe that the United States aims to destroy the CAP.

In the case of France, the CAP is the mechanism for enormous economic benefits that accrue to the large, efficient landholders. President Pompidou in recent months has repeatedly warned that France would be unyielding in opposing American efforts to "destroy" the Common Market's agricultural pricing system. Early this year, when the U.S. and the EC were negotiating a trade agreement, Pompidou reportedly took personal jurisdiction over French policy toward the CAP. In the French view the CAP is not negotiable as a trade matter because of its political and social objectives.

C. Prospects for change in the 1970's

Are the prospects for changes in agricultural trade policies any brighter for the 1970's? In a number of respects they seem to be. There are changed situations from the 1960's which include those peculiar to the major negotiating countries as well as changes common to all.

1. Demand for Livestock Products. There is widespread appreciation that present agricultural policies are not meeting the demand for livestock products which consumers want. World prices for beef, for example, have climbed markedly in 1971 and 1972, in spite of an increase in production in the 1960's of some 40 percent. Since the beginning of 1972 the European Community and the United Kingdom have removed all duties and charges on beef imports. In June 1972 the United States, too, set aside all import quota provisions for the balance of the year. In 1971 the Soviet Union, under pressure to provide more livestock products for its people, imported sizeable quantities of beef from Australia, and has been importing feedgrains to boost livestock production. This is expected to continue.

2. The Community at the start of the Kennedy Round was in the beginning stages of developing a Common Agricultural Policy (CAP). Now it is a full-blown "policy," although still developing and being extended to more products. But disenchantments and disillusionments are setting in from many quarters including the EC Commission itself.[6] Many farmers are unhappy with the CAP (e.g., the March 1971 demonstrations in Brussels) because, in their view, prices and incomes are too low—80 percent of the farmers in the EC have incomes no more than two-thirds those of industrial workers. Sharp conflicts have risen among member countries over CAP policies and especially over the implementation of the principle of joint financial responsibility for CAP costs. Commissioner Mansholt has proposed a costly plan for structural reform that has aroused spirited controversy but only limited adoption thus far. An "outside" factor to agriculture, the adjustments in exchange rates within the Six, has put the common agricultural price policy under continuing and immediate internal pressures ever since 1969.

3. EC Enlargement. The EC is now about to add four countries, the U.K. by far the most important. Historically, the U.K. is a large importer of farm products with a low food price policy. A deficiency-payment system has been used until recently[7] on a selective basis to raise farm returns and stimulate domestic production; the financial burden of such a system is on taxpayers rather than on consumers through higher food prices. Farm prices in all accession countries, except for Norway, are generally below EC–CAP levels, especially prices of feedstuffs. Also, those entering countries, at least the principal producers of farm products—the U.K. and Denmark—have agricultures more efficiently organized than exist in many areas of the Community. In comparison with most of the Six, these countries are larger users of feed for livestock production and less important grain producers; under the EC–CAP, prices of grain will rise relative to livestock-product prices.

4. Japanese food consumption patterns are changing in the direction of those of the U.S. and Western Europe. Nevertheless, Japanese consumption of livestock products is still much below that of most other developed countries; this situation plus sharply-rising consumer incomes makes for a promising market for imports in the 1970's and beyond. Important liberalization of import quotas has already occurred, although the pace has been slow.[8] The production of rice is now being cut by a new acreage diversion program in line with a policy to shift production out of rice into other crops and other livestock products.

Footnotes at end of article.

5. The United States, policy-wise, is in a markedly changed position from the early 1960's, moving toward further market orientation. Large government stocks had accumulated under the stimulus of high price supports well above world prices in the 1950's and early sixties. To remedy the situation, payments to farmers have been made to withhold cropland voluntarily from production. Acres withheld from production have reached one-fourth to one-fifth of total cropland and payments to farmers the range of $3 to $4 billion. Price supports of major crops have been reduced sharply, moving market prices near world price levels. Total export subsidies dropped from a high of over $800 million in the early 1960's to a range of less than $100 million to $200 million in recent years. The set-aside feature of the Agricultural Act of 1970 has increased the options of the U.S. farmer to respond to market forces; once the farmer who chooses to participate in the program has taken a certain acreage out of production, there are no further restrictions on his planting decisions. In effect, the U.S. commitment to policies based on market forces has increased markedly since the early 1960's—although in the absence of other major countries taking similar action the costs of the program in government payments are proving to be costly.

6. Consumer incomes are much higher in all countries, with the largest rate of increase in Japan and next in the EC. Continued gains are expected in the 1970's. With these higher incomes have come shifts in food consumption patterns away from cereals to animal products. Given available supplies at "right" prices, there is great potential for further shifts.

7. Rapid structural changes in agriculture in all countries have brought sharp decreases in both number of farms and employment. Between 1960 and 1970 the drop in the number of persons employed in agriculture in most OECD countries was in the range of 25 to 40 percent (44 percent in Italy). Also, the proportion of production inputs from nonfarm sources has risen sharply in most countries. Crop yields and output per worker on farms have risen accordingly.

8. Nonfarm income is of increased importance to farmers in most countries, but especially the United States and Japan. For example, in the U.S., the income of small farmers (those with sales of products under $10,000) in the 1960's doubled and all of this increase came from nonfarm earnings, while their numbers declined from over 3 million to less than 2 million. Thus, all of the increases in income from farm sources went to the larger farmers. In Japan the income to farm households coming from nonfarm sources increased fourfold during the 1960's. As a result, the proportion of their income from farm sources declined from 55 percent in 1960 to 40 percent in 1969.[9]

In comparison with a decade earlier, however, there are many unchanged elements. Incomes to workers in agriculture still lag behind those in nonfarm pursuits. There is still general overcapacity despite the rapid structural changes. Unfortunately, high price incentives have led to sharp increases in prices of land as well as to overinvestments in machinery, fertilizers, and other nonfarm inputs so the problems of needed disinvestment in agricultural production have been accentuated.

Most significant of all perhaps among the unchanged elements is that the political pressures against changes in present policies are still formidable. Even though the numbers of farm people in all countries have declined sharply, their influence seems little diminished. In Germany, the balance of political power is now based on a small political party that draws an important base of its support from farmers in low-income areas; Japan's ruling political party depends on rural people for a vital base of its support—and a similar story could be detailed for most industrial countries. It is possible that these farm groups are not really as politically powerful as believed, but it is the politicians' perceptions of their power that counts.

In summary, there are some definite changes in the environment that could make shifts in domestic agricultural policies more attainable in the 1970's than previously.

The only hope for fruitful negotiations on agriculture, however, is to move in a direction that would minimize "costs" of policy changes to all countries. Moving toward a general expansion in agricultural production could have benefits to all countries. Livestock products and poultry offer the greatest possibility for expansion. The U.S. experience of the last two decades, with a doubling of beef and poultry consumption per capita, is a notable example. The prospects of rising consumer incomes and a continued industrialization in Western Europe and Japan offer similar possibilities in those countries.

II. GOALS AND BENEFITS

A. Potential benefits to the United States from general liberalization of agricultural trade

As a starting point in this study, we decided to test as specifically as possible the significance of our alleged comparative advantage in agriculture and to arrive at quantitative estimates of the balance of benefits and costs. A combined study was made for the entire grain-feed-livestock sector because of the strong interrelationships among these products. To our knowledge, this is the first time this kind of study has been attempted. Underlying this combined study were special studies on grains, beef, and dairy products. Special studies were also made for tobacco and sugar, which are of potential importance in the United States and elsewhere. For other commodities, projections are based on consensus judgments made with the aid of commodity specialists in the Foreign Agricultural Service and Economic Research Service.

Projections for all U.S. agricultural exports in 1980, with and without liberalization, were prepared. Results are shown in Table 1. The degree of liberalization, assumed for the 1980 "liberalized projection" in this section of Part II, varies by products and commodity groups. In the feed-livestock sector, exports and imports were projected under an assumption that countries adopt fully market-oriented policies; varying degrees of trade liberalization were assumed for other products.[10]

In no sense should any of the projections be regarded as predictions. Countries have interfered with the operations of the market place in agriculture for so long that it becomes difficult to project the results in a situation where market restraints are absent. The purpose of this exercise was not so much to come up with the most reasonable estimates of the actual numbers as it was to contrast the effects of trade liberalization under this set of assumptions.

Based on these projections, the benefits to the United States from trade liberalization are substantial. The potential gains are threefold: a substantial improvement in the balance of payments; an important reduction in government expenditure; and a significant increase in net farm income.

U.S. agricultural exports would rise sharply from the estimated $8.9 billion in 1980 (with no change in policies) to $18.4 billion; imports would rise from $7.7 billion to $9.0 billion. The net balance of trade would thus be improved by about $8 billion.

However, if present agricultural trade policies are continued, only a small increase in exports is projected for the year 1980 and the net balance of trade from agriculture would drop by nearly a billion dollars from fiscal year 1971. These large gains in U.S. exports and in the net balance of trade come almost exclusively from the feed-livestock sector. (Figures 1, 2, and 5).

Although some shifts in government expenditure and net farm income would take place in other commodity sectors, the major effects of trade liberalization would be felt by grain and livestock producers.

In this sector, government commodity program expenditures could be eliminated with a saving estimated to be almost $4 billion in wheat and feedgrain commodity program costs.[11] Producer returns from marketings would increase by $8 billion, amounting to a net increase in farm income of $4 billion after allowing for the end of government payments.[12] (Figures 3 and 4.)

There are other important sources of benefits to the U.S. economy, although they are more difficult to quantify. The added gross income to farmers represents up to $12 billion available for buying the additional inputs required to produce the added volume, and for family living. Rural communities would especially benefit.

It is important to reemphasize at this point that these projected benefits do not represent our estimates of what the agricultural picture would actually be in 1980 if trade were liberalized as assumed. For one thing, the projections are based on estimates of the plausible changes in demand and the supply adjustments possible over a 10-year period beginning 1970. Very substantial increases in consumption of animal products in Western Europe and Japan are projected for 1980. These estimates are based on a situation where incomes would be increasing at present rates, prices would be at world levels, and trade barriers (other than health regulations) to the flow of grains and other feedstuffs as well as animal products would be absent. Since the policy changes necessary to bring about this situation may themselves require a period of gradual change of up to 10 years, probably beginning not earlier than 1975, the time at which we would arrive at free market supply/demand equilibrium for grains and livestock has obviously been foreshortened in our projections.

More realistic estimates could probably be made by revising the projections to 1985, and taking into account the effects of the transitional measures which would be required to alter the trading environment for agriculture from its present condition to one of substantially free trade, at least for grains and livestock. For the purpose of this study, however, it was decided to adopt 1980 rather than 1985 as the target year for projections because of the availability of several other studies giving projections for 1980 which could be used as a starting point.[13]

1970 was chosen as the base year for projections because nearly complete statistical data was available. Since our purpose was to predict trends rather than results, we felt that the time compression problem was not serious enough to warrant changing our approach for this study.

What these projections do indicate is the likely trend of developments if multilateral negotiations lend to substantial trade liberalization, particularly in the grain-livestock sector. We think that the magnitude of the benefits when full liberalization is assumed in that sector is so great as compared to the base 1980 situation (or the other partial liberalization situations discussed below) that it is reasonable to rely on these results as an indicator of trends even though the actual gains may differ from those projected in this admittedly ideal situation.

Footnotes at end of article.

TABLE 1.—U.S. AGRICULTURAL TRADE, 1971 AND 1980 UNDER 2 ALTERNATIVES

[In billions of dollars]

Products	1971	1980 Base	1980 Liberalized
EXPORTS			
Feed livestock:			
Grains and feeds	2.9	2.8	6.8
Oilseeds and products	2.1	2.9	4.8
Dairy and poultry	.3	.3	.7
Livestock and products	.7	.9	3.9
Subtotal	6.0	6.9	16.2
Cotton	.5	.5	.5
Tobacco	.5	.5	.6
Fruits and vegetables	.6	.7	.8
Sugar and tropical products	.2	.3	.3
Total, all products	7.8	8.9	18.4
IMPORTS			
Feed-livestock:			
Grains and feeds	.2	.2	.2
Oilseeds and products	.2	.3	.3
Dairy and poultry	.1	.2	1.1
Livestock and products	1.4	1.9	1.9
Subtotal	1.9	2.6	3.5
Cotton	(1)	(1)	(1)
Tobacco	.1	.2	.2
Fruits and vegetables	.9	1.3	1.5
Sugar and tropical products	2.7	3.6	3.8
Total, all products	5.8	7.7	9.0
Balance of trade	+2.0	+1.2	+9.4

1 Less than $50,000,000.

NOTES

Subtotals for the feed-livestock sector differ from those shown in the grains-livestock study because of the inclusion in this table of certain feeds, oilseeds, and livestock products of peripheral importance for the specialized commodity study projections.

Although 1970 was used as the base year for the purpose of developing projections, 1971 data are shown in this table for purposes of comparison because they were the latest available.

B. Potential benefits to the United States from liberalization of trade in specific commodity sectors

Grain-Feed-Livestock [14]

In the grain-feed-livestock sector three sets of policy alternatives were considered—each set progressively more liberal—to appraise their impact on production, consumption and trade as compared with the continuation of current policies in the United States and other major exporting and importing countries. Briefly the policy alternatives are:

1. A modest liberalization of existing policies—A standstill of price incentives in the EC, combined with an increase in beef and dairy import quotas in the U.S. and Japan, and elimination of the Canadian feed-freight assistance program.

2. Liberalization through partial market orientation—In addition to the above, a reduction in EC price incentives equivalent to a $15/m.t. reduction in grain prices, combined with conversion from variable levies to fixed duties; also, a complete conversion of the Japanese import control system for livestock products to an ad valorem duty basis—but with rather high duties.

3. Liberalization through substantially full market orientation—Essentially free trade along with consistent internal agricultural policies, with the grain-feed-livestock complex supported if necessary by a set-aside of U.S. acreage sufficient to maintain prices to U.S. farmers at 1972 levels.

In the absence of any liberalization, i.e. a continuation of current policies, the number of excess acres in the United States would increase. If present U.S. Government programs were in effect and there were no limitation on total costs, the program costs for the wheat and feedgrains program would rise to almost $4 billion, compared with an average cost of $2 billion in 1968–71. This result is the consequence of projected yields rising at a faster rate than the rate of increase in domestic utilization of feedstuffs, coupled with less demand for exports. U.S. exports of feedgrains are projected to decline somewhat from 1970–71 levels. Increases expected for Eastern Europe and Japan would be more than offset by a virtual disappearance of our markets in Western Europe. Further increases in exports are projected for soybeans and products—but not nearly what could be realized under trade liberalization.

The overall benefits to the United States [15]—in terms of increased trade and improved balance of payments, reductions in costs of gvoernment programs, and improvements in net income to farmers—are substantially greater under policy alternative no. 3 than under alternative no. 1 and no. 2 (table 2). In fact, under policy alternative 1—a modest liberalization of existing policies—the results on practically all counts are less favorable than under a continuation of existing policies. Exports increase by $1.1 billion but imports increase by $1.2 billion, so there is no improvement in the balance of trade. Costs of government wheat and feedgrain programs are reduced by almost $0.5 billion as compared with the "base," but net income to farmers from marketings drops by $1.6 billion.

Alternative 2, a liberalization through partial market orientation, does achieve net trade gains of about $4 billion. Government program costs are down by more than $2 billion. Farmers' net income from marketings are higher by $1.6 billion. However, total net income to farmers is lower under alternative 2 because the increased net income from marketings does not offset the loss in government payments.

It is only under policy alternative 3—substantially full market orientation—that there is a substantial net gain to farm income even with a discontinuance of government payments. Under this alternative all "set-aside" U.S. cropland would be needed to meet the increased demands for foodstuffs (figure 6), and prices received by farmers for most foodstuffs and meats would rise in response to increased demand in foreign countries.

The potential benefits from an adoption of market-orientation policies by all countries were estimated as follows: (1) In its Indicative World Plan, the FAO made projections of consumption of animal products for 1980. These projections, with some adjustments, were used as a starting point for this study. Then estimates were made of the consumption of beef, pork, poultry, and dairy products that could result in various countries based on a situation where the principal determinants of consumption would be per capita incomes and prices at world market levels (figure 7). No trade barriers (other than health regulations) would impede the flow of products.[16]

In most countries of Western Europe, rising incomes and the shift in the grain/meat price relationship implicit in the liberalization assumption would lead to moderate increases in beef consumption. In Japan there would be a sharp increase in consumption of beef (and also pork, poultry and dairy products) over the "base" projection for 1980 because of the continued increase in consumer incomes and the great drop in prices of meat and milk products which would result from removal of trade barriers. Correspondingly, the high rates of consumption in exporting countries such as Argentina, Australia, and New Zealand would decrease—since internal prices would rise due to increased demand for exports.

Next, the production of livestock products and total feed availabilities were estimated based on a common set of world prices. A large part of the increased domestic and foreign demand for beef would be met by beef produced with grain grown in the U.S. The increased demand for beef combined with larger foreign demand for other livestock products also would require a substantial increase in use of feed concentrates. As a result, grain and pasture requirements would increase to the point where all of the now idle cropland in the United States would be brought into production. With the increased demand, U.S. price levels would rise moderately for wheat and feedgrains as well as for all livestock products except dairy products. Prices at which commodities in the grain-feed-livestock complex are traded in the world market would increase, but internal prices in the EC and Japan would drop substantially.

In comparison with the "base" projections, U.S. exports would increase by about $9 billion. Most of this increase would be due to increased quantities but higher prices would account for roughly a quarter of the increase. Almost two-thirds of the total increase would be in grains and soybeans—53 million additional metric tons of feedgrains and 285 million bushels of soybeans. The remainder is from animal products; increased exports of beef are the principal factor although modest increases are projected for other animal products except dairy.

On the import side, there would be an increase of a billion dollars, entirely accounted for by dairy products. It is assumed that the United States would continue to import processing-type beef even though our net balance of trade in beef would shift sharply to an export position. The price of those beef imports rises because of higher world price levels for beef, in contrast to those for the "base" projections.

The large projected gains in U.S. exports of feedstuffs may seem unattainable to some readers of this report. Thus, we offer some substantiation of the potential that does exist. The use of feedstuffs in the United States has increased by 60 million short tons in the last 15 years in a situation of market-orientation similar to that proposed for other countries in the feed-livestock sector. A recent study for the U.K. Trade Policy Research Centre concludes that for the year 1968, if consumption and production in the EC Six were at world prices (world grain price of $70 per metric ton versus an EC price of $98 per metric ton), production of grain in Europe would have been lower by 23 million metric tons and consumption higher by 49 million metric tons—a net import requirement of 72 million metric tons for the year 1968, *not* 1980, and for the Six, *not* the enlarged EC.[17]

Tobacco [18]

For this report tobacco leaf trade and consumption have been projected by the major world trading partners to 1980 under three sets of assumptions. Generally speaking these sets of assumptions provide for:

I. No trade liberalization and a continuation of present domestic and foreign policies.

II. Certain liberalized trade policies, including lower U.S. price support levels.

III. Maximum liberalization resulting in a reasonably free and competitive world market for tobacco.

The countries involved in liberalization in Cases II and III would be the United States, the European Community, and Australia.

Assuming improvement in the U.S. balance of payments position to be the principal objective of trade negotiations, the study group concluded that some liberalization along the lines of Case II would produce the most balanced package of results. The potential gains would be about $200 million. However, it was recognized that this would be an awkward package to negotiate. Furthermore, the lower prices would result in income losses to U.S. tobacco farmers.

Footnotes at end of article.

The study group therefore felt that a better alternative to general trade liberalization in tobacco would be to subsidize tobacco exports as necessary to keep them flowing into world markets at approximately 1970 levels. This is a useful possibility whether or not the tobacco support program is continued in its present form. In the latter event, the cost of export subsidies would be substantially less but there would probably be a drop in farm income in the tobacco sector.

Sugar

World trade in sugar is perhaps the most highly regulated of all commodities and therefore the most unlikely in which to hypothesize a free trade situation or even any significant moves toward freer trade.

From the standpoint of the U.S. gaining useful concessions in multilateral negotiations from the principal importers of farm products—Western Europe and Japan sugar has a low priority for inclusion in the negotiations. The study group also found it difficult to foresee any benefits from a major move to liberalize the world sugar trade Other countries are not likely to be interested in such moves. Nevertheless, in the event that sugar is included in negotiations they suggested several possible trade-offs with the EC and Japan in moves toward some liberalization. One of these involves shifting 7½ percent of total U.S. sugar requirements from domestic to foreign suppliers. Further details on the results of the special study on sugar, are in Annex IX.

Peanuts[19]

The United States maintains import duties on peanuts and peanut products and also restricts entry through import quotas. Peanuts for human consumption have a low priority for inclusion in the multilateral negotiations. (Peanuts and peanut meal for feeding, of course, are caught up in the grain-feed-livestock complex.) There would not appear to be any major gains to major importers of U.S. agricultural products through U.S. concessions on peanut duties or quotas.

The production of peanuts in the United States is limited by acreage allotments and marketing quotas designed to provide an adequate supply for food use. Production is highly efficient and further gains in efficiency are being made. Producer prices are protected by means of a price support program at levels related to food use—about twice the value of peanuts for crushing into oil and meal.

The acreage allotment, marketing quota and price support programs doubtless would be modified sharply or discontinued if the import quota for peanuts were removed and the import duty were reduced. U.S. production of peanuts likely would vary widely from year to year, but on the average would be unlikely to fall below U.S. requirements. Prices would fluctuate sharply and move toward the world price level. U.S. producers would receive a smaller net income per acre of peanuts than they now receive. U.S. peanut production, however, would be ample on the average to supply the domestic market. In some years, substantial quantities of peanuts would move into the export markets. Any significant increase in imports of peanuts or peanut oil under these circumstances appear improbable.

Rice[20]

Rice also has a low priority for negotiation, although the liberalization estimates assume some liberalization in the EC rice import system. There would appear to be no major gains to the United States that would result from concessions of other countries as a result of U.S. concessions on rice.

The developed countries involved in the proposed multilateral negotiations do not produce the types of rice desired in the United States (except possibly broken rice), so there would be limited interest in obtaining concessions on U.S. rice duties.

Removing the present U.S. support price, thereby allowing farmers to export all the rice they are willing to produce at world prices, would depress world prices. Other major exporters, especially developed countries such as Italy, would need to reduce their prices through larger subsidies or remove their support prices in order to remain competitive.

Under this type of program the income level of U.S. rice farmers would be lowered so certificates or direct payments would be needed to help maintain farmers' income. Developing countries, especially those importing rice, would be the main beneficiaries due to lower food costs.

If all present export programs were abolished and the U.S. were to become a residual supplier of rice, U.S. rice producers would probably be required to cut back acreages considerably and experience a loss in income. The U.S. or other long grain producers would continue to serve only those limited markets where grades and quality are critical. Italy or Far East exporters would be free to service many of the large Asian markets.

Other Commodities

Exports of some commodities, such as seeds, would be helped indirectly by liberalization and increased foreign production in the grain feed-livestock complex; while others, such as animal byproducts and vegetable oils would face increased competition. Some commodities, such as cotton, tree nuts, and seasonal fresh vegetables already have good access to the markets of the EC and Japan. For these products, increased trade depends more on market development than on reducing tariffs or quotas. Other commodities, particularly fresh citrus and processed fruits and vegetables, however, could benefit significantly from trade liberalization.

The projections used in developing Table I, were based on only a moderate degree of trade liberalization, if any, for commodities other than those included in the special studies. The prospects for increased trade through liberalization for some of these—particularly citrus where the political need for liberalization is acute—warrant further study.

TABLE 2.—CHANGES IN GRAIN-FEED-LIVESTOCK SECTOR UNDER DIFFERENT POLICY ALTERNATIVES[1]

[In millions of dollars]

Item	1980 base	1980 policy alternative 1	2	3
Exports	4,463	5,554	8,649	13,517
Imports	1,876	3,055	2,102	2,664
Net trade	+2,587	+2,499	+6,547	+10,853
Change from base		−88	+3,960	+8,266
Net returns to farmers from marketings	23,220	21,640	24,915	31,083
Change from base		−1,580	+1,695	+7,863
Government payments to farmers[2]	3,754	3,303	1,687	0
Change from base		−451	−2,067	−3,754

[1] Includes beef, pork, poultry meat, eggs, milk, wheat, feedgrains, and soybeans. Note that there are various miscellaneous items in the data for the feed-livestock subsector in table 1 not included in this table.

[2] Under wheat and feed grain programs.

C. Comparison of potential benefits and costs to the United States, the enlarged European Community, and Japan from liberalization of trade in the feed-livestock sector

Although the United States, Argentina, Australia, and New Zealand would be the principal beneficiaries from liberalization in the grain-feed-livestock sector in balance of payments terms, overall economic benefits would accrue to all major exporters and importers.

1. Balance of Payments Effects—According to our projections, the United States could experience an improvement of as much as $8 billion in its balance of payments position over a 10 year period, if all trading countries were to move to virtually free trade in the grains-feed-livestock sector. Argentina, Australia and New Zealand would gain $2.3 billion, $2.0 billion, and $1.2 billion respectively. Japan would incur an additional balance of payments deficit of approximately $14 billion, while the European Community would gain by about $0.5 billion (table 3). Whatever error there may be in the projections would, we believe, tend to exaggerate the deficit which Japan would experience and the improvement which the U.S. would obtain, but would not modify the general trend in balance of payments relationships among the principal countries concerned.[21]

2. Costs to Governments—The current level of government cost for support programs and set aside payments in the grain-livestock sector will be an estimated $2.9 billion for the United States in 1972, $1.5 billion for the EC Six, and $2 billion for Japan. Although we have no estimates for the increase in cost to governments by 1980 for the EC and Japan under a continuation of current price support programs, we anticipate that costs in both cases would rise at a substantially faster rate than in the United States, because of the necessity to take more and more surplus grains into intervention at artificially high prices. In the United States, the projected cost to government would rise to $3.8 billion in 1980 if current programs were continued without change.

Under liberalization, all of these costs to government would drop away. If Europe and Japan were to make up the full drop in net income to farmers projected for the liberalized 1980 situation, however, they would each be faced with costs on the order of $4 or $4.5 billion. The EC would also be faced with a loss of revenue from the elimination of the variable levy, but presumably this could be made up by increasing the value added tax slightly. An increase of less than half of 1 percent would be required to offset the loss.

The member countries of the EC also bear farm program costs relating to the encouragement of certain kinds of agricultural production. To a lesser extent the United States and Japan also bear certain costs for agricultural research, training programs, and other aids to farmers. It is assumed that the value of these costs would not differ significantly whether or not there was liberalization, although the purposes for which such funds were spent would shift. There are already indications in both Europe and Japan that relatively more funds will be spent on encouraging livestock production in coming years. No specific estimates were made for the probable value of those costs in 1980.

3. Returns to Producers—In the aggregate, the United States would obtain a net increase in returns to producers from liberalization, while the European Community and Japan would both experience a decline. When the benefits of structural reform in agriculture which the EC and Japan would obtain are taken into account, however, it is not clear that this aggregate drop would create as many income employment problems for either economy as would a continuation of present agricultural support policies. The gain in net returns to U.S. farmers would be about $4 billion, while the aggregate loss in net returns to agriculture would be very roughly $4.5 billion in the EC and probably at least $4 billion in Japan.[22]

4. Effects on Consumers—There would be a very substantial reduction in prices of meat, dairy products, eggs, and food grains to con-

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sumers in both the enlarged EC and Japan, making possible a greatly increased intake of protein. The possible improvement in consumer welfare is equivalent to as much as $33 billion in Japan and $10 billion in the EC. Also pensioners and low income groups in the United Kingdom will bear a disproportionate share of higher food costs in the enlarged EC if policies are not changed. The cost of food in the U.K. is expected to increase by at least 10 percent.

In the United States, where meat production has already expanded sufficiently to bring the price down to a level where mass consumption has become not only possible but normal, the effect of liberalization may cause meat prices to be slightly higher, but the long term decline in real food prices will continue.

5. Gains in Economic Efficiency—A move to the market-orientation policies in the feed-livestock sector would have positive benefits to much of European and Japanese agriculture as well as to that of the United States. Total resources used in agricultural production would very likely increase as the additional resources needed for livestock production would more than offset the reductions in crop production. Furthermore, the shift from grain to livestock production is a shift from production of lowest labor use to one of higher labor use. It can thus slow up somewhat the pressures for movement of labor out of agriculture, especially in Europe.[23]

As for the United States, other analysts have pointed out that in the years ahead the principal advantages of the U.S. in trade in goods will be in certain agricultural products in which we have special climate and resource advantages (e.g., the Corn Belt) and high-technology, capital intensive industrial goods.[24] The projected large benefits to the U.S. balance of trade that could come from liberalization of the feed-livestock sector bears out this hypothesis. Interestingly, however, the capital associated with each agricultural worker in the production of grains and soybeans is among the highest of any U.S. industry. And the level of technology associated with this production is by no means modest.

D. Adjustments implied for the United States by liberalization of trade in the grain-feed-livestock sector

Structure of U.S. Agriculture

It is customary in discussing U.S. agriculture to talk as if American farmers could be neatly classified according to the kind of commodity which they principally produce, i.e., dairy farmers, cattlemen, wheat growers, poultrymen, and so forth. In reality, however, many farms in the grain-feed-livestock sector do not produce only one crop or animal product. In many parts of the country wheat, feedgrains, and soybeans can be and often are grown interchangeably. Livestock people too may well grow grain as well as hogs, or use available pasture land for beef cattle as well as dairy cows.

The Agricultural Act of 1970 is designed to encourage shifts in production as market conditions change. This Act recognized that there are parts of the country with relative efficiencies in one or another kind of agricultural production which should be capitalized on. When we speak of the adjustments which fuller market orientation would require from American farmers, we are not speaking of adjustments which would demand wholesale changes in farming practices. In many cases the shifts in the structure of American agriculture projected under a market-oriented situation could be accomplished relatively smoothly without a loss of income to farmers producing those commodities which are not likely to benefit from liberalization.

The aggregate improvement in net income to farmers in the liberalized 1980 situation as compared to the base 1980 situation is such that the United States could probably continue to employ in agriculture all those now engaged in farming and improve their individual incomes in the process.

The tables and discussion which follow lay out in more detail some of the adjustments liberalization would imply in American agriculture.

Beef	1970	1980 base	1980 situation III
Production (billions of pounds)	22.3	29.0	33.4
Production value (billions of dollars)	6.5	11.6	14.7
Consumption (billions of pounds)	24.0	31.1	31.2
Net trade quantity (billions of pounds)	−1.7	−2.1	+2.2
Net trade value (millions of dollars)	−655	−967	+1,955
Farm price (hundredweight)	$29	$40	$44

As the above table shows, U.S. beef production is projected to increase from 22.3 billion pounds in 1970 to 29.0 billion pounds if current policies and programs are continued; by contrast, it will rise to 33.4 billion pounds in a fully liberalized situation.

In order to achieve the additional increase in beef production projected for 1980 under free trade, the United States would have to make additional land resources available for cattle. Some grassland now being used for dairy would be converted to beef and some idle cropland would be used for cattle. The increase in cattle production in non-traditional areas such as the southeast would accelerate.

The opening up of the Japanese and the EC markets to beef imports would result in a substantial increase in U.S. exports, due to the magnitude of the increase in demand foreseen in comparison with the limited capacity of traditional suppliers to fill that market without susbtantial changes in production practices, which we do not foresee.

	1970	1980 base	1980 situation III
Production (billon pounds, milk equivalent)	117.4	112.5	104.0
Production value (billions of dollars)	6.7	8.4	7.8
Consumption (billion pounds, milk equivalent)	117.4	113.5	116.0
Net trade quantity (billion pounds, milk equivalent)		−1.0	12.0
Net trade value (millions of dollars)		−15	−944
Farm prices (hundredweight, milk equivalent)	$5.70	$7.50	$7.50

The above table indicates that dairy production in the United States will drop more in a fully liberalized situation than if current policies and programs are continued. The projections show milk production dropping from 117.4 billion pounds in 1970 to 112.5 billion pounds in base 1980, and to 104.0 billion pounds in Case III 1980. The fact that dairy production would decline even without liberalization suggests that liberalization would not mean a reversal of existing trends in dairy production. Rather, it would simply intensify those already in motion.

The trend in dairy for some time has been to convert grassland from milk cows to beef cattle. The increased profitability of beef relative to milk would pull more resources out of dairy in Case III than in base 1980, even though the price of milk would not be significantly different in either situation. Net income to the dairy industry would be less under free trade than under a continuation of present policies, but it would still be greater than in 1970. Furthermore, the presence of alternative employment opportunities in agriculture under freer trade would mean that some farmers going out of dairy could improve their income position without leaving agriculture altogether, while the per capita income of those farmers remaining in dairy could be increased because the aggregate would be shared among a smaller number.

Pork	1970	1980 base	1980 situation III
Production (billions of pounds)	13.4	13.6	13.0
Production value (billions of dollars)	3.0	3.2	3.4
Consumption (billions of pounds)	13.5	14.0	12.8
Net trade quantity (billions of pounds)	.1	.4	+.2
Net trade value (billions of dollars)	−246	−280	−82
Farm price (hundredweight)	$22.70	$23.50	$26

The figures for pork given above do not reveal significant differences in the level of production from one trading situation to another. Production would be slightly lower—13.0 billion pounds in Case III 1980 than in base 1980—13.6 billion pounds.

Domestic consumption would fall off moderately under liberalization due to increased foreign demand for exports and slightly higher prices. An increase in hog prices would more than offset the higher feed costs.

Poultry	1970	1980 base	1980 situation III
Production (billions of pounds)	10.1	19.1	21.1
Production value (billions of dollars)	1.4	2.7	3.4
Consumption (billions of pounds)	10.0	19.0	20.1
Net trade quantity (billions of pounds)	+.1	+.1	+.8
Net trade value (millions of dollars)	+39	+33	+359
Farm price (hundredweight)	$13.60	$14	$16.30

Poultry meat production will expand significantly by 1980 regardless of whether trade is liberalized. The above table shows production almost doubling from 10.1 billion pounds in 1970 to 19.1 billion pounds in base 1980 and 21.1 billion pounds in Case III 1980. The 2-billion pounds difference between base 1980 and the freer trade situation is divided equally between domestic and foreign consumption. Under freer trade, the additional domestic consumption would come about because of the tighter market situation for pork; the foreign market will be created by the increased demand for poultry imports by Canada, as a result of the removal of the feed freight assistance program. The increased quantity of poultry meat production will improve net for income in a liberalized situation as compared to a continuation of current policies.

Wheat and feedgrains	1970	1980 base	1980 situation III
Wheat:			
Production (million mt)[1]	41.5	37.2	54.5
Production value (billions of dollars)	2.0	1.7	3.1
Consumption (million mt)	21.7	21.2	36.0
Net trade quantity (million mt)	19.8	16.0	18.5
Net trade value (billions of dollars)	1.0	1.0	1.4
Farm price (mt)	$47.77	$47.77	$56.94
Feedgrains:			
Production (million mt)[1]	157.8	189.0	232.1
Production value (billions of dollars)	6.7	8.0	12.1
Consumption (million mt)	139.4	171.7	161.8
Net trade quantity (million mt)	19.4	17.3	70.3

Footnotes at end of article.

Wheat and feedgrains	1970	1980 base	1980 situation III
Net trade value (billions of dollars)	1.0	.9	4.4
Farm price (mt)	$42.45	$42.33	$52.13

[1] Production levels adjusted to level needed for no change in stocks.

The above table shows a substantial increase in wheat production under freer trade when compared to a continuation of present policies—54.5 million metric tons as compared to 37.2 million metric tons. This increase would be primarily feed wheat for domestic consumption. Prices would also go up. Variable costs would increase somewhat as marginal land was brought into production, but net returns from wheat sales would nevertheless increase substantially. This increase however would not be quite enough to offset the loss of government set-aside payments, so that net income derived from wheat would drop slightly in Case III as compared to base 1980.

The feedgrains table shows a sharp increase in production under the liberalized trade situation, and an increase in prices. Net income derived from feedgrains, therefore, would be higher under liberalization than in base 1980 despite the loss of government set-aside payments. Production would go from 157.8 million metric tons in 1970 to 189.0 million metric tons in base 1980 and to 232.1 million metric tons in Case III.

An important reason for the rise in prices for both wheat and feedgrains is the pressure on supply which would result as the increased demand for both domestic and foreign livestock producers pulled more and more available cropland into production. The projections show all land currently being held out of production under government programs being drawn into use by 1980 if trade is liberalized. Subsequent increases in production in later years would have to come primarily from technological improvements resulting in higher yields per acre.

Soybeans	1970	1980 base	1980 situation III
Production (millions of bushels)[1]	1,255	1,500	1,841
Production value (billions of dollars)	4.5	4.5	7.1
Consumption (millions of bushels)	822	875	931
Net trade quantity (millions of bushels)	+433	+625	+910
Net trade value (billions of dollars)	1.2	1.8	3.6
Farm price (millions of tons)	$110.23	$110.23	$141.45

[1] Production levels adjusted to level needed for no change in stocks.

The situation for soybeans shown in the above table reflects the impact of liberalized trade for livestock products on a feed commodity already traded freely in world markets. Production would go from 1,255 million bushels in 1970 to 1,500 million bushels under a continuation of present policies and to 1,841 million bushels under freer trade. Prices would rise only in the freer trade situation and then substantially, resulting in a similarly large increase in net income.

E. Goals for the 1970's

Based on the special commodity studies made for this report, as well as other analyses, we suggest a selective goal in agricultural trade liberalization rather than a "traditional" approach of trade liberalization across-the-board for most if not all agricultural products. The goal should be to move to substantially full market orientation in the grain-feed-livestock sector. The overall potential benefits to the U.S. are so large that the benefits in any other area of agriculture are small in comparison. It is consistent with an objective of moving toward trade policies based on comparative advantage. All analysts agree that the U.S. has an unquestioned comparative advantage in the production of feedgrains and soybeans, one that is not likely to be changed in the foreseeable future. This is the one area of liberalization that would appear to have substantial benefits to all countries—farmers as well as consumers.

While the feed-livestock sector would be the major objective for agriculture in negotiations—the one necessary to make a negotiation on agricultural trade worthwhile to include in the multilateral negotiations—other products cannot be excluded. For some products, such as tobacco, citrus, and some other fruits and vegetables, we will want to negotiate to protect our markets against further encroachment and to expand market access. Foreign markets for these are important to our producers and concessions will bring export gains, even if not on the scale of those in the grain-feed-livestock sector. Moreover, negotiations on their behalf will keep them in the ranks of supporters of trade legislation and this is important—possibly even critical.

Moreover, we won't be able to avoid negotiating on some products of interest to other countries. At the same time it appears clear from our considerations of trade liberalization for such products such as rice, peanuts for human consumption, and sugar that there are limited gains in reciprocal concessions and either added costs in present government programs or lower incomes to U.S. producers of these crops. Thus, the possible gains to us do not appear to be sufficient justification for giving these any priority in negotiations.

III. STRATEGY AND TACTICS FOR ACHIEVING GOALS

A. Negotiating Strategy

The potential gains from negotiating a policy alternative III liberalization in the grain-feed-livestock sector as set out in the earlier section make it worthwhile to try to negotiate this type of arrangement. But how do we go about it? The most sensible way seems as follows:

1. For grain-feed-livestock: We would be negotiating an agreement in which the United States support system provides the underpinning for world grain-feed-livestock trade. An alternative III negotiation assumes that the U.S. will continue to operate its support program so that the support prices for wheat and feedgrains do not fall below 1972 levels. This will be done through programs similar to those we have now, although we will be able to put increasing quantities of our set-aside acreage back into production as demand increases elsewhere in the world.

It also assumes that our import restrictions on wheat and dairy products, our import duties on wheat, oilseeds and meals, feedgrains and livestock products will be removed gradually over a period of time.

An alternative III negotiation assumes also that the same process of adjustment to a full liberalization situation will take place in the other major countries. In the case of the EC, for grain this would mean elimination over a period of time of the variable levy and concurrent reduction of the internal support price with a possible shift to income payments. At the end of the transition period we would see a situation in which there would be standby support systems in all major countries at levels equivalent to the present U.S. support price level or slightly above (because of freight differentials) but with market prices riding at or above these levels. Export subsidies would not be permitted. To reach the goal of full liberalization we would:

(1) Establish a plan and schedule for the removal of import restrictions. Let us say for example, they would be removed over a 10-year period in 5 steps. Import duties would be reduced by 20 percent every two years. For variable levies, a ceiling would be calculated and this ceiling would be reduced by 20 percent each 2-year period. For import quotas a liberalization schedule involving increased quantities over the 5-year period before full liberalization would have to be agreed upon. Wheat boards and state trading agencies present a more difficult problem. They may have to progressively relinquish their import function allowing the international trading companies to take over this function.

(2) Agree that internal support systems will be adjusted on a similar schedule or schedule designed to allow the progressive liberalization to proceed unhindered.

(3) Agree that export subsidies will be progressively reduced.

(4) Establish a coordinating council to oversee the operation of the new system. Such a council would be absolutely necessary to keep track of changes that were taking place and to make necessary adjustments in commitments if the course and burden of adjustment did not go as anticipated. It is conceivable that the present IWA structure—the Council and Secretariat—could be the nucleus of such a coordinating council. The council could, but need not be, within the GATT framework.

What we are proposing, therefore, is a commodities agreement, but not one of the traditional kind limited to a single commodity which seeks to rig international prices at artificially high levels. The commodities agreement we foresee would cover a family of commodities. It would be a liberalizing agreement removing restrictions from trade, permitting supply and demand to have free reign within this economic family of commodities, and would allow prices to seek their own natural levels.

2. Other Commodities: We would lay down no fixed rules for negotiating other agricultural commodities. It is not possible to do so, as the situation varies greatly from product to product. For some, such as fruits and vegetables, where the principal form of international trade is the tariff or import quota, it may be sufficient to remove tariffs over a period of time, to reduce them as has been the case in previous negotiations or to liberalize or remove quotas. For others such as tobacco where support, taxation and preferential duty systems in some countries are an impediment to trade as they are in the Economic Community, it will be necessary to negotiate changes in these systems as well as changes in restrictions at the border. Rather than try to find general rules, we would suggest that countries notify the GATT of the product and the type of concession they are seeking. In a pre-negotiation examination, then the GATT contracting parties could sort through these commodities, group them according to the type of treatment necessary and the countries likely to be involved. If necessary, negotiating groups could be set up at that time.

Several other negotiating plans have been put forward from time to time. None of these seems acceptable. They are explored below:

First, a Traditional GATT Negotiation. In this negotiation, countries would agree to eliminate their import duties or other restrictions at the border and enter these concessions in the GATT schedules of tariff concessions as is customary. The reduction would be staged over a period of years and the staging schedule also would be spelled out. Coordination and adjustment decisions would be left to the normal GATT Council/Working Party structure and the necessary adjustments in support systems would be enforced in accordance with the GATT interpretation to Article XVI which says that internal prices and income programs should not nullify or impair the value or tariff concessions.

The problems with this approach are:

(1) The existing GATT mechanisms for this kind of coordination are not adequate. Neither the GATT Secretariat nor the GATT Council is geared to this sort of operation.

(2) It will not be enough to rely upon the old GATT interpretation for enforcing adjustments in support programs. For a variety of reasons, this interpretation has not been much used. There is no strong practice built up around it. While understandings about the operation of support systems must allow flexibility, they would necessarily have to be considerably more detailed than the present GATT interpretation is.

(3) This concept of negotiation is so far removed from the EC's idea of negotiating commodity agreements in agriculture as to be completely unacceptable to the EC.

Second, the EC's classic Montant de Soution (MDS) method. As this was articulated in the Kennedy Round of negotiations it suggested that the level of support to the producer be calculated on individual products and bound against increase for a period of 3 years, at which time the situation would be reassessed and necessary changes in the support levels agreed upon. The EC stated that its price levels would be the common levels established at the end of the transition period to the Common Market. Even this rather limited binding was subject to a number of escapes including for political necessity and inflationary offsets.

Under the MDS countries would be free to use at the border whatever restrictive systems they chose just so long as the application of these border restrictions do not increase the level of support to the producer.

The EC proposed also that reference prices for international marketings be negotiated and that participating countries agree to respect these international prices by not pricing below them. There would be no bar to subsidizing exports down to reference price levels. While the EC did not specify reference levels for most commodities, it was clear they wished to see the prices of grains and oilseeds raised in international markets.

This was the classic MDS negotiating method proposed initially by the EC for all agricultural commodities. For grains, as negotiations progressed the EC added the concept of self-sufficiency ratios. That is, certain adjustments in domestic policies would be made if domestic production exceeded a certain ratio of self-sufficiency. The self-sufficiency formula, however, was not a clean one in that it involved the concept of world supply-balance. The problems with the MDS approach are:

(1) It does not anticipate the reduction or removal of border protection or the reduction of support prices. Thus, there is no real liberalization.

(2) Reference prices on a wide range of commodities would be impossible to negotiate. It is inconceivable that the many countries involved could put together a schedule of prices and differentials for the many meats, dairy products, grains, oilseeds and meals and other feeds involved.

(3) Increasing international prices by negotiation would introduce additional distortions into international trade, not remove them. It would stimulate production of commodities already in oversupply, and not do a thing to encourage demand for livestock products.

Third, the Wittedeem Compromise. In the high level trade group, Mr. Wittedeem, the Dutch representative, proposed a negotiating method which was a variation of the MDS. A fundamental difference between his proposal and the MDS, however, was that he contemplated the eventual reduction of grain prices in the major producing countries to the level of the most efficient supplier. He proposed this for the same reasons we do, to make it possible to expand production of livestock products for which there is a demand. He would establish the level of price of the most efficient supplier by negotiating international reference prices. Negotiated reference prices were required he said, because in many instances international market prices today reflect elements of subsidy and thus are not true equilibrium levels. Governments would agree to reduce internal support prices by stages to the references price levels and not to subsidize on the world market below these reference prices. Producers would get income support if this were needed through income payments.

This approach is a significant improvement over the original MDS idea. (That is why it was unacceptable to the French and Commission representatives in the high level trade group.) Its problems for us lie in the idea of negotiated reference prices. It is impossible to see how the countries involved could negotiate a set of equilibrium prices for livestock products, grains and feeds, to take effect say 10 years from now. The negotiation would be hopelessly bogged down and the very concept is alien to that of giving more play to economic forces to allocate resources in a way which will produce for the consumer those products the consumer wants. The EC is the best example of how prices can be disoriented through international negotiation. EC internal prices for grains and livestock products have been set through negotiation among the 6 countries from the inception of the Community over 10 years ago, and the price relationships between grains and livestock products discourage the production of livestock products and encourage production of grains.

Relations to Industrial Negotiations

As our analysis shows there is an element of balance in the grainfeed-livestock negotiation for the developed countries, except Japan even though the major trade benefit accrues to the United States. Europe will export considerably larger quantities of dairy products inasmuch as she will be efficient in dairy products, a point which she has made to us consistently for a considerable period of time. Morover, the United States will as a part of this neogtiation relinquish the grain rights which it holds in the EC and the United Kingdom. And Japan will be giving up quotas which are illegal under the GATT. Further, the rationalization of this commodities sector carriers with it benefits for the consumers and the industrial structure of each party.

Finally, the moves which we will be suggesting are those toward which the countries will inevitably be pushed by force of circumstance. Japan may delay liberalizing the import of livestock products for some time to come but she cannot avoid it entirely. The EC will find itself under increasing pressure to reform its grain price structure over the coming decade. Finally, a good argument can be made that Japan owes us this kind of liberalization because her restrictions, which are inconsistent with GATT obligations, have been preventing the kinds of adjustment in the grain-feed-livestock sector which we propose, and thus have been aggravating the monetary imbalance with which we are grappling. Had Japan removed her quotas on beef some years ago, she would now be a sizable importer of beef and an even larger importer of feedgrains and she would not be running the very large surplus she new enjoys.

Nevertheless, neither Japan nor the Economic Community, we are sure, will consider the balance in this commodities sector or in agricultural as a whole reciprocal. Our agricultural exports to Western Europe amounted to $2.2 billion in calendar year 1969, for example, whereas our imports of agricultural commodities amounted to only $.9 billion. Similarly our exports to Japan amounted to $.9 billion, whereas our imports of agricultural products from them amounted only to $40 million. The agricultural commodities which Europe sends the U.S. are primarily wines, canned hams, beer and some dairy products. Apart from dairy, our restrictions are no real barriers to the products which Europe has to sell us. The import regimes of the U.S. for canned hams, and wines are already liberal. The duty on canned hams is only 3¢ per lb. There are no other restrictions.

We will be able to negotiate in agriculture only in the context of a very broad negotiation. What is needed in our view is a negotiation of sufficient scope and magnitude to warrant the overriding by presidents and heads of states of the objections of their agriculture and finance ministers and to provide members of legislatures with the rationale for overcoming the protectionist pressures of their constituencies. In our judgment, a negotiation of proper magnitude would be one involving both money and trade. We do not think that a negotiation involving trade only is adequate.

Reciprocity

In spite of the probable concerns of Europe and Japan over the possibility of the United States becoming protectionist, we do not see any sense of urgency in dealing with the U.S. trade problems. On the contrary, all the evidence from the high level trade group and the GATT article 24:5 and 6 examination efforts indicates a truly remarkable lack of interest in trade negotiations on a worldwide scale. In order to negotiate an improvement in agricultural trade of the kind which appears justified and necessary the U.S. should be prepared in the field of trade to offer the Europeans and Japan two choices: (1) an alternative III commodities agreement with appropriate additional settlements in such sensitive commodities as tobacco and citrus, along with suitable liberalization in the industrial sector, or (2) the withdrawal of the United States from the GATT and the return of its import duties to much more protective levels. On this point, in his recommendations to the Williams Commission, Secretary of Agriculture Clifford Hardin said in respect of a major trade negotiation:

"This kind of negotiation cannot be conducted in the agricultural sector along. Recall the trade flows in Chart I. They show the imbalance in agricultural trade. The industrial sector must be involved. But further duty reductions in industry may not give us enough bargaining power either. What seems to be needed is a system of rewards and penalties. We might all agree on a schedule of change in agricultural support policies to implement the ideas I have mentioned above. If these changes were made on schedule, industrial duties would be reduced. If they were not made on schedule, industrial duties would increase—even beyond previously negotiated levels. If countries cannot agree to changing their agricultural systems, we should reassess whether it is in our interest to continue to be bound by the GATT. This is strong medicine, but it seems needed."

International Tactics to support a U.S. type of negotiation:

We have already prepared some of the ground for a negotiation of this type. In the proposals we put before the Community in the October 15 negotiations we stressed the need for reduction in the EC grain prices to world market levels in order to stimulate the consumption of livestock products in the EC.

In our negotiations with Japan we have also stressed the need for liberalizing animal product imports and the desirability of building a beef industry in Japan. Our feedlot demonstration in Korea has attracted some Japanese interest. Also, Ambassador Eberle's work with the high level trade group in Paris has stressed the need for restructuring the grain-feed-livestock sector.

That this has been understood is demonstrated by the proposal of Mr. Wittedeem in the high level group and the work of the OECD agricultural staff. Moreover, in our requests to the enlarged Community for information to enable us to examine the enlarged Community's agricultural policies under Article XIV:5, we have emphasized the need for information in the grain-feed-livestock sector. The USIA program for moving U.S. academic leaders through Europe to lecture and participate in seminars is also being used in this direction. Dr. D. Gale Johnson has stressed the need and the potential benefits of a reform in this area. That we are being heard in the EC is demonstrated by the stream of German and other EC parliamentarians through Washington telling us to reduce the pressures.

We should intensify our efforts in each of these areas and begin them in others. For example, as we have pointed out, both the EC and the UK have in recent weeks removed their import duties on beef and the U.S. has just removed all quantitative limitations on beef imports. (The U.S. duty is negligible.) Japan is the only major developed country still restricting the import of beef. All three liberalizing countries have stressed that their liberalization is temporary. It need not be. If we can convince the Japanese to liberalize beef imports, it may be possible to maintain this liberalization, with Japan becoming the escape valve in the event of a sharp build-up of supplies.

We should, therefore, seize the opportunity we have to call a meeting of a beef group, either under GATT auspices or elsewhere (we may wish to involve the Russians) to press Japan to hasten its liberalization of beef. What better time exists than when supplies are short! In this group we should seek to work out a shared liberalization plan to keep the open market we now have.

In the Article XIV:5 examination also we could consciously and deliberately stress the adverse impact of raising U.K. prices for grains to EC levels and stress the benefit which would result to all concerned should the EC choose to lower its prices to the U.K. level. In this effort we would seek the cooperation of the other suppliers of grain and livestock, namely, Canada, Argentina, Australia, New Zealand, and South Africa.

At the same time in the GATT Agriculture Committee, particularly in light of the beef situation, we could call for an intensive examination during the next few months, of the kind of commodities agreement we have in mind. We could also in the OECD call for an immediate examination of the impact this proposal would have on the agricultural economies of the several nations involved. This OECD examination would not duplicate that of the GATT but would be concentrated on the more specific aspects of adjustments in support policies and shifts between commodities.

We would also give notice of our intention to enter into negotiations with the EC and U.K. on the grain rights which are now in suspense. The negotiations, however, would for the time being be a pro forma matter because we would inform the U.K. and the EC that we wish to suspend equivalent concessions on the part of the United States which would be restored upon the conclusion of an adequate grain-feed-livestock agreement.

Domestic Tactics to support a U.S. type of negotiation:

(1) The report and our proposal should be placed before a group of eminent agriculturalists for review, discussion and recommendation. This review would be confidential. Some of the people we might want to call in are Gale Johnson, Dale Hathaway, Vernon Sorrenson, Hendrick Houthakker and Lawrence Krause (July–September?).

(2) If it stands this test, the report should then be considered in a restricted interagency CIEP review (October-December), and additional supporting studies should be begun.

(3) At the turn of the year we could convene an Advisory Committee of farm and commodity groups to review and comment upon the proposal. Alternatively, we could publish the proposal and call for public hearings either by the Department or by the Trade Information Committee. This move should be considered at the time we decide how to handle other parts of our liberalization program.

(4) We should not approach the Congress until after the negotiation has been concluded. In deciding when to approach the Congress we have three options: 1) to seek legislation before beginning negotiations as we have in the past, 2) to seek a general authorization by the Congress which will specify that the results of the negotiation must be authorized by Congress before being implemented by the President, and then to negotiate, and 3) to negotiate and then to seek implementation by the treaty route (or by legislation).

It has been traditional under the trade agreements program to seek legislation before beginning negotiations and to implement the results by Executive order. This procedure has been the strength of the program. The Tariff Commission has pointed out that prior to 1934, a number of trade agreements requiring Congressional action were negotiated by the President, "but most of these failed to receive the necessary legislative approval and thus never came into effect." The most recent example of the kind of problem we run into when we don't follow this procedure is the American Selling Price (ASP) Agreement in which the Executive Branch negotiated away ASP, as a part of a chemicals tariff agreement, only to have the Congress refuse to implement it. Other countries, and particularly the Europeans, have made clear that they will take us seriously only when we have obtained legislation which will allow us to implement the results of negotiation without returning to Congress.

Going to the Congress, in advance, however, would require spelling out the kind of authority we need to complete the negotiation. This is reasonably easy when all that is proposed is reduction or elimination of import duties, but when changes in support systems become involved, matters become more complicated. Several committees of Congress are involved. Lengthy hearings may be contemplated at which each interested pressure group will seek to protect its interest by writing exceptions into the legislative history. It is most unlikely that we will know enough about what can be negotiated at that time to satisfy the Congress or the groups involved that their interests will be protected. Legislation could thus attract crippling amendments on points which may subsequently become critical. Also, we may find ourselves battling strongly on, and paying dearly for, points which may drop by the wayside in negotiations. Moreover, in the negotiations, matters may take a direction unforeseen when legislation is sought, and for which no authority has been gotten. The remedy for this, of course, is to get authority from the Congress for the broadest possible changes, but it is inconceivable that the agricultural committees of the Congress would give this kind of authority, and it is quite possible that it would be unconstitutional for them to do so. On the other hand, it is possible that some of the changes in program, or policy, which we might wish to make could be made without recourse to the Congress.

In this connection, new farm legislation will be up for consideration in 1973. We could seek in our new farm program to move further toward the kind of system we wish to see in the world and to build into the new program as much flexibility as possible to adapt to a negotiated situation without further recourse to the Congress.

For agriculture, therefore, from these standpoints it appears to make more sense to negotiate before we approach the Congress.

IV. SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

A. Conclusions

1. Liberalization of one sector of agricultural trade would result in substantial export gains for the United States. This is the grain-feed-livestock sector. Although there would also be export gains in certain other commodities, they would be minor compared to those obtainable from freer world market conditions for grains and livestock.

2. The U.S. balance of trade position in agriculture might be improved so that ten years from the beginning of fullscale movement toward liberalization in the grain-feed-livestock sector it would be around $8 billion better annually than would otherwise be the case.

3. Other benefits to the United States from this full liberalization in the grain-feed-livestock sector would include an improvement of at least $4 billion in net farm income and a reduction of $3.8 billion in government support costs for wheat and feedgrains.

4. Compared to the potential balance of trade benefits in the grain-feed-livestock sector, the trade gains possible from liberalization of markets for other individual commodities such as tobacco and citrus seem small. But these gains, which could amount to around $200 million for each commodity, are significant from the standpoint of the commodity sectors involved, and could have important economic benefits for certain regions of the country and political benefits for trade legislation.

5. Full liberalization in the grain-feed-livestock sector would provide benefits to other countries as well as to the United States. Argentina, Australia, and New Zealand would obtain balance of trade benefits, while consumers in the major importing countries—Western Europe and Japan—would benefit both from lower food prices and from increased availability of animal products.

6. For all countries concerned, partial liberalization in the grain-feed-livestock sector would provide much more modest benefits than full liberalization, although it would probably be equally difficult to negotiate.

7. The difficulties which stand in the way of achieving full liberalization in the grain-feed-livestock are great because influential farm groups in all countries of the world are deeply suspicious of any moves to reduce price supports, or otherwise threaten the level and stability of their income expectations, and because the CAP is politically sensitive in the EC.

B. Recommendations

1. The potential benefits from liberalization of agricultural trade are so great that agriculture definitely warrants inclusion in any future round of multilateral trade negotiations.

2. Such negotiations should be broadly-based, involving both agricultural and industrial trade and monetary reform.

3. In agriculture, the negotiations should concentrate on the grain-feed livestock sector, in which we would seek to eliminate barriers to international trade in the entire sector through negotiating a commodities agreement.

4. Product-by-product negotiations for other politically or economically sensitive commodities should be entered into for the purpose of obtaining whatever specific con-

cessions would be meaningful for the commodities involved.

5. We should make clear to our trading partners right from the start that we are seriously prepared to withdraw from GATT protective levels if we cannot arrive at a satisfactory trade and monetary settlement, including liberalization of the grain-feed-livestock sector along with appropriate additional settlements for other agricultural commodities.

FOOTNOTES

[1] *United States International Economic Policy in an Interdependent World Report to the President Submitted by the Commission on International Trade and Investment Policy*, July 1971, p. 141.

[2] See Annex I. "Policies Affecting Agriculture and Agricultural Trade."

[3] Japan is an exception. Caloric intake is low in comparison with other countries at similar income levels. Consumption of livestock products is so low that increases in consumption of meats (given lower prices and adequate supplies) would not be fully offset by declines in consumption of other foods.

[4] Based on data available for OECD countries, the average annual rate of growth in value of farm real estate (primarily land) has been about 7 percent during 1955–60 and 9 percent during 1960–65. ("Capital and Finance in Agriculture", Volume I, General Report, OECD, 1970, pp. 46–47.)

[5] D. Gale Johnson, "Free Trade in Agricultural Products: Possible Effects on Total Output, Prices and the International Distribution of Output." Office of Agricultural Economics Research, University of Chicago, Paper No. 71:9, July 15, 1971.

[6] See Annex II, "The Uri Report" and Annex III, "Costs and Benefits of Trade Policies: European Community and Japan."

[7] The change to a minimum import price system was made for at least two reasons: (a) as a transitional move to the EC–CAP system that the U.K. must adopt on joining the Community, and (b) because of a stated policy of the Conservative Party to reduce budget outlays.

[8] An interesting example of the effects of trade liberalization is given by the Japanese liberalization of grapefruit, which has even exceeded U.S. expectations. With all import bars removed June 30, 1971, our exports for the first 10 months of FY 1972 total almost $10 million compared with less than $0.5 million in the same period.

[9] Michael Tracy, *Japanese Agriculture at the Crossroads*, Trade Policy Research Centre, 1972, p. 8.

[10] For a detailed explanation of methodology and results, see Annexes IV–IX. The commodity studies, especially those for grains, beef, and dairy products, provide the critical numbers for the overall projections. Major countries considered include the United States, the enlarged European Community, Japan, Canada, Australia, New Zealand, and Argentina.

[11] The base 1980 projection assumes that the set-aside program would expand as necessary to maintain supply adjustment. Acreage set aside in the wheat and feedgrain programs thus rises from the 57 million acres estimated for 1972 to 76 million acres in 1980. The costs rise from an estimated $2.9 billion to $3.8 billion in 1980.

[12] The assumption concerning the level of government program costs is a crucial one in estimating possible direct gains in net income to farmers from expansion in exports. If a ceiling were imposed on total costs of the set-aside program (such as suggested in the report of the House Agriculture Committee on the Agricultural Act of 1970), then the improvement in net income to farmers from liberalization would be greater.

[13] The FAO–IWP report, an ERS study of U.S. agriculture in 1980 (David W. Culver and J. C. Chai, "A View of Food and Agriculture in 1980," Agricultural Economic Research, Vol. 22, No. 3, July 1970) and a study by Michigan State University on the impact of enlargement of the EC that gives projections for 1980, "The Impact on U.S. Agricultural Trade of the Accession of the United Kingdom, Ireland, Denmark and Norway, to the European Economic Community."

[14] For further details on the results of the special studies on grains, beef, and dairy products, see Annexes IV–VII.

[15] These are measured by comparison to the results of a continuation of current policies.

[16] We adopted a uniform procedure for estimating consumption rates at projected levels using the U.S. consumption pattern as the norm. Countries with lower incomes would have lower consumption rates for beef and poultry and slightly higher for pork. While this procedure gave results that appeared generally reasonable, there are some that are open to question. For example: the estimated consumption of dairy products per person in Japan for 1980 is higher than the current rate in the U.S. For various reasons the U.S. had a higher per capita consumption of dairy products in the past when income levels were lower. At comparable income levels, the Japanese would not necessarily follow this pattern.

[17] Unpublished manuscript "The Common Agricultural Policy of the EEC", by Tim Josling, London School of Economics.

[18] For further details on the results of the special study on tobacco, see Annex VIII.

[19] No separate commodity study was made on peanuts. However, an internal USDA report prepared by a Task Force on Peanuts was useful for drawing the conclusions given here.

[20] No separate commodity study was made on rice. However, an internal USDA report prepared by a Task Force on Rice and an article in its *Agricultural Economic Research*, July, 1967, "A Model for Estimating Cost of Government Export Programs for Rice," were useful for drawing the conclusions given here.

[21] All figures are based on nominal prices, assuming an inflation factor of a little less than 4 percent per year.

[22] The estimates for the EC and Japan are based on rough approximations of the changes in variable costs to producers applied to the changes in gross returns shown in Table 5 of Annex VII.

[23] It is assumed that both the Europeans and the Japanese may wish to use a system of direct payments to supplement the income of farmers affected by the lowering of prices to world levels.

[24] Lawrence Krause of the Brookings Institution has predicted that in the future the United States "might well become more specialized in service exports, possible management service which is a combination of education and capital imports—both factors of relative abundance in the United States." But he believes that in agriculture, in contrast to the situation for most other goods, we have an "enduring comparative advantage" which comes from three sources" (a) an abundance of fertile land which has no significant alternative use, (b) desirable climatic conditions which are not expended by use, and (c) scientific inputs which are a function of educational sources. Therefore, Krause suggests that agriculture should get much attention in trade matters in the future. (Lawrence Krause, "Trade Policy in the Atlantic World," Brookings Institution, October 1970.)

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROBERT C. BYRD. Does the Senator need additional time?

Mr. HUMPHREY. No, I do not.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S.J. Res. 73) to authorize the President to proclaim April 16, 1973, as "Jim Thorpe Day".

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 4 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (S.J. Res. 73) to authorize the President to proclaim April 16, 1973, as "Jim Thorpe Day".

The enrolled joint resolution was subsequently signed by the President pro tempore.

ORDER FOR ROUTINE MORNING BUSINESS VACATED

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the period for the transaction of routine morning business be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from Montana is recognized for not to exceed 15 minutes.

VOTER REGISTRATION ACT

Mr. MANSFIELD. Mr. President, I yield back my time, and I ask unanimous consent that all time be yielded back and that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The clerk will state the third committee amendment.

The legislative clerk read as follows:

On page 2, in line 15, after the word "any", insert "biennial or quadrennial primary or general"; in line 16, after the amendment just stated, strike out "primary, special, general, or other"; in line 17, after the word "election", insert "and any special election".

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without obection, it is so ordered.

Mr. MANSFIELD. Mr. President, the reason for the quorum call was to get interested parties over here.

Mr. McGEE. Mr. President, as we proceed to the third of the committee amendments, I point out that there were 18 perfecting amendments by the committee, to be handled en bloc, which we had hoped to get adopted by unanimous consent. We are now proceeding to consider each of the committee amendments, at the request of our colleagues.

I want only to say, so far as the committee is concerned, we are prepared to vote now. We think everybody has done all the reading they are going to do about the question. We think that the information that is relevant to the problem is available to all Members of this body. In fact, we think that nearly every Member of the Senate has made up his mind about what his judgment is on this bill.

We are also mindful of the fact, of course, that there are some differences of opinion—some very deep ones—and that is why we have votes in the Senate, in an attempt to let the majority, whatever it may be, prevail on these issues.

I would urge again the consideration of our colleagues to agree to move to a decision eventually on the pending measure. I do not intend to maneuver such a vote, because we have an agreement—a gentlemen's understanding—but our procedure will be to go through each of the committee amendments in turn, some of them being considered by voice vote, others, of greater import, requiring a yea and nay vote.

I was wondering if I might ask my good colleague from Alabama (Mr. ALLEN) about some kind of an agreement on time for the calling up of an amendment for a rollcall vote. We have individual Members of the Senate who have been seeking to adjust their schedules with regard to skipping back and forth from their offices and committee rooms to the Chamber.

Does the Senator request that votes come in 1 hour or 2 hours, or does the Senator care to make a projection with respect to time?

Mr. ALLEN. Mr. President, I wish to say to the distinguished Senator from Wyoming that the next amendment I would like to see come to a rollcall vote would be the amendment that is opposed by the Senator from Alaska (Mr. STEVENS). Subject to his agreement, I would be willing to set a time for that.

Mr. McGEE. We can proceed, perhaps, on the other amendments between the third amendment and that amendment, which I think is the eighth amendment.

Mr. ALLEN. I have no request for a rollcall vote. The Senator from Wyoming assured the Senator from Alaska he would allow him to have a decision by the Senate on that amendment.

Mr. McGEE. Indeed. We want a full debate on that committee amendment and sufficient notice so that all Senators can be ready to cast their votes on that particular issue.

Would it be agreeable if we were then to proceed amendment by amendment on the intervening amendments and dispose of them in the best way we can as we go along?

Mr. ALLEN. Speaking only for the Senator from Alabama, that would be agreeable. I do not know whether any other Senators care to discuss some of these amendments. I would not have authority to speak for anyone other than myself.

Mr. GRIFFIN. Mr. President, the ranking minority member of the committee, the Senator from Hawaii (Mr. FONG) is on his way to the Chamber. I would like to consult with him.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, may I ask what the parliamentary situation is?

The PRESIDING OFFICER. The pending question is on agreeing to the third committee amendment, which has been read by the clerk. Does the Senator desire the amendment to be read again?

Mr. McGEE. Mr. President, the third amendment in the pending block of committee amendments is an attempt to define and refine the meaning of the phrase "Federal election." What the committee has amended is the explanation of any biennial or quadrennial primary or general election and any special election held for the purpose of nominating or electing candidates for any Federal office—that is, the House, Senate, and so forth.

It is a technical amendment, strictly, and I move its adoption.

Mr. FONG. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will read the next committee amendment.

The legislative clerk read the next committee amendment, as follows:

> On page 4, beginning in line 5, strike out: "elections and, when requested by the States, for State."

Mr. McGEE. Mr. President, the fourth committee amendment is a technical deletion from the bill on page 4 under section 403, where it reads that the administration shall do certain things:

> (1) establish and administer a voter registration program in accordance with this chapter for all Federal elections

And so forth.

What was stricken for the purposes of clarification was the phrase "elections and, when requested by the States, for State elections."

The reason it was withdrawn was because it seemed inappropriate even though States can voluntarily request such other assistance. Also it did not belong properly within the language of the legislative tract itself.

I move the adoption of this committee amendment.

Mr. FONG. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The clerk will read the next amendment.

The legislative clerk read the next committee amendment, as follows:

> On page 4, line 13, after the word "concerning," strike out the word "the" and insert "voter"; and strike the word "program".

Mr. McGEE. Mr. President, this amendment is designed simply to correct the language in the amendment. It strikes "the" and "program" in order to make the sentence more explicit. It does not correct the grammar, since there was not a verb involved. It would read in full:

> provide assistance to State officials concerning voter registration-by-mail and election problems generally.

It is a technical amendment, and I move its adoption.

Mr. FONG. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The clerk will state the next amendment.

The legislative clerk read the next committee amendment, as follows:

> On page 5, lines 1 and 2, insert the language: "provide the Congress with such information as the Congress may from time to time request, and"

Mr. McGEE. Mr. President, this is a simple and routine clause that was added to the bill, simply providing that the Congress shall be afforded such information as the Congress may from time to time request. It is purely routine.

Mr. FONG. Mr. President, we have no objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The clerk will state the next amendment.

The legislative clerk read the next amendment, as follows:

> On page 5, line 11, strike the words "is eligible to vote" and insert "fulfills the requirements to be a qualified voter".

Mr. McGEE. Mr. President, the reason for this amendment ought to be obvious. A person is not eligible to vote if he is not registered. Therefore, it was the selection of a wrong word in the wrong place. The point of the amendment is to strike the word "eligible" so that it would read:

> An individual who fulfills the requirements to be a qualified voter.

That is the only point here.

Mr. FONG. Mr. President, no objection.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. ALLEN. The Senator will concede, will he not, that this is an amendment of considerable substance, because under the bill as introduced, it would be required that a person comply with two requirements in order to vote, under the act: One, to be an eligible voter under State law, and, second, to comply with the requirements of the new act. The Senator, by the amendment of the committee, is changing one of those requirements. Is that not correct?

Mr. McGEE. That was not my understanding. If I may say, in answer to my colleague, the one word that seemed most inappropriate and that threw it off track was eligible. It is my understanding, that the only way one can be eligible to vote is if he is registered. He may be qualified in the broader sense, but he is not eligible to vote if he is not registered. That was the only reason for eliminating the word "eligible."

Mr. ALLEN. Was the original intent as provided by the original language that a person to be eligible to vote under State law must be registered under the provisions of the bill?

Mr. McGEE. If he qualified, that encompassed the variations among the several States, whatever they were, without the committee's injecting itself into those States. We were seeking the broadest language without intruding into the State procedures. We thought the word "eligible" was straining the technicality of the procedure, that in no State is any voter eligible if he is not registered. This was jumping the gun.

Mr. ALLEN. If he was eligible under State law to vote, he would not have to comply with these requirements; the act would have been a complete nullity.

Mr. McGEE. If he were eligible under State requirements, he would already be registered.

Mr. ALLEN. So there would be no need for this bill as it was originally introduced.

Mr. McGEE. The Senator knows that is not true, but the point of the amendment by the committee was simply to make certain one would not try to interpret eligibility to circumvent registration.

We just wanted to make sure that nobody had any kind of excuse to even try that. And I think that the Senator from Alabama will generally agree with that intent.

Mr. ALLEN. Mr. President, I will not make a request for a yea and nay vote on the pending committee amendment.

However, the only amendment that would really help the bill would be an amendment that would strike out all after the enacting clause. If we could have an amendment such as that, I would certainly want a yea and nay vote on that amendment. However, as to the small amendments, really as to whether they are rejected or agreed to would have nothing to do with perfecting the bill to such an extent that it would be a good bill to vote for.

I will not, therefore, raise any point about the adoption of the amendment. I will not say that I have no objection to it. However, I will not ask that a yea and nay vote be had.

The PRESIDING OFFICER. Is there objection to the committee amendment?

Mr. ALLEN. I object.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. McGEE. Mr. President, I move the adoption of the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will report the next committee amendment.

Mr. McGEE. Mr. President, the next committee amendment is the one that is somewhat more controversial and substantive.

The PRESIDING OFFICER. Does the Senator wish the reading of the amendment suspended?

Mr. McGEE. Mr. President, I ask unanimous consent that the reading of the amendment be suspended for the moment so that I can explain the importance of our allowing the Senator from Alaska to get to the Senate Chamber in order to join in the debate and discussion.

Mr. President, as soon as the Senator from Alaska arrives in the Chamber, we hope to arrive at some kind of agreement on limitation of the debate on this particular amendment only. And with that in mind, I would then suggest that we call up the next amendment so that it will be the pending business.

The PRESIDING OFFICER. The clerk will report the next amendment.

The legislative clerk read as follows:

> On page 5, line 14, after the word "that", strike out "State." and insert "State, except that each State shall provide for the registration or other means of qualification of all residents of such States who apply, not later than thirty days immediately prior to any Federal election, for registration or qualification to vote in such election.";

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, we have worked out an agreement that we can set aside the pending amendment in order to proceed to less controversial ones that we can dispose of by voice votes.

I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, may we have the reading of the next amendment?

The PRESIDING OFFICER. The clerk will report the next amendment.

The legislative clerk read as follows:

> In line 24, after the word "assist", insert "State officials";

Mr. McGEE. Mr. President, we simply add the word "State officials" as a technical amendment to clarify the intent so that the State officials would be the ones that would be assisted rather than just some ambiguous group.

Mr. President, I move the adoption of the amendment.

Mr. FONG. Mr. President, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will report the next committee amendment.

The legislative clerk read as follows:

> On page 6, line 7, after the word "registering", strike out "by mail to vote." and insert "to vote by mail."

Mr. McGEE. Mr. President, the amendment is an English language refinement so that instead of "registering by mail to vote," "to vote by mail" was inserted so that we would not be splitting something or other.

Mr. FONG. Mr. President, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will report the next committee amendment.

The legislative clerk read as follows:

> In line 11, after the word "this", strike out "chapter" and insert "chapter, to provide for the return delivery of the completed registration form to the appropriate State official,";

Mr. McGEE. Mr. President, this language addition was supplied so that the completed registration form goes to the right place. We do not want those forms to go back to Washington. We do not want them to come back to the Federal officials with any other kind of connotation that suggests. That is why we offer the amendment, so that there can be no controversy and so that the card is to be returned to the appropriate State officials.

Mr. President, I move the adoption of the amendment.

Mr. FONG. Mr. President, I have no objection.

Mr. ALLEN. Mr. President, as the Senator from Alabama understands this procedure, registering by mail would be accomplished by sending out from some point in the country to every personal address in the country a mass delivering of a junk mail type distribution.

Mr. McGEE. Mr. President, it depends on whom you are voting for, whether it is junk mail or not.

Mr. ALLEN. Well, it is voting by mail.

Mr. McGEE. We already vote by mail.

Mr. ALLEN. Mr. President, I vote at the ballot box.

Mr. McGEE. But we have already authorized voting by mail in many States.

Mr. ALLEN. The Senator is correct; absentee ballots.

Mr. McGEE. Veterans and those overseas is another example of voting by mail.

Mr. ALLEN. But these cards would be, I assume, on a double-type card.

Mr. McGEE. The Senator is correct.

Mr. ALLEN. The card would go to the person, and then the questionnaire would be the other card that would come back.

Mr. McGEE. The Senator is correct.

Mr. ALLEN. It is said here that the administration is going to provide for the return delivery of the completed registration form to the appropriate State official. Would this all be accomplished by mail?

Mr. McGEE. The Senator is correct. That would all be accomplished by mail.

Mr. ALLEN. Now, as I understand it, not only are these registration cards that will flood the country go in every rural mailbox, every post office box in a post office, to every residence, and to every office, but also I assume that each Senator here would get one. And I assume that all Senators are qualified voters.

Mr. McGEE. The Senator is correct.

Mr. ALLEN. Then it is also contemplated that in addition to having the forms sent through the mail, large batches of these cards will be left at the post offices and at the offices of State officials and places such as that. Would it be necessary then for the person desiring to fill in such a card to deposit it in the mailbox or would it be possible to deliver it in person to the registration official?

Mr. McGEE. He could do it either way.

Mr. ALLEN. That does not seem to be spelled out here.

Mr. McGEE. Mr. President, it means as long as it is returned. It leaves him some option to choose whichever is the greatest convenience, I would assume. But he can choose any other way of getting it there. That was the intent we had in mind on this.

Mr. ALLEN. Well, with these cards being distributed by ways other than mail, is it not somewhat wasteful, from time to time, to flood the country with these cards, when they might be put in post offices, the clerk's office, the probate office, or the tax collector's office, and handled in that way? I believe the Senator, as chairman of the Post Office and Civil Service Committee, is well aware of the near breakdown of the Postal Service; and rather than to flood the mails with 100 million of these cards from time to time, it would seem to be the better practice to leave that out, and just distribute them in some way outside of the mails.

Mr. McGEE. The Senator is talking with the head of a conglomerate. Not only are we interested in increasing voter registration, but we are also interested in improving the mails, so that they can deliver the goods. We are satisfied that the mail will go through and is going through. The blunders that have been made, or the mistakes in judgment that have occurred, in that category are mistakes that have now been surfaced and laid bare, and we are working on them, and we are confident of success.

I must admit that in distributing the cards in this way there is some waste, but we are talking about the waste of a postcard, and I would lay that alongside the waste of 62 million Americans otherwise qualified by age, and so forth, to vote, who did not vote this last time, for an assortment of many kinds of reasons.

The income tax return, which is a much longer and costlier form than a postcard, we distribute at random. I do not know how many copies of the income tax form I picked up here and there so that I would have them to mess around with as I made mistakes in figuring out may own income tax. There are multitudes of tax forms, and we feel that if we make any mistake at all, it ought to be in the direction of having plenty of cards around. We would hope the system could be refined to save a part of the postcards, but we think it more important that we not waste any voters.

Mr. ALLEN. The Senator from Wyoming, of course, as a qualified voter for many years, would doubtless receive one of these cards at his Senate office, at his various Wyoming offices, at his residence here in Washington, at his post office box, at his lodge on the lake; he would receive it as chairman of the committee; it is not inconceivable that the Senator might receive eight or 10 of these cards through the mails.

Mr. McGEE. It could be, yes.

Mr. ALLEN. And that milions of others would be similarly situated. It looks like a rather inefficient way to get these cards distributed. Could they not pick them up at the corner grocery store, the drugstore, or something of that sort?

Mr. McGEE. I would favor that, too. The point is that efficiency is a relative thing. The question is, How do you get them distributed, and what kind of efficiency it would be if everybody finally votes?

We favor tightening to strengthen the waste factor, but even then we think we are talking about a very small factor in terms of that kind of waste, when we talk about post cards.

Mr. President, lest the record be misinterpreted, I would like to add that while I do have an office in the Senate, and although I have an official household address at Laramie, Wyo., I do not happen to have a lodge on the lake. I do have a little tent in a little valley, on 16 acres of land.

Mr. ALLEN. The Senator might get one there.

Mr. McGEE. No; there is no postal service, no rural free delivery, nothing. You have to go 16 miles to someone else's address, where I have left instructions for the forwarding of the McGees' mail.

Mr. ALLEN. Well, the Senator would no doubt find a post card awaiting him there.

Mr. McGEE. I would hope so. Then I would not have to come back to Washington. The Senator knows that while there might be those complications, they would not be multitudinous.

Mr. ALLEN. I thank the distinguished Senator.

Mr. President, I shall have some further comments to make at a later time.

Mr. McGEE. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment. Without objection, the amendment is agreed to.

The clerk will state the next amendment.

The assistant legislative clerk read as follows:

On page 6, in line 19, after the word "deliverable", insert "as addressed".

Mr. McGEE. Mr. President, the purpose of the addition of those two words "as addressed" is to prevent the card from being forwarded to another address, again for the obvious reason that they would not want them being bandied about recklessly. It is simply a design to tighten the mailing process.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. AIKEN. Suppose the person addressed would be out of town, and it is delivered to one of the neighbors while they are gone. They would not get it, would they?

Mr. McGEE. This is assuming the person was already registered as under the present system. This is not a replacement system; it is supplementary to all the present systems.

Mr. AIKEN. I just wanted to get it straight in my mind whether, if the neighbors were picking up the mail for a few days, they would be able to do it.

Mr. McGEE. Oh, yes; if you wanted your neighbor to. I misunderstood the Senator's question. That is correct; yes.

Mr. AIKEN. I just wondered. I will take the Senator's word for it.

Mr. McGEE. Oh, yes; if you trust your neighbors to pick up your mail.

Mr. AIKEN. Suppose someone else picked up your mail.

Mr. McGEE. That is a prosecutable offense, to begin with, if someone else is picking up your mail against your wishes.

Mr. AIKEN. They could stick it on the outside of the box.

Mr. McGEE. Yes, that should be done.

Mr. FONG. No objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The clerk will report the next committee amendment.

The assistant legislative clerk read as follows:

On page 7, line 1, after the word "forms", strike out "shall" and insert "may".

Mr. McGEE. The purpose of the change from "shall" to "may," Mr. President is to make it possible, if in the judgment of the administration the post card should be printed in a different language, for obvious reasons—say in parts of California in Spanish, and that sort of thing—it may be done; but that would still have to be a judgmental factor of decision on the part of the voter registration board. That is the reason for the change of words.

Mr. FONG. No objection.

Mr. McGEE. I move the adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The clerk will state the next committee amendment.

The assistant legislative clerk read as follows:

On page 7, beginning in line 2, after the word "English," strike out all down through line 4.

Mr. McGEE. Mr. President, this was technical language, simply to separate out the uncertainty of numbers, where the postal carrier in general knows his neighborhood. Wherever his responsibility lies, it would permit the delivery of more than one card if, in the carrier's judgment, there were a number of adults there. It is rather an irrelevancy in terms of qualification, because that has to be measured by the State registrar officially. It is a matter rather of a sufficiency of the cards, and it is a technical change so that it could be interpreted that this was toan exclusive one-shot, one-card delivery to that particular address.

I am glad to yield to the Senator from Alabama.

Mr. ALLEN. In order to emphasize that discretion to determine what would be a sufficient quantity of registration forms, as I understand it, these cards are not mailed to anyone, they are just addressed to the occupant, are they not?

Mr. McGEE. That is correct.

Mr. ALLEN. Would the Senator let the postman decide how many to leave at a given place, each one costing about 12 cents to send? Who would decide? Would it be the postman, the supervisor, the postmaster, the administrator? Who would make that decision? They might decide to put a bale off at one address.

Mr. McGEE. Yes, the postman in his judgment would make the decision.

Mr. ALLEN. What would be sufficient?

Mr. McGEE. I think it would be most unlikely if a large shipment of cards were left at any one household.

Mr. ALLEN. I do not know. We would have to guard against that. The Postal Service is to deliver a sufficient quantity of registration forms to postal addresses and residences in the United States. Sufficient forms, might, in a high-rise apartment—a couple of bales.

Mr. McGEE. Yes. I think the restrictions under which the Postal Service operates would make it a criminal offense for the postman to dispose of mail recklessly or to hide the mail or dump it at other than the address on the mail. That, in itself, suggests some measure of responsibility through the carrier. There are obviously many places where there would be more than one adult eligible as a potential person which would permit the use of more than one card. It is only a service anyway. It is not a registration. It is simply an application form for a registration process.

Mr. ALLEN. In other words, we would be making a door-to-door registrar out of every postman and rural free delivery man in the United States; is that correct?

Mr. McGEE. That is not true because he does not register anyone. He is a delivery man of the Postal Service delivering a postcard. If the recipient chooses to fill out the card on his own and put it back in the mail, he made the decision. That is the application.

Mr. ALLEN. Could we not have a postman who is "gung-ho" on a given subject, getting everyone to register, which would include delivering a bale of cards here, a bale of cards there, or somewhere else for people to register where he thinks they are of his particular political persuasion? I think it is very dangerous to leave that discretion in the hands of tens of thousands of people roaming around the country dropping off these cards.

Mr. McGEE. I would be reluctant to make such an allegation in regard to the postal mail carrier. Aside from the fact that he would be violating the postal political laws—

Mr. ALLEN. How would he be violating the postal political laws in getting people to register?

Mr. McGEE. By loading up a place for political purposes because he knew it would be in favor of whatever thing he was involved in. It would be irresponsible carrier conduct. That is restricted under the Postal Service Act, which we do not tamper with. We do not want litigation over that. The postal carrier represents the local area. He has the knowhow and he knows the local circumstances, rather than what would come out of Washington. It would be a matter of using his judgment on his route.

Mr. ALLEN. This says he can deliver a sufficient quantity of registration cards.

Mr. McGEE. Yes.

Mr. ALLEN. Well now, a sufficient quantity is sufficient for what?

Mr. McGEE. At 7205 Marburry Road, the mail carrier knows that there are not 20 people living there. He knows that only Mr. and Mrs. McGee, Frieda, and one child are living there. He knows the mail service route. He knows the neighborhood.

Mr. ALLEN. It does not say sufficient for what. Sufficient to provide them with scratch pads?

Mr. McGEE. The Senator knows better than that. The mailmen is delivering postal registration cards sufficient to meet whatever it is anticipated needs to be delivered, not to someone who wants to run for the Senate and get free cards for his campaign.

Mr. ALLEN. Why does it not say that?

Mr. McGEE. We did not happen to think of all of those rather unique suggestions in regard to the Postal Service, in regard to the mailman and his sense of responsibility, and also in regard to the chance of violating the postal laws of the country, or in regard to calling into question the political activity laws and procedures. This was assumed in good faith. We thought it was simpler to put it in this way. That is the reason for the language.

Mr. ALLEN. Sufficient for what, I call to the Senator's attention?

Mr. McGEE. Sufficient means not too many. It means to be adequate.

Mr. ALLEN. Not too many, for what reason?

Mr. McGEE. For post card registration, for those who are known to be in that residence when filling out one of the cards and also to see if they are eligible.

Mr. ALLEN. It does not say that, as the Senator will concede.

Mr. McGEE. It surely does not, but I would submit that it is self-explanatory. We cannot review everyword or we would have legislation as thick as this, because of innuendos and so forth. We know by the use of judgment and good faith that the intent is clear enough in its own right, I believe.

Mr. ALLEN. I thank the Senator from Wyoming.

Mr. McGEE. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER (Mr. COTTON). The question is on agreeing to the committee amendment, beginning on line 2, page 7——

Mr. FONG. Mr. President, may I ask which amendment we are talking about now?

Mr. McGEE. We are talking about the one on page 7, line 2——

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

On page 7, line 2——

Mr. McGEE. Page 7, line 2, is a separate amendment. May I say that the dialog between the Senator from Alabama and myself was a bit premature. We will officially act on the line 2 amendment, which is simply to strike out the words, because of the change of the word "shall" to the word "may."

Mr. FONG. No objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McGEE. Mr. President, now we can go back without repeating the dialog.

The PRESIDING OFFICER. The clerk will state the next amendment.

The assistant legislative clerk read as follows:

On page 7, line 14, after the word "deliver" insert "a sufficient quantity of."

Mr. McGEE. Mr. President, I am happy to say that we have thoroughly discussed this amendment already and I move adoption of the amendment.

Mr. FONG. Mr. President, I should like to ask the distinguished Senator from Wyoming what does the report mean by "sufficient quantity of registration forms"? I have been informed that there are 80 million residences and addresses in the United States. Is it the intent that every one of the residences and addresses will receive a certain number of forms?

Mr. McGEE. It means that they are eligible to receive more than one if, in the knowledge of the carrier who has that route and knows the route in most areas he would have the option of leaving two or three if that seemed to be appropriate. Obviously, it does not include a bale.

Mr. FONG. It then is the duty of that mailman to leave at least one at each residence or address?

Mr. McGEE. That is correct.

Mr. FONG. So with 80 million addresses and residences, we would anticipate at least 80 million forms that will be left at each residence and address?

Mr. McGEE. In most cases that would be the case.

Mr. FONG. If in his judgment he knows there are four people living in a residence, he would leave four forms?

Mr. McGEE. If in his judgment that was true; yes.

Mr. FONG. If he finds there are five people at a business address, he would leave five forms there?

Mr. McGEE. A business address would not be subject to his judgment. I am addressing myself to the home address where we have a neighborhood that the mail carrier knows well. Simply, this is a device to take advantage of his personal knowledge of the local area and the situation which could not be matched at the Federal level in Washington for mailing purposes.

Mr. FONG. What if there is a factory employing over 300 employees? How many forms would the mailman leave there?

Mr. McGEE. Once more, the thought behind it was that all those factory employees have a home, and it is the home address that would be the object of this particular language.

Mr. FONG. So he will not be leaving any cards at the factory.

Mr. McGEE. That is yet to be determined. It is possible because these cards also are going to be stacked in the post office or in a Federal building someplace, as we do with the income tax forms. There is some flexibility. But, again, rather than specifiy in particular, it seemed to us wiser to leave the latitude there open to a procedural judgment by the administration.

Mr. FONG. So if we take the average number of people at a residence, which is about two plus people or almost three people, then with 80 million addresses, he would have to leave at least 240 million forms, would he not?

Mr. McGEE. That could be a possible figure. One could play with that figure in many interesting ways. That is almost as much mail as we deliver in 1 day.

Mr. FONG. That is quite a number of cards.

Mr. McGEE. One day's mail delivery. In the interest of facilitating legislation, it probably is not going to break the back of the Postal Service or of the printing service or of the voter administration under the act. It is simply a matter of making available this group of cards, this approach of the postcards.

Mr. FONG. I can imagine, Mr. President, the time a prankster would have if he really wanted to raise havoc with the system. He could pick up a thousand cards and put a thousand names on those cards, with fictitious addresses, and send them to the local or State registrar. The registrar would have to register these names and then send back cards notifying these fictitious people that they are registered to vote. If the prankster really wants to have a good time, he will write to every registrar in each State and probably have thousands and thousands of fictitious names on the register. This would be a wonderful place for a prankster to really have his fun.

Mr. McGEE. What are we talking about? We are mature people. We are trying to make simpler the simple process of applying for the right to register. We are not talking about pranksterism. We are not initiating boys into a fraternity. If somebody wants to play that kind of game, let him contemplate 5 years in the penitentiary and a $10,000 fine, if that is the sort of fun and games he wants. That can happen now. Someone can run around releasing fire alarms and get a kick out of watching the trucks roll by, because that is a prank, but it is against the law.

Mr. FONG. No. With the present type of registration we have, the individual has to present himself personally before the registrar. The registrar can touch him, can see him, and can talk to him.

But here a man could pick up thousands of cards and write in fictitious names and addresses and send them to the registrar. The registrar, as Senator ERVIN has said, would not know the difference between Ananias and George Washington, and he would have to put these names on the registry. He may then find that his whole registration list is cluttered with fictitious names. The man who plays the prank need not go to vote, but he has played a prank upon the registrar.

We are trying to show the numerous holes in this bill, the various things that could be done with its program. That is why we say this bill is full of deficiencies and not necessary to obtain increased voter registration.

Mr. McGEE. Let me suggest to the ranking minority member of the committee that his prankster is missing a whale of a lot of fun right now. All he has to do is apply for an absentee ballot in as many communities and States as he wishes. He could have a great time. He could apply and force them to validate or verify this. It is all by mail.

Mr. FONG. No. He has to be registered before he can apply for an absentee ballot.

Mr. McGEE. I am talking about the fact that he could clutter the office facilities and clutter the mails with an absentee ballot request in every State in the Union. They would have to turn him down, because he would not be registered, but they would have to process it. That is all this involves.

Mr. FONG. This is entirely different. He could pick up a card or cards and put down the name of any person or a thousand persons.

Mr. McGEE. I have the floor, if I may continue the dialog; then I will turn to the Senator from Alabama.

Right now I register by mail. I do not think that is because I am a Senator; I think it is because I am a citizen of the State of Wyoming. I register in the State of Wyoming; not that it is a case of confrontation. That is not unique to McGee. We find that in many States. There could be some pranksterism. There is nothing here by which one could choose to commit fraud without penalty. People can indulge in games at the present time.

Mr. FONG. In some States one can register by mail. In Texas one can register by coupon from a newspaper to register.

Mr. McGEE. In Wyoming and in some 30 other States the citizen can register merely by requesting a registration certificate by mail.

Mr. FONG. I have not found that out, but I know that in the State of Texas one can register by clipping a newspaper coupon. Yet in the State of Texas, even with that kind of easy registration, we find that 54.9 percent of the eligible voters have not voted. So even if we make it easy for him to register, he is not going to vote. The figures reporting voting in the State of Texas are so low, yet it is so easy to register in Texas. Even if we provide this mail form of registration, we will not get those people to vote because it has been found that the real reason for not registering and voting is that they are not interested in politics.

In my State of Hawaii, where we do everything possible to get out the vote and to get the people registered, registrars go from door to door. They sit at tables on street corners. They go into the shopping centers. The registry offices are open in the evenings and on Sundays. Door-to-door registrars are paid according to the number of people they register. Still, 50 percent of the people in Hawaii do not vote and 37 percent of them do not register.

So we see that to spend $200 million, $300 million or $100 million, if it is a national registration program, to get a few thousand more or a million more voters to come to register, is really using a cannon to shoot a fly. That is the reason we are opposing the bill so vigorously.

Mr. President, I yield to the Senator from South Carolina.

Mr. McGEE. I have the time.

Mr. FONG. We are not operating under a time agreement.

Mr. McGEE. Well, I have the floor. I shall be glad to yield to the Senator from Alabama in a moment. Now I should like to respond to the comments of the Senator from Hawaii.

Talking about making mountains out of molehills, the voting performance—the sheer turnout—was so scandalous the last time, not as to how people voted, but in the fact that they did not vote, that we thought we must address ourselves to ways that seemed reasonable to induce a large participation on the part of the average American citizen, who otherwise would be qualified as a voter.

We do not know how many would utilize this method, but we do know two or three things. First, the League of Women Voters, in its study in 47 States and in a large number of municipalities, and by personal observation at the polls, reached the conclusion that some of the sizable reasons why people do not vote were the difficulties, the obstructions, and the inconveniences necessary to classify them and get them registered. That survey was conducted over a very measurable part of the country, and was done by a group having no interest in this matter except voter participation.

They carry no preference with regard to party. It is a group that does good work. They spend a great deal of money in connection with those good works. But they do reach the conclusion that we need this approach as well.

The National League of Municipalities reached the same conclusion after the election last fall in their areas. They reached the conclusion that the largest single difficulty in most areas was the difficulty in the cities involving voter registration, difficulties that they think are not insurmountable by some other approach.

One could go on and on. We do not know but there is suspicious evidence that urges upon us that this is a fruitful area for this kind of effort, and that is why we are making this effort in this way. We know that the mass of postcards is not a formidable, substantive thing in terms of cost. It is expensive in a very measured sense. The Senator rather loosely refers to $100 million every time it is convenient to throw it out. The closest cost that experts have arrived at in the cost of mailing is $25 million to $30 million. We will not know until it is implemented, but we know that 62 million otherwise qualified Americans did not participate in the last election. That is almost as many as voted.

Mr. President, that is the lowest track record of any free government in the world. It is time that Members of this body try to do something about this instead of alibiing why it does not work better now. The evidence that registered voters do vote in higher percentages is rather persuasive. It is in the 70 percent and 80 percent bracket. Yet in this last election the participation of those otherwise qualified to vote from the States of most of the Members of this body, and particularly those who have been deeply involved in these discussions, still ranks among the lowest in the western world—not the lowest in the west, but the lowest in the western world. The percentages are in the forties, and not in the seventies, eighties, and nineties where it falls in most countries in western democracies, as we loosely call them, whether one is speaking of Canada, Great Britain, Belgium, or France. One of the reasons is that they do not have the severity of obstrucions in the path of those who would be interested in registering.

I would be the first to admit that this still does not get them to vote. It still does not, but it would get them registered, and all we have to go on by way of experience is that once they are registered the incidence of voting mounts rather quickly. That is what this body should be addressing itself to, trying to raise the level of citizen participation in government. That fact is the whole point of this matter.

Therefore, I would conclude that this is not the time for nitpicking. It is a time for the searching questions that my colleague supplied for us all during the consideration of this bill, and his constructive suggestions that he made during the markup of the bill, and we tried to incorporate all of the things that many minds could put together that seemed to make reasonable sense in arriving at the composite that is reflected in this measure.

I wonder if I might yield for a moment to the Senator from Alabama, since I promised that I would yield to him? Is that satisfactory with the Senator?

Mr. FONG. Yes.

Mr. McGEE. I yield to the Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator. I prefer to wait until he yields the floor, and then I will seek recognition.

Mr. FONG. Mr. President, with regard to the statement made by the distinguished chairman of the Committee on Post Office and Civil Service, let me say that the primary thrust of this bill is to get people registered to vote. The reason this bill is being brought to the floor of the Senate as is reasoned by the majority of the committee is that we have obsolete, cumbersome, and onerous State voter registration laws which frustrate our eligible voters from going to the registrar's office to register and then to vote; and, therefore, this bill is necessary because those people will register if we give them a chance to register by mail.

Mr. President, there are many ways to get people to register. There are expensive ways, ways which can do the job and other ways which may or may not do the job, and which will cost millions of dollars.

It is estimated by the General Accounting Office that there are more than $20 million to be expended in this program. The Senator from Wyoming stated only $20 million. The General Accounting Office in its study of this program said it will cost about 12 cents for printing and mailing of each card that will be sent out. If we have 80 million addresses in the United States, and if three cards are left at each of these addresses, there will be a total of 240 million cards. In other words, the post office would have to send out 240 million cards. If four cards are sent to each address, there would be 320 million cards sent out. At 12 cents a card it would cost $28.8 million, assuming 240 million cards are sent out, or $38.4 million if 320 million cards were sent out.

Last year the Bureau of the Census estimated that the cost or setting up the mailing list for these cards—would cost between $5 million and $10 million. The majority report estimates the reasonable cost of processing each returned card is 50 cents. We have approximately 139 million eligible voters in the United States, assuming that 70 percent or 98 million eligible voters return voter registration cards, costing 50 cents per card to process, this would cost more than $49 million which, when added to the $38 million, and the $10 million, and the $49 million, and add another $5.8 million for the cost of mailing return registration cards to the person who sent in the cards and when one considers that last year it cost the Bureau of the Census $46 million to operate the Bureau of the Census, and there is going to be imposed on them this added cost, let us say one-half of the $46 million, or about $23 million—adding all these costs yields a total of $126 million. Under this bill we are going to send out cards not just once, but several times each Federal election year.

If they are sent out twice per biennium, it will cost over $200 million. If they are sent out 3 times per biennium, it will cost over $300 million.

The cost here is of such great magnitude to register a few million people. I do not disagree that a few million people will be registered under this program, but I say it will be wasting much money to register a few million people when it could be done in a more effective and efficient manner at much less cost. This brings me again to my State of Hawaii. We do everything in the State of Hawaii to get the voters to register to vote. The islands, as my colleagues know, is a small State in area. The registrar's offices are easily accessible to everyone who desires to register. As I have stated before, we have registrars who have been deputized by the Republican Party, registrars who have been deputized by the Democratic Party, by the labor unions, by civic organizations. Any group that wants a registrar to appear at their meetings will get a registrar. The registrars are stationed at shopping centers, on street corners. Everywhere in Hawaii one will find these registrars during election years.

Even with all these conveniences, 37 percent of my people in Hawaii do not register, and 50 percent of them did not vote in 1972. This shows that the great majority of people do not vote because they are not interested in politics. It is not because we have onerous, unnecessary, burdensome State registration laws which frustrate them in their efforts to register.

In those States where there are laws which make it difficult for eligible voters to register, let us go to those States and ask them to update their laws so it will be easier for their people to register. But based on the evidence we have, based on the evidence of Texas which has easy registration laws, where one can clip a registration coupon and send it in, 54.9 percent of the people of the State of Texas did not vote in 1972. Even where they have such easy registration laws as in the State of Hawaii, it is very definitely shown that even with easy registration laws, we are not going to get the people to vote.

I say, Mr. President, why spend $200 million, or $300 million a biennium to do a job when it can be done for much less.

I say to my distinguished colleague who is so strongly for this bill, that we are using a system or a program here which is so overwhelming, which is so unnecessary. It should be reduced to a smaller program to induce our States to improve their laws in this respect.

I, for one, wish to have more people registered, but the reason they do not register has been shown by conclusive evidence to be disinterest. A survey made in 1968 by the Census Bureau canvassed 50,000 households. The 50,000 households were asked what their reasons were for not registering. The Census Bureau found that out of those 50,000 households, more than 50 percent—over 26,000 of the 50,000 households—had not registered to vote. When 50,000 households are surveyed, that is really an in-depth survey. It is not like a survey conducted by Harris or Gallup, in which 1,500 people out of a total population of 200 million are surveyed. Here we have 50,000 households surveyed, and if there is an average of 3 people per household, then 150,000 people were surveyed, as distinguished from surveying 1,500 people under the Gallup or Harris polls.

What did they find in 1968? They found that more than 50 percent did not register, and they found that out of the 50 percent that did not register, 53 percent gave as the reason for not registering, they were not interested in politics.

Here is the breakdown. The answers were recorded in one of the following categories: What were the main reasons why these persons did not register to vote? These were some of the reasons why they did not register to vote: Not a citizen of the United States. Had not lived here long enough to be qualified to vote. Not interested. Just never got around to it. Dislike politics. Unable to register because of illness. No transportation. Could not take off time from work, and so forth. Other reasons: Do not know.

More than half—53.3 percent—of those not registered said they did not register because they were not interested, never got around to registering, or disliked politics. Of the remainder, 11.2 percent said they did not meet the residence requirements; 13.5 percent said they were ill, did not have transportation, or could not take off from work; 10.6 percent were not citizens; 9.4 percent gave other reasons; and 2.2 percent said they did not know.

If we discount the 10.6 percent who were not citizens and could not have voted even if they wanted to, the number of households that were not interested, never got around to registering, or did not like politics, increases from 53.3 percent to 60 percent.

Mr. President, 60 percent of over 50 percent of those people who did not register said they did not register in the 1968 election because they were not interested in politics.

So you see, Mr. President, here is a survey that was directed very specifically to the question: "Why did you not vote?" Here was a survey which was directed to approximately 150,000 people: "Why did you not vote?" Here was a survey that was 100 times larger than the survey made by Gallup or by Harris—150,000 people versus 1,500 people. And the answer by 60 percent of the people who did not vote was that they were not interested in politics.

This survey, Mr. President, together with the facts that have come out from the voting patterns in Hawaii and other States—in Hawaii, where everybody is exhorted to vote, where everybody has a chance to vote, where nobody is frustrated, where registering is made easy, and in Texas, where one can register by newspaper coupon, and where only 45.1 percent of the people in the State of Texas voted. These statistics show very, very definitely, that the survey conducted by the Census Bureau in 1968 is valid and is right in point—that these people do not register because they do not care for politics. Even if we send them 200,000 or 300,000 cards and have them send back their registration forms at an expense of approximately $100 million to $300 million, we are not going to increase the number of voters appreciably.

Mr. President, we say that we oppose this bill not because we do not want people to register, but because it will not do the job and because it is too expensive. It will also open the way for widespread fraud, as I stated in the first instance a little while ago. This could present a field day to a lot of people who could pick up these cards and frustrate the registrars by fictitious registrations.

A man could go to the graveyards and pick out the names on the tombstones and list the people who have passed away and send those names in. The registrar would not know the difference between those people and living people. As the Senator from North Carolina (Mr. ERVIN) said, the registrar would not know the difference between George Washington and Ananias.

When a man sends a card to the registrar, the registrar notifies him that he is registered.

The bill says that as soon as he holds the card in his hand, being notified by the registrar that he is registered to vote, he can go to the booth and vote. The card is prima facie evidence that he can vote. And no one can question him. The man can say, "This is my card. I received it from the registrar. I am entitled to vote." And no one can question him.

Mr. President, when we consider that there is no way by which these registrars can stop these fraudulent cardholders from voting, we realize the difficulty involved. A cardholder may have a card showing that he is registered to vote in three or four different places. There is no way of finding out whether he has voted in three or four different places. We can see what kind of chaos we will have with this type of program.

Mr. President, the spending of $100 million, $200 million, $300 million to get a few million more voters to register is wasteful. The money could be more advantageously used if we were to implore the States who have frustrating voter registration laws—which the majority have said they do have—to change their laws to parallel the laws of, let us say, Hawaii.

I think that would do the job better, rather than spending so many millions of dollars for something that could be an invitation for fraud.

Mr. McGEE. Mr. President, if I may continue, I would like to address myself to two or three comments of my distinguished friend, the Senator from Hawaii.

First, I remind him that with the great approach that Hawaii takes to register the voters and do everything, including running registrars around the neighborhood and into the factories, imploring people to become voting citizens, and turning out the voters in every way they know, the Senator has said they have done everything. May I suggest to the Senator that they have done everything except one thing, and that is they have not tried to pick up the nonregistrants with postcard registration.

What is there to pick up? From the Bureau of the Census itself, Hawaii's voting record last November, according to the Bureau of the Census, points out that among those who were qualified as voters but were not registered or did not vote, were 50.8 percent of the people in Hawaii; that is over half. And the Senator says that his State does everything that can be done. They certainly do a great job, and I applaud the efforts of Hawaii. Hawaii has a good approach toward registering voters. However, over half of their qualified voters did not vote. They do not show up to register and vote.

That is why I challenge my distinguished friend from Hawaii on the good intent of Hawaii. What is necessary is to add some registration post cards to the effort and make their distinct contribution even more significant to the Nation's voting habits.

I may say to my friend that in all candor he is still reverting to the same experiences of a few years ago when we debated this bill on the floor of the Senate for the first time. That is the census figures for 1968, not this year, not 1972, but 1968. And what was that study that the Bureau of the Census undertook in 1968?

It was not a study to determine how the people voted or why they did not vote. It was a study undertaken for other purposes. And one of the questions was to give whatever explanation they wanted to offer in terms of why they did not vote. And why did they not vote? The Senator discussed that at great length except that he did not mention on the floor that 53 percent who said that they did not vote said that they were not interested enough to vote.

Because of those statistics, I inquired at our hearings this year from the Acting Director of the Bureau of the Census just what that means. And he replied for the record—and if the Senator wants to check it, it is on page 243 and page 244 of the Senate hearings, and it is a rather substantial compendium of testimony on this matter—in response to the questions, this Acting Director of the Census Bureau, that this figure of 53 percent did not reflect necessarily those who did not vote because they were not interested in voting, but because they lived in the suburbs and could not get to the city hall. It is not the registrars, and it does not reflect on anything else that was done that may have accounted for why they did not vote. They were not interested enough to go to the city hall to vote. But it does not address itself as to whether, had they been provided with a postcard registration, they would have cast their ballots.

What else does that study of 1968 say, Mr. President? The Senator from Hawaii did not cover this in his remarks. This is the column which said: "How many did not vote because they were not able to register?" That is a real blunt question. "How many did not vote because they were unable to register?" 13.4 percent of the total voting population. If it is accurate at all, that is 6 million or 7 million voters. Now, 6 million or 7 million may not be many votes, but in Wyoming it is more than we have livestock, sheep, and antelope.

I am saying that 6 million or 7 million voters who said that they did not vote because they could not register is worth our worrying about. I refuse to associate myself with the suggestion of the Senator from Hawaii that we ought to implore the States to use more programs, beg them with more radio petitions, that we ought to have more riots or hunt them down and say, "Please get out and vote."

The record is clear that over half of the people in Hawaii did not vote. The burden of proof goes the other way on the basis of the record.

Finally, instead of going back to 1968,

which is some time ago now, let us go to 1972, last November when 62 million Americans did not bother to register or vote.

That is almost as many Americans as did vote. That is how sorry the record is. I say it is time we get with it, to try to do something about it. This means including the State of Hawaii, by letting them be registered, by applying the use of a postcard for that registration.

If I might suggest, Mr. President, the League of Women Voters' study said this—and this statement was made just a few months ago, after the 1972 election, when 62 million did not vote; 77 percent of the communities that the League studied reported that there was no Saturday registration, for example, in nonelection months; and 75 percent of the communities studied by the League had no evening registrations.

This is a part of the problem. People who worked found it difficult to get off the job to get registered in many areas of the land; 52 percent of the registration places, according to the League, were not clearly identified, and 20 percent of the States expressly forbid evening and Saturday registration.

This is why we are addressing ourselves to this broader question of how we can make it simpler for people who would vote to get registered, in order that they might qualify for that responsibility.

The 1972 figures, the 1972 estimates, the 1972 assessment of the record, which is something that has happened since a year ago, ought to rule completely into limbo the outmoded judgments that we were exercising here many months ago, because we have a real life record of nonvoter participation in November of this last autumn.

The National League of Municipalities echoed as the League of Women Voters; that in most of the cities of America the obstacles in the way of registration kept many millions of Americans from voting. George Gallup, in his study—to be sure a sampling, not unlike the sampling of the Bureau of the Census in 1968—likewise suggested that among the reasons for people not voting was the difficulty of getting registered, and the estimates are—and they have to be projections; that is the best they can do with that kind of study—that it goes beyond the 6 million or 7 million that the Bureau of the Census suggested in 1968, and we are talking now of 15 to 25 million who may have been so affected.

So, Mr. President, what this means is that with all of the effort everybody has made, at very great cost, with great physical energy, with great persuasiveness, with great indulgence and dedication, we are still falling much farther short of the mark than any other western democracy—any of them.

Now, does that mean that the American people are worse? Does it mean they are more irresponsible? Does it mean they are more stubborn, that they do not want to take the responsibilities of citizenship?

I do not believe so, Mr. President. I think all it means is that too many of them are prevented, in one way or another, under our outmoded registration laws, from registering in order to qualify as voters.

So, once more, I leave this other thought, constantly present in the minds of us all, and that is that motivating a person to vote is still a very major problem as well. Registering them by postcard will not insure that they will in fact vote. But, believe me, it comes a lot closer to closing that gap than to stand here on this floor and say everything we can do is being done now, let us keep trying. We have been saying that year after year, Mr. President. Now, this time, let us get with it and get caught trying. And trying means postcard applications for registration.

With that comment, I yield the floor. I move the adoption of the pending amendment, which our comments have digressed from considerably, since it has to do with the simple suggestion that in delivering the postcards, the postman have the option of leaving supplemental numbers of postcards at a given address, since he knows the neighborhood.

I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. The Senator from Alabama is recognized.

Mr. JAVITS. Mr. President, if the Senator from Alabama will indulge me, I will tell him what I would like him to yield for, and he can then decide whether he wishes to yield.

Mr. ALLEN. I yield to the Senator from New York.

HOUSE JOINT RESOLUTION 303—TO PROCLAIM A DAY OF OBSERVANCE OF THE 30TH ANNIVERSARY OF THE WARSAW GHETTO UPRISINGS

Mr. JAVITS. Mr. President, there is on the consent calendar a House joint resolution (H.J. Res. 303) which was passed over this morning. It relates to the commemoration of the 30th anniversary of the Warsaw ghetto uprising by the Jews against the Nazis. It has passed the House of Representatives. Senator RIBICOFF and I sponsored the measure here, and we let it go by this morning because I hoped Senator RIBICOFF would be on the floor later, but we do not want to let the day go by without its being passed.

Mr. President, the joint resolution now before the Senate marks April 29 in commemoration of the 30th anniversary of the uprising against the Nazi occupation forces by the beleagured Jews of the Warsaw ghetto who, by their heroic struggle, reaffirmed the ineradicable determination of mankind to fight for freedom from oppression and symbolized the indestructible spirit of liberty. This commemoration demonstrates that the fierce will to life and freedom which motivated the Warsaw martyrs has not—and will not—be forgotten.

The story of the uprising is now well known. In October of 1940, the Nazi Governor of the Warsaw District published the decree establishing the ghetto and within a month the Nazis had squeezed some 450,000 Jews, a third of the city's population, in an area of 100 city blocks, less than a 20th of the city's population. Disease and executions quickly took their toll—more than half of the ghetto's population—but this means of decimation was too slow for the Nazi plans and in the summer of 1942 more drastic measures were instituted, deportation to concentration camp ovens.

For 2 months, this "action" continued, accounting for 300,000 Jews from the original ghetto population and those who had been shipped there from other parts of Europe to fill the places of earlier casualties and to swell the ghetto population. Early in 1943 a second deportation "action" commenced to effect the final "liquidation" of the ghetto.

This Nazi effort was countered by surprise resistance from defense groups which had been organized within the ghetto, armed with weapons donated by Polish resistance groups, purchased through the black market, and—to a large extent—manufactured by clandestine factories within the walls of the ghetto itself. The Nazis withdrew, regrouped their forces, and returned in April, finally overwhelming the last defenders through the use of air and artillery bombardment, overwhelming force and by fire.

The world is fortunate that a record of ghetto life and the struggle to survive was made and preserved for posterity. A cache of these documents was discovered after the end of the war in September, 1946 and another 4 years later in December of 1950. The history is a grim one.

We who live in security and freedom must long remember and be inspired by those who, under such hopeless circumstances, died for freedom and dignity. Their resistance will remain forever a monument of light in a dark era of man's history.

Through the kind cooperation of Senators HRUSKA, McCLELLAN, and EASTLAND, this measure comes to the floor, the committee having very graciously reported both Senate Joint Resolution 18 and House Joint Resolution 303.

Mr. President, if it is agreeable to the Senate, it would be my purpose to call now for the enactment of Senate Joint Resolution 18, and when that is enacted to move to vacate the action by which it was enacted and then seek action on the House joint resolution.

I feel that we should show the independent enactment first of the Senate's own joint resolution, and then to adopt the House joint resolution so that the measure may go to the President at once.

So, I seek action now on Calendar No. 110, Senate Joint, Resolution, 18, and ask that it be stated.

The PRESIDING OFFICER (Mr. WEICKER). The joint resolution will be stated.

The legislative clerk read as follows:

S.J. Res. 18, to authorize and request the President to proclaim April 29, 1973, as a day of observance of the 30th anniversary of the Warsaw ghetto uprising.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. Res. 18

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the twenty-ninth day of April 1973 is hereby marked in commemoration of the thirtieth anniversary of the uprising against the Nazi occupation forces by the beleaguered and outnumbered Jews of the Warsaw ghetto who, by their heroic struggle, reaffirmed the ineradicable determination of mankind to fight for freedom from oppression and symbolized the indestructible spirit of liberty.

The President is authorized and requested to issue a proclamation inviting the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. JAVITS. Mr. President, I now call up Calendar No. 111, H.J. Res. 303, and ask that it be stated.

The PRESIDING OFFICER. The joint resolution will be stated.

The legislative clerk read as follows:

H.J. Res. 303, to authorize and request the President to proclaim April 29, 1973, as a day of observance of the thirtieth anniversary of the Warsaw ghetto uprising.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, was read the third time, and passed.

Mr. JAVITS. Mr. President, I ask unanimous consent that the action taken on Calendar No. 110, S.J. Res. 18, be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I thank the Chair and am very grateful to my colleague from Alabama for yielding at this time.

Mr. President, I ask unanimous consent that S.J. Res. 18 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, S.J. Res. 18 is indefinitely postponed.

Mr. ALLEN. Mr. President, I was delighted to yield the floor to the distinguished senior Senator from New York (Mr. Javits) in order that the resolution commending the heroism of the Jews of the Warsaw ghetto some 30 years ago could be passed.

It was, indeed, an act of great heroism on the part of the Jews who were willing to rise up in the cause of freedom. That very same spirit pervades the Israeli nation today as it is beleaguered on every side by nations with greater populations than it has, and it seeks to establish its right to be free in its democracy.

Thus, I am delighted that this resolution has been passed and I express my admiration of the Senator from New York (Mr. Javits) for bringing up the resolution at this time.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 12, 1973, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 73) to authorize the President to proclaim April 16, 1973 as "Jim Thorpe Day."

VOTER REGISTRATION ACT

The Senate continued with the consideration of the bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mr. BURDICK. Mr. President, I ask unanimous consent that Thomas Ebzery of the committee staff be permitted the privilege of the floor during consideration of S. 352.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, the Committee on Post Office and Civil Service has reported the voter registration by postcard bill with some 15 or 17 amendments. Under the rules of the Senate, unless there is unanimous consent that the amendments be considered en bloc, they are considered separately. So each separate change, if it is to knock out a word or to put in a comma instead of a period or to add an additional word, must be treated as a separate amendment.

Those of us who oppose the enactment of this bill—and the number is very close to a majority, if in fact it is not a majority of the Senate—feel that these amendments are not in any way a great improvement on the bill as originally introduced. So it is a matter of small moment except on one of the amendments, which is near and dear to the distinguished Senator from Alaska (Mr. Stevens), because it directly affects his State and his State election laws, that none of the amendments is of great import. Whether they are defeated or passed, they will have very little effect on the desirability of the bill. It will still be bad. It deserves to be rejected. Even if all the amendments are accepted, it will still be bad. If half are accepted and half are rejected, it will still be just a bad bill.

In the first place, it never should have gone, in the judgment of the junior Senator from Alabama, to the Committee on Post Office and Civil Service exclusively. If it had any jurisdiction at all, it would be because of the mailing of the post cards on a junk mail basis, because that is what it is. The Committee on Rules and Administration has jurisdiction over the matter of election of President and Vice President. Certainly, the Committee on the Judiciary would have jurisdiction over matters changing the registration laws of the country. But the Committee on Post Office and Civil Service has reported the bill.

Now a similar bill was defeated in the Senate during the last Congress. I have not seen that this bill is any improvement whatsoever over the bill that was considered by the Senate and defeated in the last Congress. Apparently, the committee itself thought it needed at least 15 changes because there are 15 separate amendments.

We have been allowing the amendments to come up and be passed by a voice vote, but it seems to those of us who are opposing the bill altogether that there is sufficient reason to seek a rollcall vote on this amendment, if in fact we do not move to table it.

Under the provisions, the agreement that the Postal Service will enter into with the Voter Registration Administration will provide that there be a sufficient quantity of registration forms delivered to every postal address and residence in the United States.

I am sorry that the distinguished Senator from Wyoming is not in the Chamber, because if my memory serves me correctly he was of the opinion that it was not requisite the cards be delivered to business addresses or industrial plants. But there is nothing in the amendment or in the bill to indicate that they cannot do that, because it says they are to be delivered to postal addresses and residences. Certainly an industry has a postal address. A business house is a postal address. A rural mail box is a postal address. A post office box is a postal address. An office building has a postal address, and each individual working in that building has a postal address. So a sufficient quantity of these registration forms are to be delivered to postal addresses and residences. Who determines what is a sufficient quantity? It does not say. A sufficient quantity to do what? A sufficient quantity, as I suggested, to provide scratch pads for everybody in the house? A sufficient quantity to paper every room in the house? A sufficient quantity to do what? It does not let us in on what they are talking about.

The distinguished Senator from Hawaii made the point that the postman would be delivering mail to a postal address which might be a great industry employing 5,000 or 10,000 employees. The postman would have to drive up, I assume, in a heavy-duty truck in order to accommodate all the post cards that he is carrying around. He drives up to the industry and looks at his copy of the law, and it says here that he is to deliver a sufficient quantity of registration forms to postal addresses. He has this postal address there—the X Steel Company, such and such a street, such and such a city. So it is left up to him to decide what would be a sufficient quantity.

I might state, parenthetically, that at a later date I intend to make a full argument against this bill, but at this time I am confining my remarks to the amendment under consideration.

Let us assume, Mr. President, as we are trying to get these post cards out over the country delivered to registered voters, as well as those who are not registered, each registered voter doubtless would receive any number of post cards, and it would be a double post card, the chairman stated, one going to the householder and another coming back to the registration official. The Senator from Hawaii has talked about the expense of these mailings. What about the expenses of deciding which person or which city or which area the registrar would have to report back to? All that has to be worked out. Then there is the matter of different laws in the different States—all that has to be worked out.

These cards would be broadcast just like the junk mail we receive. It will be recalled, I am sure, that frequently we get a piece of junk mail at our office and at our residence and possibly at our post office box. So each person throughout the country could be getting this type of mail at many different places, whether he was a registered voter or not. At least half of it would be thrown away, because half of the householders, I assume, are voters. So all that would be wasted.

Let us assume, for the sake of argument, that this postman has on his postal route a plant employing 10,000 people; that he also has on his route a Federal penitentiary, a State penitentiary, the insane asylum, the county jail, and the local halfway house.

The postman driving along in his heavy-duty truck with these bales of cards for mass delivery, using his discretion as to what is a sufficient quantity, drives up to the plant and finds out that 10,000 people are working at the plant. Well, he will dump off a sufficient quantity, which he might feel is 10,000, plus a sufficient number for the family members of everybody working there; and that postman might feel that he should dump off 20,000 there. Another postman under similar circumstances might feel that a different number might be required.

Then he goes down to the Federal penitentiary and inquires as to the number of inmates in the Federal penitentiary, and he is told there are 5,000. There is no prohibition against delivering these cards to any and all. It is a sufficient quantity at every postal address. I suppose everyone would feel that the Federal penitentiary is a postal address. It is within the discretion of the postman to deliver a sufficient quantity of the cards, so he will dump off whatever he thinks is a sufficient quantity.

Then he goes to the State penitentiary, and it is the same thing. Then he goes to the insane asylum and dumps off some there, and then to the county jail and the so-called half-way house.

All these cards are costing the Government or the Voter Registration Administration—the Voter Registration Administration has to pay the post office—a minimum of 12 cents apiece, counting printing and the postage. Simply because there is no stamp on it does not mean that the voter registration administration is not paying the postage, because it is.

Let us consider the overburdened post office, as to whether they need this additional business. I do not know how Senators have found the situation, but I have found, in constituent mail coming to my office in Washington from Alabama, that many times it takes a week or 10 days for a letter to come from Alabama to Washington.

The distinguished Senator from Hawaii has pointed out that as many as 240 million of these cards could be sent out and as many additional times as they saw fit.

Let us consider the bulk of the mailing of 100 million cards. As has been stated, the card is a double card, and it is a double post card. I assume it is at least as big as the old penny post card, as they used to call it, folded over, and to get all the questions authorized under some State laws they would have to have a mighty big card.

But just asusming the average-type card doubled over, I have estimated that 25 of these double cards would amount to an inch; it would be about an inch thick, so that a foot of cards, stacked one on top of another would be about 300 cards. If all these cards should be stacked up one on top of the other in piles as tall as the Washington Monument of 555 feet it would be about 165,000 cards, stacked one op top of the other to make a stack as high as the Washington Monument. Well, dividing that figure of 165,000 into 100 million we end up with approximately 600 stacks; 600 stacks of cards each as high as the Washington Monument.

Mr. President, that would be one mailing, if only 100 million of the cards were mailed out. Well, if they were to put 600 stacks of cards each as high as the Washington Monument in the mail here in Washington or anywhere else, it would cause a slowdown in the mail service and it is going to cost millions and millions and millions of dollars. To do what? To get people to register to vote who do not have enough interest to register at the present time.

Now, by acts of Congress it does not take any qualification to be able to vote, except to be 18 years of age; there is no literacy test, no educational test, because all of that has been ruled out. All a person has to do is to be 18 years of age and he can walk to the registration office and say, "I want to register to vote." That is all it takes.

They are suggesting setting up this vast Federal bureaucracy, sending out hundreds of millions of post cards, and not addressed to a particular person, but addressed to postal occupant, patron, or addressee, and they would be broadcast all over the country. All of that to get people to register who are not willing to make that little effort themselves.

Now, is that necessary? Even if it did accomplish the registration of a few thousand more people is it worth all this expense, all this effort, all this redtape and inconvenience to the Postal Service, and inconvenience to the recipients of mail and the senders of mail? I submit there would be mighty few additional registrants unless somebody else did something else to encourage them to register, and they could use that same encouragement and inducement on people generally without going to all this expense of redtape.

Mr. President, there are some interesting figures from the Census Bureau. By the way, the Census Bureau, I notice from the report of the committee, was heard from. But on page 5 of the report we read:

> A large majority of the witnesses appearing before the committee supported S. 352.

Maybe a large majority appearing did support the bill. I wonder how much effort was made to get people who opposed the measure to appear before the committee. I was not asked to appear, even though it was well known that I am opposed to the bill. But very important witnesses did appear. Representatives of the Census Bureau, where this agency, this added echelon of the Federal bureacracy, is to be lodged, appeared and said they were opposed to the bill. The Department of Justice had a representative there and said the Department was opposed to the bill.

So the two agencies that would be most directly concerned with the operation of the Bureau and the prosecution of the inevitable frauds that would arise appeared and testified against the bill. I think it is significant and of more than passing interest that they found it necessary to put some penalties into the bill, because they knew that the bill would promote a whole lot of fraud if it should be passed.

Let us examine some of the statistics for 1970, from the latest book I have on the subject. The distinguished Senator from Wyoming (Mr. McGee) spoke about having later figures. I assume that figures for 1972 are provided somewhere, but the figures I was able to locate did not give those statistics.

Let us consider several of the States—the number of persons registered and the percentage of the people of voting age in a State. Let us see how some of the laws have aided—if they have—in getting citizens to register, and how some other States without registration by mail had a large percentage of their citizens registered.

The best example of the registration of citizens in any State is the State of Utah. Without the aid of registration by mail, without the aid of Federal registration—and I am going to talk about that in a moment, because it is a sore point with me and other Senators from Southern States—in the State of Utah, 98.4 percent of the persons of voting age are registered to vote; 98.4 percent: How much better can we get? Only 1.6 percent of the people in Utah were not registered, and that many people could be out of town. But that is what can be done, if citizens have the motivation, and if they want to go to register. I do not see how we could get much better than 98.4 percent. I do not believe that post cards, under the bill, will be sent into Utah. Why send hundreds of thousands of cards into Utah when 98.4 percent of the people are already registered? So I do not believe that postcards are the answer.

All right. Let us consider another State. The State of Texas. For about 30 years they have registered by mail. People there have been able to register by coupons appearing in newspapers. How many registered in Texas in 1970? 63.2 percent. Ninety-eight percent in Utah without registration by mail; 63 percent in Texas with registration by mail.

Let us look at the State of Wyoming: 69.2 percent of their citizens of voting age are registered. They need to do a little work in Wyoming to get it up somewhere near the registration that is found in their neighboring State of Utah, where they have 98.4 percent.

North Dakota, the State of the Senator from that State (Mr. BURDICK) who is now occupying the majority leader's seat. I believe he will correct me if I am wrong. They have no advance registration. A person will come in and possibly register at the ballot box, but there is no advance registration. So we do not know how many people are registered there. I assume none of the people are preregistered.

Let us see how many voted in North Dakota. Sixty-seven percent voted. So the fact that registration is not required there just raised the participation up to 67 percent, and that was not such a great deal better than the national average.

So registration does not assure a voter turnout. Registration by mail does not assure full registration participation. What is needed is a public-spirited citizenry. That is what we need. We do not need any Federal bureaucracy to send out postcards to get them to fill them out to register to vote.

What about Alabama? 80.4 percent of the voting age population is registered to vote in the State of Alabama. We had a little help on that from the Federal Government. I might suggest to the distinguished Senator from Wyoming that I would be willing to see the Voting Rights Act of 1970 amended to provide States outside the South to aid the local citizens in the registration of those citizens, because we had some help from some Federal registrars who helped us register some of our citizens. They did not register them by postcard; they went out on the streets, met them in shopping centers, pulled them off the sidewalks, and signed them up and registered them to vote.

Let us apply a little of that medicine to some of the other areas. There are a number of States that could use a little help from Federal registrars.

Arizona has only 60 percent of its eligible voters registered.

California has 71.1 percent.

The District of Columbia has 53 percent.

Texas has 63.2 percent.

Mr. President, much has been said about the registration of ficticious names, the registration of names on tombstones, and some have thought of suggesting an amendment calling this the tombstone registration bill rather than the postcard registration bill.

We say that could not happen, that that would not happen. What is to prevent it from happening?

I assume the reason the mail aspect of it was put into the bill was to give the Post Office and Civil Service Committee some claim on jurisdiction. It would be a whole lot simpler just to provide that these postcards could be placed at corner grocery stores, corner drugstores, tax collectors' offices, city halls, probate offices, without the necessity of having to spend tens of millions of dollars on postage stamps; only they wanted to provide that they go through the mail to give the Civil Service and Post Office Committee jurisdiction.

This is not exactly similar, but it can happen. I read in the newspapers that a great insurance company—so it is alleged—was found to have issued fictitious insurance policies and they would then sell the insurance on the books to other companies, larger companies, who would buy that business and pay about $1.80 for each dollar of the first year's premium on the business. I read in the paper where 56,000 fictitious, spurious policies were issued on named individuals, with named addresses, and sold to those large companies. I assume they ran some sort of check on them or rendered a credit report, or something, but these companies were left holding the bag on buying 56,000 policies on fictitious individuals.

Well, if an insurance company can palm off on knowledgeable people like larger insurance companies 56,000 policies on fictitious persons, what is to prevent, with thousands and thousands of cards being dumped out on the registrars' desks, many, many thousands—millions in fact—of those cards being forged or of fictitious persons?

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. BURDICK. Is the Senator aware of the fact that whenever a person signs a card, he is signing an oath, and if anything fictitious is in there he is subject to a charge of perjury?

Mr. ALLEN. I do not believe the word "oath" is in there.

Mr. BURDICK. The same situation applies to signing a registration card as applies to signing form 1040, the return for an income tax. It is the equivalent of an oath.

Mr. ALLEN. The equivalent? Where does it say that?

Mr. BURDICK. On page 6 of the bill, section 405(b):

> "(b) Printed registration forms shall be designed to provide a simple method of registering to vote by mail. Registration forms shall include matter as State law requires and as the Administration determines appropriate to ascertain the qualifications of an individual applying to register under the provisions of this chapter, to provide for the return delivery of the completed registration form to the appropriate State official, and to prevent fraudulent registration.

Mr. ALLEN. Mr. President, I am still waiting to hear where it says that it has to be under oath.

Mr. BURDICK. Mr. President, it implies that. The legislative history that we are now making would indicate that it would be necessary. And it was my understanding at all times.

Mr. ALLEN. Mr. President, I appreciate the Senator's contribution. Even if the oath were provided—and it has not been pointed out that one is provided—how would that prevent someone from signing up a bunch of names and dropping them in the post office box and putting the duty on the registrar to decide and to settle that?

The best way to avoid fictitious and fraudulent registration is for the registrant to present himself in person to the registrar so that they can see that there is a live flesh and blood individual seeking to register and not just a piece of paper.

The Senator will recall that the distinguished Senator from North Carolina (Mr. ERVIN) was offered in connection with the Watergate investigation written statements or the written answers to questions of certain witnesses that the committee wanted to testify in the Watergate investigation. However, the distinguished Senator from North Carolina said, "You cannot cross-examine a sheet of paper."

So, how are they going to elicit information from a stack of postcards? I submit that it cannot be done. It opens a way for fraud and for abuse. It would accomplish very, very little if anything at all.

Mr. FONG. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. FONG. Mr. President, the Senator alluded to a fictitious number of reinsuring policies.

Mr. ALLEN. The Senator is correct.

Mr. FONG. I think the Senator referred to about 56,000 fake policies that were reinsured.

Mr. ALLEN. So it was reported in the local press.

Mr. FONG. As I understand it, the way it works is that in reinsurance one insurance company writes a policy on the life of an individual, say, for $100,000, and their coverage would only insure perhaps $10,000 or $20,000. They would reinsure maybe $90,000 or $80,000 with a reinsurance company.

Mr. ALLEN. The Senator is correct.

Mr. FONG. And when it reinsures that $80,000 or $90,000 of the $100,000 life insurance policy, it has to pay a premium to the reinsuring company. Is that correct?

Mr. ALLEN. The Senator is correct, on reinsurance.

Mr. FONG. And say, for example, that the insurance premium was $1,000 a year, the reinsurance company then would probably take $800 or $900 of that $1,000.

Mr. ALLEN. That would be the way it would work on reinsurance.

I would like to point out to the distinguished Senator that for this company to make money, what it did was to sell not reinsurance, but to sell the business itself. And the cost of putting insurance on the books is more than the cost of collecting the first year's premiums. So, the company buying the insurance would pay the selling company $1.80 for each dollar of the first year's premiums, hoping to get the money back in ensuing years. So, the company would then sell that business and for the year's premium paid for each dollar they had paid for the business on the first year's premium, they received $1.80 and made a profit on the fictitious insurance.

Mr. FONG. So, there are two ways of making money. First, they sell the insurance to the reinsuring company, and they get more money than they paid out to get the insurance. Then subsequently, when the policy lapses, they make a profit. And they went one step further. They had fictitious deaths.

Mr. ALLEN. The Senator is correct. They did.

Mr. FONG. And in the fictitious deaths, the reinsuring company would have to pay $80,000 of the $100,000 policy.

Mr. ALLEN. The Senator is correct.

Mr. FONG. Whereas the initial company in writing the policy did not have to pay off on it, they received $80,000 or $90,000 from the reinsuring company.

Mr. ALLEN. The Senator is correct.

Mr. FONG. So they gyped the reinsuring company of $80,000 or $90,000.

Mr. ALLEN. The Senator is correct.

Mr. FONG. And that is how they made up for some of the reinsuring premiums.

Mr. ALLEN. The Senator is correct.

Mr. FONG. So, even on a program like this which is so complicated where they have to have life insurance, where they have to have a doctor's certificate in reinsuring a man, and when he dies they have to have a death certificate, even here they were not able to find the fraud until after millions and millions of dollars were taken.

Mr. ALLEN. The Senator is correct. I might say that in the deaths, they might not have deaths. They would have deaths. However, they would date them back.

Mr. FONG. Someone has to die.

Mr. ALLEN. The Senator is correct.

Mr. FONG. And if that is a factitious policy, then a factitious man died.

Mr. ALLEN. The Senator is correct.

Mr. FONG. Otherwise no payment would have been made?

Mr. ALLEN. The Senator is correct.

Mr. FONG. And even in a case like this where so much money is involved and so much auditing, they were able to gyp the re-insuring company?

Mr. ALLEN. The Senator is correct.

Mr. FONG. If it is possible in a case such as that, fraud is much greater where no auditing is required.

Mr. ALLEN. The Senator is correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. AIKEN. Mr. President, I notice that in the registration process some may be printed perhaps in a foreign language.

Mr. ALLEN. The Senator is correct.

Mr. AIKEN. How many foreign languages?

Mr. ALLEN. Well, that would be up to the administrator. It would be as many as he thought was necessary.

Mr. AIKEN. The registration form could be printed in Spanish or German or Italian or Chinese.

Mr. ALLEN. The Senator is correct.

Mr. AIKEN. It could be printed in Swahili.

Mr. ALLEN. I am not familiar with that language.

Mr. AIKEN. Well, it would involve the people from Kenya.

Mr. ALLEN. The Senator is correct.

Mr. AIKEN. We have Kenyans in this country, and they are pretty good people, too. They could seek to be registered in Swahili.

Mr. ALLEN. Yes. The Senator is correct.

Mr. AIKEN. And how many interpreters would a registrar have to have? For instance, some might receive applications written in six or eight different languages—Polish, Lithuanian, or any other language. That would all be legal, would it not?

Mr. ALLEN. The Senator is correct. That would be possible under the bill.

Mr. AIKEN. Suppose that the registrar could not read these foreign languages, would they register them just the same?

Mr. ALLEN. I am not sure about that.

Mr. AIKEN. I am curious. I have been against the idea. However, I just wanted to be well informed before I vote on the bill.

Mr. ALLEN. They might have to stock several million of these cards in each language. They would have to build up an inventory of the cards.

Mr. AIKEN. No matter how many application forms are received by the registrar, he is supposed to be able to read them, is he not?

Mr. ALLEN. Well, I think it would be appropriate to furnish an interpreter, I assume, to each registration office.

Mr. AIKEN. If he cannot read 10 or 20 different foreign languages, would they then all be Greek to him? I was curious. It seemed to me that there were some complications in the bill. I have not discovered any reason why I should vote for it yet.

Mr. McGEE. For the benefit of the sponsors of the bill, I hope that the Senator will continue to study it with the point of view in mind of trying to find a way to vote for it.

Mr. AIKEN. I am receptive to any information that might clarify the issue and cause me to change my mind.

Mr. ALLEN. Well, I have no wish to cause the Senator to change his mind.

Mr. AIKEN. Just the matter of voting and marking ballots in foreign languages. I wonder if that could not develop a complication in the voting process?

Mr. ALLEN. That is one of many complications; yes.

Mr. AIKEN. Unless the registrar had a number of degrees from various colleges that taught those languages.

Mr. ALLEN. I am prepared to yield the floor, Mr. President. I had understood that the distinguished Senator from Hawaii——

Mr. FONG. Mr. President, I am ready to propound a motion to lay on the table.

Mr. ALLEN. I yield the floor, then.

The PRESIDING OFFICER. The Chair recognizes the Senator from Hawaii.

Mr. FONG. Mr. President, I move that the amendment be laid on the table.

Mr. ALLEN. I ask for the yeas and nays.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. COOK). The question is on agreeing to the motion of the Senator from Hawaii that the amendment be laid on the table. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Montana (Mr. METCALF), the Senator from Rhode Island (Mr. PELL), and the Senator from West Virginia (Mr. RANDOLPH), are necessarily absent.

I further announce that the Senator from Louisiana (Mr. JOHNSTON), is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS), is absent because of illness.

I further announce that, if present and voting, the Senator from Colorado (Mr. HASKELL), the Senator from Washington (Mr. MAGNUSON), and the Senator from West Virginia (Mr. RANDOLPH), would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. CURTIS), the Senator from Colorado (Mr. DOMINICK) and the Senator from Oregon (Mr. PACKWOOD) are absent on official business.

The Senator from Oklahoma (Mr. BELLMON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

Also the Senator from Tennessee (Mr. Baker) and the Senator from New York (Mr. Buckley) are necessarily absent.

If present and voting, the Senator from Nebraska (Mr. Curtis) and the Senator from Oregon (Mr. Hatfield) would each vote "yea."

The result was announced—yeas 31, nays 49, as follows:

[No. 96 Leg.]

YEAS—31

Aiken
Allen
Bartlett
Beall
Bennett
Byrd,
  Harry F., Jr.
Cotton
Dole
Domenici
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
McClellan
McClure
Roth
Saxbe
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—49

Abourezk
Bentsen
Bible
Biden
Brock
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Fulbright
Hart
Hartke
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Mansfield
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Percy
Proxmire
Ribicoff
Schweiker
Stevens
Stevenson
Symington
Tunney
Williams

NOT VOTING—20

Baker
Bayh
Bellmon
Brooke
Buckley
Curtis
Dominick
Goldwater
Gravel
Haskell
Hatfield
Johnston
Long
Magnuson
Metcalf
Packwood
Pell
Randolph
Stennis
Taft

So the motion to lay on the table was rejected.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. INOUYE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I am about to propound a unanimous-consent request which I understand has been cleared all around.

I ask unanimous consent that there be a time limitation of 30 minutes on the committee amendment on lines 14 to 19, page 5, the time to be equally divided between the distinguished Senator from Alaska (Mr. Stevens) and the manager of the bill, the distinguished Senator from Wyoming.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. Mr. President, reserving the right to object, does the majority leader understand that that is the next amendment to be considered?

Mr. MANSFIELD. That is my understanding.

Mr. ALLEN. I have no objection.

The PRESIDING OFFICER. The Chair will state that it takes unanimous consent to return to that amendment at this time.

Mr. MANSFIELD. I ask unanimous consent.

The PRESIDING OFFICER. It was laid aside until all the other committee amendments were considered.

Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask for the yeas and nays on the amendment that was not tabled.

The yeas and nays were ordered.

Mr. McGEE. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Florida (Mr. Chiles), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from Louisiana (Mr. Long), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Metcalf), the Senator from Rhode Island (Mr. Pell), and the Senator from West Virginia (Mr. Randolph) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. Johnston) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Colorado (Mr. Haskell), the Senator from Washington (Mr. Magnuson), and the Senator from West Virginia (Mr. Randolph) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. Curtis), the Senator from Colorado (Mr. Dominick), and the Senator from Oregon (Mr. Packwood) are absent on official business.

The Senator from Oklahoma (Mr. Bellmon), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Hatfield), and the Senator from Ohio (Mr. Taft) are necessarily absent.

Also, the Senator from Tennessee (Mr. Baker) and the Senator from New York (Mr. Buckley) are necessarily absent.

If present and voting, the Senator from Nebraska (Mr. Curtis) and the Senator from Oregon (Mr. Hatfield) would each vote "nay."

The result was announced—yeas 48, nays 31, as follows:

[No. 97 Leg.]

YEAS—48

Abourezk
Bentsen
Bible
Biden
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cranston
Eagleton
Fulbright
Hart
Hartke
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Mansfield
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Percy
Proxmire
Ribicoff
Saxbe
Schweiker
Stevens
Stevenson
Symington
Tunney
Williams

NAYS—31

Aiken
Allen
Bartlett
Beall
Bennett
Brock
Byrd,
  Harry F., Jr.
Cotton
Dole
Domenici
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
McClellan
McClure
Roth
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—21

Baker
Bayh
Bellmon
Brooke
Buckley
Chiles
Curtis
Dominick
Goldwater
Gravel
Haskell
Hatfield
Johnston
Long
Magnuson
Metcalf
Packwood
Pell
Randolph
Stennis
Taft

So the committee amendment was agreed to.

The PRESIDING OFFICER. By unanimous consent, amendment No. 10, found on page 5, is now before the Senate, with a 30-minute time limitation.

Mr. McGEE. Mr. President, I wish to ask the parliamentary situation on that amendment, in view of the interest of the Senator from Alaska.

The PRESIDING OFFICER. There is a 30-minute limitation on the amendment, and no time on any amendment to the amendment.

Mr. McGEE. But is it not true that the consideration must be on the committee amendment? I want to make sure there is an understanding as to how the Senate will enter into the consideration of the amendment of the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska can offer a substitute amendment.

Mr. McGEE. The Senator can debate the amendment but he cannot offer it until the time has expired.

The PRESIDING OFFICER. The Senator is correct. The question is on agreeing to the amendment.

Mr. STEVENS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The Senator from Alaska can offer his amendment at the end of the 30 minutes, but not at the beginning.

The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 5, line 14 strike the word "state" and insert "State, except that each State shall provide for the registration or other means of qualification of all residents of such States who apply, not later than thirty days immediately prior to any Federal election, for registration or qualification to vote in such election."

Mr. STEVENS. Mr. President, the amendment I shall call up when the time expires would strike the clause which follows "Not later than 30 days" and substitute therefor:

> Immediately prior to any election for the choice of electors for President and Vice President or for President and Vice President in such election and the maximum constitutionally permissible period of time immediately prior to any other federal elec-

tion, for registration or qualification to vote in such election.

I am trying to take out of this voter registration bill a provision which would overturn 2 recent Supreme Court decisions that provide for 50-day residency requirements in certain State elections. I want to support the bill but I do not think that 30-day residency requirement for all Federal elections should be in this bill.

The amendment I intend to propose on page 5, line 17, will substitute for the present 30-day residency requirement for all Federal elections, language making that 30-day residency requirement only applicable to presidential elections in accord with the Voting Rights Act Amendments of 1970, and substituting the maximum residency period constitutionally permissible for any other Federal election.

One of the major defects in S. 352 is the requirement in section 404 that registration residency requirements may be no longer than 30-days immediately prior to any Federal election, presidential or otherwise.

I have been categorically informed by several major election officials in different States that this will make this act unworkable.

It just takes more time in many States to process the applications and mail out the materials to the local voting officials than the 30-day cutoff will allow. If we insist upon this 30-day period, the only alternative will be elimination of all pre-election registration in these States. This will defeat the purpose of the bill. The 30-day residency requirement in the Voting Rights Act Amendments of 1970 (84 Stat. 314, 42 U.S.C. 1973 aa–1(d)) has already caused considerable difficulty to a number of States.

This difficulty was caused without the imposition of a massive Federal post card registration requirement. With the imposition of a massive Federal post card registration system, such as that required under this bill, chaos will result in many States.

No such provision was in the bill reported out of committee last year. No such provision was in the bill introduced in the Senate this year. No such provision was in the bill on which hearings were held. This provision was added at the last minute in committee without the benefit of hearing or adequate discussion.

It has already been pointed out by the distinguished ranking minority member of the committee (Senator FONG) and the distinguished Senator from North Carolina (Mr. ERVIN) that there were not enough witnesses at the hearings who represented the States and other points of view not in complete accord with the bill.

I am concerned because this provision, which will have major effect on the States, was not included in the bill at the hearings and the States were not informed of its inclusion. After I talked to Lt. Gov. H. A. Boucher of my State, that these problems came to light. Since that time, I am informed, a number of other secretaries of State and lieutenant governors have been informed of this provision and they are equally appalled at its inclusion.

We should not amend the Voting Rights Act of 1965 in this offhanded manner without the full exposition, study by the States, and discussion that it deserves.

I am particularly concerned at its inclusion because the identical issue has been considered in a number of recent major law suits. Four of these have found their way to the U.S. Supreme Court. In three of these four law suits, residency requirements longer than 30-days were permitted in State elections. The original case, *Dunn* v. *Blumstein,* 405 U.S. 330 (1972), created some confusion when the Court struck down the 1-year residency requirement for Tennessee. It must be noted that Tennessee had a 1-year residency requirement but had set the cutoff time for registration at 30 days before an election.

That case was widely read as imposing an almost absolute barrier to the imposition of longer residency requirements.

But this reading was incorrect, as indicated by the Supreme Court in two cases only decided 2 weeks ago—*Marston* v. *Lewis,* 41 U.S.L.W. 3498, March 20, 1973, and the companion case *Burns* v. *Fortson,* 41 U.S.L.W. 3499, March 20, 1973. These cases were of such importance, I inserted them in the CONGRESSIONAL RECORD of April 10 at page 11663. A fourth case, *Rosariao* v. *Rockefeller,*— U.S.—March 21, 1973, was subsequently decided. The last three cases countenanced durational residency requirements longer than 30 days. Marston permitted 50-day requirements in Arizona. Burns permitted the same length of time in Georgia. Rosariao permitted a requirement that resulted in a registration cutoff 8 months before the next Presidential primary and 11 months before the next non-Presidential primary.

In each case the Court examined in detail the specific facts of the situation and the difficulties a 30-day cutoff date would have imposed on State officials.

These three cases indicate the policy issues that should be decided by Congress or by the courts in imposing such a cutoff.

But most importantly, these cases indicate that this decision must be made on a case-by-case basis.

Congress should follow the same reasoning process as the courts do in determining whether to impose a strict 30-day residency requirement. We should be governed by the same considerations that govern the courts.

In Dunn the Court held that States cannot choose means which unnecessarily burden or restrict constitutionally protected activity such as voting. If a State is to impose a period longer than 30 days, it must carry "a heavy burden of justification"—405 U.S. at 343.

The States should not be permitted to impose arbitrary or capricious deadlines. But neither should the Federal Government.

I would like to examine in detail the criteria the Supreme Court took into account in each of the four cases.

In Dunn, the Court held that the only durational residency requirements that will be countenanced are those which are absolutely necessary for administrative purposes. It went on to indicate additionally that the State could show a "compelling State interest" either to prevent fraudulent voting by nonresidents or to further the goal of having knowledgeable voters.

In Marston the Court stated:

> We recognized in Dunn that a person does not have a federal constitutional right to walk up to a voting place on election day and demand a ballot. States have valid and sufficient interests in providing for some period of time—prior to an election—in order to prepare adequate voter records and protect its electoral processes from possible fraud.

Such State interests included in the Marston case an examination of Arizona's registration and voting procedures, including a massive volunteer deputy registrar system which always produces a number of mistakes that must be corrected before each precinct register can be certified to be complete and correct. Additionally complicating the situation was a second factor which was also included in the court's reasoning—the State's fall primary system. The testimony indicated that at the peak of the registration for the November final election, county recorders and their staffs could not process incoming affidavits because of their work on the fall primaries.

These two factors, based upon limited staffs, limited expertise, and a concurrent primary election, were held to be sufficiently "necessary" to permit a 50-day residency requirement. The Court held that this 50-day period was:

> Necessary to promote the State's important interest in accurate voter lists. The Constitution is not so rigid that that determination and others like it may not stand.

In Burns the Court held that the State's extensive evidence given the:

> Vagaries and numerous requirements of the Georgia election laws was necessary for the orderly, accurate, and efficient administration of state and local elections, free from fraud.

In Rosario the Court held that the State had a valid interest in preventing "party raiding" in a subsequent closed primary election.

The point is that the Supreme Court has interpreted the Constitution as imposing a strong standard, but one that is flexible—at least up to 50 days—under which a State can prove a "compelling" interest to permit a waiver of the general 30-day residency requirement.

This type of an approach is equally necessary in national legislation such as S. 352.

While it may be possible for a State to make special provisions—by absentee ballots for example—in a Presidential election, it will be far more difficult with additional races and issues and impossible with a massive registration effort via post cards.

In Alaska, for example, our primary occurs in late August. The general election is in early November. This is usually at the time when it is particularly difficult to count on good mail service because of the vagaries of the weather. Great distances are also involved. Lieutenant Governor Boucher testified before our Committee:

> In registering a person in Alaska, there are, despite the small population, large problems. For example, let us overlay the State of Alaska on our sister states in the South, and place Anchorage where Wichita, Kansas is. Our office has the responsibility for registering 110 people in the small Aleutian Island of Attu. This would be the equivalent to registering these persons in San Diego.
>
> Our village community of Bettles, Alaska to the north, we would have several thousand people to register in the Chicago area.

I have received literally hundreds of letters and telegrams from concerned Alaskans who were aware that the 30-day residency requirement in the Dunn against Blumstein opinion could not be met if it were rigidly applied. These were written before the other three cases explaining the Court's holding in Dunn. These citizens, all individuals with no connection with the State or Federal Government, were deeply concerned because they felt this decision would throw the State electoral process into an uproar. It would have. But that uproar would be nothing compared to the uproar that would be created by this legislation if it is not amended.

I have, therefore, introduced this amendment that would require the 30-day period only in presidential elections.

This amendment I am offering today would apply the same standards the courts apply to all nonpresidential Federal elections. This would be the "maximum constitutionally permissible period of time" under State law. This provision will refer the Voting Administration to the State officials and the State laws they administer and will incorporate these Supreme Court cases. These four Supreme Court cases and their progeny in lower Federal courts and in State courts should provide on a case by case, State by State basis the appropriate period of time for each individual State.

This language "maximum constitutionally permissible period of time" has ample legislative precedent. It is modeled on a provision of the California Code of Civil Procedure, section 410.10, the so-called "long arm jurisdiction" statute. This states that courts of that State may exercise jurisdiction "on any basis not inconsistent with the Constitution of this State or of the United States." That statute was the subject of extensive review prior to its enactment and subsequently.

The validity of that statute was affirmed by the California courts. (See, for example, *Ault* v. *Dinner for Two, Inc.*, 102 Cal. R. 572, 574 (California Court of Appeals, 4th Dist. 1972). The legal scholars have also examined such a statute in constitutional terms. As the article at 21 Hastings Law Journal 1163—1970—states, a statute such as this amendment is both comprehensive and complete.

My amendment avoids couching the statute in narrow and arbitrary terms and eliminates a two-step constitutional analysis—whether the statute is constitutional, and then whether the practice comports with the statute.

Equally important are the comments of Prof. Milton D. Green of Hastings College of Law of the University of California. These were made in 21 Hastings Law Journal 1219—1970—in his article discussing the California statute. They are equally applicable regarding my amendment. This amendment adopts what might be called the open end, or trend adoption method. It ties reform to current constitutional doctrine. This is particularly important in the area of voting residency requirements. The courts are now in the process of reexamining these requirements and utilizing policy considerations similar to those Congress should utilize.

The language of the amendment is brief and will insure that both our States and our citizens get the maximum constitutional protection possible.

This is a bill to provide for a postcard registration system. It is not a bill to amend the Voting Rights Act of 1970, but this committee amendment, which places on the States the burden of registering any person who applies not later than 30 days immediately prior to the Federal election, is in fact an amendment to the Voting Rights Act, in my opinion.

Furthermore, it will be an impossibility for many States to comply with that provision and also comply with other provisions of existing State law.

Our State, Alaska, for instance, requires that the voting list of those people who are eligible to vote must be posted in the precinct prior to the election. If the registrar must register someone up to 30 days before the election, and then that registration form must be sent to Juneau, which is our capital, the voting list prepared, and sent back to the precinct, in many States it would be impossible, through the mail services, to comply with that provision.

The Senator from Wyoming has already stated his position. I have stated mine. There are durational residence requirements in States that have been held to be constitutionally valid. Arizona and Georgia, only in March of this year, obtained a ruling of the Supreme Court that a 50-day durational residency requirement was constitutional. I think we are bound by the same provisions of the Constitution that the Supreme Court found they were bound by in stating that the State laws in Arizona and Georgia were valid and were a valid constitutional exercise of the States' prerogatives to determine the period of residency that is necessary for them to perform the administrative procedures that they have adopted constitutionally in their States.

I do not want to labor this point, but let me again emphasize that this is not an attack on the postcard registration system; it opposes placing in this law the durational residency requirement of 30 days, which will, in effect, transfer to all Federal elections the provisions that now apply to Presidential elections alone.

I supported the amendment to permit anyone to vote for the President as soon as he had 30 days' residency in a State. It is a different matter now, particularly if we are to have a post card registration system, to say anyone can register up to 30 days before any Federal election. I think this requirement will be extremely burdensome.

I have pointed out before that registrars in many States have contacted me. They have contacted me also through our lieutenant governor, who has expressed violent opposition to this 30-day residency requirement as it appears in the committee amendment.

Mr. President, the Senator from Wyoming inserted his arguments in the April 11 CONGRESSIONAL RECORD.

He does not reach the central issue. Constitutionally Congress has the power in this area.

But the policy considerations governing the courts should also govern the Congress whether in interpreting the equal protection clause—not section 1—the powers of Congress, but article I, section 2; amendment XVII; and amendment V—or in drafting a statute. These considerations are clear. The States must be able to take into account conditions preventing them from processing a massive post card return in 15 days.

If the States only have 30 days between receiving the postcards and election day, they will only have 15 days to process these cards at the most. They cannot take a chance the lists will not reach the registrars in time. They will have 15 days at the most.

Many States amended their statutes after Dunn because they thought 30 days was an ironclad rule. Marston, Burns, and Rosariao indicate some of the conditions that will permit additional residency periods. There may be others. We should not as a matter of policy impose a time limit on the States that they cannot meet.

If any citizen of a State is denied the franchise as a result of the fact the voter lists do not reach his precinct in time, he will be able to declare this 30-day provision unconstitutional. This is going to present a serious constitutional crisis. In fact, I believe State registrars, acting on behalf of the voters in their States will be able to get this statute enjoined. Its application will create such chaos and lead to such an impossible demand on the voting machines of many States, that many citizens in many States or political subdivisions will be denied the right to vote in Federal elections.

This is the real constitutional issue.

It is much better to have a flexible constitutional Federal rule than an impossible, probably unconstitutional standard.

Mr. McGEE. I wish to address myself to the same general question, since we had an extended discussion earlier on this proposition. I find it necessary to disagree with the Senator from Alaska with respect to that particular proposal, and I want to explain very briefly why.

I would like to analyze his argument and explain why an overwhelming majority of the committee, voted in favor of this provision in committee along with the rest of the bill.

Prior to the enactment of the Voting Rights Act of 1970 and the ratification of the 26th amendment allowing 18-year-olds to vote, the laws of the various States relating to registration, the close of registration, and the qualifications of voters by age or residence varied widely. In Texas, for instance, a voter had to register prior to February 1 in order to vote in the general election the following November. The other extreme in North Dakota, a voter can register on election day. The enactment of the voting rights act in 1970 established as a Federal law that any citizen otherwise qualified may vote for President and Vice President in any State in which he has resided for 30 days before the presidential election. So, the 30-day residence requirement was established by Federal law.

Then in 1972, the Supreme Court of the United States held in the case of Dunn against Blumstein that the State law in Tennessee which required an individual to reside in that State for 1 year before becoming an eligible voter was unconstitutional; and that a 30-day residence requirement was a reasonable period; but the Court left open the question of whether a period of time greater than 30 days might not be within the limits of constitutionality as it affected State elections:

In the past year or two, a number of States have changed their residency requirements and their registration requirements to conform to the standard of 30 days. Now in Georgia and Arizona, the legislatures enacted statutes which closed the registration books 50 days befor the election—a difference of 20 days from the committee recommendation. Last month, the Supreme Court held, by a vote of 6 to 3, that the legislatures of Georgia and Arizona did not violate the Constitution of the United States by establishing a closing date 50 days before an election. A day or two after the Georgia and Arizona decisions, the Supreme Court issued another decision, this one involving the State of New York. The New York case differs from the Georgia and Arizona case because it relates to the opportunity for an individual to vote in a party primary for Federal, State, and local candidates. The petitioner in the case claimed that the requirement that an individual register not later than the most previous general election in order to vote in the next primary election was unconstitutional. The Supreme Court held, again by a 6 to 3 margin, that it was not unconstitutional.

In the New York case, that could mean that the effective closing date for voting in a primary could be as much as 11 months before the primary.

We are dealing with two different principles. One is the power of Congress to establish by Federal law the time, manner, and place of electing Federal officers, which the Constitution in article 1, section 4, specifically authorizes Congress to do. The other issue is the constitutionality of State statutes concerning registration and voting. I do not believe that the establishment by Federal law of a closing date for registering to vote for Federal officials in Federal elections can fairly be interpreted as an attempt by the Congress to overrule a decision of the Supreme Court. On the contrary, the very opposite is actually the case. If the Supreme Court had decided that the Georgia and Arizona statutes were unconstitutional, then I think it would be improper to establish, or attempt to establish, that those laws are constitutional. But that is not what the Supreme Court did. The Supreme Court in the Arizona, Georgia and New York or any other cases was not attempting to tell the Congress of the United States that it does not have the power, or should not exercise the power, to establish by law the time, manner, and place of Federal elections. That just is not so. The Supreme Court was deciding only the very narrow issue of whether the States, in exercising their power, which is also derived from the Constitution, had acted unconstitutionally. The answer, of course, was that they had not acted unconstitutionally in trying to regulate the time factor in State elections.

Section 404 of the bill goes no further then to establish a Federal rule for Federal elections. If Georgia wants to close its books for State elections or local elections 50 days before the elections, that is Georgia's business. That is up to Georgia. If New York wants to close its books for voting in a primary 6 months or a year before the primary for State elections, that is New York's business. The Supreme Court of the United States has ruled that such a practice is not unconstitutional. Although I may disagree with the reasoning of the Court, I do not suggest that it does not have the power and the duty to render such a decision.

We are establishing a uniform rule for registering to vote in Federal elections and that is all we are doing. The Senator from Alaska sees a great difference between the elections of President and the election of a Senator. I do not. As far as Alaskans are concerned, I am sure Ted Stevens makes every effort to represent every citizen of that State just as much as Richard Nixon does. If we do not act to establish a Federal rule, then we will probably produce 50 rules; and to avoid that result was the reason the Founding Fathers met in Philadelphia in the summer of 1787.

Only 6 States require more than 30 days residence now.

Arizona, 50 days; Colorado, 32 days; Indiana, 60 days; Massachusetts, 31 days; Missouri, 60 days; New Jersey, 40 days.

Only 6 States have more than 30-day closing date.

Alaska, 45 days; Arizona, 50 days; Georgia, 50 days; Illinois, 33 days; New Jersey, 40 days; New Mexico, 42 days.

Let us not get this problem out of perspective. Let us not inflate it. What we are saying right now is that only 6 of the 50 States require more than 30 days' residence. They are Arizona, Colorado, Indiana, Massachusetts, Missouri, and New Jersey. And only 6 States have more than a 30-day closing date for registration. They are Alaska, Arizona, Illinois, Georgia, New Jersey, and New Mexico.

What we are saying, Mr. President, is that we believe the committee recommendation in the bill as it stands now is much more practical and reasonable to sustain a similar voting formula and pattern for the 50 States as already exists in 44 of the 50 States in Federal elections under the Voting Rights Act of 1970.

Mr. STEVENS. Mr. President, what the Senator says makes some sense except that he loses sight of the fact that we are bound by the same Constitution that the Supreme Court interpreted in finding that Arizona and Georgia were entitled to use 50 days for their procedural requirements in order to obtain a fair election process. What I am saying is that as a result of the decision of the Supreme Court, we now know that a State may use 50 days if it justifies its internal procedures under State laws requiring more than 30 days between the end of registration and election day.

This is a case-by-case determination.

All my amendment would do is to permit the State to use a maximum constitutionally permissible time for its residency requirement in Federal elections.

We now know that two States, Arizona and Georgia, have 50 days. And for Tennessee, 50 days would have been too much. The Supreme Court set a minimum of 30 days for Tennessee. It has now said that 50 days were permissible for Arizona and Georgia. I think that our State of Alaska could demonstrate that in many places it would take 60 to 90 days to get the mail from the precinct back to Juneau and back to the precinct. The length of time necessary should be up to the State, which should have to justify it.

It must be justified on a case-by-case basis. I do not believe that we should use this bill to overturn two recent Supreme Court cases involving Georgia and Arizona and overturn in New York the case which said that in a closed party primary the State could close the party books for the next preceding primary election. To me it is wrong to use a voter registration bill to overturn the Supreme Court's studied opinion in the residency cases.

Mr. FONG. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

The PRESIDING OFFICER. On whose time?

Mr. STEVENS. Mr. President, the time is equally divided, and I am yielding from my time to the Senator from Hawaii.

Mr. FONG. Mr. President, I have listened to the explanation of the Senator from Alaska. However, my construction of his amendment would put him out of court constitutionally. The Senator has recommended striking all after 30 days, and then insert immediately prior to any election, and the maximum constitutionally permissible period of time . . . suppose that the maximum constitutionally permissible time is 50 days, and in some States it is 30 days. The 30 days plus the 50 days puts the Senator out of court. It makes 80 days.

I think it would be better to rewrite the amendment and say, "30 days immediately prior to the election for the choice of electors for the President and Vice President or for President and Vice President in such election or the maximum constitutionally permissible period time, whichever is the longer."

Mr. STEVENS. Mr. President, if the Senator from Hawaii would read the language, it says "Immediately prior to any election for the choice of electors for President and Vice President or for President and Vice President in such election." That is one thing. And the "maximum constitutionally permissible period of time immediately prior to any other Federal election" would mean the election for Senators and Representatives. Of course, even the committee bill does not attempt to invade the province of the States and the Governors or Lieutenant Governors or State legislatures.

I am saying that there is a 30-day period prior to any election for the choice of electors for President and Vice President. That is the existing law.

Mr. FONG. The Senator is not changing that.

Mr. STEVENS. I am not changing that. The amendment also says, "The maximum constitutionally permissible period of time prior to any other Federal election, for registration or qualification to vote in such election." That is for the election of Senators and Representatives.

In Arizona and Georgia we know that they now have 50 days. What it will be for my State will depend on the presentation the legislature makes to substantiate whatever act is enacted. However, we know that six States already have these periods in excess of 30 days. My amendment will validate those procedures and will also validate the New York party primary that has been held constitutional by the Supreme Court this last month.

Mr. FONG. The Senator intends to leave the election for President and Vice President as it now is under the law.

Mr. STEVENS. The Senator is correct.

Mr. PERCY. Mr. President, I ask unanimous consent that William Litton, a member of the staff of the Government Operations Committee have access to the floor during the consideration of S. 352.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield 1 minute to my distinguished friend, the Senator from South Dakota, for the presentation of a conference report.

AMENDMENT OF EMERGENCY LOAN PROGRAM—CONFERENCE REPORT

Mr. McGOVERN. Mr. President, I submit a report of the committee of conference on H.R. 1975, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. SAXBE). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECOTD of April 11, 1973, at p. 11781.)

Mr. McGOVERN. Mr. President, I ask unanimous consent that the printing of the report as a Senate report be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, the conferees recommend that the Senate recede from its amendments Nos. 1, 2, 3, and 5 and disagreed on amendment No. 4. The House has now agreed to the conference report and has adopted a substitute for Senate amendment No. 4. With adoption of the conference report and agreement by the Senate to the House modification of amendment No. 4, the only essential differences between the final legislation and that earlier approved by the Senate is that—

First, the definition of disaster in the Disaster Relief Act of 1970 would not be amended to include erosion. The House conferees felt that this amendment was nongermane to the House bill, was a matter within the jurisdiction of other committees of the House and Senate, and was a matter on which the conferees did not have sufficient knowledge. Of course, where the erosion was caused by flood, windstorm, or other calamity already included within the definition of disaster, the Disaster Relief Act of 1970 would apply.

Second, the Tower amendment, which would terminate the $5,000 forgiveness and 1 percent interest rate features of the Small Business Administration disaster loans, would be made effective for disasters occurring after the enactment of this bill rather than for loans approved after the enactment of the bill. This would prevent a situation from arising similar to that which has caused so much difficulty with the Farmers Home Administration loans, where some applicants were so fortunate as to have their applications considered in time to obtain their loans, while their neighbors, who suffered losses in the same disaster, were precluded from obtaining similar loans.

With the changes recommended by the conference report and the House amendment to amendment No. 4, the bill would—

First, repeal provisions for forgiveness of up to $5,000, for forgiveness of up to $2,500, for low interest rates, and for other special treatment of certain emergency loans administered by the Farmers Home Administration provided for by Public Law 92-385 and Public Law 606;

Second, increase the maximum interest rate on emergency loans under subtitle C of the Consolidated Farm and Rural Development Act of 5 percent—from 3 percent, which currently has been superseded by Public Law 92-385 and Public Law 91-606;

Third, direct, rather than authorize, the Secretary to make such loans and to designate emergency areas in appropriate cases, and provide for such loans in presidentially, as well as secretarially, designated disaster areas;

Fourth, permit persons in disaster areas designated as such between January 1, 1972, and December 27, 1972, to apply for 18 days following enactment of the bill for Farmers Home Administration emergency loans with the $5,000 forgiveness and 1 percent interest rate features;

Fifth, terminate the $5,000 forgiveness feature and 1 percent interest rate on Small Business Administration disaster loans for loans made in connection with any disaster occurring after the date of enactment of the bill. The $2,500 forgiveness feature would also be terminated.

Sixth, make technical corrections in the law.

Mr. President, the question has been raised about the effect of this bill on natural disasters which have struck in the past few days, such as the devastating floods in the Missouri and Mississippi Valley.

The amendment to this bill would repeal the portion of the Small Business Administration loan program which now grants 1 percent loans and $5,000 forgiveness, but it makes that termination effective with enactment. It is clear that any disasters which occur before the enactment of this legislation would be covered under the terms of existing law, not the provisions of this bill.

I just want the record to show clearly that the floods in the lower Mississippi River Basin and the lower Missouri River Basin are covered under existing law, with the more liberal features. I am told that the assistant general counsel of the Small Business Administration concurs with this view, and interprets this bill as saying that these cases would not be affected by enactment of the legislation.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. McGOVERN. Mr. President, I move that the Senate concur in the House amendment to Senate amendment No. 4.

The PRESIDING OFFICER. The clerk will state the amendment in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter to be inserted by the Senate amendment, insert:

SEC. 9. Notwithstanding the provisions of any other law, any loan made by the Small Business Administration in connection with any disaster occurring on or after the date of enactment of this Act under Sections 7(b) (1), (2), or (4) of the Small Business Act (15 U.S.C. 636(b) (1), (2), or (4)) shall bear interest at the rate determined under Section 324 of the Consolidated Farm and Rural Development Act, as amended by section 4 of this Act. No portion of any such loan shall be subject to cancellation under the provisions of any law.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota.

The motion was agreed to.

VOTER REGISTRATION ACT

The Senate continued with the consideration of the bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mr. McGEE. Mr. President, I am prepared to yield back the remainder of my time on this side.

Mr. STEVENS. Mr. President, I yield back the remainder of my time.

Mr. McGEE. Mr. President, I move the adoption of the committee amendment.

Mr. STEVENS. Mr. President, I call up my amendment to the committee amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike the clause which follows: "Not later than 30 days immediately prior" and substitute therefor: "immediately prior to any election for the choice of electors for President and Vice President or for President and Vice President in such election and the maximum constitutionally permissible period of time immediately prior to any other federal election, for registration or qualifiation to vote in such election".

Mr. STEVENS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Alaska (Mr. Gravel), the Senator from Iowa (Mr. Clark), the Senator from California (Mr. Cranston), the Senator from Colorado (Mr. Haskell), the Senator from Louisiana (Mr. Long), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Metcalf), the Senator from Rhode Island (Mr. Pell), the Senator from West Virginia (Mr. Randolph) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. Johnston) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. Magnuson), the Senator from Iowa (Mr. Clark), and the Senator from West Virginia (Mr. Randolph) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. Curtis), the Senator from Colorado (Mr. Dominick), and the Senator from Oregon (Mr. Packwood) are absent on official business.

The Senator from Oklahoma (Mr. Bellmon), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Hatfield), and the Senator from Ohio (Mr. Taft) are necessarily absent.

Also, the Senator from Tennessee (Mr. Baker) and the Senator from New York (Mr. Buckley) are necessarily absent.

On this vote, the Senator from Nebraska (Mr. Curtis) is paired with the Senator from Oregon (Mr. Hatfield). If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Oregon would vote "nay."

The result was announced—yeas 37, nays 41, as follows:

[No. 98 Leg.]

YEAS—37

Aiken
Allen
Bartlett
Beall
Bennett
Brock
Byrd, Harry F., Jr.
Byrd, Robert C.
Cook
Cotton
Domenici
Eastland
Ervin
Fannin
Griffin
Gurney
Hansen
Helms
Hruska
Mathias
McClellan
McClure
Montoya
Nunn
Pearson
Percy
Roth
Saxbe
Sparkman
Stafford
Stevens
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NAYS—41

Abourezk
Bentsen
Bible
Biden
Burdick
Cannon
Case
Chiles
Church
Dole
Eagleton
Fong
Fulbright
Hart
Hartke
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Mansfield
McGee
McGovern
McIntyre
Mondale
Moss
Muskie
Nelson
Pastore
Proxmire
Ribicoff
Schweiker
Scott, Pa.
Scott, Va.
Stevenson
Symington
Williams

NOT VOTING—22

Baker
Bayh
Bellmon
Brooke
Buckley
Clark
Cranston
Curtis
Dominick
Goldwater
Gravel
Haskell
Hatfield
Johnston
Long
Magnuson
Metcalf
Packwood
Pell
Randolph
Stennis
Taft

So Mr. Stevens' amendment was rejected.

Mr. McGEE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Huddleston). The question now recurs on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. ALLEN. Mr. President, I desire to be recorded as having voted "nay."

RESUMPTION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, there will be no more yea-and-nay votes today and no further action on the pending measure today.

I therefore ask unanimous consent that there now be a resumption of the period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON PROPOSED CONSTRUCTION PROJECTS FOR NAVAL AND MARINE CORPS RESERVE

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, on construction projects proposed to be undertaken for the Naval and Marine Corps Reserve. Referred to the Committee on Armed Services.

REPORT ON ARMY RESEARCH AND DEVELOPMENT CONTRACTS

A letter from the Acting Assistant Secretary of the Army (R. & D.), transmitting, pursuant to law, a report on Department of Army research and development contracts awarded during the period 1 July 1972 and 31 December 1972 (with an accompanying report). Referred to the Committee on Armed Services.

REPORT ON DEFENSE DEPARTMENT PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of Department of Defense procurement from small and other business firms for the period July 1972 to January 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION FROM SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to revise and modernize the statutes relating to the coinage and the Bureau of the Mint (with an accompanying paper). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION FROM DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend title V of the Housing Act of 1949 to provide for the use of fee appraisers and construction inspectors, and for other purposes (with an accompanying paper). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION BY THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to promote the foreign policy of the United States by prohibiting travel in a restricted area (with an accompanying paper). Referred to the Committee on Foreign Relations.

PROPOSED LEGISLATION FROM DEPARTMENT OF STATE

A letter from the Acting Assistant Secretary for Congressional Relations, transmitting a draft of proposed legislation to further amend the U.S. Information and Educational Exchange Act of 1948 (with an accompanying paper). Referred to the Committee on Foreign Relations.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law a report entitled "Examination of Financial Statements of Federal Prison Industries, Inc., Fiscal Year 1972," Department of Justice, dated April 10, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Better Use of Outpatient Services and Nursing Care Bed Facilities Could Improve Health Care Delivery to Veterans," Veterans' Administration, dated April 11, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Economies Available Through Improved Management of Navy Shipboard Investories," dated April 9, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report entitled "Use of Excess Defense Articles and Other Resources to supplement the Military Assistance Program" (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Contract With Commonwealth of Pennsylvania

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with the Commonwealth of Pennsylvania (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Report of U.S. Commission on Civil Rights

A letter from the Director, Congressional Liaison, U.S. Commission on Civil Rights, transmitting a report entitled "To Know Or Not To Know: Collection and Use of Racial and Ethnic Data in Federal Assistance Programs," dated February 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

Proposed Legislation From Department of Labor

A letter from the Secretary of Labor, transmitting a draft of proposed legislation entitled "Employee Benefits Protection Act" (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

Report of Boy Scouts of America

A letter from the Chief Scout Executive, Boy Scouts of America, transmitting, pursuant to law, a report that reflects the accomplishments of the Boy Scouts of America, dated March 26, 1973 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

Report on Pesticides in the Aquatic Environment

A letter from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Pesticides in the Aquatic Environment," dated April, 1973 (with an accompanying report). Referred to the Committee on Public Works.

CHANGE OF REFERENCE OF EXECUTIVE COMMUNICATION

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of an executive communication, a letter from the general counsel of the Department of Defense transmitting proposed legislation to amend title 38 to provide full-time coverage under servicemen's group life insurance for members of the Reserve and National Guard; and that this communication be referred to the Veterans' Affairs Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MONTOYA, from the Committee on Public Works, with an amendment:

H.R. 2246. An act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period (Rept. No. 93–117), together with additional and supplemental views.

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 1315. A bill to extend diplomatic privileges and immunities to the Liaison Office of the People's Republic of China and to members thereof, and for other purposes (Rept. No. 93–119).

REPORT ON ACTIVITIES OF THE COMMITTEE ON ARMED SERVICES, U.S. SENATE—REPORT OF A COMMITTEE (S. REPT. NO. 93–118)

Mr. SYMINGTON. Mr. President, as acting chairman of the Committee on Armed Services, I submit, on behalf of Chairman Stennis, the activities report of the Committee on Armed Services, covering the entire 92d Congress.

This submission is in compliance with section 136b of the Legislative Reorganization Act of 1946, as amended.

I would like to observe for the Record that this report, of 109 pages, represents considerable effort on the part of those who worked diligently to prepare it, and it should be a useful document for those who wish to review the work of the committee for the entire 92d Congress.

The PRESIDING OFFICER. The report will be received and printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. TOWER, from the Committee on Armed Services:

Jerry Warden Friedheim, of Virginia, to be an Assistant Secretary of Defense.

The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. HARRY F. BYRD, JR., from the Committee on Armed Services:

John O. Marsh, Jr., of Virginia, to be an Assistant Secretary of Defense.

The nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Mr. CANNON. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of 20 reserve rear admirals in the Navy for permanent promotion in that grade—list beginning with Pedersen and ending with Ziolsowski—and ask that Lt. Gen. Ormond R. Simpson, U.S. Marine Corps be placed on the retired list in the grade of lieutenant general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BENTSEN:

S. 1549. A bill to amend the Natural Gas Act to provide that provisions of the act shall not apply to certain sales in interstate commerce. Referred to the Committee on Commerce.

By Mr. TOWER:

S. 1550. A bill to provide tax incentives to encourage physicians, dentists, and optometrists to practice in physician-shortage areas. Referred to the Committee on Finance.

By Mr. EASTLAND (for himself, Mr. Stennis, Mr. McClellan, Mr. Fulbright, and Mr. Long):

S. 1551. A bill to amend the Agricultural Adjustment Act of 1938 with respect to rice and peanuts. Referred to the Committee on Agriculture and Forestry.

By Mr. EASTLAND (by request):

S. 1552. A bill to establish the official residence of the Chief Justice of the United States by private gift to the United States. Referred to the Committee on the Judiciary.

By Mr. ROBERT C. BYRD:

S. 1553. A bill for the relief of Elizabeth Currado. Referred to the Committee on the Judiciary.

By Mr. THURMOND:

S. 1554. A bill authorizing the Secretary of Defense to utilize Department of Defense resources for the purpose of providing medical emergency transportation services to civilians, and limiting Government and individual liability incident to providing such services, and for other purposes. Referred to the Committee on Armed Services.

By Mr. BIDEN:

S. 1555. A bill to provide that Federal income tax returns may be mailed free of postage. Referred to the Committee on Post Office and Civil Service.

By Mr. JAVITS:

S. 1556. A bill to provide educational benefits for individuals who have participated in approved community service programs. Referred to the Committee on Labor and Public Welfare.

By Mr. JAVITS (by request):

S. 1557. A bill to amend the Welfare and Pension Plans Disclosure Act. Referred to the Committee on Labor and Public Welfare.

By Mr. ROTH:

S. 1558. A bill to amend the Federal Water Pollution Control Act in order to require the filing of certain environmental impact reports and the approval of affected coastal States with respect to the construction of offshore docking facilities for vessels transporting petroleum products. Referred to the Committee on Public Works.

By Mr. NELSON (for himself and Mr. Javits):

S. 1559. A bill to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes; and

S. 1560. A bill to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. HARTKE:

S. 1561. A bill to provide that Mansfield Lake, Ind., shall be known as Cecil M. Harden Lake. Referred to the Committee on Public Works.

By Mr. MOSS:

S. 1562. A bill for the relief of J. Clarence Ingram, Don W. Ingram, and Dick L. Ingram of Nephi, Utah. Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself and Mr. CRANSTON, Mr. MAGNUSON, Mr. FONG, Mr. INOUYE, Mr. PACKWOOD, Mr. ABOUREZK, and Mr. HATFIELD):

S. 1563. A bill to enable domestic growers or canners of seasonal fruits or vegetables or of fruit juices, fruit nectars, or fruit drinks prepared from such seasonal fruits, which were packed in hermetically sealed containers and sterilized by heat to secure an adjudication of certain claims for losses in the court of claims. Referred to the Committee on the Judiciary.

By Mr. CHILES:

S. 1564. A bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States. Referred to the Committee on Rules and Administration.

By Mr. MONDALE (for himself, Mr. BAYH, Mr. MANSFIELD, Mr. STEVENSON, Mr. PERCY, Mr. MCINTYRE, Mr. STAFFORD, and Mr. NELSON):

S. 1565. A bill to permit Congress to play its proper role in the formulation of policy relating to foreign commerce, the public lands, and the energy needs of the country. Referred to the Committee on Interior and Insular Affairs.

By Mr. INOUYE (for himself and Mr. FONG):

S. 1566. A bill to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa, or the Trust Territory of the Pacific Islands and the west coast, and to prevent certain interruptions thereof. Referred to the Committee on Commerce.

By Mr. FONG (for himself and Mr. INOUYE):

S. 1567. A bill to provide for uniform expiration dates for agreements in longshore and maritime industries in the States of Washington, Oregon, or California. Referred to the Committee on Labor and Public Welfare.

By Mr. FONG:

S. 1568. A bill to amend the Clean Air Act and the Solid Waste Disposal Act in order to include the Trust Territory of the Pacific Islands within the definition of the term State. Referred to the Committee on Public Works.

By Mr. ROBERT C. BYRD:

S.J. Res. 90. Joint resolution authorizing the President to proclaim the first Sunday in June of each year as "National Shut-In Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 1549. A bill to amend the Natural Gas Act to provide that provisions of the act shall not apply to certain sales in interstate commerce. Referred to the Committee on Commerce.

AMENDMENT OF THE NATURAL GAS ACT

Mr. BENTSEN. Mr. President, there has been a great deal of discussion over the past 12 months about the shortage of domestic energy and I would expect that discussion to intensify during the next year. Senator PASTORE, chairman of the Joint Committee on Atomic Energy has made available to all Members a comprehensive briefing on the energy situation which indicates the magnitude of the problem we face. I encourage all of my colleagues to take advantage of that briefing.

The committee staff has projected the expected increase in energy demand even with very favorable assumptions on energy conservation. They have projected our expected energy supplies assuming we change many of our present policies to encourage new domestic development of all energy sources. And, Mr. President, by 1980 they still estimate we will be sending $18 billion a year abroad for energy imports. That assumption is based on today's foreign energy prices and we know those will increase as energy demand continues to rise worldwide.

Today I introduce a bill to provide one of the policy changes assumed in the staff study which must be made if even those bleak projections are not to prove too optimistic.

This bill would amend the Natural Gas Act of 1938 to remove Federal regulation of the price which interstate pipelines are allowed to pay natural gas producers for gas newly dedicated to interstate commerce or produced from wells commenced on or after April 6, 1972.

This would not alter existing provisions in long-term contracts between interstate pipeline companies and natural gas producers. However, when these contracts expire in accordance with their terms the price of any natural gas dedicated to interstate commerce in a new contract would be set by the competitive market rather than direct regulation.

A natural gas producing company affiliated with the pipeline to which it sells would remain subject to Federal Power Commission regulation. However, the price allowed for such sales would reflect the value of natural gas produced and sold by nonaffiliated companies in the area of the sale.

This would avoid the problem caused by a lack of arms-length bargaining between affiliates while insuring that interstate pipelines which are actively seeking new reserves to satisfy the needs of their customers through production affiliates are not placed at a disadvantage.

The bill would also provide certainty as to the prices approved by the Federal Power Commission on past sales of natural gas in cases where those determinations are no longer subject to judicial review. Under the current regulatory system prices which the Commission approves and are held just and reasonable by the appellate courts can later be revised downward and refund of the past charges ordered. This possibility, even though somewhat remote, lends additional uncertainty to the already risky business of exploring for and developing new natural gas reserves.

Mr. President, I believe this bill is a moderate solution to getting us out of a regulatory system which was never intended by the Congress when it enacted the Natural Gas Act and which has done great harm to both the available supply and usage of one of our Nation's cleanest burning and most efficient sources of energy.

It is the so-called phased decontrol plan. I chose the date of April 6, 1972, because that was the date used by the Federal Power Commission in the recently adopted optional pricing procedures which attempt to recognize the true market value of natural gas in setting regulated prices.

Mr. President, this is not just a proposal of a Texas Senator in behalf of a local interest. All three of the current Commissioners at the Federal Power Commission now support such phased decontrol. Chairman John Nassikas endorsed such an approach in a speech before the National Press Club earlier this week. Chairman Nassikas is not a man from a gas producing State. He is a New Englander who came to the conclusion that phased deregulation is in the national interest after years of careful study.

This is the approach endorsed in a series of editorials by the Washington Post. I ask that those editorials be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. BENTSEN. Mr. President, I could go on at great length about how artificial price ceilings have not kept pace with the rapid escalation in the most of discovering and developing new reserves and have reduced available supplies. A great deal could also be said about how the artificial ceilings have encouraged the wasteful consumption of natural gas in boilers just because it was cheaper than coal. Even more could be said about the practice of allowing only 20 to 25 cents per thousand cubic feet for natural gas produced domestically while we import gas at six times that price.

And I would hope some of the Senators from gas consuming States would want to talk about how current policies intended to protect the consumer have resulted in the greatest injury of all—the unavailability of adequate quantities of this product which consumers so badly need.

But, Mr. President, all of this has been said many times before. Let us put recriminations and blame laying behind us. Let us move on to the business of trying to solve the problem.

I urge the Senate Commerce Committee to give by bill careful consideration at the earliest possible date.

EXHIBIT 1

[From the Washington Post, Dec. 23, 1972]

YOUR GAS BILL AND THE SHORTAGE

To keep natural gas cheap for consumers, the federal government regulates the price. Because the federal government keeps the price low, there is now a severe shortage of gas. Because of the shortage, we are now importing gas from Algeria at six times the average price of domestic gas.

Our national policy for natural gas has turned into a failure. But it has been an instructive failure, demonstrating the importance of prices on any policy for fuels and energy. Since President Nixon is engaged in a broad review of our energy requirements, and the Senate is independently carrying out its own study, changes in the law are presumably coming. In the case of natural gas, it would now best serve the consumers' interest to end governmental regulation of prices at the wellhead.

As in other aspects of energy policy, the American consumer now has a choice between traditionally cheap gas with deepening shortages and curtailments of service, or more expensive gas with guaranteed supplies. How much more expensive? It depends largely on the price of fuel oil. One of the most bizarre elements in the present law is the federally enforced discrepancy between the cost of gas and its thermal equivalent in oil. While the government holds the price of gas down, it holds the price of oil up by imposing import quotas.

The present average price of gas at the wellhead is about 20 cents per thousand cubic feet. An equivalent amount of energy in oil costs about 50 cents, and that is why a great many industries are using gas as boiler fuel. An end to regulation would probably mean that gas prices would rise slightly above oil prices, since gas is cleaner and much preferable for environmental reasons. But as gas became more expensive, many industries would then switch to oil and free vast quantities of gas to residential consumers. The effect on the consumer's gas bill would be substantial but not drastic. The retail price is mostly in transmission expenses. The gas that is 20 cents at the well in Oklahoma costs the typical Washington home owner about $1.65. An increase to 50 cents in Oklahoma would mean, if passed along penny for penny, an increase to $1.95 at the retail level in Washington. This increase would serve several purposes.

It would not only open new supplies to present users, but it would preserve the position of gas as a major domestic fuel in the metropolitan areas. Gas pollutes the atmosphere less than any competing fuel, and is well adapted for areas where millions of families must crowd into small spaces. At the same time the rising price would induce home owners to be a bit more careful about wasting fuel. As prices go up, it becomes cheaper to insulate one's roof than to continue heating the sky.

One dramatic and unfortunate result of the present regulatory system is that producers are increasingly selling their gas in the states where they drill it. The Federal Power Commission and its rule touch only interstate sales. While gas is being denied to customers in the big cities of the East, the gas-producing states are recruiting new industries with promises of unlimited gas supplies. The five principal gas-producing states, with 10 per cent of the country's population, are currently using almost one-third of its gas. They are using it mainly for industrial boiler fuel. Some of it is burned to generate electricity to heat homes and cook food, with a loss of about two-thirds of the energy in the conversion process.

There are a variety of theoretical solutions to these anomalies. Representatives of consumers' interests have put forward, from time to time, programs of legislation intended to hold prices low while simultaneously maintaining regulation and ensuring future supplies to homes and cities. These proposals all necessarily involve some sort of rationing device to cut industrial use. It is an attempt to cure the present defective system of regulation by introducing further layers of regulation. Past experience with rationing and layered regulation does not inspire confidence that it will improve either the equity or the efficiency of the system despite its authors' good intentions.

Deregulation of gas is a difficult task for Congress, largely owing to the deep and well-founded public suspicion of the oil and gas industry. That industry has greatly contributed to its own troubles by its raucous and dubious political tactics over the years. It is not entirely forgotten in this city that Congress, in 1956, passed a deregulation bill only to have it vetoed by President Eisenhower after Senator Case of South Dakota announced that an oil lobbyist had offered him a "campaign contribution" to enlist his vote. There is a tendency in our part of the country to assume that whatever is good for the oil-and-gas lobby must be disastrously bad for the rest of us. Deregulation of gas is an exception to this rule. It will mean more money for the gas industry but, much more important, it will mean adequate and reliable supplies for consumers.

The pipelines and the distribution companies are monopolies and would remain, of course, under FPC regulation. Deregulation would affect only the producers. But there is an obvious danger of collusion between producers and pipelines to jack the wellhead prices up beyond competitive levels. Some pipelines have interests in production companies, and vice versa. Any deregulation legislation would have to assure competitive pricing in the gas fields.

Coal is plentiful but dirty. Nuclear energy is clean but technically difficult. Oil is available but, increasingly, it has to be imported. Gas is in short supply because we hold the price artificially below the prices of competing fuels. It illustrates the crucial importance of pricing to the future national energy policy. Deregulation is part of any reasonable attempt to match supply with a soaring demand.

[From the Washington Post, Mar. 19, 1973]

COCKPIT POINT AND THE PRICE OF GAS

The economics of natural gas has gone badly askew in this country. The latest illustration is the Washington Gas Light Company's plan to generate synthetic gas at Cockpit Point on the Potomac River. The company is, involuntarily, demonstrating that the federal government's misguided efforts to hold down the price of gas is going to cost the residential consumer a lot of money.

In deference to an obsolete view of the consumers' interest, the Federal Power Commission holds the price of natural gas low. But the FPC has jurisdiction only over gas that crosses state lines. As a result, producers are currently selling nearly all of their new production in the state of origin in order to avoid the FPC regulations. The principal states of origin are, of course, Texas, Louisiana and several of their neighbors, where gas is burned in great quantities as industrial boiler fuel because it is cheaper than the lowest grade of oil.

Washington Gas Light gets its gas from the pipelines that carry it here from the southwest. A year ago one of the lines cut back on its deliveries. That was the point at which Washington Gas Light announced that it could accept no new customers. Now another line has warned the company to expect a further cut next year. In response, quite properly, Washington Gas Light has drawn up a proposal to protect itself and its customers by making synthetic gas at Cockpit Point from naphtha.

The numbers are illuminating. The average cost of natural gas at the well runs about 20 cents per thousand cubic feet. The pipelines sell it to Washington Gas Light for 55 cents a thousand cubic feet. The Cockpit Point plant will produce the synthetic gas at $1.50 a thousand cubic feet. Because the FPC holds the price of natural gas too low, there is a shortage, and because there is a shortage, we must buy a synthetic substitute that costs three times as much. Who is saving money for whom?

The immediate effect of the synthetic gas on the customers' bills will be small. The plant is to produce only about 8 per cent of the company's requirements. Since most of the final retail price is in the distribution system, the average householder's bill will go up only about 3 per cent, the company says. But the pattern is obvious. As the older wells run out in the southwest, under present regulations the eastern cities like Washington must rely increasingly on expensive synthetics.

The solution is to deregulate the price of natural gas at the well. No one can forecast accurately how high the price might go if the regulation were lifted. Most specialists guess that it would go up to a level somewhere between twice and three times its present price—which is to say, between 40 and 60 cents a thousand cubic feet. Adding the cost of transporting that gas to Washington, the price would still be less than a dollar. It would still be one-third less than that of the synthetic gas produced at Cockpit Point.

Despite this strange and costly disparity, Washington Gas Light is undoubtedly well advised to proceed with the synthetic gas plant. While the deregulation of gas prices is now manifestly desirable, the legislation to accomplish it cannot be enacted quickly or easily. The public mistrust of the industry is strong and the need for safeguards is clear. The prospect now is for a prolonged period of debate and uncertainty. In the meantime the customers of Washington Gas Light will discovered that, when artificially low prices create shortages, the remedy is remarkably expensive.

By Mr. TOWER:

S. 1550. A bill to provide tax incentives to encourage physicians, dentists, and optometrists to practice in physician shortage areas. Referred to the Committee on Finance.

Mr. TOWER. Mr. President, today I introduce a bill to provide a tax incentive for physicians, dentists, and optometrists to establish their practices in hard-pressed rural and urban-core areas where there is the greatest need for health professionals to provide medical care. This bill is identical to S. 3499, a bill which I introduced during the 92d Congress. Although no action was taken during the closing months of Congress, I am hopeful that Congress will give this proposal serious consideration in the immediate future. This concept has been endorsed by the American Medical Association and the American Optometric Association as a method of correcting the Nation's maldistribution of health manpower.

The national health manpower shortage is critical. We simply do not have enough doctors, dentists or optometrists to meet the Nation's demand for health care. It is conservatively estimated that there is a current shortage of 48,000 physicians, 20,000 dentists, and over 10,000 optometrists.

Congress passed the Comprehensive Health Manpower Training Act in December 1971. The purpose of this legislation was to increase the number of health professionals and to develop more efficient methods of utilizing their services. In order to obtain these results, we increased Federal funding to medical schools for expanded facilities and faculties to permit an increased student enrollment. Student scholarship and loan programs were reorganized to make medical schools a financial possibility for many capable and deserving youth. Special project grants were designed to encourage medical schools to develop and operate training programs which would increase the efficient utilization of health manpower. For example, medical schools are encouraged to include projects in the use of the team approach to the delivery of health services; to train health personnel for new roles, types, or levels of proficiency, such as physicians' assistants; and, to train personnel in the utilization of computer technology in health care delivery.

An increased number of health professionals, and an increased efficiency in their utilization are only part of the solution to providing an adequate system of health care delivery. There is a great disparity in the geographic distribution of health manpower. The Nation as a whole has a shortage; particular areas have an acute shortage. Some areas—such as rural and urban low-income areas—often have few, if any, health personnel to provide essential health care.

In 1967, the President's National Advisory Commission on Rural Poverty completed the most comprehensive and thorough study ever conducted on the problems and promises of rural America. The report was entitled "The People Left Behind." Over 4 years later, the basic findings of the Commission on health and medical care for rural areas are still true:

> This Commission is profoundly disturbed by the health problems of low income people in rural America. Nowhere in the United States is the need for health services so acute, and nowhere is it so inadequate.
>
> The statistical evidence is overwhelming yet the statistics barely suggest the inequity and the discrimination against the rural poor in medical and dental care and in modern health services.

I received a letter from Ralph Chase, M.D., who is chairman of the Committee of Community Health Service of the Tom Green Eight County Medical Society, located in San Angelo, Tex. The purpose of the committee is to study the problems surrounding medical facilities and health needs with the goal of making comprehensive medical care available in isolated areas where little, if any, is now present. I would like to cite portions of the committee's statement of intent in an effort to breathe the sense of life into sterile facts and figures:

> The lack of adequate medical resources in the countryside is the result of a number of factors, of which the most important are geography, the declining ratio of primary care physicians to population, and the concentration of medical manpower and resources in the cities. The eight counties included in the Tom Green Eight County Medical Society are larger in size than the States of Massachusetts and Connecticut combined. Within this area there are 83 doctors of all kinds, with 76 doctors in Tom Green County, and a total of seven more in Sterling, Sutton, Schleicher, Crockett and Coke Counties: there are no doctors in Concho or Irion Counties which have populations of 2,759 and 1,029 respectively. However, of this total of 83 doctors in the eight county area, 56 are specialists, and only 27 primary care physicians are available to handle the general illnesses and other health care problems of 87,539 people spread over an 11,155 square mile area.
>
> The isolated locations of many of the smaller towns in West Texas mean that too many people lack convenient access to the services of physicians. A farmer or rancher may have to make an appointment days in advance to see a doctor in one of the rural towns, and then have to wait for hours before being referred to a specialist in San Angelo. At the same time, too many communities are unable to attract any physicians at all because of the availability of more sophisticated equipment, higher pay and more regular working hours in the cities—The small towns need primary care doctors, family physicians, pediatricians, and internists. . . . According to the national ratio, we should have 64 primary care physicians in the eight county area to care for the 87,539 people living here. We have 27.
>
> To complete the spiral, without physicians, or relatively few physicians, hospital facilities are unused or underused.
>
> The problems of a limited supply of medical resources in the isolated areas of West Texas are not new ones. Circumstances in the past have compelled the rural practitioner to delegate primary care tasks to his nurse, the local pharmacist and even the doctor's wife in some cases so that the physician could have the time to leave his office to attend to emergencies, to better handle his increasing office practice, to recover from an illness of his own, and to find some brief moments for relaxation . . .

This statement is typical of many rural areas in the Nation. Despite the fact that the nationwide physician-population ratio is improving, the number of physcians serving rural areas has declined six times faster than the population has decreased in those areas. There still exist 134 counties in the United States without a practicing physician. I am distressed that 24 of these 134 counties are in my State of Texas. These counties, according to the 1970 census figures, have a total population of 56,753, I ask unanimous consent to have printed at this point in the RECORD, a listing of those counties in Texas which do not have a practicing physician and their corresponding populations.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

County:	*Population (1970 Census)*
Borden	888
Briscoe	2, 794
Carson	6, 358
Glasscock	1, 155
Hartley	2, 782
Hudspeth	2, 392
Irion	1, 070
Jeff Davis	1, 527
Kenedy	678
Kent	1, 434
King	464
Kinney	2, 006
Lipscomb	3, 486
Loving	164
McMullen	1, 095
Martin	4, 774
Oldham	2, 258
Rains	3, 752
Real	2, 013
Roberts	967
San Jacinto	6, 702
Sherman	3, 657
Stonewall	2, 397
Terrell	1, 940
Total	56, 753

Mr. TOWER. In Texas, an additional 148 counties have been designated as physician-shortage areas. Of these, 95 are low-income rural counties. However, urban counties such as Hidalgo, the ninth largest in the State, also suffer a shortage.

The need of these communities for dentists and optometrists in order to provide essential health care, are just as great in many instances. For example, fewer than half the people in the country have dental exams or treatment in any given year. Of the total adult population of 110 million, over 20 million have lost all their teeth. By the age of 15, the average child has 11 teeth decayed, missing, or filled. Almost 70 percent of the children in poor families have never seen a dentist. The present ratio of dentist to population, 1:2,100, is less favorable than it was 15 years ago. These indications of the needs for additional dental and allied dental personnel are dramatic. Once again, they do not tell the whole story, for they do not show areas in which little or no dental care is available.

Generally speaking, urban centers have a lower ratio than do rural areas; however, there are many residents in both urban and rural areas who lack adequate dental care.

In Texas alone, there are 42 counties which do not have the services of even one dentist. The total population of these counties exceeds 150,000 persons. I ask unanimous consent that a list of these counties be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COUNTY

Archer, Armstrong, Borden, Briscoe, Cochran, Concho, Cooke, Culberson, Delta, Dickens, Dimmitt, Duval, Edwards, Foard, Glasscock, Hartley, Hudspeth, Irion, Jeff Davis, Jim Hogg, and Kenedy.

Kent, King, Kinney, Leon, Lipscomb, Loving, Martin, McAllen, Motley, Oldham, Rains, Real, Roberts, San Jacinto, Schleicher, Somervell, Starr, Sterling, Stonewall, Terrell, and Trinity.

Mr. TOWER. This is a total of 42 counties with a total population of 150,000.

Mr. President, other counties have ratios of dentists to population running as high as 1 to 14,500—Randall County. The national average is one dentist for every 2,100 people. There are 90 counties in Texas which the dentist/population ratio is over 1 to 4,000, almost double the national ratio. I ask unanimous consent to include a listing of these counties, the number of dentists currently practicing in them, and their ratio of dentist to population at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

DENTISTS, COUNTIES MORE THAN 4,000 POPULATION (1970 FIGURES) TEXAS

	Number of dentists	Population per dentist
Dallas region:		
Corsicana district: Freestone County	2	6, 050
Dallas district: Rockwall County	1	6, 300
Fort Worth district: Wise County	3	6, 800
Gainesville district: Montague County	4	4, 125

	Number of dentists	Population per dentist
Marshall district:		
Panola County	4	4,175
Upshur County	5	4,200
Paris district:		
Franklin County	1	5,600
Red River County	3	5,300
Sherman district: Fannin County	4	5,775
Texarkana district:		
Cass County	6	4,250
Morris County	2	6,150
Tyler district: Van Zandt County	5	4,260
El Paso region:		
Alpine district	11	4,564
Pecos County	2	6,150
Wichita Falls region:		
Abilene district:		
Callahan County	1	10,000
Fisher County	1	7,700
Amarillo district:		
Carson County	1	7,100
Randall County	4	14,050
Big Spring district: Dawson County	3	6,100
Lubbock district:		
Crosby County	2	5,550
Floyd County	3	4,267
Garza County	1	5,400
Hockley County	5	4,400
Lamb County	4	5,350
Lynn County	2	4,700
Terry County	2	8,050
Paducah district	3	6,233
Knox County	1	6,800
Pampa District:		
Hall County	1	6,600
Wheeler County	1	6,700
Plainview District	16	4,244
Castro County	2	5,950
Seagraves District	10	6,150
Andrews County	2	5,800
Gaines County	2	6,800
Parmer County	2	5,850
Yoakum County	1	7,900
Stamford District	5	6,340
Haskell County	2	4,750
Jones County	3	6,467
Vernon District:		
Hardeman County	1	7,200
Wichita Falls District:		
Clay County	1	7,400
McAllen district	70	5,557
Brooks County	1	9,100
Cameron County	32	4,591
Hidalgo County	36	5,433
Willacy County	1	15,700
San Antonio district:		
Atascosa County	3	6,900
Bandera County	1	4,700
Medina County	2	10,900
Wilson County	3	4,700
Uvalde district	15	5,120
Frio County	2	6,250
Val Verde County	7	4,071
Zavala County	1	15,600
Victoria district: Refugio County	2	5,150
Temple region:		
Austin district:		
Bastrop County	3	5,933
Lee County	2	4,300
Brownwood district:		
Comanche County	2	6,700
Mills County	1	4,600
Cameron district:		
Burleson County	2	5,300
Milam County	5	4,080
Llano district	2	5,050
Llano County	1	6,400
San Angelo district: Reagan County	1	4,100
emple district:		
Coryell County	4	9,075
Lampasas County	2	4,900
Waco district:		
Hill County	5	4,480
Limestone County	5	4,140
Odessa district:		
Crane County	1	4,100
Upton County	1	4,100
Ward County	3	4,333
Winkler County	2	5,050
Houston Region:		
Beaumont district: Hardin County	7	4,557
Hempstead district: Waller County	2	7,650
Houston district: Montgomery County	10	4,270
Jasper district:		
Newton County	1	11,600
Sabine County	1	7,900
Shelby County	33	6,733
San Antonio region:		
Beeville district	8	4,013
Live Oak County	1	7,700
Corpus Christi district:		
Jim Wells County	6	5,667
San Patricio County	6	5,556
Cuero district: Goliad County	1	5,300
Kerrville district: Kimble County	1	4,300
Laredo District	10	13,140
La Salle County	1	5,100
Maverick County	1	18,800
Webb County	7	10,643
Zapata County	1	4,600

Mr. TOWER. Mr. President, while the rural counties often illustrate the most obvious maldistribution, it should be remembered that certain sections of the urban counties have equally high ratios. In two heavily populated Texas counties, Harris with a ratio of 1 to 1,700, and Dallas with a ratio of 1 to 1,600, there are several areas within the county whose ratios equal or exceed those of the rural counties.

Our Nation's need for adequate vision care is just as necessary as medical and dental care. A study conducted by the Public Health Survey indicates the incidence of visual defects by age group:

	Percent
Under 20	23
20–30	39
30–40	48
40–50	71
50–60	82
Over 60	95

In a report prepared by Melvin D. Wolfberg, O.D., optometric consultant to the Office of the Assistant Secretary of Health and Scientific Affairs, some of the social consequences of visual disorders are enumerated. For example, visual disorders are a primary cause of underachievement in the classroom. Ninety-nine percent of those who fail the first grade and 90 percent of those who fail the second grade do so, because of reading difficulties. An estimated 10 million children of school age are affected by learning disabilities associated with impaired vision. Of the 700,000 who drop out of school each year, most are 2 or 3 years behind their age group in reading skills. Other studies have indicated that industrial employees with corrected vision have over 20 percent fewer accidents in 1 year than a control group without corrected vision.

The unmet vision needs of the elderly are of further concern to me. Older individuals who suffer a severe impairment of their vision, and do not have it corrected, will begin to limit their mobility. Gradually they will withdraw from active participation in civic and social affairs. Furthermore, 85 percent of all serious injuries experienced by persons over 65 years of age are caused by falls, and fully one-fourth of such falls are considered attributable to visual impairment.

Although the entire Nation has a shortage of optometrists and other vision care specialists, the existing manpower resources are poorly distributed to meet the needs of the population.

Mr. President, at this time, I ask unanimous consent to include in the RECORD, a study, compiled by the American Optometric Association, showing counties with a shortage of optometrists. This study includes the population figures, by county; the number of practicing optometrists in the county; the ratio of optometrists to the population; the number needed to achieve the recommended 1 to 7,000 ratio; and the net surplus or deficit of optometrists in the county.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

County	Population, 1970	Optometrists	Ratio	1-7000	Net
Angelina	49,349	4	1–12,337	7	–3
Atascosa	18,696	0	0–18,696	3	–3
Austin	13,831	0	0–13,831	2	–2
Bell	124,483	8	1–15,560	18	–10
Bexar	830,460	53	1–15,669	119	–66
Bosque	10,966	0	0–10,966	2	–2
Bowie	67,813	7½	1–9,042	10	–2½
Brazoria	108,312	7½	1–14,442	15	–7½
Brazos	57,978	6	1–9,663	8	–2
Brooks	8,005	0	0–8,005	1	–1
Calhoun	17,831	½	1–35,662	3	–2½
Cameron	140,368	6	1–23,395	20	–14
Cass	24,153	1	1–24,153	3	–2
Chambers	12,187	0	0–12,187	2	–2
Cherokee	32,008	2	1–16,004	5	–3
Collin	66,920	5	1–13,384	10	–5
Colorado	17,638	1	1–17,638	3	–2
Coryell	35,311	1	1–35,311	5	–4
Dallas	1,327,321	83	1–15,991	190	–107
Denton	75,633	5	1–15,127	11	–6
Duval	11,722	0	0–11,722	2	–2
Ellis	46,638	5	1–9,328	7	–2
El Paso	359,291	24	1–14,970	51	–27
Fannin	22,705	1	1–22,705	3	–2
Fisher	6,344	0	0–6,344	1	–1
Fort Bend	52,314	2	1–26,157	7	–5
Frio	11,159	0	0–11,159	2	–2
Galveston	169,812	13	1–13,062	24	–11
Grayson	83,225	8	1–10,403	12	–4
Grimes	11,855	0	0–11,855	2	–2
Guadalupe	33,554	2	1–16,777	5	–3
Harris	1,741,912	125½	1–13,880	248	–122½
Hays	27,642	2	1–13,821	4	–2
Hidalgo	181,535	9	1–20,171	26	–17
Hunt	49,948	3	1–16,649	7	–4
Jasper	24,692	2	1–12,346	4	–2
Jefferson	244,773	19	1–12,883	34	–15
Jim Wells	33,032	3	1–11,011	5	–2
Johnson	45,769	5	1–9,154	7	–2
Karnes	13,462	0	0–13,462	2	–2
Kaufman	32,392	2	1–16,196	5	–3
Kleberg	33,166	2	1–16,583	5	–3
Liberty	33,014	1	1–33,014	5	–4
Limestone	18,100	0	0–18,100	3	–3
Lubbock	179,295	19	1–9,437	26	–7
McLennan	147,553	15	1–9,837	21	–6
Maverick	18,093	0	0–18,093	3	–3
Medina	20,249	1	1–20,249	3	–2
Midland	65,433	5	1–13,087	9	–4
Milam	20,028	1	1–20,028	3	–2
Montgomery	49,479	2	1–24,740	7	–5
Nacogdoches	36,362	2	1–18,181	5	–3
Navarro	31,150	2	1–15,575	4	–2
Nueces	237,544	13	1–18,273	34	–21

County	Population, 1970	Optometrists	Ratio	1-7000	Net
Orange	71, 170	2	1-35, 585	10	-8
Palo Pinto	28, 962	1	1-28, 962	4	-3
Parker	33, 888	2	1-16, 944	5	-3
Potter	90, 511	11	1- 8, 228	13	-2
Red River	14, 298	0	0-14, 298	2	-2
Robertson	14, 389	0	0-14, 389	2	-2
San Patricio	47, 288	½	1-94, 576	7	-6½
Shelby	19, 672	1	1-19, 672	3	-2
Smith	97, 096	6	1-16, 183	14	-8
Starr	17, 707	0	0-17, 707	3	-3
Tarrant	716, 317	56	1-12, 791	102	-46
Taylor	97, 853	6	1-16, 309	14	-8
Tom Green	71, 047	8	1- 8, 351	10	-2
Travis	295, 516	20	1-14, 776	42	-22
Tyler	12, 417	0	0-12, 417	2	-2
Upshur	20, 976	1	1-20, 976	3	-2
Val Verde	27, 471	1	1-27, 471	4	-3
Van Zandt	22, 155	0	0-22, 155	3	-3
Victoria	53, 766	5	1-10, 753	8	-3
Walker	27, 680	1	1-27, 680	4	-2
Waller	14, 285	0	0-14, 285	2	-2
Webb	72, 859	5	1-14, 572	10	-5
Wichita	121, 862	13	1-9, 374	17	-4
Willacy	15, 570	0	0-15, 570	2	-2
Williamson	37, 305	3	1-12, 435	5	-2
Wise	19, 687	1	1-19, 687	3	-2
Total, State of Texas	11, 198, 885	822	1-13, 624	1, 600	-778

Mr. TOWER. Mr. President, I find it particularly distressing that over 65 counties, which need at least one optometrist, have none, and that there are shortages in over 165 counties.

Obviously, the problem of geographic disparity in the distribution of health manpower is as prevalent for dentists and optometrists as it is for physicians. My bill, through the incentive principle, would encourage health professionals—physicians, dentists, and optometrists—to take up practice in areas of the country where they are in the shortest supply. Generally speaking, passage of this legislation will benefit rural and inner-city areas all across the country. To narrow the gap in the most critical manpower-shortage areas should be a priority item.

Briefly, my bill proposes that the first $20,000 of a physician's, dentist's, or optometrist's adjusted gross income from medical sources be tax-exempt for the first taxable year of practice in an established shortage area. This tax incentive would continue for 5 years on a downward sliding scale. This bill further requires that the health professional practice at least 2 years in the shortage area. Designation of the shortage areas would be made by the Secretary of Health, Education, and Welfare with the advice of appropriate State agencies.

I strongly believe that the proposal I am offering today employs one of the best methods of solving the problem of geographical disparity in health manpower distribution. The tax incentive concept creates a financial incentive for the physician, dentist, or optometrist to practice in an area where he can do the most good. It does not, however, dictate the area in which he must practice.

My proposal would use existing Government mechanisms. It will not require the establishment of yet another bureaucracy to carry out yet another proposal.

Mr. President, so that this proposal may be readily available for further examination by my colleagues, I ask unanimous consent that the complete text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1550

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by—

(1) redesignating section 124 as section 125; and

(2) inserting after section 123 the following new section:

"SEC. 124. PHYSICIANS, DENTISTS, AND OPTOMETRISTS ESTABLISHING PRACTICE IN PHYSICIAN SHORTAGE AREAS.

"(a) IN GENERAL.—In the case of a physician, dentist, or optometrist who engages in the practice of medicine, dentistry, or optometry, respectively, in a physician shortage area, gross income does not include, at the election of the taxpayer, adjusted gross practice income from such practice in such area to the extent of—

"(A) $20,000 during the first taxable year of such practice;

"(B) $15,000 during the second taxable year of such practice;

"(C) $10,000 during the third taxable year of such practice;

"(D) $7,500 during the fourth taxable year of such practice; and

"(E) $5,000 during the fifth taxable year of such practice.

"(b) LIMITATIONS.—

"(1) TWO-YEAR PRACTICE REQUIREMENT.—The provisions of subsection (a) shall apply to a physician, dentist, or optometrist with respect to practice in a physician shortage area only if he continuously engages in such practice for at least 2 years, commencing with the day on which he first engages in such practice. The preceding sentence shall not apply.

"(A) to a physician, dentist, or optometrist who dies during such 2-year period, or

"(B) with respect to any period of disability during such 2-year period.

"(2) PROVISIONS TO APPLY ONLY ONCE.—The provisions of subsection (a) shall apply to engaging in practice in a physician shortage area only once for any physician, dentist, or optometrist.

"(c) ELECTION.—

"(1) IN GENERAL.—An election to have the provisions of subsection (a) apply shall be made at such time and in such manner as the Secretary or his delegate prescribes by regulations. Such election may not be revoked except with the consent of the Secretary or his delegate and subject to such terms and conditions as the Secretary or his delegate prescribes.

"(2) DESIGNATION OF FIRST TAXABLE YEAR.—At the time of making an election under paragraph (1), a physician, dentist, or optometrist shall designate his first taxable year of practice in a physician shortage area, for purposes of applying the provisions of subsection (a), as—

"(A) the taxable year in which he first engages in practice in such area, or

"(B) the succeeding taxable year.

"(d) DEFINITIONS.—For purposes of this section—

"(1) the term 'adjusted gross practice income' means gross income from the practice of medicine, dentistry, or optometry less any deductions arising out of such practice; and

"(2) the term 'physician shortage area' means any area within a State certified to the Secretary by the Secretary of Health, Education, and Welfare as an area in which there are an insufficient number of physicians practicing medicine to meet the need for medical care of the population of such area.

"(c) CERTIFICATION BY SECRETARY OF HEALTH, EDUCATION, AND WELFARE.—

"(1) IN GENERAL.—The Secretary of Health, Education, and Welfare shall on or before November 1 of each year (beginning with 1972) certify the physician shortage areas (if any) in each State for the following calendar year.

"(2) CERTIFICATIONS PURSUANT TO STATE AGENCY RECOMMENDATIONS.—In making certifications of physician shortage areas for purposes of this section, the Secretary of Health, Education, and Welfare shall accept the determination as to the number and location of physician shortage areas in a State recommended to him by—

"(A) the State planning agency for such State (as designated pursuant to section 314 (a) (2) (A) of the Public Health Service Act), or

"(B) if in such State there is no such agency, or if such agency fails to make a recommended determination within a reasonable time prescribed by him, by such other agency of such State as he finds to be qualified to make such a recommended determination and as the Governor of such State shall have designated to make such a recommended determination;

but only if the agency, in making such recommended determination, has sought the advice and assistance of the State medical societies for such State; and

"(C) the Secretary of Health, Education, and Welfare is satisfied with the adequacy of the criteria employed by the agency as the basis upon which such recommended determination was made.

"(3) OTHER CERTIFICATIONS.—If, in the case of any State, the Secretary of Health, Education, and Welfare does not receive (within such reasonable time as he shall prescribe) a recommended determination with respect to such State which meets the requirements of paragraph (1), he shall (after seeking the advice and assistance of the State medical societies for such State) certify the number and location of the physician shortage areas (if any) of such State on the basis of the most current and appropriate data available to him.

"(4) EFFECTIVE PERIOD OF CERTIFICATION.—A certification by the Secretary of Health, Education, and Welfare under paragraph (1) of physician shortage areas in a State shall remain in effect for the calendar year for which it is made. With respect to a physician, dentist, or optometrist who engages in practice in an area so certified during his taxable year beginning in such calendar year and who makes an election under subsection (c) to have the provisions of subsection (a) apply, such certification (A) shall remain in effect for succeeding calendar years, and (B) shall be treated as having been in effect for prior calendar years for purposes of determining the number of taxable years of his practice in such area.

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(b) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 124 and inserting in lieu thereof the following:

"Sec. 124. Physicians, dentists, and optometrists establishing practice in physician shortage areas.
"Sec. 125. Cross references to other Acts.".

(c) The amendments made by this Act shall apply to taxable years beginning after December 31, 1972.

By Mr. EASTLAND (for himself, Mr. STENNIS, Mr. MCCLELLAN, Mr. FULBRIGHT, and Mr. LONG):

S. 1551. A bill to amend the Agricultural Adjustment Act of 1938 with respect to rice and peanuts. Referred to the Committee on Agriculture and Forestry.

Mr. EASTLAND. Mr. President, I introduce for myself and other Senators a bill to provide relief for farmers growing rice and peanuts in the areas declared disasters for the 1973 crop year.

Mr. President, in the Mississippi River system area the Corps of Engineers indicates that over 7.5 million acres of land are inundated due to the present flood conditions. Colonel Rees, District Engineer at Vicksburg, has estimated that 2,600,000 acres in the Mississippi Delta are, or have been, inundated this spring. Hundreds of thousands of acres in this area will not be planted because the flood waters from the Mississippi River that are backing into the lower reaches of the Mississippi Delta will remain past the safe planting time for rice and peanuts.

Due to the fact that rice and peanuts under existing law must be planted on the identical farm to which the allotment is made, many acres of rice and peanuts would not be planted in Mississippi this year. The situation is similar in smaller areas of Arkansas and Louisiana where the flood waters of the river will play an important part in overall farm production in 1973.

Mr. President, the rice allotted to these acres needs to be planted as indicated by the fact that the Secretary of Agriculture increased rice allotments to farms by 10 percent this year. Domestic consumption and export requirements exceed the production of past years. The Commodity Credit Corporation owns no rice and only that in free trade channels is available for domestic consumption and export. There will be an insufficient carryover of rice into the next year to meet our normal market commitments.

Mr. President, this temporary action for the 1973 crop-year only will help to alleviate the shortage condition for rice and will enable the peanut producers in disaster areas to protect their allotment and to supply the demand.

The passage of this bill will enable rice and peanut producers to have the same treatment as provided to cotton, feed grain, and tobacco producers under permanent law.

Mr. President, I hope that the Senate will give immediate consideration to this proposal so that the Department of Agriculture can put the machinery in motion to enable farmers to plant their rice and peanut allotments in 1973. The passage of the bill is urgent because the planting season is at hand.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 353 of the Agricultural Adjustment Act of 1938 be amended by adding a new subsection (g) to read as follows:

"(g) Notwithstanding any other provision of this Act, if the Secretary determines for 1973 that because of a natural disaster a portion of the farm rice acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the rice acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of rice and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be released acreage for the purpose of acreage history credits under subsection (e) of this section and section 377 of this Act: *Provided,* That, notwithstanding the provisions of subsection (e) of this section, the transfer of any farm allotment under this subsection shall operate to make the farm from which the allotment was transferred eligible for an allotment as having rice planted thereon during the five-year base period."

SEC. 2. Section 358 of the Agricultural Adjustment Act of 1938 is amended by adding a new subsection (j) to read as follows:

"(j) Notwithstanding any other provision of this Act, if the Secretary determines for 1973 that because of a natural disaster a portion of the farm peanut acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the peanut acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of peanuts and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be released acreage for the purpose of acreage history credits under subsection (g) of this section and section 377 of this Act: *Provided,* That notwithstanding the provisions of subsection (g) of this section, the transfer of any farm allotment under this subsection shall operate to make the farm from which the allotment was transferred eligible for an allotment as having peanuts planted thereon during the three-year base period."

By Mr. THURMOND:

S. 1554. A bill authorizing the Secretary of Defense to utilize Department of Defense resources for the purpose of providing medical emergency transportation services to civilians, and limiting Government and individual liability incident to providing such services, and for other purposes. Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, on behalf of myself—and on behalf of other Senators who may like to cosponsor this bill—I introduce, for appropriate reference, a bill to authorize the Secretary of Defense to utilize defense resources to provide medical emergency transportation services to civilians, and for other purposes.

Mr. President, there have been other similar bills offered on this subject matter. This program is commonly known as MAST. The MAST program refers to military assistance to safety and traffic.

The bill which I am introducing today is, in my opinion, a humane effort to preserve lives on U.S. highways and to assist those who suffer injuries resulting from traffic accidents.

Very briefly, this bill would authorize the Secretary of Defense to assist the Department of Health, Education, and Welfare and the Department of Transportation in providing medical emergency transportation to civilians.

The bill would provide that defense resources utilized would be under terms and conditions, including reimbursement, as the Secretary of Defense deems proper.

There are limitations in this bill which are of extreme importance.

For instance, this assistance would be furnished only in those areas where military units are assigned. There would be no transfer of units for the explicit purpose of providing resources or assistance.

Second, assistance under this bill would be provided only if such assistance does not interfere with the performance of the military mission.

Also, the provision of assistance shall not cause any increase in funds required for the operation of the Defense Department.

Finally, Mr. President, this bill precludes liability attaching to those individuals who act within the scope of their assigned duties in providing assistance to civilians.

Mr. President, a distinct service can be rendered the Nation by the military's participation in this program. I wish to make it emphatically clear, however, that such participation should be seen as a short-term effort and not a permanent and long-range program. This is a job the civilian economy should assume as soon as possible. The military program should eventually be a supplement to the civilian effort and must be confined to areas where the resources are available. I would emphasize, also, that except for definable training goals specialized crews should not be expected to remain on alert and on a stand-by basis during weekends and holidays for the specific purpose of providing this emergency assistance.

To the extent that assistance can be rendered by the military without interfering with organizational missions such assistance should be given at all times.

Mr. President, I ask that the text of this bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1554

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 157 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 2635. Medical emergency transportation assistance and limitations of individual liability

"(a) The Secretary of Defense is authorized to assist the Department of Health, Education, and Welfare and the Department of Transportation in providing medical emergency transportation services to civilians. Any resources provided under this section shall be under such terms and conditions, including reimbursement, as the Secretary of Defense deems appropriate and shall be subject to the following specific limitations:

"(1) Assistance may be provided only in areas where military units able to provide such assistance are regularly assigned, and military units shall not be transferred from one area to another for the purpose of providing such assistance.

"(2) Assistance may be provided only to the extent that it does not interfere with the performance of the military mission.

"(3) The provision of assistance shall not cause any increase in funds required for the operation of the Department of Defense.

"(b) No individual (or his estate) who is authorized by the Department of Defense to perform services under a program established pursuant to subsection (a), and who is acting within the scope of his duties, shall be liable for injury to, or loss of property or personal injury or death which may be caused incident to providing such services."

(b) The table of sections at the beginning of chapter 157 of title 10, United States Code, is amended by adding at the end thereof the following new item:

"2635. Medical emergency transportation assistance and limitation on individual liability."

SEC. 2. Section 2680 of title 28, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(o) Any claim arising from activities authorized by section 2635 of title 10, United States Code."

By Mr. BIDEN:

S. 1555. A bill to provide that Federal income tax returns may be mailed free of postage. Referred to the Committee on Post Office and Civil Service.

TAX REFORM

Mr. BIDEN. Mr. President, in discussing tax reform here today, I want to begin by emphasizing what I have been saying throughout my State—that tax reform is one of the two most critical issues facing Congress today. The second is, in my judgment, the imbalance between the legislative and executive branches.

Changing the tax laws is a complex task that requires careful preparation. As a freshman Senator, I do not have the background as do many of my able colleagues here in this Chamber. But I do suggest, on the basis of my experience as an individual income taxpayer, that alterations in the tax structure should be made. I become indignant at some of the inequities that persist year after year in the code. My conversations with Delawareans and correspondence I am receiving in increasing numbers indicates to me that many, many Delawareans share my indignation.

There simply must be a better way, Mr. President, and I wish to contribute my observations—for what they may be worth—to today's colloquy.

This is an appropriate time of year to discuss the matter. Americans everywhere are focusing upon their tax returns—the Federal individual income tax return is due Monday, April 16, and, in Delaware, at least, the State return is due on April 30, 1973. Delawareans associate the two tax systems together, not only because of the proximity of due date, but also because the State tax is computed from the taxpayer's Federal individual tax return. This illustrates one of my points of concern in considering tax legislation. We must not make the mistake of thinking only in terms of the Federal tax system, but rather we must look at the impact of taxes paid at all of governments levels.

We should consider Federal tax laws in the context of State and local tax practices in order that we may have an integrated policy. Delaware offers a good example of my concern. In fact, Delaware has just completed a study of State and local taxing practices and their impact on Delawareans.

In 1971 Delaware ranked eighth in the Nation on a per capita measure of total general revenue collected by State and local governments from their own sources. Perhaps of greater significance is that this per capita figure increased by 31 percent between 1969 and 1971. A one-third increase in such a short period of time. In addition, the proportional amount taken from an individual's income is going up faster than his income. The government's share of personal income in Delaware is increasing faster than the rate of increase in personal income—a factor of perhaps greater significance than the absolute amount he pays.

In addition, the tax structure of Delaware tends to bear more heavily on those who can least afford to pay. Among those hurt the most are the elderly, the handicapped, low-income families, and others living on fixed incomes. The most serious problem arises from the unwise dependence at the local government level on the property tax for supporting vital services.

While Delaware's State income tax is generally progressive, local government financial practices, with their heavy dependence on property taxes, capitation taxes, and service charges is largely regressive. Thus Delaware's Revenue Study Commission determined that the combined effect is a regressive tax structure on those with incomes of less than $6,000 while the effects become progressive only after incomes exceed $14,000.

There is another aspect of public attitude toward tax structures that I wish to discuss briefly, Mr. President.

Based upon my conversations with taxpayers in Delaware, I know that they are not only disturbed about how much they pay, but also about what they receive in return for their payments. Our present tax structure makes this difficult to answer, because, in many cases, a taxpayer is paying more taxes in order that others can pay less. Through various deductions, exemptions, and allowances the Congress has attempted to encourage or discourage almost every kind of social and economic change that can be conceived. Our tax policy has been conceived not just as a means to raise funds but as an instrument to effectuate national policy. Over the years we have piled up so many of these tax exemptions that they have become a hodgepodge that sometimes even promotes conflicting or self-cancelling policies. Sometimes a policy that was to be promoted is no longer a useful or valid policy. Seldom, if ever, is there a comprehensive look at our tax policies to see whether they still make sense. Certainly, at least we can examine the tax code in detail.

I am not really enthusiastic about using our tax policy to accomplish social or economic policy. I would prefer a modified gross income tax with a progressive rate structure, although I recognize that it may not be realistic to expect this to be adopted at this time. Wherever it is possible, however, we should use the taxing powers only to raise money and then expend that money to achieve national policy. In this way, at least, we can review these policies and priorities annually in considering appropriations, and determine what we want to support.

Tax policy is the back-door approach to setting program policy and as such is open to abuse. Wherever possible, we should take the direct approach. We should use our taxing powers for their relatively simple purpose of raising money. Where our use of taxing powers influences national goals, as inevitably it sometimes will, we should review these goals periodically to be certain they are still valid.

We must realize that tax reform has more than merely economic meaning. When our citizens believe—in this case with considerable justification—that the tax system is no longer equitable, that belief becomes a serious threat to the democratic process itself. Tax reform, therefore, should receive the highest priority on our national agenda.

Mr. President, earlier I said there was little that can be done this year in the matter of substantial tax reform. I do, however, wish to offer some relief to the harassed individual taxpayers on the occasion of his or her filing his or her Federal return.

I send to the desk for introduction a bill that would permit individual income tax payers filing singly or jointly to mail the Federal return postage free. With all the affronts the Federal tax code presents to taxpayers, it is little enough that they be permitted to mail their return without the further indignity of buying an 8-cent stamp to place on the IRS envelope.

By Mr. JAVITS:

S. 1556. A bill to provide educational benefits for individuals who have participated in approved community service programs. Referred to the Committee on Labor and Public Welfare.

COMMUNITY SERVICE EDUCATIONAL BENEFITS ACT

Mr. JAVITS. Mr. President, I introduce for appropriate reference the Community Service Educational Benefits Act. This measure is along the lines of the recent HEW Task Force recommendation for a GI bill for community service. This idea was also advanced by former HEW Secretary—now Defense Secretary—Elliot Richardson in a June 3, 1972, speech at Wittier College, and the following month at the University of Connecticut, at which time he suggested a GI bill for community services which would encourage assistance to communities by providing additional benefits to those who participated in selected community projects. It offers young people an opportunity to earn educational benefits, similar to that afforded veterans, on the basis of their community service, and recognizes that community service is also service to country. While in recent years, over 160,000 young people have participated in Federal volunteer programs, many more are needed—a survey referred to by the HEW Task Force estimates a potential of 200,000 immediate volunteer opportunities.

Under the bill, young people who have served since January 1, 1973, for at least 6 months in eligible community services programs at a salary no higher than that received by an Army sergeant—$311 monthly—could receive educational benefits. For each month of eligible community service, the recipient would receive 1 month of educational benefits at half the rate provided for veterans under the GI bill—they would get $110 monthly—for up to 2 years.

Eligible programs include such federally supported activities as the Peace Corps, the Youth Conservation Corps, and VISTA. Eligible non-Federal programs would be designated by the Community Services Educational Benefits Board established by the bill. They would include, it is anticipated, such State activities as the California Ecology Corps and the North Carolina Internship Program, as well as other non-Federal programs which have operated successfully for at least a year and meet such published standards as the Director of ACTION, with the advice of the Community Services Educational Benefits Board, may prescribe.

This legislation would encourage young people to engage in community service, helping them balance their formal education with constructive community service experience, and helping provide manpower for worthy community service projects. The bill also reflects the feeling that, while such community service at modest pay does not equal service in the Armed Forces in terms of dislocation and personal risk, it nevertheless is so desirable in the national interest and should receive recognition and encouragement.

As Secretary Richardson stated—

> We need to reopen the question this country debated briefly a decade ago—the question of how to provide new challenges for the thousands of young people whose idealism has not yet soured. We would all agree, I believe, with that marvelous statement of William James that what we need to solve our problems is something like "the moral equivalent of war." But to develop this spirit, we need something like the moral equivalent to basic training. Is there a way to structure opportunities for the young to test themselves on adversaries such as pollution, crime, drugs, and poverty? Are there meaningful moral equivalents for basic training which could be accessible to individuals with a wide range of talents, to women as well as men? Why not create a new kind of "GI Bill"—a "GI Bill" for community service? Surely service in the community is as valuable to our country as military service, and more rewarding to the individuals concerned.

The bill authorizes assistance to 10,000 eligible students during the 1974 fiscal year, 25,000 during each of fiscal year 1975 and fiscal year 1976, and 100,000 for each fiscal year thereafter.

I ask unanimous consent that there be printed in the RECORD as part of my remarks the full text of the report of the HEW Task Force to which I referred, from the March 12 issue of the Chronicle for Higher Education, together with the bill.

There being no objection, the report and bill were ordered to be printed in the RECORD, as follows:

NEWMAN PANEL'S PROPOSAL FOR A COMMUNITY-SERVICE GI BILL

WASHINGTON.—*Following is the text of a proposal for a "G.I. Bill" for community service made by a task force established by the Department of Health, Education, and Welfare, under the chairmanship of Frank Newman, director of university relations at Stanford University.*

At the beginning of the postwar period, the United States conducted a unique experiment in higher education through the G.I. Bill. While it was notably successful in its original purpose of helping the re-adjustment of returning G.I.'s, it had at least five other major results beyond anyone's expectations:

The veterans have proved to be better-motivated and more-focused students than their less-experienced counterparts.

The idea that education benefits are an appropriate additional compensation for service to the country has been widely accepted.

The validity of the "common man" attending college has been established.

The form of the program—direct benefits to the students—has been flexible and easy to administer.

The environment for learning created by returning veterans proved beneficial to other students as well.

LEGISLATIVE INITIATIVE PROPOSED

Despite the G.I. Bill's success, no attempt has been made to expand the concept to anything beyond military service. We believe that the changes that have taken place in higher education and in society as a whole make the idea of extending the concept of the G.I. Bill more urgent than ever before.

We, therefore, propose a legislative initiative for providing limited education benefits to those people who voluntarily choose to step out of formal education in order to participate in selected national, regional, and local programs of community service. The benefits, modeled after those of the G.I. Bill, would accrue during the period of service and would be used later whenever the volunteer chose to enroll at a postsecondary education institution.

The fellowship would recognize and reward community service. At the same time, it would communicate to students, parents, and faculty that youths engaged in such activities were planning their educational careers rather than drifting into them; that as volunteers they were building a stock of experience with which to make a more personal and more intense commitment to formal education at a later time.

It would help begin the reversal of the negative stereotype of the "drop-out."

It would take a step toward making college opportunities more valued and better used.

MOTIVATION AND GOING TO COLLEGE

The academic lockstep

At one time in our history, learning took place primarily in the family, the workplace, and the community. Seven or eight generations ago, those of "college age" were already well into their careers. In the 1800's young men still in their late teens were sailing captains, farmers, and journeymen on their way to being master craftsmen. Learning to be productive adults and effective citizens came largely from direct experience in the life of the society.

Step by step, this pattern has become strikingly different. Despite the earlier physical and legal maturity and increased sophistication of today's young people, experience of the real world, with its problems and opportunities, is delayed. Now preparation for adulthood is very largely a matter of formal schooling, and incentives and sanctions for remaining in the academic lockstep are strong.

For those who wish and need to take up active roles there are too few options for involvement and too many pressures to accept a passive version of the student's role. There is a sameness of experience among today's young people, and it is an academic sameness.

Higher education has changed enormously in the 27 years since the introduction of the G.I. Bill. Just before World War II, the number of undergraduates enrolled in college was about 1.4 million. The number of baccalaureate degrees in 1940 (including first professional degrees) was 186,500. In 1970, the number of undergraduate students was over 7 million, and the number of first degrees awarded was 863,000. Graduate enrollment has grown even faster, from 105,700 in 1940 to 946,000 in 1970.

However, sheer numbers reflect only the surface of change in higher education.

As enrollment in the 1950's and 60's soared, the student base expanded—not only were more students going to college but the range of students became far more diverse.

What had been considered the domain of the elite (or at least the more affluent) became, increasingly, an option for greater numbers of students from other socioeconomic backgrounds, from differing ethnic heritages, with differing skills and interests. By 1957, after a decade of experience with the G.I. Bill, it was already clear that most further growth in enrollments would come from new groups.

Ninety-one per cent of the men and 76 per cent of the women from the highest income and academic-ability quartiles were already going to college. Ten years later, the percentage of women from this group had passed the 90 per cent mark. The rest of the expansion had to—and did—come largely from income and academic ability groups previously little represented.

As enrollments have grown, so has the time the student spends in formal schooling. In 1940, of the 25–29-year-old age group, 37.8 per cent had completed four years of high school; a bit more than 10 per cent were entering college; and 5.8 per cent had completed as much as four years of college. In 1971, 77.2 per cent of the same age group had completed four years of high school; somewhat over 50 per cent had entered college; and 16.9 per cent had completed four years of college. In some states, the rate of college entrance has reached 75 per cent of the age group.

The atrophy of choice

The change in the route to adulthood has altered the composition of the student population—and has changed the motivational environment of the colleges themselves. Within the last decade, our society has come to perceive higher education as an inclusive social institution. College has become no longer a rich man's luxury, or a natural step for the academically gifted—but, increasingly, an important place where each individual fulfills his own potential.

Thus, not only in public systems, but in many traditionally elite private institutions, the old requirements of wealth or academic prowess have given way to more open admission criteria and new kinds of student aid.

These broadened admissions standards, designed to foster academic and social equality, coupled with the "academic lockstep," have had startling—though unintended—effects on students. As college has become available to almost all—rich or poor, bright or not-so-bright, motivated and unmotivated—it has become as indispensable as the high school diploma once was.

New colleges—500 of them in the '60's—were usually low in cost and right around the corner. Pressures from parents, counselors, and peers mounted. The greater accessibility of college and the pressures to attend have greatly reduced the amount of students' autonomous choice in the decision to go to college. Increasingly, *not* to go to college requires an explanation.

At many colleges, including the most prestigious, admissions procedures all but denied the possibility of starting college except immediately after high school. Recent programs of deferred admission, as well as the growth of open-admission colleges, created alternatives, but many students still perceive entrance to college after high school (and graduate school after undergraduate) as a now-or-never option. For many young people, much of their college experience is wasted, for they are not yet ready to learn—at least not what colleges have to teach.

The undergraduate degree has become devalued to such an extent that many students go on to college as routinely as they went to high school—even more casually perhaps, since in college they can often come and go or transfer at will. Ease of entry and the perception of an almost universal requirement of the baccalaureate degree for "middle-class" jobs are only two of the more obvious causes of this state of affairs.

One major symptom of the resulting malaise is the phenomenon of students drifting purposelessly within college, from college to college, or in and out of college—as a way of life. This lack of purpose is a worrisome problem—for society as much as for students themselves.

Under such circumstances, the choice of careers is often uninformed and casual. Even at the graduate level, many students find themselves enrolled in programs without serious consideration on their part of the life-time consequences.

College not for everyone

As these problems become more apparent, some thoughtful critics argue that college is not for everyone. We cannot agree with those who would re-erect requirements of wealth or academic skill for gaining access to college. But we do believe knowing that one wants to be in college, and *why*, should precede being there. Some students know this before completing high school and are ready for college not only in terms of intellect but attitude as well. However, for those who do not, continuing in the lockstep is usually an ineffective way of finding out for the student, and a costly one for society.

A demonstrated motivation to learn, in the broadest sense, must be valued, if the opportunity to learn is to be valued. We believe that for many students, more-focused college attendance will result from broader personal and work experience before or during college.

While it is difficult to be precise about the effects of differing experiences, on different individuals, taken together, the evidence indicates that resuming higher education after stepping out—whether as a function of increased age, maturity, or experience—results in a greater commitment to learning and an increased sense of purpose.

We believe that youth should be encouraged to seek additional experience and that meaningful opportunities and incentives should be available to those ends. A decision to attend college after first having tried out alternative roles should be as legitimate in the eyes of students and their parents as the often unconscious routine of flowing with the stream of expected, immediate college entrance.

The sheer bulk of undergraduate admissions makes it difficult, if not impossible, to carefully weigh individual motivational factors. But, a policy of flexible opportunity for stepping out of college will reap, we believe, the benefits of more mature, motivated choices. Neither wealth nor standardized classroom skills define such motivation. Experience both creates and defines it.

The isolation and passivity of learning

The lack of a sense of choice about going to college is particularly serious, taken in conjunction with two other trends: the isolation of formal education, and the increasing passivity of learning. At the same time that minimum-wage laws and increased credentialing requirements tend to keep young people out of the workplace, an increasingly affluent and suburban life screens them from acquaintance with careers.

Originally designed as one way of socializing students for certain kinds of roles in the world, schools have been given—and seem to have accepted—primary responsibility for the maturation of all youth. Yet, schools were designed to do certain things—provide information and intellectual tools or skills (as well as citizenship training), and within a certain framework—a teacher, a classroom, and seated students. As the demands on the education system have increased, the schools have responded with more of what they know best—more teachers, more classrooms, more seats.

Opportunity in industry

But schooling is not all of education. The great need is to provide a context for experience in the adult world not by modifying classrooms but by offering youths other places and other roles in which they can supplement their formal schooling.

We recognize that there are a number of appropriate ways for a young man or woman to find alternatives. For many it will be in community service. But a large number will also find opportunity in industry and other non-public organizations, and for many that will be a more useful learning experience.

However, even in the numbers and diversity in industry, there are not nearly enough stimulating opportunities for young people. Correspondingly, the perceptions of young people about the absence of challenge in the opportunities that do exist are worse than the actual situation. We would, therefore, emphasize the need to develop, at the same time, alternatives to college beyond community service, to make existing jobs more challenging, and to open up more interesting work opportunities for young people.

Failing to see the availability or the challenge of such alternatives, many young people have come to see the college life style as different from and preferable to the life of the rest of society. There has been a growing hostility toward the "repression" of American life and the boredom of conventional careers.

At least one important cause of this hostility and boredom is the isolation of young people, exacerbated by the academic lockstep. Many young men and women have spent considerable portions of their time passively—sitting in front of TV, in classrooms, or in automobiles. They have exposure, but not experience. They feel that the world can and should be somehow a better place. But vast numbers of young people know little of the rich variety of useful lives offered by our society. Many are cynical of the motives of society's leaders and unable to imagine themselves as actors with responsible roles in the world. They distinguish sharply between serving their country and serving people.

Transfusion of passion needed

A recent remarkable article by a young woman entitled "An 18-Year-Old Looks Back on Life" illustrates one aspect of the problem. She now realized, the author said, that she had emerged from thousands of hours of watching television indifferent to the literature of England, unable to get excited about the museums of France. Her first memories of public life were the Cuban missile crisis, the sudden shock of President Kennedy's assassination, the agony of Vietnam.

As a teenager she was "involved," but her idealism had soured. She saw her government as a joke—a subject for satire, not serious discussion. She realized that she and her generation needed a shot of energy in the veins, a passion transfusion. But for her, she thought it was too late. Her goal was to have a small plot of earth of her own, so that whatever "they" did to the country, she could have a little house where she had peace and quiet; an 18-year-old in search of retirement.

The case is surely extreme, in the sense that very few young people are prepared to write off their own lives in this way. But the tendency it expresses is widespread—a tendency to guard against commitments, to place adult roles at a greater distance, and to write "escape clauses" into one's contracts with life and society.

The new mobility

For other students the isolation of formal schooling distorts perceptions of the adult world in other ways. For students from families which have never before sent children to college, the problem is more likely to be a kind of "tunnel vision," a preoccupation with getting from here to there, with education an obstacle course in between. Many of them did not enjoy academic learning in high school and do not enjoy it in college.

For these students, the world of work has two and only two meanings: the world of their fathers' (and their own) employment in jobs of traditionally less status, and the world of occupations that are indisputably and certifiably middle-class. Such students commonly need two things: greater self-confidence, and an understanding of how the better lives they are seeking have room for (and indeed require) an openness to options and variations in the way work is done. Their isolation is that of a bullet on its trajected course—but it is isolation, all the same.

We believe, therefore, that all reluctant students need sanction and encouragement to break out of the academic lockstep. Being young and not in school or college, but engaged in serious non-academic activity, needs to be just as legitimate as being young and in school. For some students this means delaying entrance to college; for some a break in the middle of their undergraduate years; for others a break between undergraduate and graduate study.

We think it also important to develop a tradition of deferring formal education to spend time in public service. Young people emerging from adolescence are ready to leave behind much of the self-absorption that was, in some measure, inevitable a few years earlier in their lives. The right time to discover the world of work is also the right time to discover the world of service. These discoveries often must precede the right time for further formal education.

STUDENTS AND SERVICE TO COUNTRY

The success of the G.I. Bill, though anticipated by no one, was in fact built on solid foundations: recognition of the mutual obligation between the nation and the men who had served it in war. What no one anticipated was the fact that the interruption of formal schooling had strengthened veterans' motivation in ways that would enable the veterans to take advantage of the educational opportunities the country felt they had earned. We can now see much more clearly the importance of such motivation. But there is now an urgent problem in rebuilding a sense of mutual obligation between the nation and its young people.

The concept of "service to country" has undergone enormous change. For most of our history it was an inclusive concept; but the term has recently tended to become synonymous with military service only. For large segments of the younger population (and often their parents as well) service in the military is no longer a high calling. Government and the young are estranged—and the military and the young particularly so.

It is in working toward a solution of our domestic problems that we believe society can expect to find a nexus for a new sense of mutual obligation.

THE IMPULSE TO SERVE

These problems will be with us for a long time, for, unlike the problem of material productivity that American society has learned to solve so well, social problems require a sensitivity to particular cases, to personal communication, and to finding solutions acceptable to all because all must live with them. Means need to be found to identify work in solving social problems as "service to country."

Indications are that significant numbers of students share this perspective and see personal involvement through service as part of what their lives are about.

The continuing number of student-run voluntary services around the country, the response to the Peace Corps and VISTA, the willingness of students to volunteer time after oil spills and to deal with other ecological problems all indicate that the impulse to serve has by no means been extinguished among youth. Rather, it has been obscured by the factors we have outlined: a lack of wordly experience to stimulate reasonable self-confidence and optimism; an absence of structures to carry the message that the whole society is behind such efforts; and scarcity of arrangements to legitimize these efforts as an appropriate stage of growing up and of exploring options for the individual.

If our society can begin to correct this situation, more young people will be ready to serve in finding solutions to social problems. If, at the same time, a break in the lockstep pattern of schooling can be sanctioned, the purpose of learning in colleges and universities can be clarified.

A valuable guide

We believe that the G.I. Bill experience can serve in many ways as a valuable guide to the type of programs that may be effective alternatives to the lockstep. For example, it is common to think of community service in terms of altruistic young people who will choose lifelong carriers in low-paying high service-content jobs. Yet, just as with the "G.I." experience, a much more common preference is to spend one, two, or even three years of one's life in such service, usually as early as possible, before going on to a career and family life.

We should recognize the validity of this drive and the logic of an early period of community service by a larger number of people as well as that of the life-time commitment of a relative few.

THE RANGE OF VOLUNTEER ACTIVITIES

There exists today a thriving movement of volunteer service programs involving young people. However, it falls well short of the needs examined in this proposal, for two reasons:

Most programs are college-based, and must cope with competing academic and service priorities. They tend to reinforce the importance of the college tie rather than legitimizing stepping-out for a distinctively service role.

Federal programs, like Peace Corps and VISTA, tend to define jobs requiring either a degree or extensive experience, which students caught in the lockstep cannot generally be expected to have. Furthermore, they have often been handicapped by too close an identification with the federal government and have some difficulty in responding spontaneously to local needs.

The task force does not, let us emphasize, find fault with either the campus-based or the federal programs. On the contrary, we believe they are of great value to society. The point is that they either have little room for, or do little recruiting of, youths who need an alternative in order to resist the pressures of the lockstep. This kind of alternative is more readily available in non-campus-based, non-federally operated national, regional, or local organizations.

The availability of volunteer opportunities

There is enough evidence to indicate that meaningful jobs do indeed exist. Although it is probably wise to accept projections with caution, the sources are varied and the numbers high enough to warrant optimism.

For example, H.E.W. estimates, from a number of studies on manpower shortages, indicate that there exists a serious need for more committed volunteers at every level and in almost every category of social service.

One study revealed that there are 4,000 deaf-blind persons in the nation still in need of assistance. To reach them, it is estimated, would require 1,350 professionals, but more so, 11,030 paraprofessionals and 11,330 unskilled volunteers.

Similarly, there are an estimated one million handicapped children in their early school years who need help. To reach them would take an additional 121,482 professionals, 53,570 paraprofessionals, and 342,143 volunteers.

H.E.W.'s Parent and Child Centers need an additional 1,690,000 professionals, paraprofessionals, and volunteers. The Dropout Prevention programs, if developed nationwide, would require an additional 22,000 professionals, 5,400 paraprofessionals and 1,250 volunteers.

No lack of potential jobs

In 1966, the National Service Secretariat found—in the Washington, D.C. area *alone*—about 1,300 jobs available for community service volunteers. The National League of Cities surveyed, in the same year, Atlanta, New Orleans, Philadelphia, New York, Detroit, Dayton, Tacoma, and Phoenix and identified openings for about 12,000 volunteers. One analyst of these data suggests that, applied nationwide, the two surveys point to a potential of 200,000 immediate volunteer opportunities.

In the spring of 1972, the Youth in the Mid-70's project polled three areas: the metropolitan central city area of Portland, Ore., part of the metropolitan fringe of Washington, D.C., and Sheboygan County, Wis., a non-metropolitan area.

The study concluded that, if transportation, insurance, supervision, and training were available, enough public-service jobs would be available to provide every 15- through 20-year-old in the surveyed areas with three hours of service-learning opportunities a week. Some of the work would be full- or part-time for a half year or more.

The authors further estimate that one half of all young people in the country could work full-time in a public-service job for an entire academic year. It was found that public-service employers interviewed were willing to develop job descriptions and entry-level skill criteria appropriate to a young volunteer pool—provided that they were allowed to select and train volunteers for appropriate programs.

These surveys indicate that the apparent scarcity of appropriate opportunities is probably due to a failure to re-examine the way in which service agencies carry out their missions.

Sometimes jobs must be restructured so that volunteers can be used more extensively and professionals can be freed to spend their time on tasks requiring expertise and experience. Such restructuring is desirable in itself, quite apart from creating opportunities for volunteers.

There is, we conclude, no lack of potential jobs, but rather a problem of getting the right young person together with the volunteer opportunity.

Campus-based programs

The chief characteristic of campus-based programs is that they recruit student volunteers for programs organized around the academic schedule. At one extreme, federal work-study regulations have required that students be enrolled in college full-time (though this has now been broadened to include half-time students). A substantial block of time is available in "January off" programs, in which students work in service agencies (among other options) during the long January break in some academic calendars. At the other extreme is cooperative education, in which students spend alternate calendar periods studying on campus and working full time, often in service programs.

A fairly typical campus-based program would be the SUMMON program at the University of Miami, which involves 25 faculty and over 250 students in services to the community. Their primary work is tutoring elementary school students, inmates of the Dade County jail, children who are mentally retarded or have severe emotional problems and have no access to the regular school system. Other students work with the Miccousukee Indians in tutoring and serving as liaison betwen children attending school off the reservation and their parents. The faculty serve as an anchor to the academic disciplines and offer professional help in the performance of their work.

"Theater-Go-Round" of West Virginia University combines community service with the performing arts. Students promote the music and lore of the region through a kind of traveling show. Vermont high school students participate as mental health aides or special education and therapy aides through DUO, a program of the state education department. For their participation, the students receive some academic credit.

Federally operated programs

The establishment of the Peace Corps in 1961 was a significant turning point in federal involvement. Beyond the direct effects of the program, it served as the forerunner of a whole range of federal programs, with the bulk of the programs now incorporated into ACTION.

Both the Peace Corps and VISTA, its domestic counterpart, recruit almost exclusively college graduates, and, increasingly, those with special skills, rather than generalist background, Peace Corps and VISTA volunteers receive a living allowance while on the job, and a separation pay upon leaving the service.

Still another program supported through ACTION, and one which falls more within the range of activities that this proposal would encourage, is the University Year for Action (UYA). Campus-based, UYA provides students with a year living and working as community volunteers. Participating universities place students in community projects or agencies, provide program management, training, and academic credit. While in the field, however, the student volunteers are under the supervision of the community service agency. For their part, students receive credit toward a degree and subsistence.

Other Federal programs

Other programs which chiefly employ young people and are supported in one way or another by the federal government are the Youth Conservation Corps, the Teacher Corps, and the Urban Corps (the latter supported indirectly through college work-study funds).

From its early support of 4-H and the depression-era CCC (Civilian Conservation Corps), the federal government has played a substantial role in encouraging young people to early and active roles in society. In recent years alone, over 160,000 young people have participated in federal volunteer programs.

But more important than the numbers of volunteers or projects, is the message which the federal government and its support telegraphed to students, their parents, and the society at large—that the activity which these young people were engaged in was worthwhile and legitimate and time well-spent by the volunteers. That admission to the Peace Corps was, for many years, as noteworthy for many students as admission to a prestigious graduate school, is some indication that the message was heard.

Non-campus, non-Federal programs

We believe that federally operated programs are, and should be, only a very small part of the community service programs, and that incentives to encourage non-federal programs can be effective and should be the first order of business for the community service fellowship program.

Opportunities exist for those who wish to gain wider experience for a substantial amount of time before or during college, but these opportunities receive far less recognition and publicity than federal or campus-based programs. These programs—which do not unwittingly contribute to the academic lockstep—include the large number of programs operated by states, localities, community service and educational organizations. Many of these could use large numbers of volunteers at once.

Broad range of opportunities

With some restructuring and rethinking to provide more meaningful and continuous engagement, long-standing volunteer programs could provide service opportunities of the kind we propose. Among these are programs of the Scouts, Red Cross, hospitals, homes for the elderly, governmental internships, recreation programs, and programs for the physically and mentally disabled.

The range of service opportunities through existing agencies is large, sometimes even within one program. One example: the North Carolina Internship program was established in 1969 by the state and the Southern Regional Education Board. From 100 students in its first year, it grew to 2,500 interns and a network of service-learning programs in 1970.

The program has demonstrated that the interns can make a valuable contribution to the state and the region while gaining valuable educational experience. For example, in the environmental program, students have worked on the effects of channelization on fish life. Others in the Appalachian Youth Leadership program serve as Head Start teachers' aides and work on the economic development of the region.

Growth of understanding

Faculty, community, and state personnel working with the interns have remarked on their growth in autonomy, self-discipline, and understanding of the complexity of problems facing them. The students are discovering that the experience of the internship leads them to be more clear in personal goals and less pessimistic about the possibility of improving social conditions.

The California Ecology Corps is still another example. It pays volunteers $40 a month and board for such service as forest rangers in the California Division of Forestry. Presently, 125 young men are performing alternate service by clearing timber. During firefighting season they work eight-hour days but are on call 24 hours.

Still another program that offers wide posibilities is PIRG (Public Interest Research Groups), a network of Nader-inspired, semi-autonomous, student research groups. The purpose of PIRG is to involve students in action-oriented research on local problems. Research is conducted on campuses with the advice and direction of young professionals, who form a state-wide nucleus. Funding comes from students at colleges and universities, either through a levied tax on all students or through a voluntary student $3 checkoff during registration. PIRG's now operate in 15 states and on over 50 campuses.

THE "G.I. BILL" EXPERIENCE

The most far-reaching linkage of service and education came about in the postwar period. With the passage of the Servicemen's Readjustment Act, more commonly known as the "G.I. Bill of Rights," higher education in this country embarked on a unique, though accidental, experiment.

Curiously enough, the educational provisions of the bill were almost overlooked at first and were assumed to be of only minor importance.

Former U.S. Commissioner of Education Earl J. McGrath (then dean at the University of Buffalo) estimated that only 640,000 veterans would take advantage of the education benefits, with never more than 150,000 in a given year.

An Army survey estimated that 7 per cent of the veterans would use the education provisions of the bill. Frank T. Hines, administrator of the Veterans Administration, thought the percentage exaggerated; so did the president of Lafayette College, William Mather Lewis.

Other educators accepted the Army's figures at face value.

Charles G. Bolté, chairman of the American Veterans Committee, prophesied—wrongly—that "most veterans preferred jobs to school—which will continue to be the case. . . ."

The August, 1949, Saturday Evening Post carried an article entitled: "G.I.'s Reject Education!"

2.2 million attended college

All estimates were short of the mark. By June of 1955, 2.2-million veterans had attended college under the provisions of the G.I. Bill, with 3.5-million attending other kinds of institutions.

In the peak year of the program, 1,150,000 veterans were enrolled in college. Where the Army had estimated that 7 per cent of the veterans would use the educational benefits at all levels of education, 14.3 per cent of the veterans used the educational benefits for college alone and even more used them for other forms of training.

Generally, predictions of what the veterans would be like in college were as erroneous as the predictions of their numbers. Most educators favored some form of G.I. Bill for the "best students." There were some educators (notably Chicago's Robert M. Hutchins and Harvard's James B. Conant) who viewed the G.I. Bill as "a threat to American education," which colleges and universities would be unable to resist because of the financial rewards for the institutions which the veterans would bring with them.

The veterans, while generally assumed to be more serious and mature, were also viewed as people who would find it difficult to "settle down," would be impatient with authority and in need of more than the usual amounts of counseling. Their interests, it was predicted, would be vocationally oriented, and they were expected to spurn any attempt to interest them in the liberal arts.

As predicted, the veterans *were* hard-working and serious, yet no one would have predicted their collegiate performance. They were better students and achieved more than their non-veteran counterparts. Not only did almost all studies indicate that veterans out-performed non-veterans, but those veterans with the "severest obstacles" to overcome, out-performed their fellow veterans. Nor did veterans gravitate toward narrowly vocational programs. The distribution of veterans across academic fields was comparable to that of non-veteran students, though slightly more in practitioner fields.

If there is any set of words which were consistently used to explain the returning G.I.'s superior performance in college, it is: age, maturity, experience. As President Conant admitted some years later, the former G.I.'s were "the most mature and promising students Harvard has ever had."

Motivated and successful

The task force has stressed the discussion of veterans as students because we think that veterans, as a highly motivated, non-traditional student group, are analogous to the volunteer-students we would encourage. The data on veterans are subject to more than one interpretation. But we feel that one conclusion is inescapable: the largest group of non-traditional students to have gone to college was singularly successful and strongly motivated—more so than more traditional students as a group.

There is some evidence that other, smaller, non-traditional groups are also more motivated and successful. For example, the Sarah Lawrence Center for Continuing Education has recently summarized its 10 years of providing women with a chance to resume formal education interrupted by marriage and family. The authors of the center's report found a "depth of motivation" and "seriousness of purpose" in the students, who have, in addition, exhibited higher grade-point averages and lower attrition rates than their younger classmates.

By motivation, we mean no more and no less than that students as individuals should consciously decide whether, when, where, in what field, and why they will continue formal education beyond high school. We believe that for many, breaking the lockstep is the best route to that reasoned choice.

THE FEDERAL ROLE

In the past the federal government has set major precedents in both volunteer programs and in student aid. Quite distinct from its interest in education, the federal government has had a substantial role in the creation of programs to encourage young people into socially active roles. As far back as 1914, the federal government provided support and encouragement for 4-H programs and Future Farmers of America (FFA) as adjuncts to the Agricultural Extension Service. During the depression, the Civilian Conservation Corps (CCC) provided employment, education, and training for young men in the nation's forests and parks.

The range of present federal volunteer programs has already been noted. These programs have taught us clear lessons about the nature of federal involvement relevant to the lockstep problem and the kinds of service alternatives needed:

The federal government, while supporting a community service activity, can leave a program largely autonomous and in local hands. The experience of the Urban Corps and the Teacher Corps both point to this. Participants in both programs are hired by the local agency and are responsible to that agency, even though a substantial amount of funding comes from the federal government.

Staffing for individual community service programs can be on a small scale. The Urban Corps spread to 70 cities with minimal staffing, and it remains small today (much of the staffing comes from the Urban Corps students themselves). In its first year of operation, the Youth Conservation Corps functioned without one full-time staff person in Washington.

Federal support for service alternatives clearly need not entail either uniformity of style and substance or a large centralized bureaucracy.

Student aid

The federal role in student aid has developed substantially in the last 25 years. Government, both federal and state, has become the major source of all student aid. The primary purpose of publicly funded student aid has been to eliminate the barrier of low family income as an obstacle to attending college.

But most federal student-aid programs have served broad social purposes beyond that of helping particular students attend college. The G.I. Bill rewards those who have made the sacrifices involved in serving in the military and aids their transition back to civilian life. Graduate-student aid helps insure trained manpower in important fields. Educational opportunity grants provide social mobility for the disadvantaged, but with gains for society as a whole. (In another paper we argue that student aid is a form of federal aid to higher education that is highly supportive of the antonomy, flexibility, and efficiency of institutions.)

The federal government is increasingly performing its student-aid role in a context of expansion in college places and open-admissions policies which lower the barrier of academic skill requirements. In this context the success of federal student-aid programs depends both on the motivation of the less academically able student to attend college and the availability of colleges which accept diversity in styles of learning.

The obvious social benefits flowing from the elimination of the old barriers to access—the requirements of family wealth or academic skills—have obscured consideration of the negative effects of having no hurdles at all.

Coupled with a simultaneous pressure on everyone in the college age group to conform to the academic lockstep whether ready or not, the ease of entry and transfer has led to growing numbers of students—particularly in states with high enrollment rates—who are wandering both intellectually and physically within the college system.

We believe that as changing values continue to de-emphasize the old requirements for access to college—money, S.A.T. scores, and high school grades—a new requirement must be emphasized: motivation, as evidenced by a mature and conscious choice to enter college and study.

In order to create attractive alternative options to routine college attendance, and offer non-academic experience which may foster motivation to further education, we believe a significant part of federal student aid should be in the form of rewards for service to the community.

COMMUNITY SERVICE FELLOWSHIPS: A G.I. BILL FOR COMMUNITY SERVICE

We, therefore, propose a new federal program providing for community service fellowships.

The purpose is to provide educational benefits to those young people who serve in community-service programs. Fellowship benefits would accrue on a month-for-month basis. That is, for each month that a participant served in a community-service program he would receive one month of educational benefits when later enrolled in a postsecondary educational program, up to a maximum of 24 months. Fourteen months of service, for example, would entitle the participant to 14 months of benefits when he enrolled in a postsecondary program or institution.

A minimum period of service of six months seems advisable—not only to allow a serious commitment to be made and tested, but also to make it possible for the host community service agency to develop serious useful jobs for the volunteers.

The rate of benefit would be $100 per month—not so large as to become the prime motive and certainly not to displace the basic federal thrust of equalizing opportunity, but great enough to be of significant aid.

It would be most desirable to have the benefits available to volunteers at any time in their lives at the prevailing rate of monthly benefits as a means of encouraging patterns of recurrent education. However, if for administrative reasons volunteers are permitted to "bank" their eligibility for only a more limited time the period should still be long enough to avoid the pressures for immediate enrollment, such as the eight-year limit imposed on veterans' benefits eligibility.

Any individual who has graduated from high school (or has completed an equivalency) and is not past the age of 28 would be eligible to participate. We suggest that there be such an upper age limit for eligibility even though we recognize that older individuals have great contributions to make. While all Americans should no doubt be urged to consider periods of voluntary service, this is not the primary thrust of this proposal. The principal goal is to provide incentives and legitimacy for young people to break out of the academic lockstep.

No benefits during service

The proposed program would not pay salary or subsistence benefits during the individual's period of service, but only educational benefits at a later time. Some reviewers of earlier drafts of this proposal have questioned the feasibility of a program which does not itself provide on-the-job payment to participants in the program. It is true that substantial numbers of students could not be expected to work without any remuneration. There are, however, community-service programs using young volunteers which provide a weekly or monthly salary and/or stipend for living expenses.

The federal role in this program is not to provide sustaining support either to projects or individuals. Rather, the role is analogous to that in cooperative education, where the federal government seeks to overcome obstacles to the creation of jobs, but does not itself create them.

Federal relationship questioned

While volunteers in the federal programs of the ACTION agency should eventually be eligible, fellowships at the start should be reserved for volunteers in non-federal programs. Such a preference would stimulate volunteers to work at the community level, in local and state programs which need more attention than do well-established federal programs.

We have considered the possibility that fellowship holders might inadvertently compete with and displace present workers in community-service agencies, but find no basis for such concern. Evidence from existing programs indicates, on the contrary, that new openings are created for volunteers. We have questioned as well whether youth might hesitate to volunteer for a program that is closely identified with the federal government. However, the federal relationship in the program need be no more than that in any student-aid program.

In fact, as the Urban Corps program has shown, while the participants are paid a substantial portion of their salaries from College Work-Study funds (a program of the U.S. Office of Education), they do not see themselves, nor are they viewed by fellow workers, as wearing a badge which proclaims: "U.S.O.E.-approved."

Selection of community service fellows

The selection of volunteers to participate in eligible community-service programs should be the sole responsibility of the community-service agency. Selection of volunteers should be decentralized, just as should be the selection and operation of projects. The community-service agency filling a position which carries with it fellowship benefits would notify H.E.W. of the individual selected, and an account would be set up in his name, with monthly benefits vesting as they accrued. At no time would this mean that the volunteer was enlisting in a federally operated volunteer program or service corps.

The only federal rules on the selection of individuals by agencies beyond establishing basic eligibility would be those of the Civil Rights Act and the provisions of Title IX of the Education Amendments of 1972 relating to sex discrimination.

Individuals who wished benefits under the program would apply directly to an eligible community-service agency, although they could also forward an inquiry to the national office for immediate referral to eligible community-service agencies having projects in line with the volunteer's interests.

A national board on community service fellowships

In order to allocate fellowships among the community-service programs which would apply, the Secretary of H.E.W. would appoint both a national board for community service fellowships, and several regional boards. The national board should be composed of individuals representing the general public as well as education and community service organizations. It should consist of 18 members. This would be a large enough number to permit wide representation and staggered terms.

The national board would:

Establish the broad guidelines and criteria for fellowship allocations.

Evaluate the status of the community service fellowships program, and make recommendations as to the improvement of the program.

Recommend for the Secretary's consideration candidates for membership on the regional boards.

The regional boards would include individuals picked in the same way as members of the national board. The chairman of each regional board would be an *ex officio*, non-voting member of the national board. The regional boards would be authorized to select eligible programs, and to assign to each a number of community service fellowships. In their decisionmaking, the regional boards would apply the broad guidelines and criteria established by the national board, as appropriate to their own regions. The national board would evaluate the regional selection of programs.

The agencies and the volunteers must both see the proposed jobs as meaningful and necessary work in which the volunteers can gain vulnerable learning experiences. These factors should be dominant criteria in the allocation of fellowships among volunteer programs. The success of volunteer programs depends overwhelmingly on the sensitivity and ingenuity with which job creation and assignment is approached.

In addition, the boards may look to such considerations as:

The need to perform tasks presently left undone in an agency's program for lack of manpower.

The need for new approaches to community problems.

The need to encourage the creation of a sufficient variety of volunteer opportunities.

Some reasonable measure of stability and responsibility in the management of the service agency.

Supporting a sufficient variety of volunteer programs so that young people with differing interests will have corresponding opportunities.

There should be 100,000 community service fellowship positions. Each should be at least six months in duration, not to exceed 24 months. Because many of the community service fellows will be young and lacking in experience and administrative skills, not all their jobs can be expected to be on the same level as community service work in college-related programs. However, assigning groups of people to work in teams may provide opportunities for higher level work.

Focus on a few problems

The positions should contribute to the social well-being of the community in which the volunteer serves. It may be advisable to focus on a few, more outstanding problems in which students can make a contribution, such as corrections, mental health, law enforcement, protection and enhancement of the natural environment, drug abuse, housing, malnutrition, and recreation.

A number of proposals have been put forward based on a somewhat different concept, usually called "national service," in which all young people are required to spend a period in either community or military service after high school. However, we seriously doubt the wisdom of compulsory participation. We do not think it makes sense to replace one lockstep with another. Restoring a sense of choice is a major objective, and it is incompatible with compulsion.

Moreover, a nationally organized program would tend to provide only a few patterns of participation when a great many are needed. The program we recommend instead proposes educational benefits to those who choose to volunteer.

Rebuilding the concept of service

We believe such a voluntary program will encourage the stability of existing community-service programs and the establishment of new non-federal programs at national, regional, and local levels.

We believe it will help toward rebuilding the concept of service to country, and help make plain that this means more than just military service.

We hope it will stimulate a motivation toward achievement among the country's young and establish the concept of educational benefits going to those of demonstrated motivation.

We hope that it will create a new way to work one's way through college, in a way that will allow students truly to participate in the pressing task of our time.

We believe that this proposal will encourage students to break the academic lockstep. We believe that it will encourage the creation of opportunities whereby young people may broaden their education. We hope it will establish the idea that going into a service program is something many young people do—and all Americans accept as legitimate and desirable whether before, during, or after their undergraduate years.

S. 1556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Community Services Educational Benefits Act".

PURPOSE

SEC. 2. It is the purpose of this Act to provide educational benefit payments to young people who have served in community services programs and thereby encourage them to balance more formal education with constructive community service experiences.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "Board" means the Community Services Educational Benefits Board;

(2) the term "Director" means the Director of ACTION; and

(3) the term "eligible individual" means any individual who—

(A) serves in an eligible community service program after January 1, 1973, for a period not less than 180 days;

(B) was not less than 18 years of age nor more than 25 years of age during the period of service in such program; and

(C) during any such period did not receive compensation in an amount more than the basic pay provided for the pay grade for an E-3 with less than 2 years' service under section 203 of title 37, United States Code, including any subsequent adjustments;

(4) the term "institution of higher education" means any such institution defined in section 1201(a) of the Higher Education Act of 1965.

APPROPRIATIONS AUTHORIZED

SEC. 4. (a) To enable the Director of ACTION to make payments in accordance with the provisions of this Act to encourage eligible individuals to participate in community service programs and to enable such individuals to receive educational benefits, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) The Director shall make payments in accordance with the provisions of this Act to 10,000 eligible individuals during the fiscal year ending June 30, 1974, 25,000 eligible individuals during the fiscal year ending June 30, 1975 and the succeeding fiscal year, and 100,000 eligible individuals in each fiscal year thereafter.

PAYMENTS AUTHORIZED

SEC. 5. (a) The Director is authorized to make payments, under the provisions of this Act, to eligible individuals for programs of training or courses of study conducted by institutions of higher education or other agencies and institutions approved by him for the purposes of this Act. The Director shall make such payments to each eligible individual who applies therefor at a rate equal to 50 per centum of the amount payable to a veteran eligible (with the same number of dependents as that individual) for benefits under chapter 34 of title 38 of the United States Code, for each month of service by that individual in an eligible community services program. Whenever such an individual is pursuing an education program on less than a full-time basis, the education benefits payable under this Act shall be adjusted pro rata by the Director.

(b) The maximum number of months for which an eligible individual may receive a payment under this Act is 24 months. No such payment may be made to an eligible individual more than 4 years after such individual has completed his participation in an eligible community services program.

(c) Payments may be made under this section only while an eligible individual is pursuing a course of education or training which, when pursued by eligible veterans, qualifies them to receive an educational assistance allowance under chapter 34 of title 38, United States Code. Benefits may be paid only when the eligible individual is maintaining satisfactory progress in the course of study he is pursuing, and in good standing with the institution in which he is enrolled, according to the regularly prescribed standards and practices of that institution.

(d) In carrying out this section, the Director shall, to the maximum extent feasible, use the resources and services of the Office of Education and the Veterans' Administration.

PROGRAM ELIGIBILITY

SEC. 6. (a) The Director, after consultation with the Board, shall establish and maintain a list of eligible community services programs. The list shall contain Federal programs under the jurisdiction of the Director and such other Federal programs as he determines are of a community service nature and substantially comply with such additional criteria as he may establish.

(b) In addition, the list of eligible community services programs shall contain such non-Federal programs as are designated by the Board. The Board may designate a non-Federal program as an eligible community services program if the Board determines that—

(1) that program has been in operation for at least a one-year period; and

(2) the programs meet such other standards, with respect to its activities and services and the work of individuals serving in that program, as the Director may by regulation establish.

SELECTION OF ELIGIBLE INDIVIDUALS

SEC. 7. The Director is authorized to develop and maintain such procedures as he deems necessary to select eligible individuals for education payments in accordance with the provisions of this Act.

THE COMMUNITY SERVICES EDUCATIONAL BENEFITS BOARD

SEC. 8(a). The Director shall establish a Board to be known as the Community Services Educational Benefits Board to be composed of 15 individuals appointed by the Director as follows:

(1) Twelve of the members shall be appointed so that each of them represents one of the 12 Federal regions of the United States.

(2) Three members shall be appointed from the general public.

The Director shall make the appointments under this section from among individuals who are familiar with the fields of post-secondary education, higher education, or community services programs.

(b) Members of the Board shall be appointed for 3-year terms except that (1) of the members first appointed five shall be appointed for a term of 1 year, five shall be appointed for a term of 2 years, and five shall be appointed for a term of 3 years, as designated by the Director at the time of the appointment; and (2) members appointed to fill a vacancy shall be appointed for the unexpired term of the member whom they succeed.

(c) It shall be the duty of the Board—

(1) to designate such non-Federal programs as it determines warranted as eligible community services programs in accordance with the provisions of this Act; and

(2) to advise the Director on the administration of this Act.

(d) Members of the Board shall receive compensation at the rate of $—— a day, including traveltime, for each day in which they are engaged in carrying out their duties as members of the Board. All members shall be entitled to reimbursement for travel, subsistence and other necessary expenses incurred by them in carrying out the duties of the Board.

APPLICATIONS AND REPORTS

SEC. 9. (a) Any eligible individuals who desire payments under this Act shall file applications with the Director in such form and containing such information as the Director determines necessary.

(b) The Director shall require reports containing such information in such form and to be filed at such times as he determines necessary from each eligible individual receiving payments under this Act.

(c) The Director shall make arrangements with institutions of higher education and other agencies and institutions approved by him for the purposes of this Act providing for reports to be filed in the manner prescribed by him on the enrollment, interruption, and termination of the program of training or the course of study of each eligible individual enrolled therein and receiving payments under this Act. The Director is authorized to pay to such agencies and institutions the costs incident to the filing of such reports. No payment shall be made to such agencies or institutions for the period during which such reports were not submitted as required by this subsection.

ADMINISTRATIVE PROVISIONS

SEC. 10. (a) In order to carry out his functions under this Act, the Director is authorized to—

(1) establish, rescind and amend such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such employees as may be necessary;

(3) procure temporary and intermittent services to the same extent as authorized by section 3109 of title 5, United States Code.

(4) secure from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the United States Government, or of any State, or political subdivision thereof, information, estimates, and statistics required in the performance of his functions under this Act;

(5) enter into and perform such contracts, leases, cooperative agreements or other arrangements as may be advisable without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) and other provisions of law relating to competitive bidding; and

(6) accept and use with their consent, with reimbursement, such services, equipment and facilities of other Federal agencies as are necessary to carry out such functions efficiently and such agencies are authorized to loan, with reimbursement, such services, equipment and facilities to ACTION.

(b) Each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to ACTION upon written request made by the Director.

By Mr. JAVITS (by request):

S. 1557. A bill to amend the Welfare and Pension Plans Disclosure Act. Referred to the Committee on Labor and Public Welfare.

EMPLOYEE BENEFITS PROTECTION ACT

Mr. JAVITS. Mr. President, at the request of the administration, I introduce, for appropriate reference, the administration's bill to amend the Welfare and Pension Plans Disclosure Act. This bill, along with a companion measure to amend the Internal Revenue Code to set vesting, funding and other standards for private pension plans—including tax deductions for employee contributions to individual and group retirement programs—were the subject of the Presidential message transmitted to the Congress on April 11, 1973, on which I commented yesterday in a floor statement.

The bill I introduce today amends the Welfare and Pension Plans Disclosure Act, which is administered by the Secretary of Labor, by strengthening greatly the disclosure requirements for employee benefit plans and by establishing fiduciary standards to protect the rights of workers covered by employee welfare and pension benefits plans. The bill is substantially the same as title V of S. 4, the Williams-Javits private pension and welfare plan reform bill, which was reported favorably by the Committee on Labor and Public Welfare on March 29, 1973. There are, however, some significant points of difference which I will describe more fully later.

The most significant improvements made by the administration's bill over last year's version are as follows:

First. Plans of nonprofit organizations and trust funds subject to section 302 (c) of the Taft-Hartley Act are made subject to the fiduciary and disclosure standards.

Second. The Secretary of Labor is provided with authority to require plan administrators to provide reasonable notice to participants and beneficiaries of their rights under the act.

Third. The provisions dealing with barring convicted criminals from holding positions in welfare and pensions plans have been clarified and strengthened.

Fourth. Participants and beneficiaries are assured the right of intervention in actions for an accounting filed by a trustee of an employee benefit plan in a State court.

On the other hand, unlike S. 4, the bill fails to provide for:

First, and very important, adequate protection of pension plan participants and beneficiaries against interference with their rights through economic sanctions or the use of fraud, force, or violence.

Second. Procedures that will guarantee due process to participants in the processing of their benefit claims or protections against loss by default of survivorship benefit options.

Third. In addition, the bill continues what I regard as an unwise provision, by conditioning access to the Federal courts by participants and beneficiaries on at least $10,000 being in controversy. In view of the problems of service of process and jurisdiction involved in maintaining individual suits against funds or their administrators, I have great reservations about this provision as well as the provisions in the bill authorizing courts to direct plaintiffs to post bond to cover counsel fees and the costs of the action as a precondition for bringing suit.

Fourth. Moreover, unlike S. 4 and unlike the administration's fiduciary bill of last year, the administration's bill now requires the Justice Department rather than the Labor Department, which has the expertise, to bring civil actions to enforce breaches of trust. As is the case with respect to enforcement of the minimum wage laws, in such a highly complicated and technical area of welfare and pension fund regulation, lawyers representing the Secretary of Labor should bring civil actions in the interests of effective legal enforcement of the bill's provisions.

Although these differences are important and should not be minimized, nevertheless, I emphasize that the administration's proposal for Federal welfare and pension plan fiduciary and disclosure standards in compatible, in an overall sense, with the provisions of S. 4 and other fiduciary and disclosure bills now pending in the Congress. The bill represents a long overdue step in the right direction of providing adequate protection against breaches of trust which adversely affect the rights and expectations of participants and beneficiaries of employee benefit plans.

Mr. President, I ask unanimous consent that there be printed in the RECORD the text of an explanatory statement of the bill prepared by the Department of Labor.

There being no objection, the explanatory statement was ordered to be printed in the RECORD, as follows:

EXPLANATORY STATEMENT OF AMENDMENTS TO THE WELFARE AND PENSION PLANS DISCLOSURE ACT MADE BY THE EMPLOYEE BENEFITS PROTECTION ACT

The fundamental purpose of the proposed amendments to the Welfare and Pension Plans Disclosure Act is the broadening and strengthening of the protection of rights and interests of participants and beneficiaries of employee welfare and pension benefit plans. This aim is accomplished in three ways. First, by the addition of two new sections: one setting forth responsibilities and proscriptions applicable to persons occupying a fiduciary relationship to employee benefit plans, including a "prudent man" standard for evaluating the conduct of all fiduciaries; the other barring from responsible fiduciary positions in such plans for a period of five years all persons convicted of certain listed criminal offenses. Second, by additions to and changes in the reporting requirements designed to disclose more significant information about plans and the transactions engaged in by those controlling plan operations and to provide specific data to participants and beneficiaries concerning the rights and the benefits to which they are entitled under their plans and their rights under the law. Third, by providing remedies through either State or Federal courts to insure that the protections provided by the Act can be effectively enforced.

I. FIDUCIARY RESPONSIBILITY

A fiduciary is one who occupies a position of confidence or trust. As defined by the amendments, a fiduciary is a person who exercises any power of control, management or disposition with respect to monies or other property of an employee benefit fund, or who has authority or responsibility to do so. The fiduciary responsibility section, in essence, codifies and makes applicable to these fiduciaries certain principles developed in the evolution of the law of trusts. The section was deemed necessary for several reasons.

First, a number of plans are structured in such a way that it is unclear whether the traditional law of trusts is applicable. Predominantly, these are plans which, although maintaining a fund of assets to finance benefit payments, are not established as trusts. Certain insured plans fall into this category. Administrators and others exercising control functions in such plans under the present Act are subject only to minimal restrictions and the applicability of present State trust law is sometimes unclear.

Second, even where the funding mechanism of the plan is clearly in the form of a trust, reliance on conventional trust law often is insufficient to adequately protect the interests of plan participants and beneficiaries. This is because the common law of trusts was developed in the context of testamentary and inter vivos trusts (usually designed to pass designated property to an individual or small group of persons) with an attendant emphasis on the carrying out of the instructions of the settlor. Thus, if the settlor includes in the trust document an exculpatory clause under which the trustee is relieved from liability for certain actions which would otherwise constitute a breach of duty, or if the settlor specifies that the trustee shall be allowed to make investments which might otherwise be considered imprudent, the trust law in many States will be interpreted to allow the deviation. In the absence of a fiduciary responsibility section in the present Act, courts applying trust law to employee benefit plans have allowed the same kinds of deviations, even though the typical employee benefit plan, covering hundreds or even thousands of participants, is quite different from the testamentary trust both in purpose and in nature. It is expected that courts will interpret the prudent man rule and other fiduciary standards bearing in mind the special nature and purposes of employee benefit plans intended to be effectuated by the Act.

Third, a fiduciary standard embodied in Federal legislation is desirable because it will bring a measure of uniformity in an area where decisions under the same set of facts may differ from State to State. This uniformity of decision will help administrators, fiduciaries and participants to judge the legality and prudence of proposed actions by an established standard and will avoid the necessity of reference to varying State laws.

Finally, taken together, the funds of employee benefit plans constitute an enormous sum of assets and it is evident that the operations of such plans are increasingly interstate. The national public interest in the continued prudent management of these plans and in the integrity of their funds is direct and clearly warrants protective Federal legislation.

Section 14(a), when read in connection with the definition of the term "employee benefit fund," makes it clear that the fiduciary responsibility provisions apply only to those plans which have assets at risk. Thus an unfunded plan, such as one in which the only assets from which benefits are paid are the general assets of the employer, is not covered. However, if the plan does have assets at risk, the form in which those assets are held is deemed to be a trust, whether or not a trust agreement exists, and the trust assets may be used only for the two stated purposes: providing benefits for participants and defraying reasonable administrative expenses.

The next two subsections (14) (b) ahd (c)) incorporate the core principles of fiduciary conduct as adopted from existing trust law, but with modifications appropriate for employee benefit plans. These salient principles place a twofold duty on every fiduciary: to act in his relationship to the plan's fund as a prudent man in a similar situation and under like conditions would act, and to act solely in the interest of the participants and beneficiaries of the plan; that is, to refrain from involving himself in situations or transactions (especially transactions with known parties in interest) where his personal interests might conflict with the interests of the participants and beneficiaries for whom the fund was established. Thus, section 14(b) (1) sets out the prudent man standard and the attendant affirmative duties to discharge responsibilities in conformance with instructions (as set out in the governing plan documents) and solely in the interest of the plan's participants and beneficiaries. There follows a list of proscriptions (section 14(b) (2)) which represent the most serious types of fiduciary misconduct which in one way or another have occurred in connection with employee benefit plans. Some of these situations have been found in the administration of the WPPDA. Others have been discovered by congressional investigations, newspaper reporters, audits, and miscellaneous sources. While the magnitude of these improper practices is small in relation to the total number of plans in existence, the seriousness of the improper practices disclosed indicates the need for additional precautions to insure that these specific examples do not become general conditions. The list of proscriptions is intended to provide this essential protection.

The exemption provision which follows the listed proscriptions has been included in recognition of established business practices, particularly of certain institutions such as commercial banks, trust companies and insurance companies which often perform fiduciary functions in connection with employee benefit plans. The Secretary will, by individual or class exemptions, provide exceptions so that the established practices of these institutions and others are not unduly disrupted, so long as they are consistent with the purposes of the Act. For example, the proscription in section 14(b) (2) (G), prohibiting a fiduciary from furnishing service to a party in interest is not intended, in the normal course of events, to bar a fiduciary bank from providing services to the employer whose employees are participants in the plan.

Next, there are listed transactions in which fiduciaries are expressly allowed to engage This listing is necessary for reasons similar to those which required inclusion of the exemption provision. That is, the breadth of the proscriptions, while considered necessary for the reasons stated above, would operate in some cases to prohibit transactions which are deemed desirable to the sound, efficient functioning of employee benefit plans. It was therefore necessary to specify that certain transactions, likely to be engaged in by fiduciaries of virtually all plans, will be allowed notwithstanding the proscriptions. It is emphasized, however, that even with respect to the transactions expressly allowed, the fiduciary's conduct must be consistent wtih the prudent man standard.

Especially significant among the expressly allowed transactions is that which permits, in most types of plans, investment of up to ten percent of the fund assets in securities issued by the employer of the employees who are participants in the plan. Since such an employer will often be an administrator of his plan, or will function as a trustee or in some other fiduciary capacity, this provision creates a limited exception to the listed proscription against self-dealing. The exception is made in recognition of the symbiotic relationship existing between the employer and the plan covering his employees. Such investments are commonly made under provisions in a trust agreement expressly allowing them. In recognition of the special purpose of profit sharing plans, the limitation does not apply to such plans if they explicitly provide for greater investment in the employer's securities. Section 14(c) also recognizes the practice of including in trust instruments various authorizations governing the handling of the fund. Many such authorizations have been inserted by legal draftsmen because of questions in their judgment as to authority and are generally recognized as appropriate.

The next two subsections ((d) and (e)) are intended to codify, with respect to employee benefit fund fiduciaries, rules developed under the law of trusts. Thus a fiduciary is made personally liable for his breach of any responsibility, duty or obligation owed to the fund, and must reimburse the fund for any loss resulting from such a breach. He must also pay over to the fund any personal profit realized through use of fund assets. Where two or more fiduciaries manage a fund, each must use care to prevent a co-fiduciary from committing a breach or to compel a co-fiduciary to redress a breach. Plan business is to be conducted by joint fiduciaries in accordance with the governing instruments of the plan, or in the absence of such provisions, by a majority of fiduciaries, and a fiduciary who objects in writing to a specific action and files a copy of his objection with the Secretary is not liable for the consequences of such action.

The requirement (section 14(f)) that every plan contain specific provisions for the disposition of fund assets upon termination is necessary to avoid confusion on the part of fiduciaries and participants and beneficiaries alike as to the proper disposition of the fund assets upon termination of the plan. It is essential at such a time that the plan administrator (who is still, notwithstanding the termination, a fiduciary subject to the Act) know how assets remaining in the plan's fund must be distributed and it is important that the distribution plan be specified so that participants and beneficiaries can asses the propriety of the fiduciary's actions when the plan terminates. The requirement that liabilities to participants and beneficiaries be satisfied before claims on the fund by contributing parties will be heard is inserted to insure that the interests of participants and beneficiaries will be fully protected.

Exculpatory and similar clauses which purport to relieve a fiduciary from any responsibility, obligation or duty under the Act are expressly prohibited and made void as against public policy (section 14(g)). Whatever the validity such provisions might have with respect to testamentary trusts, they are inappropriate in the case of employee benefit plans. The large numbers of people and enormous amounts of money involved in such plans coupled with the public interest in their financial soundness, as expressed in the Act, require that no such exculpatory provision be permitted.

The basic three year statute of limitations (section 14(h)) for suits to enforce the fiduciary provisions or redress a fiduciary breach may be extended up to an additional three years if the breach is not disclosed in a report required under the Act. No action may be brought more than six years after the violation occurred, except that if the breach involves a willful misrepresentation or willful concealment of a material fact, a suit may be maintained within 10 years after the violation occurs.

Finally, section 14(i) explicitly provides that a fiduciary is not liable for violations committed before he became or after he ceased to be a fiduciary.

The second all new section, section 15, prohibits persons convicted of certain listed crimes from serving, for a period of five years after conviction or the end of imprisonment for such conviction, in a responsible position in connection with an employee benefit plan. This prohibition is considered necessary because of the large funds involved and the attendant great risk of a loss affecting a large number of persons. Section 15 is modeled after section 504 of the Labor-Management Reporting and Disclosure Act (LMRDA) which bars persons convicted of certain crimes from serving as union officers. The presence of the LMRDA prohibition is another reason for including a similar provision in the Protection Act. Without such a provision, persons barred from serving as union officers might take positions with employee benefit plans.

The crimes listed have been chosen with reference to three kinds of criminal activity. These are (1) *activities which* involve a wrongful taking of property, (2) activities which are related to and often occur in connection with the efforts of organized crime elements in the labor-management and securities fields, and (3) crimes of a nature so vicious that involvement in them casts grave doubt on the individual's responsibility. Thus, in addition to the specifically named crimes, the list includes crimes described in section 9(a) (1) of the Investment Company Act of 1940 (involving misconduct in the securities field), violations of section 302 of the Labor-Management Relations (Taft-Hartley) Act, certain violations of the

LMRDA, violations of chapter 63 of Title 18, United States Code (mail fraud) and violation of sections 874 (kickbacks from public works employees), 1027 (false statements in documents required by the Welfare and Pension Plans Disclosure Act), 1954 (offer, acceptance or solicitation to influence operations of employee benefit plan), 1503 (jury tampering), 1505 (obstruction of government agency proceedings), 1506 (theft or alteration of court record or processes; false bail), 1510 (obstruction of criminal investigations) and 1951 (interference with commerce by threats of violence) of Title 18, United States Code. The section contains its own criminal penalty, with a higher fine than that provided for other criminal violations of the Act. It is the same penalty as that specified in section 504, LMRDA.

To avoid confusion which has arisen over the similar LMRDA provision, section 15 states clearly that the term of imprisonment does not include the period of parole, if any, and the problem of unequal application of the restoration of citizenship rights clause due to varying State laws has been obviated by removal of the clause.

II. REPORTING AND DISCLOSURE

The underlying theory of the Welfare and Pension Plans Disclosure Act to date has been that reporting of generalized information concerning plan operations to plan participants and beneficiaries and to the public in general would, by subjecting the dealings of persons controlling employee benefit plans to the light of public scrutiny, insure that the plan would be operated according to instructions and in the best interests of the participants and beneficiaries. The Secretary's role in this scheme was minimal. Disclosure has been seen as a device to impart to participants and beneficiaries sufficient information to enable them to know whether the plan was financially sound and being administered as intended. It was expected that the knowledge thus disseminated would enable participants to police their plans.

But experience has shown that the limited data available under the present Act is insufficient even though the burden of enforcement has been partly assumed by the Secretary. The Amendments therefore are designed to increase the data required in the reports, both in scope and in detail. Experience has also demonstrated a need for a more particularized form of reporting, so that the individual participant knows exactly where he stands with respect to his plan—what benefits he is entitled to and what steps he must follow to secure his benefits. Moreover, the addition of fiduciary responsibility provisions has increased the need for both generalized and particularized data. On one hand, participants will be able to ascertain whether the plan's fiduciaries are observing the rules set out in the fiduciary responsibility section only if they have access to sufficient data about plan transactions. On the other hand, the prophylactic effect of the fiduciary responsibility section will operate efficiently only if fiduciaries are aware that the details of their dealings will be open to inspection, and that individual participants and beneficiaries will be armed with enough information to enforce their own rights as well as the obligations owed by the fiduciary to the plan in general.

The existing exemption from coverage under the Welfare and Pension Plans Disclosure Act for plans of tax-exempt private organizations has been removed. Substantial numbers of persons are now participants in plans established by these organizations and they are entitled to the same assurances and protection as participants in other private plans.

To provide the flexibility necessary to avoid hardship and duplicative reporting, as well as unnecessary paperwork for both plan administrators and the Secretary, the Act includes exemption and variation authority which the Secretary may apply on a class basis.

There are four significant changes designed to impart more information about the plan and its operations in general.

First, administrators will no longer be required to include the trust agreement or other instrument governing the plan in the plan description. However, the description must be written in layman's language so that participants and beneficiaries will be able to understand their plan's schedule of benefits and requirements concerning eligibility for benefits, nonforfeitability, and procedures for claims and remedies. Second, the annual report must include the opinion of an independent accountant based upon the results of an annual audit. Such information will allow better assessment of the plan's financial soundness by administrators and participants alike (the exemption for the books of institutions providing investment, insurance and related functions and subject to periodic examination by a government agency will prevent duplicative audit examinations of these institutions).

Third, plans other than those which are unfunded must include in their reports information pertaining to leases, party in interest transactions and investment assets other than securities in addition to information about securities investments and loans. Finally, actuarial information is now required so that participants and beneficiaries can judge the progress of the plan's funding scheme and its overall financial soundness.

Amendments to provide particularized information to individual participants and beneficiaries are found in section 8. In addition to the plan administrator's obligation to make available copies of the plan description and latest annual report, the Secretary may require the administrator to furnish reasonable notification in layman's language to all participants of their rights under the Act, and to furnish to any participant or beneficiary so requesting in writing a fair summary of the annual report and a statement of what benefits (including nonforfeitable benefits, if any) have accrued in his favor or both. This will enable a participant to find out where he stands with respect to the plan at any given time. Administrators must make good faith efforts to supply to a participant (or his survivor), upon his termination of service under a plan, a notice explaining exactly what procedures must be followed to secure benefits due.

Further, the administrator must furnish to participants and beneficiaries upon request complete copies of the plan description, annual report, or bargaining agreement, trust agreement, contract or other instrument under which the plan is established and operated. He may make a reasonable charge to cover the cost of such copies. If a plan is subject to a Federal vesting requirement and is exempted from providing preretirement vesting for benefits earned during a year of financial hardship, participants must be informed of the lack of vesting in that year.

III. ENFORCEMENT

The changes in the enforcement provisions have been made so that the rights given to participants and beneficiaries elsewhere in the Act will be enforceable in an appropriate forum. The enforcement section reflects the addition of the fiduciary responsibility provisions and provides remedies of two kinds; those designed to rectify fiduciary breaches and those to insure that participants and beneficiaries, and the Secretary, will receive the information required by the reporting and disclosure provisions. Suits to redress breaches of duty by a fiduciary or to remove persons from plan positions serving in violation of the criminal conviction bar may be brought by the Secretary, or by a participant or beneficiary. The provision for equitable relief would allow, among other things, the imposition of a constructive trust over fund assets transferred to a third person in breach of the fiduciary's duty. Certification by an accountant as a prerequisite to the Secretary's investigation is no longer necessary because the annual audit requirement allows an assumption that the plan report is accurate.

Participants and beneficiaries may sue in any State court of competent jurisdiction. For actions in Federal courts, nationwide service of process is provided in order to remove a possible procedural obstacle to having all proper parties before the court. Federal and State courts are given discretion to award attorney's fees and court costs to any party in actions brought by a participant or a beneficiary. The court also has discretion to require the plaintiff to post security for court costs and reasonable attorney's fees. Suits by a participant or beneficiary to redress a fiduciary breach or remove a fiduciary must be brought as class actions where the jurisdiction permits class actions and the requirements for such an action can be met.

Fiduciary breaches may be rectified through civil suits only. Criminal penalties for such breaches are inconsistent with the principles established under the common law of trusts. However, criminal penalties remain available in cases of reporting violations, and, under Title 18, United States Code, in cases of embezzlement, false statement, bribery and kickbacks in connection with employee benefit plans.

IV. EFFECT OF OTHER LAWS

The Act provides for a uniform source of law for evaluating the fiduciary conduct of persons acting on behalf of employee benefit plans and a singular reporting and disclosure system in lieu of burdensome multiple reports. However, State law will continue to apply to plans not subject to the Act. This application of State law will include actions brought by participants and beneficiaries to recover benefits due under the plan or to clarify rights to future benefits.

States may require the filing with a State agency of copies of reports required under the Act, and actions in State courts for accountings are expressly allowed if certain conditions are met, including adequate notice to participants and the Secretary. Furthermore, the Act expressly authorizes cooperative arrangements with State agencies as well as other Federal agencies and provides that State laws regulating banking, insurance and securities remain unimpaired.

By Mr. ROTH:

S. 1558. A bill to amend the Federal Water Pollution Control Act in order to require the filing of certain environmental impact reports and the approval of affected coastal States with respect to the construction of offshore docking facilities for vessels transporting petroleum products. Referred to the Committee on Public Works.

Mr. ROTH. Mr. President, my home State of Delaware is presently the unwilling prime candidate for a deepwater oil terminal, commonly known as a "superport." Even though Delawareans have repeatedly expressed their opposition to the construction of such a terminal, even though Delaware's general assembly has enacted legislation specifically prohibiting the construction of such a terminal, and even though the construction of such a terminal would substantially and unalterably change the course of Delaware's development and growth, every study of which I am aware has selected the waters in and around Delaware as the best possible site for such a terminal. The legislation I am introducing, Mr. President, would allow the people of Delaware—acting through their elected representatives—to have a voice in this decision.

Without addressing the substantial collateral issues, such as those involving the national security and the national economy, which the proposal to construct a deepwater port raises, I would like to briefly explain the impact which such a terminal could have upon my small State of Delaware.

First, according to our State planning office, the construction of the port would result in quadrupling the population of Delaware's two lower counties, Kent and Sussex: without the port, it is expected that the two-county population would be roughly 237,000 by the year 2000; but with the port, the population is expected to exceed 1,000,000 persons. Three years ago, Mr. President, the population of those two counties—which form the heart of Delaware's recreation, fishing, and farming industries—was slightly more than 162,000 persons. In short, the population increase alone would compel a dramatic shift in the economy and lifestyle of Kent and Sussex Counties.

To house and employ Delaware's vastly increased population would require that roughly 125,000 acres, most of which are now dedicated to farming or conservation, be used for residential or industrial development. This figure, I might add, does not reflect additional land which might be required for transportation needs. To triple the population and consume 50 percent of the land available in the coastal zone would reflect an unprecedented, abrupt, and total change in our State.

The demands which this facility could place on my State would not stop with the burdens of population and increased development. On the contrary, the Army Corps of Engineers has estimated that, at secondary treatment levels, the effluent from new refineries and petrochemical plants resulting from a Delaware Bay deepwater oil terminal would be roughly equivalent to the untreated sewage of 845,000 people, in terms of oxygen demand placed upon the marine environment.

Mr. President, I am not attempting to engage in environmental demagoguery. On the contrary, the purpose of presenting these facts is to vividly, but accurately, impress upon Members the impact which such a port could have upon the growth of Delaware. I have not attempted to gage the impact which a major oil spill could have upon the Delaware Bay estuary, partially because there is still debate among scientists as to effect of crude oil on the marine environment and partially because I wish to demonstrate what would happen to my small State even if an oil spill were an absolute impossibility.

As far as I am concerned, a decision to build this deepwater oil terminal would be tantamount to a decision as to how Delaware will grow for at least the next quarter century. For such a decision to be made without consulting local officials would strike at the very heart of our system of cooperative federalism. It is for this reason, and others, that I am introducing this bill.

The principle embodied in this legislation is not new. Indeed, Senator Boggs and I introduced a similar version, S. 3844, during the last Congress and other Members have introduced minor variations during this Congress. The differences between this bill and S. 3844 are, however, significant.

My bill is drafted as an amendment to the Federal Water Pollution Control Act, and would prohibit any construction of a deepwater oil terminal of any manner unless the following requirements have been met:

First. The Federal department or agency constructing, licensing, or approving the terminal must submit a report to the Administrator of the Environmental Protection Agency. This report, similar to the environmental impact statements required under the National Environmental Policy—Protection?—Act of 1970, must contain detailed information as to both the environmental impact of the proposed facility and the land-use impact. As I have indicated, the impact of such a terminal upon a State's land-use policies could be just as great—if not greater than—its impact upon the State's environment.

Second. The Administrator of EPA must forward the impact report, together with his comments, to both the Governor and the legislature of any State which may be significantly affected by either the pollution or land-use problems generated by the terminal. I have consciously refrained from setting a geographic line of demarcation, such as 100 miles, so that the Administrator can retain the flexibility necessary for him to determine which States would be affected by the terminal. In addition, I have attempted to require legislative participation in the decision to approve or disapprove a construction proposal. Ths requirement will, I believe, insure the widest possible participation in the decisionmaking process, testing proposals in the crucible of debate.

Simultaneously, however, the legislature and the people will have the benefit of the expertise which resides within the executive branch. I would expect a Governor to submit his recommendations—based upon expert scientific advice—but I would also anticipate a full test of those recommendations through hearings and debate. In this manner, the ultimate decision should incorporate both the will of the people and the expertise of scientists.

Frankly, I consider the delegation of authority and responsibility to both the legislative and executive branches of Government one of the most important aspects of my proposal. For the reasons I have just stated, as well as others, I believe both the executive and legislative bodies should be involved in the decisionmaking process. Certainly, if we were today discussing a proposal which would impact on the United States to the degree that a superport would impact upon an individual State, few, if any, Members of the Congress would contend that the legislative branch should be omitted from deliberations. Time has shown that complex and difficult issues such as this are best resolved through exposure to the multiplicity of views, the intensity of public opinion, and the rigorous debate found only in the legislative branch. The Founding Fathers of the United States and the founding fathers of the 50 individual States have recognized, endorsed, and adopted this principle as one of the hallmarks of a true democracy. The intervening years have wrought no change to lessen the validity or vitality of this principle.

In short, Mr. President, I believe this legislation embodies a reasoned and reasonable approach to a problem which vitally affects us all, but which can irrevocably impact upon coastal States such as Delaware. As such, I hope that it will be acted upon promptly by members of the responsible committee.

By Mr. NELSON (for himself and Mr. JAVITS):

S. 1559. A bill to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes; and

S. 1560. A bill to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. NELSON. Mr. President, on behalf of myself and the senior Senator from New York (Mr. JAVITS) I introduce the Job Training and Community Services Act of 1973 and the Emergency Employment Extension Act of 1973.

The job training and community services bill would shift responsibility for both manpower training and community action programs to the State and local level, and provide $1.8 billion for these programs in fiscal year 1974.

Since the bill incorporates the administration's special revenue-sharing concept, it is our hope that we can secure its cooperation as we move to committee consideration.

While the administration proposes overall budget increases of $19 billion in 1974, we propose simply holding the line on funding for these manpower and poverty programs.

Rapid consideration is essential, for the Manpower Development and Training Act and the Emergency Employment Act expire this June 30. And the administration is pressing *right now* for the end of the community action programs.

The Emergency Employment Act extension would focus the program more sharply on Vietnam era veterans. The legislation would require that all new jobs under the Emergency Employment Act go to Vietnam war veterans for economically disadvantaged backgrounds until 50 percent of the jobs are held by such veterans. Currently about 27 percent are Vietnam veterans. The 2-year authorization provides $1.25 billion the first year and such sums as may be necessary for fiscal year 1975.

A job at decent pay is our first obligation to the returning veteran. We must not evade that obligation. With unemployment standing at over 9 percent for Vietnam veterans 24 and younger it is unconscionable to end the Emergency Employment Act as the administration proposes. At present, 27 percent of those employed in the program are Vietnam veterans. We must shape the legislation to assure that at least half the jobs go to these men.

If an improving employment picture demonstrates that such a program is no longer justified a year from now, then funds for it need not be appropriated. However, at the present time, with a national unemployment rate of 5 percent, and with veterans of the war in Vietnam returning daily to find their combat training worthless in the job market, and not enough jobs at decent pay to go around, it seems to me that the Government has an obligation to continue this program.

It has long been my belief that local officials and citizens can do a far better job of planning and running social programs than anybody sitting at a distant desk in Washington. The administration also supports that position.

There is very wide agreement that this approach makes sense and is long overdue in the manpower area. In this legislation, we are extending it to cover funding for the threatened community action activities as well.

The legislation would provide that up to $329 million be spent on community action activities for the poor—the same level reserved by the economic opportunity amendments signed by President Nixon last September. However, the legislation would not require funds be spent through the existing community action agencies. That decision would be left to local officials. There is a good deal of evidence that community action agencies in most places have proven their value to such an extent that they would be sustained if special revenue funds were available.

The Job Training and Community Services Act of 1973 would shift responsibility for both manpower training and community action programs to State and local authorities, authorize funding at the 1973 appropriation level—$1.88 billion—for these programs and such sums as may be necessary for the following 3 years. For fiscal year 1972 Congress provided $1.55 billion for job training and $328.9 million for the community action program.

There is now agreement between Congress, the administration, and State and local officials on the broad outlines and most of the details of the needed reform of the manpower training programs. Our legislation is designed to write those principles into law. However, we cannot reform the structure while destroying the substance of our decade-old effort to help the disadvantaged find sustaining employment.

The administration has proposed carrying our decentralization of manpower programs without legislative authority while cutting back funding nearly 30 percent below the 1972 level, destroying the local community action agencies which administer many manpower programs, and eliminating entirely the $1.25 billion Emergency Employment Act program to provide jobs for the unemployed. These cuts in manpower and poverty programs are proposed in the same administration budget which proposes to increase military spending over $5 billion and to increase overall spending by $19 billion between fiscal year 1973 and 1974.

The legislation we are proposing holds the line on spending by authorizing appropriations at the fiscal year 1972 level, but does not cut back on our overall manpower effort.

The bill would set up a system of State and local prime sponsors and broadly representative employment and training councils for planning and evaluation of programs. All States, cities of 100,000 and counties of 150,000 would be eligible. The Federal Government would retain responsibility for Indian and migrant programs. All other "categorical" programs would be simply "eligible" activities with local authorities deciding how to spend the funds.

Under existing law both manpower training and community action programs are operated through grants and contracts between Washington and the local level. There are some 900 community action programs and some 10,000 sponsors for manpower training programs.

The testimony of Wisconsin mayors and county board chairmen heard by the subcommittee during five days of field hearings has convinced me that community action agencies have proven themselves. These mayors were promised that revenue sharing would not mean less money for community action programs. Now they are demanding that Washington live up to its promise and make it possible for them to continue effective local community action agencies.

The administration is acting contrary to law in moving to eliminate the vital community action program authorized by Congress through 1974. It is acting unwisely in asking State and local officials to assume the burden of local job training efforts while cutting funds by nearly one-third. It is unrealistic to suggest that mayors and Governors will look to scarce and already committed general revenue-sharing funds to fill these funding gaps.

With 25.6 million Americans trapped in poverty, with unemployment rates of over 10 percent in many of our inner cities, and subemployment of over 30 percent, we cannot turn away from job training programs that have provided hope and opportunity for individuals and community action programs that have made a valiant beginning at rebuilding poverty shattered communities.

The administration's opposition to the continuation of community action programs is new. In 1971 the administration boasted that community action agencies had become "mature" and "vital" elements in their communities. It supported the concept of revenue sharing for community action, of course, but proposed that it be "special revenue sharing" and further proposed that local community action agencies receive help from the Office of Economic Opportunity in making the transition. Now the administration has proposed an abrupt termination of the Office of Economic Opportunity itself, and of funding for local community action agencies.

Let me quote a few passages from a letter sent by Mr. Frank Carlucci, then OEO director, to Community Action Board Chairmen stating administration policy as of February 1971.

> No community would receive less total assistance under revenue-sharing than under the existing combination of grants, and many would receive more.
>
> The President's budget sets January 1, 1973 as a target date for local initiative assistance to CAAs to be incorporated into special revenue-sharing. . . . community action would become a full local institution, receiving federal resources for local initiative programs through the special revenue-sharing process.
>
> I, for one, believe that CAAs will be ready for this challenge.
>
> By January 1, 1973, the Community Action Program will represent eight years of federal investment in the formation and development of CAAs as local institutions providing a new combination of public, private, and low-income leadership to stimulate better community response to problems of poverty. With this major federal investment, plus the dedicated efforts of locally-established boards and staffs, hundreds of CAAs throughout the country have attained the maturity, effectiveness, and community support needed to make them successful competitors for a significant share of the resources to become available through revenue-sharing, so that they can continue and expand their vital service to the poor.
>
> Recognizing the obstacles as well as the opportunities, and the different circumstances faced by CAAs in different parts of the country, OEO will do everything it can to assist you in making a successful transition to the new revenue-sharing system.

We have come to accept the administration's basic position on revenue sharing for community action and manpower programs. The Emergency Employment Act was written from the beginning in the form of a special revenue-sharing program to create jobs.

And we ask that the administration not destroy the valuable community action structures at the local levels before States and local communities have an opportunity to exercise their judgment on the continuation of these programs.

Given an opportunity to make that judgment we are confident that most cities and States will choose to continue these programs. But it is clearly unwise policy to move so swiftly to abolish community action agencies that communities have neither the time nor financial resources to make that judgment.

For nearly 10 years—since 1964—thousands of people in hundreds of communities have been struggling to provide improved services, legal protection, child care, jobs, training and hope through the new community action agency structure. It would be unfair and unwise to throw away the fruit of all those struggles. If the administration believes that the community action has not been proven, then let us give community action funds to local governments and allow them to decide on the merits and in light of local necessities what shall happen to the programs.

Evaluation of the Emergency Employment Act by the GAO, the National Manpower Policy Task Force and the Urban Coalition all attest to its success in meeting its primary objective: finding needed jobs for the unemployed in public service.

Public officials have come forward with strong praise for the program. For instance, the county executive of Suffolk County, New York testified before our subcommittee on April 3 saying:

> The Public Employment Program has been one of the more exceptional federal manpower programs made available to our county. Few other programs have simultaneously provided relief to both the unemployed and the taxpayer as well as this one. We have placed 942 residents of our county into satisfying jobs to date in this program.

Manpower programs have come under some criticism recently for not succeeding in lowering the unemployment rate. Perhaps the administration's recommendation that funds for manpower programs be cut reflects this feeling.

In fact such criticism is not justified. Training alone cannot create jobs. Unemployment, and the fear of unemployment, is a serious problem throughout the Nation. In poverty areas, both in rural counties and in our core city areas where measured unemployment goes over 10 percent—and subemployment stands at 30 percent of the work force—the problem is of crisis proportions.

We have known this for a long time. That is why the Congress included the Neighborhood Youth Corps in the original Economic Opportunity Act—a program to provide work and training to unemployed teenagers. The problem has not gone away. Black teenage unemployment stood at nearly 30 percent in March.

Knowing the severity of unemployment the Congress adopted the mainstream program to provide jobs for older workers in 1965. I am proud to say that I was the author of that program.

And in 1971, knowing that training alone was not enough, the Congress passed the Emergency Employment Act—even under the threat of a veto—to provide at one time as many as 180,000 jobs. The Department of Labor tells me that some 234,000 people have held EEA jobs at one time or another during the past 2 years.

On the other hand, public jobs alone are of course not the whole answer.

Where good jobs can be secured at the end of the training process, manpower training programs are marvelously effective. In Wisconsin right now, young men previously unemployed are learning shipfitting and other shipyard skills at the Northeast Wisconsin Technical Training Institute in Sturgeon Bay and then going right to work for the Bay Shipbuilding Co. at $3.05 an hour. I know about that program because the Department of Labor attempted to freeze the funds in January and people in Wisconsin justifiably protested. We were able to get the situation straightened out.

The Sturgeon Bay story is not isolated. We have heard testimony over the years from many, many effective training programs. The programs differed. Some were MDTA training programs as in Sturgeon Bay. Some were Public Service Careers programs, such as a nurses training program in New York City. Others were Job Corps camps where, with union's help, young men were trained for skilled positions. But all had one thing in common: there was a job that paid decent wages at the end of the training program.

What the Nation needs is a balanced program. We need training where there are jobs. And we need public service employment programs where there are not enough jobs.

Until the recent budget cuts came along many of us believed that we were well on the way to establishing such a balanced manpower system.

It is my hope that the Senators will join with Senator JAVITS and myself in putting us back on the track by early passage of the Job Training and Community Services Act of 1973 and the Emergency Employment Amendments of 1973.

THE PROPOSED 1974 BUDGET

With the Nation so concerned with rising welfare costs, you might think that an administration committed to the work ethic would concentrate its resources on job creation and job training programs. After all, the work ethic is not much help if you cannot find a job at decent pay.

Instead the administration's proposals for funding of manpower and antipoverty programs represent a giant step backward after a decade-long effort to provide jobs and economic opportunity for America's poor.

Let us look at the proposals.

The Emergency Employment Act, passed after years of effort and a growing awareness that there is an acute shortage of jobs at decent pay in poverty neighborhoods, is to be eliminated.

Many witnesses before my Subcommittee on Employment, Poverty, and Migratory Labor are now testifying for that program. The mayor of Trenton, N.J., one of those cities selected to demonstrate what would happen if there were enough Emergency Employment Act funds to take care of 15 percent of the unemployed, said:

> The (EEA) has been the best program . . . to meet the needs of the cities to come out of Washington in the last four years.

No matter, the administration plans to kill the program.

Manpower training programs, begun with the Manpower Development and Training Act in 1962, focused more sharply on the poor and the disadvantaged youth with the passage of the Economic Opportunity Act of 1964 and containing a number of programs, like Operation Mainstream and Neighborhood Youth Corps which provide job creation for those with the most difficulty establishing themselves in the labor force, these programs are to be cut back substantially. In 1972 outlays stood at $1.6 billion nationally. The administration proposes outlays of only $1.1 billion for fiscal year 1974.

At the same time the administration has the gall to shift responsibility for these cutback programs to local mayors and to Governors.

Is local control to consist of deciding who gets fired and which programs are eliminated?

We too often think of the community action agencies as separate from manpower programs. In fact, local community action agencies in many places actually carry out manpower programs. The community action agencies maintain neighborhood centers used for recruiting and placement, run Neighborhood Youth Corps and Operation Mainstream programs, and run Headstart centers so crucial to giving mothers an opportunity to find and hold jobs. The administration's budget provides zero funding for community action agencies in 1974. The loss of these programs would dramatically raise the cost of running manpower programs, not to speak of the destruction of a decade's work and hope.

Looking beyond our committee's responsibilities it is sad to note that another program aimed at the creation of jobs in areas of high unemployment is slated for the ax. The Economic Development Administration—the successor agency to Senator Paul Douglas' Area Redevelopment Administration—will cease to exist in 1974 if the administration has its way. The effort has been on a small scale—less than $300 million nationally apart from Appalachia—yet the Economic Development Administration and its regional development commissions represent a national downpayment on the economic development effort needed if we are ever to have the balanced growth needed to secure decent jobs in livable neighborhoods for all Americans in this century.

A comparison of funding levels is dramatic—

	Fiscal year—		
	1972	1973	1974[2]
Manpower training	1,682	[1] 1,550	1,340
Community action	351	329	0
Emergency employment	1,000	1,250	0
Total	3,033	3,129	1,340

[1] Congressional appropriation level in funding for these activities.

[2] Budget request.

It adds up to 57 percent reduction between 1973 and 1974.

The administration is seeking to disguise the depth of these cuts.

The handling of funds for this summer's Neighborhood Youth Corps activities is a good illustration.

On April 11 the administration issued a press release announcing $802.9 million to some 650 cities, counties, and States for both the Emergency Employment Act and for summer Neighborhood Youth Corps activities from March 15, 1973, to June 30, 1974. The release estimated that $300 million would be spent for summer youth jobs this year but generously left the decision to local authorities.

Sounds like a lot of money, does it not? But let's look more closely.

Last year the Federal Government operated a $1 billion emergency employment program and a $318 million summer youth jobs program—a total of $1.3 billion.

For this year, Congress authorized and appropriated $1.25 billion for the emergency employment program. And Congress provided $256.5 million for summer jobs, a total of $1.506 billion appropriated by the Congress. But the administration is asking Congress to "rescind"—that is to take back—$283.8 million in manpower funding for this fiscal year, and to fund both the emergency employment program and summer Neighborhood Youth Corps out of the funds appropriated for the adult employment. Where the Nation had a total of $1.3 billion for adult and youth jobs last year, it would have only $1.25 for this year. And local officials would be given all the authority needed to decide whether to hire the father or hire the son.

The matter is now before the Congress. We must do what we can to see to it that the efforts of the last 10 years are not abandoned. There are signs that a strong effort will be made both to appropriate adequate funds for this summer's Neighborhood Youth Corps activities, to extend and fund the Emergency Employment Act, and to provide adequate financial support to a reformed and decentralized manpower and community services delivery system. The members of this subcommittee are determined to lead that effort. For we recognize that unemployment and underemployment lie at the heart of the Nation's agonizing poverty problem. We believe that the goal set forth by President Roosevelt in 1944 as the Second World War drew to a close, the goal of a job at decent pay for all Americans is not simply a utopian dream, but a practical necessity if we are to defeat chronic poverty and the social ills poverty makes unavoidable. The manpower training and job creation efforts of the last decade represent a good beginning.

Mr. President, I ask unanimous consent that there be printed in the RECORD following my remarks a summary of the legislation and the text of the "Emergency Employment Amendments of 1973" and the "Job Training and Community Services Act of 1973."

There being no objection, the summary and bills were ordered to be printed in the RECORD, as follows:

SUMMARY OF PROPOSED NELSON-JAVITS LEGISLATION

I. JOB TRAINING AND COMMUNITY SERVICES ACT OF 1973

1. *Authorization:* The bill authorizes $1,880,000,000 for fiscal year 1974 and such sums as may be necessary for the three succeeding fiscal years.

Of sums appropriated, 17.5 percent would be allocated for community services for the economically disadvantaged (i.e., $329 million, the level Congress earmarked for local community action last year). The community services funds would be made available to prime sponsors for local initiative anti-poverty programs, including community action.

For job training and related services, $1.55 billion would be authorized—the same level as Congress appropriated for fiscal year 1973.

2. *Prime Sponsors:* Any State and any city of 100,000 or county of 150,000 population or more would be eligible for prime sponsorship of programs if capable of carrying out a comprehensive program. Each State would serve as prime sponsor for the balance of a State not covered by a local prime sponsor.

3. *Councils:* Each prime sponsor would establish an employment and training council consisting of members representing business, labor, vocational education, community action agencies, and others with special knowledge in the manpower field. While Governors and local officials would have final authority to approve program plans, the council would recommend program plans and would have evaluation responsibilities.

4. *Allocations:* Of sums available for job training programs, 75 percent would be allocated among the States on the basis of unemployment, labor force, poverty, and population. The remaining 25 percent would be available to the Secretary of Labor for demonstration programs and special responsibilities.

5. *Decategorization:* Categorical programs are included in the legislation as authorized programs for State and local funding. The Secretary would have special responsibility for programs for Indians and migrants.

6. *Projects Funded by Prime Sponsors:* Secretary of Labor would provide financial assistance directly to prime sponsors. Each prime sponsor would be entitled to unrestricted use of its allocation for locally-determined needs, so long as it complies with the law. If a prime sponsor fails to comply with the law, funds would then be made available by the Secretary of Labor directly to another agency.

7. *Comprehensive State Planning Role:* Within a State's allocation, 15 percent would be set aside for special State services including planning, technical assistance, and services of State agencies in the employment and training field as well as incentives for area-wide cooperation and to meet special rural needs. Remainder of allocation to a State would be distributed within the State among local areas on the basis of unemployment and poverty.

II. EMERGENCY EMPLOYMENT AMENDMENTS OF 1973

This is a separate bill to extend the Emergency Employment Act of 1971 for two additional years—through fiscal year 1975.

The fiscal 1973 authorization of $1,250,000,000 under the Emergency Employment Act would be continued through fiscal year 1974.

As under the existing law, $1 billion would be available so long as the national rate of unemployment is 4½ percent or higher; the remaining $250 million would be available in any year for use in local areas of substantial unemployment (6 percent or higher).

For fiscal year 1975, the bill authorizes such sums as may be necessary.

The bill provides that new persons hired under the Emergency Employment Act must be unemployed or underemployed persons from economically disadvantaged backgrounds or who have been unemployed 15 weeks or more.

In addition, all persons hired for new jobs under the Act must be Vietnam veterans until 50 percent of the total of public service jobs have been filled by veterans.

COMPARISON OF FUNDING

[In millions of dollars]

	Fiscal years—		
	1972	1973	1974[1]
Manpower training	1,682	[2]1,550	1,551
Local community action	351	[3]329	329
Emergency employment	1,000	1,250	1,250
Total	3,033	3,129	[4]3,130

[1] Nelson-Javits.

[2] This amount has been appropriated for fiscal year 1973 to carry out the Manpower Development and Training Act and title I of the Economic Opportunity Act. The administration has proposed recission of $284,000,000 of such enacted appropriations for manpower, down to a level of obligations of $1,266,000,000 for fiscal year 1973.

[3] Amount earmarked for local initiative community action programs in Economic Opportunity Amendments of 1972.

[4] Administration's budget request for fiscal year 1974 is $1,340,000,000 for manpower training; no funds are requested for local initiative community action and no funds are requested for the Emergency Employment Act.

S. 1559

A bill to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Job Training and Community Services Act of 1973".

TITLE I—STATE AND LOCAL SPONSORSHIP OF PROGRAMS

STATEMENT OF PURPOSE

SEC. 101. It is the purpose of this Act to establish a flexible and decentralized system of State and local programs providing job training opportunities and community services for the economically disadvantaged, to make funds available to States and communities to meet locally determined needs consistent with the purposes of this Act, and to assure that training and other programs lead to employment and enhanced self-sufficiency.

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. For the purpose of carrying out this Act, there are authorized to be appropriated $1,880,000,000 for the fiscal year ending June 30, 1974, and such sums as may be necessary for each of the three succeeding fiscal years.

ADVANCE FUNDING

SEC. 103. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the provisions of subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

PRIME SPONSORS

SEC. 104. (a) For the purposes of this Act—

(1) any State;

(2) any unit of general local government—

(A) which is a city having a population of one hundred thousand or more persons; or

(B) which is a county or comparable unit of general local government having a population of one hundred and fifty thousand or more persons (excluding the number of such persons included within the population of any city designated as a prime sponsor under clause (A) of this paragraph); or

(3) any combination of units of general local government which includes any city having a population of one hundred thousand or more persons and the county in which such city or cities is located;

shall be eligible to be a prime sponsor of programs under this Act in accordance with the provisions of this section.

(b) Where the area under the jurisdiction of a unit of general local government described in clause (B) of subparagraph (2) includes any common geographical area with that covered by a unit of general local government described in clause (A) of subparagraph (2), the Secretary shall designate to serve such area the unit of general local government which he determines has the capability of more effectively carrying out the purposes of this Act with respect to such area.

(c) Any State or unit or combination of units of general local government which is eligible to be a prime sponsor under subsection (a) shall be so designated by the Secretary only if he determines that a satisfactory prime sponsorship plan has been submitted and that—

(1) the plan describes the prime sponsorship area to be served and evidences the capability for effectively carrying out programs under this Act throughout such area;

(2) the plan provides that the prime sponsor shall be responsible for submitting program statements and for the planning and development of programs in the prime sponsorship area;

(3) the plan was submitted to the Secretary by such date as the Secretary shall prescribe by regulation, in order to provide a reasonable period of time for review in accordance with the provisions of this section;

(4) a copy of such plan has been submitted for comment thereon to the Governor of the State and the Governor has been provided a reasonable period of time to review and submit comments on such plan;

(5) in the case of a plan submitted by a State, satisfactory arrangements are set forth for serving all geographical areas under its jurisdiction except for areas for which a local prime sponsor is designated under subparagraph (2) or (3) of subsection (a) of this section; and

(6) the plan was made public prior to submission to the Secretary.

(d) A plan submitted in accordance with this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided—

(1) written notice of intention to disapprove such plan, including a statement of reasons therefor;

(2) a reasonable period of time to submit corrective amendments to such plan; and

(3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

TITLE II—JOB TRAINING PROGRAMS

PROGRAMS AUTHORIZED

SEC. 201. (a) Programs receiving financial assistance under this title shall include provision of training opportunities and related services needed to enable economically disadvantaged, unemployed, and underemployed individuals, and others in need of training or retraining, to secure and retain employment consistent with their full potential, including—

(1) programs to acquaint individuals with the availability of training and relating services and to encourage the full utilization of such services;

(2) assessment of the individual's needs, potential, and interests, with referral to appropriate training and related services;

(3) counseling, education, orientation, and institutional and on-the-job training to prepare the individual for work or to qualify for more productive job opportunities;

(4) allowances for training, and for transportation, subsistence, or other expenses incurred while participating in job training programs;

(5) supportive services to enable individuals to take advantage of employment and training opportunities, including basic education, necessary health and medical services, child care, residential support, assistance in securing bonds, or any other necessary assistance incident to employment, and any other service needed to participate in employment and training programs;

(6) development of information concerning the labor market and activities, such as job restructuring, to make such activities more responsible to objectives of employment and training programs; and

(7) such other activities as are consistent with the purposes of this title.

(b) Programs assisted under this title may include, but are not limited to—

(1) Mainstream programs providing financial assistance for the support of projects which involve work activities directed to the needs of those chronically unemployed economically disadvantaged persons who have particularly poor employment prospects and are unable (because of age, physical condition, obsolete or inadequate skills, declining economic conditions, or otherwise) to secure appropriate employment or training and related services under other programs. Such projects, in addition to other services provided, shall enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including but not limited to activities which will contribute to the management, conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands; the rehabilitation of housing; the improvement of public facilities; and the improvement and expansion of health care, education, child care, antipoverty, and recreation services.

(2) New careers programs providing economically disadvantaged or unemployed persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or areas served in fields of public service, including but not limited to health care, education, welfare, recreation, child care, antipoverty, neighborhood redevelopment, and law enforcement, which provide maximum prospects for on-the-job training, promotion, and advancement and continued employment without Federal assistance.

(3) Neighborhood youth corps programs to provide (A) part-time employment, on-the-job training, and useful work experience for economically disadvantaged students who are in the ninth through twelfth grades of school (or of an age equivalent to that of students in such grades) and who are in need of earnings to permit them to resume or maintain attendance in school; (B) useful work and training (including sufficient basic education and institutional or on-the-job training) for unemployed, underemployed, or economically disadvantaged persons (aged sixteen and over) who are not in school designed to assist those persons to develop their maximum occupational potential and to obtain regular employment; and (C) job and related recreation opportunities for economically disadvantaged persons during the summer months.

(4) Opportunities industrialization centers designed to provide comprehensive employment services and job opportunities for low-income persons who are unemployed or underemployed. Such services shall include recruitment, counseling, remediation, vocational training, job development, job placement, family planning, and other appropriate services and adequate provisions to assure that residents of the area to be served by such program are involved in the planning and operation of such center, and the business community in the area to be served by such program is consulted in its development and operation. Priority shall be given to programs serving residents of inner-city areas with substantial unemployment or underemployment.

(5) Jobs for progress and other programs designed to provide comprehensive employment opportunities and training and related services for economically disadvantaged persons who are unemployed or underemployed including persons of limited English-speaking ability, migrants, and others through the establishment of skill centers. Such services shall include recruitment, counseling, remedial education, vocational training, job development, job placement, health care, child care, and other appropriate services and adequate provisions to assure that the residents of the area to be served by such programs are involved in the planning and operation of such centers and the business community in the area to be served by such programs is consulted in its development and operation.

(6) Job opportunities in the business sector and other programs to encourage and to provide incentives to private employers, nonprofit organizations, and public employers to train or employ economically disadvantaged, unemployed, or underemployed persons, including arrangements by direct contract reimbursing employers for the costs of recruiting and training such employees to the extent that such costs exceed those customarily incurred by such employer in recruiting and training new hires, payment for on-the-job counseling and other supportive services, transportation, and payments for other extra costs including supervisory training required by the program.

(7) Skill centers and other programs for the development of job opportunities through institutional training programs for economically disadvantaged, unemployed, or underemployed persons, providing recruitment, counseling, remediation, vocational training, job development, job placement, and other appropriate services.

(8) Special job development programs with public or private employers, including employment centers and mobile employment service units to provide recruitment, counseling, and placement services, conveniently located in urban and rural areas and particularly accessible to economically disadvantaged persons.

(9) Public service employment programs providing transitional employment for unemployed and underemployed persons in jobs providing needed public services, with training and related supportive services designed to lead to public or private employment not supported under this Act.

ALLOCATION OF FUNDS

SEC. 202. (a) The amounts available for any fiscal year for carrying out this title shall be allocated in such a manner that of such amounts—

(1) not less than 75 per centum shall be apportioned among the States giving consideration equally to the proportions which the total numbers of persons in the labor force, of unemployed persons, of persons out of the labor force sixteen years of age or older, and of adults who or whose families have a total annual income below the poverty line in each such State bears to such total numbers, respectively, in the United States, but not less than $1,500,000 shall be apportioned to any State, except that not

less than $150,000 each shall be apportioned to the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands; and

(2) the remainder shall be available to enable the Secretary to carry out his responsibilities under this title and title I.

(b) The amount apportioned for use within each State under clause (1) of subsection (a) shall be allocated as follows:

(1) an amount equal to 15 per centum of each such State's allocation shall be available to enable the State to carry out its comprehensive planning role as described in section 206;

(2) the remainder shall be apportioned among areas within each such State giving consideration equally to the proportions which the total numbers of unemployed persons and of adults who or whose families have a total annual income below the poverty line in each such area bears to such total numbers, respectively, in the State.

(c) The Secretary is authorized to make such reallocations under this title as he deems appropriate of the unobligated amount of any apportionment under subsections (a) (1) and (b) to the extent that the Secretary determines that it will not be required for the period for which such apportionment is available. No amounts apportioned under subsections (a) (1) and (b) for any fiscal year may be reallocated for any reason before the expiration of the ninth month of the fiscal year for which such funds were appropriated and unless the Secretary has provided fifteen days advance notice to the prime sponsor for such area of the proposed reallocation.

(d) *As* soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsections (a) (1) and (b) of this section.

EMPLOYMENT AND TRAINING COUNCILS

SEC. 203. In order to be designated as a prime sponsor of programs under this title, each eligible prime sponsor under section 104 of this Act shall include in its prime sponsorship plan adequate provisions for establishing and maintaining an employment and training council which shall—

(1) provide that the chief executive officer or officers of the unit or units of government establishing such council shall appoint the members of the council and shall designate one member to be chairman;

(2) provide that the council shall include members who are representative of community action agencies; other significant segments of the community to be served; the public employment service; education and training agencies and institutions, including vocational educational agencies and community postsecondary educational and training institutions; social service programs, including child care, environmental quality, health care, recreation, vocational rehabilitation, and welfare agencies; correctional training programs; industrial development organizations; apprenticeship programs; business; and labor;

(3) provide that the chairman of the council shall, with the approval of the council, appoint a staff director who shall supervise professional, technical, and clerical staff serving the council;

(4) provide that the council will be entitled to recommend program statements, basic goals, policies, and procedures, and will be responsible for annual and ongoing evaluation of employment and training programs conducted in the prime sponsorship area;

(5) provide assurances that staff and other administrative expenses for the council will not exceed a reasonable per centum of the total cost of programs administered by each prime sponsor, as established by regulations which the Secretary shall prescribe;

(6) set forth the council's responsibility for conducting on a continuing basis surveys and analyses of needs for employment, training, and related services in the area served by the prime sponsor to be used in the development of plans under this title;

(7) set forth arrangements assuring that community action agencies, other community-based organizations, and educational agencies and institutions (including vocational education and community colleges) will be involved in the development of program statements and in the implementation of programs assisted under this title; and

(8) set forth plans for the council to evaluate the effectiveness of programs for which financial assistance is provided under this title.

PROGRAM STATEMENTS

SEC. 204. (a) In order to receive financial assistance under this title for any fiscal year, a prime sponsor shall submit to the Secretary a program statement, which shall include—

(1) a statement of employment and training needs and priorities in the area, descriptions of the services for which financial assistance received under this title will be used, and performance goals;

(2) the identification of any agencies or organizations designated to carry out such services under the supervision of the prime sponsor;

(3) any arrangements made for services to be performed, on a reimbursable basis or otherwise, by the public employment service or any other public or private agency, institution, or organization;

(4) a description of the areas to be assisted by such programs, including data regarding potential eligible participants;

(5) provisions to assure that adequate bilingual and other programs and activities are included as part of job training and related services designed to meet the special needs of persons of limited English-speaking ability;

(6) provisions to assure that adequate programs and activities are provided to meet the special needs of middle-aged and older men and women;

(7) such other information, assurances, statements, and arrangements as the Secretary shall prescribe by regulation, including provisions designed to assist the Secretary in carrying out his special responsibilities under section 205.

(b) The Secretary shall provide financial assistance to each prime sponsor under this title to carry out the program statement submitted by each such prime sponsor upon determining that—

(1) the program statement is consistent with the provisions of this title;

(2) the program statement was made public prior to submission to the Secretary;

(3) an opportunity has been provided to the Governor of the State to submit comments with respect to the program statement to the prime sponsor and to the Secretary;

(4) an opportunity has been provided to officials of the appropriate units of general local government in the area to be served to submit comments with respect to the program statement to the prime sponsor and to the Secretary;

(5) an opportuntiy has been provided to the appropriate State or local agency or agencies having responsibility for vocational education, vocational rehabilitation, and the public employment service, and to community action agencies in the area to be served, to submit comments with respect to the program statement to the prime sponsor and to the Secretary.

SPECIAL RESPONSIBILITIES OF THE SECRETARY

SEC. 205. (a) Out of the funds made available to the Secretary pursuant to section 202 (a) (2) for carrying out his responsibilities under this title, the Secretary shall establish procedures to assure that—

(1) not less than that portion of the funds appropriated for carrying out this title as is equivalent to that proportion which the total number of Indians and Alaska Natives bears to the total number of low-income persons in the Nation shall be made available for programs and projects under this title designed to meet the needs of Indians and Alaska Natives for job training and related services;

(2) not less than that portion of funds appropriated for this title as is equivalent to that proportion which the total number of persons in migrant and seasonal farmworker families bears to the total number of low-income persons in the Nation shall be available for programs and projects under this title designed to meet the special needs of persons in migrant and seasonal farmworker families for job training and related services.

(b) Out of the remaining funds available to the Secretary pursuant to section 202(a) (2) for carrying out his responsibilities under this title, the Secretary is, without limitation, authorized to—

(1) provide additional financial assistance to prime sponsors and public or private nonprofit agencies in order to continue on-going programs and activities of demonstrated effectiveness;

(2) carry out, through contract or otherwise, a comprehensive program of research and experimental, model, demonstration, and pilot programs to conduct innovative efforts and otherwise improve understanding and methods of meeting employment and training needs;

(3) develop a comprehensive system of labor market information on a National, State, local, or other appropriate basis, which shall be made publicly available in a timely fashion;

(4) establish and carry out a nationwide computerized job bank and matching program on a regional, State, and local basis, using electronic data processing and telecommunications systems to the maximum extent possible for the purpose of identifying sources of available persons and job vacancies, providing an expeditious means of matching the qualifications of unemployed, underemployed, and economically disadvantaged persons with employer requirements and job opportunities, and referring and placing such persons in jobs; and

(5) carry out a Job Corps program to assist economically disadvantaged persons under twenty-two years of age who need and can benefit from an intensive program of training and related services, operated in a group setting, to become more responsible, employable, and productive citizens, through the establishment of residential and nonresidential centers in which enrollees participate in intensive programs of education, vocational training, work experience, counseling, and other activities.

(c) In providing financial assistance to enable prime sponsors to carry out programs pursuant to program statements submitted under section 204 and in carrying out his special responsibilities under subsections (a) and (b) of this section the Secretary shall—

(1) give due consideration to job training programs serving individuals from population groups having special needs for such programs, including programs for middle-aged and older persons and bilingual programs for persons of limited English-speaking ability, and special services for low-income individuals who do not reside in low-income areas;

(2) assure the continuation of a system of efforts by the National Alliance of Businessmen and the private sector generally in the provision of job opportunities for economi-

cally disadvantaged, unemployed, and underemployed persons, with particular emphasis on development of jobs and training for economically disadvantaged persons and veterans, as well as the provision of summer and year-round jobs for economically disadvantaged youth, employment for ex-offenders, and employment of public assistance recipients, while encouraging the use of benefits available to the private sector for the training of such persons; and

(3) assure the continuation of a system of opportunities industrialization centers, jobs for progress, and other programs designed to provide comprehensive employment services and job opportunities for low-income persons who are unemployed or underemployed, assuring that the residents of the areas served are involved in the planning and operation of such centers and that the business community is consulted in their development and operation.

COMPREHENSIVE STATE PLANNING ROLE

SEC. 206. (a) Funds available to each State under 202(b) (1) shall be used for—

(1) the provision of services by State agencies responsible for employment and training and related services;

(2) providing additional financial assistance as incentives (A) for the designation of prime sponsors involving combinations of units of general local government, especially where areawide arrangements are made to serve a major labor market area or substantial portion thereof, and (B) for programs and services designed to meet the special needs of rural areas outside major labor market areas;

(3) developing and publishing information regarding economic, industrial, and labor market conditions, including but not limited to job opportunities and skill requirements, labor supply in various skills, occupational outlook and employment trends in various occupations, and economic and business development and location trends; and

(4) providing, without reimbursmeent and upon request, to any prime sponsor serving an area within the State, such information and technical assistance as may be appropriate to assist any such prime sponsor in developing and implementing its programs under this title.

(b) Each State submitting a plan for designation as a prime sponsor of programs under this Act shall—

(1) designate planning areas which together shall cover all of the State except for areas served by local prime sponsors under this Act;

(2) provide that each planning area shall serve a geographical area covered by counties serving a total population of not more than five hundred thousand persons;

(3) provide, with respect to each planning area, for establishing and maintaining an area planning council consisting of members appointed or reappointed annually composed of (A) one representative appointed by the governing body of each county in the area, and additional representatives appointed by the governing body of any city or county having a population of seventy-five thousand or more persons so that each such city or county shall have a total number of representatives proportionate to the relative numbers obtained when the number of persons in the population of each such city or county is divided by seventy-five thousand (excluding, in the case of counties, the number of persons within the jurisdiction of any city having a population of seventy-five thousand or more persons), and (B) such additional persons as the members appointed pursuant to clause (A) of this subparagraph shall elect in order to assure that the membership of the council shall include persons representing the general public, including community action agencies, and other groups representing the economically disadvantaged and other significant segments of the population to be served, educational and training agencies and institutions, the public employment service, social service agencies, business, and labor;

(4) assure that each area planning council shall prepare and submit to the State those portions of the program statement which affect the planning area served by the area planning council and shall have an opportunity to comment upon any revisions made in such portions of the program statement before the program statement is submitted by the State to the Secretary;

(5) set forth arrangements for delegating to any unit of general local government having a population of seventy-five thousand or more persons (excluding, in the case of counties, the number of persons within the jurisdiction of any city having a population of seventy-five thousand or more persons) the functions of program agent with administrative responsibilities for developing, conducting, overseeing, and monitoring programs operated within the area of such jurisdiction, consistent with the program statement.

COORDINATION

SEC. 207. The Secretary of Labor shall not issue rules, regulations, standards of performance, or guidelines with respect to assistance for services of a health, education, or welfare character under this title unless he shall have first obtained the concurrence of the Secretary of Health, Education, and Welfare. Such services include but are not limited to basic or general education; educational programs conducted in correctional institutions or for ex-offenders; institutional training; health care, child care, and other supportive services; and new careers and job restructuring in the health, education, and welfare professions.

SPECIAL CONDITIONS

SEC. 208. The Secretary shall not provide financial assistance for any program under this title unless he determines, in accordance with such regulations as he shall prescribe, that—

(1) conditions of employment or training will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

(2) appropriate standards for the health, safety, and other conditions applicable to the performance of work and training on any project are established and will be maintained;

(3) appropriate workmen's compensation protection will be provided to all participants;

(4) the program will not result in the displacement of employed workers or impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed.

(5) persons shall not be referred for training in an occupation which requires less than two weeks of preemployment training unless there are immediate employment opportunities available in that occupation;

(6) funds will be used to supplement, to the extent practicable, the level of funds that would otherwise be made available from non-Federal sources for the purpose of planning and administration of programs within the scope of this title and not to supplant such other funds;

(7) the applicant will make such reports, in such form and containing such information as the Secretary may from time to time require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure that funds are being expended in accordance with the provisions of this title.

ALLOWANCES AND COMPENSATION

SEC. 209. (a) The Secretary shall where appropriate provide for the payment of weekly allowances to individuals receiving services under this title. Such allowances shall be at a rate prescribed by the Secretary which, when adjusted to take into account amounts received by the trainee in the form of public assistance or unemployment compensation payments, shall not be less than the minimum wage for a workweek of forty hours under section 6(a) (1) of the Fair Labor Standards Act of 1938 or, if higher, under the applicable State minimum wage law, or, where the trainee is being trained for particular employment, at a rate equal to 80 per centum of the weekly wage for such employment, whichever is greater. In prescribing allowances, the Secretary may allow additional sums for special circumstances such as exceptional expenses incurred by trainees, including but not limited to meal and travel allowances, or he may reduce such allowances by an amount reflecting the fair value of meals, lodging, or other necessities furnished to the trainee. The Secretary shall take such action as may be necessary to insure that such persons receive no allowances with respect to periods during which they are failing to participate in such programs, training, or instruction as prescribed herein without good cause. The Secretary may, in accordance with such regulations as he shall prescribe, make appropriate adjustments in allowances which would otherwise be payable under this Act, including but not limited to adjustments which take into account the amount of time per week spent by the individual participating in such programs and adjustments to reflect the special economic circumstances which exist in the area in which the program is to be carried on. Allowances shall not be paid for any course of training having a duration in excess of one hundred and four weeks.

(b) For purposes of subchapter I of chapter 81 of title 5, United States Code, any person receiving services under this title shall, under such circumstances and subject to such conditions and limitations as the Secretary shall by regulation prescribe, be considered an employee of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply, except that in computing compensation benefits for disability or death, the monthly pay of such a person shall be deemed to be his allowance for a month, if he is receiving one. Regulations prescribed by the Secretary under this subsection may include but are not limited to adjustments in the amount of compensation payable under this subsection to take into account entitlements to workmen's compensation under other applicable laws or arrangements.

TITLE III—COMMUNITY SERVICES FOR THE ECONOMICALLY DISADVANTAGED

FUNDS AVAILABLE

SEC. 301. Of the sums appropriated to carry out this Act for each fiscal year, an amount equal to 17.5 per centum thereof shall be made available by the Secretary to prime sponsors designated under section 104 of this Act for programs providing financial assistance in accordance with this title.

ELIGIBLE ACTIVITIES

SEC. 302. Each prime sponsor shall use funds made available to it under this title for the planning, conduct, administration, and evaluation of community services programs designed to assist economically disadvantaged persons to achieve self-sufficiency by providing financial assistance for programs and activities carried out by community action agencies and other public or private nonprofit agencies or organizations. Such programs and activities may involve, without limitation, activities and services and supporting facilities designed to assist participants including the elderly poor—

(1) to secure and retain meaningful employment;

(2) to attain an adequate education;

(3) to make better use of available income;

(4) to provide and maintain adequate housing and a suitable living environment;

(5) to undertake family planning, consistent with personal and family goals, religious, and moral convictions;

(6) to obtain services for the prevention of narcotics addiction, alcoholism, and the rehabilitation of narcotic addicts and alcoholics;

(7) to obtain emergency assistance, through loans or grants, to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance;

(8) to remove obstacles and solve personal and family problems which block the achievement of self-sufficiency;

(9) to achieve greater participation in the affairs of the community; and

(10) to make more frequent and effective use of other programs related to the purposes of this title.

ALLOCATION OF FUNDS

SEC. 303. (a) Of the sums available for purposes of this title, the Secretary shall allot not more than 2 per centum among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. The remaining sums available for this title shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all the States, (2) the relative number of unemployed persons in each State as compared to all the States, and (3) the relative number of persons who or whose families have a total annual income below the poverty line in each State as compared to all the States. The sum available to each State shall be allocated among areas within each such State on an equitable basis, based upon the factors set forth in the preceding sentence. The Secretary shall make necessary adjustments in allocations determined in accordance with this subsection in order to assure that no area served by a community action agency during the fiscal year ending June 30, 1972, shall receive any lesser amount of funds for use within that area in any fiscal year than an amount equivalent to the proportion of the sums available for this title that such area received during such fiscal year 1972.

(b) Any portion of an allotment under subsection (a) which the Secretary determines will not be needed for any fiscal year shall be reallotted by the Secretary to other areas which the Secretary determines can effectively use such funds.

TITLE IV—GENERAL PROVISIONS

FAILURE TO ADMINISTER ACTIVITIES AND PROGRAMS IN ACCORDANCE WITH NATIONAL PURPOSES

SEC. 401. (a) Whenever the Secretary determines that any prime sponsor designated to serve under this Act is—

(1) maintaining a pattern or practice of discrimination in violation of section 403(d) of this Act or otherwise failing to serve equitably various segments of economically disadvantaged, unemployed, or underemployed persons;

(2) incurring unreasonable administrative costs in the conduct of activities and programs, as determined pursuant to regulation;

(3) failing to give due consideration to continued funding of programs of demonstrated effectiveness, including those previously conducted under the Economic Opportunity Act of 1964 or the Manpower Development and Training Act of 1962;

(4) failing to assure that training and other services have a reasonable prospect of leading to appropriate employment opportunities or to enhancing self-sufficiency; or

(5) otherwise failing to carry out the purposes of this Act;

the Secretary shall revoke the prime sponsor's designation and shall not make any further payments to such prime sponsor under this Act, and he shall notify such sponsor to return to him all unexpended sums paid under this Act during that fiscal year. The Secretary is authorized and directed to provide for continuing programs by making payments directly to public and private nonprofit agencies and organizations conducting activities which he determines are not in violation of the requirements of this section. To the extent necessary to assure the delivery of services in the area served by any prime sponsor subject to the provisions of this section, the Secretary is authorized to make grants to and enter into contracts with public and private nonprofit agencies and organizations in the same manner and to the same extent as if the Secretary were the prime sponsor for that area.

(b) The Secretary shall, prior to making any payments under this Act for any fiscal year, enter into an agreement with any prime sponsor receiving payments under this Act which contains provisions adequate to assure that the provisions of this section are carried out effectively.

DEFINITIONS

SEC. 402. As used in this Act, the term—

(1) "Secretary" means the Secretary of Labor;

(2) "State" includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "city" means an incorporated municipality having general governmental powers.

SPECIAL LIMITATIONS AND CONDITIONS

SEC. 403. (a) The Secretary may prescribe such rules, regulations, guidelines, and other published interpretations or orders under this Act as he deems necessary. Rules, regulations, guidelines, and other published interpretations or orders issued by the Department of Labor, or any official thereof, for the purpose of carrying out this Act shall contain, with respect to each material provision of such rules, regulations, guidelines, interpretations, or orders, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based.

(b) No authority conferred by this Act shall be used to enter into arrangements for, or otherwise establish, any training programs in the lower wage industries in jobs where prior skill or training is typically not a prerequisite to hiring and where labor turnover is high, or to assist in relocating establishments from one area to another. Such limitation on relocation shall not prohibit assistance to a business entity in the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Labor finds that assistance will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless he has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

(c) The Secretary shall not provide financial assistance for any program under this Act unless he determines, in accordance with regulations which he shall prescribe, that periodic reports will be submitted to him containing data designed to enable the Secretary and the Congress to measure the relative and, where programs can be compared appropriately, comparative effectiveness of the programs authorized under this Act. Such data shall include information on—

(1) enrollee characteristics, including age, sex, race, health, education level, and previous wage and employment experience;

(2) duration in training and employment situations, including information on the duration of employment of program participants for at least a year following the termination of participation in federally assisted programs and comparable information on other employees or trainees of participating employers; and

(3) total dollar cost per trainee, including breakdown between salary or stipend, training and supportive services and administrative costs.

The Secretary shall compile such information on a State, regional, and national basis.

(d) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(e) The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

(f) The Secretary shall not provide financial assistance for any program under this Act unless he determines that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(g) All laborers and mechanics employed by contractors or subcontractors in any construction, alteration or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

NATIONAL EMPLOYMENT OPPORTUNITIES COUNCIL

SEC. 404. (a) The President shall appoint a National Employment Opportunities Council which shall consist of at least thirteen but not more than seventeen members and shall be composed of persons representative of labor, management, agriculture, public and private education, vocational education, vocational rehabilitation, employment and training programs, and economic opportunity programs. From the members appointed to such Council, the President shall designate a chairman. Members shall be appointed for terms of three years except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one year each and one-third of the members shall be appointed for terms of two years each, and (2) appointments to fill the unexpired portion of any term shall be for such portion only. Such Council shall hold not less than two meetings during each calendar year.

(b) The National Employment Opportunities Council shall—

(1) identify the employment goals and needs of the National and assess the extent to which vocational education, institutional training, vocational rehabilitation, employment and training, economic opportunity, and other programs under this and related Acts represent a consistent, integrated and coordinated approach to meeting such needs and achieving such goals.

(2) review the administration and operation of the programs referred to in clause (1) and advise the Secretary of Labor and the Secretary of Health, Education, and Welfare and other appropriate officials as to the carrying out of their duties under this Act and related Acts;

(3) conduct independent evaluations of programs carried out under this and related Acts and publish and distribute the results thereof; and

(4) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of such programs including the programs authorized under this and related Acts.

(c) The National Employment Opportunities Council shall make an annual report, and such other reports as it deems appropriate on its findings, recommendations, and activities to the Congress and to the President. The President is requested to transmit to the Congress as a part of his report under section 405 of this Act such comments and recommendations as he may have with respect to such reports and activities of the National Employment Opportunities Council.

(d) The National Employment Opportunities Council may accept and employ or dispose of gifts or bequests, either for carrying out specific programs or for its general activities or for such responsibilities as it may be assigned in furtherance of subsection (b) of this section.

(e) Appointed members of the National Employment Opportunities Council shall be paid compensation at a rate of up to the per diem equivalent of the rate for GS-18 when engaged in the work of the National Employment Opportunities Council, including traveltime, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

(f) The National Employment Opportunities Council is authorized, without regard to the civil service laws, to engage such technical assistance as may be required to carry out its functions; to obtain the services of such full-time professional, technical, and clerical personnel as may be required in the performance of its duties, and to contract for such assistance as may be necessary.

REPORTS

SEC. 405. (a) The Secretary of Labor shall make such reports and recommendations to the President as he deems appropriate pertaining to employment and occupational requirements, resources, use, and training, and his recommendations for the succeeding fiscal year, and the President shall transmit to the Congress within sixty days after the beginning of each regular session a report pertaining to manpower requirements, resources, utilization, and training.

(b) The Secretary of Labor and the Secretary of Health, Education, and Welfare shall report to the Congress on the extent to which community colleges, area vocational and technical schools, and other vocational educational agencies and institutions are being utilized to carry out training programs supported in whole or in part from provisions of this and related Acts, the extent to which administrative steps have been taken and are being taken to encourage the use of such facilities and institutions and agencies in the carrying out of the provisions of this Act and any further legislation that may be required to assure effective coordination and utilization of such facilities and agencies to the end that all federally supported employment and training and vocational educational programs can more effectively accomplish their objectives of providing employment and training opportunities to all persons needing occupational training.

(c) The Secretary shall transmit to the Congress at the earliest appropriate date, but not later than March 1, of each calendar year a report setting forth a description of summer work experience programs to begin in June of such year, including the number of opportunities in public and private agencies or organizations that will be provided to disadvantaged students in ninth through twelfth grades (and to youth of equivalent ages), in each of the several States and local areas within States, and a statement as to the total number of such persons who would be eligible for such programs, together with his recommendations, if any, for supplemental appropriations for such programs.

ADMINISTRATIVE PROVISIONS

SEC. 406. (a) The Secretary may make such grants, contracts, or agreements, establish such procedures (subject to such policies, rules, and regulations as he may prescribe), and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments. The Secretary may also withhold funds otherwise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

(b) The Secretary is authorized to exercise all powers necessary for the implementation of this Act, including the power (1) to rent or renovate real property without regard to any other law or regulation governing rental or renovation of such property, provided he first advises the Administrator of General Services Administration of his intent to do so and the reasons therefor, (2) to purchase real property for training centers, (3) to accept and use gifts and voluntary services for the benefit of the program, (4) to enter into contracts or agreements, (5) to make such payments in advance or by way of reimbursement as he may deem to be necessary or appropriate to carry out the provisions of the Act, and (6) to expend, without regard to the provisions of any other law or regulation, funds made available for purposes of this Act for printing and binding.

COOPERATION AMONG AGENCIES

SEC. 407. (a) Each department, agency, or establishment of the United States is authorized and directed to cooperate with the Secretary and, to the extent permitted by law, to provide such services and facilities as he may request for his assistance in the performance of his functions under this Act.

(b) The Secretary shall carry out his responsibilities under this Act through the utilization, to the extent appropriate, of all possible resources for skill development available in industry, labor, public and private educational and training institutions, State, Federal, and local agencies, and other appropriate public and private organizations and facilities, with their consent.

INTERSTATE AGREEMENTS

SEC. 408. In the event that compliance with provisions of this Act would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

LABOR MARKET INFORMATION

SEC. 409. (a) In addition to the monthly national unemployment statistics, the Secretary shall gather by survey and publish on a regular basis data on unemployment, underemployment, and job vacancies by State, labor market area, rural area, and city and poverty neighborhoods.

(b) For purposes of this section, underemployment shall include persons who have part-time work but desire full-time work, discouraged workers not in the labor force, and persons earning less than the Federal minimum wage. Separate data shall be collected and compiled showing the total number of persons earning wages at levels lower than that sufficient to provide an annual income at the level of the lower living standard budget for a family of four (adjusted for regional, metropolitan, urban, and rural differences), as determined annually by the Bureau of Labor Statistics of the Department of Labor.

(c) Vacancy data shall include information on (1) how many unfilled jobs are available in the economy, by industry and occupation, (2) what are the capability requirements of such jobs, (3) salaries, wages, and other benefits of such jobs, (4) where jobs are located, and (5) how many and what kind of jobs remain unfilled for sixty days and for ninety days.

S. 1560

A bill to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes

Be it enacted by the Senate and House of Representaitves of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Employment Amendments of 1973".

AUTHORIZED APPROPRIATIONS

SEC. 2. (a) Section 5(a) of the Emergency Employment Act of 1971 is amended by striking out "and $1,000,000,000" and inserting in lieu thereof "$1,000,000,000 each" and by inserting before the period at the end thereof a comma and the following: "and for the fiscal year ending June 30, 1974, and such sums as may be necessary for the fiscal year ending June 30, 1975".

(b) Section 6(a) of such Act is amended in the second sentence thereof by striking out "for the succeeding fiscal year" and inserting in lieu thereof "for the two succeeding fiscal years, and such sums as may be necessary for the fiscal year ending June 30, 1975".

EMPLOYMENT OF THE ECONOMICALLY DISADVANTAGED AND LONG-TERM UNEMPLOYED

SEC. 3. (a) Subpargraph (17) of section 7 (c) of the Emergency Employment Act of 1971 is amended to read as follows:

"(17) assurances that all persons employed under any such program, other than necessary technical, supervisory, and administrative personnel, will be selected from among unemployed and underemployed persons who are from economically disadvantaged backgrounds or have been unemployed for not less than fifteen weeks immediately prior to employment under such program."

(b) The amendment made by subsection (a) shall be applicable with respect to all persons to be newly hired in public service jobs from funds made available from appropriations for fiscal years beginning after June 30, 1973.

ALLOCATION OF FUNDS

SEC. 4. Section 9 of the Emergency Employment Act of 1971 is amended by striking out "in an equitable manner, taking into consideration the" each place it appears in subsections (a) and (b) of such section and inserting in lieu thereof the following: "in the same".

PRIORITY FOR JOBS

SEC. 5. Section 9 of the Emergency Employment Act of 1971 is amended by inserting at the end thereof the following new subsection:

"(d) In allocating funds apportioned to each State under subsection (a) of this section, the Secretary shall establish procedures to assure that all persons newly hired in public service jobs from funds made available out of appropriations with respect to the fiscal years ending June 30, 1974, and June 30, 1975, shall be veterans as described in subparagraph (4) of section 7(c) who meet the requirements of subparagraph (17) of section 7(c), until such time as the number of such veterans constitutes 50 per centum of the number of all persons employed in such jobs under this Act."

CLARIFYING AMENDMENT

SEC. 6. Subparagraph (3) of section 4 of the Emergency Employment Act of 1971 is amended to read as follows:

"(3) Indian tribal organizations."

COMMENTS ON APPLICATIONS

SEC. 7. Section 8 of the Emergency Employment Act of 1971 is amended by striking out "and" at the end of subparagraph (3), by striking out the period at the end of subparagraph (4) and inserting in lieu thereof "; and", and by inserting after subparagraph (4) the following new subparagraph:

"(5) an opportunity has been provided to labor organizations representing employees who are engaged in similar work in the same area to that proposed to be performed under the application to submit comments with respect to the application to the applicant and to the Secretary."

Mr. JAVITS. Mr. President, I join with Senator GAYLORD NELSON, chairman of the Subcommittee on Employment, Manpower, and Poverty, in the introduction of two separate measures that we have developed jointly to provide increased and more effective assistance to the Nation's economically disadvantaged, unemployed and underemployed.

THE PROPOSALS

First, the "Job Training and Community Services Act of 1973." The bill essentially a manpower "reform" proposal—authorizes $1,880,000,000 for fiscal year 1974 and "such sums" for each of the three succeeding fiscal years for manpower training and community services programs to be conducted through a new decentralized and flexible system of State and local prime sponsors.

It would replace the current practice of direct "categorical" grants for manpower training—as urged by the administration in its "manpower revenue sharing" proposal. It would also provide a new authority—along the lines of special revenue sharing—under which State and local governmental sponsors could continue the "local initiative" activities of community action agencies which now receive direct Federal assistance.

The bill provides that for fiscal year 1974, $1,550,000,000 would be made available for job training and $330 million for community services; similar proportions would pertain in subsequent years; funds for manpower could provide approximately 1,000,000 opportunities, as under current law; even then, only reaching one-twelfth of those who could benefit from such training.

Second, the "Emergency Employment Act Amendments of 1973," a bill to extend the Emergency Employment Act of 1971—EEA—the public service employment program, with an authorization of $1.25 billion for fiscal year 1974, the fiscal 1973 level, and "such sums" for the succeeding years. In fiscal year 1973, approximately 228,000 persons could receive jobs—5.5 percent of the 4 million currently unemployed. The bill would channel funds to meet the needs of Vietnam veterans and the economically disadvantaged to a greater extent than under present law.

THE PROPOSALS AND THE ADMINISTRATION'S POSITION

Mr. President, as indicated in the fiscal 1974 budget proposal, beginning July 1, 1973—less than 3 months from now—the administration plans to accomplish manpower reform administratively, to cut off all direct federal funding for local initiative antipoverty efforts, now conducted by community action agencies, and to phase out the Emergency Employment Act.

But our proposals demonstrate our willingness to write into law the administration's concepts of "special revenue sharing" in the areas of manpower training, public service employment, and antipoverty "local-initiative"—but with three important differences.

First, the concepts should be adopted legislatively, not unilaterally as the administration proposes, so that orderly change can be accomplished without interruption by a hiatus which Executive action alone entails.

Second, State and local government should have at least the same resources to do the job as the Federal Government. While the administration requested $3.1 billion for manpower training, public service employment, and local initiative for itself in fiscal 1973, it has requested $1.3 billion—much less than half that amount—for these specific purposes under its plans for 1974. This is "decentralization at a discount." The "flow of responsibility" must be accompanied by more than a "trickle" of funds; otherwise, at the outset, we will only undermine the credibility and capability of State and local governments which revenue sharing is designed to improve. Our authorizations are not "pie in the sky"; they are exactly at the $3.1 billion level.

Third, decentralization of responsibility is one thing; abdication of Federal concern is another. State and local government should be viewed as the "trustees" of fund, not their principal beneficiaries. The Federal Government must keep "hands off" local day-to-day decisionmaking, but, since Federal funds are involved, the Federal Government must be more than a "payroll clerk." Under our manpower reform proposals it would be required to step back in if funds are diverted from their intended beneficiaries under the legislation or the trust is otherwise "breached."

EXPLANATION OF MAJOR ELEMENTS OF THE PROPOSALS: (MANPOWER TRAINING REFORM)

Mr. President, President Nixon said, on March 4, 1971, in submitting his legislative proposal for manpower revenue sharing:

> The active Federal commitment to manpower training and development was a good idea in 1962 . . . and it is an even better idea today.

We agree—manpower training is an even better idea today—with the crushing needs of the disadvantaged and the welfare recipients, the future needs for paraprofessionals in a society subject to swift technological change, and the legitimate desires of all citizens for continuing training and education.

Manpower training is not a "flop" to be rejected—but a worthwhile and necessary effort to be expanded and reformed.

The major elements of reform lie in decentralization, and decategorization of the current effort. As President Nixon emphasized in the same message:

> But one of the great lessons of the dramatic Federal Government growth in the 1960's is that even a good idea like this can fall short of its promise if the way by which it is carried out, runs against the grain of the Federal system. By converting the Nation's manpower programs from categorical grants to Special Revenue Sharing, we can play to the strengths of the Federal partnership, teaming Federal dollars with State and local decision-making.

It is time to give the States, cities and counties the major responsibility for manpower training.

Any city of 100,000 and any county of 150,000 could qualify as a prime sponsor under our bill, State government would not only be prime sponsors, but would utilize for planning, coordination and other direct activities up to 15 percent of the funds to be spent in each State. It is estimated that under this format the Secretary would deal directly with approximately 400 prime sponsors compared with approximately 10,000 grantees under the current practice.

Under the bill, State and local sponsors would have wide lattitude in conducting programs in very broad categories—on-the-job training, institutional training, work experience and related services; current "categorical program" such as New Careers, Operation Mainstream would not be mandated but could be continued.

Of the funds available for manpower training under the proposed act, the Secretary could reserve up to 25 percent in each year—approximately $400 million in fiscal 1974—for essentially "national" purposes; these include research and demonstration projects, special programs for Indians and migrants, and maintenance of national "systems" that bring private resources in on the local level. The latter include the Job-Bank, the activities of the National Alliance of Businessmen—which conducts the "JOBS" program in partnership with the Federal Government—and "Opportunities Industrialization Centers," the very successful effort led by Rev. Leon Sullivan of Philadelphia.

The Secretary is required to revoke prime sponsorship and install himself in the position of the prime sponsors upon a determination that any prime sponsor is discriminatory against minority or other groups, incurring unreasonable administrative costs, failing to give due consideration to continued funding of current programs of demonstrated effectiveness, or to insure that training has a reasonable prospect of leading to a job.

LOCAL INITIATIVE ANTIPOVERTY PROGRAMS

Mr. President, for some time the administration has hoped to replace direct Federal support for community action "local initiative" activities with indirect funding through general revenue sharing and "special revenue sharing" proposals in the areas of urban community development and rural community development, as well as manpower training.

As stated in a major statement by former Director of OEO, Frank Carlucci, in February 1971:

> "While community will continue as a separately funded program in FY 1972, the President's budget sets January 1, 1973 as a target date for local initiative assistance to CAA's to be incorporated into special revenue sharing. At that time, community action would become a fully local institution, *receiving federal resources* for local initiative programs through the special revenue sharing process." (emphasis added).

But funding for community action local initiative would be terminated even though none of the special revenue sharing proposals have been adopted, and general revenue sharing, based on the experience to date, cannot be considered a significant source.

This means in short that unless Federal revenues are provided—while other elements of the antipoverty effort would be spun-off from OEO for administration by other agencies, generally at equal or higher levels of funding, local initiative—the real heart of the original antipoverty effort—could be effectively spun-out of existence.

We oppose this spun-out of existence, certainly absent congressional sanction to an alternative and hence, Senator NELSON and I have introduced with 32 cosponsors Senate Concurrent Resolution 12 which calls upon the President to carry out the Economic Opportunity Act Amendments of 1972 by continuing OEO and community action agencies through this fiscal year; and, to request funds for next fiscal year.

Our basic position with respect to this fiscal year has been confirmed by the U.S. District Court for the District of Columbia just yesterday in the case of Local 2677. The American Federation of Government Employees et al against Howard Phillips in enjoining any further dismantlement of OEO or community action agencies during this fiscal year.

But this leaves open the question of funding after July 1 and if the Congress does not provide appropriations for these programs, then our bill would provide an interim compromise alternative with funds to make continuation of local initiative and community action agencies by State and local government possible in fact as well as in theory.

THE EMERGENCY EMPLOYMENT ACT

Mr. President, on December 16, 1970, in vetoing the Employment and Manpower Act of 1970, which contained large-scale "permanent" public service employment tied to manpower reform, President Nixon said:

> Transitional and short-term public service employment can be a useful component of the Nation's manpower policy.

The Emergency Employment Act of 1971 was designed by Senator NELSON and myself to meet these specifications.

Under our proposed 2-year extension, the act will continue to be transitional and short term. Jobs will continue to be designed to lead to "regular" employment in the private and public sectors. It will also be "short term" rather than "permanent" since, as under current law, $1 billion of the $1.25 billion authorized will be available only as long as national unemployment is 4.5 percent or greater. That threshold is the administration's own "trigger point" taken from its "Manpower Act of 1969" which I introduced on its behalf in the Senate. If the President is successful—as we hope he is—in getting unemployment down from 5 to under 4.5 percent, then the greater part of the public employment program would go automatically out of existence.

Mr. President, the public employment program has not turned into a WPA-like "boondoggle" of the kind the administration sought to avoid in vetoing the 1970 act.

A study issued by the National Urban Coalition which recommends extension shows that 21 percent of the jobs created in the first year were in education, 12 percent in law enforcement, 8 percent in health, 5 percent in social services, and 4 percent in environmental quality.

Mr. President, the Urban Coalition and other evaluations also indicate that coverage of veterans, economically disadvantaged, and the long-term unemployed have been relatively good in light of the fact that funding has been completely at the discretion of program sponsors, but could be improved.

We have tailored this extension bill to meet those concerns which we believe have also been the concerns of the administration.

The President has stressed the need to provide jobs for returning veterans. In his address to the Nation on March 24, he said:

> We must demonstrate the gratitude we feel by the actions we take. We must honor them with the respect they have earned and the affection they deserve.

Under our extension of the EEA all persons hired for new jobs under the act must be Vietnam veterans until 50 percent of each program's public service jobs have been filled by such veterans; under existing law approximately 27 percent of participants are Vietnam veterans; another 16 percent are veterans generally.

The President said in his state of the Union address of March 1, 1973, abandoning insistence on welfare reform:

> The welfare mess cannot be permitted to continue. A system which penalizes a person for going to work and rewards a person for going on welfare is totally alien to the American tradition of self-reliance.

Greater provisions must be made for the economically disadvantaged, which are 37 percent of current participants.

Another need recognized by the President and so pressing in areas of my own State—such as Nassau and Suffolk counties—is that of other persons who fall in the category of the "long-term unemployed" for more than 15 weeks such as aerospace technicians and others displaced by technological change.

To recognize these needs our bill provides that all of the new hires under the program must be economically disadvantaged or long-term unemployed.

These provisions will not require the firing of ony one hired under the existing program, but it will give new focus to continued effort.

Mr. President, in closing, I hope that with these proposals we can reach agreement on legislation on manpower reform with provisions for community action and continuation of the EAA at the earliest opportunity so that we can end the inefficiency and anguish on the human level which has resulted from the administration's desire to "go it alone."

I ask unanimous consent that there be printed in the RECORD the following: A description of the measures which we introduce today and a copy of a letter dated January 31, 1973, from the President to the chairman and vice chairman of the National Alliance of Businessmen, setting forth the administration's commitment, reflected legislatively in the first measure we introduce today, to continue the NAB–JOBS program—which has been such a fine example of private-sector application to the problems of poverty, and the crisis in our cities and other areas, and should be given legislative recognition, as we do to the new role of the public sector.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROPOSED NELSON-JAVITS LEGISLATION

I. JOB TRAINING AND COMMUNITY SERVICES ACT OF 1973

1. Authorization: The bill authorizes $1,880,000,000 for fiscal year 1974 and such sums as may be necessary for the three succeeding fiscal years.

Of sums appropriated, 17.5 percent would be allocated for community services for the economically disadvantaged (i.e., $329 million, the level Congress earmarked for local community action last year). The community services funds would be made available to prime sponsors for local initiative antipoverty programs, including community action.

For job training and related services, $1.55 billion would be authorized—the same level as Congress appropriated for fiscal year 1973.

2. Prime Sponsors: Any State and any city of 100,000 or county of 150,000 population or more would be eligible for prime sponsorship of programs if capable of carrying out a comprehensive program. Each State would serve as prime sponsor for the balance of a State not covered by a local prime sponsor.

3. Councils: Each prime sponsor would establish an employment and training council consisting of members representing business, labor, vocational education, community action agencies, and others with special

knowledge in the manpower field. While Governors and local officials would have final authority to approve program plans, the council would recommend program plans and would have evaluation responsibilities.

4. Allocations: Of sums available for job training programs, 75 percent would be allocated among the States on the basis of unemployment, labor force, poverty, and population. The remaining 25 percent would be available to the Secretary of Labor for demonstration programs and special responsibilities.

5. Decategorization: Categorical programs are included in the legislation as authorized programs for State and local funding. The Secretary would have special responsibility for programs for Indians and migrants.

6. Projects Funded by Prime Sponsors: Secretary of Labor would provide financial assistance directly to prime sponsors. Each prime sponsor would be entitled to unrestricted use of its allocation for locally-determined needs, so long as it complies with the law. If a prime sponsor fails to comply with the law, funds would then be made available by the Secretary of Labor directly to another agency.

7. Comprehensive State Planning Role: Within a State's allocation, 15 percent would be set aside for special State services including planning, technical assistance, and services of State agencies in the employment and training field as well as incentives for area-wide cooperation and to meet special rural needs. Remainder of allocation to a State would be distributed within the State among local areas on the basis of unemployment and poverty.

II. EMERGENCY EMPLOYMENT AMENDMENTS OF 1973

This is a separate bill to extend the Emergency Employment Act of 1971 for two additional years—through fiscal year 1975.

The fiscal 1973 authorization of $1,250,000,000 under the Emergency Employment Act would be continued through fiscal year 1974.

As under the existing law, $1 billion would be available so long as the national rate of unemployment is 4½ percent or higher; the remaining $250 million would be available in any year for use in local areas of substantial unemployment (6 percent or higher).

For fiscal year 1975, the bill authorizes such sums as may be necessary.

The bill provides that new persons hired under the Emergency Employment Act must be unemployed or underemployed persons from economically disadvantaged backgrounds or who have been unemployed 15 weeks or more.

In addition, all persons hired for new jobs under the Act must be Vietnam veterans until 50 percent of each program's public service jobs have been filled by veterans.

COMPARISON OF FUNDING

[In millions of dollars]

	Fiscal years—		
	1972	1973	1974[1]
Manpower training	1,682	[2] 1,550	1,551
Local community action	351	[3] 329	329
Emergency employment	1,000	1,250	1,250
Total	3,033	3,129	[4] 3,130

[1] Nelson-Javits.

[2] This amount has been appropriated for fiscal year 1973 to carry out the Manpower Development and Training Act and title I of the Economic Opportunity Act. The administration has proposed rescission of $284,000,000 of such enacted appropriation for manpower, down to a level of obligations of $1,266,000,000 for fiscal year 1973.

[3] Amount earmarked for local initiative community action programs in Economic Opportunity Amendments of 1972.

[4] Administration's budget request for fiscal year 1974 is $1,340,000,000 for manpower training; no funds are requested for local initiative community action and no funds are requested for the Emergency Employment Act.

THE WHITE HOUSE,
Washington, D.C., January 31, 1973.
Mr. GORDON M. METCALF, *Chairman,*
Mr. RICHARD C. GERSTENBERG, *Vice Chairman, National Alliance of Businessmen, Washington, D.C.*

DEAR GORDON AND DICK: The National Alliance of Businessmen has performed a superb service to our nation by encouraging American business to provide job opportunities for Vietnam-era veterans, disadvantaged people, and needy youth. This fiscal year, the JOBS program has already placed 101,000 toward its goal of 150,000 Vietnam-era veterans, and you have achieved equally impressive results from your efforts on behalf of the disadvantaged and needy youth. This has been accomplished at a low cost to the government because of the contributions and the skills of the American business community—an achievement which merits the gratitude of all our fellow citizens.

In view of its remarkable success to date, I would like the Alliance to consider continuing its efforts through June 30, 1976. To complement our goal of increasing efficiency in government, the business acumen represented in your organization should be directed toward streamlining the Alliance for a more concentrated focus on large and medium-sized employers in areas having substantial disadvantaged populations. In addition, I hope you will include among your priorities the following:

1. Developing jobs and training in the private sector for disadvantaged persons and place Vietnam-era veterans, with special increased emphasis on handicapped veterans, disadvantaged veterans, and those who are members of minority groups or under 25 years of age.
2. Locate summer and part-time year-round jobs for needy youth.
3. Carry out programs designed to break the poverty cycle by encouraging minority and disadvantaged youth to complete their education and prepare for meaningful careers in industry.
4. Find jobs for ex-offenders.
5. Promote the hiring of public assistance recipients in the private sector and the use of the WIN tax credit.
6. Advise the private sector of the availability of government funds to defray the extraordinary costs of employing and training the disadvantaged.

I am deeply grateful for the outstanding leadership you and other chairmen have given the Alliance, and I look forward to continued success in your important work.

With my best wishes,

Sincerely,

RICHARD NIXON.

By Mr. TUNNEY (for himself, Mr. CRANSTON, Mr. MAGNUSON, Mr. FONG, Mr. INOUYE, Mr. PACKWOOD, Mr. ABOUREZK, and Mr. HATFIELD):

S. 1563. A bill to enable domestic growers or canners of seasonal fruits or vegetables or of fruit juices, fruit nectars or fruit drinks prepared from such seasonal fruits, which were packed in hermetically sealed containers and sterilized by heat to secure an adjudication of certain claims for losses in the Court of Claims. Referred to the Committee on the Judiciary.

DAY IN COURT

Mr. TUNNEY. Mr. President, the legislation I am introducing today is founded on the principle that the Government should help those whom it harms. When administrative remedies have failed, the Government then should, at the very least, assure injured parties their day in court. Cases may differ, and each must be examined individually.

The case at point concerns small canners and growers, who were financially hard-hit when the Government abruptly reversed itself on the use of cyclamates. The legislation will permit them to seek recovery of their losses by presentation of their case to the Court of Claims. The court can then decide the merits of each claim. Many small canners, because of the seasonal nature of their business, simply had to discard their products when the Department of Health, Education, and Welfare unexpectedly and without warning prohibited continued use of cyclamates. The claimants must prove that they relied in good faith on the Federal Drug Administration's list of Generally Regarded as Safe—GRAS—additives. The list included such items as vitamin C, salt, pepper, and other familiar and widely used items. Cyclamates were on that list for a full 10 years until suddenly banned on October 18, 1969.

During the decade in which cyclamates were carried on this list—called the GRAS list—the Government several times reaffirmed its belief in the safety of cyclamates.

In May 1965, FDA publicly stated that—

> A review of recent studies on artificial sweeteners shows that they are safe as presently used. . . .

In the fall of 1967, the FDA issued a public statement saying that "the safety of artificial sweeteners—has been reviewed periodically for more than a decade": that there was "no scientific evidence available" that showed that the artificial sweeteners" are a hazard to the health of man"; and that such sweeteners are "among the additives 'generally recognized as safe' by scientists in and out of the FDA."

In April 1969, FDA published a proposal to establish cyclamates as a safe additive for food and remove them from the GRAS list. The time for comment passed, and not only did FDA leave cyclamates on the GRAS list, it also maintained them in food standards of identity, giving them the same legal status as sugar.

The legislation in no way establishes a precedent for future claims against the Government, inasmuch that the FDA, in September 1971, said that the GRAS list no longer could be relied upon.

The independent farmers and cooperatives affected by the cyclamates ban ask only that they be given their day in court so they can present their claims to an impartial body. They are not seeking compensation for legal fees, lost profits, lost opportunities due to drain on working capital or necessary cutbacks in production. If the court decides in their favor, they will recover only direct and indirect losses. It would be a misunderstanding of good business practice to think this would in any way encourage lack of caution in the future. No businessman who has gone through this kind of experience would be inclined to rely on possible indemnification for losses only. Under the provisions of the bill, no claimant can fully recover for all losses.

Any claim under this legislation will be subject to strict scrutiny in adversary proceedings before the Court of Claims. The burden of proof will be on the claimant who must prove to the court's satisfaction that he relied in good faith on FDA's listing of cyclamates as generally regarded as safe and later upon the published proposal to establish cyclamates as a safe additive to foods. The Justice Department has assured the Congress that all claimed losses will be audited.

The legislation simply assures fair and full hearings for hardpressed canners and growers before the Court of Claims.

By Mr. CHILES:

S. 1564. A bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States. Referred to the Committee on Rules and Administration.

Mr. CHILES. Mr. President, if there is one lesson I learned during my walk through Florida, it was that people feel that Government is too big, too far away from the people, and too unresponsive. They have become suspicious of a government they feel is all encompassing and yet out of touch with the people. Many have become cynical. They feel their public trust is being betrayed.

Betrayal of public trust is the most serious charge which can be leveled against a public official. If a man uses his office to advance his own financial interest at the public's expense he has committed a crime against the basic principles upon which our Government is built. Thankfully, outright cases of such betrayal have been few in our Government's history. But still the public cynicism grows. Still the vague secrecy surrounding many of the areas of political finance adds fuel to the fire of public suspicion. Lack of accurate and dependable information disturbs the American citizen and fosters skepticism. Already doubtful, lack of adequate disclosure requirements makes the public even more unsure about the honesty of their Government officials.

When I speak out on my Federal Government in the sunshine proposal I often cite Justice Louis D. Brandeis' words:

> Publicity is justly commended as a remedy for social and industrial disease. Sunlight is said to be the best disinfectant and electric light the most efficient policeman.

These words, I feel apply equally well to matters of financial disclosure.

The bill I am introducing this morning sheds both a little sunlight and electric light on the area of financial accountability. The public disclosure of finances that the bill requires is intended to promote public confidence through curbing abuses and making it dangerous for candidates as well as officeholders and employees in all three branches of Government to manipulate interests unethically.

And perhaps even more importantly, it provides the necessary relief from the burden of ill-founded suspicion. It would be a first step toward regaining what we so desperately need now more than ever—the public's confidence in their system. We are all quick to describe our Government as free, democratic, representative—getting its powers ultimately from the people. If officials are to effectively act in the public interest their first duty is to eliminate any lingering doubt or suspicion concerning their integrity and carefully maintain and cultivate the public's confidence.

Certain essential principles have dominated our thinking concerning money in politics and Government. We believe that money alone should not be the deciding factor in determining who shall hold public office. We say a man ought to be able to try for a public office if he is able, regardless of his personal finances; we claim that public officials ought to be free agents able always to act in the general interest of the public.

In Florida, I worked hard to reform the law regarding campaign expenditures and public disclosures. And today Florida is one of the few States where the disclosure law appears to be working well. We established a code of ethics in 1969 concerning any interest, financial or otherwise, seriously conflicting with the officeholders' duties. We worked to pass a law in 1970 which requires elected public officials to file reports of gifts valued at $25 or more, twice a year.

The bill I offer today was introduced last Congress by Senator Spong of Virginia, who during his service in the Congress was a leader in this field. This measure seeks to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States. It requires Members of the Senate and House of Representatives, and every officer and employee of the United States or any department or agency who receives a salary of $18,000 or more and each judge or justice of a court of the United States or officer of the national committee of a major political party to file a report annually with the Comptroller General containing a full statement of amounts and sources of income; gifts and monetary value of entertainment, travel, et cetera. It also includes the requirement that he report the value of assets held by him or by him and his spouse jointly, dealings in securities or commodities by him or by him and his spouse jointly; and purchases and sales of real property. The bill provides a penalty of $2,000 for those persons failing to file or knowingly filing a false report. The reports will be kept by the Comptroller General as public records which will be available for inspection by members of the public under reasonable regulations prescribed by the Comptroller General.

I believe we all recognize that public officials ought to make disclosures to some superior who is responsible for their conduct. In our system of government it is the people themselves who are our superiors and so it is to them that all public officials owe a duty. A good public disclosure law will hopefully dispel suspicion; deter some avoidable conflicts of interest; make important information available to the public and become the basis for a new era of regained public confidence in Government officials.

I ask unanimous consent that the text of the bill be printed in the Record at this point in my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1564

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) (1) each Member of the Senate and House of Representatives (including Delegate and Resident Commissioner), each officer and employee of the United States or any department or agency thereof (including each officer and enlisted person in the Armed Forces) who (A) receives a salary at a rate of $18,000 or more per annum or (B) holds a position of grade GS–14 or above (or of equivalent rank), each judge or justice of a court of the United States, and each member, chairman, or other officer of the national committee of a major political party shall file annually with the Comptroller General a report in accordance with the provisions of paragraph (3) of this subsection.

(2) Each individual who is a candidate of a political party in a general election for the Office of Senator or Representative, or Delegate or Resident Commissioner in the House of Representatives but who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, with the Comptroller General a report in accordance with the provisions of paragraph (3) of this subsection.

(3) Reports required to be filed under this subsection shall contain a full and complete statement of—

(A) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from any relative or his spouse) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(B) the value of each asset held by him, or by him and his spouse jointly, the amount of each liability owed by him, or by him and his spouse jointly, as of the close of the preceding calendar year;

(C) all dealings in securities or commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year; and

(D) all purchases and sales of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year.

(b) Except as hereinbefore provided, reports required by this section (other than reports so required by candidates of political parties) shall be filed not later than April 30 of each year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Comptroller General may prescribe.

(c) Reports required by this section shall be in such form and detail as the Comptroller General may prescribe. The Comptroller General may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible.

or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) Each report required by this section shall be made under penalty for perjury. Any person who willfully fails to file a report required by this section, or who knowingly and willfully files a false report under this section, shall be fined $2,000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Comptroller General as public records which, under such reasonable regulations as he shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual shall be considered to have been a Member of the Senate or House of Representatives, a Delegate or Resident Commissioner, or an officer or employee of the legislative, executive, or judicial branch of the Government of the United States or any department or agency thereof, during any calendar year if he served in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2).

(4) The term "dealings in securities or commodities" means any acquisition, holding, withholding, use, transfer, disposition, or other transaction involving any security or commodity.

(5) The term "court of the United States" means each court so defined by section 451, title 28, United States Code, and each of the following courts: the District Court of the Virgin Islands, the District Court of Guam, the Tax Court of the United States, and the Court of Military Appeals.

(6) The term "major political party" means any political party whose candidate for the office of President of the United States received more than 15 per centum of the total popular votes cast for all candidates for such office in the most recent presidential election. For the purposes of this paragraph, each vote cast for the election of a presidential elector shall be considered to be a popular vote cast for the candidate supported by the elector for whom the vote was cast.

Sec. 2. Section 554 of title 5, United States Code, is amended by inserting at the end thereof the following new subsection:

"(f) Communications to Agency.—All written communications and memorandums stating the circumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to such case by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

By Mr. MONDALE (for himself, Mr. Bayh, Mr. Mansfield, Mr. Stevenson, Mr. Percy, Mr. McIntyre, Mr. Stafford, and Mr. Nelson):

S. 1565. A bill to permit Congress to play its proper role in the formulation of policy relating to foreign commerce, the public lands, and the energy needs of the country. Referred to the Committee on Interior and Insular Affairs.

Mr. MONDALE. Mr. President, the U.S. Supreme Court decision of April 2 regarding the trans-Alaska pipeline mandates congressional consideration of the complex issues involved in the delivery of the energy resources of the North Slope Alaskan oil and gas to the lower 48 States.

The Court refused to review a Court of Appeals ruling that the Secretary of the Interior may not grant rights-of-way for the proposed pipeline where it crosses public lands, since those rights-of-way would exceed the maximum width of 50 feet allowed by the Mineral Leasing Act of 1920.

This decision has given the Congress a unique opportunity to fully consider the environmental, economic, national security, and consumer questions in this important area. Without adequate scrutiny, however, we may well allow decisions to be made which will adversely affect the economy and ecology of our Nation for decades to come. The need, therefore, is for a mechanism which will provide the Congress with the information it needs to make judicious decisions on the best means of delivering the oil and gas of the North Slope of Alaska.

Today, I am introducing the North Slope Energy Resources Act of 1973, along with Senators Bayh, Mansfield, Stevenson, Percy, McIntyre, Stafford, and Nelson. This bill provides a speedy yet thorough mechanism for providing Congress with the facts needed to make an informed determination as to the best means for delivery of the vast North Slope energy resources. It is designed to facilitate—rather than impede—the progress of the delivery of these resources.

The Supreme Court decision of April 2 has left entirely unresolved the complex issues surrounding the compliance—or lack thereof—of the Secretary of the Interior with the requirements of the National Environmental Protection Act of 1969. These issues have not been fully litigated at either the U.S. district court or appeals court level.

If we in Congress simply pass legislation giving the Secretary of the Interior substantial discretion to grant rights-of-way permits across Federal lands, it is highly likely that litigation of these NEPA issues would resume in the courts, a process which could take years.

On the other hand, if we move wisely through negotiations and impartial studies over the next 9 months, we should enable the Congress to determine the best means of transmission of energy resources from the North Slope, and avoid further litigation. Indeed, the very reason for the litigation to date has been the alleged failure of the Secretary of the Interior to thoroughly consider the alternative of a trans-Canadian route for bringing these Alaskan energy resources to the "lower 48" States.

CANADIAN ROUTE

Along with many others, I am convinced on the basis of the information now available of the superiority of a Canadian route. Briefly, there are a number of advantages:

A Canadian route would deliver the North Slope oil resources where they are needed most—in the area east of the Rocky Mountains—rather than elsewhere and to Japan, which would receive this oil through a trans-Alaskan route. There are strong indications that up to one-quarter of the total oil to be pumped out of the North Slope of Alaska—should a trans-Alaska route be approved—has already been targeted for delivery outside the United States, much of it to Japan.

If we are to resolve our energy problems in the United States, we need this energy in the Eastern two-thirds of the Nation, where the most serious fuel shortages were experienced last winter and where, by the Interior Department's own estimates, the dependence on insecure Middle East oil will continue to be much greater than in the area west of the Rockies. And certainly, exporting oil to Japan will do nothing to ease the American energy situation.

A Canadian route would deliver these resources over an environmentally sounder route than would an Alaskan route. An Alaskan route would cross one of the world's major earthquake zones, and would almost certainly result in major spillage from the tankers which would be needed to transship the oil from the southern coast of Alaska. A Coast Guard study in 1972 estimated that up to 5.8 million gallons per year of crude oil might be dumped into the Pacific off the west coast of the United States and Canada as a result of this tanker traffic. This would cause substantial damage to the rich fishing grounds off the Gulf of Alaska, which are vital to the Alaskan and Canadian economies.

A Canadian route, as a result of the recent Supreme Court decision, would be built with a relatively minor time delay as compared to an Alaskan route. And the effects of any such delay, which would probably be no more than 1 to 2 years, could be canceled out by willingness of the Canadian Government to increase their exports of crude oil to the United States in the interim, should the Congress decide on a Canadian route. In mid-March, Canadian Energy Minister Donald MacDonald indicated that this willingness exists on the part of the Government of Canada.

Costs to consumers for oil in the eastern two-thirds of the Nation would be substantially reduced by a Canadian route. At the current time, a barrel of crude oil costs almost 20 percent more in Chicago than it does in Los Angeles, and 25 percent more in New York than in Los Angeles.

This difference represents millions of added dollars for consumers in the Midwest and on the east coast. Construction of the Alaskan pipeline route would only add to the imbalance of crude oil prices, making west coast prices even cheaper in relation to Midwest and Eastern prices. On the other hand, construction of the Canadian pipeline would help over the long run to relieve the excessively high costs of crude oil in the Midwest and the east coast and help to bring the cost of energy products more in line with the lower prices currently enjoyed by west coast residents.

The national security interests of the United States would be aided by a Canadian route. The best estimates are that the Middle West and the East will continue to be at least 20 percent more dependent on insecure sources of supply—primarily the Middle East—than will the west coast. Construction of a trans-Alaskan pipeline would only exacerbate this situation, leaving us by 1980 or 1985 in a condition in which the Midwest and the east coast would be highly dependent on Middle Eastern sources of supply.

In addition, the oil and gas reserves estimated to be recoverable from the Canadian northern wilderness areas are potentially as large as the reserves in the North Slope area of Alaska. The choice of a trans-Canada route—into which the Canadians could eventually tie their production—would greatly encourage exploration of these vast resources in Canada. By contrast, construction of a trans-Alaska route would discourage such exploration and development.

The Alaskan oil and gas fields, although extremely significant, contain nowhere near enough reserves to make the United States self-sufficient in energy production. Even with full exploitation of the Alaskan field, by 1980 we will depend on foreign sources for 47 percent of our oil. However, the emphasis in our national energy policy should be to encourage the development of these foreign oil sources which are secure—such as those in Canada—in preference to those which are inherently insecure—such as those in the Middle East.

The cost of construction of a Canadian route are approximately the same as those of an Alaskan route. There is little doubt that a natural gas pipeline will be built from Prudhoe Bay through Canada to Chicago, to deliver natural gas from the Prudhoe Bay area to the midcontinent United States.

The cost of sending both oil and gas to Chicago, according to the Department of the Interior, would be an estimated $8.9 billion. The cost of sending gas to Chicago and oil to the west coast—through an Alaskan pipeline—is estimated at $8.65 billion, a net difference of only $250 million.

Cost differentials, therefore, pose no substantial deterrent to construction along a trans-Canadian route.

MORE INFORMATION NEEDED

In summary, we now have available a substantial body of information on a trans-Canadian alternative. However, many questions remain unanswered.

If Congress can obtain the additional information needed to aid in deciding the preferred route for delivering these vast resources, I believe we would be in a position to expedite developments of these resources and help relieve the energy difficulties which we are now facing.

The legislation we are introducing today would, therefore, provide for negotiations with the Canadian Government and a thorough study of the many facets of this controversy, to be completed within 9 months of date of enactment. This time schedule is almost certainly less than that which will ensue should Congress pass any general pipeline rights-of-way legislation and face protracted litigation. Should the pipeline issue be tied up in the courts for years, we may never be able to transport this energy to the United States economically and efficiently.

The most rational course—which promises congressional ability to make a wise decision; which offers excellent prospects of resolving the matter without further lengthy court decisions; and which focuses national attention on the wisest means of transporting these energy resources—is an impartial study of the Canadian alternative for delivering these resources, and for a congressional decision at the end of this process.

The legislation we are introducing today, first, grants the Secretary of the Interior temporary power—for 2 years—to grant rights-of-way wider than the 50 feet permitted by section 28 of the Mineral Leasing Act of 1920 for all projects authorized by that section, other than a delivery system for North Slope Alaskan oil and natural gas. For any new grants, the Secretary would be required to issue rights-of-way within existing common corridors, or outside such corridors only if there is no feasible and prudent alternative. This temporary authority will enable development to continue, but also affords the Congress ample time to consider a thorough revision of our laws concerning rights-of-way across Federal lands.

Second, this legislation authorizes and requests the President, using the services of the Secretary of State, to enter into negotiations with the Government of Canada to ascertain within 180 days the feasibility of constructing, operating, and maintaining a trans-Canadian corridor for transmission of North Slope oil and gas. Within 270 days of enactment, the Secretary of State would submit to the House and Senate Interior Committees his findings on—

The estimated cost of construction and operation of a trans-Canada corridor;

The estimated feasible date for commencement and completion of construction of a corridor;

The quantity levels of oil and gas from the North Slope of Alaska which the Canadian Government would guarantee through such a corridor;

The willingness of the Government of Canada to increase its exports of oil to the United States during the period of time before a corridor is in operation;

And the ownership and financing of the Canadian sector of such a corridor.

Third, the National Science Foundation is directed to undertake a study, to be completed and submitted to the House and Senate Interior Committees, within 9 months of the date of enactment. This study would test the feasibility of a trans-Canadian common oil and gas corridor, insofar as such a corridor affects American national interest and welfare—including effects on national security, consumers, and balance of payments—and insofar as such a corridor poses environmental risks along the length of its route. The environmental study to be done by the NSF—using much of the information already available and other information that NSF would develop—may be adopted by the Secretary of the Interior as an environmental impact statement, or as a part thereof, for purposes of fulfilling the requirements of the National Environmental Policy Act.

Fourth, the legislation states that no rights-of-way permits over, upon or through the Federal lands shall be granted, issued or renewed for any delivery system for North Slope oil and gas until the study and negotiations have been completed, and until and unless Congress has enacted legislation specifically authorizing such rights-of-way. The Secretary of the Interior, within 11 months following passage, shall submit to the House and Senate Interior Committees his recommendations on the most desirable route for transmission of North Slope Alaskan oil and gas.

Finally, this legislation states Congress recognition of its responsibilities to act expeditiously to bring North Slope Alaskan oil and gas to the "lower 48" States after it has received the conclusions of the negotiations, the results of the National Science Foundation study, and the Interior Secretary's recommendations.

In introducing this legislation, we are aware of the large body of data which has been assembled on Canadian alternatives to a trans-Alaskan route to deliver this oil and gas to the "lower 48" States. However, we need the additional important imputs which an unbiased body such as the National Science Foundation—building upon the work already done—can offer.

In addition, we must open explorations with the Government of Canada to answer the questions which remain unanswered regarding a Canadian alternative route.

There are strong indications that the Canadian Government would be most interested in an American initiative to explore a trans-Canadian alternative. Remarks made within the past month both by Minister of Energy, Mines, and Resources Donald MacDonald, and by Canadian External Affairs Secretary Mitchell Sharp clearly indicate a willingness on the part of the Canadian Government to discuss the issue and attempt to work out a mutually satisfactory approach.

But this initiative should come from the American Government, and congressional action is needed as the spur to such action.

This entire process can be completed in well under 1 year—less time than will be taken up with litigation on the existing environmental issues surrounding the trans-Alaskan route should any general rights-of-way legislation be approved by Congress. At the end of this study and negotiation process, Congress will be in a position to evaluate the alternatives and make an expeditious, yet well-informed decision.

Mr. President, I believe this legislation is vital if we are to avoid making a hasty decision on Federal policy for granting rights-of-way across valuable public lands, and if we are to make a judicious decision on the single largest and most important question regarding these public lands—how the oil and natural gas resources of the North Slope of Alaska should best be transported to the "lower 48" States.

Mr. President, I ask unanimous consent that the text of this legislation be inserted at this point in the Record, as well as a copy of recent remarks by Canadian External Affairs Secretary Mitchell Sharp.

There being no objection, the bill and remarks were ordered to be printed in the Record, as follows:

S. 1565

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "North Slope Energy Resources Act of 1973."

Sec. 2. Congress hereby finds and declares that—

(a) the question of how the oil and natural gas resources of Alaska's North Slope can best serve the needs of the nation raises issues of national importance;

(b) this issue is closely related to and dependent on issues of vital importance concerning the granting of rights-of-way across Federal lands;

(c) a continuing legal controversy exists as to whether the Interior Department has complied with its obligations under the National Environmental Policy Act to study and describe a trans-Alaska-Canada transportation corridor as an alternative for an all-Alaskan route for the delivery of North Slope oil and gas;

(d) this controversy poses the threat of continued litigation that could significantly postpone the implementation of any delivery system for North Slope oil and natural gas;

(e) it is the will of the Congress to avoid the uncertainties of continued litigation and to facilitate the delivery of North Slope oil and gas resources in the manner that will best serve the environmental, economic and national security needs of the nation.

(f) recognizing its Constitutional responsibility to regulate foreign commerce (Art. I, sec. 8) and mindful that Congressional action is required before any delivery system for North Slope oil and natural gas can be constructed, the Congress hereby seeks to ensure that sufficient information be made available promptly to facilitate the decisions as to whichever delivery system for North Slope oil and natural gas would best serve the overall national interest.

Sec. 3. As used in this Act—

(a) "Right-of-way" means an easement, lease, permit, or license to occupy, use, or traverse Federal lands.

(b) "Federal lands" means all lands owned by the United States except (1) lands in the National Park System, (2) lands in the National Wildlife Refuge System, (3) lands in the Outer Continental Shelf, (4) lands in the National Wilderness Preservation System, and (5) lands held by the United States in trust for any Indian or Indian tribe, and lands held or owned by any Indian or Indian tribe under a limitation or restriction on alienation requiring the consent of the United States.

(c) "The Foundation" means the National Science Foundation.

(d) "The Director" means the Director of the National Science Foundation.

(e) "A Corridor" means a trans-Alaska-Canada common corridor, including any pipelines or other delivery systems contained therein, for the delivery of North Slope Alaska oil and natural gas.

Sec. 4. (a) Notwithstanding the provisions of section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), the Secretary of the Interior is authorized to grant, issue or renew rights-of-way over, upon or through the Federal lands for any purpose authorized by said section, except for those purposes prohibited by subsection (a) of section 8 of this Act, in such widths as he may deem necessary and proper, after complying with all existing applicable statutes, regulations, and proceedings pertaining to granting, issuance or renewal of such permits, for a period of two years from the date of enactment of this Act, *Provided that* no such rights-of-way be granted or issued unless the requested right-of-way is within an existing common corridor or the Secretary of the Interior finds there is no feasible and prudent alternative except to grant the right-of-way requested outside such existing corridors.

(b) No more than twelve months following the date of enactment of this Act, the Secretary of the Interior shall submit to the Congress a catalog of existing rights-of-way laws; a description of the extent to which Federal lands are now dedicated to private rights-of-way; a comprehensive Federal plan for the granting of rights-of-way across the Federal lands; and the required environmental Policy Act of 1969.

(c) The holder of any rights-of-way granted or issued pursuant to subsection (a) of this section shall be held harmless should the Congress at any subsequent date enact standards for the granting or issuing of rights-of-way across the Federal lands inconsistent with the provisions under which such permits were initially granted or issued.

Sec. 5. (a) The President of the United States is authorized and requested, utilizing the services of the Secretary of State, to enter into negotiations with the appropriate officials of the Government of Canada to ascertain within 180 days of the date of enactment of this Act the feasibility of construction, operation and maintenance of a corridor.

(b) For purposes of determining such feasibility and as a result of the negotiations authorized under subsection (a) of this section, the Secretary of State, within 270 days of the date of passage of this Act, shall submit to the Secretary of the Interior and the Interior Committees of the House and Senate, his findings on—

(1) the estimated cost of construction and operation of a corridor,

(2) the estimated feasible date for commencement and completion of construction of a corridor,

(3) the quantity levels of oil and natural gas from the North Slope of Alaska which the Government of Canada would guarantee through a corridor,

(4) the willingness of the Government of Canada to increase its exports of oil to the United States during the period of time befor a corridor is in operation,

(5) the possible ownership and financing of the Canadian sector of a corridor,

(6) any other results of the negotiations which he may deem relevant.

Sec. 6. (a) As soon as practicable following the date of the enactment of this Act, but in no event later than ten days thereafter, the Director is authorized and directed to undertake a study of the feasibility of alternatives for a corridor for the delivery of North Slope oil and natural gas insofar as such a corridor—

(1) affects the national interest and welfare of the United States, including:

(A) effects on national security,

(B) effects on consumers,

(C) effects on American balance of payments.

(2) poses environmental risks along the length of its route.

(b) For purposes of this study, the Secretary of State is authorized and requested to periodically inform the Director of the progress and substance of the negotiations authorized by Section 5 of this Act.

(c) The study of the Foundation may be adopted by the Secretary of Interior as an Environmental Impact Statement (in accordance with § 102 of the National Environmental Policy Act of 1969, 42 U.S.C. § 4332), or as a part of any such statement for the purpose of recommending appropriate Federal action to permit the extraction and transmission of North Slope Alaskan oil and natural gas through a corridor.

(d) On or before the expiration of 270 days after passage of this Act, the Director shall submit to the Secretary of the Interior and the Interior Committees of the House and Senate the Foundation's study, together with findings and conclusions based thereon.

Sec. 7. (a) In conducting such study, the Director is authorized to enter into contracts and other agreements with such persons, institutions, or agencies as he may determine necessary and appropriate to carry out the purposes of this section.

(b) The Director is authorized to secure from any department, agency, or instrumentality of the Federal Government any information he deems necessary to carry out his functions under this Act. Upon request of the Director, the head of any Federal department, agency or instrumentality is authorized (1) to furnish the Director such information as may be necessary for carrying out his functions to the extent it is available to or procurable by such department, agency, or instrumentality, and (2) to detail to temporary duty with the Director, on a reimbursable basis, such personnel, within his administrative jurisdiction, as the Director requests, each such detail to be without loss of seniority, pay, or other employee status.

Sec. 8. (a) Notwithstanding the provisions of this or any other law, no rights-of-way, upon, or through the Federal lands shall be granted, issued or renewed for any delivery system to transport the oil and natural gas resources of the North Slope area of the State of Alaska to other States in the United States or any foreign nation until the completion of the negotiations provided for in section 5 of this Act, and the Foundation study provided for in section 6 of this Act, and until and unless the Congress has enacted legislation specifically authorizing such rights-of-way.

(b) The Secretary of the Interior, within 330 days of the date of enactment of this Act, shall submit to the Committees on the Interior of the House and Senate his recommendation as to the most desirable route for transmission of North Slope Alaskan oil and natural gas to the other states of the United States.

Sec. 9. The Congress recognizes its responsibility to act expeditiously to facilitate the development and transmission of the oil and natural gas resources of the North Slope area of Alaska to the other states of the United States by authorizing necessary rights-of-way, upon receiving the results of the negotiations provided for in section 5 of this Act, the results of the Foundation study provided for in section 6 of this Act, and the recommendations of the Secretary of the Interior pursuant to section 8 (b) of this Act.

Sec. 10. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Excerpt From the Press Conference of the Canadian Secretary of State for External Affairs in Chicago, April 3, 1973, Relative to Pipelines To Bring North Slope Oil to Markets

ALASKA PIPELINE

Q. Mr. Secretary, how does Canada feel about the Alaska Pipeline, the suggestion that it go through Canada to the Midwest rather than down the coastline into the United States?

A. We have one very strong objection to the proposals that have been put forward for the Alaska Pipeline and the movement of oil down the Pacific Coast. Our objection is on environmental grounds, we are very strongly opposed and have made the most vigorous protests against the proposition that big tankers should supply American refineries by passing through the straits of Juan de Fuca and other of the narrow straits of the straits of Georgia. We believe that the chances of an oil spill there are very serious, these are very narrow waters, there is a lot of traffic, and if there was to be an oil spill it would damage for years and years to come the most beautiful part of the North America continent, including both Canada and the United States. Now, that is our principle objection to the Alaska Pipeline. If these were tankers that move many miles off shore to international waters down to California, we would have very little to say about it, but we feel that these tankers moving, even if they are moving through American waters so close to Canada and with oil spills that would inevitably, because of the movement of tides, move up into Canadian waters and the Canadian shoreline. We feel that we are justified in entering the most vigorous protests against that kind of an arrangement. We have our environmental problems too. There are those in Canada who would take exception to the building of a pipeline through Canada, but our conclusion is that those dangers can be better controlled than they can on a tanker route down the Pacific Coast particularly through these narrow waters. So if the oil companies concerned want to apply to build a pipeline through Canada, Canada is prepared to hear and to listen. We, under the laws of Canada cannot as a government, approve or disapprove. Our procedures are rather like those of the United States, we have a National Energy Board, the application to build a pipeline must be made to the National Energy Board which looks at all factors that are involved and makes a decision. So the government is not in a position to invite anybody to come. But if the American oil companies after looking at the problems that are involved and looking at the dangers to the environment that would be involved in building a pipeline across Alaska and tanker route down the Pacific Coast feel that they would want to build through Canada, they will find the Canadian authorities willing to give serious consideration to their request.

Mr. BAYH. Mr. President, there are few issues facing the Congress of the same magnitude as the question of how we will assure our constituents of an adequate energy supply at reasonable cost without causing undue harm to the environment.

And, in the context of resolving this question, there are few specifics as crucial as the most effective and responsible means of utilizing the substantial oil and natural gas reserves on Alaska's North Slope. I believe, and I hope the Senate believes, that these resources should be made available as soon as practical in a manner which takes into account a variety of factors. Among the criteria which should be considered in our approach to using Alaskan oil and gas are: Actual and potential harm to the environment; where in the United States the energy need is greatest; balancing energy costs to American consumers so one region does not bear an unfair burden; national security questions arising from our dependence on foreign energy sources; and the balance-of-payments problem which is severely aggravated by our need to buy substantial energy supplies abroad.

Given the apparent fact the domestic energy sources, especially petroleum products, are in short supply, and recognizing the need for the United States not to become too dependent on foreign energy sources, nor to permit increases in our balance-of-payments deficit, it is imperative that the Alaskan reserves be tapped as soon as possible. This is important, since even if we are able to reduce the rate at which energy demand is increasing and to use energy more efficiently, the domesitc imbalance in energy supply and demand is likely to continue.

Once that judgment is reached, we must address ourselves to the question of how to transport the oil and gas from Alaska to the lower 48 States. In the case of natural gas we really have little choice.

The expense and danger of transporting the gas by pipeline to Valdez, liquefying it, and transporting it by tanker, are so great that this possibility cannot be entertained seriously. Therefore, if the gas is to be used, it must be transported by an all-land pipeline which would be run from North Slope, through Alaska, to the Canadian border, through Canada, and into the lower 48 States. This approach is feasible, and, by available estimates, it is cost efficient. Moreover, the relatively clean natural gas is critically needed in the Midwest where the main spur of such a pipeline would logically be directed.

It has been reported that the oil companies which hold the rights to the North Slope fields will be applying to Canada for necessary permits in the next several months. Moreover, Canadian ministers with responsibilities for external affairs and energy matters have indicated an open mind in weighing applications for gas or oil pipelines.

Thus, the real issue regarding Alaskan reserves, as the Senate certainly understands, is the method for transporting the oil reserves—billions of barrels—to the lower 48 States.

The Interior Department has gone on record as favoring the approach of the old companies' joint venture, Aleyska, which would transport the oil by pipeline from the North Slope to Valdez, where it would be placed on tankers for shipment to the west coast. The alternative delivery means would be an all-land pipeline through Alaska and Canada, perhaps paralleling the gas pipeline. There have been specific suggestions that the two pipelines could use the same corridor and there have been specific proposals advanced for a route from Alaska, through the MacKenzie Valley, to Edmonton, and on to the United States.

Based on the information thus far available, I am persuaded that it makes sense to bring the oil, like the gas, to the lower 48 States via Canada. The energy need is greatest in the Midwest, where such a pipeline would terminate, and consumers in Indiana and other States in the region are already paying more for fuel than consumers on the west coast, where the oil would go if the oil companies have their way.

This in an even more significant point when one ponders reports, which have had wide currency, that Aleyska is contemplating selling substantial amounts of Alaskan oil to Japan and that is why the Alaskan land-sea route is preferred. Japan may be energy hungry, but I must insist that domestic energy resources be reserved for domestic consumption first. I happen to be far more concerned with powering autos, trucks, and tractors in Indiana than in Japan, and I also believe we should take no risks with our wilderness—as the Alaskan route would—for the sake of exporting oil.

Not only is the need for reasonably priced fuel greatest in the Midwest, an all-land pipeline through Canada would pose far less environmental risk than the Alaska land-sea route by removing the two main environmental dangers: the pipeline through Alaska would cross earthquake zones with the resulting dangers of pipeline breaks and spillage of oil, and sea shipment on the west coast could cause grave environmental harm through leaking or accidents resulting in huge oil spills.

Certainly there are environmental problems associated with a Canadian route, but evidence suggests those problems would be far less severe than with the Alaskan route.

Obviously, these questions are of immense import for the Nation, and it is to be welcome that the Congress is now in the position to act on this matter. The issue comes to us since the courts have invalidated the decision of the Secretary of the Interior to grant rights-of-way across public lands to Aleyska for the Alaskan pipeline. That decision is based on the Mineral Leasing Act which limits the width of such rights-of-way to 54 feet; Aleyska needs a right-of-way twice as wide.

There are those who suggest that the Congress should grant the Secretary of the Interior authority to grant wider rights-of-way in the case of the Alaska pipeline and other lines crossing public lands. This would forfeit an excellent and welcome opportunity for the Congress to retain decisionmaking authority on pipelines from the North Slope, while reserving our right to establish general policy on rights-of-way on public lands.

So that we can expedite use of the Alaskan oil and gas reserves, while assuring that Congress decides this issue, I was pleased to join with my colleague from Minnesota (Mr. MONDALE) in preparing the North Slope Energy Resources Act, which we are introducing today for ourselves and several of our colleagues.

Our bill has several ingredients, all of which are designed to facilitate use of the resources as soon as possible and permit Congress to make a decision after gathering all necessary informaiton.

First, on the matter of rights-of-way other than those for Alaskan oil and gas, the bill would give the Secretary of the Interior authority to grant necessary rights-of-way for 2 years. But we would have him report to Congress on the status of rights-of-way after the first year so that the Congress could develop a permanent, coordinated national policy in this regard.

Second, the bill requests the President, acting through the Secretary of State, to initiate immediately discussions with Canada on the feasibility and desirability of all-land pipelines for oil and gas. Much has been said, little of it based on proper bilateral negotiations, about what Canada will and will not agree to. The regrettable fact is that we have failed to pursue these issues properly with the Canadians, and because of that failure, do not know under what conditions Alaskan oil and gas could transverse Canada. These negotiations would have to be completed within 9 months, at which time, the Secretary of State would report to the Congress on their outcome.

A crucial point in negotiations with Canada would be that Nation's willingness to increase oil imports to the United States during the construction of an Alaskan-Canadian pipeline from the North Slope. This is important since it might well provide an interim solution to U.S. energy requirements.

Third, the National Science Foundation, an impartial qualified agency, would be directed to do a comprehensive study of the possibility of an trans-Alaska-Canada corridor taking into account all environmental, economic, national security, and other relevant factors. This study, which would also have a 9-month deadline, may be adopted by the Secretary of the Interior as an environmental impact statement or as part of one under the terms of the National Environmental Policy Act.

This latter point is quite important, Mr. President, since the main point of litigation against the Alaskan pipeline has been whether or not the impact statement on that route properly considered the Canadian alternative. By amassing this body of knowledge and authorizing the Secretary to adopt it as an impact statement, we could well remove the main argument in litigation, which will take at least an additional year once the right-of-way issue is resolved. Not only does this provision provide the Congress with the necessary information to make an informed judgment, it can also speed the day when Alaskan oil and gas are flowing southward.

Of course, the results of the study would be forwarded to the Congress. While a number of us now have views on how Alaskan oil should be transported, we really do not have all the information which we should have in hand before finally resolving this matter.

Fourth, the Secretary of the Interior is asked to recommend to Congress within 11 months, based on the negotiations with Canada and the NSF study, what rights-of-way should be granted across public land for Alaskan oil and gas. The Congress, working with the Secretary's recommendation, and the full body of knowledge which would have been created and reported to it, could then resolve the issue thoughtfully.

It is important, Mr. President, for the Congress to retain this decisionmaking authority, and it is important for us to act only after the necessary information is assembled.

It would be appropriate to note at this point that the Secretary of State and Secretary of the Interior could have begun negotiations and studies of the Canadian possibilities long ago. They failed to do this, and now we must insist that it be done before a mistake of potentially colossal proportions is made.

Fifth, the bill specifically acknowledges the responsibility of Congress to act expeditiously upon receiving the recommendation of the Secretary of the Interior, and the reports of the Secretary of State and National Science Foundation, so that we can speed utilization of the Alaskan energy reserves.

Mr. President, there is a great deal of misinformation that has been spread on this entire issue, in addition to the information gap which results from inaction in probing the feasibility and desirability of the Canadian alternative to the Alaskan pipeline. During this period of some confusion, there may be a tendency on the part of some to attempt to stampede us into abdicating congressional decisionmaking authority on this extremely important question.

We must resist that pressure, while speeding along the process leading to use of the Alaskan oil and gas. This measure provides a vehicle toward these ends in a responsible fashion which I fervently hope will receive the support of the Senate.

Mr. STEVENSON. Mr. President, I join the Senator from Minnesota (Mr. MONDALE) today in introducing the North Slope Energy Resources Act of 1973.

The Supreme Court's decision last week not to overturn the court of appeals decision halting construction of the Alaskan pipeline has put the question of how best to transport the vast oil and natural gas resources of Alaska's North Slope to the lower 48 squarely in the hands of Congress. We in Congress now have an opportunity to make a reasoned decision on this issue of great national importance.

A primary concern must be that these oil and gas resources reach the right place at the right time with a minimal amount of environmental damage. Is the right place the Middle West, and in effect the eastern two-thirds of our Nation, or is it the west coast? Is the right time necessarily as soon as possible—and even if it is, which route, in practical terms, promises to be the quicker route? And which route holds out the promise of doing the least amount of overall environmental damage?

We are all becoming aware of the growing domestic shortage of fuel oil which will continue even with Alaskan oil. Many experts predict that about 50 percent of our oil in 1980 will come from imports, and James Akins in the latest issue of Foreign Affairs has suggested that the figure might go as high as 60 percent.

But the burden of imports would not fall evenly on all sectors of the country. Without an Alaskan pipeline, the estimate is that about 50 percent of the supply needs of the west coast would have to come from imports with about half coming from the Middle East. In the Midwest, however, the corresponding figure is a 75-percent reliance on imported oil with two-thirds coming from the Middle East. In other words, one-half of the Midwest's oil supply would have to come from the volatile nations of the Middle East.

It becomes a highly important question, then, where the oil from Alaska's North Slope should be transported. If it were transported to the Midwest, for example, it could supply almost one-fourth of the Midwest's total needs in 1980—lessening the Midwest's dependence on oil from the Middle East to about 28 percent, still a figure about 5 percent higher than the west coast without Alaskan oil.

Based on this and other information which is already available, I think it is already clear that a route across Canada to the Midwest would make more sense—both as to how we utilize our natural resources and as to how we treat the environment. The lower two-thirds of the trans-Alaska pipeline would pass through an area of earthquakes epicenters, and the selected site for storage and transmission facilities—in the Alaskan port city of Valdez—is exactly where a 1964 earthquake destroyed the original town on this site. Such environmental hazards could be avoided by a trans-Canada pipeline route. Even the Canadians seem to prefer a pipeline under and over their land rather than face the prospects of a large oilspill off their Pacific coastline.

However, much of the information on a trans-Canadian pipeline is preliminary, and further information is needed—information about its cost, its environmental effect, and its impact on our balance of payments. In addition, negotiations with Canada as to how this pipeline would be cooperatively financed, constructed and operated must take place.

This legislation would meet those needs. It would:

First. Prohibit the Secretary of the Interior from granting any rights-of-way permits across Federal lands for any delivery system for Alaskan oil and gas;

Second. Urge the President, through the Secretary of State, to open negotiations with Canada immediately to determine the answers to a number of vital questions relating to a trans-Canadian route to deliver North Slope oil and gas for which we now have no definite answers;

Third. Mandate a thorough study by the National Science Foundation on a variety of questions concerning a trans-Canadian alternative, such as its effects on national security, on consumers and on American balance of payments. This study could be adopted by the Secretary of the Interior as an Environmental Impact statement pursuant to the National Environmenal Policy Act;

Fourth. Set a 6-month deadline for the conclusion of negotiations and a 9-month deadline for conclusion of the NSF study;

Fifth. Express congressional intent to act expeditiously after the information generated from the negotiations and the National Science Foundation study were submitted to Congress;

Sixth. Grant authority to the Secretary of the Interior to act definitively on rights-of-way matters other than those relating to the North Slope of Alaska.

Within 1 year, then, Congress could make a truly informed judgment as to how best to transport the oil from the North Slope to the lower 48 States.

Some might say that the passage of this act would only delay the construction of any pipeline. But this belies the practical possibilities. If Congress decided within a year and a half—or by the end of this Congress—to build a trans-Canada pipeline, delivery of oil to the lower 48 could begin by 1979. Even if the Alaskan pipeline were to begin within the next few months, delivery could not begin until 1977. If a neutral act were to be passed, there could still be litigation on the environmental problems of the Alaskan pipeline. These delays could last well beyond 1979.

Too much is at stake for the Congress to act hastily and unwisely. I am hopeful my colleagues will agree, and I urge the Congress to enact this necessary legislation.

By Mr. INOUYE (for himself and Mr. Fong):

S. 1566. A bill to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa or the Trust Territory of the Pacific Islands and the west coast, and to prevent certain interruptions thereof. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, early in this Congress, I introduced, S. 231, The Hawaii Public Interest Protection Act, to deal with the most critical problem affecting my State, our vulnerability to surface shipping interruptions. That measure placed a 60-day moratorium on the imposition of any shipping strike or boycott affecting the west coast-Hawaii trade and originating on the west coast.

Since the introduction of that measure, it has received a good deal of discussion and comment from concerned citizens, shippers, and others both in Hawaii and elsewhere in our Nation.

These discussions demonstrated a strong desire to add to the length of the moratorium and to include the island of Guam, American Samoa, and the Trust Territories, which have a similar problem, under coverage of such an act.

There was also a desire to draft a measure which would have the support of all members of our Hawaii delegation.

For that reason, I wish to introduce today, together with my colleague from Hawaii, Senator Hiram Fong, a measure to be known as the Hawaii and U.S. Pacific Island Surface Commerce Act of 1973.

This measure extends that period of the strike moratorium to 160 days. It includes the islands of Guam, American Samoa, and the Trust Territory of the Pacific under the provisions of the act. It applies to shipping stoppages originating at the west coast ports of Washington, Oregon, and California or upon the ships plying the trade to and from those ports and Hawaii and the other U.S. Pacific islands.

The justification for such a measure lies in our unique geography, which makes us so dependent upon a single mode of surface transportation, and in our unique vulnerability as a result of that dependence. We are not asking for special consideration. We are asking for special legislation to provide us with a degree of equity with the other States of the Union. They have trains, trucks, barges, ships, automobiles, and buses. We have but one mode of surface transport which carries 99 percent of all cargo by weight coming into our State.

We recognize that this act places some limit upon the right to strike or lockout the west coast-Hawaii trade. It leaves virtually unaffected, however, the economic forces through which labor-management differences have historically been resolved in free negotiation.

The Hawaii trade constitutes somewhat less than 3 percent of the dockside labor at the west coast ports. By adding the other U.S. Pacific Islands that percentage is increased to about 3½ percent.

Of the shipboard labor some 7 percent is involved. The carriers operating in the Hawaii trade constitute less than 13 percent of the voting power in the Pacific Maritime Association, the bargaining agent for management.

I believe in labor-management agreements freely arrived at. I believe that no settlement which is imposed from without, contrary to the wishes of either party, is going to prove a satisfactory and enduring agreement which will be faithfully implemented.

We have experienced 179 days of shipping stoppages in the Hawaii-west coast trade in the past 21 months. The cost of these interruptions have been not only significant but dramatic. While the cost of living nationally has risen at an excessive rate we in Hawaii have experienced an even faster increase in that cost. We have also experienced an increase in unemployment causing our unemployment to exceed the national average for the first time in more than a decade.

In January of 1972, I held hearings on a previous measure which I had introduced. These extensive hearings conducted by the Merchant Marine and Fisheries Subcommittee of the Commerce Committee heard testimony for a full 3 days in Honolulu. While it is most difficult to ascribe exact dollar figures to the damage, or exact numbers to the increased unemployed and to detail the specific businesses which went bankrupt as a result of shipping interruptions, it became most evident that the damage was of major proportions, that it was long term, that for many it was catastrophic, and that it was not limited to the period of the strike.

The very threat of a work stoppage forces excessive inventory building, increased storage costs, and higher prices for the people of Hawaii. On numerous occasions when there has been no actual stoppage in shipping the mere threat of such stoppage has cost the people of Hawaii dearly. Therefore, one of the key advantages of the proposal which I have introduced is the fact that it would secure the people of Hawaii from the heavy burden imposed by even the threat of a work stoppage over which they have no control.

I would like to make it clear to my colleagues that we do not seek security from all shipping stoppages. This measure does not apply to those shipping interruptions which originate in Hawaii and over which our labor unions and our management and the people in Hawaii have any direct influence. It does address itself only to those cases where Hawaii is held hostage to a dispute not of our making and beyond our ability to resolve. It does so with minimum interference to the normal forces and processes by which labor and management resolve their differences. It does so in a wholly workable manner and in a manner which is fair to both labor and management. Above all it does so in a manner which provides fair treatment for the people of Hawaii who are not direct participants in such a dispute.

Mr. President, I would expect that the above measure, the Hawaii and U.S. Pacific Islands Surface Commerce Act of 1973, be referred to the Committee on Commerce to which its very similar predecessor bill was referred earlier in this Congress.

Mr. President, I also join with my colleague, Senator Fong, in cosponsorship of another measure today designed to alleviate the problems resulting from our too frequent shipping interruptions. This measure provides for a common expiration date for all labor contracts affecting Hawaii-west coast surface shipping in the longshore and maritime trades. In providing for such common expiration dates and in providing a minimum 3 years duration for these contracts we will secure a degree of assurance in the community of the Hawaii-west coast trade which will be of major benefit to the people of Hawaii.

We have received assurances from management and from many of the labor unions involved that they look with sympathy upon such a development. We believe that even if it may be possible to get voluntary compliance with such a practice legislation will prove helpful. It will provide firmer guarantee against future interruptions of the frequency we have had in the recent past. I am personally hopeful that my colleagues will recognize our unique problem and our need for special legislative relief and support these measures.

Mr. FONG. Mr. President, I am very pleased to join today with my colleague from Hawaii, Senator Daniel K. Inouye, and our two Representatives, Spark Matsunaga and Patsy Mink, in offering the Hawaii and U.S. Pacific Islands Surface Commerce Act of 1973.

Under this bill, in any west coast maritime or longshore strike or lock-out, Hawaii and the other Pacific islands under U.S. jurisdiction would continue to be served for 160 days by normal west coast-Hawaii and west coast-U.S. Pacific Islands shipping transport. In other words, in a strike or lock-out which halts west coast shipping. Hawaii, Guam, American Samoa, and the Trust Territory of the

Pacific Islands would be exempt from the transportation tie-up for up to 160 days.

The four members of the Hawaii Delegation are also cosponsoring a bill being introduced today in both Houses intended to aid Hawaii and the other U.S. Pacific Islands by requiring identical expiration dates for all west coast longshore and maritime contracts. This would sharply reduce the number of recurring crises in contract talks affecting shipping between the west coast and Hawaii and the west coast and the U.S. Pacific Islands and would prolong the periods of assured shipping services for all concerned.

My introductory remarks and a full explanation of the uniform contract expiration date bill will be found elsewhere in the CONGRESSIONAL RECORD today.

These bills have been prepared with a keen awareness of the disastrous impact which an obstruction or closing of the west coast seaports has on the economies of Hawaii and the Territories under the U.S. flag in the Pacific—Guam, American Samoa, and the Trust Territory of the Pacific Islands. They are, therefore, intended to assure for a substantial period the continued normal flow of ocean commerce between the west coast seaports and these islands.

Mr. President, there are certain economic and commercial facts of life in Hawaii and the U.S. Pacific Islands which I would like to bring to the attention of my colleagues.

No other State in the Union must depend to so great an extent as Hawaii on one single mode of transportation—shipping—for the movement of the goods and supplies essential to sustain our people and economy.

The 48 contiguous States and Alaska are served by a variety of transportation services—trucks, trains, buses, automobiles, aircraft and, for the most part, ships as well. If one means of transportation is shut down, alternatives are generally available, although they may be more costly and less convenient.

An estimated 99 percent of the total freight tonnage between Hawaii and the U.S. mainland, however, is normally carried by ship. In other words, almost all of the imports essential to modern living and the exports which are vital to Hawaii's economic health depend solely on ocean transportation.

Air transport carries the remaining 1 percent, except when shipping is interrupted and air cargo becomes the only alternative. Then it has the capacity to handle at most between 2 and 2½ percent of the normal freight tonnage, and Hawaii must forego the other 97 percent.

Guam, American Samoa, and the Trust Territory of the Pacific Islands must also depend heavily, of course, upon ocean transportation service.

An excellent study of transportation stoppage in Hawaii by Dr. Thomas K. Hitch of the First Hawaiian Bank has just been published. Appropriately entitled "Hawaii: The Most Vulnerable State in the Nation," it analyzes the preeminently export-import nature of Hawaii's economy and its consequent extreme vulnerability to a shipping tieup. Dr. Hitch observes in his study that—

> If a thing can't be made out of lava, coral, air, water, or semitropical plants, then the chances are good that Hawaii must import it or its components.

Mr. President, I ask unanimous consent that the first chapter of Dr. Hitch's study, which describes Hawaii's export-import economy in considerable detail, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

The Hawaii and U.S. Pacific Islands Surface Commerce Act of 1973, provides that no west coast maritime or longshore strike or lockout shall be permitted to interrupt normal shipping between the west coast of the United States and Hawaii or the other islands in the Pacific under the American flag—Guam, American Samoa, and the Trust Territory of the Pacific Islands—for a period of 160 days following the first day of such strike or lockout.

An injunction to secure an exemption may be petitioned for in any Federal district court having jurisdiction by any employer or labor organization which is a party to the strike or lockout, by the Governor of Hawaii, Guam, or American Samoa, or by the High Commissioner of the Trust Territory of the Pacific Islands.

An exemption injunction may not be requested if a Taft-Hartley injunction is in effect. If a Taft-Hartley inunction is obtained, the running of the exemption injunction shall be suspended until the Taft-Hartley injunction is discharged.

For example, the 160-day exemption injunction may run for 100 days, followed by an 80-day Taft-Hartley injunction, followed by the remaining 60 days of the 160-day exemption period, providing a total of 240 days of protection for Hawaii and the other U.S. Pacific islands.

Employees working during the exemption period will be subject to the wages, hours, and other terms and conditions of employment of their last contract, but additional wages shall be paid retroactively for this period if a part of a new agreement resolving the labor dispute.

For purposes of the act, an interruption of shipping services is defined as first, a refusal at a west coast port to load or unload cargo or to permit the loading or unloading of cargo destined for or shipped from Hawaii or any U.S. Pacific island or second, a refusal to operate or permit the operation of a ship with cargo destined for or originating from Hawaii or any U.S. Pacific island if any such refusal was a cause of a ship leaving the dock facility more than 48 hours late or not being unloaded more than 48 hours after arrival.

I urge that prompt consideration be given this 160-day exemption bill by the committees to which it will be referred in the Senate and the House of Representatives. I am hopeful my colleagues from our 49 sister States will support this urgently needed bill and the second bill, which provides for a uniform contract expiration date in the maritime and longshore industries.

I can speak for all the people of Hawaii when I say that we shall be forever grateful for statutory safeguards to protect our ocean lifeline.

EXHIBIT 1

CHAPTER I—"HAWAII'S VULNERABILITY TO TRANSPORTATION STRIKES"

A part from her uniquely isolated location, Hawaii is particularly vulnerable to transportation strikes because her economy is preeminently an export-import economy.

Were we largely self-sufficient based upon producing locally the things we consume, then the situation would be different. But it is obviously not economically feasible nor physically possible for the Islands to produce a complete range of goods for a population of only around 800,000. With the exception of bauxite, which has never been mined commercially, Hawaii has no metal resources. The islands have few nonmetallic minerals and no deposits of oil or coal. Land suitable for agriculture is limited and its availability is shrinking with increasing urban demands. Thus about 80 percent of all physical commodities purchased by residents of Hawaii come from overseas, mainly from the Mainland states of the Union.

Let us look at this situation item by item.

FOOD

Aside from sugar, pineapple, and a few other export crops, agricultural production in Hawaii is on a fairly small scale. We depend on imports, mostly from the Continental U.S., for a large proportion of the food we consume.

Imports account for 52 percent of the beef consumed in the State, 64 percent of the pork, 75 percent of the chicken, and all of the lamb, mutton, and turkey.[1] Although we are largely self-sufficient in fresh milk and eggs, we bring in all of our butter and margarine, most of it from the Mainland. Even the meat and dairy products produced locally are ultimately dependent on imports, since nearly all of our livestock feed comes in from other states.

Some 58 percent of the fresh vegetables marketed in Hawaii are imported (nearly all from the West Coast)—including 99 percent of the potatoes, 89 percent of the carrots, 58 percent of the lettuce, and 44 percent of the tomatoes. And this doesn't include frozen and canned vegetables, all of which are brought in from outside. The State does produce a variety of tropical fruits, but its imports of such Mainland fruits as oranges, apples, pears, and grapefruit total more than 31 million pounds a year.

With the exception of corn, no grain is produced locally for human consumption. Rice occupies much the same position in the Hawaiian diet as potatoes do in the typical Mainlander's diet. About 55 million pounds of rice are brought into Hawaii annually, mostly from the Sacramento area. Yearly imports of around 68 million pounds of Mainland wheat are milled locally to produce 90 percent of the flour consumed in the State, while another 6.6 million pounds of Mainland-milled flour make up the remaining 10 percent.

In addition to dairy processing and flour milling, food processing in Hawaii is concentrated largely in the production of sugar, canned pineapple, fruit juices and preserves, canned fish, bakery products, and some ethnic foods—and even these industries rely to varying degrees on materials, machinery, and containers brought in from outside the State. We are entirely dependent on imports for such things as cereals, baby foods, soups, cheese (except cottage cheese), TV dinners, pet food, wine and most hard liquors, cooking oils, most salt, and an endless list of other food items.

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[1] Figures are for 1970, the most recent year in which shipping was uninterrupted.

CLOTHING

Hawaii's garment industry produces island-style sportswear which meets some of the needs of local residents for work as well as play. But unlike the tourist in Waikiki, local residents don't normally spend all of their time in aloha shirts, muumuus, and bikinis. We need business suits and dresses, shoes, socks or hose, sweaters, belts, underwear—all of which must come from outside the State. One large Honolulu department store estimates that only 30 percent of its women's clothing and 20 percent of its men's clothing sales are of locally manufactured goods. Nearly all of the rest of its stock is brought in from the Mainland U.S.

Even the local garment industry is by no means self-sufficient. There is no textile manufacturing in the State, except for the printing of some imported fabrics. Until recently around 90 percent of the fabric used by local garment manufacturers was imported from Japan. (While Japan remains the major supplier, revaluation of the yen and rising prices in that country have caused the industry to turn increasingly to other sources in Asia and the Mainland U.S.) Although only a local dock tie-up can seriously interfere with the bulk of Hawaii's textile imports, since fabric are largely of foreign origin, interruption on the Mainland-Hawaii route can still affect garment producton. The industry relies on Mainland manufacturers for most of the buttions, zippers, and thread it uses.

TRANSPORTATION EQUIPMENT

With the exception of boats and specialized truck bodies (both made from imported materials), Hawaii manufactures no transportation equipment. All cars, trucks, buses, airplanes, tires, batteries, and parts must be imported. Demand is substantial. In 1971, there were more than 425,000 motor vehicles registered in the State, and new cars sold in Honolulu County alone totaled more than 32,000.

Over half of the cars brought into Hawaii come from Mainland ports on U.S. vessels. In 1970, with no transportation tie-ups, American-made autos accounted for 60 percent of the new cars sold in Honolulu County. (In strike-plagued 1971, American cars fell to 51 percent of the total, but in 1972 they rebounded to 55 percent.) The increasingly popular Japanese makes, which have accounted for aboue one-third of new car sales in Honolulu in recent years, are imported from the country of origin on foreign-flag vessels, as are Volkswagen and some other European cars. But several European makes and most European auto parts are shipped to Hawaii from West Coast ports on American ships.

OTHER MACHINERY

Hawaii's almost total lack of metal resources makes the State ultimately dependent on imports for all types of machinery—home, office, and industrial. There is some machinery manufactured locally, primarily agricultural equipment, but of course the raw materials are imported. All such goods as typewriters, television sets, radios, refrigerators, computers, cash registers, clothes washers and dryers, and communications equipment—as well as arts for all of them—must be brought in from either the Mainland U.S. or abroad.

PAPER AND ALLIED PRODUCTS

There are no pulp or paper mills in Hawaii. We depend on imports, either in raw or finished form, for all of the paper products consumed in the State—paper towels, toilet paper, and napkins for homes; stationery, envelopes, and printed forms for offices and banks; industrial paper goods and containers for factories; and newsprint and coated paper for the printing industry. In 1970, when shipping was normal, we imported more than 166,000 tons of pulp, paper, and printed matter. Around 38,000 tons was newsprint, which comes primarily from Canada. But of the remaining 128,000 tons, more than 98 percent came from the Mainland states.

MEDICAL SUPPLIES

Hawaii depends on Mainland U.S. manufacturers for all of its drugs and hospital supplies. Because of the critical nature of these items, of course, the State has never had to do without, even in the most serious transportation strikes. One major distributor reports that 15 percent of its medical suppiles are normally brought in by air, and that most other essentials can be given priority in air shipment during maritime or dock strikes. Emergency arrangements could be made in a major airline strike. But the fact that such emergency measures are necessary only further emphasizes Hawaii's vulnerability to transportation interruptions.

BUILDING MATERIALS

Construction is big business in Hawaii. At its peak in 1970 (before the West Coast dock strike and a general business slowdown), the industry accounted for 7.6 percent of total employment in the State, compared to only 4.3 percent in the U.S. as a whole. Total construction in place was valued at more than $783.8 million, or the equivalent of 22.6 percent of total personal income, while nationally it was equivalent to only 11.7 percent. The industry depends on Mainland imports for nearly all of its materials and equipment.

Eucalyptus robusta is the only Hawaii-grown wood used in any quantity in local construction, and it meets only a tiny fraction of, the industry's wood requirements. Hawaii's imports of lumber from the Mainland were estimated at 115 million board feet in 1967—95 percent of the State's total lumber consumption. Locally produced hardwoods made up only 3 percent of total consumption, while foreign imports (primarily from Canada) accounted for 2 percent. Plywood and veneer imports from the Mainland were estimated at 22 million square feet, or 86 percent of Hawaii's total consumption of these products, with the rest coming from foreign countries. It was estimated that the construction industry accounts for more than two-thirds of the State's total wood consumption.

Hawaii's mineral resources are essentially limited to sand and gravel, clay, lime, pumice and volcanic cinder, and bauxite. Cement and concrete products are produced locally for construction, but two necessary ingredients—silica sand and gypsum rock—come from the Continental U.S. All metal materials must be imported in some form, generally as finished products such as structural steel, wire, pipe, plumbing fixtures, sheet metal, etc. All glass is imported, predominantly from the Mainland as is all paint.

AGRICULTURAL MATERIALS

Even the State's agricultural industries—major sources of export income and employment—are far from self-sufficient. Although some of the fertilizers used for sugar, pineapple, and other Island crops are mixed in Hawaii, all ingredients must be imported. No insecticides, pesticides, or herbicides are manufactured from local materials. Our imports of both agricultural chemicals and fertilizers come almost exclusively from the mainland U.S.

Our sugar and pineapple manufacturers depend on imports for machinery, of course, but also for assorted raw materials. For instance, although cans for Hawaii's pineapple products are manufactured locally, every material that goes into them—tinplate, solder, labels, glue—must be brought in.

As we noted in our discussion of foods, in spite of repeated attempts to develop local sources of feed grain, nearly all of the feed consumed by Hawaii's livestock industry is imported from the Mainland. In 1970, our feed inshipments amounted to nearly 166,000 tons. By 1971, in spite of shipping interruptions, inshipments had increased to over 177,000 tons.

MISCELLANEOUS ITEMS

No industry or individual in Hawaii is free from dependence on imported goods. Other items for which we depend on outside sources range from large household durables to the most mundane necessities—toothpaste, razor blades, soap, most furniture, rugs, household and hotel linens, china, cooking utensils, light bulbs, cigarettes—even U.S. currency, which local banks ship in at the rate of millions of dollars a year. If a thing can't be made out of lava, coral, air, water, or semitropical plants, then the chances are good that Hawaii must import it or its components.

Obviously in order to import commodities in such volume, Hawaii must have a very large export trade to provide the money to pay for the imports. Hawaii's exports, like the exports of any country or part of a country, fall into two categories—visible and invisible.

Hawaii's visible—or commodity—exports are mainly sugar and pineapple, although there is a considerable volume of other products that we produce and ship to the Mainland U.S.

SUGAR

In a normal year we will ship to the Mainland approximately 1,200,000 tons of raw sugar.

PINEAPPLE

Pineapple production is somewhat more variable than sugar production. In recent years, pineapple production, most all of which is shipped to the Mainland, has been in the range of 17 million cases of solid fruit, 11 million cases of juice, and 1 million of juice concentrates. It is expected that in 1973 Hawaii will additionally ship to the Mainland close to 70 million pounds of fresh pineapple.

GARMENTS

No precise figures are available, but it is estimated that approximately $15 million of garments made in Hawaii go to the Mainland markets each year.

PAPAYA

Since 1964, Hawaii has more than doubled her outshipments of fresh papaya to the Mainland. Now close to 10 million pounds of fresh papaya are air flown to the Mainland each year and local producers look to continued expansion of this market.

While Mainland marketings comprise between 40 and 45 percent of the volume of Hawaii's fresh papaya sales, the return on these marketings accounts for 50 percent of papaya receipts.

In addition to fresh fruit marketings, Hawaii ships close to 1 million pounds of processed papaya products to the Mainland each year.

MACADAMIA NUTS

In 1971, 1.5 million pounds of processed macadamia nuts went to Mainland markets—double the 1964 volume of shipments. With the tremendous planting of new trees in recent years, as the orchards mature and as more trees reach the bearing stage, the increase in macadamia exports to the Mainland should be even greater during this decade.

FLOWERS AND NURSERY PRODUCTS

Out-of-state sales of flowers and nursery products were valued at $2.7 million in 1971. The sale of anthuriums accounted for 56 percent and orchids 28 percent of Hawaii's horticultural exports. Although no figures are available, it is known that the overwhelming majority of these exports go to the Mainland.

Anthurium outshipments to the Mainland, doubling in the past six years, totaled 6.5 million flowers last year. Mainland sales represented 49 percent of Hawaii's anthurium market in 1970 and 65 percent in 1971.

Hawaii's invisible exports—services sold locally for Mainland dollars—consist primarily of sales to the Federal government (mainly the defense agencies) and to Mainland visitors.

DEFENSE

About one-third of all defense agency expenditures in Hawaii are for the purchase of commodities or services from outside contracting agencies. This amounts to between $200- and $300-million a year, and a fairly large fraction of this is for contract construction. Shipping strikes, which interfere drastically with the flow of building materials to the islands, cause a very large loss in revenue from this source.

VISITORS

Approximately 1.6 million visitors came to Hawaii last year from the Mainland U.S., staying an average of 9.3 days each (14.9 million visitor days) and spending while in Hawaii approximately $41 per person per day ($607 million). There are various ways to measure the impact of this on Hawaii's economy, but our best analysis would indicate that visitor spending supports, directly and indirectly, close to 20 percent of Hawaii's total economy. The visitor industry in Hawaii is of course completely dependent upon the maintenance of uninterrupted service by the eight U.S. trunk air carriers that serve Hawaii.

In summary, Hawaii is completely dependent in her economic life on the movement of commodities to and from the Mainland U.S., mostly by ship but partly by air, and on the movement of people to and from the Mainland U.S., now entirely by air.

It is estimated that in 1973 commodities moving to Hawaii from the Mainland U.S. by ship will amount to 5 million tons and by air to 50,000 tons. Commodity movement from Hawaii to the Mainland U.S. will be 2 million tons by ship and 25,000 tons by air. With a 1973 population of 823,000, this will mean 8.6 tons per person per year. This amounts to nearly 35 tons for a family of four.

As far as people are concerned (visitors plus local residents), it is estimated that in 1973 westbound carriers to Hawaii, most of which are domestic trunk carriers, will fly 2.3 million people to Hawaii.

It is obvious that without full, uninterrupted service between the Mainland U.S. and Hawaii, the Hawaiian economy suffers badly, and if the interruption is long and severe, we suffer drastically.

By Mr. **FONG** (for himself and Mr. Inouye):

S. 1567. A bill to provide for uniform expiration dates for agreements in longshore and maritime industries in the States of Washington, Oregon or California. Referred to the Committee on Labor and Public Welfare.

Mr. **FONG**. Mr. President, I rise to introduce, on behalf of myself and my colleague from Hawaii, Senator Inouye, a bill which would require a uniform expiration date for all west coast longshore and maritime contracts.

An identical bill is being offered today in the House of Representatives by Representatives Matsunaga and Mink of Hawaii.

Our bill is the second of two measures the entire Hawaii delegation to Congress is sponsoring today to provide important safeguards to Hawaii's people and economy whenever west coast shipping disputes sever our ocean transportation lifeline.

This measure would require identical contract expiration dates and 3-year terms for all longshore and maritime contracts on the west coast, beginning June 30, 1976 or June 30, 1979, in most instances. It is designed to reduce the number of recurrent crises in contract negotiations which affect shipping between the west coast and Hawaii and between the west coast and the other Pacific Islands under the U.S. flag—Guam, American Samoa, and the Trust Territory of the Pacific Islands.

The bill provides that any longshore or maritime contract in the States of Washington, Oregon or California entered into on or after the date of enactment but before July 1, 1975, shall expire, notwithstanding any terms of the agreement, either on June 30, 1976 or June 30, 1979, and any subsequent agreement between the same parties shall expire on June 30 of each third year thereafter.

Contracts expiring after June 30, 1975 but before July 1, 1976, shall expire, notwithstanding any terms of the agreement, on June 30, 1979, and any subsequent agreement on June 30th of each third year thereafter.

Contracts expiring after June 30, 1976, shall expire, notwithstanding any terms of the agreement, on the first June 30 of any multiple of 3 years from 1976 (after the conclusion of such agreement), and any subsequent agreement shall expire on June 30 of each third year thereafter.

Mr. President, this bill is designed to alleviate the economic uncertainty and public apprehension which arises in my State and in the other U.S. Pacific islands every time contract negotiations commence whose failure could cut our ocean lifeline to the west coast. There are more than 10 of these negotiations occurring irregularly over the course of every few years, as contracts between unions and management expire on different dates.

The Hawaii delegation recently wrote to the west coast employers' bargaining group, the Pacific Maritime Association, and to a number of the maritime and longshore unions concerned, requesting agreement in principle on a uniform contract expiration date. As a result, the Pacific Maritime Association and a number of the maritime unions have expressed their support for this proposal.

Mr. President, the members of the Hawaii delegation are also joining together today in the Senate and House to offer the Hawaii and U.S. Pacific Islands Surface Commerce Act of 1973.

This bill would provide Hawaii and the other Pacific Islands under U.S. jurisdiction with a 160-day exemption from the effects of any west coast maritime or longshore dispute which interrupts their normal shipping service with the west coast. My remarks on that bill and a full explanation of its contents will be found elsewhere in today's Congressional Record.

These bills have been drafted and are being offered with an acute awareness by the members of the Hawaii delegation of the fact that our State and the other U.S. Pacific islands suffer an economic blockade every time our shipping lifeline with the west coast is severed—an event which occurs all too frequently.

During the 18-month period which began July 1, 1971 and closed December 31, 1972, labor-management disputes in the maritime and longshore industries interrupted shipping between the west coast and Hawaii and between the west coast and the other U.S. Pacific Islands no less than five times, for a total of 179 days—one day out of every three.

When the ships no longer come to call at the ports of Hawaii, an economic crisis grips the Islands. Everyone is aware that our jobs, our livelihoods, our very futures are at the mercy of what the parties to faraway labor-management disputes may do—disputes in which Hawaii is not a party and has no voice.

This represents an intolerable situation, and our experience has repeatedly shown that existing law is almost totally inadequate to protect Hawaii.

Earlier in this session of Congress, I introduced legislation to give the President new options to follow in emergency transportation industry disputes, including one which would keep the ships moving to Hawaii by allowing partial operation of the affected industry and another option which would guarantee settlement by means of the final offer selection process.

Now I am joining with my colleagues in offering these two additional bills providing a 160-day exemption for Hawaii and the other U.S. Pacific islands in the event of a west coast shipping strike or lockout and uniform contract expiration dates for the west coast longshore and maritime industry.

I urge that both bills be given prompt and favorable consideration by the committees to which they are respectively referred in the Senate and in the House. And I am hopeful that my colleagues will give this urgently needed legislation their support. In view of Hawaii's unique geography, here is an opportunity to extend a much needed helping hand to the citizens of the 50th State and at the same time assist the other island areas in the Pacific under the U.S. flag.

I ask unanimous consent that the text of the west coast shipping contract uniform expiration date bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1567

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any agreement between an employer and a labor organization governing any terms and conditions of employment in the longshore or maritime industry in the States of Washington, Oregon or California which is entered into—

(1) on or after the date of enactment of this Act but before July 1, 1975, shall expire, notwithstanding any terms of the agreement, either on June 30, 1976, or on June 30, 1979, and any subsequent agreement between such employer and labor organization shall expire on June 30 of each third year thereafter;

(2) after June 30, 1975, but before July 1, 1976, shall expire, notwithstanding any terms of the agreement, on June 30, 1979, and any subsequent agreement between such employer and labor organization shall expire on June 30 of each third year thereafter; or

(3) after June 30, 1976, shall expire, notwithstanding any terms of the agreement, on the first June 30 of any multiple of three years from 1976 (after the conclusion of such agreement) and any subsequent agreement between such employer and labor organization shall expire on June 30 of each third year thereafter.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 316

At the request of Mr. Jackson, the Senator from Alaska (Mr. Gravel) was added as a cosponsor of S. 316, to further the purposes of the Wilderness Act of 1964 by designating certain lands for inclusion in the national wilderness preservation system, and for other purposes.

S. 397

At the request of Mr. Stevenson, the Senator from Missouri (Mr. Symington) and the Senator from California (Mr. Tunney) were added as cosponsors of S. 397, to require disclosure of financial interests by Members of Congress and certain congressional employees.

S. 783

At the request of Mr. Chiles, the Senator from New Jersey (Mr. Case) and the Senator from Minnesota (Mr. Mondale) were added as cosponsors of S. 783, to establish the Everglades-Big Cypress National Recreation Area in the State of Florida.

S. 882

At the request of Mr. Hartke, the Senator from California, (Mr. Tunney), was added as a cosponsor of S. 882, a bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans.

S. 971

At the request of Mr. Taft, the Senator from Rhode Island (Mr. Pastore) was added as a cosponsor of S. 971, the Home Preservation Act of 1972.

S. 1007

At the request of Mr. Pearson, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 1007, to provide for increased foreign commerce involving small businesses.

S. 1024

At the request of Mr. Hartke, the Senator from Rhode Island, (Mr. Pell), was added as a co-sponsor of S. 1024, a bill to create a Department of Peace.

S. 1076

At the request of Mr. Hartke, the Senator from Kentucky, (Mr. Cook), was added as a cosponsor of S. 1076, a bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of rating for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospitals and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administration of Veterans' Affairs.

S. 1082

At the request of Mr. Weicker (for Mr. Bayh) the Senator from Tennessee (Mr. Brock), the Senator from Maryland (Mr. Mathias), and the Senator from New Jersey (Mr. Williams), were added as cosponsors of S. 1082, the Bread Tax Repeal Act of 1973.

S. 1199

At the request of Mr. Hollings, the Senator from California (Mr. Tunney) and the Senator from New Jersey (Mr. Williams) were added as cosponsors of S. 1199, amending the Internal Revenue Code to permit a married couple to deduct certain household and dependent care expenses when one spouse is a full-time student to the same extent that a deduction would be allowable were both spouses employed.

S. 1221

At the request of Mr. Bible, the Senator from Indiana (Mr. Bayh), the Senator from New York (Mr. Buckley), the Senator from North Carolina (Mr. Ervin), the Senator from Wyoming (Mr. Hansen), the Senator from Iowa (Mr. Hughes), the Senator from Missouri (Mr. Symington), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of S. 1221, a bill to provide that Federal employees shall be entitled to accumulate annual leave in excess of thirty days, or receive payment therefor, for periods such employees have been in a missing status while serving in Southeast Asia during the Vietnam era.

S. 1270

At the request of Mr. Tunney, the Senator from California (Mr. Cranston) was added as a cosponsor of S. 1270, a bill to establish a Santa Monica Mountain and Seashore National Urban Park.

S. 1283

At the request of Mr. Jackson, the Senator from Rhode Island (Mr. Pell), the Senator from Alaska (Mr. Gravel), the Senator from Florida (Mr. Gurney), and the Senator from New Jersey (Mr. Case) were added as cosponsors of S. 1283, the National Energy Research and Development Act of 1973.

S. 1299

At the request of Mr. Symington, the Senator from West Virginia (Mr. Randolph) was added as a cosponsor of S. 1299, to amend the Housing Act of 1949 so as to permit cities with populations below 50,000 to convert urban renewal projects to a three-fourths capital grant formula.

S. 1300

At the request of Mr. Robert C. Byrd (for Mr. Eastland) the Senator from Colorado (Mr. Dominick) was added as a cosponsor of S. 1300, to impose appropriate penalties for persons convicted of offenses involving heroin and morphine.

S. 1340

At the request of Mr. Jackson, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 1340, a bill to retain coverage under the laws providing employee benefits, such as compensation for injury, retirement, life insurance, and health benefits, for employees of the Government of the United States who transfer to Indian tribal organizations to perform services in connection with governmental or other activities which are or have been performed by Government employees in or for Indian communities, and for other purposes.

S. 1475

At the request of Mr. Pearson, the Senator from Olakhoma (Mr. Bartlett), the Senator from Idaho (Mr. Church), the Senator from Oregon (Mr. Hatfield), and the Senator from Minnesota (Mr. Humphrey) were added as cosponsors of S. 1475, allowing a double investment credit for property in rural areas providing new employment opportunities.

S. 1500

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Minnesota (Mr. Humphrey) be added as a cosponsor of S. 1500, to establish the Federal Bureau of Investigation as an independent agency of the executive branch of the Government.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1527

At the request of Mr. Weicker, the Senator from South Carolina (Mr. Hollings), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of S. 1527, the Lobster Conservation and Control Act of 1973.

CHANGE OF REFERENCE OF CERTAIN BILLS

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of S. 140 and S. 799, and that these bills be referred to the Veterans' Affairs Committee. Both of these bills amend title 38 and are therefore within the jurisdiction of the latter committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of S. 897, and that the bill be referred to the Public Works Committee. The bill extends the responsibility to the Chief of the Corps of Engineers in his civil works capacity, and therefore falls within the jurisdiction of the Public Works Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, unanimous consent is requested that the Veterans' Affairs Committee be discharged from further consideration of S. 383 and S. 608, and that these bills be referred to the Senate Armed Services Committee. The Veterans' Affairs Committee has informally advised our committee staff of their concurrence in this action. These bills amend titles 37 and 10, respectively, which fall within the jurisdiction of the Armed Services Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE OF REFERENCE OF S. 447

Mr. HARTKE. Mr. President, in January of 1973 I reintroduced the Hartke-Burke Foreign Trade and Investment Act of 1973. Later that month, I divided the Foreign Trade and Investment Act into a number of separate packages. Inadvertently, S. 447 which deals with reporting requirements of the Export-Import Bank and other agencies was referred to the Senate Committee on Government Operations. Mr. President, I ask unanimous consent that S. 447 be rereferred to the Senate Committee on Finance to be considered with the other packages that together make up the Hartke-Burke bill.

Mr. **GRIFFIN**. Mr. President, reserving the right to object, I did not hear the request.

The **PRESIDING OFFICER**. Will the Senator from Indiana please repeat his request, and will the Senate please be in order so that the Senator may be heard.

Mr. **HARTKE**. Mr. President, in January of 1973, I reintroduced the Hartke-Burke Foreign Trade and Investment Act of 1973. Later that month, I divided the Foreign Trade and Investment Act into a number of separate packages. Inadvertently, S. 447 which deals with reporting requirements of the Export-Import Bank and other agencies was referred to the Senate Committee on Government Operations. Mr. President, I ask unanimous consent that S. 447 be rereferred to the Senate Committee on Finance to be considered with the other packages that together make up the Hartke-Burke bill.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

SENATE RESOLUTION 97—SUBMISSION OF A RESOLUTION TO REFER S. 1562 TO U.S. COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. **MOSS** submitted the following resolution:

S. RES. 97

Resolved, That the bill (S. 1562) entitled "A bill for the relief of J. Clarence Ingram, Don W. Ingram, and Dick L. Ingram of Nephi, Utah" now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant.

SENATE RESOLUTION 98—SUBMISSION OF A RESOLUTION RELATING TO FREE TRANSPORTATION FOR FORMER PRISONERS OF WAR

(Referred to the Committee on Commerce.)

Mr. **BENTSEN**. Mr. President, I today submit for appropriate referral a sense of the Senate resolution concerning a proposal by the city of Dallas, Tex., to honor veterans of the Vietnam war. I do not need to relate here the sacrifices made by those who risked their lives daily to serve their country and to serve it with honor. I am sure this body shares my own appreciation for the contributions of these courageous men toward bringing about a cease-fire agreement in Vietnam.

No one knows better than the Congress the unpopularity of this war, Mr. President. And it is becoming increasingly apparent that a stigma is being attached to those who fought in it. I think this is unfortunate, not because I opposed or supported the war but because this only serves to perpetuate the still deep divisions within our country. Let us now heal those wounds and lay aside our bitterness. Let us join together to build peace and let us start by recognizing the contributions made by those who served. Not all of us were called on but those who served did so with distinction and a national awareness of and respect for their sacrifices is surely the first step toward a national healing.

The people of the city of Dallas, Tex., are planning what I consider to be important and unique special ceremonies on the weekend of June 1–3, 1973, to honor veterans of the Vietnam war and in particular former prisoners of war. These brave Americans performed in a most outstanding and dignified manner during their internment in enemy prison camps and certainly their sacrifices deserve special attention and respect from all of us.

Certain airlines have filed an application with the Civil Aeronautics Board, seeking authority to provide free air transportation for the former prisoners of war and their families to and from Dallas on that weekend. Mr. President, this proposed program is vitally important to the morale of our country and will contribute greatly to national unity. It will also serve to emphasize the honor which is due these individuals and the need for special consideration on the part of all of us of their efforts to reintegrate themselves into what they are finding to be a new American life style. This resolution expresses the sense of the Senate that the CAB should authorize the airlines to provide this free air transportation for the former POW's and their families. Such approval will be of no expense to the taxpayer; the airlines receiving the authorization will themselves absorb the cost.

Such action, Mr. President, will indicate an awareness on the part of the American Government and the American people of the special needs of the former POW's and a willingness to assist in finding solutions to those needs. After the sacrifices made by these courageous men and their families, Mr. President, we can do not less.

The resolution is as follows:

S. RES. 98

Whereas the Vietnam War resulted in the tragic interment of many United States citizens in prisoner of war camps, and whereas these courageous Americans conducted themselves with dignity and distinction against overwhelming odds, and whereas these outstanding men symbolize the American ethic of bravery and fortitude in the face of extreme adversity, and whereas the citizens of the City of Dallas, Texas on June 1, 2, and 3, 1973 propose to honor all those who served in Vietnam, and whereas this ceremony will serve to call attention to the honor due these veterans and the need for special consideration of their efforts to re-integrate themselves into the fabric of American life through re-employment and rehabilitation programs, and whereas this proposal has the support of the authorities of the City of Dallas, and whereas certain airlines have filed application with the Civil Aeronautics Board to request authority to provide free air transportation for the former Prisoners of War and their families to and from Dallas, Texas on the week-end of June 1, 2, and 3, 1973.

Resolved, that it is the sense of the Senate that the Civil Aeronautics Board should authorize commercial airlines to provide free air transportation for the former Prisoners of War and their families to and from Dallas, Texas on June 1, 2, and 3, 1973 for their participation in ceremonies honoring the veterans of the Vietnam War.

SENATE RESOLUTION 99—SUBMISSION OF A RESOLUTION RELATING TO FOREIGN RELATIONS

(Referred to the Committee on Foreign Relations.)

Mr. **HARTKE**. Mr. President, there has been much discussion pertaining to the lack of congressional initiative in the exercise of its designated powers particularly in the area of foreign affairs. Most recently, the Executive branch has wielded a powerful hand over foreign affairs, usurping congressional authority and largely ignoring congressional action. Mr. President, this is an intolerable situation and the Congress must not turn its back on this issue.

As Alexander Hamilton said in "The Federalist" No. 87 in 1788:

> The management of foreign negotiations will naturally devolve upon the President, according to general principals *concerted to the Senate, and subject to the Senate's final concurrence* (emphasis added).

This statement was written to explain the newly drafted U.S. Constitution and to promote its adoption by the several States. As article II section 2 of the Constitution states:

> He [the President] shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur;

Another great leader, John Jay, stated with regard to treatymaking power in "The Federalist" No. 64:

> The President, in forming them [treaties] acts by and with the advice and consent of the Senate.

Thus, whether it be the International Peace Conference or the Strategic Arms Limitation Talks—SALT—the Constitution requires the President to obtain the advice and consent of the Senate in the determination of the United States' official foreign policy.

Yet, presently the Senate participates in treatymaking and foreign policy decisions only when, and if, the President submits a previously negotiated agreement to the Senate for ratification.

In my book, "The American Crisis in Vietnam," I stated:

> The growing involvement of the United States in the war in Vietnam has engendered a serious and far-reaching debate . . . to determine precisely where we are now and what we must do in order to maintain a peace in Southeast Asia that will preserve the vital interests of our country and the traditional values that constitute the greatness of America . . . (I)t is incumbent upon each citizen and every elected representative to participate fully in this process of democratic decision-making.

It is clear that the Senate must assert its role in the democratic decisionmaking process by refusing to allow the executive to circumvent the senatorial role in the field of foreign affairs.

Specific efforts must be made to assure Senate confirmation of those appointed by the President to negotiate on behalf of the United States. The most recent example of this failure to do so was the presidential appointment of Ambassador Porter to represent the United States at the Paris Peace Talks. Constitutionally, a person sent by the President to conduct foreign negotiations is a "public minister," and must be appointed by and with the advice and consent of the Senate, as required by article II, section 2, to wit:

> And he shall nominate, and by and with the Advice and Consent of the Senate, shall appoint Ambassadors, other public ministers . . . and here in otherwise provided for, and which shall be established by Law: but the Congress may by Law vest the Appointment of such inferior officers, as they think proper in the President alone.

Although the interpretation of the treaty and appointment clauses I have developed may now seem novel, it is totally, and in every detail, in agreement with:

One. The records of the Federal Constitutional Convention of 1787;

Two. The records of the States' Ratification Conventions;

Three. "The Federalist;"

Four. The opinions of the First Congress; and

Five. The practice of the treaty and appointment powers relative to negotiations in the so-called formative years during the administrations of Presidents Washington, Adams, Jefferson, and Madison, as evidenced by the Senate Executive Journal and the American State Papers, among other sources.

The theory presently used by the executive branch has been termed the "executive agent" theory. The "executive agent" theory of the treatymaking power is founded wholly on three influential, but erroneous, sources:

First. "Constitution of the United States—Analysis and Interpretation," Senate Document No. 39—1964, Library of Congress—by Edward S. Corwin, who also authored "The President—Office and Powers," and "The President's Control of Foreign Relations." In these volumes Corwin neglected the historical facts of one through five above, and falsely asserted that the concept of President/Senate consultations on foreign negotiations broke down in George Washington's term the first time it was put to the test, and that it was subsequently abandoned. Corwin based his false assertion solely on a note in an obscure diary entered 35 years after the alleged breakdown.

Second. "Executive Agents in American Foreign Relations," by Henry Wriston—1929—who echoes his book in a 1960 Foreign Affairs article, "The Special Envoy." In his works, Wriston argued for the "executive agent" theory; but he admitted that such theory is not supported by the Federal Constitutional Convention, the States' Ratification Conventions, The Federalist, the early opinions of Congress, nor the practice of President Washington. Rather, Wriston argued that the "executive agent" theory has justified itself by "precedent, accumulated practice, and legal distinction," the last of which he did not elaborate. But the two "precedents" which he alleged for his theory, upon which the practice is founded, do not support his theory on close examination—indeed, he did not assert them as full precedents, only a kind of "very thin edge of the wedge." Thus, Wriston's theory rests solely on practice, but from its own practice—a notion repugnant to the fundamental principle of our land, which is that the Government derives its powers from the consent of the people.

Third. The Supreme Court dictum in *United States* v. *Curtiss-Wright*, 299 U.S. 304, 319 (1936):

> He makes treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude;

This dictum was seized on by Corwin as his basic "proof," and is presently relied on by the Nixon administration. But this dictum is without authority for three reasons:

One. Only two minute pieces of history were cited by the court opinion for support; but upon checking, even these do not provide such support.

Two. The legal question of how the Constitution distributed the "negotiation power" was not at issue in the case, and was not debated, nor even mentioned in the "Briefs of the Litigants."

Three. Moreover, the central issue in Curtiss-Wright was a Presidential proclamation that touched on foreign affairs which was previously authorized by a joint resolution of the Senate and House of Representatives, thus, precluding a holding in that case that the President can act in foreign negotiations without the Senate's sanction.

The complete documented proof of the above assertions was submitted to the U.S. Court of Appeals, sixth circuit—Cincinnati, Ohio—in a civil suit, *Webb* v. *Porter*, No. 72–2082, in which the "executive agent" theory was the central issue. Plaintiff Webb alleged that Ambassador William J. Porter, at that time head of the U.S. delegation to the Paris peace talks, held an unconstitutional ministership since his appointment to that particular position was not consented to by the Senate.

The suit was first filed in February 1972, with the Supreme Court, but the Supreme Court refused to hear the case. The suit was then filed in the U.S. District Court in Columbus, Ohio, which held that the complaint was "patently frivolous," and cited the Curtiss-Wright dictum as affirmation that Porter's appointment is constitutional, and dismissed the suit without serious review of the plaintiff's briefs, memoranda, treaties, et cetera. The case is now before the Sixth Circuit Court of Appeals.

Mr. President, the process of negotiating a treaty is constitutionally to be shared by the Senate and the President. The Constitution of the United States requires that the President and the Senate will be associated throughout the entire process of making a treaty and in selection of public ministers. Yet, today—after we have waited over a decade for peace, persevering through false hopes and broken promises—we in the Senate were blocked from any input into negotiations to end the war in Vietnam.

The time has come when the Senate can no longer allow the Executive to continue on its self-prescribed course in foreign affairs.

Mr. President, 2 years ago I urged this body to accept its responsibility in the treatymaking and confirmation process. The Senate shares the responsibility to make peace and it shares responsibility in the treatymaking process. With these constitutional principles in mind, I offered 2 years ago a resolution which would have required Senate confirmation of the American negotiator at the Paris peace talks. Today, I offer a new resolution to reassert the Senate's role in the treatymaking process.

The time for my resolution pertaining to confirmation of the Paris peace talks minister has long since passed, but the need for Senate action to reassert its role in foreign affairs is still with us. As we go through the agonizing examination of the mistakes made during the past decade, this body must let it be known that we will never again be excluded from our proper role in the field of foreign affairs. We have a constitution to uphold—and we must never forget our sacred oath to uphold the Constitution. Fifty thousand Americans died in Southeast Asia accepting their responsibility and the least we can do is accept our own.

Mr. President, I ask unanimous consent that the text of the resolution, and the law review article by Mr. Webb be placed in the RECORD immediately following my remarks.

There being no objection, the resolution and article were ordered to be printed in the RECORD, as follows:

S. RES. 99

Whereas the President and the Senate have been unmindful of their respective constitutional responsibilities in treaty-making over the years;

Whereas section 2 of article II of the Constitution declares that the President "shall have power, by and with the advice and consent of the Senate, to make Treaties, provided two-thirds of the Senators present concur and he shall nominate, and by and with advice and consent of the Senate, shall appoint Ambassadors, other public ministers . . . and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers as they think proper, in the President alone. . . .";

Whereas the Constitution states that the Congress has the right to confirm Presidential nominations of all public ministers;

Whereas the phrase "to make Treaties" includes all of the proceedings by which they are made, including the formation as well as the conclusion of any treaty and the negotiations relating to a treaty as well as its ratification;

Whereas the Constitution is devoid of an express grant of power to the President, or any person acting on his behalf, to negotiate or conclude treaties or any other agreements with foreign powers without the advice and consent of the Senate; and

Whereas the tenth article of amendment to the Constitution expressly precludes assumption of powers not delegated by the Constitution: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the President is required to consider the Senate as a Council of Advice with respect to the negotiation of treaties and other agreements with any foreign government, to

consult with the Senate fully, without reservation and with appropriate injunctions of secrecy, and to conduct such negotiations according to general principles agreed upon with the Senate prior to and during such negotiations; and

(2) any persons appointed to represent the United States or the President in negotiations (including a person appointed as an acting head of a delegation) with foreign governments are "public ministers" of the United States within the language of the Constitution, and, therefore, no person may be constitutionally appointed to conduct such negotiations unless any such person (regardless of title) is first nominated to an office to conduct such negotiations, and the Senate advises and consents to his nomination. However, the President may appoint a person to a vacancy in the office of a public minister that may occur during the recess of the Senate, by granting a commission to expire at the end of the next session of the Senate, as is permitted under section 2 of article II of the Constitution.

SEC. 3. In accordance with the provisions of this resolution, the President should submit to the Senate, for its advice and consent, all agreements of national importance previously concluded with foreign governments that have not been submitted to the Senate for its advice and consent (regardless of the title of such agreement), and submit a report on all negotiations presently being conducted with respect to possible agreements.

SEC. 4. The provisions of this resolution do not apply to—

(1) negotiations or meetings between military commanders to reach an armistice or a cease fire which includes no stipulations of a political, economic, or any other nature other than military regulation of the armistice or cease-fire;

(2) appointments made to fill vacancies in "inferior offices" at negotiations, if such inferior offices are established by law and if the law vests the power of appointment of such inferior offices in the President alone, except any person appointed as the head or acting head of negotiations to be conducted on behalf of the United States or the President is never to be considered as having been appointed to an inferior office; and

(3) consuls, or to the duties that are traditionaly in their cognizance.

SEC. 5. For the purpose of this resolution, "negotiation" means any negotiation, conference, talk, convention, or meeting between any representative of the United States and a foreign state of government, or the head of state or department thereof, where any proposition of a substantive nature is negotiated, tendered, debated, or discussed. "Substantive" means having national importance and excludes auxiliary and preparatory measures which are not otherwise nationally important in order that the President may be able to manage the business of intelligence in such a manner as prudence may suggest.

TREATYMAKING AND THE PRESIDENT'S OBLIGATION TO SEEK THE ADVICE AND CONSENT OF THE SENATE WITH SPECIAL REFERENCE TO THE VIETNAM PEACE NEGOTIATIONS

(By Richard E. Webb *)

ABSTRACT

The relationship between the President and the Senate of the United States with respect to the treaty-making power is examined in the light of the formulation and ratification of the Constitution and subsequent historical events and expert opinion. It is concluded that the President must seek the advice of the Senate both before entering into substantive treaty negotiations and also during their course, and the consent of the Senate when specific agreements are to be pursued. If the Senate should agree that the major treaty provisions to be offered for negotiation cannot be determined before negotiations are to begin, then the President should appoint, by and with the advice and consent of the Senate, a special envoy whose specific task is to form a treaty for later submission. The implications of this conclusion for improving the chances of success of the present Vietnam peace treaty negotiations are discussed.

"He [the President] shall have Power, by and with the Advice and Consent of the Senate, to make Treaties, provided two thirds of the Senators present concur; and he shall nominate, and by and with the Advice and Consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, . . . whose Appointments are not herein otherwise provided for, . . .[1]

"The Powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States respectively, or to the people.[2]

"The Constitution . . . shall be the Supreme Law of the Land . . .[3]"

INTRODUCTION

Does the President have the constitutional power to negotiate a peace treaty with North and South Vietnam without the formal advice and consent of the Senate as a body? The Author's contention is that the President does not. Were the President to seek this advice and consent, it would help him greatly in quickly negotiating a workable treaty, which is so desperately needed. Without this advice and consent, the President is representing only himself and his administration, and hence is operating in a political vacuum. In 1788 in the *Federalist Papers*, which were written to promote the adoption of our Constitution, John Jay stated that the "president and senators so chosen will always be of the number of those who best understand our national interests, whether considered in relation to the several states or to foreign nations. With such men the power of making treaties may be safely lodged." [4] With the advice and consent of the Senate, the President would represent more accurately the position and interests of the United States at the Paris negotiations. North Vietnam and the NLF would then be aware that the President's negotiating policies represent more than just the interests and attitudes of a particular administration and therefore would be less inclined to expect that a contrary public opinion in the United States could produce a change in policy in time. In forming the "advice" each Senator would be required to review this matter in its entirety and to act on a considered personal opinion. Such an undertaking would help crystallize exactly what is the national interest. Indeed, the Senate could take the initiative and begin to form the advice, starting from known presidential opinions.

The considerations that militate against this view are twofold: (1) a tradition of allowing the President to form treaties on his own authority without the formal advice and consent of the Senate; and (2) the explanation of the treaty-making power given in Senate Document No. 39, *Constitution of the United States—Analysis and Interpretation*, dated 1964, which attempts to justify the current practice. The latter tends to perpetuate the current practice since it purports to define the Constitution's treaty power provision. Since the Senators and the President swore to support the Constitution, none would challenge current practice if it were thought to be constitutional. The editors of Senate Doc. No. 39 are E. S. Corwin and others; they prepared the document for the Library of Congress Legislative Reference Service. Corwin also wrote the influential book, *The President—Office and Powers*. Although Mr. Corwin has made an important contribution to some aspects of constitutional law, his opinion in this connection cannot be taken as the final word.

After reviewing Corwin's opinion and his justification (given in Sen. Doc. No. 39 and in his book), along with other documents and writings and Supreme Court cases, the Author has concluded that the President must not only have the formal advice and consent of the Senate before negotiating matters of substance (the President may, however, initiate talks on his own authority), but that it would be in the best interest of the nation for the President to obtain that advice and consent. The remainder of this article, then, contains a review of the principal circumstances surrounding the "advice and consent" phrase in the treaty power. The statements and references given by Corwin which are pertinent to the subject are used as a guide and each of these is treated herein.

We begin with an analysis of Senate Doc. No. 39. Here Corwin as justification for the current practice uses only four facts: (1) part of an essay by John Jay in the Federalist Papers; (2) part of a Senate speech by Rufus King in 1818; (3) the experience of President Washington in seeking Senate advice in making treaties; and (4) the opinion of Justice Sutherland in *U.S.* v. *Curtiss-Wright Corp.*[5] This article will attempt to show that Corwin did not use the first three of these items in context, and that the inferences which can properly be drawn from these sources do not support the position adopted either in Senate Doc. No. 39 or in Corwin's book.

The President-Senate relationships during the formation of the Jay Treaty and the Versailles Treaty are discussed. A separate and detailed analysis of Justice Sutherland's opinion on the treaty-making power in the *Curtiss-Wright* decision is also included. More evidence is also provided regarding (1) the question of whether Senate advice requires Senate action as a body, (2) the origin of the treaty clause phraseology, and (3) the President's role as Commander in Chief in making peace treaties. Finally, the Vietnam peace treaty negotiations are discussed.

E. S. CORWIN AND SENATE DOCUMENT NO. 39

1. John Jay and the Federalist Papers

In order to better understand the analysis of Senate Doc. No. 39, the reader is invited to read the entire paragraph entitled "President and Senate" in that document.[6] It would seem that this paragraph lends support to the Author's contention by stating that "The constitutional clause evidently assumes that the President and the Senate will be associated with the entire process of making a treaty." [7] The paragraph, however, then states that "John Jay, writing in the Federalist, foresaw that the initiative must often be seized by the President without benefit of Senatorial counsel." This brief report of Jay's essay could be readily misconstrued. One might suppose that Jay did not adopt in his essay the above view about "the entire process of making a treaty," and one might understand the "initiative" remark as attributing more power to the President than Jay in context actually did. The full Jay essay [8] said of treaties that "The President must, in forming them, act by the advice and consent of the Senate" [9] and that the initiative relates to "those preparatory and auxiliary measures which are not otherwise important in a national view . . . and which usually require the most secrecy and the most dispatch." [10] The Jay essay does not add confusion to the treaty clause in the Constitution, as Corwin implies; but rather this essay explains the clause. It must be remembered that the *Federalist Papers* were written by Alexander Hamilton, James Madison, and John Jay in order to explain the Constitution to the people and secure its adoption by the separate States.

2. Rufus King's 1818 speech

Senate Doc. No. 39 points out that the Senate *may* advise the President, without his

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asking, basing this conclusion on a Senate speech given by Rufus King in 1818. No one would deny this power to the Senate. However, the significance of this speech lies not in whether the Senate may volunteer advice; it lies in the last two paragraphs of that speech (not discussed in Senate Doc. No. 39) where the phrase "make a treaty" is defined and explained. Rufus King stated: "The Constitution does not say that treaties shall be concluded but that they shall be made by and with the advice and consent of the Senate." He asserted that "to make a treaty includes all the proceedings by which it is made." [11] King said that any other interpretation would require that the Constitution be changed to read: "The President shall make treaties, and by and with the advice and consent of the Senate ratify the same." [12] King's speech is consistent with the above-mentioned Jay essay: Jay did not say that the President must, in concluding treaties, act by the advice and consent of the Senate, but that he "must, in *forming* them, act by and with . . ." (emphasis added).

Rufus King was a delegate from Massachusetts to the Federal Convention, which drafted the Constitution, and played a prominent role there.[13]

He was on the Committee of Style along with Hamilton and Madison and was on the Committee of Eleven which drafted the treaty clause. He actively promoted the new Constitution and was elected as a delegate to the Massachusetts Convention which ratified it. Later as a U.S. Senator, he was a member of the Committees on Finance and Foreign Relations, and served as chairman of the latter.[14] The speech cited is the only explicit definition of the treaty power offered in *The Records of the Federal Convention of 1787* which were collected and edited by M. Farrand (Farrand included the King speech in the appendix as "supplementary material that could be found" to throw "light upon the work of the constitutional convention.").

The background of Rufus King's speech is most helpful in perceiving its full meaning.[15] The Society of Friends of Baltimore in late 1817 brought a petition to the Senate on the subject of abolishing slave trade. Senator Burrill, in support of this petition, proposed a Senator resolution to direct the Committee on Foreign Relations to inquire into the "expediency of taking measures in concert with other nations for the entire abolition of the said trade." In the ensuing Senate debate on the resolution Senator King, in support of the resolution, noted that our "long depending negotiations [on the subject of slave trade] with Spain still exists." He urged that our foreign ministers be reminded that the United States is greatly interested in abolishing slave trade universally and should therefore press for an agreement with the foreign powers.[16] After King's remarks an objection was raised to advising the President in the forming of a treaty with Spain. This objection was based on the supposition that the business of making this treaty belonged exclusively to the Executive. King replies with his explanation of the treaty power. The Burrill resolution was passed without modification, which indicates that the Senate concurred in King's explanation of the treaty power.

The only clue as to why Senate Doc. No. 39 does not discuss the last part of King's speech, which defines the phrase "make a treaty," is provided in a footnote in Corwin's book, *President—Office and Powers*.[17] In this footnote Corwin implies that the King speech is nullified by a Senate Foreign Relations Committee Report issued two years earlier (February 15, 1816).[18] The Committee report had to do with a Senate resolution proposed by Rufus King which would advise the President concerning his negotiations with Great Britain on certain matters of commerce.

The committee rejected the proposal on the ground that such advice was unnecessary, because the committee felt that the President had already pursued the ideas contained in King's resolution, and further that it was not in the national interest for the Senate to interfere since a division of opinion between the Senate and the Executive would give the other side a decided advantage. However, the report of the committee contains no treatment of the question of constitutional power, except the observation that the Constitution permits only the President to *conduct* foreign negotiations, which is of course true. The report stands for no proposition except that the committee felt it would be unwise to interfere in *those particular negotiations*. To treat this report as a constitutional ruling on the making of treaties is unwarranted. The fact that two years later King won in his contention that the Senate could offer unsolicited advice to the President (*i.e.*, the Burrill resolution), after he argued on constitutional grounds, makes it clear that the earlier committee report could not in any case be taken to represent Senate opinion on the treaty power.

3. George Washington's first attempt at treaty-making

Perhaps the main reasons for the current practice are the prevailing views, in the executive branch at least, that (1) seeking advice from the Senate prior to substantive negotiations is impractical and (2) the Constitution is not clear as to how advice and consent are to be rendered. In search of the true meaning of the treaty clause one would certainly want to learn how President Washington carried out this power since he was the first President under the Constitution. In his book on the presidency Corwin tells the reader that Washington tried to use the Senate as a council in forming treaties but that this simply did not work: "The somber truth is that the conception of the Senate as a presidential council in the diplomatic field broke down the first time it was put to the test." [19] In a footnote in Sen. Doc. No. 39 Corwin states that Washington's efforts to obtain advice and consent "proved futile, principally because the Senate balked." [20] In another book *The President's Control of Foreign Relations* (1917), Corwin says: "at the outset, Washington sought to associate the Senate with himself in the negotiation of treaties but this method of proceeding went badly and was presently abandoned." [21]

These statements are simply not true. The incident to which Corwin refers is the formation of the first treaty under the Constitution.[22] President Washington (who was also president of the Federal Convention and among those who best understood the Constitution) appeared before the Senate and asked for its "advice and consent to some propositions respecting the treaty to *be held* with the Southern Indians." (emphasis added) The Senate, in deliberating the matter, was concerned about Washington's insistence on being present while the Senate debated. They felt that Washington's personal authority prevented freedom of discussion and refused to give advice and consent on that day and wanted to postpone a decision until the next week. Washington became angry over the delay but then agreed to comply. Three days later the Senate gave its advice and consent to Washington's proposals without difficulty. The fact is that Washington consulted the Senate in advance of the making of every treaty in his administration [23] and obtained the advice and consent of the Senate. After the first experience, which Corwin has misrepresented, he did so through messages and not in person. The only "method of proceeding" that was "abandoned" was *personal* consultation as distinguished from written communication.

The remaining piece of evidence which Corwin used in *The Presidents Control of Foreign Relations* was taken from John Q. Adams' "Memoirs":

"Mr. Crawford told twice over the story of President Washington's having at an early period of his administration gone to the Senate with a project of a treaty to be negotiated, and been present at the deliberations upon it. They debated it and proposed alterations so that when Washington left the Senate Chamber he said he would be d____d if he ever went there again. And ever since that time treaties have been negotiated by the Executive before submitting them to the consideration of the Senate.[24]"

Corwin has made this story quite popular and it is generally accepted without question.[25] Because of this and because by itself it seems to run counter to the above findings, this passage must be reviewed in detail. From this minuscule item of evidence Corwin draws the conclusion that after his first attempt Washington did not seek Senate advice before treaty negotiations. (On the contrary, he did as is later shown.) After citing this quotation, Corwin says that Adams was stating a rule of procedure which did not require the President to seek advice of the Senate before "negotiating a particular treaty." But Corwin's conclusion was simply a case of reading something into Adams which is not stated there. The background of the Adams' writing is as follows.[26]

The Ghent Treaty of 1815 between the United States and Great Britain stipulated "that both parties should use their best endeavors to accomplish the abolition of the African slave trade." [27] Recall that in 1818 the Senate passed a resolution advising the President to press harder for an international agreement to abolish the African slave trade. Two years later, while our negotiations with Great Britain were going on, the United States enacted a law on May 15, 1820, making it unlawful for a U. S. citizen to engage in the African slave trade. On February 28, 1823, the House of Representatives passed a resolution "that the President of the United States be requested to enter upon and prosecute, from time to time, such negotiations with the several maritime powers of Europe and America, as he may deem expedient, for the effected abolition of the African slave trade, and its ultimate denunciation as piracy under the law of nations, by the consent of the civilized world." [28] It can therefore be said that the President pursued the negotiations *by and with the advice of the Senate*, and indeed of both houses of the Congress. The episode in no way supports the "rule" that Corwin inferred from the account by Adams. We should inquire into the context of the Crawford comment to determine the problem toward which it was directed.

On April 30, 1824, as a result of these negotiations President Monroe submitted to the Senate a Slave Trade Convention with Britain that recognized slave trading as an act of piracy. However, some of the Senators from the Southern States were becoming uneasy over the growing sentiment in Great Britain in favor of abolishing slavery altogether and thought that to ratify the Convention would produce the same effect in the United States. For this and other reasons there was new opposition to the treaty in the Senate. When President Monroe learned from Adams of this opposition, which brought about some delay in the ratification of the treaty, he was "astonished." Then, upon learning that the treaty might be defeated, Monroe quickly sent a message (drafted by Adams) to the Senate pleading for ratification. The message was detailed and presented persuasive arguments.[29] On the next day the Senate ratified the convention with amendments. Rufus King, who was instrumental in bringing the Senate to advise the President to make a slave trade treaty in 1818, reported the Senate action personally to Secretary of State Adams. King apologized

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for the amendments but Adams replied that the amendments, although significant, were not serious: "The essential basis of the Convention was untouched," *i.e.*, the principles "slave trade shall be piracy" and "the mutual right of search and capture" were preserved. But Britain did not ratify the amended treaty. Five months later an envoy from Britain proposed to conclude a new convention to provide for right of search on the coast of America, a provision which had been rejected previously by the Senate. The new convention was to be otherwise the same as the draft previously ratified by the Senate. President Monroe held a cabinet meeting on November 10, 1824 to discuss the British proposal. In the meeting it was agreed not to conclude a new convention since the mood in the Senate against it was even stronger than before. It was in this meeting that Crawford made the comment that was used by Corwin.

President Monroe may have wanted to consult *personally* with the Senate to try to persuade them to accept the new convention. After all, Monroe had before rescued the treaty from defeat by consulting the Senate by means of a detailed message. This would explain why Crawford, in the cabinet meeting, told the story of George Washington's experience with personal consultation with the Senate. But Corwin's inference from Crawford's statement that the President need not consult the Senate prior to entering into substantive negotiations is unfounded. Furthermore, Adams had this to say about any further negotiations on the subject of the slave trade:

I had observed to Mercer that after what had taken place in the Senate upon this Convention, and the subsequent effort, obviously intended to follow it up, to make it unpopular, the power of the President to negotiate further under the resolution of the House would be much checked until there should be some further manifestation of opinion by Congress in its favor.[30]

Finally, on January 20, 1825 Monroe in a message to the Senate indicated that negotiations would be resumed only by "common consent." [31]

CORWIN AND THE JAY TREATY

In his book *President—Office and Powers* Corwin implies that the Jay Treaty (the first foreign treaty under the Constitution) was negotiated without the advice and consent of the Senate. Corwin states:

"From that time forth [meaning: from the time Washington personally appeared in the Senate chamber] in fact, the relations of President and Senate in the realm of diplomacy came rapidly to assume a close approach to their present form. The history of the famous Jay Treaty five years later is a prime illustration. The treaty was negotiated in London under instructions in the framing of which the Senate had no hand." [32]

The implication given is that Washington did not seek the advice and consent to negotiate. On the contrary, he *did*.

The events surrounding the Jay Treaty are as follows.[33] During the first years under the Constitution there still remained some differences between Great Britain and the United States. On February 9, 1790, Washington asked the Senate's advice as to the best method of settling a number of these old disputes:

You will perceive, from the papers herewith delivered, and which are enumerated in the annexed list, that a difference subsists between Great Britain and the United States, relative to the boundary line between our Eastern and their territories. A plan for deciding this difference was laid before the late Congress; and whether that, or some other plan of a like kind, would not now be eligible, is submitted to your consideration.

In my opinion, it is desirable that all questions between this and other nation be speedily and amicably settled; and in this instance I think it advisable to postpone any negotiations on the subject, until I shall be informed of the results of your deliberations, and receive your advice as to the propositions most proper to be offered on the part of the United States.

As I am taking measures for learning the intentions of Great Britain respecting the further detention of our posts, &c., I am the more solicitous that the business, now submitted to you, may be prepared for negotiation, as soon as the other important affairs which engage your attention will permit." [34]

On March 24, 1790 the Senate advised the President and suggested a plan. Washington then sent a representative to England who informally sampled opinions of some British leaders and concluded that the plan was not acceptable. Thereupon, Washington reported back to the Senate on February 14, 1791. As time went by, the disputes grew more serious as England seized some American ships and incited Indians against our settlers. Resolutions were before the House of Representatives "for cutting off commercial intercourse and sequestering British Debts." Knowing that the resolutions before the House were moving the country back into war, a group of Senators, which included Rufus King, held a conference and quickly developed the Jay envoyship plan and gave it to Washington.[35] That plan was to have the United States send to England a person who would have the highest confidence of the British leaders to find out their concerns and the reasons for their hostile acts and to negotiate a settlement. Our ambassador in Great Britain at the time would not do. Our negotiator had to be of high standing and enjoy the highest confidence of the American people. He would make the voyage across the Atlantic to impress the British of our sincere desire to make a friendly settlement of differences. The person chosen by Washington, with the help of the small group of Senators, was John Jay, the Chief Justice of the Supreme Court. Then, in accordance with the requirement of the Constitution, Washington sought the Senate's advice and consent to appoint Jay as "Envoy Extraordinary of the United States, to his Britannic Majesty" for the purpose of negotiating a treaty whose propositions, because of the nature of things, could not be known beforehand. The message from George Washington to the Senate was as follows:

"Gentlemen of the Senate: The communications which I have made to you during your present session, from the dispatches of our Minister in London, contain a serious aspect of our affairs with Great Britain. But as peace ought to be pursued with unremitted zeal, before the last resource, which has so often been the scourge of nations, and cannot fail to check the advanced prosperity of the United States, is contemplated; I have thought proper to nominate, and do hereby nominate, John Jay, as Envoy Extraordinary of the United States, to his Britannic Majesty.

"My confidence in our Minister Plenipotentiary at London, continues undiminished. But a mission like this, while it corresponds with the solemnity of the occasion, will announce to the world the solicitude for a friendly adjustment of our complaints, and a reluctance to hostility. Going immediately from the United States, such an Envoy will carry with him a full knowledge of the existing temper and sensibilities of our country, and will thus be taught to vindicate our rights with firmness, and to cultivate peace with sincerity." [36]

The Senate approved the nomination three days later, after some debate, with the full knowledge and understanding that for these particular negotiations, the treaty propositions could not be known *a priori*. Thus the Senate in consenting to the mission shared the confidence Washington had in John Jay that whatever Jay would agree to would be in the interest of the United States.[37] (In contrast, the Senate had not been asked its advice and consent in appointing the envoys to Paris to negotiate a treaty with North Vietnam.) It is the Atuhor's contention that President Washington had fully met the requirements of the Constitution in this instance since the Senate's advice and consent was sought and obtained before negotiations. The Senate simply chose not to require that Jay be given instructions and was willing to wait until Jay brought back a treaty which would serve as a basis for consultation with the Senate. Eleven months later Jay returned with a settlement. It was laid before the Senate for its advice and consent. The Senate in turn approved it, subject to an amendment. The amendment was easily negotiated with Britain and the treaty went into effect. A war had thus been avoided. And so it was that the Senate did perform a large role in making the treaty, not only by advising and consenting to the Jay appointment *but by participating in the earlier events of 1790–91 mentioned above*. The earlier attempts at settling the disputes, which were based on Senate advice, made both the President and the Senate that much wiser when the disputes erupted. For they then knew that a much stronger diplomatic move was necessary to avert the fast-approaching war.

The conclusion drawn from the history of the Jay Treaty by Corwin, and probably by others as well, is that since the Senate consented to let the executive branch alone frame a treaty during foreign negotiation, *any* President in the futrue could enter into negotiations and continue on through to a finished treaty without the Senate's consent to do so for each occasion.[38] Corwin states, "In a word, the Senate's character as an executive council was from the beginning put, and largely by its own election, on the way to absorption into its more usual character as a legislative chamber." This conclusion again shows up in Sen. Doc. No. 39 under the paragraph entitled "Negotiations, A Presidential Monopoly." [39] But this conclusion is without foundation. No evidence exists that in consenting to the Jay nomination the Senate intended to authorize all future Presidents to enter into substantive negotiations without the advice and consent of the Senate. Moreover, the Senate does not have the authority to transfer this power to the President and the President does not have the authority to assume it. Therefore, if anyone were to claim that a precedent was established by the Jay Treaty events, that precedent, which is in accordance with the Constitution, would be as follows: If the terms on which a settlement is possible cannot be estimated beforehand, then the President should nominate a person for the specific task of meeting with the other side and framing a basis for a settlement. But before the envoy can be appointed, the Senate's advice and consent is needed. The treaty provisions arranged by the envoy would then be used by the President as a basis on which to approach the Senate for its advice and consent on concluding the treaty.

Fleming sums it up as follows. After his first treaty,

"Washington confined his communication with the Senate on the subject of treaties to written messages, though he still adhered to the practice of asking the advice of the Senate before negotiations were opened and during their course. Negotiations with England over the northeastern boundary were suspended until the President could consult the Senate, and the Senate agreed in advance to approve the proposed terms of a treaty with Algiers. Even this method of consulting the Senate during negotiations lapsed with Washington, however, and seems not to have been resumed until 1838, when President Van Buren asked the Senate to disapprove a proposed commercial treaty

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with Ecuador before negotiations rather than after. Polk, in 1846, asked the Senate's approval of suggested terms of peace with Mexico, and similar requests were forwarded by Buchanan and Lincoln in 1861, Johnson in 1868, Grant in 1872, and 1874, and Arthur in 1884. An indirect method of securing advance approval of the Senate was to nominate an envoy to negotiate a treaty and attach an outline of proposed terms. Confirmation of the appointment then automatically approved the treaty project. This device was used by Washington and Adams repeatedly and by Jefferson at least once."[40]

THE VERSAILLES TREATY

It simply makes common sense that if the Senate has to consent to treaties, then the President ought to consult with them in forming treaties to avoid embarrassments or a breakdown in foreign relations or in the relationship between the executive and the legislature. The latter could seriously weaken the nation. The Versailles Treaty of 1919 is a case in point.[41] President Wilson went to Europe at the end of World War I to negotiate the peace treaty with Germany and the Allies. He had entered into substantive negotiations and personally carried them through to the end without ever seeking the advice and consent of the Senate to do so. He was severely criticized for not abiding by the Constitution's treaty power provision. For example, Senator Lodge, the chairman of the Foreign Relations Committee, requested the President to submit a draft of the current treaty outline while the negotiations were still in progress and said:

"I am only asking something that has been done by almost all our Presidents who have consulted the Senate about entering into negotiations, about the character of negotiations, about awards, about pending negotiations . . . The Senate was consulted prior to negotiations by George Washington; it was consulted prior to negotiations by Abraham Lincoln. And in the path George Washington and Abraham Lincoln walked there is no man too great to tread.[42]

Senator Spencer said, "The President alone pursued his course, without any conference with the country he represented and with special disregard of the Senate, which, by the Constitution of the United States is made his legal adviser, particularly in connection with treaties."[43] But Wilson had his strong belief in the League of Nations plan which he had built into the treaty and felt that the Senate had little choice but to approve it. In his book *Constitutional Government in the United States* he had written:

"The initiative in foreign affairs, which the President possess without any restriction whatever is virtually the power to control them absolutely. . . . He need disclose no step of negotiation until it is complete, and when in any critical matter it is completed the government is virtually committed. Whatever its disinclination, the Senate may feel itself committed also."[44]

Indeed, when Wilson returned he toured the country to whip up support against the growing Senate opposition. But in the end his disregard for the Senate's advice and consent role during negotiations led to the Senate's rejection of the treaty.[45] It is highly probable that this event, which drove a wedge between the Senate and the Executive, was a prime factor in the more serious erosions of the treaty power that followed that period of time, such as the broader use of executive agreements, which the Senate is now attempting to correct.[46]

SUTHERLAND AND THE U.S. V. CURTISS-WRIGHT CASE

This section discusses the circumstances and considerations involved in the Supreme Court decision in *U.S. v. Curtiss-Wright*[47] in which the Court adopted Wilson's view of the treaty power. It can be shown herein that Justice Sutherland's statement regarding the treaty power was dictim and, furthermore, was without foundation.

Curtiss-Wright dealt with the legality of an embargo which was imposed by President Franklin D. Roosevelt pursuant to a joint resolution of Congress in 1934, on arms shipments to the belligerents in the Chaco War between Bolivia and Paraguay. The President was authorized to proclaim the embargo if he determined that it would contribute to restoring peace. In delivering the majority opinion, Justice Sutherland chose to discuss the treaty-making power even though this clause of the Constitution was not at issue. He contended that:

"Not only, as we have shown, is the federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate and manifold problems, the President alone has the power to speak or listen as a representative of the nation. He *makes* treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it."[48]

In support of this contention, Justice Sutherland quotes John Marshall: "The President is the sole organ of the nation in its external relations, and its sole representative with foreign nations."[49] It is true that only the President can represent our nation in conducting foreign negoitations. Hamilton in the *Federalist Papers* (No. 75), made it clear that it is most efficient to have the President conduct foreign negotiations and that the "Senate could not be expected to enjoy the same confidence and respect of foreign powers in the same degree . . . With that of the President." In No. 72 Hamilton stated that the "actual conduct of foreign negotiations" is "most understood by the administration."[50] Sutherland infers from John Marshall that the President can enter into substantive negotiations and even complete them through the agreement stage without the Senate's advice and consent. However, this is unfounded. Marshall made the statement in connection with an extradition treaty with England, *already in force*. An Englishman who committed a crime against English law on the high seas sought sanctuary in the U.S. Upon Britain's request President Adams was seeking to return the criminal to England. A resolution which alleged that the President was usurping judicial powers in returning the criminal was proposed in the House. Representative Marshall argued that the President was only executing the law of the land, that is, the extradition treaty. Marshall was not discussing the relation of the President to the Senate but his relation to the courts.[51]

The only other evidence offered by Sutherland was an 1816 Senate Foreign Relations Committee report [hereinafter called the 1816 Committee Report]. As we have seen, Corwin attempted to use this report to nullify Rufus King's explanation of the treaty power. It was shown above that the opinion expressed in the committee report, which did not purport to rest on constitutional grounds, was in effect repudiated by the Senate two years later when it adopted Rufus King's argument on the Constitution's treaty clause. However, since the 1816 Committee Report is the only reference cited by Sutherland which discusses the role of the Senate in relation to treaty negotiations, it is important to review in more detail the facts surrounding this report. The Senate Executive Journals for 1805 through 1828 (Vol. 2 and 3) are the sources for the facts used in the following discussion.

On May 31, 1813, President Madison asked for advice and consent to appoint John Q. Adams, and others, as ministers to negotiate a treaty of peace to end the war of 1812 and a treaty of commerce with Great Britain. The Senate approved most of the nominations but held up that of Albert Gallatin until Madison removed him as Secretary of the Treasury. (On January 14, 1814 Madison nominated Henry Clay and others to join the negotiating team and the Senate approved them also.) Thus, the Senate had the opportunity to offer advice but simply chose not to do so, presumably because they had confidence in the appointed negotiators and were not sure what advice to give. The Senate may also have felt that debating the matter would have delayed the end of the war. For example, on June 2, 1813 Rufus King moved to request from the President papers relating to the arrangement of the peace conference, and the Senate rejected the motion. On February 15, 1815 Madison submitted the treaty of peace for advice and consent. The treaty, known as the Treaty of Ghent, was quickly approved. The treaty of commerce, which was to come later, was still being negotiated.

On December 6, 1815 Madison submitted to the Senate "for their consideration, and advice as to ratification," the treaty of commerce with Britain. The treaty was ratified by the Senate, Rufus King voting yea. But immediately after the vote King proposed that the Senate "recommend to, and advise, the President to pursue further and friendly negotiations" with Britain for the purpose of securing additional trade agreements. The King proposals were referred to the Committee on Foreign Relations which submitted its report on February 16, 1816. This report, which was the one cited by Justice Sutherland, took the view that the proposals of King had been pursued in the negotiations and that the need for any further negotiation ought to be left up to the President. The matter was debated off and on for several weeks and then was dropped on a motion by King, on April 26, 1816, to postpone consideration indefinitely. The section of the 1816 Committee Report which was quoted by Sutherland follows:

"The President is the constitutional representative of the United States with regard to foreign nations. He manages our concerns with foreign nations and must necessarily be most competent to determine when, how, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee consider the responsibility the surest pledge for the faithful discharge of his duty. They think the interference of the Senate in the direction of foreign negotiations calculated to diminish that responsibility and thereby to impair the best security for the national safety. The nature of transactions with foreign nations, moreover, requires caution and unity of design, and their success frequently depends on secrecy and dispatch.[52]

The remainder of the 1816 Committee Report, not quoted by Sutherland, reads as follows:

"A division of opinion between the members of the Senate in debate on propositions to advice the Executive, or between the Senate and Executive, could not fail to give the nation with whom we might be disposed to treat the most decided advantage. It may also be added that if any benefits be derived from the division of the legislature into two bodies, the more separate and distinct in practice the negotiating and treaty ratifying power are kept, the more safe the national interest.[53]"

Thus, Sutherland's claim rests on this 1816 Committee Report. But, a review of the facts will prove that this report will not bear the weight he puts on it.

It is apparent from the above that the Senate, with the exception of Rufus King, was content in rendering advice after the negotiations were completed, although the Senators advised and consented to the envoyships. After all, the above mentioned peace

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Footnotes at end of article.

treaty and commerce treaty were successfully made in this manner and the successful Jay Treaty was also made in this manner. This method is constitutional provided that both the Senate and the President agree to employ it for each separate occasion. But the 1816 Committee Report attempts to establish this procedure as a matter of routine, which in effect is delegating to the President the Senate's share of that portion of the treaty-making power involving negotiation, although still retaining for the Senate the power to approve the appointment of those who negotiate. But the Senate does not have the constitutional power to delegate its powers, nor can the President assume delegated powers. It should also be noted that the Senate did not formally endorse the 1816 Committee Report. But more important, two years later during the debate on the Burrill resolution in 1818, Rufus King convinced the Senate that it cannot under the Constitution delegate any portion of the treaty-making power. (Recall that King was a prominent member of the Constitution Convention. Senator Bibb, who submitted the 1816 Committee Report, was not a delegate to that convention.) [54] The 1818 King speech, which was discussed earlier in connection with Senate Doc. No. 39, is presented here in complete text:

"Without adverting to the several branches of the executive power, for the purpose of distinguishing the cases in which it is exclusively vested in the President, from those in which it is vested in him jointly with the Senate, it will suffice on this occasion to observe that, in respect to foreign affairs, the President has no exclusive binding power, except that of receiving Ambassadors and other foreign Ministers, which, as it involves the decision of the competence of the power which sends them, may be an act of this character; to the validity of all other definitive proceedings in the management of foreign affairs, the Constitutional advice and consent of the Senate are indispensable.

"In these concerns the Senate are the Constitutional and the only responsible counsellors of the President. And in this capacity the Senate may, and ought to, look into and watch over every branch of the foreign affairs of the nation; they may, therefore, at any time call for full and exact information respecting the foreign affairs, and express their opinion and advice to the President respecting the same, when, and under whatever other circumstances, they may think such advice expedient.

"There is a peculiar jealousy manifested in the Constitution concerning the power which shall manage the foreign affairs, and make treaties with foreign nations. Hence, the provision which requires the consent of two-thirds of the Senators to confirm any compact with a foreign nation that shall bind the United States; thus putting it in the power of a minority of the Senators, or States to control the President and a majority of the Senate: a check on the Executive power to be found in no other case.

"To make a treaty includes all the proceedings by which it is made and the advice and consent of the Senate being necessary in the making of treaties, must necessarily be so, touching the measures employed in making the same. The Constitution does not say that treaties shall be concluded, but that they shall be made by and with the advice and consent of the Senate: none therefore can be made without such advice and consent; and the objections against the agency of the Senate in making treaties, or in advising the President to make the same, cannot be sustained, but by giving to the Constitution an interpretation different from its obvious and most salutary meaning.

"To support the objection, this gloss must be given to the Constitution, 'that the President shall make treaties, and by and with the advice and consent of the Senate ratify the same.' That this is, or could have been intended to be the interpretation of the Constitution, one observation will disprove. If the President alone has power to make a treaty, and the same be made pursuant to the powers and instructions given to his Minister, its ratification follows as a matter of course, and to refuse the same would be a violation of good faith; to call in the Senate to deliberate, to advise, and to consent to an act which it would be binding on them to approve and ratify, will it is presumed, be deemed too trivial to satisfy the extraordinary provision of the Constitution, that has been cited." [55]

After hearing King's speech the Senate voted to interfere in the direction of foreign negotiations—that is, it passed the Burrill resolution—and thereby rejected the opinion of the 1816 Committee Report relative to the treaty-making power. As for the commerce treaty with Britain that precipitated the 1816 Committee Report, the Senate voted to involve itself in the course of further negotiations on commerce with Britain on January 26, 1819 and again on January 3, 1820. These facts, and a correct understanding of John Marshall's "sole organ" speech, leave the opinion of Sutherland regarding treaty negotiations completely without foundation. Furthermore, Sutherland simply ignores the records of the Constitution Convention, the *Federalist Papers,* the record of the first years in the Senate Executive Journal, which records the executive proceedings apart from the legislative proceedings, and particularly the Rufus King speech and its associated Senate endorsement.

In the face of all this evidence the question is raised: What caused Sutherland to offer his dictum on the treaty-making power? An article by Forrest R. Black in 1931, *The United States Senate and the Treaty Power,*[56] is most revealing in this respect. Black reported that at that time there were "two widely divergent schools of thought as to the respective [constitutional] roles of the President and of the Senate" in making treaties:

"The Washington [interpretation] views the role of the Senate as an integral part of the treaty making function, which may be exercised at any stage of a negotiation; the other [interpretation], the Wilsonian, considers the function of the Senate merely to give sanction to a treaty that is already drafted . . . [and] would make the word 'advice' mere surplusage." [57]

The Wilsonian view found its literary expression in Corwin's book, *The President's Control of Foreign Relations,* 1917, which was written to answer "the numerous interesting questions which have arisen since Mr. Wilson went to Washington as to the powers of the President in the diplomatic field." [58] Black presented a very informative and thorough analysis of this issue and concluded that the "Washingtonian" interpretation was correct but he indicated that the "Wilsonian" view was more likely to prevail. In summing up the case for the Wilsonian advocates, Black states: "The gist of their case seems to be that *the nature of transactions with foreign nations requires caution and unity of design, and their success frequently depends on secrecy and dispatch . . . that a division of opinion between the Senate and the President could not fail to give the nation with whom we might be disposed to treat, the most decided advantage.*" [59] Now observe that the case for the Wilsonian advocates as reported by Black (italicized) was taken verbatim from the previously mentioned 1816 Foreign Relations Committee report and reappeared in the *Curtiss-Wright* opinion five years after Black's article when Sutherland adopted the Wilsonian interpretation.[60]

It is thus apparent that there was in the period of 1917–1936 an aggrandizement of the Executive in foreign affairs and that Sutherland in *Curtiss-Wright* played a part.

However, if Sutherland wanted to contend that the President has the power to negotiate without Senate advice, a power not explicitly delegated by the Constitution, then the burden was on him to come up with facts to justify that position. But the two minute fragments of historical data relied on by Sutherland do not support him. The meager basis for his treaty power opinion, however, can be explained. For there was a larger issue that concerned Sutherland and this was his theory of implied foreign affairs powers which was central to the trend toward more executive powers in foreign affairs. This theory occupies most of Sutherland's attention in his *Curtiss-Wright* opinion with the treaty power mentioned only briefly. (Moreover, if the negotiation of treaties was Sutherland's main concern, he surely would not have omitted the last paragraph of the 1816 Committee Report which said: ". . . the more separate and distinct in practice the negotiating and treaty ratifying power are kept, the more safe the national interest.") His theory is based on the assumption that the federal government's "powers of external sovereignty did not depend upon affirmative grants of the Constitution." [61] This theory is presented in more detail in his book, *Constitutional Power and World Affairs.*[62] A review of this book in connection with the treaty-making power is therefore essential because *therein* is Sutherland's *real* basis for his *Curtiss-Wright* opinion on the treaty power.

It would seem easy to disprove the view that "powers of external sovereignty did not depend upon affirmative grants of the Constitution," since the tenth amendment of the Constitution evidently precludes them. After all, the Court, in 1957, in *Reid vs. Covert* stated:

"The United States is entirely a creature of the Constitution. Its power and authority have no other source. It can only act in accordance with all the limitations imposed by the Constitution . . . the United States Government . . . has no power except that granted by the Constitution . . .[63]"

However, Sutherland, in his book, argued that if an external sovereignty power was not expressly granted in the Constitution, *but neither denied,* then this power (whatever it might be) was still granted to the national government by the Constitution since neither the people nor the states could have it in practicality. That is, he argues, the tenth amendment does not apply to external sovereignty powers because the framers (supposedly) intended that these powers were complete under the Constitution, whether or not they all are expressly stated in the Constitution's phraseology:

"We must cease to measure the authority of the general government only by what the Constitution affirmatively grants, and consider it also in the light of what the Constitution permits from failure to deny." [64]

Since Sutherland deprives us the use of the tenth amendment in order to reject his theory, we must review his basis.

Sutherland's book was written at the end of World War I. Because of the new magnitude of horror which the war had wrought, he expressed his strong conviction that the United States must build a miliary preparedness, including compulsory service, and actively participate in international politics and adopt:

"Every possible safeguard which can be devised to prevent a reptition of the conditions under which Germany came perilously near realizing her dream of European dictatorship . . . the master of Europe [will be] . . . the master of the world.[65]"

Although Sutherland opposed the League of Nation's plan, he urged "extension of the principles and plans" of the Permanent (International) Court of Arbitration established by the Hague Conference of 1899. He stated,

"It must be apparent to everyone that the field of national responsibility will be immensely broadened as a result of the war, and there will be presented questions not

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Footnotes at end of article.

only relating to this phase of the matter but questions no less important related to the power of the national government under the Constitution to deal with them.[66]

The powers of the national government over external affairs, all at once, therefore have assumed new and increased importance, in the light of which, a re-examination of their nature and extent is not only pertinent but may, sooner or later, become highly necessary; for it is certain that hereafter, whether desired or desirable, we shall be obliged to occupy a larger place in the affairs of the world, to participate to a far greater degree in world policies and lend substantial and increased assistance toward the solution of world problems." [67]

"For this condition of affairs, there must result, as will be shown hereafter at length [in his book], a rule of constitutional construction radically more liberal than that which obtains in the case of domestic powers . . . any rule of construction which would result in curtailing or preventing action on the part of the national government in the enlarged field of world responsibility which we are entering, might prove highly injurious or embarrassing.[68]

"[Therefore], in this new and extended relationship, we shall probably be obliged to extend the scope and application of the familiar meanings of the Constitution, and it may be to *find*—though not to *make*—new meanings." [69]

In his search for "new meanings" he states, after quoting the "precise language of the Constitution" regarding the treaty-making power:

"It will be observed that the advice and consent of the Senate qualifies the power of the President to make, not to negotiate, treaties. When a treaty is contemplated, therefore, the President may, and more often does, enter upon negotiations with foreign governments, through diplomatic channels, and carries them to the point of reaching an understanding as to the terms and phraseology of the treaty, before the advice and consent of the Senate is sought at all—subject of course, finally, to Senatorial action." [70]

This "new meaning" is of course incorrect as the wealth of evidence presented in this article demonstrates. Furthermore, Sutherland attempts no proof in his book of this assertion, except to say that the Constitution does not explicitly deny it. (Presumably, he relied on Corwin to attempt a proof since he undoubtedly had a high regard for him—*e.g.*, he called Professor Corwin's book, *National Supremacy*, "brilliantly convincing.") He "found" this separate "negotiation power" so that the President could move freely in international affairs by avoiding any possible Senate interference. For he states:

"The time is fast approaching, if it be not already here, when we must be able to assert and maintain for that [national] government the unimpaired powers of complete external sovereignty. We must not—we cannot—enter upon this field of amplified [international] activity with half-developed limbs. The complete powers of the governments of other nations must be matched by the complete power of our own government. Upon this enlarged stage of international negotiation and co-operation we cannot afford to play the part of a political cripple. Our government must come to its new tasks not only with full, but with unquestioned powers. To be obliged to confess, when called upon to deal with some novel but vital matter, that the government lacked sufficient authority, because of the absence of affirmative language in the Constitution, would be most humiliating and regrettable . . . any theory of constitutional construction which leads to such a result will not bear analysis and must be rejected." [71]

Sutherland argued that the President has this implied power to negotiate without Senate advice because the Constitution does not deny it. He argues that nowhere in the record of the Federal Constitutional Convention is it stated that our external sovereignty powers are incomplete. Hence, he states, because they are complete and because there is the power "to negotiate," separate (supposedly) from the power "to make" treaties, it resides with the Branch most suited—the Executive. Therefore, he argues that the separate power "to negotiate" is granted implicitly in the Constitution and, consequently, the tenth amendment, "the powers not delegated to the United States by the Constitution . . . are reserved . . . to the people," does not apply in this case. He states that we are

"dealing with a class of powers, sufficiently numerous to be difficult of exhaustive enumeration, but which, whether enumerated or not, might at any time, require exercise, and perhaps very prompt exercise."

However, the above theory and arguments by Sutherland, which were used to circumvent the tenth amendment, come crashing down to utter uselessness when confronted with the authority of the *Federalist Papers:*

"No. 14 (Madison). In the first place it is to be remembered that the general government is *not* to be charged with the whole power of making and administering laws. Its jurisdiction is liimted to certain enumerated objects [*i.e.*, listed one by one in the Constition].

No. 45 (Madison), The Powers delegated by the proposed Constitution are few and defined. Those which are to remain in the State governments are numerous and indefinite. The former will be exercised principally on external objects, as war, peace, negotiations, and foreign commerce."

And so we are *not* dealing with a class of external sovereignty powers that are too numerous to completely enumerate but rather these powers are "few and definied" and include those "certain enumerated objects."

Thus, the whole of Sutherland's opinion regarding the treaty-making power is not based on fact. It is dictum, without a factual basis, and, hence, is without authority.

Evidently, Sutherland was willing to chance his theory rather than attempt to confirm it, for he stated:

"I do not remember to have seen it stated, but obviously it must be this: that the exigencies of government administration, because of their great variety and constant augmentation cannot be foreseen and counsequently cannot be enumerated; and it is better to risk an occasional abuse of power than it is to incur the inconvenience and dangers arising from lack of effective power.[73] "

As to risking occasional abuse of power, George Washington had this to say:

"If, in the opinion of the people, distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly over-balance in permanent evil any partial or transient benefit which the use can at any time yield.[74] "

Although Sutherland's call for military preparedness and an international Court of Arbitration may have been good, his flaw was that he was willing to violate our Constitution so that the President could move more freely in international politics, thereby jeopardizing representative government here at home. We have already accumulated much experience under his theory of a separate, implied negotiating power and the results indicate little success in achieving "solutions to world problems." For example, Wilson sought to negotiate without Senate advice and he failed to make a practical League of Nations treaty as a consequence. We have had two large wars since then (World War II and Korea) and no satisfactory resolution of either of them was achieved through negotiations conducted without Senate consultation. We are presently involved in a longer, third war and, again, negotiation without Senate consultation has gotten nowhere. We have had and are having a frightening nuclear arms race and negotiation without Senate consultation has achieved only small success in nuclear arms limitation. As an indication of the extent which the Wilsonian view pervades the Executive Branch today, the President is reported to have said that the recently passed Senate Resolution 211 on the Strategic Arms Limitations negotiations was "irrelevant." [75]

SENATE ADVICE AS A BODY

The "advice of the Senate" required for treaty-making must take the form of a Senate resolution. The opinions of selected members invited to the White House cannot constitute Senate advice and neither can a collection of public statements made by individual Senators. The Constitution requires that "each Senator shall have one vote" [76] which was the equality of states compromise reached in the Federal Convention.[77] Madison, in the Federalist (No. 62) said that the states "ought to have an equal share in the common councils." Also, Jay in the *Federalist* (No. 64) said that "should any circumstance occur which requires the advice and consent of the Senate, he may, at any time, convene *them*." (emphasis added) Jay does not say and neither does the Constitution, that the President may seek out certain members and solicit only their advice, or that a committee of the Senate may provide the advice and consent.

To prove the last point one need only cite, again, the record of the Senate Executive Journal, Vols. I and II, and specifically the message to the Senate from President Madison in which he declined to confer with a Senate appointed committee on constitutional grounds:

"The appointment of a committee of the Senate to confer immediately with the Executive himself, appears to lose sight of the co-ordinate relation between the Executive and the Senate, which the Constitution has established, and which ought, therefore, to be maintained." [78]

Indeed, on another occasion the Senate attempted to confer with Madison through a committee and the President again declined. According to the report:

"He regretted that the measure had been taken under circumstances which deprived him of the aid or advice of the Senate." [79]

Having shown that advice of the Senate requires resolution of the Senate as a body, it should be said that only a simple majority vote is required rather than the two-thirds vote required for final ratification of a treaty. The clause, "provided two-thirds of the Senators present concur," evidently applies only to consenting to the treaty. It makes no sense to identify "concur" with the advice; the framers would not have thought it necessary to state in the Constitution that the Senate must concur in its own advice. Rather, if the Senate concurs, it is with the plan of another branch of the government. Inspection of the Senate Executive Journal, Vol. I, will bear out.

ORIGIN OF THE TREATY MAKING CLAUSE

Early drafts of the Constitution during the Federal Convention of 1787 gave the Senate sole treaty-making power. However, the framers were unable to agree that the Senate should have the sole power. Near the end of the convention, on August 31, a committee of eleven was appointed to which was referred this and other unfinished parts of the Constitution.[80] On September 4, the committee proposed to the convention the clause: "the President by and with the advice and consent of the Senate shall have power to make treaties." It is again noted that Rufus King

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was a member of this Committee of Eleven. This gives more weight to his 1818 Senate speech previously cited where he explicitly defined the treaty power. Madison was a member of this committee, also. Perhaps he drew upon his state's constitution for the phraseology of the treaty-making clause. The Virginia State Constitution, in effect at the time, stated, "he, [the Governor] shall, with the advice of a Council of State, exercise the executive powers of government." (The term "Privy Council" and "Council of State" were used interchangeably in the Virginia Constitution.) On September 7, Mr. Mason moved to install a "privy council" or "council of state" to advise the President in forming treaties, and leave to the Senate only the function of concurring in treaties and appointments, since otherwise the Senate would be required to be in constant session. Rufus King then argued that the inconveniences of having the Senate act as a "Council of Advice" did not warrant creation of a "New corps which must increase the expense as well as influence of the [federal] Government."[81] Mr. Gouverneur Morris argued that with a privy council the "President by persuading his council to concur in wrong measures, would acquire their protection for them."[82]

As for the concern over the Executive having to share secrets with the Senate, associating the term "privy council" with the Senate in the drafting of the Constitution explains why the Senate adopted a secrecy rule whenever receiving messages and documents related to treaty-making.[83] Further illustration of the point that the Senate was expected to share secrets is given by the fact that on September 7 the House of Representatives were excluded from treaty-making after Mr. Sherman argued that the power of making treaties "could be safely trusted to the Senate. He [Sherman] thought it could; and that the necessity of secrecy in the case of treaties forbade a reference of them to the whole Legislature."[84] According to F. R. Black the Wilsonian advocates advanced the argument that "real secrecy is impossible if the Senate is kept advised of the facts during the negotiation of the treaty." To this Black said:

> "But even if the Senate as a body should receive its [secret] information, it would be in executive session behind closed doors, and the argument that secrecy would be jeopardized is but a polite way of questioning the patriotism and the motives of the members of the United States Senate."[85]

PRESIDENT AS COMMANDER IN CHIEF

Corwin has argued that due in part to the Commander in Chief role (the President can arrange an armistice on his own authority), the President is "the sole organ of diplomatic relations to negotiate the final peace."[86] Here it seems that Corwin singles out the negotiation of peace treaties as the exclusive province of the Executive. To refute this view one need only consult the records of the Federal Convention.[87] After the treaty clause in its present form was adopted, Madison moved to insert "except treaties of peace" after the clause. After that motion passed, Madison "moved to authorize a concurrence of two-thirds of the Senate to make treaties of peace, without the concurrence of the President. The President he said would necessarily derive so much power and importance from a state of war that he might be tempted, if authorized, to impede a treaty of peace. Mr. Butler seconded the motion. Mr. Gorham thought the precaution unnecessary as the means of carrying on the war would not be in the hands of the President, but of the Legislature. Mr. Govr Morris thought the power of the President in this case harmless; and that no peace ought to be made without the concurrence of the President, who was the general Guardian of the National interests. Mr. Butler was strenuous for the motion, as a necessary security against ambitious and corrupt Presidents. He mentioned the late perfidious policy of the Statholder in Holland; and the artifices of the Duke of Marlbro' to prolong the war of which he had the management. . . . Mr. Williamson thought that Treaties of peace should be guarded at least by requiring the same concurrence as in other Treaties." The motion failed. The "except treaties of peace" clause was then stricken.[88] And so to negotiate the peace is *not* the sole power of the President as Commander in Chief. Rather, the situation is the same for peace treaties as for other kinds of treaties.

THE VIETNAM PEACE TREATY NEGOTIATIONS

If the Vietnam peace treaty negotiations are of the nature as to require the "indirect method," then the President should nominate an envoy to the Paris Conference and obtain the Senate's advice and consent to appoint the nominee for the purpose of framing a treaty with North Vietnam. The Senate may want to require that the envoy carry with him an outline of proposed terms. On the other hand, it may be preferable that a draft of a treaty be worked out between the Senate and the President which could serve as the basis for talks with North Vietnam and the NLF. This draft would also require the consent of the Senate. The President would then be free to negotiate a final draft with the other side unless the emerging treaty took a form substantially outside that which was consented to by the Senate. In the latter event, the President would be obligated to consult again with the Senate. Either way, a sound constitutional procedure is available to the President since the Senate would have in each case the opportunity to give advice and, upon agreement, its consent to whatever plan of action might be worked out. It can hardly be justifiably argued that this procedure would be impracticably slow in view of the singular lack of substantive progress after more than 26 months of negotiations in Paris with no official Senate participation. On the contrary, bringing the active participation of the Senate into these negotiations, as suggested in the above procedure, may result in greater and more rapid progress because there would be a closer correspondence between our negotiating policies and our national interests and welfare. To further support this contention, there is the rather obvious view expressed throughout the *Federalist Papers* (No. 62, 63, and 64 in particular) that the Senate is to be composed of the "most distinguished men of abilities, . . . who [along with the President] best understand our national interests . . . considered in relation to foreign nations," and who, because of their six-year terms, will provide "accurate and comprehensive knowledge of foreign politics, a steady and systematic adherence to the same views, and a nice uniform sensibility to national character." Jay stated that the six-year Senate term provided "sufficient time to become perfectly acquainted with our national concerns, and to form and introduce a system for the management of them." All of these statements point to the notion that the advice of the Senate is, if not indispensable, at least of great value in keeping our foreign policy consistent with our true interests and in keeping it from unduly fluctuating in order to avoid causing ill relations, or, in the words of the *Federalist Papers*, "forfeiting the respect and confidence of other nations."

Because the President and the Senators have all sworn to support the Constitution it seems only right to expect that both the President and the Senate undertake a thorough review of the treaty clause in order to ensure that each is indeed supporting the Constitution. It must be recalled that twelve of the sixty-six senators during Washington's administration were delegates to the Constitutional Convention (of approximately fifty delegates) and ten were delegates to the States' ratifying assemblies. (Recall that Washington was President of the Constitutional Convention, Hamilton was Washington's Secretary of Treasury, and Jay, the first Chief Justice, wrote the essays in the *Federalist Papers* relating to foreign affairs). These men worked together closely to make the government function as it was intended by the Federal Convention and the state assemblies which approved the Constitution. In view of this, the way in which the government operated during the first years under the Constitution should weigh very heavily in interpreting the Constitution. And during these first years the treaty power was exercised in a spirit of co-operation and consultation between the Executive and the Senate. This co-operation was an important factor in getting the Nation off on a successful and solid start.[89]

It has been said that the Paris Peace Negotiations are preliminary, a kind of sparring to see whether serious negotiations are possible, and thus do not require the President to seek Senate counsel.[90] However, there is only *one* phase of any negotiation which the President can conduct without Senate counsel and that phase was defined by Jay: "Those matters which in negotiation usually require the most secrecy and the most dispatch are those preparatory and auxiliary measures *which are not otherwise important in a national view* . . . For these the President will find no difficulty to provide . . ."[91] (emphasis added) Now as soon as the opposing parties in Paris agreed to the shape of the table and the place and times to meet, the "preparatory measures" were accomplished. From that time on, the discussions have surely been of "importance in the national view." Senator Bacon in his article, *The Treaty-Making Power*, said:

> "It is proper for the Senate to advise at all stages. We do not advise men after they have made up their minds and after they have acted; we advise men while they are considering, while they are deliberating and before they have determined and before they have acted.[92]

In closing, it should be said that the advice and consent of the Senate are intended to help the President in a common enterprise; they are not hostile limitations. Since in the final event, the President makes the peace treaty, he must try to realize that the Senate is his constitutional and only responsible counsellor, that the Senate is jointly responsible for the treaty and its early conclusion, and that the Senate exists to provide wise counsel. The treaty power makes demands upon the good faith of the President, since he must decide when it is appropriate to consult with the Senate, but consult he must. Our Constitution is both the *means* and the *end* of our foreign policy. Not to follow the Constitution would defeat its purpose.

FOOTNOTES

[*] The author is currently engaged in graduate research at The Ohio State University relating to nuclear safety studies of advanced reactor concepts for electric power production. He holds a B.S. degree in Engineering Physics from The University of Toledo.

[1] U.S. Const. article II, § 7.

[2] U.S. Const. amend. X.

[3] U.S. Const. article VI.

[4] The Federalist No. 64 (J. Jay).

[5] 299 U.S. 304 (1936).

[6] S. Doc. No. 39, 88th Cong., 2d Sess. (1964), p. 462:

"The plan which the Committee of Detail reported to the Federal Convention on August 6, 1787 provided that "the Senate of the United States shall have power to make treaties, and to appoint Ambassadors, and Judges of the Supreme Court." Not until September 7, ten days before the Convention's final adjournment, was the President made a participant in these powers. The constitution's clause evidently assumes that the President and the Senate will be associated throughout the entire process of making a treaty, although Jay, writing in the Federalist, foresaw that the initiative must often be seized by the President without benefit of Senatorial counsel. Yet so late as 1818 Rufus King, Senator from New York, who had been a member of the Convention, declared on the floor of the Senate: "In these concerns the Senate are the Constitutional and only responsible counsellors of the President. And in this capacity the Senate may, and ought to look into and watch over every branch of the foreign affairs of the nation; they may, therefore, at any time call for full and exact information respecting the foreign affairs, and express their opinion and advice to the President respecting the same, when, and under whatever other circumstances, they may think such advice expedient."

[7] *Id.*

[8] The Federalist No. 64 (J. Jay).

[9] *Id.*

[10] *Id.*

[11] Annals of Cong. 15 Cong. 1st Sess., I, at 106–07. *See also* 3 M. Farrand, The Records of the Federal Convention of 1787 at 424 (Yale Univ. Press).

[12] *Id.*

[13] M. Farrand, The Framing of the Constitution (Yale University Press).

[14] R. Ernst, Rufus King—American Federalist (University of North Carolina Press).

[15] 6 C. R. King, The Life and Correspondence of Rufus King 90–95.

[16] *Id.*

[17] E. S. Corwin, The President—Office and Powers 478 (N.Y.U. Press, 1948).

[18] 8 S. Doc. No. 231, 56th Cong. 2d Sess. *Compilation of Reports of Committee on Foreign Relations, 1789–1901*, p. 22–24.

[19] E. S. Corwin, *supra* note 17, at 254–58.

[20] S. Doc. No. 39, 88th Cong., 2d Sess. (1964), P–463.

[21] E. S. Corwin, The President's Control of Foreign Relations (1917), p. 85.

[22] Annals of Congress, August 22–26, 1789.

[23] R. Hayden, The Senate and Treaties—1789–1817 (MacMillan).

[24] E. S. Corwin, *supra* note 22, at 87–88.

[25] H. F. Graff, "Thinking Aloud: Participatory Foreign Policy," The New Leader Magazine, March 2, 1970. *See also* Cong. Rec. S4132, March 20, 1970, and E. F. Goldman, "The President, The People, and The Power to Make War," American Heritage Magazine, April, 1970.

[26] J. Q. Adams, Memoirs, Vol. 6, 310–430 [hereinafter cited as Memoirs].

[27] Sen. Exec. Journal Vol. 3, at 381.

[28] *Id.*

[29] *Id.* at 380–85.

[30] Memoirs at 361.

[31] Sen. Exec. Journal Vol. 3, at 410.

[32] E. S. Corwin, *supra* note 17 at 254–58.

[33] R. Hayden, *supra* note 23. *See also* Sen. Exec. Journal Vol. 1.

[34] Sen. Exec. Journal Vol. 1, at 37.

[35] 1 C. R. King, The Life and Correspondence of Rufus King 517.

[36] Sen. Exec. Journal Vol. 1, at 150; incidentally, the phrasing of Washington's message had its origin in the minutes of the above mentioned conference of Senators. *See id.*

[37] R. Hayden, *supra* note 23.

[38] E. S. Corwin, *supra* note 17 at 254–58.

[39] S. Doc. No. 39, 88th Cong., 2d Sess. (1964), p. 463:

"Actually, the negotiation of treaties had long since been taken over by the President; the Senate's role in relation to treaties is today essentially legislative in character. 'He alone negotiates. Into the field of negotiation, the Senate cannot intrude; and Congress itself is powerless to invade it,' declared Justice Sutherland for the Court in 1936."

[40] D. F. Fleming, The Treaty Veto of the American Senate 21–22 (Putnam).

[41] W. S. Holt, Treaties Defeated by the Senate 249–307 (Johns Hopkins Press).

[42] *Id.*

[43] *Id.*

[44] W. S. Holt, *supra* note 41.

[45] Anyone who thinks that the Senate acted irresponsibly should study the Senate Foreign Relations Committee majority Report against the treaty. Cong. Record, Sept. 10, 1919.

[46] *See* National Commitments Resolution, Cong. Record, p. 17214 (June 25, 1969). *See also* S. Rep. No. 91–129, supra note 18.

[47] 299 U.S. 304 (1936).

[48] *Id.*, at 319.

[49] U.S. v. Curtiss-Wright, 299 U.S. 304 at 319 (1936).

[50] The Federalist No. 72 (A. Hamilton).

[51] Annals of Cong. 6th Cong. 613.

[52] S. Doc. No. 231, *supra* note 18.

[53] *Id.*

[54] M. Farrand, *supra* note 13.

[55] Annals of Cong. 15th Cong., 1st Sess. 106–07.

[56] F. R. Black, The United States Senate and Treaty Power, 4 Rocky Mt. L. Rev. 1–19 (1931). Black's article discusses many other considerations and important historical events affecting the treaty power and refers to other articles on the subject. His article should be studied by all those pursuing this matter.

[57] *Id.*

[58] E. S. Corwin, The President's Control of Foreign Relations, preface.

[59] F. R. Black, *supra* note 56 at 12 and 14.

[60] The Curtiss-Wright case had to do with the President executing a law of Congress and not the negotiating of any treaty. So why did the Court settle one of the questions Corwin tried to answer? The Constitution does not grant the Judiciary the power to settle questions, *only cases*. It is ironic that in the very speech by John Marshall cited by Sutherland in the Curtiss-Wright decision. Marshall said this about the Court settling questions:

"By the Constitution, the Judicial Power of the United States is extended to all cases in law and equity, arising under the Constitution, laws, and treaties of the United States but the resolutions [under debate] declare that Judicial power to extend to all questions arising under the Constitution, treaties and laws of the United States. The difference between the Constitution and resolutions was material and apparent. A case in law or equity was a term well understood, and of limited signification. It was a controversy between parties which had taken a shape for judicial decision. If the Judicial power extended to every question under the Constitution, it would involve almost every subject proper for Legislative discussion and decision; if to every question under the laws and treaties of the United States, it would involve almost every subject on which the Executive could act. The division of power which the gentleman had stated, could exist no longer, and the other departments would be swallowed by the Judiciary." Annals of Cong., 6th Cong., at 606.

[61] U.S. v. Curtiss-Wright, 299 U.S. 304 at 319 (1936).

[62] Columbia University Press, 1919.

[63] 354 at U.S. 1 at 12 (1956).

[64] G. Sutherland, Constitutional Power and World Affairs 172 (Columbia University Press, 1919).

[65] *Id.* at 21.

[66] *Id.* at 18.

[67] *Id.* at 26.

[68] *Id.* at 21.

[69] *Id.* at 27.

[70] *Id.* at 122.

[71] *Id.* at 171.

[72] *Id.* at 36. During the struggle for ratification of the Constitution, there was great concern that the federal powers may not have been limited to those enumerated. James Wilson, who was a delegate to the Constitutional Convention from Pennsylvania, said to a "Meeting of the Citizens of Philadelphia" that "in delegating federal powers, . . . the congressional authority is to be collected, not from tacit implication, but from the positive grant, expressed in the instrument of union. . . . Hence, . . . everything which is not given, is reserved." (*Pamphlets on the Constitution*, Paul L. Ford, p. 156.) The people insisted, however, that Wilson's assurance be written into the Constitution. Madison led the effort to amend the Constitution accordingly and the 10th amendment was included in with the Bill of Rights. (*The Birth of the Bill of Rights*, Robert A. Rutland, pp. 126–218). However, there persists the view that the 10th amendment is not meaningful with respect to implied particular powers. *See The Federalist Era* by John C. Miller, p. 24. This view can be rejected with the authority of the *Federalist Papers*, No. 44. Here Madison makes it very clear that the term *enumerated powers* applies to those *general* powers *expressly* written into the Constitution and not to the innumerable *particular* powers that would be needed to exercise the former. The latter were to be provided for only by passing laws under the *necessary and proper* clause. This explains why the phrase "expressly delegated" does not appear in the 10th amendment whereas it appeared in the Articles of Confederation, Article II.

[73] *Id.* at 47.

[74] 35 J. Fitzpatrick, Writings of George Washington 229.

[75] Cong. Record, S.6100 (April 23, 1970).

[76] U.S. Const. article I, § 3.

[77] M. Farrand, *supra* note 13.

[78] Senate Exec. Journal Vol. 2 at 382.

[79] *Id.* at 389.

[80] 2 M. Farrand, The Records of the Federal Convention of 1787.

[81] *Id.* at 539.

[82] *Id.* at 542.

[83] *See generally*, Senate Exec. Journal Vols. 1, 2, and 3. *See also*, Senate Rules Manual.

[84] M. Farrand *supra* note 81 at 538.

[85] F. R. Black, *supra* note 59 at 13–14.

[86] E. S. Corwin, *supra* note 17 at 315.

[87] M. Farrand, *supra* note 80 at 540.

[88] *Id.* at 540–41.

[89] R. Hayden, *supra* note 23 at 3.

[90] *See* Senate Report 91–834; 91st Cong., 2nd Sess. May 1, 1970, "Termination of Middle East and Southeast Asia Resolution," p. 21, 29. On these pages the Department of State in commenting on various proposed Senate resolutions stated that the current Vietnam peace negotiations (as of December 4, 1969) were not "serious," "real," not "meaningful."

[91] The Federalist No. 64 (J. Jay).

[92] F. R. Black, *supra* note 57 at 2.

AUTHORIZATION OF APPROPRIATIONS FOR DEPARTMENT OF STATE—AMENDMENT

AMENDMENT NO. 84

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

OFFICE OF HUMANITARIAN AFFAIRS

Mr. PEARSON. Mr. President, I introduce today an amendment to S. 1248, the State Department authorization legislation. This amendment would create a new Office of Humanitarian and Social Services to coordinate the refugee, migration, and disaster relief activities of our Government.

Under the terms of the amendment, a new Bureau of Humanitarian and Social Services would be created within the Department of State and would be headed by an Assistant Secretary of State nominated by the President and confirmed by the Senate. All functions within the Department with respect to refugee and migration affairs and disaster assistance would become the responsibility of this official.

He would also be charged with operational responsibility for coordinating the activities of the United States in response to appeals for refugee relief or disaster assistance from abroad. This responsibility would include the conduct of liaison with voluntary overseas relief agencies and with international agencies.

Mr. President, this amendment is urgently needed. Our present response to appeals for refugee relief and disaster assistance is governed by an ad hoc, temporary approach too often gauged by the degree of public and congressional pressure. There is no single official in our Government who has continuing responsibility for the coordination of our response to such appeals. The result is our policies are diffuse and hydraheaded and they foster neglect and indecision where unified action is needed.

Our experience with the ad hoc committees formed to focus the resources of the United States on specific refugee or disaster situations has been unsatisfactory. The time required to make such committees operational hinders their eventual effectiveness. They have been subjected to rivalries among agencies of our own Government, leaving their ability to deal with problems in the field much diminished.

What is needed, Mr. President, is a spokesman who can articulate at the highest levels of our own Government the policy and budgetary considerations needed to translate the traditional humanitarian concerns of the American people into action. What is needed is a spokesman who can with a single voice state in international forums the policies of the United States—and then move to carry them out in cooperation with foreign governments and international organizations.

What is also needed, Mr. President, is a high level official in the Department of State who can conduct a week-to-week and month-to-month liaison with the great voluntary overseas relief agencies of this country. The 90 leading voluntary agencies contributed from the public some $430 million in 1972. This was more than twice the amount provided by the U.S. Government in Public Law 480 food commodities and transport—$192 million—and indeed represents a flow of assistance greater than the current level of development loan funding under the Foreign Assistance Act.

The amendment which I propose would raise the level of cooperation between the U.S. Government and the voluntary agencies. It would provide in Government a point of focus to improve communications with them. In any effort to create a continuing, unified administration for our refugee relief and disaster assistance activities, this is a matter of the utmost importance because it is the voluntary agencies which play the major role in implementing in the field our Nation's relief programs.

Mr. President, it has been argued that programs of refugee relief and disaster assistance should be as far removed as possible from the political and diplomatic conduct of our foreign policy. This view is no longer valid—if it ever was. Refugee problems have arisen in our relations with the Soviet Union. They have been a constant reminder of the Cuban situation. They have been an element of our relations with Israel and the Arab countries for too long. Although few are aware of it, refugee questions in Hong Kong and Tibet remain between the United States and Communist China. We saw in the case of East Pakistan that assistance to the victims of cyclone disaster and famine could not be isolated from the movement for independence in Bangladesh. Though we might wish it otherwise, the relief of human suffering must be accomplished within the political and diplomatic realities of an interdependent world.

An Assistant Secretary of State charged with responsibility for coordinating the operation of our relief activities would bring a considerable increase in the "clout" we have in any given disaster situation. It would allow the provision of Public Law 480 food commodities and other assistance provided by the Agency for International Development to move more readily into disaster stricken areas. It would not remove the administration of Public Law 480 food commodities from AID, but would simply improve the coherence of our relief activities of which Public Law 480 food is a part.

I would mention, Mr. President, that my amendment would not affect the administration's plans for rehabilitation assistance to Indochina, whatever those plans may be. Secretary of State Rogers and Dr. Henry Kissinger have both taken the position that specific legislative authorization would be sought for any Indochina relief program, and this requirement was recently written into legislation by the Senate. My amendment does not authorize any new expenditures for humanitarian assistance and is only intended to improve the mechanism for the delivery of such assistance.

I would also like to emphasize that this amendment represents no additional cost to the American taxpayer. It is offered as a step to consolidate a function within our Government which has until now been allowed to dissipate throughout several bureaus and agencies. I am convinced the American people continue to support a government role in the field of overseas humanitarian assistance, but I am equally convinced they want their money's worth in this endeavor. The consolidation of functions and programs called for in my proposal could well save scarce tax dollars and at the same time produce greater operating efficiency.

This measure is one which has broad support among the voluntary agencies whose representatives have testified on numerous occasions in favor of the creation of a Bureau of Humanitarian Affairs. In addition, the task force on international development led by Rudolph Peterson considered the proposal in its report, "U.S. Foreign Assistance in the 1970's: A New Approach," and I quote from that report:

> Disaster and emergency relief and refugee assistance . . . are now administered by AID and the Department of State in conjunction with the Department of Agriculture. Most of the food programs are conducted by U.S. affiliates of international voluntary agencies under arrangements made with AID. The disaster relief and emergency programs are also the responsibility of AID. The refugee program is administered by the Department of State largely through international organizations. The task force recommends that administration of these programs be brought together under one office in the Department of State.

President Nixon in his message to Congress of April 1971, on foreign assistance recommended that we distinguish clearly between our security development and humanitarian assistance programs. With relation to the latter, he stated:

> At present, humanitarian assistance programs are carried out through numerous offices in the U.S. government. I propose to centralize the responsibility for coordinating all humanitarian assistance programs under a new Assistant Secretary of State. We would thereby assure a coherent effort to carry out this vital and literally life-saving aspect of our foreign assistance policy. This new approach would also improve our capability to respond quickly and effectively through better contingency planning, additional stockpiling and training, and the maintenance of closer and better coordinated relationships with the United Nations, other donor countries, and the voluntary agencies.

Finally, the Foreign Relations Committee of the Senate in its report on aid to Bangladesh in 1971 expressed its support of the concept that the Department of State should carry out the job of coordinating our overseas relief activities.

I cite these several expressions of support for the concept raised by my amendment because they demonstrate something of which I am firmly convinced—the need for such a measure is felt throughout Government. There are those who would say we should wait to make this reform until we can reform the entire foreign policy establishment. This would be the ideal solution. But I believe the results to date of the President's own reorganization proposals show us that these things are not done by a fell swoop but in reality one step at a time. And here I should note that last year Congress took the first step; it approved the President's recommendation that our security assistance programs be consolidated under the authority of an Under Secretary of State for Security Assistance. Having taken this step, Congress should now approve the establishment of a Bureau of Humanitarian Affairs to be under the direction of an Assistant Secretary of State.

We have today a consensus in favor of the creation of a new Office of Humanitarian Affairs. It would bring a new unity to the administration of those programs. It would provide the Congress with a coherent point of oversight for our now badly proliferated refugee, migration, and disaster assistance budget. And it would raise the levels of communication as between Government and the voluntary agencies.

With these considerations in its favor, I will not dwell on the true reason for such an office—the human reason. Suffice it to say if we can be more responsive in the relief of human suffering, then we should not delay in taking this step. Therefore, I would urge the Senate and the Foreign Relations Committee to consider my amendment for the earliest legislative action.

Mr. KENNEDY. Mr. President, I am pleased to join my distinguished colleague, the senior Senator from Kansas, in introducing legislation to establish a Bureau of Humanitarian and Social Services within the Department of State.

As Senator PEARSON has noted, this bureau would be headed by a Presidential appointee and would serve as a "focal point" for implementing international humanitarian policy and services now scattered throughout the executive branch.

Mr. President, direct expenditures for refugee and other international humanitarian programs now total at least $500 million annually. The current administration of international refugee and humanitarian affairs is hydraheaded and diffuse, which fosters neglect and indecision where more decisive action is needed. Our country can no longer afford this approach. For in today's world, people problems are at the heart of too many international issues—and, on both humanitarian and political grounds—they increasingly demand high-level leadership and concern, by our own country and the international community.

The United States is a great and powerful country, and we freely use our influence and power in many ways and for many ends. But the power to heal and to rehabilitate the hapless victims of conflict, disaster, and oppression, is not being exercised with a resolve equal to the other uses of our power and the needs of our time.

The dismal history of our Nation's response to civilian suffering in Cambodia today—and in all of Indochina—underscores again the need for stronger national leadership to support American private voluntary and religious agencies overseas, and to revitalize the spirit of compassion and decency and hope in American foreign policy.

Mr. President, by the President's own admission the time is long overdue to raise the level of responsibility and encourage stronger national leadership in international humanitarian affairs. I hope the administration will therefore support this legislation, and finally work with the Congress to bring order and more effective action in a significant area of public policy and concern.

As chairman of the Judiciary Subcommittee on Refugees, I have since 1965 followed with some concern this question, and have long advocated the creation of a Bureau of Humanitarian and Social Services. A report of the subcommittee in 1969 formally recommended such a reorganization, which was supported by President Nixon in subsequent messages to the Congress on foreign aid management and reorganization. So I hope today will finally see action on these longstanding proposals.

Mr. President, I hope to soon spell out in greater detail the rationale and history of this proposal, and to provide the Senate with all the relevant information gathered over the years by the Subcommittee on Refugees on this question.

AUTHORIZATION OF APPROPRIATIONS FOR THE NATIONAL COMMISSION ON PRODUCTIVITY—AMENDMENT

AMENDMENT NO. 85

(Ordered to be printed, and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. JAVITS. Mr. President, I submit for printing under the rule, on behalf of myself and Senators PERCY and TAFT, an amendment to authorize appropriations for the National Commission on Productivity.

Mr. President, I think it is very clear that we must beef up the National Productivity Commission, which has not done the job that needs to be done, and I believe that it will help the distinguished subcommittee headed by the Senator from Louisiana (Mr. JOHNSTON), which is having hearings on this matter as a subcommittee of the Committee on Banking, Housing, and Urban Affairs, to have this amendment by Senators JAVITS, PERCY, and TAFT printed.

I hope, Mr. President, that Senator JOHNSTON will join with us, after properly waiting to consider what occurs in his hearings, in seeking to establish this commission on a very much stronger basis than it has been, and also in seeing that it gets to work, because I know of no single more important problem facing our country than the productivity problem. The distinguished Senator from Louisiana has, I believe, been likeminded in wanting to get positive action out of the productivity commission, and so this amendment is offered in the same spirit of cooperation which he has shown in recognizing, and dealing with, this important issue.

AMENDMENT OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965—AMENDMENT

AMENDMENT NO. 86

(Ordered to be printed, and to lie on the table.)

Mr. McCLURE. Mr. President, earlier today, the Senator from New Mexico (Mr. MONTOYA) reported to the Senate on behalf of the Committee on Public Works H.R. 2246, extending for another year the Public Works and Economic Development Act of 1965.

I send to the desk an amendment cosponsored by Senator BAKER, ranking minority member of the full committee, which I offered in committee, and which I intend to offer to the bill when it comes before the Senate. My purpose is to secure acceptance of a bill—admittedly a minimum bill, but preserving the most essential features of EDA—a bill which could be enacted and become law.

Senator BAKER and I are concerned, as I believe is the majority of the committee, that certainly the extension proposed by the House and, according to the statement of the Secretary of Commerce, evidently the bill reported by the committee, will be vetoed and the entire EDA program terminated before the first of July.

Mr. President, I ask unanimous consent that my supplemental views, as presented in the committee report, along with those of Senator BAKER, be printed in the RECORD at this point for the information of Members and their staff in the days ahead preceding Senate consideration of the bill, which could occur immediately after the Easter recess. I ask also that our letter, addressed to Members of the Senate inviting their support for the substitute, be included in the RECORD as well.

I emphasize, as Senator BAKER has done in his views, that we consider our objective fundamentally the same as that of the majority of the committee—to keep alive the institutions we have developed and to maintain authorization for grants for essential projects in these pockets of very high unemployment, especially during a transition to whatever programs will follow. Our difference with the committee recommendation lies in our view of what is required in order to attract sufficient support to finally achieve this purpose.

We believe that a strong set of arguments can be made for the substitute, so that there would be a much more practical chance of having it become law—and for that reason hope very much the substitute will be adopted.

There being no objection, the views and letter were ordered to be printed in the RECORD, as follows:

SUPPLEMENTAL VIEWS OF MR. MCCLURE AND MR. BAKER

VIEWS OF MR. M'CLURE

During Committee consideration of S. 467, I offered a substitute proposal which would provide $100 million for grants for sewer and water and other essential public facilities, administrative funds for the two institutional structures established under the Public Works and Economic Development Act (the Economic Development Districts and the Title V Regional Commissions), and $52 million in program grants funds for the seven Title V Regional Commissions.

The bill introduced by Senator Randolph, S. 467, was a one-year extension of the existing Act at the currently authorized level of $1.2 billion. The full committee recommended that measure, but with the authorization reduced to $362.5 million.

I believe that my substitute, which appears at the end of these views and which I will offer in the Senate, has certain advantages over the bill reported by the Committee: namely, by establishing priorities, avoiding duplication with other Federal programs, and setting authorizations at a level which can realistically be funded.

First, it establishes priorities and moves to simplify and clearly direct the program: 1) It authorizes $100 million for grants under Title I, for public facilities grants which are the practical heart of the program. This compares to $136.5 million appropriated last year for Title I (exclusive of $30 million in disaster monies provided in a supplemental). 2) It keeps the institutional structures in place by authorizing administrative funds—$6 million for the Economic Development Districts and $9 million for Title V Regional Commissions. 3) It authorizes $10 million in operating grants for each of the five Regional Commissions which have completed comprehensive plans as required under the Act, plus $1 million for each of the two newer Commissions.

Second, the substitute sharply limits the scope of the present program by restricting the Title I public facility grants to essential projects required to protect public health or safety, and those certified by the Governor to be necessary for the location of job-producing industry in the depressed area. In addition and more importantly, the substitute prevents program duplication by specifying that Title I grants shall be available only when construction of the project cannot be accomplished with funds available under the Rural Development Act, the Housing and Urban Development Act, or the Federal Water Pollution Control Act. It recognizes, however, that areas impacted by low incomes and chronic unemployment cannot compete on an equal basis with more fortunate areas, and that in such areas needed projects cannot be financed solely with loans.

Third, the substitute reduces the total authorized by the bill to $167 million—less than half the Committee amount and more than one billion dollars less than the House bill. Unrealistically high authorizations, which bear little relation to the actual funding level and which cannot, in the aggregate be accommodated in the budget, have helped to bring about the present situation which in effect leaves it to the Executive branch to establish priorities and determine to what extent the many program authorizations are actually carried out. It is my position that authorizations should express the finding of the legislative committee as to the appropriate and realistic funding level. Indications of total need or ultimate goals are better made in the Committee report.

In maintaining the Economic Development Districts, my substitute is directed to those districts certified by the Governor as the local A–95 clearinghouse agency, because I value the coordinating role for Federal programs which these districts perform. The A–95 clearinghouses are established under the direction of the Office of Management and Budget to increase efficiency and avoid waste. This arrangement insures working with States, rather than expanding Federal-local relationships which bypass States.

The $61 million provided in my substitute for the Title V Commissions compares with $75 million in the Committee bill, and $42 million appropriated last year to cover expenses of all seven commissions. The Title V Commissions have developed their plans, and for years this Committee has promised that operational funds would be provided, as under the Appalachian Regional Development Act which preceded their formation.

For the above reasons—establishing priorities, avoiding duplication with other Federal programs, setting realistic authorizations at a minimum level—I believe my alternative is superior to the House and Senate Committee approach of simply extending the present Act or arbitrarily reducing the authorizations for each Title of the Act. I believe that the substitute would also provide a sound transition to any future policy—the relocating the Act's functions in other agencies or programs if that is decided upon, consolidating them into special revenue sharing if that is decided upon, or folding the EDA program into any future alternative legislation developed by this Committee or others.

I cannot say my substitute will be supported by the executive branch, which seeks to terminate EDA by June 30, 1973. But I have given thought to this matter and believe my proposal meets the principal criticisms made by the Administration against the existing program. I believe it to be an objective approach, one which I would hope members on both sides might support—as an extension of the best elements of EDA, but in a way that encourages and can lead to program consolidation and reform.

VIEWS OF MR. BAKER

I concur with the views of Senator McClure, and strongly support the substitute he offered as the ranking minority member of the Subcommittee on Economic Development, in the development of which I shared. I appreciate also the deep interest and good work of Senator Domenici on this bill, and expect to vote for his alternative as well.

I am deeply concerned that the EDA program will be terminated before the Congress has assurance that the useful institutions and programs which have been developed will be preserved, or their functions effectively carried out under other programs. I believe the McClure proposal would maintain those essential feaures—primarily sewer and water grants in depressed areas where they cannot be constructed through loans alone, the multi-county Economic Development Districts, and the multi-State Regional Commissions. It could provide a transition to programs which may be implemented under other existing authority, or under Administration proposals which may be later enacted.

It is true that the Committee bill sharply reduces the existing level of EDA authorizations—to approximately the level of fiscal 1973 appropriations. And I believe the proposal offered by Chairman Randolph, which the Committee adopted, is similar in its purpose to the McClure substitute which I support: that is, it recognizes the need for reconsideration, modification and reform of the EDA program as it has developed over the years, but urges a continuation of that authority until revised and improved programs are actually put into place.

The difference lies in our appraisal of the minimum program which can be finally enacted to achieve this purpose. I anticipate that the Committee bill, even though it reduces the level of previous authorizations, will not be accepted by the Administration. I have no assurance that the substitute could be. However, as Senator McClure has stated, the substitute is designed to establish priorities, to avoid duplication, and to limit the scope of the program to those elements we consider essential. We believe, therefore, that a strong argument can be made for the substitute—as an expression of Congressional intent which meets a number of the objections raised against continuation of the EDA program without change.

I hope very much that the Senate may adopt the substitute as the best hope at this time of accomplishing our common purpose.

U.S. Senate,
Washington, D.C.

Dear Colleague: When the Senate takes up H.R. 2246, the Public Works and Economic Development Act Amendments of 1973, we intend to offer a substitute proposal extending three programs of the present Act for one year: the basic grants for water and sewer and other essential public facilities, the multi-county Economic Development Districts, and the multi-state Regional Commissions.

The substitute would authorize $100 million in grants for water and sewer and other public facilities where necessary to protect public health or safety or where the Governor certifies that such facilities are essential for the location of job-producing industry in the depressed area. In addition and most important, the substitute prevents program duplication by making the grants available only for projects which cannot be constructed with funds available under the Rural Development Act, the Housing and Urban Development Act, or the Federal Water Pollution Control Act. Second, it would authorize administrative funds for the multi-county Economic Development Districts, which also serve as the local clearinghouses under the A–95 procedure established by the Office of Management and Budget to increase efficiency and avoid waste among Federal grant-in-aid programs. Finally, it would provide administrative funds for the seven Title V multistate Regional Commissions; and program grant funds to the Regional Commissions.

The bill reported by the Committee would extend all five Titles of the Act for another full year at an authorized level of $362.5 million. Fiscal year 1973 appropriations under the Act were $367 million. The substitute we propose would authorize $167 million—but sharply limited to the elements many of us consider most useful, and which ought not be hastily abandoned.

We believe our substitute has these advantages over the Committee bill: it establishes priorities; it avoids duplication with other Federal programs; and it sets realistic authorizations at a minimum level. The substitute could also provide a sound transition to any future policy—the relocating of the Act's functions in other agencies or programs, consolidating them into special revenue sharing, or folding the program into any future alternative legislation.

The 1974 budget requests $20 million for termination of the Public Works and Economic Development Act. It is the Administration's contention that the objectives of the EDA program will be continued under other programs—either already authorized, such as the Rural Development Act, or being proposed as with Urban Revenue Sharing.

We are concerned that the Committee bill, if passed by the Senate, will not be accepted by the Administration. We have no assurance that our proposal could be. But the substitute we have developed meets the principal criticisms made by the Administration against the existing program—and against the extension vetoed last fall. We believe a strong argument can be made for it—as a measure which defines the Congressional interest in preserving the most essential elements of the EDA program, at least until revised and improved programs are actually put into place.

In the absence of an extension which becomes law, the entire EDA program—the institutions developed over the years with considerable effort, its functions of established utility, and those portions which we acknowledge should be reformed or replaced—will all be lost.

It is for these reasons— to keep alive the institutions we have developed, and to maintain authorization for grants for needed projects which can be funded under other or prospectively proposed programs—that Senator McClure, as the ranking minority member of the Economic Development Subcommittee, offered this proposal in Committee and intends to offer the amendment in the Senate.

Our views and the text of the substitute appear in the Committee report. If you or your staff desires further information, we would be glad to talk to you, or you may wish them to be in touch with Mr. Guard or Mrs. Parente of the Committee staff on extension 5-7854.

Sincerely,

James A. McClure,
Howard H. Baker, Jr.

Mr. McCLURE. Mr. President, I ask unanimous consent that the text of the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 86

Strike out all after the enacting clause and insert in lieu thereof:

Sec. 2. Section 105 of the Public Works and Economic Development Act of 1965 is amended by inserting "(a)" after "Sec. 105." and by inserting at the end thereof the following:

"(b) There is authorized to be appropriated not to exceed $100,000,000 for the fiscal year ending June 30, 1974, to carry out the provisions of this title, except that such amount shall be available only for grants for projects for public water supply systems, public sewage collection lines, or for other essential public facilities which cannot be constructed with funds available under the Rural Development Act of 1972, the Housing and Urban Development Act of 1965, the Housing Amendments of 1955, or the Federal Water Pollution Control Act as amended, and with respect to which—

"(1) the sponsoring State, political subdivision, Indian tribe or organization or association establishes to the satisfaction of the Secretary that such facilities are necessary to protect against an imminent danger to the public health or safety; or

"(2) the Governor of the State in which the project is to be located establishes to the satisfaction of the Secretary that such facilities are necessary for the establishment of industry providing new jobs and that such industry will be established if such facilities are provided."

Sec. 3. Section 302 of the Public Works and Economic Development Act of 1965 is amended by inserting "(a)" after "Sec. 302." and by inserting at the end thereof the following:

"(b) There is authorized to be appropriated not to exceed $6,000,000 for the fiscal year ending June 30, 1974, to carry out the provisions of section 301(b) of this title, except that such amount shall be available only for grants to organizations which operate in economic development districts, designated pursuant to part B of title IV, and which organizations are designated by the Governor as the clearinghouse agency for federally assisted projects pursuant to the provisions of Circular A–95 of the Office of Management and Budget."

Sec. 4. Section 505 of the Public Works and Economic Development Act of 1965 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) There is authorized to be appropriated not to exceed $9,000,000 for the fiscal year ending June 30, 1974, to carry out the provisions of this section."

Sec. 5. Section 509 of the Public Works and Economic Development Act of 1965 is amended by striking out subsection (d) and inserting in lieu thereof the following:

"(d) There is authorized to be appropriated to the Secretary to carry out this title, for the fiscal year ending June 30, 1974, not to exceed $10,000,000 for each regional commission which has a comprehensive long-range economic plan approved under section 503(a)(2) of this Act, and not to exceed $1,000,000 for each regional commission which does not have such an approved plan."

NOTICE OF HEARINGS ON MILITARY SALES AND ASSISTANCE ACT

Mr. FULBRIGHT. Mr. President, the Committee on Foreign Relations will hold hearings on S. 1443, the Foreign Military Sales and Assistance Act, on May 2, 3, and 4 at 10 a.m. and 2:30 p.m. each day in room 4221 of the Dirksen Office Building. The committee will receive testimony from administration witnesses on May 2 and from public witnesses on May 3 and 4.

Anyone wishing to testify on the above bill should contact Mr. Arthur M. Kuhl, the chief clerk of the committee.

NOTICE OF HEARINGS ON NOMINATIONS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Members of the Senate and other interested persons that the Committee on Interior and Insular Affairs has scheduled open public hearings on Monday, April 16, at 9:30 a.m. to take testimony on the nominations by President Nixon of Dr. Laurence Lynn, of California, to be Secretary of the Interior for Program Development and Budget, and Kent Frizzell of Kansas to be Solicitor of the Interior Department. The hearing will be held in the committee room, 3110 Dirksen Senate Office Building.

Persons wishing to testify or submit statements for the hearing record on either or both of these nominees should so advise the staff of the Interior Committee.

Mr. President, I ask unanimous consent that the text of two press releases from the Office of the Secretary of the Interior containing brief biographical sketches on both of the nominees be printed in the Record at this point in my remarks.

There being no objection, the sketches were ordered to be printed in the Record, as follows:

Laurence Edwin Lynn, Jr.

Address: 3269 Arcadia Place, N.W., Washington, D.C. 20015.

Date of Birth: June 10, 1937. Married, four children.

Education: Ph.D. (Economics) Yale University, 1966. A.B. (Economics) with honors, University of California, Berkeley, 1959.

Thesis: U.S. Foreign Economic Aid and the U.S. Balance of Payments, 1954–1963.

Honors: Phi Beta Kappa; Yale University Scholarship; Ford Foundation Doctoral Dissertation Fellowship; Secretary of Defense Meritorious Civilian Service Medal; Presidential Certification of Distinguished Achievement.

Experience: June 1971–Present: Assistant Secretary for Planning and Evaluation, U.S. Department of Health, Education, and Welfare. Responsible for coordination of Department activities in economic and social analysis, policy development, policy and program evaluation, and long range planning. Develops and participates in the administration of the Department's planning and evaluation systems.

September 1970–June 1971: Associate Professor of Business Economics, Graduate School of Business, Stanford University. Taught courses in economic analysis, decision-making in the public sector, and business in the changing environment to MBA candidates. Consultant to National Security Council on strategic intelligence, defense programs and policies; Department of Health, Education, and Welfare on higher education; Chief of Naval Operations on naval strategies and programs.

January 1969–August 1970: Assistant for Programs to Dr. Henry A. Kissinger, Assistant to the President for National Security Affairs. Directed the Program Analysis Staff (6 professionals), which was responsible for supervising comprehensive country and regional program analyses to be used as the basis for Presidential and NSC decisions on major policy and program issues; provide general staff assistance, direct interagency study groups, prepare studies and analyses on U.S. strategic intelligence estimates and capabilities, strategic arms limitation, defense strategies, programs and budgets, Vietnam policies and programs, other program-related issues.

April 1968–January 1969: Deputy Assistant Secretary of Defense (Economics and Resource Analysis), Office of the Assistant Secretary of Defense (Systems Analysis). Responsibilities included supervising and directing the work of a staff of 70, including 50 professionals, organized into the following divisions: Mobility Forces; Command, Control and Communications; Cost Analysis; Manpower Requirements; Special Economic Studies. Worked directly with the Secretary and Deputy Secretary of Defense, Assistant Secretaries of Defense, Secretaries and other senior civilian and military officials of the military departments.

February 1966–April 1968: Director of Strategic Mobility and Transportation Division and then of Economics and Mobility Forces in the Office of the Assistant Secretary of Defense (Systems Analysis). Directed extensive program of research, studies and analyses on U.S. requirements for airlift and sealift forces, national maritime policy, economic impact of defense expenditures, related issues.

July 1965–February 1966: Weapon Systems Analyst, Office of the Assistant Secretary of Defense (Systems Analysis).

July 1963–July 1965: U.S. Army (1st Lieutenant, Infantry).

Publications: "Notes from HEW," in *Evaluation*, Fall, 1972.

"Economic Models in the Analysis of Military Strategic Mobility Requirements," in *Proceedings, 17th Military Operations Research Symposium*, Spring 1966.

"The Analysis of Strategic Mobility Problems," in *Papers-Seventh Annual Meeting, Transportation Research Forum*, November 1966.

"Strategic Mobility and Logistics," in *Proceedings, 20th Military Operations Research Symposium*, Fall 1967.

"Economic Impact of Defense Programs: Progress and Prospects," (with R. Riefler) *1967 Proceedings of the Business and Economic Section—American Statistical Association.*

"Economic Analysis of Public Investment Decisions: Interest Rate Policy and Discounting Analysis," *Hearings Before the Subcommittee on Economy in Government of the Joint Economic Committee*, U.S. Congress, 90th Congress, 2nd Session, Washington, D.C., U.S. Government Printing Office, 1968, pp. 141–150

"Systems Analysis—Challenge to Military Management," in Cleland, David I., and King, William R., eds. *Systems, Organizations, Analysis, Management: A Book of Readings*, McGraw-Hill, 1969.

Other Research: Performed contract research and engaged in consultation of U.S. foreign economic assistance and the U.S. balance of payments for U.S. Agency for International Development. Reports submitted to A.I.D.: "U.S. Foreign Economic Assistance and the U.S. Balance of Payments, 1954–1962," "Analysis of Regional and Third Country Impact," "The Analysis of Tied Aid: Some Concepts and Methods." Author, "A Program to Compute Partial Correlation Coefficients," Yale Computer Center Memorandum No. 10, May 10, 1963, and "A Program for Obtaining Efficient Estimates of the Parameters of a Set of Single Equation Regressions," Yale Computer Center Memorandum No. 12, May 10, 1963. Participated in drafting chapter on defense programs and budgets for Brookings Institution analysis of the 1972 federal budget.

Biography of Kent Frizzell

Personal and family: Born February 11, 1929, Wichita, Kansas; married, wife Shirley, 5 children.

Education: Wichita Public Schools; Undergraduate Work at Northwestern University, Evanston, Illinois; B.A., Friends University, Wichita, Kansas; J. D., Washburn University Law School, Topeka, Kansas; Lecturer of Business Law, Wichita State University.

Business and professional: Assistant Attorney General, Land and Natural Reources Division, Department of Justice, Washington, D.C., 1972–1973; Kansas Bar Association, Member; American Bar Association, Member; Federal Bar Association, Member Legal Counsel for Kansas, Republican National Committee, 1970–1971; Phi Alpha Delta Legal Fraternity.

Public offices held: Republican Precinct Committeeman, 1950–1964; Wichita Board of Education, Member 1959–1965, President 1963–1964; State Municipal Accounting

Board, State of Kansas, Member 1961–1964, Chairman 1963; State Senator, State of Kansas, Twenty-fifth Senatorial District, 1965–1969; Attorney General, State of Kansas 1969–1971; Republican Nominee for Governor, State of Kansas, 1970.

Civic and other: Sunflower Boys' State, Past President, 1960; Sedgwick County Campaign Chairman for United States Senator James B. Pearson, 1962 and 1966; State Legal Counsel, Kansas Jaycees, 1965; Judge Advocate, American Legion Department of Kansas, 1966; Trustee, Mid Continent Regional Educational Laboratory, 1966–1968; National Law and Order Committee of the American Legion, Member, 1968–1969; Who's Who in American Politics; Kansas Wildlife Federation, Member 1968–1971; March of Dimes, Campaign Director for Northeastern Kansas, 1971–1972.

Church: St. Luke's Methodist Church, Wichita, Kansas; Director, Methodist Youthville, Newton, Kansas, 1964–1971.

ADDITIONAL STATEMENTS

THE NUCLEAR-POWERED HEART PACEMAKER

Mr. SCOTT of Pennsylvania. Mr. President, on Tuesday, there were from 60,000 to 75,000 Americans who were overjoyed by an announcement from the Beth Israel Hospital in Newark, N.J., and the National Heart and Lung Institute in Bethesda, Md. These Americans need and use cardiac pacemakers to help them live with a malfunctioning heart. On April 9, 1973, nine surgical operations were performed at these institutions in which a nuclear-powered heart pacemaker, developed in the Commonwealth, was used instead of the conventional mercury battery model. Most importantly, the nuclear pacemaker will function for 10 years before it requires replacement. Persons with conventional pacemakers must undergo surgery once every 2 years to have a new pacemaker implanted.

It was my privilege in 1972 to sponsor an amendment, along with Senator SCHWEIKER, Senator WILLIAMS, and Senator BIBLE, that directed new Atomic Energy Commission funds to a western Pennsylvania firm, enabling it to proceed with development of the nuclear-powered pacemaker. The firm was the ARCO Nuclear Co. of Leechburg, Pa., and it has performed an outstanding service.

This new pacemaker signals a significant advance in making life easier and more productive for many Americans. I ask unanimous consent that an article written by Harold M. Schmeck, Jr. in the New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NINE AMERICAN NUCLEAR HEART PACEMAKERS IMPLANTED

(By Harold M. Schmeck, Jr.)

BETHESDA, MD., April 9.—Surgeons implanted American-developed nuclear-powered heart pacemakers in nine patients today.

Eight operations were performed at Beth Israel Hospital in Newark and one was done at the National Heart and Lung Institute here. These operations were the first to use in humans the devices developed in the United States under a grant from the Atomic Energy Commission.

Spokesmen for the institute and the commission said four more would be installed here and 15 altogether at the hospital in Newark in a program to evaluate the devices. Later, other hospitals will be licensed to use the American-developed nuclear pacemakers. They will implant 35 more over a period of a year or more.

The pacemakers implanted today were developed by the ARCO Nuclear Company of Leechburg, Pa., under a contract with the Atomic Energy Commission. A spokesman for the commission said today the project had cost about $5.5-million since 1966.

A French-developed nuclear pacemaker manufactured by another American concern, Medtronics, Inc., was introduced in the United States last summer and has been implanted in about 20 patients.

Both the ARCO and Medtronics models are being used, for the time being, on a research basis to allow evaluation and study before they are authorized for general use. Each model was tested extensively in animals before the first implantations in human beings.

The devices implanted today have a design lifetime of about 10 years but may well last longer, according to Dr. Peter L. Frommer, associate director of cardiology of the National Heart and Lung Institute. This is also true of the French model.

The conventional chemical batteries of commercially available pacemakers are usually replaced every two years. The patient operated on at the institute here today, a 39-year-old woman from Colts Neck, N.J., said periodic replacements were the most difficult part of life with a heart pacemaker.

TEN DEVICES IN 10 YEARS

She has had 10 replacements in 10 years and, in 1962, was the first patient to receive any pacemaker at the National Institute of Health, of which the N.H.L.I. is a unit.

Altogether, between 60,000 and 75,000 people in this country are using pacemakers to insure steady and reliable heartbeats. The devices are given to patients suffering from a condition called heart block, in which the heart's natural pacemaker does not function reliably.

The pacemaker installed here today by Dr. Charles L. McIntosh of the institute went to Mrs. G. Thomas Bickel, mother of five children and two stepchildren, who operates a public relations firm in Colts Neck. Her husband is a financial officer with an engineering concern.

The pacemaker, about one and one-quarter inches wide, two inches deep and two and three-eights of an inch long, weighs about four ounces. It is powered by 400 milligrams of the radioactive isotope plutonium 238, which generates heat. The heat is converted directly into electric current in the pacemaker unit. It generates about 230-millionth of a watt of electrical energy.

CONVERTERS DIFFER

The American-developed device is much like the French model power unit. The main difference is that the American model uses metal thermocouples to convert the heat to electricity, while the French model uses solid state materials like those in transistors. A spokesman for the American company said the metal may give greater reliability. This has not been demonstrated one way or the other as yet.

The nuclear pacemakers, although they contain radioactive material, do not constitute a hazard from radiation either to the patient wearing them or to anyone else. The models have been tested against powerful impact, gunshot, burning and other sources of damage without releasing any radioactivity from the internal capsule.

Since the devices are of a type called fixed rate—that is, they deliver a steady and invariable number of pulses to the heart giving a heartbeat of about 72 beats a minute, they are not affected by outside electromagnetic fields such as those found in metal detectors in airports or in microwave ovens.

FOOD INSPECTOR IS FIRST

Max Spieler, a 60-year old Federal food inspector from Nutley, N.J., was the first recipient of the new nuclear-powered pacemaker at Beth Israel Medical Center in Newark yesterday.

Mr. Spieler chose to have the surgery performed under local anesthesia—as did five others of the additional seven patients to get the pacemakers yesterday—so that he could stay awake during the operation. After the one-hour procedure, he was wheeled into the auditorium and announced to reporters that he was feeling fine, though "a little sore."

He stayed to watch a closed circuit telecast of a pacemaker being implanted in 12-year-old Roxanne Hutchinson of Grand Rapids, Mich. It was Roxanne's eighth pacemaker, the first having been implanted when she was only 20 months old. The device has not stopped her from being a school cheerleader.

The surgical team was headed by Dr. Victor Parsonnet and included Dr. Lawrence Gilbert and Dr. I. Richard Zucker. They began the operations at 7:30 A.M. and were finished by 4:30 P.M.

The other patients were Carol Ann Garlock, 17, a student from Sharon Springs, N. Y.; Al Benninger, 64, of Stuart, Fla.; Julia Smith, 56, a housewife of Newark; George Marmarou, 54, who flew in from California for the operation; Edward Connell, 64, of Newark, and Stanley Runsky, 61, of Dover, N. J.

Seven more patients will get the new pacemakers implants today at the Newark Center.

THE BURDEN OF PUBLIC ASSISTANCE EXPENDITURES ON HAWAII

Mr. INOUYE. Mr. President, the burden of public assistance expenditures on the State of Hawaii has grown at an extremely rapid pace over recent years. While the Congress and the administration have disagreed over how best to reform our welfare programs, State and local governments have been left paying the bulk of the bills and many jurisdictions are struggling to maintain effective assistance programs.

I was disappointed to note the President's lack of new proposals for welfare reform in his budget message and his recent state of the Union reports. If the President will not provide leadership in the area, the Congress must.

I ask unanimous consent for inclusion in the RECORD of Senate Resolution 5, which was adopted by the Senate of the State of Hawaii. This resolution requests special relief to the State of Hawaii from its public assistance burden. If the Federal Government cannot legislate and implement a full-scale reform of public assistance programs, special relief to States like Hawaii will become essential.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 5

Requesting the United States Congress, and specifically the Department of Health, Education, and Welfare, to increase Federal grants to Hawaii for public assistance payments

Whereas, during the past ten years, the following public welfare trends have transpired in Hawaii:

(1) *Increase in public assistance payments*—the total monetary and medical payments for needy recipients have risen dramatically from $9.7 million in 1961-62 to $60.6 million in 1970-71, an increase of $50 million or 552 per cent;

(2) *Increase in number of cases*—the average monthly number of cases or families served has moved upward from 6,599 in 1961-62 to 20,540 in 1970-71, an increase of 13,941 cases or 211 per cent; and

(3) *Increase in number of recipients*—the average monthly number of individual recipients assisted has sharply upturned from 16,217 in 1961-62 to 49,393 in 1970-71, an increase of 33,176 recipients or 204 per cent; and

Whereas, the alarming rate of growth in expenditures, cases, and recipients becomes even more disturbing when consideration is given to the fact that the 56 per cent federal participation in public assistance payments during 1961-62 decreased to 40.9 per cent in 1970-71; and

Whereas, while the present welfare crisis is not just a Hawaii phenomenon, but a source of grave concern in many cities and states across the nation, the public assistance statistics published by the Department of Health, Education, and Welfare for July, 1972, emphasize the severity of the problem in the State by ranking Hawaii as the ninth state in the nation with the largest number of recipients per thousand people; and

Whereas, it should also be noted that at the present time, Hawaii has approximately eighty recipients per thousand people which is substantially higher than the national average of seventy recipients per thousand people; and

Whereas, although the distribution of federal funds for public assistance payments to the states is computed on a formula basis, it should be pointed out that this formula does not take into account the per capita income level of or the cost of living in each state; and

Whereas, Hawaii is at a distinct disadvantage under the present method of distributing federal funds when review is given due to the following factors existing in the State:

(1) *Rise in unemployment*—since FY 1967-68, the unemployment rate in Hawaii has doubled as of late 1971;

(2) *Rise in population*—over the past ten years from 1961 to 1971, the population of Hawaii has increased by 22 per cent;

(3) *Rise in cost of living*—over the past ten years from 1961 to 1971, the cost of living in Hawaii has increased by 35 per cent;

(4) *Rise in the number of new programs*—food stamps and medicaid are new programs that have increased the number of people eligible for assistance; and

(5) *Rise in the cost of medical vendor payments;*

Now, therefore,

Be it resolved by the Senate of the Seventh Legislature of the State of Hawaii, Regular Session of 1973, that the United States Congress, and specifically the Department of Health, Education, and Welfare, be requested to increase federal grants to Hawaii for public assistance payments in order to help the State curtail some of its spiraling assistance costs; and

Be it further resolved that certified copies of this Resolution be transmitted to the President Pro Tempore of the Senate and the Speaker of the House of Representatives of the United States Congress, each member of the Hawaii Congressional Delegation, and the Secretary of Health, Education, and Welfare.

REPORTS CONCERNING USE OF FOREIGN CURRENCIES AND U.S. DOLLARS

Mr. McCLELLAN. Mr. President, in accordance with the Mutual Security Act of 1954, as amended, I ask unanimous consent to have printed in the RECORD the reports of several committees of the Senate, certain joint committees, and parliamentary bodies concerning the foreign currencies and U.S. dollars utilized by them in calendar year 1972 in connection with foreign travel.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON AGRICULTURE AND FORESTRY, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
B. Everett Jordan:											
Australia	Dollar	227	$270.00	150.19	$180.00	57.88	$69.05			435.07	$519.05
Indonesia	Rupiah	50,040	120.00	336.60	80.00	15,656	37.54			99,056	237.54
New Zealand	NZ dollar	150	180.00	99.99	120.00	184.12	221.80			434.11	521.80
China/Taiwan	NT dollar	3,600	90.00	2,400	60.00	0	0			6,000	150.00
Hong Kong	HK dollar	504	90.00	336	60.00	57.30	10.29			897.30	160.29
Japan	Yen	36,132	120.00	24,088	80.00	37,832	124.08			98,052	324.08
Malaysia	M dollar	330	120.00	222.00	80.00	288	103.41			840.00	303.41
Germany	Deutsche mark					8,044.85	2,529.83			8,044.85	2,529.83
Total			990.00		660.00		3,096.00		0		4,746.00

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$4,746
Appropriated funds:	
Other: Sec. 502(b), Mutual Security Act of 1954	----
Total	4,746

HERMAN E. TALMADGE,
Chairman, Committee on Agriculture and Forestry.

Feb. 27, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON APPROPRIATIONS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Ernest F. Hollings:											
Cameroon	Franc	44,310.00	$176.18	22,155.00	$88.09			7,385.00	$29.36	73,850.00	$293.63
Zaire	Zaire	44.25	88.50	23.25	46.50			7.50	15.00	75.00	150.00
Morocco	Dirham	450.00	90.00	225.00	45.00			75.00	15.00	750.00	150.00
Spain	Peseta	2,558.00	40.00	2,238.25	35.00			1,598.75	25.00	6,395.00	100.00
Bulgaria	Lev	112.85	61.00	72.15	39.00	21.03	11.37	65.07	35.17	271.10	146.54
Rumania	Leu	950.40	60.00	475.20	30.00	271.94	17.17	158.40	10.00	1,855.94	117.17
Yugoslavia	Dinar			200.75	12.00	1,871.08	111.71	200.75	12.00	2,272.58	135.71
Czechoslovakia	Koruna	776.44	59.00	394.80	30.00	647.68	49.21	144.76	11.00	1,963.68	149.21
Netherlands	Dutch guilder					1,389.45	424.00			1,389.45	424.00
United Kingdom	Pound	50.64	120.00	12.66	30.00					63.30	150.00
Subtotal			694.68		355.59		613.46		152.53		1,816.26

Footnote at end of table.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON APPROPRIATIONS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972—Continued

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Ted Stevens:											
Bulgaria	Lev	69.20	$37.40	63.00	$34.06	21.03	$11.37	65.07	$35.17	218.30	$118.00
Rumania	Leu	1,190.40	74.40	393.60	25.60	271.94	17.17			1,855.94	117.17
United Kingdom	Pound	31.72	75.09							31.72	75.09
Yugoslavia	Dinar	900.00	53.73	171.30	10.23	1,871.08	111.71			2,942.38	175.67
Czechoslovakia	Koruna	800.20	60.81	423.40	32.17	647.68	49.21			1,871.28	142.19
Spain	Peseta	1,175.00	18.50	1,350.00	21.26					2,525.00	39.76
Subtotal			319.93		123.32		189.46		35.17		667.88
Warren G. Magnuson:											
France	Franc					18,750.00	3,750.00			18,750.00	3,750.00
Hong Kong	Hong Kong dollar	822.00	147.00	411.00	73.00	4,821.00	861.00	137.00	25.00	6,191.00	1,106.00
Subtotal			147.00		73.00		4,611.00		25.00		4,856.00
Gordon Allott:											
France	Franc	450	90.00	225	45.00	930	186.00	75	15.00	1,680	336.00
Spain	Peseta	6,600	104.00	3,300	52.00	3,648	57.00	1,100	17.00	14,648	230.00
Austria	Shilling	2,082	90.00	1,041	45.00			347	15.00	3,470	150.00
Subtotal			284.00		142.00		243.00		47.00		716.00
Total			1,445.61		2,139.52		7,796.44		8,056.14		16,112.28

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$16,112.28
Total	16,112.28

——————, Chairman Committee on Appropriations.

Apr. 1, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON ARMED SERVICES, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Col. William B. Arnold:											
Germany	Deutsche mark					6,900	$2,170.00			6,900	$2,170.00
Italy	Lira	33,411	$56.25	44,550	$75.00	97,960	164.92	11,139	$18.75	187,060	314.92
Egypt	Pound	31.251	56.25	41.662	75.00			10.417	18.75	83.330	150.00
Jordan	Dinar	8.760	24.74	11.680	32.98			2.920	8.25	23.360	65.97
Lebanon	Pound	132.93	42.47	117.24	56.63			88.33	28.22	398.50	127.32
Israel	Pound	315.00	75.00	420.00	100.00	6,029.52	1,435.60	105.00	25.00	6,869.52	1,635.60
Spain	Peseta	2,462.24	37.42	3,283.42	49.90	2,561.50	38.93	834.34	12.68	9,141.50	138.93
Vietnam	Piastre	21,000	49.41	50,000	117.65			980	2.31	71,980	169.37
Senator Lloyd M. Bentsen:											
Italy	Lira	33,411	56.25	44,550	75.00	97,960	164.92	11,139	18.75	187,060	314.92
Egypt	Pound	31.251	56.25	41.662	74.99	16.665	30.00	10.417	18.75	99.995	179.99
Jordan	Dinar	13.075	36.61	17.428	48.80			4.357	12.77	34.860	98.18
Lebanon	Pound	176.09	56.20	234.72	75.00			58.69	18.74	469.50	150.00
Israel	Pound	274.15	65.28	365.48	87.02	6,752.52	1,607.74	91.37	21.75	7,483.52	1,781.79
Spain	Peseta	3,637.24	55.92	5,283.42	81.40	2,561.50	38.93	834.34	12.68	12,316.50	188.93
Bulgaria	Leva	69.20	37.40	88.92	48.07	86.10	46.54	6.88	3.72	251.10	135.73
Rumania	Lei	828.00	52.30	756.00	48.00	271.94	17.17			1,855.94	117.47
Yugoslavia	Dinar	738.20	44.07	224.30	13.39	1,871.08	111.71			2,833.58	169.17
Czechoslovakia	Koruna	526.00	39.96	253.90	19.29	647.68	49.21	204.50	15.55	1,632.08	124.01
Senator Harry F. Byrd, Jr.:											
Italy	Lira	133,860.00	230.00	61,110.00	105.00	24,320.00	41.71	14,550.00	25.00	233,840.00	401.71
Germany	Deutsche mark					3,311.75	1,019.00			3,311.75	1,019.00
Senator Howard W. Cannon:											
Belgium	Franc	1,005.00	22.84	1,670.00	37.96			996.00	22.64	3,671.00	83.44
Germany	Deutsche mark	209.00	65.60	140.60	44.55	294.00	90.80	186.40	59.44	830.00	260.39
Spain	Peseta	15,616.50	244.30	9,752.00	152.40	1,270.00	20.00	2,836.50	44.67	29,475.00	461.37
Italy	Lira	26,656.00	45.80	15,132.00	26.00	4,656.00	8.00	11,756.00	20.20	58,200.00	100.00
Portugal	Escudo	441.32	16.40	538.20	20.00	134.55	5.00	427.06	15.87	1,541.13	57.27
Czechoslovakia	Koruna	687.6	52.25	131.6	10.00	647.7	49.21		.54	1,466.90	112.00
Rumania	Lei	892	56.31	312.7	19.74	271.94	17.17	379.4	23.95	1,856.04	117.17
Yugoslavia	Dinar	740.0	44.12	502.5	30.00	1,871.08	111.71	1,270.0	75.88	4,383.58	261.71
Bulgaria	Leva	94.35	52.16	55.5	30.00	21.03	11.37	65.07	35.17	235.95	128.70
United Kingdom	Pound	32.00	75.00	22.00	52.00	13.00	30.00	18.22	43.00	85.22	200.00
Col. Joseph J. F. Clark:											
Germany	Deutsche mark	90	28.13	124.5	39.91	4,233.45	1,302.60	41.5	12.97	4,489.45	1,382.61
Austria	Schilling	393	17.06	570	24.74	75	3.23	110	4.77	1,148	49.80
Italy	Lira	95,763	164.54	46,680	80.21	11,500	19.76	24,300	41.75	178,243	306.26
Greece	Drachma	2,385	79.50	1,190	39.66	100	3.33	360	12.00	4,035	134.49
Charles J. Conneely:											
Germany	Deutsche mark	829.40	242.51	1,253.50	362.36	96.00	30.00	701.10	205.13	2,880.00	840.00
William E. Cresswell:											
Germany	Deutsche mark	89.6	28.00	131.20	41.00	4,233.45	1,302.60	48.32	15.10	4,502.57	1,386.70
Austria	Schilling	460.8	20.00	576	25.00	34.56	1.50	103.68	4.50	1,175.04	51.00
Italy	Lira	96,030	165.00	48,538.8	83.40	3,695.7	6.35	30,264	52.00	178,528.5	306.75
Greece	Drachma	2,403	80.10	1.182	39.40	157.5	5.25	426	14.20	4,168.5	138.95
Turkey	Lira	885	63.21	550.2	39.30	89.6	6.40	260.4	18.60	1,785.20	127.51
France	Franc	39,150	78.30	107.5	21.50	75	15.00	49.6	9.92	623.6	124.72

Footnote at end of table.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON ARMED SERVICES, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972—Con.

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Commander William A. Dougherty, Jr.:											
United Kingdom	Pound	44.49	$105.00	31.34	$74.00	4.21	$10.00	4.61	$11.00	84.65	$200.00
Greece	Drachma	950.0	31.67	240.0	8.00	120.0	4.00	90.0	3.00	1,400.0	46.67
Israel	Pound	294.0	70.00	63.0	15.00	42.0	10.00	21.0	5.00	420.0	100.00
Iran	Rial	7,396.1	97.00	2,167.6	28.43	4,400.2	57.71	686.1	9.00	14,650.0	192.14
Saudi Arabia	Rial	103.5	25.00	12.4	3.00	16.6	4.00	14.9	3.60	147.4	35.60
Germany	Deutsche mark	214.4	67.00	118.4	37.00	3,088.0	965.00	86.4	27.00	3.507.2	1,095.00
Lt. Col. Robert K. Dundas:											
Hong Kong	HK dollar	350.20	62.51	295.00	52.66			52.30	9.33	697.50	124.50
Vietnam	Piastre	45,500	107.07	65,000	153.37			17,500	41.87	128,000	302.31
Laos	Kip	12,938	21.43	14,000	23.15			8,112	13.42	35,050	58.00
Thailand	Baht	1,385.50	66.43	2,176.25	104.28			939.50	45.44	4,501.25	216.15
France	Franc	402.50	79.05	472.50	93.19			40.00	7.76	915.00	180.00
Germany	Deutsche mark					7,530.59	2,182.78			7,530.59	2,182.78
Cambodia	Riel	750	4.28	750	4.28					1,500	8.56
Labre R. Garcia:											
Germany	Deutsche mark					6,900	2,170.00			6,900	2,170.00
Vietnam	Piastre	21,000	49.41	50,000	117.65			980	2.31	71,980	169.37
Thailand	Baht	300.00	14.40	173.75	8.35					473.75	22.75
Ben J. Gilleas:											
Japan	Yen	17,970	59.68	18,080	60.05	3,612	12.00	5,503	18.27	45,165	150.00
Korea	Won	5,000	12.54	27,200	68.28			13,925	34.95	46,125	115.77
Germany	Deutsche mark	1,032.75	310.73	1,136.37	342.24	6,328.74	1,980.18	630.88	189.54	9,128.74	2,822.69
John A. Goldsmith:											
Hong Kong	HK dollar	350.20	62.46	230.00	41.02	48.90	8.71	12.30	2.20	641.40	114.39
Vietnam	Piastre	45,500	107.07	60,000	140.88			6,500	15.34	112,000	263.29
Laos	Kip	12,938	21.43	3,000	4.96			3,662	6.06	19,600	32.45
Thailand	Baht	1,476.20	70.78	2,176.25	104.28			653.80	31.73	4,306.25	206.79
France	Franc	402.50	79.05	412.50	81.19			40.00	7.76	1,143.51	168.00
Germany	Deutsche mark					7,530.59	2,182.78			7,530.59	2,182.78
Cambodia	Riel							100.00	.57	100.00	.57
Col. James D. Gormley:											
Germany	Deutsche mark	25.60	8.00	71.04	22.20	25.28	7.90	38.08	11.90	160.00	50.00
Italy	Lira	23,280	40.00	3,492	6.00	5,238	9.00	4,074	7.00	36,084	62.00
Portugal	Escudo	403.72	15.00	188.41	7.00	8,075	3.00	98.52	3.66	771.40	28.66
Spain	Peseta	2,286.00	36.00	1,047.75	16.50	222.25	3.50	762.00	12.00	4,318	68.00
Julian F. Granger:											
Germany	Deutsche mark	346.12	108.50	469.83	147.28	3,844.70	1,205.24	250.55	78.54	4,911.20	1,539.56
United Kingdom	Pound	81.68	200.61	42.24	103.74	24.60	60.42	22.75	55.87	171.27	420.64
Lt. Col. Donald H. Gransback:											
Japan	Yen	14,960	49.68	15,600	51.81	2,108	7.00	7,982	26.51	40,650	135.00
Korea	Won	3,804	9.51	27,000	67.50			18,596	46.49	49,025	123.50
Germany	Deutsche mark	772.20	241.31	1,160.83	362.76	6,344.74	1,952.69	850.97	265.93	9,128.74	2,822.69
Senator Henry M. Jackson:											
United Kingdom	Pound	44.48	105.00	31.33	74.00	102.63	242.22	4.61	11.00	183.05	432.22
Greece	Drachma	950.0	31.67	240.0	8.00	120.0	4.00	90.0	3.00	1,400.0	46.67
Israel	Pound	294.0	70.00	63.0	15.00	42.0	10.00	112.3	26.74	511.30	121.74
Iran	Rial	7,548.8	99.00	2,091.5	27.43			610.0	8.00	10,250.0	134.43
Saudi Arabia	Rial	103.5	25.00	12.4	3.00	16.6	4.00	14.9	3.60	147.4	35.60
Germany	Deutsche mark					1,355.10	424.00			1,355.10	424.00
Spain	Peseta	26055	32.37	419	6.60					2,474	38.97
Mr. James T. Kendall:											
Japan	Yen	14,960	49.68	9,033	30.00	2,108	7.00	4,360	14.48	30,461	101.16
Korea	Won	5,000	12.50	16,000	40.00			6.25	15.10	27,125	67.60
Germany	Deutsche mark					6,248.75	1,922.69			6,248.75	1,922.69
Capt. Leonard R. Kojm:											
Philippines	Peso			137.60	20.00	95.70	15.00	85.70	15.00	319.00	50.00
New Zealand	NZ dollar	78.00	95.16	65.00	79.30	32.00	39.04	32.21	36.50	207.21	250.00
Netherlands	Guilder					7,810.05	2,139.74			7,810.05	2,139.74
Germany	Deutsche mark	220.11	69.50	279.92	87.25	71.78	22.50	66.19	20.75	638.00	200.00
Italy	Lira	24,149	41.00	25,327	43.00	5,007	8.50	4,417	7.50	58,900	100.00
United Kingdom	Pound	32.15	84.00	34.36	89.75	14.83	38.75	14.36	37.50	95.70	250.00
Senator Thomas J. McIntyre:											
Bulgaria	Leva	69.20	37.40	97.30	52.60	86.10	46.54	18.50	10.00	271.10	146.54
Rumania	Lei	828.00	52.30	648.50	40.91	271.94	17.17	107.50	6.79	1,855.94	117.17
United Kingdom	Pound	25.70	60.69	50.01	118.11	50.72	119.71	7.25	17.20	133.68	315.71
Yugoslavia	Dinar	738.20	44.07	192.50	11.50	1,871.08	111.71	71.80	4.28	2,873.58	171.56
Czechoslovakia	Koruna	526.00	39.96	750.50	57.04	647.68	49.21	39.50	3.00	1,963.68	149.21
Spain	Peseta	1,175.00	18.50	1,873.00	29.50			127.00	2.00	3,175.00	50.00
Lt. Col. George F. Mohrman:											
Japan	Yen	14,959	49.68	16,066	53.36	3,011	10.00	8,720	28.96	42,756	142.00
Korea	Won	3,791	9.51	25,514	64.00			14,820	37.19	44,125	110.70
Germany	Deutsche mark	772.20	241.31	1,150.72	359.60	6,344.74	1,952.69	861.08	269.09	9,128.74	2,822.69
Gordon A. Nease:											
Germany	Deutsche mark	89.6	28.00	128.96	40.30	4,233.45	1,302.60	46.40	14.50	4,498.41	1,385.40
Austria	Schilling	483.84	21.00	552.96	24.00	34.56	1.50	80.64	3.50	1,152	50.00
Italy	Lira	96,612	166.00	45,978	79.00	8,409	14.45	28,518	49.00	179,577	308.45
Greece	Drachma	2,430	81.00	1,147.50	38.25	120	4.00	420	14.00	4,711.50	137.25
Turkey	Lira	812	58.00	623	44.50	182	13.00	210	15.00	1,827	130.50
France	Franc	351	70.20	132.50	26.50	70	14.00	55	11.00	608.50	121.70
Senator Richard S. Schweiker:											
Bulgaria	Leva	69.20	37.41	58.00	31.35	86.10	46.54	6.03	3.24	219.30	118.54
Rumania	Lei	816.60	51.59	598.40	37.80	217.94	17.18	6.00	.38	1,692.94	106.95
United Kingdom	Pounds	51.68	121.96	24.17	57.04	5.93	14.00	2.87	6.77	84.65	199.77
Yugoslavia	Dinar	738.20	44.06	45.00	2.69	1,871.08	111.71	18.55	1.11	2,672.83	159.57
Czechoslovakia	Koruna	526.00	39.97	392.20	29.81	647.68	49.22	13.15	.99	1,579.03	119.99
Spain	Peseto	1,175.00	18.50	1,420.00	22.37	98.00	1.54	72.00	1.13	2,765.00	43.54
R. James Woolsey:											
Germany	Deutsche mark					6,900	2,170.00			6,900	2,170.00
Vietnam	Piastre	35,125	382.65	35,000	82.35	78,625	185.00			148,750	350.00
Thailand	Baht	300.00	14.40	173.75	8.35					473.75	22.75
Total			7,048.61		6,585.56		33,940.78		2,685.32		50,260.27

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[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Signed: ———,
Chairman, Committee on Armed Services.

Feb. 28 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Barnes, Reginald:											
Great Britain	Pound	13.95	$32.78	6.30	$14.80			6.65	$15.63	26.90	$63.21
Austria	Schilling	932	40.52	750	32.61			288.00	12.50	1,970.00	85.63
Romania	Lei	579.60	36.22	246.70	15.42			168.96	10.56	995.26	62.20
Yugoslavia [2]	Dinar	511.20	30.51	251.25	15.00			83.75	5.00	846.20	50.51
Greece	Drachma	3045	101.50	2,880	96.00			450	15.00	6375	212.50
Turkey	Lira	738.30	52.74	350.00	25.00			70	5.00	1,158.30	82.74
Spain	Peseta	4960	78.73	3150	50.00	630	$10.00	630	10.00	9,370	148.73
Subtotal [3]			373.00		248.83		10.00		73.69		705.52
Burns, Michael E.:											
Germany	Deutsche mark	88.76	28.00	16.48	5.20	23.78	7.50	9.51	3.00	141.70	43.70
Austria	Schilling	1,844.00	80.00	1,278.12	55.45	270.84	11.75	454.09	19.70	3,847.05	166.90
Portugal	Escudo	931.50	34.50	602.91	22.33	2,094.39	77.57	280.80	10.40	3,909.60	144.80
Subtotal [3]			142.50		82.98		96.82		33.10		355.40
Coan, Carl A. S.:											
Sweden	Kronor	20,586	435.00	610.5	129.00	61.5	13.00	108.9	23.00	2,839.5	600.00
Poland	Zloty	3,575	55.00	2,925	45.00	520	8.00	1,099	16.91	8,119	124.91
Germany	Deutsche mark					2,229.5	686.00			2,229.5	686.00
Subtotal			490.00		174.00		707.00		39.91		1,410.91
Evans, John R.:											
Great Britain	Pound	13.95	32.78	6.65	15.63	1.20	2.82	4.50	10.58	26.30	61.81
Austria	Schilling	932.00	40.52	620.00	26.96			160.50	6.98	1,712.50	74.46
Romania	Lei	579.60	36.22	156.00	9.75			64.00	4.00	799.60	49.97
Yugoslavia [4]	Dinar	511.10	30.51	217.50	12.98			95.00	5.67	823.60	49.16
Greece	Drachma	3,045	101.50	2,130	71.00			525	17.50	5,700	190.00
Turkey	Lira	738.30	52.74	295.00	21.07			60.00	4.29	1,093.30	78.10
Spain	Peseta	4.960	78.73	2,335	37.06	350	5.55	450	7.14	8,095	128.48
Subtotal [3]			373.00		194.45		8.37		56.16		631.98
Ferris, Charles D.:											
England	Pounds	61.18	144.40	23.56	55.60	4.66	11.00			89.40	211.00
Germany	Deutsche mark	137.66	43.02	122.24	38.20	24.0	7.50	25.28	7.90	309.18	96.62
Austria	Schilling	2,100.2	90.80	985.3	42.60	57.82	2.50	384.0	16.60	3,527.3	152.50
France	Franc	448.5	89.70	371.50	74.30	52.50	10.50	55.00	11.00	927.5	185.50
Spain	Peseta	2,850	44.88	2,858	45.00	285.8	4.50	635.0	10.00	6,628.8	104.38
Subtotal			412.80		255.70		36.00		45.50		750.00
Malakoff, Robert E.:											
France	Franc	175.00	35.00	93.75	18.75					268.75	53.75
Finland	Markkaa	1,321.84	322.40	599.16	143.00	4,011.16	980.70			5,932.16	1,446.10
Sweden	Kronor	180.00	40.00	132.85	26.25					312.85	66.25
Poland	Zloty	4,559.75	70.15	2,145.25	33.00					6,705.00	103.15
Hungary	Forint	406.50	15.00	269.70	9.50					676.20	24.50
England	Pound	31.98	78.00	17.67	40.55					49.65	118.55
Subtotal			560.55		271.05		980.70				1,812.30
Turnipseed, Dorothy:											
United Kingdom	Pound	47.80	113.00	29.05	68.59	2.30	5.43	5.50	12.98	84.65	200.00
Austria	Schilling	2,100	90.85	1,020	44.04	74.00	3.19	275.50	11.92	3,469.50	150.00
France	Franc	448	89.60	226	45.20	23.00	4.60	53.00	10.60	750	150.00
Spain	Peseta	2,820	44.41	4,245	66.86	740	11.65	1,720	27.08	9,525	150.00
Subtotal			337.86		224.69		24.87		62.58		650.00
Watson, Octa:											
United Kingdom	Pound	47.80	113.00	28.85	68.18	2.00	4.73	6.00	14.09	84.65	200.00
Austria	Schilling	21.00	90.85	900	38.85	69.50	3.02	400.00	17.28	3,469.50	150.00
France	Franc	448	89.60	236	47.20	16.00	3.20	50.00	10.00	750.00	150.00
Spain	Peseta	2,820	44.41	4,130	65.04	695	10.95	1,880	29.60	9,525	150.00
Subtotal			337.86		219.27		22.78		70.09		650.00
Total			3,027.57		1,670.97		1,886.54		381.03		6,966.11

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[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[2] Returned 750 dinars ($44.77) in Belgrade.

[3] Expenses totaled more than indicated, but are being paid for by personal funds.

[4] Returned $25.07 (dinars) in Yugoslavia.

JOHN SPARKMAN,
Chairman, Committee on Banking, Housing and Urban Affairs.

Feb. 28, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON FINANCE, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Senator Wallace F. Bennett:											
Ethiopia	E dollar	(2)	(2)	79.80	$35.00	(2)	(2)	34.27	$15.00	114.57	$50.00
Kenya	Shilling	576.45	$81.00	62.70	8.75	(2)	(2)	73.18	10.25	714.00	100.00
South Africa	Rand	174.99	223.52	90.03	115.00	15.66	$20.00	44.12	56.35	324.80	414.87
Subtotal			304.52		158.75		20.00		81.60		564.87

Footnotes at end of table.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON FINANCE, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972—Continued

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Senator Fred R. Harris:											
Israel	Pound	315.00	$75.00	315.00	$75.00	2,717.40 34.40	647.00 8.19	210.00	$50.00	3,591.80	$855.19
Spain	Peseta	10,057.50	150.00	10,057.50	150.00	8,260.00	125.34	6,705.00	100.00	34,580.00	525.34
United Kingdom	Pound					6.66	17.01			6.66	17.01
Subtotal			225.00		225.00		797.54		150.00		1,397.54
John A. Koskinen:											
England	Pound	40.29	95.00	33.9	80.00			10.59	25.00	84.67	200.00
Israel	Pound	605	144.00	903	215.00			172.2	41.00	1,680	400.00
Italy	Lire	40,950	70.00	46,800	80.00			29,250	50.00	117,000	200.00
France	Franc	325	65.00	425	85.00			250	50.00	1,000	200.00
Subtotal			374.00		460.00				166.00		1,000.00
Senator A. A. Ribicoff:											
England	Pound	88.75	210.00	59.32	140.00					148.47	350.00
Israel	Pound	1541	367.00	138.60	33.00					1680	400.00
Italy	Lire	34,500	59.00	52,665	90.00			29,835	51.00	117,000	200.00
France	Franc	1450	290.00	300	60.00					1750	350.00
Total			926.00		323.00				51.00		1,300.00

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[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[2] None.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$4,262.41
Total	4,262.41

RUSSELL B. LONG,
Chairman, Committee on Finance.

Feb. 27, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON FOREIGN RELATIONS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
J. W. Fulbright:											
Germany	Deutsche mark					6,241.148	$1,952.80			6,241.148	$1,952.80
Saudi Arabia	Riyal							103.50	$25.00	103.50	25.00
Abu Dhabi	Dinar							3.100	6.03	3.100	6.03
Kuwait	Dinar	27.440	$84.23							27.440	84.23
Kenya	Shilling	411.50	58.44	601.55	$85.06	100.00	14.00			1,113.05	157.50
Mike Mansfield:											
Mexico	Peso	760.00	60.80	1,864.00	149.12			498.50	39.88	3,122.50	249.80
Germany	Deutsche mark					1,242.80	382.40			1,242.80	382.40
Hong Kong	HK dollar	792.00	144.00	204.10	37.10	90	16.13	103.90	18.90	11.90	216.13
Frank Church:											
United Kingdom	Pound	16.10	40.25	2.20	5.50	1.00	2.50	7.20	18.00	26.50	66.25
Israel	Pound	560.50	133.40	275.75	64.48	6,043	1,438.95	207.75	49.29	70.87	1,686.12
France	Franc	138.42	27.68	85.00	17.00			27.58	5.32	250.00	50.00
Venezuela	Bolivar	329.70	74.93	450	102.27	150	34.09	165	37.63	1,094.70	248.92
Germany	Deutsche mark					1,450.00	331.96			1,450.00	331.96
Stuart Symington:											
Bulgaria	Leva	98.08	53.02	86.93	46.99	65.08	35.18	21.03	11.36	271.11	146.55
Rumania	Lei	1,158	72.37	357.60	22.35	271.94	17.17	84.50	5.28	1,872.04	117.17
Yugoslavia	Dinar	732	43.70	833.64	49.76	1,871.08	111.71	642.53	38.36	4,079.25	243.53
Czechoslovakia	Crown	326	24.78	534.60	40.62	647.69	49.22	335.40	25.48	1,843.69	140.10
Spain	Peseta	2,115	33.57	865	13.73	648	10.26	124	1.95	3,752	59.51
Claiborne Pell:											
Switzerland	Franc			334.64	89.00			41.36	11.00	376.00	100.00
Switzerland	Franc					1,030.00	[2] 273.94			1,030.00	273.94
United Kingdom	Pound					7.95	20.75			7.95	20.75
Germany	Deutsche mark					3,353.84	1,054.67			3,353.84	1,054.67
Sweden	Kronor					2,253.00	[2] 470.06			2,253.00	470.06
Sweden	Kronor	966.00	205.28	401.05	85.22			56.45	12.00	1,423.50	302.50
Gale McGee:											
Romania	Leu	160.75	10.00	385.80	24.00			78.45	4.88	625.00	38.88
Bulgaria	Lev	32.50	20.00	58.50	36.00			6.60	4.00	97.50	60.00
Yugoslavia	Dinar	340.00	20.00	586.50	34.50			108.50	6.38	1,035.00	60.88
Yugoslavia	Dinar					17,394	[2] 1,022.62			17,394	1,022.62
Germany	Deutsche mark	142.60	45.00	174.24	55.00	549.45	168.54	47.04	14.85	913.35	283.39
William Spong, Jr.:											
Germany	Deutsche mark	70.40	22.00	54.20	16.95					124.60	38.95
Germany	Deutsche mark					5,528.25	[2] 1,701.00			5,528.25	1,701.00
France	Franc	60.00	12.00	175.00	35.00	15.50	3.00			250.50	50.00
Italy	Lira	13,944	24.00	5,506	9.47					19,450	33.47
Turkey	Lira	504	36.00	448	32.00	133	9.50			1,085	77.50
Iran	Rial	5,776	76.00	2,888	38.00	774	9.77			9,438	123.77
United Kingdom	Pound	30	75.00	9.48	20.39	6.92	18.07			46.40	113.46
Clifford Case:											
Germany	Deutsche mark					3,396.25	1,068.00			3,396.25	1,068.00
Sweden	Kroner	750.00	158.47	456.83	96.53			131.45	27.78	1,338.26	282.78
Sweden	Kroner					4,010.00	[2] 847.33			4,010.00	847.33
United Kingdom	Pound	41.60	98.29	19.22	45.41			2.10	4.96	62.92	148.66
France	Franc	170.77	34.15	87.20	17.44						51.59

Footnotes at end of table.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON FOREIGN RELATIONS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972—Continued

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Jacob Javits:											
Germany	Deutsche mark					236.06	$[2]74.00			236.06	$74.00
Germany	Deutsche mark					859.50	[2]268.00			859.50	268.00
Germany	Deutsche mark					2,035.67	[2]626.36			2,035.67	626.36
Canada	Canadian dollar	42.00	$42.96	49.62	$50.90	6.00	6.14			97.62	100.00
France	Franc			500.00	100.00					500.00	100.00
Israel	Pound	381.60	90.86	458.40	109.14	217.56	51.80			840.00	251.80
Israel	Pound					6,090.00	[2]1,450.00			6,090.00	1,450.00
United Kingdom	Pound	142.15	340.00	94.38	225.00	65.39	170.68	36.02	$85.00	337.99	820.68
Italy	Lire	175.40	300.00	131.66	225.00	212.87	364.31	14.60	25.00	534.31	914.31
Hugh Scott:											
Hong Kong	HK dollar	792.00	144.00	919.00	165.00	633.40	113.17	595.00	106.36	2,939.40	528.53
Indonesia	Rupiah	35,445	85.00	41,703	100.00	33,360	80.00	56,295	135.00	166,800	400.00
Japan	Yen	7,528	25.00	4,517	15.00	6,780	22.52	3,010	10.00	21,835	72.52
Thailand	Baht	1,562	75.00	1,874.25	90.00	1,041.25	50.00	2,811.25	135.00	7,288.75	350.00
Malaysia	Malaysia dollar			343.75	125.00	188.00	68.36	206.25	75.00	738.00	268.36
Charles Percy:											
Japan	Yen					13,905	46.18	5,065	16.82	18,907	63.00
Philippines	Peso							232	34.55	232	34.45
Korea	Won							25,910	65.24	25,910	65.24
Indonesia	Rupiah	16,266	39.00	6,462	15.50	3,231	7.75	3,231	7.75	29,190	70.00
Hong Kong	HK dollar	266.40	47.57	168	30.00	152.80	27.29	75.60	13.50	662.80	118.36
Vietnam	Piastre					8,900	20.00	8,100	18.20	17,000	38.20
Burma	Kyat	276.10	51.89	197.70	37.34	775.21	145.66	53.20	9.79	1,302.21	244.68
Australia	Australian dollar	45.47	52.78	30.00	34.80	25.00	29.00	24.43	28.42	125.00	148.00
Germany	Deutsche mark					10,188.85	[2]3,188.03			10,188.85	3,183.03
John Cooper:											
United Kingdom	Pound	60.99	143.95	28.93	68.25	2.01	4.75			91.93	216.95
United Kingdom	Pound					178.05	[2]420.20			178.05	420.20
Belgium	Franc	3,015	68.52	2,557.16	58.12	2,150	48.18			7,722.16	174.82
John Sparkman:											
United Kingdom	Pound	60.38	142.50	22.38	52.90	7.44	17.56	1.89	4.50	92.09	217.46
France	Franc	680	136.00	275	55.00	1,217.96	243.59	45	9.00	2,217.96	443.50
Spain	Peseta	4,953	78.00	4,191	66.00			381	6.00	9,525	150.00
Austria	Schilling	1,908.23	82.50	1,277.93	55.25			283.34	12.25	3,469.50	150.00
George Ashworth:											
Korea	Won	36,152	92.69	17,567	44.08			4,260	9.28	57,979	146.05
Thailand	Baht	2,134	102.47	1,981.50	95.15			299	14.36	4,414.50	211.98
Japan	Yen	26,095	86.67	35,185	116.85	3,543	11.77	5,920	19.66	70,743	234.95
Hong Kong	HK dollar	235.20	41.66	61.80	10.70	48.80	8.35	22.00	3.58	367.80	64.29
Australia	Australian dollar	62.20	74.21	72.93	87.01			11.15	13.29	146.28	174.51
Germany	Deutsche mark					8,449.35	[2]2,644.04			8,449.35	2,644.04
Donald Henderson:											
France	Franc	897	179.04	765.92	152.10	332.50	66.50	89.58	17.38	2,085	416.10
United Kingdom	Pound	52.38	127.81	32.00	78.08	31.60	77.10	5.14	13.05	121.12	295.96
Belgium	Belgium Franc	5,025	114.20	6,513	148.00	1,880	42.73	1,420	33.46	14,838	337.39
Spain	Peseta	2,820	44.40	2,467	39.10	378	6.00	860	13.26	6,525	102.76
Germany	Deutsche mark					1,739.40	[2]535.20			1,739.40	535.20
Pat M. Holt:											
Mexico	Peso	1,852.25	148.18	2,329.40	186.35	544.45	43.56	2,143.40	171.47	6,869.50	549.56
Panama	Dollar		184.29		79.35		4.75		25.61		294.00
Argentina	Peso	1,104.78	111.26	1,654.64	166.63	513.00	51.66	474.58	47.79	3,747.00	377.34
Chile	Escudo	3,075	66.85	3,861	83.93	10,845	235.76	650	14.13	18,431	400.67
Norvill Jones:											
United Kingdom	Pound	16.10	40.25	2.20	5.50	1.00	2.50	11.50	28.73	30.80	76.98
Israel	Pound	560.50	133.40	282.45	67.00	6,043	1,438.95	201.05	47.86	7,087	1,687.21
France	Franc	138.42	27.68	85.00	17.00			27.58	5.32	250.00	50.00
Hong Kong	HK dollar	855	155.50	137	25.00	144	26.13	52	9.50	1,188	216.13
David Keaney:											
Switzerland	Swiss Franc	483.00	128.03	537.10	142.37			149.60	39.66	1,169.70	310.06
Sweden	Kronor	1,449	305.38	755.53	159.22			33.85	7.13	2,238.38	471.73
Netherlands	Guilder					3,424.46	[2]1,064.82			3,424.46	1,064.82
Germany	Deutsche mark					2,460.25	[2]757.00			2,460.25	757.00
Abner Kendrick:											
United Kingdom	Pound	45.50	107.52	32.65	77.16	2.00	4.73	4.50	10.59	84.65	200.00
Austria	Schilling	2,100	90.85	1,062	45.89	104.50	4.50	203.00	8.76	3,469.50	150.00
France	Franc	448	89.60	236	47.20			66	13.20	750	150.00
Spain	Peseta	3,760	59.20	4,032	63.50	593	9.35	1,140	17.95	9,525	150.00
Arthur Kuhl:											
Bulgaria	Leva	66.23	35.80	55.07	29.76	86.11	46.54	4	2.16	211.41	114.26
Rumania	Lei	573.72	36.22	508	32.07	986.80	62.30	142.50	8.99	2,211.02	139.58
Yugoslavia	Dinar	673.80	40.22	425.86	25.42	1,921.08	114.71	138.50	8.26	3,159.24	188.61
Czechoslovakia	Crown	326	25.07	519.60	39.96	647.69	49.22	6	.48	1,499.29	114.73
Spain	Peseta	940	14.92	965	15.31	750	11.90	425	6.74	3,080	48.87
Jerome Levinson:											
Venezuela	Bolivar	270.65	61.51	440	100.00	170	38.64	137	31.13	1,017.65	231.28
Germany	Duetsche mark					1,450	[2]331.96			1,450	331.96
Margaret Meyer:											
United Kingdom	Pound	55.00	129.80	27.00	63.85			2.75	6.35	84.75	200.00
France	Franc	220	44.00	105	21.00	10	2.00	15	3.00	350	70.00
Moose:											
Laos	Kip	26,691	44.19	13,837	22.91			1,051	1.74	41,578	68.84
Thailand	Baht	3,132.48	156.00	5,682	282.99	550.00	26.42	686.9	34.21	10,051	499.62
Cambodia	Riel	8,964.00	75.00	4,843	45.54			970.5	8.12	14,777	128.66
Italy	Lire	19,106	33.85	10,622	17.88	6,571.5	11.08	499	.84	36,798	63.65
Germany (January 1972)	Mark					7,530.5	[2]2,182.78			7,530.5	2,182.78
Germany (May 1972)	Mark					7,062.2	[2]2,173.00			7,062.2	2,173.00
Germany (November 1972)	Mark					6,586.9	[2]2,060.99			6,586.9	2,060.99
Hong Kong	HK dollar	951.83	173.06	277.46	58.63	85.97	15.63	174.07	31.65	1,489.33	278.97
Vietnam	Piastre	48,000	120.00	54,306	131.86			10,920	23.94	113,226	275.80
Korea	Won	101,707	266.00	40,909	147.25			448.3	9.28	147,064	422.53
Philippines	Peso	717.12	185.86	661.51	98.75	535.31	79.94	67.37	10.04	1,981.31	374.59
Japan	Yen	60,220	73.42	19,330	44.75	188,096	92.36		8.25	267.646	218.78

Footnotes at end of table.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON FOREIGN RELATIONS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972—Continued

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
J. G. Lowenstein:											
Laos	Kip	30,200.00	$50.00	13,281.96	$21.99			3,020.00	$5.00	46,501.96	$76.99
Thailand	Baht	3,132.48	156.00	5,164.58	257.20	530.51	$26.42	1,204.80	60.00	10,032.37	499.62
Cambodia	Riel	8,964.00	75.00	5,337.76	44.66			1,075.68	9.00	15,377.44	128.66
France	Franc	286.00	55.00	40.92	7.87			72.80	14.00	399.72	76.87
Italy	Lira	16,632.00	28.00	4,223.34	7.11	15,491.52	26.08	4,158.00	7.00	40,504.86	68.19
Germany	Deutsche mark					21,179.76	[2] 6,416.77			21,179.76	6,416.77
Hong Kong	HK dollar	886.40	160.00	506.66	91.37	86.79	15.63	72.00	13.00	1,551.85	280.00
Vietnam	Piastre	50,400.00	120.00	52,836.00	125.80			12,600.00	30.00	115,836.00	275.80
Korea	Won	79,150.59	207.00	65,205.56	170.53	29,071.59	76.03	17,206.65	45.00	190,634.39	498.56
Philippines	Peso	610.61	91.00	1,131.51	168.63	1,702.60	253.74	234.85	35.00	3,679.57	548.37
John Ritch:											
Germany	Deutsche marks	70.40	22.00	44.80	14.00	19.20	6.00	16.00	5.00	150.40	47.00
Germany	Deutsche marks					5,528.25	1,701.00			5,528.25	1,701.00
France	Franc	60	12.00	70	14.00			20	4.00	150	30.00
Italy	Lira	13,944	24.00	6,972	12.00	2,324	4.00	3,486	6.00	26,726	46.00
Turkey	Turkish Lira	504	36.00	322	23.00	56	4.00	70	5.00	952	68.00
Iran	Rial	5,776	76.00	2,888	38.00	380	5.00	1,140	15.00	10,184	134.00
United Kingdom	Pound	30	75.00	14.40	26.00	4.80	12.00	3.20	8.00	48.4	121.00
Martin Hamberger: Hong Kong	HK dollar	716.80	130.30	256.00	46.54	90.00	16.13	72.20	13.14	1,190.00	206.11
Wm. Hildenbrand: Hong Kong	HK dollar	840.00	152.75	40.70	7.55	90.00	16.13	219.30	39.70	1,190.00	216.13
Rufus Pearson: Hong Kong	HK dollar	855.25	155.50	184.25	33.50	90.00	16.13	60.50	11.00	1,190.00	216.13
Salpee Sahagian: Hong Kong	HK dollar	627.00	114.00	290.60	52.84	90.00	16.13	182.40	33.16	1,190.00	216.13
Francis Valeo:											
Hong Kong	HK dollar	840.00	152.75	161.00	29.25	90.00	16.13	99.00	18.00	1,190.00	216.13
Dominican Republic	DR dollar	95.00	95.00	117.25	117.25	22.00	22.00	15.75	15.75	250.00	250.00
Martinique	New Franc	435.60	78.85	310.15	55.63	55.25	10.00	27.75	5.52	828.75	150.00
Trinidad	Trinidad dollar	160.00	82.11	178.58	91.74	23.40	12.00	27.52	14.15	389.50	200.00
Jamaica	Jamaican dollar	45.60	60.67	57.42	76.33	38.34	51.00	9.02	12.00	150.38	200.00
Germany	Deutsche mark					2,200.50	675.00			2,200.50	675.00
Seth Tillman:											
Germany	Deutsche mark					6,241.15	[2] 1,952.80			6,241.15	1,952.80
Saudi Arabia	Riyal							103.50	25.00	103.50	25.00
Abu Dhabi	Dinar							3.100	6.03	3.100	6.03
Kuwait	Dinar							4.270	13.11	4.270	13.11
Kenya	Schilling	285.00	40.73	728.05	102.77	100.00	14.00			1,113.05	157.50
Milrae Jensen:											
United Kingdom	Pound	26.55	63.18	18.53	43.87	19.60	45.96	10.80	25.70	75.48	178.71
Bulgaria	Leva	69.20	37.40	40.70	22.00	86.11	46.54	5.00	2.71	201.01	108.65
Romania	Lei	573.72	36.22	590.52	37.28	271.94	17.17	182.16	11.50	1,618.34	102.17
Yugoslavia	Dinar	606.69	36.20	354.77	21.20	1,871.08	111.71	104.69	6.25	2,937.23	175.36
Czechoslovakia	Crown	326.00	24.77	83.01	6.31	647.69	49.22	26.32	2.00	1,083.02	82.30
Spain	Peseta	4,242	66.75	3,307.25	52.16	160.00	2.50	1,498.00	23.59	9,207.25	145.00
Italy	Lira	136,535	235.00	95,400	164.20	2,614	4.50	8,309	14.30	242,858	418.00
Total			10,408.13		8,044.77		44,583.74		2,499.52		65,536.16

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[2] Used for purchase of air ticket.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$65,536.16
Total	65,536.16

J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations.

Mar. 13, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY DELEGATIONS, U.S. GROUP INTERPARLIAMENTARY UNION, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1973

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Birch Bayh:											
Morocco	Dirham	235.26	$51.06	78.50	$17.32					313.86	$68.30
Zaire	Zaire	31.64	63.28	34.21	68.42			18.95	$37.90	84.80	169.81
Cameroon	Franc	30,100	119.60	19,422	77.22			83,218	330.89	132,740	527.67
Spain	Peseta	3,535	55.66	305	4.81					3,840	60.75
Italy	Lira	229,000	394.15	15,450	26.59			1,400	2.41	222,350	[3] 423.41
Vance Hartke:											
Spain	Peseta	2,240	35.56	491	7.80			510	8.10	3,241	51.46
Italy	Lira	254,000	437.18	13,410	23.08			2,650	4.56	270,460	[3] 464.82
Ernest F. Hollings:											
Morocco	Dirham	235.36	51.06	6	1.30					241.36	52.36
Zaire	Zaire	31.64	63.28	15.08	30.16					46.72	93.44
Cameroon	Franc	55,650	222.15	7,060	28.15			1,260	5.03	63,970	255.33
Spain	Pesta	1,295	20.10	1,800	27.92					3,095	48.02
B. Everett Jordan:											
Italy	Lira	281,500	484.52	357,290	614.95			9,025	15.54	647,815	1,115.01
Spain	Pesta	2,800	44.45	10,820	170.56			20	.32	13,640	215.33
William B. Saxbe:											
Morocco	Dirham	235.36	51.06							235.06	51.06
Zaire	Zaire	31.64	63.28	13.48	26.96					45.12	90.24
Cameroon	Franc	30,100	119.60	7,010	27.88			2,100	8.36	39,210	155.84
Spain	Pesta	3,430	54.04	475	7.49			15	.18	3,920	61.71
Italy	Lira	225,100	387.44	328,160	564.82	316,335	$544.00	6,695	11.53	876,290	[4] 1,507.79
Robert T. Stafford:											
Italy	Lira	238,000	409.48	251,790	433.38			7,140	12.29	556,930	855.15
Spain	Peseta	2,800	44.45	5,665	89.33			40	.62	8,505	134.40
Robert Taft, Jr.: Italy	Lira	238,000	409.63	210,650	362.56	316,335	544.00	64,150	110.41	829.134	1,426.60

Footnotes at end of table.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY DELEGATIONS, U.S. GROUP, INTERPARLIAMENTARY UNION, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1973—Continued

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Milrae E. Jensen:											
Morocco	Dirham	182.34	$39.52	225.00	$48.80			40	$8.68	447.34	$97.00
Zaire	Zaire	25.10	50.20	30.15	60.30			4.0	8.00	59.25	118.50
Cameroon	Franc	28,600	113.71	27,275	108.45			52.80	19.98	611.55	242.14
Spain	Peseta	950	14.71	1,275	19.84					2,225	34.55
Darrell St. Claire:											
Morocco	Dirham	235.36	51.06	110.00	23.86					345.36	74.92
Zaire	Zaire	31.64	63.28	22.13	44.26					53.77	107.54
Cameroon	Franc	30,100	119.62	9,450	37.58			650	2.59	40,200	159.79
Spain	Peseta	4,095	64.55	3,770	59.32					7,865	123.87
Italy	Lira	280,500	484.52	56,650	97.50			28,300	48.70	366,450	[3] 630.72
Switzerland	Franc	180.00	44.00	83.90	24.00					263.90	68.00
	US dollar						$781.79				781.79
Germany	US dollar		37.50		100.71						138.21
Total			4,863.70		3,235.32		1,869.79		636.09		10,404.90

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[2] $226 of this amount reimbursed by personal check.

[3] $240.87 of this amount reimbursed by personal check.

[4] $116 of this amount reimbursed by personal check.

[5] $290.79 of this amount reimbursed in cash and by personal check.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$3,511.09
Appropriated funds:	
Other 22 U.S.C. 276	6,893.81
Total	10,404.90

EDWARD DERWINSKI,
Chairman.

Mar. 13, 1973

REPORT OF EXPENDITURE OF APPROPRIATED FUNDS BY SENATE DELEGATION, NORTH ATLANTIC ASSEMBLY, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
John Sparkman: Germany	Dollar		$280.63		$95.33						$375.96
Gordon Allott: Germany	Dollar		164.63		43.01				$5.48		213.12
Henry Bellmon: Germany	Dollar		164.63		77.33				7.92		249.88
Lloyd Bentsen: Germany	Dollar		109.76		30.43				9.12		149.31
Howard W. Cannon: Germany	Dollar		109.76		35.06				6.38		151.20
Clifford P. Case: Germany	Dollar		164.63		84.49				5.77		254.89
John Sherman Cooper: Germany	Dollar		185.21		50.00				34.55		269.76
Thomas F. Eagleton: Germany	Dollar		137.19		39.25				5.71		182.15
Ernest F. Hollings: Germany	Dollar		109.76		82.77				5.05		197.58
Henry M. Jackson: Germany	Dollar		137.19		81.57				.29		219.05
Jacob K. Javits: Germany	Dollar		137.20		140.24				40.08		317.52
B. Everett Jordan: Germany	Dollar		109.76		79.81				3.63		193.20
Edward M. Kennedy: Germany	Dollar		137.20		64.11				70.71		272.02
Frank E. Moss: Germany	Dollar		137.19		18.99						156.18
Thomas J. McIntyre: Germany	Dollar		109.76		52.05				8.20		170.01
Gaylord Nelson: Germany	Dollar		192.07		111.15				.28		303.50
Claiborne Pell: Germany	Dollar		164.63		163.08				25.80		353.51
Richard S. Schweiker: Germany	Dollar		109.76		46.16						155.92
Ted Stevens: Germany	Dollar		109.76		64.92				9.37		184.05
Stuart Symington: Germany	Dollar		280.63		102.71				3.34		386.68
John Tunney: Germany	Dollar		137.19		98.49				74.12		309.80
Donald G. Henderson: Germany	Dollar		150.60		34.02				10.01		194.63
Milrae Jensen: Germany	Dollar		107.57		30.28				1.40		139.25
Abner Kendrick: Germany	Dollar		158.70		14.30				10.82		183.82
Arthur M. Kuhl: Germany	Dollar		107.57		30.89						138.46
Margaret J. Meyer: Germany	Dollar		129.09		18.58						147.67
Mark Schneider: Germany	Dollar		150.60		48.92				22.43		221.95
Dorothy Turnipseed: Germany	Dollar		107.57		20.48				.71		128.76
Octa Watson: Germany	Dollar		107.57		32.15						139.72
Delegation expenses:											
Official meals					1,050.55						1,050.55
Transportation							$7,472.53				7,472.53
Office rent			687.84								687.84
Office supplies									233.27		233.27
Overtime, Embassy personnel									2,621.13		2,621.13
Telephone installation and charges									542.70		542.70
Newspapers									82.82		82.82
Travelers check fees									10.07		10.07
Bank charges									7.03		7.03
Gratuities						22,615			330.95		330.95
Transportation: Austria	Schilling						1,127.73			22,615	1,127.73
Transportation: France	Franc					2,201	440.25			2,201	440.25
Transportation: Spain	Peseta					93,903	1,478.79			93,903	1,478.79
Total			4,895.65		2,841.12		10,519.30		4,189.14		22,445.21

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$3,046.77
Appropriated funds:	
Other, Public Law 84-689	19,398.44
Total	22,445.21

JOHN SPARKMAN,
Chairman, Senate Delegation, North Atlantic Assembly.

Mar. 12, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON SENATE DELEGATION, CANADA-UNITED STATES INTERPARLIAMENTARY GROUP, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Frank Church: Canada	Dollar		$180.42		$26.90				$5.00		$212.32
George D. Aiken. Canada	Dollar		31.00						.50		31.50
Marlow Cook: Canada	Dollar		127.17		30.23				2.75		160.15
John Sherman Cooper: Canada	Dollar		75.60		7.52		$63.00		3.81		149.93
Ernest Hollings: Canada	Dollar		127.17		23.13				2.00		152.30
William Spong: Canada	Dollar		50.40		5.12				.75		56.27
Robert Stafford: Canada	Dollar		56.70		7.20						53.90
Ted Stevens: Canada	Dollar		122.97		61.00				.50		184.47
Kris Gaiser: Canada	Dollar		83.33		7.24				.25		90.82
Milrae Jensen: Canada	Dollar		89.63		5.44				8.89		103.96
Arthur Kuhl: Canada	Dollar		87.53		51.29						138.82
Myrna Sasser: Canada	Dollar		85.43		7.64						93.07
Delegation expenses:											
Office rent: Canada	Dollar		29.40								29.40
Official meals and reception: Canada	Dollar				255.46						255.46
Telephone charges: Canada	Dollar								12.86		12.86
Newspapers: Canada	Dollar								3.60		3.60
Gratuities: Canada	Dollar								19.80		19.80
Total			1,146.75		488.17		63.00		60.71		1,758.63

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Public Law 86-42	$1,758.63

FRANK CHURCH,
Chairman, Committee on Senate Delegation, Canada-United States Interparliamentary Group.

Mar. 9, 1973.

REPORT OF EXPENDITURE OF APPROPRIATED FUNDS BY THE MEXICO-U.S. INTERPARLIAMENTARY CONFERENCE, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972.

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Mike Mansfield: United States	Dollar		$399.39		$16.81				$0.60		$416.80
Geo. Aiken: United States	Dollar		227.84		38.08		$3.75		.95		270.62
Lawton Chiles: United States	Dollar		190.56		40.27				17.20		248.03
Marlow Cook: United States	Dollar		227.84		65.57				23.85		317.26
Joseph M. Montoya: United States	Dollar		227.84		32.32				3.18		263.34
Gaylord Nelson: United States	Dollar		83.07		17.89				.20		101.16
Donald F. Barnes: United States	Dollar		168.76		39.36				6.80		214.92
Robert Biles: United States	Dollar		211.84		50.66				4.82		267.32
Pat Holt: United States	Dollar		211.84		60.03				.70		272.57
Milrae Jensen: United States	Dollar		206.45		23.77		99.00		20.55		349.77
Arthur Kuhl: United States	Dollar		178.76		59.00		114.25		7.28		359.29
David Paton: United States	Dollar		244.07		57.15		366.00		7.73		674.95
Glenn Sorenson: United States	Dollar		83.07		17.13		87.75				187.95
Elmira Vogtmann: United States	Dollar		110.76		5.10						115.86
Delegation expenses:											
Transportation							3,634.38				3,634.38
Official meals and receptions					6,692.58						6,692.58
Interpreters' fees and expenses									1,587.20		1,587.20
Hotel offices and machine rentals									142.20		142.20
Telephone charges									97.86		97.86
Stationery supplies									77.58		77.58
Miscellaneous									145.56		145.56
Total			2,772.09		7,215.72		4,305.13		2,144.26		16,437.20

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Appropriated funds:	
Other: Public Law 86-420	$16,437.20
Total	16,437.20

MIKE MANSFIELD,
Chairman, U.S. Senate Delegation.

Mar. 1, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON GOVERNMENT OPERATIONS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Fred Asselin:											
Germany	Deutsche mark	3,714.50	$1,150.00	5,007.29	$1,550.29	901.17	$279.00	161.50	$50.00	9,784.60	$3,029.29
Netherlands	Guilder					2,596.37	792.30				792.30
Subtotal			1,150.00		1,550.29		1,071.30		50.00		3,821.59

Footnote at end of table.

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Dennis Burr: Germany	Deutsche mark	469.28	$146.65	234.72	$73.35	240.06	$75.02			944.06	295.02
Subtotal			146.65		73.35		75.02				295.02
John Constandy: Germany	Deutsche mark	2,902.58	901.00	1,541.35	479.00	1,951.19	604.28	155.50	48.32	6,550.62	2,032.60
Subtotal			901.00		479.00		604.28		48.32		2,032.60
L. J. Duffy:											
Germany	Deutsche mark	7,810.27	2,418.13	6,979.17	2,160.23	943.39	291.77	1,815.45	562.19	17,548.28	5,432.32
France	Franc					2,253.00	449.80			2,253.00	449.80
Subtotal			2,418.13		2,160.23		741.57		562.19		5,882.12
Total			4,615.79		4,262.87		2,492.17		660.51		12,031.33
Dorothy Fosdick:											
England	Pound	131.49	310.42	61.34	144.90	20.21	47.86	19.61	46.50	232.65	549.68
Greece	Drachma	950.00	31.67	240.00	8.00	120.00	4.00	90.00	3.00	1,400.00	46.67
Israel	Pound	294.00	70.00	63.00	15.00	42.00	10.00	21.00	5.00	420.00	100.00
Iran	Riyal	7,548.5	99.00	2,091.5	27.43			610.00	8.00	10,250.00	134.43
Saudia Arabia	Riyal	103.5	25.00	12.4	3.00	16.6	4.00	14.9	3.60	147.4	35.60
West Germany	Deutsche mark	500.00	156.25	200.00	62.50	2,994.03	936.75	120.00	37.50	3,814.03	1,193.00
Subtotal			692.34		260.83		1,002.61		103.60		2,059.38
Eldon Hansen: Germany	Deutsche mark	1,541.85	477.35	770.84	238.65	1,803.24	558.28	50.10	15.51	4,166.03	1,289.79
Subtotal			477.35		238.65		558.28		15.51		1,289.79
Richard Helmer: Germany	Deutsche mark	1,397.46	432.65	698.81	216.35	919.17	284.57	119.58	37.02	3,135.02	970.59
Subtotal			432.65		216.35		284.57		37.02		970.59
Total			1,602.34		715.83		1,845.46		156.13		4,319.76
William Knauf:											
Germany	Deutsche mark	10,546.45	3,282.17	12,467.65	3,874.98	4,170.74	1,300.42	7,061.63	2,192.92	33,898.84	5,445.12
Netherlands	Guilder					2,671.83	797.56			2,671.83	797.56
Subtotal			3,282.17		3,874.98		2,097.98		2,192.92		11,448.05
Albert Lakeland:											
England	Pound	110.97	263.03	69.00	164.09	39.91	94.72	10.32	24.82	220.20	546.66
Italy	Lira	29,100.00	50.00	26,190.00	45.00	17,460.00	30.00	14,550.00	25.00	87,300.00	150.00
France	Franc	148.00	29.60	150.00	30.00	98.00	19.60	104.00	20.80	500.00	100.00
Israel	Pound	374.01	89.05	200.00	47.62	139.99	33.33	126.00	30.00	840.00	200.00
Canada	Dollar	39.05	40.00	24.41	25.00	24.41	25.00	9.76	10.00	97.63	100.00
Germany	Deutsche mark	1,024.00	320.00	912.00	285.00	460.80	144.00	326.40	102.00	2,723.20	851.00
Subtotal			791.68		596.71		346.65		212.62		1,947.66
Total			4,073.85		4,471.69		2,444.63		2,405.54		13,395.71
Philip Manuel:											
Germany	Deutsche mark	816.00	255.00	609.80	190.18	44.20	13.26	130.00	40.20	1,600.00	498.64
Subtotal			255.00		190.18		13.26		40.20		498.64
David Martin:											
Germany	Deutsche mark	3,074.76	953.30	1,376.05	426.70	1,979.23	603.20	6.46	2.00	6,436.50	1,985.20
Subtotal			953.30		426.70		603.20		2.00		1,985.20
Richard Perle:											
England	Pound	44.49	105.00	31.34	74.00	4.21	10.00	4.61	11.00	84.65	200.00
Greece	Drachma	950.0	31.67	240.0	8.00	120.0	4.00	90.0	3.00	1,400.0	46.67
Israel	Pound	1,166.00	277.62	483.00	115.00	147.00	35.00	128.52	30.60	1,924.52	458.22
Iran	Riyal	18,010.00	236.20	11,415.00	149.70	6,115.00	80.20	4,210.00	55.21	39,750.00	521.31
Saudia Arabia	Riyal	103.5	25.00	12.4	3.00	16.6	4.00	14.9	3.60	147.4	35.60
West Germany	Deutsche mark					4,073.60	1,273.00			4,073.60	1,273.00
Subtotal			675.49		349.70		1,406.20		103.41		2,534.80
Total			1,883.79		996.58		2,022.66		145.61		5,018.64
John Walsh: Germany	Deutsche mark	576.00	180.00	648.00	202.16	96.00	30.00	280.00	87.16	1,600.00	499.32
Subtotal			180.00		202.16		30.00		87.16		499.32
Total			180.00		202.16		30.00		87.16		499.32

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$35,264.76
Total	35,264.76

SAM J. ERVIN, JR.,
Chairman, Committee on Government Operations.

Feb. 28, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Senator Henry M. Jackson:											
Yugoslavia	Dinar	995.60	$59.49	72.40	$4.33	1,871.07	$111.70	194	$11.59	3,133.01	$187.11
Bulgaria	Leva	69.20	37.40	59	31.89	86.10	46.54			214.30	115.83
Romania	Lei	1,056.53	66.70	65	4.06	271.94	17.17			1,393.47	87.93
Czechoslovakia	Crown	742.90	57.14	22.60	1.74	647.69	49.22			1,413.19	108.10
Subtotal											498.97
J. S. Kimmitt:											
Germany	Deutsche mark	440	137.07	274.84	85.62	62.08	19.34	25.60	7.97	802.52	250.00
Yugoslavia	Dinar	738.20	44.07	1,453	86.75	1,871.07	111.70	321.30	19.18	4,383.57	261.70
Bulgaria	Leva	69.20	37.40	81.85	44.24	86.10	46.54	.92	.50	238.07	128.68
Romania	Lei	828	51.75	395	24.68	336.94	21.05	191	11.93	1,750.94	109.41
Czechoslovakia	Crown	545	41.92	288	22.15	647.69	49.22	73	5.61	1,553.69	118.90
Spain	Peseta	1,175	18.65	1,495	23.34	150	2.38	355	5.63	3,175	50.00
Subtotal											918.69
William J. Van Ness:											
Israel	Pound	294.0	70.00	63.0	15.00	42.0	10.00	21.0	5.00	420.0	100.00
Iran	Riyal	7,548.8	99.00	2,091.5	27.43			610.0	8.00	10,250.0	134.43
Saudi Arabia	Riyal	103.5	25.00	12.4	3.00	16.6	4.00	14.9	3.60	147.4	35.60
West Germany	Deutsche mark	253.8	79.36	137.3	42.90	41.9	13.09	47.0	14.65	480.0	150.00
West Germany	Deutsche mark					4,010.98	1,255.00				1,255.00
Subtotal											1,675.03
Senator Henry Bellmon:											
United Kingdom	Pound									84.65	200.00
United Kingdom	Pound					84.45	199.19	61.56	145.20	146.01	344.39
United Kingdom	Pound									13.26	31.35
U.S.S.R.	Ruble									57.00	69.01
France	Franc									500.00	100.00
Subtotal											744.75
Mary Jane C. Due:											
Switzerland	Franc		175.00		90.00		24.00		24.00		313.00
Grenville Garside:											
United Kingdom	Pound		60.00		28.00				12.00		100.00
Germany	Deutsche mark					3,194.75	983.00			3,194.75	983.00
Switzerland	Franc	540	143.14	490	129.89			101.75	26.97	1,131.75	300.00
Subtotal											1,383.00
David P. Stang											
England	Pound	46.63	114.57	11.26	27.67			22.00	54.05	79.89	196.29
Belgium	Franc		60.00		20.00		5.00		15.00		100.00
Switzerland	Franc	1,200.00	318.30	225.00	59.68			527.00	139.79	1,952.00	517.77
	Franc					660.40	171.44			660.40	171.44
	Guilders					3,083.66	941.00			3083.66	941.00
Subtotal											1,926.50
Total			1,695.96		772.37		4,080.58		510.67		7,459.94

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

HENRY M. JACKSON, Chairman,
Committee on Interior and Insular Affairs.

Feb. 28, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON LABOR AND PUBLIC WELFARE, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Campbell, Edward:											
Netherlands	Guilder	518.75	$$161.10	256.00	$79.50	3,083.66	$941.00	30.25	$9.40	3,888.66	$1,191.00
Cutler, Jay B.:											
Laos	Kip	30,250.00	50.00	18,150.00	30.00			12,100.00	20.00	60,500.00	100.00
Philippines	Peso	167.75	25.00	100.65	15.00			67.10	10.00	335.50	50.00
Hong Kong	HK dollar	560.00	100.00	336.00	60.00			224.00	40.00	1,120.00	200.00
Thailand	Baht	1,561.50	75.00	936.90	45.00			625.35	30.00	3,123.75	150.00
Vietnam	Piastre	17,800.00	40.00	8,900.00	20.00			4,500.00	10.22	31,250.00	70.22
Malaysia	Dollar	206.25	75.00	123.75	45.00	75.00	27.27	82.50	30.00	412.50	177.27
Eagleton, Thomas:											
Bulgaria	Leva	95.74	51.76	55.56	30.02	86.11	46.55	3.70	2.00	155.00	83.78
Romania	Lei	880.07	55.56	384.47	24.28	271.94	17.16	47.52	3.00	1,584.00	100.00
Yugoslavia	Dinar	737.80	44.00	1,491.20	89.07	1,871.08	111.71	67.00	4.00	2,296.00	137.07
Czechoslovakia	Koruna	526.00	40.00	632.52	48.03	647.69	49.22	39.48	3.00	1,198.00	91.03
Spain	Peseta	1,440.00	22.00	1,608.00	26.00			127.00	2.00	3,175.00	50.00
Heritage, John:											
Sweden	Kronor	1,246.56	264.09	492.09	104.32	220.66	46.75	527.08	111.67	2,486.63	526.83
Netherlands	Guilder					2,248.02	686.00			2,248.02	686.00
Hughes, Harold: Netherlands	Guilder	518.75	161.10	260.25	80.82	3,233.65	987.64	26.00	8.08	4,038.65	1,237.64
Miller, Mary Ellen:											
Laos	Kip	18,150	30.00	12,100	20.00			7,240	11.97	37,490	61.97
Philippines	Pesos	167.75	25.00	100.65	15.00	40.26	6.00	26.84	4.00	335.50	50.00
Hong Kong	HK dollars	470.40	84.00	319.20	57.00	140	25.00	190.40	34.00	1,120	200.00
Thailand	Baht	1,249.50	60.00	937.13	45.00	520.62	25.00	416.50	20.00	3,123.75	150.00
Vietnam	Piastre	18,690	42.00	8,900	20.00			1,869	4.18	29,450	66.18
Malaysia	Malaysia dollar	176	64.00	151.25	55.00	75	27.27	8,525	31.00	487.50	177.27

Footnote at end of table.

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Nagle, Robert:											
Hong Kong	HK dollar	560	$100.00	336	$60.00			224	$40.00	1,120	$200.00
Vietnam	Piastre	22,250	50.00	13,350	30.00			11,150	25.06	46,750	105.06
Laos	Kip	30,250	50.00	18,150	30.00			12,100	20.00	60,500	100.00
Thailand	Baht	2,083	100.00	1,250	60.00			832	40.00	4,165	200.00
Palumbo, Benjamin:											
United Kingdom	Pound	85.90	225.00	57.27	150.00	4.68	$12.22	28.63	75.00	176.48	462.22
Netherlands	Deutsche mark					4,075.50	1,254.00			4,075.50	1,254.00
Skrabut, Paul:											
Sweden	Kronor	2,050.75	400.00	1,025.38	250.00					3,076.13	650.00
Germany						3,409.25	1,072.09			3,409.25	1,072.09
Harrison Williams:											
France	Franc	150.00	30.00	100.00	20.00					250.00	50.00
Sweden	Kronor	710.63	150.00	475.75	100.00	248.00	51.74			1,332.38	301.74
Germany	Deutsche mark					3,870.75	1,217.22			5,870.75	1,217.22
Woodruff, Charles:											
Laos	Kip	30,250	50.00	18,150	30.00			12,100	20.00	60,500	100.00
Hong Kong	HK dollar	560	100.00	336	60.00			224	40.00	1,120	200.00
Thailand	Baht	2,083	100.00	1,250	60.00			832	40.00	4,165	200.00
Vietnam	Piastre	17,800	40.00	28,448	64.00			15,502	34.76	61,750	138.76
Total			2,864.61		1,823.04		6,603.84		723.34		1,1807.35

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

HARRISON WILLIAMS,
Chairman, Committee on Labor and Public Welfare.

Feb. 27, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON PUBLIC WORKS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Senator J. L. Buckley:											
Sweden	Krona	1,365.00	$288.50	178.05	$37.50			114.20	$24.00	1,657.25	$350.00
J. E. Schafer:											
Sweden	Krona	945.00	199.36	575.95	121.64	17.50	$3.90	118.80	25.10	1,657.25	350.00
Ronald D. McMahan:											
England	Pound	27.00	72.32	25.00	66.96	4.00	10.72			56.00	150.00
Sweden	Krona	1,150.00	242.85	1,200.00	253.42	506.00	106.85	220.13	46.88	3,076.13	650.00
Total			803.03		479.52		121.47		95.98		1,500.00

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$1,500.00
Total	1,500.00

JENNINGS RANDOLPH,
Chairman, Committee on Public Works.

Jan. 19, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON RULES AND ADMINISTRATION, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
John F. Haley:											
Japan	Yen	36,132	$120.00	30,110	$100.00			24,088	$80.00	90,330	$300.00
Germany (air travel)	Mark					5,841.79	$1,825.56			5,841.79	1,825.56
Hugh Q. Alexander:											
United Kingdom	Pound	74.94	180.00	37.47	90.00	12.49	30.00			124.90	300.00
France	Franc	750.00	150.00	375.00	75.00	100.00	20.00	125.00	25.00	1,350.00	270.00
Italy	Lira	104,940	180.00	52,470	90.00	29,150	50.00	17,490	30.00	204,050	350.00
Germany (air travel)	Mark					2,200.25	677.00			2,200.25	677.00
Senator B. Everett Jordan:											
United Kingdom	Pound	59.66	142.00	22.47	52.00	119.39	281.76	2.52	6.00	204.04	461.76
Spain	Peseta	2,095.50	33.00	889.00	14.00			190.50	3.00	3,175.00	50.00
Bulgaria	Lev	69.20	37.40	80.65	43.60	86.11	46.55	35.15	19.00	271.11	146.55
Romania	Leu	990.00	62.50	426.86	27.00	271.93	17.16	166.32	10.50	1,855.11	117.16
Czechoslovakia	Crown	526.00	39.97	484.03	36.68	647.69	49.22	305.97	23.35	1,963.69	149.22
Yugoslavia	Dinar	737.80	44.05	768.70	45.89	1,871.08	111.70	536.00	32.00	3,913.58	233.64
Germany (air travel)	Mark					3,929.60	1,228.00			3,929.60	1,228.00
Total			988.92		574.17		4,336.95		228.85		6,128.89

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$6,128.89
Total	6,128.89

HOWARD W. CANNON,
Chairman, Committee on Rules and Administration.

Mar. 13, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Vance Hartke:											
Israel	Pound	266. 49	$53. 47	559. 61	$133. 24			223. 90	$53. 31	1, 050. 00	$250. 00
Romania	Lei	1, 048. 92	66. 22	356. 15	22. 50			178. 43	11. 28	1, 583. 50	100. 00
Italy	Lira			122, 591. 00	211. 00	828, 365. 00	$1, 418. 52	138, 859. 00	239. 00	1,089,815.00	1, 868. 52
Austria	Shilling	819. 87	35. 40	886. 16	38. 28	5, 770. 00	250. 00	609. 97	26. 32	8, 086. 00	350. 00
Denmark	Kroner	703. 91	102. 00	331. 09	48. 00	1, 881. 00	273. 44			2, 916. 00	423. 44
Egypt	Pound			46. 48	83. 49			36. 85	66. 51	83. 330	150. 00
Greece	Drachma			980. 10	32. 67	7, 422. 00	247. 40	519. 90	17. 33	8, 922. 00	297. 40
Switzerland	Franc	130. 02	34. 30	249. 33	65. 70	579. 62	152. 63			958. 97	252. 63
United Kingdom	Pound	15. 06	35. 70	19. 61	46. 90	260. 16	618. 78	7. 63	17. 40	302. 46	718. 78
Germany	Mark	195. 80	61. 20	201. 93	63. 12	2, 736. 93	846. 52	82. 27	25. 68	3, 216. 93	996. 52
Subtotal			398. 29		744. 90		3, 807. 29		456. 83		5, 407. 29
Jackie Mason:											
Israel	Pound	284. 84	67. 82	601. 74	143. 27			163. 42	38. 91	1, 050. 00	250. 00
Romania	Lei	1, 048. 92	66. 22	260. 09	16. 43			274. 66	17. 35	1, 583. 50	100. 00
Austria	Shilling	819. 87	35. 40	644. 77	27. 84			851. 36	36. 76	2, 316. 00	100. 00
Egypt	Pound	61. 21	110. 18	22. 12	39. 82					83. 330	150. 00
Greece	Drachma			780. 00	26. 00			720. 00	24. 00	1, 500. 00	50. 00
Switzerland	Franc	130. 02	34. 30	139. 60	36. 90			109. 73	28. 90	379. 35	100. 00
United Kingdom	Pound	15. 06	35. 70	17. 87	42. 60	178. 05	425. 00	9. 37	21. 70	220. 35	525. 00
Germany	Mark	195. 80	61. 20	154. 85	48. 39	1, 839. 50	566. 00	129. 35	40. 41	2, 319. 50	716. 00
Denmark	Kroner	597. 69	86. 60	412. 66	59. 80			24. 65	3. 60	1, 035. 00	150. 00
Total (Mason)			497. 42		440. 95		991. 00		211. 63		2, 141. 00
Total (Hartke)			398. 29		744. 90		3, 807. 29		456. 83		5, 407. 29
Grand total			895. 71		1, 185. 85		4, 798. 29		668. 46		7, 548. 29

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Note: Senator Hartke, as Chairman of the Veterans' Affairs Committee, authorized $874.52 of the amount listed for transportation in Italy for use by the entire Interparliamentary Union Group, as requested by the Interparliamentary Union Group Chairman. The amount actually used by Senator Hartke himself was only a portion of the whole.

RECAPITULATION

	Amount
Appropriated funds:	
Other: 22 U.S.C. (total)	$7, 548. 29

VANCE HARTKE,
Chairman, Committee on Veterans' Affairs.

Feb. 27, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE JOINT COMMITTEE ON ATOMIC ENERGY, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Graham, J. B.:											
Mexico	Peso	925. 26	$74. 08	824. 34	$66. 00	2, 183. 38	$174. 81	699. 44	$56. 00	4, 632. 42	$370. 89
Hansen, O.:											
United Kingdom	Pound	57. 75	150. 15	22. 50	58. 50	53. 05	135. 79	5. 75	14. 95	139. 05	359. 39
Hosmer, C.:											
Mexico	Peso	1, 369. 78	109. 67	1, 180. 03	94. 50	2, 183. 24	174. 80	621. 38	49. 75	5, 354. 43	428. 72
McCulloch W.:											
Mexico	Peso	1, 074. 14	86. 00	899. 28	72. 00	2, 183. 38	174. 81	524. 58	42. 00	4, 681. 38	374. 81
Murphy, G.:											
United Kingdom	Pound	57. 75	138. 50	31. 25	75. 00	21. 29	50. 08	6. 17	14. 50	116. 46	278. 08
Belgium	Franc	2, 930. 00	66. 60	2, 640. 00	60. 00	220. 00	5. 00	880. 00	20. 00	6, 670. 00	151. 60
West Germany	Mark	528. 00	165. 00	384. 00	120. 00	76. 80	24. 00	80. 00	25. 00	1, 068. 80	334. 00
Total			790. 00		546. 00		739. 29		222. 20		2, 297. 49

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$2, 297. 49
Total	2, 297. 49

MELVIN PRICE,
Chairman, Committee on Atomic Energy.

Mar. 5, 1973.

REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS BY THE JOINT ECONOMIC COMMITTEE, U.S. SENATE, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1972

		Lodging		Meals		Transportation		Miscellaneous		Total	
Name and country	Name of currency	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]	Foreign currency	U.S. dollar equivalent or U.S. currency [1]
Henry S. Reuss:											
England	Pound	38	$90	21	$50			4	$10	63	$150
U.S.S.R.	Rubel			27	33			8	10	35	43
Poland	Zloty			768	35			220	10	988	45
France	Franc	343	68	161	32					504	100
Austria	Schilling	2, 088	90	1, 160	50			232	10	3, 480	150
Portugal	Escudo	2, 705	100	2, 164	80			541	20	5, 410	200
Subtotal			348		280				60		688

Footnote at end of table.

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency[1]	Foreign currency	U.S. dollar equivalent or U.S. currency[1]	Foreign currency	U.S. dollar equivalent or U.S. currency[1]	Foreign currency	U.S. dollar equivalent or U.S. currency[1]	Foreign currency	U.S. dollar equivalent or U.S. currency[1]
William S. Moorhead: England	Pound	30	$78	38	$96	4	$11	9	$24	81	$209
Andrew Wilson: England	Pound	42	100			357	839			399	939
Bo Lundberg: Sweden	Krona	711	150			5,031	1,062			5,742	1,212
John Stark: Japan	Yen	100,800	336	62,400	208	20,100	67	9,300	31	192,600	642
John R. Karlick: Japan	Yen	132,300	441	98,100	327	21,900	73	12,000	40	264,300	881
George D. Krumbhaar, Jr.: Japan	Yen	91,406	304	64,847	215	22,665	75	14,415	48	193,333	642
Hubert H. Humphrey:											
U.S.S.R	Ruble	107	130			84	199			191	329
Poland	Zloty			1,582	72			1,214	55	2,796	127
Germany	Mark	320	100							320	100
England	Pound	40	95			7	15			47	110
Subtotal			325		72		214		55		666
Daniel L. Spiegel:											
U.S.S.R	Ruble	107	130			84	199			191	329
Poland	Zloty			1,582	72			1,214	55	2,796	127
Germany	Mark	320	100							320	100
England	Pound	40	95			7	15			47	110
Subtotal			325		72		214		55		666
John Hardt:											
U.S.S.R	Ruble	107	130			84	199			191	329
Poland	Zloty			1,582	72			1,214	55	2,796	127
Germany	Mark	320	100							320	100
England	Pound	40	95			7	15			47	110
Subtotal			325		72		214		55		666
Total			2,732		1,342		2,769		368		7,211

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	7,211

WILLIAM PROXMIRE,
Vice Chairman, Joint Economic Committee.

Feb. 28, 1973.

A MAJORITY OF ONE

Mr. SCOTT of Pennsylvania. Mr. President, an editorial in the April 5 issue of the Baltimore Sun puts the recent vote on the vocational rehabilitation bill in proper perspective. The Sun emphasizes that the real issue involved in the Senate's sustaining the President's veto was inflation. They explain:

> While most Americans are in favor of expanded assistance to the handicapped, they do not perceive that to be the issue involved here. The issue is inflation, the halting of which has vast public support.

I commend this fine editorial to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A MAJORITY OF ONE

> The Senate voted Tuesday to uphold the President's veto of a vocational rehabilitation measure, and in so doing it seemed to be saying that President Nixon is now a congressional majority of one, at least negatively: What he does not want to become law shall not become law. Senator Mike Mansfield, the Democratic leader, said the vote showed that the President was "in the driver's seat—at least for the time being." That implies that on later votes Senate Democrats who oppose the President will be able to over-ride vetoes. We are not so sure. As Senator Walter Mondale said, if the President could win on this bill, he is likely to win on most. This was a very attractive piece of legislation. It was originally passed by the Senate with only two dissenting votes.
>
> What caused the turnaround, from an 86–2 vote to one of 60–36? The obvious answer is party loyalty. Thirty-one Republicans voted to uphold the President, after an appeal on the party issue from Senate Republican Leader Hugh Scott. But the Republicans who supported the President would not have been able to if the public was demanding action on the legislation involved. We suspect that while most Americans are in favor of expanded assistance to the handicapped, they do not perceive that to be the issue involved here. The issue is inflation, the halting of which has vast public support.
>
> If the Democrats want to get in the driver's seat with the President—even in the copilot's seat—then they are going to have to defuse the inflation issue. They cannot do that on a bill-by-bill basis unless they can prove to the public that the total spending they envision is the same or less than the total spending advocated by the President. Supporters of the vetoed bill should have been able to say, convincingly, that while they called for X millions of dollars more than the President proposed, more than X millions would be saved in, say, the pending agriculture subsidy bill. Then the public would have supported them. They cannot say that as long as Congress, which Democrats control, refuses to make up its own budget and subject it to the same computerized decision-making that the Office of Management and Budget employs when it makes the President's budget.

REDUCTIONS IN ASCS COUNTY OFFICES

Mr. TALMADGE. Mr. President, the National Association of ASCS County Office Employees is concerned about impending consolidations and cutbacks in ASCS county offices.

Over the years, the county offices of the Agricultural Stabilization and Conservation Service have served as excellent vehicles for the delivery and administration of services for American farmers. These offices have administered the farm program and they have dispensed benefits under the rural environmental assistance program. The ASCS system of delivering Government services has been successful because it has depended on grassroots control. The farmers of every county elect their ASCS committeemen from among local farmers. The Federal employees who man these county offices must be responsible to the local farmers who are members of the ASCS committee. This decentralized grassroots system of delivering Government service has proved to be most responsive to the people and most effective.

However, there is great danger that this system of delivering services will be at least partially dismantled. When Secretary Butz testified before the Committee on Agriculture and Forestry in regard to the cutback and termination of vital farm and rural programs, I asked him about his plans to consolidate and eliminate ASCS county offices. I expressed concern that the rural environmental assistance program might result in many county offices being closed. Secretary Butz confirmed my fears.

In response to my question of how many offices he intended to close or merge with the office or offices of other counties, the Secretary responded—

Approximately 800 offices may be affected. No final decisions have been reached. We want to have the ASCS State and County organizations make recommendations before final conclusions are reached. We must maintain enough offices so that farmers can get reasonable service on the programs in which they wish to participate.

The closing of 800 county offices around the country will have a large impact not only on the economy of the communities in which they are located, but on the personnel who have been rendering faithful service in these offices for many years. Recently, the National Association of ASCS County Office Employees met in Washington and they adopted a resolution that I think deserves the attention of the Congress. My good friend and constituent, Fritz Scarborough, who is the vice president of the association, asked that I have this resolution printed in the RECORD.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD at the conclusion of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION BY NATIONAL ASSOCIATION OF ASCS COUNTY OFFICE EMPLOYEES

Whereas our decentralized and grassroots ASCS Committee and office network currently provides what many believe to be the most responsive, effective, heavily used, flexible, and representative government "delivery system" available to rural America. It is

1. Responsive because the farmer elected committees in every U.S. agricultural county are in charge, operate under law and are accountable to those they serve

2. Effective because its over 13,000 employees are locally employed and professionally trained and, thus, are also responsive to those served

3. Heavily used and depended upon by producers—studies have shown 80 to 90 percent of the farmer-government contacts are through the ASCS offices

4. Flexible and adaptable to the extent that a great variety of frequently changing public laws are administered efficiently by these offices including those received or changed on short notice

5. The most representative, consistent and dependable source of information available for planning regarding current crop conditions, producers intentions and procedures problems

6. Available because services are provided in some 2800 decentralized locations (offices) properly dispersed throughout rural America rather than concentrated in the urban areas; and

Whereas the ASCS "delivery system" currently serves producers and other with

1. The benefits of public laws providing needed production adjustment, loans for stabilizing commodity prices, incentive payments for needed commodities, financing for on-farm storage, etc.

2. The nucleus and principal source of natural disaster assistance for livestock, land and water resources

3. Specially assigned programs including indemnity programs, USDA defense program, and others; and

Whereas actions precipitated by current national budget pressures will seriously reduce and in some cases eliminate the "delivery system" for much of Rural America and produce the following foreseeable impacts:

1. Producers in the most remote rural areas will no longer have "local" services and the remaining "distant" services may be beyond "practical" reach

2. If ASCS seeks efficiency through centralization of its services, producers will have the additional burden of more incomplete and inaccessible services and, thus, more inefficient services from their point of view, and, also by centralization ASCS will become more remote from and less responsive to rural people needing their services most

3. Rural towns will lose one of the primary reasons they currently remain as shopping centers, thus increasing the rate of their deterioration

4. Thousands of local professional employees—many far along in ASCS careers—will be forced into a local job market where no comparable jobs are available and where the government offers little or no alternatives in that location or elsewhere. This action besides dramatically impairing the services to hundreds of thousands of producers will also affect the economic well-being of thousands of employees and employee family members

5. The use of unproven guidelines to expedite drastic changes could lead to gross unforeseen losses of farmer services, widespread inequities in dealing with employees and demoralizing public reactions; and

Whereas any curtailing of and/or dismantling of the ASCS "delivery system" may not be necessary or in the public interest, it should be desirable to:

1. Keep at least minimum responsive units in the more remote, less productive rural areas as bases for assisting in rural development.

2. Research for other rural services currently authorized but not completely or satisfactorily implemented as a possible addition to ASCS office workload.

3. Maintain ASCS as a leader in Rural Development and planning. While ASCS shared a major role in USDA Rural Development, many of the best results came from ASCS sources. Use these as models for current and future efforts.

Therefore, be it resolved that we petition all authorities to—

1. Refrain from hasty actions that might seriously curtail and/or dismantle our vital ASCS rural "delivery system" until all ramifications and alternatives can be fully determined

2. That a special effort be made to assure that remaining ASCS services are available equitably to all eligible producers

3. That criteria proposed for office closings (i.e., minimum annual man days for an office), office locations (i.e., minimum travel limits related to current office locations), employee dismissals (i.e., loss of retirement benefits), and new office staffing (i.e., some standard priority system) be made available after a thorough analysis and study in regard to equity for farmers and equity to employees

4. To assign ASCS and NASCOE officials to thoroughly explore the alternative job assignments that might be made available to fill workload voids where they exist in the current service network as a result of adjustments in ASCS workload, and

Be it further resolved copies of this Resolution be presented to the Secretary of Agriculture, each Asst. Secretary of Agriculture, the Administrators of ASCS, and each Deputy Administrator, as well as Members of the Congress.

Done in Washington, D.C., this 25th day of February 1973.

AN ENLIGHTENED UNDERSTANDING OF THE EFFECT OF AMENDMENTS TO THE PAR VALUE MODIFICATION ACT

Mr. TOWER. Mr. President, I recently read with interest an editorial which appeared in the Wall Street Journal on Wednesday, April 11. It represents an elightened understanding of the effect of several amendments to the Par Value Modification Act. In particular, it focuses on the amendments to set a spending ceiling, to prevent administrative withholding of appropriated funds, and to authorize the President to make proportional reductions in all controllable programs if Congress appropriates in excess of the spending ceiling.

I find myself agreeing with the editorial's conclusion that the Senate, rather than meeting its responsibility to establish spending priorities, has abdicated its responsibilities once again.

Mr. President, I ask unanimous consent that this article be placed in the RECORD at this point so that it will be available for review by my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

READ THIS TO A SENATOR

The Senate decided last week to show there is nothing magical about Mr. Nixon's requested spending ceiling of $268.7 billion for fiscal 1974. By a vote of 88 to 6, it set a ceiling of $268 billion, which is supposed to prove the Senate is $700 million more responsible than the White House.

The Senate also decided that to keep spending from exceeding $268 billion, the President should be authorized to trim any excess by making proportional reductions in all "controllable" programs throughout government.

And by 70 to 24, it agreed that if the President froze all or part of a specific program's appropriation, he would have to release the money if Congress didn't ratify the freeze within 60 days. The Senators rejected the idea, 61 to 36, that the funds could remain frozen *unless* Congress acted within 60 days.

No doubt the Senate wound up the week feeling virtuous, having for once-and-all disposed of the twin problems of controlling spending and setting priorities. Knowing that these problems are in hand, it now can proceed to pass out all the goodies it likes.

No one who has been following the Senate's recent behavior should be surprised that its spending ceiling turns out to be a device for avoiding the responsibility for which the Senate ostensibly clamors. In fact, it would protect most political goodies in domestic spending at the expense of the defense budget, without putting the Senate in the position of squarely facing the responsibility for the effect on the nation's security. It would also dilute what little political incentive there is in Congress to sustain Nixon vetoes of new social-spending programs.

A little arithmetic makes this obvious.

To begin with, the Senate identifies several areas of spending that are "uncontrollable." These include interest on the national debt, veteran benefits and military retirement pay, social security, food stamps, Medicare and Medicaid, public welfare, social services and judicial salaries.

This leaves roughly $120 billion that is controllable, of which $76 billion is requested for national defense (military retirement pay not included), Defense, then, is 63% of the total.

The liberals would then have two cracks at the defense budget. In the appropriations process, it can be safely said that barring a direct attack on the U.S., Congress will cut at least $2 billion from the defense budget, leaving it with 61% of the total.

The next point to bear in mind is the Senate's insistence on cuts of equal proportions should Congress breach its own spending ceiling of $268 billion. Thus, if Congress votes to spend $10 billion more than the ceiling. the President is authorized to make proportional reductions in controllable spending to stay within the ceiling. Under this formula, another $6 billion would have to come out of the defense budget.

It's true the President would, given this hypothesis, have to cut domestic spending by $4 billion. But it would be child's play for Congress to add enough into domestic appropriations to begin with. Once Congress has announced to the nation that it has set a firm spending ceiling, the President would be hard put to explain why he's still vetoing domestic spending measures. His supporters on Capitol Hill would have an even harder time explaining support for those vetoes.

In our mind, the most feeble link in the Senate's line of reasoning is that proportional cuts are virtuous. It's farcical to think a serious government should set national priorities through an equal weighting on its budget items, as it would be if a family decided to tighten its budget belt by proportional cuts in food, shelter, medical, and vacation budgets. At the national level, the nation's security would have the same priority weight as the Tea Taster's Commission.

We're not exactly delighted that the President has to resort to the impoundment of appropriated funds in order to get control of the federal budget; it would be marvelous if Congress could reform itself so it would be capable of setting priorities within a fixed ceiling. But the method the Senate agreed upon last week is worse than reform, a further abdication of responsibility and, for that matter, seriousness. We hope and trust the House of Representatives knows what the Senate has been up to and will refuse to play in this game of blind man's buff.

TRIBUTE TO FORMER SENATOR BENTON

Mr. JACKSON. Mr. President, last month, an American of tremendous stature passed from our midst. William Benton, a U.S. Senator from Connecticut from 1949 through 1952, finished a life that was replete with great moments in business, in politics and in public service.

In 1949, when he was appointed to the Senate by his longtime associate, Governor Bowles, William Benton wrote Richardson Dilworth of Philadelphia of his appointment:

> I hope I never regret the plunge I am now making. I have led too many lives, (He had been an advertising genius, university vice president, encyclopedia publisher and Assistant Secretary of State), and I am sure this will not be my last. I sometimes think of Oscar Wilde's "he who lives more lives than one, more deaths than one must die."

Throughout his life, which included immense business success at an early age, William Benton could not be forced into a mold. Sometimes seen as stubborn or obtuse, he was a man of huge integrity and courage, of dedication and daring. He was a public servant of real stature.

His period in the Senate was short lived, but he sounded an early warning of the antics of Senator Joseph McCarthy of Wisconsin. His warning came at a time when few were speaking up.

To his last days he cherished his Senate memories. His longtime associate, Bruce Felknor, told me:

> Rare was the week in which he would not comment to some employee, aide, friend or family member to the effect that membership in the Senate of the United States was the greatest job in the world.

William Benton died in his apartment in New York City last March 18. I have lost a good friend, and this country has lost a man of courage and leadership.

RECONSTRUCTION ASSISTANCE TO INDOCHINA

Mr. BAKER. Mr. President, shortly after the Vietnamese and Laotian cease-fire agreements were signed, I rose on the flood of the Senate to express my views on the concept of reconstruction assistance to Indochina.

At that time, I stated my conditional willingness to support a proposal for reconstruction aid, not out of any sense of obligation or penance, but rather in the interest of lending permanence to the fragile tranquility created by the two cease-fire accords. It was my feeling then, as it is now, that the only way to provide a reasonable chance for stability in Southeast Asia is to dispel the atmosphere of over a quarter century of conflict. However, it is simply inadequate to attempt to end the fighting in the area without providing the nations involved with a viable alternative. That alternative should be a comprehensive plan to develop the region economically in such a way that the incentives for peace far outweigh the compulsion for war.

And yet, once again the North Vietnamese and their allies appear determined to make a mockery of our peaceful intentions. They are presently providing technical assistance and support for the Communist insurgents in Cambodia who are threatening the Cambodian capital of Phnom Penh. They are engaged in continued heavy fighting in the South directed not only at the South Vietnamese Army, but also at the neutralist forces of the ICCS. And they continue to ship new weapons and material into South Vietnam in support of the NVA forces and the Vietcong.

Exactly what the North Vietnamese expect to gain from these flagrant violations of the cease-fire agreement is not clear, but what they can expect to lose certainly is, for whatever support there was in the Congress for reconstruction aid has surely vanished by now; and I, for one, see no possible way of justifying aid to Hanoi as long as they refuse to abide by the agreement they signed.

Few, if any, experiences in this Nation's brief history have been as sobering as our involvement in Indochina and as that involvement comes to an end, it is indeed tragic that the leaders in Hanoi have once again chosen the uncertainty of war over the promise of peace. And yet, they have made that choice so often in the past that I frequently wonder whether they have ever really considered the alternative. Reconstruction assistance is an integral part of that alternative, and I remain hopeful that one day soon peace will be sought by all nations in the region, including the North Vietnamese.

THE FEDERAL HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS

Mr. INOUYE. Mr. President, the county council of Hawaii recently passed a resolution expressing concern over President Nixon's order freezing the approval of new commitments of federally subsidized housing and community development programs. The council requests that the President reconsider his decision and the Congress review, modify, strengthen and improve Federal housing and community development programs.

The cost of housing in Hawaii is among the highest in the Nation. The scarcity of land, inflation, special construction methods, high labor costs and the need for importing lumber and building materials combine to create higher home prices in Hawaii than exist on the mainland. This tight housing situation places a special burden on low- and moderate-income families. The present moratorium on new Federal commitments for low- and moderate-income housing is exacerbating the problem to a critical level.

Although the housing shortage is most severe in Hawaii, it is not exclusive to my State. It is a national phenomenon. In my judgment, it is unwise to, at this time, call a complete halt to new low- and moderate-income housing projects. We cannot deprive ill-housed Americans of necessary assistance and we should not leave State and local governments holding onto expensive obligations which they undertook in expectation of forthcoming Federal assistance.

I believe the administration should end the freeze on the various programs for low- and moderate-income families and proceed with funding commitments on a case-by-case basis under strict operational controls until program revisions can be proposed and enacted. I have written Secretary James Lynn of my conviction that this would be a fair and equitable way to proceed. In this way, HUD will be able to guard against fraud and mismanagement and to evaluate these programs while in operation.

It is my hope that the President, HUD and the relevant committees of the Congress will pay heed to the resolution of the county council of Hawaii and that they will cooperate to reform outmoded and ineffective housing and community development programs to insure effective assistance to the ill-housed citizens of Hawaii and the Nation. I ask unanimous consent for inclusion of the council resolution in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 39

Expressing the concern of the Council of the County of Hawaii to President Nixon's halt on approving new commitments of Federal subsidized housing and community development programs, asking the President to reconsider his decision, and requesting Congress to take appropriate action to continue and expand Federal subsidized housing programs, particularly for low and moderate income persons, and community development programs.

Whereas, President Richard M. Nixon ordered a halt on approval of new commitments of federal subsidized housing and community development programs, and

Whereas, the people of the County of Hawaii have a continuing need for housing and for community improvements; and

Whereas, the President's order may have an adverse effect on the health and welfare of Hawaii County's people; and

Whereas, there is a continuing inflationary spiral in Hawaii's housing market making it close to impossible for low and moderate income persons to find homes to buy or rent within their financial means; and

Whereas, easing the present housing situation in Hawaii County requires heavy investments of public funds to complement the investments in housing by the private sector; and

Whereas, neither the State government nor County governments in Hawaii command the necessary funds from their own resources to substantially ease the situation; and

Whereas, a flow of federal funds for housing and community development programs to the County of Hawaii is essential if the County is to improve the housing situation, particularly as it affects low and moderate income persons; and

Whereas, these adverse consequences of the President's freeze can be expected to aggravate the already serious housing problem in Hawaii County; and

Whereas, the President's action freezing federal funds for housing and community development programs may also impose hardships on the economy of the County of Hawaii,

Now, therefore, be it resolved by the Council of the County of Hawaii that it does hereby express its concern over President Richard M. Nixon's order freezing the approval of new commitments of federal subsidized housing and community development programs; and

Be it further resolved that the Council respectfully requests the President of the United States to reconsider his decision to halt approval of new commitments for housing and community development programs; and

Be it further resolved that the Council respectfully requests the Congress of the United States to review, modify, improve, strengthen, and expand federal efforts and funding for housing and community development programs; and

Be it further resolved that the Clerk of the County of Hawaii be and is hereby directed to transmit copies of this resolution to the President of the United States, the Speaker of the U.S. House of Representatives, the President of the U.S. Senate, and Hawaii's congressional delegation.

Dated at Hilo, Hawaii, this 4th day of April 1973.

TRADE REFORM ACT OF 1973

Mr. TAFT. Mr. President, I consider the President's trade bill, the Trade Reform Act of 1973, to be an extraordinarily important piece of legislation. In my judgment, the 93d Congress decision with respect to international trade legislation could quite possibly be its most important action in the field of foreign policy.

The Trade Reform Act would give the President the tools he needs to insure that American industries finally receive fair treatment in the international economic arena. I support this objective wholeheartedly. It was perfectly proper for the United States to help rebuild the economies of the Western European and Japanese nations after World War II, but the time to allow industries in these countries to retain unfair competitive advantages has ended. I have consistently supported legislation designed to eliminate some of these advantages, by means such as the investment tax credit, the devaluations, and the removal of unnecessary export controls. The President's trade bill will prudently take us further in this direction.

Of course, legislation which grants the President such broad and unprecedented authority should be considered very carefully. Congress may want to retain a greater statutory role in decisions to impose across-the-board import surcharges or to raise tariffs. In addition, Congress may not want to limit its prerogative to that of a veto with respect to proposed most-favored-nation agreements, particularly in view of the relationship between the most-favored-nation question and the extremely controversial issue of Soviet exit fees.

There are other provisions that should be reviewed especially thoroughly. On March 8, Senator Percy and I introduced the Trade Adjustment Assistance Act of 1973. The purpose of this legislation was to strengthen the adjustment assistance program, so that adjustment assistance in the form of loans and grants would become a much more viable means of assisting workers, firms and communities who have been threatened or harmed by increased imports. We had hoped that such a program would provide a positive alternative to the widespread use of more protectionist policies, such as tariffs or import quotas. I am pleased that the President has included provisions to liberalize the criteria for eligibility to receive worker adjustment assistance along the lines which we proposed. However, the President's legislation does not include an adjustment assistance program for firms, industries or communities.

Congress should be certain that the interests of consumers, and exporters who would be hurt by retaliatory or protectionist actions on the part of our trading partners, are likely to be adequately represented under the system of trade laws which we adopt. The availability of an alternative to tariffs and import quotas, as well as some requirements with teeth that will insure full governmental consideration of the domestic price and international relations effects of import restrictions, could be major steps in this direction.

Other controversial changes, such as the tax proposals, will also have to be scrutinized.

Nevertheless, although the details may need ironing out, the over-all direction of the President's trade legislation is quite positive. The President should be commended for proposing legislation designed to expand world trade rather than limit it. Protectionist measures, such as the Burke-Hartke bill, would mean higher prices for American consumers and could possibly lead to a trade war that would cost American jobs in export-related industries.

I believe that legislation along the general lines the President has suggested will give Americans the protection they need against unfair import competition, while enabling the President to negotiate for positive changes which will make international trade a fairer proposition for American industries. If the bill is going to get anywhere, however, flexibility and a willingness to compromise will be required of many groups—particularly organized labor, which has firmly supported the Burke-Hartke bill for so long. I hope that labor will consider the Trade Reform Act of 1973 carefully and objectively. The full benefit of labor's assistance and expertise will be necessary as Congress attempts to design trade legislation which is as responsive as possible to the needs of all American citizens.

PORTSMOUTH NAVAL SHIPYARD AND PEASE AIR FORCE BASE

Mr. McINTYRE. Mr. President, rumors are rife today that some announcement will be forthcoming soon regarding the future of various defense installations in New England.

Among those mentioned were the Portsmouth Naval Shipyard and the Pease Air Force Base in Portsmouth, N.H. I am deeply disturbed by such rumors as I know the other Members of the New Hampshire delegation are. I am pleased to say that the efforts to keep the Portsmouth Shipyard and the Pease Air Force Base strong and viable have been bipartisan and without political consideration, and I have been happy to work with Congressmen Louis Wyman and James Cleveland and with my distinguished senior colleague (Mr. Cotton) on this matter.

I hope that these rumors of possible closure are false. I would be deeply disturbed to see either the shipyard or the air base eliminated. These facilities have proved themselves and their importance to the defense structure of our Nation.

I agree there was a time when the Portsmouth Shipyard was not performing at the level we would all desire. After the closure order of 1964 the morale of the workers at the shipyard suffered. Their jobs, to which they had devoted most of their working lives, were in jeopardy.

But, with the rescission of that order the morale of the shipyard has improved tremendously. The Shipyard Commander, Elmer T. Westfall has given great leadership to the facility, tightened the reins, and helped direct the shipyard in fulfilling its mission of repair, overhaul, and conversion.

The shipyard, in the last 2 years, has beaten its schedule on every job assigned it. The current figures show that production at the shipyard is moving ahead daily at an ever improved cost ratio. The diligence and devotion of the shipyard workers is paying off for the defense strength of this Nation.

The Pease Air Force Base is an integral part of the Strategic Air Command. It is as solid a plate in the armor of the

U.S. defense as the Portsmouth Shipyard. The defense of the Nation would suffer with its closing.

I am sure that the ultimate decision regarding the future of both of these vital defense facilities will rest in the White House. I want to urge the President of the United States to give the most careful consideration to the most up-to-date figures on both the Portsmouth Shipyard and the Pease Air Force Base before the final decision is made on what to do with these installations.

I trust that when he is made fully aware of the importance of the shipyard and the air base he will agree that the merit of the case clearly calls for the continuation of these strategic and needed defense supports.

PEER REVIEW: AN OPPORTUNITY FOR FREEDOM

Mr. JAVITS. Mr. President, on March 30, 1973, our distinguished colleague from Colorado (Mr. Dominick) addressed an Eastern Regional Conference of the American Association of Foundations for Medical Care in White Sulphur Springs—one of a series of six such conferences being held by that association to stimulate and guide local medical societies in setting up foundations or comparable mechanisms which may ultimately qualify as Professional Standards Review Organizations in their respective areas—on the importance of pervasive peer review to insure quality health care for all Americans.

I would agree with the theme of Senator Dominick's remarks regarding the recent enactment into law of PSRO legislation—Public Law 92-603—the result of the imagination and devotion of our colleague, the Senator from Utah (Mr. Bennett)—"as an opportunity rather than a burden" for the medical profession. However, I am not convinced that the medical profession's peer review performance will eliminate the need for further Federal efforts to rationalize the health care delivery system.

Senator Dominick's remarks also clearly define the challenge and the opportunity presented to the medical profession in regard to the critical problem of the use of human subjects in medical research. My deep concern about this complex issue is reflected by my introduction of a protection of human subjects bill (S. 878) and a companion bill to stimulate medical schools' leadership in the field—S. 974, which I introduced with Senator Williams. The need for protecting the rights of human subjects at risk in research has been documented in the recent series of hearings by the Health Subcommittee of the Committee on Labor and Public Welfare. The need for medical school involvement—as the first link in this complicated chain of human events—is evidenced by Senator Dominick's remarks. He states:

> The logical place for beginning the kind of preparation necessary to deal with the complex implications of new medical technology would seem to be the medical schools. Yet a recent survey indicates very little of this is being done. About 42 percent of the young physicians sampled were not aware of the ethical-social problems involved in the development of new medical technology, and in using human subjects for research. About 86 percent had never attended a lecture or seminar dealing with such questions during medical school. I think it would serve the interests of the medical profession to persuade the medical schools that this situation should be remedied.

I join Senator Dominick in commending the efforts of foundation leaders to meet this challenge and I ask unanimous consent that the text of Senator Dominick's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Peer Review: An Opportunity for Freedom

Since foundations for medical care will bear much of the responsibility for implementing the PSRO provisions of the Social Security Amendments enacted last year, I am sure you all are vitally interested in the subject of peer review. As you know, the PSRO legislation charges physicians organized on a state or local level with the task of monitoring the quality and cost of all medical services provided under Medicare and Medicaid. While the scope of that assignment is considerable—services to Medicare and Medicaid recipients account for almost twenty percent of total expenditures for health in the U.S. annually—its ultimate impact will be much broader. The shape PSRO takes initially will set the course not only for the medical profession's effort to control the cost and quality of medical care, but for its effort to impose self discipline in other important areas as well. Since the decisions which may well determine the success or failure of that effort will be made by people right here in this room, you are an appropriate audience with which to explore what I see to be some of the most important issues you will encounter.

I think these broad issues can be framed in the context of the "social contract" theory which furnishes the basis for many of the principles governing modern free societies. Under the "social contract" theory, each individual must forego certain individual liberties in order to be entitled to the larger benefits and freedoms accruing from membership in a civilized free society. I think this idea is extremely relevant to the medical profession at this point in time. It is apparent that individual physicians must voluntarily accept certain controls in order to continue to share the greater benefits and freedoms enjoyed by the medical profession as a whole.

I don't need to remind you that the medical profession has a lot at stake here. If you don't impose your own controls on the cost and quality of medical care, such controls will be imposed from the outside. For those of you who do not see the inevitability of this, extensive federal regulations in areas such as anti-trust, securities, communications, food and drugs, job safety—to mention a few—should be ample evidence.

What is at stake is nothing less than the medical profession's freedom to determine its own future. That freedom, to be sure, is circumscribed by the requirements of the public interest, as is the freedom of any professional group. This constraint, however, leaves a tremendous amount of flexibility—limited only by the medical profession's ability to innovate. But whether the medical profession itself, or the federal government, assumes the responsibility for imposing the restraints necessary to insure that the public interest is served makes a world of difference. I think it was Aristotle who said, "If you want to know how a shoe fits, ask the wearer, not the maker." In the context of peer review, I suppose the corollary to that unassailable logic is that if the medical profession wants to stay healthy, it had better prescribe its own medicine.

It should not be necessary to remind you either that the medical profession's initiative to develop its own controls is a matter of some urgency. This is an option which may be open for only a limited period of time. There is strong pressure now for controls imposed from the outside, and it can be expected to intensify. The clamor for public officials to do something about the rising cost of medical services and the uneven quality of care is getting louder and louder. And of course, there are several legislative proposals addressed to these problems, some of which I am sure you will agree, would not fit very comfortably.

By expanding and improving the peer review system which foundations have taken the leadership in developing, the medical profession can demonstrate that outside controls through mechanisms such as the "Quality Health Care Commission" proposed in one of the HMO bills pending in the Senate are unnecessary. The same is true with respect to national health insurance, which, although its features are not yet identifiable, is becoming more visible on the horizon. What final form it will take, and whether it will contain such features as a new federal bureaucracy to control cost and quality of medical care, depends to a large extent on what happens between now and then with peer review.

If the medical profession has a good track record with this new peer review effort, the extent of federal intervention beyond that of providing increased financial access to care will be minimized. If the public sees that the medical profession is moving to deal with these problems, much of the support for totally reorganizing the delivery system around one narrow model will fade. The result will be continued freedom for the medical profession to innovate, and preservation of a wide range of choice for both physicians and consumers. So, I think the PSRO legislation enacted last year ought to be viewed by the medical profession as an opportunity, rather than a burden—an opportunity to safeguard the freedoms you enjoy collectively by accepting voluntary restraints individually.

An effective peer review mechanism will, it seems to me, be vital to the medical profession's capacity to deal with the many complex issues which are raised as medical knowledge expands. Indeed, if medicine is to continue to advance at all, self-imposed restraints on the practice of medicine are absolutely essential. This proposition was made clear during the Senate Health Subcommittee's recent hearing on "Human Experimentation". Those hearings touched on a wide variety of mind-boggling issues to which I think the general public has not yet been exposed—issues ranging from experimentation with a new birth control drug having dangerous side-effects at a school for mentally retarded girls, to the use of "psycho surgery" procedures to control aggressive behavior of prison inmates, and the prospect of someday applying "genetic intervention" techniques—such as "mass genetic screening", "genetic counseling" and "genetic engineering".

Many of these issues are presented by medical technology available today. For instance, the technique of "amniocentesis"—prenatal diagnosis of genetic defects by analyzing cells taken from the fetus—has already been perfected, and except for the expense, could be a routinely used procedure right now. The implications of using this technology to determine whether a mother should abort are considerable, particularly in view of the recent Supreme Court decision removing all restrictions on abortion during the first three months of pregnancy.

Others will be presented in the not too distant future as still primitive fields like "genetic intervention" become more fully developed. I suppose most of you are aware that based on present technology, it won't be long until, through a procedure called "cloning", human beings can be replicated by implanting a fertilized human egg with a somatic cell from another human being. This has already been done with frogs. The implications are staggering. Who decides whether a fertilized human egg should be permitted to develop normally, or whether the genetic blueprint of a "superior" human being should be imposed on it?

Who decides which "superior" human beings should supply the genetic blueprint? What problems could be expected with large groups of genetically identical people? Similar questions are raised by the prospect of "in vitro fertilization"—test-tube babies, and "genetic surgery", which will make possible the replacement of defective genetic information with "healthy" genetic information.

Society as a whole will share responsibility for answering these questions. But I think the medical profession, which is responsible for developing the technology, will be looked to first for the information necessary to find answers. The important point is that the serious thinking about these problems, and the development of mechanisms to deal with them should take place *before* the technology is actually developed. Once crucial developments take place, it may be too late to do anything at all. The recent development of reliable techniques for screening of Sickle Cell disease is an example. Several states, after rushing to put mandatory screening laws on the books, turned right around and frantically rushed to repeal those laws, because they found the implications had not been thought through carefully enough.

The logical place for beginning the kind of preparation necessary to deal with the complex implications of new medical technology would seem to be the medical schools. Yet a recent survey indicates very little of this is being done. About 42 percent of the young physicians sampled were not aware of the ethical-social problems involved in development of new medical technology, and in using human subjects for research. About 86 percent had never attended a lecture or seminar dealing with such questions during medical school. I think it would serve the interests of the medical profession to persuade the medical schools that this situation should be remedied.

The use of human subjects in medical research creates a separate set of problems for the medical profession which are at least as complex as those involved in controlling the use of new technology. These problems arise out of the tension between society's long-range need to extend medical frontiers on the one hand, and the rights of individuals on the other. The central question, as stated by a leading writer in this field, is: "When may society, actively or by acquiescence, expose some of its members to harm in order to seek benefits for them, for others, and for society as a whole?" Or to put it another way, who has the right to choose martyrs for science? Swirled up in these questions are a host of moral-legal-social-ethical-philosophical issues which are of obvious concern to society as a whole. But while all of us must be concerned about them, it is physicians who have to make the nitty-gritty, day to day decisions around which these questions turn because they go right to the heart of the physician-patient relationship. Accordingly, individual physicians, not society at large, get the blame when something goes wrong.

At the outset, I think it is important to understand that "experimentation"—for lack of a better word—with humans is not only a prerequisite for continued improvement of medicine; it is largely responsible for America's clear supremacy in biomedical science today. And it should also be kept in mind that the beneficiaries of this supremacy are of course, the American people. Although there are many improvements to be made regarding financial access to medical care, and the efficiency of the delivery system, there is no question that better medical care is available in the United States than anywhere else in the world.

Three of the eight major classes of prescribed therapeutic drugs have been discovered within the last thirty years. The scientific community thinks this accelerated progress is due largely to increased use of human subjects in biomedical research. None of the vaccines, antibiotics, and other "miracle" drugs developed since World War II for the control of previously fatal or crippling infectious diseases such as polio, diphtheria, pneumonia, mumps, measles and rubella could have been made available to the public without prior testing on humans. Man is the final test site, and there is no way to get around it. Even the most extensive animal tests cannot be relied on to predict the safety, mode of action, or the therapeutic effectiveness of any drug in man. This principle obviously applies to areas of research other than new drugs. So the question is how are the rights of individuals to be protected without completely frustrating society's need to improve medicine?

The accommodation of those competing interests is attempted through a requirement that no individual can be subjected to experimentation without first giving his "fully-informed consent". This requirement is reflected in the medical profession's code of ethics, as well as in regulations of the Food and Drug Administration and the National Institutes of Health.

The problem is in defining what is "fully-informed consent". Everyone agrees that this means the human subject must have the legal and intellectual capacity to give such consent, and that prior to giving his consent, must understand the nature of the experiment, the risks inherent in it, the potential benefits, and the available alternatives. For instance, before an ill patient is eligible for participating in a "double blind" study involving experimental drugs, he should be made well aware of what he is getting into. He should know that a "double blind" study is one where the participants are assigned randomly to different groups, including a "control group" which will receive "placebos" having no therapeutic effect whatever, and that neither he nor the physician he sees will know which group he is in. He should know all the risks he is exposing himself to. He should know of any possible harmful side-effects from the drugs; he should know what other available drugs he is foregoing the use of, and what effect this may have on his particular condition. Suppose a patient with a serious ailment sees his physician regularly, pays his fees, takes his "medicine" religiously, all the time hoping that his condition will improve, only to discover later that he had been an unknowing participant in a "double blind" study, and that he had been assigned to the "control group" which received placebos. You can imagine the public concern which would result, and the danger this could hold for the medical profession.

How easily the elements of fully-informed consent are satisfied depends largely on the circumstances of the experiment. For instance, if the human subject is confined in prison at the time of the experiment, how can we be sure that his consent is entirely free of coercion? Hearings before our Subcommittee indicate that experimentation on prisoners involving surgery as well as drugs is a widespread practice in this country, and that there have been abuses. It has also been indicated that more experimentation takes place in public clinics and hospitals serving a high ratio of poor people than in the offices of private physicians. Are poverty and poor education elements of coercion in such circumstances? What about obtaining the consent of a person who is dying of the disease which is the subject of the research? Must a terminal cancer patient first be advised there is no hope for him? If so, and he gives his consent, can the experiment proceed subject to fewer restrictions than if his case were not terminal? These are not easy questions to answer.

Clinical investigators are most frequently confronted with such questions, but practicing physicians cannot avoid them entirely. For example, by obtaining an "investigational new drug exemption", many physicians practicing in clinical settings are able to use drugs which have not been approved by the Food and Drug Administration as safe for marketing. FDA regulations require that before such drugs can be administered the "fully informed consent" of the patient must be obtained, except where the physician "deems it not feasible or, in his professional judgment, contrary to the best interests" of the patient. This language in the Food, Drug and Cosmetics Act has been criticized for making it too easy for the physician to proceed without making the patient fully aware of all the possibilities. Should a clinical investigator who has a need for research subjects be in a position to decide what is "in the best interests" of a patient, or should that decision be participated in by someone with less at stake? I think an effort to tighten this language can be expected in the Congress before long.

The foregoing requirement of the law with respect to drugs used under an investigational exemption does not apply to the prescription of new drugs for uses other than those approved by the FDA. Unless an approved drug is shipped in interstate commerce specifically for an unapproved use, the FDA has no jurisdiction over how it is subsequently prescribed A physician can prescribe it for unapproved uses, or in dosages other than those specified on the label. The FDA has not attempted to extend its jurisdiction into this area, on the ground that it would be an unwarranted interference with the practice of medicine. I am sure this is sound policy, but I am afraid there is nevertheless going to be considerable pressure for controls.

Unfortunately, isolated incidences of abuse can cause substantial damage to the image of the medical profession, and lead many to the unjustified conclusion that outside controls are necessary. One recently publicized example involved the use of "Depo-Provera"—a drug approved only for treatment of certain types of cancers.

It was prescribed for an unapproved use—contraception—at a school for mentally retarded girls under circumstances raising doubt as to whether the girls or their parents had been informed about its occasional dangerous side effects—cancer and permanent sterility. No law was broken; but that is really beside the point. Unless the medical profession moves pretty rapidly to show it can control abuses in this area, public pressure generated by that kind of sensational publicity may make the case for outside controls irresistible.

Where does all this leave us? First, I think legislation placing certain restrictions on federally supported research involving human subjects can be expected. Legislation has already been proposed to suspend federal funding for research involving psychosurgery for two years, while the National Institute of Mental Health conducts a study and reports back to Congress with answers to questions which have been raised. Whether broader legislation will be enacted in the near future is problematical.

But as public awareness about these issues grows, the pressure for such legislation will increase. The emotional aspect of many of these issues creates a great danger of overreaction by the public as well as Congress. Moreover, extremely complex problems like these tend to invite simplistic solutions. The result could be unduly restrictive governmental controls which by stifling innovation would be harmful to the medical profession and the public interest in general. As I pointed out earlier, the same is true with respect to the issues of cost and quality control.

So it seems to me the medical profession is presented with a clear choice. It can let others deal with these problems, and learn to live with the inevitable controls to be imposed from the outside. Or it can treat peer review as an opportunity to preserve its freedom by using it as a mechanism to formulate its own solutions to these problems. I hope it will do the latter. If it does, everyone involved—including the public—will be better off.

Now, having engaged in a lot of exhortation and question raising, I don't want to leave you with the impression that I am critical of the medical profession's effort with respect to peer review. On the contrary. I think it has done a lot, and I intend to carry that message wherever I go. And the leadership of foundations for medical care in this area is something you should be very proud of. Your innovative work in developing methods of monitoring the quality, cost and utilization of medical services, including prescription drugs, has laid the ground-work for an effective peer review mechanism to be used by the entire medical profession in dealing with the difficult problems it faces.

I have enjoyed working with you on important health issues and look forward to continuing that relationship in the future. Thanks again for inviting me to speak.

REPRESSION IN THE PHILIPPINES

Mr. CRANSTON. Mr. President, I would like to draw attention to the fact that this country is supporting yet another military dictatorship in Asia—the Philippines. On September 21, 1972, President Ferdinand Marcos suspended civil liberties, instituted censorship of the press, and imposed martial law over the entire country. Yet our relations with the Philippines are apparently as cozy as ever.

I would be the first to agree that no nation has the right to intervene in another nation's internal affairs, or to impose its own form of government. I'm not saying we should rush in with a readymade democratic government. But I see no reason why American taxpayers should be expected to shore up so many military dictators all over the world with dollars and guns.

Yet that is just what we are doing. In recent years, at a time when our domestic needs have become so urgent and our balance-of-payments position so poor, we have been spending our tax dollars on military aid to the tune of about $10 billion a year. For the year ending last June, over $3 billion went to nine dictatorships, as follows:

Total security assistance, fiscal year 1972

[In millions]

South Vietnam	$2,755.7
Cambodia	224.0
Indonesia	22.9
Taiwan	62.1
Thailand	70.0
Brazil	$8.8
Greece	57.2
Portugal	7.5
Spain	69.8
Total	3,278.0

SOURCE.—*Report Required by Section 657, Foreign Assistance Act*, FY 1972, compiled by the Statistics and Reports Division, Office of Financial Management, Agency for International Development.

"Security assistance," wrote Richard Nixon in his foreign policy message to the Congress in February 1972, "is a cornerstone of our foreign policy and of free world security . . ." But when over half of our security assistance goes to a handful of dictatorships, what kind of a "free world" are we talking about?

Now we have two new strong-arm for "free world" recipients of American military aid—Park Chung Hee of South Korea and Ferdinand Marcos of the Philippines. Both leaders declared martial law last fall. In fiscal year 1972, South Korea received a whopping $561.5 million in security assistance, and the Philippines got $18.4 million.

Today I want to focus attention on the Philippines. This is a country with which we have had an especially close relationship.

In fact, a poll conducted by Parade magazine and published on March 25 revealed that the Philippines still enjoy a special place in American hearts. Asked how the United States should respond to a "Communist-supported invasion and takeover," a surprising 53 percent replied "send troops." The response placed the Philippines in fourth place, trailing only Canada, Mexico, and Britain! Farther down the list were West Germany, Japan, Israel, Thailand, South Vietnam, Greece, India, and the Congo (Zaire). This sentimental attachment reflects a long history of involvement.

Way back in 1898, America acquired possession of the Philippines and undertook to prepare the islands for democratic self-government. To our credit, American colonial policy, right from the beginning, was directed toward the ultimate goal of Philippine independence. Educational and other internal policies assumed that the period of tutelage would be limited. A strong and increasingly independent administrative structure evolved. The 1935 constitution, which was patterned in part on the American system of checks and balances, initiated a 10-year period of American disengagement from Philippine political life culminating in total independence in 1946.

But even while the United States was withdrawing from colonial rule in the Philippines, the economies of the two countries were drawing closer together. As a result of the mutual free trade incorporated in the Philippines Tariff Act of 1909, the Philippine economy developed along specialized lines and relied heavily upon access to the protected U.S. market. Perhaps the most outstanding example of this dependence has been sugar, which continues to enjoy a quota in the American market. Filipinos have also benefited from Veterans' Administration payments and other forms of direct U.S. governmental assistance.

When the Philippines were granted their independence from the United States in 1946, the two countries agreed on a preferental trade relationship for a period of 28 years. Free trade between the two was to continue for 8 years, followed by gradually increasing tariffs and decreasing duty-free quotas. A crucial provision of the Trade Act was a parity clause that gave Americans the right to own land, operate public utilities, and exploit natural resources on an equal basis with Filipinos.

Under these favorable conditions, U.S. investment boomed. Direct American investment in the Philippines increased from about $149 million in 1950 to about $415 million in 1963 and $900 million in 1971. On March 12 of this year, the Wall Street Journal estimated that that figure had reached $1 billion. Twenty-four of the fifty largest business enterprises are American-owned.

U.S. military involvement in the Philippines is similarly intense. Our total Military Establishment there exceeds 47,000 people, including 22,000 dependents and 1,400 civilian employes. We spend $150 million annually in local procurement and wages paid to approximately 49,000 Filipino employees at U.S. bases. That exceeds the total defense budget of the Philippines.

Our two largest bases—Clark Air Force Base and the Navy's Subic Bay—were heavily involved in the war in Vietnam. Clark is a logistics, maintenance, and management center. It is the headquarters for the 13th Air Force and served as a primary staging area for men and materials bound for Vietnam, as well as for Thailand and Taiwan. Subic Bay is the most important forward repair base for the U.S. 7th Fleet west of Pearl Harbor. Access to and control of these and other bases were established by the United States-Philippines Military Bases Agreement of 1947.

The military assistance program established by the Military Assistance Agreement of 1947, was intended as follows:

First, to help maintain the United States-Philippine defense partnership in Southeast Asia;

Second, to assist in creating an internal security capability in the Philippines;

Third, to promote regional alliance by supporting the Philippines to maintain a limited force within SEATO for mutual defense; and

Fourth, to develop self-sustaining capabilities within the Philippine Armed Forces which will eliminate the need for U.S. assistance through the establishment of the Joint U.S. Military Advisory Group in the Philippines.

Under the aegis of the "internal security" mandate, the military assistance program helped to suppress the Huk rebellion in the 1950's.

A third major military agreement, the Military Mutual Security Agreement of 1951, obligates the two countries to take action if either is the object of an armed attack in the Pacific area. In a note to the Philippine Foreign Secretary in 1954, Secretary of State John Foster Dulles explained the implications of this agreement.

> . . . an armed attack on the Philippines could not but be also an attack upon the military forces of the United States. As between our nations, it is no legal fiction to say that an attack on one is an attack on both. It is reality that an attack on the Philippines is an attack on the United States.

So we embraced the Philippines, for better or for worse.

Some of the most interesting interpretations of our military relationship with the Philippines have come from Defense Department witnesses during congressional hearings. They made it clear that our aid is used to put down internal disturbances. In 1969, for example, the following interchange took place between Senator Stuart Symington and Lieutenant General Robert H. Warren, Deputy Assistant Secretary of Defense for Military Assistance and Sales:

> Senator SYMINGTON. What . . . is the real purpose of this military resistance? Doesn't it come down to a quid pro quo for the bases and a means of contributing to the Filipino government? . . . Isn't this really a means of keeping the [Philippines] government satisfied? They know what the other countries are getting and want their share also.
>
> General WARREN. In my opinion, to a degree, yes, sir. But it is also to help Filipino forces to physically protect US forces in the Philippines.
>
> Senator SYMINGTON. From whom?
>
> General WARREN. Internally, sir; to maintain internal security and stability and thereby make our own activities over there more secure.
>
> Senator SYMINGTON. In other words, we are paying the Philippine government to protect us from the Philippine people who do not agree with the policies of the government or do not like the Americans.
>
> General WARREN. To a degree, yes, sir.

But Senator SYMINGTON's point was apparently lost on the Pentagon. Almost a repeat performance occurred 3 years later, in an exchange between Senator PROXMIRE and Lt. Gen. George M. Seignious II, Deputy Assistant Secretary of Defense (International Security Affairs) for Security Assistance:

> General SEIGNIOUS. Our assistance, Mr. Chairman, for the Philippines is principally directed to communications. They are having a problem with land reform now.
>
> Senator PROXMIRE. Why should that not be their business?
>
> General SEIGNIOUS. Well, it is their business, sir, and they have requested our help in providing some communications facilities so that they can control it. We are trying to give them a few transport aircraft so they can carry their security forces along those 4,000 miles of archipelago and those islands. We are trying to improve their mobility and provide light weapons. We are not trying to provide the Philippines with a force that could be used elsewhere or a force that expects an invasion from some outside conventional power. Our concern in the Philippines is the security of our bases and the security of the people of the Philippines against insurgencies.

Given the social statistics for the Philippines, it is hard to see why anyone would want to make a blanket commitment to help put down insurgencies. Of the 70 percent of the total Filipino population living on farms, a large majority are sharecroppers. A joint Filipino-American study in 1969 found that less than 2 percent of the farmers had benefited from President Macapagal's land reform code of 1963 because of opposition from the congress. Inflation has recently been averaging 20 to 25 percent per year. Among the educated classes, unemployment has climbed to 40 percent. According to an American regional officer of the food-for-peace program, half of the children under 10 years old are malnourished. And the population increase of 3.5 percent a year is one of the highest in the world.

Figures such as these are not unusual for poor countries. But I have not seen any evidence that American guns will provide any relief. Nor do I understand why we condone the imposition of martial law, censorship of the press, and the imprisonment of thousands of Filipino citizens. But that is what the U.S. Government has done.

The administration may have wrung its hands a few times, but it did little else. "American officials are sympathetic," said the Philippine defense minister, Juan Ponce Enrile. He added that "we are expecting augmentation of our requirements under the U.S. military assistance program" to the tune of $15 million per year—a million dollars more than the old figure.

Just what is it we are trying to do in Asia?

Isn't this just the way we blundered into Vietnam?

As the Chicago Sun Times' editorial on the Philippines put it,

> The parallel with South Vietnam and the maneuverings of President Nguyen Van Thieu is striking. The situations are not wholly the same. . . . Yet, in each case, there is the fact of a dreadful gap between U.S. goal and end result.

Why don't we recognize this "dreadful gap" and put a stop to it? Foreign dictators seem to feel that all they have to do is proclaim their anticommunism and we will rush to their side with dollars and arms. A few of them, such as President Marcos, even pretend that they are strengthening democracy:

> The device known as martial law, if we must call it a device, strengthens democracy in the sense that democracy can defend itself, that democracy is not helpless.

No, indeed, Ferdinand Marcos' "democracy" is by no means helpless. It has muzzled most of his opposition, thanks to an efficient police force trained with U.S. funds. This police training mission, carried out under the heading of "technical assistance," has cost American taxpayers an estimated $5.8 million since 1961, $530,000 was requested for this purpose for fiscal year 1973.

Few people in the Philippines have any illusions about American support for Marcos' dictatorship. The Wall Street Journal quoted a powerful provincial official as remarking that "The people know that it is the American Government behind Marcos. Without American support he would not last a month."

Perhaps that is an exaggeration. But since we have apparently thrown military weight behind another Asian dictator, I think we should take a hard look at our goals.

According to AID, our aid to the Philippines in fiscal year 1972 was broken down as follows:

	Million
Total Economic	$77.1
AID (Excluding Security Supporting Assistance)	30.5
Food for Peace	37.6
Peace Corps	1.7
Export Import Bank Loans	7.3
Total Security	18.4
Military Assistance Program Grants	14.0
Excess Stocks and Other Transfers	4.4

But there is another category of aid which has remained hidden; namely, the payment of special allowances to Filipino forces sent to Vietnam. According to a 1970 report entitled "Security Agreements and Commitments Abroad," submitted to the Senate Foreign Relations Committee by the Subcommittee of Security Agreements and Commitments Abroad—

> The extraordinary payment of special allowances to the Korean, Thai, and Filipino forces that were sent to Vietnam—particularly the manner in which the allowances were hidden from the American people—had substantial impact abroad as well as in this country. In particular, the ability of the Executive Branch to keep such information hidden, not only from the American people but even from Congress told the foreign governments concerned what they could expect from our Government in its dealings with its own people. It is probably not surprising, therefore, to find that the Thais—who keep information easily from their people—are concerned, even indignant, at the inability of the Administration to keep secret United States activities in Thailand.
>
> The Philippine Government which sought and received assurances that the allowances paid Filipinos would not be disclosed in this country, continue to demand that although the State Department permitted initial publication of the facts, there be no further disclosures.
>
> The position of our own State Department in this case is a questionable one, for it has required that the Subcommittee keep classified the information which proves payments were made to the Philippine Government for non-combat allowances, while that Government continues to deny to its own people the facts incident thereto, facts which have already been made public in the United States.

Mr. President, I want to draw attention to the conscientious and energetic efforts of a group called the National Committee for the Restoration of Civil Liberties in the Philippines—NCRCLP. Its members are Filipinos, Filipino-Americans, and Americans who are dedicated to the following goals:

First. An immediate end to martial law in the Philippines.

Second. The restoration of civil rights of Filipinos.

Third. The release of all Filipino political prisoners.

Fourth. The end of all American military, economic, and technical aid to the Marcos regime.

This group has made available to me a long, factual, and well-researched report on the situation in the Philippines. I only wish that space permitted its complete publication in the RECORD. I do ask unanimous consent, however, that selected excerpts from that report, documenting violations of civil rights and U.S. military involvement, be included as an appendix to my statement, together with other documents on the current situation. For convenience, I have omitted the footnotes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. CRANSTON. Mr. President, I want to conclude by proposing that the United States should begin negotiations with the Marcos regime to revise the Philippine-American Mutual Defense Treaty of 1951, specifying that assistance by either party to the treaty could be rendered only in the case of an armed attack by a foreign power. Military or paramilitary assistance for the suppression or control of internal rebellion should be halted immediately.

Mr. President, for too long American foreign policy has consisted of arming military dictators rather than taking constructive steps toward a permanent peace. Perhaps the public disillusionment with our policies in Indochina will turn the country away from intervention and war. Now is the time for a policy, a consistent policy, to insure that we will avoid a future Vietnam-type involvement in the Philippines.

But in spite of the declaration of martial law 6 months ago, there has been no coherent policy. There are State Department policies, AID policies, Defense Department policies, Commerce Department policies, Treasury Department policies, Agriculture Department policies, and—I am sure—CIA policies.

Now we have a new headline item—the Moslem revolt in the southern islands of Sulu and Mindanao. I am including an uptodate report on this situation at the end of my statement. There are already indications that government troops are unpopular and that Manila could lose control of certain areas.

If conditions get worse, what will be our response? Will the U.S. Government intervene if President Marcos asks for our aid? Would we be able to resist the temptation of deeper military involvement in the Philippines any more successfully than we resisted it in Vietnam?

EXHIBIT 1

REPORT OF THE NATIONAL COMMITTEE FOR THE RESTORATION OF CIVIL LIBERTIES IN THE PHILIPPINES TO THE SENATE FOREIGN RELATIONS COMMITTEE ON MARTIAL LAW IN THE PHILIPPINES AND U.S. RELATIONS WITH THE MARCOS ADMINISTRATION

ABSTRACT

The following report starts out by examining the circumstances surrounding the martial law declaration of President Ferdinand Marcos of the Philippines on September 22, 1972. It comes to the conclusion that the declaration was unconstitutional and that the immediate executive orders to implement it were likewise unconstituional. The justification for the martial law-declaration—the existence of an immediate Communist threat—is then examined in detail and found to be baseless. Violations of the civil liberties of Filipinos are documented. The study then follows the political events after martial law, particularly those connected with the adoption of a new constituion, and concludes that they marked the progressive concentration of all state power in the current Philippine executive and the ascendancy of an authoritarian and repressive regime.

The report then turns to an examination of current American-Philippine relations. Mr. Marcos' talk with Ambassador Henry Byroade on the day martial law was proclaimed and his immediate moves in favor of American economic interests are noted and their implications explored. A study of the size and kinds of American economic interests in the country follows. These interests are viewed in a historical context, with note being taken of the manner U.S. foreign policy toward the Philippines has often been adjusted to suit them and the predictable response of nationalistic Filipinos to this arrangement.

The study then focuses on U.S. military policy toward the Philippines and finds that there is already a measure of American involvement in the country. Especially noted are U.S. military programs that bear on counter-insurgency. A comparison of the early American involvement in Vietnam in the 1950's with the current level of counter-insurgency involvement in the Philippines is then undertaken, with the conclusion that the two have striking similarities. The report notes, however, that as was the case in the early Diem years, the United States may still extricate itself from the Philippines with honor and little inconvenience.

The report ends with the proposals of the NCRLP to the Senate Foreign Relations Committee which are aimed at helping to prevent another Vietnam-type involvement.

THE MARTIAL LAW DECLARATION AND THE CONSTITUTION

Article VI. Section 6 of the Philippine Constitution clearly states that "in times of war or other national emergency, the Congress may by law authorize the President for a limited period and subject to such prescriptions as it may prescribe, to promulgate rules and regulations to carry out a declared national policy." The meaning of this provision is explicit: Congressional authorization is required in such acts as the declaration of martial law, and the presidential actions carried out during the period of martial law are circumscribed by congressional prescriptions.

Article VIII, Section 2 likewise clearly states that the Supreme Court of the Philippines has the power to review and issue final judgments on "all cases in which the constitutionality or validity of any treaty, law, ordinance, or executive order or regulation is in question." A martial-law declaration and the presidential actions during the period of martial law are thus explicitly subject to a constitutional double-check.

Martial law and the courts

Mr. Marcos has, however, chosen to ignore or ride roughshod over these constitutional provisions. With respect to the Supreme Court, Mr. Marcos issued, on September 22, 1972, General Order No. 4, which declared as outside the power of the judiciary all cases "involving the validity, legality, or constitutionality of any decrees, order or acts issued, promulgated or performed by me or by my duly designated representative pursuant to Proclamation No. 1081 [the martial law declaration]." Not only were presidential actions considered exempt from judicial review, but so were those of subordinates, down to the lowliest private, thus magnifying the area of arbitrariness which inevitably attends such periods of military control. What is more alarming, however, is that by wresting away from the Judiciary the power to rule on "crimes against public order" during the period of martial law, Mr. Marcos, through the same General Order, in effect usurped the greater part of the judicial function, since all crime, from rebellion to petty thievery and being a public nuisance, is by definition a violation of the public order.

No assumptions in the field of foreign affairs have been more violently shattered by the events of the past decade, notably by the Vietnam War and the conflict between the People's Republic of China and the Soviet Union, than those of a monolithic Communist bloc and of an "international Communist conspiracy." Yet the martial-law declaration expects us to believe these ideas by endorsing a judicial analysis that the Filipino left seeks to establish a "totalitarian regime subject to alien domination and control" and that its activities are "national in scope but international in direction."

In public and private statements Mr. Marcos and his aides have made vague references to the People's Republic of China as this "foreign conspirator", though we have yet to come across concrete evidence produced by them to prove this "Chinese connection."

VIOLATION OF FILIPINO CIVIL RIGHTS

The presidential actions following the declaration of martial law reveal to even the most disinterested observer a rapid drive to concentrate power in the hands of the current executive through assaults not only on the principle of governmental separation of powers but also on the constitutionally guaranteed rights of the Filipino people. Immediately after the proclamation, the arbitrary arrests of hundreds of individuals were carried out. The arrests were done by the military and in total disregard of all accepted judicial procedure, thus violating Article III, Section 1 of the 1935 Constitution, which states that:

"No person shall be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the law."

The nature of the action is quickly revealed by a list of 53 detainees made public by the government on September 25. Among those listed were three senators and three congressmen, including Senator Benigno Aquino, Jose Diokno, and Ramon Mitra, three of Mr. Marcos' best-known liberal critics; two governors; four delegates to the Constitutional Convention, who were conspicuous in their opposition to the maneuvers of the presidential faction in the convention; three newspaper publishers, including those of the *Manila Times* and the *Philippine Free Press*, which have been consistent liberal critics of the Marcos administration; and several well-known newspapermen, notable likewise for their consistent criticism, among whom was Max Soliven, *Manila Times* columnist and former Manila correspondent of *Time Magazine*. The list would be enlarged in the days to come with the inclusion of more established political, journalistic, and even religious figures, but never would it include a top-level or even a middle-level figure of the Communist Party or its supposed "front" organizations. Nevertheless, the presidential press secretary classified all those under detention as "subversives or heads of criminal syndicates." Noting this, an American weekly commented: "Each day the categories under which one can be considered a subversive seem to be broadened. To judge from the names of prisoners thus far available, some of whom are militant anti-communists, the Marcos administration seems intent on silencing any criticism, no matter what its source."

The mass arrests were accompanied by an executive prohibition of all forms of public protest and the shutting down of all but one of Manila's 15 daily newspapers, six of the city's seven television stations, and nine of the major radio stations. "In ordering seizure of the press," the *New York Times* reported, "Mr. Marcos declared without further specification that newspapers, magazines, and broadcasting stations had participated in the alleged conspiracy to take over the government by force." These drastic executive measures violated Article III, Section 7 of the 1935 Constitution, which provides that:

"No law shall be passed abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble and petition the Government for redress of grievances."

In addition to these violations of Filipinos' basic rights, Mr. Marcos has placed himself above civil-service laws by his arbitrary dismissal of 400 government employees and his demanding the resignation of thousands more; further usurped the legislative power by declaring killings done with unlicensed firearms automatically punishable by death, and "rumor-mongering" as punishable as "subversive propaganda; and further destroyed the judicial function by ordering the start of *military trials* for about 100 of those arrested. For advocating "bloody revolution", a popular television commentator, Roger Arrienda, has already been sentenced to a twelve-year prison term. The government appears to be rather selective as to who shall continue to be detained and tried among those arrested. A *Newsweek* correspondent wrote:

"When Marcos first arrested hundreds of politicians, journalists and gangsters, it was said that some of the worst men in the country had been locked up with some of the best. The trouble is that by now many of the worst crooks and cutthroats have been released. The people still in jail are the President's political foes . . ."

THE UNITED STATES AND THE PHILIPPINES

The Marcos administration and the United States

The United States claims that it had no advance warning of the declaration of martial law. This appears a little unusual. As the correspondent of a West Coast newspaper puts it, ". . . it was obvious to the most casual observer that the American Embassy would have been falling down on its job if it had failed to inform Washington that martial law was coming, especially when the possibility of it had been openly discussed for more than a year." At any rate, on the very day martial law was declared, Ambassador Henry Byrode and Mr. Marcos conferred for two hours at Malacañang Palace, and according to one press report, Mr. Marcos promised to protect American investments in the Philippines in return for U.S. support. (SF Examiner 9/28/72)

Mr. Marcos' subsequent actions did nothing to dispel the implications of news reports that in some manner, the United States Government had something to do with developments in the Philippines. Soon after the imposition of martial law, Mr. Marcos hinted at the indefinite maintenance of American bases in the Philippines to offset the Chinese "nuclear threat." He announced that Americans would be allowed to dispose of the $75 million worth of property acquired by them since 1946 at leisure and with no threat of government confiscation, thus going explicitly against a recent Supreme Court ruling that such lands had been acquired illegally and thus subject to forced sales or confiscation before or after 1974, when parity rights come to an end. Contrary to the same Supreme Court ruling, Mr. Marcos unilaterally declared that American companies would be allowed to retain titles to land provided they met the requirement of 60 per cent Filipino ownership. Marcos likewise indicated that "he would reverse or modify another court decision that would have barred Americans from holding executive jobs in American oil, labor and mining companies after the parity agreement ends." Whereas previous to martial law, foreign companies, mainly American, exploring for oil, needed to acquire formal leases, they will now simply need a government service contract, thanks to another executive order. A similar arrangement is being contemplated for the foreign sector—again mainly American—of the mining industry. Mr. Marcos also declared that bulk sales by foreign-owned oil companies to local industries could continue, again in defiance of a recent Supreme Court decision which ruled such sales illegal.

Some commentaries on these developments appear to project the view that Mr. Marcos' moves were unilateral, that they were made with the intention of courting U.S. support which was not there from the start, and that both the U.S. Government and business interests simply stood on the sidelines with a "wait-and-see" attitude. Such an interpetation has no doubt been strengthened by some statements made either by Mr. Marcos or his aides. Defense Secretary Juan Ponce Enrile, for instance, declared, ". . . the US whether it likes it or not, will have to spend money here . . . If they don't now, it will be more expensive in our survival . . . as we have. Things could turn out as badly here as they did in Cuba."

If there is anything that the experience of foreign relations in the past decade, especially the experience of the Executive branch's dealings with South Vietnam, Brazil, Greece and Santo Domingo, should have taught us, it is to be critical of such "one-way-flow-of-influence" interpretations. While there is some truth to the explanation that Diem maneuvered the United States into Vietnam and that Ky and later Thieu kept it bogged down there, this is but part of the truth. As records, especially the *Pentagon Papers,* have revealed, due to global misconceptions and the erroneous policies resulting from these, the United States likewise maneuvered to get Diem and Thieu into their positions of power and to keep them there so long as they did not threaten what were perceived by critical sectors of the Executive as genuine U.S. interests. It would thus be more accurate to say that Diem and the United States maneuvered one another to achieve mutually desirable goals.

There is no assurance that the misconceptions of U.S. interests that got the United States little by little into Vietnam have been completely eliminated from the foreign-policy thinking of the United States Government. Together with the still unclarified interaction between the U.S. Embassy and Malacanang Palace at the time of martial-law declaration and the blatant pro-U.S. moves of Mr. Marcos soon afterwards, the promise of a U.S. senator to Marcos that Congress will soon consider the subject of increased aid to the Philippines should be a cause for unease, as should be those reports of American military support-actions against Filipino guerrillas. What is more disquieting is to realize that these developments have taken place in relation to a country in which due to the same misconceptions in foreign policy that took the United States into Vietnam and to peculiar historical reasons, the United States is in fact substantially involved at this time. Indeed, the United States appears far more deeply embedded economically, politically, and militarily in the Philippines today than it was in Vietnam at the time of the rise of the Viet Cong in the middle fifties.

U.S. interests and the Philippine economy

American multinational corporations control assets in the Philippines amounting to over $2 billion at book value. Twenty-four of the fifty largest enterprises in the Philippines are American-owned. A great part of American investments is in oil; the assets of oil companies, most of whom are American, exceed $400 million. Other large investments are found in mining, banking, heavy machineries, chemical-processing, and metal fabrication. American investments alone comprise 80 per cent of the total foreign investment in the Philippines.

How is it that American companies can control such large assets? The Bell Trade Act of 1946, later re-named the Laurel-Langley Agreement in 1954, granted Americans the same rights as Filipino nationals to exploit natural resources and engage in any profitable economic activity in the Philippines. This agreement was originally designed to help develop the Philippines by pumping dollars into its economy. However, between 1956 and 1965 alone, American corporations invested $412 million, 84 per cent of which came from Philippine financial sources, not from American sources, thus defeating the intent of the Laurel-Langley Agreement. In fact, the same study shows that for every dollar from the United States invested in the Philippines, $5 were taken back to the United States during this same ten-year period. American business operations resulted in an outflow from the Philippines of $386.2 million against a total inflow from the United States of $79.4 million.

Moreover, through the Economic and Technical Agreement of 1951, American advisers have been placed at high levels of the Philippine government to help formulate economic and technical plans for the country. We will not at this point hazard a guess as to the extent these American advisers have interceded on behalf of American business interests.

What has been the relation of U.S. government policy to American economic interests in the Philippines? The following historical account may serve to clarify this.

American bombing in the effort to retake the Philippines left Manila the third most ravaged city in the world after Hiroshima and Warsaw. The U.S. deigned to assist its badly battered colony in the form of the Philippine Rehabilitation Act of April 30, 1946, which offered dollar aid to people whose properties and businesses had been damaged. However, the enjoyment of this act's full benefits was made contingent on the passage of the Bell Trade Act referred to above. The Bell Trade Act stipulated that American citizens and corporations be given equal rights as Filipino nationals to exploit the natural resources of the country and operate public utilities after Independence (The Trade Act was later updated and renamed the Laurel-Langley Agreement of 1954 to expand American rights to include all economic activities. This stipulation clearly violated the Philippine Constitution (Article XIII, Section 1; Article XIV, Section 8), whereupon an *amendment* was made to the Philippine Constitution for the sole purpose of accommodating it. Seen in retrospect, the Philippine government, faced with the economic havoc wreaked by a war not of its own making, had no choice but to accept the American terms.

The granting of parity rights to American nationals in the Philippines was not to be the last time the U.S. Executive branch would exploit its position of superiority vis-a-vis the Philippine government on behalf of American business interests. In 1954, the Philippine Congress passed the Philippine Retail Trade Nationalization law, which would take effect in 1964 to give aliens sufficient time to adjust. This law provides that only corporations or business firms wholly owned by Filipino nationals can engage in retail trade. When the law took effect on June 19, 1964, American businessmen branded it anti-American and proceeded to frustrate its implementation, going to the extent of demanding that President Johnson pressure the Philippine government. In a Joint Communique of Presidents Johnson and Macapagal, President Johnson pointed out "that United States economic relations with the Philippines would be seriously impaired if an enforcement of the Philippine Retail Trade Nationalization Law were to prejudice the position of long-established American firms." This undoubtedly contributed a great deal to the notoriously slow and extremely selective implementation of the law.

The wave of nationalism now sweeping the Philippines should be understood in the light of such obvious encroachments on the nation's sovereignty as the parity Amendment. One need but visualize a situation in which the British or the French have equal economic rights to exploit the resources of this country as Americans to see that the Filipino response is predictable and justified. This leads to the realization that friction will not be eliminated but exacerbated by the continuation of this preferential treatment through authoritarian means, as President Marcos appears to be doing.

Military presence of the United States in the Philippines

Militarily, the U.S. operates 23 military bases on 180,000 acres of land leased for 99 years but pays no rent. (Some rough estimates place the probable annual rent at several million dollars.) There are about 20,000 U.S. servicemen now on these bases. Clark Air Base, north of Manila, is one of the largest air bases in the world servicing F-4 Phantom bombers and B-57 squadrons. Subic Bay Naval Base, farther north of Manila is the largest naval base in Asia with nuclear submarine facilities. It is the headquarters and supply base of the Pacific 7th Fleet and aircraft carriers Kitty Hawk, Saratoga, and Coral Sea.

With these military bases in mind, the U.S. commitment in the Mutual Defense Treaty of 1951 is stated best in the words of President Johnson in a 1964 communique: ". . . any armed attack against the Philippines would be regarded as an attack against the U.S. forces stationed there and against the U.S. and would instantly be repelled."

During the Senate Foreign Relations Subcommittee hearings of September 30–October 3, 1969, "the (Mutual Defense) Board considers the principal threat to the Philippines to be Communist China with possible assistance from internal dissident groups."

With further questioning by Senator Symington, Admiral Kauffman agreed that "today there is no threat to the Philippines except an internal threat." There is thus a possibility, remote though it may be, that the U.S. commitment to this Mutual Defense Treaty may be interpreted to include armed attacks by Filipino nationals and "would instantly be repelled."

In fact, the Joint U.S. Military Advisory Group (JUSMAG) which was formed under the terms of the Military Assistance Agreement of 1947 placed U.S. military advisers at high levels of the Philippine Military hierarchy to aid the Philippine Command in the planning and implementing of military operations. One of the main tasks of JUSMAG is "to assist in creating a Philippine internal security capability." One of the many military exercises conducted by JUSMAG was specifically designed to train both American and Filipino troops participating in the exercise in the conduct of counter-insurgency activities. This exercise, "Operation Eagle's Nest" and later re-named "Operation Carabao's Trail," was an unconventional warfare exercise series with a guerrilla counter-insurgency setting.

Through joint exercises like this, through provisions of American arms, ammunitions and other military supplies to the Philippine Military, and even through some direct participation by American Military personnel in counter-insurgency activities, "U.S. military assistance contributed significantly to the success of the Philippine Armed Forces in suppressing the HUK [Filipino guerrilla] rebellion in the 1950's."

Another U.S.-run program which has bearings on counter-insurgency is the "Public Safety Program", a U.S.-AID program whose aim is "to strengthen and increase the efficiency and effectiveness of civil police and other Philippine governmental organizations, both national and local, so that the safety of the public can be improved and maintained." Total U.S. expenditures on this program for fiscal years 1969–1973 are estimated at $3.9 million. Public Safety Program focuses on upgrading capabilities in key operational areas—training, communications, intelligence, mobility, riot-control—so as to improve the capacity of the local police apparatus to deal with guerrilla activities, provide urban policing including the control of the civil disturbances and riots, etc. This program, as well as other U.S. activities in the current counter-insurgency effort, will be further discussed below.

Through the Mutual Defense Board organized in 1958 most of the military planning in the Philippines is done jointly by the U.S. and Philippine Commands. For instance, the Board authorized the establishment of the U.S. Air Force-Philippine Air Force defense system. In the joint planning, the U.S. 13th Air Force is assigned to co-handle the air defense of the Philippines.

All in all, American military aid to the Philippines has totalled $631.7 million since the end of World War II. What we most realize is that together with economic aid, which since World War II has totalled $1.26 billion, this aid must now be reviewed in the light of the qualitatively new character of the Philippine government: from a formal democratic government it has become an authoritarian regime. And as the experience with Pakistan, Greece, and Brazil has shown, the bulk of such aid is used in establishing a military and police apparatus to quell popular discontent.

[From the New York Times, Mar. 27, 1973]

Filipino Army Fights Frustrating War

(By James P. Sterba)

Cotabato, The Philippines, March 23.—"Maximum use, I said, maximum use."

The excited Philippine army captain had been shouting into his field radio for a good 10 minutes, but his mortar platoon was not responding. Government troops had found their enemy, Moslem guerrillas, the hard way, but the only way they knew how—by being ambushed.

"They have the run of all these Moslem villages," said a major in charge of operations, poking his wooden pointer at a tactical map. "They have the mass support and we do not know where they are until our troops get engaged. We can only respond to the enemy attacks.

MEMORIES OF VIETNAM

It seemed all very familiar to Sgt. Basilo Villanueva, a veteran of Vietnam, who lounged beside the Happy Landing Kitchenette at the airstrip three miles south of town waiting for someone to tell him what to do.

"It's just like Vietnam," he said. "I was in Tay Ninh for two years with Philcag [Philippine Civic Action Group.] These Moslems are just the VC, but they don't have mortars yet.

Over-all, it was not like Vietnam, not by geography or intensity. Yet on a small scale the war between the Philippine Government and Moslem rebels of Mindanao—with its army sweeps and rebel ambushes, and the conflicting statements by nearly everyone—looks like a miniature Vietnam on a slow day.

The army says Cotabato City is secure, but it admits that rebel snipers sometimes pick away at jeeploads of troops within a mile of town. Sources close to the rebels say they go in and out of town regularly.

The army says the thousands of families here fled the rebels in terror. The rebels say the army burned them out.

The army wants more military equipment and guns from the United States. Townsfolk and villagers say that the ponderous use of the equipment the army already has is killing civilians and destroying their homes.

The army keeps track of its progress with charts—a guns and ammunition chart, a harassment-fire chart and a familiar innovation of American troops in Vietnam, the combat scoreboard—111 enemy soldiers killed and 11 captured as of March 22. The rebels keep track of the army simply by watching it.

A HOLDING ACTION

Heavy fighting broke out here in the last days of February and Col. Hermila N. Ahorro, the quiet and concerned commander of regional police, had his hands full. His men prevented the rebels from taking Cotabato City until the army arrived, he said. Then, under a brigadier general, he was appointed deputy commander of a new force called the Central Mindanao command.

Earlier, President Ferdinand E. Marcos had declared martial law in the Philippines and ordered all firearms turned in. "We collected 21,000 guns in Cotabato province alone," Colonel Ahorro said. "We got about 3,000 heavy rifles and some 50-caliber machine guns, and two armored cars."

"But it was mostly Christians who turned them in," the colonel said. "That was the sad part." Then the rebels attacked and the army came in.

TROOPS DIG BUNKERS

Over the radio today came a report that two F-86 Sabre jets were en route from Cebu, 200 miles to the north, on a bombing and strafing mission. At the airstrip, two helicopters laden with rifle ammunition lifted off, churning dust toward soldiers nearby, some wearing white t-shirts labeled "jungle fighter."

Other troops dug bunkers near the newly constructed brigade operations center. Crates of supplies, some adorned with the red, white and blue handshaking label of the United States Agency for International Development, were being unloaded.

Barebacked soldiers cranked their 105-mm. artillery guns into position, then fired in the direction of a nearby hill, startling civilians awaiting the next commercial flight out.

"This is their stronghold," said the major in charge of operations, pointing on the map to Datu Piang, a village about 10 miles to the southeast. "We haven't been in there—too many civilians."

Soldiers here say that the rebels are primarily interested in killing army officers. So in the last few days field officers have removed their identifying badges and pretend to be enlisted men.

TROOPS SEIZED AND FREED

Recently nine enlisted men captured by the rebels were simply lectured on the need to overthrow President Marcos, stripped of their weapons and set free. However, a 22-man army platoon led by a lieutenant disappeared not long ago and is believed to have been captured.

In general, rebel tactics have been frustrating. A typical case involved a road south of the airport. The rebels have been blocking it since the army arrived.

"Our spotter plane has been watching them every day barricading the road and digging a ditch across it," a colonel said. "So today we sent a company down there to clear them out, and they were gone—no contact."

Two Hundred Rebels Reported Slain

Manila, March 26.—Military officials said today that Government troops, supported by jets and naval gunfire, killed 200 Moslem guerrillas in a battle in the southern Philippines.

The officials said that in terms of casualties the battle was the largest in the recent warfare. The battle began Thursday and ended Saturday.

Commodore Gil Jernandez said a force of 300 to 400 "Moslem revolutionaries" seized the town of Lebangan, 560 miles southwest of

Manila, Thursday and held it for two days before Government forces ousted them.

Development Assistance to the Republic of the Philippines

INTERNAL SECURITY

The overall objective of the USAID-Philippine Internal Security Program is to strengthen and increase the efficiency and effectiveness of civil police and other Philippine governmental organizations, both national and local, so that the safety of the public can be improved and maintained.

The 1966 Police Act created a Police Commission and charged it with setting police performance standards, the training of local police, and with inspecting and auditing civil police performance. In fulfillment of that responsibility the Commission has developed a comprehensive program for the civilian police departments of the country. USAID assists the Commission in the areas of training, police improvement, communications and records.

Training

The training phase has moved forward at a rapid pace. Within a short period, the Police Commission built training academies in a number of regional areas of the country and for the first time the government was able to bring training within the reach of local policemen. Police academies are operational in Baguio, Manila, Legazpi, Bacolod City, Cebu, Tacloban, Cagayan de Oro, and Zamboanga. The training program has been a significant success, overcoming numerous logistics, administration and staffing problems, yet training over 17,500 policemen.

Initially, the Police Commission directed its efforts to training police chiefs of the nation's city and municipal forces, and a majority of the chiefs have now received command training.

USAID public safety technicians also worked with the Police Commission's training staff in the development of a comprehensive three-month basic police science course. Classes were conducted simultaneously in all nine academies in FY 1971. The quality of the courses so attracted the attention of policemen throughout the country that the Police Commission received registrations far in excess of its ability to accommodate the candidates. The concept of training has shifted from that of punishment to recognition and reward.

USAID public safety technicians and Police Commission officers also worked closely together in developing specialized training courses in Criminal Investigation, Traffic Law Enforcement, Personnel Management, Instructor Methods and other specialized courses. Over 5,380 policemen completed the Basic Police Science Course; and specialized courses were completed by 11,455 policemen.

To satisfy the heavy demand for instructors in the National training program selected Philippine police officers are screened by a joint National Economic Council-Police Commission-USAID Board to determine who can qualify for instructor training at the International Police Academy administered by the Agency for International Development in Washington, D.C. Under this and similar overseas training programs USAID has trained 255 Philippine police officers in the broad spectrum of police skills. In 1971 thirteen officers were training in the United States two of whom attended the FBI National Police Academy. In addition, two members of the Police Commission attended executive training sessions in the United States.

Police improvement

The Police Commission established a model improvement program for each city police department located adjacent to one of the regional training academies. The goal is to develop efficient and professional police organizations that can support the centers with "on-the-job" training.

A continuing activity for improving police department performance has been the in-depth surveys made by Police Commission/USAID teams who recommend organizational, operational and administrative procedures tailored for the specific department studied.

In FY 1971 such activities were implemented in Baguio, Marikina, Legazpi, Bacolod City, Cebu City, Tacloban, Cagayan de Oro and Zamboanga. Systems installed in these diverse departments made major contributions to the national fingerprint and records program.

Records

Police Commission and USAID personnel worked together to develop a records and identification system that would meet the needs of the local police departments and the national government. Public Safety technicians developed a uniform crime reporting system which is being implemented. During the year there was a gradual transition toward computer operations. With the passage of the Peace and Order Bill the Commission assumed greater administrative responsibility for the local police departments. Technical assistance was provided in this area as well as funds to automate phases of the Police Commission's operation.

Especially noteworthy progress was made in the police selection program. Tests for supervisory and management levels were conducted throughout the country this year and the results were published within three months, which is a major breakthrough for the selection system. Considerable effort was exerted toward further systems refinement for Philippine law enforcement operations.

Communications

To help the dispersed police departments communicate with one another in crime prevention and law enforcement activities USAID gave priority to the establishment of city, municipal and provincial communications systems in selected areas of the country.

Police Commission-USAID technicians surveyed the nation's communications facilities and designed a practical, economic system. This year the Manila metropolitan communications network (Metropol) was modernized with more versatile equipment.

Due to the high crime rate in the metropolitan area the Police Commission and USAID provided continuous technical assistance and community support to maintain "round-the-clock" communications. By the end of June, ten city and municipal systems were engineered and installed. Twenty provincial systems had been completed. The network established to date is the first completely integrated law enforcement communications system in the country.

City-Municipal communications systems are now established at Marikina, San Juan, Pasig, Mandaluyong, Navotas, Paranaque, Legazpi, Bacolod City, Cebu and Cagayan de Dro.

Provincial communications systems are in the following provinces:

1. Misamis Oriental.
2. Lanao del Norte.
3. Agusan del Norte.
4. Negros Occidental.
5. Cebu.
6. Leyte del Norte.
7. Albay.
8. Benguet.
9. Ilocos Norte.
10. La Union.
11. Tarlac.
12. Bataan.
13. Zambales.
14. Bulacan.
15. Laguna.
16. Cavite.
17. Rizal.
18. Iloilo.
19. Cotabato del Sur.
20. Nueva Ecija.

Communications systems now enable the police to serve over seven million people. The systems provide a means not only to combat crime but also to obtain assistance when typhoons, fires or other disasters occur and to serve as a general administrative net for local government business. In some cases, the police communication system *is* the only means of communication between cities and municipalities.

PARTICIPANT TRAINING

Participant training has long been an important part of the technical cooperation program of AID and predecessor agencies in the Philippines. It is AID policy that USAID-sponsored training programs operate in support of specific development projects or otherwise assist in advancing a country's overall development goals. Training of Filipinos abroad, therefore, is directly related to the accomplishment of significant U.S.-Philippine development objectives.

Over the years, joint U.S.-Philippine development programs have varied. As changing conditions were reflected in adjustments in the country's objectives the size and technical emphases of participant training varied accordingly. Thus, the collective judgment of Filipino officials and American technicians with respect to the relative importance of various fields of development (including training) during the past 20 years has been reflected in the focus of the training program.

In Fiscal Year 1971, USAID's Training Division continued its program of suppport to Philippine Government-USAID technical assistance activities by providing overseas training programs for 132 Filipinos selected for their potential contribution to national development . . . 51 of these were in agriculture and other rural development areas; 22 in internal security; 47 in health and family planning and 12 in a number of other areas supporting Philippine development activities.

The addition of the 132 participants funded in FY 1971 brings the number of Filipinos sent abroad for training since the program began in 1952 to a total of 3,899.

[From the New York Times,
Sept. 29, 1972]

More Politicians Are Arrested in the Philippines

(By Tillman Durdin)

MANILA, September 28.—More prominent politicans were arrested today in President Ferdinand E. Marcos's drive to rid the Philippines of corrupt officials and their guns, suppress crime and combat subversion against his Government.

Gov. Eduardo Joson of Nueva Ecija and two members of Congress, Jose Lingad of Pampanga and Carlos Imperial of Albay, were arrested. The arrests brought to four the number of members of the House of Representatives behind bars, and Governor Joson was the second provincial chief executive to be detained.

No charges were announced against those arrested today, but they are suspected of engaging in illegal trafficking to retain armed men and weapons that President Marcos has decided must be eliminated.

With Governor Joson's arrest, nine firearms, including two light machine guns, were reported confiscated. Earlier this week, when Governor Lino Bocalan of Cavite was arrested, his guns were confiscated.

Another arrest today brought to five the number of mayors of small cities to be detained. Two judges and two city councilmen of a small city near Manila were among more than 20 arrested in the last two days. About 100 others were picked up earlier.

More than 2,000 privately owned weapons have been confiscated, including guns taken from the homes of three prominent politicians in Mr. Marcos's own province of Elocos Sur—Evaristo Singson, Cormeling Crisologo and Vicente Crisologo.

Two operators of luxury casinos said to have been the scenes of crime and the huants of criminals are among those who have been detained.

Meanwhile, people not known for leftist activities officially regarded as subversive and serving the Communist threat to the country, have been arrested since the Marcos drive began, but no new names in that category have been announced. People on the lower levels of society, with criminal records or alleged to have engaged in criminal activities, have been arrested.

The President's crackdown on lawlessness is apparently keeping the Philippines free of crime. No important crime has been reported anywhere in the country for days.

A sense of order and tranquility combined with dismissal of corrupt officials and drives to clean up and brighten Manila and other centers, have brought a generally favorable reaction toward this aspect of President Marcos's rule by martial law. People are all the more impressed because many of those arrested are old Marcos associates.

"My child can now ride a bicycle through the streets at night without its being stolen," an American resident of Manila remarked today. Up to a week ago there had been an ever-present fear of thefts, shootings, knifings and general violent disorder. Going out at night on foot and alone was considered a foolish risk.

Approval of the Marcos measures by the business community has been indicated by a rise in the stock market and a leveling-off of retail prices that tended to rise for two days after Mr. Marcos proclaimed martial law on Friday. Bank deposits have increased.

President Marcos, apparently concentrating his cleanup in Luzon and the Manila area, has not yet tackled the Disayan Islands and the big southern island of Mindanao, where local politicians command some of the largest "private armies" in the islands.

On Mindanao, Mr. Marcos will have to face the armed Christian and Moslem bands that have been fighting each other there. Some Moslem leaders have "armies" several hundred strong.

In Manila, an injunction that persons permitted to own guns must keep them at home or in places of business is generally being observed. No longer do prominent individuals ride through the city with armed guards in the front seats of their cars.

Officials spoke today of a sharp drop in the availability of such dangerous drugs as heroin in the last few days and attributed it to the arrests of prominent people suspected of involvement in drug smuggling. American officials believe that the Marcos drive will greatly ease the danger of heroin's entering the Philippines and falling into the hands of American servicemen at the big bases at Clark Field and Subic Bay.

Manila Imposes Strict Censorship on News Media

SYDNEY, AUSTRALIA.—The Philippine Government has imposed drastic curbs on the news media and the activities of newsmen under martial law declared last week.

A copy of the directive on policies and guidelines issued by the Department of Public Information in Manila has been received here.

A departmental order says that newspapers, radio and television stations must print and broadcast accurate, objective, straight news reports of positive national value that are consistent with the efforts of the Government to meet the dangers that it said brought on the proclamation of martial law.

EDITORIALIZING IS OUT

None of these media may issue any editorial opinion, commentary or asides, or any political, unauthorized or objectionable advertising under the rules. Society news is banned, and no extraneous material may be inserted in any sports or entertainment article or broadcast.

The order expressly prohibits what it calls materials that tend to incite or inflame people against the Government or its constituted authorities, and materials that undermine the faith and confidence of the people in the Government or any of its arms.

The Department also prohibits dissemination of material that it considers seditious, without definitely established, well identified, verifiable sources, or material based on allegation or conjecture rather than fact.

It also bans down-grading or jeopardizing the military or law-enforcement authorities and their operations; abetting, glorifying or sensationalizing crime, disorder, lawlessness and violence; fomenting of opinions and activities contrary to law, or arousing or even tending to arouse fear, panic, confusion, ignorance and vulgarity among the people.

Informative foreign news items may be reported, but not those that fall within the list of prohibitions. Foreign correspondents in the Philippines will be bound by the same rules that apply to domestic news media, the order says but no foreign dispatch will be filed that impugns, discredits, questions or criticizes any "positive" effort of the government.

All material for publication internally or abroad must be cleared by the Department of Public Information, according to its order, and any correspondent who files a dispatch will be held accountable for any alteration in his copy when it is published or broadcast.

The order says that amendments or modifications in the rules can be made without notice. Cameramen are prohibited from photographing military installations or operations, airports or seaports or the Malacanang Palace, the residence of the President. Film may be shipped abroad only by authorization of the Department of Public Information.

The guidelines prohibit printing houses from printing anything for public distribution without written authorization from the department. Printers are barred from printing any text that falls under the prohibitions.

Reports reaching Sydney say that when martial law went into effect last Friday morning, all newspapers, radio and television stations were closed down except for one paper, The Daily Express, and one television network and several radio stations that had been serving as mouthpieces for President Ferdinand E. Marcos.

Since then authorization has been granted to one other daily, the Philippines Herald, to resume publication in accordance with the guidelines. One more radio and television network has been authorized. But six other daily newspapers, including The Manila Times, the largest paper in the Philippines, are still closed. Joaquin Roces, the publisher, has been arrested on unspecified charges.

Reports reaching here say that Philippine censorship has precluded the dissemination of almost all news, save for official releases and statements.

Mr. Roces is only one of many prominent newspapermen who have been arrested. Others include the following:

Max Soliven, one of Mr. Roces's chief columnists on The Times and a consistent critic of President Marcos; Rosalinda Galang, a Times reporter; Armando Doronila, editor of The Daily Chronicle; Roberto Ordonnez, a staff member of The Daily Herald: Teodoro Locsin, editor of the weekly Free Press; Napoleon Rama, a writer for The Free Press; Luis M. Mauricio, publisher of The Weekly Graphic, and the Rev. Cornelio Lagerway, a Dutch Roman Catholic priest and an editor of Catholic publications.

[From the New York Times, Sept. 30, 1972]

Marcos Steps Up His Purge of Government Employes

(By Tillman Durdin)

MANILA.—President Ferdinand E. Marcos stepped up his purge of government employes considered corrupt, surplus or incompetent by dropping 452 persons today from state employment.

At the same time, he called for every Government employe to submit a letter of resignation by Oct. 15, indicating that by this time it would be decided whose resignations would be accepted and whose rejected. It was estimated there are 400,000 employes of the Philippines national government, and it has been reported that as many as a third of these may be dropped.

In a radio-television broadcast, Mr. Marcos announced that he had promulgated a new set of civil-service regulations that provided for discharge without hearings and reviews, which in the past have blocked dismissals.

ASKS JUDGES TO RESIGN

In the broadcast, he said he was cleaning out government ranks as part of the reform program he is pursuing under martial law proclaimed a week ago. He said the reform would include the judiciary and announced that he had dismissed all but two judges of the Court of Industrial Relations.

The president has banned strikes, but presumably the court will still function in settling labor-management differences.

Mr. Marcos said he had asked some of the judges of the lower courts to come to his office and had requested that they resign.

The 452 dropped today were chiefly in the Bureau of Internal Revenue and the Bureau of Customs.

These two bureaus reportedly have been among the most corrupt in the Government. Officials in these departments are said to have taken money for ignoring income and other tax evasions or permitting smuggling at seaports and airports.

A cleanup in these two departments, observers say, could increase Government revenues by a huge amount, some say by as much as 100 per cent.

The lower ranks of the judiciary have for long been targets of allegations that some judges take bribes. Issuing injunctions for a price has allegedly been a frequent practice, which is said to have blocked Government development projects.

For example, wealthy individuals are said to have been able to get injunctions that have prevented the Public Works Department from demolishing illegal river dikes or building essential roads.

COMMUNIST IS DENIED

Meanwhile arrests of individuals for alleged crimes or proscribed political activities continued today, but only one new name was officially released. It was that of Luis Beltran, a newspaper columnist who has been a severe critic of the Marcos Government.

In the criminal roundup, the biggest event of the last 24 hours has been a raid on a drug laboratory in Manila where heroin was refined from a morphine base. The raid, carried out by agents of the Constabulary antinarcotics unit, resulted in the seizure of 14 kilograms, about 31 pounds, of almost pure heroin.

The raid resulted in the first positive evidence that heroin was being produced in the Philippines. Heretofore it had been believed that the heroin was being smuggled from Bangkok and Hong Kong.

Arrested in the raid were seven men, all with Chinese names.

[From the New York Times, Sept. 26, 1972]

FORTY-NINE ARRESTED IN PHILIPPINES INCLUDE OPPOSITION LEADER

(By Tillman Durdin)

MANILA.—The Government said today that 49 Filipinos—among them six members of Congress, two provincial governors and several newsmen—were being detained under the state of martial law imposed over the weekend.

The list of those detained, who the Government said included many persons connected with Communist-front organizations, was made public by Francisco S. Tatad, the Information Secretary. He said that the entire country was calm and that it had been free even of ordinary crime for the last two days.

[In Washington, a Philippine Cabinet member said that martial law might continue for as long as two years to allow the Government to control subversion and carry out social reforms. In Tokyo, the Speaker of the Philippine House of Representatives said that the decision to impose the emergency rule had long been planned.]

The emergency measures brought stringent control of information but relatively moderate restraints on general public activity and this evidently has contributed to what appears to be a widespread public acceptance of the presidential order. There were no reports of open resistance from anywhere in this country of 39 million people.

In Manila today, there were special guards around important military and civil establishments but few signs elsewhere of unusual military control.

Businesses reopened as usual after the weekend and carried on without disruption except for heavy withdrawals from some banks, spurred by rumors—which were officially denied—that the Government was planning to confiscate deposits.

The Government announced a rigid set of guidelines for news censorship, forbidding criticism of the Government, banning society reporting, placing severe restrictions on foreign correspondents and curtailing the types of foreign news disseminated in the country.

President Ferdinand E. Marcos instituted martial law with a proclamation that this emergency step was necessary under the Constitution to combat Communist insurrectionary violence, backed by an unnamed foreign power. He also perceived threats to national stability caused by other forms of lawlessness and disruption, including an independence movement among Filipino Moslems in western Mindanao and Sulu, aided by foreign political and economic interests.

It has been generally assumed that by the unnamed foreign power he meant China. Assistance to the Moslems is believed coming from the Malaysian state of Sabah and from sources in the Middle East. Mr. Marcos gave no indication of how long he planned to keep martial law in effect.

The Philippine President has confined martial-law measures mostly to security and political spheres. Civil government functions go on as usual under general military surveillance, and the courts are continuing to function except in cases involving presidential authority, security, public order and crimes by public officials.

Mr. Tatad announced that arrests were continuing of people regarded by the Government as associated with subversive activity, or for other reasons that the Government deemed to require custody.

Mr. Tatad said that altogether 53 people had been detained but that four of these were released because of mistaken identity.

Notable among those still being held were Senator Benigno S. Aquino Jr., secretary general of the Opposition Liberal party, who is an outspoken critic of the Marcos Administration and a possible candidate in the 1973 presidential election; Senator Ramon V. Mitra, another prominent Liberal, and Senator José W. Diokno, an independent.

The three other congressmen arrested, members of the House of Representatives, all belong to the governing Nationalist party. The provincial governors detained are from President Marcos's home province of Ilocos Norte and from Cavite, near Manila.

Those detained include seven journalists headed by Joaquin P. Roces, publisher of the influential independent newspaper, The Manila Times.

Others included Maximo Soliven, a Manila Times columnist who has been one of the President's principal critics; Luis Mauricio, editor of Graphic, an English-language weekly magazine, and Teodoro Locsin Sr., editor of Philippines Free Press, an English-language weekly.

Also taken into custody was Veronica Yuyitung, wife of Rizal Yuyitung, editor of the Chinese Commercial News, who was deported last year to Taipei, Taiwan.

Three delegates to a constitutional convention were also taken into custody.

A move against nonpolitical criminal activity was believed to be behind the detention of several well-known figures thought to be involved in smuggling, gun-running and other illegal activity.

Their arrests were in keeping with an order from President Marcos to reform society, dismiss corrupt officials and stage a general clean-up of Government personnel and functions. He has promised a streamlining of Government departments and a reduction in the number of officeholders.

Mr. Tatad, the spokesman, declined today to say what charges would be brought against those detained or when they would be brought to trial. He said that they were in comfortable quarters and that relatives could obtain permission to see them.

Mr. Tatad reported further that 1,034 weapons had been collected by security forces under a presidential order that high-powered firearms be confiscated and the use of other weapons limited to authorized personnel.

DEBTS WILL BE MET

The spokesman said that all airline and railway services and all means of communication between the country and the outside world had been made normal and that air marshals had been authorized in aircraft operating within the country to protect planes and passengers from any possible air crime. The Government took over the nation's three airlines and major utilities over the weekend.

The nation's central bank, meanwhile anounced that the state of martial law had not altered or abridged contractual rights and obligations. The bank said that "all lawful business transactions remain the free undertakings of the parties involved" and that "this is particularly true insofar as the country's foreign creditors are concerned."

The bank added that all foreign debts would be met upon maturity and that regulations authorizing foreign currency deposits in the Philippines remained in effect.

Bitter objections to the emergency regulations have come from some quarters, mainly from intellectuals, who complain of the effects on the freedom of information and on political activity, and express doubts that the fundamental ills of the Philippines—the huge gap between the rich and the poor—will be tackled.

One white collar office worker said: "Look at the number of labor leaders arrested; this means workers will be kept down."

But from many in the general public, there was approval for the measures that Mr. Marcos had taken.

"There is no crime: everybody is now secure," was an often-heard comment.

Of the news media, Mr. Marcos has permitted the continued operation of only one newspaper, the Philippines Daily Express; one television network; the Government-owned Voice of the Philippines radio station, and the Far East Broadcasting company, a Filipino-owned radio station serving both domestic and overseas listeners. Publication of seven English-language and three vernacular dailies remains suspended.

U.S. SUPPORT OF PHILIPPINE POLICE REPRESSION

On September 21, 1972, President Ferdinand Marcos of the Philippines enacted Proclamation No. 1081, which suspended all civil liberties, instituted censorship of the press, and imposed Martial Law all over the country. Marcos subsequently ordered the arrest of hundreds—perhaps thousands—of political dissidents, including leaders of opposition political parties and leading journalists. Most of those arrested are being confined in prison until they can be tried by extra-legal military tribunals.

Although it is widely suspected that the Nixon administration has given its unofficial blessing to the Marcos dictatorship, very little has come to light about direct American involvement in the current wave of repression. On the basis of U.S. Government documents and Philippine newspaper reports, however, it is possible to reconstruct the role of the U.S. Agency for International Development (USAID) in organizing, financing and training the Philippine police apparatus.

Very soon after he assumed office in 1966, President Marcos began searching for ways to improve the capacity of Philippine police agencies to control and suppress insurgent political movements—including student groups, labor organizations, peasant societies, etc. One of his first acts, on April 12, 1966, was to meet with the U.S. Ambassador, the head of the USAID mission, and the director of USAID's Public Safety Division. As a result of this meeting, it was agreed that the Public Safety Division (PSD) would conduct a three-month survey of law enforcement operations in the Philippines, leading to the development of a plan for a U.S.-backed program to upgrade the Philippine police apparatus.

The PSD report, "Survey of Philippine Law Enforcement," was submitted to USAID Director Wesley Heraldson by Survey chief Frank Walton on February 13, 1967. This report, and the recommendations it contained served as the basis for a reorganization of the Philippine police, and for a strongly upgraded PSD presence in the country. The report included a thorough analysis of existing police activities in the Philippines, and recommendations for improving police capabilities in such areas as training, management, telecommunications, criminalistics, records, and internal security. Great emphasis was placed on the need for better coordination between local and national police agencies, and between the police, the Philippine Constabulary (a para-military organization), the National Bureau of Investigation and the Armed Forces of the Philippines.

Walton, the Survey chief, had served as Public Safety Advisor in South Vietnam in the early 1960's, and became chief of the Public Safety Division there after completing the Philippine report; in both capacities, he presided over a massive expansion of the South Vietnamese police force as part of the CIA's campaign to liquidate the political apparatus of the National Liberation Front. Other members of the survey team included George E. Miller, who served as a Public Safety Advisor in Peru and Brazil before joining the Survey team; Paul Katz, a telecommunications expert assigned to USAID's Office of Public Safety (OPS) in Washington, and Air Force Col. Samuel Pesacreta of the Office of the Special Assistant for Counterinsurgency and Special Actions (SACSA) of the Joint Chiefs of Staff.

The PSD survey team worked very closely with members of the Philippine Police Commission (POLCOM), a high-level agency created by the Police Act of 1966 to "achieve and attain a higher degree of efficiency in the organization, administration, and operation of local police agencies with the end in view that peace and order may be maintained more effectively." After submission of the Survey report, USAID Public Safety Division officers worked alongside POLCOM members to: strengthen Philippine police training programs; to install an automated police records system in Manila; to establish an interlocked police telecommunications system linking Manila with local and provincial police agencies; to centralize police management functions in regional police headquarters; and to upgrade riot control training in the municipalities.

The joint PSD–POLCOM program bore its first fruits with the creation, on July 4, 1967, of the Philippine Police Metropolitan Command (METROCOM) in Manila—a centralized command with jurisdiction over all riot-control and internal security operations in the capital district. USAID has provided METROCOM with computerized records equipment and a modern police communications system. METROCOM riot-control forces receive training in "modern crowd-control methods and procedures" from U.S. instructors at police schools and the Philippine Constabulary's Special Warfare Training Center at Laur, Nueva Ecija. These forces used U.S.-supplied riot gear in the brutal suppression of anti-government demonstrations in January 1970 and May 1971.

In 1969, following a period of increased civil strife and incipient guerrilla activity, the United States upgraded its Public Safety program in the Philippines under the new title, USAID–Philippine Internal Security Program. Total U.S. expenditures on this program for fiscal years 1969–1973 are estimated at $3.9 million—a substantial increase over the earlier Public Safety program, which totalled $1.9 million for the period 1961–1968.

The aim of this program, according to the USAID report on Development Assistance to the Republic of the Philippines for the Fiscal Year 1971, is: "to strengthen and increase the efficiency and effectiveness of civil police and other Philippine governmental organizations, both national and local, so that the safety of the public can be improved and maintained." Specific objectives, according to USAID's Program and Project Presentation to the Congress for the Fiscal Year 1972, include: "(1) improving in-country training of civil police: (2) expanding and modernizing communication networks: and (3) improving the effectiveness of selected municipal and provincial police forces."

As in other countries where pro-U.S. client regimes are threatened by popular discontent and a growing revolutionary momentum, the U.S. Public Safety program in the Philippines is concerned with upgrading police capabilities in key operational areas—training, communications, intelligence, mobility, riot-control—so as to improve the capacity of the local police apparatus to: spy on political activists and opposition political organizations, suppress strikes and mass demonstrations, control and intimidate the inhabitants of minority or poverty neighborhoods and districts, and protect American-owned businesses from guerrilla attack or labor unrest. Thus USAID's Fiscal 1972 Congressional Presentation lists these goals for its police program in Asia:

Specifically, the Public Safety programs will focus on the development of key institutional elements, such as communications networks and training systems; on better administration and management leading to the effective use of resources; the improvement of rural paramilitary police ability to prevent and deal with guerrilla activities; the provision of effective police services at the hamlet level; the improvement of urban policing, including the humane control of civil disturbances and riots."

PSD accomplishments in the Philippines to date, according to the 1972 presentation, are listed as follows: "Training in 11 different courses conducted at 7 new training centers was received by 10,540 policemen. Technical assistance in the fields of organization and administration, records and identification, criminal investigation, tactical operations and logistics was being provided to the police departments of 11 cities and municipalities; communications systems had been established in 12 provinces; mobile patrol systems in 6 cities and municipalities; and communications technicians and 1,895 operators had been trained."

The massive program is supervised by the U.S. Public Safety mission in Manila, headed, as of June 1972, by Stanley W. Guth. Other U.S. Public Safety personnel in the Philippines include: Frank R. Smith, a telecommunications expert, and Public Safety advisors Edward R. Bishop, Edward G. Boyce, Walter E. Kreutzer, Edward Merseth and Richard H. Rogers. Boyce, Merseth and Rogers all came to Manila after serving as advisors to the Saigon police aparatus; Bishop and Kreutzer formerly served as Public Safety advisors in Burma and Panama, respectively. These men are in daily contact with the commanders of the Philippine police apparatus, and thus are intimately involved in the wave of repression unleashed by Marcos under the material law edict.

The Public Safety project, according to USAID documents and Philippine government reports, is currently focused on these three program areas:

Training: Under USAID sponsorship, every Philippine police patrolman is scheduled to receive a basic 3-month course in "police science" at one of 8 regional academies by the end of Fiscal Year (FY) 1973. More intensive courses will be provided for 4,000 corporals and 3,500 lieutenants, and several thousand police specialists will receive advanced training in communications, criminalistics, intelligence operations and riot-control. U.S. police textbooks, including manuals on riot control, are normally used in these courses. At least five U.S. Public Safety advisers work full-time with Philippine instructors to develop curriculum and teaching methods for this effort.

Records and Identification: USAID, in conjunction with POLCOM and the National Bureau of Investigation (NBI), has undertaken a major effort to establish, by FY 1973, an integrated intelligence/records network composed of: a) a criminal investigation system based on fingerprints: b) a nationwide computer-based crime reporting system. This network will be served by the Philippine Constabulary's Law Enforcement Automated Data System (LEADS) and Crime Information and Data Processing Center (CRIDPC), located at the Department of National Defense Computer Center at Camp Aguinaldo. Both LEADS and CRIDPC are hooked up with an Inter-Police Coordinating Center (IPCC) at Camp Crame, a centralized command center that oversees police and constabulary operations in Central Luzon. IPCC reportedly houses a "United Intelligence Operations Group" whose dossiers on political activists were used to draw up the lists of those arrested under the martial law decree.

Communications: USAID funds are being used to install a nationwide Law Enforcement Communications System (LECS) to link provincial and municipal police agencies with the central police apparatus in Manila. In addition, PSD will establish a province-wide communications system in most provinces, and local systems in 20 selected municipalities. LECS, scheduled to be fully operational by FY 1973, will permit Marcos and his lieutenants to mount coordinated sweeps against political dissidents and other insurgent sectors of the population.

This data conclusively demonstrates that—as in the case of other Asian dictatorships—the United States government is providing full support and backing to the police apparatus of the Marcos regime

(By Michael T. Klare/staff member, the North American Congress on Latin America.)

[From the Washington Post, Nov. 29, 1972]

Marcos Claims Guidance From God

Manila, November 28.—President Ferdinand E. Marcos said today that he was "guided by God" means he proclaimed martial law in the Philippines to prevent a right-wing coup against his government.

Addressing some 300 members of the Philippine Historical Society at the presidential palace, Marcos disclosed for the first time that he signed the martial law proclamation on Sept. 17, five days before it was put into effect.

[From the New York Times, Nov. 15, 1972]

Letter to the President

Dear Mr. Nixon, martial law has been declared in my country, the Philippines, by President Ferdinand Marcos. In doing so he has broken his sacred covenant with his people when he took his oath of office "to uphold and defend the Constitution." Instead he used it to seize power and institute a one-man rule through the military. He has already given notice that he will not abide by any contrary rulings of the Supreme Court, which has yet to rule whether the situation warranted his resort to this drastic measure.

President Marcos has stifled all legitimate dissent by incarcerating his political enemies and critics in the press and by his total suppression of the freedom of speech and of the press.

He has set aside Congress, abolished all civil processes and decreed by personal flat new crimes punishable by death and triable only by a military tribunal. He has instituted a rigid censorship on news dispatches abroad, on domestic and foreign mail and on radio and telephone communications.

The Philippines is now in fact a police state at a time when the nation is not at war and the Communist rebellion in a country of 38 million people poses only a very minor threat to the duly constituted Government. According to our Defense Secretary, on the eve of martial law there were only 1,000 armed dissidents with a combat support of 6,000 and a mass base of 100,000.

As with other concerned Filipinos, I had hoped that the grave ills of our society could be cured in time through the democratic process. As long as the avenues for reforms such as free elections, free speech and a free press were open we felt that the needed reforms could be achieved by peaceful means through the ballot.

But with the proclamation of martial law and the institution by President Marcos of an absolutist regime, these avenues are now closed. We will now have to fight on two fronts for the restoration and preservation of our civil liberties—against the Marcos absolutist regime on one hand and against the Communists on the other.

I was fortunate to be in the United States when martial law was declared. I owe it to my country and to the cause of democracy and freedom to inform the American people of the true conditions in my country. I have served my Government in the implementation of our social justice programs under two administrations—that of President Ramon Magsaysay and of President Marcos.

I therefore appeal to you, Mr. President, and the people of the United States, whose tradition of liberty and freedom gave birth to our own to give me and other Philipinos like me political asylum until such time as our Constitution is fully restored.

RAOUL H. BELOSO,
Chairman, Small Farmers Commission,
Republic of the Philippines.

[From the New York Times, Jan. 18, 1973]

Dark Days in Manila

Yesterday was another dark day for freedom in Asia as President Ferdinand E. Marcos extended martial rule indefinitely while proclaiming a new Constitution—one which, even if it is eventually invoked, would give him sweeping new powers. Mr. Marcos' resort to obviously rigged citizens' assemblies to gain a figleaf of public approval for his draconian measures, instead of the plebiscite he originally promised, is a clear indication that his descent into tyranny does not enjoy the near-universal acceptance that he has claimed.

Such support may still be forthcoming if the regime speedily implements the sweeping reforms Mr. Marcos pledged when he first seized arbitrary power last September and if there is early headway toward a return to constitutional processes. The gloomier prospect, however, is that authoritarian rule, once firmly established, will grow progressively more repressive and corrupt, alienating the more moderate elements in Filipino society and driving them into the arms of the extremist groups that Mr. Marcos has vowed to stamp out.

There is real danger that the Philippines, thus polarized, will go the way of Vietnam and erupt into civil strife in a country ideally suited for guerrilla warfare. Washington so far has preserved an embarrassed silence about these depressing developments in the former American colony. The United States cannot and should not try to intervene to restore freedoms that only the Filipino people can claim and uphold for themselves. Out of consideration for the freedom it bequeathed to the Philippines in 1946 and for its own larger interests, however, this country must not allow itself to become identified with the Marcos tyranny, regardless of proferred favors for American economic and military interests in the island republic.

Any American assistance for the Philippines henceforth should be clearly tied to effective reforms and contingent upon the progressive restoration of democratic institutions.

[From Newsweek magazine, Jan. 22, 1973]

The Philippines—Marcos' 100 Days

One hundred days ago last week, Filipinos awoke to find that President Ferdinand Marcos—the last democratically elected leader in Southeast Asia—had imposed martial law, muzzled the freest press in Asia, locked up hundreds of notorious thugs (along with many of his political opponents) and embarked on a "New Society" program designed to reform the Philippines. In the following report, Newsweek's Maynard Parker assesses the record of those 100 days:

Although skeptical about Marcos' credentials as a reformer, most Filipinos—as well as many foreigners like myself—were at first willing to give him the benefit of the doubt. After all, violence was endemic in the Philippines, and the streets of Manila were less safe than New York's. Unemployment was soaring. Corruption reached into the highest levels of government. Surely the country was in need of major reform, and it was argued that Marcos was sincerely trying to do something to improve the lot of his 39 million countrymen.

Unhappily, those of us who cherished these hopes were proved naïve. During the first hundred days, Marcos has merely divested the country of its democratic institutions and converted it into a new Asian dictatorship. Freedom of speech, press and assembly have been squelched. And President Marcos acts more and more like a Filipino Sukarno, leading the country by the nose toward what the late Indonesian dictator called "guided democracy"—and what Marcos calls "constitutional authoritarianism."

CUTTHROATS

When Marcos first arrested hundreds of politicians, journalists and gangsters, it was said that some of the worst men in the country had been locked up with some of the best. The trouble is that by now many of the worst crooks and cutthroats have been released. The people still in jail are the President's political foes—including such men as Senators Benigno Aquino and José Drokmo of the opposition Liberal Party.

Another farce has been the new constitution designed by Marcos to switch the Philippines from a presidential to a parliamentary system of government. The move would permit Marcos—who was constitutionally debarred from running for a third term as president—to become Prime Minister and thus continue to run the country indefinitely. Confident that his scheme would prove popular, Marcos even allowed limited public debate on whether to vote "yes" or "no" on the new constitution, and a plebiscite was set for January of this year. To the President's chagrin, public opposition to the plan quickly mounted, and last week he suddenly postponed the plebiscite indefinitely. Instead of a secret ballot, an open vote for or against the constitution is to be taken in "citizen assemblies" set up in each of the country's 40,000 villages and totally organized and dominated by supporters of Marcos.

Law and Order: At first, martial law was welcomed by the millions of ordinary Filipinos who desired law and order and liked the price ceilings the President put on essential commodities such as rice and sugar. But these much-heralded achievements have recently begun to look pretty pale. Crime is again on the upswing, prices are climbing, and Marcos has shown no sign of getting the sluggish economy moving or providing the new jobs he promised. "He has obviously failed to build a new society in a hundred days," commented one critic. "Nor is there any reason to think that he can pull it off in 1,000 days."

So far, with a combination of verbal acrobatics and midnight arrests, Marcos has kept his opponents on the defensive. But I am convinced he is headed for serious trouble, not only from the oligarchs but from the students, workers and farmers. For unlike other Asians who tolerate authoritarian governments with hardly a quiver, the Filipinos have a much shorter fuse. "People here are used to their privileges," one longtime foreign resident remarked to me. "They've given up freedom of speech, of press, of criticism. But if it turns out they get nothing in return—no new jobs, prices going up as usual—there's going to be trouble."

All this might not matter one jot to the U.S. if the Philippines were just another country. But due to the historical ties between the two nations—and the conviction of many Filipinos that the U.S. still pulls the strings in Manila—Washington's conspicuous failure to take a position may ultimately provoke a backlash in the Philippines. Indeed, given Marcos's dubious long-range prospects, it might be prudent for the U.S. to put some distance between itself and the new Filipino strongman.

[From the Chicago Tribune, Jan. 19, 1973]

Sad Farce in the Philippines

It all was done with such decorum that one would almost swear it was a proper legal ceremony. There was President Ferdinand Marcos signing a constitution which provides for a parliamentary government in the Philippines.

He was doing so only after being assured at a "peoples congress" that this was what his countrymen wanted him to do. Their desires had been expressed at no less than 32,000 "citizens assemblies" thruout *his* myriad islands. The careful planning which went into arranging these thousands of meeting appeared to reflect the nicest respect for the wishes of the people.

Except—

The Philippines are under martial law, and as Mr. Marcos explained with an expression of sadness, must so continue until conditions return to normal. He did not predict when that would be. Presumably, conditions will return to normal when martial law ends.

What had become of the plebiscite at which the voters were to have said yea or nay to this strange constitution which proclaims democracy and yet endorses every despotic action taken under Mr. Marcos' martial law?

The plebiscite had been first postponed and then abandoned. Why? There is only one reasonable answer. Mr. Marcos' henchmen obviously had learned that the electorate planned a loud no. So the "citizen assemblies"—handpicked by these henchmen—were used instead to give the appearance of popularity acclaimed legality to this dictatorship. What solemn homage is paid by absolute rulers to the empty outer shell of democracy!

The new constitution calls for creation of the office of premier, so Mr. Marcos dutifully created the office and named himself to it. He also kept the office of president, to which he was elected under the old constitution. For good measure, he also is commander in chief of the armed forces. No one need have any doubt—Mr. Marcos is in charge.

How could the Philippines have been converted so quickly from a country operating under a lively, combative two-party system to this chill—and chilling—autocracy?

Well, there were many problems—poverty, unemployment, militant dissenters, abundant corruption, and a determined elite which refused to countenance economic changes urged to improve the condition of the restless multitude. It was an old story. The times were desperate, so a strong man was permitted to take desperate measures in his supporters' hope that all would become well in the end. All seldom does become well, and therein lies the tragedy of Mr. Marcos' sad farce.

[From the New York Times]

Marcos Lengthens List of Those To Be Arrested

(By Tillman Durdin)

MANILA, September 27.—President Ferdinand E. Marcos today broadened the scope of arrests to be made under the martial law he imposed in the Philippines last week.

He sent Secretary of Defense Juan Ponce Enrile a new list of people charged with "having given aid and comfort in the conspiracy to seize political and state power" and ordered that they be arrested.

The number and names of persons on the list were not given. The names of more than 100 persons already in detention have been disclosed.

President Marcos today also specified 19 new categories of individuals who are subject to arrest and indefinite detention. This step follows a presidential order last Saturday, in which Mr. Marcos designated a broad classification of people as subject to arrest mainly on grounds of subversion and misuse of official authority.

The new categories are mainly criminal. Those accused of evading income taxes, of crimes against public morals and of "crimes against liberty" were three of the categories.

The President's order today made certain a still more varied assortment of individuals would soon be in detention along with those already being held. No specific charges have been made against any of those detained, and no indication has been given as to when or if trials are to be held and what the prospects of release are, if any.

Mr. Marcos has made it plain that he will exercise power, if necessary, to overrule any court judgment in favor of a detainee.

Three journalists who were constant critics of Mr. Marcos are notable in the list of those being held.

They are Joaquin Roces, publisher of the Philippine's largest daily newspaper, The Manila Times, one of its leading columnists, Max Soliven, and woman reporter of The Times, Rosalinda Galang.

The Times, along with seven other daily newspapers, is still closed after having been shut down last Friday. So far only one English-language daily newspaper, The Express, is being published but another, The Herald, has been authorized to reopen.

The editor of The Chronicle, Armando Doronila, is also being held along with one of his columnists, Ernesto Granada.

Another editor being held is Teodoro Locsin of the weekly Philippines Free Press and a Free Press writer, Rama Napoleon, who is also a member of the Constitutional Convention. The convention, which opened in June, 1971, is writing a new constitution for the country.

Luis R. Mauricio, managing editor of the weekly Graphic, is also under arrest along with Roberto Ordonnez, a writer for The Herald. Also held is Rolando O. Fadul, editor of Taliba, a vernacular paper associated with Mr. Roces of The Manila Times.

POLITICIANS IN DETENTION

The Senators, Benigno S. Aquino Jr., Ramon V. Mitra and Jose W. Diokno, are under arrest and one former Senator, Francisco Rodrigo. Besides Mr. Rama, two other members of the Constitutional Convention being held are Bren Guiao and Enrique Voltaire Garcia 2d.

One foreigner being held is a Dutch priest, the Rev. Cornelio Van Dwek Lagerway, of the Society of the Divine Word. He has been associated with the publication of protest literature by a Roman Catholic group.

Five political figures notorious for their involvement in smuggling, gun-running and other illegal activities are among those held.

They are Congressmen Roque Ablan Jr., Rafael Aquino Sr., David Puzon, and the Governor of Cagayan, Rolando Puzon, and the Governor of Cavite, Lino Bocalan. Representatives Ablan and Aquino and the two Puzons have long been closely associated with President Marcos.

Another person in this category is Congressman Jose Alberto, chairman of the House Appropriations Committee.

Among well-known leftist activists under detention are Ignacio Lacsina, head of the Socialist party; Flora C. Lansang, Teodosio Lansang, Felixberto Olalia, Leonardo Santa Romana and Alfredo B. Saulo.

Many of those arrested are little known. None of the top leaders of the Philippines Communist party or its front organization has been arrested. Persons involved with Communist front organizations who have been arrested are minor figures.

[From the New York Times, Sept. 24, 1972]

MASS ARRESTS AND CURFEW ANNOUNCED IN PHILIPPINES

MANILA, September 23.—President Ferdinand E. Marcos followed up his declaration of martial law in the Philippines today by announcing the mass arrest of what he said were Communist conspirators plotting to overthrow the Government. He also announced plans for economic reforms.

In a nationwide radio and television address Mr. Marcos imposed a curfew from midnight to 4 a.m., daily and announced controls on newspapers, radio stations and foreign correspondents. He banned travel of Filipinos abroad except those on official missions and barred rallies and demonstrations.

[At the United Nations Carlos P. Romulo, the Philippine Foreign Secretary, said that President Marcos had told him in a phone call that the situation was calm and that some persons were being held to protect them from possible harm from insurgents.]

The President said that civil authorities would remain in power and that all national and local government officials would continue to function.

"This is not a military takeover," the President said.

"I have proclaimed martial law in accordance with the powers vested in the President by the Constitution of the Philippines," Mr. Marcos said.

"I as your duly elected President use this power, which may be implemented by military authorities, to protect the Republic of the Philippines and our democracy, which is endangered by the peril of violent overthrow of the duly constituted Government."

"We will eliminate the threat of violent overthrow of Government and we must now reform our political, economic and social institutions," President Marcos declared.

"We are falling back and have fallen back to our last line of defense. The limit has been reached because we have been placed against the wall."

There was no immediate indication how many persons had been arrested. Friends and relatives of those detained said those arrested included at least three senators, several journalists and a number of delegates to the constitutional convention.

Earlier today in predawn raids, Government troops closed all radio and television stations and newspaper offices in greater Manila. One commercial television station and three radio networks were reopened later to broadcast the President's announcement.

The presidential press office said that henceforth all foreign news agencies and correspondents of foreign publications and networks must clear their dispatches with the press office.

In his address, Mr. Marcos announced a cleanup of "corrupt and sterile government officials," a proclamation of land reform throughout the Philippine archipelago, establishment of a military commission to try and punish military offenders and a ban on the carrying of firearms by civilians and unauthorized persons, with violation punishable by death.

MANILA IS PEACEFUL

MANILA, September 23.—President Ferdinand E. Marcos ordered martial law Friday today after gunmen fired into * * * yesterday in what the Government called an assassination attempt. The official was unhurt.

The decree produced little outward effect here. The four million or so residents of the greater Manila area went about their normal weekend activities. There was the usual light Saturday traffic throughout the city and people went to the movies and to supermarkets.

Mr. Marcos said that the Maoist Communist party of the Philippines and its New People's Army had grown to a menacing membership of more than 10,000 with logistics and international funding.

The Philippines is a nation of 35 million with a wealthy few and a mass of poor. The worst summer floods in the nation's history have added to unrest among the impoverished in the countryside.

Mr. Marcos, who is 56 years old, is the first Filipino President to be elected to two terms and the first to declare martial * * * formed in 1946, after the * * *.

His move came after nearly two months of bombing and other terrorist acts in the greater Manila area. Many of the president's critics, however, said before imposition of martial law that he would use it to maintain his weakening political position.

A police spokesman confirmed that three opposition Liberal senators—Ramon Mitra, José Diokno and Benigno Aquino, Jr.—had been arrested.

SOUTHEAST ASIA TODAY

Mr. GURNEY. Mr. President, President Nixon's patient but bold policies have brought our troops and prisoners home from Southeast Asia. But a number of issues concerning America's role in that area of the world remain. According to the volume of mail I have received from my constituents, the question of aid to North Vietnam is one of deepest concern to the American people. I have carefully considered the arguments for foreign aid to North Vietnam; they fail totally of convincing me. I am opposed to spending $1 of the American taxpayer's money to aid the Communists in North Vietnam.

It has been said that we owe an obligation to the North Vietnamese on the basis of the peace accords. I believe exactly the opposite to be the case. During the negotiations with the Communists Mr. Kissinger was asked by Members of the Senate if there was any agreement, formal or informal, which would require us to send foreign aid to North Vietnam. He replied that there was no such agreement.

We have made every effort to live up to both the letter and spirit of the accords.

We have withdrawn troops and materiel; the Communists have continued massive infiltrations of both.

We have honored the provisions in the accord which call for a speedy withdrawal from Laos and Cambodia; the Communists have intensified the struggle in both of those countries.

In Cambodia the level of fighting is at its fiercest point in years. The people of Cambodia are being invaded by a foreign enemy ruthlessly trying to destroy that country. It is regrettable that we have been forced to use bombs in Cambodia. It is even more regrettable that the North Vietnamese Communists have chosen to break the peace accords and their word to us in the flagrant attempt to invade this country.

As long as the Communists continue their illegal assault on Cambodia the administration feels it should continue to support the Cambodian struggle for survival.

The Communists' complete disregard for human life and human rights knows no limits. The Subcommission on POW's of the Four Party Joint Armistice Committee has been charged with making a complete investigation of the fate of all POW's and MIA's. The recent shooting down of a helicopter, which carried members of the committee whose sole purpose was to help achieve peace, illustrates clearly, for the entire world, the character and intent of the North Vietnamese.

Of course, for Americans, the true nature of the North Vietnamese Communists is exemplified by their treatment of our POW's. As one horror story after another comes out concerning the atrocities that were committed against our men, Americans are becoming more and more aroused. The anger of Americans of all political persuasions and all walks of life is becoming focused on the fiendishly brutal treatment that the POW's received.

The stories of the torturing of American POW's have brought the issue of amnesty into clear focus for the people of this country. Those men who deserted their country and left others to do the fighting, suffer the wounds and the cruel imprisonment, deserve no special consideration. I am flatly opposed to amnesty for such people.

The question of a possible resumption of the air war in Vietnam has again been raised. The goal of the administration has been to supply the South Vietnamese with sufficient weapons, including airplanes, to defend themselves. The South Vietnamese appear to have this well in hand.

REPRESENTATIVE JOHN C. CULVER

Mr. CLARK. Mr. President, there long has been a friendly rivalry between the Members of the Senate and the Members of the other body. But with that rivalry, there is a feeling of mutual respect, and from time to time, it is not inappropriate to recognize the significant and substantial contribution that certain Congressmen have made to the legislative process, their constituents, and to this country.

Today's Washington Post has an excellent article on one Congressman and the contributions he has made. He is the new chairman of the Democratic Study Group, the Congressman from Iowa's Second District, my Congressman and my friend, John Culver.

I know the people of that district well: I was born and raised there and have lived there most of my life. The people are vigorous and independent. And it is worth noting because in the last five elections they have elected the same man to represent them in Congress, John Culver. In each election, they have given him an increasingly larger margin of victory.

That is not surprising. In his 9 years in the House of Representatives, John Culver has consistently demonstrated the courage, the integrity, and the independence that mark him as a leader in Congress. As reporter Richard Lyons noted in his article:

> In his second term, Culver went on the House Un-American Activities Committee at leadership request to help clean up its image as a Communist-hunter running rough-shod over civil rights.

That was hardly a sought-after or popular position, but Congressman Culver did not take it lightly. He wrote minority reports for every piece of legislation the committee approved, and it led the Nation magazine to name him "Congressman of the Year."

Now, Congressman Culver is chairman of the important Foreign Economic Policy Subcommittee of the House Foreign Affairs Committee, where he has done an outstanding job. He has been instrumental in the successful efforts to reform the procedures and the effectiveness of the House, and largely because of his efforts, a special House committee is studying the possibility of revising the committee structure. It is this kind of work—these kinds of achievements—that have led his colleagues to hold him in such high regard.

I had the privilege of working for Congressman Culver, as his administrative assistant, for 7 years before I came to the U.S. Senate. Unlike many of my colleagues, I did not have previous legislative experience in the strict sense. But I would not trade those years working for John Culver for experience in any legislative body. His guidance and advice have been invaluable and surpassed only by his friendship.

Mr. President, I ask unanimous consent that the complete text of the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Iowa's Culver: Liberal Leader of the House

(By Richard L. Lyons)

As the moving force behind House reforms, the Democratic Study Group has emerged as the dominant power among House Democrats and its new chairman, Rep. John C. Culver (D–Iowa), assumes the title of liberal leader.

Culver typifies the new breed of non-southern, non-bossed, issue-oriented Democrats who have given the DSG its special look and role since it was created nearly 15 years ago to provide research and marshal liberal strength.

Culver was one of the first to call for a major study of the House committee structure. It is in committee that the basic work of legislating is done, but jurisdiction is so fragmented and overlapping that it is impossible for Congress to get an overall look at many basic issues. Culver is now a member of a committee created to make a 1½-year study.

"Since I've come to Congress," he said in an interview, "almost every one of the major public policy questions before the country is different and new . . . and yet if you look at the scaffolding of committee jurisdiction you can't help but be struck with the fact that so much of it mirrors a 19th-century America. We have a committee on agriculture, but we have no committee on urban America, where 77 percent of our people live."

Under the present arrangement, he said, there is no coordination between committees of overlapping jurisdiction and it is impossible to have any "harmonized response to any of these problems."

"The most classic example is the budgetary process breakdown. Here we have the Ways and Means Committee preoccupied with the income side and Appropriations with the other, without communication on policy between the two."

(The result has been the struggle between President and Congress over a spending ceiling, and creation of a joint congressional committee which is seeking means to give Congress an overall view of the budget and to coordinate income and spending.)

Culver thinks it "quite remarkable" that the committee study was ever approved, given the preference of the "vested interests within the House" for preserving the status quo. The committee study has the potential for "change of very important dimensions."

With the reform drive over for now, Culver sees one of the DSG's major roles during his two-year term as monitoring the rules changes that opened committee meetings, broke the grip of the seniority system and others, to make sure they work.

Other areas for DSG activity will be helping make the new House Democratic Policy and Steering Committee work as a policy-priority shaper and seeking ways to assert congressional power in the battles with President Nixon over impounding appropriated funds, executive privilege, cutbacks in social programs.

DSG was formed to try to offset the power of the southern conservative coalition that controlled the House in the 1950s. Now everything is turned around. Culver said everything came together for a successful reform drive this year because of the departure of many old members, the energic new citizen lobbies such as Common Cause an "excellent" DSG staff headed by former newsman Richard Conlon, plus changing public views as reflected in their congressmen.

The southern Democrats, who now see their power slipping away, have paid the DSG the ultimate compliment of forming an organization called the Democratic Research Group which sounds like a Dixie DSG.

The 30 Democratic freshmen have also organized and elected as their chairman Rep. Edward Mezvinsky (D-Iowa), who unseated a Republican in the district adjoining Culver's. Mezvinsky sees organzation as giving the first-termers a voice loud enough to be heard by the leadership on what the country feels and what Congress should be doing.

Culver said that with the reforms already achieved and those under way, Congress is reaching the point where the institution and its procedures can't be blamed if it doesn't work right. "We won't have that scapegoat to kick around any more. The fault's going to be with ourselves and not the environment of this place if we are not responsive."

Culver, 40, grew up in Cedar Rapids, then went away to Harvard where he played varsity fullback for three years (he has since achieved the bulk of a defensive tackle). He was drafted by the pros, but instead went to England on a Harvard fellowship to Cambridge where he lived for a year in the rooms occupied by John Harvard in his student days nearly 350 years earlier.

After three years in the Marine Corps and graduation from Harvard law school, he worked in the 1962 Senate campaign of Edward M. Kennedy, whom he knew at college. He spent a year here on Kennedy's staff.

In 1963, Culver returned to Cedar Rapids and one year later defeated an incumbent Republican and was elected to the House.

1964 was a big year for Democrats and nowhere bigger than in Iowa, where Democrats won 5 of 6 Republican House seats. Two years later, Culver was the only survivor and has since been re-elected with ever-increasing majorities.

In his second term, Culver went on the House Un-American Activities Committee at leadership request to help clean up its image as a Communist-hunter running roughshod over individual rights. Culver wrote minority reports on every bill the Committee reported and as a civil libertarian found the work "very satisfying."

Despite some advice that this role was politically risky for a Democrat in a marginal Iowa district, Culver said there were no signs that it hurt him at home, because of Iowa's "genuine sense of fairness and rejection of extremes." He got off HUAC after two years.

He got the chairmanship because a reform of two years ago forbade members to hold more than one subcommittee chairmanship, thus giving more junior members a piece of the action. Until then, Culver, like many energetic younger members, had an up-or-out feeling—that he should try for the Senate or get out of the House rather than sit powerless for years while older men ran the place. As a chairman he can do something on his own.

Last year Culver considered and rejected the idea of opposing Republican Sen. Jack Miller, who looked very strong. Instead, Culver's administrative assistant, Dick Clark, took on Miller and beat him in an upset.

Culver's reaction is: "I made the right decision for me."

For one thing, Culver says there is no reason to believe he could have won just because Clark did.

TRIBUTE TO GORDON B. BISHOP, ECOLOGY WRITER

Mr. CASE. Mr. President, a reporter whom I have known since he began as a newsman in high school, recently was honored for the second consecutive year by the Washington Journalism Center for his environmental news reporting.

All of us in New Jersey are proud of the job Gordon B. Bishop, staff writer for the Newark Star-Ledger, is doing in the area of reporting on environmental problems.

I ask unanimous consent that that an article from the Newark Star-Ledger of April 15, 1973, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Writer Honored for Star-Ledger Ecology Articles

Star-Ledger staff writer Gordon B. Bishop has won second-place honors in The Washington Journalism Center's national conservation awards competition for 1972.

It was the second consecutive year that Bishop won the Thomas L. Stokes Award presented by The Washington Journalism Center. It also makes the fifth national journalism award won by Bishop in the last two years.

The Stokes Award was established in the spring of 1959 for the late Thomas L. Stokes, a nationally-syndicated columnist who wrote on natural-resource subjects.

Bishop received his second Stokes Award for "environmental news reporting which brought considerable remedial action and correction of pollution problems."

The first-place winner in the '72 contest was Robert Poole, a special assignment reporter for the Winston-Salem Twin City Sentinel in North Carolina. Poole wrote a series of articles on the "serious environmental hazards to rivers and streams from channelization projects."

Robert C. Frederiksen of the Providence Journal-Bulletin, Rhode Island, received honorable mention for a series which gave "detailed reports of individual companies polluting rivers in Rhode Island."

The Stokes Award is given annually for the best analysis, reporting or comment in a daily newspaper on the general subject of development, use and conservation of energy and other natural resources, and on the protection of the environment.

The judges for the 1972 Stokes Award competition were Elsie Carper, assistant managing editor of The Washington Post; Edwin Diamond, contributing editor of New York magazine and lecturer in political science at the Massachusetts Institute of Technology (MIT), and Hillier Krieghbaum, professor emeritus of journalism at New York University.

The Star-Ledger entries reviewed by the judges included:

A series of articles exposing the sources of pollution of the Hudson River and metropolitan waterways by the New York City, the World Trade Center, and several sewerage authorities, leading to an unprecedented dual action by the U.S. Department of Justice and U.S. Environmental Protection Agency to eliminate such practices.

A series of articles on the "Energy Crisis" published in the spring of 1972, about six months before it became a national issue.

A series of articles on protection of the state's flood plains, leading to enactment by the legislature of the flood plain bill last fall.

A series of articles on recycling; plus series of other articles on environmental reforms throughout New Jersey.

In addition to the two Stokes Awards, Bishop won the Scripps-Howard Foundation's national environmental awards for 1971 and 1972 and was one of two U.S. journalists selected by the Institute of International Education for a scholarship at the University of Manchester, England, last summer, sponsored by the Esso Education Foundation.

Bishop, 35, a graduate of Rutgers University with a degree in English, resides in Eatontown.

ENVIRONMENTAL WARFARE TECHNIQUES

Mr. PELL. Mr. President, recently, on March 8 of this year, the Federation of American Scientists, made public a letter to President Nixon expressing deep concern over possible development of environmental warfare techniques and urging the administration to disclose to the American people any available information on United States use of weather modification as a weapon of war.

Mr. President, the Federation of American Scientists has now received from the administration a response to its plea. The response is in the form of a letter from Dr. John S. Foster, Jr., Director of Defense Research and Engineering in the Defense Department, to Dr. Marvin L. Goldberger, Chairman of the FAS. I have been authorized by the FAS to make this response public, and ask unanimous consent that it be printed in the Record at the conclusion of my remarks, with the letter to the President of March 1, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PELL. Mr. President, the administration's response to the Federation is disappointing, but nevertheless curiously revealing.

It is disappointing in that the administration continues to refuse to tell the American people and the world, the full story of United States use of weather modification techniques as a weapon of war.

But, as I have said, Dr. Foster's letter is also revealing, although perhaps unintentionally. Dr. Foster first assures the FAS that "the DOD has no unique weather modification techniques," and that "all DOD R. & D. projects in weather modification are conducted on an unclassified basis, and details are available in the public domain."

But Dr. Foster's letter goes on to state that, "certain aspects of our work in the weather modification area relate directly to national security and are classified."

Those statements pose an obvious question:

If all Department of Defense research on weather modification is unclassified, and all DOD development work on weather modification is unclassified, what can possibly be the nature of the "work" that is classified? I think one is led to the inescapable conclusion that the classified work of the Defense Department must be operational use of weather modification techniques.

This is an ominous conclusion, and one that I reach reluctantly.

Mr. President, I think this latest statement by the Defense Department in environmental modification serves to emphasize the need to prohibit any further use of environmental modification techniques as weapons of warfare.

On February 22 of this year I introduced, with the cosponsorship of 18 of my colleagues in the Senate, Senate Resolution 71, expressing the sense of the Senate that the United States should seek the negotiation of an international agreement prohibiting the development and use of environmental and geophysical modification techniques.

I continue to hope that the administration will review United States policy in regard to weather modification and will conclude, as I have, that it is in the best interests of this country and of humanity to eliminate the threat of weather warfare.

In conclusion, Mr. President, I would commend and congratulate the Federation of American Scientists for its concern and its important contribution to public awareness of this vital issue.

Federation of American Scientists,
Washington, D.C., March 1, 1973.

Hon. Richard M. Nixon,
President of the United States, The White House, Washington, D.C.

Dear Mr. President: As you know, there has been considerable speculation about the possibility that weather modification was used, at one time or another, during the Vietnamese conflict, as a weapon of war.

These charges have appeared on the front pages of leading newspapers and in testimony before Congressional committees, but they have not been denied. Indeed, United States Senator Claiborne Pell, who presided over the Foreign Relations Committee hearings on weather modification said, on the Senate floor on February 22, that "In my own mind, there is no doubt that the United States did indeed conduct weather modification operations in Southeast Asia."

Many American scientists are concerned about the precedent that such actions would pose. There are many different kinds of geophysical warfare which, if they were to be engaged in by ourselves and by opponents, would be to the clear disadvantage of mankind. The use of weather modification as a weapon of war is an opening wedge to the use of climate modification, the inducement of earthquakes, and other still more terrible methods. We see geophysical warfare as a "Pandora's box" to which the seemingly inoffensive weather modification may be the disastrous key.

Especially now that the cease-fire is taking effect, we believe that the Government should disclose the facts concerning U.S. activities in this area. The right of the public to know of the activities of its Government is fundamental to our way of government, to our ability to make appropriate policy, and to our liberty itself.

This public right to know is as unqualified, and needs as little explanation, as our right of petition. But in explanation of our strong interest, we note that these revelations are critical to permit the public to understand the importance of international agreements prohibiting weather modification. And we can conceive of no valid national security reason for denying these disclosures about the past.

With this in mind, our elected National Council has voted formally to urge the Administration to disclose what it knows about any such activities under this or previous Administrations. Under our Federation's constitution, our Council can speak for our 4,500 members on such issues. But, in addition, we have compiled a petition signed by over 750 non-members, as an indication of the depth of feeling of the scientific community at large, that full disclosure of weather modification activities of our Government should now take place.

MARVIN L. GOLDBERGER,
Chairman.

DIRECTOR OF DEFENSE
AND ENGINEERING,
Washington, D.C., March 29, 1973.

Dr. MARVIN L. GOLDBERGER,
Chairman, Federation of American Scientists,
Washington, D.C.

DEAR MURPH: On behalf of President Nixon, I am replying to your letter of 1 March 1973, regarding weather modification activities by our Government.

The enclosed report of the Interdepartmental Committee for Atmospheric Sciences (ICAS) describes the *total Federal research effort* in weather modification. Please note that the major portion of national weather modification research and development programs is conducted by the Departments of Commerce and Interior, together with the National Science Foundation.

The DoD research and development effort in weather modification is conducted because of two major defense interests: (1) protecting personnel and resources against weather hazards, thus improving our operational capabilities; and (2) guarding against technological surprise by increasing our understanding of the capabilities any potential adversary might possess in this area. The DoD has no unique weather modification techniques. All DoD R&D projects in weather modification are conducted on an unclassified basis, and details are available in the public domain.

Certain aspects of our work in the weather modification area relate directly to national security and are classified. I am not at liberty to discuss these aspects in a public letter. However, recognizing Congressional and public concern with the question of military applications of weather modification, and the fact that information flow between the Executive and Legislative Branches is fundamental to the ability of our Government to make appropriate policy, the Secretary of Defense has kept the Chairmen of the Senate and House Armed Services and Appropriations Committees fully informed on classified aspects of work in this area.

Sincerely,

JOHN S. FOSTER, Jr.

A CRITIC LOOKS AT REVENUE SHARING

Mr. PROXMIRE. Mr. President, the National Civic Revue, a monthly publication of the National Municipal League, carried a most thought-provoking article in its February issue on revenue sharing. The article actually was taken from an address by Jay G. Sykes given at the League's 78th National Conference on Government late last year.

Now I have known Jay Sykes for a good many years, first as a reporter for the Milwaukee Sentinel and currently as associate professor of mass communication at the University of Wisconsin—Milwaukee. His sensitivity to local issues as well as the operation of government on the local, State, and National level place him in a very good position to comment on the ins and outs of the revenue-sharing approach.

The Sykes speech points out, giving chapter and verse, that government has been at its most inefficient at the local level. Mr. Sykes goes on to say that local governing bodies simply are not able to cope with the massive problems of law enforcement, pollution, et cetera, that this Nation is facing in the last half of the 20th century. He argues that fragmentation of authority, jurisdictional confusion, and bureaucratic buck-passing result in wasteful spending at the local level. He makes it clear that there is no reason to think revenue-sharing funds will fare differently.

I ask unanimous consent that this article appear in the RECORD following my remarks so that my colleagues will have an opportunity to consider this compelling argument against the revenue-sharing concept.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL REVENUE SHARING: THE NEW BOONDOGGLE?

(By Jay G. Sykes)

The principle of revenue sharing is based on two fundamental propositions. The first, that local governments desire additional income, is indisputable. The second, that the money can be more effectively spent at the local level, is completely without historical foundation. Unless one is irrevocably committed to the mythology of the inherent virtue of local government, he must conclude that the federal money will largely be wasted by the local governments.

The skeptic who insisted that local governments should have been required to modernize themselves (or at least promise to do so) before becoming eligible to receive federal largesse was dismissed as a bureaucrat, centralist, undemocratic, ideologue, a purist blind to the political realities. But the purist has over a century of experience on his side. The compromise, however politically necessary, to remove the modernization pre-condition, will turn out to be a fatal mistake. It will guarantee that the fragmented, wasteful institutions of local government will squander their new found revenue as they have done, for a century, the money they have raised themselves.

The defenders of local government—as the proponents of no-strings-attached federal revenue grants—warn of the monster of centralism reaching out its tentacles from the Potomac. But all the agencies, commissions and bureaus of the federal government are dwarfed by the multiple bureaucracies that are the 80,000 local governments in the United States. What federal bureaucracy can compare with Marin County, California, which is divided into nearly 100 separate taxing jurisdictions, including 17 lighting districts and one mosquito abatement district? For every maligned bureaucrat in Washington there are thousands at the local level—county clerks, town chairmen, weed commissioners, coroners, village trustees, prothonotaries—of varying qualification and doubtful value, and all united as a mightly cadre in the cause of their own self-preservation.

The fragmentation of local government need not be documented here. But we ought never to forget that the disintegrated, almost anarchical, state of local government in the United States has frustrated the solution of most problems of the late twentieth century. Federal revenue sharing will further imbed the disorder and postpone the solutions.

The Advisory Commission on Intergovernmental Relations has surveyed the labyrinth of local government in America and has concluded that it is "a travesty." Luther Gulick, an esteemed authority on public administration, has said: "Take any problem, like water or traffic, not only does it reach beyond the lines of any one organized governmental body, but often falls in several independent and often competing jurisdictions. Thus, you have problems which cannot be thought about except on a comprehensive and unitary basis, fractionated among a score of separate political units. This medley of scattered and disintegrated local governments just cannot provide the units of planning or action required for a coherent scheme of government." To such problems Gulick might have added education, transportation, flood control, air pollution, police and fire protection, housing.

This disorder means more than expensive and wasteful duplication, more than perpetual conflict, confusion and governmental paralysis. Fragmented local government can jeopardize the very health and safety of the citizens it is supposed to serve, as it has with the people who live along the Little Calumet River. During a two-day rainstorm in 1957, the Little Calumet, which winds through several communities in southern Cook County, Illinois, overflowed its banks, flooding Calumet City and Lansing, forcing thousands to flee their homes. After the waters receded, representatives of the various layers of government with jurisdiction over the stricken communities assembled and decided that some action ought to be taken to prevent a recurrence of the disaster. The United States Army conceded that the federal government had the primary responsibility over the waterway, but that more studies were needed. The state of Illinois acknowledged that it had some secondary responsibility, but said that it was awaiting completion of a study of a long-range flood control program. A commissioner for Cook County promised some action, but only after consultation with several other authorities. The Cook County sanitary district admitted that the flood had resulted, in part at least, from its inadequate sewers that drained into the Little Calumet Thornton Township, which encompasses Calumet City, said that it had a clean streams committee that was already at work on the problem.

During the next four years of studies and surveys the only governmental unit that took any tangible action was Calumet City. In a door-to-door campaign, the city collected enough money from local residents to build a three-mile levy along its waterfront. When the river overflowed again in 1961, Calumet City was protected by its new levy, but across the river Lansing was inundated.

Local apartheid, and the unplanned chaos that results, brought a minor disaster, too, to Pas-de-Grille, Florida, which had to give up plans to build a sea wall after it failed to sell a $450,000 bond issue. Had that community, St. Petersburg and other adjoining municipalities been merged into one governmental unit, or even joined forces for this limited purpose, the bond issue might have been sold.

The price that the citizens of the United States pay for their commitment to ultralocal government is high indeed. It is a price which many, not only the governing officials but also the people, seem willing to pay.

Will revenue sharing, with no requirement that the structure of local government be streamlined, help the people along the Little Calumet River or in Pas-de-Grille? The question is rhetorical. And what of the problem of water pollution?

"Every time you take a glass of water from a faucet in St. Louis, you are drinking from every flush toilet from here to Minnesota."

This vivid, though perhaps overstated, observation by a St. Louis newspaper publisher in the late 1960s points up the most devastating failure of local government in America: the cumulative neglect that has led to the destruction of our natural environment. The failure of local government to deal with the pressures of modern industrialization has permitted the spread of billboards and junkyards, has tolerated the misuse of open space, and has allowed the clamor of noise to impinge on once placid residential areas. But most tragic has been the failure to prevent the fouling of our rivers and lakes. The Hudson River, the Cumberland, the Ohio, the Monongahela, the Missouri, the Chattahoochee, even once idyllic Lake Tahoe way up in the Sierra Nevada Mountains, are all polluted now, and local governments, which defaulted on their responsibilities, are largely to blame. The fragmented, shortsighted, warring little governments had neither the capacity nor the will to preserve our waters.

The prospects that federal revenue sharing will seduce local governments into meeting the challenge of pollution, as allies of each other or of the federal government, seem remote at best.

Revenue sharing will surely not help local governments in their struggles against crime, except as perhaps a temporary palliative. The fragmentation of local law enforcement means overlapping jurisdiction, petty jealousies, poor or non-existent communication, inadequate resources, particularly in the nation's urban areas where there are almost as many police departments as there are governments. There are, according to the International City Management Association, more than 40,000 autonomous police departments in the United States. A study by the Northwestern University Law School turned up in Cook County, Illinois, alone 90 separate law enforcement agencies, operating for the most part, the study concluded, "without coordination and many times without the knowledge of what the other police forces in the county are doing or attempting to do. The combined strength of law enforcement in Cook County is so weakened by this discoordinated structure that the process of law enforcement is seriously impeded."

In his book *Sick Cities*, Mitchell Gordon wrote in 1961: "Feuding or jealous police departments which hide evidence from one another, or don't call for assistance until it is too late, needless duplication of records, and a thinning of resources which might otherwise be used for better services, are just a few of the consequences of fragmented police authority." Ten years before Gordon's indictment, the Kefauver Crime Committee, after an investigation of Cook County; Bergen County, New Jersey; and Los Angeles found that there was "no centralized direction responsible for seeing that a uniform law enforcement policy is applied to the entire area of the county." Such disorganization, the committee reported, "lends itself to buck passing and evasion of responsibility, which can only inure to the advantage of gangsters and racketeers. And it makes it possible for hoodlums to find those cities and towns where law enforcement is low and to concentrate their activities there."

Revenue sharing, without insistence that crime prevention and detection be better coordinated, will be of no help to the residents of urban counties. Nor, in the rural areas of the country, will the fight against crime be appreciably improved by revenue sharing as long as counties cling to their elective sheriffs and to their most absurd official, the elected county coroner. The sheriff has been blamed, and rightly so, for lack of effective law enforcement in non-urban America. "If a deliberate attempt were made to establish an inefficient and inadequate system of police protection," wrote an authority of public administration 40 years ago, and the assessment is no less valid in 1972, "it would be difficult to imagine how a plan could be devised with more certainty of failure than what we have permitted to grow up in the form of the county sheriff." Recent surveys confirm the analysis: Montana—"Inexperienced and untrained sheriffs and deputies are ill-prepared to combat rural crime." Illinois—"The sheriffs' offices are not adequate because they are superimposed upon town and village systems which themselves are hopelessly inadequate." Connecticut—"The sheriff is the highest paid, the most ornamental, and least needed officer in the state."

What of the likelihood that, whatever the past, local governments will now use their new revenue to treat problems that transcend local boundary lines? In their commitment to home rule, to provincialism, to ultra-localism, local officials generally reflect the attitude of their constituents. In the 80,000 counties, towns, villages and special districts the motivating spirit is a determination to preserve the independence of each little government, however archaic, wasteful and unnecessary.

Revenue sharing, without strings, may permit local governments temporarily to ease local tax burdens (usually too heavy because the local government is wasting tax revenues in attempting to provide services which could be better provided by a higher level of government) or to build recreation centers, or to raise salaries of unneeded officials. But local government will continue to fail to solve the larger problems—of education, fire protection, transportation, police protection, preserving the environment. Those problems will have to be solved by the federal government which now, having siphoned off several billion dollars to local communities, will be less able to do so.

The congressmen and the senators who declined to attach conditions to the revenue sharing bill simply did not, would not, or feared to face up to the painful truth, and to say so publicly: that the enemy of progress may not be bigness but smallness, not encroaching centralism but pettiness and narrow provincialism, that the larger danger comes not so much from big government but from over-little government.

Revenue sharing will fail because local government has failed.

THE OEO LEGAL SERVICES PROGRAM

Mr. MONDALE. Mr. President, it has long been my contention that the OEO legal services program is one of the most important—and cost-effective—programs in Government today. If the idea of equal justice under law is to have meaning, that justice cannot be denied to one segment of our population by virtue of its inability to afford legal counsel. This is a very simple idea indeed, and yet it is one of the most basic to our constitutional democracy.

Yesterday, a prominent conservative columnist—James J. Kilpatrick—provided one of the most important pleas recently published on behalf of an independent Legal Services Corporation, "generously funded, with authority to provide essential representation for the poor." Mr. Kilpatrick effectively explores the reasons for this vital need, and concludes that only such an independently funded corporation, provided with effective backup facilities for reseach, and able to bring "law reform" and class action types of litigation, will fully realize this need.

Mr. President, I have introduced legislation—along with Senators CRANSTON, KENNEDY, WILLIAMS, JACKSON, and JAVITS—to create the type of independent National Legal Services Corporation needed to fulfill this commitment to the legal needs of our Nation's poor. I strongly urge President Nixon to immediately submit the Legal Services Corporation legislation he promised to send to the Congress in his January budget, and demonstrate his continued commitment to the principles of equal justice under law and the need to implement that concept through an independent National Legal Services Corporation, free from political pressure and able to provide effective representation to our Nation's poor.

Mr. President, I ask unanimous consent that the text of Mr. Kilpatrick's column appear in the RECORD at the conclusion of my remarks.

The distinguished Senator from Kentucky, Mr. COOK, joins the Senator from Minnesota in these remarks and commends this article to the membership.

There being no objection, the article was ordered to be printed in the RECORD, in as follows:

CONTINUE LEGAL SERVICES? BY ALL MEANS

(By James J. Kilpatrick)

There are times, sad to say, when American conservatives appear to constitute "the stupid party," as John Stuart Mill once labeled their British counterparts a century ago. By their failure to give active support to a continuing program of legal services for the poor, my brother conservatives are abandoning their principles and exhibiting a dull-wittedness that makes a man despair.

Of course a legal services program should be extended! Let the Congress, if it pleases, scrap everything else that has been funded through the Office of Economic Opportunity. Let the administration, if it can, dismantle a hundred boondoggling, paper-shuffling programs of grants-in-aid. But in one form or another, the Neighborhood Legal Services must be maintained.

Chiseled in stone above the great white columns of the U.S. Supreme Court are four famous words: Equal justice under law. No concept in our public life is nobler and no concept has been more poorly served. The grim truth is that for all practical purposes we still have two systems of law in this country, one for the rich, another for the poor. Every newspaperman who ever has covered the small claims and criminal courts of his city knows this is so.

Granted, much has been done in recent years. Indigent defendants, even in serious misdemeanor cases, now have a right to counsel. Bail reform has remedied some of the most flagrant evils of the criminal justice system. Since 1965, the federally assisted legal services program has greatly benefited the poor in areas of civil litigation. Now this civil program—a program seeking to promote equal justice under law—is threatened with abandonment. Conservatives, dedicated in principle to this elementary proposition, ought to be in the forefront of a fight to push the cause along.

But where are they? They are grumbling that in recent years the program of legal services has been abused. Doubtless this is true. It would be incredible not to discover abuses in a program involving 2,500 lawyers in 900 neighborhood law offices.

But these occasional abuses, while serious, have been few. Viewed on the whole record, the legal services program has helped to foster a sense of confidence not only in the courts, but also in what is known vaguely as "the system." In a message two years ago, urging creation of a wholly independent Legal Services Corporation, President Nixon made that point: "This program can provide a most effective mechanism for settling differences and securing justice within the system and not on the streets."

Unhappily, Nixon now seems to be dragging his heels. The present $70 million program is to expire in June, and nothing is yet in sight to take its place. It would be calamitous to let the concept go. As a recent report from the General Accounting Office made clear, the great bulk of case-work by the NLS lawyers involves legal problems arising from housing, domestic relations, employment and consumer grievances.

What is needed—and needed promptly—is a bill to create an independent legal services corporation, generously funded, with authority to provide essential representation for the poor. Such a corporation should have backup facilities for research. It ought not to be denied a hand in "law reform." Neither should it be prohibited from bringing the class actions that often provide the most effective remedies at law.

Conservatives should back such a bill, in the full awareness that from time to time they will be irritated, harassed, and outraged by the 'zeal and adrenalin." Mistakes will be made. Incidents of bad judgment can be expected. But if we truly believe in equal justice under law, we ought not to be deterred from supporting an effort to make those words in stone something more than an empty phrase.

DELAWAREANS HIRE THE VETERAN

Mr. BIDEN. Mr. President, the high rate of unemployment in this country is a severe problem with which we are all familiar. The difficulties encountered by returning Vietnam veterans as they seek employment are particularly acute, however. The veteran not only faces the emotional adjustment of return to civilian life, but also finds a severely limited job market. After 2 years or more out of the job market, the veteran needs and deserves assistance in getting started again on a productive civilian career.

In keeping with Delaware's tradition as the "First State," the Rotary Clubs of Delaware launched a "Hire the Vet" program. Since its inception in February of 1972, the program has spread to more than 800 Rotary Clubs across the country.

An article by Steve Hulsey in the March 1973 issue of Manpower—a Department of Labor publication—describes Delaware's "Hire the Vet" program. The Rotary Clubs, whose members include presidents of large corporations as well as individuals employing only a few people, adopted a district project of hiring 10 percent of the Vietnam veterans returning to their district. According to Mr. Hulsey, employers soon discovered that veterans in their own communities constituted a sizable force of talented workers with qualifications employers look for in prospective workers. Although many ex-GI's did require training, employers were able to take advantage of programs funded by the Manpower Administration of the Department of Labor which made the hiring and training of these veterans economically feasible.

The initiative of these Delawareans, and others who have followed their example, has done much to relieve the veterans' unemployment plight. While there is still more work to be done to alleviate the problem, Delaware's "Hire the Vet" program is an admirable example of private industry working with Federal assistance to benefit the veteran and our economy.

Mr. President, I ask unanimous consent that the text of the Manpower article, "Rotarians Hire the Vet," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Rotarians "Hire the Vet"—Project Launched in Delaware Spreads Across the Nation

(By Steve Hulsey)

The situation in Delaware in early 1972 was a familiar one across the Nation: Vietnam-era veterans, returning home in great numbers, were finding it extremely difficult to get jobs. Their unemployment rate was substantially higher than that for nonveterans of the same age.

Edward T. Campbell, veterans employment representative for Delaware's United States Department of Labor, and Ray Hecht, the National Alliance of Businessmen's director for the Wilmington metropolitan area, concluded that the problem was more one of communication than lack of suitable jobs. Businessmen with jobs to offer weren't getting the message.

Together, Hecht and Campbell visited several service organizations in Delaware to plead for increased hiring of veterans by the organizations' members. Few significant results were realized, however, until the veterans' unemployment plight was brought to the attention of Robert Wood, then Governor of Rotary International District 763, by Rotary members who had become enthusiastic about hiring vets.

Wood, Hecht, and Campbell created a program for promoting the hiring of veterans by Rotary members that has since spread to more than 800 Rotary clubs across the country. The expanding Rotary project is one part of the overall Vietnam Veteran Job Program, launched in 1971 at the direction of President Nixon, which has helped bring about a sharp reduction in unemployment among young ex-servicemen. In December 1971 the jobless rate for Vietnam-era veterans aged 20 to 29 was 8.4 percent, compared with 7.7 percent for nonveterans in the same age group. A year later—thanks to an expanding economy and the Veteran Job Program—the rate for veterans was 5.5 percent, a full percentage point below the 6.5 rate for nonveterans.

Hire the Vet, the program proposed by Wood, Hecht, and Campbell, was unveiled in February 1972 at the first annual conference of newly created Rotary District 763. The district covers 14 counties in the Delmarva Peninsula, which includes Delaware, and parts of Maryland and Virginia. Like most Rotarians, the majority of the district's 1,800 members in 30 clubs are businessmen interested in social and community action. Representing many varied businesses, they range from presidents of large corporations to individuals employing only two or three people. Most importantly, they usually are decisionmakers within their companies and have the authority to hire employees without going through a lot of red tape.

Pentagon estimates placed the number of Vietnam-era veterans who would return to their homes on the Delmarva Peninsula during the next 12 months at about 4,000. The Rotarians adopted as a district-wide project the hiring of 10 percent, or 400, of these veterans in this period.

"Veterans were coming home to very unfavorable employment conditions and couldn't find work," said Wood. "If employers would give them preference for jobs, we could make a dent in their unemployment situation."

Employers soon found they had been overlooking a vast pool of talented workers in their own communities. Though many ex-GI's required training for particular jobs, the majority had qualifications that employers look for in a prospective worker.

"The veteran has developed discipline, he has been exposed to experiences outside his hometown, and he has learned to take care of himself," said Alan C. Reed, NAB vice president for veterans' affairs. "These are things that employers look for. The veteran knows more about what he wants to do, and he has a sense of maturity and responsibility."

DENTAL APPRENTICE HIRED

Jim Dodd, owner of Dodd Dental Laboratories, Inc., in Wilmington, was looking for workers with these qualities to fill two vacancies in his establishment, where he employs 24 people. A member of the Brandywine Rotary Club, Dodd became aware of the veterans' high unemployment rate through the Hire the Vet program and began giving veterans hiring preference.

Dodd hired a Vietnam-era veteran under the Veterans Administration's on-the-job training program to train as a crown and bridge dental technician apprentice. Under this program, a VA training allowance of at least $160 a month is paid to the veteran while he is training for a skilled job. As the apprentice's salary increases the allowance decreases. To fill his other vacancy, Dodd hired a disabled World War II veteran, an experienced ceramist, $330 a week.

Another employer who found a Vietnam-era veteran ideal for his needs is John A. Moffitt, a partner in a two-man public accounting firm in Georgetown, Del. Moffitt learned of the Hire the Vet program at the Georgetown Rotary Club's weekly meeting and discovered that he didn't need to put off hiring help if he made use of a Manpower Administration training program.

"We were overloaded with detail work," he said of his business situation at the time. "It is economically not feasible—in fact, it is physically impossible—for us to perform all the detail work."

Since seasonal income tax work wouldn't be upon them for some time, Moffitt and his partner could not afford to hire a third person and train him before the tax return season began. Yet, when tax time arrived, it would be to late to train someone.

"We had toyed with the idea of hiring another person," said Moffitt, "but didn't see how we could. But when we learned that we could train someone under the Jobs Optional Program (JOP), we couldn't turn down this opportunity."

A 25-year-old veteran who was an aircraft mechanic in the service and who was attending a local community college was hired under JOP, which provides on-the-job training for up to 44 weeks. The program, funded by the Manpower Administration and operated by State on-the-job training agencies, reimburses the employer for training costs. Starting pay for the veteran hired by Moffitt was $110 a week. In 4 years he will be eligible to take tests leading to certification as an accountant. Moffitt is "more than happy" with his new employee.

Other firms throughout the Delmarva Peninsula appear just as satisfied with the veterans they have hired, and with the manpower programs that often have made hiring and training them possible. Campbell estimates that 10–20 percent of the 425 ex-GI's reported hired in 1972 (NAB personnel say half again that number probably have been hired but were not reported to NAB) through the Hire the Vet program received some type of training funded by the Manpower Administration.

Rotary's Robert Wood, who has hired five former servicemen for his Wilmington home furnishings firm, sees training as a key element in the program's success. Wood, however, has done his training without Government subsidies.

Most matching of veterans with jobs is done through the Wilmington NAB office. When NAB learns that a veteran is returning to the area, it mails him a personnel form to fill out. These forms are circulated among Rotary members, who get in touch with the veterans directly if they are interested in hiring them. NAB also maintains a list of job openings available through Rotary members. When the NAB representative spots a veteran and an opening that seem to suit each other, he calls the employer and asks if he will interview the former serviceman.

The NAB learns about jobseeking veterans in a number of ways. One source of information is the State employment service, which works closely with NAB on the Hire the Vet program. Also, NAB keeps in constant touch with the Project Transition office at nearby Dover Air Force Base. Under Project Transition, a Defense Department program run in cooperation with private employers and unions, servicemen soon to be discharged are trained for civilian jobs.

Jobs aren't created for the veterans—they already exist. National Cash Register Company in Millsboro, Del., for example, didn't create jobs just to be patriotic, but the firm has hired more than 70 veterans. So has Globe Union of Middletown, Del., an automobile battery manufacturer. Clark Equipment Corporation in Dover, which makes heavy industrial equipment, has put some 40 ex-GI's to work and the Getty Oil Company refinery in Delaware City has hired more than a dozen, most of them in process operator jobs that start at $4.35 an hour. The average pay of all those hired under the Delmarva project is estimated at about $2.50 to $2.60 an hour.

News of the Delmarva Hire the Vet program and its accomplishments spread quickly and other Rotary districts began adopting it. District 695 in Orlando, Fla., encompassing 44 clubs and 2,600 members, took it up, followed by districts in Texas, California, and other States until more than 800 clubs in 127 districts across the country are now promoting the hiring of veterans.

"Other agencies, such as The American Legion, the American Red Cross, and others are helping vets find jobs," said NAB's Reed, "but they aren't doing it quite on the scale that Rotary is.

"We're finding pockets around the country now, such as in St. Louis and South Carolina, where there are more jobs than there are veterans," he continued. "This indicates that the Hire the Vet program still can place many more veterans and keep up its record of success."

A GOOD JOB BY THE PENTAGON

Mr. PROXMIRE. Mr. President, a recent article in the Washington Star News by Orr Kelly makes a point that should be repeated. When the Pentagon does a good job, it is often overlooked. When a needed weapon system is developed on time, at specification, and without cost increase, that fact may well go unnoticed. On the other hand, the programs with huge cost overruns are well publicized.

Mr. Kelly makes this kind of observation with reference to the well planned and efficiently run Operation Homecoming. Untold months of effort went into this program and judging by the results, it went beautifully. The Department of Defense and in particular those associated with Operation Homecoming should be commended for the dedication and hard work it required.

Mr. President, I ask unanimous consent that the Orr Kelly article be placed in the RECORD so that others may benefit by its reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PENTAGON EARNS SOME PRAISE

(By Orr Kelly)

It is natural that the press should be continually critical of the Pentagon.

But it is fair, not only to Pentagon officials but to the public, that the press should also report when the people in the Pentagon do something right.

The way officials of the Defense Department and the military services have handled the public affairs aspects of the return of the American prisoners of war has been a good example of careful planning and proper execution.

There have, of course, been some minor hitches and some friction of the kind that is always generated when reporters are working on deadline.

There also has been some unwarranted criticism that has, unfortunately, been widely accepted.

The first criticism came shortly after the first prisoner arrived at Clark Air Force Base in the Philippines. It was reported that the statements made by the prisoners as they emerged from the planes represented words put into their mouths by the government.

The overwhelming evidence now, however, indicates that the words spoken by the returning prisoners very accurately reflected the faith in God, in country and in themselves that had sustained them through the years of captivity. However welcome the words may have been to President Nixon, there is no evidence that the men said anything in conflict with their own deeply held feelings.

In the following weeks, all of the former prisoners were permitted an opportunity to talk to the press if they wished. Looked at the other way around, the Pentagon was cooperative in helping reporters find and talk to specific men.

One principal subject remained off limits. The government and the prisoners agreed that there should be no discussion of the way the prisoners were treated—or mistreated—until all of them had returned home. This was, in effect, a kind of censorship on the part of the government, but also a self-imposed restraint on the part of those who had been released.

Throughout the two-month period of the release, the government was under strong and constant pressure to make available whatever information it, or the prisoners, had about their treatment in captivity.

Within hours after the last prisoners were released, press conferences were set up in various parts of the country, at which the returned prisoners were free to talk about their experiences.

It is grossly unfair to the government to the Pentagon officials involved to say that their press conferences were "orchestrated" for propaganda purposes by the government. The simple fact is that we in the press had been demanding to talk to the prisoners about their experiences and that, as soon as all of them had been released, we were permitted to talk to them in press conferences or individually.

What many of the prisoners have had to say, in fact, probably has been detrimental to the administration's stated policy of providing reconstruction aid to North Vietnam. It is unreasonable to believe that these reports of treatment by the North Vietnamese and Viet Cong had been stage-managed by the administration for the specific purpose of shooting down its own policy.

Primarily responsible for developing the plans for providing information about the return of the prisoners were Jerry W. Friedheim, acting assistant defense secretary for public affairs; his predecessor, Daniel Z. Henkin; Maj. Gen. Daniel James, Friedheim's deputy and Maj. Marvin Braman, in charge of the Homecoming public affairs office of the Pentagon.

From the release of the first names on the weekend of Jan. 27–28 to the release of the last prisoners two months later, the flow of news to the public was rapid, accurate and as detailed as the welfare of the prisoners permitted.

If, in the future, the Pentagon lives up to the standards set by Operation Homecoming, we will all benefit.

VITAMIN E IN COSMETICS NEEDS SAFETY TESTING

Mr. EAGLETON. Mr. President, last week the Food and Drug Administration acted to halt production of Mennen E, a cosmetic product that has been on the market since last June. Since that time, an unprecedented number of complaints have been received by the FDA from people who have used this deodorant product and experienced adverse reactions. Unfortunately, the FDA and the Mennen Co. agreed that existing stocks of this product may be sold, and no warning will be issued to consumers.

Although there is no absolute proof as to which ingredient in Mennen E is the offending element, it is generally thought that the vitamin E ingredient—a relatively recent fad in cosmetics—is related to the rash often experienced by users of Mennen E. Vitamin E is used in a number of cosmetic products, including moisturizing creams, perfumes, and skin oils.

On March 2, I asked the FDA to let me know what cosmetics contain vitamin E, the complaint levels for each of these products, and whether any regulatory action was required in this area. To date I have received no response to that inquiry.

The FDA's action with respect to Mennen E indicates that more attention should be directed toward the line of cosmetic products containing vitamin E as an active ingredient. I urge the FDA to take a comprehensive look at these products to determine, first, which products contain vitamin E; second, what kind of safety testing was performed on these products prior to marketing; and third, whether disturbingly high numbers of complaints about these products have been received.

Were the Cosmetic Safety Act (S. 863) which I have introduced already law, this inquiry would be a much simpler undertaking. Under the provisions of that legislation, the FDA would already have in its files statements of composition for all cosmetic products, safety test data, and all complaint letters sent either to the manufacturers or the FDA. Moreover, the Cosmetic Safety Act would have encouraged the manufacturers to thorougly test their products prior to marketing them.

Mennen E is another reminder that we need stronger cosmetics laws to insure that only safe cosmetics are made available to the public. I intend to work for my legislation and am hopeful that progress can be made in this session of Congress.

I ask unanimous consent that several articles on vitamin E in cosmetics and on Mennen E be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From The Wall Street Journal, Apr. 7, 1973]

VITAMIN E

Vitamin E, big as a health fad, gets a new push in cosmetics.

Its value as an aid to the skin is as controversial as other alleged attributes from alleviating all sorts of ailments to improving sexual potency. But that hasn't stopped companies from cashing in on Vitamin E. "Within the past six months a whole new market for Vitamin E cosmetic products has sprung into existence and major manufacturers have lost little time in fielding entries," notes American Druggist Merchandising in a recent issue.

Houbigant Inc.'s Alyssa Ashley division put its Vitamin E oil in national distribution in January. Life Laboratories, North Hollywood, Calif., has had a Vitamin E skin cream on the market for over a year and an oil for six months. This month it will unveil an after-shave lotion with Vitamin E, said to reduce redness after shaving. Faraday Laboratories, Hillside, N.J., jumps into the market in the next few days with a moisturizing cream and skin oil. Mennen Co. since last April has been promoting its deodorant with Vitamin E. Mennen says Vitamin E helps prevent oxygen from reacting with perspiration to cause odor.

Revlon Inc. says it has never considered using Vitamin E as an active ingredient because there isn't any evidence it is of benefit to the skin. But the company long has used it in cosmetics for another purpose—as a stabilizer.

[From the Evening Star and Daily News, Apr. 7, 1973]

DEODORANT PRODUCTION IS HALTED

(By Ross Evans)

The makers of Mennen E spray deodorant have reached an agreement with the Food and Drug Administration to stop producing and selling the product following consumer complaints of rashes.

The Mennen Co. agreed to stop production and shipping as of Friday, but not to recall the 125,000 cans already in distribution.

The FDA, which confirmed the agreement yesterday, said, "There is not enough of a health hazard to issue a public warning."

But Richard Sykes, a Ralph Nader associate, argued that, since the FDA received about 50 complaints from consumers of skin rashes after using the spray, the FDA should "either recall or issue warnings" of the product.

The ingredient in the spray suspected of causing a rash is vitamin E, according to the FDA.

The complaint rate for Mennen E is considered high.

[From the Wall Street Journal, Apr. 7, 1973]

MENNEN TO HALT SHIPMENTS OF DEODORANT, FDA SAYS

WASHINGTON.—Mennen Co. agreed to stop further shipments of its Mennen E deodorant because of a rash of complaints about rashes from users.

The action was requested by the Food and Drug administration after the agency received an "unusual number" of consumer complaints of adverse reactions to Mennen E, including severe rashes, an FDA spokesman said. Mennen, based in Morristown, N.J., already has stopped producing the deodorant, the spokesman said. The complaints totaled about 50, about 10 times the number the agency normally receives for such products, according to the spokesman.

Mennen began making its Mennen E deodorant last June and since has produced more than 10 million units, the FDA said.

Mennen officials couldn't be reached for comment on the FDA announcement.

The FDA isn't requesting that Mennen recall the deodorant product from retail and wholesale outlets, however. Mennen estimates there are about 125,000 units already in the wholesale chain, and the company says it doesn't know how many are on retail shelves, the FDA said.

The cause of the adverse reactions is suspected to be the vitamin E ingredient, but this hasn't been "proven conclusively," the FDA spokesman said. Until it is, "we have no basis for action against other products containing vitamin E and for which we have no unusual number of complaints," he said.

[From the Evening Star and Daily News Apr. 7, 1973]

PSST—THE END OF MENNEN E

Being nice to be close to isn't enough if you also have a rash under the arms, a number of people have complained to the Food and Drug Administration, and the Mennen Co. has agreed to cease distribution of its deodorant Mennen E, it was announced yesterday.

The deodorant, which has produced "an adverse reaction" in an unusually large number of consumers who use the product, is still available on the shelves, but production has ceased until more testing is done. An additional 125,000 cans in warehouses will not be shipped to stores.

Complaints have numbered 50 per million units, said Jack Warner of the FDA, who added that the usual rate of complaints is six to eight per million units.

Vitamin E is the suspected ingredient, but there is as yet no proof that it is causing the reaction, he said. "We are working with the company and by ourselves to pinpoint the specific action."

Mennen E went on the market in June, 1972, and 10 million cans of it have been sold.

MILITARY SERVANTS—A MILITARY VIEW

Mr. PROXMIRE. Mr. President, for the past 6 months I have been pointing out just how absurd and outrageous is the practice of supplying military servants to senior generals and admirals. The General Accounting Office has conducted a preliminary review of this program and is about to present their final findings to Congress. I have introduced a bill, S. 850, that would prohibit the use of enlisted men as the personal servants of high ranking officers and their families.

Numerous letters from officers who agree with my position have come to my office. They too recognize that the aristocratic trappings of the military make it difficult to encourage young men to enlist. Furthermore, it takes something away from our military capability. Most of all, however, it is a blatant self-serving policy of feeding off the taxpayers of this country.

Mr. President, Col. J. A. Donovan, USMC retired, recently sent me an article putting forth his views on this subject. He speaks with personal experience and with an awareness of the military requirements for personal servants.

Mr. President, I ask unanimous consent that Mr. Donovan's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE LAST OF THE ARISTOCRACY—THE PRIVILEGES OF RANK

(By J. A. Donovan)

Almost every year some member of Congress or an enterprising journalist publicizes the unique fringe benefits still enjoyed by the senior ranking officers of the U.S. military establishment. The nature, the propriety and the costs of servants, aides and chauffeurs provided by the American taxpayer for the generals and admirals are revealed, examined and criticized. More often than not the practices are viewed with alarm by a few citizens, the military denies any unusual practices or wrong doing—and nothing changes, "Rank has its privileges," and the top military brass is unified in defense of their special benefits which are not only traditional—but compensate to some degree for years of "hazardous duty" and "low pay," they maintain.

The General Accounting Office has recently reported that pay and allowances alone for the personal servants provided to the top officers costs the Army $3.6 million yearly. The Navy spends $4.4 million, the Air Force $4.3 million, and the Marines $837,000 for their domestic stewards. This totals $13.1 million paid by the taxpayer to provide 1,300 generals and admirals with a life style that for most of America, including the privileged rich, is obsolete and unobtainable. It represents an average $10,000 annual extra benefit for these officers. What is the justification for these subsidized servants? Military pay has been doubled in recent years. Generals and admirals now receive respectable pay and allowances which makes their total annual income fairly comparable with that of responsible civilian professional and business executives. A major general now receives $36,963.60 in annual income. A four star admiral receives $40,563.00. About $4,560.00 of this is tax free each year. This means that these senior officers can actually afford to pay for domestic servants and personal aides out of their own pockets—if they find such service desirable.

At question now is, why should domestic servants and aides, more typical of an earlier age and an aristocratic life style that has generally left the scene, be provided by the taxpayer to these otherwise plebian public employees? Why do generals need aides and what do stewards do for admirals? Why do they still enjoy these expensive luxuries and privileges?

In the British armed forces, from whence many of our military traditions and aristocratic customs and practices are derived, the soldier-servant batman is a time honored fringe benefit of the commissioned officer. In past generations, when the King's commission in the armed services was largely restricted to the sons of noblemen and the privileged aristocracy, servants both personal and domestic, were part of the way of life.

Young noblemen were brought up and tended to by nannys, valets and body servants. The young officer was of the gentlemen class and therefore was not expected to perform the menial chores of living which were so tedious and time consuming in an age devoid of the daily conveniences as we now find them.

Tending to horses, cleaning tack, pulling and polishing boots, cleaning ornate uniforms, washing linen, shaving, finding and preparing food, bathing and even emptying chamber pots were all chores beyond the skills or even considered appropriate for army or naval officers. The privileges of aristocratic rank included personal servants to do these tasks and the customs continue to this day in most of the world's military forces.

Actually, the personal service is not without some justification—when in the field with troops or at sea on active service. A primary responsibility of the military commander, second only to the accomplishment of his mission, is the care, welfare and leadership of his men. If his energies are devoted to his personal care and comfort he cannot properly devote his efforts to his command. Therefore, in certain types of "hardships" commands in the field or in combat it is still necessary for commanders to have assistance and service in tending their daily personal needs. On the other hand, there are many, many senior officers in routine staff and command jobs at peacetime bases and headquarters who need little or no assistance from personal aides or servants.

At present every general officer—every admiral who is assigned to a station or base where he is provided with Government quarters is also furnished enlisted aides or stewards in the ration of one per star of rank that he wears. Up until recent years these "official" household servants were mostly volunteer, specially trained Negroes or in the Navy many were Filipinos. Now many Caucasian lads have been attracted to the duty (—it's comfortable, well fed and safe). Over the years, however, these military servants have been mostly of the minority races which has no doubt contributed to the typically patronizing attitude of the military high command towards the ethnic minorities in the services. Up until the 1960's most servants and messmen in the officers' quarters and messes were black! They still dominate this career field and many capable, loyal and conscientious black enlisted men have made successful careers and attained rank as household servants in the special world of generals and admirals.

The duties of enlisted aides and stewards are similar in each of the services—and if they are not, observant wives make sure that their personal service includes all of the niceties and details being provided to the Admiral and Mrs. next door; Aides and stewards' duties are largely confined to inside the quarters (post gardeners tend the yards) with frequent shopping forays to the commissary where food is purchased at about a 15 percent saving over civilian prices. Preparing meals, setting tables, serving, and cleaning up are major functions. Mixing and serving cocktails and after-dinner drinks is another important chore in most quarters.

During the day, while the general is away, the aides do housemaid duties; make beds, dust, clean, tend plants, walk the dog, polish shoes, press shirts, and depending upon milady's inclinations serve the madam of the house. Stewards have also been known to eat frequently and to goof off as much as possible. They sometimes care for the general's teen-age children. In fact, it's a rather pleasant set-up for all concerned—especially when subsidized by Uncle Sam and tax free. There's really nothing quite like it in the modern, costly "outside" civilian world.

Most unit commanders in the Armed Forces have official government vehicles with drivers available for business purposes during working hours. In Army and Marine tactical units in the field the tables of organization and equipment provide unit commanders with tactical vehicles (jeeps) and full-time assigned drivers.

Until recent years generals and admirals (flag officers) had official cars and enlisted drivers available at all hours. These high ranking officers, if living on a military installation, were transported to and from their quarters and offices and usually chauffeured to official events, ceremonies and social activities. Wives frequently made use of the available vehicles for shopping and personal chores. Although Government vehicles have had "For Official Government Use Only" stenciled on their doors for some 20 years, it has only been recently that the government sedans have been further restricted for generals and admirals to use for "business" only. In the Marine Corps, generals (except the Commandant) now drive themselves to the office, but they have government vehicles assigned for the working hours.

Very few top business executives earning five times the salary of a general officer are chauffeured to work. Nor do they enjoy personal valets and man servants. Whereas fifty years ago many corporation presidents may have had valets at home who polished shoes, pressed pants, laid out clothes and helped dress their masters, very few care to afford such attention now.

Housemaids and female cooks are still obtainable by the wealthy even though satisfactorily servile servants are becoming increasingly rare in our egalitarian society. Hardly anyone now has butlers, male cooks, table waiters or house servants—except in the households of top military and naval ranks—the last stronghold of 19th century aristocracy.

Each general or admiral also has the services of a young officer aide-de-camp. A one star or brigadier general usually rates a lieutenant and a two star major general rates a captain. Admirals fare about the same. Back in Napoleon's day, Aides-de-Camp were young gentlemen assistants to their generals. Frequently friends of the family or noblemen of promise and attractive appearance, they were in constant attendance and available to gallop around the battlefield with messages, to tend the general's baggage and tents or to share his evening mess. Their duties haven't changed much in 200 years. Aides-de-camp now supervise the general's car and driver, accompany him when he is lonely, introduces guests in the receiving line of an official party, play tennis with the boss, salute regularly and properly, and frequently bolster the general's ego. They do countless menial chores and are professional "Yes, Sir" men. Their government pay amounts to $13,260.00 annually for a 1st lieutenant and $16,059.60 for a captain. Many aides-de-camp who have served distinguished officers or DoD officials have met the right people and eventually also reached star ranks. Being an aide to the right general is often as worthwhile as a combat command.

One inconsistency of the present system in the armed services is that only senior officers who are living in government quarters on military bases are supplied with servants and drivers. In the Washington, D.C. area and elsewhere dozens of generals and admirals live on "the outside" in civilian housing communities. They rate no stewards, no aides, and no vehicles with drivers. For them life is perhaps less elegant and more in step with the real world, but even though many don't relish the hardships, it does them no harm. It doesn't reduce their status or the respect due their rank. In fact, it may help control the egos which normally tend to blossom in all of the high ranking positions of the Federal bureaucracy.

The whole bag of aides-de-camp, enlisted aides, orderlys, mess stewards, wardroom messmen and officer driver-chauffeurs constitutes fringe benefits for high ranking officers costing the taxpayers millions of dollars for unnecessary and outmoded practices no longer justified by contemporary life styles.

If these amenities are considered personally desirable, the officers should pay for them, if they are official necessities the officer concerned should be provided an extra allowance and he can pay for his servants. Official drivers and officer aide-de-camps should have their duties limited to strictly official business.

THE NEED FOR PHASE 4

Mr. MOSS. Mr. President, the failure of phase 3 of the President's economic policy has now reached spectacular proportions. During March, the wholesale price index rose an astounding 2.2 percent. This figure translates into a seasonally adjusted annual rate of 26.4 percent, which is the highest rise during any month in the Korean war inflation of 1951.

The ordeal of phase 3 is now entering its fourth month. Almost from the beginning, the American consumer has been painfully aware that President Nixon acted too hastily in removing mandatory controls on prices and incomes. From the beginning, the administration has counseled patience, but the inflationary situation has become steadily worse rather than better.

In March, the prices of consumer finished goods ballooned to an annual rate of 21.5 percent, and further increases in retail prices are forecast for the months ahead. In the meantime, union contracts covering nearly 4 million workers will be up for negotiation in the next several months. If prices continue to climb, the increases will be reflected in the new wage agreements, which will drive prices even further into the stratosphere.

By now, even the White House should have some inkling that the Nation is in the midst of an economic crisis of the first order. But we cannot afford to wait until the administration employs its favorite anti-inflationary cure—massive restrictions on credit, curbs on growth, and deliberate creation of unemployment. Quite simply, a recession is no remedy.

We must act promptly to impose a stronger system of controls than the feeble one currently favored by the administration. In order to stem the inflationary tide, a comprehensive freeze on prices, wages, and rents should now be imposed for at least a short period. This temporary freeze should be followed by controls at least as strong as those in effect under phase 2.

An article from this morning's Washington Post states, in very cogent fashion, the need for prompt action in bringing the economy under stronger controls, and I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

WAGE-PRICE CONTROLS: "NO TIME TO LOSE"

(By Hobart Rowen)

President Nixon should not only slap comprehensive wage-price controls on the whole economy—because there is no alternative—but should assign the job to someone who really believes that controls can be made to work effectively.

Treasury Secretary George Shultz is already spread too thin as Mr. Nixon's chief economic policy-maker and spokesman, and as the key figure in dealing with international monetary crises and world trade (where he has been doing a splendid negotiating job).

Shultz ought to be willing to step aside as the chairman of the Cost of Living Council, and let someone who has no deep-rooted philosophical abhorrence of controls take over. The program needs a salesman, not an apologist.

This is not to suggest that Mr. Nixon has been gung-ho for controls, and has been diverted by Shultz. Clearly, the President's continued dependence on Shultz shows a close rapport in their philosophy.

But as has been reflected in the President's overtures to China and Russia, he is a pragmatic politician who is open to new game plans when his old ones fail. Nonetheless, he needed a Kissinger committed to the idea that a rapprochement with former enemies was possible.

On the economic side, Mr. Nixon must now be open to all possible corrections of the inept, costly error he made January 11 when he suddenly pulled the plug on Phase II controls.

The Phase III decision represented a total misreading by Mr. Nixon and his advisers of existing economic pressures. The inflation potential in the economy was stronger than they were willing to recognize.

But beyond that, the decision represented a complete misconception of the psychology of the country. For all of the elaborate charade of "discussing" the necessary shape of controls with businessmen, labor leaders, and other citizens, the fact seems to be tht there was no overwhelming demand for "voluntarism", as represented to be the case by Secretary Shultz.

To be sure, Shultz wanted to believe that there was a thirst in the country for a return to "voluntarism": that, after all, is the essence of his own commitment to the free enterprise system.

But what resulted was a political gamble, supported by the clear distaste for controls. And the gamble, of course, was that dropping the 5.5 per cent wage guidepost for a more fuzzy concept would bring from George Meany the assurance of a no-strike, smooth year for collective bargaining in 1973.

At best, it was a naive concept. Forgotten was the build-up of wholesale price increases that foreshadowed big jumps in the consumer price index. In December and January, the wholesale price jump was concentrated in food which was sure to bring about a housewives revolt and make it impossible for Meany to promise anything but resistance.

That should have been enough to have flashed a warning signal to the Administration. Beyond that, there was plenty of free advice. Federal Reserve Board Chairman Arthur Burns, in a speech to the American Economic Association in Toronto on Dec. 29 warned that in 1973, "further progress in moderating inflation will be more difficult to achieve."

There was even a subtle hint in that Burns speech that unless we won the struggle to control inflation, there might be "repercussions" involving the dollar. As a matter of fact, almost every economist in the country crank into his forecast the assumption that controls would continue unchanged for all of 1973.

During the election campaign, Mr. Nixon and his associates gave no hint of an early softening of controls. To the contrary, when Democratic candidate George McGovern put forward a weak, "club-in-the-closet" type of voluntary proposal, none other than Economic Council Chairman Herbert Stein jumped all over it as meaningless. Then Nixon adopted the McGovern program on Jan. 11.

Can it be a coincidence that the stock market hit its all-time peak of 1067.20 on the Dow Jones index on January 11, and by the third week in March—by which time there had been a new devaluation of the dollar—had dropped almost 15 per cent to 911.12?

Hardly. The stock market went into a tailspin, despite booming profits for the moment, because it was convinced that Mr. Nixon had tossed away a fairly effective controls program for a no-controls program. It has seen the Federal Reserve swing dramatically toward tight money and higher interest rates—and this kind of inflation control can spell credit crunch and recession.

Since entering into Phase III, wholesale industrial prices have risen at the most accelerated pace in 22 years. In February, the WPI index for industrial items (leaving out all foods) rose at an annual rate of 12 per cent. In March, it jumped at the annual rate of 14.4 per cent.

Privately, Government experts—still stunned by events—now expect that when the March consumer price index comes out next week, it will be up at the unacceptable annual rate of between 10 to 12 per cent.

Those opposed to the obvious response—an immediate freeze of all prices and wages—are searching vainly for excuses. But the President has no time to lose—and act.

PURPOSE AND POLICIES OF THE ENERGY POLICY TASK FORCE

Mr. JACKSON. Mr. President, the Consumers Federation of America has recently established an energy policy task force to reflect consumer interests in developing solutions to our energy problems.

The chairman of this task force is Lee C. White, former chairman of the Federal Power Commission, who served as counsel to Presidents Kennedy and Johnson.

This task force will work with many national organizations in preparing proposals and positions on energy issues. I am sure that under Lee White's leadership, it will play a constructive role and look forward to working with its members on energy matters.

Mr. President, I ask unanimous consent that a statement of purpose and policies of the energy policy task force appear in the Record at this point, together with a press release announcing Lee White's appointment as chairman.

There being no objection, the material was ordered to be printed in the Record, as follows:

STATEMENT OF PURPOSE AND POLICIES

Our Nation has some fundamental energy policy issues to resolve in the near future. For the first time in modern history, we are experiencing shortages in various energy forms and sharp increases in the prices we pay for energy—and prospects are for more shortages and even higher prices.

Farmers in the Midwest were unable to get adequate fuel to dry crops this winter; schools were closed in some areas; plants were forced to close because of the lack of fuel; and we are warned of gasoline shortages for the coming summer, with some areas heading into the summer with inadequate electric generating reserves. Insofar as prices are concerned, there is no energy consumer in this country who is not painfully aware of the increase in prices reflected in his monthly utilities bill. One of the sharpest increases in fuel costs occurred in the case of coal prices which, during a period of less than a year, rose by more than 60%. According to Federal Power Commission figures, natural gas rates to the consumer rose from 34 cents per 1,000 cubic feet to 43 cents, an increase of over 25%, in a three year period ending in 1972. Translating these increases from pennies to national figures, the Nation's consumers paid over $900 million more for gas in 1971 than the same volumes would have cost in 1969, and gas prices have continued to rise since that time. Similar patterns exist for other fuels and energy sources. And although the reports may be unsubstantiated and inaccurate, we do hear about 80-cent or even dollar gasoline in the short term future.

The people of this country obviously have a great stake in how the energy issues now being debated are decided. It is the purpose of the Consumers Federation of America Energy Policy Task Force to offer to the public, to the Administration and to the Congress data, recommendations and approaches to those problems which the Task Force believes will be constructive and take into account the interest of the consumer. No single group—not even a broad-based coalition—or individual can claim to be the self-appointed spokesmen for the consumer. Nevertheless, we believe there is a proper and important role in the national debates and discussions of our energy problems to be played by organizations which have large memberships directly interested and involved in what decisions are reached.

In our society, it is the legislative arm of government, the Congress, which establishes national policy in the energy field, and we propose to make our views known to the Congress. We also believe that the Administration should and will make significant contributions to the policy debates, and we hope to have the opportunity to present our views and recommendations to the President and other appropriate officials of the Administration. Above all, we believe that the general public should be well informed on the choices that are available, and we hope, therefore, to provide information, analyses and recommendations so that the general public and press will also have the widest range of suggested solutions and approaches to these difficult and complex issues.

We recognize the right of industry and other interest groups to offer their views and suggestions to the national debate and regard our efforts as consistent with that principle. We shall support positions we believe will provide adequate energy, and in a way that will protect the consumer—and we will oppose those recommendations which we believe are contrary to the best interests of the consuming public. But clearly it is not our purpose to be anti industry, anti Administration or anti anybody else. These are significant issues facing the country, and we propose to be as positive, as constructive and as vigorous as possible.

Included in the organizations which are supporting the Energy Policy Task Force and are interested in our efforts and whose views have been and will be solicited in the formulation of our policy positions in addition to the Consumer Federation of America are the following: American Public Gas Association, American Public Power Association, Consumers Educational and Protective Association International, Cooperative League of the United States, Industrial Union Department AFL–CIO, National Farmers Organization, National Farmers Union, National League of Cities, National Rural Electric Cooperative Association, New Populist Action, and the United States Conference of Mayors.

The Energy Policy Task Force supports, in principle, the following approaches to the Nation's energy problems:

1. Vastly increased government expenditures for energy research and development programs are essential, together with an overall governmental assignment of priorities and allocation of such funds.

2. We urge the promotion and implementation of measures to conserve energy and to use it as efficiently and as wisely as possible.

3. There must be a consolidation within the Federal Government of the many assignments and responsibilities in the field of energy policy and implementation in a single agency—in addition, regulatory responsibilities over energy industries must be consolidated.

4. A more vigorous effort must be undertaken in enforcing antitrust principles with respect to ownership and control over basic alternative energy supplies.

5. Tighter controls are required over the development and exploitation of publicly

owned fuel reserves—for example, modification of procedures and terms by which private companies are permitted to find and market petroleum deposits from public lands, both onshore and offshore, must be adopted, and satisfactory procedures for handling geothermal energy and public lands are essential; or, put in different terms, the rights of the public as the owners of valuable resources should be used to accomplish national objectives in the development of those resources.

6. We support and urge the formation of a government owned corporation to engage in finding and developing petroleum deposits and other fuels on publicly held lands.

7. The need for additional much-needed oil refineries and associated facilities requires an action program whereby government—either at the state or Federal levels—will designate suitable sites for the construction of such facilities.

8. There is no longer any justification for a distinction between interstate and intrastate sales of natural gas, and the distinction should be eliminated to the end that a national resource will be regarded and treated as such.

9. Modifications are required in our tax laws to eliminate—or greatly reduce—incentives and inducements for United States petroleum companies to use their resources to look for oil and gas in foreign countries—under existing policies, it has proved too easy for domestic companies to operate abroad rather than to concentrate their efforts at home.

10. The Federal Government should continue to provide those rural electric cooperatives serving sparsely settled areas and whose financial situation so requires loans at a 2% interest rate—this recognizes that the good work done by rural electric cooperatives in the past has been through the beneficial interest rates provided by the Federal Government and, as co-ops become strong enough to finance their activities at higher interest rates, they should be expected to do so, but the rural consumers of those cooperatives who simply would not be provided service without the continued beneficial rate cannot be left without electricity.

11. While recognizing that inflation and the costs of environmental concerns have contributed to rising costs in the production of various energy forms, we oppose the proposal to decontrol the wellhead prices for both flowing gas and new gas. Producers of natural gas should not be expected to operate without a satisfactory return on their investment and yet available data suggests that under controlled prices, there has been not only the opportunity, but the actual realization of satisfactory returns for those in the gas producing business. The same monopolistic features of the gas industry which gave rise to the passage of the Natural Gas Act in 1938 still obtain and, in periods of shortage, there is even greater reason to retain control over the rates at which this energy is sold.

12. The mandatory oil import quota system has not achieved its intended goal of preventing United States dependence on foreign sources of oil and should be scrapped. To the extent that a mechanism should be available for controlling the flow of oil imports—if the time ever comes again when it is in the national interest to do so—a tariff arrangement with the funds paid into the United States Treasury is far more desirable.

13. The problems faced by regulators in times of rising costs is not easy, but the protection of the consumer must remain the primary objective of regulation and, accordingly, we believe that any effort to put the consumer at a disadvantage, for example, by basing rates for wholesale sales of electricity on speculative estimates of future costs rather than actual historical costs is ill advised and should be prohibited.

14. Who is appointed to regulatory agencies can have a significant impact on policies adopted and, particularly in time of rising costs, it is essential that those agencies have at least some members with a background in consumer activities and a reputation for concern for the consumer—this is important not only to provide a balance in the deliberations of such agencies, but to assure the public that the opportunity for balance exists.

15. There should be available a consumers' counsel to provide effective advocacy on behalf of the consumer in proceedings before government agencies where policy decisions and important implementing decisions are being made that have an impact on the consumer.

It is important to note at the outset of the formation of the Task Force that although all of the member groups may not necessarily subscribe to each of the specific positions enunciated by the Task Force, there is complete agreement on the basic thrust of the enumerated points. Moreover, each member organization is anxious that the debates on energy policy be complete and that the interests of the energy users in this country be articulated and advocated before those who will determine our national policies. Energy costs are a significant part of each family budget, and collectively we are talking about billions of dollars. Probably more important than the money at stake, is our style of life and, in this connection, the need to hear from consumer-oriented groups must be obvious.

[From the Consumer Federation of America, Mar. 26, 1973]

Lee White To Head Consumer Federation's Energy Force

Washington, D.C.—To focus attention on consumer interests in the Nation's increasingly critical energy problems, the Consumer Federation of America today announced the appointment of Lee C. White, former Chairman of the Federal Power Commission and counsel to Presidents Kennedy and Johnson, as chairman of a newly established Energy Policy Task Force.

The announcement was made by CFA Executive Director Mrs. Erma Angevine. CFA is an umbrella organization for some 200 local, state, regional and national consumer-oriented groups.

Mr. White served as chairman of the Federal Power Commission from March, 1966 to July, 1969. Prior to his appointment as FPC chairman, he served as an attorney for the Tennessee Valley Authority, on the staff of Senator John F. Kennedy, the Senate Small Business Committee, and on the staff of Senator John Sherman Cooper before joining the White House staff of President Kennedy. He was campaign manager for Sargent Shriver in 1972 and practices law in Washington, D.C.

The Energy Task Force will be made up of consumer-interest organizations which are members of CFA as well as other groups which share the consumer's stake in adequate supplies of energy at reasonable cost.

"It is the purpose of this task force to offer to the public, to the Administration and to the Congress, data, recommendations and approaches to those problems which we believe will be constructive and take into account the interest of the consumer," White said.

"We believe there is a proper and important role in the national debates and discussions of our energy problems to be played by organizations which have large memberships directly interested and involved in what decisions are reached on national energy policy," he said.

White said that the group expects to make its views known to the Congress, to the President and other officials of the Administration, and to the general public.

"We shall support positions we believe will provide adequate energy, and in a way that will protect the consumer—and we will oppose those recommendations which we believe are contrary to the best interest of the consuming public," White said. "But clearly it is not our purpose to be anti industry, anti Administration or anti anybody else. These are significant issues facing the country, and we propose to be as positive, as constructive and as vigorous as possible."

In addition to the Consumer Federation of America, the following organizations will participate in formulating the policy positions and in supporting the work of the Energy Policy Task Force: American Public Gas Association, American Public Power Association, Consumers Educational and Protective Association International, Cooperative League of the United States, Industrial Union Department AFL–CIO, National Farmers Organization, National Farmers Union, National League of Cities, National Rural Electric Cooperative Association, New Populist Action, and the United States Conference of Mayors.

White said that the Task Force will work to implement the following goals:

Promotion and implementation of energy-conserving measures and of the wise and efficient use of energy;

Consolidation within the Federal Government of responsibilities in the field of energy policy and implementation;

Vastly increased government expenditures for energy research and development;

Tougher anti-trust enforcement to prevent monopoly of energy sources;

Tighter controls over the development of publicly-owned fuel reserves;

Formation of a Federal fuels corporation;

Federal and State plant-siting programs for oil refineries and associated facilities;

Extension of FPC authority to include intrastate as well as interstate sales of natural gas;

Elimination or reduction of financial incentives to oil companies to explore for new foreign oil and gas at the expense of domestic resources development;

Continuation of the 2% REA loan program for rural electric cooperatives serving sparsely settled areas and whose financial situation requires loans at 2% interest;

Retention of Federal control over the wellhead price of natural gas;

Elimination of the oil import quota system, to be replaced by a tariff system if necessary;

Federal regulation that will have as a primary objective consumer protection;

Appointment of consumer-oriented members to Federal regulatory agencies;

Establishment of consumers counsels.

White said that while all of the supporting groups may not "necessarily subscribe to each of the specific positions enunciated by the Task Force," there was "complete agreement" on the basic thrusts of the Task Force goals.

OPPOSITION TO AID TO NORTH VIETNAM

Mr. HOLLINGS. Mr. President, on behalf of Senator THURMOND and myself, I bring to the attention of the Senate a concurrent resolution passed by the General Assembly of South Carolina on April 5, 1973, memoralizing Congress not to enact legislation appropriating funds to aid North Vietnam and instead to aid the veterans of the North Vietnam conflict and other destitute citizens.

As my colleagues are aware this matter was discussed by this body extensively—and I am proud that the legislators of the State of South Carolina have passed this resolution to show their concern.

I ask unanimous consent that this concurrent resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION

Memorializing Congress not to enact legislation appropriating funds to aid North Vietnam and instead to aid the Veterans of the North Vietnam conflict and other destitute citizens

Whereas, an honorable settlement has concluded America's participation in the Vietnam Conflict; and

Whereas, the logical concomitant of such settlement is a substantial reduction of funds and expenditures; and

Whereas, the moneys applied to the Vietnam Conflict should now be directed toward shoring up such critical domestic needs as housing, day care centers, hunger, education, etc.; and

Whereas, the conclusion of such conflict releases funds and creates opportunities of unparalled dimensions to combat and eradicate poverty, fear and dispair; and

Whereas, our servicemen returning from the Vietnam Conflict have made their contribution to keep this nation strong, free and prosperous; and

Whereas, employment is at a precariously low level. Now, therefore,

Be it resolved by the House of Representatives, the Senate concurring: That Congress be memorialized not to enact legislation appropriating funds to aid North Vietnam and instead to enact such legislation and appropriation as will remedy the plight of the Veterans of the Vietnam Conflict and relieve the hopelessness of destitute citizens.

Be it further resolved that copies of this resolution be forwarded to the President of the United States, to each United States' Senator from South Carolina, each member of the House of Representatives of Congress from South Carolina, the Senate of the United States and the House of Representatives of the United States.

THE EVOLUTION OF THE "AMERICAN EMPIRE"

Mr. MANSFIELD. Mr. President, there has come to my attention, a learned article by Prof. José A. Cabranes, entitled "The Evolution of the 'American Empire.'" It is a perceptive background analysis of changes in our relationship with outlying areas, notably those of Puerto Rico and the Trust Territory of the Pacific Islands.

Professor Cabranes discusses the "Free Association" of the United States and Puerto Rico in comparison with the United States association with the Trust Territories. He draws from this discussion certain insights which may well have application in the further evolution of the relationship between Puerto Rico and the United States.

The article is highly informed and I commend it to the attention of serious students of the relationship between Puerto Rico and the United States as a potential source of ideas for a continuing elaboration of that relationship.

I ask unanimous consent that the article previously recorded be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows.

THE EVOLUTION OF THE "AMERICAN EMPIRE": PUERTO RICO AND THE TRUST TERRITORY OF THE PACIFIC ISLANDS

(By José A. Cabranes, Rutgers University Law School)

NOTE.—José A. Cabranes is Associate Professor of Law at Rutgers University Law School in Newark, New Jersey, where he has taught courses in International Law and Administrative Law. Born in Mayaguez, Puerto Rico and reared in New York City, he is a graduate of Columbia College, Yale Law School and Cambridge University. He is a member of various Committees of the Society and a member of the Society's Panels on International Law and Chilean Nationalizations and Human Rights Law and its International Implementation, and of the Working Group on Responsibility for Environmental Injury.

(In January 1973, after the organization of this Panel, Professor Cabranes was granted a leave of absence from Rutgers in order to serve as Special Counsel to the newly-elected Governor of the Commonwealth of Puerto Rico and as Administrator of the Office of the Commonwealth of Puerto Rico in Washington, D.C.

(Professor Cabranes is appearing before the Society in his individual capacity. The views stated in this paper do not necessarily represent the views of the Government of the Commonwealth of Puerto Rico.)

Today is the anniversary of the death of Franklin Roosevelt. It is an especially appropriate occasion for a discussion of the political evolution of two territories whose development, before and after his death, was shaped by Roosevelt's enlightened vision of world public order. The Trust Territory of the Pacific Islands (TTPI) was an inheritance of a war waged by the United States in affirmation of "the right of all peoples to choose the form of government under which they live." Puerto Rico's progressive dismantlement of colonial government had its origins in the New Deal. It was furthered by Roosevelt's support of Puerto's Rico's Popular Democratic Party and a policy favoring self-determination and decolonization entrusted by Roosevelt to a succession of sympathetic and imaginative administrators, including Ernest Gruening and Rexford Tugwell. Both territories emerged in the postwar period as natural objects of the concern of the world community which Roosevelt helped to organize.

Following the war in which they played such a prominent role, the small islands of Micronesia moved from the status of a class "C" mandate of the League of Nations under Japanese administration to that of a "strategic trusteeship" of the United Nations under United States administration. The Charter, like the Covenant of the League of Nations, adopted the principle of international accountability by administering powers for the well-being and development of peoples which the Covenant quaintly had described as "not yet able to stand by themselves under the strenuous conditions of the modern world." Chapters XII and XIII of the Charter entrusted the development of the peoples of the TTPI to the administering power under the supervisory machinery of the Trusteeship Council and the Security Council of the world organization.

With respect to dependent territories other than those falling within the International Trusteeship System—such as Puerto Rico—Chapter XI of the Charter (the Declaration Regarding Non Self-Governing Territories) imposed upon member states, "as a sacred trust," the obligation to promote to the utmost the well-being of colonial peoples. To this end, members of the United Nations were obligated to develop self-government in non-self-governing territories "according to the particular circumstances of each territory and its peoples and their varying stages of development." The development of the institutional law under Chapter XI of the Charter is one of the great and momentous chapters in the history of international organization.

The salutary renewal of popular interest in these two distant, and quite different, remnants of the "American empire", is also attributable to peculiarly American conditions. In a land long committed to the values of human dignity and the self-determination of peoples, the political and legal issue of "imperialism" has once again come into vogue. Not since the acquisition of Spain's insular territories in the Pacific and the Caribbean following the Spanish-American War, and the ensuing suppression of the Filipino nationalist revolt against American rule, has the nation seriously entertained the proposition that an overseas adventure was an "imperialist" enterprise. As a result of the military intervention in Southeast Asia, students of foreign affairs have again debated whether American treatment of distant and darker-skinned people conforms to the cherished ideals enunciated by the Founders and international norms established by the civilized world.

The nation has seen nothing quite like the recent political and constitutional debate on Southeast Asian policy since the beginnings of the century, when the "paramount issue" in William Jennings Bryan's second presidential campaign against William McKinley was whether the nation should continue to pursue a "large policy" abroad at the expense of reform and innovation at home. Then as now political commentators and lawyers argued basic questions about the prerogatives of the three branches of government under the Constitution, the lawfulness of military intervention abroad and, inevitably, the role to be played by the Supreme Court in the face of unprecedented imperial pretentions. Then as now the "paramount issue" proved to be somewhat irrelevant in a presidential campaign dominated by concerns about the competence, judgment and reliability of the insurgent candidate. Then as now the results of a presidential campaign turned not on the issue of global dimensions, but rather, on considerations of personality, leadership and domestic tranquility.

The parallels between the Southeast Asian imbroglio of our era and the colonial exploits of the turn of the century have awakened an interest in the study of that imperial venture and its impact upon American society.

A nation always deeply troubled by the suggestion that its experiment with colonialism was a betrayal of its own history and values rapidly had cast aside its "colonial problem" after United States policymakers adopted the principle and rhetoric of self-determination in the era of de-colonization. This was particularly true after each of the major territories in question, the Philippines and Puerto Rico, was accorded a political status freely chosen by its inhabitants. However, after the Philippines elected to become an independent nation in 1946, Puerto Rico retained its nexus to the American political system. Moreover, much smaller territories (including the TTPI, the United States Virgin Islands, Guam and American Samoa) remain in various forms of political dependency. The politics and the law of the old "American empire" may no longer be the stuff of great national controversy, but they still shape the lives of the people of territories which fly the American flag. The territories under discussion today continue to attract the attention of the United Nations because they were—and are—the beneficiaries of the Charter provisions on self-determination.

The reasons for the growing interest and controversy at the United Nations regarding these territories are multiple and varied. They include significant political and social developments in each territory; a disquietude in each territory concerning the scope of authority accorded to the local government; and, inevitably, the sheer momentum of the developing United Nations law on self-determination and decolonization.

What, if anything, do these disparate territories have in common? What, if anything, can one learn from the other's experience as areas under American administration? I submit that each of these territories—different as they are from one another—has already had enormous influence on the other and will continue to do so.

It is my assignment to try to describe some of the ways in which these territories are comparable—and, in particular, how their participation in world affairs may run parallel courses.

The singular contribution of Puerto Rico to the developing international law of self-determination is the principle of "free association." This idea is reflected in the Spanish version of Puerto Rico's constitutional name: *El Estado Libre Asociado de Puerto Rico* (the Free Associated State of Puerto Rico). The English-language version—the *Commonwealth* of Puerto Rico—is considerably more ambiguous and confusing. The term "Commonwealth," as Professor Rupert Emerson has observed, "rouses such diverse memories as to wander off into diffuse uncertainty." "Free Associated State" is a much preferable term, in both Spanish and English, because it is less ambiguous than the word "Commonwealth" and because the term properly suggests the essential attributes of Puerto Rico's current political status: a state which is associated with—connected to—the United States but is not a part of the United States; and a state whose association is based upon the basic principle of consent by the people of Puerto Rico.

The founding of the Free Associated State of Puerto Rico was proclaimed on July 25, 1952. After the organization of a government pursuant to a constitution of their own choosing, the people of Puerto Rico have remained connected to the American political system by applicable provisions of the United States Constitution and by a Congressional statute known as the Puerto Rican Federal Relations Act. This connection or relationship is said to have been created "in the nature of a compact"—a compact between Puerto Rico and the United States embodied in the Puerto Rican Federal Relations Act. That compact, in turn, is one which specifically provides that all statutory laws of the United States *shall* have "the same force and effect in Puerto Rico as in the United States" unless deemed inapplicable to Puerto Rico. Therefore, whether a particular congressional enactment will or will not be applicable to it remains a constant source of preoccupation for Puerto Rico. Indeed, this preoccupation constitutes a large part of the agenda of Puerto Rico's Resident Commissioner to the United States, who sits (but does not vote) in the United States House of Representatives.

The merits or demerits of such a compact need not detain us; it is sufficient, for present purposes, to note that this unusual arrangement between a dependent people and a wealthy and powerful metropolitan state is one which repeatedly has been endorsed by the people of Puerto Rico in general elections and in a special plebiscite on the subject of political status held in 1967.

According to a monograph by the United Nations Institute for Training and Research (UNITAR), the idea of "free association"—which Puerto Rico contributed to the modern world community—has now been adopted by no less than *nine* small territories and is now under active consideration in the TTPI.

By 1960 "free association" as an intermediate status between national independence and full and equal integration had found its way into the lexicon of United Nations practice. In that year, the General Assembly revised its statement of principles or "factors" indicative of whether or not a given territory has attained "a full measure of self-government" (Resolution 1541(XV) of 15 December 1960). Under these new guidelines, "free association with an independent State" requires a "free and voluntary choice" by the people of the territory "expressed through informed and democratic processes." Furthermore, the people of the territory must reserve the "freedom to modify the status of that territory through the expression of their will by democratic means and through constitutional processes."

Proponents of Puerto Rico's free association with the United States have regarded the island's current political status as a model for political development elsewhere. In 1953, Prof. Carl J. Friedrich suggested that "it conceivably provides a striking model for future developments in the sphere of the liberation of colonial peoples who do not wish or may not be able to organize themselves as independent political communities." Other students of the subject have said that it "may well prove useful to dependent peoples elsewhere as [a device] for achieving self-government in economic circumstances that preclude self-sufficiency."

The establishment of the Free Associated State in 1952 was hailed by its architects as the end of Puerto Rico's colonial relationship to the United States. This view effectively was confirmed by the Eighth Session of the General Assembly of the United Nations in 1953, when it accepted the position of the United States delegation that Puerto Rico's status of free association constituted the attainment of what the Charter calls " a full measure of self-government." As a result of that action by the General Assembly, the United States discontinued submission of reports on Puerto Rico as required of states which administer "non-self-governing" territories. Nevertheless, advocates of Puerto Rico's integration into the American Union and proponents of national independence have continued to argue that the Free Associated State is merely a camouflage for the island's "colonial" status. Pro-independence groups repeatedly have petitioned diverse organs of the United Nations, most notably the General Assembly's Special Committee on Colonialism—the "Committee of 24"—for a review of the case of Puerto Rico and the restoration of Puerto Rico to the United Nations' list of territories covered by Chapter XI of the Charter and the 1960 Declaration on the Granting of Independence to Colonial Countries and Peoples (Resolution 1514 (XV) of 14 December 1960). On August 28, 1972, the Committee of 24 adopted a resolution recognizing "the inalienable right of the people of Puerto Rico to self-determination and independence," and instructed a working group to report early this year on the procedure which the Committee should follow with respect to Puerto Rico in the implementation of the 1960 Declaration.

One of the territories in which Puerto Rico's idea of "free association" has had considerable importance and influence between 1952 and the present is the TTPI. Stimulated by the development of their own popularly elected legislature, the successful experience of Puerto Rico in its new status, and the recent admission of Hawaii to statehood, the 100,000 people of Micronesia nurture a growing determination to govern themselves.

In 1966, the Congress of Micronesia requested that the President of the United States appoint a commission to study "the political alternatives open to Micronesia". The President turned the request over to Congress, which took no action on the matter. In 1967, Micronesia established its own commission, the Future Political Status Commission of the TTPI (the "TTPI Commission"). It is significant that when two leaders of the TTPI Commission travelled to the United States at the outset of their status negotiations, they visited not only the United Nations (which supervises the United States administration of the TTPI), but also the Free Associated State of Puerto Rico and the American territory of the Virgin Islands.

In 1969, the TTPI Commission reported its recommendation that the TTPI should be "a self-governing state" with "Micronesian control of all its branches" and should "negotiate entry into free association with the United States." If this proposal would prove impossible to implement, the TTPI Commission concluded that complete independence would be the only viable alternative. Following the issuance of the report, the United States and Micronesian delegations began meeting for a series of joint discussions on the future political status of the TTPI.

Six rounds of discussions have been held since September 1969 between the TTPI Political Status Delegation and a United States delegation headed by a special envoy of the President. These rounds of talks have included diverse initiatives in the direction of a "compact of free association" and, most recently, independence. To complicate matters, the United States has agreed to conduct separate status negotiations with representatives of the Marianas island group, who appear to be interested in neither free association nor independence, but rather, union with Guam, an unincorporated United States territory to the south.

The compact of free association currently under discussion betwen the United States and the TTPI has some elements in common with Puerto Rico's compact of free association. Both compacts envisage a relationship based upon mutual consent. Both compacts contemplate the right of the affected peoples to adopt and alter their own constitution and full United States responsibility and authority over matters relating to foreign affairs and national defense.

Some differences between the two compacts are notable. First of all, the TTPI compact—unlike the Puerto Rican compact—will be, in every sense of the term, an *international* agreement. The negotiations between the TTPI and the United States are conducted in a highly formal, and conventional, diplomatic fashion, as befits discussions between two juridically distinct members of the world community. If adopted by the TTPI and the Government of the United States, the compact will become effective only after approval by the Trusteeship Council and the Security Council. Future problems of construction and interpretation presumably will be resolved not in a domestic United States arena, but in appropriate international fora. Moreover, the people of the TTPI already are the objects of concern of a substantial international apparatus, and also may directly appear before the Trusteeship Council. Under the Trusteeship Agreement executed by the United States, the Trust Territory Government may already accept membership in international organizations and engage in forms of international cooperation. It has actively undertaken such roles in a number of regional international organizations. The degree of "international personality" possessed today by the TTPI is already immeasurably greater than that possessed by Puerto Rico, which has been classified by Professor Charles G. Fenwick among the territories "possessing so intangible a degree of international personality as to reach almost a vanishing point." In contrast to the case of the TTPI, where the United Nations' jurisdiction is clear and undisputed, the jurisdiction of the United Nations over Puerto Rico is very much in dispute. The United States has never recognized the jurisdiction of the

General Assembly or its subsidiary committees to pass upon the value or lawfulness of Puerto Rico's political status. In the view of the United States, questions concerning Puerto Rico's status may be discussed and resolved only in the arenas of America's own political and judicial systems. With minor and inconsequential exceptions. Puerto Rico has not participated in international organizations. In comparison with the easy access of the 100,000 people of Micronesia to United Nations organs, the Government of the Free Associated State of Puerto Rico—representing three million people in a rapidly developing and highly sophisticated society—has no institutionalized means through which to defend itself from attack in the international arena. Lacking even a representative or designee on the United States delegation to the United Nations, the Government of Puerto Rico effectively has less access to the international bodies considering its status than do the people of Micronesia in analogous circumstances. Indeed, it has less effective access to international organizations than those dissident groups within Puerto Rico who instigate the attacks at the United Nations upon the Free Associated State.

The draft Compact of Free Association prepared in 1972 by delegations of the United States and the TTPI envisages a substantial role for the TTPI in the world community, consistent with the size and resources of the area. The draft TTPI compact suggests possible areas for the growth and development of Puerto Rico's form of free asosciation. For example:

1. Under free association, the Government of Micronesia may seek associate or other membership for which Micronesia may be eligible in regional international organizations and United Nations Specialized Agencies or subsidiary bodies of which the United States is a member. The Government of the United States would "give sympathetic consideration" to requests from the Government of Micronesia to apply for membership in other organizations of which the United States is not a member.

2. The Government of Micronesia may negotiate and conclude, in its own name, agreements of a cultural, educational, financial, scientific or technical nature that apply only to Micronesia with international organizations of which Micronesia may be a member.

3. The Government of Micronesia may establish temporary or permanent representation of Micronesian trade or other commercial interests in foreign countries, and accept such representation in Micronesia.

4. These possibilities for autonomous action by Micronesia in the international community contemplate consultation between the Micronesian and American Governments with respect to all matters of mutual concern.

The United States retains an effective veto power over any activity of the Government of Micronesia which might conflict with the international commitments, responsibilities or policies of the United States.

These proposals—fully endorsed by the United States Government—underscore the genuine commitment of the people and Government of the United States to the development of a compact of association which adequately protects the interests of the people of the TTPI wtihout jeopardizing the international position of the United States. It attempts to deal with the problems of one more "mini-state" and how it might properly play a role in the world community. For Puerto Rico, which now seeks to develop its own political status consistent with its form of association with the United States, it indicates practical possibilities available to a people with the willingness to assert its legitimate political interests. By analogy with the proposed TTPI compact of association, various alternatives are already open to the Governments of the Free Associated State of Puerto Rico and the United States which require no substantial or prolonged constitutional or legislative action. For example:

1. Puerto Rico's participation in the foreign relations of the United States—especially in areas vitally affecting Puerto Rican interests—might be institutionalized by executive or administrative regulations requiring that, in appropriate cases, a designee of the Government of the Free Associated State be named to United States delegations to international organizations and specialized conferences. Consider the United States delegation to the United Nations. Is it not absurd that there exists no formal, institutional mechanism whereby the Free Associated States—through a designee sitting on the United States delegation—may properly defend itself from attack? Is it not clear that the United States and Puerto Rico have a common interest in defense of their compact of association? Moreover, delegations to specialized conferences—for example, on the law of the sea or on international trade and investment questions—invariably include representatives of *private* special interest groups in the United States. They should certainly be able to accommodate a representative of the eminently *public* interests of the three million United States citizens of Puerto Rico. This is true of other areas of international concern to the United States in which the Free Associated State has a special interest, including oil, petrochemical and energy questions, the economic development of the Caribbean region, and technical assistance programs in the developing states.

2. The Free Associated State might become a member or an Observer at Specialized Agencies of the United Nations (such as WHO, FAO and ILO). It might also become a Permanent Observer at the Organization of American States. As in the case of Micronesia's draft Compact of Association, such arrangements might include the retention of the United States Government of an effective veto power over any activity by the Government of the Free Associated State which is likely to conflict with the international commitments, responsibilities or policies of the United States. Permanent Observer status at the Organization of American States offers unusually good opportunities for Puerto Rico's direct collaboration in matters not affecting United States foreign and defense policies. In April 1971, the General Assembly of the O.A.S. established by resolution the status of Permanent Observer to the Organization of American States in order "to promote cooperative relations" with American states that are not members of the O.A.S. (such as Canada and Guyana) and non-American states that participate in programs of the Organization. Observer status in international organizations is not, of course, synonymous or comparable with the membership possibilities afforded by the draft TTPI compact. Puerto Rico's role as a Permanent Observer at the Organization of American States would be less consequential than the outright membership in such regional arrangements envisaged by the TTPI compact. Observer status does afford "mini-states" and associated states an opportunity to play a limited role in the world community without incurring the burdens and obligations of membership; without affecting the tone and structure of the international organizations concerned; and without impairing the predominant role of a member state in the direction of the foreign and defense policies of an associated state. There is no reason to assume that the current resolutions of the O.A.S. would not permit Puerto Rico's participation as a Permanent Observer. In any event, any existing ambiguity in the O.A.S. resolutions may be clarified by its General Assembly—which, as it happens, is meeting at this very time in Washington. There are now seven non-American states that enjoy Permanent Observer status at the O.A.S. (Belgium, France, Germany, Holland, Israel, Italy and Spain). Even Japan is considering applying for Observer status.

I submit that if these distant states have enough of an interest in the affairs of the Western Hemisphere to merit the status of Permanent Observers to the O.A.S., certainly Puerto Rico should enjoy a comparable status. Indeed, if Monaco has a sufficient interest in the world community to maintain an Observer Mission at the United Nations, certainly a Free Associated State which is the subject of considerable debate and attention at the United Nations should at least be able to have access to the organization's sessions, corridors and lounges. The Secretary-General of the United Nations has suggested that Observer status may be a solution to the so-called "mini-state" question. Might it not also be a vehicle for the participation in world affairs of a technologically advanced associated state of three million people?

The possibilities for comparison of the respective experiences of the TTPI and Puerto Rico with the malleable concept of free association are endless. The range of possibilities for a free association between the poor and powerless people of a dependent territory and a rich and benevolent nation are similarly endless. These possibilities should be the subject of other panels and meetings in other arenas.

Permit me to conclude with a final observation: Puerto Rico and the TTPI possess the political resources and the creative statesmanship to develop this form of self-government. In turn, the United States has demonstrated its good will and genuine interest in the fulfillment of the expectations of peoples for whom it has assumed a "sacred trust". It is important that the people of the TTPI and Puerto Rico recognize the commitment of the United States to the principles of the U.N. Charter and, in particular, to the principle of self-determination. But self-determination, in the last analysis, requires a clear definition of *self*. It requires that a people know and identify their own interests. It further requires that a people be prepared to forcefully assert their claims.

Since the Roosevelt era the United States has never attempted to frustrate the freely expressed wishes of the dependent peoples under its flag. Only a failure of will or a loss of nerve can prevent the peoples of these two territories from developing their respective compacts of free associations in a manner fully consistent with the aspirations of their peoples.

THE ATTEMPTED ELIMINATION OF THE OFFICE OF ECONOMIC OPPORTUNITY

Mr. INOUYE. Mr. President, the county council of Hawaii has added its voice to the chorus of concern over the administration's attempts to eliminate the Office of Economic Opportunity without congressional approval and in the face of a continuing need for Federal aid to the poor.

I share the council's belief that many of the programs administered by the OEO have been successful in providing thousands of Hawaii's disadvantaged citizens—young and old—with effective assistance. The recipients of this assistance have written hundreds of letters to my office telling of the importance of outreach efforts in giving them the motivation and skills necessary to allow full participation in community life.

Federal Judge William B. Jones, in

ordering the administration to halt the dismemberment of OEO, has stated clearly and precisely the constitutional limit to executive power. The judge said—

> An Administrator's responsibility to carry out the Congressional objectives of a program does not give him the power to dismantle that program, especially in the face of a Congressional mandate that it shall go on.

President Nixon and his appointed subordinates should heed Judge Jones' words and begin to cooperate in good faith with the Congress to strengthen domestic programs within our fiscal capabilities. They should desist in trying to impose on this country a singular view of the public good.

The people of Hawaii and our Nation support the war on poverty and do not condone Executive attempts to end our Nation's commitment to those underprivileged among us. I ask unanimous consent that the county council of Hawaii resolution to this effect be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

> Resolution No. 40
>
> Expressing the concern of the council of the County of Hawaii to President Nixon's halt on approving new commitments of Federal subsidies to the Office of Economic Opportunities Development Program
>
> Whereas, President Richard M. Nixon ordered a halt on approval of new commitments of federal subsidies to the Office of Economic Opportunities Development Programs; and
>
> Whereas, the people of the County of Hawaii have a continuing need for economic development programs; and
>
> Whereas, thousands of citizens in the County of Hawaii have benefited from human service programs designed to provide new opportunities for those who have been left out of the mainstream of our society; and
>
> Whereas, such programs have offered positive returns to all the people by helping more and more of the disadvantaged to become productive taxpayers; and
>
> Whereas, many such programs now under the aegis of the County of Hawaii are faced with serious cutbacks and possible elimination as a result of federal budget changes, including but not limited to:
>
> 1. Community Action Programs which have acted as a focal point for a variety of programs addressing the needs of low-income people;
>
> 2. Manpower training programs such as the Neighborhood Youth Corps and Operation Mainstream which have helped hundreds of our citizens be trained for productive employment and have assisted in successful job placement;
>
> Housing programs which have been utilized by the County to successfully relocate citizens from areas affected by public action in decent, safe and sanitary housing;
>
> 4. Water, sewer and open space projects and public facilities development;
>
> 5. Special health and education projects affecting a great variety of people;
>
> 6. Senior citizen programs which have found new outlets for many of the County's elderly residents and provided new hope for those who have previously been too often shunted aside;
>
> 7. And many other programs for our County which have been maintained in part by federal funds and which are now threatened with severe cutbacks or total elimination; and
>
> Whereas, neither the State nor local governments in Hawaii command the necessary funds from their own resources to substantially ease the situation,
>
> Now, therefore, be it resolved by the Council of the County of Hawaii that it does hereby request the elected congressional delegation for the State of Hawaii to do everything within its power to insure that funds for the programs in jeopardy are maintained at a level which will allow for a sustained, progressive development vital to the County's social well-being.
>
> Be it further resolved that the Clerk of the County of Hawaii be and is hereby directed to transmit a true copy of this resolution to each elected congressional delegate for the State of Hawaii.
>
> Dated at Hilo, Hawaii, this 4th day of April, 1973.

OPPOSITION STATED TO RATIFICATION OF THE CONVENTION ON THE PREVENTION AND PUNISHMENT OF GENOCIDE

Mr. McCLURE. Mr. President, I rise to state my opposition to the Senate's ratification of the Convention on the Prevention and Punishment of Genocide. Many Idahoans have made very clear to me their opposition to the Senate's ratification of this treaty and I wish to emphasize to my fellow Senators the potential dangers that approval of this convention would bring. I agreed with the distinguished Senator from North Carolina when he recently stated that ratification would bring unimaginable chaos to our system of crimial justice. Senator Ervin on numerous occasions has addressed this body enumerating the constitutional affronts this treaty would make toward our citizenry and I concur with his concern.

Many of the proponents of this treaty have based their support on the fact that some of our enemies around the world have tried to exploit our failure to ratify the treaty. This may be true but the matter is much more serious than merely trying to appease world opinion. The people of the world know of our sincerity against acts of genocide. How more can we show our sincerity than by pointing to the thousands of lives our country lost in World War II fighting against the genocide action of Nazi Germany. Our country's sincerity against genocide has been indelibly written in the pages of history by the bloodshed of our citizens.

No reasonable person anywhere supports genocide, and the attempt by Nazi Germany to extermiate all Jews is one of the most deplorable pages in human history. Those dictators who pursue genocide policies wil do so regardless of whether the United States ratifies the Convention. Mr. Alfred J. Schweppe of the American Bar Association in testimony on this treaty March 10, 1971, stated:

> As originally drafted, the convention included "political" as well as "national, ethnical, racial, and religious groups." The Soviets announced they wouldn't play unless "political groups" were expunged from the draft. They insisted on preserving the right to assassinate and exterminate the political opposition as essential to the safety of the state. So now, notwithstanding the wholesale extermination of political dissidents in Hungary, Czechoslovakia and Poland, for example, nobody charges Communist Russia with genocide. On the other hand the United States is vigorously charged with genocide in the United Nations.

What we must be concerned about is how ratification might affect our own citizens. I do not mean to berate the humanitarian intent of this treaty. It is the legal implications and the potential threat to the American citizen's constitutional rights that concerns me most.

Eberhard P. Deutch of the American Bar Association in a recent letter written to me stated:

> The Genocide Convention places in the hands of nations whose peoples have never known the freedoms guaranteed under our Constitution, the power to judge whether those freedoms are being protected properly within our domestic borders.

The real and potential dangers for the American citizen under this convention are many. To ratify this treaty would mean that the convention could persecute various groups of Americans on a number of grounds: The convention could lead to the creation of an International Court for trial of American citizens for genocide without the constitutional safeguards and legal rights accorded persons charged with a domestic crime. Individuals and government officials would be subject to trial and punishment for offenses which have always been regarded as matters falling within the domestic jurisdiction of the various nations. The convention's definition of genocide is inconsistent with the real meaning of the term, so a public official or a private individual would be subject to prosecution and punishment for genocide if he intentionally destroys a single member of one of the specified groups. And more importantly, the duty and the power to prosecute and punish criminal homicides, assaults, and batteries, and kidnapings covered by the convention would be forthwith transferred from the States, which have always had such duty and power in respect to these crimes, to the Federal Government. Congress would be required to enact new laws laying down rules of procedure to govern the trial of these newly created Federal and international crimes. Since the Federal jurisdiction would depend upon whether the homicide is committed with genocidal intent, every unlawful homicide would apparently be within the jurisdiction of both the Federal and the State Government insofar as the external circumstances of the slaying are concerned. An acquittal of the charge in one court would not bar a second prosecution based on the same facts in the other court and a person could be placed in jeopardy twice for the same offense.

Finally, the convention could make American soldiers subject to trial for killing and wounding members of the military forces of our warring enemy. Senator Ervin, who heads the Constitutional Rights Subcommittee of the Senate Judiciary Committee, is among the constitutional experts who contends that ratification of the Genocide Convention would make American soldiers triable and punishable in foreign courts—even in courts of our warring enemy. In a Senate speech on March 13 Senator Ervin declared:

> When soldiers kill or seriously wound members of a detachment of the military forces of a hostile nation, they certainly do so with intent to destroy, in whole or in part, a national group as such. In such cases, according to article VI of the Convention, soldiers are triable and punishable in the courts of the nation in whose territory their acts are committed, or in such an international tribunal "as may have jurisdiction with respect to those contracting parties which have accepted its jurisdiction." These things being true American soldiers who killed or seriously wounded North Vietnamese soldiers or members of the Vietcong, or South Vietnamese civilians in South Vietnam might have been triable and punishable in courts sitting in South Vietnam, and American aviators who killed North Vietnamese soldiers or civilians in bombing raids upon targets in North Vietnam, and who were taken prisoner by the North Vietnamese, might have been triable and punishable in the courts of North Vietnam.

I must add that genocide charges have already been made against American soldiers during the conduct of the Vietnam war.

It is absurd, Mr. President, to think that any soldier could be assured of a fair and impartial trial if tried before his enemy's court. The license that the convention would give is in my opinion unconstitutional and would lead to a circumventing of our own system of justice. But more importantly, ratification of this treaty would endanger the individual liberties of the American people. I urge the Senate to beware of the potential infringements this convention could have on the constitutional freedoms of our citizens.

INCLUSIVE TOUR CHARTERS

Mr. MOSS. Mr. President, last year I introduced legislation which would eliminate the restrictions which currently exist on single stop inclusive tour air charters. Currently the CAB regulations, although less restrictive than before, still restrict the ability of the American traveling public to make use of inclusive tour charters. The inclusive tour charter system has been tried and proven as an inexpensive way of providing vacations at considerable distances from home. In Europe, tour operators offer trips to distant resorts for less than the cost of air fare on a regular flight.

The rules which exist in the United States are too restrictive. My bill, S. 455, would eliminate these restrictions and open up to the traveling public the same rights and privileges enjoyed by travelers throughout the world.

Recently, "Everybody's Money," the monthly publication of Credit Union National Association, published an article entitled "Charter Your Getaway, It's Becoming Easier." The article discusses how the traveling public can take advantage of recent liberalization of the regulations, and recommends the enactment of my legislation.

Mr. President, I ask unanimous consent that the article appearing in "Everybody's Money," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Charter Your Getaway . . . It's Becoming Easier

For most of us, travel abroad is an expense we've chosen to do without. Instead, we sit back and read about the Onassis set hobnobbing from one European playground to another.

But now, thanks to a recent government ruling, air travel is coming of age for millions of Americans. By flying with a Travel Group Charter (TGC), you can now organize a charter flight for at least 40 people at a fraction of the cost of regular fare.

"Big deal," you say. "Charter flights have been around for a long time."

True, they have been. But prior to the new rule, charter travel was unavailable to many, or was illegal.

Until TGCs, only four types of charters were allowed. One of the most popular is the "affinity" group. To be legal, the Civil Aeronautics Board (CAB) requires that the group be organized for a reason other than travel. And you have to be a member for at least six months.

The restrictions invited trouble. To circumvent them, promoters invented their own groups and issued back-dated membership cards. Pseudo clubs suddenly sprang up. Friends of Arctic Immigrants and Horn-Rimmed Glass Wearers of Iowa began chartering flights abroad.

Unfortunately, many of these groups never got to where they were going, or were stranded in some foreign airport with no way home. A promoter had taken their money, but didn't reserve a flight. Sometimes, too, the government would forbid illegal flights to depart—again leaving passengers with a ticket but no plane. During a recent one-year period, more than 100 illegal flights were canceled by CAB, some of them just before boarding.

The scheduled airlines (skeds) have long fought the charters (supplementals). The skeds argue that they have built up air traffic routes, and now the charters—like World Airways, Trans International and Overseas National—are taking away their business. The supplementals argue that they're servicing travelers who otherwise couldn't afford to fly.

Until recently, the CAB upheld the rights of the skeds. But last September, the CAB, in a 3 to 2 decision, approved TGCs. They are now operating experimentally for the next three years. The skeds, in the meantime, are appealing the decision.

The appeal is not without its irony. Pan Am and TWA are two airlines that have jumped on the charter bandwagon. Last fall, Pan Am advertised charter trips from New York to Rome and back for $167, if the plane is full. (Charters are priced on a pro-rata basis.) Flying economy on a regular scheduled Pan Am flight would cost about $588 during the winter season. *Everybody's Money* called two of the supplementals to get prices for the same trip. We were told we first needed to specify the name of the group, the person sponsoring it, dates departing and returning and the number of people involved. However, to give you an idea of what the supplementals charge, World Airways is flying Berkeley Co-op members round trip from San Francisco to Brussels for $257. Economy fare on a regular scheduled flight would cost about $918 in summer and $730 in winter.

(Some of the scheduled lines also offer Group Inclusive Tours. Strictly speaking they're not charters, but as few as 10 people can get special rates and may fly on a flight with regular-fare passengers.)

To fly TGC, you must make a 25 percent deposit no less than 90 days before departure. The balance is due no less than 30 days later. The charter must be round trip. Within North America, the duration must be at least seven days; if elsewhere, at least 10 days. It's nearly impossible to get a refund but ticekts can be sold to someone on an approved standby list.

Although still restrictive, the new rule encourages legal bulk transportation. Those who fought for the change consider it a consumer victory. Says a spokesman for Americans for Charter Travel (ACT) "in light of what has been, we're basically pleased."

But the battle isn't won yet. ACT, along with other interested parties, wants still looser charter flight rules. Among those pushing for charter privileges are the Cooperative League, Credit Union National Association, Consumer Federation of America, the National Education Association, senior citizen groups and trade unions. One goal is to enact charter travel similar to that available in Europe.

Families there can enjoy "package holidays." These trips include hotel and air fare. Some also cover meals, ground transportation and sightseeing tours—all for one price. There are no hidden charges or gimmicks.

British tour operators offer two weeks on the island of Ibiza, off the coast of Spain, for less than $100, including air fare and hotel. Or, a Briton can fly to Majorca and stay in a hotel for two weeks for less than $90 off-season.

The American version of package plans is the Inclusive Tour Charter, or ITC. The charter includes air and certain ground costs, but several restrictions limit its appeal. An ITC plan must schedule three overnight stops, each at least 50 miles from the other. That's why trips to Hawaii, for example, often include side trips to Las Vegas and San Francisco.

ACT is lobbying for a "complete liberalization of these totally arbitrary rules." A pamphlet published by ACT called "What Does Uncle Sam Have Against Low-Cost Vacations?" says the U.S. is at least 10 years behind Europe in offering inexpensive holiday travel.

Shelby Southard, legislative director for the Cooperative League agrees. He says more than 8.5 million northern Europeans annually enjoy inexpensive vacations to sun-warmed beaches. "Many Americans are beginning to wonder why similar low-cost vacation opportunities are not available to them."

Foreign governments have restricted charter travel too. Scheduled flights have landing and uplift privileges with other countries; charter flights may not. Belgium and Japan, for example, limit charter travel into their countries. Easing these restrictions is up to the State Department.

What Can You Do To Help? Further public pressure is necessary before charter travel is completely unrestricted. Senator Frank Moss has introduced into Congress a bill (S. 3513) that would eliminate the three-stop requirement for ITCs. Write to Senator Moss urging passage of his bill. You can also write to the Senate Aviation subcommittee chairman, Senator Howard Cannon. Attach a copy of this article to your letters. ACT welcomes letters from consumers too. You can write to ACT, Suite 702, 1225 19th Street, N.W., Washington, D.C. 20036.

COURT DECISION HALTS DISMANTLING OF OEO

Mr. NELSON. Mr. President, I know that Members of the Senate are interested in the order and opinion handed down by U.S. District Court Judge William B. Jones yesterday enjoining the Acting Director of the Office of Economic

Opportunity from terminating the OEO agency and community action programs in particular.

The judge's conclusions can be briefly summarized. He found the efforts of Acting Director Howard Phillips to terminate the ongoing community action programs to be illegal under the terms of the Economic Opportunity Act of 1964 as amended and extended only last September and for which the Congress has appropriated funds through June 30 of this year. Further, he found that the administration's announced intention to eliminate the Office of Economic Opportunity without giving Congress an opportunity to act on a reorganization plan is illegal under the terms, both of the Economic Opportunity Act and the Executive Reorganization Act.

Based on those conclusions, he enjoined Acting Director Phillips from any further actions toward ending either the local community action programs or the Office of Economic Opportunity itself, and declared that all past efforts of Mr. Phillips in that direction are null and void.

Let me say that those of us who believe in the orderly processes of law owe a debt to those individuals and lawyers who brought the three suits which were consolidated and decided together. The judge's opinion is based on last year's Economic Opportunity amendments and cites the committee reports and legislative history as clearly requiring a continuation of community action programs and the Office of Economic Opportunity until Congress by legislation, otherwise provides. Sometimes we get the feeling that congressionally drafted legislation lies unread on the shelves of those employees in the executive branch whose responsibility it is to administer the law. At least the judicial branch of Government still treats seriously those words of Congress which are enacted into law.

Last January 30, immediately following the President's submission of his budget, I made the statement joined by several other members of this committee that the administration's budget, in proposing the destruction of the Office of Economic Opportunity, reflected:

> A lack of respect for existing law and for the Congress. . . . To do so, in direct defiance of specific legislation passed by the Congress and signed by the President, is most surprising behavior in an Administration that recommends obedience to the law as the citizen's first duty.

Fortunately, the court decision calls upon the Acting Director of OEO to abide by the laws Congress enacts.

All this said, however, and grateful as we are for the new lease on life granted to the Office of Economic Opportunity and to the local initiative program by the judge's decision, we must remember that the local community action agenices are still in very grave danger.

The Congress has authorized the program for another year beyond this June. However, the administration has requested no funds whatever to continue the program past July 1 of this year. If the program is to be kept alive in the next fiscal year, the funds must be included in the fiscal year 1974 appropriations.

In the budget appendix of fiscal year 1974—page 106—the administration suggests that—

> If the constituencies of individual communities desire to continue providing financial support to local community action agencies, general and special revenue sharing funds could be used.

But the administration has submitted no proposal effective in fiscal year 1974 that could cover local community action programs.

Under these difficult circumstances it seems to me that the approach suggested in the bill I am introducing today, the Job Training and Community Services Act of 1973, provides a way out. Under that legislation, which Senator Jacob Javits of New York is cosponsoring, funds for community action activities would go directly to State and local governments as special revenue-sharing funds.

We are asking the administration, then, to live up to its promise to local officials and community action leaders and join with us in an effort to see that funds for the important services carried out by community action agencies—and those agencies themselves where they are supported at the local level—be continued in an orderly manner.

Mr. President, I ask unanimous consent that a statement I made, together with other members of the Labor and Public Welfare Committee on January 30 of this year, regarding the administration's budget with respect to the Office of Economic Opportunity and the text of Judge William B. Jones decision be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Release, January 30, 1973

Washington, D.C.—Senator Gaylord Nelson (D-Wis.), Chairman of the Subcommittee on Employment, Manpower and Poverty; joined by Sen. Harrison Williams (D-N.J.), Chairman of the Senate Labor and Public Welfare Committee; and the following members of the Employment, Manpower and Poverty Subcommittee, Sen. Edward M. Kennedy (D-Mass.), Sen. Walter F. Mondale (D-Minn.), and Sen. Alan Cranston (D-Calif.) released the following statement regarding the Budget for the Office of Economic Opportunity:

"The 1974 Budget represents a sad confession by the Administration that it does not believe the federal government has special responsibility to the 25.5 million Americans continuing to live in poverty. The proposed abolition of the Office of Economic Opportunity says to the poor that this Administration simply does not care.

"The Budget recommendations also reflect a lack of respect for existing law and for the Congress. The 1974 Budget calls for the destruction of the Office of Economic Opportunity. Yet section 601(a) of the Economic Opportunity Act establishes in the Executive Office of the President the Office of Economic Opportunity headed by a director, with a deputy director and 5 assistant directors.

"And section 601(b) authorizes a transfer of that office—but not its dissolution—only according to procedures that reserve to the Congress that right to disapprove that transfer.

"The Budget totally disregards this requirement as it also disregards the prohibition now in law against transfer of community action programs and community economic development programs from OEO to any other agency without Congressional approval. And the Budget attempts to blackmail Congress into approving restrictions on the representation of the poor by legal services attorneys.

"Since 1964, the Congress has recognized the need for the poor to have an advocate in the Administration in Washington and an institution at the local level to see that their needs are not ignored. For nearly a decade now the Office of Economic Opportunity has worked to meet that need. Just last September the Congress reconfirmed its commitment to the Office and to the 900 Community Action Agencies in rural and urban poverty areas. So strong was the Congressional commitment to the local Community Action Agencies that it required that the first $328.0 million appropriated under the authorization be reserved for their use.

"Coming just a week after President Johnson's death, this call for a cease fire in the war against poverty represents an ironic memorial.

"We all recognize the wisdom of redesigning, or even ending, programs that do not live up to ther promise. But the modestly funded poverty programs could not be expected to close the multi-billion dollar poverty income gap. What they can do and have done is help hundreds of American communities organize efforts to provide for the poor training for productive work, essential services for the elderly and the very young, and a voice in decision making at the local and federal levels. To abandon the organizational heart of this effort—the OEO in Washington and the CAA's at the local level—at a savings of only about .1% of the federal budget, is to raise budget cutting above elemental common sense on national priorities. To do so, in direct defiance of specific legislation passed by Congress and signed by the President, is most surprising behavior in an Administration that recommends obedience to law as the citizen's first duty."

[Civil Action No. 371–73, Civil Action No. 375–73, Civil Action No. 379–73]

Decision of Judge William B. Jones

(Local 2677, the American Federation of Government Employees, et al., Plaintiffs, v. Howard J. Phillips, both individually and in his capacity as Acting Director, Office of Economic Opportunity, Defendant; West Central Missouri Rural Development Corp., et al., Plaintiffs, v. Howard Phillips, Individually and as Acting Director, Office of Economic Opportunity, Defendant; National Council of O.E.O. Locals, A.F.G.E., AFL–CIO, et al., Plaintiffs, v. Howard J. Phillips, Acting Director of the Office of Economic Opportunity, et al., Defendants)

ORDER

These consolidated cases having come before the Court on the defendant's motion to dismiss or in the alternative for summary judgment, and the plaintiffs' cross-motions for summary judgment, as to which there is no genuine issue of material fact, and the Court having considered the points and authorities in support of and in opposition to those motions, and having heard argument of counsel, and for the reasons stated in the Opinion filed in this case,

It is this 11th day of April, 1973,

Ordered,

That the plaintiffs' motion for voluntary dismissal in Civil Action No. 379–73 be and is hereby denied;

That defendant Phillips' motion to dismiss be and is hereby denied;

That defendant Ash's motion to dismiss or for summary judgment be and is hereby granted;

That defendant Phillips' motion for summary judgment be and is hereby denied;

That the plaintiffs' motions for summary judgment be and are hereby granted;

Further ordered, adjudged, and declared that the acts or omissions or both, including all rules, regulations, guidelines, instructions, and other communications, written or oral, heretofore published, promulgated or otherwise communicated, directing, providing for, or intended to accomplish the termination, dissolution, or abolition of the Office of Economic Opportunity, or of the termination of funding or functioning of Community Action Agencies, designated in accordance with the provisions of sections 210 and 221 of the Economic Opportunity Act of 1964, as amended, 42 U.S.C. §§ 2790 and 2808 (except those Community Action Agencies found not to be qualified for refunding pursuant to regulations as set forth in 45 C.F.R. §§ 1067.1, 1067.2 (1972)), are unauthorized by law, illegal, and in excess of statutory authority whether such acts or omissions were those of defendant Phillips, or any agent, servant, employee, or other person acting in concert with defendant Phillips, or otherwise employed by or purportedly acting for or on behalf of him or of the Office of Economic Opportunity;

Further ordered, adjudged, and declared that all rules, regulations, guidelines, instructions, and other communications, written or oral, heretofore published, promulgated or otherwise communicated, directing, providing for, or intended to accomplish the termination, dissolution or abolition of the Office of Economic Opportunity, or of the termination of funding or functioning of Community Action Agencies, designated in accordance with the provisions of sections 210 and 221 of the Economic Opportunity Act of 1964, as amended, 42 U.S.C. §§ 2790 and 2808 (except those Community Action Agencies found not to be qualified for refunding pursuant to regulations set forth in 45 C.F.R. §§ 1067.1, 1067.2 (1972)), are unauthorized by law, illegal, in excess of statutory authority, null and void, whether such rules, regulations, guidelines, instructions, or other communications were those of defendant Phillips, or any agent, servant, employee, or other person acting in concert with defendant Phillips, or otherwise employed by or purportedly acting for or on behalf of the Office of Economic Opportunity;

Further ordered that defendant Phillips and any agent, servant, employee, or other person acting in concert with defendant Phillips, or otherwise employed by or purportedly acting for or on behalf of him or the Office of Economic Opportunity, be and the same are hereby enjoined from implementing or enforcing, or both, any such rule, regulation, guideline, instruction, or other communication, written or oral, heretofore published, promulgated, or otherwise communicated;

Further ordered that, within ten days of the date of this Order and Judgment, defendant Phillips send copies of this Order and Judgment to all Office of Economic Opportunity Regional Directors and to all Community Action Agencies which on January 29, 1973, were designated such agencies.

Judge WILLIAM B. JONES.

[Civil Action No. 371–73, Civil Action No. 375–73, Civil Action No. 379–73]

DECISION OF JUDGE WILLIAM B. JONES

(Local 2677, the American Federation of Government Employees, et al., Plaintiffs, v. Howard J. Phillips, both individually and in his capacity as Acting Director, Office of Economic Opportunity, Defendant; West Central Missouri Rural Development Corp., et al., Plaintiffs. v. Howard Phillips, Individually and as Acting Director, Office of Economic Opportunity, Defendant; National Council of O.E.O. Locals, A.F.G.E. AFL–CIO, et al., Plaintiffs v. Howard J. Phillips, Acting Director of the Office of Economic Opportunity, et al., Defendants)

OPINION

These three consolidated actions have been brought to declare unlawful and enjoin what the plantiffs allege to be the unlawful dismantlement of the Office of Economic Opportunity (OEO) by the defendant, Howard J. Phillips, Acting Director of OEO. The plaintiffs in *Local 2677, American Federation of Government Employees, et al.* v. *Phillips,* Civil Action No. 371–73 (hereinafter *Local 2677*), by an amended complaint, are the labor organization-bargaining agent for the Washington, D.C. headquarters employees of OEO, and two individual OEO headquarters employees. Suit is brought on behalf of all OEO employees throughout the country who have been or are about to be adversely affected by the alleged unlawful acts of the defendant. The plaintiffs in *West Central Missouri Rural Development Corp., et al.* v. *Phillips,* Civil Action No. 375–73 (hereinafter *West Central*), are four Community Action Agencies (CAAs) as designated pursuant to 42 U.S.C. § 2790 (1970), which bring their suit on behalf of all 930 CAAs receiving funds from OEO under section 221 of the Economic Opportunity Act of 1964, as amended, 42 U.S.C. § 2808 (1970).

In the third suit, *National Council of O.E.O. Locals, A.F.G.E., AFL–CIO, et al.* v. *Phillips, et al.,* Civil Action No. 379–73 (hereinafter *National Council*), the plaintiffs are the exclusive agency-wide representative for all nonsupervisory OEO employees, an association of CAA executive directors, three CAAs, two headquarters employees of OEO, several CAA employees, and several beneficiaries of programs funded by OEO through CAAs. *National Council* is likewise brought as a class action on behalf of all OEO employees, all CAAs and their employees, and all beneficiaries of CAA programs.[1] Jurisdiction is based on 28 U.S.C. §§ 1331, 1343, 1361 and 2201–02 (1970), as well as for review of administrative action under 5 U.S.C. §§ 701–06 (1970).

At a hearing on March 2, 1973, the Court granted the defendant's uncontested motion for consolidation and allowed the plaintiffs certain limited expedited discovery of Phillips by interrogatories and set a timetable for the filing of motions. At that time the defendant filed an affidavit indicating his intention not to take any action, prior to March 15, 1973, relating to transferring or discontinuing any OEO program which would finally and irrevocably adversely affect the rights of OEO employees. The terms of that affidavit were extended to March 23, 1973, at the Court's request. Subsequently, on March 7, 1973, the application for a temporary restraining order in *Local 2677* was argued and denied. The case is now before the Court on the plaintiffs'[2] motions for preliminary injunction, the defendant's motion to dismiss or in the alternative for summary judgment, and the plaintiffs' cross-motions for summary judgment, which supersede and incorporate the prior motions for preliminary injunction.

The plaintiffs' statements of material facts as to which there is no genuine dispute, filed in accordance with Local Rule 9(h), have not been controverted by the defendant, except as they may contain legal conclusions. Those material facts in turn are merely an elaboration of the Rule 9(h) statement submitted by the defendant, and thus the Court finds that there are no material facts in dispute and the case is ripe for summary judgment.

On March 20, 1973, two days before the oral hearing in this case, the plaintiffs in *National Council* moved to voluntarily dismiss their suit under Fed. R. Civ. P. 41(a) so that they could join in a similar suit brought by other parties in the United States District Court for the Northern District of Illinois. Dismissal under Rule 41(a)(1) would not be proper because of the class nature of the suit and the filing of a motion for summary judgment by the defendant. The Court, in the exercise of its discretion under Rule 41(a)(2), will refuse to grant the voluntary dismissal. Although the Court is aware of the alleged financial burden of pursuing this action further, the motion for dismissal was not filed until the case was ready for final disposition by summary judgment. Dismissal at this time, especially of a class action, would not best facilitate the orderly and swift administration of justice.[3]

Consideration was also given at oral argument to transferring *National Council* to the Northern District of Illinois for possible consolidation with the suit plaintiffs sought to join there. The defendant's counsel objected, noting that argument was scheduled for four days later on the motion for preliminary injunction in that suit. In view of that circumstance, the Court decided that a transfer would be untimely.

STATEMENT OF THE CASE

The plaintiffs assert that the defendant has been acting illegally for several reasons. It is sufficient for the disposition of these cases to consider only three of their contentions. First, the plaintiffs claim that the Economic Opportunity Amendments of 1972 (hereinafter 1972 Amendments), Pub. L. No. 92–424, 86 Stat. 688 (1972), in particular sections 2(a), 3(c)(2), and 28, forbid the defendant from taking the actions he has to terminate OEO funding of CAAs. Second, the claim is made that the activities of the defendant regarding the alleged termination of CAA functions is an illegal reorganization because the terms of the Reorganization Act, 5 U.S.C. §§ 901–13 (1970) have not been complied with. Finally, the plaintiffs contend that the defendant's directives are illegal and of no effect because he failed to publish them in the Federal Register as required by section 22 of the 1972 Amendments. 42 U.S.C.A. § 2971b. The defendant has raised several technical defenses in addition to his defenses on the merits. The Court finds against the defendant on these points for reasons set forth below.

The Court finds for the plaintiffs on all three of these basic substantive theories.

CASE OR CONTROVERSY

The defendant argues that these cases are brought prematurely and thus fail to present a justificable case or controversy. An examination of the uncontroverted facts reveals that this contention is totally unfounded and that the present cases present a justiciable case or controversy.

On January 29, 1973, President Nixon submitted his 1974 Budget Message to Congress. That budget message set forth the administration's plan to transfer responsibility for certain OEO functions to other agencies. The message specifically notes that—

"No funds are requested for . . . [OEO] for 1974. Effective July 1, 1973, new funding for . . . [CAAs] will be at the discretion of local communities. . . . With Community Action concepts now incorporated into ongoing programs and local agencies [if the budget proposals are approved], the continued existence of OEO as a separate Federal agency is no longer necessary."[4]

The defendant has attached this excerpt from the budget message to his affidavit filed in support of his motion for summary judgment as an indication of the plan he is pursuing as Acting Director of OEO.

On January 29, 1973, the defendant issued a memorandum to all OEO regional offices, attached as Exhibit A to the complaint in *West Central,* regarding the "termination of section 221 [CAA] funding." That memorandum, at page two, further noted that the cessation of funding would rescind individual designations as CAAs. OEO Instruction 6730–3, issued March 15, 1973, at page two, repeats the same instruction of the defendant that CAA funding will cease and further warns that use of funds by a CAA for any purpose except phasing out its activity or the failure of a CAA to submit an "acceptable" phase-out plan 120 days prior to

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Footnotes at end of article.

the termination of section 221 funding will result in summary suspension of OEO funds. The same Instruction 6730-3 sets out 21 pages of guidelines for CAAs to follow in shutting down their section 221 operations, with various deadlines to be met throughout that process.

Thus, as stated in the uncontroverted *West Central* statement of material facts not in issue, all program evaluations and processing of CAA applications for purposes other than phasing out CAA activities have stopped. CAAs have been instructed to stop purchasing or repairing essential equipment. The day-to-day business operations of CAAs have been hindered if not halted by the unwillingness of third parties to deal with CAAs because of the announcement by the defendant of the termination of funding. The orderly continuation of CAA functions, discussed in more detail *infra*, has been halted or severely disrupted by the requirements imposed by OEO regarding termination. Finally, CAA employees are leaving their jobs in anticipation of the cessation of funding in compliance with OEO directives.

The defendant asserts that the complaint of the plaintiffs is premature because the defendant's compliance with his statutory duties regarding CAAs cannot be determined until June 30, 1973. The basic theory underlying this assertion is that until that time the defendant will be in compliance with all applicable statutes because the OEO's CAA function will not cease before that date and because he will reserve and make available for obligation to CAAs in fiscal year 1973 the $328,900,000 mandated by section 3(c)(2) of the 1972 Amendments.[5]

Article III of the Constitution does limit the jurisdiction of this Court to actual cases or controversies, and forbids the adjudication of hypothetical questions upon which the Court would render only an advisory opinion. *Golden* v. *Zwickler*, 394 U.S. 103, 108, 110 (1969). A case or controversy in the constitutional sense "must be definite and concrete, touching the legal relations of parties having adverse legal interests." *Aetna Life Insurance Co.* v. *Haworth*, 300 U.S. 227, 240-41 (1937). In the absence of an immediate adverse effect on parties in a concrete situation, a dispute is too hypothetical for the proper exercise of the judicial function. *Longshoremen's Union* v. *Boyd*, 347 U.S. 222, 223-24 (1954).

The application of these general principles to the instant suit demonstrates that it readily meets the case or controversy requirement. The plaintiffs are challenging the current practices of the defendant as they affect the day-to-day operations of the CAAs. There is no doubt but that the directives of the defendant, in requiring the CAAs to phase out their operations and in setting a timetable for that purpose, have presented a judicially cognizable controversy that is having severe, intended, and immediate adverse consequences upon all the class plaintiffs in these suits. Moreover, the defendant has announced in Instruction 6730-3 that each CAA must decide by June 30, 1973, whether to continue in existence and notify OEO of that decision.

In determining whether a dispute has matured to the point at which it becomes a case or controversy, a court may look to the announced intentions of the defendant to take adverse action against a plaintiff. *Younger* v. *Harris*, 401 U.S. 37, 42 (1971). If a plaintiff is "either presently or prospectively subject to the regulations, proscriptions, or compulsions that he . . . [is] challenging," then he has presented a case or controversy for judicial resolution. *Laird* v. *Tatum*, 408 U.S. 1, 11 (1972). The plaintiffs here are subject to both presently effective orders and those which require them to take action in the future which they challenge as unlawful. The defendant has left no doubt of his intention to act in accord with those orders.

Surely it cannot be maintained that the plaintiffs must wait until the CAAs have gone out of existence before they may challenge acts of the defendant which they claim are illegal. Courts do not require that an injury be complete before they will adjudicate the issues. The present case is no abstract disagreement over policies which have not as yet affected the plaintiffs in a concrete way. The controversy is so concrete that a delay in judicial consideration would work extreme hardship on the plaintiffs. *Cf. National Automatic Laundry & Cleaning Council* v. *Shultz*, 143 U.S. App. D.C. 274, 443 F. 2d 689 (1971).

In rebuttal the defendant argues that no case or controversy can exist until Congress appropriates money for OEO to operate in fiscal 1974. The plaintiffs, however, do not argue that OEO must spend new funds in fiscal year 1974 which have not been appropriated. Rather they challenge as unlawful the current and announced practices of the defendant as they affect the plaintiffs today, even though those practices will affect them as well after June 30, 1973. In that context, this case is justiciable.

POLITICAL QUESTION

The defendant contends further that this case is not justiciable because it involves a political question. That theory is bottomed on the assumption that what the plaintiffs really ask of this Court is for it to interject itself between the Executive and Legislative branches of the federal government regarding the Executive budget proposals for OEO for fiscal year 1974. If that were the circumstance, the defendant would clearly be correct. But the Court holds that not to be the circumstance and that this case does not present a nonjusticiable political question.

As will be elaborated in the discussion of the merits of this case, the plaintiffs are challenging the defendant's exercise of his statutory powers as Acting Director of OEO as unlawful and in direct violation of certain statutory obligations. The plaintiffs do not seek to force Congress to appropriate any funds or to require the defendant to spend any funds which have not been appropriated. Rather they seek to enjoin the defendant from acting in a manner other than that consistent with laws already passed by the Congress and signed by the President. It is their contention that Congress has already spoken through law on the manner in which the OEO, and in particular the CAA program of OEO, must be operated and that the defendant is acting contrary to that mandate.

Therefore this dispute is one which readily is within the judicial power. It is the type of case which the federal courts regularly encounter and decide. *See, e.g., Ringer* v. *Mumford*, — F. Supp. — (D.D.C. 1973). Thus there is no problem with formulating "judicially discoverable and manageable standards for resolving" the dispute. *Powell* v. *McCormack*, 395 U.S. 486, 518 (1969), *quoting Baker* v. *Carr*, 369 U.S. 186, 217 (1962). Briefly, the Court must determine whether an executive official is following the explicit mandates of the Congress and the Constitution, which is the judicial function in our tripartite government. *Baker* v. *Carr, supra*, at 211. *Cf. Marbury* v. *Madison*, 5 U.S. (1 Cranch) 137 (1803).

No problem of a clear textual commitment to another branch of government of the matter under consideration here is present. *Powell* v. *McCormack, supra*, at 518; *Baker* v. *Carr, supra*, at 211, 217. The textual commitment most apposite to the instant case is that of the President under Article II, section 3, of the Constitution to "take Care that the Laws be faithfully executed." The plaintiffs claim that the defendant, an executive official, is in violation of his duties under 42 U.S.C. § 2808 (1970) to implement the Economic Opportunity Act, in particular as last amended by the Congress. No nonjusticiable political question is presented in this case.

SOVEREIGN IMMUNITY

The defendant argues that in reality these are unconsented suits against the United States which must be dismissed because of sovereign immunity. In support of this theory, it is contended that enjoining the defendant would be a judgment which would draw upon the Treasury because it would require the expenditure of funds not yet appropriated, and further that it would interfere with the public administration of the laws. Thus the well known rule that a suit nominally against a government official is in actuality an unconsented suit against the United States would require dismissal. *Land* v. *Dollar*, 330 U.S. 731, 738 (1947).

The defendant would be right if the characterization of the issues were correct. But this argument proceeds on a fundamentally incorrect premise. The relief which the plaintiffs seek would not be a drain on the public purse. No injunction to spend unappropriated funds is sought. What the plaintiffs do demand is that the defendant be enjoined from acting in a manner which violates his statutory duties under the Economic Opportunity Act or that he be declared to be acting unconstitutionally. Thus this suit clearly falls within the exception to the doctrine of sovereign immunity which allows suits against federal officials who have allegedly acted beyond their statutory powers or have exercised their statutory powers in a constitutionally void manner. *Dugan* v. *Rank*, 372 U.S. 609, 621-22 (1963); *Larson* v. *Domestic & Foreign Corp.*, 337 U.S. 682, 689 (1949).[6] Even though a judgment of this Court will require that funds be expended in its implementation, there is no draw upon the public treasury. It is undisputed that Congress has appropriated monies for the operation of OEO through June 30, 1973. Pub. L. No. 92-607, 86 Stat. 1503. Therefore any order of this Court requiring the defendant to act in accordance with the mandate of Congress would draw upon funds appropriated for that purpose.

Sovereign immunity has also been waived in a second manner. Jurisdiction in this suit is partially based on the review of administrative action pursuant to the Administrative Procedure Act, 5 U.S.C. §§ 701-06 (1970). In cases in which the Administrative Procedure Act is applicable, it is the law of this Circuit that that Act serves as a waiver of sovereign immunity. *Scanwell Laboratories, Inc.* v. *Shaffer*, 137 U.S. App. D.C. 371, 385, 424 F.2d 859, 873 (1970); *Constructores Civiles de Centroamerica, S.A.*, v. *Hannah*, 148 U.S. App. D.C. 159, 459 F.2d 1183 (1972). As the Court of Appeals recently held in *Knox Hill Tenant Council* v. *Washington*, 145 U.S. App. D.C. 122, 129, 448 F. 2d 1045, 1052 (1971):

> "There is nothing new about judicial entertainment of suits which charge that federal officials are acting outside of, or in conflict with, the responsibilities laid upon them by the Congress or the Constitution. Whether such charges are true, and, if so, what remedial action the court should or may direct, are questions partaking of the merits, and not of jurisdiction to explore the merits." (Footnote omitted.)

Thus this court has jurisdiction to interfere with the public administration in cases in which it is charged that the administrator has violated his statutory and constitutional responsibilities.

STANDING IN LOCAL 2677 AND NATIONAL COUNCIL

The plaintiff OEO employees in *Local 2677* and *National Council* complain of the defendant's actions in terminating CAA funding and functions as an unlawful exercise of

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Footnotes at end of article.

his statutory powers as Acting Director of OEO and as violative of the Reorganization Act, 5 U.S.C. §§ 901–13 (1970). They argue that the abolition of OEO itself, the avowed goal of the defendant, see *supra,* will adversely affect them in that they will be and are losing their jobs either through reductions in force or outright firings. The defendant argues that the unions lack standing to assert these claims on behalf of their employees and that, in any event, they have failed to exhaust their administrative remedies and thus are precluded from bringing suit at this time. These contentions are without merit and the Court finds that the union plaintiffs in *Local 2677* and *National Council* have standing and are not barred by the doctrine of exhaustion of remedies.

No general discussion of the evolving law of standing is needed to demonstrate that the union plaintiffs have asserted the required claim of injury in fact to an interest arguably within the zone of interests to be protected or regulated by the statutes which they claim the defendant is not carrying out. *See Sierra Club* v. *Morton,* 405 U.S. 727, 733 (1972). The loss of jobs is certainly a claim of injury in fact. Although the union plaintiffs may not be the primary intended beneficiaries of the statutes which they claim the defendant's actions violate, they need only be intended beneficiaries to have standing. *Constructores Civiles de Centroamerica, S.A.* v. *Hannah,* 148 U.S. App. D.C. 159, 165, 459 F. 2d 1183 (1972); *Peoples* v. *United States Department of Agriculture,* 138 U.S. App. D.C. 291, 293, 427 F. 2d 561, 563 (1970). The plaintiffs' interest in continued employment is one that the statutory and constitutional provisions which they claim are being violated were intended to protect.

This case is strikingly analogous to *Lodge 1858, A.F.G.E.* v. *Paine,* 141 U.S. App. D.C. 152, 436 F. 2d 882 (1970). In *Lodge 1858* the Court of Appeals held that civil service employees of the National Aeronautical and Space Administration (NASA) through their union had standing to contest as violative of a statute the action of the NASA administrator in hiring outside workers at a federal installation. The statute placed specific limitations on the administrator in using outside workers. The situation is the same in the instant case. The union plaintiffs assert that their members will lose their jobs because their administrator, the defendant, is acting outside the scope of his statutory authority.

Lodge 1858 also dictates that this case not be dismissed for failure to exhaust administrative remedies. The exhaustion requirement contemplates an effective remedy before it comes into play. In *Lodge 1858,* the employees could not challenge the statutory validity of the outside contracts in a civil service proceeding and thus it would have been futile to require them to exhaust that "remedy" before challenging the administrator's action in court. In the present case, it would likewise be outside the scope of civil service authority to determine whether the defendant was acting within his statutory duties in terminating the CAA function of OEO and OEO itself. *Id.* at 166–67, 436 F.2d at 896–97.

Having rejected the defenses to jurisdiction of the defendant as inapplicable to the present proceeding, the Court now turns to the substantive consideration of the plaintiffs' claims.

TERMINATION OF CAA FUNDING AS VIOLATIVE OF THE ECONOMIC OPPORTUNITY ACT OF 1964, AS AMENDED

As set forth earlier,[7] on January 29, 1973, President Nixon submitted his 1974 Budget Message to Congress. The budget message requests that no funds be appropriated OEO in fiscal year 1974. CAA functions are to be transferred to local agencies through the use of special revenue sharing. The existence of OEO as a federal agency is to cease. On the same date, the defendant issued a memorandum to all OEO regional offices, rearding the "termination of section 221 [CAA, 42 U.S.C. § 2808 (1970)] funding."[8] Before discussing this termination program in more detail, a brief outline of the CAA function of OEO will help place this controversy in the proper perspective.

A CAA is a state, a political subdivision of a state, a combination of political subdivisions, or a public or private nonprofit agency formally designated as a CAA by a state or appropriate political subdivision. The CAA designation is official for purposes of receiving funds and administering programs upon ratification by the Director of OEO. 42 U.S.C. § 2790 (1970).

After official designation, a CAA is the local apparatus for citizen participation in the policy planning and implementation of the community action programs (CAP) which "includes . . . a sufficient number of projects or components to provide . . . a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem." 42 U.S.C. § 2790(a)(1) (1970).

In addition, a CAA must carry out the purposes of the Act in conformity with criteria prescribed by the OEO Director. Each CAA plans and administers its programs through a board composed of elected public officials, community leaders, and democratically selected representatives of the poor in the area served by the CAA.

Section 221 of the Act, 42 U.S.C. § 2808 (1970) grants local initiative funds to each CAA to plan and implement its own unique combination of antipoverty programs. Thus any individual CAA may decide to use its funds for locally determined priorities, such as health care or manpower training. CAAs typically administer their programs through a network of neighborhood centers that provide the opportunity for close contact with, and participation by the intended beneficiaries of the program. OEO grants to CAAs are on a yearly basis, with provisions for termination, suspension, or certain reductions in fundings to any individual CAA. 45 C.F.R. §§ 1067.1, 1067.2 (1972).

In addition, CAAs are eligible to apply for grants from OEO under section 222 of the Act, 42 U.S.C.A. § 2809, to fund specific antipoverty programs, such as legal services, comprehensive health services, and alcoholic counseling and recovery. Section 222 also enables CAAs to receive funds to administer programs under the Act funded by other federal agencies, such as Headstart preschool and elementary funds from the Department of Health, Education, and Welfare, and several work training and employment programs funded by the Department of Labor. Official designation as a CAA entitles it to receive funding from different federal departments for certain programs under the Act on a priority basis. If funds are available for the program in the area served by the CAA, the CAA receives the funds automatically in preference to other potential recipients. Section 221 funds typically pay the overhead on facilities that are used to dispense those other services for which CAAs may obtain OEO and other federal funds.

In September 1972, the Congress passed the Economic Opportunity Amendments of 1972, Pub. L. No. 92–424, 86 Stat. 688, and that Act was signed into law by the President. Section 2(a) of the Amendments authorized and directed the continuance of the CAP program, as administered by CAAs, through the end of fiscal year 1975. 42 U.S.C.A. § 2837.[9] Section 3(c)(2) of the Amendments, note 5, *supra,* authorized and earmarked certain funding levels for section 221 programs through June 30, 1974. Finally, section 28 of the Amendments (42 U.S.C.A. § 2942 note) provides that—

"Notwithstanding the provisions of section 606(d) of the Economic Opportunity Act of 1964, the Director of the Office of Economic Opportunity shall not delegate his functions under section 221 and title VII of such Act to any other agency."[10]

The January 29, 1973, memorandum *of the* defendant Phillips instructed all grantees of funds under section 221 that they must begin phasing out their programs because the fiscal year 1974 budget does not provide any funds for section 221 grants. Grantees which were scheduled for refunding between that date and June 30, 1973, and which were otherwise qualified for refunding,[11] would receive phase-out grants only of up to six months' duration. Section 221 grantees with current funding scheduled to expire after July 1, 1973, would receive no further grants and would be required to use the current grant to phase out their operations. No funds at all would be available to any CAA after December 31, 1973.

OEO Instruction 6730–3, issued March 15, 1973, is more explicit in its terms regarding phase-out activities of CAAs. The instruction directs, at page 1, that—

"No costs chargeable to Section 221 grant funds shall be incurred except costs directly related to the orderly phase-out of the grantee's Section 221 activities, once the phase-out period commences (usually 45 to 90 days before the end of the grant period)."

Instruction 6730–3 requires that each section 221 grantee prepare a phase-out plan and budget conforming to the requirements of the instruction and submit it 120 days prior to the date of termination of section 221 funding. The failure of a CAA to submit that plan in an acceptable form will lead to summary suspension and the stoppage of further checks from OEO. The phase-out plan is required to be in great detail, and a checklist is provided, with different aspects of the phase-out plan to be accomplished at set times before the section 221 grant expires. Extensions are unavailable even if funds remain unexpended at the end of the funding period.

The phase-out plan is to provide for the progressive release or reassignment of personnel. Accrued leave and termination pay, social security and withholding taxes are to be paid out of remaining funds. All personal property both of the CAA and the federal government is to be inventoried 150 days prior to the termination of the grant period. Leases are to be paid and terminated. CAA records are to be indexed and forwarded to OEO. Fourteen pages of checklists and further specific instructions follow the eleven pages which detail the phase-out method described above. Under this state of facts, the Court is compelled to find that the defendant is terminating the CAA function of OEO and that CAAs are being required to use their funds to phase out their programs rather than carry out their purposes under section 221 of the Act.[12]

The plaintiffs claim that the defendant's program to terminate OEO's CAA function now is unlawful because the Congress last fall in section 2(a) of the 1972 Amendments, note 10, *supra,* provided that the Director of OEO "shall" carry out section 221 programs through June 30, 1975. The plaintiffs acknowledge that if Congress fails to provide funds for OEO to operate after June 30, 1973, either by continuing resolution or an appropriation, the defendant has no obligation to spend any money. But they argue that until funds do expire on June 30, 1973, the defendant is bound to operate OEO as before January 29, 1973, through the duty imposed upon the President under Article II, section 3, to "take Care that the Laws be faithfully executed." The plaintiffs construe the defendant's obligation under section 2(a) of the

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1972 Amendments to continue to operate section 221 programs to be to carry out section 221 functions until either no funds are left or Congress terminates the program. This would entail the continued refunding of CAAs as before, contingent upon funds being appropriated for actual expenditure. In other words, CAAs would operate as before, including the reprocessing of grants, and cease operation only if funds actually do not become available.

The defendant contends that because the budget message of the President, as the latest assessment of national needs and priorities, requests no funds for OEO to operate after June 30, 1973, the fiscally responsible course for the defendant to undertake is to phase out the CAA program that will be out of existence on July 1, 1973. In support of this theory, the defendant cites the general proposition of the law with which the plaintiffs are in total agreement—that the defendant cannot be forced to spend any funds which have not yet been appropriated. The defendant, however, goes on to argue that once the President has submitted his budget to the Congress, a program administrator must look to that message. If no funds are proposed for his agency, it is his duty to terminate that agency's functions to effect the least "waste" of funds. Because the Court can find no support for this position in the budget act, the OEO act, the history of OEO appropriations, or the Constitution itself, the Court finds for the plaintiffs on this count.

The Budget and Accounting Act of 1921, 42 Stat. 20, was the original legislation which required that the President submit a proposed budget at the beginning of each session of Congress. The pertinent section of that Act, as amended, requires that—

> "(a) The President shall transmit to Congress during the first fifteen days of each regular session, the Budget, which shall set forth his Budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine—
>
> * * * * *
>
> "(5) estimated expenditures and *proposed appropriations* necessary in his judgment for the support of the Government for the ensuing fiscal year."

31 U.S.C. § 11(a)(5) (1970) (emphasis added).

There is no question both from the text of the Act and the legislative history [13] that the budget is nothing more than a proposal to the Congress for the Congress to act upon as it may please. No citation of authority is required to show that the Congress not infrequently acts contrary to its requests.

The defendant nevertheless argues that until an appropriations bill for OEO is passed, substantive obligations regarding fiscal responsibility imposed on him by 42 U.S.C. §§ 2835(a) and (d) (1970) require that he terminate the CAA functions now before funds are exhausted. The remaining section 221 funds, he argues, could be spent in a more fiscally responsible manner in winding up the affairs of the soon to be defunct CAAs than in keeping section 221 programs functioning. Neither section cited lends any support to that thesis. Section 2835(a) concerns the responsibility of the OEO Director to insure the fiscal integrity of CAAs through the establishment of proper accounting procedures. Section 2835(d) on its face requires the Director to take action "to promote the continuity and coordination of all . . . [section 221] programs . . . including provision for the periodic programming and supplementation of assistance previously provided."

Termination of the CAA function because no appropriation bill had yet been passed and no funds were requested in the budget would not be in keeping with the obligations to maintain fiscal responsibility as those obligations are defined by the Act itself. Those obligations are clearly intended to insure the fiscal responsibility of an ongoing program.

Moreover, if the defendant were correct in his argument, it would have been the responsibility of every OEO Director to terminate the section 221 program before the end of the fiscal year. Since its inception in 1964, Congress has never funded OEO prior to the end of the fiscal year. The average date of the appropriation bill has been the following November, and the OEO appropriation bill for fiscal year 1970 was not passed until March 5, 1970, less than four months prior to its termination.[14] Assuming, as the defendant argues, that a fiscally responsible administrator must terminate programs under his supervision in the absence, as here, of either an appropriation or a budget request for funds, any program from OEO to agricultural crop subsidies, could be terminated by the Executive by not requesting any funds in the budget to continue its operation. That construction would in effect give the President a veto power through the use of his budget message, a veto power not granted him by Article I, section 7, of the Constitution.

In defense of this position, the defendant argues that once the President makes known his disapproval of a program through his budget message, the Congress can act to preserve that authorized program by passing an appropriation bill which would force the President to continue the program. This argument, even if it were valid in a situation in which the authorization bill for a program expired at the end of the program's appropriation, an argument of doubtful validity, cannot legitimize the defendant's actions here in the face of the multiple year authorization of sections 2(a) and 3(c)(2) of the 1972 Amendments, notes 5 and 9, *supra.*[15]

Congress, by its use of a multiple year authorization, has indicated its intent that the CAA function of OEO continue for at least that period of time. Moreover, in passing the 1972 Amendments which contained that multiple year authorization, the Congress found that the CAA program in particular should continue. The House Committee on Education and Labor, in reporting out the bill which was enacted as the 1972 Amendment was "convinced that the community action concept has matured and met the test of practice and time."

* * * * *

"[The Committee] intend[s] that . . . there be no diminution in program levels for local initiative."—H.R. Rep. No. 92-815, 92d Cong., 2d Sess. 14, 15 (1972).

The Senate Committee on Labor and Public Welfare was equally impressed with the CAA program:

"The committee was especially impressed in the hearings at the demonstration of maturity, sophistication, and competence by community action agencies and their spokesmen.

"The 930 community action agencies around the country . . . are the very heart of the War on Poverty."—S. Rep. No. 92-792, 92d Cong., 2d Sess. 9-10 (1972).

In addition, both reports detail the praise civic groups have had for CAAs, and recite many of their accomplishments. The clear Congressional intent of the multiple year authorization was that the program continue, especially in the light of the late appropriations process that has been detailed earlier. The multiple year authorization enables the Congress to evidence its intent to continue to fund a program (with the option to terminate it if it so pleases) without being forced to make that intent known by appropriating funds before the end of the fiscal year.

In effect the defendant argues that by use of the budget message the Executive can force the Congress to legislate to keep an authorized program from terminating. The defendant contends further that he can use the funds appropriated by Congress to run section 221 programs to terminate them and force the Congress to act before the time that it has set for itself (June 30, 1973) to act on appropriating the funds as allowed by the authorization. Thus the Executive would effectively legislate the termination of section 221 programs before Congress has declared that they shall end. Article I, section 1, of the Constitution vests "[a]ll legislative powers" in the Congress. No budget message of the President can alter that power and force the Congress to act to preserve legislative programs from extinction prior to the time Congress has declared that they shall terminate, either by its action or inaction.

The defendant concedes at pages 22–23, note 5, of his original memorandum that the OEO Director is under an obligation to carry on programs in any year in which funds are appropriated. That is all the plaintiffs seek here—that the defendant carry on section 221 programs through fiscal 1973, and not terminate them, as this Court has found that the defendant is doing.

An authorization does not necessarily mean that a program will continue. Congress, of course, may itself decide to terminate a program before its authorization has expired, either indirectly by failing to supply funds through a continuing resolution or appropriation, or by explicitly forbidding the further use of funds for the programs, as it did in the case of the supersonic transport.[16] But Congress has not chosen either of these courses, although it may in the future. Until that time, historical precedent, logic, and the text of the Constitution itself obligate the defendant to continue to operate the section 221 programs as was intended by the Congress, and not terminate them.[17]

The conclusion that the Executive must continue to operate an authorized program until the funds expire or Congress declares otherwise is supported, although not conclusively, by the sparse case law which relates even tangentially to the problem. As has been suggested by commentators on the related question of presidential impoundment of appropriated funds, not even remotely relevant cases are directly in point.[18] But the case law must be discussed for completeness, and for the light it does shed on the issues.

The starting point of any case analysis must be *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579 (1952), the *Steel Seizure Case*, the leading case on the constitutional division of power between the President and the Congress. In 1952 President Truman ordered the Secretary of Commerce to seize the nation's steel mills and operate them on behalf of the United States to prevent what he believed would be a disastrous strike during the Korean War. The mills cooperated, although under protest, and challenged the action in the federal courts.

By a 6–3 vote, the Supreme Court affirmed the decision of the District Court holding the seizure unlawful. 103 F. Supp. 569 (D.D.C. 1952). Mr. Justice Black wrote for the majority that authorization for the President's actions must stem either from an act of Congress or from the Constitution itself." 343 U.S. at 585. Finding no such authorization, the seizure was invalid. As the defendant contends in the instant case, the President attempted to justify his actions on the provisions of Article II that the "executive power shall be vested in a President," and that "he shall take Care that the Laws be faithfully executed." The Court held:

"Nor can the seizure order be sustained because of the several constitutional provisions that grant executive power to the President. In the framework of our Constitution, the President's power to see that the laws are

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faithfully executed refutes the idea that he is to be a lawmaker. The Constitution limits his functions to the recommending of laws he thinks wise and the vetoing of laws he thinks bad. And the Constitution is neither silent nor equivocal about who shall make laws which the President is to execute. . . .

* * * * *

"The Constitution does not subject this law-making power of Congress to presidential . . . supervision or control.

* * * * *

The Founders of this Nation entrusted the lawmaking power to the Congress alone in both good and bad times." *Id.* at 587–89.

In the instant case the defendant claims that the President's assessment of the needs of the nation through his budget message requires him, as Acting Director of OEO, to exercise his responsibility to the fiscal integrity of OEO and terminate section 221 programs despite the Congressional mandate to continue them. Although the language of the Court quoted from the *Steel Seizure Case* is strong precedent for this Court's earlier conclusion that the budget message cannot have the effect of law, the opinion is not conclusive on the precise justification of fiscal responsibility the defendant has urged here. The defendant's action may be "within the gloss on 'executive power' " from long precedent found in Mr. Justice Frankfurter's concurrence, *id.* at 610–11.

But the executive power claimed by the defendant is more than a mere gloss. As the Court has found earlier, if the power sought here were found valid, no barrier would remain to the executive ignoring any and all Congressional authorizations if he deemed them, no matter how conscientiously, to be contrary to the needs of the nation. Historical precedent provides evidence that multiple year authorizations indicate Congressional intent that a program continue. The Constitution cannot support such a gloss and still remain a viable instrument.

The defendant really argues that the Constitution confers the discretionary power upon the President to refuse to execute laws passed by Congress with which he disagrees. In *Kendall* v. *United States,* 37 U.S. (12 Pet.) 524 (1838), the Supreme Court held that the Postmaster General could not refuse to pay a contractor for services rendered once Congress has specifically directed payment. Once again, the duty of the President to faithfully execute the laws cited in behalf of the refusal. The Court held that that "principle, which if carried out in its results, to all cases falling within it, would be clothing the president with a power entirely to control the legislation of congress, and paralyze the administration of justice," *Id.* at 613. In subsequent cases the Court continued to hold that the executive could not ignore a legislative directive to make payment to a particular person. *United States* v. *Louisville,* 169 U.S. 249 (1898); *United States* v. *Price,* 116 U.S. 43 (1885). *See also Spaulding* v. *Douglas Aircraft Co.,* 60 F. Supp. 985, 988 (S.D. Cal. 1945), *aff'd,* 154 F.2d 419 (9th Cir. 1946).

In the present case, the Congress has not directed that funds be granted to any particular CAA. The OEO Director has been granted discretion in the disbursing of funds so as to effectuate the goals of the program. 42 U.S.C. § 2808 (1970). But discretion in the implementation of a program is not the freedom to ignore the standards for its implementation. *Citizens to Preserve Overton Park* v. *Volpe,* 401 U.S. 402, 411 (1971). Likewise when discretion in spending appropriated funds is removed by law, an administrator must comply and spend those funds. *State Highway Commission of Missouri* v. *Volpe,* 347 F. Supp. 950 (W.D. Mo. 1972), *aff'd,* — F.2d —, No. 72–1512 (8th Cir., Apr. 2, 1973).[19] An administrator's responsibility to carry out the Congressional objectives of a program does not give him the power to discontinue that program, especially in the face of a Congressional mandate that it shall go on.

In *State Highway Commission of Missouri* v. *Volpe,* — F. 2d —, No. 72–1512 (8th Cir., Apr. 2, 1973), the Eighth Circuit recently held that the Secretary of Transportation could not impose contract controls on (impound) funds for state highway programs for reasons outside those standards which the Congress had established for the approval or disapproval of the programs. Writing for the majority, Circuit Judge Lay held:

"To reason that there is implicit authority within the Act to defer approval for reasons totally collateral and remote to the Act itself requires a strained construction which we refuse to make. It is impossible to find from these specific grants of authority discretion in the Secretary to withhold approval on projects Congress has specifically directed because of a system of priorities the Executive chooses to impose on all expenditures. The Congressional intent is that the Secretary may exercise his discretion to insure that the roads are well constructed and safely built at the lowest possible cost, all in furtherance of the Act, but when the impoundment of funds impedes the orderly progress of the federal highway program, this hardly can be said to be favorable to such a program. In fact, it is in derogation of it. It is difficult to perceive that Congress intended such a result." Slip Opinion at 24.

In the instant case the Director of OEO has discretion in funding individual CAAs under section 221 itself, subject to conditions imposed by lawful regulations. The Director further must establish controls to insure the financial responsibility of CAAs. 42 U.S.C. § 2835 (1970). But these provisions to insure the functional and fiscal integrity of an ongoing section 221 program do not give the Director the discretion to halt that section 221 program for reasons unrelated to the purposes of the Economic Opportunity Act. That construction of the Act, in the face of the Congressional mandate of 42 U.S.C.A. § 2837 that section 221 programs shall continue, is no less strained than the construction which the Court rejected in *State Highway Commission.*

As one commentator has framed the issue in the impoundment context:

"The expenditure process is one in which administrators must enjoy substantial discretion in exercising judgment and in taking responsibility for those actions, but those actions ought to be directed toward executing Congressional, not administrative, policy. It is up to Congress to make that policy clear and consistent." [20]

Congress has told the Director of OEO through its authorization that it intends that section 221 programs continue. Until Congress changes that command, the defendant is bound to honor it.

Counsel for the defendant urged at oral argument that unless the defendant ignored that Congressional command and terminated section 221 programs, financial chaos would result on July 1, 1973, if the Congress failed to include OEO in a continuing resolution or pass an appropriation bill. This Court will not presume that Congress will act in such an irresponsible manner, any more than it assumes that the defendant is acting in bad faith in his assertion of the duty of terminate section 221 funding. But Congress has shown how the problem posed by counsel for the defendant would be solved in its past action terminating funding for the SST program, *supra,* at note 16. Funds were appropriated "[f]or expenses, not otherwise provided for, necessary for the termination of development of the civil supersonic aircraft and to refund the contractors' cost shares, $97,300,000, to remain available until expended." Pub. L. No. 92–18, 85 Stat. 40. Thus, when Congress orders that a program go forth and later changes its mind, it is for the Congress in the responsible exercise of its legislative power to make provisions for termination. Until those provisions are made, the function of the Executive is to administer the program in accord with the legislated purposes.

TERMINATION OF CAA FUNDING AS VIOLATIVE OF THE REORGANIZATION ACT

Another theory argued by the plaintiffs in support of their complaints is that the actions of the defendant Phillips in terminating section 221 funding are violative of the Reorganization Act, 5 U.S.C. §§ 901–13 (1970). The Court finds for the plaintiffs on this count, for reasons set forth below. This finding is independent of that regarding the defendant's duty not to terminate section 221 funding under his responsibility to administer the program, and constitutes a separate ground for this Court's decision.

As has been discussed in detail, *supra,* the defendant has announced plans to terminate section 221 funding and the OEO as a separate federal agency. Steps have already been taken to implement that plan, and as the extensive affidavits filed by the plaintiffs in *West Central* demonstrate, that termination effect is already being felt by CAAs. The Court repeats its earlier finding that the defendant is terminating or abolishing the section 221 function of OEO.

The Reorganization Act of 1949, as amended, 5 U.S.C. §§ 901–13 (1970) is a broad delegation of authority by Congress to the President to initiate and propose changes in the organization and functions of the Executive branch. The Act is in part a Congressional recognition that an essential element of any legislative program is the organization and characteristics of the executive agencies that administer that program. 5 U.S.C. § 901(b).

The purposes of a reorganization as set forth in section 901(a) of the Act are generally to promote the more efficient management of executive branch functions, *economy,* or the elimination of duplication of effort. Sections 903(a) (2) and (6) go on to provide that—

"(a) When the President, after investigation, finds that—

* * * * *

"(2) the abolition of all or a part of the functions of an agency; [or]

* * * * *

"(6) the abolition of the whole or a part of an agency which agency or part does not have, or on the taking effect of the reorganization plan will not have, any functions;

"is necessary to accomplish one or more of the purposes of section 901(a) * * *, he shall prepare a reorganization plan for the making of the reorganizations as to which he has made findings and which he includes in the plan, and transmit the plan . . . to Congress. . . ."

The reorganization plan takes effect without further action unless either House of Congress passes a resolution within 60 days of transmittal stating in substance that that House does not favor the reorganization plan. 5 U.S.C. § 906(a). The Act further outlines the procedures to be followed if either House passes such a resolution.

This Court has found that the defendant's directives require the use of section 221 funds for phase-out purposes and forbid their use for any other purposes, including the implementation of section 221 programs. Thus the section 221 function has already been abolished. The defendant has stated unequivocally that the CAA function and OEO itself will cease on or before June 30, 1973, and that his plans are to reach that goal by April 28, 1973. Moreover the defendant has evidenced clear reliance on the budget message of the President as justification for that plan. The budget message, note 4 *supra,* states that the President proposes

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that the CAA function and OEO shall cease to exist. As found earlier, the Court must conclude that the program of the defendant is terminating or abolishing the CAA function and OEO itself. Section 903(a) of the Reorganization Act requires that a reorganization plan be submitted to the Congress before the abolition of that function or the agency itself can take place. Thus in the absence of any contrary legislation, the defendant's plans to terminate the CAA function and the OEO itself are unlawful as beyond his statutory authority.

The defendant argues that section 602(d) of the Economic Opportunity Act, 42 U.S.C. § 2942(d) (1970) quoted in note 10 *supra*, provides the defendant with the statutory authority to transfer many OEO functions to other agencies. Although this is correct, the defendant himself concedes that Section 602(d) provides no basis for the transfer not only of section 221 and CED functions by reason of section 28 of the 1972 Amendments to the Act,[21] but also of the legal services program, 42 U.S.C. § 2809(a)(3) (1970), because of a 1969 amendment to the Act.[22] Defendant's Opposition to Plaintiffs' Cross-Motions for Summary Judgment at 13. Moreover, the legislative history of the 1972 Amendments demonstrates the Congressional intent that neither section 221 nor CED functions can be transferred without using the Reorganization Act procedures.[23]

The defendant nevertheless argues that he has not proposed that section 221 funding be delegated to any other agency but rather that it be terminated and that the prohibition of section 28 does not apply. Even if that argument were valid section 602(d) would still provide no basis for bypassing the Reorganization Act because it allows only the delegation of a function, not its abolition. Moreover, to read section 28 as allowing the termination of section 221 funding although forbidding its delegation to another agency would be unreasonable in the light of the clearly expressed Congressional intent that section 221 funding be carried on, *supra*.

The defendant plans to abolish OEO as an agency because it will no longer have any functions to carry out. Assuming for the moment that the defendant were to accomplish this by delegating all OEO functions but legal services and CED under section 602(d), as he plans, and to transfer those to other agencies through substantive legislation, as he plans,[24] the defendant would still be in violation of the Economic Opportunity Act. Section 602(d), note 10 *supra*, requires that programs may be delegated "subject to provisions to assure the maximum possible liaison" between OEO and the other agency. No such liaison could be maintained if OEO were no longer in existence.[25] Moreover, Congress itself in the original Act recognized that section 602(d) could not be used to transfer the entire OEO by providing for a total transfer in section 601, 42 U.S.C. § 2941(b) (1970):

"(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 [now 5 U.S.C.A. § 905(b), under which the President's power to initiate a reorganization plan expired April 1, 1973], at any time after one year from August 20, 1964 the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate."

Therefore the Court finds that the termination of section 221 funding by the defendant is violative of the provisions of the Reorganization Act and beyond his statutory power and will be enjoined as unlawful.[26]

PUBLICATION OF DIRECTIVES IN THE FEDERAL REGISTER

The plaintiffs rely on an additional theory for declaring the actions of the defendant in terminating section 221 funding to be unlawful. Section 22 of the 1972 Amendments to the Economic Opportunity Act, 42 U.S.C.A. § 2971b provides:

"All rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this chapter [the OEO Act] shall be published in the Federal Register at least thirty days prior to their effective date."

It is conceded by the defendant that the January 29, 1973, and March 15, 1973, directives on the termination of section 221 funding, *supra*, have never been published in the Federal Register, although the defendant claims that the latter has been prepared for publication. The Court holds that until section 2971b has been complied with, the directives of the defendant are illegal as issued beyond the defendant's statutory authority.

The defendant argues that section 2971b does not mean that OEO regulations must be published for 30 days before they may take effect if all those affected by those regulations have notice of those regulations or if the regulations were issued in emergency situations or if the documents have been prepared for publication but are unpublished. The statute, however, does not provide for any of those contingencies. It says that all regulations "shall" be published 30 days prior to their effective date. No clearer expression could have been used by the Congress to indicate that OEO regulations would not be effective until 30 days after their publication.

The defendant has published several regulations in the Federal Register. The first, OEO Regulation 1067, published at 38 Fed. Reg. 6894 (March 14, 1973), deals with control of cash by grantees and grant processing and funding procedures essentially in accord with the January 29, 1973 memorandum, *supra*. The different subparts of this regulation purport to be effective February 8, February 9, and March 1, 1973. But, assuming that those regulations were issued to accomplish a legally authorized purpose, section 2971b prescribes that they would become effective 30 days after publication and not upon the date the Acting Director chooses in the regulation. Thus these regulations, if they were otherwise valid, are ineffective until 30 days have elapsed from the date of their publication.[27] The second published regulation, OEO Regulation 1069.3–5, 38 Fed. Reg. 7117 (March 16, 1973) restricts travel by CAA employees with OEO grant funds without permission from the Acting Director. That regulation purports to be effective March 16, 1973, the date of its publication. Enforcement of that regulation before 30 days have elapsed would clearly be contrary to the command of section 2971b and thus beyond the defendant's authority and unlawful.

Thus, even assuming that their subject matter is a proper implementation of the section 221 program, the Court holds that the OEO instructions issued January 29, 1973, and March 15, 1973, are void and of no consequence until the required 30 days have elapsed from the date of publication. *See Piercy* v. *Tarr*, 343 F. Supp. 1120, 1127–28 (N.D. Cal. 1972); *Gardiner* v. *Tarr*, 341 F. Supp. 422, 435 (D.D.C. 1972).

As stated in note 1 *supra*, the plaintiffs in *National Council* have also named Roy L. Ash, Director of OMB, as a defendant. The original complaint alleged that Ash was impounding funds appropriated by Congress for OEO, contrary to his legal obligations. Because no showing has been made by the plaintiff on this issue, defendant Ash's motion to dismiss will be granted.

An appropriate Order will be entered with this Opinion granting the plaintiffs' cross-motions for summary judgment and related relief. Defendant Ash's motion to dismiss is granted. Defendant Phillips' motion to dismiss or for summary judgment is denied.

WILLIAM B. JONES.

Date: April 11, 1973.

FOOTNOTES

[1] The complaint in *National Council* also names Roy L. Ash, Director of the Office of Management and Budget, as a defendant. Because the essential allegations in the consolidated cases go to the actions of defendant Phillips, the defendants will be referred to collectively as defendant or Phillips.

[2] References to plaintiffs will hereinafter include the plaintiffs in all three cases unless otherwise specified.

[3] *See generally* Note, *Voluntary Dismissal by Order of Court—Federal Rules of Civil Procedure Rule 41(a)(2) and Judicial Discretion,* 48 Notre Dame Law. 446 (1972).

[4] The Budget of the United States Government, Fiscal Year 1974 at 122.

[5] Sec. 3(c)(2), Pub. L. No. 92–424, 86 Stat. 688 (1972), reads in pertinent part:

"Not withstanding any other provision of law, unless expressly in limitation of the provisions of this section, of the amounts appropriated . . . for the fiscal year ending June 30, 1973, and for the succeeding fiscal year, the Director of the Office of Economic Opportunity shall for each such fiscal year reserve and make available not less than $328,900,000 for programs under section 221 of the Economic Opportunity Act of 1964. . . ."

The plaintiffs no longer question the defendant's assertion that he has complied with his duty to reserve and make available those funds to CAAs, although not necessarily for programs under section 221.

[6] At oral argument on the cross-motions for summary judgment, counsel for the defendant contended that any relief entered against defendant would be affirmative in nature and violative of the dictum of Larson v. Domestic & Foreign Corp., 337 U.S. 682, 691 n. 11 (1949), questioning the availability of such relief. Transcript at 27–28. Although the dictum of *Larson* has not been followed universally, *see* Rockbridge v. Lincoln, 449 F. 2d 567, 573 (9th Cir. 1971), there is no need to reach that issue in the present case. First, the relief sought is not affirmative. The plaintiffs seek to enjoin the defendant from failing to carry out his statutory obligations. *Cf.* East Oakland-Fruitvale Planning Council v. Rumsfeld, 471 F. 2d 524, 530 n. 5 (9th Cir. 1972). Second, as is discussed *infra*, sovereign immunity has been waived not only through the allegation of illegal official action, but also through the Administrative Procedure Act. Section 706 of that Act authorizes affirmative relief to be granted.

[7] See text accompanying note 4, *supra*.

[8] The defendant issued the memorandum of January 29, 1973, even before he was appointed Acting Director of OEO. 9 Weekly Comp. Pres. Docs. 122 (1973). That memorandum has in essence been succeeded by Instruction 6730–3 of March 15, 1973, issued after Phillips was appointed. The Court for reasons set forth below, declares the January 29, 1973, and March 15, 1973, memoranda of Instructions invalid and enjoins their implementation.

[9] 42 U.S.C.A. § 2837 provides:

"The Director [of OEO] shall carry out the programs provided for in this subchapter during the fiscal year ending June 30, 1967, and the eight succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."—CAAs and CAP are included within the subchapter reference of § 2837.

[10] Section 602(d) of the Act, 42 U.S.C. § 2942(d) (1970) provides:

"In addition to the authority conferred upon him by other sections of this chapter, the Director is authorized, in carrying out his functions under this chapter, to—

"'(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this chapter and, as necessary or appropriate, delegate any of his powers under this chapter and authorize the redelegation thereof subject to provisions to assure the maximum possible liaison between the Office of Economic Opportunity and such other agencies at all operating levels, which shall include the furnishing of complete operational information by such other agencies to the Office of Economic Opportunity and the furnishing of such information by such Office to such other agencies;'

"Title VII, which along with section 221 is prohibited from transfer by section 28, establishes the Community Economic Development program (CED) to help establish local businesses in poverty areas."

[11] See 45 C.F.R. §§ 1067.1, 1067.2 (1972).

[12] During a colloquy with the Court at oral argument, counsel for the defendant admitted that the defendant is no longer providing any funding for section 221 programs and that he plans for the CAA function to "cease" completely in fiscal year 1974. Transcript at 136–38.

[13] The House Report on the budget act was unequivocal:

"It will doubtless be claimed by some that this is an Executive budget and that the duty of making appropriations is a legislative rather than Executive prerogative. The plan outlined does provide for an Executive initiation of the budget, but the President's responsibility ends when he has prepared the budget and transmitted it to Congress. To that extent and to that extent alone does the plan provide for an Executive budget, but the proposed law does not change in the slightest degree the duty of Congress to make the minutest examination of the budget and to adopt the budget only to the extent that it is found to be economical. If the estimates contained in the President's budget are too large, it will be the duty of Congress to reduce them. If in the opinion of Congress the estimates of expenditure are not sufficient, it will be within the power of Congress to increase them. *The bill does not in the slightest degree give the Executive any greater power than he now has over the consideration of appropriations by Congress.*" H.R. Rep. No. 362, 66th Cong., 1st Sess. 7 (1919) (emphasis added).

[14] 1966: Pub. L. No. 89–309, 79 Stat. 1133 (Oct. 31, 1965); 1967: Pub. L. No. 89–697, 80 Stat. 1057 (Oct. 27, 1966); 1968: Pub. L. No. 90–239, 81 Stat. 773 (Jan. 2, 1968); 1969: Pub. L. No. 90–557, 82 Stat. 969 (Oct. 11, 1968); 1970: Pub. L. No. 91–204, 84 Stat. 23 (Mar. 5, 1970); 1971: Pub. L. No. 91–667, 84 Stat. 2001 (Jan. 11, 1971); 1972: Pub. L. No. 92–184, 85 Stat. 627 (Dec. 12, 1971); 1973: Pub. L. No. 92–607, 86 Stat. 1498 (Oct. 31, 1972).

Congress has never acted later than July 1 in passing the continuing resolution for funds for OEO: 1966: Pub. L. No. 89–58, 79 Stat. 204 (June 30, 1965); 1967: Pub. L. No. 89–481, 80 Stat. 233 (June 30, 1966); 1968: Pub. L. No. 90–38, 81 Stat. 97 (June 30, 1967); 1969: Pub. L. No. 90–336, 82 Stat. 275 (June 29, 1968); 1970: Pub. L. No. 91–33, 83 Stat. 38 (June 30, 1969); 1971: Pub. L. No. 91–294, 84 Stat. 333 (June 29, 1970); 1972: Pub. L. No. 92–38, 85 Stat. 89 (July 1, 1971); 1973: Pub. L. No. 92–334, 86 Stat. 402 (July 1, 1972).

[15] There are two basic types of legislation. Authorization bills merely provide the programs for which Congress must still appropriate funds in an appropriations bill before the program can operate:

"Legislative proposals when enacted and become law are referred to generally as 'legislative authority.'

"Funds for carrying on the work of the Government pursuant to 'legislative authority' are provided in general and special appropriation bills, which usually originate in the House."—Enactment of A Law, S. Doc. No. 35, 90th Cong., 1st Sess. 5 (1967).

Moreover, under established Congressional procedures, substantive law provisions must be placed in authorization bills; they would be ruled out of order in an appropriation bill. House of Representatives Rules ¶21, §2; Jefferson's Manual & Rules of The House of Representatives 464–65, 470–71 (1971). Thus Congress can indicate its intent that a program shall continue only through authorization bills.

[16] Pub. L. No. 92–7, 85 Stat. 12, provided for the termination of SST funding by not continuing it in the joint funding resolution. Section 2 of that law further specifically forbade the use of funds under the resolution for the SST. See also the text following note 20 *infra* for further details of that funding termination.

[17] 31 U.S.C. § 628 (1970) may have some relevancy to the issue, although none of the parties have seen fit to cite it:

"Except as otherwise provided by law, sums appropriated for the various branches of expenditure in the public service *shall be applied solely to the objects for which they are respectively made, and for no others.*" (Emphasis added.)

Congress, in its last appropriation for OEO, Pub. L. No. 92–607, ch. 4, 86 Stat. 1503, provided the funds:

"For expenses necessary *to carry out* the provisions of the Economic Opportunity Act of 1964 . . . as amended . . . ." (Emphasis added.)

When coupled with the defendant's admitted use of the appropriated funds to terminate section 221 programs, 31 U.S.C. § 628 would appear to forbid the use of funds for termination purposes.

[18] Fisher, *Funds Impounded by the President: The Constitutional Issue*, 38 Geo. Wash. L. Rev. 124 (1969): Miller, *Presidential Power to Impound Appropriated Funds: An Exercise in Constitutional Decision-Making*, 43 N.C.L. Rev. 502, 525, 533 (1965).

[19] *See also* Decision B–156510 of the Comptroller General (Feb. 23, 1971), reprinted in *Hearings on Executive Impoundment of Appropriated Funds Before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, 92d Cong., 1st Sess. 562 (1971). In that decision the Comptroller General expressed his view that the broad administrative discretion granted the Surgeon General under 42 U.S.C. § 248(a) (1970) to administer public health service hospitals and clinics would be extended unwarrantedly by a decision to close all public health service general hospitals.

McKay v. Central Electric Power Coop., 96 U.S. App. D.C. 158, 223 F. 2d 623 (1955), and Commonwealth of Massachusetts v. Connor 249 F. Supp. 656 (D. Mass.), *aff'd per curiam*, 366 F. 2d 778 (1st Cir. 1966), cited by the defendant, are inapposite. In *McKay* the Court held only that Congress had not expressly commanded the funds in question to be spent in the fashion the plaintiffs sought. Likewise in *Connor* the Court held that any right of recovery of funds lay in the Court of Claims for breach of contract, and not in the District Court through mandamus. The plaintiffs in the instant suit do not seek an order compelling the defendant to spend any particular funds, but only that he follow the explicit mandate of Congress to continue the section 221 program.

[20] Fisher, *Presidential Spending Discretion and Congressional Controls*, 37 Law & Contemp. Prob. ——— (Winter 1972 issue, to be published), reprinted in *Joint Hearings on S. 373 Before the Ad Hoc Subcomm. on Impoundment of Funds of the Senate Comm. on Govt. Operations and the Subcomm. on Separation of Power of the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. 683, 719 (1973).

See also Miller, supra note 18, at 536; Memorandum from Asst. Attorney General William H. Rehnquist to Hon. Edward L. Morgan, Deputy Counsel to the President, reprinted in *Hearings, supra* note 19, at 279–84.

[21] Pub. L. No. 92–424, § 28, 86 Stat. 688, 42 U.S.C.A. § 2942 note, quoted in the text at note 10 *supra*.

[22] Pub. L. No. 91–177, tit. I, § 114, 83 Stat. 827, 42 U.S.C. § 2809 note (1970) provides:

"The authority of section 602(d) of the Economic Opportunity Act of 1964 shall not apply to the Legal Services program authorized under section 222(a)(3) of such Act. The Director of the Office of Economic Opportunity shall not delegate the program authorized under such section 222(a)(3) to any existing Federal agency."

As was noted in the text *supra*, many if not most legal services programs are funded through CAAs.

[23] Senator Nelson, principal Senate sponsor of the bill, stated on the floor that—

"The provision only prohibits the Director of OEO from delegating to other agencies two programs—local initiative community action programs under section 221 of the Economic Opportunity Act and the community economic development program under title VII of the act.

* * * * *

"[E]ven with respect to local initiative and community economic development, the President may transfer such programs by Executive reorganization plans."—Congressional Record, vol. 118, pt. 22, p. 29355.

[24] March 9, 1973 Affidavit of Howard J. Phillips, filed in support of the defendant's motion for summary judgment, paragraphs 3 f and g.

[25] At oral argument counsel for the defendant advised the Court that the Office of Management and Budget was considering a plan to continue a small component of OEO to provide these liaison functions. Transcript at 36–37. At the present both the budget message of the President, *supra* note 4, and the directives of the defendant Phillips indicate that they plan for OEO to cease to exist as of July 1, 1973, except as the General Services Administration may wind up OEO's affairs.

[26] The Court expresses no view on whether OEO as an entity could be abolished by means of a reorganization plan. There is some indication in the legislative history of the Reorganization Act that the Act could not be used to abolish an executive agency and not place its functions in another agency. *See* 95 Cong. Rec. 891, 914 (1949) (Remarks of Reps. Lanham, Vorys and Dawson).

[27] Of course, as the Court has held earlier, these regulations are unlawful and may not be implemented in any event to the extent that they terminate section 221 funding.

THE NEED FOR TAX REFORM

Mr. TUNNEY. Mr. President, I read in the April 11 Washington Post that it is unlikely that tax reform will be considered further by Congress this year because of the need to take up the administration's trade proposals.

To be sure, trade policy is a matter of great importance. But tax reform cannot be deferred.

The Federal tax system is a major source of injustice, and the administration's attitude makes it clear that only Congress can carry forward this Nation's commitment to ending tax injustice.

I have received a letter from former Congressman Jerry Voorhis of Claremont, Calif. His letter eloquently reviews some of these injustices and calls for action.

I commend this letter to my colleagues to consider the issues he raises, and I join him in calling for action on tax reform this year in Congress.

Mr. President, I ask unanimous consent that the letter to which I have referred be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Senator John Tunney,
Senate Office Building,
Washington, D.C.

Dear Senator Tunney: A man or woman who earns $10,000 a year by his or her productive work will, under present tax laws, pay almost $1000 in federal incomes taxes if he or she has three dependents. But a person who receives $10,000 income from sales or speculation in land or stocks can, if he uses loopholes available to him, pay barely $100 in federal income taxes.

Brookings Institution estimates that the treasury loses some $63 billion annually through tax loopholes. Is this justice? If not, what remedies to correct this injustice are you ready to support as a member of Congress?

The huge oil companies pay federal corporation taxes, on the average, at about 5 percent to 7 percent of their profits. Other big businesses average around 25 percent. But small businesses, as a rule, pay in excess of 40 percent taxes on their profits.

In 1970 the U.S. Steel Corporation paid no federal corporation tax at all; and Gulf Oil paid only 1.2 percent on profits of almost $1 billion. Meanwhile, a cleaning woman pays a tax of 9 percent.

Former Assistant Secretary of the Treasury Stanley Surrey recently testified to the Ways and Means Committee that tax-favored industries, notably petroleum, lumber, commercial banking and real estate, pay taxes at 20 percent to 30 percent of their profits, whereas the legal rate for corporations is 48 percent.

Is this tax justice? If not, what measures to correct the injustice will you support as a member of Congress?

Largely because of such measures as the rapid depreciation allowances (unilaterally granted corporations by Mr. Nixon), deferral of tax payments on earnings of foreign subsidiaries of American companies, special treatment of profits made on exports, and investment tax credits, the share of federal income taxes paid by corporations has gone down from 28 percent in 1949 to 15 percent in 1971.

The difference has to be made up by heavier taxes on middle-income and poorer individual taxpayers who have no loopholes available to them. Anyway, does it make sense when more than 5 percent of our workers are unemployed to reward companies to the tune of probably $5 billion a year, if they buy labor-displacing machinery? Yet that is precisely what the investment tax credit does.

Again, does it make sense to encourage multi-national corporations to build factories abroad, take advantage of low-paid foreign labor and flood the American market in competition with our own businesses and workers? Yet that is what present tax laws do.

What do you believe should be done about these injustices by action of Congress?

The main reason taxes generally are so high is because the federal government is spending more than half of all its tax revenues on weapons of war or on other expenses for past, present or future wars. With the Vietnam War supposedly ended, and a supposed arms limitation agreement negotiated with Russia, why should military expenses be budgeted for an increase of $4 billion in the current budget?

What do you propose to do to reduce this colossal drain on the taxpayers' pocket books?

April 16 has been designated as Tax Action Day in your Congressional district. We wish to publicize on that day your replies to the questions in this letter and any comments you care to make upon it. Therefore, we will appreciate your response to our letter in time for us to receive it not later than April 12.

Sincerely and respectfully,
Jerry Voorhis,
Former Member of Congress.

OPIC REFUSES TO PAY ITT

Mr. CHURCH. Mr. President, on April 9, the Overseas Private Investment Corp. announced its decision not to pay the International Telephone & Telegraph Corp. $92.5 million in claims on holdings nationalized by the Chilean Government, thus saving the American taxpayer nearly $100 million. No doubt, the recently concluded hearings before the Subcommittee on Multinational Corporations, which showed clearly that ITT had conspired to interfere in the Chilean elections, had much to do with OPIC's decision.

Yesterday's editorial in the New York Times states:

> O.P.I.C. has acted in the best interests of the United States—and also of American corporations behaving properly abroad—in denying the ITT claim.

I agree completely with that observation.

I ask unanimous consent, Mr. President, that an assortment of newspaper accounts and editorial comment on the OPIC decision be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Times, Apr. 10, 1973]

Denying ITT's Claim

Congress established the Overseas Private Investment Corporation primarily to provide risk insurance to American companies with investments in the developing countries. Earlier this month, the O.P.I.C. president, Bradford Mills, made plain to a House subcommittee that the corporation would feel justified in rejecting an insurance claim where an investor was guilty of "actions that would create political problems and provoke expropriation" in a host country.

Yesterday, Mr. Mills disclosed that O.P.I.C. had denied a claim by the International Telephone and Telegraph Corporation for $92.5 million in compensation for the takeover of its subsidiary in Chile by the Chilean Government. Because I.T.T. can submit this decision to arbitration, Mr. Mills confined himself to saying that I.T.T. had "failed to comply with its obligations" to furnish "material information to O.P.I.C."

Even without official clarification, however, the case against compensating I.T.T. from public funds seems clear-cut. Officers of the giant conglomerate have admitted to a Senate committee that they offered to contribute a million dollars or more "in support of any Government plan" for blocking the election of Salvador Allende as President of Chile in 1970. And an I.T.T. vice president submitted an "action" plan to a White House adviser in 1971 aimed at insuring "that Allende does not get through the next six months."

Dr. Allende's Marxist-dominated Government might never have reimbursed I.T.T.; but it was at least discussing compensation until the firm's schemes for interfering in Chile's internal affairs came to light last year. Mr. Mills notes that two other claims have been resolved satisfactorily between American firms and the Allende Government with the assistance of O.P.I.C. guaranties. Whatever its official reasons, O.P.I.C. has acted in the best interests of the United States—and also of American corporations behaving properly abroad—in denying the I.T.T. claim.

[From the Washington Post, Apr. 4, 1973]

ITT Bid Rejected by OPIC—$92.5 Million Claim Denied In Chile Loss

(By Laurence Stern)

The Overseas Private Investment Corp. yesterday denied International Telephone and Telegraph's $92.5 million claim to indemnify it for expropriation of its Chilean telephone subsidiary in 1971:

OPIC President Bradford Mills said ITT's claim was turned down because of non-compliance with contractual obligations."

ITT, which reported $8.5 billion in sales and revenues last year along with record profits of about $470 million, announced through a Washington spokesman that it would seek arbitration of the OPIC decision.

John W. Guilfoyle, ITT vice president and group executive for Latin America, said ITT's claim "is valid" and would be sustained in arbitration. He noted that ITT paid OPIC nearly $6 million in premiums to indemnify it against the $92.5 million loss.

Meanwhile, Chilean Foreign Minister Clodimoro Almeyda hinted at a news conference yesterday that ITT's remaining holdings in his country, two Sheraton hotels and a telephone equipment manufacturing company, might also become targets of government action.

The present activities of ITT in Chile are in a very precarious position," he said.

In announcing OPIC's denial of the ITT claim Mills said the company "failed to comply with its obligation under the OPIC contracts to disclose material information to OPIC." He also said ITT increased OPIC's risk of loss" by its actions in Chile.

Mills said he could not elaborate in view of the impending arbitration case.

However, under its contract with OPIC, a quasi-governmental agency that indemnifies American companies for foreign expropriation actions, ITT would be in default if it had failed to pursue negotiations with the host government on compensation. Another ground for denial of payment would be failure "to make a disclosure of material information" on the case.

ITT was the subject of two weeks of Senate hearings dealing with U.S. corporate and government activities aimed at blocking Chilean President Salvador Allende from taking office in the 1970 popular and congressional elections.

The basic script for the hearings were internal ITT memoranda disclosed in March, 1972, by columnist Jack Anderson which chronicled efforts by top executives of the company to stimulate anti-Allende political activity in Chile.

In the course of the hearings ITT board chairman Harold S. Geneen acknowledged that he offered a substantial sum to the Central Intelligence Agency to block Allende from coming to power, an offer the CIA declined.

Subsequently in 1970, Geneen said, he declined to become involved in a plan proposed by the CIA for recruiting other American companies in a program of economic sanctions against the Allende government.

Sen. Frank Church (D-Idaho), chairman of the foreign relations subcommittee that conducted the ITT inquiry, had said he assumed the hearings would have a strong bearing on the outcome of the OPIC claims case.

ITT's contract with OPIC stipulates that a foreign government's seizure of its holdings would not be considered as expropriation if it was caused by "provocation or instigation by the investor."

OPIC took no public position yesterday on whether ITT's action in Chile constituted such provocation. The only basis under which ITT could be paid under this provision would be if its actions were taken in compliance with "a specific request of the government of the United States."

In the course of the Church subcommittee hearings several members of Senate panel served notice that they wanted to review the entire OPIC insurance program. Church, in particular, said he was concerned that the OPIC insurance contracts might extend American governmental commitments to protect the corporate welfare of individual firms doing business abroad.

One of the principal senatorial patrons of the OPIC system, Sen. Jacob K. Javits (R-N.Y.), maintained that it helps to foster U.S. private investment abroad.

Javits was originally included in the Church subcommittee at his own request. He later informed Senate Foreign Relations Committee Chairman J. W. Fulbright (D-Ark.) that he did not wish to serve on the panel, which will conduct a three-year study of the operations of U.S. multinational corporations.

[From the Wall Street Journal, Apr. 10, 1973]

Federal Insurer Bars ITT's Claim for Its Chile Unit—Bid for $92.6 Million Denied as Agency Says the Firm Didn't Abide by Contract—Case Will Go to Arbitration

Washington.—The Overseas Private Investment Corp. rejected International Telephone & Telegraph Corp's insurance claim of $92.6 million for an ITT subsidiary expropriated by Chile.

OPIC, a federal agency that insures U.S. corporate investments abroad against political risks, denied on rather narrow legal grounds ITT's claim stemming from the Chilean government's nationalization of Chile Telephone Co. in September 1971. But the decision came amid political controversy that has become awkward for both ITT and OPIC.

The agency said it denied ITT's claim because of "non-compliance with contractual obligations." Bradford Mills, OPIC president, said: "ITT failed to comply with its obligation under the OPIC contracts to disclose material information to OPIC. In addition, ITT increased OPIC's risk of loss by failing to preserve administrative remedies as required by the contracts, and by failing to protect OPIC's interests as a potential successor to ITT's rights."

OPIC said it understands that ITT will exercise its right to arbitration. Under this process, an independent arbitration panel could reverse the OPIC denial.

Mr. Mills didn't elaborate on the specific reasons for the OPIC decision and said he wouldn't discuss the case further because it will be submitted to arbitration.

Late yesterday, ITT confirmed that it intended to "immediately" submit its claim to a panel of independent arbitrators, under the terms of its OPIC insurance contract. John W. Guilfoyle, a vice president and group executive for Latin America, said ITT had paid nearly $6 million in premiums to OPIC. He asserted that ITT and its outside attorneys viewed the claim as valid. Mr. Guilfoyle said ITT doesn't believe OPIC can sustain its decision.

POLITICAL FACTORS MEASURED

While OPIC stressed contractual legalisms, congressional observers contended the decision also reflected political factors. "I think there would have been a political storm (in Congress) if they'd have approved the claim," said one Capitol Hill source who's basically friendly to OPIC.

ITT lately has been at the center of a political controversy over its Chilean activities before and after the election of Salvadore Allende, the Marxist president who nationalized its affiliate. Senate probers have taken testimony, which ITT hasn't denied, that the conglomerate sought to influence the election that brought Mr. Allende to power and later to influence Mr. Allende to pay for ITT's nationalized property.

During the hearings, some Senators questioned the propriety of ITT receiving any insurance payoff from OPIC. OPIC's decision thus came at an awkward time—both as ITT is in the spotlight and as the agency is pleading to Congress for an additional appropriation of $72.5 million for the fiscal year beginning in July.

By denying the ITT claim and letting it go to arbitration, OPIC has "depoliticized" the case, the Capitol Hill source said. However, an OPIC spokesman contended the decision didn't reflect political factors. "The reasons we've given for the denial didn't arise out of the (Senate) hearings," he stated.

This was the second denial of a major claim against the federal insurance program. Last September, OPIC denied a $154 million claim by Anaconda Co. related to copper mines nationalized by Chile. OPIC denied that claim on grounds that Anaconda's insurance was on "standby" rather than in full force at the time of expropriation; Anaconda has taken that ruling to arbitration.

COMPENSATION FROM CHILE

OPIC said its decision doesn't affect ITT's international legal right to compensation from Chile. If arbitrators later order OPIC to pay compensation to ITT, the agency added, it will claim "an appropriate portion" of ITT's rights of recovery from Chile and "will pursue those rights vigorously."

The agency noted that in the past 2½ years, U.S. investors in Chile have filed 18 claims against OPIC. In settling five of these claims, OPIC has paid more than $80 million, and two others involving $26 million were settled between the investors and the Chilean government with the aid of OPIC guarantees. Nine claims still are being processed, the agency said.

After Chile took over its properties in 1971, ITT established a reserve of $70 million, or 57 cents a common share, and charged that amount against 1971 profit. The reserve represented the difference between ITT's investment in the properties and the $92.6 million it then expected to recover from OPIC.

The reserve provision cut ITT's 1971 net income to $357.4 million, or $2.86 per common and common equivalent share. In 1972, net income rose to $483.3 million, or $3.85 a share, including an extraordinary gain of $6.7 million, or five cents a share.

[From the New York Times, Apr. 10, 1973]

United States Won't Pay ITT for Chilean Loss

(By Eileen Shanahan)

Washington, April 9.—The Government corporation that insures American businesses against losses from expropriation of their overseas plants today turned down a $92.5-million claim filed by the International Telephone and Telegraph Corporation. The I.T.T., whose telephone company in Chile was nationalized in 1971, immediately announced that it would take its claim to arbitration, which is provided for under the insurance contract.

Bradford Mills, president of the Overseas Private Investment Corporation, which rejected the company's claim, gave several reasons. He made no explicit reference, however, to allegations that the company attempted to bring about the defeat of Dr. Salvador Allende Gossens, a Marxist, in Chile's presidential elections in 1970. Dr. Allende was elected, and his Government nationalized some businesses owned by I.T.T. and other American companies.

Officials of the insurance company refused to expand on the obscure language of their formal announcement of the rejection of the company's claim, giving as their reason the fact that the case is to go to arbitration.

THREAT TO PROPERTIES

Meanwhile, the Foreign Minister of Chile said here today that the companies that I.T.T. still owns in Chile are "in a rather precarious situation" because of its activities.

According to internal company documents and testimony before a Senate Foreign Relations subcommittee, I.T.T. attempted to persuade the White House, the State Department and the Central Intelligence Agency to take steps to block Dr. Allende's election and offered a fund of at least $1 million.

Foreign Minister Clodomiro Almeyda, at a news conference at the Chilean Embassy, said that the attempt to involve the United States Government "gives this episode an unheard of seriousness and gravity."

He did not actually say that the Allende Government was considering nationalization of the remaining I.T.T. properties in Chile, which include two Sheraton hotels in Santiago, a company that makes communications equipment and a communications company linking Chile with other nations. But he indicated that public opinion in Chile might force the Government to take them over.

"The natural reaction of our people must be one of deep condemnation," he said. "There is no political party in Chile that has not issued a judgment of condemnation."

I.T.T., in a statement by its vice president and group executive for Latin America, John W. Guilfoyle, said that the rejection of its insurance claim "appears to be based on grounds which we believe the Overseas Private Investment Corporation will not be able to sustain."

The statement noted that the company had paid "close to $6-million" in premiums for its coverage by the corporation, which is financed partly by premiums and partly by funds from the United States Treasury.

Six of the 11 directors of the insurance corporation are from private industry and the rest from government. Eight of the directors, including all but one of the directors from private industry, were at the meeting today at which the I.T.T. claim was rejected unanimously.

The corporation's announcement said that the company had not disclosed material information and had failed "to preserve administrative remedies" by which proper payment for its interests in the Chilean telephone company, Chiltelco, might have been achieved. It also accused the company of "failing to protect O.P.I.C.'s interests."

The corporation's "interests" would come into play if it paid off a company whose overseas holding had been expropriated and afterwards was able to negotiate with the foreign government for payment of all or part of the value of the expropriated property in such a case, the payment by the foreign government would go to the corporation.

The corporation thus appeared to be accusing I.T.T. of taking steps that precluded, or made more difficult, successful negotiations by the insurance corporation with the government of Chile.

Officials went out of their way to note, however, that they had not accused the company of provoking the nationalization of Chiltelco. Such a finding would have constituted grounds for denying the insurance claim.

[From the St. Louis Post-Dispatch, Mar. 25, 1973]

Senator Struck Paydirt in ITT Investigation

(By Richard Dudman)

Washington.—A new Senate subcommittee has revived the old prosecuting attorney approach and already has struck paydirt.

Its chairman, Senator Frank Church (Dem.), Idaho, may not turn into another Estes Kefauver or a Thomas J. Walsh, but he and his subcommittee on multinational corporations have started out after the International Telephone & Telegraph Corp. with some of the same persistence and thoroughness that exposed the Dixon-Yates scandal and Teapot Dome.

Total salaries of the ranks of lawyers and public relations men that backed up the ITT witnesses at the first open hearings this week doubtless far outweighed the earnings of the five Senators and their staffs, but the two sides nonetheless seemed evenly matched.

Unlike the usual congressional hearing, where each witness is welcomed as an old and respected friend and regaled with recollections of earlier times together, each witness was sworn and interrogation got off to a blunt start.

The Senators departed, moreover, from their usual 10-minute rule, under which each gets his turn and the thread of the inquiry often becomes tangled in their individual digressions and gaps in information.

Instead, two staff attorneys, counsel Jerome I. Levinson and associate counsel Jack A. Blum, formerly of Carbondale, Ill., led the questioning, often taking turns, one of them getting ready for a new tack while the other politely but insistently prodded the witness.

The five Senators cut in from time to time, but each seemed to get enough opportunity to ask questions (and possibly get sufficient television exposure) without the formal taking of turns.

Moreover, the subcommittee has shown itself adroit in elbowing its way against other committees in the proliferating exposure of ITT's activities in domestic politics and the *domestic* affairs of other nations.

The two-year inquiry into multinational corporations is said to have been voted just 10 minutes after the parent Foreign Relations Committee received word that Senator Edward M. Kennedy (Dem.), Massachusetts, was interested in the same subject.

What touched off the inquiry was the disclosure a year ago by columnist Jack Anderson of documents leaked from ITT files discussing strategies for preventing the elected Marxist government of Salvator Allende from taking office and later for engineering President Allende's overthrow.

The documents themselves were spectacular enough—references to a plan to tell presidential assistant Henry A. Kissinger that ITT was prepared to contribute "sums up to seven figures" to the effort to get rid of Allende, for example. Other plans mentioned in the papers were to foment violence and create economic chaos to open the way for a military takeover.

But there was a question as to whether the memorandums were deliberately exaggerated by underlings to impress their superiors with their knowledge and power to influence policies in Washington and events in Chile.

Name-dropping is standard procedure among lobbyists and foreign agents like those whose names appeared as signers of the memorandums.

Three days of hearings have put some meat on the bones. Sworn testimony has made it clear that ITT's anti-Allende maneuvering was not just boasting but was the real thing. It now is plain that ITT and the Central Intelligence Agency were working closely together in discussing plans, if not in putting plans into action.

Far from denying the authenticity of the documents, the corporation's public relations men distributed bound reprints originally printed in Chile by the Allende government to spread the word of ITT's infamy.

Corporation officials said that the reason for distributing the documents was to overcome distortions that they said resulted by Anderson's taking quotations out of context. It appeared, too, that ITT officials were entirely self-righteous about their anti-Allende efforts.

John A. McCone, former director of the CIA and now an ITT director, wrapped the flag around the corporation and said that ITT had been defending the free world against international communism, just as President Harry S Truman had adopted the Marshall Plan, Secretary of Defense James Forrestal had carried out the Berlin airlift and President Dwight D. Eisenhower had sent U.S. troops to Lebanon and had used the CIA to assist a military revolt in Guatemala.

McCone defended the ITT offer of $1,000,000 or more to the United States government for use in Chile but insisted that it was for "constructive purposes" such as housing or technical assistance to agriculture.

He denied that the fund had been offered for the purpose of creating economic chaos in Chile, although staff members of the ITT and the CIA suggested it repeatedly.

Senator Clifford P. Case (Rep.), New Jersey, who can be unaccustomedly blunt when angry, asked McCone whether the ITT money was not intended for more immediate purposes—"such as bribing the legislators." The Chilean Congress at the time was preparing to vote on who would be President, since Allende had won the popular vote with less than a majority.

McCone said that nothing of that sort had been discussed with him by ITT President Harold S. Geneen or CIA Director Richard Helms.

But McCone later testified that the money had been intended to finance an anti-Allende coalition in the Chilean Congress.

Edward Gerrity, ITT's senior Vice President for corporate relations and advertising, testified that the purpose was always constructive.

Jack D. Neal, the company's director of international relations, testified that when he made the offer to the assistant secretary of state for Latin American affairs, Charles A. Meyer, "I didn't elaborate" as to what the $1,000,000 would be used for.

Another party to the discussions, William V. Broe, director of clandestine activities in Latin America for the CIA, has testified only in closed session. It is understood that he has told the subcommittee that the purpose of the ITT money was to use covert means to prevent the election of Allende.

As things turned out, the offer was turned down and, according to McCone, Helms said that a senior interdepartmental committee had decided that nothing of consequence would be done to block Allende from taking office. McCone quoted Helms as saying that a "minimal effort" would be arranged within the CIA's own budget.

In the background is a question, important to U.S. taxpayers as well as to ITT, as to whether the United States government will pay ITT's claim of $92,000,000 for the expropriation of its subsidiary telephone company in Chile.

ITT was insured against expropriation under the U.S. Government's Overseas Private Investment Corp., but Church has raised the question whether the United States Government remains liable under the policy if it can be shown that ITT provoked the expropriation.

The Allende government promptly suspended compensation negotiations with the company when Anderson published the secret documents.

The hearings continue next week. The committee has decided to reissue invitations, which Church said had been ignored for 10 days, to Secretary of State William P. Rogers and former Secretary of Commerce Peter G. Peterson.

It seeks also to question in public hearings Peter Vaky, formerly an aid to Kissinger and now ambassador to Costa Rica, and his successor on Kissinger's staff, Arnold Nachmanoff.

The subcommittee had been negotiating with the CIA in an effort to publish Broe's testimony, taken earlier in secret.

[From the San Francisco Examiner & Chronicle, Mar. 18, 1973]

Chile Divided—Allende Opposition Controls Congress

Santiago.—Marxist President Salvador Allende's attempt to convert Chile into the world's first democratically elected Communist state has failed. Its death knell was sounded last Sunday when nationwide congressional elections returned an overwhelming number of opposition candidates to power.

Allende's announcement that his coalition had obtained four percent more votes than in the presidential elections in 1970, pointedly omitted the fact that 2.5 million young Chileans had voted for the first time and most of them supported the Christian Democrat and other opposition parties.

MINORITY RULE

For the rest of his term of office, his Popular Unity front will remain a minority government with a united opposition in full control of both houses.

Since September, 1970, Allende has taken Chile a long way on the road to Communism. Some 200 of the country's major private industrial concerns have been taken over by the state. An aggressive agrarian reform program has turned over twice as much land to agricultural workers in 2½ years than the preceding Frei administration did in just under six years. The copper mining industry has been totally nationalized.

Some industry remains in private hands as a result of fierce rearguard resistance and because socialist effort already has wrecked the national economy.

While he has succeeded in entirely nationalizing the basic coppering industry with the full consent of congress, it has become obvious the program will not be based on straight seizure of foreign, mainly U.S., corporations, without compensation. The legislature is now inclined to avoid further damage to the economy.

LOOPHOLES

Nevertheless Allende is attempting to proceed with his socialization program by looking up old laws and using loopholes that allow him to by-pass legislative control.

The great mystery today is why some 40 percent of the Chilean electorate supported Allende's congressional candidates on March 11.

Apart from the chronic food shortage brought about by his agrarian reform program, which recently forced him to impose strict rationing, the purchasing power of workers' incomes is barely 25 percent of what it was in early 1971. Wage increases are being denied and repressive measures against disgruntled operatives are being escalated almost every week.

[From the New York Post, Mar. 28, 1972]

U.N. Panel To Meet In Asia?

(By Michael J. Berlin)

France's UN Ambassador, Louis de Guiringaud, is just back from a week-long Security Council session in Panama, and says he doubts that such "outside sessions are wise."

But despite the reluctance of France to embark upon another council junket—a reluctance reportedly shared by China and certainly by the U.S.—pressures were already building at the UN today for a council session in Asia next year, with Indonesia as the most likely host.

The precedent was set last year when the council met in Africa and was followed up with the just concluded session in Panama.

A political scenario for a council debate on

"Asian" problems would be a far more complex affair, however. The Asian nations are far less cohesive than the Latins or Africans, and the disputes involved are more delicate.

FOUR-WAY TUG OF WAR

They range from bilateral quarrels—such as the one now simmering between Malaysia and the Philippines—to the India-Pakistan-Bangla-desh dispute, to the four-cornered tug-of-war among the U. S., China, Japan and the Soviet Union for political, military and economic power in the area.

Even the council meetings in Panama, a much more straightforward affair, have had significant aftereffects that will long be felt in Latin American attitudes toward the U.S. and U.S. attitudes toward the UN.

The U.S. veto of a council resolution calling for "abrogation" of the existing canal treaty with Panama and "effective" Panamanian sovereignty over all its territory, rather than cutting off UN consideration of the canal dispute, opened the way for its consideration by the full UN General Assembly, where there is no veto, and where the American isolation could be even more embarrassing.

Such a prospect, while it would provide negotiating leverage from Panama's point of view, is seen by American and other Western diplomats as a major factor in further discouraging Washington from activism and initiative in using the UN as a forum for the playing out of American foreign policy.

The French Ambassador, in trying to explain why the UN majority (and his own government) went along with Panama in a move obviously intended to influence a bilateral negotiation between two nations, said at a luncheon meeting yesterday that "once a resolution is based on general principles contained in the UN Charter, such as a country's sovereignty over its territory—how can you not vote for that?"

EXECUTIVE PRIVILEGE

Mr. MUSKIE. Mr. President, two extremely thoughtful and important statements on executive privilege were presented in the last 2 days to the joint hearings of three Senate subcommittees on that subject and on Government secrecy in general. The statements of Senator STEVENSON and Raoul Berger, Charles Warren Senior Fellow at Harvard Law School, approach the subject from different angles but I believe both of them merit the attention of all Members of the Senate. I therefore ask unanimous consent that they be included in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR STEVENSON

I intend no pun when I say it is a privilege to appear before you this morning. The subject of "executive privilege", tangled and timely as it is, deserves our earnest attention.

I request that an exhaustively researched memorandum on the Doctrine of Executive Privilege, prepared at my request in 1971, be inserted in the record of these hearings at an appropriate point. I hope that this memorandum—and my briefer testimony—will help to clear away the tangle of myth and outright misrepresentation which obscures the facts about the so-called Doctrine of Executive Privilege.

It is Preident Nixon's extraordinary reliance on the doctrine that makes the question of Executive Privilege timely.

Last March 12, the President told reporters that "there were only three occasions during the first terms of my Administration when Executive Privilege was invoked anywhere in the Executive Branch in response to a Congressional request for information."

In fact, according to the Library of Congress, the Administration in its first term actually invoked Executive Privilege nineteen times—and four of those claims were made by the President himself.

But President Nixon seeks not only to invoke the doctrine more often; he is bidding to expand it far beyond its former meaning. He claimed recently that not only present, but former members of his staff "shall follow the well-established precedent and decline a request for formal appearance before a Committee of the Congress."

What is this "well-established precedent"? Is "Executive Privilege" well-established doctrine, or ill-supported dogma? Is it part of our Constitutional and legal fabric—or a phenomenon more akin to the Emperor's new clothes?

My exploration into the background of the doctrine yields up numerous facts which fly in the face of the President's claims. Let me offer the committee some of those facts, in the form of answers to three basic questions:

First, what do the Constitution and Constitutional history tell us about Executive Privilege?

In English and American colonial practice before the adoption of our Constitution, legislative bodies expected and received most if not all the information they requested. In the English experience, Parliament received what information it asked for; colonial legislatures and those of the new states under the Articles of Confederation functioned as investigative as well as legislative bodies.

They saw their investigative role as an important check on uncontrolled Executive power—the very evil which played such a large part in the desire of the colonies to break away from English domination.

When the Constitution was adopted, it said nothing explicit that would give the Executive an absolute right to withhold information from Congress. The Constitution assigned to Congress "all legislative powers". It admonished that the President should "take care that the laws be faithfully executed." Beyond that the Constitution delegated to the President only certain specific enumerated powers, which certainly did not include any power to withhold information from the Legislative.

Neither pre-Constitutional history, therefore, nor the explicit language of the Constitution, can be relied on as granting the Executive any explicit power to withhold information.

What about the implicit meaning of the Constitution—the "Separation of Powers" doctrine implied by the differing Constitutional functions of Congress and the Executive?

I would be the last to deny the validity of this doctrine—indeed, I would be among the first to assert that the Executive has for some time been treading rather heavily on the powers granted to the Congress under the Constitution.

But proponents of absolute or near-absolute "Executive Privilege" stretch the separation doctrine too far. They interpret it to mean that Congress cannot require the Executive to produce documents and information it requests. They argue, that where dispute exists, the Executive shall have wide, if not absolute, power to decide what shall be withheld and what shall be disclosed.

This is a weighty interpretation to hang on few crypti-Constitutional phrases. It is, in effect, merely a claim—a claim which has never been sustained; it finds no backing in Constitutional history or the Constitution itself; it has never been ratified by statute, nor by judicial declaration.

President Nixon and Attorney General Kleindienst are, in fact, torturing the doctrine of separation of powers into a doctrine of uncontrolled power for one branch of government—power to decide for itself what shall be disclosed and what shall be withheld. They would do well to recall the words of Madison in the 49th Federalist Paper, that none of the branches of government "can pretend to an exclusive or superior right of settling the boundaries between their respective powers."

In fact, if Constitutional history and the Constitution itself point in any direction, it is toward the right of Congress to receive information from the Executive. The Constitution obliges the President "from time to time (to) give Congress information of the State of the Union . . ." Justice Story read those phrases as a clear requirement upon the President "to lay before Congress all facts and information which may assist their deliberation . . ."

Second, if the Constitution provides no firm basis for the doctrine of executive privilege, what is its basis in judicial precedent and statute law?

The memorandum which accompanies my testimony disposes of this question in considerable—and convincing—detail.

Let us simply note that the Supreme Court has never yet been confronted with a conflict between Congress and the Executive concerning "executive privilege."

In fact, the cases most often cited to support a claim of Executive Privilege—*Boske v Comingore and U.S. ex rel. Touhy v Ragen*—do not constitute authority for the proposition that the Executive has authority—either absolute or discretionary—to withhold information from Congress. The two cases are simply not on point.

What about the various statutes relied upon by advocates of Executive Privilege such as 5 U.S.C. 22 and the Administrative Procedure Act? Not only do these statutes not vest uncontrolled discretion in the Executive to withhold information—they have nothing at all to do with the question of Executive Privilege.

In short, the legal precedents usually cited by defenders of Executive Privilege as foundations for their claims actually provide no such foundation.

Third: If the Constitution, the courts and the statutes provide no firm basis for a doctrine of executive privilege, what about the precedents of history?

Proponents of executive privilege are fond of relying upon historical precedents to support their position.

In his March 12 policy statement on Executive Privilege, for example, President Nixon proclaimed that "The doctrine of Executive Privilege is well-established. It was first invoked by President Washington, and it has been recognized and utilized by our Presidents for almost 200 years since that time . . ."

There are two main instances to which Mr. Nixon may be referring. In the first, in 1792, the House of Representatives requested information about the abortive St. Clair expedition. A Cabinet meeting was called to consider the request, and in the privacy of the meeting, according to Thomas Jefferson, who took the minutes, it was agreed that the Executive ". . . ought to refuse those (papers) the disclosure of which would injure the public."

But the advocates of Executive Privilege who cite this incident, including the Attorney General yesterday, fail to tell the whole story. In actuality, President Washington never made any public assertion of uncontrolled discrettion to withhold documents; and indeed, in the instance in question, all documents were turned over to the House, including those most damaging to the Army's reputation.

The second instance in the Washington years seems equally irrelevant. The House asked for papers relating to the Jay Treaty. Washington declined to send them on the ground that the constitutional role in the treaty-making process belonged to the Senate, not the House. In any event, he declared the papers had already gone to the Senate.

In neither case did Washington withhold information from Congress, and in neither instance did he invoke something which could later be called "Executive Privilege."

Those who cite "history" in their argument for Executive Privilege it seems, have read history rather carelessly—as carelessly as they seem to have read the Constitution, judicial decisions and the statutes.

In fact, the very phrase "Executive Privilege" is not rooted in history; it is a recent invention. Historians are hard put to find its use by any President or Attorney General prior to the Eisenhower Administration—and even within that Administration the first use of the phrase may be discerned in about 1958. It seems to be a phrase created out of whole cloth to give a semantically respectable name to the withholding of information.

In 1954 Mr. Eisenhower asserted in a letter to Congress the right flatly to prohibit all executive employees from testifying or producing documents, in the interest of "efficient and effective administration. . ." He was, to be sure, provoked by the persistent demagoguery of Senator Joe McCarthy, and we who are skeptics about Executive Privilege must face responsibly the question such demagoguery raises.

Such Executive statements, including opinions of Attorneys General, cannot be considered a basis for the validity of the doctrine; such statements constitute no more than the self-serving assertion of one's own claim in a dispute. Mr. Nixon's statement (and Mr. Kleindienst's yesterday) are but the latest in a long line of self-serving statements. They claim a great deal—but they establish nothing.

In sum, Mr. Chairman, the main body of support for Executive Privilege consists not in the law or history, but in mere claims by Presidents and their appointees that such a privilege exists. It is, in short, a doctrine created not so much by legal or judicial deliberation, as by executive wishing, conjurings and speechmaking.

All this, Mr. Chairman, leads me to two conclusions:

The Presidential right to "Executive Privilege," insofar as it exists at all, is by no means so deeply rooted in law and precedent as we have been led to believe.

Congress, in any case, has a broad power supported by the Constitution, by law and precedent, to obtain information from the Executive.

That Congressional power exists to be exercised. Like other constitutional powers, it can hardly be said to be "absolute"; certainly whatever information Congress seeks from the Executive must somehow relate to the legislative process, whether the subject be new legislation or the President's conduct as he "faithfully executes the Law." But Congress has a broad and clear power to obtain "necessary" information.

Until now there has never been an overwhelming need to define legislatively the concept of Executive Privilege. Even in the worst of previous confrontations, the Executive and the Congress have managed to accommodate their differences. In every confrontation since President Washington's time, the issue has been compromised—or one side has been persuaded to back off, perhaps under pressure of public opinion. George Washington, for example, can be said to have backed off during the investigation of the St. Clair expedition; perhaps Congress backed off during the Eisenhower years.

But the situation now is changing. Confrontations in which Executive Privilege is invoked have been growing in frequency and intensity. During the Eisenhower Administration, as we have seen, Executive Privilege was invoked no less than 34 times to withhold information. Perhaps in those instances the provocation was intense: President Eisenhower was struggling to resist assaults by a Senatorial demagogue in the Army-McCarthy hearings and their unhappy aftermath.

There were fewer invocations of the doctrine during the Kennedy and Johnson years, although President Kennedy did claim the privilege at least once. But with the first Nixon Administration there has come massive reexpansion of the use of the privilege—and now a bold effort by President Nixon to broaden its accepted meaning.

It is my judgment that these increasingly frequent and bitter confrontations over Executive Privilege make it essential that Congress act to clarify and define the doctrine.

To do so would be not only wise but Constitutionally proper, for Congress is clearly commissioned by the Constitution to "make all laws necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States . . ."

Congress can choose, as a matter of policy, to legislate on Executive Privilege—to define the doctrine more clearly, and to specify the procedures which should govern its operation.

It is high time we did so. I say that not because I seek government by confrontation—but because I seek to avoid it. If the privilege is carefully and Constitutionally defined, the confusion which now invites conflict between branches uncertain of their powers will diminish. And if the Congress by claiming its power re-establishes itself as an equal branch of the government, such disputes will more likely be resolved reasonably and amicably between equals.

In politics as in physics, nature abhors a vacuum. In the absence of a clear and precise legal definition of Executive Privilege, we may expect the President to rush in with tangled and self-serving uses of it. If we ignore our power to define the concept and its proper limits, we can only blame ourselves if the Executive acts as though the privilege has no limits.

In short, Congress should define "Executive Privilege", suggest when it might be used legitimately by the Executive, and provide procedural and substantive remedies should the Executive abuse the definition in any instance.

First of all, I would suggest that the preamble or policy section of such a bill should establish in the broadest terms Congress's power to obtain information from the Executive. Later on in the bill, narrower limits might be defined. But Congress should be wary of giving away any of its legitimate Constitutional power. The present bills on this subject do not make sufficiently clear Congress's broad power; they tend to sanctify a right to Executive Privilege, without stating clearly and forthrightly Congress's concomitant right to obtain information.

The bill should so state that, as a general policy, the Executive—to the greatest extent possible—should cooperate with Congress by giving Congress the information it seeks. Similarly, it should also express, as policy, that Congress will not meddle unnecessarily with the Executive, but will seek only information which legitimately relates to the legislative process.

Second, as in Senator Fulbright's bill and in Congressman Erlenborn's bill—and unlike Senator Ervin's resolution—no one in the Executive branch should be given a blanket exemption from appearing before Congress.

Of course, Congress must use discretion in calling White House members; certainly it must protect the Executive against the depredations of demagogues. But blanket exemptions in the law would give too much discretion to the Executive.

Third, unlike Senator Fulbright's bill (S. 828) and Senator Ervin's resolution (S.J. Res. 72), I suggest that Congress should try to define those instances in which Executive Privilege might properly be invoked.

It is not enough merely to allow the Executive to claim the privilege and then give Congress a procedural mechanism to overcome the Executive should it not agree with the President's claim. Congress—or the Judiciary—may someday have to decide whether the privilege is being properly invoked; we should provide Congress and the Judiciary with a clear standard by which to make those judgments.

I therefore would suggest that direct communications between the President and anyone in the Executive branch should be protected . . . if the matters in discussion legitimately relate to aspects of public policy. Thus, if there were questions in a Committee hearing about illegal activities by members of the Executive branch, or questions about campaign activities not related to governmental business, this information would still be obtainable by Congress—even if the information were contained in a memo to or from the President. I can think of no reason why such information, particularly information concerning possible crimes, should be kept from an investigating Congress and hence from the public.

What about other communications within the Executive branch on matters legitimately relating to public policy—communications between Administration members that do not include the President, for example? First of all, a *sine qua non* to the invocation of Executive Privilege should be that the information is protected from disclosure under other Acts such as the Freedom of Information Act or the Budget and Accounting Act. Then, where the information is so protected, the President himself should certify the "right to withhold" information in these cases. And this certification from the President should set out the President's reasons for withholding the information.

Fourth, we should include procedures for dealing with impasses over Executive Privilege:

What happens in the case of a breakdown? Suppose a Committee Chairman believes, despite a plausible and seemingly legitimate claim of Executive Privilege by the President, that his Committee simply must have the requested information if Congress is to fulfill its legislative function?

In such cases, the Committee Chairman should submit on the floor of his House of Congress, after a majority vote of his Committee, a resolution aimed at breaking the impasse. The resolution would state that it is the sense of the Senate—or House—that the information requested is essential to the conduct of the Senate's (or House's) legislative or investigative business. If the Senate (or House) should not agree with the Committee and should defeat the resolution, the matter would be ended. If it should uphold the Committee, however, Congress would be acting in its clear right to obtain information as set forth in the preamble or policy section of the bill.

What happens if a witness from the Executive branch refuses to present himself to Congress when called, even after service of a Congressional subpoena? Or if the questions posed of a present witness by a Committee are answered by a claim of Executive Privilege which appears to be insufficiently related to a matter of public policy? Or what happens when, even after a full-fledged floor resolution demanding information, the witness refuses to answer on a claim of Executive Privilege? What would be Congress's remedies?

Some, including Senator Ervin and Senator Kennedy, have suggested that Congress resort to its own remedies—the contempt power; that Congress send the Sergeant-at-Arms out to place the individual in custody, arraign him, and try him—or have the Courts try him—for contempt of Congress.

This has never been done. And I would suggest that these remedies are unnecessarily contentious and possibly futile.

Instead, I would suggest that Congress enlist the Federal Courts. An order or a contempt citation from an impartial third branch would certainly lend legitimacy to the claims of Congress. And certainly no Executive is eager to disobey orders of Courts and defy what would then likely be an aroused public opinion.

I suggest that instead of starting its own contempt proceedings, the respective House of Congress could do one of two things:

(1) it could appoint its own "special prosecutor;" or,

(2) Congress might delegate, perhaps to the Chief Justice of the Supreme Court, the power to appoint a prosecutor for purposes of enforcing the law. Some authority for this course appears to reside in Article II, Section 2 of the Constitution.

If the witness still refuses after the Courts ordered him to appear before Congress or to present certain information—he would then be in contempt of Court. And if the witness then dared the Supreme Court to enforce its order, then indeed we will have reached the ultimate breakdown of our government of laws—and the ultimate in lawlessness by the Executive.

We are dealing, Mr. Chairman, with eventualities which we hope will never occur. But they could occur—and the mere hope that they will not is no reason not to prepare for them. Indeed, such a procedure as I have outlined is intended to head off such eventualities.

In his testimony yesterday, Mr. Kleindienst expressed the hope that "mutual restraint" on both sides of this question is vital if we are to avoid disastrous confrontations over Executive Privilege.

I agree. But I must point out that the lack of restraint which has now inflamed the issue is not that of Congress, but of the President. He has sought to claim the privilege with unprecedented frequency and to stretch the meaning of the doctrine beyond all past understanding. He has repeatedly exceeded his own stated guidelines.

President Nixon once claimed that he would never use the privilege "as a shield to prevent embarrassing information from being made available." He would invoke it, he said, "only in those instances in which disclosure would harm the public interest."

Yet repeatedly he has used the privilege—or threatened to use it—in ways that contradict his words.

In the case of Mr. Peter Flanigan's appearance before the Judiciary Committee during the confirmation hearings of Attorney General Kleindienst;

In the dismissal of A. Ernest Fitzgerald from his position in the Pentagon;

In the refusal by the White House to disclose information about political flights of Presidential appointees at government expense;

And most recently in the refusal of the President to let his staff tell what they know about the growing Watergate scandal.

What, in each of these cases, was the purpose of evading testimony before Congress except to avoid embarrassment? Where, in these refusals to disclose information, is any overriding concern for the public interest?

Some time ago, Mr. Chairman, one of President Nixon's closest friends and cabinet officers, then Attorney General Mitchell, admonished critics of the Administration to watch, "what we do, not what we say."

Mr. Chairman, I have done so. And what I see convinces me that those who truly care about the responsible use of Executive Privilege, the public's right to know and the preservation of our form of government are at this end of Pennsylvania Avenue.

Statement of Raoul Berger

It is a privilege to respond to your invitation to speak to the issue of executive privilege. That issue does not constitute a mere jurisdictional squabble between Congress and the President; it goes to the very heart of our democratic system. As Justice Potter Stewart said about the withholding of agency and departmental reports respecting the contemplated underground atomic explosion in Alaska,

"With the people and their representatives reduced to a state of ignorance, the democratic process is paralyzed."

He who controls the flow of information controls our destiny; so much the mounting escalation in Vietnam alone should teach.

In the twenty-odd months that have elapsed since I testified on the subject before the Subcommittee on Separation of Powers, the atmosphere has changed very considerably. Mounting frustration has brought your leadership to realize that the steady drain on your energy and time caused by executive withholding of needed information must not be endlessly protracted. Some of you are prepared to resort to enforcement via a contempt proceeding. As you know the contempt power of Congress has been sustained in suits against private individuals, to mention only *McGrain* v. *Daugherty*. In June 1971, Assistant Attorney General William H. Rehnquist acknowledged that Congress can cite an officer of the government who refuses to appear or to supply information for contempt, and that an executive officer who has custody of desired documents must[1] respond to a Congressional subpoena. 2 Moorhead 379, 385. Thus the contempt procedure has judicial sanction, and according to now Justice Rehnquist, it extends to recalcitrant officials.

The issuance of a citation for contempt need not be regarded as a punitive measure but rather as a means of opening the door to judicial review. Arrest of a recalcitrant by your Sergeant at Arms enables him to obtain a writ of habeas corpus whereby the constitutional issue may be judicially resolved. Happily President Nixon has stated that he would welcome submission of the issue to the courts, and a contempt citation offers a proven and direct route. To proceed in this manner obviates the "political question" issue. When a court is asked to free a man who contends that his detention is unconstitutional, it cannot very well evade the issue and leave him to rot in jail. That course becomes even more dubious when both Congress and the President desire the Court to adjudicate the controversy. Indeed, Madison stated that neither branch can decide a boundary dispute between them. Professor Alexander Bickel expressed a similar view in his testimony during the Hearings on Executive Agreements before the Senate Committee on Foreign Relations, p. 31 (October 1971).

President Nixon's confidence that the Court will sustain his position needs to be measured against the historical facts. With George Ball, former Under Secretary of State, I consider that executive privilege is a "myth", without "constitutional foundation." We need to recur to the facts which riddle the myth because estimable members of your body as well as important molders of public opinion have been influenced by executive propaganda to believe that there is such a constitutional attribute as executive privilege, that Washington, for example, was the first to invoke the doctrine.

In 1965 I published an extensive critique of the view, expressed by then Deputy Attorney General William P. Rogers in a 1957 Memorandum submitted to the Senate, that the President had "uncontrolled discretion" to withhold information from Congress. So far as I can find, no member of the executive branch, past or present, or for that matter, no academician, has attacked my critique in a published writing. For the purpose of expanding my study into a book, I have engaged for the last 20 months in restudying and rethinking the problem, and in considerable additional research, particularly in the English sources and our own constitutional history. I found that Parliament enjoyed an untrammeled power of inquiry into executive conduct, that no Minister or subordinate interposed any objection to the right of Parliament to inquire, and substantial evidence that the Founders meant to adopt this power of the "Grand Inquest of the Nation," without the slightest indication that they intended in any way to cut it down. Against this history, the psuedo-precedents after 1787 carry an all but impossible burden. Permit me to spread some of this history before you.

I

McGrain v. *Daughtery* offers a good starting point. Decided in 1927, it declared that the investigatory power was "regarded as an *attribute* of the power to legislate in the British Parliament . . . before the American Revolution"; and that "the constitutional provisions which commit the legislative functions to the two houses are intended to include this attribute." To obtain light as to the *scope* of this attribute we may, therefore, turn to parliamentary history.

There I found that the power of inquiry had its inception as an *auxiliary to the power of impeachment*, on the sensible ground that one does not indict before inquiring whether there is cause. This fact is of immense importance because, as you recall, "The President, Vice President and all civil officers" are subject to impeachment, and it follows that they are all subject to preliminary inquiry. Of this, I shall have more to say later.

In performing this inquiry function, the House of Commons acted as the "Grand Inquest of the nation"; and we need to bear in mind, as Chief Justice Lord Denman stated in 1839, that:

"The Commons . . . are not invested with more of power and dignity by their legislative character than by that which they bear as grand inquest of the nation."

In a random sampling of parliamentary debates at different periods, stretching from 1621 to 1742, I found legislative oversight of administration across the board: inquiries to lay a foundation for legislation, into corruption, tne conduct of war, execution of the laws, disbursement of appropriations, in short, into every aspect of executive conduct. Foreign affairs, about which American Presidents have drawn a curtain of secrecy, were not excepted. The great English historian, Henry Hallam, after adverting to the investigations of 1691 and 1694, concluded,

". . . it is hardly worth while to enumerate later instances of exercising a right which had become indisputable, and, even before it rested on the basis of precedent, could not reasonably be denied to those, who might advise (*i.e.*, legislate), remonstrate and impeach."

The highest officers of the land responded to such inquiries without demur. No hint turned up in my search of the parliamentary records of a challenge by a Minister or subordinate to the right of Parliament to inquire or to the scope of inquiry into executive conduct. Speaking of inquiries instituted in 1689 with respect to miscarriages in the conduct of war in North Ireland, Hallam stated, "No courtier (*i.e.,* Minister) has ever since ventured to deny this general right of inquiry." Colonial recognition of these facts is to be found in 1774 by James Wilson, with Madison the leading architect of the Constitution. The House of Commons, he wrote,

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[1] Hearings Before a Subcommittee on Government Operations on the Pentagon Papers, Part 2, Pp. 379, 385 (June 1971) hereafter cited as Moorhead Hearings.

"Have checked the progress of arbitrary power, and have supported with honor to themselves, and with advantage to the nation, the character of the grand inquisitors of the realm. The proudest ministers of the proudest monarchs have trembled at their censure; and have appeared at the bar of the house, to give an account of their conduct, and ask pardon for their faults."

From this, two complementary conclusions may be drawn: (1) Parliament enjoyed a plenary power of inquiry into executive conduct; and (2) no Minister or subordinate, no subject of inquiry was immune from investigation into any aspect of administration. It is a striking fact that neither the Eisenhower nor Nixon Administration, where "executive privilege" has been most extravagantly claimed, has advanced a single pre-1787 precedent for executive refusal to turn over information to the legislature. Thus, whereas Congressional inquiry, rested by the Supreme Court on the example of Parliament—which had plenary power, has a solid foundation, there is *no pre-Convention historical basis* for the claim that the power to withhold information from the legislature was an *attribute of the Executive*. All inferences are to the contrary. This, as I shall show, has important implication for the executive appeal to the separation of powers.

That the Founders were aware of this legislative-inquiry attribute is demonstrated by four or five references in the Convention and the several Ratifying Conventions to the function of the House as the "grand inquest of the nation." Wilson's 1774 publication, earlier quoted, exhibits a thorough appreciation of what that function embraced, above all that "the proudest Ministers . . . appeared." It calls for solid evidence that Wilson abandoned his admiration for this practice of the Commons, particularly since he viewed the executive power merely as a power to execute the laws. In fact, there is not the slightest intimation in the records of the several Conventions that the Founders intended to curb the functions of the Grand Inquest in any way.

The Executive branch builds its case on the separation of powers. But resort to the separation of powers assumes the answer; it assumes that the executive had a withholding power upon which legislative inquiry encroaches. John Adams spelled out in the 1780 Massachusetts Constitution that the separation of powers was designed to prevent one department from exercising the powers of another. Since *it was not an attribute of executive power* at the adoption of the Constitution to refuse information to the legislature, a Congressional requirement of information from the Executive does not encroach on powers confided to the President; it does not violate the separation of powers. This is confirmed by a statement of Montesquieu, who was repeatedly cited by the Founders as the oracle of the separation of powers. The legislature, he said—exhibiting his familiarity with the English practice—should "have the means of examining in what manner its laws have been executed by the public officials." Given repeated recognition of the function of the House as Grand Inquest, something more than appeals to an abstract separation of powers is required to curtail the function. Unless evidence is inherently incredible, the courts hold, it is not to be defeated by speculation based on no evidence.

The fact that the separation of powers was not designed to reduce the "Grand Inquest" function is again confirmed by the Act of 1789, which made it

"The duty of the Secretary of the Treasury . . . to make report, and give information to either branch of the legislature in person or in writing (as he may be required), respecting all matters referred to him by the Senate or the House of Representatives, or which shall appertain to his office."

The Act contains no provision for executive discretion to withhold information, and there is no reference whatsoever to such discretion in the legislative history of the Act. This provision was drafted by Alexander Hamilton who, as a member of the Convention and co-author of The Federalist, knew well enough whether a duty could be imposed on the Executive Branch to furnish information to Congress. Adopted by the First Congress, whose construction of the Constitution is given great weight, and signed by President Washington, who had been presiding officer of the Convention, this Act can hardly be deemed in violation of the separation of powers.

Were the issue in doubt, President Nixon has just supplied the clincher by his instruction to members of his staff to appear before the Grand Jury that is investigating the Watergate conspiracy. He is scarcely consistent: the separation of powers does not bar inquiry by the judiciary, one coordinate branch, while it does bar inquiry by another, the Congress. Yet it is the legislature, acting as the Grand Inquest, which is the highest grand jury in the land. And why does disclosure to the grand jury of confidential communications between members of the White House staff not "inhibit" the candor allegedly essential to performance of executive functions, whereas disclosure to Congress, according to President Nixon, would "weaken and compromise" the "candor with which such advice is rendered?"

Lest it be thought that the President's instruction to appear before the grand jury was a matter of grace, I submit that no man is immune from testifying before the grand jury as to the commission of a crime. If a member of the White House staff, for example, were the sole witness to a murder, he could scarcely refuse to testify on the ground of executive privilege. That the separation of powers interposes no obstacle to the judiciary is immediately apparent from two cases. In 1953, the Supreme Court held in *United States* v. *Reynolds* that the decision whether military secrets may be withheld from a party in litigation cannot be left to the caprice of an administrator but is for the determination of the courts. Much earlier Chief Justice Marshall held on the *Trial of Aaron Burr* that President Jefferson could be required to furnish to a defendant in a criminal trial a letter to Jefferson from General James Wilkinson. Marshall, who had been a vigorous advocate of the Constitution in the Virginia Ratification Convention was hardly unaware that his ruling was not barred by the separation of powers; nor can it be presumed that in 1953 the Supreme Court was oblivious to that problem. If judicial insistence on executive disclosure does not offend against the separation of powers, Congress, too, is not barred.

Let us now return to inquiry as a prelude to impeachment, bearing in mind that the Constitution makes express provision for impeachment of "The President, Vice President and all civil officers." James Iredell, later a Justice of the Supreme Court, adverted in the North Carolina Convention to the maxim that the King can do no wrong, and exulted in the "happier" provision which made the President himself triable. The President, it should not be forgotten, was not looked at with awe but with apprehension. Of this power of impeachment, a Committee of the House, faithfully reflecting parliamentary history stated in 1843 that,

"The President himself, in the discharge of his most independent functions, is subject to the exercise of this power—a power which implies the right of inquiry on the part of the House to the fullest and most unlimited extent."

Since the Constitution expressly provides for impeachment of the President, since historically inquiry may precede impeachment, President Nixon errs in asserting that "the manner in which the President exercises his assigned executive powers is not subject to questioning by another branch of the Government." Even the headstrong Andrew Jackson acknowledged that:

"Cases may occur in the course of (Congress') proceedings in which it may be indispensable to the proper exercise of its power that it should inquire or decide upon the conduct of the President or other public officers, and in every case its constitutional right to do so is cheerfully conceded."

Consequently, Mr. Nixon's argument that "If the President is not subject to such questioning, it is equally inappropriate that members of his staff not (sic.) be so questioned, for their roles are in effect an extension of the President" falls to the ground. Moreover, since "all civil officers" are impeachable by the terms of the Constitution, they are subject to inquiry without the leave of the President. Impeachment, said Elias Boudinot in the First Congress—that almost "adjourned session" of the Constitutional Convention, enables the House "to pull down an improper officer, although he should be supported by all the power of the Executive." The point was made again and again, among others, by Abraham Baldwin, a Framer. English history affords no instance where Parliament was required to seek leave of a Minister for the appearance of a subordinate; and the imposition of such a condition by the President has no historical warrant.

My search of the several Convention records, let me repeat, turned up not a shred of evidence that the President was empowered to withhold *any* information from the Congress. One constitutional provision, in fact, speaks against it. The Framers authorized secrecy in only one case, and then by Congress, not the President. Congress is required to keep and publish Journals except "such part as may in their (each House's) judgment require secrecy." This provision encountered rough going, being harshly criticized by James Wilson, George Mason, Elbridge Gerry, Patrick Henry and also by Jefferson. To allay fears of this secrecy provision, proponents explained that it had very restricted scope. So, John Marshall stated in Virginia that the debates "on the propriety of declaring war" and the like, could not be conducted "in the open fields," and said, "In this plan, secrecy *is only to be used* when it would be fatal and pernicious to publish the schemes of government."

In light of the denial of limitless power to conceal *to* the "legislative authority"—which Madison said "necessarily predominates" in "republican government"—how can an intention be derived of an *implied* grant to the executive of power to keep anything and everything secret? Rather, as the Supreme Court held in analogous circumstances, the express authorization for limited discretionary secrecy by Congress and the omission to make similar provision for the President indicates an intention to withhold such authority from him. What might momentarily be concealed from the *public* by Congress had to be divulged by the President to Congress, if that senior partner in government was to participate in making the momentous decisions which alone were to be kept secret. Marshall's limitation of the express secrecy provision to "fatal and pernicious" publications renders laughable the wholesale executive claim to secrecy for communications between several million subordinates in the executive department.

II

Before I examine the pseudo—"precedents" on which administration spokesmen base their claim of executive privilege, it should be noted that there is a long line of Congressional precedents, solidly based on the investigatory power of Parliament and unequivocally asserted in plenary terms.

President Nixon tells us that executive privilege "was first invoked by Washington." Preliminarily, the first use of the phrase, so far as I could find, occurred in a private litigation in 1958. An independent search by Professor Arthur Schlesinger likewise turned up no use of the phrase prior to the Eisenhower Administration, scarcely testimony of a well-established doctrine. There were two incidents. First, there was the 1792 inquiry into the disastrous St. Clair expedition against the Indians; Washington turned over all the documents; "not even the ugliest line in the flight of the beaten troops was eliminated," states his biographer, Douglas Freeman.

Executive reliance on St. Clair is based, *not on refusal,* of the documents, but on Jefferson's notes of a Cabinet meeting at which it was agreed that the "house was a grand inquest, therefore might institute inquiries," but that the President had discretion to refuse papers "the disclosure of which would injure the public. These notes are not reconcilable with the 1789 Act which Washington had earlier signed, and which permitted unqualified inquiry. What little precedential value may attach to the notes vanishes when it is considered that only four years later Washington himself did not think to invoke the St. Clair "precedent" in the Jay Treaty case upon which the Executive next relies, and instead stated his readiness to supply information to which ever House had a "right", such as the Senate had to treaty documents.

Jefferson's notes did not find their way into the government files; there is no evidence that the meditations of the Cabinet were ever disclosed to Congress. Indeed, it would have been most impolitic and unsettling to excite the House by a claim of discretion to withhold when all the required information was, in fact, turned over. The notes were found among Jefferson's papers after his death and published many years later, under his "Anas," what he described as "loose scraps" and "unofficial notes." There this "precedent" slumbered until it was exhumed by Mr. Rogers in 1957. Some precedent!

Time does not permit me to show that Jefferson, who unlike Rogers, turned to English precedents for the scope of the executive power, was mistaken in his reading of some remarks in the Walpole proceedings of 1742. It must suffice to say that William Pitt more accurately reflected the state of English law in those proceedings:

"We are called the Grand Inquest of the nation, and as such it is our duty to inquire into every step of public management, either abroad or at home, in order to see that nothing is done amiss."

And so it remained, as Justice Coleridge stated in 1845:

"That the Commons are, in the words of Lord Coke, the general inquisitors of the realm, I fully admit . . . it would be difficult to define any limits by which the subject matter of their inquiry may be bounded . . . they may inquire into everything which concerns the public weal for them to know; and themselves, I think, are entrusted with the determination of what falls within that category."

The second Washington "precedent" is his refusal to turn over the Jay Treaty papers to the House. He had *delivered* them to the Senate but refused them to the House because, he said, the House had no part in treaty-making and hence no "right" to the papers. He emphasized, however, that he had no disposition to withhold "any information . . . which could be requested of him as a right," a repudiation of Jefferson's "discretion to withhold."

And as an example of a "right" to require documents (which explains his delivery to his partner in treaty-making, the Senate) he instanced impeachment; but stated that "It does not occur that the inspection of the papers asked for can be relative to any purpose under the cognizance of the House of Representatives except that of impeachment; which the resolution has not expressed." This put the cart before the horse; it required the House to prejudge the case, to "purpose" impeachment before it inquired whether there was just cause. Then, too, the procedure required for impeachment was left to the House, for to it was given "the sole power of impeachment," so that Washington invaded the House's prerogative in suggesting a decision to impeach must precede inquiry. Nonetheless, here Washington recognized what parliamentary practice teaches, that inquiry was auxiliary to impeachment and could even reach an ambassador plenipotentiary, Chief Justice Jay.

A Washington precedent that sheds more light on President Nixon's invocation of executive privilege to shield his counsel, John Dean, from inquiry as to his knowledge of, or participation in the "Watergate" conspiracy, is the Hamilton incident. When Washington learned that an investigation into the conduct of his "intimate adviser," Alexander Hamilton, his Secretary of the Treasury, was rumored, Washington stated,

"No one . . . wishes more devoutly than I do that (the allegations) may be probed to the bottom, be the result what it may."

Washington would have welcomed, not thwarted, the interrogation of Mr. Dean.

Following Washington's example, President Polk stated in 1846,

"If the House of Representatives, as the grand inquest of the nation, should at any time have reason to believe that there has been malversation in office . . . and should think proper to institute an inquiry into the matter, all the archives and papers of the Executive Department, public or private, would be subject to the inspection and control of a committee of their body, and every facility in the power of the Executive be afforded them to prosecute the investigation."

This, it will be recalled, was also the view of President Jackson.

It would be stale and unprofitable to rehearse subsequent presidential assertions of a right to withhold information from Congress, for the last precedent stands no better than the first. Bare assertion, even if oft-repeated, can no more create power than the President can lift himself by his bootstraps. As the Supreme Court stated in the "*Steel Seizure Case,*" "That an unconstitutional action has been taken before surely does not render the same action any less unconstitutional at a later date."

Let us rather focus on that branch of executive privilege which, according to President Nixon, was "designed to protect communications within the executive branch" and is allegedly "rooted in the Constitution." When Assistant Attorney General William H. Rehnquist appeared before Congress in 1971, the instances he cited for the refusal of the President's "intimate advisers to appear" went back no farther than the Truman Administration. These refusals, said he, were based on the principle that the advisers "ought not to be interrogated as to conversations . . . with the President." Be it assumed that communications between the President and members of his Cabinet enjoy constitutional shelter—by no means an incontrovertible assumption—and that still does not stretch to communications between several million subordinate employees.

What the President conceives to be "rooted in the Constitution" is in fact *first met in 1954,* when President Eisenhower sought to ward off Senator McCarthy's savage attacks on Army personnel by a directive that communications between employees of the Executive branch must be withheld from Congress so that they may "be completely candid in advising with each other." Overnight this "doctrine" was expanded to shelter mismanagement, conflicts of interest such as led the Supreme Court to set aside the Dixon-Yates contract, inexplicable selection of low bidders, etc., etc. A detailed account of the rank, jungle-like growth of the "candid interchange" doctrine in the Eisenhower years is to be found in Clark Mollenhof, *Washington Cover-Up.*

It is strange doctrine that the acknowledged power to probe "corruption, inefficiency and waste" does not extend to "candid communications" which are often at the core of such misconduct. Had that doctrine prevailed, many an investigation of corruption and maladministration, *e.g.,* Teapot Dome, would have been stopped in its tracks. Congress, declared the Supreme Court in *McGrain* v. *Daugherty,* may investigate "the administration of the Department of Justice . . . and particularly the Attorney General and his assistants." To shield communications between suspected malefactors from such inquiry would go far to abort investigation.

As a Congressman in 1954, President Nixon protested against Truman's instruction to withhold an FBI letter, saying, "That would mean that the President could have arbitrarily issued an Executive order in the (Bennet) Myers case, the Teapot Dome case . . . denying the Congress . . . information it needed to conduct an investigation of the executive department."

Eisenhower's claim that "candid interchange" among subordinates is an indispensable condition of good government is an unproven assumption. It is disproved by the fact that his withholding on that ground of information respecting alleged maladministration of foreign aid in Peru was immediately countermanded by President Kennedy, with the salutary result that exposure led to correction, not to the toppling of administrative towers. Both the Kennedy and Johnson Administrations sharply whittled down claims of executive privilege with no noticeable ill effects on administration.

In England, "candid interchange" was laughed out of court by the House of Lords in *Conway* v. *Brimmer* (1968). Against the debatable assumption that fear of disclosure may inhibit "candid interchange," there is the proven fact that such interchanges have time and again served as a vehicle of corruption and malversation, so that, to borrow from Lord Morris, "a greater measure of prejudice to the public interest would result from their non-production." Can the costs of suppressing the Pentagon Papers be weighed in the scales with preservation of confidences between subordinates? Disclosure to Congress and the people of reports about the untrustworthiness of and lack of internal support for a succession of Saigon satraps, of bleak intelligence estimates, of growing pessimism in the inner circle about the outcome of the Vietnam involvement, might have enabled Congress to weigh the mountainous costs against the increasingly doubtful benefits of the accelerating escalation.

The issue posed by President Nixon's claim for immunity for Messrs. Henry Kissinger, Peter Flanigan, and John Dean on the basis of mere membership in the White House staff calls for comment.

You will recall that Assistant Attorney General Rehnquist went no further than to say that the "intimate advisers" of the President "ought not to be interrogated as to conversations . . . with the President." On practical grounds, it may be desirable to shield such conversations from Congressional inquiry, and Congress itself generally has not insisted on their disclosure. But it does not follow that there is a constitutional basis for the withholding claim. Indeed, Mr. Dean himself wrote on April 20, 1972, that:

"The precedents indicate that no recent President has ever claimed a 'blanket immunity' that would prevent his assistants from testifying before the Congress on any subject."

Such a claim would be without historical foundation.

"Pernicious advice" to the King by his Ministers was a repeated cause for impeachment; and Francis Corbin in the Virginia Convention, Henry Pendleton in the South Carolina Convention, and James Iredell in the North Carolina Convention, alluded to such "advice" as within the scope of impeachment. Given impeachable "advice", inquiry whether it was communicated cannot be barred on constitutional grounds, whatever may be the merits of the practical arguments for confidentiality. Practical desiderata cannot be converted into constitutional dogma.

In a dictum in *Marbury* v. *Madison,* Chief Justice Marshall stated that if anything was communicated to the Attorney General in confidence by the President, "he was not bound to disclose it." Sitting on the *Trial of Aaron Burr,* Marshall confined that dictum, as Deputy Attorney General Rogers stated, to non-disclosure of "communications *from* the President," and held that Burr was entitled to have a letter *to* President Jefferson from General James Wilkinson, obliquely confirming the right of inquiry into "advice".

It needs to be emphasized that the *Marbury* dictum is altogether irrelevant to *Congressional* inquiry. That was a suit by a private individual, and Marshall stated that the "province *of the court* . . . is not to inquire how the executive or executive officers perform their duties." Precisely that function, however, does lie within the province *of the legislature,* as parliamentary history makes clear, as Montesquieu and James Wilson perceived, and as the Supreme Court has repeatedly recognized. In sum, there is no historical warrant for the claim that confidential advice to the President is shielded from Congressional inquiry by the Constitution, though Congress may choose, as a matter of comity, not to probe into such advice.

Information is the blood stream of democracy; he who controls it controls our destinies, as the progressive escalation in Vietnam alone should teach. I cannot improve on President Nixon's 1972 statement:

"When information which properly belongs to the people is systematically withheld by those in power (*e.g.,* the facts behind the Vietnam escalation), the people soon become ignorant of their own affairs, distrustful of those who manage them and eventually incapable of determining their own destinies."

The people, therefore, have an immediate stake in opening all channels of information to Congress, the great American forum of national debate.

III. THE PROPOSED BILLS

(1) S. 858

My prime difficulty with S. 858 is that expressed by Congressman John E. Moss about the predecessor bill:

"We should not recognize executive privilege in any statute. I don't think there is any constitutional basis for executive privilege . . . By recognizing executive privilege here we are going to walk into a trap."

Hearings on executive privilege before the Subcommittee on Separation of Powers, Pp. 332–333 (1971). Similar views were expressed by Robert F. Keller, Deputy Comptroller General, and Professor Norman Dorsen, id., at 304, 310, 364–365. The bill adds nothing to the existing sheaf of Congressional powers. If an official declines to testify, Congress may issue a subpoena; upon noncompliance with the subpoena a contempt citation can be used for enforcement.

The deference expressed in § 306(b) to a claim of privilege by the President means that in virtually every instance he will rubber-stamp his approval of withholding, as he did in 1971.

If there is a constitutional basis for executive privilege, § 306(c) invades a presidential prerogative by seeking to decide the scope of the privilege. That function would be for the courts. Again, the provision that the Committee "will determine whether the assertion of executive privilege is well taken" constitutes implicit recognition of a doctrine of indeterminate scope.

A fund-cut-off provision such as § 307(f) may well prove ineffectual. In 1960, the Porter Hardy House Committee sought information about rumored maladministration of foreign aid in Peru, which proved true in the event. Congress enacted a cut-off after Presidential refusal to furnish information on ground of executive privilege. Thereupon, Attorney General Rogers rendered an opinion to Eisenhower that he could disregard such cut-offs on the ground that they imposed an unconstitutional condition on disbursement of an appropriation. Eisenhower then ordered the Secretary of the Treasury to disregard the cut-offs and to disburse the funds, any funds, to Foreign Aid. The incident is described with accompanying documents in Clark Mollenhof, *Washington Cover-Up.* In a word, a cut-off may be defied, and this would require submission of the issue to the courts. The provision, therefore, defers an inescapable confrontation.

(2) Joint Res. 72

My difficulties with S. 858 are duplicated by J.R. 72. Line 2 of P. 2 also legitimates and provides for a claim of executive privilege by the President. On my view that executive privilege is a constitutional myth, the provision for a hearing on whether the President's claim is well-founded is gratuitous. If, on the other hand, it is indeed "rooted in the Constitution," it is for the courts, not the Congress, to determine its limits. And in any event, I suggest that a Committee would be well-advised to determine *before* the matter gets escalated whether it has a legitimate claim for information.

Existing law provides that a witness who declines to appear, be the cause what it may, can be served with a subpoena; if the recalcitrant persists in his declination, the Committee may submit the case to the Senate, so that again, § 2 is superfluous.

(3) S. 1142

The amendments to the Freedom of Information Act are badly needed if only to overcome interminable bureaucratic stalling. Then, too, the decision in the Patsy Mink case made necessary express provision to empower the courts to have the last word as to whether the information sought to be withheld under the exemptions for matters of national defense or foreign policy and for intra- and inter-agency communications, (§ 552(b)(1) and (5)) may be withheld. As you know, such is the bureaucratic addiction to secrecy that any permission to withhold becomes a blank check that is greatly overdrawn. In the parallel discovery practice of the courts, the courts are the final arbiter as to the right of the executive to withhold information from a litigant. I cannot believe that a judge is less to be trusted with a determination of what must be kept secret than a bureaucrat.

Let me also call your attention to the need to disavow an incautious statement contained in both the Senate and House reports on the FOIA. The Committees permitted the agencies to sell them a bill of goods and incorporated a statement that the disclosure of "candid interchanges" would inhibit free and frank discussion among officials of the Executive Branch. That statement has been seized upon by the courts, even in private litigation; and in due course it must paralyze efforts to obtain information. You know at first hand how crippling this "candid interchange" claim has been in the field of executive privilege. I would, therefore, urge that the Reports on the proposed amendment state that the prior "candid interchange" statements were made in deference to agency opinion, and that experience has demonstrated they were mistaken and are now specifically repudiated. Let me emphasize, if disclosure to the public would inhibit "candid interchange" in the Executive Branch, by parity of reasoning, disclosure to Congress would have the same effect. You have furnished ammunition to the opposition.

Above all, matters of discovery in the courts, of FOIA, of executive privilege are interrelated and cannot be considered in isolation. The bureaucratic infatuation with secrecy pervades all three.

THE GENOCIDE CONVENTION'S UNDERSTANDING ON IMPLEMENTATION

Mr. PROXMIRE. Mr. President, a common and general charge often leveled against the Genocide Convention is that it will interfere with the administration of justice in the United States and that it will subject U.S. citizens to legal action for alleged crimes not contemplated under our present laws.

One fact that these objections to the Genocide Convention overlook is that the convention is expressly nonself-executing. This fact is expressed in two places: in the body of the convention, and in the fourth understanding recommended by the Senate Foreign Relations Committee in reference to the convention.

Article V of the convention expressly stipulates that:

> The Contracting Parties undertake to enact, in accordance with their respective Constitutions, the necessary legislation to give effect to the provisions of the present Convention and, in particular, to provide effective penalties for persons guilty of genocide or of any of the other acts enumerated in article III.

In order that this point be fully understood, this understanding has been recommended:

> That the United States Government declares that it will not deposit its instrument of ratification until after the implementing legislation referred to in Article V has been enacted.

In fact, the Senate committee recommending ratification has gone on record as considering the United States becoming a party to the treaty as a two-step process: first, the ratification of the treaty itself; and second, enactment of the implementing legislation.

Senators Scott and Javits introduced on February 16 of last year an administration draft of S. 3182, legislation which would implement the treaty. The bill died at the end of the 92d Congress due to lack of action, but the administration has indicated that it is prepared to resubmit the proposed legislation at an early date. This legislation should be considered in accordance with the regular legislative procedures.

Mr. President, we should consider and

approve both the convention and its implementation as soon as possible.

AMBASSADOR BOWLES TRIBUTE

Mr. RIBICOFF. Mr. President, Chester Bowles, a former Governor of Connecticut and U.S. Representative and distinguished Ambassador to India was one of Bill Benton's closest associates. Mr. and Mrs. Bowles were visiting India at the time of Senator Benton's death. The tributes to Senator Benton could not be complete without that of Ambassador Bowles, so I ask unanimous consent that his statement, released in New Delhi on March 18, be included in the Record at this time.

The news of Bill Benton's death has just reached me here in India. Bill and I were associated in business and public life for nearly 50 years and his death comes as a great shock to me and my family. His record in the U.S. Senate and in many educational enterprises in which he participated has earned him the admiration of people throughout the world. His political courage, his generosity, his keen intelligence and his undying efforts for a better life for all people will long be remembered.

FEDERAL HOUSING PROGRAMS

Mr. STEVENSON. Mr. President, on March 30–31, the Senate Housing Subcommittee, on which I serve, held 2 days of very productive oversight hearings in Chicago. The hearings examined Federal housing programs in the Chicago area and particularly the adverse and cruel impact of the housing moratorium. I am grateful to Senator Sparkman, the chairman of that subcommittee, for granting my request to bring the subcommittee to Chicago as well as for his leadership and active participation in the hearings.

The hearings left me convinced that the Federal Government must retain its commitment to decent housing for every American. The moratorium must be ended. Clearly, reforms are needed in existing programs—particularly administrative reforms as the hearings suggested—but they can be instituted while the programs continue to operate. I have therefore joined Senator Proxmire as a cosponsor of S. 1440, a bill to require the President to immediately reinstate the terminated housing programs.

I ask unanimous consent that the statement I made to open the Chicago hearings be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Nearly 25 years ago, in the Housing Act of 1949, the Congress set forth a national goal of "a decent house in a suitable living environment for every American family." The Nixon Administration has repudiated that commitment by imposing a "moratorium" on federally subsidized housing, both single family and rental.

I for one do not want to go back on that commitment. The evidence is clear that federal support for housing is necessary if the housing needs of low- and moderate-income families are to be met in the inner city, in the suburbs and in the countryside. In 1971, only two per cent of all new homes sold for less than $16,000. Thirty per cent of all American families cannot afford a home at that relatively low cost. The average cost of a new home in February of this year was $30,400, far above what most Americans can afford. And far too many families who live in rental units pay an exorbitant portion of their income for rent.

Existing housing programs are not perfect. Too often they serve interests other than those intended—and at the expense of the taxpayer. Too often they have ignored the housing needs of the inner city, including the need for an adequate number of well-maintained rental units. Too often their intent is warped by faulty HUD administration. Too often the housing is not structurally sound or safe. But the answer is not to abandon our commitment to decent housing. The answer is to make federal support for decent housing work.

The Nixon Administration mismanaged federal housing programs, then said they did not work, and then terminated them. It refuses to execute the law.

The laws should be obeyed, and the housing programs reinstated. Then, while federal housing activities continue, Congress should review and revise them.

I have already introduced legislation which will allow purchasers of FHA homes to be reimbursed for the cost of repairs necessary because of structural defects which FHA overlooked in its appraisal and inspection. We must assure that federal housing programs benefit homebuyers and tenants, as well as builders, realtors, landlords, and mortgage bankers.

The solution is not to kill, but to cure. The moratorium will have a disastrous effect on housing both nationwide and in Chicago. The Housing Act of 1968 required that housing goals be set for each year from 1969–1978. The Housing goals, set by HUD itself in 1970 call for 695,000 units of subsidized housing in Fiscal year 1974. As a result of the moratorium only 250,000 units will be built nationwide in Fiscal year 1974. In Fiscal year 1975 the housing goals call for 730,000 subsidized units, but unless the present moratorium is lifted none will be built. In Chicago, 6000 units of federally subsidized low- and moderate-income housing will be completed this fiscal year, but because the Administration's moratorium permits no new starts, only 4000 units will be completed next year, and only 3000 in 1975. So despite increasing needs, the amount of housing available for low- and moderate-income families will dwindle.

These hearings will give the Subcommittee a chance to see and hear about the progress made and the problems that have occurred under federal housing programs. We want to determine to what extent the shortcomings that do exist are a result of faulty administration by the Department of Housing and Urban Development and to what extent they are due to defects in the legislation that can be corrected. We want to know what the adverse effects of the moratorium will be on people in the Chicago area. Our purpose is not to hunt witches, but to build houses—to provide decent shelter at a reasonable cost for every American family.

VETERANS' HOSPITAL PRAISED

Mr. McCLURE. Mr. President, our veteran population deserves this country's deep sense of gratitude perhaps more than any other segment of our society. These men and women who gave of themselves in service to their country must not be overlooked or forgotten. Much was demanded of our veteran while he was in uniform and, in turn, we must meet the challenge of servicing them out of uniform.

Over the years I feel this country has developed for our veteran one of the finest systems of medical care facilities in the world. Granted, there must be a continual assessment as to whether the VA hospitals are meeting the veteran's need, but we must not forget the dedication and compassion for healing that the thousands of people who staff these hospitals maintain.

In a recent letter to the Idaho Statesman, Mr. Gary Huck reported well-deserved praise for the VA hospital in Boise. In his letter to the editor, he expressed his thanks to the fine staff there from a vantage point of one who received their service. His comments are well worth reading and I commend them to the Members of this body.

I ask unanimous consent that the letter to which I have referred be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Veterans Hospital Praised for Dedication to Healing

Editor, The Statesman: On March 15, 1971, I was sent to the Veterans' Administration Hospital for a broken leg. I was there for five months, and during that time spent, it was like heaven. I enjoyed every minute of it. I received what I think was and still think the most expert, professional medical care any human being would ever get. The staff on my floor was, and I still think, superb. It was like home away from home; I come from the great state of Kansas.

The doctors and nurses and all the rest were beautiful, kind, thoughtful, sincere, compassionate, and the greatest people alive. Their actions made me almost forget what I was there for. They did little things for me that any other hospital would have charged me a fortune for.

If I wasn't allergic to pain, I would probably break both my legs, arms or anything else, just to get back for a longer stay. I truly say those were magnificent people, and to the greatest physical therapist, and his staff goes the same feelings.

I have only this much more to say about the Veterans' Administration Hospital. God bless the hospital and the medical staff in it. May they keep on going with their fantastic painstaking dedication to the cause of their unselfish devotion to human kind. May they live in peace throughout the rest of their lives, and be prosperous in whatever they do.

Gary Huck, *Boise.*

TECHNOLOGY ASSESSMENT BOARD

Mr. KENNEDY. Mr. President, on behalf of the Technology Assessment Board, of which I am chairman, I should like to inform the Senate that the board held its first organizing meeting on April 10, 1973, and unanimously adopted 15 rules. It is expected that the board will adopt additional rules at subsequent meetings. I ask unanimous consent that the rules of the Technology Assessment Board be printed in the Record.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Technology Assessment Board, Congress of the United States

Rules of Procedure

Rule 1. The rules of the Senate and the House of Representatives, insofar as they are applicable, shall govern the Board.

Rule 2. The meetings of the Board shall be held at such times and in such places as the Chairman may designate, or as a majority of the Board may request in writing, with adequate advance notice provided to all Members of the Board.

Rule 3. The Chairman shall preside over meetings of the Board. In his absence, the Vice Chairman or other Board Member as the Chairman may designate shall preside.

Rule 4. Hearings before the Board may be convened by the Chairman or by a majority of the voting Members of the Board: *Provided*. That the Board shall not require by subpena or otherwise the attendance of any witness, the administering of any oath or affirmation, or the production of any book, paper, or document unless a majority of all the voting Members of the Board assent. The Chairman may designate any Member of the Board to preside over a particular hearing.

Rule 5. No recommendation shall be reported from the Board to either House of Congress, to any committee thereof, or to any government agency or official unless a majority of the Board is present and a majority of all the voting Members of the Board assent: *Provided*, That any Member of the Board may make a recommendation supplementary to or dissenting from the majority recommendation.

Rule 6. The Board shall not appoint any person as Director of the Office of Technology Assessment, nor shall the Board remove any person from said position, unless a majority of all the voting Members of the Board assent: *Provided*, A vote to remove the Director shall not be taken in less than 20 calendar days after a written motion for such a vote, signed by at least three Members of the Board, shall have been provided to each Member of the Board.

Rule 7. The Board shall not appoint any person as a member of the Technology Assessment Advisory Council unless a majority of all the voting Members of the Board assent.

Rule 8. Proposals for adopting, eliminating, amending, or modifying rules of the Board shall be sent to all Members of the Board at least two weeks before final action is taken thereon, unless said action is taken by unanimous consent of all Board Members. No rules of the Board shall be adopted, eliminated, amended, or modified in any way unless a majority of all the voting Members of the Board assent.

Rule 9. Except as otherwise provided by any other Rule of the Technology Assessment Board, six of the voting Members of the Board actually present shall constitute a quorum, provided that such Members shall include at least one Member of each party and at least one Member of each House.

Rule 10. Proxy voting shall be permitted on all matters before the Board, provided that the absent Member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded; but provided further that no proxy shall be used at the first Board meeting of each Congress, or for the purpose of establishing or maintaining a quorum.

Rule 11. The vote on any matter before the Board shall be conducted as a rollcall vote when so requested by any Member of the Board. The result of each rollcall vote in any meeting of the Board shall be made available for inspection by the public at reasonable times in the Board offices. The information shall include a description of the motion or other proposition voted on, the name of each Member voting for and each Member voting against such motion or proposition, and the name of each Member present but not voting.

Rule 12. The Director shall appoint with the approval of the Board a Deputy Director, a General Counsel, and such Assistant Directors and additional staff as may be necessary. In addition, the Director shall appoint an Executive Secretary to the Technology Assessment Advisory Council upon the recommendation of the Chairman of the Council and with the approval of the Board. In each Congress, the Director shall appoint an immediate staff to the Board, including a professional staff member designated by the Chairman: a professional staff member designated by the Vice Chairman; a professional staff member designated by the ranking Senator of the party other than that of the Chairman in each odd-numbered Congress, and other than that of the Vice Chairman in each even-numbered Congress; a professional staff member designated by the ranking House Member of the party other than that of the Vice Chairman in each odd-numbered Congress, and other than that of the Chairman in each even-numbered Congress; and such other personnel as the Board may deem necessary.

Rule 13. In order to supplement the Advisory Council and provide the Board with expert advice in special assessment areas or with respect to special assessment problems. Advisory Panels may be established and qualified individuals may be appointed as consultants by the Chairman or the Director with the approval of the Board, or by a majority vote of the Board.

Rule 14. There shall be kept a complete record of all Board proceedings and action. The Clerk of the Board or an alternate Member of the Board staff designated by the Chairman shall act as recording secretary of all proceedings before the Board and shall prepare and circulate to all Members of the Board the minutes of such proceedings. Minutes circulated will be considered approved unless objection is registered prior to the next Board meeting. The records of the Board shall be open to all Members of the Board.

Rule 15. The order of business before the Board and any interpretation of the Rules of Procedure shall be decided by the Chairman, subject always to a vote on an appeal of his decision by a majority of the voting Members of the Board.

THE EXECUTIVE BRANCH AND THE OEO

Mr. BIDEN. Mr. President, those of us who disavow the imbalance between the executive and legislative branches may take encouragement from a Federal district court judge's opinion that the Nixon administration's efforts to dismantle the Office of Economic Opportunity—OEO—is "unauthorized by law, illegal, and in excess of statutory authority."

This opinion may not be the conclusive word on the subject, but it certainly is an opinion that we, who oppose the usurpation of congressional authority and responsibility by recent Democratic and Republican Presidential administrations, can repair to. It gives us cheer and encouragement to keep the battle going.

One key paragraph from the decision of Judge William B. Jones of the Federal District Court for the District of Columbia reads:

> No budget message of the President can alter that power and force the Congress to act to preserve legislative programs from extinction prior to the time Congress has declared that they shall terminate, either by its action or inaction.

There is a firm and recognized basis for this judgment.

Section 9 of article 1 of the Constitution of the United States reads:

> No money shall be drawn from the Treasury but in consequence of appropriations made by law.

In other words, the right to appropriate funds belongs to the Congress. But wars, inattentiveness on the part of the Congress, and "assertive" Presidential administrations have been major factors in the withering of congressional responsibility in the matter of its constitutionally assigned appropriation powers and ancillary duties that flow from these powers.

We in the Congress are now confronted with a constitutional issue, perhaps a constitutional crisis, because Presidents insist on making their own value judgments as to the efficacy or wisdom of congressionally enacted programs and policies. Surely, the President's assigned constitutional duty to see that the laws are faithfully executed does not confer upon the President discretion to determine what law shall be executed, what enacted program denied funds and what agencies shall be rendered inoperative. To acquiesce in this trend is to acquiesce in unitary government, not the concept of federalism as agreed to by the Constitutional Convention delegates and generally respected by the political descendants of these delegates.

As it stands now, an increasing resort to impounding of appropriated funds by modern Presidents has become an important instrument for rendering the Congress impotent and subjecting its elected representatives to ridicule.

I do not insist that the Congress has been blameless in creating the current situation, but I join with my distinguished colleagues, who have been attempting to reverse this situation, in attempting to restore the U.S. Congress to its proper role in the Federal system. It is not too late—yet.

Mr. President, in connection with my observations I ask that a news article appearing in the New York Times on April 12, 1973, be printed in the RECORD at this point in my remarks:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 12, 1973]

THE EXECUTIVE BRANCH AND OEO

In a strongly worded 41-page opinion, Judge William B. Jones of the United States District Court for the District of Columbia ordered Howard Phillips, Acting Director of the O.E.O., to halt his termination of agency programs immediately because such action was "unauthorized by law, illegal and in excess of statutory authority."

Attorneys involved in the suit, brought on behalf of four Community Action agencies threatened with termination and several labor unions representing O.E.O. employes, described Judge Jones's action as "sweeping" and "historic." One lawyer said it should offer members of Congress new support in their struggle with the Administration over the impoundment of funds appropriated by Congress.

Harold Himmelman, attorney for the Lawyers Committee for Civil Rights, which represented the Community Action Agencies in the lawsuit, said that the opinion "clearly reaffirms the constitutional separation of powers and gives Congress the backup it has been looking for to make its fight against the Administration's use of executive power to end programs voted by Congress."

About 100 O.E.O. employes jammed the lobby of the agency's building this afternoon to cheer the decision and claim victory over "Howie Phillips and his wrecking crew."

Upstairs, Mr. Phillips' secretary reported that the Acting Director was in Boston and could not be reached for comment. A spokesman for the O.E.O. said only that the opinion was being studied by counsel and that comment would be forthcoming "probably by tomorrow."

The lawsuits that prompted today's decision were part of a series of similar suits that have been filed since President Nixon announced his desire to terminate O.E.O. at the end of this year.

In his 1974 budget message, delivered Jan. 29, President Nixon called for the end of some O.E.O. programs and the transfer of the rest to other Federal agencies. On the same day, Mr. Phillips warned all regional O.E.O. offices of the intention to terminate their programs and ordered that all existing funds be used only for phasing out the operations.

Noting that Congress had made clear its intent that O.E.O. should continue at least until the end of this fiscal year, Judge Jones ruled:

"No budget message of the President can alter that power and force the Congress to act to preserve legislative programs from extinction prior to the time Congress has declared that they shall terminate, either by its action or inaction."

JUDGE CITES CONSEQUENCES

In answer to the Administration's argument in the case that executive power included the power to reorganize Government agencies in the way Mr. Phillips pursued the termination of O.E.O., the judge said:

"If the power sought here were found valid, no barrier would remain to the executive ignoring any and all Congressional authorizations if he deemed them, no matter how conscientiously, to be contrary to the needs of the nation . . . The defendant [Mr. Phillips] really argues that the Constitution confers the discretionary power upon the President to refuse to execute laws passed by Congress with which he disagrees."

Unless overturned, the ruling today would have the effect of freeing money now in the hands of O.E.O. agencies for use in continuing programs that were halted when the termination order was issued. It would also, according to attorneys for the plaintiffs, require that Mr. Phillips fund some agencies, particularly some Legal Services programs, whose grants for the current year have been held up in anticipation of their demise.

"At the very least," said one O.E.O worker, "it gives new viability to some Community Action programs that were withering in the field."

FUNDING FOR EDUCATION IN INDIANA

Mr. HARTKE. Mr. President, this Congress has been grappling with the problem of determining what is most important to the American public. The Senate has voted a budget ceiling of $268 billion, but we have yet to decide which programs should be cut, which programs should be expanded, and which programs should be eliminated altogether.

The President has his own ideas of priorities; now the Congress must make its voice heard.

Because of my concern about the nature of the budgetary decisions we are about to make, I have undertaken several projects to determine what programs are most effective and have the greatest support in Indiana. In the first such effort, I polled thousands of Indiana educators to learn where their priorities stand regarding education funds. What I found is that most educators favor more Federal funding for education projects.

Mr. President, I ask unanimous consent that the results of my survey be printed in the RECORD so that my colleagues may learn in more detail what educators are thinking about the Federal programs in their field.

There being no objection, the results were ordered to be printed in the RECORD, as follows:

FINDINGS AND ANALYSIS OF OPINION SURVEY OF INDIANA EDUCATORS

(By Senator VANCE HARTKE)

METHODOLOGY AND DEMOGRAPHIC SUMMARY

During the month of January 1973, questionnaires were mailed to Indiana educators engaged in preschool, elementary, secondary, undergraduate, graduate, vocational and handicapped teaching, and administrative and support services occupations. Listed on the questionnaire were the major programs which receive some degree of federal support and which are administered by local, state and national educators.

Responses were requested about each program within one of six categories, namely: one, keep as is; two, increase funding; three, decrease funding; four, stop funding; five, reactivate funds; and six, not familiar or no opinion. Three hundred and sixty five (365) responses were received. Responses came from all geographic areas of the State of Indiana. Shown in Table One by percentage of response is the field of education in which respondents were engaged.

TABLE 1.—*Educational field of employment*

Employment:	*Percent**
Preschool	2.5
Elementary	30.8
Secondary	33.5
Undergraduate	20.0
Graduate	14.3
Vocational	7.1
Handicapped	3.8

*Totals more than 100% because some respondents worked in more than one field.

Educators were asked if they personally had worked in a program in which Federal funding was the prime source of financing the program. Their answers were 40.3% yes, 53.2% no, and 6.6% not certain. Sixty-eight and two tenths (68.2) percent of the respondents were employed by public institutions or school systems and 31.8% by privately sponsored programs.

Educators were asked to describe their activity as teacher, administrator, or support service. The answers were 67.0% teacher or instructor, 26.6% administrator, and 11.0% support services. The total is more than 100% because some respondents divided their time between two roles.

In terms of the education which was received by this group in preparation for their professional responsibilities, they were asked if they personally had received any federal support during that period. The answers were: yes, 36.2%, no 60.8%, and 3.0% did not know.

Since people were being asked to evaluate future funding through federal means, respondents were asked, "have you personally evaluated any federally supported educational program?" Thirty-nine (39.0) percent said yes, 20.6% said no, and 40.4% said, "no, but have received what I believe to be a valid evaluation."

There were a few individuals, less than 2.0%, who categorically rejected any form of federal aid on philosophical grounds. All other respondents made individual evaluations of programs, although not all respondents judged each program.

FINDINGS AND ANALYSIS

Educators were asked to give a judgment about the desire for the funding of twenty-one educational programs under the general category of "Education for the Disadvantaged." The results are tabulated in Table Two.

TABLE 2.—FUNDING OF PROGRAMS FOR THE DISADVANTAGED

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Allied health professions	27.2	28.1	5.6	8.0	0.6	30.6
Career opportunities program	25.8	24.4	5.5	17.2	.3	26.7
Cuban refugee student loans	16.4	5.8	15.8	29.7	0	32.2
Dropout prevention	24.4	29.2	6.4	18.6	.3	21.1
Follow Through	15.2	13.3	6.9	20.3	.3	43.9
Head Start	25.6	29.2	7.8	20.3	.3	16.9
Health and nutrition services	34.4	21.6	7.5	10.3	0	26.1
Health professions	26.4	23.3	8.6	12.5	.3	28.9
Incentive grants	16.1	15.0	8.6	20.8	0	39.4
Institutionalized neglected or delinquent children	23.3	35.3	2.8	6.4	.3	31.9
Local school assistance	26.1	36.9	5.0	11.1	0	20.8
Migrant children	29.2	28.1	6.1	9.7	.8	26.1
Nursing education	28.3	25.6	6.9	10.3	.8	28.1
Talent Search	14.4	7.5	7.2	22.2	.3	48.3
Title I ESEA:						
Pt. B	16.9	12.8	5.8	16.1	.3	48.1
Pt. C	17.0	12.6	5.8	8.2	.3	56.2
Upward Bound	19.2	17.3	7.1	20.8	.3	35.3
Veterans counseling	34.8	27.1	5.2	6.0	.5	26.3
Vocational education	29.9	42.2	6.3	6.6	.5	14.5
Vocational education work study	25.8	33.7	7.7	11.8	0	21.1
Vocational education, special needs	26.0	32.9	6.0	9.3	.5	25.2

If we measure support for a program by combining the percent of respondents supporting keeping funding as is with those calling for an increase in funds, it is clear that vocational education ranks highest among educational programs for the disadvantaged which Indiana educators feel will represent the best money spent for the best results. Almost three out of four (72.1%) want to keep funds as is or increase them, with 42.2% calling for an increase. It should be remembered that only 7.1% of the respondents to the questionnaire were working in the vocational education field; therefore, the strong support of vocational education as a valuable program for the disadvantaged has support of great proportion outside the realm of the vocational educator.

A number of other programs for the disadvantaged received high support as measured by a 55.0% to 65.0% support factor of keeping or expanding funding. These programs are Allied Health Professions, Health and Nutrition Services, Institutionalized Neglected or Delinquent Children, Local School Assistance, Migrant Children, Veterans Counseling, Vocational Education Work Study, and Vocational Education Special Needs.

Four disadvantaged programs received only about fifty percent positive support. They were the Career Opportunities Program, Dropout Prevention, Headstart, Health Professions and Nursing Education. Of course, in all of the programs mentioned above, if the respondents indicating they were not familiar with or had no opinion about a given program were removed from the sample, percentage of support for these programs reaches a higher figure.

All other programs for the disadvantaged received far less than fifty percent support from Indiana educators. These programs are Cuban Refugee, Student Loans, the Follow Through Program, Incentive Grants, Talent Search, ESE. Title I, Parts B and C, and Upward Bound.

Some of these programs, such as Follow Through, Talent Search and ESEA Title I displayed a very large number of respondents who did not know about these programs, or had no opinion about them.

Two early childhood development programs were among those rated for funding. The first was funds for demonstration projects, and that received about as much for keeping or increasing funds as for reducing or stopping funds. The second program, Educational Curriculum Development, received a little more positive, but not overwhelming, support. Results of the tabulation of the questionnaire on these two programs is shown in Table Three.

TABLE 3.—EARLY CHILDHOCD DEVELOPMENT PROGRAMS

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Demonstration projects	20.3	12.3	8.2	24.4	0.3	34.5
Educational curriculum development	20.5	15.3	9.3	19.7	.8	34.2

Education for the handicapped also was treated as a separate educational category in the questionnaire. Table 4 summarizes the results.

TABLE 4.—EDUCATION FOR THE HANDICAPPED

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Deaf-blind regional centers	33.2	40.3	2.2	1.9	0.5	21.9
Learning disabilities research	24.4	36.7	4.1	10.1	.3	24.4
Physical education	29.0	12.3	11.8	17.3	.5	29.0
Teacher and teacher aide education	24.7	26.8	10.4	18.1	0	20.0
Teacher education	30.7	19.5	10.4	19.2	.5	19.7
Teacher recruitment	21.6	12.9	14.5	26.6	0	24.4
Vocational education	31.5	35.1	5.5	6.8	.5	20.5

The Deaf-Blind Regional Centers received the greatest support for continued funding at the current level or increased funding. Two other programs, Learning Disabilities Research and Vocational Education for the Handicapped also received major support. Still supported to a significant extent, but to a lesser degree than those above were Teacher and Teacher Aide Education. Physical Education and Teacher Recruitment received less than fifty percent support.

Educational research was another area where opinion was sought. A lot of educators had no opinion or were not familiar with programs in this area. No program had more than fifty percent of the respondent supporting continuing funding at the current level or increasing funds when the "no opinions" were also counted. Without this group, however, high support was given to Curriculum Development and to Basic Research and Development Projects. Manpower Development, which has its counterpart in the Department of Labor, received more support than lack of support, but not a great deal more. This was also true of Computer Applications and Computing Services. There was more lack of support than support for Institutional Centers to Aid Foreign Development. Table Five details the questionnaire results in this group of educational programs.

TABLE 5.—EDUCATIONAL RESEARCH

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Basic research and development projects	25.3	18.6	8.9	16.4	0.3	30.6
Computer applications and computing service	22.2	12.8	11.7	17.5	0	35.8
Curriculum development	27.8	18.6	7.5	19.2	.3	26.7
Institutional centers to aid foreign development	15.3	8.1	12.8	23.6	.3	40.0
Manpower development	20.6	15.0	10.0	15.8	.3	38.3
Smithsonian Institution program	23.3	12.2	8.9	9.2	.3	46.1

Educational Equipment and Resources were also evaluated by Indiana educators in terms of next year's funding levels. Funding for Audio-Visual Materials, Federal Surplus Property, and Television received the greatest support. On the subject of funds for Nonprofit Private School Loans, respondents were equally divided. In the three areas of educational nuclear programs, more than fifty percent of the respondents had no opinion or were not familiar with the programs. Again, those with opinions were about equally divided between support and lack of support. Table Six details the results.

TABLE 6.—EDUCATIONAL EQUIPMENT AND RESOURCES

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Audiovisual materials	31.2	18.7	10.3	17.0	0.3	22.6
Federal surplus property	27.9	13.9	7.5	12.8	0	37.9
Nonprofit private school loans	17.5	17.0	7.5	26.5	.3	31.2
Nuclear equipment, grants of used	17.3	5.8	9.5	15.9	.8	50.7
Nuclear reactor fuel cycling assistant	15.6	6.7	7.2	16.2	.3	54.0
Nuclear reactor sharing	15.6	7.0	7.8	15.3	.3	54.0
Television	23.1	15.3	9.5	21.2	.3	30.6

The questionnaire had a special category set aside for opinion about educational media and audio-visual aids in Drug Abuse Prevention. This received major support as indicated in Table Seven.

TABLE 7.—DRUG ABUSE PREVENTION MEDIA AND AUDIOVISUAL AIDS

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Drug abuse prevention	29.7	39.2	4.4	9.4	0.3	16.9

Educational Personnel Development has been a major effort of federally supported activity in recent years and Indiana Educators were asked to evaluate these programs for future funding. Table Eight shows this evaluation.

TABLE 8.—EDUCATIONAL PERSONNEL DEVELOPMENT

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
College teacher followships	23.3	16.1	13.6	22.8	0	24.2
Criminal justice faculty	21.1	18.1	6.4	15.0	.6	38.9
Humanities seminars and institutes	19.2	19.7	11.7	20.3	.3	28.9
Language and area study	22.2	16.9	10.8	19.7	0	30.3
Physical fitness clinics	26.4	13.3	13.1	21.4	0	25.8
Teacher training, minority clinics	19.2	25.0	6.9	19.7	.3	28.9
Training of teacher trainers	20.6	18.9	8.6	22.8	.8	28 3
Vocational education	29.4	34.2	6.1	6.9	.6	27 8

All of these programs received more positive than negative support, although several had almost as much negative reaction. Again, Vocational Education was the field with outstanding support. The second highest support was for Minority Clinics for Teacher-Training.

Three programs in Educational Exchange were evaluated. Two were the so-called Fulbright programs and each received major support. The third program generated responses of no opinion or not familiar with the program from almost half of the respondents, but more than half who did have an opinion wanted to cut funding or stop funding. These programs are detailed in Table Nine.

TABLE 9.—EDUCATIONAL EXCHANGE PROGRAMS

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Fulbright, graduate students	32.0	21.4	10.0	15.9	0.8	19.8
Fulbright, professors and research students	27.6	21.2	10.3	17.3	.8	22.8
U.S. research in excess currency countries	10.9	11.9	10.6	19.8	.3	46.5

The last group of programs upon which judgment was made deals with educational facilities. All five programs evaluated received more support than lack of support. Disaster Relief received the greatest backing, with 65.2% of all respondents favoring keeping funding as is or increasing it. Three programs were closely grouped in their support. They were Community College Construction, College and University Construction, and Federal Surplus Property Donations. Federally Affected Areas funding received much more support than did stopping or reducing funding, but about four in ten respondents were not familiar with the program or had no opinion. These programs are displayed in Table Ten.

TABLE 10.—EDUCATIONAL FACILITIES

Name of program	Keep as is	Increase funds	Decrease funds	Stop funding	Reactivate funds	Not familiar/ no opinion
Community college construction	22.3	27.3	11.9	16.7	0.3	21.4
College and university construction	26.7	22.6	17.0	17.0	.3	16.4
Disaster relief	44.0	21.2	3.9	4.2	.3	26.5
Federal surplus property donations	28.4	20.1	4.5	11.4	.3	35.4
Federally affected areas	29.2	9.2	6.1	12.8	0	42.6

CONCLUSION

The first apparent fact is that Indiana educators are not willing to discontinue federal involvement in assisting in the funding of educational programs. Almost every program exhibited a degree of support which exceeded that for ending funding or decreasing funding. Vocational education was more strongly supported than any other type of program.

Educators were highly selective in their support. Some well known programs of recent years, such as Head Start, did not receive the degree of support which some advocates would have predicted. In the case of Head Start, the problem may not be so much a lack of desire to support preschool programs as it may be a reaction to research which questions the long range impact of this particular program.

Many programs generated a third or more respondents who were not familiar with the program or had no opinion. Part of this is explained by the fact that a wide range of educators, from preschool to graduate level higher education, were asked to judge all programs which covered this same wide range. It is to be expected that elementary school teachers may not want to offer an opinion about Nuclear Reactor Sharing. The converse may be the case in terms of preschool or elementary programs evaluated by college level educators.

Using this opinion survey, it is possible to get clues about future appropriations for given educational programs, and in the main, correctly follow the viewpoint of Indiana educators. Caution must be exercised, however. A good example of this caution is displayed by the last item of the questionnaire—Federally Affected Areas. A large number of educators had no opinion, and if this group is added to those who wanted to stop or decrease funding, one could conclude that 61.5% of Indiana educators were against or did not care about the program. But, when it is understood that the program has a major effect upon less than ten percent of the school systems in Indiana, it is easy to understand an apparent lack of support. On the other hand, if the question of support were only asked of those school systems where the program has major impact, overwhelming support would be evident.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL MONDAY, APRIL 16, 1973

Mr. ROBERT C. BYRD. Mr. President, so that all Senators may know, I ask unanimous consent that, when the Senate completes its business tomorrow, it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM MONDAY TO TUESDAY, APRIL 17, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business on Monday next, it stand in adjournment until 12 o'clock meridian on Tuesday, April 17, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TUESDAY TO 10 A.M. ON WEDNESDAY, APRIL 18, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business on Tuesday next, it stand in adjournment until 10 a.m. on Wednesday, April 18, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR RECOGNITION OF SENATORS AND FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, the distinguished Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes; that he be followed by Mr. ROBERT C. BYRD for not to exceed 15 minutes; that at the conclusion of the two aforementioned orders, there be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to three minutes each, at the conclusion of which the Senate resume its consideration of S. 352.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10 a.m. After the leaders or their designees have been recognized under the standing order, the distinguished Senator from Michigan (Mr. GRIFFIN) will be recognized for not to exceed 15 minutes; to be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes; after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

The Senate will then resume consideration of the unfinished business, S. 352. There is no time agreement on that bill. Yea-and-nay votes can be anticipated on amendments thereto. I am reasonably assured that there will be amendments offered which would require yea-and-nay votes.

The Senate will be in session next Monday, Tuesday, and Wednesday prior to the recess for the Eastern weekend. Yea-and-nay votes are expected on Monday, Tuesday, and Wednesday next. The unfinished business, S. 352, will continue to be before the Senate, and amendments may be offered thereto. Tabling motions, of course, are in order, as are motions to recommit, refer, and so forth. So Senators may formulate their schedules accordingly.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and at 5:10 p.m. the Senate adjourned until tomorrow, Friday, April 13, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate April 12, 1973:

DEPARTMENT OF STATE

Robert J. McCloskey, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

William H. Sullivan, of Rhode Island, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Philippines.

U.S. DISTRICT COURTS

Albert G. Schatz, of Nebraska, to be a U.S. district judge for the district of Nebraska vice Richard A. Dier, deceased.

DEPARTMENT OF JUSTICE

James L. Treece, of Colorado, to be U.S. attorney for the district of Colorado for the term of 4 years, reappointment.

IN THE U.S. AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. George J. Eade, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

HOUSE OF REPRESENTATIVES—*Thursday, April 12, 1973*

The House met at 12 o'clock noon.

Rev. Edward J. Mechunes, St. Bartholomew's Roman Catholic Church, Philadelphia, Pa., offered the following prayer:

Lord God, our Heavenly Father, we stand here in Your presence today, and with humble hearts, beseech that in Your divine wisdom, You will guide and direct the proceedings of this august body. Bless our country and these Members of the House of Representatives that they may always display a just and charitable judgment in all things, and that the people of our Nation and of the world may benefit by their profound decisions.

Make them ever conscious of the solemn duties which You have imposed on them, so that in all humility and trust, the citizens of this Nation and of all humanity may walk in the pathway of peace and charity for all mankind. Make them ever mindful of the words of the psalmist who tells us: *"Unless the Lord build the house, they labor in vain who build it; unless the Lord guard the city, in vain does the guard keep watch."* Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Leonard, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 210. Joint resolution asking the President of the United States to declare the fourth Saturday of September, 1973, "National Hunting and Fishing Day";

H.J. Res. 275. Joint resolution to authorize the President to issue a proclamation designating the month of May, 1973, as "National Arthritis Month"; and

H.J. Res. 437. Joint resolution to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week."

The message also announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 51. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning May 6, 1973, as "National Historic Preservation Week"; and

S.J. Res. 73. Joint resolution to authorize the President to proclaim April 16, 1973, as "Jim Thorpe Day."

THE REVEREND EDWARD J. MECHUNES

(Mr. EILBERG asked and was given permission to address the House for 1 minute.)

Mr. EILBERG. Mr. Speaker, I would like to thank Father Mechunes for his most inspirational prayer.

I invited Father Mechunes to deliver the invocation today because I believe he represents a spirit and a feeling that is all too lacking in our Nation and all over the world today.

During his 36 years as a priest in the Philadelphia archdiocese, Father Mechunes has been the leader of charity drives in every parish in which he has served.

Presently he is an associate rector at St. Bartholomew's Church in my district in northeast Philadelphia.

He is a member of the Catholic Near East Welfare Association and he is in charge of the parish clothing drive and the Catholic charities appeal.

Father Mechunes is a man whose life is dedicated to the service of others. He is continually reaching out to help as many people as he can with no thought of reward for himself.

All of us in northeast Philadelphia are proud of this dedicated man and we hope he will be with us for many years to come.

NATIONAL CATASTROPHIC DISASTER INSURANCE

(Mr. FLOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLOOD. Mr. Speaker, I am today reintroducing what I call the national catastrophic disaster insurance bill. It will be two bills, because of the House rules which call for only 25 cosponsors on a bill. So far there will be 50 cosponsors. Of course, it will be a duplicate bill.

The title speaks for itself, the national catastrophic disaster insurance bill.

FINANCIAL DISCLOSURE REPORTS

(Mr. PRICE of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of Illinois. Mr. Speaker, I take this occasion, as chairman of the House Committee on Standards of Official Conduct, to remind Members, officers, and designated employees of the House that April 30 is the deadline for the filing of financial disclosure reports for the calendar year 1972, as provided in House rule XLIV.

The forms for these reports were sent earlier this year to all Members, officers, professional staff members of committees, and to employees designated by Members and committee chairmen.

I call attention to the approaching deadline for the purpose of expediting the filings. To all who are required to file, I would urge that you get your reports to the committee office as expeditiously as possible. Processing of the reports, issuance of receipts therefor, and other routine require considerable time and effort. So, in the interest of avoiding an 11th-hour rush, I urge early filings by those who have not yet complied with the rule.

Additional forms, if needed, together with any guidance that may be required, are available from the committee's staff.

PUBLIC HEALTH SERVICE HOSPITAL BILL

(Mr. ADAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADAMS. Mr. Speaker, the Department of Health, Education, and Welfare has made it amply clear that it intends to terminate inpatient services at the Public Health Service hospitals on July 1, 1973. In the case of the hospital in Seattle—and I am sure in virtually every other hospital involved—this action would result in vast deterioration of care to the people of the Seattle community, and even HEW estimates that the cost of care would skyrocket to a level almost twice as high as the price of care provided in the Public Health Service hospital.

It is clear that HEW is only interested in ridding itself of the Public Health Service hospitals, irrespective of the true cost and irrespective of the cries of dismay from the communities and patients that would be without the services of the hospitals.

I am strongly opposed to this action, as are my colleagues from Washington State. We are introducing this legislation today to insure that the Seattle hospital remains open and that money authorized and appropriated by the Congress for the operation of the hospital and its programs is used for those purposes specified by Congress. In the Senate, the distinguished senior Senator from Washington State, Mr. MAGNUSON, is introducing the same legislation.

I know that my colleagues whose districts are affected by the impending closure are as concerned as we are about the situation. I will be glad to reintroduce this legislation and invite them to join us by including their hospitals in this bill and adding their names as cosponsors.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT ON S. 1494

Mr. NEDZI. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file its report on S. 1494.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRADE BILL STEP TOWARD FULFILLING PROMISE TO HEMISPHERE

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, the "Trade Reform Act of 1973" which was introduced yesterday should be welcomed by our friends throughout the hemisphere. It is the first substantive step toward fulfilling our promise to the nations of this hemisphere that the United States would seek a world system of generalized tariff preferences for the developing nations.

The new proposed trade bill does not attempt to tie our neighbors to the south to a "Yankee dollar" market. Rather, by offering a willingness to join with our industrial trading partners in Europe and Asia in extending a generalized system of duty-free tariff treatment of their increasingly important manufactured and semimanufactured products, it helps open not only the U.S. market, but European and Asian markets as well, to these export earners of needed foreign exchange.

It discourages colonial or neocolonial market hegemony and so-called reverse preferences which are as discriminatory to Latin American exports as to North American in the industrialized markets of the world.

This bill is a step in the direction of inter-American economic partnership on a basis of equality.

OPEN WARFARE ON AMERICAN FARMERS

(Mr. GROSS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GROSS. Mr. Speaker, speaking to the directors of the Advertising Council in Los Angeles yesterday, Dr. John Dunlop, Chairman of President Nixon's Cost of Living Council, challenged American farmers to open warfare.

According to the Los Angeles Times, he warned farmers against withholding their cattle from market, asserting that since January the volume of cattle sales has gone down 20 to 25 percent.

We know, he said, "that this is partly deliberate."

He predicted that cattle will start moving to market in greater volume in the next 2 or 3 weeks even if the meat boycott means lower prices.

But if cattle withholding continues, he warned that "We will have to act." Dunlop did not spell out what force use.

Mr. Speaker, I long ago questioned the presence of anyone in the White House who has a real understanding of agriculture, and I predict here and now that if President Nixon and/or his advisers want open warfare with America's farmers all they have to do is try to force these farmers to market their products at the whim of the White House.

This is not yet Russia.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, may I ask the gentleman this: If I have a farm—and I have a hundred cows on my farm, and have enough grass to feed them, is somebody going to tell me that I have to sell them whether I want to or not? I do not believe anyone will put up with that, Dr. Dunlop notwithstanding.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS CONGRESS MUST TAKE A STRONG ROLE IN TRADE NEGOTIATIONS

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, the President has submitted to the Congress a request for trade legislation of unprecedented scope. He is asking for a vast new delegation of congressional authority for the use of the Executive.

Plainly, the United States will face its most important trade negotiations this fall since World War II. But we must remember in our deliberations that the power the President seeks would partake substantially of the Congress' constitutional responsibilities—for the raising of revenues, the review of foreign policy, and the domestic welfare.

We are dealing once again with the doctrine of shared powers. It is the same question that has arisen because of the President's attempt to appropriate unto himself vast tracts of authority on domestic matters—particularly spending priorities.

In both instances, the answer is the same. The power is meant to be shared by the Executive and the Legislature.

I was glad to note, therefore, that the President made such a point of emphasizing that his trade bill was drafted in consultation with Members of Congress. I was heartened to hear that he promises continuing consultation on trade.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN REPORTS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ANNOUNCEMENT BY MAJORITY LEADER

Mr. O'NEILL. Mr. Speaker, I take this time to announce that we have been informed that the gentleman from Pennsylvania (Mr. Flood) will offer an amendment to the emergency supplemental bill today to provide some $800 million for student assistance in higher education institutions.

BEEF CONTROVERSY

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, with regard to the controversy concerning beef, I noticed a chorus of people who claimed to be concerned about beef supplies yesterday, said we ought to stop international trade in beef.

I thought the Members might be interested to know that in January and February our imports of beef were $233.1 million, while our exports were $9.4 million. In other words, our imports were about 25 times as much as our exports. This shows how much misinformation is being distributed to justify restraints on beef sales.

PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO FILE REPORT ON H.R. 6370 TO EXTEND REGULATION Q, UNTIL MIDNIGHT APRIL 14

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight on Saturday, April 14, to file the committee report on H.R. 6370, to extend regulation Q and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO FILE REPORT ON H.R. 6452, TO AMEND THE URBAN MASS TRANSPORTATION ACT, UNTIL MIDNIGHT APRIL 16

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight on Monday, April 16, to file the committee report on H.R. 6452, to amend the Urban Mass Transportation Act of 1969.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

U.S. TROOPS IN ITALY

(Mr. CARTER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CARTER. Mr. Speaker, last year the United States spent $141 million for maintenance of troops in Italy. To have provided pure water to the rural areas of the United States would have cost $120 million above the $30 million spent prior to December 19, 1972.

Does this administration place the defense of Italy above provision of pure water for the rural areas of these United States? Does it make commonsense to maintain 10,000 troops in Italy, or 215,000 troops in Germany? False logic has been submitted that it costs no more to maintain these troops overseas than in the United States.

The statement is incorrect. It does cost more, and every dollar spent overseas increases our tremendous balance-of-payments deficit. If maintenance of troops abroad continues, within a year I submit a third devaluation of the dollar is not only possible but probable.

If you are for economy and for strengthening the American dollar, here is an opportunity to save billions. By starting removal of these troops, this purpose can be accomplished, and to do so makes commonsense.

AUTHORIZING ADDITIONAL OFFICE ALLOWANCE FOR CERTAIN OFFICIALS OF THE HOUSE OF REPRESENTATIVES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 342, a privileged resolution, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 342

Resolved, That, until otherwise provided by law, effective April 1, 1973, there shall be paid out of the contingent fund of the House for office personnel and for rental or lease of necessary equipment for the conduct of the business of the office of each of the following officials of the House of Representatives the following per annum amounts:

(1) The Speaker, $40,000.

(2) The majority leader, $30,000.

(3) The minority leader, $30,000.

(4) The majority whip, $30,000.

(5) The minority whip, $30,000.

(6) The chief deputy majority whip, $40,000.

(7) The chief deputy minority whip, $40,000. Such amounts shall be in addition to all other amounts to which such officials may be entitled.

Mr. HAYS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would ask whether there are copies of this resolution available.

Mr. HAYS. If the gentleman from Iowa will yield, I would state that there are copies available. I have several copies right here if the gentleman from Iowa would like to have them.

Mr. GROSS. Does the gentleman from Ohio propose to take some time to explain what this resolution does?

Mr. HAYS. The gentleman from Ohio does propose to explain the resolution.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, this is a resolution which has been cleared with the leadership on both sides of the aisle, authorizing to be paid out of the contingent fund of the House additional sums for the conduct of the business of the offices of the leadership on both sides of the House, which would include office personnel and rental or lease of necessary equipment for the conducting of the business of the House. This rental language is in the resolution because it has been unclear whether they do have the authority, as the Members do, to lease or rent certain equipment to conduct their offices.

The leadership have indicated that they need additional sums.

We read in the newspapers about the inadequacy and the inability of the Congress to cope with the tremendous bureaucracy of the executive branch, and the committee believes that this would enable our leadership to better function in conducting the business of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. Yes. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. This is for the benefit of six Members of the House, I take it?

Mr. HAYS. I would say to the gentleman from Iowa that I consider it to be more than that, because I think every Member relies to a degree upon the leadership on his side of the aisle. For example, we rely on whip communications, whip notices, to keep us apprised of what business is coming up, at least it enables them to put out the whip notices so that we may have ample notice as to when there is a vote on a question to be had, and also so that we can be on the floor for certain amendments. So I would say that in that sense it seems to me it is a benefit for the House and for the people.

Mr. GROSS. If the gentleman from Ohio will permit me, let me say that I now see that there are seven instead of six beneficiaries.

Mr. HAYS. Evidently the gentleman from Iowa had not turned the page over.

Mr. GROSS. Yes, I see there is an additional one so that there are seven of the House leadership. However, I doubt that even with a few more employees they can cope with the executive branch.

Mr. HAYS. I hope they are going to add some new employees and procure some new equipment.

I might tell the gentleman from Iowa that this Member, as chairman of the Committee on House Administration, that on this side of the aisle we want to authorize money that is going toward an improved whip call which will automatically call every Member's office when an important vote is coming up. I hope that some of this money, and I believe it is, is going to be used for equipment to better enable these gentlemen to conduct their various offices.

I might say further to the gentleman from Iowa that I perhaps am a little bit lax as far as my explanation is concerned, and I would wish that my predecessor, Mr. Friedel, were here to explain the resolution because he could probably do it better than I can, but I will do the best I can under the circumstances.

Mr. GROSS. I will say to the gentleman from Ohio that he is coming through loud and clear in behalf of this resolution.

I might also say to the gentleman that I have not had any criticism of the leadership on this side of the aisle insofar as notification is concerned. I am pretty well notified as to what is going on with the present number of personnel. And I am not going to ask the gentleman this question, because I am sure he is fully aware of it, but I do not know where the additional personnel are going to be located around here. We are told on every hand that space is at a premium, and we are also told on every hand that parking space is at a premium, and when you are going to beef up the personnel then it is only going to compound these problems.

Moreover, I wish to say this—and I am not going to pursue this. If no one else is going to, I am not going to pursue it, but I see a good many employees here on the floor of the House each day who at times are busy, and at other times are not busy. I would think that the leadership could draw upon the employees presently employed by the House rather than going into this expenditure for additional employees.

Mr. HAYS. I am glad the gentleman brought that up. Let me say to the gentleman that in one case that I know of this will not cost the taxpayers a single dime, because I have arranged with the whip on our side to absorb one of the employees who is being paid out of the contingent fund at large and to put him on his payroll, so for that money it is simply a bookkeeping transaction. But the gentleman will have a job, and he will have an office, and he will be doing the work, and he will just be moved from one payroll to another.

The gentleman and I are two-thirds of the Parking Committee. I guess we can announce—or I can with the gentleman's concurrence—that any additional employees around here as far as parking is concerned are on a catch-as-catch-can basis to find their own. Is that not about right?

Mr. GROSS. That is absolutely right. I will say to the gentleman in response to his statement that some of this expense is going to be absorbed that I, for one, am always thankful for small favors.

Mr. HAYS. Let me say to the gentleman that—which he knows if he has read the paper—the House Administration Subcommittee under the gentleman from Illinois (Mr. ANNUNZIO) has abolished some 49 jobs around here. They were nonessential jobs.

So if these 7 are essential, we still come up with a net gain of 42 to the good and I believe the leadership has the right to the tools they believe necessary.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

Mr. HAYS. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRESIDENT TO PROCLAIM APRIL 16, 1973, as "JIM THORPE DAY"

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 73) to authorize the President to proclaim April 16, 1973, as "Jim Thorpe Day."

The Clerk read the title of the Senate joint resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 73

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, (1) in recognition of Jim Thorpe having been chosen the greatest athlete in the first half of the twentieth century by the Associated Press, (2) in appreciation for the standards of excellence set by Jim Thorpe which have taught all Americans to recognize the innate dignity of their fellow citizen, the American Indian, (3) in recognition of Jim Thorpe's example of overcoming social and economic barriers to achieve excellence, and blazing a trail for other talented minority Americans, and (4) in honor of the recognition Jim Thorpe brought to all Americans with his triumph at the 1912 Olympics, the President is authorized and requested to issue a proclamation designating April 16, 1973, as "Jim Thorpe Day", and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the joint resolution just passed (S.J. Res. 73).

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON STATUS OF ADVISORY COMMITTEES IN 1972—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations:

To the Congress of the United States:

In accordance with the provisions of Sec. 6(c) of the Federal Advisory Committee Act, the report on the status of advisory committees in 1972 is herewith forwarded.

RICHARD NIXON.

THE WHITE HOUSE, *April 12, 1973.*

JOB SECURITY ASSISTANCE ACT OF 1973—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-83)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

Difficult as it may be to live by the old saw, a sunny day remains the best time to fix a leaky roof. That is why today—with civilian employment in the American economy at an all-time record high of 83.9 million workers, with a solid business expansion continuing, and with the rate of unemployment down to 5 percent and likely to decline still further this year—I am requesting prompt action by the Congress on several reforms in our unemployment insurance system.

The principles behind my proposals

were originally advanced as part of my unemployment insurance package almost four years ago. Most of that package became law in August, 1970, when I signed the far-reaching Employment Security Amendments of 1970. At that time coverage was extended to some 6 million jobs which had never before been eligible for unemployment insurance; a much-needed provision for extended benefits triggered automatically at high unemployment levels was added to the system; and basic financial and administrative improvements were effected. In all, these were the most significant improvements ever made in our system of assistance for persons between jobs since that system was established in 1935.

Left unfulfilled in the 1970 legislation, however, were several important objectives on this Administration's agenda for working Americans. The Job Security Assistance Act of 1973, which we are proposing to the Congress today would meet those objectives by making three major changes in our unemployment insurance system:

—First, it would establish minimum benefit standards for the States, providing an adequate level of benefits to all workers who are covered by the system.

—It would also extend coverage for the first time to most farm employees.

—Finally, it would set up strong safeguards to preserve the neutrality of the unemployment insurance system during industrial disputes.

GUARANTEEING AN ADEQUATE LEVEL OF BENEFITS

A properly designed system of unemployment insurance should serve a dual purpose—both helping to tide individual workers financially over the periods when they are without a job, and stabilizing the economy as a whole by helping make up for wage losses which would otherwise cut consumer purchasing power and accelerate business downturns.

But effective performance of both of these functions depends on the provision of benefits which are adequate in relation to a worker's usual weekly wage. It is generally accepted that unemployment benefits are inadequate unless they are equal to at least half what workers would be earning if employed. Otherwise, families relying on the benefits will too often be unable to meet their basic, nondeferrable living expenses, and communities hit by unemployment will find that aggregate benefits are too little to have a significant counter-recessionary impact.

Under present Federal law, the setting of formulas to determine minimum and maximum benefit levels is largely the province of the individual States. On paper, most States do promise the unemployed worker a benefit equal to one-half his usual weekly wage. But many of them also place unrealistically low ceilings on maximum benefit amounts, rendering the guarantee meaningless for a large percentage of workers, especially family breadwinners. In fact, more than two-fifths of all workers now covered by the unemployment insurance system find their benefits limited by State ceilings at a level *below* the half-pay ostensibly guaranteed them.

In my July, 1969, unemployment insurance reform proposals to the Congress, I asked for action by the States themselves to remedy this serious deficiency. I suggested that the maximum benefit ceiling in each State be raised to at least two-thirds of the average wage of that State's covered workers. The goal was to provide at least four-fifths of the Nation's insured work force half-pay or better when unemployed.

While many States responded in part to this request, only four States, whose workers comprise less than 3 percent of the national covered work force, actually established the standard I had recommended. However, States comprising more than three-fifths of the national covered work force still have weekly benefit ceilings that are less than half their average weekly wage levels. Without denigrating the good-faith efforts of numerous legislatures to liberalize the benefit structure, we simply cannot be content with this situation any longer. The time has come for Federal action.

My proposed Job Security Assistance Act would therefore amend the Federal Unemployment Tax Act by adding a provision that every eligible insured worker, when unemployed, must be paid a benefit equal to at least 50 percent of his average weekly wage, up to a State maximum which shall be at least two-thirds of the average weekly wage of covered workers in the State.

The decentralization of our national unemployment insurance system is one of its greatest strengths. This decentralization permits more flexible adjustment to local needs and circumstances, and I believe that it should be preserved. I also believe, however, that the States have a responsibility to adhere to the basic principles of the system, and that it is up to the Federal Government to furnish such standards and guidelines as may be necessary to protect those principles. That is why I am now submitting to the Congress the same benefit reform recommendation that I urged the States to adopt in 1969.

Estimates indicate that this new requirement would result in an average increase of 15 percent in costs to State pooled unemployment insurance funds, which would, in turn, affect the costs of employers whose taxes support our unemployment compensation programs. To put this increase in perspective, however, we should note that unemployment insurance is one of the least expensive of all fringe benefits related to employment—accounting for less than a penny in each payroll dollar. Considering the enormous importance of this protection to unemployed workers and to economic stability in general, the relatively small cost of keeping it adequate and up to date is a very sound investment.

When the new Federal benefit standard goes into effect, our unemployment insurance system would begin delivering on its promise to working Americans in a way it has never delivered before. The special programs which in the past have substituted for inadequate State unemployment benefit payments—such as the special allowances provided under the Trade Expansion Act of 1962 for workers who lose their jobs because of foreign imports—would become unnecessary as unemployment benefits are raised to fairer levels.

Upon passage of the unemployment insurance reforms proposed today and of the trade proposals which I outlined to the Congress earlier this week, trade adjustment assistance would be gradually phased out and replaced with a temporary program of Federal supplements to bring up to an adequate level the State unemployment benefits for workers displaced by import trade. When State unemployment payments come up to the half-pay minimum I am seeking, the Federal supplement payments would be discontinued, since all workers would then be eligible under the liberalized State laws for benefits that are reasonably adequate in amount. Some would even be eligible for larger weekly benefits than they can now receive under the Trade Expansion Act adjustment assistance program.

The Job Security Assistance Act would thus make unemployment insurance protection more equitable for everyone, by assisting all workers evenhandedly regardless of the reason for their loss of job. Unemployment is just as costly to an individual and his family whether it results from trade, environmental constraints, fluctuations in government procurement, declines in business activity, or any other cause. The effect of my proposals would be to remove arbitrary distinctions among such causes in protecting workers who are involuntarily out of work.

UNEMPLOYMENT PROTECTION FOR THE FARMWORKER

Agriculture is America's oldest and largest industry—and increasingly it truly is an industry, not just an individual enterprise. A growing percentage of the people engaged in farming no longer are their own bosses but work as someone else's employees. Most of these employees earn relatively low wages, have only precarious job security, and have no termination pay coming if they are laid off. Many are members of disadvantaged minority groups.

For all of these reasons, I consider it of urgent importance that we act at once to extend unemployment insurance coverage to as many agricultural employees as can feasibly be accommodated in the system.

Farmworkers were originally denied unemployment insurance protection on the ground that it was not administratively feasible to cover many thousands of family-operated farms which kept no payroll records. This objection has since been disproved, however, by the successful extension of income and Social Security taxes to a large number of such enterprises.

In 1970 the Congress postponed action on my recommendations for extending coverage to agricultural labor, directing instead that a study be made on the question. The study was undertaken by the Department of Labor in cooperation with land-grant universities and State employment security agencies, and the results are now in. They conclusively demonstrate the administrative and financial feasibility of extending unemployment insurance coverage to approximately 66,000 agricultural enterprises employing some 635,000 agricultural workers.

Accordingly, the Job Security Assistance Act which I am recommending to the Congress would modify the present agricultural labor exclusion provisions of the Federal Unemployment Tax Act, bringing under the unemployment system any farm operator who employs four or more workers in each of 20 weeks in a calendar year or who pays wages for agricultural labor of at least $5,000 in a calendar quarter. The change would take effect on January 1, 1975, thus allowing State legislatures time to make necessary adjustments in their unemployment compensation laws.

The criterion of payroll size was not included in my 1969 farm coverage proposal. Adding this test strengthens the bill by substantially increasing the number of farm jobs affected. The new bill also includes safeguards to help ensure that migrant workers—who especially need unemployment protection—will not be disqualified because of the special problems associated with record-keeping and tax collection in migrant employment.

The coverage definition I am proposing would provide needed protection to the employees of larger agricultural businesses without needlessly adding to the difficulties of small farm operations. It would achieve coverage for about two-thirds of all hired farmworkers while affecting fewer than one in 14 farm employers.

In most States, coverage of the larger agricultural enterprises would be self-financing, with the contributions of these concerns meeting the full cost of benefit payments to their workers who become unemployed. Net increases in benefit costs to State pooled funds should be zero in most cases and negligible in all but two States. Even in these two instances, the net increases would amount to only 20 cents or less per $100 of taxable wages.

I know that many in the Congress share my concern that agricultural employees are too frequently excluded from the rights and protections afforded to workers in other industries, and I hope for prompt Congressional approval of this proposal so that we can begin rectifying the injustice. We cannot in good conscience defer this action any longer.

MAINTAINING NEUTRALITY IN INDUSTRIAL DISPUTES

As we move to establish a uniform Federal standard that would ensure adequate State benefit levels, we must also insist on strong safeguards to preserve the neutrality of the unemployment insurance system in industrial disputes. The unemployment tax which an employer is required to pay was never intended to supplement strike funds of those engaged in a dispute with the same employer. Neither, on the other hand, was the income protection which unemployed workers are guaranteed under the insurance system intended to be interrupted when an innocent bystander is put out of work by someone else's dispute.

I therefore propose that the Federal Unemployment Tax Act be amended to prohibit both the payment of unemployment insurance benefits to strikers and the practice of denying benefits to non-strikers. A gray area does exist between the clear-cut extremes of strike participation and non-participation, where complex definitional problems can arise. Resolution of these problems can properly be left to the judgment of individual States. But to deal with the clear cases, it is appropriate for the Federal Government to set a uniform standard on which each State can elaborate. This the Job Security Assistance Act would do.

Our unemployment insurance system puts some of America's finest principles into action—including those of prudent provision during times of affluence for times of need; effective compassion for our fellow citizens; creative partnership between the Federal Government and the States; and supportive action by the public sector to help keep our private enterprise system stable, healthy, just, and humane.

The Congress can significantly improve the system's fidelity to each of these guiding principles by enacting the proposed Job Security Assistance Act of 1973. This legislation would bring genuine improvement in the lives of millions of those people on whom the Nation depends most heavily—our working men and women.

RICHARD NIXON.

THE WHITE HOUSE, *April 12, 1973.*

CONFERENCE REPORT ON H.R. 1975, EMERGENCY LOANS

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 11, 1973.)

Mr. POAGE. Mr. Speaker, as the Members know, the emergency loan program under the Farmers Home Administration was announced terminated on December 27 by the Secretary of Agriculture and from that date there have been no new counties designated by the Secretary as being disaster areas nor have there been any emergency loans made by the Farmers Home Administration since that date although counties that have previously been designated by the President were given an additional 18 days in which to perfect the filing of their applications under the then current provisions of the law.

The Small Business Administration has continued to make disaster loans in designated areas at 1 percent, with the forgiveness feature that has characterized the emergency loan program under the Hurricane Agnes Act.

In originally enacting H.R. 1975, the primary concern of the Committee on Agriculture was the emergency loan program terminated by the Secretary of Agriculture. The bill we passed out of the House represented a responsible approach to the problem of insuring that disaster loans would be available to farmers who truly needed an available source of emergency credit.

The other body, however, adopted three basic amendments to H.R. 1975.

First, there was adopted an amendment seeking to include the term "erosion" as an integral part of the term "disaster" within the Disaster Relief Act of 1970. The conferees were not sure of the effect of the amendment and were therefore reluctant to agree to it without further study and greater information than was available to them.

Another amendment adopted by the other body was basically the language that will be the subject of a subsequent motion. This is the Tower amendment adopted during debate and its purpose was to impose the same interest rate on Small Business Administration loans. The amendment to that amendment, as the conference report states, is basically a change requested by the administration to make the Senate amendment effective with respect to loans "made" in connection with any disasters occurring on or after the date of enactment. The original language would have been effective with respect to all loans "approved" on or after the date of enactment of the bill.

In recommending the adoption of the amendment it will hardly be necessary, Mr. Speaker, to point out that we are not attempting to infringe on the jurisdiction of another committee. Toward that end our recommendation is an attempt to make certain we get a bill that will meet the urgent needs for emergency credit in the disaster areas that remain undesignated and which are being increased each day by the rampaging Mississippi River and other natural disasters. Our action on this amendment is not a precedent for any future action.

Nevertheless, the conferees on the part of the House remain concerned that after we had resolved the differences of the two bills in conference we were left with an unfair situation whereby the potential recipients who were to be funded by the Small Business Administration loans at 1 percent subsequent to December 27 and prior to date of enactment of the bill would be better off than the rural resident who would have been offered, at best, the opportunity to receive only 5 percent loans without the forgiveness feature.

Accordingly, I discussed the problem with a former member of this body, the able Administrator of the Small Business Administration, Mr. Kleppe, and with representatives of the President, and we have reached a solution that will take care of the most glaring inequities of the two loan programs during the period between December 27 and the date of enactment of H.R. 1975. Rather than describe it in my own words, I will read herewith the letter received from Mr. Kleppe on Tuesday announcing an administration policy change affecting the emergency loan program.

SMALL BUSINESS ADMINISTRATION,
Washington, D.C., April 10, 1973.
Hon. W. R. POAGE,
Chairman, Committee on Agriculture, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The purpose of this letter is to express the Administration's intentions with respect to disaster loans to be made by the Small Business Administration for disaster damage sustained by residents of rural areas.

Effective immediately, SBA will accept disaster loan applications for damage sustained by farmers and other residents of rural areas as a result of all disasters declared by the President since December 27, 1972. Assistance will be made available to such borrowers, however, only for damage sustained to dwellings and household contents. Such loans made by SBA with respect to disasters occurring prior to the date of enactment of H.R. 1975 will carry the terms and benefits provided by Public Law 92-385, which include cancellation of up to $5,000 and a rate of interest of 1 percent per annum. Of course, these present benefits will apply to *all* loans made in such areas, whether the loans themselves are made prior to or after the date of enactment.

SBA is not in a position to refinance existing Farmers Home Administration mortgages. When a rural area resident has an FHA mortgage, however, SBA will contact the local FHA representative and attempt to work out an equitable financing package for the homeowner. Every effort will be made by both agencies to restore the applicant to pre-disaster condition with no increase in periodic installment payments.

When a loan to a farmer is involved, SBA will determine the extent of the damages sustained and the amount of loan which the applicant is eligible to receive. Since the farmer may well be dependent upon FHA or a Production Credit Association for production loans, and since FHA or the PCA may hold mortgages on the farm itself, SBA will consult with the local FHA representative to work out a total financing package which will permit the farmer to continue to operate.

The Office of Management and Budget has expressed its concurrence in the foregoing arrangements.

Sincerely,
THOMAS S. KLEPPE,
Administrator.

The other amendments adopted by the Senate would have given applicants for SBA loans 18 days after enactment of the bill to apply for such loans at the old rate. The conferees of the other body agreed to recede on the amendment because the substitute language for the amendment No. 4 would give applicants an unlimited period within which to file their applications.

Mr. Speaker, this bill represents the best available compromise to get a sound emergency loan program into operation immediately. Toward that end, I think it does a good job.

Mr. Speaker, I yield to the gentleman from California (Mr. TEAGUE) such time as he may consume.

Mr. TEAGUE of California. Mr. Speaker, I rise in support of the conference report on H.R. 1975. As the distinguished gentleman from Texas has pointed out, this conference report represents a very constructive and necessary legislative effort to meet the pressing credit needs of many people who have been victims of natural disasters throughout the Nation.

I would draw the attention of the House to the fact that this conference report has been approved by all the conferees from the House and the other body.

I am also confident that it will be signed into law by the President.

The main thrust of this legislation is to repeal the current provisions of law that apply to both the Small Business Administration and the Farmers Home Administration with respect to loans at 1 percent with a $5,000 forgiveness. In lieu of these provisions which recent experience tells us were, in many cases, overgenerous, H.R. 1975 proposes emergency loans at a flat 5-percent interest rate.

There are two key dates that are involved in this legislation. The first is December 27, 1972, the date the President terminated the secretarially designated disaster program and the second is the date of enactment of this bill.

As explained by the chairman, the treatment of disaster victims before December 27, 1972, during the period December 27, 1972 and date of enactment, and after date of enactment will be somewhat different.

The conference committee, however, has tried to adjust these differences in an effort to achieve equity for victims whose losses occurred during each of these three periods. As Members will recall, during House debate on this bill, our colleague from Minnesota (Mr. BERGLAND) offered an amendment which was later adopted to allow an 18-day "window" for eligible borrowers in certain secretarially declared disaster areas to obtain the benefits of the $5,000 forgiveness, 1 percent loan program. In the other body an amendment was adopted to terminate $5,000 forgiveness, 1 percent loans through the Small Business Administration. The conference report brings back to the House both provisions. Thus, the Bergland amendment, which is estimated to result in an outlay of some $300 million—of which approximately $180 million would be forgiveness—is slated to become law.

In the future, however, loans made by both FHA and SBA will be at a flat 5-percent rate, with no forgiveness.

Finally, Mr. Speaker, as the gentleman from Texas has pointed out, the administration has pledged to make loans to farmers and other rural residents in Presidentially declared areas for disasters that occurred during the hiatus period between December 27, 1972, and the date of enactment of this bill.

In conclusion, Mr. Speaker, let me say that this is truly a compromise bill and it reflects the sincere effort of both the conferees and the administration to achieve a constructive result for the benefit of the American people. I therefore urge the adoption of the conference report and the motion of the gentleman from Texas to concur in the Senate amendment No. 4 with the amendment agreed to by the conferees.

Mr. GILMAN. Mr. Speaker, the consideration of the conference report on H.R. 1975, the emergency loan program amendments, affords me an opportunity to express the farmers' displeasure with the Farmers Home Administration and the opportunity to emphasize certain aspects of this legislation.

A number of the muckland vegetable farmers in Orange County, N.Y., which I have the privilege of representing, suffered severe crop losses during Hurricane Agnes last June. By virtue of the Disaster Relief Act and the passage of the Emergency Agnes-Rapid City Act last August, it was intended by Congress that disaster loans would be made available on a long-term basis. Forgiveness was not considered to be a major factor of the assistance by the farmers, but it was felt that long-term assistance was necessary to refinance the indebtedness incurred for 1972 crops that were lost.

The final outcome has been far from adequate and has not truly reflected the intent of Congress. As of now, almost 10 months after the Agnes devestation, many of our farmers are still awaiting approval by the Farmers Home Administration of short-term emergency operating loans to finance the planting of their 1973 crops.

The medium-sized family operators are in a worse predicament. They not only agonized over the prolonged delays in securing immediate operating funds, but they have been completely foreclosed on long-term emergency loans of the refinancing type because of he agency's self-imposed limitation of $300,000 of real estate indebtedness.

Recognizing the need for more reasonable credit terms under the emergency loan program, the House Agriculture Committee stated on page 4 of its report accompanying H.R. 1975:

> The Committee observes that in many instances in the past, emergency loans were made under terms which eventually became too burdensome to the borrower. There were many occasions where a farmer was given a one-year loan only to discover that there was no possible way he could recover within a one-year period. The Committee intends that loans shall be made for a longer duration to give the farmer every opportunity to recover from his losses. Consideration shall be given by the Farmers Home Administration to this particular point because it is foolish in the long run to make a loan under terms too confining to allow the farmer to continue his operation.

Mr. Speaker, consistent with the tragedies and hardships resulting from natural disasters such as Hurricane Agnes, the adoption of more reasonable credit terms is only good commonsense. The business-as-usual attitude of the Farmers Home Administration in dealing with the Agnes disaster is blatantly contrary to the spirit of the Agnes-Rapid City Act. The FHA aid that has been forthcoming has been too little and, in many instances, too late. Crops not planted cannot be recouped.

In addition to more reasonable credit terms, I would go a step further in recommending to the Secretary that the $300,000 real estate indebtedness limitation applicable to long-term emergency loans of the refinancing type should be reexamined with a view to waiving such a limitation in disasters. It is senseless to force potentially economically viable operations to remain at a subsistence level of operation by allowing only 1-year production-type emergency loans, offering only a faint glimmer of hope for recovering from disaster-incurred losses.

Disasters are not selective of the so-called family-sized farm. There is no sound reason to perpetuate the void that now exists between the FHA's self-imposed $300,000 real estate indebtedness limitation for long-term emergency loans and the provisions of section 237 of Public Law 91–606, authorizing the FHA to make long-term emergency loans to agricultural enterprises without regard to limitations found in any other provision of law or regulation. Section 237, which authorizes such assistance where the enterprise constitutes a major source of employment in the disaster area and where the enterprise is no longer in substantial operation as a result of the disaster, has not been implemented by the FHA to date.

H.R. 1975 is intended to be an interim program for the administration of emergency loans, pending consideration of more comprehensive disaster legislation. However, such speculative proposals should not be used by the Farmers Home Administration in adopting regulations that would impair the objectives of H.R. 1975 of making timely and adequate emergency loans or short- and long-term duration for farmers who have suffered disaster losses, regardless of the size of their farms.

Mr. POAGE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 3, after line 17, insert:

SEC. 9. Notwithstanding the provisions of any other law, any loan approved by the Small Business Administration on or after the date of enactment of this Act under sections 7(b) (1), (2), or (4) of the Small Business Act (15 U.S.C. 636(b) (1), (2), or (4)) shall bear interest at the rate determined under section 324 of the Consolidated Farm and Rural Development Act, as amended by section 4 of this Act. No portion of any such loan shall be subject to cancellation under the provisions of any other law.

MOTION OFFERED BY MR. POAGE

Mr. POAGE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. POAGE moves that the House recede from its disagreement to the amendment No. 4 and agree to that amendment with an amendment inserting in lieu of the language proposed by the Senate, the following:

"SEC. 9. Notwithstanding the provisions of any other law, any loan made by the Small Business Administration in connection with any disaster occurring on or after the date of enactment of this Act under sections 7(b) (1), (2), or (4) of the Small Business Act (15 U.S.C. 636(b) (1), (2), or (4)) shall bear interest at the rate determined under section 324 of the Consolidated Farm and Rural Development Act, as amended by section 4 of this Act. No portion of any such loan shall be subject to cancellation under the provision of any law."

Mr. POAGE. Mr. Speaker, the amendment No. 4, the so-called Tower amendment relating to disaster loans under the Small Business Administration, has been reported back in technical disagreement, since it appeared that it might not be germane to the original House-passed bill. In H.R. 1975 we were amending the emergency loan program under the Farmers Home Administration; the Tower amendment related to the Small Business Administration, a matter that would ordinarily not come under the jurisdiction of our committee.

Accordingly, while the agreement of the conferees on the part of the House was to accept the amendment, we have complied with the rules of the House in reporting it back in technical disagreement. The motion at the desk is in compliance with the recommendations of the conferees that the House recede from its disagreement to the amendment No. 4 and concur in that amendment with an amendment inserting, in lieu of the language proposed by the other body, language suggested by the administration and agreed to by the conferees.

The language of the amendment, and the purpose of the Amendment is to impose the same interest rate—5 percent—on Small Business Administration disaster loans as the House bill imposes on the Farmers Home Administration emergency loans and remove the $500 forgiveness feature from such SBA loans. The effective date of the change would be the date of enactment of the bill, and the changes would apply to any disaster occurring on or after the date of enactment of this act.

Mr. Speaker, this so-called Tower amendment is under the jurisdiction of the Banking and Currency Committee and we want it understood that the Agriculture Committee is not planning any jurisdiction. We are planning no jurisdiction. I ask unanimous consent to insert a copy of a letter written by the chairman of the Banking and Currency Committee at this point which points cut that this is not to be considered a precedent in regard to jurisdiction.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, the letter is as follows:

COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., April 2, 1973.

Hon. W. R. POAGE,
Chairman, House Agriculture Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that very shortly your Committee will go to Conference on H.R. 1975, which passed the Senate on Wednesday, March 28.

While the House-passed version of the legislation dealt solely with an interest rate increase on Farmers Home Administration disaster loans, the Senate amended the legislation to cover disaster loans made by the Small Business Administration.

Under the Senate-passed version, the present SBA disaster loan rate of 1 per cent coupled with a maximum forgiveness of $5,000 of the loan would be dropped and disaster borrowers would be charged a flat 5 per cent interest rate.

The Senate amendment is not only non-germane, but comes at a time when not a single hearing has been held on such a proposal.

When Public Law 92–385 was enacted last year, it provided for 1 per cent disaster loans with a $5,000 forgiveness for both SBA and FHA loans. It further provided that these rates would be in effect until June 30, 1973, and that by January 1 of this year the President was to send legislative recommendations to the Congress for either extending the program or setting up a new program. The Administration has violated the law by failing to send Congress its legislative recommendations. The Office of Emergency Preparedness, which was charged with preparing the legislation told me that although they could not meet the January 1 deadline, they would be able to provide the legislation by March 1. We are now into the month of April and still the Administration has failed to comply with the law by sending its legislative recommendations to Congress.

If H.R. 1975 is adopted in its present form, thousands of homeowners and small businessmen who have been victims of disasters in recent weeks, including the tornadoes which struck in the East this weekend, will be forced to pay thousands of dollars extra in interest costs which they cannot afford. While the disaster program is indeed a subsidized program, I know of no subsidy that is more deserving.

Because the Nixon Administration has not presented Congress with new disaster recommendations, and because there have been no hearings on an increase from 1 per cent to 5 per cent in the rate, and because I, in good conscience, cannot support legislation calling for a 400 per cent increase in an interest rate for disaster victims, I urge you not to accept the Senate SBA amendment to H.R. 1975. Since this is a non-germane amendment, should it be in the conference-reported version of H.R. 1975, I will have to ask for a separate vote on the amendment when the Conference Report is taken up by the House.

Thank you for your cooperation and interest in this matter.

With kindest personal regards, I am
Sincerely yours,
WRIGHT PATMAN,
Chairman.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report (H.R. 1975) just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SUPPLEMENTAL APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, pursuant to the order of the House of Tuesday last, I call up for immediate consideration the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year 1973, and for other purposes.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution as follows:

H.J. RES. 496

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1973, namely:

CIVIL AERONAUTICS BOARD

PAYMENTS TO AIR CARRIERS

For an additional amount for "Payments to air carriers", $26,800,000, to remain available until expended.

VETERANS' ADMINISTRATION

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", $468,000,000, to remain available until expended.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the joint resolution be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

POINT OF ORDER

Mr. CONTE. Mr. Speaker, I raise a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. CONTE. Mr. Speaker, I raise a point of order in regard to the payments to air carriers for an additional amount for "payments to air carriers" in the amount of $26,800,000, to remain available until expended.

The point of order is that it exceeds the authority to fix rates as set by the Congress under section 406, 72 statute 763, as amended by 76 statute 145, 80 statute 942, and 49 U.S.C. 1376.

The law states:

> The Board is empowered and directed, upon its own initiative or upon petition of the Postmaster General or an air carrier, (1) to fix and determine from time to time, after notice and hearing, the fair and reasonable rates of compensation for the transportation of mail by aircraft.

Later on, in section (b) of the same authority to fix rates, the rate may be determined under (3):

> The need of each such air carrier (other than a supplemental air carrier) for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier . . .

Therefore, Mr. Speaker, I raise the point of order that this appropriation exceeds the authorization as passed by the Congress and signed into law by the President.

Mr. McFALL. Mr. Speaker, what we are doing in this appropriation is to revise the subsidy to these airlines, which is in the law provided for in which the gentleman from Massachusetts (Mr. CONTE) has read.

His reference to the need for air mail, I am at a loss to understand the relevance of his objections to considering this at this time. These subsidies are the usual subsidies which are provided for in the law. They are provided in the law as the gentleman has read it, and we have a number of court decisions which provide for the legality of this kind of subsidy.

We are trying to provide only in this appropriation bill, that kind of subsidy.

The SPEAKER. The Chair is ready to rule.

The pending House joint resolution is not a general appropriation bill. The point of order which the gentleman has made does not apply to this pending legislation.

The Chair, therefore, overrules the point of order.

Mr. MAHON. Mr. Speaker, I move to strike the last word.

(By unanimous consent, Mr. MAHON was allowed to proceed for 5 additional minutes.)

Mr. MAHON. Mr. Speaker, we are here today with an urgent supplemental appropriation bill for two items. There is $468 million for veterans readjustment benefits and $26,800,000 for payments to air carriers under the Civil Aeronautics Board.

The committee did not intend to have an urgent supplemental bill this session. Until late last week, there was no indication that the Veterans' Administration might not be able to make the big monthly payment for readjustment benefits from funds available to the VA. We knew that eventually they would need additional appropriations but we were advised that this could be covered with existing transfer authority until a supplemental bill could be processed right after the Easter recess.

We appropriated the full budget estimate of $2,224,400,000 in the regular bill last year. But the enactment last October of the Vietnam Era Veterans' Readjustment Assistance Act of 1972 created a requirement for additional funds. A sum of $318 million was contained in the 1974 budget transmitted to Congress on January 29. However, we understood that even a further amount would be required and on Monday we received a package including a request for $150 million more for this veterans program. So we are here today with this emergency supplemental.

With respect to the CAB item, there are 9 airlines which are not receiving payments under the feeder airline subsidy program. The CAB has been out of money since last month and these are obligations of the Government. We therefore, wisely or unwisely, added this item in the urgent supplemental.

Mr. Speaker, I think it appropriate to take a few minutes to explain to the House some of the difficulties with which the Committee on Appropriations is often faced in dealing with supplemental appropriations. Let me set forth what has happened this year.

Many of the supplemental requests for fiscal year 1973, including some $800 million for programs and about $229 million for pay costs, were transmitted in the 1974 budget which came to Congress on January 29.

With the inclusion of a large number of supplementals in the January budget it appeared that the committee would have ample opportunity to consider and present to the House a catchall supplemental which could be processed and sent to the President before the Easter congressional recess scheduled to begin on April 19.

In the budget we were advised that certain other supplementals would be forthcoming. The committee, through its subcommittees and otherwise, was aware of requirements or potential requirements in a number of areas. We urged, in the best interest of all concerned, that all supplemental budget requests be transmitted in a timely fashion so that all items could be handled before the Easter recess.

We made this appeal several times.

This course of action seemed most reasonable and the result would have been of benefit to all interested in and dependent upon the Federal programs involved. And the Congress would have had opportunity to consider in one package substantially the remaining budget requests for fiscal year 1973. This was in February.

The committee then undertook to schedule hearings in the 12 subcommittees involved. The largest dollar volume of requests were under the jurisdiction of the Labor-HEW Subcommittee. These hearings were held the first week of March. We were anxious to hold other hearings as soon as all the estimates were received. But we began to experience delays.

On March 12, we received a Judiciary supplemental for $543,000. The expected program supplementals were not forthcoming, nor was the big pay cost package which we knew was in the mill. Time to permit handling of a catchall supplemental was beginning to slip by.

On March 22, we received a request for $500 million additional transfer authority for the Department of Defense associated with increased bombing in Southeast Asia.

Still we had none of the expected supplementals and it was becoming uncertain that we could process a supplemental in time to clear the Senate and conference and be sent to the President before the April 19 get away date for the Easter recess.

On March 28, we received the pay cost supplemental package totaling almost $800 mililon but none of the other expected supplementals.

On April 2, we received the District of Columbia budget for 1974 which contained a number of the District of Columbia supplementals for fiscal year 1973.

Finally, on this Monday, April 9, we received the program supplementals requesting over $500 million in appropriations.

Mr. Speaker, a couple of weeks ago it became obvious that we could not handle a wrap-up supplemental and get it to the President before the forthcoming recess. So we set the date of May 3 for reporting the bill to the House. This is the earliest possible date after the recess under the rules.

I might add, Mr. Speaker, that we will expect another request for claims and judgments. It is customary that these be submitted at the last moment in order to cover as many pending claims as possible.

Additionally, I should remind the House that on February 12 the President announced another devaluation of the dollar. A supplemental appropriation of over $2,000,000,000 will be required to maintain our pro rata contribution to five international financial institutions. That supplemental request is also yet to be received.

Mr. Speaker, I make these remarks not to be critical but to try to shed some light on the problems that confront us in handling the troublesome supplemental items. The battle of the budget is in the headlines daily. The country is entitled to businesslike handling of the Government's fiscal affairs and it behooves the executive and legislative branches to cooperate toward the attainment of this goal. The Committee on Appropriations will continue to cooperate to the fullest extent possible.

Mr. Speaker, before I came to the floor on Tuesday to ask unanimous consent to bring this measure up at any time after yesterday I advised Members that the resolution would cover only the item for the Veterans Administration and the items for the Civil Aeronautics Board. I indicated that I hoped that amendments would not be offered, because we did not want a controversial issue injected into the bill. We did not want to jeopardize the payments to veterans which are provided in the $468 million figure. It has developed since then that there is a certain additional requirement which has come to the attention of officials of HEW and many Members. That is the matter of student assistance.

As I indicated earlier, we had hoped to pass the supplemental before Easter and to include the higher education items, but because of circumstances beyond our control, we had to postpone reporting the general supplemental until May 3. I now understand an amendment will be offered in connection with student assistance programs. I do not propose to discuss it at this time.

(Mr. MAHON asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to my friend from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What is it the gentleman is trying to say, a bit reluctantly, apparently? Is it that an attempt will be made here today to make a Christmas tree out of this first supplemental, a so-called emergency supplemental bill?

Mr. MAHON. No. There is no Christmas tree aspect to the matter. The amendment to be offered, as I understand it, is not in excess of the amount reported in the budget estimate. It is a matter of hastening consideration of the subject prior to May 8, when we expect to pass the regular supplemental in the House.

Mr. GROSS. I am not alluding the items in House Joint Resolution 496. I am talking about the other amendments the gentleman says may be offered here today. May we expect this afternoon to see a Christmas tree decorated here on the House floor, in addition to the two items in the joint resolution?

Mr. MAHON. I hope not, I say to my friend from Iowa. I hope that we can get the joint resolution approved and enacted into law, in order that the requirements of the veterans may be taken care of. We will see what develops. Of course, this joint resolution is subject to amendment. I hope amendments will be held to a minimum.

So far as I am concerned, I did not intend that any amendments be offered to the measure.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I appreciate the chairman yielding. I want to associate myself with his remarks regarding the urgency of the issues we have in the supplemental today.

I should like to refer to the comment made by my good friend from Iowa regarding the educational assistance aspect. It was not anticipated at the time the original discussions took place.

We are faced with a very basic and fundamental problem; that is, that our students and our college administrators find themselves in a very difficult situation of not being able to make any plans regarding the coming school year.

Far from being a Christmas tree, the idea is to try to make sure that these students get their loans and grants before Christmas. Unless we take this kind of an action we will just be delaying something we would be doing in the supplemental that well be coming up in May anyway. I believe this is just doing a service to the students and to the people who are administering these programs, by doing it this way.

I want to assure the gentleman that it affects all of our American students in all of our districts, and I am confident the gentleman will understand.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. How much did the gentleman say this student loan bill will cost?

Mr. CEDERBERG. The budget figure on that in the supplemental is eight hundred and some million.

Mr. GROSS. Eight hundred and some million. And no notice was given to the Members of the House. We had no previous notice this would be brought up, and it is almost a billion dollar appropriation.

Mr. MAHON. If the gentleman from Iowa (Mr. GROSS) will permit, the Committee on Appropriations had been urged by the leadership and had undertaken to make plans to bring out a separate education appropriation bill in order that adequate information might be available at the earliest possible moment to the colleges and to the students and their parents. The committee had taken the lead in the approach in prior years and wanted to have a separate bill again this year. Unfortunately, this proved to be impossible for a number of reasons.

With respect to the student assistance, we had intended to handle these programs in connection with the supplemental bill we are scheduled to report on May 3. But developments yesterday reversed this. We had extensive hearings on the subject and information was developed in great detail by the Committee on Appropriations on the student assistance programs. The subject has been gone into very extensively, and this is the situation with which we are confronted. The whole matter has been thoroughly considered.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Speaker, I thank the gentleman for yielding.

I want to say that I completely understand the position of the gentleman from Iowa (Mr. GROSS) and I am sympathetic with him. Let me assure him that I am confident that there is going to be adequate debate and understanding on this particular amendment.

Mr. Speaker, it is probably similar to the debate that would take place in May, only all we are doing is trying to expedite this matter, for the very purpose that I explained to the gentleman before, and I am sure that this has a great deal of merit.

Mr. MAHON. I would want to say, Mr. Speaker, that certainly as chairman of the committee I shall do all I can to see to it that Members have an opportunity to discuss the proposed education amendment which I understand will be offered by the gentleman from Pennsylvania (Mr. FLOOD) the chairman of the subcommittee.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio, Mr. WYLIE.

Mr. WYLIE. Mr. Speaker, may I ask, do I understand that $2.2 billion have already been appropriated during this fiscal year for this Veterans' Administration program?

Mr. MAHON. Yes. But as the result of legislation which was passed by the Congress last year, the educational and training assistance allowance rates were increased. I refer to the Vietnam Era Veterans' Readjustment Assistance Act of 1972, Public Law 92-540 of October 24, 1972.

Mr. McFALL. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I take this time to briefly explain that portion of the bill which provides some $26.8 million for payments to air carriers. This item covers the Government's obligations to pay subsidy to the carriers in accordance with the rates prescribed for eligible services performed and to be performed during fiscal years 1972 and 1973.

Mr. Speaker, at this time I would like to say that this is not an increase over the budget. This amount was requested in the budget by the administration.

Second, the Government is obligated to pay air carriers in accordance with the rate orders issued by the CAB. The rate has been established, and the Government owes the carriers an additional $26.8 million.

CAB does not have sufficient funds to make its February payments to the air carriers—bills for these payments come in during the first 2 weeks in March. A partial payment we made in March, but subsequent payments cannot be made until this supplemental is enacted. The local service air carriers rely on these payments to meet their payrolls.

When Chairman Browne testified before my subcommittee last March, he indicated that a study of 1971 operating results, which would serve as a base for a new local service carrier class subsidy rate for fiscal 1972, was in progress and that those results indicated a substantial increase in the industry's reported system need when compared to calendar year 1970. He further indicated that the budget estimates for fiscal 1972 no longer reflected the subsidy need for fiscal 1972 and were subject to revision when a new class rate was issued, and that a revision of the 1973 fiscal year total subsidy estimate of $54 million would, in all probability, be in order when the updating of the study was completed.

On July 25, 1972, the Board issued subsidy class rate VI, fixing final subsidy rates for the local service carriers on and after July 1, 1971. Based on class rate VI, which produces an annual subsidy level of approximately $65.4 million for the local carriers, the Board requires an additional $11.4 million above the $53.6 million appropriation to meet the increased obligations for fiscal 1972. For 1973, the Board's best estimate indicates that the annual level of subsidy will remain unchanged during 1973. Therefore, additional funds of $15.4 million above the $54 million appropriation will be needed to meet obligations as they come due in fiscal 1973. The total supplemental appropriation of $26.8 million meets the increased estimated obligations.

In approving the Board's fiscal 1973 budget request, the report of both the House Committee on Appropriations and the conference report on the Department of Transportation and related agencies appropriation bill, 1973, contained language providing that if the Board found that increased funding was required, the Congress would consider a supplemental request.

The $11.4 million in unpaid obligations for 1972 has actually been paid from the no-year $54 million subsidy appropriation in 1973; the balance of $42.6 million will not be sufficient to pay fiscal 1973 obligations beyond February 1973.

Accordingly, this supplemental appropriation of $26.8 million is required so that there will be no lapse in cash payments to the air carriers and no subsequent disruption of essential air services to the public.

Mr. CONTE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, as you know, I raised a point of order relating to these airline subsidies and was overruled. I do feel the subsidy payments for these airlines go beyond the scope of the law. The law specifically states that these subsidies are for mail service. However, this is a government of law and not men, and I have been overruled. Therefore, there is little more that I can say. However, I would like to submit, for inclusion at this point in the RECORD, the list of airlines that will be collecting these subsidies.

The list is as follows:

Civil Aeronautics Board—Payments to air carriers, fiscal 1973

[In millions]

Local service:	
Hughes Air Corp. d/b/a Hughes Air West	$10,719
Allegheny Airlines, Inc	4,199
Frontier Airlines, Inc	13,096
North Central Airlines, Inc	8,382
Ozark Air Lines, Inc	5,576
Piedmont Aviation, Inc	7,265
Southern Airways, Inc	7,146
Texas International Airlines, Inc	$8,617
Total	65,000
Alaska:	
Alaska Airlines, Inc	2,154
Kodiak Airways, Inc	121
Western Alaska Airlines, Inc	94
Wien Consolidated Airlines, Inc	2,062
Total	4,431
Total, all carriers	69,431

CIVIL AERONAUTICS BOARD

PAYMENTS TO AIR CARRIERS—SUPPLEMENTAL APPROPRIATION, FISCAL 1973

[In thousands of dollars]

Carrier	Balance due for February operations[1]	Amount due for March operations	Total amount past due	Estimated amount due for remainder of year	Total supplemental required
Air West	387	913	1,300	2,700	4,000
Allegheny	108	260	368	2,232	2,600
Frontier	469	1,115	1,584	3,416	5,000
North Central	293	714	1,007	2,393	3,400
Ozark	198	475	673	1,527	2,200
Piedmont	239	619	858	2,242	3,100
Southern	244	609	853	2,047	2,900
Texas International	281	734	1,015	2,585	3,600
Total	2,219	5,439	7,658	19,142	26,800

[1] Represents 47 percent of February subsidy claims; 53 percent of claims were paid in March.

Mr. BOLAND. Mr. Speaker, I move to strike the requisite number of words.

(Mr. BOLAND asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. BOLAND. Mr. Speaker, the funds requested in this supplemental appropriation for the VA are urgently required.

The President's 1974 budget requested that the Congress approve a 1973 supplemental appropriation of $318 million for readjustment benefits payments to veterans. This week the VA informed the committee that because of the increased demand created by the new benefits under the Vietnam Era Veterans Readjustment Assistance Act of 1972, the VA's estimates of training loads were too low and that an additional $150 million was required in 1973 to meet these costs. This brought the total supplemental request for readjustment benefits to $468 million for the balance of fiscal year 1973.

The VA also advised the committee that in order to meet the May 1st payment date, the additional funds would be required by April 25—the date the payment schedules are released to Treasury for the May 1 payments.

The $468 million are primarily to cover the additional cost of the education and training allowance increases provided under the Vietnam Era Veterans Readjustment Assistance Act of 1972.

This act provided for increased allowance rates for veterans in college and taking apprenticeship and on-the-job training courses. It also extended additional educational and training benefits for wives and widows and other dependents, and it provided that college and institutional training allowances be paid on the first day of the month rather than the end of the month. This provision insures that the veteran gets the money when he needs it most—at the beginning of each month.

There is no doubt this request is both urgent and important. These new benefits provide support primarily for our Vietnam veterans and their dependents and the dependents of deceased and disabled veterans who were prisoners of war or are missing in action and the current appropriation is depleted.

SUPPORT EDUCATION GRANT-LOAN PROGRAMS

Although it is not presently in this resolution, I understand that an amendment will be offered to add funds for higher education at the proper time.

I shall support the amendment to be offered by my good friend from Pennsylvania (Mr. FLOOD). There are urgent reasons why funds for higher education grant and loan programs should be provided now. This includes $122,100,000 for basic opportunity grants, $210,300,000 for educational opportunity grants, $270,200,000 for college work-study programs, and $269,400,000 for direct student loans.

High school seniors in particular are in the process of making application and plans to attend college this fall. Many need to know if they will receive this assistance. Colleges all over the country also need to know what assistance will be available to students in making their plans to receive these students in the fall semester. The uncertainty of these funds makes it extremely difficult for both students and the institutions.

I urge my colleagues to support this amendment for higher education when it is made. I have received many telegrams and letters from parents and college administrators and deans in support of these programs. I enclose three of these communications as examples of support for the Flood amendment. They are from Sister Irene Socquet, S.S.A., president, Anna Maria College, Paxton, Mass.; Mrs. John J. O'Connor of Spencer, Mass., and Dr. Wilbert E. Locklin, president of Springfield College:

Anna Maria College,
Paxton, Mass., April 6, 1973.
Hon. Edward P. Boland.
Rayburn House Office Building,
Washington, D.C.

Dear Congressman Boland: I wish to inform you of the impact of the Higher Education Act of 1972 on our program of financial aid to the students at Anna Maria College.

NATIONAL DIRECT STUDENT LOANS

From February 1959 to June 30, 1972, 352 students (unduplicated) have negotiated loans totalling $161,003.22. The cancellation of this program leaves middle-income families unable to take advantage of the substitute program, the Guaranteed Student Loan Program, because of the higher rate of interest and because of the unwillingness of the bankers to implement the program.

I respectfully urge your support for the continued funding of the NDSL program at the threshold level prescribed by the Education Amendments of 1972 (Section 411(b) 4 of the Higher Education Act, as amended) or $286 million plus $7 million for cancellation reimbursement and loans to institutions. Forward funding of the program is essential for planning at the institutional level.

COLLEGE WORK-STUDY PROGRAM

This program, from July 1965 to June 30, 1972, has helped 233 students at Anna Maria College. I request your support of the appropriation of $270.2 million for Fiscal Year 1973 (for use in 1973–74).

SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS

This program, in my opinion, is needed as a "back-up" for BOG's in the event implementation is delayed or needy students are left out of the BOG program.

Of the 155 students, at Anna Maria College, who have benefited from the EOG's, in the past five years, at a level of $131,697, many are not needy enough to qualify for the new BOG's but are too needy to attend college without some such assistance.

I recommend forward funding at the level of $130 million, as provided in Section 411 (b)4 of the Higher Education Act, as amended.

BASIC OPPORTUNITY GRANTS

This program should not be a replacement program for the EOG, but a supplementary program.

I recommend forward funding at the level of $622 million.

Your influence in favor of these programs will be greatly appreciated.

Sincerely,
Sister Irene Socquet, S.S.A.,
President.

Spencer, Mass.,
March 21, 1973.
Hon. Edward P. Boland,
Rayburn Building,
Washington, D.C.

Dear Congressman Boland: Though I myself have no children . . . as a taxpayer, registered voter and observer, I am deeply concerned about the recent announcement of President Nixon's cutback of the National Student Defense Loan Program.

While I realize that this will not affect some families at all, I am certain that with this cutback the burden of financing most college educations becomes an overwhelming financial task for the majority of parents—particularly for those who have several young people in school at reasonably close intervals.

I would like to let it be known through your voting power in Congress as my Congressman from the State of Massachusetts, that I am personally against the President's decision on this cutback.

If there is no way of reversing the President's decision, perhaps some workable plan of extending the financial aid program can help both the parents and students find new alternate ways of financing the tremendous cost of educating our children.

These students are America's future! I sincerely believe they deserve all the help from government financial aid programs they can get. If we are to have quality leadership and security in the future, we must be assured of the preparedness only a suitable education can bring.

I urge you strongly to protest this decision through your political powers if at all possible. Thank you.

Fondest personal regards.

Most sincerely,
Mrs. John J. (Eleanor) O'Connor.

Springfield College,
Springfield, Mass., March 20, 1973.
Hon. Edward P. Boland,
House of Representatives, Washington, D.C.

Dear Representative Boland: As you know, the critical days with regard to appropriations for Federal student aid are before us. This letter is an attempt to give you an awareness of the crushing blow that will be experienced not only by Springfield College but by the education community in general if the Nixon Administration budget request is approved as it has been submitted.

Recently, the regional review panel for HEW Region I, under the direction of Dr. Eino Johnson, approved our request for Federal student aid funds in the following categories and the corresponding amounts.

Program and approved level of funding

Education Opportunity Grant Program	$123, 820
College Work Study Program	57, 600
National Direct Student Loan Program	201, 600

These dollars represent approximately 540 young men and women who are scheduled to enroll here next fall term. The panel's decision to fund Springfield at this level recognized the fact that the needs of these students were both realistic and legitimate.

The Administration budget request asks for no new funds in either the National Direct Student Loan Program or the Educational Opportunity Grant Program. The College Work Study Program is included but only at the same level of funding as in fiscal year 1973. It is significant to note that beginning with fiscal year 1974 proprietary institutions will be eligible to receive benefits under the College Work Study Program. While this fact should not perhaps be criticized, it does mean that institutions currently benefiting from this program will be severely handicapped unless a higher level of funding is approved.

The Administration budget is insensitive because it does not recognize the needs of those students who are currently benefiting from these programs. The new budget seems contrary to both the "sprit" and the "letter" of the bill entitled the "Education Amendments of 1972" which was passed by Congress and signed by President Nixon last June. This bill categorically states that for the "Education Amendments of 1972" to be implemented, the three existing Federal student aid programs must be funded at 80 per cent of the current (fiscal year '73) level. The Administration budget clearly does not do this. It is an obvious attempt to divert current funds to a new Federal program entitled the "Basic Educational Opportunity Grant Program" (BEOG).

Permit me to move directly to the topic of the BEOG program and express some of my concerns relating to it.

In an effort to implement the BEOG program, a task force was appointed to create a formula which would enable a contractor (presently unknown) to arrive at a figure which will represent what a family can reasonably contribute towards the educational costs of a student wishing to attend college. Rather than attempt a description of the formula, I have enclosed a copy of the February 2, 1973 Federal Register which contains it in its entirety. I have also enclosed a copy of a letter and statement by J. Samuel Jones, who is Director of Financial Aid at Massachusetts Institute of Technology. Mr. Jones has stated the case as clearly as anyone can and I offer his *comments to you* for your consideration. I might add that the position taken by Mr. Jones carries the full endorsement of the Eastern Association of Financial Aid Administrators.

What the proposed BEOG schedule means to Springfield College is as follows. If the BEOG program were to be fully funded, approximately 40 to 50 per cent of our students who are currently receiving Federal student aid would not be eligible to benefit from it. Present indications are that the program will not be fully funded. If BEOG were to be 50 per cent funded (more likely), the remaining 50 to 60 per cent of students formerly eligible would probably receive a maximum grant of $200 to $400. What then are these students who have been benefiting from former Federal student aid programs to do? They will still have a very real need, yet we will certainly be limited in what we can do to assist them.

It is very clear that the ramifications of the proposed budget and BEOG formula are most serious. Our students—540 of them—are subject to losing between $200 and $400 in Federal assistance. They are also faced with an unrealistic BEOG contribution schedule which excludes most of them from receiving the consideration they were formerly given under the EOG program.

Regretfully, it is not possible for Springfield College to make up the difference. During the academic year 1972-73 we will expend roughly $600,000 of our own resources for student aid. This figure for a college our size (2200 students) is one of which we feel proud. If, however, private education is to remain a viable means through which American youth can prepare themselves to become contributing citizens then we must rely on government assistance. Very simply, we need your help.

I urge you to do all in your power to support the spirit and law of the "Education Amendments of 1972" by defeating the proposed Administration budget and the proposed BEOG "Schedule of Family Contribution".

If we can assist you in any way with further background information or more specific facts, please call on us. We are eager to insure that the needs of our students are protected.

Sincerely,
Wilbert E. Locklin.

Mr. TALCOTT. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California.

Mr. TALCOTT. I thank the gentleman for yielding.

I concur with the remarks of the gentleman from Massachusstts. This is not only a very urgent request for a supplemental appropriation for the Veterans' Administration, but it is noncontroversial. The funds will be required before the end of this month for the payment of readjustment benefits to Vietnam veterans. If we should fail to pass it, it would be very detrimental to many veterans and their families.

I urge adoption of this supplemental.

AMENDMENT OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Flood: On page 2, after line 4, insert the following:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, Subparts 1 and 2 of Part A ($332,400,000), Part C ($270,200,000), and Part E ($269,400,000) of Title IV of the Higher Education Act of 1965, as amended, $872,000,000 to remain available until June 30, 1974: *Provided*, that of the sums herein appropriated for Subparts 1 and 2 of Part A, not to exceed $122,100,000 (including $11,500,000 for administrative expenses) may be used for Subpart 1.

Mr. FLOOD. Mr. Speaker, as you know, I am not accustomed to offering amendments to appropriation bills. As a matter of fact, the last one I introduced was some time in 1948. This is a very unusual role for me to play, as you know, but we are faced with an unusual situation. There are occasions when we must disregard custom and disregard precedent in order to do what is right, and I believe that this is precisely just one of those occasions.

I am acting after the unanimous action of the Subcommittee for Labor, Health, Education and Welfare of the Committee on Appropriations late yesterday afternoon—the unanimous action.

This amendment provides funds for aid to college students for the academic year which begins next fall, and I should sit down and shut up because that speaks much more eloquently than I can.

The legislative authority for the student aid programs is contained in the Higher Education Act. The Members will recall that last June the Congress enacted the Education Amendments of 1972.

Among other things, these amendments—that is, the Education Amendments of 1972—modified and expanded the student aid programs authorized in the Higher Education Act. The authorizations for the existing student aid programs, which are the educational opportunity grants—as I am sure the Members know—the college work study, the national defense student loan program, and the guaranteed student loans—extended by that action of the Congress.

In addition, a completely new student aid program called basic opportunity grants was authorized—and you are going to become acquainted with that by the very esthetic name of BOG from now on.

Mr. Speaker, I will not take the time now to give the Members a description of these various programs, most of which the Members are acquainted with, but I want to Members to know that there is available a whole library of information right now, in our printed hearings on the second supplemental appropriation bill and elsewhere, so there will be no dearth of information, believe me. However, I should mention this: That the Education Amendments of 1972, while they did create the new basic opportunity grants program, they also provided that the existing educational opportunity grant, and the work-study and the national defense student loans must be funded at certain levels before a nickel can be spent on the new basic opportunity grants program. Keep that in mind. I understand that these provisions were the result of lengthy and very, very difficult negotiations in the conference committee. I think we all remember and know about that.

Now, the Education Amendments of 1972—that I have mentioned two or three times—became law on June 23, 1972.

Mr. Speaker, the President's budget proposals for funding the student aid program—and this is for the 1973–74 academic year—were nevertheless not sent to the Congress until January 29, 1973.

Our Labor-HEW Subcommittee held hearings on the proposals on March 1. Those hearings, I will tell you for the record, are printed on pages 544 to 787 of part 1 of the Appropriations Committee hearings on the second supplemental appropriation bill for 1973. These were extensive and very, very thorough hearings.

It was our intention to act on the student aid proposals in the general supplemental appropriation bill for fiscal year 1973. We had hoped, and indeed we were quite certain, that this would take place before the start of the Easter recess on the 19th of this month; but for various reasons, which I shall not go into, it became clear that it would not be possible to consider the general supplemental bill in the full Committee on Appropriations, until May 3.

As Chairman MAHON has already explained a few minutes ago, an emergency situation has arisen with respect to veterans readjustment benefits. The Members heard Mr. MAHON, and the other speakers, on that already.

The committee was apprised of this situation by the administration just a couple of days ago, so far as I know. The chairman has responded quite properly by asking the Committee on Appropriations and the House to take immediate action to rectify the problem. There was not time, and it certainly would not have been appropriate, to include a large number of other items in this joint resolution that is being brought up now by unanimous consent.

Nevertheless, Mr. Speaker, I believe it is important to include funds in this bill for student aid programs. We are all aware of the uncertainty which presently exists in colleges and universities throughout the Nation—the Members have heard about it and read about it; they have gotten telephone calls; they know—as to the amounts of Federal assistance which will be available for needy students for the coming academic year. It is of the utmost importance that we remove this uncertainty from these people who must know, the administrators at all levels of the academic world, the students themselves, and their families, at the earliest possible moment. I thought we were going to have it done—I repeat for purposes of emphasis—I thought we would have had this done by this time in a general supplemental bill, but the reasons that that did not take place had nothing to do with this committee or subcommittee.

Therefore, I repeat: Our Labor-HEW Subcommittee met yesterday afternoon, discussed the matter at length, and by unanimous action agreed upon this amendment, which I now offer.

By the way, this does not go a dime above the President's budget proposal—not a dime.

The amendment provides a total appropriation of $872 million for these four student assistance programs that I mentioned. Of this total—I want to break this down for the Members—$269.4 million is for the national defense student loans. There are $23.6 million already available, so that will be $293 million available for national defense student loans for the 1973–74 academic year. That is exactly the same amount as was appropriated for the 1972–73 academic year—no more; no less.

The amendment also provides $210,300,000 for educational opportunity grants. That is exactly the same amount as provided in the 1972–73 academic year—not a dime more.

It also provides $270,200,000 for college work study. That is exactly, again I repeat, the same as the amount provided for the present academic year, and $122,100,000 for the new basic opportunity grant program.

Our amendment provides the same total amount—$872 million—as the President has requested. The President's request would provide $622 million for the basic opportunity grant program and $250 million for the college work study program, and nothing for the other two student aid programs.

The budget request also proposed to set aside, through appropriation language which would clearly be subject to a point of order, the provision in the Education Amendments of 1972 which require that certain amounts be provided for the three existing continuing student aid programs before funds may be used for the new basic opportunity grant program.

We heard a great deal of testimony on this matter, and we came to the conclusion that the administration's proposal simply would not be acceptable to a majority of the Members of Congress. The language would of course be subject to a point of order. Our amendment therefore provides funds to continue all of the existing student aid programs, and to make a start on the new basic opportunity grant program. Believe me, the mechanics of starting up this new program are quite complicated, and it may very well be that it is already too late to put this into effect properly for the 1973–74 academic year. Should that be the case, the language of the amendment would permit any or all of the funds provided for basic opportunity grants to be used to increase the amount available for educational opportunity grants. So it is clearly the intent of the subcommittee and of this amendment that these funds should be so used, if it becomes apparent that the basic opportunity grant program cannot be implemented properly for the 1973–74 academic year.

Also, just so my friends will know and because of the administration's idea, I believe I can report to the Members that it is the definite intent of our subcommittee to recommend that the basic opportunity grants be funded at an appropriate level and at a proper level for the academic year 1974–75 in the fiscal year 1974 appropriation bill. Of course, the full Appropriations Committee has not yet had an opportunity to consider this matter, so I do not want to suggest that I am speaking for all of the members of the full committee.

Mr. Speaker, I have available for any Member who wishes to see it—and this is not a fancy chart and it can be read, it is a simple thing—a chart which will show the amounts provided in my amendment as compared with the budget request, and the amounts available for the current year.

Mr. Speaker, I ask unanimous consent to insert the chart in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

(The chart follows:)

STUDENT ASSISTANCE PROGRAMS

COMPARISON OF AMOUNTS PROVIDED BY FLOOD AMENDMENT WITH BUDGET REQUEST AND AMOUNTS AVAILABLE IN THE CURRENT SCHOOL YEAR

[In thousands]

	1972–73 school year	1973–74 school year	
		Budget request	Flood amendment
Basic opportunity grants		$622,000	$122,100
Educational opportunity grants	$210,300		210,300
College work study	270,200	250,000	270,200
National defense student loans	293,000	[1] 23,600	[2] 293,000
Total	773,500	895,600	895,600
Total, excluding funds already available		(872,000)	(872,000)

[1] Appropriated in 1973 Supplemental Appropriation Act (P.L. 92–607).

[2] Includes $23,600,000 already appropriated. Amendment provides an additional amount of $269,400,000.

Mr. MICHEL. Mr. Speaker, I rise in support of the amendment. I am sure you have all been hearing from your colleges and universities as I have from mine. They are in a bad situation now because they do not know what Federal student assistance programs are going to be available to students this fall, and until they do, those kids who cannot pay for all their education themselves are left hanging.

A financial aid officer of one of the major universities in my State told my office yesterday that he has 3,000 applicants pending. Another said his institution's admissions operation is in a shambles.

These student assistance programs are usually forward funded, so the program levels are known a year in advance, but as you will remember, our schedule got disrupted by the higher education amendments last year, so here we are.

We had planned to fund student assistance in the omnibus 1973 supplemental that is pending right now, but it cannot come to the floor before the first of May, and then it still has to go to the Senate. The timing is so critical, so crucial to both students and institutions around the country, that I feel the unusual procedure we are using here today is absolutely necessary to give them some certainty as to what is to be available next fall.

One of the most immediate problems we had to deal with in bringing this package to the floor in this way was to decide what would be the most effective mix of programs that we could be sure would reach the largest number of students, but still provide awards large enough to be really meaningful.

One of my prime considerations was holding the line on spending, and we were able to agree in the subcommittee to stay within the President's budget figure because this is one of the budget items which was increased significantly over last year. A look at the figures is all you need to see that the student aid budget proposes a substantial expansion over what has been available.

The principal area of controversy, of course, was how that pie should be cut.

Now, I would like very much to support my President as best I can, but it is difficult when one does not have a simple majority of votes in this body to support his position.

We in the minority have not enjoyed for a number of years what you on the other side had with control of the Congress as well as the Presidency.

Of course, exercising the power of the veto is a somewhat equalizing factor, for with only one-third of the Members of either body a veto can be sustained.

And, whether we like it or not, we had all better keep that fact in mind, if we really want to move expeditiously and get this legislation enacted into law in time to help the students and institutions who need this assurance now.

If you look at our hearing record, it is clear that the administration would like to have no less than $500 million to start the basic opportunity grant program, but if we do this, the other three programs which have proved so popular—work study, supplemental grants, and national direct student loans—would obviously have to be reduced to keep within the budget.

I must confess that I did not exactly get a great deal of support from my colleagues in the subcommittee when I proposed this.

As a matter of fact, Mr. SMITH, of Iowa, proposed simply splitting the whole pie among the other three programs, with no money at all for BOG's.

I think each member of our subcommittee has a little different idea about what the ideal mix should be, about which programs should get the most emphasis, and they can all speak for themselves, and most certainly will.

I then countered with a proposal that would have funded the three old programs at the statutory minimum—the so-called threshold levels—and forward funding NDSL.

This would have left about $23.5 million for the BOG program. There was still opposition to this proposal, and my colleague, Mr. CONTE, submitted his proposal, which for all practical purposes is what we have before us today.

I would be the first to admit that with the BOG program, the fewer the dollars, the less effective the program can be, but in any case, since it will have to be at less than full funding for this fall no matter what we do—without busting the budget—it may be much better to start it off on a pilot basis and get the machinery going and the bugs worked out of it, so we can tell next year if it is going to work at all. It is simply too late in the season, now, to put all our eggs in the BOG basket.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, let me say to the gentleman from Illinois that I subscribe to what he tried to do. I am disappointed, as he is, that he was unsuccessful.

Let me ask this question: With the $122 million that is available for BOG, is it possible for the Health, Education, and Welfare officials to focus in on a particular area or in a particular category of schools for educational institutions, rather than spreading the full $122 million on a nationwide basis?

Mr. MICHEL. I would stand corrected if other Members would dispute this, but I believe we had no testimony that would indicate the program could be implemented on any other basis than a countrywide program, because I believe it would be impossible to single out particular categories or areas. We would have a situation where certain institutions were favored, or certain students. I do not believe it is practical at all to do it on that basis, which of course gives rise then to a question, "Can it really be a viable program at something less than full funding?"

Obviously the administration says "yes" to that, because full funding for 1974 as proposed in the budget is something over $900 million.

The testimony will show that for fiscal year 1973 if $500 million could be available for BOG they can make it work. Secretary Weinberger, in a conversation with me last night, expressed the same disappointment that my leader expresses here on the floor, but I was simply communicating to him the facts of life. I believe they would prefer to have something rather than nothing. From my conversations with the folks in the Office of Education, I understand they would very much like to get this thing going, and they tell us they have the machinery in motion to get it going if we provide them the funds to do so.

Mr. GERALD R. FORD. Earlier in the gentleman's comments he indicated that $122 million would give HEW an opportunity to undertake a pilot program. Why can they not define a pilot program on a limited geographic basis or on a limited educational institution basis, so that at least in that kind of a pilot program they would have full funding? If we did it on a national basis for all educational institutions and all students we really could not give it a fair opportunity to work.

Mr. MICHEL. I should like to say that I share the gentleman's view, although, as I indicated earlier in my remarks, there is really nothing in the hearing record that would give us any kind of assurance that it could work equitably and give us a good measurement by being tried on the basis the gentleman suggests.

It may be that with the passage of time some wiser mind than is here in the well will come up with a proposal, depending upon the final figure actually agreed upon, bearing in mind that this proposition has to go to the other body and we are not sure how they will treat this particular item.

Returning to the overall funding issue itself, I have personally kept an open mind on this subject and really do not have the strong feelings of preference for one program over another as expressed by my administration, some of my colleagues on the Education and Labor Committee and on our subcommittee.

If BOG's are funded at too low a level and the program falls on its face because of it, we may have problems funding it in the future—this is true. And, we will have to mark up the 1974 bill with the BOG proposal in it for the 1975 school year before we have any experience tables. But, I know Secretary Weinberger and the folks down at the Office of Education responsible for these programs feel that they are well enough along in planning to make it a viable program if they have the money to do so.

I personally cannot give you my guarantee that BOG will be a more desirable program, although it is designed to assist a much broader range of students than the other programs. Of course, when you spread it that far, it cuts down on the amount to each recipient—you do not have to be a magician to figure that out.

But, it was the Congress that did authorize this program, and I think we have an obligation to give it a chance. I somehow have the feeling that even if the folks downtown do not get everything they would like to have to put it in place, they would still like to have something to get it going. And this is what is proposed in this amendment.

The nub of the problem here, again, is the uncertainty the institutions and students are facing right now, in this month of April when graduating high school students are applying for college and when students already in higher education need to know what they can plan for the fall. This is the urgency, the necessity of dealing with student assistance funding right now—not a week, 2 weeks or a month from now .

I was happy to hear my chairman, Mr. FLOOD, make the point that we would get to the markup of the 1974 bill within a month or 6 weeks, conceivably. We will have to go over the same hurdles at that time. We would like to give some indication that there will be a continuation of the BOG program, hopefully at an increased funding level, to make it a more viable program.

Mr. SMITH of Iowa. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, since my colleague, the gentleman from Illinois (Mr. MICHEL) mentioned my position on the bill, I thought I might at this point explain a couple of reasons why I take this position. I do fully support this amendment and strongly supported moving without further delay.

Reference was made to the BOG program, and we found in our hearings—and I hope the Members will read the hearings—that there are great, great deficiencies in this program that just must be worked out. Some of the changes needed are probably administrative, but it may be that changes in the law will also be needed.

For example, it works this way: a determination is made of the contribution the child is expected to receive from its parent. Automatically the computer deducts that amount from the amount the student will receive. Unlike the present program where financial aid is administered by financial aid officers who can adjust figures according to the situation. In the case of BOG, a computer makes the decision; there is no way to change it. The expected contribution is determined, for example, under a set of regulations, one of the considerations is "assets" of the parent.

"Assets" are described in the regulations that have been approved by the House Education and Labor Committee and not by the other body to include, for example, an equity in real estate, inventory in a small business, an equity in the home, but it does not include jewelry, automobile such things as antiques and other valuables of that nature.

So this kind of a situation results: A widow with five children and $20,000 equity in a house is expected to contribute almost the same amount as a couple who live in an apartment with all kinds of jewelry and automobiles and everything else, with a $10,000 income and two children. Therefore the children receive the same amount for student aid.

Now, obviously that is such an unfair situation that it just cannot be tolerated. The widow with the five children will never be able to make the $600 contribution, and, therefore, that child just will not have a fair opportunity under the program and when the money is absorbed for that kind of program, the widow's child probably will not be able to go to school at all.

We have a number of such examples. Some parents who could and should, may in fact, not provide the expected contribution. Some parents do not believe postsecondary education is necessary, or for some other reason will not help. No adjustment can be made. Veterans, we found, in some instances are going to be penalized under the BOG program, compared to nonveterans. That is under the regulations that have been adopted, and there is some question, but perhaps it may be required by the law. This is one reason the other body has not approved the schedule of family income expectations.

Mr. Speaker, in another instance, for example, if the parents separate, the child receives more benefits. It is another Government program where someone receives more benefits if parents separate. That is not only not fair, but should also be against public policy to encourage family separations.

There are so many things wrong with this program today that I think it would be a mistake to rely on it as the principal program for student aid program for the coming year. The administration wanted to put two-thirds of the student aid money into the new program and reduce other tried programs accordingly.

So what we have done here is to give the same amount this year as last year for the NDEA loans, work study, and opportunity grants. Then we recommend taking the $122.1 million left in the budget total and give them the authority to use it to try out the new BOG program. However, if they do not use it for that purpose, that $122.1 million can be used for the other programs.

I think they are going to fall on their face in trying to institute the new BOG program this year. It is even doubtful that the computer system can be adequately set up in time. We are saying to the Department, "Try out $122 million, but if you find out that you should not use this amount of money for the new program, then you can use it for other existing programs."

Mr. Speaker, it seems to me that the proposal in the amendment before the House is a sensible way to handle student aid appropriations at this late date, because they do need the money and it would be a mistake to rely upon the new BOG program primarily, when it so obviously has both deficiencies with respect to the law and with respect to the regulations that have been proposed.

Mr. GROSS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, this bill is before us today on the basis of a unanimous-consent request, not by virtue of a rule, and many of us were informed at the time that request was made that it would be limited to two items: Veterans' benefits and the air carrier appropriation.

Now, we have this added to it.

This may be a meritorious amendment. I am pleased that the subcommittee held hearings in justification of the amendment that is now offered in behalf of higher education and to the tune of 800-and some-odd million dollars.

But the common garden variety Member of the House of Representatives has had no opportunity to profit by the hearings held by the subcommittee.

We are today confronted with this amendment which was admittedly voted out of the subcommittee only yesterday afternoon, and there was no previous indication that it was coming up today. I should like to have read the hearings to find out what the track record of these student loans may have been in at least the past year. I have been reading newspaper and magazine articles highly critical of the student loan program with respect to the repayments and defaults.

Mr. MICHEL. Will the gentleman yield?

Mr. GROSS. Yes. I am glad to yield to the gentleman.

Mr. MICHEL. As a matter of fact, in the national defense student loan we are going to have $150 million coming back into the college loan funds in the form of repayments, which, of course, suggests that there is a pretty good payment record. We have asked some very probing questions of the witnesses with respect to the default rate on the guaranteed student loans. There have been some problems, but they now have surveillance teams out in the field that are doing a much closer job of overseeing this thing, and there are prospects for considerable changes.

Mr. GROSS. Let us get down to a few specifics. How much has been lost by way of defaults and over what period of time?

Mr. FLOOD. Will the gentleman yield?

Mr. GROSS. I will be glad to yield to the gentleman.

Mr. FLOOD. The gentleman will recall at one time he and I went into this business about 19-year-old bankrupts, I think it was, and we may well go into it again, when we take up the general supplemental appropriation bill for fiscal year 1973. But it so happens that this particular amendment does not include the type of loan on which we have the default problem. That's the guaranteed student loan program, for which funds for interest payments and defaults will be included in the next supplemental appropriation bill. As you know, you and I have talked about the default problem on these loans before.

Mr. GROSS. Do you mean this bill is not applicable to students; that no loans are being made to students out of this $800 million?

Mr. FLOOD. Not the guaranteed student loan program. The one you are complaining about and questioning the payments of is not in this specific amendment, but it will be in when the general supplemental bill is brought up. And when we bring it up it will be very properly raised and, in fact, I will raise it myself then.

Mr. GROSS. I hope, I will say to the distinguished chairman of the Committee on Appropriations, that in the future we can confine legislation of this type, brought up under unanimous consent, to the request made by the chairman on the floor of the House. At that time he specifically stated it would be confined to the two items in this bill. I am not going to be overly critical, and the gentleman need not make any comment on it.

Mr. MAHON. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. MAHON. It is true that the bill that was brought to the House today from the Committee on Appropriations just did have the two items in it .The other matter developed subsequently. I was not aware of the matter at that time.

Mr. GROSS. I thank the gentleman.

Mr. CONTE. Mr. Speaker, I rise in wholehearted support of the amendment offered by my distinguished colleague from Pennsylvania. This is an amendment I offered in the Labor-HEW appropriations Subcommittee; the subcommittee adopted this amendment.

Following the presentation of the President's budget to the Congress in January, the status of Federal assistance to our college students have been up in the air. Students have been thrown into a quandry wondering where their financial aid would come from. Even worse, they wondered whether they would have any assistance at all. Financial aid administrators are frozen. Because of the questions as to what would be done and how it could be done, they are completely unable to move.

It is now April 12. The new school year starts in less than 6 months. Any other year, these financial aid administrators would already be well on their way to deciding how the federally supported student assistance would be allocated among their students. Very soon, high school seniors will be deciding which school they will be attending next fall, and part of that decision will be based on the financial assistance they might receive.

However, 1973 is a unique year. We have had two Labor-HEW appropriations bills vetoed. We are going to finish out the remainder of the fiscal year with the continuing resolution passed in February. Caught in the middle of this financial aid crisis are our college students.

It is painfully apparent that the time has come for action. This uncertainty cannot be allowed to continue. Every delay will only create more dislocation and hardship. That is why we of the Labor-HEW Appropriations Subcommittee offer this amendment today.

The amendment is designed to do three things. First, to alleviate the uncertainty that exists in the higher education community today. Second, to provide Federal student assistance which complies with the provisions of the Education Amendments of 1972. And, third, to give the basic opportunity grant program a chance to be put into operation and prove itself.

The Education Amendments of 1972 recognized the problems that the implementation of a wholly new and untried student assistance program would carry with it. How many bugs would have to be ironed out? Would the regulations promulgated to implement the program be workable?

How many unintended results would the program carry with it? Because of these and many other questions, Congress added section 411(b)(4) to the Higher Education Act.

Section 411(b)(4) provides that, before the basic opportunity grants can be funded, three other proven and effective students assistance programs would have to be funded at a minimum level. That section provides that the supplemental educational opportunity grants, more commonly known as EOG's, would have to be funded at $130,093,000, the work-study program would have to be funded at $237,400,000, and the national direct student loan fund would have to receive a capital contribution of $286,000,000.

The conferees on the Education Amendments of 1972 and the Congress as a whole put a great deal of thought into the decision to provide that these other programs must be funded before the basic opportunity grants. This was a very conscious decision based on the very real uncertainty as to what the unknown and unforeseen effects of the new program might be. This wisdom is not something to be tossed aside lightly.

Under the amendment offered by my colleague from Pennsylvania, we do give the basic opportunity grants a chance to prove themselves. We are providing $122,100,000 for this program. Granted, this is not full funding.

Granted, also, this is only about one-sixth of what the administration proposed for the program. However, it does provide the opportunity to operate the program at a workable level. It provides the opportunity to see what the problems with the basic opportunity grants might be. Most importantly, it provides funding for the programs we know will work. They have proven themselves in the past.

While I do believe that the basic opportunity grants hold a great deal of promise, it is also apparent that the financial assistance scheme proposed by the President would create many problems for many, many students, especially those from middle-income families. Let me give you some examples of what I have learned from the colleges and universities in Massachusetts.

The University of Massachusetts estimates that, under the President's proposal, students will lose $3 million in assistance. UMass also estimates that the average student grant will be cut from $946 under the present grant system to an estimated $702 under BOG's. The average cut for each student would be $244.

Springfield College, a private institution, estimates that approximately 40 to 50 percent of the students presently receiving assistance would not receive any assistance under the BOG program. Further, 540 of the students would lose an average of $200 to $400 in Federal assistance under the BOG's.

Because the administration has proposed no new capital contributions to the national direct student loan fund, Mount Holyoke College estimates that it would have to contribute between $65,000, and $70,000 of its own funds in the 1973–74 academic year in order to continue to provide a reasonable level of loans to its students, and this takes into account the funds available for reloaning as a result of the repayment of prior loans. Mount Holyoke does not have the money to do this.

Because Newton College entered the national direct student loan program relatively late, they would have only a few hundred dollars from the repayment of prior loans to use as a loan fund for their students in the next academic year.

The Massachusetts Institute of Technology admits that the scientific and technological education they provide for their students is very costly. MIT's president estimates that the MIT students will lose about $800,000 in assistance if the administrations proposal were to be adopted by the Congress. Further, he states that this figure will be larger if the more restrictive family contribution schedules proposed by the Office of Education are adopted. As things now stand, it appears these schedules will be approved because of the even further delay disapproval would bring.

Stonehill College estimates that the BOG's will only help about half of the students who are presently receiving assistance and that these students would only receive about 50 percent of the amounts they are presently receiving.

Boston College has made extensive calculations to try to determine the impact of the withdrawal of the EOG's in favor of the BOG's. Their figures show that fully 55 percent of the students now receive assistance will not be eligible for BOG's.

Greenfield Community College wrote to say that their analysis showed that the student from the middle income family would suffer since they will no longer be able to obtain the EOG's and the assistance under the BOG's would amount to little more than a minimal amount. And this analysis is from a school where a resident student pays only about $1,800 per year for tuition, room, and board.

These are just some of scores of examples I have received from schools all over the country. They are coming from public and private institutions. They all strongly believe the Congress must act to support the established student assistance programs. That is what the amendment we propose today is designed to do.

When speaking of the loan programs, proponents of the administration's proposal often argue that there is authority for substantially increased guaranteed loans thorugh commercial lending institutions. This authority does exist. However, the crux of the problem is the question of whether the banks will be willing to make the loans in sufficient numbers and amounts to make up for what is being lost. The situation is analagous to the criticism directed to the Congress at times by those who point out the differences between authorizations and appropriations.

All the indications I have received show that banks are unwilling to make the loans. Yes, some guaranteed loans are being made to students. However, the difference between the demand and the supply is large. As interest rates continue to climb as they are doing now, that difference will only increase. The banks are losing money on these loans. One of the largest savings banks in a major northeastern metropolitan area informed me that they are losing 2.02 percent on the guaranteed higher education loans they are making. The loans they do make are part of what they consider their pro bono effort in the community. The withdrawal of the capital support for national direct student loans will only aggravate the problems of the student who is trying to obtain assistance for his education.

These are students who are willing to take the responsibility of borrowing and are not asking for a handout. They are asking for a handup.

The amendment we are proposing calls for the expenditure of $895,600,000. Of this, $122,100,000 will go to the basic opportunity grants to give them an opportunity to prove themselves, $210,300,000 will go to the educational opportunity grants, $270,200,000 will go to the work-study program, and $293,000,000 will go to capital contributions to the national direct student loan fund.

The $895,600,000 appropriations we propose is not irresponsible. It is not a budget busting amendment either. I think that this point has to be very clear to all of those present. The amount we are proposing is precisely the same amount the President requested for student assistance in his budget.

What we have done is reorder the priorities. We have done this because we firmly believe that the budget proposals do not meet the needs and problems of students needing assistance. We are proposing an alternative which is a workable one, an alternative which meets the needs of the students of this country for assistance, an alternative which complies with the requirements of the Education Amendments of 1972, and an alternative which gives the basic opportunity grants a chance to prove themselves and gives the Congress a chance to evaluate the operation of the BOG's.

Earlier, I referred to the delays being created by the uncertainty in the financial aid picture. There is a much more important matter of delay to consider as well. The implementation of the Basic Opportunity Grants is running between 3 and 5 months behind schedule. Here we have a new, untried program which is running very far behind. There are also substantial questions about the wisdom of reliance on the BOG's. There is just too much risk of chaos and catastrophe. BOG's are meant to be supplemental, not fundamental student assistance.

I believe that we must adopt this amendment. This is a rational approach to meeting the needs of students for financial assistance. And, finally, this amendment will clear the air of all the uncertainty and confusion that surrounds the whole question of financial assistance to our college students.

I urge all of my colleagues to vote for the amendment presently under consideration. I include the following:

TUFTS UNIVERSITY,
Medford, Mass., April 2, 1973.

The Honorable SILVIO O. CONTE,
Congress of the United States,
House of Representatives,
Washington, D.C.

MY DEAR MR. CONTE: Thank you for informing me of recent developments in the Appropriations Subcommittee as they concern post-secondary education. Tufts is very much aware of your strong support of education programs and your efforts to provide adequate funds for them. We are glad to learn that you will continue to advocate a strong federal commitment to post-secondary education. We would urge, however, your particular attention to the adequate funding of the present, campus-based programs of student financial aid.

If the Administration's request is approved, and the traditional student-aid programs are not forward-funded in adequate amounts, as provided in the Higher Education Amendments of 1972, Tufts will lose almost $1 million in EOG and NDSL funds that were received in these federal aid categories this year. Yet, in early April, Tufts is expected to make scholarship and loan commitments to entering students, both freshmen and graduate, for next September. In the past, we have learned to live with late appropriations and allocations, but it was expected that reasonable sums would eventually be received and thus transmitted to students. This year, the higher education community faces the uncertainty of any funding at all in those programs which have done so much to help lower- and middle-income families meet the chilling costs of college.

You should be aware that in this dilemma, many post-secondary institutions have chosen to make awards to students with the proviso that any federal funds tentatively awarded are subject to the receipt of sufficient allocations from the federal government. Our procedure has been to indicate the uncertainty of these amounts with the award, and to inform the student that if federal appropriations are insufficient, it will be necessary to try for a federally insured loan through a bank or credit union in an amount up to $2500 a year.

It would seem highly unlikely that the BOG program will have much impact on student financing for the coming year. First, it is far behind the time schedule necessary to determine awards and notify students of the amounts they will receive so that they may make college choices. Second, the restrictive nature of the recommended need analysis system (really a money-rationing system rather than an attempt to determine a reasonable parental contribution) does not as yet have its schedules or procedures approved by Congress. Several institutional studies indicate that the most needy students who are now receiving EOG's of $1000 are the most likely to receive much less under the BOG schedules, since family contribution (including Social Security benefits), rather than parental contribution, determines the amount to be deducted from the $1400.

We would recommend gradual introduction of a BOG program, with adequate funding of the three present programs for the coming year provided by the FY '73 supplemental appropriation. We would then hope that the FY '74 appropriation would provide funds well in advance for a BOG program that is already in place, as well as for the traditional programs that have worked so well. As you well know, Congressional intent was clearly to provide a floor of aid which all needy students would receive, and then supplement Basic Grants with the three programs. We oppose the attempt to do away with Supplementary EOG and especially with National Direct Loans. The later are vital to low-income undergraduates, and are practically the only source of federal aid remaining to graduate students through the higher institutions.

Such an approach would seem more advisable than a sudden change to the limited amounts provided by an as yet undeveloped BOG award or delivery system. College Work-Study, which will be diluted by the addition of parttime and proprietary school students, will not provide the additional funds when tuition payments are due in September and February. Nor can large numbers of additional borrowers count upon federally insured bank loans when the banking community has by no means given assurances that it can or will provide even a substantial part of the additional money needed to make up for the loss of the National Direct Loan Program.

Last summer, we saw another dramatic example of the chaos which can occur when a large, popular, on-going federal student-aid program is changed suddenly. The Guaranteed Loan Program was brought to a virtual standstill last July due to the reversal of policy and the restrictive nature of the new regulations developed by the Office of Education. It was then necessary for Congress to pass legislation hurriedly in order to allow students to obtain loans for September under the former regulations and postponing the changeover until March 1973. Now, the GILP program appears to be beginning smoothly with less restrictive regulations and far more preparation and forethought. Perhaps you also recall the uproar when it was planned to cut back College Work-Study several summers ago. When students did not receive summer jobs in June, their distress was heard in Congress and a new appropriation was quickly passed. Also, when President Johnson attempted to drop the National Defense Loan Program in 1965, everyone who was then in Washington, or in the higher institutions, recalls the widespread protests which resulted in Congress wisely deciding to continue the program. If the transition to support for post-secondary education authorized in the Higher Education Amendments of 1972 is not made gradually and with adequate funding for the present programs upon which students and colleges depend, then an even greater protest is most likely to ensue.

For these reasons, we would urge you to support forward funding through the fiscal 1973 supplementary appropriation for each of the campus-based programs in at least the minimum amounts stated in the Higher Education Amendments of 1972. We would hope that you would support funding of each of these programs at an even higher level than the minimum, since institutional requests for 1973–74 (as approved by Office of Education panels) total almost 1.5 billion dollars. The students are in the colleges, or applying to them, and need the money. We think that the present programs do need to be continued, and start-up funds provided for the BOG program, in order to have orderly transition and avoid hurting students and families needlessly.

Our financial aid director has estimated that each present recipient of federal aid on our campus will lose from $1,000 to $2,500 a year if the Administration request is approved. The estimate is based upon $1,000 EOG, $700 average National Direct Loan, and $800 Work-Study earnings during the summer and school year. Since a residential budget at Tufts next year will be $4,800 for room, board, tuition, and fees, you can see how important the federal aid is to our students in addition to scholarships from our own funds which, for the low- and middle-income student would average approximately $2,000 a year. With the help of federal support, we have been able to raise the number of minorities on this campus from 6% in 1969 to 11% this year. The average combination scholarship, loan and job for a minority student is $3,200 this year. Tufts serves as an example that if students, particularly those from low- and middle-income families, are to have the opportunity to select private, as well as public higher education, then substantial federal support of the traditional programs, as well as the new ones, must be provided.

On the chance that it has not come to your attention, I enclose the position paper of the National Association of Student Financial Aid Administrators regarding the FY 1973 and FY 1974 budgets. You may also be interested in the Profile of Financial Aid received by our undergraduates, since it indicates how we are integrating federal, state, and private aid funds to assist a third of our students to meet the overwhelming costs of a college year. On the second page of the Profile, you will find the data quoted on the growth of our minority student population and the aid that they are receiving.

Thank you very much indeed for this opportunity to express the views of this university on educational appropriations and student-aid programs for the coming year. Their funding and continuance are of vital concern, especially to Massachusetts students who are about one-third of our enrollment.

Sincerely,

BURTON C. HALLOWELL.

Enclosure.

TUFTS UNIVERSITY—PROFILE OF UNDERGRADUATE FINANCIAL AID 1972–73

	1952	1962	1967	1970	1972	Percent increase since 1952
1. College costs 1952–72: Tufts and Jackson:						
Tuition, fees	$650	$1,500	$1,900	$2,700	$3,080	374
Room and board	650	900	1,110	1,270	1,470	126
Books, personal expenses	250	400	500	630	650	160
Total	1,550	2,800	3,510	4,600	5,200	236

	Number of awards	Percent of enrollment	Amount	Average	Range
2. Undergraduate financial aid, 1972–73: Source:					
University scholarships	910	26	$1,713,238	$1,726	$100–$4,850
Other major scholastic	411	12	371,595	904	300– 4,200
Guaranteed employment	294	8	183,500	624	300– 1,700
Long-term loans	668	19	489,625	733	200– 2,800
Total aid	[1] 2,283	[1] 32	2,757,958	2,456	100– 6,250
3. Financial aid to freshmen, 1972–73 (included above):					
University scholarships	210	22	421,732	2,008	500– 4,400
Other major scholastic	119	12	99,755	835	300– 3,100
Long-term loans	196	20	163,300	833	200– 2,000
Total	[2] 525	[2] 28	684,787	2,546	200– 5,400

	Below $6,000 (percent)	$6,001 to $10,000 (percent)	$10,001 to $14,000 (percent)	$14,001 to $18,000 (percent)	Above $18,000 (percent)	Median income
4. Family incomes of loan and scholarship recipients:						
1962	33	47	16	4	0	$7,172
1967	18	44	31	6	1	9,820
1970	17	24	29	20	10	11,241
1972	17	20	23	21	19	12,340

	$200 to $999 (percent)	$1,000 to $1,999 (percent)	$2,000 to $2,999 (percent)	$3,000 to $3,999 (percent)	$4,000 to $4,999 (percent)	$5,000 up (percent)
5. Range of total awards to individuals: Percent of all aid recipients):[3]						
1967	20	48	30	2	0	0
1970	7	27	37	22	7	0
1972	8	20	30	26	14	2

	Tufts (men) (percent)				Jackson (women) (percent)			
	Upperclass		Freshmen		Upperclass		Freshmen	
	1967	1972	1967	1972	1967	1972	1967	1971
6. Net summer savings of aid recipients: (After tax and summer expenses):								
Amount saved toward college expenses:								
$0 to $399	15	24	39	33	28	39	50	61
$400 to $599	28	20	36	31	45	24	46	23
$600 to $1,400	57	56	25	36	27	37	4	16

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[1] 1,123 students (32 percent of 3,550 undergraduates) received 2,283 awards (average $2,456). In 1970, 1,094 (33 percent of 3,275 undergraduates) received 2,206 awards (average $2,200). In 1967, 996 (34 percent of 2,900 undergraduates) received 1,730 awards of $1,580,200 (average $1,587).

[2] 269 students (28 percent of 965 freshmen) received 525 awards (average award $2,546). In 1970, 304 freshmen (31 percent of 965) had 568 awards of $694,400 (average $2,284). In 1967, 222 freshmen (29 percent of 785) had 382 awards of $404,425 (average $1,882).

[3] 42 percent of recipients received tuition ($3,000) or more in 1972 (1970—37 percent; 1967—35 percent; 1962—26 percent).

TUFTS UNIVERSITY

PROFILE OF UNDERGRADUATE AID FOR SELECTED YEARS, 1962–72

	1962	1964	Percent[1]	1966	Percent[1]	1968	Percent[1]	1970	Percent[1]	1972	Percent[1]	Percent change 1962–72
Tuition	$1,500	$1,700	+13	$1,900	+11	$2,300	+21	$2,700	+17	$3,050	+13	+103
Total cost	$2,800	$3,000	+7	$3,400	+12	$4,000	+18	$4,600	+15	$5,200	+13	+86
Median award	$1,125	$1,334	+19	$1,551	+16	$1,881	+21	$2,432	+29	$2,534	+4	+125
Average award	$1,113	$1,292	+16	$1,464	+13	$1,907	+30	$2,200	+15	$2,456	+12	+121
Total aid received	$801,625	$1,123,025	+40	$1,404,800	+25	$1,990,182	+42	$2,405,415	+21	$2,757,958	+15	+244
Undergraduate enrollment	2,350	2,750	+17	2,900	+6	3,000	+3	3,275	+9	3,550	+8	+51
Students aided	720	869	+21	959	+10	1,044	+9	1,094	+5	1,123	+3	+56
Percent enrollment aided	31	32	+1	33	+1	34	+1	33	−1	32	−1	+1
Median family income	$7,172	$7,913	+10	$8,333	+5	$10,116	+21	$11,241	+11	$12,340	+10	+72

[1] + percent of change from previous column.

AID TO MINORITY STUDENTS

	1969	Percent	1970	Percent	1972	Percent	Percent change 1969–72	
Total minorities (percent of undergraduates)	173	6	267	8	394	11	+128	(+5)
Number minorities aided (percent of all students aided)	122	11	201	18	275	28	+125	(+17)
Minority aid through Tufts (percent of total aid)	$376,550	21	$610,950	30	$904,336	39	+140	(+18)
Average minority aid	$3,086		$3,040		$3,288		+7	
Average nonminority aid	$1,676		$1,822		$2,064		+23	
Number of minorities:								
Afro-American (percent aided)	139	75	199	80	280	76	+101	(+1)
Native American (percent aided)	0		1	100	1	100	+100	(+100)
Spanish American (percent aided)	8	63	19	74	39	67	+388	(+4)
Oriental American (percent aided)	26	50	48	56	74	61	+185	(+11)

Note. Total aid includes Tufts and Federal scholarships, loans, guaranteed employment; also major ($300 or over) outside scholarships (State. ROTC, Merit, corporation, foundation, local). Omitted are bank or credit union loans, and off campus employment.

MOUNT HOLYOKE COLLEGE,
South Hadley, Mass., April 4, 1973.
Hon. SILVIO O. CONTE,
Member of Congress,
House of Representatives,
Washington, D.C.

DEAR SILVIO: Thank you so very much for your informative letter of March 16 concerning recent developments in the Appropriations Subcommittee on Labor-HEW.

I am in general pretty closely informed about the situation, since I am serving this year as Vice Chairman of the American Council on Education and also am continuing my membership on their Commission on Federal Relations. Nevertheless, I am particularly grateful for the detail of your report on the situation, since it does indeed seriously affect us.

Although I am confident of the devastating consequences if the worst should happen, one feature of the threat is not only the elimination of the programs contemplated by the Education Amendments of 1972 but also the increased eligibility in connection with these programs, since they are now available to all post-secondary education and are not restricted to higher education. This factor plus other uncertainties make it difficult to estimate precisely what the consequences would be for us, but I shall give you an estimate and would be glad if it would be important to you to try to make the matter more precise.

First, should there be no new capital contributions to NDSL funds, I estimate that it would be necessary for us to dip into our own funds functioning as endowment to the extent of between $65,000 and $70,000 in 1973–74 in order to maintain at a reasonable level the loaning rate that we have been able to establish with the help of NDSL funds. This figure is a net figure after taking account of the available capital for re-loaning as a result of the repayments of loans. Incidentally, in the matter of loans, it may interest you to know that we have had virtually no defaults on our loans, whether from our own funds or from NDSL funds. At last report, the only cases that could be so classified were one or two that involved either the death of the borrower or a personal disaster that could not be anticipated.

Secondly, and here I can be a little less precise, the BOG program, almost however it is funded, will be of relatively limited help to us. Much of this estimate, of course, depends upon the guidelines that are finally approved for the program, but the limit is so low and the technicalities surrounding the processing of these grants are likely to be so great that only a very small number of our students are likely to get anything like the $1,400 that is the maximum under the program.

Third, this means, of course, that the SEOG's would be of critical importance to us as was their former EOG program. This has permitted us to assist a significant number of very low income students as well as a significant number of middle income students who along with their families are the ones who are most seriously threatened by the present budgetary proposal. My estimate is that, if there is no adequate funding of the SEOG's in 1973–74, our short fall on our financial aid budget will be in the neighborhood of $40,000.

Neither the closing down of the loan program nor the elimination of the SEOG's represents for us a huge sum in a total budget of somewhere in the neighborhood of $10,000,000. For a year we can dip into reserves in order to meet our obligations if we have to. Nevertheless, this prospect will compel us to re-examine our whole loan and grant policy, which can only have the effect of seriously restricting the efforts we have made to make a Mount Holyoke education available to as many low and middle income students as we could find the means to support. Like most private institutions in our kind of situation, we have in recent years, through our own and government efforts, produced a program that provides on this campus probably a wider income distribution among our students than one would find at any residential state university. This is a fact that is not widely known. It is the threat to this accomplishment that worries me even more than the immediate financial situation, since I think not only this College but the country have benefited from this kind of strong policy of making educational opportunities broadly available.

It is for reasons such as the above that I strongly supported the counterproposals of the American Council on Education when they were developed earlier in the year. I know that you are familiar with those proposals, and they seem to me to be very reasonable suggestions, ones that sensibly take account of the appropriate objective of holding down the size of the federal deficit and at the same time not having a devastating consequence on the educational opportunities of able young people. In this connection I am enormously grateful to you for your concern and your commitment, as I know everyone is who is following this difficult matter.

Again my warm thanks and do let me know if it would be helpful for me to give you any more specific detail on the effects on Mount Holyoke of the budget proposals.

Sincerely yours,

DAVID B. TRUMAN.

HAMPSHIRE COLLEGE,
Amherst, Mass., April 4, 1973.
Congressman SILVIO O. CONTE,
House of Representatives,
Washington, D.C.

DEAR SILVIO: The delay in my responding to your letter of March 16 regarding recent developments in the Appropriations Subcommittee on Labor-HEW which affect federal funding for post-secondary student assistance programs was occasioned by my having, once again, a thorough review with the persons who run our financial aid office so I can be up to date on the implications of the alternative moves the Congress and the President might make.

Here are the implications as we see them:

1. *Direct Student Loan Program*—

Hampshire is only three years old and has not begun to receive payments for previously awarded National Defense Student Loans and direct student loans. Therefore, our financial aid program is highly dependent on federal contributions toward our direct student loan fund. If allocations to this program were cut, we would not have available loan funds to continue low interest government loans to students who have received them for the past two or three years. These students would be forced to obtain the loan portion of their financial aid package from local banks and, as a result, would have two separate types of loans to repay, increasing their monthly repayments.

2. *Educational Opportunity Grant Program—*

Hampshire relies heavily on the Educational Opportunity Grant Program to supplement the limited grant funds available for high need students. Termination of this Program would result in the loss of federal grants for many of our minority/poverty students whose only resources for education are social security and veterans' benefits. Under current Basic Opportunity Grant regulations, all social security and one half of veterans' benefits would be assumed to be family contributions subtracted from the maximum $1,400 eligibility. This would cause many of these students to lose their federal grant. Further, as there is no indication of what demands will be placed on the BOG Programs, there is no guarantee that our high need students will receive the same level support as they received under the EOG Program. The result would be that Hampshire would have to allocate more of its own limited grant funds to our minority/poverty students and, as a consequence, curtail our efforts to diversify our population by enlarging the representation of such students on the campus.

In general, Hampshire is a relatively expensive institution which is operating without any financial aid endowment. We need more, rather than less, financial aid from the government in order to continue to meet our obligations to minority and poverty students and to middle income students.

I hope this gives you some sense, in specific terms, of the dollar consequences for this college should the existing programs not be funded and all emphasis go to Basic Opportunity Grants.

Many thanks for your attention to one of the most critical problems that higher education has faced in years.

Sincerely,

CHARLES R. LONGSWORTH.

NORTHAMPTON JUNIOR COLLEGE,
March 23, 1973.

Hon. SILVIO O. CONTE,
House of Representatives,
Washington, D.C.

MY DEAR MR. CONTE: Thank you for your letter of March 16, 1973, outlining the present status of Student Financial Aid. As a small, private institution, Northhampton Junior College is very concerned about these programs, and is very appreciative of the work you are doing. Our present and projected funding is as follows:

	Amount	Students
Fiscal year 1973:		
College work study	$4,266	32
National defense student loan	7,446	12
Educational opportunity grant	7,375	17
Basic opportunity grant		
Fiscal year 1974:		
College work study	45,600	95
National defense student loan	36,960	60
Educational opportunity grant	60,000	60
Basic opportunity grant	70,500	90

The FY 74 figures listed above are from our Institutional Request for Funds, which was approved by the panel on December 13, 1972, except for the Basic Opportunity Grant, none of which has as yet been approved. These figures also indicate that more and more eligible students are requesting financial aid.

As you can see, without these funds most of the financially deserving students applying to the College will be unable to further their education. This will not only affect them, but will drastically hurt the College through a reduction in the size of the student body.

We urge you, therefore, to continue in your efforts to retain funding in all three of the present programs, as well as in the Basic Opportunity Grant program.

Sincerely,

WILLIAM C. MCKIE, Jr.,
Financial Aid Officer.

CAMBRIDGE, MASS., *April 4, 1973.*

Hon. SILVIO O. CONTE,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN CONTE: I am grateful to you for your letter of March 20 regarding federal funding for postsecondary student assistance programs.

As an institution involved in the education of both undergraduate and graduate students, numbering about four thousand of each, M.I.T. must take a sharply critical view of the implications of the proposals for student financial aid in the President's FY '74 budget requests.

As you well understand, we are deeply committed to education and research in a broad variety of fields, but especially in science and technology. Such education is terribly expensive and it must not be offered to the student only at prohibitive cost. Many federal programs such as NIH, NSF, NASA, AEC, NDEA, and others less well known, have helped us to sustain the costly research, teaching and learning programs which are our hallmark. It is therefore deeply disturbing to us that these programs are being phased out on the assumption that such research and learning is no longer a high priority national need.

Since 1969, about four-hundred and fifty federal fellowships have vanished. In prospect is a further shrinkage of nearly two-hundred more. It is not too much to say that the future of basic and much of high-technological research is in clear, present, and increasing danger—not just at M.I.T. but all over the country.

But your immediate concern, as expressed in your letter, is with the essentially undergraduate aid programs of grants, loans, and work-study. We too are troubled that the FY '74 budget proposals, in trying to help the absolutely destitute, will dismember other programs which are crucial to the real needs of the large and important group of "merely poor" students. Without SEOG grants, and NDSL loans, they will be forced out of all but the least expensive education. It goes without saying that the BEOG program, even fully funded, will sustain little more than vocational education in the educational area we serve. Students, not just at M.I.T. but all over the country, will be hurt.

Without the SEOG's and the annual additions of NDSL capital, even fully funded (a slippery concept in view of the fact that so little is known about the numbers of potentially eligible students) BEOG's will mean an overall drop in undergraduate aid funds at M.I.T. of about $800,000, and even more if the very harsh family contribution schedules proposed by the U. S. Office of Education are adopted.

It would be irresponsible of us to leave undisturbed any illusion that M.I.T. can easily replace such sums. As many as one-thousand of our students, 25% of the undergraduate body, almost half of our aid population, will find it a great deal more difficult to locate substitute funding, if M.I.T. cannot. Many recipients of full BEO Grants, who should also have SEOG's and NDSL loans, will be forced to seek $2,500 per year Guaranteed Loans at banks, and many banks are indicating little interest in such large loans.

We keenly appreciate your efforts on behalf of students, and we must urge you in the strongest terms to hold firm against the unwise and misleading course inherent in the FY '74 budget proposals. Your support for the three college-based programs (SEOG, NDSL, and CWSP) is encouraging, and while both you and I, I am sure, agree there is much potential good in the BEOG program, it should not be implemented at the expense of older and very necessary programs.

Sincerely yours,

JEROME B. WIESNER,
President.

BENTLEY COLLEGE,
Waltham, Mass., March 28, 1973.

Hon. SILVIO O. CONTE,
Member of Congress,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN CONTE: Thank you for your letter of March 20, 1973, regarding recent developments in the Appropriations Subcommittee on Labor-HEW. This information is most helpful to us.

If the Nixon Administration does not fund (SEOG) Supplemental Educational Opportunity Grants, and (NDSL) National Direct Student Loans, Bentley College would be affected as follows:

1. SEOG: We have approximately 100 students receiving assistance through the EOG program at Bentley College. Cancellation of this program would mean a loss of Federal Funds of approximately $81,500.

2. NDSL: We have approximately 220 students receiving assistance through the NDSL program at Bentley College. Cancellation of this program would mean a Federal Contribution loss of approximately $85,000.

3. CWSP: (College Work-Study Program). Even though the Administration has requested funding for the College Work-Study Program at $250,000,000, they failed to mention the fact that there are a number of new institutions coming into the program for the first time this year. What this could mean is that even though the Administration is claiming that there will be more Work-Study funds available than last year, we could actually receive less than we did last year.

4. BOG: The Basic Opportunity Program, if not fully funded, and if substituted for the NDSL–EOG programs, would not even meet half the needs of the people presently receiving assistance under the EOG program.

If the present Federal Programs are terminated, there is no doubt that not only will our students suffer, but so will the College.

I hope this information will be helpful to you as a member of the Subcommittee when these measures are presented for consideration. If I can be of any further help, please let me know.

Sincerely,

DR. GREGORY H. ADAMIAN,
President.

SPRINGFIELD COLLEGE,
Springfield, Mass., March 22, 1973.

Hon. SILVIO O. CONTE,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE CONTE: Thank you for your informative and welcome letter of March 20. I am pleased to have your report and will share it with my colleagues.

A letter from me to you crossed in the mail with your own, but I think it will provide for you the response requested in your final paragraph.

Private education is a major industry in Massachusetts. It truly is threatened by the seemingly limitless expansion of state institutions. If we are to survive we must have help at the federal and state levels. If we fail to survive (and a dozen private colleges went bankrupt last year) the burden upon the taxpayers will increase immensely. It cost the taxpayers of the Commonwealth $1,854 per student to educate each student in the public colleges and universities last year. It cost these same taxpayers virtually nothing to educate the thousands of Massachusetts residents who were enrolled as students here and in the other private colleges and universities.

I am grateful for your help. Let me know if there is anything I can do to help you in your cause.

Sincerely,

WILBERT E. LOCKLIN.

SPRINGFIELD COLLEGE,
Springfield, Mass., March 20, 1973.

Hon. SILVIO O. CONTE,
U.S. Representative, House Subcommittee on HEW Appropriations, Cannon House Office Building, Washington, D.C.

DEAR REPRESENTATIVE CONTE: As you know, the critical days with regard to appropriations for Federal student aid are before us. This letter is an attempt to give you an awareness of the crushing blow that will be experienced not only by Springfield College but by the education community in general if the Nixon Administration budget request is approved as it has been submitted.

Recently, the regional review panel for H.E.W. Region I, under the direction of Dr. Eino Johnson, approved our request for Federal student aid funds in the following categories and the corresponding amounts.

PROGRAM

Educational opportunity grant program, approved level of funding, $123,820.

College work study program, approved level of funding, $57,600.

National direct student loan program, approved level of funding, $201,600.

These dollars represent approximately 540 young men and women who are scheduled to enroll here next fall term. The panel's decision to fund Springfield at this level recognized the fact that the needs of these students were both realistic and legitimate.

The Administration budget request asks for no new funds in either the National Direct Student Loan Program or the Educational Opportunity Grant Program. The College Work Study Program is included but only at the same level of funding as in fiscal year 1973. It is significant to note that beginning with fiscal year 1974 proprietary institutions will be eligible to receive benefits under the College Work Study Program. While this fact should not perhaps be criticized, it does mean that institutions currently benefiting from this program will be severely handicapped unless a higher level of funding is approved.

The Administration budget is insensitive because it does not recognize the needs of those students who are currently benefiting from these programs. The new budget seems contrary to both the 'spirit' and the 'letter' of the bill entitled the "Education Amendments of 1972" which was passed by Congress and signed by President Nixon last June. This bill categorically states that for the "Education Amendments of 1972" to be implemented, the three existing Federal student aid programs must be funded at 80 percent of the current (fiscal year '73) level. The Administration budget clearly does not do this. It is an obvious attempt to divert current funds to a new Federal program entitled the "Basic Educational Opportunity Grant Program" (BEOG).

Permit me to move directly to the topic of the BEOG program and express some of my concerns relating to it.

In an effort to implement the BEOG program, a task force was appointed to create a formula which would enable a contractor (presently unknown) to arrive at a figure which will represent what a family can reasonably contribute towards the educational costs of a student wishing to attend college. Rather than attempt a description of the formula, I have enclosed a copy of the February 2, 1973 Federal Register which contains it in its entirety. I have also enclosed a copy of a letter and statement by J. Samuel Jones, who is Director of Financial Aid at Massachusetts Institute of Technology. Mr. Jones has stated the case as clearly as anyone can and I offer his comments to you for your consideration. I might add that the position taken by Mr. Jones carries the full endorsement of the Eastern Association of Financial Aid Administrators.

What the proposed BEOG schedule means to Springfield College is as follows. If the BEOG program were to be fully funded, approximately 40 to 50 per cent of our students who are currently receiving Federal student aid would not be eligible to benefit from it. Present indications are that the program will not be fully funded. If BEOG were to be 50 per cent funded (more likely), the remaining 50 to 60 per cent of students formerly eligible would probably receive a maximum grant of $200 to $400. What then are these students who have been benefiting from former Federal student aid programs to do? They will still have a very real need, yet we will certainly be limited in what we can do to assist them.

It is very clear that the ramifications of the proposed budget and BEOG formula are most serious. Our students—540 of them—are subject to losing between $200 and $400 in Federal assistance. They are also faced with an unrealistic BEOG contribution schedule which excludes most of them from receiving the consideration they were formerly given under the EOG program.

Regretfully, it is not possible for Springfield College to make up the difference. During the academic year 1972–73 we will expend roughly $600,000 of our own resources for student aid. This figure for a college our size (2200 students) is one of which we feel proud. If, however, private education is to remain a viable means through which American youth can prepare themselves to become contributing citizens then we must rely on government assistance. Very simply, we need your help.

I urge you to do all in your power to support the spirit and law of the "Education Amendments of 1972" by defeating the proposed Administration budget and the proposed BEOG "Schedule of Family Contribution".

If we can assist you in any way with further background information or more specific facts, please call on us. We are eager to insure that the needs of our students are protected.

Sincerely,

WILBERT E. LOCKLIN, *President.*

SALEM STATE COLLEGE, FINANCIAL AID OFFICE

Basic Opportunity Grant Program authorized by the Education Amendments of 1972 has been endorsed by the Administration and proposed funding for FY74 would be $622 million. The maximum award has been set at $1,400 or one-half of the educational costs, whichever is less.

There is a basic set of questions which concern me. Will these grants be able to be delivered to students who need them (operationally the program is 3 to 5 months behind schedule); will the program be funded fully; will the program be truly supplemental as originally passed (i.e. NDSL funded at $286 million, EOG $130 million and CWSP $237 million); and finally, will the method for determining individual entitlement accurately reflect the true need of those families which I believe you wish to help?

On February 2, 1973 the Federal Register published the proposed schedules, which if accepted will serve to determine those students who will be eligible and the amount of the BOG entitlement. I feel this proposed formula should not be accepted as it is.

Presently in operation in most colleges and universities is the College Scholarship Service or American College Testing Program. My particular institution subscribes to the College Scholarship Service analysis system. It is an approved analysis procedure for the existing college based Federal programs, state scholarship agencies, private agencies, and for Federally Insured Loan Program determinations (effective March 1, 1973). It is a system that is based on a history of data and research. The staff works closely with regional HEW offices and has input from hundreds of financial aid officers. Granted the system is not foolproof but it is tested, reliable and equitable.

One example of its sophistication might be seen in comparison of the taxing rates. The OE proposal uses only two taxing rates on "discretionary income"; CSS and ACT use a progressive tax schedule.

The proposed OE system is generally more harsh in its expectation of parental contribution. First, the OE system proposes a 5% tax on all assests over $7,500. It is generally agreed that persons may have a modest home or savings, and that some assets—like a home—are not easily converted into cash, but may in fact cost the family cash outlay. Second, regardless of what a mother's situation might be, if a student receives social security benefits, these funds would automatically reduce the BOG entitlement.

Third, the differences in the computed (OE vs. CSS) parental contribution are shown below.

	Number of children			
	1	2	3	4
$5,000 income:				
OE	280	105	0	0
CSS	23	[1] −171	−274	−351
$6,000 income:				
OE	458	291	163	64
CSS	269	24	−101	−196
$7,000 income:				
OE	625	460	334	236
CSS	514	217	72	−47
$8,000 income:				
OE	780	626	501	406
CSS	756	441	243	101
$9,000 income:				
OE	953	791	669	575
CSS	995	668	446	250
$10,000 income:				
OE	1,181	959	838	746
CSS	1,266	893	645	447

[1] A negative contribution implies that the parents should receive this amount from the student as contribution to the cost of maintenance.

I would like to recommend that the proposed OE formula be revised so that the parental contribution be the direct result of the CSS or ACT analysis systems; or that the formula at least be revised to be more closely aligned to those systems.

Educational Opportunity Grant presently funded at $210.2 million (FY 73) provided grant aid to students from families defined as high need. Because funding was allocated in separate initial and renewal funds and because the program has never been adequately funded, students eligible for this type of assistance are receiving less than their entitlement from this program or no award at all. For FY 73 funding requests were approved for $259 million and $210.2 million was allocated. Since there is also a parental income cut off, students from higher income but equally low anticipated parental contribution are not eligible for this type of assistance. It is now proposed that for 1973–1974 (FY 74) Education Opportunity Grant be dropped completely.

I would like to recommend that the program remain at least partially funded for three reasons: first, so that private education remain as an alternative form of education;

second, that it act as a back-up source of funding to the BOG program in the event implementation be delayed or that it is not fully funded; and third, because when BOG was approved it was intended to be supplementary.

In the National Direct Student Loan Program funding as presently proposed no new appropriations would be made.

I would like to recommend that the funding level of at least $286 million be appropriated. There is $23.6 million appropriated for FY 73 which may be carried forward into FY 74; however, there is no assurance of this. The program was originally established to be a revolving fund, and some $160 million is anticipated nationally to be available for loans through repayments on loans outstanding. There is a problem here and great imbalance of available repayments due to length of time a school has been involved in NDSL. Further, the higher the percentage of teacher cancellations the less available dollars returning. There seems to be an assumption that the guaranteed loan program will absorb loan needs. With the additional qualifications lenders place on loans, it does not appear to be a realistic possibility.

The College Work-Study Program proposal is to fund at a level of $250 million (FY 74) as opposed to the $270.2 million appropriated for FY 73. Although this is only $20 million below this year's appropriation it would result in considerably less for each institution because of new schools entering into the program (about 500 nationally and ten (10) in Massachusetts alone). Therefore, if the OE formula for Basic Opportunity Grant is changed and if BOG is fully operable, I would recommend that the appropriation be increased to its present funding level. If the formula is not changed and the BOG behind schedule, I would hope that Congress would be more inclined to consider increased funding along the lines of HEW panel recommendations approved for institutions for FY 74.

In capsule form I would hope that what appears to be the Administration's intent comes to fruition. Aid to higher education is one area which the Administration views as worthy of substantial Federal investment. This is evident in the total dollars proposed for college based student assistance programs.

My main concern is that if the Basic Grant Program is not fully funded, operable and does not have a realistic eligibility formula, it will not even reach students from families now defined as "high need." Further, supplementary programs to provide the remaining half of the eligibility will be available in inadequate amounts.

I could continue indefinitely with examples of the true needs of students and parents with whom I have had contact during my financial aid experience. I will be happy to speak with you or any member of your staff regarding these issues.

HELEN M. REYNOLDS,
Director of Financial Aid.

NEWTON COLLEGE,
Newton, Mass., April 4, 1973.

Hon. SILVIO O. CONTE,
Representative, First District, Massachusetts,
Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN CONTE: I want to thank you very much for your March 20th letter informing me of recent developments in the Appropriations Subcommittee of Labor-HEW as they affect federal funding for student aid programs. It goes without saying that all of us in private, higher education are deeply concerned about the action Congress will take on the President's recommendations.

Newton College, like every other private institution, is seeking financial stability. We are forced to increase tuition annually in order to meet expenses, and each increase in tuition narrows the field of prospective students from which we draw entering freshmen. We need sufficient financial aid to support larger numbers of lower income and lower-middle-income students. More than any other factor, the availability of student aid probably has the greatest impact in determining the destiny of Newton College.

I would like to give you some data relative to the impact of President Nixon's proposal on Newton College. In the current year, 181 of our undergraduate students are receiving support through the SEOG and NDSL programs. Of this number, 51 received SEOG grants totaling $37,360. Practically, everyone of these 181 students are receiving a loan under the NDSL program, and the loans made this year total $73,000.

We have made some rough calculations of the assistance which would be provided under the BOG program, given that it is fully funded and that the calculation of family contribution remains essentially the same as that used in previous programs. Applying these assumptions to our current student body, 118 students would be eligible for BOG awards totaling $98,580. Since Newton College entered the NDSL program late and has had a relatively small authorized level of lending, we will have only a few hundred dollars per year in repayments which can be used for NDSL loans to future students. Failure to receive capital contributions to our NDSL fund will be the most dramatic of all changes. This will leave Newton College with virtually no loan fund for its students, and we will have no way of helping those who cannot secure funds from non-college sources. We would certainly push to have funds made available for additional capitalization of NDSL funds, particularly to those schools like Newton, which, as a result of relatively new and small loan programs, receive very limited repayments annually.

I should tell you that locally we are doing everything we can to protect our student aid program. Newton College currently puts $325,000 of its unrestricted budget into student financial aid. Expressed as a percentage of our educational and general budget, this amount approximates 15% and is unusually high for our type of school. I am certainly appreciative of your interest and support and stand ready to assist if there is anything we might do to further represent the needs of students.

Sincerely,

JAMES J. WHALEN, Ph. D.,
President.

WHEATON COLLEGE,
Norton, Mass., April 3, 1973.

Representative SILVIO O. CONTE,
Congress of the United States,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE CONTE: Many thanks for your thoughtful letter of March 20. I strongly applaud the stands that yo uhave taken in that letter, and I sincerely hope that you may be successful in getting the administration to carry out the provisions of the education amendments of 1972 to provide basic funding for Educational Opportunity Grants, Direct Student Loan Funds, and College Work-Study.

We agree that the Basic Opportunity Grants Program has important potential, but it has genuine limitations, particularly for the seriously deprived student. Our projections also suggest that the currently requested appropriation is far too low to allow it to replace the kinds of funds that were previously available.

These are important matters at Wheaton. The loss of funds that were available to us from the Federal Government last year could mean that somewhere between 50 and 100 students would not be able to return to College.

You have our admiration and gratitude for your concern about these matters.

Sincerely,

W. C. H. PRENTICE,
President.

HOLYOKE COMMUNITY COLLEGE,
Holyoke, Mass., March 26, 1973.

Hon. SILVIO CONTE,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN CONTE: We would like to share with you our thoughts and suggestions regarding Administration budget requests for the major student financial aid programs for use during the 1973–74 academic year.

It is our understanding that the President's proposals would mean that the following amounts would be made available for the indicated programs:

Basic Educational Opportunity Grants (BEOG's)	$622.0 million
Supplemental Educational Opportunity Grants (SEOG's)	.0
College Work-Study Program (CWSP)	250.0 million
National Direct (Defense) Student Loans (NDSL's)	23.6 million

The above figures, of course, reflect plans to implement the new BEOG Program, discontinue the SEOG Program, and to eventually eliminate any further Federal capital contributions for direct loans.

The substitution of BEOG's for SEOG's seems to be in part an effort to channel a greater share of student financial aid to middle income groups and a relatively smaller share to those of exceptional financial need. For instance, because of the absence of a matching requirement under the BEOG Program, a grant could be given where the overall need is as little as $200, whereas under SEOG regulations need would have to be at least $400 before such a grant could be awarded. Consequently, some with less need, (generally those from relatively higher income families), will be able to receive aid that they couldn't have received previously.

In addition, according to proposed regulations published in the *Federal Register*, reductions below zero in the amount a family might be expected to contribute toward a student's educational costs would not increase the BEOG due to the student. In the case of SEOG's, on the other hand, grants could reflect such negative family contributions. Thus, more of the financial need of these exceptionally needed students would have to be met from other sources.

Other sources of financial aid are being contracted, however, especially aid for the most disadvantaged students. The most dramatic example is the anticipated reduction in new monies for the NDSL Program. For Holyoke Community College, we have estimated that the amount of direct loans which our Financial Aid Office would be able to award would be reduced from $10,814 for the present academic year to $2,601 for the next. This estimate is based upon two assumptions: (1) that we can hopefully expect available repaid monies to equal approximately one and one-half times the amount repaid in the first eight months of this fiscal year, thus totaling $2,088; and (2) that we will receive the same proportion of the as yet unallocated $23.6 million as we received of the $286 million allocated for the present academic year. It is our concern that the attempt to expand loans through the Federally Insured Student Loan (FISL) Program will not offset the NDSL reduction, particularly for disadvantaged students.

At the same time, contemplating the proposed decrease in the overall amount to be appropriated for the College Work-Study Program together with reported increases in the number of applicant institutions, we are apprehensive about the possible drop in our own CWSP grant.

We support efforts to expand financial aid for educational purposes to middle income families, but not at the expense of aid to the lower income groups. In this regard, we can well appreciate the feeling on the part of a great number of moderate income families that many with similar needs but smaller earnings receive greater real incomes because of eligibility for a variety of government benefits, such as Medicaid, Rent Supplements, AFDC and Food Stamps. This is not only a question of work incentives and economic efficiency, but also a question of equity. If this problem is not squarely faced one can probably expect further loss of middle class support for attempts to aid the disadvantaged. Our suggestion is to move more definitely toward an income support system involving a strong work incentive, while at the same time making other benefits (including student financial aid), independent of income. Such a program could start with a relatively low income floor, which could be raised regularly until equal to the poverty threshold in a nominal number of years.

As an interim accommodation, an alternative BEOG Program might be established awarding grants equal to 50% of student financial need as calculated on the basis of the BLS concept of a "moderate" standard of living. In this way at least the BEOG Program itself would contain a work incentive.

We hope that this expression of opinion is of some assistance in your efforts to promote one of our common goals: a system of student financial aid which is at once fair in design, adequately funded, and effective.

Respectfully yours,
George E. Frost, *President.*

Boston College,
Chestnut Hill, Mass., March 12, 1973.
Hon. Silvio Conte,
U.S. Congressman, House of Representatives, Washington, D.C.

Dear Congressman Conte: I am writing to solicit your support in averting the potentially calamitous effects upon Boston College of the reductions in aid to higher education proposed in President Nixon's tentative 1974 budget. As an alternative to that budget, I would strongly urge your support of the supplemental appropriation bill that was proposed by Mr. Carl Perkins, Chairman of the House Education and Labor Committee, and by Mr. James O'Hara, Chairman of the House Subcommittee on Education, in their testimony before the Education Appropriations Subcommittee.

If President Nixon's proposed FY 1973 and FY 1974 budget requests were to be implemented, Boston College and its students would stand to lose acutely needed support in three principal areas.

The Boston College School of Social Work would see terminated its current grants of $176,000 from Social and Rehabilitation Services, grants of $131,000 from the National Institute for Mental Health, and a United States Public Health Planning grant of $125,000. Our program created to reach the Spanish speaking community, the only one of its kind in the New England area, would be seriously jeopardized by these reductions.

Among the six major schools at Boston College, it is the School of Nursing that would be most directly handicapped in its endeavors by reductions proposed in President Nixon's budget. Not only the high quality, but the very existence of our excellent graduate nursing program would be placed in jeopardy by the loss of current traineeships that our graduate nurses hold under the Nurse Training Act and the National Institute of Mental Health to the sum of $562,000. Capitation grants for both graduate and undergraduate programs, in the amount of $135,000, would likewise be lost to the Nursing School, as would eventually, assistance amounting to $70,000 in support of our psychiatric nursing faculty. Insofar as the Boston College School of Nursing currently has 131 students studying on scholarship, and 163 students pursuing their studies on loans, the reduction of funds proposed by President Nixon's budget would be a severe blow to the University's ability to provide society with highly trained and competent nurses.

Though President Nixon's proposed reduction in aid would be a staggering blow to the two schools mentioned, his proposal to substitute the basic Educational Opportunity Grants for the currently operative Educational Opportunity Grants and National Direct Student Loans, would have an even more sweeping effect on Boston College. Boston College is currently receiving slightly in excess of $2 million in Educational Opportunity Grants and in National Direct Student Loans that it has disbursed to 2,000 NDSL recipients and 600 EOG recipients. We have already done calculations to indicate that if the basic Opportunity Grants were to substitute for these two programs, 55% of Boston College students presently receiving aid would be ineligible for assistance under the new program.

In short, the BEOG program will not realistically be a very helpful source of aid for the majority of students attending private institutions, because the formula for determining grant amounts is such that most middle income students would be limited to an extremely small grant, and many low income students will receive less than is realistically needed to attend many private institutions.

Over its 110 year history, Boston College has sent more than 50,000 alumni into positions of eminence in almost every category of service to this country. In recent years, both the College and its students, have benefited significantly in pursuit of their educational goals by assistance from the federal government. The elimination of this assistance, as proposed in President Nixon's budget, would not only severely limit Boston College's capability to provide its unique educational experience, it would drastically reduce the economic freedom of choice among the many students desirous of pursuing their higher education at this institution.

May I respectfully request your earnest efforts in opposing the reductions in higher education assistance proposed by President Nixon's budget, and in supporting the supplemental appropriations bill that has already gained bipartisan committee support in Congress, as well as the endorsement of all major higher education associations in the nation.

Sincerely,
J. Donald Monan, S.J., *President.*

Simon's Rock,
Great Barrington, Mass., March 26, 1973.
Hon. Silvio O. Conte,
Congress of the United States, House of Representatives, Washington, D.C.

Dear Mr. Conte: Thank you for your long and informative letter about the state of government education grants for next year. I have been trying to keep up to date on the state of affairs, but it has become increasingly difficult, as you might guess. At the moment, I think that a place like Simon's Rock simply has to sit back and wait to see what is liable to happen.

As you know, we did apply for a sum of $83,000 for work-study, scholarship aid, financial aid, etc. This was the first time we had actually attempted to break into the field of government aid and it was particularly important for us as we want to try to bring the institution up to a size of eight hundred in ten years. Without the aid which we might have gotten from the government, it is going to be extremely difficult to provide the scholarship monies necessary to help out the kind of student that we want to get on the campus more in the future. As you are aware, we have a much too limited group of students to draw from because of the tuition problem. We have jumped the scholarship aid from slightly over $20,000 to $90,000 this year, but our own resources are not going to be enough to provide the increased aid which a wider student body will require.

I will await further word from your office with interest. I know that you are fighting hard for strong educational programs and funding such as those currently under attack. We all have our fingers crossed, and if there's anything that we can do to help, please let me know.

Cordially,
Baird W. Whitlock,
President, Simon's Rock.

Greenfield Community College,
Greenfield, Mass., March 23, 1973.
Hon. Silvio O. Conte,
Cannon House Office Building,
Washington, D.C.

Dear Representative Conte: Thank you for your long letter concerning the status of federal funds for student financial aid. Our financial aid officer has pulled together information which shows what these proposed changes in federal funding will mean for Greenfield Community College. In summary, the panel recommendation for Fy '74 will mean a loss of $48,000 in student financial aid funds, affecting approximately 98 students. Some members of your staff may be interested in the details of Miss Campbell's memo, so I am enclosing a copy for you.

I especially appreciate the efforts you are putting forth on our behalf. At a time when the Federal Government is trying to bring itself on balance financially, we must do everything possible to see that priorities go to those programs that provide the greatest benefit for the national interest. You know better than I how the Federal Government could reduce its spending while providing more effective service to the people through a reordering of priorities.

If there is anything I can do to help, please let me know. With best personal wishes.

Cordially,
Lewis O. Turner,
President.

To: Dr. Lewis O. Turner.
From: Margaret A. Campbell.
Re: Student Financial Aid—FY '74.
Date: March 6, 1973.

The Administration's FY 1974 Budget proposes three drastic changes in current Student Financial Aid Programs:

1. Elimination of the SEOG Program. (Supplementary Educational Opportunity Grants, formerly known as the EOG, Educational Opportunity Grants Program).

2. Elimination of new federal funds for the NDSL (National Direct Student Loan Program, formerly the National Defense Student Loan Program).

3. Funding of the New Basic Opportunity Grants Program.

It is worth noting, that the Education Amendments passed in June, 1972, specifically stated that appropriations could not be made for the New BOG Program until all three existing programs (Grants and Loans and Work Study—items #1 and 2 above) had been funded to the level of FY '72.

Perhaps it would be most helpful at this point to summarize as briefly as possible what these proposed changes would mean for Greenfield Community College in FY '74.

1. Based on our current year experience (FY '73) loss of the Supplementary Educational Opportunity Grants Program would mean a loss of $11,280. Approximately 38 students would be affected.

2. Again based on FY '73 experiences loss of new federal funds for the National Direct Student Loan Program would mean a loss of $8,340. Approximately 28 students would be affected. (Generally these would not be the same students as those receiving grants as indicated above).

Summary:

Loss of $19,620 in Student Financial Aid Funds.

Total of 66 students would be affected.

The remainder of the information in this memo is presented in an attempt to amplify the effects at Greenfield Community College of the proposed changes in the Student Financial Aid Programs.

1. Basic Opportunity Grants

Funding of the Basic Opportunity Grants Program would mean that students would be eligible for a grant of $1,400. minus the amount they and their famiiles would reasonably be expected to contribute toward their education. No grant may exceed ½ the cost of a student's education. Please note the preceding sentence. A single, resident, dependent student at Greenfield Community College would be entitled to a maximum grant of $900 assuming no family contribution.

I have not met any Student Financial Aid Officer willing to try to accurately predict what this program would mean in actual dollars for their institution. However since the funds requested for this program exceed the cuts requested it is logical to assume that total federal support of Student Financial Aid may be as strong in FY '74 as it was in FY '73. However it should be noted that the student from the middle-income family will suffer. They will no longer be able to depend on assistance under the National Direct Student Loan Program and it is doubtful that they will be entitled to more than a very minimal amount under the New Basic Opportunity Grants Program.

2. Administration Expenses

Under the Supplementary Educational Opportunity Grants Program and the National Direct Student Loan Program institutions may receive 3% of the amount actually awarded to students as a reimbursement for administratve expenses. This fact should be taken into account when considering the effects upon the College should these two programs be eliminated.

3. Institutional Application For Federal Financial Aid Funds For FY '74.

In November, 1972 Greenfield Community College submitted its institutional application. In December, 1972 we received from the Region I Office of HEW the recommendations for funding for FY '74 made by the Regional Panel. These figures are listed below:

NATIONAL DIRECT STUDENT LOAN

	Federal dollars only	SEO grants	
		Renewal	Initial
GCC request	$27,210	$4,720	$20,000
Panel recommendation	23,669	4,720	20,000

Summary—Based on Panel Recommendation for Fy '74.

Loss of $48,389 in Student Financial Aid Funds.

Approximately 98 students would be affected.

4. Attached to this memo is a chart summarizing the Grant and Loan Program for FY '72, '73 and projections for '74.

	Fiscal year—		
	1972 acutal	1973 estimated	1974 projected
SEO GRANTS			
Amount	$11,035	$11,280	$24,720
Number of students	34	38	58
NDS LOANS			
Federal dollars	$4,399	$8,340	$23,669
Number of students	11	28	40

Wheelock College,
Boston, Mass., March 23, 1973.

Congressman Silvio O. Conte,
Cannon House Office Building, Washington, D.C.

Dear Congressman Conte: With the cooperation and assistance of Rich Palmer, our Vice President for Administration I submit the following information in response to your recent letter.

We understand that there has been no budget request to fund SEOG's and the capital contributions to NDSL funds. Wheelock College has budgeted $35,500 and $69,300 respectively from these sources for fiscal-academic 1973–74. If these programs are not funded, the loss to Wheelock would be $104,800, less an estimated $15,000 representing repayments of NDSL's.

Cordially,

William L. Irvine,
Acting President.

Massachusetts Teachers Association,
March 29, 1973.

Hon. Silvio O. Conte,
House of Representatives, Cannon House Office Building, Washington, D.C.

Dear Silvio: Thank you for your recent letter expressing your views on post-secondary student assistance programs. I commend you for your excellent and thorough grasp of the problem facing students on post-secondary campuses.

Our position has always been that the BOG's were supplementary to, and in addition to, the existing programs. We cannot accept the substitution concept that the Administration has proposed because a considerably more limited collegiate clientele is served. Although the Administration indicates that a greater number of students would be served, they are a more specialized class of students and more of them would get assistance as those students currently served are receiving. Furthermore, we are of the opinion that the Administration's proposal of abandonment of programs that have shown to be successful is a step backward, and that focusing on a more specialized class of college students, offering less assistance than those college students would receive under existing programs is another step in the wrong direction.

Silvio, I certainly applaud your efforts and heartily offer our support in encouraging other members of Congress to move forward rapidly in the direction you are going. It is important to the future of our post-secondary students that Congress maintains and sustains the present programs *with BOG's* in addition, and as a supplement.

I might also mention that there is some concern about the discontinuance of Higher Ed's Title I. There has been merit in the university, community service and continuing education programs. These will be totally phased out by the budget requests for FY '74.

We concur with the Administration when it recommends strengthening the developing institutions program by asking for $100 million which is almost double that of any previous year. We also concur with the request for $15 million (sorry it is not more) for innovation and reform in post-secondary education. This new thrust will prove to be money well spent.

Again, thank you for your tremendous leadership and for keeping us informed about this most important program. We will do all we can.

Incidentally, Richard Carrigan of the National Education Association is our expert on the subject of student assistance programs. I am sure he would also be happy to assist you in any way he can. (He can be reached at 833–5414.)

Sincerely,

William H. Hebert,
Executive Secretary-Treasurer.

Regis College,
Weston, Mass., March 28, 1973.

Hon. Silvio O. Conte,
Cannon House Office Building,
Washington, D.C.

Dear Congressman Conte: Thank you for your letter of March 20, 1973. It was most encouraging to have your support and assurance that you will make every effort to insure the federal funding for postsecondary student assistance programs.

As you noted, the Administration has recommended $622,500,000 for the Basic Opportunity Grant Program for next year. However, I wish to call to your attention the fact that under the Federal Needs Analysis System which was published in the Federal Register on February 2, 1973, so few students would qualify for the new grant program that the full appropriation could not be spent.

We have reviewed the situation of several of our students who are now receiving Supplemental Educational Opportunity Grants to see how they would fare under the new grant program. The results of two cases are as follows:

One student is black and from Washington, D.C. Her mother is a secretary, and her father is unemployed. There is one other dependent child, a son, who has been hospitalized since 1958. The family's annual adjusted gross income is $8,550. This student is eligible for a $1,000 Supplemental Grant this year and would be eligible for a Basic Grant of only $289.50—assuming the program is funded at the level requested.

A second student is a Massachusetts resident. She is an only child. Her mother is the family's sole support because her father died when she was 12. The family's annual adjusted gross income is $5,180. She is eligible for a $1000 Supplemental Grant this year and would be eligible for a Basic Grant of only $289.50—again, assuming the program is funded at the level requested.

I would like to emphasize one difficulty; namely, the severity of the method used for determining entitlement. Other problems surrounding the Basic Opportunity Grant Program have been set forth in a position paper developed at Massachusetts Institute of Technology. I am enclosing a copy.

We are also concerned with the Administration's failure to request funds for the continuation of the Supplemental Educational Opportunity Grant Program and the federal capital contribution to the National Direct Student Loan Program. Without these two programs, Regis College would lose $118,755 in federal monies.

It is clear that the new grant program would not begin to replace funds lost from the elimination of these two programs. Not only are the eligibility requirements for the new grant program very stringent, but also the likelihood of the program's being operative in time for the 1973–74 year is in question. The BOG implementation is currently two to five months behind the schedule it should follow to truly be a foundation of financial support, with other federal, state, institutional and private funds supplementing it. Even under ideal circumstances of Congressional approval of family contribution schedules and delivery procedures, printing and distribution of forms, programming of entitlement analysis, processing of applications, and notifying applicants of entitlement, it will be a very tight and demanding schedule to complete by next fall. Should the appropriations process become snarled, the situation is further complicated.

Under the circumstances, I believe it is essential for the three college-based programs to be fully funded for next year, before any money is appropriated for Basic Grants.

Sincerely yours,

Sister Jeanne d'Arc O'Hare,
President.

MASSACHUSETTS INSTITUTE
OF TECHNOLOGY,
February 28, 1973.

COMMENTS ON THE PROPOSED BASIC EDUCATIONAL OPPORTUNITY GRANT REGULATIONS

In looking forward to the implementation of the Basic Educational Opportunity Grants Program, three questions have troubled us. Will they be adequately funded (and not at the expense of existing programs), will these grants be effectively delivered to the students who need them, and will the method for determining entitlement accurately reflect the genuine need of those families which Congress wants to help?

Although funds have yet to be voted and the "delivery system" is not firmed up, there is now a clue to the third question. On February 2, the Federal Register, beginning at Page 3228, published a communication from the Acting Commissioner of Education proposing certain rules and schedules which, if adopted, will determine the amount of BEO Grant a student will receive. The Massachusetts Institute of Technology feels that this proposal should not be adopted as it is—that it should be changed for the following reasons. First, we comment on the basic contribution system. Secondly, we shall look at the remaining principal aspects of the proposed rules, specifically the tax on assets and the treatment of student savings and of social security.

The Office of Education schedules are substantially different from the need analysis systems most generally in use by colleges and universities, state scholarship commissions, and other public and private agencies which set stipends for needy undergraduates; nearly all private scholarships and loans are set by these systems, and so are most of the grants, loans and jobs under the existing federal undergraduate aid programs. We refer to the College Scholarship Service and to the American College Testing Program systems of need analysis which provide approximately similar results. Either of these systems could do the job which we believe Congress desires done in providing a standard for the grants, and we suggest that the different and, as will be seen, economically harsher system described in the Federal Register is unnecessary and unjust.

There are several ways to compare the proven systems with the one proposed. Perhaps the simplest way is to look at some marginal income situations and compare the results under the CSS and ACT systems with the proposed schedules just published.

At the $5000 to $10,000 levels of income before taxes, the following parental contributions are (or would be) in effect (assume two parents, one working):

	Number of children				
	1	2	3	4	5
At $5,000:					
OE	$280	$105	0	0	0
CSS	23	[1] −171	−274	−$351	−$417
ACT	90	−150	−270	−360	−410
At $6,000:					
OE	458	291	163	64	0
CSS	269	24	−101	−196	−256
ACT	320	20	−130	−220	−280
At $7,000:					
OE	625	460	334	236	127
CSS	514	217	72	−47	−111
ACT	570	190	10	−100	−160
At $8,000:					
OE	780	626	502	406	299
CSS	756	441	243	101	29
ACT	810	430	130	20	−60
At $9,000:					
OE	953	791	669	575	469
CSS	995	668	446	250	169
ACT	1,050	660	360	120	50
At $10,000:					
OE	1,181	959	838	746	642
CSS	1,266	893	645	447	349
ACT	1,320	900	590	340	160

[1] A negative contribution implies that the parents should receive such an amount from the student as a contribution to the cost of food, clothing, housing during the summer months.

A cursory study of this table demonstrates that a difference of $100 to $400 exists in most cases between the OE schedules and the comparable CSS/ACT figures.

Still another way to compare the relative harshness of the OE schedules is to look at the incomes before taxes at which families are expected to produce the first $100 of contribution. As can be deduced from the above table, using the ACT standard as the more realistic and assuming simple cases, those incomes (before taxes) are:

	Act	Proposed OE
1 child	$5,000	$3,850
2 children	6,500	5,000
3 children	7,800	5,850
4 children	8,900	6,400
5 children	9,500	6,900

Should it seem that a family with two children can easily afford that $100 from a $6500 income, it is well to note that this figure is far below the "modest urban family" standard of the Bureau of Labor Statistics. But the real issue is that the comparable income in the OE proposal is dramatically lower still, at $5000.

Secondly, the OE system proposes a 5% tax on all assets above $7500, regardless of whether they involved home equity or life savings. Moreover, one-third of the student's savings are to be taken as a direct reduction of BEOG eligibility, rather than one-fourth, although certainly many recipients will be attending a four-year institution.[1] Further, no matter how desperate the mother's situation, the student's social security (if any) would be taken to reduce any BEO Grant.

We do not argue that the CSS and ACT systems have reached unchallenged perfection. On the other hand, we know that a case cannot be made for the greater validity of the OE proposal. What can be argued is that the systems now in general use rest on the best data and research (both governmental and private), and more significantly on the accumulated experience and wisdom growing out of millions of encounters between aid officers and parents. Where there is a limit to science, where common sense, experience, and wisdom must suffice, is it not wise to opt for the sense that is common, that is based on experience?

We are convinced the proposed rules can be readily changed in simple fashion to produce results more in line with tested and accepted standards. Specifically, we recommend the adoption of the CSS system or the ACT system (which is methodologically similar to the proposed OE system). Thus, for example, rather than the OE "family size offset" figures shown in the Register, there could be substituted the ACT table which shows $2610, 3950, 5310, 6410, 7310, 8120, etc.[2]

Secondly, where the OE proposal used only two taxing rates on "discretionary income" (D.I.), i.e., 20% on the first $5000 of D.I. and a flat 30% for all income above that level, both ACT and CSS use a progressive tax schedule. ACT, for example, takes $150 plus 30% of the first $1000 of D.I., plus 31% of the second thousand plus 33% of the third, and thence by simple arithmetic progression to 57%. It is in the fourth term of this progression that $1400 of family income is reached, the rate at that point being 36%.

The proposed OE system is generally more stringent—despite its maximum ceiling of 30% on the rate of taxing discretionary income—because of the much harsher family size offset effect. We consider the ACT figures to represent a well matured, much more realistic system; as can be seen from the table, the results speak plainly.

We are convinced that the Congress did not intend to substantially and negatively redefine generally accepted standards of family financial capability. A difference of two or three hundred dollars in a scholarship means a great deal to a student whose father earns only $7500 a year. And, perhaps equally important, the aggregate of even small sums will substantially alter perceptions of need—a factor of vast importance in future funding deliberations.

We therefore urge that the Office of Education adopt, for the purpose of establishing entitlement for Basic Educational Opportunity Grants, either the commonly accepted CSS or ACT systems of student financial need analysis.

MARCH 27, 1973.

Memorandum for: President Wood.

Subject: Federal Budget Impacts on University of Massachusetts.

After consulting with Phil Gartenberg and his consulting, in turn, with the three campuses and some additional checking, here is the list currently available on the effects of cuts in the FY '74 federal budget on the University.

1. Student Assistance—a loss of $3 million:

[In millions]

Supplemental educational opportunity grants	$1.1
NDSL program	1.4
Research and training grants	.5

2. Inadequacy of Basic Opportunity Grant:

Students needing assistance (FY '74)	9,100
Students possibly aided by BOG	6,140
Students getting no aid	2,690

3. Inadequacy of amount:

Average grant at present	$946
Average BOG expected	702
Average cut for each student	244

4. General Federal Research Support: estimated loss of $1.1 million from FY 1972 total of $10.9 million in sponsored research.

5. Training Grant Phaseouts (NIH/NIMH).

Department	Fiscal year—		
	1973	1974	1975
Psychology	$127,300	0	0
Nursing	76,724	$52,051	$52,051
Zoology	52,250	53,150	54,050
Microbiology	59,911	70,185	74,986
Total	316,185	175,386	181,087

The loss of approximately $140,000 per year will affect principally clinical psychology and psychiatric nursing.

6. Land-Grant Allocations: $247,500 (approximate) for FY 1973 appropriated and signed into law (1973 supplemental).

Impounded and rescissions requested. No appropriation request for FY 1974.

Total Loss: $500,000 (approximate) for FY 1973 and FY 1974.

7. Projected Federal Student Financial Aid (from FY 1974 application to DHEW)

Line 52	Total need	$6,011,945
Line 53	Amount Available	3,917,100
Line 54	"Unmet need"	2,094,845

(This presumes all funds are actually made available.)

At U. Mass/Boston, where 76% of the students work at least 10 hours a week, the estimated loss of $507,529 in student aid funds is especially critical.

8. Medical School (U. Mass/Worcester):

A. Estimate: $100,000–$300,000 decrease in projected general research support.

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[1] A more detailed criticism of this specific facet of the proposed system, by D. T. Langdale, of our staff, was sent to the Office of Education on February 9.

[2] ACT Handbook for 1972.

B. Estimate: long-term reductions will eliminate $500,000–$1,000,000 for planned nursing and allied health education and construction funds, individual research grants, etc.

C. Warning: Increases in co-insurance provisions of medicare increase costs for every patient who enters teaching hospital.

NOTE.—U. Mass/Worcester Medical School is in first years of operation with only 40 students per year at present, so effects are low.

9. Title II–A of the Higher Education Act of 1965 (College Library Resources) provided special purpose grants of $25,000 at the Amherst campus and $26,000 at the Boston campus in FY '72. The 1973 Supplemental Appropriation Act, passed in the closing days of the 92d Congress, provides funds at a level of $5,000 each for these libraries. But the administration's proposal for a rescission of nearly 10% of these funds obviously could reduce this total by close to $1,000 overall. Bad as this is, the budget for FY '74 proposes no money—a fact starkly announced on page 432 of the budget appendix in the following sentence: "In 1974, federal support will be discontinued."

10. Agricultural support programs will be cut:

A. Cooperative State Research (Hatch Act). A loss of $206,355 (21.5%) from FY '73.

B. Cooperative Extension (Smith-Lever Act). A cut of $47,075 from FY '73.

Of this, $20,173 is for the expanded nutrition program. The cut will probably affect low-income neighborhood family-nutrition educational units.

L. EDWARD LASHMAN, Jr.,
Vice President for Development.

Mr. MARTIN of North Carolina. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of the amendment offered by the gentleman from Pennsylvania (Mr. FLOOD), and wish to commend him and the gentleman from Illinois for what I think is a balanced approach in view of the crisis we are now facing.

As a former college teacher, and member of the committee on admissions and student aid at Davidson College, I can fully appreciate the soundness of the basic opportunity grants proposed by the administration, and I also recognize that it may be that this amendment will be voted down for lack of general study by Members of the House, as several have called for. But there can be no doubt that it is urgent.

Colleges and universities will be hard-pressed to administer the continued program, even if enacted now; but it would be catastrophic, in my opinion, for them to be left in the land of uncertainty this late in the spring with so many decisions to be made on admissions and aid programs for next fall.

Therefore, I would ask that we bear in mind that they do not have the administrative staff that our committees have, and, therefore, I would urge that the House act to adopt this amendment so that they can proceed with their job.

Mr. DELLENBACK. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I will make this short, and will revise and extend my remarks at a later time. I should like to express my personal pleasure that Mr. FLOOD and his subcommittee have moved to meet the student assistance crisis in this critically important area of postsecondary education. Congressional action in this vital field is already extremely late, and moving now, instead of postponing it to a month from now, may be what will make the program work instead of causing a disaster.

People need this. April and May are the months which most institutions need to make financial aid commitments to their students, and they must have the word very quickly.

I would personally have preferred that significant changes were made in dollar amounts for a number of the programs, but that is not to be the case, and the amendment before us should be adopted.

My greatest disappointment is the low level of funding being recommended for the new basic opportunity grant program. I feel this is a fine program providing more equitable grants than we have ever had in this field.

I am also concerned over the relatively large amount of $210.3 million which the amendment suggests for another new program—the supplemental education opportunity grant program. I think there is a serious question whether the authorization level for this important new program has not been exceeded by this appropriation, but that is a question which can be checked out and, if necessary, modification can be made in the other body.

I am sure the colleges will appreciate knowing that the popular national direct student loan program will be continued. But it should be understood that there is no legal requirement to fund this program in a 1973 supplemental bill. Its funding could, as in the past, be appropriated in the fiscal year appropriation bill for which the money is to be available to students.

I agree with the intention of the amendment to stay within the budget ceiling. Certainly it would be a disservice to all of our students and institutions to appropriate funds which might be subject to a veto. A veto would effectively eliminate the possibility of a smooth implementation of our program next fall, as well as delay the college commitments to students under existing programs.

This is not simply a desirable amendment; it is a critically important amendment in the States and congressional districts of every Member of this House. I would hope that it is swiftly and overwhelmingly adopted.

I yield back the balance of my time.

Mr. SHRIVER. Mr. Speaker, I rise in support of this amendment to include student assistance funds in this urgent supplemental appropriations bill. In terms of the number of people directly and personally affected, no other item has higher priority in this emergency bill.

Normally, student financial aid administrators on our campuses are able to advise applicants, at least tentatively, what assistance they may expect to receive for the next school year by mid-March or early April. This is necessary if a student is to be able to plan for the additional resources necessary to finance today's college costs.

It is now the middle of April. Present plans are to report a general supplemental appropriations bill from our committee on May 3. Presumably, this would allow for House action the week of May 7. With Senate action, conference action, and the approval of the President still to come, it is unlikely that students can know what aid they might receive until late May or early June. This, in many cases, is too late to alter summer employment plans.

In urging this immediate action, I want to stress that the total amount we are recommending in this amendment is the same as the President's budget request for the 1973–74 school year, $895.6 million. The amendment adjusts the amounts allowed for each of the components of the total to reflect the immediate needs as ascertained in our hearings.

The amendment provides $122.1 million for the new basic opportunity grants. While this is obviously not enough to come close to full funding of this program, it is enough to get the administrative machinery moving so that we will be in a position to operate the program at an effective level next year. If the paper work cannot be completed in time to use even this $122 million for basic opportunity grants, then these funds are to be used for educational opportunity grants.

Since the committee is not convinced that the basic opportunity grants program can, at this time, effectively replace the present student assistance programs, even if full funding were provided in this urgent supplemental bill, we have provided funds to operate these ongoing programs at the same level as the current school year. To do otherwise would be irresponsible and would make students suffer because of inaction by the Federal Government.

The committee is especially wary of the predictable consequences of any recommendation to fully fund all of these programs. Our President is attempting, with some success I might add, to hold down total Government spending in order to avoid a sizable tax increase or further inflation. An attempt to increase this amendment far above the President's budget request would be counterproductive to the interests of students. The delay caused by a veto and subsequent congressional action would have the same effect as inaction on this amendment today.

I strongly urge House passage of this amendment so that final congressional action can be completed before the Easter recess.

Mr. O'HARA. Mr. Speaker, I rise in support of the amendment offered by the distinguished gentleman from Pennsylvania (Mr. FLOOD).

I usually follow the lead of the gentleman from Pennsylvania, because his deep understanding and compassion habitually leads him to the right conclusions when it comes to funding the programs under the jurisdiction of his subcommittee. He and I may differ from time to time on the details of an appropriation, but I am delighted to be, once again, able to follow his leadership.

As the new chairman of the Special

Subcommittee on Education, which has jurisdiction over higher education programs, I have been confronted with hundreds of letters from institutions, from parents, and from students, expressing grave concern over the inadequacy and, indeed, the illegality, of the administration's budget proposals for student assistance for fiscal years 1973 and 1974.

There has been enormous uncertainty and concern stirred up in the higher education community—and by that overworked phrase, I especially include the homes of the parents who pay most of the shot for higher education—by the publication of the fiscal year 1974 budget. That proposal, as has been described already, asked the Congress for license to ignore the mandatory requirements of the law in funding student assistance programs. Seeking to fund all student assistance programs within the confines of an arbitrary ceiling, the budget requested $622,000,000 for basic opportunity grants—a figure which would have enabled the BOG program to get off to a rather good start, though not a full-funding level. For college work-study, which the law required be funded at no less than $238 million, the budget requested $250 million—a cutback from the previous academic year, but at least a figure within the confines of the law. But in spite of the law's wholly unequivocal demand that the supplementary educational opportunity grants be funded at no less than $130,093,000 and that the national direct student loan funds be capitalized at no less than $268 million, the budget requested zero for these programs.

The response from higher educators, from students and from their families was immediate, perceptive, and unanimous. With one voice they pointed out that the budget was neither adequate nor lawful, and urged that it be made to be both.

Further, in recent days we have been hearing from every quarter the additional plea that action be taken soon, so as to enable schools, students and families to make their plans for the fall. On April 3, the subcommittee which I chair sent to each member of the Appropriations Committee a letter urging that immediate action be taken on an appropriation bill for student assistance for fiscal year 1973, to make funds available for the fall.

The amendment of the gentleman from Pennsylvania meets the demand for timeliness, and it meets the demand that the funds be appropriated according to the requirements of the law. It does not meet, and given the President's view that his budget is a sort of sacred cow, not to be touched by the hand of the mere Congress, probably cannot meet the requirement that all programs be funded at even a workable level, much less at the level of full response to demonstrable need.

The funding level for SEOG's, for college work study and for capitalization of the direct student loan fund are at the 1972 level. This does not take into account inflation and other increases in costs, but it is something. The basic opportunity grants are funded at no more than the level needed for them to get started, but the funds to get them off the ground are there.

I hope, Mr. Speaker, that the House will agree to the amendment of the gentleman from Pennsylvania, and that the Senate will quickly follow suit. Speedy action, of course, is needed on the veterans readjustment provisions of House Joint Resolution 496, and equally speedy action is needed on the student assistance program. I look forward to quick action on them both.

Mr. PERKINS. Mr. Speaker, initially, I want to congratulate the Appropriations Committee—especially the Labor-Health, Education, and Welfare Subcommittee, chaired by our distinguished colleague, the gentleman from Pennsylvania (Mr. FLOOD), for having taken the initiative in this matter. The uncertainty and confusion with regard to student assistance programs brought about by the administration's budget request must be rectified, and this amendment is a major step in that direction.

On balance, the arguments for this amendment far outweigh the reservations which many of us have. First the pluses—

One. In many respects, the most important and significant aspect of our action here today is that the national direct student loan program will for the first time be forward funded. This action places all student assistance programs on the same funding cycle—a goal which many of us have sought for more than 5 years;

Two. A total of $330,000,000 will be available for grants to needy students—much more than we have had for grants in previous years; and

Three. Most importantly, with enactment of this measure, the widespread confusion and uncertainty presently experienced by parents, students and college administrators will be cleared up.

Mr. Speaker, the amounts proposed for the four student aid programs are, however, much less than what is needed when measured against the estimated institutional requests.

For the student loan program, it is estimated that $641,000,000 will be requested by colleges for the next academic year. Under the amendment, only $293,000,000 will be available. Certainly, Mr. Speaker, at least this much should be supported by every Member.

It is estimated that a total of $568,000,000 will be requested by institutions for the college work-study program. $270,200,000 will be available under the amendment.

The amount provided in the amendment for grants is likewise far below what is justified. It is estimated that institutions would have requested in excess of $500,000,000 for the old EOG program. This gives us an idea of what the need will be for the new basic grant and supplemental grant programs as authorized by the 1972 amendments. The $330,000,000 the amendment provides in total for grants is by any measure therefore far below what is needed.

And most disturbing, Mr. Speaker, only $122,100,000 will be available for the basic opportunity grant program. Some have argued that it is too late to effectively implement the BOG program next year. All the information I have indicates that it can and should be implemented in the next academic year.

Mr. Speaker, in the debate today there have been a number of remarks about the new BOG program. I feel I would be remiss in my responsibility if I did not provide some clarification with respect to the BOG program. First, let me point out that the BOG's were never intended to be the sole program of help for those who are in need of assistance to attend college. It was designed to be the foundation upon which other programs could be added.

As such, financial aid officers play a very, very important role. The 1972 authorizing act carefully provides the necessary flexibility to allow financial aid officers to adjust programs to the specific needs of particular students. The supplemental grant program, the college work-study program and the direct student loan program are available to correct any inequities a national standard may impose on a given student. By and large, the standards in the basic program are good and equitable concepts. Given advance appropriations, students will be able to look at a relatively simple form and determine the amount of aid they will be able to obtain under the BOG program.

The basic grant will provide a real incentive—more than any of the traditional programs—for students with academic potential but insufficient resources. The program is not subject to the inequities of a State allocation formula nor to the variations in enrollment as are the college-based programs.

Mr. Speaker, there will never be unanimity on a schedule for determining the amount a family is expected to contribute toward a college education. Obviously, in any program where there is a national standard, the first year of operation will provide valuable insights so that there can be subsequent adjustments based on experience. For purposes of the first year, most of the testimony we have gathered indicates that the Office of Education's schedule of family contributions is reasonable enough to get the program going and to effectively evaluate it. The schedule which has been the target of attack today is not greatly divergent from the current traditional national systems which have evolved in the last 15 years. In terms of the results there is not a wide gap.

Mr. Speaker, there is no question that the $122,000,000 proposed here for basic grants is justified. There is no question that this amount can be easily utilized during the next academic year. Far more than this is justified, and far more than this could easily be utilized.

Mr. Speaker, the amounts are too little but we do not have at this juncture the luxury of time. This is not the only opportunity we will have to consider financing of student aid programs next year. But this is an opportunity we cannot allow to pass. Accordingly, I urge the House to adopt the amendment.

Mr. VEYSEY. Mr. Speaker, I rise to ask for strong support for the amendment of the gentleman from Pennsylvania to add $872 million for student aid to this supplemental appropriation.

This is a matter of urgency affecting tens of thousands of present college students and new college students next fall, as well as the welfare of all of our institutions of higher education.

The financial magnitude of this amendment has caused me, and I know many of my colleagues, to carefully consider its necessity and wisdom. But in final analysis, it will not enlarge Federal spending. It is well within the budget plan, and we must appropriate it sooner or later to keep faith with our commitment to higher education and with purpose in passing the Higher Education Act of 1972.

Because the Congress last year changed the delivery system for student aid, confusion and uncertainty today exist throughout the Nation as to financial assistance for students in September 1973. To settle this uncertainty it is necessary to act now so that the machinery can move to make commitments to deserving scholars and to deliver them financial support by next September.

I urge this addition to the bill. It is vital to our educational system.

Mr. REID. Mr. Speaker, I rise in support of House Joint Resolution 496, and especially the amendment offered by the distinguished chairman, DANIEL FLOOD.

The Higher Education Act of 1972 specifies that no funds are to be available for basic opportunity grants unless and until the educational opportunity grant program, the college work-study program, and the national defense student loan program are funded at existing levels. This provision was signed into law on June 23, 1972.

On January 29, 1973, the President submitted his budget request to Congress. This document proposes funding the BOG at a level of $622 million, while eliminating the EOG, cutting $20 million from the work-study program and $269 million from the NDSL program. This request totally ignores the requirements of the Higher Education Act. What is more, it will bring extreme hardship to bear on middle income students who do not qualify for a BOG as well as to all students who will need additional assistance in order to attend high cost institutions. With the BOG limited to one-half the cost of education, there must be additional assistance available.

The Flood amendment, based on over 200 pages of hearings, is totally consistent with the Higher Education Act. It provides funding levels for EOG, college work-study and NDSL, consistent with last year's levels and provides an additional $122,100,000 for the new basic opportunity grant.

Swift passage of this amendment is critically needed by colleges and students in New York and throughout the country who are left in a state of doubt and confusion over which education programs will be funded.

Mr. QUIE. Mr. Speaker, the chairman's amendment leaves me with mixed emotions.

My first emotion is one of gratitude to the chairman of the HEW-Labor Subcommittee. We have already progressed beyond the date when institutions should have known what Federal student aid money they have for next fall. So I commend the chairman on incorporating student assistance programs into this emergency supplemental bill.

My other emotion is one of deep disappointment. I believe the amendment includes unrealistically high amounts for existing programs at the expense of the most significant and most equitable student assistance program Congress has adopted—the basic education opportunity grant program.

Not only has the committee appropriated the supplemental educational opportunity grants—which the administration did not ask for—to the statutory requirement of $130 million before the BOG's are funded, but the total is $210 million which is $10 million over the amount authorized for this new program. I believe it should be recognized that, while the SEOG is similar to the old EOG, it is a new program. I certainly would urge the other body to correct this problem and put more money into the BOG.

The President recommended $622 million for this program. To meet the full entitlements to which approximately 1.5 million students deserve would take roughly $1 billion appropriation. The amount in this amendment is far, far below the need in relation to the amounts compared to the proposed amounts for the other three programs in relation to the total need that exists for them.

I do agree that we should keep at the budget total for student assistance. It is an increase over the year before—which is something we cannot say for many programs.

I intend to vote for this amendment. But not because I endorse the distribution of funds among the individual programs. I support the amendment because to delay appropriation for student assistance would be a major disservice to hundreds of thousands of students, their parents, and close to 3,000 education institutions.

Mr. BRADEMAS. Mr. Speaker, I rise in support of the amendment.

Mr. Speaker, the crisis outlined by the distinguished gentleman from Pennsylvania is one which has become familiar to all of us.

Literally millions of American college students and their parents are agonizing over the prospect that the Federal student assistance programs which have enabled them to help meet the costs of higher education in the past might suddenly be cut off.

This crisis of uncertainty is having its effect in every State, in middle income as well as low-income homes, and in private as well as public institutions of higher education.

The crisis need not have arisen, Mr. Speaker, if the current administration were inclined to pay even a modicum of respect to laws enacted by Congress.

The Education Amendments of 1972, which is the legislative authority for the student aid programs, expressly requires that supplemental educational opportunity grants, college work-study grants, and national direct student loans be funded at minimum levels before payments under the new basic educational opportunity grant program may be made.

This requirement was not included in the law because of any ambivalence toward the basic educational opportunity grant program on the part of the conferees of both houses who considered the measure. On the contrary, a majority of the conferees felt, as I did and still do, that the BOG program was an excellent innovation and a much needed one.

The conferees felt at the same time, however, that the then existing programs of student aid had served the Nation well and deserved to be continued.

Unfortunately the present administration does not share this view, and the President has submitted what amounts to an "illegal" budget for student aid, proposing that the BOG program be funded without any money being made available for supplemental educational opportunity grants and national direct student loans.

Here, Mr. Speaker, we have again a demonstration of the chronic inability of this administration to understand the philosophy and intent of the student aid programs, as well as the intent of Congress.

Let me say again for the record that none of the four student aid programs currently authorized by law was intended by Congress or its legislative committees to be in itself an adequate response to the needs of all American college students. Rather, the four Federal student aid programs are intended to make up a "package," each program having its own attributes and each designed to meet a specific kind of need.

Basic educational opportunity grants are intended to help every college student whose family cannot contribute at least $1,400 annually to their son or daughter's education; the amount of the grant is conditioned, among other things, on the extent to which a given family's ability to contribute falls short of $1,400.

Supplemental educational opportunity grants are intended—as the name of the program suggests—to "supplement" the resources of students who, but for a supplemental EOG, would be unable to pursue a course of study at a given institution of higher education.

College work-study grants are intended to provide needy students with an opportunity to earn funds for their education by working at a job at their college or university.

And finally, national direct student loans are intended to provide additional resources to students who are not able to obtain sufficient funds from other sources to meet the costs at the institution they attend.

All of these programs—individually and in various combinations—are intended to provide needed assistance to millions of college students from diverse backgrounds attending many different types and kinds of institutions. Some students might qualify for only one of the programs—other students might use two, three or all of them.

Thus it is essential, Mr. Speaker, that

all four of these programs be funded, for to do otherwise would leave out a necessary part of the comprehensive approach to student aid needs contemplated by the Education Amendments of 1972.

I regret, Mr. Speaker, that the committee has not seen fit to recommend higher amounts for these programs and especially for the basic educational opportunity grant program.

The evidence of 3 years' hearings in the Committee on Education and Labor is that existing student aid programs are, if anything, vastly underfunded and need a considerable infusion of additional money if total need is to be met.

Moreover, it is generally agreed that if the basic educational opportunity grant program is to have a real chance to prove itself, an amount considerably in excess of the $122 million recommended by the committee will be necessary to fund even a threshold effort.

The immediate educational future of millions of American students depends upon immediate approval of at least a continuation of the current level of spending for student aid, however, and I will vote for the amendment as it stands.

For to allow the present condition of uncertainty to continue would not be in the best interests of American students and their families, and indeed, might cause irreparable damage to the lives of millions of young people. We must act now, and the committee recommendation will at least allow partial resolution of what could turn into a very tragic situation.

Mr. BROWN of California. Mr. Speaker, I heartily support the amendment of the gentleman from Pennsylvania (Mr. FLOOD) to House Joint Resolution 496 to provide funds for the student aid program for the next school year. I commend him and members of his subcommittee for their initiative in bringing this matter before us.

We are all aware of the hiatus which currently exists regarding financial assistance for college students. Regardless of the merits of the new basic opportunity grant program, it would be impossible to put it into effect for the next school year. A continuation of funding for the existing programs is vitally necessary if the plans of thousands of students for their next year's education are not to be severely disturbed.

Not only have many students communicated with me on this matter, but the presidents and student financial aid officers of most of the institutions of higher education in my district have met with me to express their concern over the problem. It is a problem which is particularly acute due to financial problems being faced by the colleges. For example, the Association of American Colleges informed me that 60 percent of their members responding to a survey reported that they were suffering under worsened financial circumstances in comparison to 2 years ago. These financial stringencies then carry over to the students who have that much less aid for college sources. For the students to be faced with inadequate aid from the colleges and inadequate aid from the Federal Government is too much to impose on them.

One college student from my district wrote to me to say:

> I am painfully aware of how much President Nixon's proposed budget cuts in the area of National Student Defense Loans (so as to eliminate them entirely) would affect the academic future of many, myself included. I trust you have enough faith in the collegiate youth of today, a large number of whom could not otherwise afford to attend without these loans, to believe this program worthy of being continued and will act to defeat this budget on these grounds.

I have faith in the collegiate youth of today but it is only when the leaders of this body, such as the distinguished gentleman from Pennsylvania and his colleagues on the Appropriations Committee, take action to bring this legislation before us that we can act in accordance with our expressed intentions.

Therefore, I wish to offer my thanks again, not only for myself and the college administrators of my district, but for the tens of thousands of young men and women who will be able to make plans for continuing their education.

I urge my colleagues to support the Flood amendment.

Mr. MAHON. Mr. Speaker, I move the previous question on the amendment.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. FLOOD).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 2, after line 4, add the following:

"GENERAL SERVICES ADMINISTRATION

"PROPERTY MANAGEMENT AND DISPOSAL SERVICE

"Operating Expenses

"For an additional amount for 'Operating expenses' for the national reserve established by the National Industrial Reserve Act of 1948 (50 U.S.C. 451-462), $1,800,000, to remain available until expanded."

Mr. GROSS. Mr. Speaker, I reserve a point of order on the amendment.

The SPEAKER pro tempore (Mr. BOLLING). The gentleman from Iowa (Mr. GROSS) reserves a point of order.

Mr. ANDERSON of Illinois. Mr. Speaker, the amendment which I am offering to House Joint Resolution 496 is simple in its language and miniscule in the amount it appropriates—some $1.8 million—and yet it is of great significance and importance to some 35,000 youths and disadvantaged persons taking vocational training courses in some 400 schools in 44 States across this land. For the amendment I am offering would restore funds under the General Services Administration for the national industrial equipment reserve, which, among other things, loans its machine tools to schools to train these young and disadvantaged people.

This "tools for schools" program, as it is called, has been ongoing since the early 1950's, and has not only been successful in training hundreds of thousands of people for useful and productive lives, but is one of the few programs I know of which actually saves the Government money. The reason it saves the Government money is quite simple: if these reserve machine tools were not on loan to schools, the Government would be picking up the tab for the storage and maintenance. And, according to figures supplied to me by the General Accounting Office and obtained from the Department of Defense, it could cost the Government up to an additional $3.8 million per year to store all the machinery now on loan to schools—or over twice as much as it now costs to operate the entire NIER program.

The necessity for the amendment I am offering today grows out of a difference between our appropriations committee and the administration last year as whether to maintain NIER under the GSA budget or shift it to the DOD budget. Because this difference was not resolved before the enactment of the appropriations bill which included GSA, and because our committee, wisely, I think, did not feel the Defense Department should be involved in a school loan program, NIER literally fell between the slats, even though almost everyone agrees on its value and success and favors its continuation. As a result, GSA was left with no funds to operate the program in fiscal 1973 and in December was forced to freeze all pending school loan applications for equipment and close down its two main storage facilities in Terre Haute, Ind., and in Burlington, N.J.

This literally is an urgent supplemental request I am making because, at this very moment machine tools valued at $46 million are in danger of rusting away in those two storage facilities because GSA was forced to turn off the dehumidifiers last December and withdraw all its security and maintenance personnel. According to the General Accounting Office, the cost of replacing this machinery would be two to two and one-half times its acquisition cost, or between $92 and $115 million. So, we are faced with the possibility of a machine tool reserve crisis if this machinery goes unattended much longer.

On top of this, we must consider the fact that the many schools which have had loan applications frozen are unable to train the additional people contemplated if they had this machinery. And furthermore, those 400 American schools which currently have NIER equipment on loan face the eventual prospect of having this machinery withdrawn because GSA can no longer make the necessary periodic inspections. According to the figures supplied me by the GAO, it would cost these schools between $82 and $103 million to replace this machinery if it is withdrawn. Given the fiscal crunch in school districts across the Nation, this obviously would be an impossible financial burden, and it could only mean a substantial drop in their manpower training capabilities if they could not replace this machinery at their own expense.

Now, I must concede here that I am

drawing the worst possible contingencies, but at the same time we must recognize that these are very real possibilities so long as we allow NIER to hang in this state of limbo it has been in since last December.

I am aware of the fact that the House Appropriations Committee has asked the General Accounting Office to conduct a further study into the gravity of this situation. But I must remind my colleagues that while the GAO is studying, millions of dollars worth of machinery is rusting and thousands of students are being denied training on equipment schools would otherwise now have if their loan applications had not been frozen.

In conclusion, Mr. Speaker, let me say that my amendment is consistent with the position taken by our Appropriations Committee last year in support of retaining NIER under the GSA budget. As Chairman MAHON indicated in a letter to me dated December 29, 1972—

> The committee has no objection to the funding of such programs in the appropriate departments or agencies, such as the General Services Administration.

That is precisely what is being called for in this amendment which I am offering, and I urge all Members of this body to support the position of the chairman, myself, and the 86 cosponsors of my amendment. I urge adoption of the amendment, and request that the letters from Comptroller General Staats, and Chairman MAHON and the list of cosponsors be printed at this point in the RECORD.

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, D.C., January 15, 1973.

Hon. JOHN B. ANDERSON,
House of Representatives.

DEAR MR. ANDERSON: In your letter dated December 18, 1972, you asked the General Accounting Office to provide two cost estimates relating to the potential impact of discontinuing the school loan program of the National Industrial Equipment Reserve (NIER). Specifically, you asked us to estimate (1) the additional cost to the Government if machine tools on loan to vocational schools from the NIER were recalled, stored, and maintained in Government supply depots and (2) the cost to vocational schools to replace these tools.

The National Industrial Reserve Act of 1948 (Public Law 80–883) established the NIER as a reserve of machine tools for use in time of national emergency. The NIER consists of 12,249 machine tools having an acquisition cost of $89,221,000 as of September 30, 1972. Tools on loan to schools totaled 8,149 with an acquisition cost of $41,161,000; the remainder—4,100 with an acquisition cost of $48,060,000—are stored at Department of Defense (DOD) depots and General Services Administration (GSA) facilities.

DOD has overall responsibility for the NIER. GSA, under the direction of DOD, is responsible for storing, maintaining, leasing, and disposing of the reserve and for operating the school loan program.

We asked Department of Defense officials to estimate the additional cost to store approximately 8,200 tools. DOD provided us with estimated costs to store the tools in both controlled dehumidified storage and in general purpose storage on a 1- and 5-year basis. General purpose storage sites would be used until dehumidified control storage becomes available. The estimated amounts included costs for receiving and storing, preservation, storage space, surveillance, and represervation.

The estimated cost to store approximately 8,200 tools in controlled dehumidified storage on a 1-year basis is about $1 million. On a 5-year basis the cost is estimated to be $2 million. The costs differ because of increased inspections and additional storage cost required during the 5-year period.

The estimated cost of storing the tools in general purpose storage on a 1-year basis is about $1.2 million and $3.8 million on a 5-year basis. The cost of general purpose storage increases on a 5-year basis because of additional storage costs, surveillance costs, and tool represervation costs. The general purpose storage estimate presupposes that all 8,200 tools would need to be represerved once or twice during a 5-year period.

While DOD has estimated the costs to store the tools, DOD and GSA officials told us that, at the present time, adequate storage space is not available.

Concerning the cost to replace the tools, GSA and DOD officials estimated that the cost of replacing such equipment with new equipment would be from 2 to 2½ times the acquisition cost. On the basis of the acquisition cost of approximately $41,000,000, we estimated that the schools would have to pay between $82 and $103 million to replace the NIER equipment in their custody.

We trust that this information is responsive to your request. We will not distribute this report further unless we obtain your agreement or you publicly announce its contents.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., December 29, 1972.

Hon. JOHN B. ANDERSON,
U.S. House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR JOHN: This is in response to your letter of the 15th with reference to the National Industrial Equipment Reserve. I have considered the request of the Department of Defense to utilize funds to bring NIER under the Department's General Industrial Equipment Reserve. I could not concur in their proposal.

Congress clearly denied the request of the Department of Defense to use defense funds in this program. My response made it clear that the Committee has no objection to the funding of such programs in the appropriate departments or agencies, such as the General Services Administration, the Department of Labor and the Department of Health, Education, and Welfare. However, we do not feel that this is an appropriate charge to the Department of Defense.

I hope that the Executive Branch, which created this problem by arbitrarily changing the source of funds for the program, will move expeditiously to maintain whatever part of the program is required.

I am enclosing for your further information a copy of my response to Deputy Secretary Rush.

Sincerely,

GEORGE MAHON,
Chairman.

HOUSE COSPONSORS OF NIER URGENT SUPPLEMENTAL APPROPRIATIONS

Mr. Quie, Mr. Brademas, Mr. Gerald R. Ford, Mr. James V. Stanton, Mr. Adams, Mr. Alexander, Mr. Badillo, Mr. Bergland, Mr. Bevill, Mr. Boland, Mr. Buchanan, Mrs. Chisholm, Mr. Cohen, Mr. Danielson, Mr. Davis of Georgia, Mr. Dellenback, Mr. de Lugo, Mr. Derwinski, Mr. Forsythe, Mr. Fraser, Mr. Guyer, Mr. Harrington, Mr. Harsha, Mr. Ichord, Mr. Kemp, Mr. Johnson of California, Mr. Latta, Mr. McClory, Mr. McCollister, Mr. Mailliard, Mr. Mayne, Mr. Meeds, Mr. Moakley, Mr. Mollohan, Mr. Mosher, Mr. Moss, Mr. Meyers, Mr. Nelsen, Mr. Pepper, Mr. Peyser, Mr. Podell, Mr. Price of Illinois, Mr. Riegle, Mr. Roe, Mr. Roybal, Mr. Sarbannes, Mr. Scherle, Mr. Seiberling, Mr. Stuckey, Mr. Symington, Mr. Thompson of New Jersey, Mr. Thone, Mr. Thornton, Mr. Williams, Mr. Charles Wilson of Texas, Mr. Wolff, Mr. Wyman, Mr. Zwach, Mr. Frenzel, Mr. Culver, Mr. Landgrebe, Mr. Veysey, Mr. Davis of South Carolina, Mr. Hammerschmidt, Mr. Clark, Mr. Cleveland, Mr. Diggs, Mr. Drinan, Mr. Esch, Mr. Gude, Mr. Hinshaw, Mr. Melcher, Mr. Stokes, Mr. Whitehurst, Mr. Yatron, Mrs. Burke of California, Mr. Conte, Mr. Coughlin, Mr. Mallary, Mr. Rodino, Mrs. Grasso and Mr. Sarasin.

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, D.C., March 20, 1973.

Hon. JAMES V. STANTON,
House of Representatives.

DEAR MR. STANTON: In your letter dated January 12, 1973, you asked for information on the additional costs the Federal Government would incur in maintaining the National Industrial Equipment Reserve (NIER) if the school loan program were terminated. You questioned whether terminating the school loan program would result in direct costs to the Government which would exceed the cost now incurred to operate the program.

Of the $1.8 million budgeted for NIER by the General Services Administration (GSA) in fiscal year 1972, about $500,000 was budgeted for the school loan program according to GSA officials. About $1.3 million was budgeted for other functions, such as storage costs, packing, handling, maintenance, and warehouse operations.

There were about 8,200 pieces of machinery on loan to schools as of September 30, 1972. Department of Defense (DOD) officials furnished us with cost estimates for storing and maintaining these 8,200 pieces of machinery, if recalled from the schools. DOD provided these estimates for both controlled humidified storage and general-purpose storage for 1- and 5-year periods. General-purpose storage sites would have to be used until controlled humidified storage becomes available. DOD's estimate is enclosed.

Our reply is directed to the six questions listed in your letter.

1. *What costs would be incurred by the Government to maintain this machinery in working order if they were removed from the Schools?*

To maintain the machinery in working order, the equipment must be preserved and properly stored. Controlled humidified storage offers the best protection for keeping machinery in working order. The total cost estimated for this type of storage for a 1-year period is $1 million and for a 5-year period is $2 million.

General-purpose storage is more expensive than controlled humidified storage since additional preservation and more frequent maintenance inspections are required. The estimated cost for general-purpose storage for a 1-year period is $1.2 million and for a 5-year period is $3.8 million.

2. *Will the machinery deteriorate if placed in storage? If so, what will be the loss?*

Deterioration of equipment depends on the adequacy of the storage facilities. Deterioration could be held to a minimum if the equipment is preserved and stored in controlled humidified or general-purpose storage sites. If the machinery were to be left untreated and stored in inadequate facilities, deterioration would occur more rapidly. If the machinery were improperly stored, the loss could equal the fair market value of the machinery less the scrap value.

We were unable to estimate the fair market value of the machinery on loan to the schools; however, the acquisition cost of this equipment was estimated at $41 million.

3. *Do adequate storage facilities exist? What costs will be incurred to store?*

DOD and GSA officials told us that, adequate storage space is not presently available for storing the 8,200 pieces of equipment. Costs for storing this equipment would differ depending on the type of storage selected. The costs under the alternatives are shown in the answer to the first question and in the enclosure.

4. *What other costs would be involved?*

Included in DOD's cost estimate of storing the equipment are estimates for receiving, preserving, inspecting, and represerving costs. Costs for physical protection, such as security while in storage, are included in the cost estimate of storage space.

Representation costs, if the machinery was stored in general-purpose space for more than 1 year, are estimated at about $1.3 million over a 5-year period. The general-purpose storage estimate assumes that, during a 5-year period, all 8,200 pieces of equipment will need to be represerved several times.

5. *How much would it cost the schools to replace the tools?*

It would be difficult for the schools to replace the equipment currently on loan to them because of the limited supply of such equipment in the private sector. GSA and DOD officials estimated that replacing the equipment on loan with new equipment would cost between 2 and 2½ times the acquisition cost of the equipment. Therefore, on the basis of an acquisition cost of approximately $41 million, the estimated replacement cost would be $82 to $103 million.

6. *Who pays the cost of removing and shipping tools now in school custody?*

If all the machinery on loan to the schools was recalled, the cost for transporting the machinery to a site or sites designated by the Government would have to be paid by the schools. Currently there are 399 schools in 44 states which have NIER tools. The cost to transport industrial plant equipment depends upon the density and weight of the equipment being shipped, the distance to be transported, and the mode of transportation selected. Because of the various unknowns, we are unable to estimate the costs the schools would incur in returning loaned equipment to the Government.

We trust this information is responsive to your request. We do not plan to distribute this report further unless you agree or you publicly announce its contents.

Sincerely yours,

Elmer B. Staats,
Comptroller General of the United States.

ENCLOSURE I

ESTIMATED COSTS FOR STORING APPROXIMATELY 8,200 PIECES OF MACHINERY

Costs	Controlled humidified storage		General-purpose storage	
	1 year	5 years	1 year	5 years
Receive and store	$656,000	$656,000	$656,000	$656,000
Preservation	123,000	123,000	328,000	328,000
Storage space	247,500	1,237,500	192,500	962,500
Surveillance	12,875	64,370	109,429	547,145
Representation				1,312,000
Total	1,039,375	2,080,870	1,285,929	3,805,645

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, did the gentleman say this is budgeted or not budgeted?

Mr. ANDERSON of Illinois. It is not in the budget for the reason I described, that there was this dispute as to whether it should be carried in the Department of Defense budget or the GSA budget. I do not know of any objection to the program. It has been going on for many years. I think they simply left it up to the House to work its will as to where this appropriation should lie, whether in the Department of Defense or the GSA. I agree with the gentleman from Texas (Mr. Mahon) and his committee that it does not belong in the Department of Defense budget and it ought to be logically in the GSA. This would simply put it there and make sure these machine tools continue to be available to the training schools.

Mr. GROSS. Mr. Speaker, I thank the gentleman from Illinois.

Mr. Speaker, I withdraw my point of order.

Mr. MAHON. Mr. Speaker, this proposal has been under consideration by the Appropriations Committee and we had anticipated giving the matter attention in the main supplemental bill to be reported after Easter. But I understand it may be a matter of some urgency. We have no objection to this.

Mr. JAMES V. STANTON. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Ohio (Mr. James V. Stanton).

Mr. JAMES V. STANTON. Mr. Speaker, several months ago I learned of a dispute involving the administration and the House and Senate Appropriations Committees which may result in the termination of a very worthwhile program under which machine tools in the Defense Department's National Industrial Equipment Reserve are loaned to schools for use in vocational education programs. Because this program has not yet been funded for fiscal year 1973, a freeze has been placed upon all new tool loans, and unless a settlement is reached in the near future, the loan program will be completely dissolved. The Brooklyn, Ohio, school system in my district is one of those adversely affected by this freeze.

The dispute arose last year when the administration suggested that the $2 million budget for the machine tool loan program be shifted from the General Services Administration, where it had been for many years, to the Department of Defense. While the Senate Appropriations Committee approved this change, the House committee did not, and so the program is now in limbo.

I believe it is senseless to have these machine tools just lying idle and gathering dust at a time when they could be put to a highly useful purpose in helping to educate those interested in the machine tool trades. For this reason, I have attempted to inform the interested parties of the seriousness of the situation, and to urge that action be taken to insure that the program is continued.

I would now like to insert into the Record copies of several letters I have sent and received on this matter, and an article and an editorial on it that appeared in the Cleveland Plain Dealer:

[From the Cleveland Plain Dealer, Dec. 15, 1972]

Budget Boo-Boo

vo-ed shops, including one here, suffers

(By Robert J. Havel)

Washington.—A budgetary blooper by the White House and bureaucratic bungling have imperiled a low-cost federal program that each year helps train 35,000 students and poor people to become skilled machinists.

A Cleveland-area high school is one of the first victims.

The program, an offshoot of a reserve of machine tools the Defense Department maintains for a national emergency, is in danger of dying because of a goof by the White House's Office of Management and Budget (OMB) and infighting between defense and the General Services Administration (GSA), plus sparring in the appropriations committees on Capitol Hill.

Nowhere, it seems, in a federal budget of more than $250 billion can be found the less than $2 million needed for the program.

The National Industrial Equipment Reserve, created in 1948, was used extensively in the Korean War by defense-supporting industries but not much in the Vietnam war.

Since 1958, defense has had a program whereby tools in the reserve were lent to vocational training schools. The program has been administered by GSA, the government's housekeeper, at an annual cost of $1.8 million.

The government got free storage of tools, while the schools had the free loan of costly equipment. The schools had to pay only for shipping the tools and their upkeep. The tools could be recalled in an emergency by the Defense Department.

The pool contains some 11,000 tools worth about $80 million. About 8,000 of these, worth some $35 million, are on loan to 399 institutions in 44 states. Forty more schools, including Brooklyn (O.) High School, were awaiting shipments when the ax fell.

Early this year, in an effort to tidy up the budget, OMB decided that the program was more properly a function of the Defense Department than of GSA but in preparing the budget OMB did not include the program anywhere.

"OMB goofed," said a source close to the House Appropriations Committee.

In testimony before the defense appropriations subcommittee, defense sought to take over the program. There were no funds in its budget request to pay for it, but the department said it would scratch up the money somewhere.

"Privately, though," the committee source said, "defense was not hepped up about taking it over. They didn't really think it belonged in the defense budget."

Neither did Rep. George H. Mahon, D-Tex., the committee chairman, and neither funds nor authority for the program were included in the House version of the defense appropriations bill.

Later efforts in the Senate to put the program in the defense budget failed.

So the program is dying and GSA is discharging 90 employes who administered it.

In response to a question, a defense spokesman at first said the tools now at schools would be recalled—which would seriously disrupt training programs. Later, however, the spokesman said the tools will remain at the schools.

"Nothing will move, because there is no money to move," he said. "We are hoping to get the money to continue to program."

Out of the program, though, is Brooklyn High School. A letter went out to Brooklyn school officials and 39 others in a similar fix telling them the program had ended.

William Pearce, director of vocational education at Brooklyn, wrote Rep. James V. Stanton, D-20, Cleveland, citing the hardship that the discontinuation worked on the school.

The school had applied last May for tools worth $30,000 and was to pick them up last month.

Pearce said the equipment was "desperately needed" and its lack would "seriously deter" his vocational education program.

Stanton wrote to OMB protesting the dropping of the program. The program, he said, "would seem to further the work ethic about which the President has often spoken."

[From the Cleveland Plain Dealer, Dec. 22, 1972]

Revive Vo-Ed Tool Lending

U.S. Reps. William E. Minshall Jr., R–23, and Louis Stokes, D–21, should use their influence in the coming session of Congress to help revive a program that allows schools to borrow Defense Department reserve tools.

Both serve on the House Appropriations Committee and Minshall on a Defense subcommittee that will consider the matter when the 93d Congress convenes next month.

The program was discontinued this year through a bureaucratic mixup between the White House's Office of Management and Budget (OMB), the Defense Department and the General Services Administration (GSA).

Operated at an annual cost of less than $2 million, the program enabled vocational training facilities to borrow the tools by paying transportation costs. The government, in turn, received free storage and maintenance for the tools. In the event of an emergency, the tools could be recalled.

The program, in operation since 1958, has been used by 339 institutions in 44 states. The Cleveland suburb of Brooklyn was one of 40 more schools scheduled to participate in the program this year. Without the tools, Brooklyn school officials say, their educational efforts will be seriously hindered.

It would be foolish to end the program because of this one instance of intergovernmental bungling. We see no good reason why the confusion cannot be straightened out and the program made operational again. Congressmen Stokes and Minshall can be instrumental in bringing this about.

Brooklyn City School District,
Board of Education,
Brooklyn, Ohio, November 7, 1972.

Hon. James V. Stanton,
House Office Building,
Washington, D.C.

Dear Congressman Stanton: We need your help!

We had scheduled an appointment to visit DIPED-SOP (NIER) at the Defense Industrial Plant Equipment Center in Memphis, Tennessee last Monday, November 6, for the purpose of screening the inventory and selection of available excess property for loan to the Brooklyn High School Vocational Department. This agency is funded through General Services Administration Property Management and Disposal Service. Mr. W. G. Mears, Chief, Management Support Office, sent us a letter of notification that the arrangements were canceled because all NIER functions have been suspended due to a cut-off of funds.

Can you enlighten us about the problem? We very desperately need this equipment. When we set up our school budget for next year, we were anticipating acquiring an estimated $30,000.00 worth of excess property for use in our Vocational Education Machine Trades Program.

We here in Brooklyn have introduced a very fine vocational education program that is now in its third year of operation. Our community, as you know, is made up primarily of working class people who are vitally interested in having their children receive vocational education. Close to 50% of Brooklyn junior and senior students are currently enrolled in vocational programs. When our program was in the planning stage, our tax base was an expanding one. Now the reverse is true and we no longer receive funds in the former amount.

This cancellation will seriously deter the vocational education in this school district. With our curtailed budget, there is no possible way we can purchase this equipment.

Please give us whatever information and help you can.

Sincerely,

William G. Pearce,
Vocational Director.

December 5, 1972.

Mr. Roy L. Ash,
Director, Office of Management and Budget, Executive Office Building, Washington D.C.

Dear Mr. Ash: Because of a dispute involving the Office of Management and Budget and the House and Senate Appropriations Committees, the program operated by the General Services Administration in which Machine tools in the National Industrial Equipment Reserve are loaned to vocational education programs in schools has not yet been funded for Fiscal Year 1973.

As I understand it, the Office of Management and Budget recommended that the approximately $2 million allotted for the program be shifted from the GSA to the Department of Defense budget. The Senate approved this shift, but the House Defense Appropriations Subcommittee refused to allow this program to become a part of the defense budget. As a result, the program has come to a halt and a hold has been placed on all machine tools loans.

My concern over this program stems from the fact that the city of Brooklyn, Ohio, a community in my District which offers an excellent vocational education program to its high school students, had been scheduled to receive some twenty pieces of desperately needed equipment from the NIER just this past month. School officials began the process of applying for the tools last May and were scheduled to visit the Defense Industrial Plant Equipment Center in Memphis on November 6 to choose their equipment when, at the last minute, their appointment was canceled.

Brooklyn's need for this machinery is great. Almost half of their junior and senior students are enrolled in the vocational education program, and their tight budget makes it impossible for them to purchase this equipment. The shame of this situation is that the machinery is available and is now sitting idle in government warehouses. How senseless it is that because of a bureaucratic dispute, this machinery is just gathering dust at a time when it could be put to a highly constructive purpose in training high school students.

In no way can these machine tool loans, which cost the government very little and benefit the nation so much, be viewed as being in conflict with any Administration policy, and indeed, they would seem to further the "work ethic" about which the President has often spoken. I am certain the Administration would not want to see so worthwhile a program curtailed because of bureaucratic in-fighting and penny-pinching in the extreme. Thus I urge that you use your influence to put an end to the disputes which have hampered these loans.

Sincerely,

James V. Stanton,
Member of Congress.

The White House,
Washington, D.C., January 4, 1973.

Hon. James V. Stanton,
House of Representatives,
Washington, D.C.

Dear Mr. Stanton: This refers to your letter to Mr. Ash of December 5, 1972, concerning the National Industrial Equipment Reserve program which involves loans of machine tools to vocational education programs.

The President's 1973 Budget proposed that funding for the administrative expenses of the NIER program be shifted from the General Services Administration to the Department of Defense. In reviewing the 1973 budget proposals we concluded that this was not a high priority program and should be subject to examination by the Congress as part of their action on the 1973 Defense program. The budget proposed that 16 programs be absorbed within existing Defense Department funds.

As you know, the Congress decided not to provide funds for continuation of the Industrial Reserve program. While this action was, I am sure, the result of many considerations, I would point out that Mr. Mahon expressed concern that this program appeared to be based more on vocational training objectives than on defense requirements.

In view of the congressional action leading to termination of the NIER program I understand that the Department of Defense is considering a number of alternatives relating to the future of NIER and other Defense equipment reserves. To the extent that any of the stockpiled equipment is declared excess, it could then be donated to educational institutions for vocational training programs.

I appreciate your interest in this matter.

Sincerely,

William L. Gifford,
Special Assistant to the President.

House of Representatives,
Washington, D.C. February 5, 1973.

Hon. George H. Mahon,
Chairman, House Appropriations Committee, H218, The Capitol.

Dear Mr. Chairman: We are among the Congressmen in whose District is located one or more vocational education programs which have applied for the use of machine tools in the National Industrial Equipment Reserve, but which did not receive any tools due to the freeze on loans effected several months ago. As you know, because of a dispute involving the Administration and the House and Senate Appropriations Committees, the machine tool loan program has not been funded for Fiscal Year 1973, and it may be completely terminated—a process that would involve recall of the 8,000 pieces of machinery now on loan to some 400 schools.

There can hardly be a more worthwhile program than this one. Under it, over 35,000 students are now having their education in the machine trades enhanced through the use of equipment made available by the Federal Government. Without the use of these tools, many vocational education programs will simply have to cut back, because this equipment is not available from any other source at a reasonable cost. Schools can no longer participate in the excess property program, and the selection of equipment available in the surplus property program is very limited, the tools that are available being low in quality. How can we seriously speak of our commitment to, in the President's words, "work, not welfare," at the same time we are terminating a program which facilitates the training of those wishing to become proficient in this important field.

To maintain the loan program, the Federal Government expends about $2 million a year. Yet because the schools involved pay the cost of transporting, installing, and maintaining the machinery they borrow, it could be that the Government will incur greater costs in terminating the program than in continuing it. But beyond this question, the shame of this situation is that the machinery is now just gathering dust at a time when it could be put to a highly constructive use.

Now the question is, who will undertake

the task, who will assume the responsibility of ensuring that the machine tool loan program is not discontinued. The Administration has so far not taken any action to save the loan program. Attached is a copy of a letter from an Administration official in which he blames Congress for the impasse, and he refers specifically to your opposition to placing the program in the Defense budget.

It is very understandable that you, in your role as chairman of the House Defense Appropriations Subcommittee, would not want to burden the Defense budget with an item that for years has been funded by another agency. However, in your role as chairman of the House Appropriations Committee you can of course act to see that the machine tool loan program is funded *somewhere* in the budget. Representatives John Anderson, Albert Quie, and John Brademas have already initiated legislation to continue funding of the program through GSA. Whether this approach or another is taken, we cannot accept the notion that Congress is helpless on the question and cannot act on its own to save so worthwhile a program. In this effort, we request your assistance.

Sincerely,

Bill Alexander, M.C., Bob Bergland, M.C., Richard Bolling, M.C., Donald Brotzman, M.C., Robert Drinan, M.C., Gerald Ford, M.C., Edwin Forsythe, M.C., Earl Landgrebe, M.C., William Mailliard, M.C., Robert Mollohan, M.C., Bill Nichols, M.C., James V. Stanton, M.C., and John Zwach, M.C.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The amendment was agreed to.

Mr. CLEVELAND. Mr. Speaker, I rise in support of the amendment providing $1.8 million for the national industrial equipment reserve to permit continuation of the "tools for schools" program.

This program provides a rare opportunity to meet more than one worthwhile objective. The Nation needs these tools on a standby basis in the interests of our military strength, while our schools can make important use of them to the enhancement of our economic strength.

The loan program helps provide our youth with skills for highly paid occupations, our communities with a skilled work force attractive to industry and the Nation's economy with an infusion of trained talent to compete in an increasingly sophisticated world marketplace.

This also represents a genuine economy, in that it would cost the Government up to $3.8 million annually to store and maintain the machinery now on loan for vocational training. The schools, in turn, would have to lay out $103 million to replacement machinery if the program were discontinued, according to the General Accounting Office.

I urge Members to join me in adopting this amendment.

Mr. MAYNE. Mr. Speaker, I rise in support of the amendment proposed by the distinguished Congressman from Illinois (Mr. ANDERSON). I cosponsored his introduction of this proposal on January 18, in the form of H.R. 2228, and I am pleased that he has offered it as an amendment to the supplemental appropriations bill before the House.

The national industrial equipment reserve—NIER—under the General Services Administration is responsible for maintaining the reserve of machine tools which would be immediately required to tool up American industry in a national emergency. It makes common sense not to let this equipment remain idle pending an emergency, if it can be usefully utilized in the meantime by institutions throughout these United States for vocational training purposes. At present, some 8,000 and more pieces of machinery are on loan by NIER to nearly 400 schools in 44 States, thereby benefiting 35,000 youths and disadvantaged or handicapped persons taking vocational training courses. Not only has this equipment been put to good use, this utilization has in effect saved the taxpayer money at both the Federal and local levels—for the General Services Administration is saved the cost of storing and maintaining this equipment, while the schools are saved the cost of buying or renting the equipment for their courses, although they assume the cost of transportation and maintenance.

The administration last year hoped to transfer the NIER program to jurisdiction of the Department of Defense, and so requested funds for the NIER equipment loan program under the Department of Defense appropriation, rather than under the budget requests for the General Services Administration. The distinguished chairman of the House Appropriations Committee (Mr. MAHON) and others on the committee disagreed with moving funds for NIER to the defense appropriation bill, and as a result the NIER program fell between the chairs, with no provision in either the Defense Department appropriations bill or in the appropriations for the General Services Administration. Certainly it was not intended that this program be abandoned—its value and need for its continuation are unquestioned. However, the NIER loan program was provided no new funds—as a result, the General Services Administration has had to close its two main storage facilities and has had to freeze all new school loan applications. Since the GSA no longer has the funds to make the required periodic inspections, we are faced with the possibility that schools now having NIER equipment on loan will have to face eventual withdrawal of that equipment.

We cannot let this happen. The amendment proposing to restore $1.8 million for the national industrial equipment reserve under the General Services Administration is urgently needed. I urge its adoption.

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DELLENBACK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 367, nays 0, not voting 66, as follows:

[Roll No. 86]

YEAS—367

Abdnor
Abzug
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Ashley
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dingell
Donohue
Dorn
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holtzman
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keating
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Leggett
Lehman
Lent
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mizell
Moakley
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike

Poage
Powell, Ohio
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—66

Addabbo
Armstrong
Aspin
Badillo
Biaggi
Bolling
Brasco
Bray
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Collins
Davis, S.C.
Davis, Wis.
Dickinson
Diggs
Dulski
Eckhardt
Eshleman
Fisher
Flowers
Flynt
Gubser
Hammerschmidt
Hansen, Idaho
Harvey
Hébert
Hinshaw
Holt
Horton
Jones, Ala.
Kazen
King
Landgrebe
Latta
Litton
Long, La.
Mann
Meeds
Milford
Mills, Ark.
Mitchell, N.Y.
Mollohan
Montgomery
Morgan
Nichols
O'Brien
Pettis
Podell
Preyer
Price, Tex.
Rooney, N.Y.
Runnels
Ryan
Sandman
Schroeder
Sisk
Spence
Stratton
Teague, Tex.
Ullman
Waldie
Whitehurst
Wilson, Charles H., Calif.
Young, Alaska
Young, S.C.

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Latta.

Mr. Rooney of New York with Mr. Bray.

Mr. Charles H. Wilson of California with Mr. Hinshaw.

Mr. Diggs with Mr. Badillo.

Mr. Flynt with Mr. Landgrebe.

Mr. Biaggi with Mr. King.

Mr. Brasco with Mr. Horton.

Mr. Addabbo with Mr. Mitchell of New York.

Mr. Jones of Alabama with Mr. Young of Alaska.

Mr. Long of Louisiana with Mr. Burke of Florida.

Mr. Meeds with Mr. Hansen of Idaho.

Mr. Mollohan with Mr. Hammerschmidt.

Mr. Nichols with Mr. Dickinson.

Mr. Morgan with Mr. Young of South Carolina.

Mr. Teague of Texas with Mr. Price of Texas.

Mr. Waldie with Mr. Gubser.

Mr. Ullman with Mr. Eshleman.

Mr. Davis of South Carolina with Mr. Whitehurst.

Mr. Carey of New York with Mr. Sandman.

Mr. Aspin with Mr. Davis of Wisconsin.

Mr. Mann with Mr. Harvey.

Mr. Montgomery with Mr. Spence.

Mr. Sisk with Mr. Pettis.

Mr. Stratton with Mr. Eckhardt.

Mr. Dulski with Mr. O'Brien.

Mr. Fisher with Mr. Collins.

Mr. Flowers with Mrs. Holt.

Mr. Kazen with Mr. Mills of Arkansas.

Mr. Milford with Mr. Runnels.

Mr. Ryan with Mrs. Burke of California.

Mr. Pryor with Mr. Podell.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter and tables on the joint resolution just passed and also that they may revise and extend their remarks in connection with the amendment relating to school aid.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the rest of the week, if any, and the schedule for next week.

Mr. O'NEILL. Will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. I am happy to inform the distinguished minority leader the program for the House of Representatives for the week of April 16, 1973, is as follows:

Monday is the Consent Calendar with three bills. Monday is also suspension day, but there are no bills.

H.R. 6168, the Economic Stabilization Act, open rule with 2 hours of debate.

Tuesday and the balance of the week: Private Calendar, no bills; suspensions, no bills.

H.R. 6168, the Economic Stabilization Act, providing we do not finish it on Monday.

H.R. 6691, the legislative appropriation bill for fiscal year 1974.

H.R. 4204, the Emergency Employment Act, subject to a rule being granted.

S. 502, the Federal Aid Highway Act, with an open rule and 2 hours of debate.

Mr. Speaker, Tuesday is a Jewish holiday, and Thursday is Pan American Day. The House will be in recess for Easter from the conclusion of business on Thursday, April 19, until noon Monday, April 30.

PERMISSION TO POSTPONE VOTES FROM TUESDAY TO WEDNESDAY

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that on Tuesday of next week, it being a Jewish holiday, votes on final passage and recommittal be postponed until the following day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Reserving the right to object, Mr. Speaker, is that on the Economic Stabilization Act only?

Mr. O'NEILL. No. I am asking that be on whatever legislation is before this body on Tuesday.

Mr. GROSS. But not limited to the Economic Stabilization Act?

Mr. O'NEILL. No.

Mr. GROSS. Mr. Speaker, I object to that.

Mr. GERALD R. FORD. Mr. Speaker, would the gentleman listen for a moment? I hope that this program is approved, but they have to get a rule and if they do not get a rule, something else might be programed and, if so——

Mr. GROSS. Further reserving the right to object, Mr. Speaker, what other legislation would we be permitted to vote on? And what is this kind of procedure going to do with respect to adjournment on Thursday?

Mr. GERALD R. FORD. Mr. Speaker, would the gentleman yield?

Mr. GROSS. Yes, I will be glad to yield to the gentleman.

Mr. GERALD R. FORD. Perhaps the distinguished majority leader should respond to this, but if there happens to be no rule on the Economic Stabilization Act—and I do not think that is going to happen—but if it did, we might wish to take up the Federal aid to highway bill.

Mr. O'NEILL. If the gentleman will yield further, it could be that we could take up any rule.

Mr. GROSS. Without a vote?

Mr. O'NEILL. We have always had the custom of doing that on Jewish holidays, to put over votes.

Mr. GROSS. I do not recall that that has been an inflexible rule.

Mr. GERALD R. FORD. That is my understanding on Jewish holidays or any other religious day for any denomination, that has been the understanding.

Mr. GROSS. St. Patrick's Day, or any other day, Columbus Day, and all the other so-called holidays?

Mr. Speaker, since commitments have apparently been made, just for this once will I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT OVER TO MONDAY, APRIL 16, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE, AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS, NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday, April 16, 1973, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE FOUR REPORTS, UNTIL MIDNIGHT, APRIL 13

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries have until midnight Friday night, April 13, to file four reports; one on H.R. 5452, to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended; H.R. 5451, to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended: and for other purposes; H.R. 5383, authorizing appropriations for the Coast Guard for fiscal year 1974, and H.R. 5932, to authorize further appropriations for the Office of Environmental Quality, and for other purposes.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mr. LATTA. Mr. Speaker, on the joint resolution just passed I was temporarily out of the chamber and did not record my vote. Had I been present, I would have voted "yea."

WHY NO MERE EXTENSION OF PRESIDENT'S WAGE-PRICE CONTROLS

(Mr. HANNA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HANNA. Mr. Speaker, there are those who have been watching the current activities surrounding H.R. 6168, the Economic Stabilization Act extension, with a rather irresponsible hope that a mere extension of the current authority will ultimately come out of the legislative pipeline.

I feel constrained, in all of this turmoil, to point out that to my mind such a mere extension as requested simply will not work—and it will not work because it will be in effect a mere endorsement of the President's phase 3 and it seems abundantly clear that phase 3 is not working and will not even eventually work. Put plainly, the President needs a push and the specific powers to get back into phase 2.

As argued quite effectively by Hobart Rowen in the Washington Post of April 12, the shift from phase 2 to phase 3 was the result of poor—and, I would argue, wrong—advice on the part of the President's advisers, as illustrated by the economy's response to phase 3. Thus, as Mr. Rowen states it in the article which I include below:

> Those opposed to the obvious response (to the ineffectiveness of phase 3)—an immediate freeze of all prices and wages—are searching vainly for excuses. But the President has no time to lose—and act."

I add, parenthetically, that the President therefore must act.

My concern and resultant position is measurably enhanced by a recent editorial in Business Week—which I also include below—a publication which is certainly no house organ of the Democratic Party. This editorial argues the precise route being taken in substitute legislation to H.R. 6168, which is being prepared at this very moment.

I do sincerely hope that my colleagues recognize the magnitude of this issue and will come to recognize the real concern many of us share for the immediate and long-range future of the American economy.

The articles follow:

[From the Washington Post, Apr. 12, 1973]

WAGE-PRICE CONTROLS: "NO TIME TO LOSE"

(By Hobart Rowen)

President Nixon should not only slap comprehensive wage-price controls on the whole economy—because there is no alternative—but should assign the job to someone who really believes that controls can be made to work effectively.

Treasury Secretary George Shultz is already too thin as Mr. Nixon's chief economic policy-maker and spokesman, and as the key figure in dealing with international monetary crises and world trade (where he has been doing a splendid negotiating job).

Shultz ought to be willing to step aside as the chairman of the Cost of Living Council, and let someone who has no deep-rooted philosophical abhorrence of controls take over. The program needs a salesman, not an apologist.

This is not to suggest that Mr. Nixon has been gung-ho for controls, and has been diverted by Shultz. Clearly, the President's continued dependence on Shultz shows a close rapport in their philosophy.

But as has been reflected in the President's overtures to China and Russia, he is a pragmatic politician who is open to new game plans when his old ones fail. Nonetheless, he needed a Kissinger committed to the idea that a rapprochement with former enemies was possible.

On the economic side, Mr. Nixon must now be open to all possible corrections of the inept, costly error he made January 11 when he suddenly pulled the plug on Phase II controls.

The Phase III decision represented a total misreading by Mr. Nixon and his advisers of existing economic pressures. The inflation potential in the economy was stronger than they were willing to recognize.

But beyond that, the decision represented a complete misconception of the psychology of the country. For all of the elaborate charade of "discussing" the necessary shape of controls with businessmen, labor leaders, and other citizens, the fact seems to be that there was no overwhelming demand for "voluntarism", as represented to be the case by Secretary Shultz.

To be sure, Shultz wanted to believe that there was a thirst in the country for a return to "voluntarism": that, after all, is the essence of his own commitment to the free enterprise system.

But what resulted was a political gamble, supported by the clear distaste for controls. And the gamble, of course, was that dropping the 5.5 per cent wage guidepost for a more fuzzy concept would bring from George Meany the assurance of a no-strike, smooth year for collective bargaining in 1973.

At best, it was a naive concept. Forgotten was the build-up of wholesale price increases that foreshadowed big jumps in the consumer price index. In December and January, the wholesale price jump was concentrated in food which was sure to bring about a housewives revolt and make it impossible for Meany to promise anything but resistance.

That should have been enough to have flashed a warning signal to the Administration. Beyond that, there was plenty of free advice. Federal Reserve Board Chairman Arthur Burns, in a speech to the American Economic Association in Toronto on Dec. 29 warned that in 1973, "further progress in moderating inflation will be more difficult to achieve."

There was even a subtle hint in that Burns speech that unless we won the struggle to control inflation, there might be "repercussions" involving the dollar. As a matter of fact, almost every economist in the country crank into his forecast the assumption that controls would continue unchanged for all of 1973.

During the election campaign, Mr. Nixon and his associates gave no hint of an early softening of controls. To the contrary, when Democratic candidate George McGovern put forward a weak, "club-in-the-closet" type of voluntary proposal, none other than Economic Council Chairman Herbert Stein jumped all over it as meaningless. Then Nixon adopted the McGovern program on Jan. 11.

Can it be a coincidence that the stock market hit its all-time peak of 1067.20 on the Dow Jones index on January 11, and by the third week in March—by which time there had been a new devaluation of the dollar—had dropped almost 15 per cent to 911.12?

Hardly. The stock market went into a tailspin, despite booming profits for the moment, because it was convinced that Mr. Nixon had tossed away a fairly effective controls program for a no-controls program. It has seen the Federal Reserve swing dramatically toward tight money and higher interest rates—and this kind of inflation control can spell credit crunch and recession.

Since entering into Phase III, wholesale industrial prices have risen at the most accelerated pace in 22 years. In February, the WPI index for industrial items (leaving out all foods) rose at an annual rate of 12 per cent. In March, it jumped at the annual rate of 14.4 per cent.

Privately, Government experts—still stunned by events—now expect that when the March consumer price index comes out next week, it will be up at the unacceptable annual rate of between 10 to 12 per cent.

Those opposed to the obvious response—an immediate freeze of all prices and wages—are searching vainly for excuses. But the President has no time to lose—and act.

[Advertisement from the Washington Post, Mar. 12, 1973—An editorial from the Mar. 10, 1973, issue of Business Week]

PHASE III CONTROLS: TOO VAGUE, TOO NARROW, TOO WEAK

A scant two months after President Nixon's abrupt announcement of Phase III, the whole system of wage and price controls is on the verge of collapse. What began as a well-conceived effort to put some flexibility into the rigid rules of Phase II and move the economy back toward the discipline of the marketplace threatens to end in disaster.

The consumer price index shot up 0.5% in January, an annual rate of 6% in family living costs. The wholesale index for food and farm prices soared 2.9%, promising yet more trouble when these increases work their way through to the supermarket checkout.

Labor leaders are openly scornful of the idea that 1973 wage increases can be held to the 5.5% guideline of Phase II. They are talking of 7.5%, and 8%, and even more.

In the international money markets, new raids on the dollar—triggered by growing mistrust of Phase III—have already forced the President to declare another 10% devaluation. The international payments system has broken down completely, and the world faces the disconcerting prospect of floating currencies and monetary chaos for an indeterminate period.

The stock market dropped 100 points in what was largely a vote of no confidence.

Whatever its theoretical merits, Phase III is a failure. And the nation simply cannot afford a failure of wage and price controls. Instead of applying patches like this week's new oil regulations, the President should terminate Phase III and replace it with a new set of controls that will work.

METAPHORS ARE NOT ENOUGH

Above all, these new rules must be clear, explicit, and backed by a firm determination to make them stick. Phase III suffered from bad luck and bad timing, but its fatal flaw was ambiguity. The country waited for clarification, and clarification never came. Administration spokesmen—Treasury Secretary George Shultz, Phase III administrator John Dunlop, and the President himself—all spoke in metaphors. Presumably the clampdown on oil was designed to demonstrate that there really is "a stick in the closet," but the implication is that it will be used only in special situations and then applied lightly.

Essentially, this is the approach of the mediator rather than the controller. A mediator does not lay down the law to anyone. He shuttles back and forth between the parties to a dispute, sympathizing with both and looking for acceptable compromises.

John Dunlop used this technique successfully in the construction industry to bring wage increases to acceptable levels. But what worked in a particular industry over a period of time will not work in an economy facing an immediate inflationary threat. The U.S. cannot mediate with the forces of inflation. It must control them.

For that reason, the Administration must make it clear that there is nothing "voluntary" about the new rules. And it must spread its enforcement net wide enough to ensure compliance by small producers and small labor groups as well as large. The idea that an economy can be managed by applying pressure at a few key spots in big companies and big unions may be workable when the system already is more or less in balance. It is an evasion of the issue—a cop-out—when an inflationary explosion is impending.

THE URGENT PROBLEM OF PRICES

The immediate focus of the new program must be prices. This is the critical area now. The showdown with labor over wage increases will come later. And the controllers will have no hope of winning that showdown without a clean record on prices in the months just ahead.

To control prices there must be clear rules on figuring ceilings and determining what costs can be passed through. There must also be an enforcement apparatus. This means bringing back some of the galling, time-consuming paperwork of Phase II—the reporting and substantiation of price increases. It may also mean a tighter squeeze on profit margins.

All this will be painful for business, but with the economy going into its second year of rapid expansion and with profits still gaining, business cannot plead hardship as it legitimately could in 1971.

Like it or not, the Administration should also expand its price controls to include farm prices—raw agricultural products changing hands for the first time. From the beginning, the exemption of farm prices has been the great weak spot in the control system. Unless the President plugs this hole, he cannot hope to make the rest of the control machinery work.

The best approach to the farm price problem would be to set ceilings, based on the record highs of the past year, and reinforce them by a vigorous program aimed at increasing supplies in the 1973 crop year. Any controls on farm prices involve the risks of shortages and black markets—as well as the political protest from the farm bloc Congressmen. But for the short term, controls are the only way to keep farm prices from dragging the whole economy into more inflation.

If the Administration can make controls stick on prices—especially on food prices, which are more than 20% of the consumer price index—it can reasonably say to labor that the 5.5% guideline is the limit for 1973 wage increases. And that is what it must do if the U.S. is to come out of the year with inflation at last winding down.

This is a crucial year for wage bargaining. It marks the start of a new cycle, with such key industries as rubber, electrical manufacturing, and autos writing new contracts. From the start, the basic strategy of the controls program has been to steer these pattern-setting contracts toward noninflationary settlements. Now, at the critical moment, the U.S. needs controls that work.

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FOREIGN AID FOR OUR AUTO INDUSTRY

(Mr. REES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. REES. Mr. Speaker, Detroit has won another round in its campaign to pollute the atmosphere of this country. with the Environmental Protection Agency giving in on its effort to force the Detroit automakers to adhere to the 1975 pure air standards, Americans can look forward to more bouts with dirty, choking, eye-searing and killing smog.

It has always been so. What the automakers want, they get. The "damn the public welfare" attitude that has always prevailed continues to rule the roost at General Motors, Ford, and Chrysler.

As odd or shocking as it might seem, practically all the improvements to the American automobile designed to protect the public such as seatbelts, adequate bumpers and now air pollution control devices, have been mandated by the Congress and forced on the automakers over their opposition. They prefer spending their efforts on sales gimmicks and in designing new garish front grills, tail fins, or hydraulic toe rests.

Our auto industry is sick—it has been sick a long time. Our auto exports shrink as the auto imports skyrocket. The Detroit answer to the Volkswagen was the Edsel. Here is an industry isolated in the machinations of its own ego—the demented king who claims supremacy as his once great empire wastes away.

The prime example of the ineptness of the sick giant is in its inability to clean up the dirty engine. While Detroit insisted that it could in no way meet the 1975 standards, foreign automakers have shown that they can.

Mazda, a Japanese automaker with a Wankel rotary engine, built under a German patent, qualified; so did Mercedes, a German automaker with a diesel engine. Two other Japanese automakers, Honda and Toyo Kogyo, both stated that they would be able to meet the 1975 standards.

Most of these automakers—all foreign—who are qualified to meet the standards, have developed new technology based on the redesign of the motor in order to create their low emission autos. Detroit, on the other hand, is still fiddling around with a catalytic converter concept that is not very effective and has been around for too many years to remember.

Let us face it, in automobiles the United States has become an underdeveloped country. Our vaunted technology has been long outmoded. Maybe the Japanese and the Germans should include us in their foreign aid program; they could teach us how to build efficient smog-free motor vehicles.

ROLLBACK TO ANY DATE UNWORKABLE

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAYNE. Mr. Speaker, I want to congratulate the Democratic leadership on its good judgment in having stopped the further forward progress of the very misguided proposal to roll back prices to January 10.

The bill as reported by the Banking and Currency Committee was a monstrosity which would have jeopardized efforts to control inflation and done incalculable harm to our economy. If the leadership has, indeed, fully and permanently rejected the rollback concept it has acted wisely, after receiving a clear signal from the American people that they want no part of this absurd and self-defeating proposal.

However, there are disturbing reports this noon that the Democratic leadership is again buckling under pressure from organized labor, consumer groups, and big city mayors and is toying with the idea of reneging on yesterday's decision to abandon rollbacks. It is said Democratic members of the Rules Committee may be asked to rubberstamp a new bill to roll prices back to the levels of March

16. I earnestly entreat the leadership not to make such a grievous blunder. A rollback to any date would be grossly unfair to everyone engaged in producing or selling food, fiber, or manufactured goods in this country, and against the best interests of consumers as well.

For example, as I have stated in earlier remarks in this Chamber this week, any rollback would make it impossible for livestock feeders who paid high prices for feeder cattle before the rollback date to recover their costs, let alone make a profit. But the most decisive criticism which can be made of a rollback to any date is that it would be absolutely unworkable.

I want to serve notice here and now that no matter what Democratic Members do, most of us on the Republican side will continue to fight any rollback as a matter of principle, no matter what date may be selected by those trying to put our citizens in an economic straitjacket. And I say to my Democratic friends that you will be seriously misreading the mood of the electorate if you continue sponsoring price rollbacks which are unwanted, unfair, and unworkable. I appeal to you to join us Republicans in burying this cockeyed rollback idea once and for all in the best interests of all the American people.

LARGEST BASKETBALL OFFICIALS ASSOCIATION MEETS HERE

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, the International Association of Approved Basketball Officials—IAABO—is holding its annual meeting here in Washington this weekend.

I would like to take just a few minutes to commend basketball officials in general and IAABO members in particular for the outstanding service they are performing to the game of basketball.

With its more than 12,000 members, IAABO is the largest basketball officials association in the world. Its more than 250 local official boards operate in 38 States and 15 countries and U.S. possessions.

IAABO has local boards in Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin, Australia, Bahamas, Canada, Canal Zone, Cuba, Germany, Guam, Iceland, Italy, Japan, Korea, Netherlands, Philippines, Puerto Rico, and Spain.

Just as basketball players prepare themselves for the season, so do basketball officials. This includes not only refresher courses on rules plus highly detailed examinations, but also physical conditioning. IAABO officials spend hundreds of preseason hours getting ready for the season. Although the officials do make a few dollars for their work, their most gratifying reward comes when the coach of a losing team tells them, "nice job, ref." Basketball officials are too often cast as villains in our sports society. Sports writers rarely compliment officials but are quick to criticize any calls with which they do not agree. Losing coaches view officials as a built-in alibi for a loss. Fans boo officials, players tolerate them and their wives complain about not seeing them. They must make unpopular decisions in the face of thousands of spectators and they must make such decisions in a split second without any chance for thinking it over or looking at slow motion replays.

It has been said that of all the sports, basketball officiating is the toughest. Each official may make as many as a hundred calls in every game. He is considered perfect if he is right on every single call, and if he misses one or two, he is considered a good official. Three or four misses will earn an official only an average rating, and if he misses more than four he is called a bum.

But if a basketball player is successful on only 50 percent of his shots he is called a super star, and a baseball player who hits safely one out of every three times at bat is a candidate for the Hall of Fame. But it may well be this high degree of excellence that is required of officials at least in the fans' and coaches' eyes that keeps IAABO officials constantly striving to reach perfection.

Mr. Speaker, I salute IAABO on this occasion of its annual meeting and pay special tribute to that organization's president, Dr. Phillip Fox, who also serves as the athletic director of the District of Columbia Teachers' College. Basketball officials should remember that they may not be loved but they are surely needed.

ECONOMIC STABILIZATION ACT EXTENSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 10 minutes.

I. INTRODUCTION

Mr. WHALEN. Mr. Speaker, during the 12-month period—July 1, 1969, through June 30, 1970—the Consumer Price Index, which measures the cost of living, advanced 5.95 percent—from 127.6 to 135.2. In response to this inflationary situation, the Congress, on August 13, 1970, incorporated in the bill extending the Defense Production Act Presidential authority to freeze wages, salaries, prices, and rents at existing or higher levels. In signing this measure 2 days later, President Nixon averred that he had no intention of using this power. He indicated that any control on wages, prices, and rents, "simply does not fit the economic conditions which exist today."

Yet a year to the day—August 15, 1971—President Nixon invoked the discretionary powers contained in Public Law 91–379. He ordered an immediate 90-day freeze on all wages, prices, and rents. Additionally, the President appointed a Cost of Living Council "to work with leaders of labor and business to set up the proper mechanism for achieving continued price and wage stability after the 90-day freeze is over."

Phase 2 of the administration's stabilization program commenced November 14, 1971. The newly established 15-member Pay Board instituted a general guideline permitting a 5.5-percent per year wage increase. The Pay Board's counterpart—the Price Commission—announced its intention to limit price increases to 2.5 percent. The difference between these two goals—3 percent—represented the long-term trend of increase in worker productivity.

On December 14, 1971, Congress again extended the Economic Stabilization Act through April 30, 1973—3 months prior to his August 15, 1971, action, the President signed H.R. 4246 which continued his wage-price-rent control authority through June 1, 1972.

Phase 2 remained intact during calendar year 1972. On January 11, 1973, the President ended mandatory wage and price controls except on food, health, and construction and embarked upon phase 3 of his stabilization program. As published in the Federal Register on January 12, phase 3 provides that: First, wage increases shall not exceed 5.5 percent—subject to allowed adjustments—unless the standard is changed; second, price increases shall be limited to coverage of cost increases. Enforcement of phase 3 is vested in the Internal Revenue Service and the Cost of Living Council. If the Council, after reviewing reports mandated under phase 3, determines that a wage or price increase violates voluntary guidelines, it can issue a temporary order establishing interim levels. After a public hearing, during which affected parties can defend their actions, the Council may impose legally binding wage and/or price levels.

On April 4, 1973, the House Banking and Currency Committee amended and then approved S. 394. This measure, as reported by the committee, extends until April 30, 1974, the President's authority to control wages and prices. Amended S. 394 also provides that all prices, including interest rates and food, be restricted to their January 10, 1973, levels. Wages, however, are not subject to the rollback or freeze, although the President retains the right to control wages of those earning over $3.50 per hour.

On April 11, 1973, House Democratic leaders decided to postpone action on amended S. 394 until after the Easter recess. Instead the leadership will ask the House to pass a resolution which simply extends the current law for another 60 days. This proposal will be considered during the week of April 16.

II. EFFECT OF THE ECONOMIC STABILIZATION PROGRAM

Before assessing the merits of the 60-day extension resolution and the Banking and Currency Committee's alternative, it is necessary to review the efficacy of economic stabilization efforts since August 15, 1971. Two fundamental questions must be answered. First, has the program been equitable? Second, has it achieved its objective of controlling prices?

HAS ESA OPERATED EQUITABLY?

In retrospect it is clear that the administration of wage-price controls during the past 19 months has fostered two serious problems.

First, the decision to maintain a limited operating staff has placed the program beyond the reach of the average citizen. Inquiries or appeals directed to Washington often receive neither an acknowledgment nor a decision. This fact again was brought to my attention yesterday when I was contacted by a member of the Amalgamated Meat Cutters and Butcher Workmen's Union. In August, 1972, the Dayton local filed with the Pay Board an appeal to an Internal Revenue Service decision affecting a collective bargaining agreement with the Kroger Co. No decision was rendered. The appeal was refiled with the Cost of Living Council in January 1973. To this day no acknowledgment has been received by the Dayton local.

Two other recent instances illustrate the inaccessibility of wage-price officials. Late in February I received a communication from Mr. Robert Yates, president of Local No. 178, United Rubber, Cork, Linoleum, and Plastic Workers of America. Mr. Yates informed me that in October 1972 he forwarded a registered letter to the Pay Board appealing a denial by the Internal Revenue Service of a wage and benefits package negotiated for union members at a new plant. Mr. Yates advised me that after 4 months "I have heard nothing from the Pay Board or anyone."

Last fall the Good Samaritan Hospital of Dayton, Ohio, decided to undertake a $33 million expansion program. Bond interest was to be financed, in part, by an increase in room prices scheduled for 1975. Approval of this hike was requested of the Price Board and, later, the Cost of Living Council. Two months later, at the time the construction contract was to be awarded and the bond certificates signed, no decision had been reached. In panic, hospital representatives sought to explain their problem to the Council chairman. They were refused. Finally, after vigorous intervention by Senator SAXBE, Senator TAFT, and myself, the Cost of Living Council made its determination.

If market decisions are to be centralized in Washington, an apparatus must be devised to provide rapid response to citizen concerns. The decision to commit minimal resources to the current stabilization effort precludes attainment of this objective. The resulting irresponsiveness has bred considerable dissatisfaction among my constituents. To the employers and employees of Dayton, Ohio, failure to receive any decision is more frustrating than an adverse decision.

The second inequity inherent in the present program is its failure to exact a common sacrifice from all elements of the economy. During World War II and the Korean war, profits, in addition to prices and wages, were subjected to direct controls. This is not the case today—**profits are exempt from direct Federal intervention.**

Corporation profits have risen at a rapid rate—23 percent—between the end of the third quarter, 1971—$45.6 billion after taxes—and the end of the fourth quarter, 1972—$57.3 billion after taxes. Concurrently, workers' income gains have been restricted to an approximate 5.5 percent annually. As noted in the October 1972 issue of the AFL–CIO's American Federationist—

> Workers are prepared to sacrifice as much as anyone else, for as long as anyone else, so long as there is equality of sacrifice. No such equality exists now.

Has the ESA Achieved Its Objective of Controlling Prices?

During 1972 the rate of inflation abated, the Consumer Price Index increasing only 3.3 percent—from 121.3 at the end of 1971 to 125.3 as of December 31, 1972. This record was achieved during a period of relatively high unemployment and low plant capacity utilization. Thus, how much of the economy's price performance is attributable to the operation of phase 2 controls is questionable. For example, the November 1972 issue of the First National City Bank of New York's Monthly Economic letter suggests that since November 1971—

> Prices have risen at about the same rate—or perhaps a little slower—than they would have in the absence of controls.

The article also observes that—

> Analysis suggests that the fruits of price controls have already been reaped and that continuing them can only add to their costs without increasing the derived benefits.

UAW President Leonard Woodcock shares the First National City Bank's views. Testifying before the Senate Committee on Banking, Housing and Urban Affairs on February 1, 1973, Mr. Woodcock noted:

> It is doubtful, at best, that the price controls in effect since August, 1971, significantly altered the course that prices would have taken in their absence. Increases in prices had decelerated markedly before controls were imposed. The Consumer Price Index, which was rising at an annual rate of 6.3 percent early in 1970, had slowed to a rate of 3.8 percent during the first 8 months of 1971, before controls were imposed. The annual rate of increase from August, 1971, through December, 1972, was 3.2 percent. It is questionable whether ESA deserves credit even for that small difference of 0.6 points. But even if the ESA be given full credit, the gain is hardly large enough to justify continuance of the legislation and all its negative consequences.

III. ANALYSIS OF ECONOMIC STABILIZATION EXTENSION PROPOSALS

The 60-day extension resolution, suggested by the Democratic leadership, perpetuates the inequities ingrained in the present stabilization system.

First, the administrative, review, and enforcement staff remains inadequate. Thus, overburdened Cost of Living Council personnel, of necessity, will be oblivious to public contacts.

Second, profits, despite their disproportionate growth, still are excluded from direct controls. Business firms, consequently, will continue to be the principal beneficiaries of future economic expansion and productivity increases.

Neither of these two deficiencies is ameliorated by the bill recommended by the House Banking and Currency Committee. Amended S. 394, in fact, spawns two further problems.

First, by rolling back prices to their January 10, 1973, levels, this measure imposes an impossible administrative and enforcement burden upon Internal Revenue Service and Cost of Living Council employees.

Second, it inhibits the capacity of monetary authorities to deal with inflation. One of the important tools used to combat rising prices is the power to limit the growth of the Nation's money supply. In order to keep interest at its January 10, 1973, rate, the Federal Reserve System would be required to pursue policies which would permit the supply of money to keep pace with the demand for funds, however exorbitant. To this extent, S. 394 is counterproductive in its quest to deal with inflation.

Since neither rectifies the weaknesses found in present stabilization policies, and inasmuch as passage of amended S. 394 would generate new difficulties, I shall vote against both proposals.

Today a "free market" no longer operates in America. While the market place is not dead, oligopolistic practices negate the traditional role of supply and demand in determining price. It is evident, therefore, that some permanent stabilization mechanism may be necessary. Any incomes policy ultimately adopted, however, must be both equitable and effective if it is to endure. Amended S. 394 and the 60-day extension resolution are neither.

FEDERAL JUDGE WILLIAM B. JONES' RULING TO CONTINUE POVERTY PROGRAMS SPARKS CELEBRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. GROSS) is recognized for 30 minutes.

Mr. GROSS. Mr. Speaker, yesterday Federal Judge William B. Jones ruled that the administration cannot proceed with its housecleaning in the poverty program.

It must have pleased this misguided judge to learn through the newspapers that 100 or more "poverty warriors" at OEO headquarters in Washington promptly took time off from their questionable labors to stage a celebration, complete with champagne.

Thus it was that to the popping of champagne corks and with their glasses raised on high that Washington's "poverty warriors" celebrated with glee a judge's decision hearing the effect of continuing poverty programs that have been shot through with mismanagement, scandal, and worse.

Meanwhile, in Chicago, another Federal judge, James B. Parsons, refused to issue an injunction to halt the administration's dismantling of the scandal-ridden OEO office there. Strange though it may seem, there is no report that Chicago's poverty warriors toasted Judge Parson's ruling with champagne.

Mr. Speaker, last week I called attention to a number of examples of outright fraud and widespread swindling among employees of the Office of Economic Opportunity.

This is the outfit, sometimes known as the "Poor Corps," which was the pet project of the bleeding-heart superliberals in the Johnson administration whose misbegotten theory was that money will cure any problem, and the more money the better as long as it did not come from their pockets.

Their theory proved to be bankrupt, of course, and the OEO has turned out to be what many of us thought it was in the beginning—one of the best examples of bureaucratic bumbling and waste ever created by the mind of man.

The professionals who make their living off this poverty corps are, naturally, moaning and groaning over the administration's efforts to cut down on this monstrosity and they have been joined by some of the ultraliberals on Capitol Hill and in the press.

But I am convinced that the great mass of the American people are sick and tired of this glorified welfare program and since it is their money that has been and is being squandered every day by those in this program, it is only proper that they as well as the Members of Congress should be told what is going on.

Let me cite a few more examples of how the U.S. taxpayers is being taken for a ride:

First. In South Carolina, the director of an OEO unit proposed a plant nursery training project and received $99,000 for it. He leased 11 acres of his property to the project for $1. Six months later no nursery training project has been started but nearly $52,000 in OEO money had been spent for a three-bedroom, modern rambler home on the director's property. He called it a school office.

Second. In California, the executive director of a so-called economic opportunity council received by mistake two OEO checks totaling $62,693 meant for another agency. He opened a savings account with them and, when the error was discovered he was asked to return the money. He said it had been spent.

Four days later, however, he withdrew $9,000 from the account and put it in his council's general fund. A week later he withdrew another $9,000 and put that in a Headstart account. A subsequent audit found $4,510 left in the savings account but nobody is sure of what happened to the remainder of the $62,000.

It was later discovered, however, that the executive director spent $14,999.54 to lease five cars for the Headstart program and leased two other automobiles, one for his personal use, the other for the personal use of his assistant. The two also had, and used, American Express credit cards issued to the council. At last report both men owed the OEO substantial amounts representing personal expenses.

Third. In New Jersey, the staff of a so-called community action program learned to like travel. They used OEO money for unauthorized trips to a national black convention in Gary, Ind., to an annual conference of mayors in New Orleans, La.; and to something called a "Poor People's Convention" in Miami, Fla. Vouchers submitted for this trip were falsified to show the group attended a "National Association of Community Developers" conference.

This New Jersey organization, by the way, is the one that spent $60,000 of the taxpayers' money on a charter flight and tour of Europe for 66 children from allegedly poor families. No screening was done on these children and it was subsequently found that many were not from poor families and that one came from a family with a $38,000 annual income.

Fourth. In Wisconsin, a number of participants in a Neighborhood Youth Corps program stated the director allowed them to take vacations and submit false time sheets. The director admitted signing a false time sheet and placing money earned by participants in a bank account in her own name.

Fifth. In New York State, a community action program director raised his own salary from $12,000 to $14,000 when he was authorized a salary of $10,500. This outfit also paid a salary of $11,960 for full-time work to a VISTA supervisor who was—at the same time—getting $7,510 a year as a full-time employee of a Headstart program. Nice work, if you can get it.

Sixth. In Oregon, $22,631 spent by a Community Action Agency was attributed to improper payments to its executive director, excessive salary increases, advances charged as expenditures, unsupported and improper travel costs, and improper use of grant money.

Seventh. In Florida, an OEO legal services organization allowed a militant black organization to use its facilities to print 10 issues of a newsletter named "Muck Rake" which referred to policemen as "pigs." The cochairman of the militant group was a so-called investigator for the legal services organization and, while serving as such, was arrested with three other militant group members on charges of extortion.

In Mississippi, an alleged training organization known as TATER, financed by OEO, had a director whose salary was $15,000 a year. The director charged another OEO-financed organization $2,621.80 for consultant fees for supposedly providing the identical services he was hired by TATER to provide free to such agencies.

The director came to TATER after being forced to resign as executive director of an OEO organization in another Mississippi city.

He then submitted false documents to OEO claiming that he moved his home to his new location on August 7, thus qualifying to charge moving "expenses" of $1,000 against OEO grant funds that had been authorized on August 1. It was discovered that he actually moved on July 7.

Eighth. In Georgia, two employees of an OEO "health center" have been arrested and charged with the $21,000 armed robbery of the U.S. Army Commissary at Fort McPherson.

Ninth. In Rhode Island, the director of an OEO-financed youth organization has a police record of 30 arrests on such charges as conspiracy to commit murder, robbery, extortion, and assault with a deadly weapon. A second OEO-paid official has been arrested four times on felony charges; a third was arrested seven times and a fourth is serving 15 years in jail for second degree murder.

Tenth. In New York State, a Community Action Agency retained two "consultants" who later left town when police confronted them with their criminal records—one had been convicted of bank robbery and charity fraud, the other for possession of a dangerous weapon.

Eleventh. In Florida an OEO agency truck was loaned to four men who used it in the murder and robbery of an OEO agency security guard.

Twelfth. In Pennsylvania, the associate director of a community progress council was convicted of attempted arson—the firebombing of a school. A consultant for the same organization used as a "training" film for juveniles "The Battle of Algiers," showing urban guerrilla warfare methods used by Algerian terrorists.

Thirteenth. In California, an OEO-financed Indian organization spent $2,000 for the funeral of an Indian who led the takeover of Alcatraz Island. Its interim director borrowed $800 of the organization's funds to make a down payment on a new car for another organization official, and $100 to cover his secretary's bad check. The same man had been secretary to another OEO-supported Indian organization until he was fired after making $8,182 in unauthorized expenditures in which forgery was involved. The organization also spent $18,000 to hold an American Indian Council conference in Omaha, Nebr. Its travel costs included $4,784 for airline tickets to and from the Omaha conference; $1,358 for airline tickets to Minneapolis, Minn.; $3,000 for airline tickets to Washington, D.C., and $420 to send a former employee and her family to Tulsa, Okla., for a funeral.

Fourteenth. In Ohio, an OEO-financed organization bought over $2,500 of lumber from a firm in which one of its board members had an interest. The purchase was made with a series of checks just under the $500 limit for which OEO regional office approval was necessary. One of the staff members of this outfit also hired his daughter at a salary of $300 a month, a practice which is forbidden by OEO regulations.

Fifteenth. In Texas, an attorney received $4,250 from an OEO-financed organization as a "retainer" during a period when he actually worked full time for a labor union. In addition, employees of this organization were "expected" to donate part of their salaries each month to the unemployed board president.

Sixteenth. In New Mexico, two community action program employees received mileage payments for commuting from home to office; six others were paid $1,493.98 for unused leave time; a voucher for $312 was issued to pay for dentures for the board chairman's wife and food voucher recipients were ordered to trade only at stores selected by the staff.

Seventeenth. In New York City, three officials of OEO-financed organizations have been indicted in a kickback conspiracy involving $70,000 in bribes paid to obtain $2 million worth of Federal contracts.

FOR THE GOOD OF THE COUNTRY AND THE ARMY, GEN. WILLIAM R. PEERS SHOULD NOT BE RETIRED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 5 minutes.

Mr. ZABLOCKI. Mr. Speaker, a great general who had the courage to stand up to the system, Lt. Gen. William R. Peers, is apparently being retired from the Army. At least, an Associated Press dispatch yesterday reported the Pentagon announcement that the general will retire July 1, 1973.

General Peers is presently deputy commanding general of the 8th Army in South Korea. There is where he was assigned after his meritorious service in the Mylai investigation.

Unfortunately, after serving his country nobly and honorably, he is slated to be retired.

I have had the privilege of knowing General Peers for a long time. He is not a West Pointer. He rose through the ranks. During the war, in Burma, he organized and led this country's most successful guerrilla operation of the entire war; as a colonel, he commanded OSS Detachment 101. He was uniquely qualified for the tremendous role he later fulfilled in the Army and in Vietnam. As commanding general of the 4th Division he led the big battle of Dak To. His outstanding combat command record led to his promotion as commander of II Corps Area in Vietnam.

After returning to the United States he had the important responsibility in the Pentagon in charge of the Reserve and the National Guard programs while the end of the Vietnam war was in progress. It was from this assignment that he was detached by Secretary Resor and General Westmoreland to investigate whether or not there had been a command coverup of the Mylai tragedy.

When General Peers undertook this assignment, other friends along with me told him he could not win; if he found there was not a coverup, he would be accused of whitewash; if he did find there was a coverup, he would be accused of grossly interfering with the efficiency of the Army and of the whole Defense Establishment, and of breaking the old school tie.

General Peers had proved many times before that he was not afraid of any assignment, and he turned a deaf ear. The objectivity, the fairness, and the fearlessness of his investigation made a brilliant page in American military history.

It is incredible to me that the leaders of the Army and of the Pentagon are prepared to allow General Peers to retire from active duty at this point in our history. This man with unique battle experience, with a common touch which has endeared him to the men who served under him—with the rare administrative and diplomatic skills that enabled him to carry out his Mylai assignment—should not be relegated to retirement by the Army.

In my judgment, the issue is highly imperative: It is whether or not by the action of the Army the sidelining of General Peers will cause future officers to shy away from calling the shots as they see them. We cannot let this happen to the U.S. Army.

I urge the President of the United States to find a suitable post for this unique American who, at the pinnacle of his career, is nevertheless slated to retire from his country's service.

CONGRESS SHOULD DECIDE THE FUTURE OF OEO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 10 minutes.

Mr. RANDALL. Mr. Speaker, I have today introduced a concurrent resolution expressing it to be the sense of Congress that the President should continue in operation the programs and activities authorized under the Economic Opportunity Act, utilizing fully the funds appropriated by the Congress until and unless Congress determines otherwise.

In our concurrent resolution it is also provided that it is the sense of Congress that the President submit a budget request ending for the period ending June 30, 1974 requesting appropriations for economic opportunity programs in accordance with authorizations which carry through fiscal 1974. It should be stated that this resolution is sponsored by one who has been critical of many programs of the OEO in the past, but the time of its introduction should not be surprising in the light of a ruling yesterday by a U.S. district judge that the dismantling of OEO violated the Reorganization Act which requires that a reorganization plan must be submitted to Congress before an agency can be abolished.

For years I have been critical of certain big city operations of the Office of Economic Opportunity. Yet at the same time I have seen the good things that have been done by the programs in our rural counties of west central Missouri, particularly in the work among our senior citizens and the youth in the neighborhood youth programs. After first hand observation of the successful operation of the senior citizen programs and the youth programs my opposition of former years was reversed and I joined in support of both the authorization of and appropriations for the OEO programs in 1972.

There is little doubt that there have been abuses of the OEO program in the big cities. I am not at all happy about some of these operations. Many have been top heavy on administrative costs. There has been too much spent on management of a program and not enough on the recipients themselves. Moreover, I do not have any sympathy for the legal services program.

For years I promised to support the poverty program if I could ever become convinced there would be a reasonable distribution of funding between the urban and rural areas. Over the years it seemed that the rural areas received only a few crumbs that fell off the table, left over from the lion's share lavishly spent in the ghettos of the big cities.

Then in 1972 we were able to get an amendment adopted that gave assurance of some minimum funding for the programs to benefit the aging in the rural areas. I support the retention of OEO today because I know from firsthand knowledge and information that certain programs have worked well in the areas administered by the West Central Missouri Rural Development Corp. that serves 8 of the 16 rural counties in our Fourth Missouri Congressional District.

Lest I be falsely accused I wish to make it plain that even while I supported the authorization bill for the OEO last year, I was not blind to or unmindful of many irregularities then going on in the operation of the poverty program in its big city orientation. For example as chairman of the Special Studies Subcommittee of the House Committee on Government Operations, it was my privilege to chair hearings which discovered the group of over 50 youth that were traveling in Europe on poverty funds. Our hearings developed that some of these youths came from families with incomes of over $15,000 per family, in one instance the income of the family from which one of the young recipients was selected to make the European trip was nearly $20,000 per annum. Of course, this was no way to run a poverty program. My subcommittee blew the whistle on this kind of thing and quite properly. But with the bad there was some good things going on under the canopy of OEO.

In contrast to the big city waste I have seen the programs of the West Central Missouri Rural Development Corp. provide desperately needed transportation for our aged citizens from their homes in outlying or isolated areas to places where they could receive medical attention. In contrast to the abuse of the students traveling abroad improperly one has only to observe the operation of the truly worthwhile program of one hot meal per day delivered to those indigent and aged citizens who are not able to leave their own surroundings to buy food.

Someone has so appropriately stated, "it is bad enough to have to live below the poverty line. It is more distressing to be old and ill at the same time. But the worst combination of unfortunate circumstances is to be poor, old and ill and at the same time living an isolated existence in the rural areas. It is difficult to conceive of a worse combination of circumstances." It is the kind of services to our senior citizens which the West Central Missouri Rural Development Corp. is providing that makes me determined to do my best to oppose the improper, unauthorized and now, by the judgment of at least one Federal district court the unlawful or illegal dismantling of OEO.

Mr. Speaker, the point of the resolution which I have introduced today is exactly the same as the theory on which Federal Judge Jones predicated his case yesterday. Judge Jones held that the recent actions of Howard Phillips, who has been described facetiously as the head of the "Howie Phillips Wrecking Crew," violates the action of Congress which authorized funds for the Office of Economic Opportunity through fiscal 1974.

Another point in my resolution is that the President's method of dismantling the OEO violates the Reorganization Act which requires that a plan be submitted to Congress before an agency may be abolished. I submit that so far as I have been able to determine none of the orders terminating OEO were ever published in the Federal Register. If that be true, then the orders are illegal. The Federal judge ruled yesterday that all of Howie Phillips acts against OEO are unauthorized by law and in excess of any existing statutory authority and are therefore null and void. There you have it. What could be clearer?

I have no personal grudge against Mr. Howard Phillips. He is simply following orders to ignore a congressional mandate. He has set out to destroy every OEO program on the theory that any President could destroy almost any program by refusing to request funds for the program. If this is valid and lawful then all at once we have discovered a new veto power—veto by budget message. If this kind of procedure is valid then there is nothing to keep the Chief Executive from ignoring any and all other congressional authorizations he deems contrary to his own wishes, regardless of the needs of the Nation.

Of course, many of us old fashioned Members will continue to respect the proposition that when Congress orders that a program to be authorized then only Congress in the responsible exercise of its power can make provisions for its termination. Until there is a decision by Congress to terminate a program, the only function of the executive branch is to administer the program in accord with its legislative purposes.

Put precisely, no Federal manager has the power or authority to sweep away by his own choice a program mandated by Congress.

Mr. Speaker, Congress authorized the Economic Opportunity Act. My resolution introduced today provides that any effort to reorganize the OEO must first be submitted to Congress pursuant to the reorganization act. Only Congress—not some bureaucrat in the executive branch—can determine whether an authorized program be continued, modified or terminated.

THE KODAK SUGGESTION PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, we recognize the great desirability of broader citizen participation for improvement of government and other institutions of our society. One of the outstanding industrial institutions in the Nation, Eastman Kodak Co. of Rochester, N.Y., has successfully applied this principle to its operations for many years through an employee suggestion plan. The Kodak suggestion plan, the second oldest such plan in continuous operation in the country, is marking its 75th anniversary this year.

The Kodak suggestion plan has received more than 1.4 million ideas during that time for improving the company's operations, products, and services, and nearly 500,000 have been adopted. The creative suggestions of Kodak employees have contributed to reducing costs, eliminating waste, increasing safety, and improving Kodak products and services to the public. The company now awards about $1 million annually to its employees for their suggestions.

In hailing the contribution of its suggestion plan in the company's progress, Kodak President Walter A. Fallon said recently:

> The sustained vitality of Kodak's Suggestion Plan is a tribute to the efforts of our people who are concerned about improving company operations and to the work of the individuals who objectively evaluate the thousands of new ideas submitted each year. For three-quarters of a century, these Kodak men and women have been at the forefront of innovation. There are few areas of the company that have not benefited from their collective and individual insight and concern. I am confident that a high rate of participation on the part of Kodak people will continue to characterize the plan in years to come.

The plan was initiated in 1898 by George Eastman, founder of the company, at the Kodak Park Works located in the area which I represent. The first suggestion proposed was a simple one—that the windows in the black paper department be washed—for which the employee received a special award of $2. As the company has expanded and the employee force has grown to its present total of 115,000 worldwide, the suggestion plan has developed apace. More than half the total number of suggestions and awards have been made during the past decade with a top award of $47,800 being made to an employee in 1971. The plan over the past 75 years has served as an effective method of evaluating and rewarding new ideas as well as a responsible means of two-way communication between management and employees. All have been the beneficiaries.

Mr. Speaker, I am pleased at this opportunity to bring this outstanding industrial improvement plan to the attention of my colleagues in this 75th anniversary year.

HIGHWAY TRUST FUND: THOUGHT-PROVOKING PRESENTATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 5 minutes.

Mr. CLEVELAND. Mr. Speaker, a curious paradox has developed concerning diversion of highway trust funds to urban rail transit. While diversion has lost support in Public Works Committee compared with last year, it seems to be gaining support among Members at large.

I believe I know why. The Transportation Subcommittee held a full week of hearings in late March and produced a wealth of testimony in support of preserving the trust fund. True, there was also the routine rhetoric about congestion, pollution, and the problems of the urban poor, but these arguments were decisively refuted.

At the same time, however, Members have been deluged by appeals to bust the trust, apparently generated by misleading coverage of the issue by the national media, which largely ignored those hearings.

For this reason, I wish to call to Members' attention the provocative testimony of Prof. George W. Hilton of UCLA.

He documents the fact that the ability of transit to divert riders from road to rail is "trivial" in comparison with normal pressures for traffic growth in metropolitan areas.

He goes on to argue that rail transit generates high-density development and demand for transportation only partly is met by transit itself. Finally, he supports my contention that means must be found to require transportation needs to be taken more fully into account in local control over large-scale development—via some form of "impaction statement."

I do not agree with Professor Hilton's policy recommendations in all respects. He does not support the trust fund, but he more strongly opposes diversion. In fact, he opposes any form of Federal subsidies for urban rail transit.

For those who regard trust fund defenders as antitransit, I reiterate my support for urban mass transit from general revenues or a separate trust fund.

Following are excerpts from Professor Hilton's testimony and our verbal exchange:

PROFESSOR HILTON'S EXCERPTS AND VERBAL EXCHANGE

Mr. HILTON. My name is George W. Hilton. As you have stated, I am Professor of Economics at UCLA.

I requested an opportunity to testify because I feel the findings in a study which I have written are relevant to your considerations. I have written a monograph, *The Urban Mass Transportation Assistance Program,* which will be published later this year, in a series of the American Enterprise Institute.

* * * * *

About two-thirds of UMTA's funds go into the building of rail systems. Since the establishment of the UMTA Program, it is clear from the testimony of the program's proponents that their major interest is in the proliferation of rail transit systems, of which the Bay Area Rapid Transit, currently nearing completion and is the prototype.

Although this system is not in full operation, and it is questionable whether one can make a definitive judgment on it from what is already in operation, the UMTA program in Chicago, Boston and Cleveland has already brought forth rail lines from which it is possible to draw valid inferences on what can be accomplished with this form of investment.

UMTA financed a rapid transit line of the Chicago Transit Authority in the median strip of the Dan Ryan Expressway, the main freeway running straight south from the Chicago Loop. This line was opened in 1969, and by 1972 it was handling 108,600 passengers per day.

Over 80 percent of the passengers were former passengers of other CTA rail or bus lines, or of other pre-existing public transportation, mainly, mainline railroad commuter services in the area. Only eight percent in the survey by the CTA, at the southern terminus of the line, reported themselves as former drivers. To say that eight percent of the passengers were former drivers is probably an over-estimate, because the parking facilities are at the south end of the line and not at intermediate stops. So a sample at the southernmost station probably overstates the percentage of drivers.

This is consistent with the experience on earlier rail systems. It is about 10 to 12 percent ex-drivers on earlier Chicago rapid transit lines and the Toronto rapid transit lines.

* * * * *

The evidence is quite unambiguous, as I have endeavored to point out in this testimony. The experience is very consistent between the systems, that they can take off the roads approximately the number of vehicles as the Bureau of Public Roads estimated in 1968, that one to two years secular growth will put on to the roads.

On the basis of the rapid transit systems which UMTA has built already, that's an overstatement. They typically take off less than a year's secular growth.

If you will permit me to continue with the experience of the line in the Dan Ryan Expressway, the expressway handled 122,000 vehicles per day in 1968, 126,000 in 1969. The rapid transit line was opened later in that year. In 1970, the average daily vehicle count went down to 121,500. That may be the consequence of the rail line, but in the summer of that year extensive resurfacing was carried out, which reduced vehicle count.

But accept that the reduction is all the consequence of building a rail transit line. In 1971 the vehicle counts went up to 144,100, and in 1972 it was approximately 159,000. The last year represents, in part, the completion of another leg of the freeway to connect with the main freeway running south through Champaign, Memphis and New Orleans.

DIVERSION "TRIVIAL"

But in any case, this demonstrates that the ability of a facility of this character to divert vehicles is trivial compared with the forces for growth in traffic. The other experiences are comparable.

The Skokie Swift rapid transit line in Chicago, which was an early transit line built by UMTA, and the Quincy extension of the Massachusetts Bay Transportation Authority in Boston, are each estimated to take between 900 and 1,000 vehicles a day off parallel freeways, and in both cases the vehicle counts on the freeways are in excess of 100,000 per day.

The Southeast Expressway in Boston, the freeway rival to the Quincy line regularly carries between 80- and 120,000 vehicles per day. Its peaks have been 135,000 per day. The diversion of 1,000 vehicles is imperceptible relative either to the daily variance or to the growth in vehicle counts.

Similarly, I can summarize the experience of the Cleveland Transit Authority's airport extension, which is estimated by the Cuyahoga County Highway Department, in a letter to me, at approximately—a diversion as approximately equal to six months growth of vehicle traffic on I–71, the rival freeway.

This is actually consistent with what we know about the behavior of travelers with respect to automobiles and to mass transit. As people go to successively higher incomes, they tend to increase their consumption of services related to the automobile more than proportionately to the increase in income. They tried to respond to increases in income by either approximately staying constant in their demands for urban public transportation, or more frequently, having an absolute diminution in the use of it, and tending to substitute the automobile for it.

Further, almost all forces at work upon cities are for diffusion in the urban pattern. As a result, the number of trips by whatever means into a central business district are typically declining. As I note in my prepared testimony, in Chicago about 11 percent of all trips in the metropolitan area were to the Loop in 1960, but this figure is now down to about 8 percent and is expected to reach 5 percent by 1980.

What this means is that whatever reshuffling one can do on the trips into the central business district is unlikely to have a very great impact on the overall transportation demands of a metropolitan area. Given the facts that rail transit systems can provide almost nothing but the trip into and out of the central business district, they can in a literal sense provide only a diminishing portion of a diminishing percentage of trips in a metropolitan area.

UNIVERSAL DECLINE

They have a universal pattern of decline. There is not a single rapid transit system in the country which had not gotten into a secular decline by 1959. The Cleveland extension to Hopkins Airport has had a monotonically declining rate of utilization since the year it was opened. It handled 1.4 million passengers in the year it was built, opened, in 1969, and it is now down to 886,000.

Mr. Hilton. The rail rapid transit systems, as a whole, in the United States, they have lost approximately one-third of their entire ridership since reaching their peak in ridership in 1929. They ceased to be economic for the new investment by the private sector after the panic of 1907. They continued to expand their ridership through the 1920's, and then had an absolute decline subsequently.

Consequently, if you facilitate investment in this form of transit, you will be investing in a declining industry, in facilities which can only decline over time, and which accordingly are incapable of providing the external benefits which are being sought.

The investment is justified in rail systems by their proponents almost exclusively on the basis of the external benefits which it is hoped that they can provide, which is to say, reduction in traffic congestion, and atmospheric pollution, plus increase in mobility by low-income groups. It cannot provide any of these. If it could, New York would be freer of these problems than other cities. At present, approximately 82.3 percent of American rapid transit passengers are in New York.

I hardly need tell you that New York has more of these problems rather than less.

POLLUTION, CONGESTION RISE

The high concentration of economic activity which the New York subway permits could not exist otherwise. It results in a great deal of traffic being attracted to Manhattan Island. The vehicles going there start and stop on almost every block; as compared with moving long distances, vehicles under those circumstances will pollute approximately four times as much as they will in free-flow driving. Accordingly, the rapid transit has, in fact, made these problems of congestion and pollution worse.

I'm not arguing that further investment in rapid transit will do this, because the evidence is so abundant that it has not great impact on the metropolitan area, that I think it would be intellectually dishonest to argue that it would make these problems significantly worse. In fact, what it will do is simply provide waste.

As I have argued in my prepared testimony, the present interest in rapid transit will inevitably be of short duration. The experience of the Bay Area Rapid Transit is already, I think, beginning to dispel this interest. When the system is completed, I have no doubt it will continue this process of dispelling interest in rail transit.

By 1980, at the latest, the present rapid transit movement will be looked upon as unsuccessful, misguided, and purely wasteful. Thus I think it's important to avoid or at least to minimize the amount of waste which is put into this at present.

The proposal at hand thus ought to be looked upon as one which will provide waste in the short-term situation, and in conclusion I would argue that this prospect should be avoided. I have argued in my prepared testimony that most of the problems which are, quite correctly, looked upon as problems for solution by public bodies, are a consequence of inept taxation, or other inept pricing of public facilities.

Taxing road users on the basis of an excise on gasoline does not differentiate between the social cost of their using the roads at various hours, and gives rise to rush hour congestion. Similarily, failure to tax noxious emissions results in the air's ability to dispose of pollutants being utilized to absolute satiation.

The appropriate course for public policy in this area is to develop appropriate user charges through metering the use of roads, and also taxation of noxious emissions.

The other appropriate area of public policy in this field, it seems to me, is replacing the present urban transit monopolies with a system of owner operation of buses as a competitive industry, which is to say "jitney" operations. Such an industry would be more demand responsive, would be cheaper to operate, would be more appropriate to the transportation demands of the urban poor, and would, in addition, provide employment opportunity for the urban poor, making use of a talent which most of them already have.

If these measures were adopted, what are presently looked upon very widely as insoluble problems could be dealt with effectively and the waste of the character I have been discussing could be avoided.

* * * * *

Mr. CLEVELAND. Professor, you have given us a very interesting statement here. And it's falling on very receptive ears, but unfortunately, I might say—

Mr. HILTON. I think you're right in saying "unfortunately", for I'm a great believer in the adversary proceeding. I think it would be more effective if it were falling on hostile ears.

Mr. CLEVELAND. We have many more members of the Committee that I wish were here to hear your statement. I am going to make certain over the course of the next two or three weeks that they do.

You have heard the Chairman refer to the fact that we have a time problem, which I regret, and out of respect to it, I can't develop as many questions as I would like to.

As I understand what you're telling this Committee, is that the current interest in "jazzing up" urban mass transit, particularly rail transit, comes as a political response to a problem which everybody recognizes, which is traffic congestion, particularly in certain hours of the day, particularly in downtown areas—is that about the size of it?

Mr. HILTON. Yes.

RESPONSE "POLITICAL"

Mr. CLEVELAND. I suppose, like all political responses, it has to be well publicized, aided and abetted by opinion molders, I suppose many opinion-makers are caught in these traffic-congested areas. It adds fuel to this because these are the people, who are editors of a paper, or editorial writers or commentators, or TV announcers. If somebody gives them an idea there's a solution to the problem, they're going to put the heat on to see the solution is brought about; is that a fair—

Mr. HILTON. Yes. It's a very common situation. For example, you have the same thing in airports, where the nature of the pricing of runways, not differentiated by the hour of use, gives rise to a political demand for additional airports. Here it gives rise to a political demand either for freeways paralleling existing ones out of cities, or for rail transit. I would argue that both of these are waste, basically, but they are usually looked upon as the alternative solutions to a problem.

Mr. CLEVELAND. One of your suggestions is that we would solve this problem to a certain extent by making it more expensive to drive a car, at the time and place contributing to traffic congestion. Am I correct, that this is technologically possible and that there have been some experiments in England? Are you aware of those?

Mr. HILTON. I'm not aware of experiments in England. The City of Caracas has authorized some experiments in this. I was aware of the British academic interest in it.

The principal American academic proponent, Professor William Vickrey of Columbia, says that there are 15 technologically feasible ways, of which he recommends a meter on the vehicle actuated from impulses coming from a wire imbedded in the street, with the number of impulses varying on the basis of the social cost of driving.

What I'm arguing for is pricing to make more efficient use of existing facilities, rather than building additional facilities which would either be redundant, or in the case of rail transit, entirely wasteful.

Mr. CLEVELAND. I have an idea in this area that I would like to propose to you, or ask if you know of any research that has been done in it, or if there is any precedent for it:

Last year when we were debating diversion of Trust Fund moneys for the purpose of mass transit, particularly rail transit, my attention was caught by a series of articles. One was in the *Wall Street Journal*, dated Monday, March 20th, about the new World Trade Center in downtown Manhattan. This World Trade Center is going to have 9 million square feet of rental space, and that's half again, half again bigger than the Pentagon, and nearly three times bigger than the largest privately-owned office building in town.

Then, making a bad situation a lot worse, a little bit later in the *New York Times* we read about a massive new complex planned for the East River. It's going to cost $1.5 billion, and it is going to be in downtown Manhattan, and because of the space problem, they're going to build platforms out into the East River because they have used up all their space. There are going to be 9,500 luxury apartments, 6 million square feet of office building, a 1,000-car municipal garage, a 400-room motel.

Now, what this triggered in my mind is: here are these people in downtown New York building these great complexes, and pointing to them with pride—the *New York Times* is slapping them on the back, "just wonderful"—but nowhere in any of this do I read that before they build a building like this they're going to have to file some statement as to the impact on the transportation problem. The more money we throw in there trying to solve the transportation problem, the bigger and bigger they're building their buildings, and the more people they're drawing in.

TRANSPORTATION IMPACT STATEMENT

It's just as we're faced with the problem—we build a road and we have to file an environmental impact statement. So doesn't it make some sense that before a builder or developer builds one of these gigantic complexes, he should have to file some sort of transportation impact statement and to explain to somebody's satisfaction how you're going to get people in and out of the area?

Now, that's a long statement, and I'm not asking you to agree with me. I would like to ask you, professionally, if you know of any effort to correlate this type of massive piling up of complexes like that with the transportation problem, or do you just build it and then go running down to Washington saying, "We need more"?

Mr. HILTON. There are numerous requirements for statements of the transportation impact of constructing buildings in Los Angeles, for example. One has to show that one is providing parking facilities for a specified percentage of the people who are expected to use them.

The comment I will mainly make about what you said is that the existence of a rapid transit system is an incentive to build high-rise buildings like that. On the one hand, the rapid transit is already there, and on the other hand, it is usually in very bad shape financially and such buildings will generate a demand for transit.

You see it here in Washington. It is recognized that the Metro, when completed, is likely to have great difficulty in covering its variable expenses, and one way possibly to deal with this is to raise the height limitation in the city.

If a high-rise building is built in the city, one can't reasonably expect more than 15 percent of the people using it to use rail transit, if that's available. The other 85 percent will use buses, automobiles, sidewalks—just to say use the roads. This is why I mention the existence of a rail system, in general, makes a negative contribution to problems of congestion and pollution, rather than a positive one.

Mr. CLEVELAND. Just one more question.

Many of the people who are pointing to the need for mass transit are invoking the rhetoric to the effect that "these poor people without cars, this is going to be for them."

We have had some testimony before the Committee that this is not so, that most of these proposals—are for affluent suburbanities, to get them from their hideaways in the hills down into the financial markets where they make a lot of money and then go home at night.

Would you like to comment on that?

Mr. HILTON. Yes, very much. I think what you have said is perfectly correct, that these facilities do, in general, carry people from high-income suburban areas. The urban poor, as I noted a few minutes ago, simply don't want to go downtown to the extent to which their predecessors did.

RAILS AID AFFLUENT

You will notice this very clearly in the experience of the Illinois Central Railroad suburban service in Chicago. It is an electrified suburban service with stations at frequent intervals in the nature of a rapid transit line. The managers find that as the south side ghetto expands along their line, the demand for the service almost evaporates, simply because the residents don't want to go downtown in any large numbers. Increasingly, their ridership is concentrated on people coming from the extreme south end of the system going downtown.

This means that the modern generation of rapid transit systems, of the character of the BART and Metro here, are almost certainly regressive expenditures. They are almost certainly expenditures on taking high-income people to their jobs. Jobs in the central business district come to be concentrated among the higher educational levels, partly because the retailing function of the central business district declines. The clerical jobs in central business districts decline as the people who do them are replaced by computers.

What is left in the central business district is especially the financial community and central offices of certain other types of businesses, such as oil companies, for example. Thus, the trip tends to reduce in numbers who are making it, but it tends to be more concentrated in high-income and educational levels. You run into the problem that the rail systems provide almost exclusively the trip downtown, but the trip downtown is taken by people who are in successively higher income brackets, and they manifest a tendency to turn away from it towards the automobile as their incomes go up.

Mr. CLEVELAND. Is it a fair inference for me to make from your remarks, and from the other testimony that we've had, that any attempt to sell mass transit, particularly rail mass transit, invoking the image of helping the poor, that it cannot be substantiated at least on the basis of your studies?

Mr. HILTON. That's perfectly true. Even existing urban bus systems very imperfectly serve the needs of the urban poor. These monopolized urban transit systems, such as we have in the cities, in general tend to generate sufficient traffic density to justify lines only on trips into the central business district, which are declining in number.

The employment opportunities open to the urban poor, as other speakers today have pointed out, are mainly in suburban areas. The most unsuccessful series of projects which the Urban Mass Transportation Administration has undertaken—and this is an administration which has produced almost nothing but failures, almost nothing it has done has succeeded, with the exception of express bus services on freeways—the most unsuccessful category of projects was running reverse commutation trips from urban poverty areas to suburban factories and other places of employment. This series of projects was so unsuccessful that the General Accounting Office studied it and concluded that it was so unsuccessful that it was not worth continuing, and that continuing it would be a subsidy of operations which would be beyond the statutory authority of the Administration. The GAO requested termination of these projects.

LOSSES CITED

The net loss on moving people ranged from 39 cents per person to $7.40. It was found in St. Louis, for example, where there was a net loss of $7.40 per trip to provide the service, that the typical rider took a small number of trips, and after that he bought his automobile and deserted the service.

Unfortunately, or fortunately, as the case may be, the urban poor's demands for transportation are so diffused that essentially only the automobile, or a jitney system, which would be automobiles and buses operated by owner-operators, can serve their needs.

Mr. CLEVELAND. The gist of your testimony is quite alarming, because you're not only suggesting—or at least I would infer from what you have said—that we shouldn't take Highway Trust Fund money and pump it into urban mass transit, but it sounds to me as if you're questioning whether we should take any money, even if they had it.

Mr. HILTON. I should say that saying I question it is an understatement.

LEGAL SERVICES GRANTEES—HEADQUARTERS GRANTS AND REGION I THROUGH IV

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 10 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, in response to many inquiries I have received from my colleagues concerning the legal services program, I have asked Acting Director J. Laurence McCarty to prepare a chart on the current status of each grantee. The first able lists all of the "headquarters grants," including the vital back-up centers and training programs. The subsequent tables contain information, on a regional basis, on each of the programs engaged in the delivery of legal services.

An "X" indicates that a refunding decision for 12 months was made during fiscal year 1973. Longer grants are denoted by the number of months. The terminal date for each of these grants is listed under the heading "Program Year End."

Where refunding has been on a less than full year basis, this partial grant is indicated by a "P." The columns labled "Partial funding—number of months"—

and "Expiration of partial funding" describe the current status and terminal date for each of these temporary extensions.

An "N" indicates that a refunding decision has not yet been made. The columns for "Program Year End" and "Expiration of Partial Funding" state when such programs lose their funding in the absence of positive action.

Programs which are operating under long-term funding authorized during a previous fiscal year are designated with an "fiscal year" and the appropriate date.

The last two columns for each grantee—"Tentative remaining months planned" and "Tentative PYE after funding remaining months"—provide long-range prospects for programs which have not been refunded on a full year basis. However, it must be stressed that these two columns simply describe "tentative" planning and do not represent a commitment for further refunding from the Office of Legal Services.

I am sure all who are interested in this important program will want to make a careful study of the material which has services. I include it at this point in the been prepared by the Office of Legal Services. I include it at this point in the RECORD:

OFFICE OF LEGAL SERVICES, FISCAL YEAR 1973

Grantee Number	Name	12 month funding made during fiscal year 1973	Program year end (PYE)	Partial funding (number of months)	Expiration of partial funding	Tentative remaining number of months planned	Tentative program year end after funding remaining months
	HEADQUARTERS						
	Indian reservations:						
91164	DNA, Ariz	P		5	May 1973	6	November 1973.
70078	Papago Tribe	X	October 1973				
80055	North Dakota LS	P		5	May 1973	12	May 1974.
80045	South Dakota LS	X	December 1973				
81052	Wind River Wyo	X	February 1974				
50048	Leech Lake	X	March 1974				
60037	Zuni	N	June 1973			12	June 1974.
	Research and demonstration:						
31589	U.S.C., National Senior Citizen's Law Center	X	do				
50867	Central State University	P		6	June 1973	(1)	(1).
50020	CLEO	X	June 1973			(2)	(2).
00823	Seattle Paralegal	X	July 1973				
70006	St. Louis Paralegal	X	do				
30053	Center for Corrective Justice	Fiscal year 1972.	October 1973				
30075	Urban Law Institute Antioch	X	August 1973				
30097	National Clients Council	X	September 1973				
10087	Dixwell Legal Rights	P		4	April 1973	(3)	
30019	Paralegal Institute	N	January 1973			(4)	
50005	Cook County Computer	N	May 1973			3	August 1973.
80011	Denver Paralegal	N	April 1930			(4)	
50014	Institute for Consumer Justice	Fiscal year 1972	December 1973	(5)	(5)		
10072	Council of Elders	do	June 1973	(6)	(6)		
90043	California State Bar	X	September 1973				
	Training and support:						
80026	University of Colorado Indian Center	Fiscal year 1972	June 1973			(4)	
90037	University of California Housing Center	P		6	June 1973	(4)	
90037	University of California Economics Development Center	P		6	do	(4)	
30360	UCLA Health Center	P		11	August 1973	(4)	
20089	Bureau of Social Science research	X	August 1973				
50043	NLSP Center Welfare	13 months	do				
50105	Northwestern University	15 months	March 1974				
B1C5292	Catholic University training	P		10	June 1973	(4)	
10301	Harvard University Education Center	P		3	April 1973	(4)	
70027	St. Louis University Juvenile Center	X	September 1973				
90522	S.F. Youth Law Center	14 months	do				
10061	National Consumer Law Center	P		11	November 1973	(4)	
30057	Migrant legal action program	P		4	April 1973	(4)	
20051	N.Y. Law Association Employ	P		4	do	(4)	
B005101	Comm. Clearing House	N	May 1973			(4)	
50020	ABA Comm. on Corr. Facilities	Fiscal year 1972.	do			(4)	
50058	Howard U. Reg. Heber Smith	X	July 1973				
51525	National Aid and Def. Ass. (T.A.)	Fiscal year 1971.	do			(4)	
B2C5378	ATAC. Evaluation Contract	Fiscal year 1972.	March 1973			(4)	
	REGION I						
12070	Rhode Island	X	July 1973				
10242	Lynn, Mass	X	August 1973				
10363	Massachusetts Law Reform	X	September 1973				
10000	Bridgeport, Conn	X	do				
11663	Stamford, Conn	X	do				
10134	Norwich, Conn	X	do				
10101	New Haven, Conn	X	October 1973				
10062	Middletown, Conn	X	do				
10282	Lowell, Mass	X	do				
10378	Fitchburg, Mass	X	do				
10264	Springfield	P		1	Combined with Western Mass.		
10011	Western Mass., Holyoke	X	October 1973				
10036	New Hampshire	X	November 1973				
10030	Hartford, Conn	X	December 1973				
10209	Cape Cod, Mass	X	do				
10324	Boston, Mass	P		6	June 1973	6	December 1973.
10040	Cambridge, Mass	X	December 1973				
10224	New Bedford, Mass	X	do				
12020	Revere, Mass	14 months	February 1974				
10001	Toland Windham, Conn	X	December 1973				
10175	Maine	P		6	September 1973	6	March 1974.
10045	New Britain, Conn	X	April 1974				
10105	Waterbury, Conn	P		10	August 1973		
10389	Worcester, Mass	P		6	October 1972	6	April 1974.
11501	Vermont	Fiscal year 1972	June 1973				
	REGION II						
20519	Trenton, N.J	X	July 1973				
20055	Presbyterian Sen. S., N.Y	X	do				
21158	Nassau, N.Y	X	do				
21497	Virgin Islands	X	do				
20020	Atlantic City, N.J	X	August 1973				
20053	Up-State, N.Y	15 months	November 1973				
20699	New York City (CALS)	P			July 1973	(7)	(7).

Grantee Number	Name	12 month funding made during fiscal year 1973	Program year end (PYE)	Partial funding (number of months)	Expiration of partial funding	Tentative remaining number of months planned	Tentative program year end after funding remaining months
20023	Ocean Monmouth, N.J	X	September 1973				
22081	Hudson Co., N.J	X	October 1973				
20526	Middlesex Co., N.J	X	do				
21811	Passaic Co., Patterson	X	do				
21095	Buffalo, N.Y	13 months	November 1973				
21183	Niagara, N.Y	do	do				
21045	Chautauqua, N.Y	do	do				
21050	Chemung, N.Y	X	October 1973				
21236	Rockland, N.Y	X	do				
21009	Albany, N.Y	N	December 1972			12	October 1973.
20438	Camden, N.J	X	November 1973				
20581	Somerset	X	do				
21500	Westchester Co., N.Y	P		10	September 1973	(7)	(7).
20053	Mid-Hudson Valley, N.Y	P		11	October 1973	(7)	(7).
22089	Elizabeth, N.J	X	December 1973				
22092	Newark Essex, N.J	P		9	September 1973	(7)	(7).
22092	Essex, N.J	P		9	do	(7)	(7).
20479	Newark, N.J	P		5	May 1973	4	September 1974.
21191	Utica, N.Y	P		11	November 1973	(7)	(7).
21027	Broome Co., N.Y	X	December 1973				
21477	Puerto Rico	P		8	September 1973		
21130	Rochester, N.Y	P		10	November 1973	(7)	(7).
20050	Orleans, Albion, N.Y	P		10	do	(7)	(7).
21890	Syracuse, N.Y	P		10	do	(7)	(7).
20422	Bergen Co., N.J	X	February 1974				
	REGION III						
31176	Charleston, W. Va	X	August 1973				
30008	Wilmington, Del	X	September 1973				
30076	Washington, D.C	X	do				
30396	Baltimore, Md	X	do				
30707	Pittsburgh, Pa	X	do				
30924	Philadelphia, Pa	X	do				
31136	Richmond, Va	X	do				
31201	N. Central, W. Va	X	October 1973				
30820	Chester, Pa	X	November 1973				
30039	Charlottesville, Va	X	do				
30872	Wilkes-Barre, Pa	X	December 1973				
30955	Wash. Greene, Pa	X	do				
30856	Scranton, Pa	X	January 1974				
30764	Bucks Co., Pa	X	February 1974				
31141	Roanoke, Va	X	April 1974				
31222	Mingo Co., W. Va	X	do				
30803	Harrisburg, Pa	Fiscal year 1972	September 1973				
30985	York, Pa	do	do				
30769	Cambria Co. Johnstown, Pa	do	do				
31165	Tech Foundation	P		4	April 1973	(8)	(8).
Note 31208	Mercer County, West Virginia funded from sec. 222 funds through August 1973—Future funding not determined at this time.						
	REGION IV						
40462	Huntsville, Ala	Fiscal year 1971	July 1973				
40459	Georgia Legal Services	do	do				
40137	Louisville, Ky	X	August 1973				
40132	Northeast Kentucky	X	do				
40260	Daytona Beach, Fla	X	September 1973				
40961	Florida Rural Legal Services	X	do				
40192	Tampa, Fla	X	do				
40593	Charlotte, N.C	X	do				
40512	Durham, N.C	X	do				
40590	Greenville, S.C	X	do				
40460	North Mississippi Rural	X	October 1973				
40573	Charleston, S.C	X	do				
40429	Winston-Salem, N.C	X	November 1973				
40061	Birmingham, Ala	X	December 1973				
40358	Atlanta, Ga	X	do				
40461	Clarksdale, Miss	X	do				
40420	Memphis, Tenn	X	do				
40477	Jackson, Miss	X	do				
40457	Knoxville, Tenn	X	January 1974				
40851	Nashville, Tenn	X	do				
40756	Elk Duck, Tenn	P		5	June 1973	(4)	
40559	Jacksonville, Fla	X	April 1974				
40626	Columbia, S.C	X	May 1974				
40867	Miami, Fla	X	June 1974				
40713	Chattanooga, Tenn	X	March 1974				

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[1] Demonstration terminated.
[2] To be transferred to HEW.
[3] Terminal grant.
[4] Not determined.
[5] Did not request refunding.
[6] 1 time grant extension.
[7] Regional funding plan less than 12 months.
[8] Other grantees to be determined.

CALL FOR CONSTITUTIONAL CONVENTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, today, I have introduced a bill that provides for a reasonable and orderly process by which an article V Constitutional Convention can be called and conducted. It is urgently needed to supply answers to the perplexing questions which have been raised concerning this method of amending the Constitution.

My interest in this legislation arises because of the need to amend the Constitution to prohibit busing for reasons of race, creed, or color. Across the country there are many who favor such an amendment and who have taken the initiative with their State legislatures. I am told that already 9 State legislatures have adopted resolutions calling for a convention with respect to this subject and that over 20 other State legislatures are considering such action. This group obviously has a special interest in legislation which would provide the mechanics for the calling of a constitutional convention. Thus it is conceivable that the States will mandate the call for a convention in the not too distant future.

Mr. Speaker, passage of this legislation would resolve a number of questions which could be raised and have already been raised concerning the amending of our Constitution by a method which has not been used in modern times.

I am hopeful, of course, that two-thirds of both the House and Senate will approve the constitutional amendment to prevent forced racial busing which I have introduced and that it will be approved by three-fourths of the State legislatures. But even if that is approved, the procedure for holding a Constitutional Convention ought to be established. The procedures need to be set out.

I am concerned that the powers of a Constitutional Convention be limited. The words "that such convention would have power only to propose the specific amendment and would be limited to such proposal" provide the limitation. Presently, a Constitutional Convention lacking guidelines could propose a proliferation of amendments and revisions. The bill I have introduced is identical to the one introduced in the other body by Senator ERVIN of North Carolina.

I encourage my colleagues to support this proposal as both timely and appropriate.

BENEFITS TO ASBESTOS WORKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FRELINGHUYSEN) is recognized for 10 minutes.

Mr. FRELINGHUYSEN. Mr. Speaker, today the entire 15-member New Jersey delegation is introducing a measure designed to provide benefits to asbestos workers who have become incapacitated, and to dependents of workers who have died from asbestosis or mesothelioma—two diseases which occur as a direct result from exposure to asbestos dust.

Manville, located in New Jersey's Fifth Congressional District, which I represent, is the home of the world's largest manufacturer of asbestos products—the Johns Manville Co. Over a period of years, many of the workers at the Johns Manville plant have become victims of asbestosis or mesothelioma. Asbestosis is a severe scarring of the lungs caused by inhaling asbestos fibers over the course of many years. Beginning as a mere shortness of breath, asbestosis develops into a near paralysis that makes breathing and bodily movement increasingly difficult. In the end, the victim's lungs function so marginally that, if the individual does not suffer death from respiratory illness such as pneumonia, he will eventually suffocate. Mesothelioma is a form of chest or abdominal cancer that accounts for only one out of 10,000 deaths in the general population, but which has in the last 8 years claimed the lives of at least 58 Manville residents.

In December, 1970, Congress passed the Occupational Safety and Health Act, which established a mechanism for promulgation and enforcement of health and safety standards. One of the standards which has been developed under that law pertains to acceptable levels of asbestos dust for human exposure. Thus it is expected that from now on, problems resulting from exposure will no longer occur. However, there are many workers who have suffered disability or death as a result of past exposure, and few States provide benefits under existing workman's compensation laws. It is the purpose of this measure to correct that unfortunate situation.

Patterned on the landmark "black lung" measure, which provides benefits to coal miners, our bill, after an initial period of Federal responsibility, would provide a mechanism for transferring responsibility to the States.

We are particularly gratified that Representative DOMINICK V. DANIELS has agreed to cosponsor this measure, since he serves as chairman of the Select Subcommittee on Labor, which will probably have jurisdiction over the bill.

TO PROTECT THE ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 10 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, President Nixon has proclaimed this week, April 8–15, as Earth Week, 1973. It is good to have this occasion to renew our dedication to preserving and conserving our national beauty and our natural resources.

I am taking this opportunity to introduce three bills aimed at protecting the environment and increasing public enjoyment of it. The first calls for the preservation of the beautiful gorges of the West Fork of the Sipsey Fork of the Warrior River in the Bankhead National Forest.

The preservation of the Sipsey Wilderness in Alabama is a vital project and worthy of the full consideration of the Congress. This area, if preserved, will mean many things to many people. To some, it will represent endless opportunities for outdoor recreation, from hiking and hunting to nature photography and camping. To some, it will provide the poetry of solitude and stillness, the chance, as Thoreau put it, "to live deliberately, to front only the essential facts of life." To some, it will mean the unexcelled scenic beauty of the thirty miles of gorges, the streams, the canyons, and the forests populated by deer and wild turkey. To some, it will mean botanical findings, to other an investment for the future , a natural legacy for Americans yet unborn.

But Mr. Speaker, which ever of the many reasons one chooses, the conclusion is the same: the Sipsey Wilderness should be preserved.

The second bill increases the Federal contribution to 90 pecent of the cost of shore restoration and protection projects. The Congress is aware of the many reasons why it is imperative to halt beach erosion and why it is important that we take all necessary steps to preserve our Nation's seashores. Beaches and dunes are the primary line of defense against the destructive power of the sea for many inland areas contiguous to our coasts. No less a purpose than the protection of lives and property is thus served by the preservation of our beaches.

It is estimated that 53 percent of America's population, or about 106,000,000 people, live within 50 miles of the coasts of the Atlantic and Pacific Oceans, the Gulf of Mexico and the Great Lakes. To an American public with more and more leisure time, it is important that recreational opportunities be expanded and that existing facilities be protected. Beach preservation can serve this purpose by enhancing the beauty and usefulness of our shores. The esthetic value of beaches has been described more precisely by poets, artists, and writers than I could do here, but I think we are all aware of the need to preserve the great natural beauty of our country. Certainly some of the greatest areas of this natural beauty are those localities where the sand and the sea come together.

The third bill authorizes a feasibility study of the Bartram trail in Alabama. This trail, which follows the journey of naturalist William Bartram through Alabama in 1775, enters the State from Georgia about due east of Montgomery, approaches the Montgomery area, and then goes south to Mobile. William Bartram studied and identified the wide variety of wild floral life as he traveled, and it is fitting that a walking trail be established to allow the public to conveniently share in the natural treasure of this area.

Astronaut Frank Borman commented, after viewing the earth from afar, that he was impressed by:

> The absolute fact that our environment is bounded, that our resources are limited, and that our life support system is a closed system. The only real recourse is for each of us to realize that the elements we have are not inexhaustible. We are all in the same space ship.

I urge the Congress to give full consideration to these pieces of legislation. We have made good progress in the past in improving the environment. Working together and with the support of the American people, we can meet the challenges of conservation that lie ahead.

ESTABLISHING A SELECT COMMITTEE ON AGING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. HEINZ) is recognized for 5 minutes.

Mr. HEINZ. Mr. Speaker, on the opening day of Congress, I introduced legislation to create a Select Committee on Aging. I am pleased to report that yesterday, Mr. RANDALL, the distinguished chairman of the Special Studies Subcommittee of the Government Operations Committee, which has been investigating the problems of aging, has joined me in sponsoring a resolution to create a Select Committee on Aging in the House.

It was in serving under Chairman RANDALL that I gained some insight into the problems faced by 20 million Americans who are over 65. It is significant that in the last year, the House has considered legislation which has profound effects on the lives of older persons. Last year it passed legislation increasing Social Security benefits by 20 percent, and we have now passed major legislation, the Older Americans Act, which goes a long way toward filling the gaps between the social security provisions and the aid and programs government can provide to allow older citizens to live with dignity and self-sufficiency. However, because of the complex nature of the problems of aging, I believe we require a special committee which can centralize information and serve as a clearinghouse on the problems of aging. As it now stands, there are minimally eight committees which consider legislation directly affecting programs for the aging. These are the Committees on Education and Labor, Banking and Currency, Interstate and Foreign Commerce, Post Office and Civil Service—Retirement and Employee Benefits Subcommittee, Veterans Affairs, Ways and Means, Government Operations, District of Columbia, and Appropriations—Health, Education, and Welfare, and Labor Subcommittee.

More to the point, however, programs which affect the aging are tucked away in legislation considered by all the legislative committees of the House.

Because of these divisions, it is difficult for any of us to get a clear impression of the operation of programs and more important, the possible shortcomings of overlapping of programs produced by committees with different jurisdictions.

At a point in our history when we have become keenly aware of the need to be fiscally responsible and to spend our taxpayers' dollars wisely, I can think of no more important mission than to develop legislation for our deserving elderly which would be effective in anticipating the interrelationship of the problems of an increasing proportion of this country's population. Such a committee could not only provide information and services to standing committees, but it could also apply itself to the task of analyzing the broad sweep of legislation for the aging. It could make periodic reports on topics of general interest in this area, and it could examine and work for the implementation of recommendations coming out of the White House Conference on Aging, which has stimulated and set the tone for much of the debate.

This year, as we consider bills which affect the lives of people over 65, and millions more Americans, now approaching the age of retirement, we have no rational system in the House of Representatives for evaluating their potential effects on the people they are designed to affect, nor can we tell how they really mesh with legislation we have passed or considered, or legislation we have passed which takes effect at a later time. If we are to do our job more effectively, I believe it is important for us to consider Mr. RANDALL's and my resolution. In the coming weeks, I hope that all of my colleagues who feel a commitment to our senior citizens will join Congressman BILL RANDALL and I in supporting this resolution which can benefit so greatly those who are undoubtedly this Nation's greatest but most undervalued asset.

ROLE OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, Time, Inc., sponsored its 50th anniversary dinner in Washington, D.C., on January 31, at which several of our eminent Members spoke. The editor-in-chief, Hedley Donovan, outlined the objectives of the Time, Inc., "Role of Congress" project, and I enter it in the RECORD today:

ROLE OF CONGRESS

Mr. DONOVAN. Ladies and gentlemen, would you rise, please? The invocation will be given by the Chaplain of the Senate, the Rev. D. Edward L. R. Elson.

Reverend ELSON. Let us pray.

God of our fathers and our God, we thank you for this land that Thou has given us for our heritage, for the heroes' valor, the patriots' devotion, the toil of hand and brain, that have brought us to this hour.

To Thee, we give thanks for our servant, Henry Luce for, his goodly heritage and family and training, for his dedication to Thee and to this country, for his lofty ideals and exacting standards. his executive skills, his literary talents, for his shaping of human destiny and his unfailable faith in the vision of a new world whose Builder and Maker is God.

We pause this night to remember before Thee, thy servant, John Stennis.

Surround him with healing ministry and grant to him an awareness of Thy nearness.

Now, make sacred our associations about these tables this night enriching our lives, blessing our food and keeping us ever mindful of the needs of others. In the Redeemer's name, we pray. Amen.

Mr. DONOVAN. Mr. Speaker, Senator Scott, members of the Congress, distinguished guests from the Executive Branch, coequal guests, of course ladies and gentlemen:,

I want to thank all of you most warmly for meeting here with us this evening. I hope it doesn't strike you as presumptuous for TIME to come down from New York to Washington, to move in on your city, and assume the privilege of giving a dinner in honor of the Congress.

The truth is we think of this also as our city, and we think of the Congress with pride and hope as Americans and with a lively curiosity as journalists. We think of the Congress as our Congress.

As we begin our program this evening, may I express my thanks, too, to the secretary of the Smithsonian Institution, Dr. S. Dillon Ripley, and to Mr. Marvin Sadik, the director of the National Portrait Gallery, for allowing us the use of this noble hall.

Fifty years ago this week a couple of ridiculously young men, Henry Luce, age 24, and Briton Hadden, age 24, were putting together the semi-final dummy, or mockup, of a little paper they proposed to call "Time, The Weekly Newsmagazine." Well, there had been some problems about the credit rating of what the young men were already calling Time Inc.; nobody had gotten any days off for two or three months; the office was unheated over the weekends; there were strenuous editorial arguments. But Vol. I, No. 1, did appear, dated March 3, 1923.

The cover story in that first issue of Time—and the cover story was an important journalistic invention in itself—was on "Uncle" Joe Cannon of the House of Representatives.

Cannon was no longer Speaker in 1923 and, in fact, was retiring from politics that year. For their first cover story the young editors could, of course, have treated the whole world as brand-new territory—they might have chosen the King of England for their first cover story, or the Pope, or Mary Pickfor, or Charlie Chaplin, or General Pershing or Marshal Foch or Marshal Hindenburg (that would have been likely to bring in a little mail) or Lenin (that might have brought in some mail, too) or Jack Dempsey or Babe Ruth—but they narrowed it down to a choice between President Harding or Joe Cannon of the House, and they chose Cannon.

That cover story was the first of 150 cover stories that Time has published on members of Congress over these 50 years, the most recent on January 15, 1973. During these same 50 years, by the way, there have been 67 cover stories about Presidents. The souvenir book at your places this evening has a few sentences from each of these congressional cover stories, and I hope you will find in these quick portraits a touch of valid history, some interesting memories and reminders, and maybe a surprise or two.

We at Time Inc. have had a long and close professional involvement with the Congress, not only in the pages of Time, the Weekly Newsmagazine, but in Life and Fortune, and once in a while even in Sports Illustrated, also in some of the books we have published, and in film, radio and TV programming that we have had a hand in.

When it came to the 50th anniversary of our company, we thought we should do some work as well as some celebrating. As a special journalistic assignment, we chose "The Role of Congress" with particular focus upon the relationship of the Congress and the Executive Branch in 1973 and the years immediately ahead. And still more specifically, we have been inquiring whether the legislative role is eroding, and the executive role is expanding in a way that throws the American system fundamentally and perhaps dangerously out of balance.

In recent weeks we have held four meetings on this theme, in Atlanta, Chicago, Los Angeles and Boston, with Senators, Representatives, academic scholars and Time Inc. editors taking part. You have all been mailed a working notebook summarizing those discussions.

We heard a very striking variety of opinion at these four meetings on the present position of the Congress, and what might be done about it, but there was one opinion we did not hear. Nobody wanted to stand up and say the Congress is working just the way it was intended to; nobody argued that the relationship with the President is exactly right. Nobody said everything is just fine.

Senator Ribicoff, who has had some executive experience as well as legislative, said at our Boston meeting that every President he has known comes sooner or later to regard Congress as a pain in the neck. In Los Angeles, Congressman Morris Udall said: "If there was one thing that haunted the founding fathers 200 years ago, it was the fear of concentrated power." But, starting with the Depression and World War II, he said, we have been "sidetracked from our system of checks and balances."

Senator Packwood said our Government is in danger of becoming an "executive monarchy"; the Congress seems to be turning into the vetoing body, not always making its vetoes stick, but with all policy initiation passing to the White House. My colleague, Neil MacNeil, Time's senior congressional correspondent for the past 15 years, said it may be necessary to stuff a Congressman and put him in the Smithsonian so future generations will know what this creature looked like.

I do not believe Dr. Dillon Ripley has yet responded to this suggestion.

But Neil MacNeil who is a student of the 19th century congresses as well as the 20th, also thinks that the individual caliber of the individual men and women in the 93rd Congress may be higher than ever before in our history. So you surely have much to build on here. And my colleague Max Ways writing in the January issue of FORTUNE, reminds us that the U.S. Congress, with all its difficulties and shortcomings is still in many respects the strongest parliament in the world. Its weakness is relative to the tremendous accretion of power around the presidency in the past 40 years, and its inadequacy is relative to the complex needs and stresses and opportunities of our society in the 1970s.

The underlying question, as we see it in our publications, is whether at the highest level of national government this country still sees a place for collective wisdom, drawn from the judgments and insights of many people—even as many as 535 people—as well as for the centralized, individual decision making that is also essential in our system.

We in Time, Inc., in urging that the Congress can make a more meaningful and constructive contribution to public policy, do not consider ourselves to be attacking the presidency as an institution, or any particular Presidents, past or present. Nor do we approach our inquiry as spectators at a sporting contest between the Executive and Legislative Branches, rooting for one side or the other and keeping a box score on who is momentarily ahead. It is more serious than that.

In each of the modern presidencies, no matter what the party line-up or the personal temperament or background of the President, a situation seems to come sooner or later in which the White House is isolated from congressional advice. The voice of Congress may, in fact, be muted by its own institutional shortcomings. But our magazines believe the abilities and experience that are assembled in the Congress have much more to contribute to the public well-being than is now realized. That is our bias, as journalists and citizens. That is our ax to grind.

President Nixon begins his second term with a spectacular election landslide just behind him. The Congress also has a mandate, as TIME pointed out in our cover story of January 15, since 80% of all the incumbent Senators seeking re-election did get re-elected, as did 96% of the Representatives. And Congress and President face each other, for the first time in more than a decade, with freedom from the divisiveness of Viet Nam.

It is the 93rd Congress and the 94th, of course, that will carry us up to 1976 and the 200th anniversary of American independence. What a wonderful thing it would be if the 93rd and the 94th—I assume you will all be back—could be dedicated to a restoration of the Congress as a truly coequal branch of our Government. And what a wonderful thing if President Nixon, who himself served in both houses of the Congress, and who so often affirms his faith in fundamental American values and institutions, were to devote some large part of his concern to this same question.

For 1976, and all that ought to mean to us, what could be a more fitting witness to the democratic ideal than a Congress—535 men and women, a good resounding number of outstanding people, chosen by the people—that had become a Congress truly capable of policy initiatives.

We do need a strong presidency, and strong Presidents. And we also need a presidency capable of deriving strength from a strong Congress.

Let me touch on one last point, before I present our distinguished speakers, a point about Congress and the press. Henry Luce once wrote: "Human interest is not only the most interesting kind of news, it is also the truest, i.e., the nearest approach to the way events actually happen."

And he recalled that Time's journalism began by being deeply interested in people, as individuals who were making history, or a small part of it, from week to week. We tried to make our readers see and hear and even smell these people as part of a better understanding of their ideas.

As those 150 Time cover stories, and many other articles in Time and our other publications show, our magazines have been deeply interested in members of Congress as people, and as personalities through whom and around whom journalism can convey some of the realities of government and national policy. But it must be admitted that 535 members of the Congress are a much more diffuse and difficult subject than the one man in the Oval Office. And I must admit that at least a few of those 150 cover stories got there because the Senator or Congressman was running for President, or at least was suspected of having some intentions along that line.

Some of the problems and procedures of Congress may simply defy treatment by a journalism of personalities. Luce also reminded his editors there are times when "you really have to work to make the Important interesting Capital 'I', Important; Capital 'I', Interesting." Harry Luce was very partial to capital letters.

But it is work, I think that can be very rewarding, for journalism and for our country. So if I had a 50th birthday resolution to offer on behalf of Time Inc., so far as our coverage of the Congress is concerned, it would be that we might broaden journalism's star system, discover new stars, celebrate more stars, and work still harder at telling the stories that don't always resolve around a star.

Journalism has been a somewhat embattled profession these past few years. I suspect that state of affairs will continue for at least the next four years, perhaps longer. I hope we, the press, can learn to listen without self-righteousness and without panic to a certain amount of criticism—some of which is well merited—and that we might even benefit from it.

The freedom of the press does not exist just so it will be fun to be a journalist—though, incidentally, it is fun. The freedom of the press exists to serve a free people, to help keep them free.

James Madison wrote long ago: "Knowledge will forever govern ignorance and the people who mean to be their own governors must arm themselves with the power knowledge gives. A popular government without popular information or the means of acquiring it, is but a prologue to a farce or tragedy or perhaps both."

INDUSTRIAL EQUIPMENT RESERVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Culver) is recognized for 5 minutes.

Mr. CULVER. Mr. Speaker, I am a cosponsor of the amendment to the supplemental appropriation restoring $1.8 million for the national industrial equipment reserve. The reasons for support of this program are many, and they have been convincingly explained by Mr. Anderson of Illinois and others. I would like to supplement these arguments with a specific example from my own district.

Kirkwood Community College in Cedar Rapids has been participating in the NIER program for 9 years. It has been a boon to the entire community. At least one local industry located in Cedar Rapids in large part because of these training facilities. During this time about 60 to 70 students per year have been trained or have upgraded their skills in the Kirkwood shops on equipment loaned under NIER. They have become valuable additions to the economy of the area in a variety of industrial and mechanical positions.

Without NIER, Kirkwood would not have such a program. If NIER is not continued, they will have to curtail and eventually eliminate this type of training. Some of their equipment is now 30 years old or more, and it must be replaced. The equipment is in use from 7:30 in the morning until 11 o'clock at night. If newer equipment is not made available under the continued NIER loan, the college cannot afford to replace it.

Mr. Speaker, I hope the House will take the necessary step today to continue this worthwhile program by passing the amendment under discussion. It is hard to imagine a more productive use of Government resources.

THE SITUATION IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Hamilton) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, the drift of events in the Middle East is disturbing and ominous. Recent actions of violence may well lead to more serious hostilities in the near future. What is particularly tragic about recent events in Khartoum, Cyprus, and Beirut is that most people here have come to expect such acts as commonplace: action and reaction, terrorism, reprisal and revenge are almost synonymous with the Arab-Israeli scene. And around the corner, it can be expected that the Egyptian Government, frustrated by its decreasing options at home and abroad, may resort to some military action in Sinai.

For the last several years, many have suggested that the situation in the Middle East is improving and that if it were not for a few desperate individuals, everything could be settled. It has also been a thesis that peace was gaining momentum and that the continued existence of a cease-fire along the Suez Canal is evidence of such momentum. There may be some truth in these assertions, but it is equally valid that violence has a momentum too, and that today the momentum is on the upswing.

There remains today an urgent need for diplomatic action on all fronts, before large scale hostilities are renewed. The United States must continue to condemn, in no uncertain terms, all sorts of violence. The memories of two front-line American diplomats, slain in Khartoum just over a month ago, will be as well served by new and vigorous efforts to end the no war-no peace stalemate as by viewing efforts to flush out terrorist leaders as a panacea for the Middle East's current ills.

Terrorism must be stopped and peace talks must begin. We, as Americans, should be undertaking major efforts on the diplomatic front with the hope that some negotiations between Israel, Jordan, and Egypt, direct or indirect, can begin before the cease-fire existing along the Suez Canal fades.

ALHAMBRA ORDER OF DEMOLAY WORKS TO IMPROVE OUR ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, I would like to call to the attention of my colleagues the fine efforts of the Alhambra chapter of the Order of DeMolay. About a year ago, the young men of DeMolay decided to do something positive toward improving the world around us.

Master Councilor Gene Erickson began a series of recycling and general clean-up projects which, during the last 9 months, have resulted in the recycling of over 26,000 pounds of glass, aluminum, and newspaper, and the cleaning up of several local streets in the San Gabriel Valley and the Mojave Desert.

In recognition of their efforts, the group was honored in February with a cover photo on the international DeMolay magazine and a full-page story with additional pictures. This publication is received by over 46,000 DeMolays and advisors in all 50 States and Canada and several countries in Europe and Asia.

I would like to congratulate the Alhambra Order of DeMolay for its most successful and valuable program. This dedicated group of young men certainly deserves our thanks. It is efforts such as theirs that are necessary not only to make a physical improvement in the world we live in, but also to increase our understanding of ecology and the realization that we must preserve our environment.

CAMBODIA BOMBING

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, every day that the U.S. Government continues to bomb Cambodia, we violate the January cease-fire agreement, the Paris accords signed in March, and our own Constitution. We are told that we bomb because Hanoi is violating the cease-fire—but when have two wrongs made right?

We bomb Cambodia to prop up the hated Thieu regime in South Vietnam; and the administration's frantic scurrying to find justifications for the bombing cannot obscure that fact. If we have any respect for the agreement that Dr. Kissinger secured, we in Congress must demand that the United States fulfill its own part of the bargain. We must demand that the United States stop its illegal violation of this Paris accord, article 4 of which reads:

> The parties to this Act solemnly recognize and strictly respect the fundamental national rights of the Vietnamese people, i.e., the independence, sovereignty, unity and territorial integrity of Vietnam as well as the right of the South Vitenamese people to self-determination. The parties to this Act shall strictly respect the agreement and the protocols (signed January 27, 1973) by refraining from any action at variance with their provisions."

Further, article 8 reads:

> The parties to this act acknowledge the commitment of the parties to the agreement to respect the independence, sovereignty, unity, territorial integrity, and neutrality of Cambodia and Laos as stipulated in the agreement, agree also to respect them and to refrain from any action at variance with them.

How can we possibly claim to be living up to this agreement, while our B–52's bomb Cambodia more heavily than ever before during the whole war's course?

Pentagon spokesman Jerry Friedheim now tells us that the B–52 bombers are directing their air strikes against Communist storage areas, to blunt the flow of supplies into South Vietnam. The administration has also warned Russia and China not to send new arms to Hanoi, but Mr. Friedheim now says, "I do not know that we have any firm knowledge" that either Russia or China has actually shipped new arms to Hanoi since the cease-fire. The best intelligence estimate available, according to the Washington Post Foreign Service, is that the North Vietnamese are not bringing enough men and supplies down the Ho Chi Minh trail to mount a major offensive in the near future. So what is the bombing all about?

Defense Secretary Elliot Richardson has said that "the objective is to support the Cambodian Government in its effort to bring about a cease-fire." So once again we are bombing to make peace. Secretary Richardson also admitted, however, that the collapse of the U.S.-supported Lon Nol government would have a significant effect on the viability of the Thieu regime in South Vietnam.

Secretary Richardson also said, with colossal obfuscation, "It may be that North Vietnam is simultaneously moving down two tracks—one that could involve more war, the other that could involve a real, stable, and enduring peace"—and that the U.S. interest is to "try to help shunt them onto the track of peace." That game plan, we now hear, is to be accomplished by the invasion of South Vietnamese troops into Cambodia, with U.S. air cover.

Virtually all of the U.S. air and naval units that were in Southeast Asia before the cease-fire are still at bases in Thailand, Guam, and on four aircraft carriers in nearby waters.

The stage is set for major reescalation of the war that has never ended. Is the Congress going to permit this? I cannot believe that we will, when 70 percent of the American public repeatedly proclaim an intense desire to be finally finished with intervention in Asian affairs. We must press at once for passage of legislation, such as my bill H.R. 5821, requiring congressional authorization for reinvolvement of American forces in Indochina; and H.R. 3578, which would end all military involvement and military assistance to the nations of Indochina.

Mr. Nixon's military action in Cambodia was declared "utterly without constitutional foundation" by Alexander M. Bickel of Yale Law School and Raoul Berger of Harvard Law School, whose opinions were backed by former Attorney General Nicholas deB. Katzenback. They testified yesterday before the Senate Foreign Relations Committee in support of legislation defining and restricting the war powers of the President. Sixty Senators have cosponsored such legislation.

We in the House can do no less if we are to uphold the Constitution as we are sworn to do.

Furthermore, the Cornell Air War Study estimates that the bombing of Cambodia is costing U.S. taxpayers $4½ million a day. This is based on public reports that 140 fighter-bomber sorties occur each day, plus 60 B–52 raids. How does Mr. Nixon dare to veto the vocational rehabilitation bill, the rural water and sewer grant program? How does he dare withhold funds and propose to cut appropriations for programs that help our veterans, our unemployed, our young people, our children, our senior citizens? How does he dare to call such help too costly—and then singlehandedly, without even the authorization of Congress, spend four and a half million dollars a day to kill Asians in their own country?

PUNISH THE GUN WIELDING CRIMINAL

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am introducing a bill providing additional penalties for the use of firearms in the commission of crimes of violence subject to Federal jurisdiction. It is identical to a bill I sponsored during the last Congress.

It was predictable, in the wake of the outrageous shooting of Senator STENNIS on January 30, that we would be deluged once again with a wave of antigun sentiment. The Washington Post, the Christian Science Monitor, and the New York Times among others, sounded the old familiar call against arms; and a number of our colleagues in both chambers responded with the usual range of proposals. National gun registration, national licensing of all gun owners, outlawing the sale of handguns, forbidding the possession of handguns altogether—take your pick; the arsenal has been growing steadily since 1968 and today we have proposals floating around of almost any degree of restriction on the ability of a citizen to purchase or own a gun.

From too many of the people who react so immediately to every sensational shooting with harsh antigun proposals we hear very little in the way of complaint against the Nation's judiciary and its handling of convicted criminals. It is an attitude we have become well acquainted with. It goes something like this: Crime and violence are intolerable; yet, on the other hand, we must not be vengeful toward the man responsible. A long sentence might damage his chances for rehabilitation.

The people who argue this way, Mr. Speaker, are in a quandary. They want a safe and secure society, but they also want to be kind and sympathetic to criminals. Therefore, they are in constant search of some regulatory scheme which will, in effect, protect these criminals against themselves. Gun control for them is a perfect example. By making it difficult or impossible to acquire a gun, they hope the problem will go away.

Of course, the effect of such a backdoor approach to crime control is that everybody ends up being punished—not just the criminals. Regulatory schemes are universal in application, and all of them force the citizen to surrender some measure of freedom. The greatest burden inevitably falls upon the conscientious, decent people who abide by the law. As for the criminals, there is little in history to lead us to think we can prevent them from getting their hands on anything with which to commit crime, including guns. And this is certainly the case when the criminals feel they need not worry too much about the consequences of commiting a criminal act.

With these thoughts in mind, I once again propose this bill. Primarily, it goes after the repeater criminal. The present law, as contained in section 924 (c) of the Gun Control Act, provides that any person committing a Federal felony while armed may be sentenced to a prison term of from 1 to 10 years in the case of a first offense. The second time around, the man can get from 2 to 25 years. My bill would leave the penalty for a first-time offender as it is, but would provide a mandatory minimum sentence of 25 years for a repeater.

I see no reason for lenient treatment for the gun-carrying criminal who has gone out and committed the same crime twice. As far as I am concerned, he has proved at that point he ought to be put away for a long time for the protection of society. I reserve my sympathies for his victim.

Mr. Speaker, my bill is a gun control bill. It is not designed to create difficulties and harassment for the public at large. It does not create any additions to the bureaucracy for the purpose of enforcing some sweeping, costly regulatory system. It does not penalize American sportsmen and those citizens who need firearms for the protection of person and property. The proposal is aimed solely and altogether at the gun-wielding criminal. For that reason, it will find scant favor with those in the anti-gun movement. However, I hope that here in the House objectivity and sanity will ultimately prevail and that this bill will be promptly considered and passed. Society should punish the gun wielding criminal, not the law abiding weapons owner.

A FARMER'S REPLY TO THE HIGH-COST-OF-FOOD QUESTION

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, one of my constituents has sent to me the following remarks stating the farmers' side of the present wage-price controversy. I believe these remarks will be of interest to other Members of Congress, who may have heard from their constituents on this matter.

DEAR SIR: Since you are so concerned about keeping the public informed on the consumers' side of this so called cost-of-living story, do you have the guts to tell the farmers' side of this same story? Why don't you get out and investigate the farm side of this same picture and be just as quick to tell that side of it and tell it like it really is!

While we will admit farm prices has increased by about 25% the past year, and union wages has risen only 6.8%, what has food prices done at the farm level over the past twenty-five years as compared to wages?

The farmers' net returns are about the same today as they were twenty-five years ago on the average. Would the wage earner work today for what he or she received twenty-five years ago. NO!

The people have been able to purchase cheap food for so many years making it possible for them to purchase so many extra luxuries such as campers, boats, lake cottages, all for those nice weekend outings, that now that food prices have come into perspective with other prices, we are hearing a national outcry from sea to shining sea. Cheap food prices have enabled many people to buy larger homes and the third car even though there may only be two drivers in the family. Many of these added luxuries are priced far beyond their income and are purchased "a dollar down and a few dollars a week". Many people have their pay checks spent to the last cent even before they receive it. With the increasing food prices many people are finding their "luxury budget" a little strained! Most farmers cannot afford all of these luxuries and in many cases he or his wife or both have taken on a second job just to hold on for another year, hoping the next year will be a better one. The farmer would much rather just farm his ground and leave the other job to someone else, if he could make ends meet financially.

When the farmer decided to cut back on food production and thus increase food cost (it is a basic system in our nation—that of supply and demand) so that he could receive a small profit, he suddenly has become a very evil, unjust, and unconsiderate person because supply has fallen short and retail prices have indeed risen. Now John Q. Public is having trouble meeting all of his installment payments and who is to blame, the farmer and businessman!

Now lets tell John Q. Public part of the story as it really is. While the wage earner has no capital involved the farmer may have anywhere from $50,000 to $500,000. All he is asking is a fair return on his investment. Is that too much to ask!

Most farmers have worked all of their lives and saved just to be able to own and operate his farm. There is much more to this farm operation than loading the finished livestock or harvested grain onto a truck and moving it to the market where he receives what is being paid, not what he is asking as is so often heard. The farmer doesn't set his prices, he just takes what he can get for his products. His hours are long, most of the time from before daylight until after daylight, and there isn't any overtime payment for him.

While the farmer receives the same net returns as those twenty-five years ago he must purchase his needs at todays prices. Those needs being the same basic needs of everyone plus his farming needs (machinery, fertilizer, feed supplements, etc.).

Thank you for letting us tell a little of our side, the farmer's side; of this cost-of-living problem. The farmer knows all about the money problem as he has lived with it most of his life but he tries to work them out himself not blaming the wage earner.

As everyone should see now there are two sides to this problem. It is finally John Q. Public who has begun to get a taste of it and he can be heard far and wide! But let us see to it that both sides are made public—not just the consumers' side.

Thank you,

Mr. and Mrs. T. C. SMITH.

ROANN, IND.

TAKE ADVANTAGE OF R. & D. OF OUR ALLIES

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, as we all know, this is a time of transition in the executive branch of the Government of the United States. Many of the people who have served in positions of authority for the last 4 years, and sometimes longer, are departing. Others are arriving to take their place.

I rise today not to comment on any of the specific personnel changes. However, I do want to identify one element of policy which has been discernible in the Department of Defense and in the Department of Transportation, and I wish to recommend to the new leaders of those Departments that they give attention to that policy, in the hope that they will continue it and strengthen its implementation in the months ahead.

The policy I refer to has often been identified with John Volpe in the Department of Transportation and with David Packard, the former Under Secretary of Defense. It has been strongly promoted by John Foster, Director of Defense Research and Engineering. Basically, the idea these men put forward was that the United States, whenever possible, should seek to take advantage of the research and development activities of our allies and partners in matters involving transportation and military hardware development. And they dealt with the question of how we can take advantage of foreign development in these areas without compromising our own requirements and while still maintaining and even enhancing our own industry's ability to produce equipment and provide employment for American citizens.

Mr. Packard once described his initiative in this area as an effort to increase "utilization of the combined technological assets of the United States and its allies." In effect, he saw no reason for us to incur the very large expense of developing systems which might already have been developed by our allies in Western Europe. The leaders of the Defense and Transportation Departments recognized that appropriate international cooperation in utilizing each other's research and development could mean not only a sharing of costs, which is vitally important to our Nation in this time of burgeoning costs and multiplying demands, but which also can lead to improvements in the technological quality of the systems which we produce.

To accept this argument, one must of course accept the fact that there are, especially in Western Europe, technologies which are worthy of U.S. attention and adoption. I think there is no question about this. Our technological assets are abundant, and they continue to be apparent; but there is vitality and innovation elsewhere, especially among our allies, which is a matter of policy we sought to rejuvenate after World War II.

In a sense, when we import for U.S. production foreign technology developments paid for by others, we are importing jobs along with the technology. And is it not time that the United States realize a return on its postwar policy of aid to Europe?

As an example, I am aware of an air-defense missile system which was developed in France and is called Crotale. This system serves a very specific military purpose in the defense of forward areas against high-speed aircraft in any weather condition. Crotale is a system of very sophisticated technologies, and the experts assure me that it is no less excellent in its performance because it was developed outside the United States. Crotale happens to be just one of these foreign systems which are being examined by our Defense Department under the policy I have been talking about. I believe that the Army and the departing leaders of the Department should be praised for their willingness to look abroad, in the interest of security and economy, to see what might be available.

Another example worth noting involves the Department of Transportation. On January 23 the Federal Aviation Administration announced the award of a contract for ASR–8 radars to the General Dynamics Corp. These radars will be produced in Florida and create employment for Americans. Of equal importance, the FAA is bringing to this country the most advanced radar technology in the world at a time when aviation safety takes on growing importance. The FAA, under the leadership of the Administrator, Alexander Butterfield, should be warmly commended.

Returning to the military side of this policy, I am not suggesting that we will want to encourage the production of U.S. military equipment outside the United States. There are many reasons, economic and military, why under most circumstances the production of U.S. military equipment must continue to be the responsibility of U.S. industry. What we can surely do, quite clearly, is bring to this country, for production in America, those developments which fit our requirements and so save our precious development resources for other requirements.

Much has been said about the exportation of American Technology, and it has often been argued that American jobs have been exported along with the technology. Yet one of our strengths remains our ability to adapt and to utilize the best inventions of man. International cooperation of the sort I am describing should in fact lead to an increase in our production capacity and capability.

Mr. Packard was very clear in his statement of the policy of international cooperation. He said that we should not undertake expensive government financial development programs until we have convinced ourselves that our allies have not already done the required research and development work. I admire the wisdom of that policy, and I commend it to the new leadership throughout our Government.

COMMERCE SECRETARY DENT SUPPORTS RESTRUCTURE OF OEO

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, during remarks delivered in Washington before the American Society of Association Executives, Commerce Secretary Frederick Dent criticized the "poverty middlemen" who are currently so vocal in their attack on the administration's program to restructure OEO.

Mr. Dent stated that the President's plan is "to get the money directly into the hands of those who need it, without just filtering it through an elaborate government bureaucracy."

I insert the following article from the New York Times in the RECORD:

[From the New York Times, Mar. 21, 1973]

CUTBACK FOR POOR DEFENDED BY DENT—COMMERCE CHIEF FINDS ROLE OF "MIDDLEMAN" REDUCED

(By Edward L. Dale, Jr.)

WASHINGTON, March 20.—The "display of anguish" over President Nixon's cutbacks in some social programs comes mainly from "poverty middlemen" and not the poor, Secretary of Commerce Frederick B. Dent said today.

In his first major speech, the new Secretary said that those persons "see their roles as well-paid, publicly financed 'advisers to the poor' being diminished" and that is why they protest.

The President's aim, Mr. Dent said, "is to get the money directly into the hands of those who need it, without first filtering it through an elaborate government bureaucracy." He argued that the new budget provided substantial increases in such areas as food assistance, health programs, cash benefits for the poor and aid for the elderly by comparison with various years in the past.

Mr. Dent addressed the American Society of Association Executives here at the Sheraton Park Hotel.

"Special interest groups which have a vested interest in the Federal largesse involved are bombarding the public with sob stories proclaiming that each and every program labeled 'antipoverty' is responsible for keeping the United States from burning down for the last four summers," he said.

"Aside from the ugly, threatening implications of such charges, they are attempting to mislead the American people on the ability of programs to perform effectively to help the poor.

"This Administration rejects the new 'trickle down' theory that if we provide funds for the antipoverty middleman, benefits will 'trickle down' to those truly in need."

His main theme was an appeal to businessmen to support the President in "a wave of action entirely responsive to the traditions of our society, our free enterprise system, a wave of action away from domination by the bureaucracy and the concept of the almightiness of centralized power and authority in Washington."

He implied that business had been "complacent over the past 20 or 30 years in acquiescing to trends in government which weaken our society and our economy."

RELIEF FOR WORLD WAR II YUGOSLAV ALLIES

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the heart of virtually every American has grieved in recent weeks at the tales of torture, starvation, and overwork of our prisoners of war repatriated by North Vietnam. Both Americans and Vietnamese will long be plagued by the acts committed with savagery by the parties to the tedious and God-forsaken Vietnam war.

What is perhaps most distressing, however, is that these events simply add to the long international history of mistreatment of prisoners of war which prompted Dr. Schweitzer's bleak commentary on modern civilization—of "man's inhumanity to man."

I wish today, Mr. Speaker, to recall a group of prisoners who suffered in a past war. I speak of the 10,000 survivors of the Royal Army of Yugoslavia who in 1941—32 years ago—resisted the Nazi invasion of their country and thereby helped reverse the tide of Nazi enslavement and domination of Europe by frustrating for more than a month Hitler's planned invasion of the Soviet Union.

These Yugoslav soldiers apparently acted partly on the basis of a promise reportedly made by President Franklin D. Roosevelt on behalf of our Government. That promise was that the people of Yugoslavia would have a government of their choice after the war if they resisted the military pressure of Hitler's advancing military forces. The Potsdam Conference of 1945, however, left that pledge unfulfilled.

In April 1941 after several months of fighting, these soldiers were defeated and captured by Germany. As prisoners of war, they were confined to various prison camps and were held for more than 4 years before their liberation by Allied forces in May 1945. They elected not to return to their native land—by then under Communist domination—and as a result were deprived of their nationality by the Tito government.

Many of these 10,000 men-without-a country came to the United States, and 7,000 of them and their immediate surviving spouses and children are now citizens of the United States.

I bring these former POW's to the attention of the Congress, Mr. Speaker, because for the last year they were held by the Germans they received no compensation for their labors as stipulated by the Geneva agreements on treatment of prisoners of war. To this day, the German Government has declined to pay these ex-POW's the wages and salaries owed a further extraction of "reparations" which were specifically deferred by the German External Debt Agreement of 1953.

These former POW's contend, on the contrary, that the payment of wages mandated by the Geneva Convention Relative to the Treatment of Prisoners of War, ratified by Yugoslavia in 1931 and by Germany in 1934, cannot be considered reparations. Rather, they are payments for services required by article 28 of the Geneva Convention, which states:

> The detaining power shall assume entire responsibility for the maintenance, care, treatment, and payment of wages of prisoners of war working for the account of private persons.

Mr. George Radin, together with the late Prof. George A. Finch and Prof. William L. Griffin, submitted a legal brief to the Bonn government on December 2, 1958, on behalf of these POW's and their immediate survivors. That brief was reviewed and concurred in by Prof. Philip C. Jessup, the distinguished former Judge of the International Court of Justice.

Mr. Speaker, despite the legal arguments and many appeals, no compensation for this claim has been forthcoming from the German Government. As a result, I have been requested by representatives of these ex-POW's and their immediate survivors to introduce legislation providing for payment of their claims by the U.S. Government on an ex gratia basis and directing the Secretary of State to undertake negotiations with the German Government for reimbursement for all such compensation.

The legal and historical facts of this claim are extremely complex and extend rather far back in time. Those legal and historical facts should be thoroughly reviewed and reevaluated by the Congress and any needed revisions of the legislation made before final action is taken on it. As a member of the Foreign Affairs Committee, to which this legislation will presumably be referred, I intend to do what I can to see that the matter receives full and careful attention and review.

The claims of these ex-POW's are supported by the American Legion, the Veterans of Foreign Wars, AMVETS, the American Veterans Committee, the Jewish War Veterans of the U.S.A., and the Disabled American Veterans; they deserve at least a full hearing and sympathetic consideration by the Congress. These Americans of Yugoslav origin were our allies. They are now our citizens. They fought courageously and with determination against a common foe at a time when much of Europe was under Nazi domination. It was apparently an unfulfilled promise made by our Government that contributed to the suffering these people endured. It is now up to our Government to consider their claim and, if the facts merit, to take up their cause and provide them the redress they have been seeking so long.

Mr. Speaker, the practical effects of this legislation, if enacted, will be, first, to end the long wait and the lengthy delay that these individuals have encountered in obtaining their just compensation; and, second, to put the full power and prestige of the U.S. Government behind their claim against the German Government and put the negotiations for the claim on a government-to-government basis.

The text of the legal brief on this case, to which I referred earlier in my statement, and the text of the legislation follow:

Memorandum re Legal Issues Involved in the Claims Against Germany of Stateless Ex-Prisoners of War of Former Yugoslav Nationality

The claims with which this memorandum is concerned are mainly for wages for work performed for the German economy by prisoners of war in Germany between April 1941 and May 1945, and also for military pay due them.

". . . It is not a bad definition of international law to say that it is the sum of the rights that a state may claim for itself and its nationals from other states, and of the duties which in consequence it must observe towards them." (Brierly, "Outlook for Int. Law", pp. 4–5).

In international law phrases such as "state responsiblity", or "international responsibility" are used to describe a secondary duty to make compensation for a breach of some primary duty arising under international law or under a treaty. (See, Harvard Research in International Law, "Responsibility of States", 22 Am. J. Int. Law, Spec. Supp. 140–1). And an "international claim" is a demand, through diplomatic channels or before an international tribunal, of one government upon another government for compensation for which it is contended the respondent government is responsible under international law or under a treaty. (See, Hyde "International Law", 2d Ed., Vol. 2, pp. 886–88 and authorities there cited).

The primary obligation of Germany in this case arises under the Geneva Convention Relative to the Treatment of Prisoners of War of July 27, 1929. (118 L.N.T.S. 343). This Convention was ratified by Yugoslavia on May 20, 1931, and by Germany on February 21, 1934, and thus came into force as between them six months after the latter date (Article 92). In time of war its provisions ". . . remain in force as between the belligerents who are parties thereto." (Article 82).

Article 23 of the Convention is concerned with financial resources of prisoners of war. It says in part, that:

"Officers and persons of equivalent status who are prisoners of war shall receive from the detaining Power the same pay as officers of corresponding rank in the armies of that Power, on the condition, however, that this pay does not exceed that to which they are entitled in the armies of the country which they have served."

Article 27 of the Convention states that ". . . belligerents may utilize the labor of able prisoners of war . . .". Article 28 provides:

"The detaining Power shall assume entire responsibility for the maintenance, care, treatment and payment of wages of prisoners of war working for the account of private persons".

And Article 34 provides in part that in the absence of agreement by the belligerents:

"a) Work done for the State shall be paid for in accordance with the rates in force for soldiers of the national army doing the same work, or, if none exists, according to a rate in harmony with the work performed.

"b) When the work is done for the account of other public administrations or for private persons, conditions shall be regulated by agreement with the military authority."

"The pay remaining to the credit of the prisoner *shall be delivered to him* at the end of his captivity. In case of death, it shall be forwarded through the diplomatic channel *to the heirs of the deceased.*" (Emphasis supplied).

Article 82, under the general heading "Execution of the Convention", underscores the binding character of the obligations therein by providing that:

"The provisions of the present Convention *must be respected* by the High Contracting Parties *under all circumstances.*" (Emphasis supplied).

Thus, the primary obligation of Germany is to pay these claimants the wages and military pay due them under the Geneva Convention. The breach of this primary obligation gives rise to the legal responsibility of Germany to make compensation for such breach. This secondary obligation consists of two elements: (1) An obligation to pay the principal amounts due under the Geneva Convention, and (2) an obligation to pay simple interest on the principal amounts as damages for the breach of the primary obligation. (See III Whiteman, Damages in International Law 1913–82, and numerous authorities cited.)

These claimants, being stateless, do not have a government to espouse their claims. Although the claimants, as refugees, are under the protection of the United Nations, they do not fall expressly under the advisory opinion of the International Court of Justice that the United Nations has legal capacity to espouse claims of its agents. (See I.C.J. Reports, 1949, p. 174). But it is noteworthy that in its opinion the court said:

"The Court is here faced with a new situation. The questions to which it gives rise can only be solved by realizing that the situation is dominated by the provisions of the Charter considered in the light of the principles of international law.

* * * * *

"Under international law, the Organization must be deemed to have those powers which, though not expressly provided in the Charter, are conferred upon it by necessary implication as being essential to the performance of its duties . . ."

Even though there may be no state or international organization which may formally espouse these claims, their legal validity, and the legal responsibility of Germany, is not thereby affected. The only effect is that the claimants are in the unfortunate position of having a legal right without a remedy. As stated by Umpire Parker of the Mixed Claims Commission, United States and Germany, created to adjudicate claims arising out of World War I:

"It is no doubt the general practice of nations not to espouse a private claim against another nation unless in point of origin it possesses the nationality of the claimant nation. . . .

"But even this practice of nations may be changed by mutual agreement between the two governments parties to a particular protocol creating a tribunal for the adjudication of claims and defining its jurisdiction. The National Commissioners are in agreement on this point. Such jurisdiction is purely a matter of agreement between the interested nations. It is not one of general concern to all members of the family of nations.

"It does not declare any international *principle* but is only a rule of *practice,* to be followed or not as may be stipulated between the interested nations. It pertains to the course and form of the procedure agreed upon between the two nations to enforce rights but not to the rights themselves. In other words, it pertains to the *remedy,* not to the *right* . . .

"As the rule in its application necessarily works injustice, it may well be doubted whether it has or should have a place among the established rules of international law. Those decisions which have adopted it as a whole have recognized it as a mere rule of practice . . .

"In each case in which the tribunal adopted the rule that claimant must have nationality of claimant stated at times claim arose it is clear that the question presented was purely one of *jurisdiction* and did not touch an existing *right* further than to deny the jurisdiction of the tribunal to enforce it. They do no more than decide that the tribunal in question has not, under the protocol creating it, the jurisdiction to consider and adjudicate the rights of the claimants. The very cases cited by the German Commissioner aptly illustrate this. Numerous other cases could be cited in further illustration, a few of which are noted in the margin. Many of them recognized the existence, and the continued existence, of the right but either held that the claimant had mistaken his forum or that no remedy had been provided for the enforcement of the right. In some instances, the commissions have been at pains, in dismissing a case for want of jurisdiction, expressly to declare that the dismissal was without prejudice to the rights of the claimants. This was in recognition of the established rule that a right may exist internationally where a remedy is lacking. The rights dealt with in the cases cited in support of the alleged rule were not created by, but existed quite independent of, the protocols governing the tribunals in determining their respective jurisdictions." (Decisions and Opinions, 1923–1926, pp. 176–182).

Five legal arguments have been advanced on behalf of the Government of the Federal Republic of Germany as to why Germany is not in a position to pay these claims at this time. These arguments are as follows:

(1) That Article 5 of the Agreement on German External Debts of February 27, 1953, defers payment of these claims until the final settlement of the problem of reparations—in the following language:

"(2) Consideration of claims arising out of the second World War by countries which were at war with or were occupied by Germany during that war, and by nationals of such countries, against the Reich and agencies of the Reich, including costs of German occupation, credits acquired during occupation on clearing accounts and claims against the Reichskreditkassen shall be deferred until the final settlement of the problem of reparation."

The claimant's answer to this argument is:

(a) The claims involved herein are legal claims based upon a treaty, and are *claims of stateless ex-prisoners of war*—whereas (the above quoted provision in) Article 5 of the German External Debt Agreement relates to war reparations claims of states and *their nationals*. Moreover, Article 5 is binding on the Parties' nationals because their Government has the legal power under international law to make a treaty deferring their claims. But the claims herein dealt with accrued, and the claimants became stateless, before the German External Debt Agreement came into force. Therefore, no Party to the Agreement had the legal power to make a treaty deferring these claims.

(b) Article 20 of the said External Debt Agreement specifically authorizes those payments in the following language:

"Payments in respect of debts of the Reich or of an agency of the Reich arising out of unpaid contributions or services rendered under the terms of multilateral international agreements or of the statutes of an international organization are not prohibited by the terms of the present Agreement. The Government of the Federal Republic of Germany will, at the request of the interested creditors, enter into direct negotiations with regard to these debts."

(c) Article 1 of Annex IV to the said External Debt Agreement enumerates classes of "monetary claims arising out of international transactions for goods and services . . . against private or public debtors which became due before 8th May, 1945," the settlement of which is expressly authorized. Among such categories are claims for "wages and salaries based on employment."

* * * * *

(2) The second argument advanced as to why the Bonn Government is not permitted to pay these claims at this time relates to the above-quoted Article 20 of the said External Debt Agreement. The German Government lawyers argue that States or international organizations only may file claims pursuant to this Article for unpaid contributions or for services rendered under the terms of multilateral international agreements relating e.g. to railway, postal and telegraphic traffic.

The claimant's answer to this argument is that the limitation which is imputed in the said Article 20 is not expressed in that Article. On the contrary, the language of that article is general. It speaks of "payments in respect of debts . . . arising out of unpaid . . . services rendered under the terms of multilateral international agreements." The language used in Article 20 specifically authorizes these payments inasmuch as our claims are for services rendered pursuant to the terms of a multilateral international agreement, the Geneva Convention relative to the treatment of prisoners of war. In his opinion, the late professor of international law, Dr. George A. Finch, came to the conclusion that Article 20 of the said External Debt Agreement "specifically authorizes these payments."

If the External Debt Agreement meant to limit the benefits of such payments to such classes of international obligations as postal, railways and telegraphic traffic, that fact should have been expressed in Article 20. Inasmuch as it is not written in that article, it is now too late for any of the parties to that international treaty to limit the permissible payments to the said three types of international obligations only.

(3) The third argument advanced against these payments asserts that the debt to these ex-prisoners of war is owed by entire Germany, the West and the East portions of the former Reich. Until the two are reunited, these payments cannot be made is what is asserted.

The answers to this argument are as follows:

(a) West Germany, i.e., the Federal Republic of Germany, is the continuation of prewar Germany. Rather than being therefore, as the argument seemingly assumes, a partial successor to the former German state, West Germany retains the rights and duties of the German state. "Personality" is the key to the question whether state succession has taken place. The phrase "state succession" is merely descriptive of the factual situation which arises when one state becomes substituted for another in sovereignty over a given area.

"Once a state has come into existence, it continues until it is extinguished by absorption or dissolution. A government, the instrumentality through which a state functions, may change from time to time, both as to form—as from a monarchy to a republic—and as to the head of the government without affecting the continuity or identity of the state as an international person." (I Hackworth, Digest of International Law 127).

This question arose in the partition of British India in 1947, the latter having gradually attained international personality. The question arose, when India and Pakistan were formed out of it, whether British India had continued to exist in one or the other of the new states or had been extinguished altogether. Pakistan claimed automatic membership in the United Nations, but if the personality of British India was continued in the new India, Pakistan would have been in the position of a partial successor state and India alone would have retained membership in the United Nations. On the other hand, if British India had been so completely changed that its juristic personality did not continue in either Pakistan or India, neither would have inherited its membership in the United Nations.

India alleged that the former was the case, and this view was supported by a legal opinion given on the question by the Secretariat of the United Nations, which concluded that there was "no change in the international status of India; it continues as a State with all treaty rights and obligations, and consequently with all rights and obligations of membership in the United Nations." Pakistan was regarded as a new state. This opinion did not pass unchallenged. When Pakistan applied in the ordinary way for membership in the United Nations, objection was made in both the Security Council and the First Committee of the General Assembly that India was no longer the same international person as British India. As a result, the legal committee was requested to advise on the course to be followed in similar circumstances. Its opinion was that a state does not cease to be a member of the United Nations merely because its frontier and constitution have been changed. This effect, the legal committee held, can only be brought about by proof that the international personality of the state has been extinguished (U.N. Doc. A/C.1/212, October 11, 1947).

In numerous international agreements with the United States and other governments, the Federal Republic of Germany has acted, and was accepted, as the juridical continuation of the German state, e.g.:

(i) The exchange of letters embodying the Agreement of March 6, 1951, between France, the United Kingdom, the United States, and the Federal Republic, provides in part:

"The Federal Republic hereby confirms that it is liable for the pre-war external debt of the German Reich, * * * in the determination of the manner in which and the extent to which the Federal Republic will fulfill this liability account will be taken of the general situation of the Federal Republic, including, in particular, the effects of the limitations on its territorial jurisdiction and its capacity to pay.

* * * * *

"The Federal Government is ready to accord the obligations arising from the economic assistance priority over all other foreign claims against Germany on German nationals * * *

* * * * *

"It is in the interest of the reestablishment of normal economic relations between the Federal Republic and other countries to work out as soon as possible a settlement plan which will govern the settlement of public and private claims against Germany and German nationals."

(ii) During World War II, France, the United Kingdom, the United States and other Allied Governments seized German property in their territory. In the Convention on the Settlement of Matters Arising Out of the War and the Occupation (signed May 26, 1952; entered into force May 5, 1955), it was agreed that:

"1. The Federal Republic shall in the future raise no objections against the measures which have been, or will be, carried out with regard to German external assets or other property, seized for the purpose of reparation or restitution, or as a result of the state of war, or on the basis of agreements concluded, or to be concluded, by the Three Powers with other Allied countries, neutral countries, or former allies of Germany." (Art. 3, Ch. VI.)

"The Federal Republic shall ensure that the former owners of property seized pursuant to the measures referred to in Articles

2 and 3 of this Chapter shall be compensated." (Art. 5, Ch. VI.)

The Federal Republic is either the continuation of the German state in all cases, or in no case. The Federal Republic, having held itself out and been accepted as the juridical continuation of the German state in the foregoing and other cases, cannot now be heard to say that it is not the continuation of the German state in regard to German liability for the claims of these ex-prisoners of war of former Yugoslav nationality.

(b) If the Federal Republic is a successor to the German state, rather than a continuation thereof, the Federal Republic has succeeded to the German obligation with respect to the acquired rights embodied in these claims.

If the personality of a divided state is completely lost in the dissolution, it ceases to exist and the problem is whether a successor state is in law as well as in fact the legal successor of its predecessor, i.e., to what extent is the successor state entitled to the rights and subject to the duties of its predecessor?

Respect for acquired rights is perhaps one of the few principles firmly established in the international law of state succession, and the one which admits of least dispute. The relationship which existed between these ex-prisoners of war and Germany is twofold: (1) The legal duty to pay them wages which arose under the Geneva Convention when their labor was utilized, and which continues to exist until either they are paid or the German state has ceased to exist. (2) The factual situation which consists of the failure of the German state to pay wages after having enjoyed the fruits of their labor.

If the German state has become extinguished, its legal duty as such to pay wages is extinguished, i.e., such legal duty is not "inherited" *ipso jure* by the Federal Republic as a successor state. But the latter necessarily "inherits" the factual situation. The equitable interest which the ex-prisoners of war have in this factual situation is described variously as a "vested right" or an "acquired right". The obligation of the Federal Republic as a successor state is to respect this interest, and is imposed by international law. This obligation arises by operation of law when the successor state, through its own action in assuming sovereignty, becomes competent to destroy the acquired rights.

The doctrine of respect for acquired rights is not restricted in its operation to corporal interests. In English legal language the term "acquired rights" is not a term of art, and so does not immediately suggest all the elements of the concept to which it refers. In this regard the German term *Vermogonarecht* is a much more adequate one than its foreign equivalents because it signifies any right, whether *in rem* or *in personam*, of an assessable monetary value, which is an important attribute of the concept of acquired rights as understood in international law. Within the scope of such *Vermogensrecht* fall rights which have their basis in contract or quasi-contract as well as in immovable property.

The basis of the doctrine of respect for acquired rights is the concept of "unjust enrichment". The latter concept is found in Roman law, and in modern legal systems formulated on a natural law basis. It is a juridical concept fundamental to Western European and Anglo-American legal systems. The concept of unjustified enrichment has been recognized in international law by the Anglo-German Mixed Arbitral Tribunal and by the arbitrators in the Lena Goldfield Arbitration.

To sum up, if the former German state has ceased to exist, then the Federal Republic as a partial successor is obligated to respect the acquired rights of these ex-prisoners of war. If the Federal Republic is only a partial successor, it is not denied that some reparation of the obligation may be necessary. On this point international law does no more than lay down very general principles regarding the basis of repartition, leaving it to the interested states to work out an arrangement between themselves. Since the instant claimants have no government to espouse their cause, they must perforce rely on the humanitarian spirit of the Federal Republic in this regard.

(4) The fourth argument as to why the said debt of Germany to these stateless claimants cannot be made relates to military pay and is as follows:

Officers and persons of equivalent status should have been paid each month while they were held in captivity, in which case Germany could have been reimbursed at the end of hostilities by Yugoslavia pursuant to Article 23 of the Geneva Convention saying:

"All payments made to prisoners of war as pay must be reimbursed, at the end of hostilities, by the Power which they have served."

Because Hitler's Third Reich did not make such payments, it is now asserted on behalf of the Bonn Government that such payments cannot be made now by Germany for the reason that reimbursement from Tito's Yugoslavia would not be possible.

The fact that the Hitler Government did not fulfill Germany's obligation under Article 23 of the Geneva Convention cannot serve as an excuse for the Federal Republic not to pay those obligations. It was a breach of an international covenant committed by the Third Reich under Hitler when Germany did not make the full monthly payments provided for in Article 23 of the Geneva Convention. That was a wrong for which the German state is liable. As pointed out above, the Federal Republic as the legal continuation of the German state retains its rights and duties.

(5) The fifth argument is that: "Generally speaking", "former prisoners of war can by themselves never without an intermediary assert legal rights against a detaining Power, so that such rights, arising out of the Geneva Convention, could receive valid consideration in the Law of Nations."

It is true that Article 34 of the Statute of the International Court of Justice provides that: "Only states may be parties in cases before the Court."

However, it is very sad indeed that the Government of the Federal Republic of Germany is taking advantage of this legal technicality operating against stateless persons.

Furthermore, the Bonn authorities overlook the fact that the helpless stateless persons in whose behalf this memorandum is prepared, stand by reason of their status as refugees, under the protection of the United Nations High Commissioner For Refugees, and that an advisory opinion by the International Court of Justice on the legal question involved in these claims can be given to appropriate organs of the United Nations pursuant to Article 96 of the Charter of the United Nations.

H.R. 6882

A bill to authorize ex gratia payment of compensation for work performed by certain prisoners of the German government during World War II who were wartime members of the Royal Army of Yugoslavia and who became United States citizens.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is authorized to be paid—

(1) to each wartime member of the Royal Army of Yugoslavia,

(2) to the surviving spouse of a deceased wartime member of the Royal Army of Yugoslavia provided such spouse became a United States citizen on or before January 1, 1946, and

(3) in equal shares to each parent and child of a deceased wartime member of the Royal Army of Yugoslavia if such member is not survived by a spouse who meets the qualifications of clause (2),

$1,250 plus interest on such amount at the rate of 5 per centum per annum for the period beginning January 1, 1946, and ending on the date the Commission's certification is made under section 2.

(b) The Secretary of the Treasury shall make the payments authorized by subsection (a) to the individuals certified to him under section 2 as eligible to receive such payments.

SEC. 2. (a) There is established a Yugoslav Claims Commission (hereinafter in this Act referred to as the "Commission") to determine the eligibility of individuals for the payment authorized by the first section. The Commission shall certify to the Secretary of the Treasury each individual it determines is eligible for such payment.

(b) Within thirty days after the date the members first appointed to the Commission take office, the Commission shall give public notice throughout the United States concerning the payments authorized by the first section. Such notice shall be made on a regular basis during the first ninety days from such date and in a manner most likely to notify as many individuals as possible who may be eligible to apply for such payment. Such notice shall include a description of the documents and other information needed by the Commission to determine if an individual is eligible for such payment.

(c) The Commission may not certify any individual as eligible for the payment authorized by the first section unless an application for such certification has been submitted to, and approved by, the Commission. Such application shall be submitted by such persons and in such form and manner, and contain such information, as the Commission prescribes; except that no application may be made under this subsection later than one year and thirty-five days after the date the members first appointed to the Commission take office.

(d) The Commission shall hold such hearings, take such testimony, and receive such evidence, as it determines is necessary to determine the eligibility of individuals for whom applications have been made. The Commission shall notify each applicant under this Act of its action on their applications. The Commission shall complete its determinations for each application filed under this section at the earliest practicable date, but not later than two years after the date the members first appointed to the Commission take office.

SEC. 3. (a) The Commission shall be composed of five members appointed by the Chairman of the Foreign Claims Settlement Commission in consultation with the Secretary of State, three of which shall be members of the staff of the Foreign Claims Settlement Commission. Each member of the Commission shall serve at the pleasure of the Chairman. Any member not otherwise federally employed shall receive the daily equivalent of the annual rate of basic pay in effect for Grade GS–15 of the General Schedule for each day (including traveltime) during which he is engaged in the actual performance of duties vested in the Commission. While away from his residence or regular place of business in the performance of services for the Commission, a member shall be allowed travel expenses, as authorized by section 5703(b) of such title 5 for individuals employed intermittently in the Government service.

(b) The Commission may, with the approval of the Chairman of the Foreign Claims Settlement Commission, appoint and fix the compensation of such officers, attorneys, and employees as are reasonably necessary for its proper functioning. Upon the request of the Commission, the Chairman of the Foreign Claims Settlement Commission may assign any employee of that Commission to the Commission established under this Act to assist it in carrying out its functions.

(c) A majority of the members of the Commission shall constitute a quorum to transact business; but an affirmative vote of at least three members shall be required to promulgate any rule or to determine the eligibility of any individual for the payment authorized by the first section.

(d) The Commission shall prescribe any additional rules necessary for carrying out its functions.

(e) The Commission shall cease to function not later than three years after the final date for making an application under section 2(c).

Sec. 4. For the purposes of this Act—

(1) The term "wartime member of the Royal Army of Yugoslavia" means any individual who was a Yugoslav national while he served in the Royal Army of Yugoslavia from April 6, 1941, to May 7, 1945, who was imprisoned by the government of Germany at any time and at any place from April 6, 1941, through May 7, 1945, who during such imprisonment performed labor or services for which he was not paid wages or salary as required by the Convention of July 27, 1929, Relative to the Treatment of Prisoners of War and who became a United States citizen on or before January 1, 1973 and who is a United States citizen on the date on which he is determined to be eligible for the payment authorized by the first section or until his death.

(2) The terms "parent" and "child" mean the same as such terms are defined in section 101(b)(1) and (2) of the Immigration and Nationality Act.

Sec. 5. No payment on account of services rendered or to be rendered to or on behalf of any individual in connection with any claim filed with the Commission under this Act shall exceed 10 per centum of the amount allowed by the Commission on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever pays, offers to pay, or receives (on account of services rendered or to be rendered in connection with any such claim) any payment in excess of the maximum permitted by this section shall be fined not more than $1,000. If such payment has been made, the Commission shall take whatever action may be necessary to recover such payment, and any claimant who made or offered to make such payment shall forfeit all rights under this Act.

Sec. 6. The action of the Commission in determining the eligibility of individuals for the payment authorized by the first section shall be final on all questions of law and fact and not subject to review by any other official of the United States or by any court by mandamus or otherwise; and the Comptroller General shall allow credit in the accounts of any certifying or disbursing officer for payments made under subsection (b) of the first section of this Act.

Sec. 7. The Secretary of State shall undertake negotiations with the Federal Republic of Germany to enter into an agreement with the Federal Republic providing for the Federal Republic to reimburse the United States for all sums paid under the first section of this Act.

Sec. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SENATOR LONG WAKES UP SINGING

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, it has been a distinct pleasure to have served in the Congress with my good friend and distinguished colleague, the senior Senator from my home State of Louisiana, Russell B. Long.

For nearly half of the 24 years Russell Long has served in the Senate, I have been a member of the Louisiana delegation in Congress with him. Day in and day out we have worked closely together. He has assisted me over and over again. I feel that I can speak with some authority about the senior Senator. Since 1966, he has served as chairman of the Senate Finance Committee; he has proven his outstanding legislative abilities in committee and on the Senate floor as well as in conference.

Those who know Russell Long recognize, as I do, that he is an outstanding American and a most effective and able legislator, who comes from a family with a great tradition in Louisiana politics and of service to the people of Louisiana. Those of us who know him well, realize that he is a man with great heart and sensitivity with a real insight into people.

Recently I came across a warm, human interest story in the Shreveport, La., Journal about my distinguished friend written by Washington staff writer Darlene Schmalzried. Mr. Speaker, I include it with my remarks:

Senator Long "Wakes Up Singing"

(By Darlene Schmalzried)

Washington.—"There's hardly a day," says Carolyn Long, "that Russell doesn't say how happy he is. He wakes up singing—and that's even before he gets into the shower."

His old friends marvel. "I can't believe how he's changed," said an oil lobbyist just last month. "He's a different man than he was four years ago," agreed another. "He looks so much younger," said a third crony. They spoke in hushed tones as if afraid the senator would hear and blush, although he was nowhere nearby.

Indeed, Russell B. Long, once the rising star of the Democratic Party, has made an about-face from the dark days four years ago when his aggressive power plays and sharp attacks on colleagues were often an embarrassment to the Senate.

His carer is on the upswing: Although, at 54, he claims no Presidential or Vice Presidential ambitions, he stands to become the most effective and respected Finance Commitee chairman in Senate history. Essentially a shy man, he stutters and smiles nervously in unfamiliar surroundings, but on the Senate floor or in committee, he performs his legislative duties so astutely that none can treat his opposition lightly.

His demeanor has improved: He has trimmed down his figure and re-stocked his wardrobe with neat-fitting suits. His face, a carbon-copy of father Huey's, is now touched with a tranquil dignity, except for the eyes that twinkle or flash as his active mind races ahead far faster than he can articulate his thoughts.

No longer as feisty as he is said to have been in the past, he is well-liked by colleagues, newsmen and even elevator operators, who appreciate his unaffected, down-home manner.

Sauntering through Capitol hallways with an easy-going, silghtly pigeon-toed gait, or rushing to make an appointment or get to the Senate floor, he now attracts more respect than notoriety.

This is no surprise to his cheery second wife. "I think he's basically a happy man," she said, crinkling her sparkling blue eyes across a table in the Senators' Dining Room, waving at acquaintances, blowing kisses to friends, always smiling.

A gracious North Carolinian with a consuming love of politics, the petite frosted-blonde undoubtedly has helped her husband of three years achieve that happy state. As one observer said, when Carolyn Bason married Russell Long on Dec. 23, 1969, the change in the senator was like "the difference between night and day."

Long's first wife did not like life in Washington, and consequently remained in Baton Rouge the last 12 years of their marriage. She divorced Long in 1969, shortly before their 30th wedding aniversary and not long after he was unseated as Democratic whip by Sen. Edward M. Kennedy.

Long had married her at 20, when he was still an undergraduate at LSU. After graduating in 1941, he received his law degree in 1942 and joined the Naval Reserve. As a first lieutenant, he captained an amphibious ship in the Mediterranean Sea during World War II—a period that Carolyn Long contends was one of the happiest in his life. ("He just loves to recall stories of his life in the Navy," she said.)

Discharged in 1945, he practiced law in Baton Rouge, then, when Sen. John H. Overton died mid-term, he won a hard-fought special election at 29, and became a U.S. Senator at age 30 on Dec. 29, 1948.

Far less flamboyant than his father's, Long's Senate career was relatively undistinguished until the early Sixties when, as ranking Democrat on the Senate Finance Committee, he took over for the Chairman Harry F. Byrd Sr. (D-Va.) in management of an $18 billion tax bill in 1964, most aptly expressed by Sen. William Proxmire (D-Wis.), a staunch opponent of the bill:

"If a man murdered a crippled enfeebled orphan at high noon on the public square in the plain view of a thousand people, I am convinced after today's performance that, if the senator from Louisiana represented the guilty murderer, the jury would not only find the murdered innocent, they would award the defendant a million dollars on the ground the victim had provoked him."

Following this coup, Long came from behind in 1965 to win a spot on the Democratic leadership ladder as assistant majority leader (whip). He had a clear shot at majority leader if Mike Mansfield (D-Mont.) had chosen to step down then.

In 1966, his fortunes began to fade. He virtually crammed the $1 campaign tax checkoff bill down the Senate's throat, delaying Senate business for weeks; then, when a successful attempt was made to repeal it a year later, he kept the Senate tied up for six weeks with parliamentary maneuvers in an attempt to forestall defeat.

(A similar bill passed Congress in 1971, and this year's tax forms included a form where taxpayers can designate that $1 of their taxes go into a fund to pay for Presidential campaigning in 1976.)

Later that year—1967—Long took up a campaign to keep Sen. Thomas Dodd (D-Conn.) from censure for misusing campaign funds, during which he attacked other senators, including the members of the Senate Ethics Committee. Those highly-esteemed solons, he suggested (though he later apologized), could not have withstood the close scrutiny they gave Dodd.

These and other incidents lost him a great deal of respect and resulted in his loss of the whip's race in early 1969. These, at the time of the divorce, "were his darkest days," according to one confidant.

In Spring, 1969, he was under investigation by a federal grand jury, which named him and the late Rep. Hale Boggs in a report charging a Baltimore contractor with conspiring to defraud the government on a contract involving underground parking facilities for the House of Representatives. Later, the Justice Department exonerated both of them of any charge of wrongdoing.

But at the end of December, immediately following a sticky House-Senate conference on the 1969 tax reform bill, there were some changes made.

Their marriage was a secret—mainly because neither Carolyn nor Russell Long knew until the last minute when they could take their vows.

"Most girls have to compete with other women," Mrs. Long said. "I had competition from a tax bill."

"Russell wanted very much to keep it a secret because he was afraid he would lose his bargaining power with the House conferees." She explained that, in the press to adjourn the 91st Congress, Long could use time as a lever in getting his favored provisions in the conference bill—but only if his adversaries did not know he was in a hurry to get done with business and get married.

Nobody knew it then, she said, but "he had to rush out during the conference to get a blood test."

Their first public appearance together—at a Sugar Bowl game in New Orleans—was also her first trip to Louisiana.

The former Miss Bason has been on Capitol Hill longer than 25 years. "I was here when Russell came," she freely admits. She came here as a secretary to former Sen. Clyde R. Hoey (D-N.C.), straight out of Greensboro (N.C.) Women's College and, except for a two-year stint in Europe with the Joint American Military Advisory Committee, has remained ever since. In 1954, she went to work for Sen. Sam J. Ervin (D-N.C.) in whose office she met Long.

"I had worked on the Hill a long time, and through the years he'd seen me and I'd seen him," she said. Long's and Ervin's offices were then on the same floor and "in those days, everybody knew everybody else."

A charming and attractive woman in her forties, she had not been married before, but revealed, "I was engaged to someone else the year before I married Russell."

Now, "I just want to be Russell's first lady."

The couple has settled into a duplex apartment, in Washington's plush Watergate complex, that once belonged to former Atty. Gen. and Mrs. John Mitchell. And they spend most of their time at home.

They take frequent trips to their cottage in the Blue Ridge Mountains, and occasionally travel to their farm in Baton Rouge. Or they may treat themselves and go out for a MacDonald's hamburger.

But "when we're here I'd say we spend five nights out of seven at home," he said. When they go out they're usually in by 11—to "catch the late show, or catch Mannix." The senator tries to get home from work by 7—"in time for Gunsmoke"—although the erratic Senate schedule is an acknowledged occupational hazard.

He is "not a person to bring his worries home," his wife reported "He can leave his pressures at the office."

But their participation in the Washington social scene is negligible.

"We go out about as often as the two of us can agree on it," Long said. "We very much enjoy being home together.

"I'd say anytime we accept an invitation, most people don't know what a compliment is implicit in that because I guess we enjoy being home together. They should appreciate the fact that we have the highest regard for them when we go out."

Mrs. Long concurred. "Both of us decided we were not going to get on the party circuit. We're very selective about party-going."

But mention MacDonald's and they both light up. "We're great MacDonald's fans," the senator said. "Carolyn's even learning to cook an Egg MacMuffin." "I adore Egg MacMuffins!" said his wife, emphasizing "adore" with her Scarlet O'Hara inflection.

They have now embarked on their annual alcohol-free Lenten diet. "It worked so well last year we're going to try it again," she said. "Both of us try to count calories because when we go to Louisiana, we can't resist all that good food."

Their lifestyle has changed some since Long's 17-year-old niece, Laura, came to Washington to attend a girls' boarding school in the area The high school junior, whose light brown hair reaches far down her back, is the daughter of Palmer Reid Long of Shreveport.

Although she spends most of her time at the Madeira School in Greenway, Va., she visits her relatives on Wednesday evenings and weekends when she is free.

We enjoy her very much," Long said. "She helps us keep in touch with the youthful point of view. A bright young person, very intelligent, she's very much a part of the young scene and she brings all that to us."

"While she's with us we try to keep up with what she's doing, what her interests are.

"She's fascinating "

Asked whether she has brought about any changes in their home life, he responded, chuckling, "Doesn't any young lady that age?"

Mrs. Long seems delighted with Laura, whom she helps with her studies and boyfriend problems. "We keep the lines of communication open with Laura," she said. "Sometimes I'm a good friend, sometimes I'm an aunt."

Laura has become like a daughter to her, and she admits, "I only regret I never had any children of my own." The senator's two married daughters are in Baton Rouge and Boulder, Colo.

On her part, the teenager seems happy with the arrangement, often accompanies her aunt and uncle to business and social events and spends a good deal of her spare time with them.

On one of her trips to town, she stopped in at the Capitol to watch Long tape a routine television show. After the taping, she ran up to throw her arms around him and, with a kiss, said, "You were great." "I'm glad you liked it," he said warmly, "but don't be late for your dentist appointment."

As his lifestyle has changed, so have Long's political ambitions been revamped.

"I once had a very strong desire to be a Presidential aspirant," he said. "That was up until I saw what the job was." As Democratic whip, Long was close to President Lyndon Johnson and got a good look at the Presidency.

"All the misery that man went through persuaded me that the worst job in government is the United States Presidency. It's something every young man ought to aspire to be, but it's an enormously demanding job. What it takes out of a person is so fabulous, so absolutely earth-shaking.

"I'm convinced," he added, "that good Presidents get their reward in heaven."

As for the Vice Presidency, "it's a very frustrating job, handing people trophies, attending golf tournaments, speaking at various and sundry places to try to reflect the President's views. The Vice Presidency is only a good stepping-stone to being President.

"Frankly, I'd rather be Finance Committee chairman. As chairman of a major committee, at least you have some power of decision," he said. "It gives you so much independence to do what you think you ought to do."

Asked whether he would ever want to rejoin the Democratic leadership, he said simply: "Nope."

Mrs. Long agreed with his views, "I think Russell has the best job in the United States Senate, and I still say the Senate's the best job in the world, better than being President."

Although he has not formally announced his candidacy for reelection next year, Long hopes to remain at his post for at least another seven years, and plans to announce his candidacy for reelection next spring.

After that? "I won't be running when I'm 90, I won't be running when I'm 80, and I doubt I'll be running when I'm 70, but I might run for another term after this one (when he's 61)."

But, "frankly I never look beyond the next election," he said.

"Why should you do that? There are so many things about life that the Good Lord will tell you or fate will decide for you that you make a mistake to start planning your life—from a politician's point of view—past the next election."

He will not "become a candidate" officially until next spring because the campaign financing laws are so drawn that "there are all kinds of disadvantages in being a candidate."

However, he said he expects then to form a "minimal-type campaign organization," meaning one that uses the media a great deal more than a massive grass roots campaign.

The campaign will be directed to a greater extent than ever before toward the newly-enfranchised young, a segment of the electorate he called "very active, very interested and very alert."

"I enjoy speaking to young people," he said. "I think it is a very healthy thing for any senator to meet with them.

"Off hand, my guess is I'll run as well with the young as I will with the middle-aged."

During the campaign, his wife will be by his side. "I'm looking forward to it," she said. "I'll enjoy meeting all those people. I just adore Louisiana—the people are so gracious.

"I never took part in a campaign before," she added. "This will be a new experience." Mrs. Long will not participate as an independent member of the campaign organization, but will be there to "give support to Russell."

Although she has been at the center of national political life even longer than her husband, she looks forward as much as he does to the day—"when we're no longer productive"—they can return to the farm outside Baton Rouge.

"I think of the Baton Rouge area as my home, even though I have many roots in Shreveport and a few in New Orleans," said Long, a native Shreveporter. When his Senate career is over he plans to settle down there, "unless I can find another place in Louisiana I like better, which is always a possibility."

Russell Long is inextricably tied to Louisiana, he is the product of the intense and variegated political tradition that prompted A. J. Liebling to call Louisiana "the westernmost of the eastern states."

The son of one of the most dynamic political figures in twentieth century America, Sen. Huey P. Long, he is the only member of Congress in history who could claim two parents as U.S. Senators. (His mother, Rose McConnell Long, was appointed to fill Huey's seat upon his death.) His Uncle Earl was a colorful man who served two terms as governor of the state. His Uncle George was a U.S. congressman.

He certainly has inherited his father's looks, his political acumen and legislative guile, his sense of humor. There was the time, for example, that Long managed to get unanimous consent in the Senate to abolish the Republican Party. No one else was in the chamber but Sen. Jennings Randoplh (D-W. Va.) who was presiding and there were no Republicans about to object. Well, when the GOP found out about it, then Senate Minority Leader Everett Dirkson (R-Ill.) retorted with an unsuccessful attempt to get unanimous consent to abolish the state of Louisiana.

On the other hand, although he has displayed some of his father's concern for the "little man," he is not as easy among crowds of them as the voluble Huey was.

Above all, Russell Long inherited his father's name. Some say it put him where he is; some say he got there in spite of it.

Long says, "I can't see that as being much of an issue anymore, frankly.

"I think I have some friends who I inherited from my father and I would think there's a friendship with the sons of many men who were friends of my father, who are my friends today.

"But with regard to the overwhelming majority of people who voted for me or against me, I couldn't tell you if their fathers were for my father or against my father."

He continued: "I've always idolized my father. His memory's very close to me in my heart. But as much as I loved my father I guess I'd be more proud of the fact that I tended to bring to an end some of the controversies that existed during his time rather than the fact that I kept the fight going on. In other words, basically, if something's right, over that period of time, you ought to be able to persuade the other fellow it's right or you ought to forget about it.

"I've been very proud of the fact that the overwhelming number of the people who to my knowledge were strongly opposed to my father are for me.

"I just hope that all of them will judge me for what I am because that's how I expect to judge them. I'm saying my own piece now. I've been in public life long enough that people ought to vote for me or against me on the basis of my own name."

APPEAL TO THE OAS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, one of the most distinguished members of the Cuban community in Miami has made a personal appeal to the Organization of American States at the meeting of foreign ministers here in Washington. I believe this appeal merits the consideration not only of the foreign ministers but of all who seek the restoration of freedom in Cuba. I commend it to our colleagues and request that it be included in the RECORD at this point:

APPEAL BY DR. MANOLO REYES

The undersigned, Dr. Manolo Reyes, being a Cuban citizen, of-age, and temporarily residing at 243 S.W. 26th Road, Miami, Florida, without representation of the Cuban people but in complete exercise of the liberty and respect to all human rights established in the Fundamental Charter of the Organization of American States, I come before you and respectfully say:—Since I firmly believe in the Interamerican System which the OAS represents and which repudiates the communist regime of Fidel Castro. I feel that I must raise my voice in the hope that it reaches this Assembly in order to comply with everybody's historical responsibility, precisely in this critical moment.

In 1964, a similar Assembly imposed a sentence on Fidel Castro's red regime for having been found guilty of sending thousands of weapons for the use of communist guerrillas who were operating in the surroundings of an abandoned beach in the Paraguana Peninsula in Venezuela.

It is my firm belief, by interpreting the feelings and experience lived by thousands of Cubans, who are today inside or outside their country, that the circumstances which determined the forced administration of the measures against Havana's red regime, instead of disappearing, on the contrary, have been maintained and have increased with the natural risk involved for the peace and security of the whole hemisphere.

We have Cuba's communist radio which since 1964 to this day has not stopped supporting illegal movements of the anti-social members in the American Continent, poisoning in this way young or weak minds and breeding hatred in the hearts of brothers.

We had the so-called Tricontinental Conference held in Havana in January of 1966 where plans were discussed for the communist subversion of many countries of the American continent.

Castro's communist regime has declared that it would give ample moral and material support against those who defeated Juan Jose Torres in Bolivia.

Recently, we have knowledge of the news that occurred last February 17th in Bissau, Portuguese Guinea, relating how 8 of Castro's communist guerrilla drowned when their ship was sunk by a Portuguese naval force which patrolled the Cacheau River. Meanwhile, Captain Pedro Peralta, an officer for Castro's communist regime, is still in prison serving a 10 year prison term after being captured by guerrilla forces in Guinea on November, 1966.

Still, on a recent date we have the guerrilla landing of Francisco Caamano Deno, in Caracoles (Seashell) Beach, in the Dominican Republic.

The Dominican delegate, can answer if Mr. Caamano came from Havana or not.

To prove the increasing danger of the communist regime of Havana let us say that in 1964, Castro did not have the strong military ties that he has now with the Soviet Union, ties that have turned Cuba into a Soviet military base.

To ratify these points I can make a reference to the book of sessions of the Special Commission on Security of the OAS which I have personally attended in Washington to declare the Soviet military increase in Cuba, on two different occasions, in 1970 and 1972.

You can also find this reference in the eight personal appearances that I have made in Washington in the last three years before the Internal Security Subcommittee of the House of Representatives, the Senate and the Interamerican Affairs Subcommittee of the House.

To broaden these facts, we can say that the Pentagon on February 21st ratified that a Soviet Naval squadron carrying guided missile ships left Cuban waters, after spending three months at Cuban ports and bays. This is the ninth Russian naval squadron that visited Cuba since July 26th, 1969.

We might also state that in Cuba there are at least three Russian naval facilities for nuclear submarines: Cienfuegos, Nipe and Cabanas.

Soviet atomic submarines have also been seen at the afore mentioned places on recent dates carrying Shaddocks missiles with a fire range of 500 miles, and Serb missiles with a range of 750 miles.

There is a very interesting segment to point out in this statement. The sailors who are stationed in the nuclear submarines are affected by the length of time in which they stay under water . . . and in many instances . . . in a direct form . . . by the radiations of the atomic heat of the submarine. For this reason, experienced physicians have estimated that the largest stay for the crew of these submarines should not be over a period of three months. Later, they need a rest period of three months at the beaches where they can saturate themselves with the sun and sea air. Then another three months in higher places, especially in zones where the pine trees grow, as they purify the ozone from the air.

There is no doubt, that the Russian crews of the nuclear submarines are using Cuba as a permanent base for this type of rest, as I have brought to the attention of the Special Committee on Security to the OAS, to the United States Congress and the Senate, and in this way the Soviet Union keeps increasing its military and strategic power in the Caribbean.

* * * * *

If in effect this is the usual way in which the communists treat their prisoners, I wonder what would be the inhuman treatment that thousands of political prisoners are going through in Cuban prisons, right this minute . . . millions of Cubans from one segment of the Island to the other?

I am not here before you to ask for pity, or to beg for our country's freedom. That would be treason to the dignity and sufferings of my people.

But I am here to talk to you before the history of today, to alert, and for tomorrow's judgment day.

This is the way in which I accomplish my duty as a Cuban citizen, and a brother of this Continent.

And I will not beg, because I am a man who has faith in God and in my beloved countrymen.

We can take as an example a recent incident which occurred only a few days ago in Havana. The students of the Universities . . . those which Castro has repeatedly cited as being loyal supporters of his regime . . . made an appointment to speak with him. Castro made his appearance and started delivering a speech at the Aula Magna where they had gathered. All of a sudden the lights went off and they remained like that for almost ten minutes. When the lights went on again many students had disappeared and everywhere signs had gone up reading: "Castro go away," "Castro we are tired of you", "Castro traitor to Cuba", "Russians, leave Cuba".

For this example of bravery and many others, I know that Cuba will be free. There is not a doubt in mind. Communism will be defeated. A free Cuba will again be seated in this prestigious Organization of American States, side by side with its American brothers.

SECTION-BY-SECTION SUMMARY OF H.R. 5988—THE SURFACE MINING RECLAMATION ACT OF 1973

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, the requests for detailed information concerning my bill, H.R. 5988, the Surface Mining Reclamation Act of 1973, is a small indication of the growing interest in this comprehensive legislation designed to realistically regulate the surface mining of all minerals in the United States in such a manner as to provide for the continuation of our basic mining industry and at the same time, reclaim the lands so affected by such mining.

The Subcommittee on Environment and the Subcommittee on Mines and Mining of the House Interior and Insular Affairs Committee are conducting joint hearings at the present time on the subjects covered by 11 bills dealing with surface mining, including H.R. 5988. Knowing of the interest of our colleagues in this vital matter, I have appended to my statement a section-by-section summary of my bill. The summary was prepared by the Environmental Policy Division of the Congressional Research Service.

The summary follows:

SECTION-BY-SECTION SUMMMARY OF H.R. 5988

Sec. 101. Findings

This section states, as congressional findings and declarations, that the recovery of minerals by surface mining is a significant and essential activity, contributing to the social and economic well-being of the Nation. When unregulated, however, surface mining may result in disturbances which adversely affect the public welfare through damage to the land, water and wildlife; to private property; and through threats to health and safety. Such unregulated mining activities are not coordinated with resource conservation programs of various governments.

The advance of reclamation technology is such that effective and reasonable regulation of surface mining by the State and Federal governments is now an appropriate activity to prevent the adverse effects already noted.

Primary government responsibility for developing, authorizing, issuing and enforcing surface mining and reclamation regulations should rest with the States because of the diversity of natural and social factors which prevail in areas subject to surface mining. A single set of Federal regulations could not adequately or fairly treat such diverse conditions.

Sec. 102. Purposes

This section cites 7 goals which constitute the purpose of the legislation: Foremost is to establish a nationwide program to prevent adverse effects to society and the environment from surface mining; the protection of the rights of surface landowners; prevention of surface mining where reclamation is not feasible; prevention of permanent damage to land and water; and the obtaining of reclamation as contemporaneously as possible with mining operations are among the other items specified; and to provide assistance to the States in developing their own programs, and to assure the full exercise of Federal constitutional powers to protect the public interest are the remaining goals.

SEC. 103. DEFINITIONS

This section offers 28 definitions of terms as used in this Act. Several of these are of particular significance, while the others have achieved a degree of familiarity during congressional deliberations of the past several years.

"Areas of critical concern" is defined as lands where development, including planned or unplanned surface mining, could result in significant damage to important historic, cultural, environmental, economic, or esthetic values of more than local significance, or could endanger life and property as a result of natural hazards. The legislation would bar surface mining in such areas.

The term "Federal land" refers to all land owned by the United States without regard to the method of acquisition or administering agency. Indian lands are not included in this definition.

The term "Federal lands program" is a program established by the Interior Secretary in accord with section 223 to regulate surface mining and reclamation on Federal and Indian lands.

"Lands within a State" refers to all lands within a State other than Federal or Indian lands.

The term "surface mining operations" means the activities conducted on the surface of lands in connection with a surface mine, the products of which enter or affect commerce. This includes exploration for and extraction of coal and other minerals as well as such operations as dredging, quarrying, leaching, in situ distillation or retorting and cleaning, among others. Loading for interstate commerce of crude material at or near the mine site is also included. Excluded is the extraction of minerals in a liquid or gaseous state by means of wells or pipes, unless the process includes in situ distillation or retorting. Surface operations associated with underground mines are not included.

SEC. 201. GRANT OF AUTHORITY; PROMULGATION OF FEDERAL REGULATIONS

This section requires the Interior Secretary, within 180 days of enactment, to develop and publish in the *Federal Register* regulations covering surface mining and reclamation operations for coal, and to provide details on the actions which the States must take to develop programs which meet the requirements of this Act.

No later than 24 months following enactment, the Secretary must develop and publish in the *Federal Register* regulations covering surface mining and reclamation operations for other minerals, and set forth in detail the actions a State must take to develop a program which meets the requirements of this Act.

The regulations for coal and for other minerals shall not become effective for a period of 45 days following publication in the *Federal Register*, during which time interested persons and State and local governments shall be able to submit written comments.

Any interested person or State or local government may file written objections to a proposed Federal regulation, and may request a public hearing. Within 15 days of the close of the period for comments, the Secretary shall publish notice of the regulation(s) objected to and for which a hearing has been requested. He shall publish the date (within 30 days of publication), time and place of the hearing where statements and objections concerning the proposed regulation shall be received. To the extent possible, these hearings are to be held in the State or region affected.

Within 60 days of the completion of hearings the Secretary shall publish a report of his findings of fact on the objections, and shall promulgate the regulations with such changes as may be necessary. The regulations shall take effect 30 days after their *Federal Register* publication.

The provisions of the administrative procedures Act, Chap. 5, Title 5, USC, are made applicable to this Act. In case of conflict, provisions of this Act shall apply.

SEC. 202. OFFICE OF SURFACE MINING AND RECLAMATION ENFORCEMENT

This section establishes the above office in the Department of the Interior, specifying that its director shall be appointed by the President, by and with the advice and consent of the Senate. No legal authority in the Department, having as its purpose the promotion of the use or development of coal or other mineral resources shall be transferred to the Office.

Seventeen duties of the Secretary, acting through the Office, are spelled out in this section. These include the administration of the programs contained in this Act; consultation with other agencies of Federal and State governments having expertise in the control and reclamation of surface mining; and such other duties as are provided by law.

To avoid duplication, the Secretary is authorized to coordinate the process of review and issuance of permits required by the Act with any Federal or State permit process.

SEC. 203. SURFACE MINING OPERATIONS WHICH MAY BE SUBJECT TO THIS ACT

This section makes the provision of this Act applicable to all surface mining activities, although the regulatory authority is permitted to except certain activities from one or more of the provisions. Previous legislative proposal have not contained such a provision.

The activities which may be exempted are:

1. Surface excavations made in connection with mining operations carried on beneath the surface.
2. Foundation excavations for building construction.
3. Excavations by a governmental agency or its authorized contractors for highway and railroad cuts and fills.
4. Extraction of minerals by a landowner for his own non-commercial use from land owned or leased by him.
5. Commercial extraction of minerals in amounts not more than 2000 tons of marketable minerals per year if the total acreage affected does not exceed 3 acres.
6. Archeological excavations.
7. Such other surface mining operations which the Secretary determines to be of an infrequent nature and which involve only minor surface disturbances.

Subsection (b) requires the Secretary to consider such factors as the size, nature, and potential for environmental damage of the activity involved, in promulgating regulations to implement this section.

SEC. 204. STATE AUTHORITY; STATE PROGRAMS

Subsection (a) spells out the requirements which must be met by a State in order to be eligible for Federal financial assistance under Titles III and IV of this Act, and to assume full control over surface mining in that State. The State must show that it has—

1. A law providing for the regulation of surface mining and reclamation in accord with this Act and regulations issued pursuant to the Act.
2. A law providing sanctions for violations. These sanctions shall include civil and criminal actions, bond forfeiture, suspension and revocation of permits, and cease and desist orders.
3. A state regulatory authority which is adequately staffed and financed to regulate mining and reclamation in accordance with the requirements of this Act.
4. A law which provides for a permit system for the surface mining of coal and of other minerals on lands within the State.
5. A mining lands review process as stipulated in Sec. 213, which review shall identify lands unsuitable for surface mining.

Subsection (b) requires that the Secretary not approve any State plan until he has solicited and made public the views of the Environmental Protection Agency, the Department of Agriculture and other Federal agencies possessing expertise in the matter of surface mining and reclamation; and until he has provided the opportunity for public hearings within the State.

A State plan must be approved or disapproved within 4 months of submission. If disapproved, the Secretary must provide a detailed written decision spelling out the reasons for disapproval. The State may resubmit a revised State program, in this event.

SEC. 205. FEDERAL PROGRAMS

This section specifies the conditions under which the Secretary may promulgate and implement a Federal program for a State, and the procedures which are to be followed in doing so. Such action vests the Secretary with the full authority for the regulation of surface mining and reclamation operations within the noncomplying State.

A Federal program may be instituted if a State—

1. Fails to submit a program for surface mining and reclamation operations for coal within 12 months after promulgation of Federal regulations;
2. Fails to submit a program for surface mining and reclamation operations for other minerals within 12 months after promulgation of Federal regulations; and
3. Fails to enforce its approved State program.

The Secretary must give notice and hold public hearings in the affected State before promulgating and implementing any Federal program. Failure of a State to designate lands not to be mined in its mining lands review, as specified in Sec. 213, shall not constitute grounds for the Secretary to promulgate and implement a Federal program.

If an approved State program is preempted, existing permits in that State shall be valid but reviewable by the Secretary. All permits are to be reviewed immediately to determine that they meet the requirements of this Act. For permits not in conformance, the holder is to be so informed and provided with a reasonable period of time to submit a new application and bring his operation into compliance with the Federal program.

A Federal program may be replaced by an approved State program if the Secretary determines that the latter will be effectively implemented.

Subsection (e) provides that the authority for administration and enforcement of all air and water quality laws and regulations applicable to surface mining may be vested in the State regulatory agency, if an approved State program exists. This is designed to eliminate duplication of effort by State and Federal agencies.

SEC. 206. STATE LAWS

This section declares that the only State laws or regulations which may be superseded by this Act and subsequent regulations are those which are inconsistent with Section 101.

Subsection (b) stipulates that provisions of State law and regulation which set more stringent environmental controls than do the provisions of this Act or the regulations promulgated by the Secretary shall not be construed to be inconsistent with this Act.

Similarly, any provision of State law or regulation, which has no counterpart in this Act shall not be deemed to be inconsistent.

Thus, the States are given the option of adopting programs which are more comprehensive and/or rigorous than that of the Federal Government.

SEC. 207. INTERIM REQUIREMENTS AFTER ENACTMENT AND PRIOR TO APPROVAL OF STATE PROGRAMS

For the period of beginning with the enactment of this Act, and extending through 12 months after promulgation of Federal regulations for surface mining of coal, a person must obtain an interim permit from the State regulatory authority in order to open or develop any new or previously abandoned surface coal mining operation on lands within a State.

On Federal or Indian lands, an interim permit from the Secretary must be obtained before a surface coal mining operation may be opened or developed on a new or previously abandoned site. This requirement extends from the date of enactment until Federal regulations for surface coal mining are promulgated.

Any operator who wishes to expand by more than 10 per centum the existing area of land affected in the previous 12 months by a surface coal mining operation must also obtain an interim permit to do so. On lands within a State the permit must come from the State regulatory authority for the period from enactment until 12 months following promulgation of Federal regulations for coal surface mining.

On Federal or Indian lands, the permit must come from the Secretary for the period following enactment until the promulgation of Federal regulations for coal surface mining.

In all cases, the applications and permits must be in accordance with the provisions of this Act.

SEC. 208. PERMITS

This section establishes a schedule under which permits must be obtained in order to conduct surface mining and exploration. On lands within a State, a valid permit from the State or Federal regulatory authority be obtained after the expiration of 12 months following the promulgation of Federal surface coal mining regulations.

Twenty-four months after promulgation of Federal regulations for the surface mining of other minerals a permit must be obtained from the regulatory authority before such operations can be conducted on lands within a State.

A permit from the Secretary is required immediately after the Federal regulations for coal and other minerals, as appropriate to conduct surface mining and exploratory operations on Federal and Indian lands.

Two types of permits are specified: surface exploration, and surface mining and reclamation. The term of the latter shall be for 5 years unless sooner completed, suspended or revoked. None of these cases shall relieve the operator of his obligation to comply with reclamation requirements of his permit, this Act, or a State or Federal program under this Act.

The surface mining and reclamation permit shall carry the right of renewal. Such renewal shall be granted after the public notice and hearing provisions of this Act are met, and the operator demonstrates compliance with the program under which he operates. An inspection of the mining and reclamation operations must be made by the regulatory authority prior to granting the permit renewal. New conditions and requirements may be imposed in the renewed permit, if necessary to meet changing circumstances.

SEC. 209. SURFACE EXPLORATION PERMIT REQUIREMENTS

Each application for a surface exploration permit shall be accompanied by a fee, set by the regulatory authority, and reflecting the expected cost of reviewing, administering and enforcing the permit.

Subsection (a) further requires that the application be accompanied by a description of the purpose of the proposed exploration project, and by a minimum of 12 specified items of supporting technical data. The latter includes the written permission of all surface landowners for any exploration activities, unless exploration rights are owned by the applicant; and provisions for reclamation of all land disturbed during exploration.

Under subsection (b), an applicant whose application is denied or unacted upon after a reasonable time, may seek relief under appropriate administrative procedures.

Any person who conducts surface exploration activities for mineral covered by this act without first obtaining an exploration permit, or who fails to observe the terms of a valid permit, shall be fined up to $10,000. Upon conviction, he shall not be issued any surface mining and reclamation permit for a period of time not to exceed 24 months.

SEC. 210. SURFACE MINING AND RECLAMATION PERMIT

Subsection (a) requires that each permit application be accompanied by a fee, determined by the regulatory authority, and based on the actual or anticipated cost of reviewing, administering and enforcing the surface mining and reclamation permit.

Subsection (b) lists 18 items of information which shall accompany each application. These items require full identification of the parties who will be connected with the surface mining operation; full disclosure of any previous or contemporaneous surface mining operations with which they were or are associated; and a statement of whether any person or group associated with the application has, since 1960, had a Federal or State suspension or revocation of a surface mining permit, or has forfeited a surface mining reclamation bond or security. The subsection also requires basic information regarding the tract to be affected, such as its size, location, ownership, and rainage patterns. The results of test borings for the property and chemical analysis of the stratum underlying the mineral to be mined must also be filed.

Subsection (c) stipulates the maps or plans which must accompany the application. These must show all boundaries of the property to be affected and those of property owners within 1000 feet of the land to be affected. All watercourses and man-made features such as roads, railroads, pipelines and structures must be shown and identified. Combined with this, or as a separate map, must be a proposed mining plan in detail, showing, among other things, the location of any discharges to surface water bodies.

Typical cross section maps or plans of the area showing among other things mineral seams, overburden, aquifers and the anticipated final surface contour following reclamation must also be filed. Information on the overburden and minerals shall be kept confidential. If essential to a hearing with regard to the grant or denial of a permit or the release of a reclamation bond, such information may be disclosed to interested parties under appropriate protective provisions.

Each applicant must obtain and submit with his application the written consent of, or waiver by, the surface owner or owners of the lands to be affected by surface mining to enter and commence surface mining on their land.

Subsection (e) requires the applicant or his independent contractor for mining and reclamation to submit certification from an insurance company showing that the applicant has a personal injury and property damage policy of not less than $100,000 in effect. The policy shall be for the term of the permit, and renewal and the length of all required reclamation operations. The regulatory authority may waive this provision if it finds the applicant financially able to meet claims within the requirements of this paragraph.

A reclamation plan for the land to be affected must accompany the application for a permit. Subsection (f) lists the minimum information in 14 categories which must be included in the proposed reclamation plan, as follows:

1. A description of the condition and uses of the land to be affected as it is at the time of application.

2. The applicant's proposed land use following reclamation. A record of consultations with appropriate local agencies with regard to the proposed use shall be submitted.

3. The methods to be used to separate, store and protect from air and water erosion the topsoil, subsoil and spoil.

4. A statement on the consideration given to maximum effective recovery of the mineral resources that can be economically and technologically surface and auger mined.

5. A full description of the engineering plans and techniques to be used in mining and reclamation and the major equipment to be used.

6. A plan for the control and treatment of water associated with the operation both during mining and for a period of 5 years after the operation is terminated for any reason.

7. A plan to prevent the diminution of the quality or quantity of surface or subsurface water utilized by adjacent landowners.

8. A detailed plan for backfilling, regarding, topsoil restoration, etc., consistent with the stated land use.

9. A planting and revegetation program, which should seek to permanently restore native vegetation.

10. A plan ensuring that all debris, acid forming or toxic material posing a health, safety or environmental hazard are disposed of promptly as a part of the mining cycle in a manner designed to prevent the hazard from occurring.

11. A blasting plan showing considerations

given to preventing onsite and offsite damage and injury.

12. The steps taken to bring mining and reclamation into compliance with all air and water quality laws.

13. A detailed estimated timetable for each major step in the reclamation plan, and the estimated total cost.

14. Such other information as may be required by the regulatory authority.

SEC. 211. CRITERIA FOR SURFACE MINING AND RECLAMATION OPERATIONS

This section is a detailed presentation of the minimum requirements which must be included in any State or Federal program with regard to the actual conduct of surface mining operations. A number of these requirements are touched upon in other sections of the Bill, particularly Sec. 210.

Slope limitations included in the House-passed surface mining control legislation of the 92nd Congress. Paragraph (8) addresses itself to the matter of limitations of surface mining on slopes over 14 degrees from the horizontal. This paragraph requires that no spoil, debris, soil, waste mineral, abandoned equipment or other material be placed on the downslope below the mining cut or bench if the natural slope angle exceeds 14 degrees. The regulatory authority may grant permission for such deposition however, if the applicant affirmatively demonstrates that his mining methods and reclamation plan will prevent sedimentation, landslides, or water pollution, and that the area can be reclaimed as required by the provisions of this Act.

Paragraph (11) requires that, in reclamation, all highwalls, spoil piles, and depressions to hold water must be eliminated. Where ponding of water is to take place for reclamation purposes, slopes to the water may not exceed 19 degrees from the horizontal. The use of terracing as a reclamation technique is discouraged, but may be approved by the regulatory authority if the reasons advanced are found satisfactory and the natural slope of the land to be affected is less than 14 degrees.

Among the other key requirements of this section are these:

(1) The land must be restored to a condition capable of supporting the uses of which it was capable prior to mining, and must present no health, safety, or environmental hazard.

(2) The written consent of the surface landowners for the proposed land use must be obtained.

(3) The amount of land excavated at any time is to be limited by combining the process of reclamation with progress of mining operations.

(4) In order to minimize the redisturbance of mined areas through later additional surface mining, the original operation must recover the mineral resources that can be technologically and economically surface or auger mined.

(7) All soil, spoil, waste and refuse piles must be stabilized, if necessary by imposing slope and height limitations, and if possible by vegetative cover.

(14) The quality of water in surface and subsurface systems must be maintained both during and after surface mining and reclamation in accordance with the highest applicable water quality standards.

(15) Water impoundments must be designed and maintained to prevent pollution, siltation, and rupture during intense storms. Any impoundments left as part of the permanent reclamation plan must be engineered for stability without maintenance, with emergency spilways so as to prevent rupture during storms of fifty-year frequency.

(16) Offsite areas must be protected from slides or damage during the mining and reclamation operations. No part of the operations or waste accumulations may occur outside the permit area.

(17) Explosives may be used only in accordance with existing law and under regulatory authority stipulations that shall, at a minimum, require advance written notice to local governments and residents on the times of use; procedures for the protection of dwellings, buildings and property; and limitations on the type of explosives and their method of use, so as to prevent injury to persons and property outside the permit area.

(18) All debris, structures and equipment must be removed and otherwise disposed of upon the approval of the performance bond release.

SEC. 212. REGULATION OF LARGE OPEN PIT MINE OPERATIONS

This section recognizes certain characteristics that set some surface mining operations apart from those treated in this legislation, and provides for the promulgation of special regulation in such cases. These operations treated in this section are those in which—

(a) The amount of overburden and mineral removed is large in proportion to the surface area disturbed;

(b) The operations take place on the same site for many years;

(c) There is insufficient overburden or other material to restore the approximate original contour; and

(d) There is no practicable alternative to surface mining. In such cases the regulatory may propose and the Secretary may promulgate alternative regulations to those in Section 211, which at a minimum will

1. Ensure that the slope of remaining highwalls will permit the replacement of soil, revegetation, and maintenance of the slopes, except that no slope may exceed 35 degrees from the horizontal. Step terracing may be employed if the mineral or overburden exposed is not of a toxic or polluting nature.

2. Ensure that applicable air and water quality standards will be met.

3. Ensure the protection of public health and safety.

4. Provide for the maximum practicable reclamation of the area to minimize adverse environmental impacts. The social, ecological, and environmental quality of the area should be optimized.

SEC. 213. DESIGNATION OF LAND AREAS UNSUITABLE FOR SURFACE MINING

This section authorizes the Secretary to make annual grants to each State for the purpose of helping the States develop mining lands review procedures which will identify areas which are unsuitable for some or all types of surface mining.

An area shall be so designated if—

(A) reclamation as required by this Act is not economically or physically possible;

(B) such mining would be incompatible with Federal, State or local plans to achieve essential governmental objectives; or

(C) the area is an area of critical concern, as defined in Section 103 (b) of this Act.

To qualify for these grants a State must demonstrate that its mining law review process includes a responsible State agency; a land data base and inventory which will identify areas with the capacity to support reclamation; and methods for ensuring that lands designated as unsuitable are not surface mined. The review process must also contain proper notice requirements, opportunities for public participation and hearings.

Grants shall not exceed 80 per centum of the development and management cost in the first and second years, and 60 per centum thereafter.

The section authorizes appropriations of $25,000,000 annually for the first three fiscal years after enactment, and such sums as may be necessary thereafter.

Any interested citizen shall have the right to petition the regulatory authority to exclude an area from surface mining. A hearing shall be granted when such petition and supporting affidavits tend to establish the unsuitability for surface mining of an area.

Subsection (b) authorizes and directs the Secretary to review the Federal lands to determine whether there are areas unsuitable for all or certain types of surface mining pursuant to the criteria set forth in this section.

Any such lands identified by the Secretary shall be withdrawn or any mineral or mineral entries shall be conditioned so as to limit surface mining operations on such area.

SEC. 214. PERMIT APPROVAL

This section lists the eight findings which the regulatory authority must make before it can grant a surface mining and reclamation permit. Among the findings which shall be made are—

(1) that the application is complete;

(2) that reclamation can be carried out consistent with this Act;

(3) that the land affected is not within 300 feet of the outside property line of an occupied dwelling; within 300 feet of a public building, park or cemetery; nor within 100 feet of the outside line of any public road right-of-way;

(5) that the mining method and reclamation plan will prevent sedimentation, erosion, pollution of the surface and subsurface watercourses, and that surface mining will not destroy underground water courses; and

(7) that no surface water body or watercourse will be moved, interrupted or destroyed during mining or reclamation except that watercourses may be relocated as part of an approved reclamation plan. No mining or reclamation shall be conducted within 100 feet of any stream, creek, or lake, except that reclamation may take place in such areas if it is for the purpose of restoring a previously mined but unreclaimed area, or will relieve an existing water pollution problem.

Subsection (b) requires that the regulatory authority shall not grant a permit to any applicant who has failed and continues to fail to comply with any provisions of this Act.

SEC. 215. PUBLIC NOTICE AND HEARINGS

This section requires the permit applicant to advertise the ownership, precise location, and boundaries of the lands to be affected by surface mining in a newspaper of general circulation in the locality of the proposed surface mine at least once a week for four weeks. He must also submit letters expressing his intent to surface mine to local governments, agencies, sewage and water treatment authorities, and water companies. Copies of the advertisements and the letters must be submitted to the regulatory authority within 35 days after the application has been submitted.

Subsection (b) grants the right to any citizen or governmental officer to file an objection with the regulatory authority within 30 days of the last publication of the above notice. A request for a public hearing may also be made, in which case the date, time and place of such hearing shall be properly publicized by the authority.

SEC. 216. DECISIONS OF REGULATORY AUTHORITY AND APPEALS

Subsection (a) requires that the authority notify an applicant for a permit within a reasonable time following submission when an application has been approved or rejected. This time shall take into account the period needed for investigation of the site, the complexity of the application and time spent on public notice and hearing procedures.

Within 30 days of being notified of the denial of a permit application, an applicant may request a public hearing which shall be held within 30 days of the request. Within 30 days of the hearing, the authority shall provide the applicant with a written decision approving or disapproving the permit in whole or in part, and stating the reasons therefor.

Subsection (b) provides the right of appeal to a court of competent jurisdiction for any applicant or citizen who has participated in the proceedings as an objector, and who is aggrieved by the decision of the regulatory authority or by the failure of the authority to act within a reasonable time.

SEC. 217. POSTING OF BOND

Subsection (a) requires the posting of a performance bond by an applicant after the permit has been approved, but before it has been issued. The bond shall be such amount as to assure the completion of the reclamation plan if the work had to be performed by a third party, but must be for a minimum of $10,000.

This bond shall cover the area on which surface mining operations are initiated. As additional areas are brought into operation, appropriate additional bond postings shall be required.

The period of liability shall be for the duration of the surface mining and reclamation operations and five years thereafter, unless sooner released.

The operator may deposit cash, negotiable bonds of the United States or State where operations are conducted, or negotiable certificates of deposit.

Subsection (d) requires the authority to increase the amount of required bond or deposit as affected land acreages are increased or where the cost of reclamation obviously increases.

Subsections (b) and (c) spell out the provisions for holding the bond or securities and for authorized substitutions of equal value by the operator.

SEC. 218. BOND RELEASE PROCEDURES

Upon completion of backfilling and regrading of a bonded area, an operator may request the release of 60 per centum of the bond or collateral. Among the information contained in his request shall be detailed descriptions of the reclamation activities performed and the results achieved.

Subsection (b) requires the regulatory authority to inspect and evaluate the reclamation work within 100 days of receipt of the request for release. To be considered are such factors as the degree of difficulty to complete remaining reclamation work, whether water pollution is occurring and the probability of its continuing. If the regulatory authority finds the reclamation meets the requirements of this Act he shall notify and release that portion of the bond requested. If the work is not satisfactory, the authority shall notify the operator by registered mail within 100 days after the request is filed, explaining why the work is unacceptable and recommending actions to remedy the failure.

Subsection (c) outlines quite similar procedures for the release of bond upon completion of all reclamation work.

Subsection (d) requires as part of the bond release application copies of advertisements in a newspaper of general circulation in the area of the mining announcing the intention of the operator to seek release of bond on the area. He must also submit copies of letters to local governments and agencies informing them of his intention to seek release from the bond.

Subsection (e) states the right of any interested party to file written objection to the bond release and to seek a public hearing. The timetable and procedures to be followed for such a hearing are detailed. The protestant shall have the burden of establishing the noncompliance of the permittee's request.

Subsection (f) cites the powers of the regulatory authority for the purpose of such hearings. These include the taking of evidence, including the inspection of the land affected and other surface mining operations carried on by the applicant in the general vicinity.

The regulatory authority shall make its decision on the bond release within 60 days after the hearing record is transcribed.

Subsection (h) grants the right of appeal to any applicant or interested objecting participant in the administrative proceedings, if aggrieved by the decision or the failure of the authority to act in a reasonable period of time.

SEC. 219. SUSPENSION AND REVOCATION OF PERMITS

Once it has been granted, a permit may not be suspended or revoked unless the regulatory authority gives prior notice of the provisions being violated and affords the permit holder a reasonable time to bring his operation into compliance. This time shall not be less than 15 days or more than one year. If water pollution, or a threat to health and safety is involved, the permit may be suspended and the operation closed and no portion of the performance bond may be returned to the operator as long as such conditions exist; and the authority determines, after a public hearing, if requested by the permittee, that the operation remains in violation.

The authority must furnish the permittee a written decision which affirms or rescinds the suspension and which states the reasons therefor. The permittee shall have the right to appeal such decision to a court of competent jurisdiction.

SEC. 220. INSPECTION

This section requires the Secretary to cause to be made such inspections as are necessary to evaluate the administration of State programs, or to develop or enforce any Federal program. For such purposes authorized representatives of the Secretary shall have the right of entry to any surface mining and reclamation operation.

The regulatory authority shall require any permittee to establish and maintain records; make reports; install, use, and maintain any necessary monitoring equipment; and provide such other information pertinent to his mining and reclamation operations as the authority deems necessary.

Subsection (b) further provides the authority with the right of entry to the property affected, and access, without unreasonable delay, to the records and monitoring equipment of the permittee.

All inspections shall be on an irregular basis averaging at least one a month for surface coal mining operations and semiannually for surface operations involving other minerals. The inspections shall be made without prior notice and reports of the inspection must be filed.

SEC. 221. FEDERAL ENFORCEMENT

Whenever the Secretary finds that a person is in violation of the requirements of this Act or any condition of his permit, the Secretary shall notify the appropriate State regulatory authority. If such authority fails to take appropriate action to end such violation within 10 days, the Secretary shall issue an order requiring the permit holder to comply with the provision or permit condition.

On the basis of Federal inspection, the Secretary or his inspectors may order a cessation of surface mining and provide a reasonable time in which a violation may be corrected. The permit holder shall be entitled to a hearing within three days of the cessation order. In the event of a failure to comply with the order, the Secretary shall immediately institute civil or criminal actions in accordance with this Act.

Subsection (c) provides that when the Secretary finds a State is failing to enforce its program, he shall notify the State of his finding. If the failure extends beyond the thirtieth day after such notice, the Secretary shall give public notice of such finding. From the time of such public notice until the Secretary is satisfied that the State will adequately enforce its program, the Secretary shall assume enforcement of any permit provision required by this Act.

Subsection (d) provides that any order issued under this section shall take effect immediately. The order shall set forth with reasonable specificity the nature of the violation and shall establish a reasonable time for compliance.

Failure to comply with any provision of this Act or a Federal program for a period of 15 days after notice of such failure shall make a person liable for a civil penalty of not more than $1,000 for each day of the continuance of such failure.

Subsection (f) provides that any person who, among other things, violates any provision of this act or any permit condition, makes a false statement or representation in any procedure covered by this Act, or who tampers with, or renders inaccurate any required monitoring device, shall be fined not more than $10,000, or imprisoned for not more than six months, or both.

SEC. 222. ESTABLISHMENT OF RIGHT TO BRING CITIZENS SUITS

This section provides that any person may commence a civil action on his own behalf against any person, including the United States and any other governmental agency alleged to be in violation of the provisions of this Act; or against the Secretary or the appropriate State regulatory authority for failure to perform any duty of this Act which is not discretionary.

Subsection (b) qualifies this by stipulating that no action may be commenced prior to 60 days after giving notice of the violation to the offending party, or if the Secretary or the States is diligently prosecuting a civil action to require compliance.

Action against the Secretary or State regulatory authority must also be preceded by 60 days notice, except the action may be brought immediately if the violation complained of constitutes an imminent threat to the health or safety of the plaintiff or would immediately affect a valid legal interest of the plaintiff.

Any action pursuant to this Act may be brought only in the judicial district in which the mining operation in question is located.

If not a party to an action under this section, the Secretary or State authority may intervene as a matter of right.

The court may, if considered appropriate, award costs of litigation to any party in actions pursuant to this section. If a temporary restraining order or preliminary injunction is sought, the court may require the filing of a bond or other security in accordance with Federal Rules of Civil Procedure.

Subsection (e) notes that this section does not restrict the right of any person under this or other laws to seek enforcement of this Act and regulations, or to seek any other relief.

SEC. 223. FEDERAL LANDS AND INDIAN LANDS

This section requires the Secretary to promulgate and implement a Federal lands program applicable to all surface mining and reclamation taking place on Federal and Indian lands. The program shall include, as a minimum all the requirements of this Act, and should take into consideration the diversity of characteristics of the land in question.

Subsection (b) requires that the provisions of this Act and the Federal lands program shall be incorporated in all Federal leases, contracts, or permits issued by the Secretary which may involve surface mining. This shall not limit the authority of the Secretary to subsequently issue new regulations with which the lease, permit, or contract holder must comply.

Subsection (c) states that the Federal program shall contain regulations applicable to all Federal departments and agencies which require that—

(1) No federal entity shall dispose of any mineral rights it may own if it does not also own the surface rights, unless the written consent of the surface landowner(s) for surface mining is first obtained.

(2) No Federal department, agency or authority may purchase or otherwise obtain coal which has been surface mined from lands owned by any person who has not given his written permission for the extraction of such coal by surface mining.

Subsection (d) authorizes the Secretary to enter into cooperative agreements with a State or States for the purpose of unifying the management of surface mining and reclamation on areas with interspersed Federal or Indian and State ownership or responsibility.

The Secretary may accept or delegate authority for the management of such areas for the purposes of this Act.

Subsection (e) limits the extent of the above delegation of authority, noting that it does not confer upon the States any trustee responsibilities towards the Indians or Indian lands.

SEC. 224. REVISION OF PERMITS

This section makes provision for a permittee to seek a revision of his permit by filing a revised application and reclamation plan with the regulatory authority.

The authority shall not approve any application for revision unless fully satisfied that required reclamation will be carried out under the revised reclamation plan.

The authority shall establish guidelines on the scale or extent of revisions which necessitates the implementation of all permit application procedures, including notice and hearings. Any revisions which would substantially change the intended future use of the land shall be subject to notice and hearing requirements.

Paragraph (3) requires that any extension of the area to be covered by a permit must be made by application for a new permit.

There shall be no transfer, assignment, or sale of the rights granted under any permit issued pursuant to this Act.

SEC. 225. PUBLIC AGENCIES, PUBLIC UTILITIES AND PUBLIC CORPORATIONS

This section makes the provisions of Title II of the Act applicable to any agency, unit or instrumentality of Federal, State or local governments, including publicly owned utilities or corporations of any such government which proposes to engage in surface mining operations.

SEC. 301. ABANDONED MINE RECLAMATION FUND

This section creates the Abandoned Mine Reclamation Fund in the United States Treasury, and authorizes an initial appropriation of $100,000,000, and such other sums as the Congress may later appropriate.

Other moneys to be deposited in the Fund are those—

(1) derived from the sale, lease, or rental of reclaimed land;

(2) derived from any user charge imposed on reclaimed land, after expenditures for maintenance have been deducted; and

(3) miscellaneous receipts including fees, fines, and bond forfeitures which are not otherwise incumbered.

Subsection (d) allows the Secretary to expend for the purposes of this title, moneys in the fund subject to annual appropriation by the Congress.

This Fund will be the mechanism for financing the acquisition and reclamation of abandoned mined lands under a Federal program, and for grants to the States for similar purposes.

SEC. 302. ACQUISITION AND RECLAMATION OF ABANDONED AND UNRECLAIMED MINED AREAS

This section states as a declaration of the Congress that the acquisition of any interest on land or mineral rights in order to develop and operate reclamation facilities constitutes acquisition for a public purpose, even though the interest to be held may eventually be used for open space or recreation, or may be resold.

Subsection (b) authorizes the Secretary to acquire unreclaimed surface mined land by purchase, donation, or otherwise. The Secretary must make a thorough study of the lands available for acquisition and must base his selection upon priorities spelled out later in this section.

When acquired, title shall be taken in the name of the United States, but the Attorney General must approve the validity of the title before the deed is accepted or any purchase price paid. The purchase price must reflect the unreclaimed nature of the land.

Subsection (c) authorizes condemnation of land and mineral rights by the Secretary for the purposes of this Act, and spells out the procedures to be followed. In certain circumstances, the Secretary is authorized to take immediate possession of land or mineral rights by payment to the owner or a court of competent jurisdiction the estimated fair market value of the interest taken.

Subsection (d) provides that in cases in which the ownership of lands to be taken cannot be determined, the Secretary shall deposit the estimated fair market value of the property with a court. If the ownership is not established within 6 years, the payment shall revert to the Secretary and be deposited in the Reclamation Fund.

(e) encourages the States to acquire abandoned unreclaimed mined lands and donate them to the Secretary to be reclaimed. To this end, the Secretary is authorized to make matching grants to the States, the maximum Federal share being 90 percentum of the cost of acquisition of the lands. A State which has so donated lands shall have a preference right to purchase such lands after they have been reclaimed by the Federal Government at fair market value, less the State portion of the original purchase price.

Subsection (f) requires the Secretary to develop specifications for the reclamation of lands acquired under this article, and in developing the specifications shall utilize the specialized knowledge or experience of any Federal department or agency which can assist him.

The criteria for determining priorities for acquisition of lands of making grants to the States under this section are:

(1) those unreclaimed lands having the greatest adverse effect upon the environment or posing the greatest threat to life, health or safety; and

(2) those lands suitable, upon reclamation, for recreation use.

Revenues subsequently derived from such lands shall be used first to provide proper maintenance of such lands and facilities thereon, and any surplus shall be deposited in the Fund.

Subsection (h) allows the Secretary to sell reclaimed lands deemed suitable for industrial, commercial, residential, or private recreation development pursuant to Federal property disposal laws.

Subsection (k) provides an opportunity for local citizen participation in making the determination of the use of lands reclaimed under this title. The Secretary shall hold a public hearing, with appropriate notice, in the county or counties where lands to be reclaimed are located. The time for such hearing must be such that it gives the citizens the maximum opportunity to help shape the decision concerning final use of the land.

SEC. 401. ADVISORY COMMITTEES

This section requires the Secretary to a point two national advisory committees on surface mining and reclamation operations, one for coal and one for other minerals. Each committee shall have a maximum of 7 members, so balanced as to represent Federal, State and local officials and persons qualified to present the industry, consumers, and conservation points of view, respectively. The Secretary shall designate the chairman of each of the committees,

SEC. 402. GRANTS TO THE STATES

This section authorizes the Secretary to make grants to the States to assist them in developing, administering and enforcing their own programs. The grants may not exceed 80 per centum of the total costs in the first year; 70 per centum during the second and third years; and 60 per centum each year thereafter.

Subsection (b) gives the Secretary the authority to cooperate with and provide assistance to any State in developing and administering its program. Included in such assistance are—

(1) technical assistance and training of personnel, including provision of necessary curricular and instructional materials; and

(2) assistance in preparing and maintaining a continuing inventory of surface mining and reclamation operations for each State.

All Federal departments and agencies shall make available data relevant to surface mining and reclamation operations and information on the development and administration of applicable State programs.

SEC. 403. RESEARCH AND DEMONSTRATION PROJECTS

This section authorizes the annual appropriation of $5,000,000 to be used by the Secretary to conduct and promote research and experimentation in mined land reclamation. The Secretary is authorized to enter into contracts with and make grants to qualified institutions, agencies, organizations and persons.

He may also contract with or make grants to State or local governments and other qualified parties to carry out demonstration projects involving the reclamation of surface mined lands.

SEC. 404. ANNUAL REPORT

This section requires the Secretary to submit an annual report to the President and to the Congress concerning activities conducted by him, the Federal Government and the States pursuant to this Act. The report shall include his recommendations of additional administrative or legislative action deemed necessary to accomplish the purposes of this Act.

SEC. 405. AUTHORIZATION OF APPROPRIATIONS

This section authorizes the appropriation to the Secretary for the administration of this Act the following sums:

Fiscal year 1973, $10,000,000; 1974, $20,000,000; and 1975, $20,000,000.

Each year thereafter, $30,000,000.

SEC. 406. OTHER FEDERAL LAWS

This section expresses the standard saving clauses concerning existing State and Federal laws pertaining to mine safety, air and water quality, and the authority of the Secretary or other Federal agency officials with regard to mineral leases or permits.

Subsection (c) directs the Federal agencies to cooperate with the Secretary and the States in carrying out the provisions of this Act.

SEC. 407. SEVERABILITY

This section contains the usual severability clause.

GOV. ANDREW F. BRIMMER PAINTS ECONOMIC PICTURE OF BLACK AMERICA

(Mr. STOKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STOKES. Mr. Speaker, Gov. Andrew F. Brimmer of the Federal Reserve System has prepared an extremely valuable analysis of statistical data as it relates to black America. Governor Brimmer's approach is highly technical and intellectual. But contained within the volume of data which he presents is a well-rounded portrait of where black Americans stand today in economical terms.

Governor Brimmer examines the labor market from 1961 on. He fiinds that from 1961 until 1969, black participation in the work force increased at the same rate as white. But this trend changed during the 1969–70 recession. In 1969, black unemployment stood at 6.2 percent, compared to 3.3 percent for whites. By the end of 1970, the jobless rate for black workers had risen to 9.2 percent; for whites, the comparable figure was 5.4 percent. By the end of 1971, while the whites rate remained static, black unemployment had again gone up—to 10.1 percent. At the end of 1972, the black joblessness rate had declined to 9.9 percent, but so did white unemployment—to 4.7 percent.

Governor Brimmer looked at the kinds of jobs held by blacks. He concluded that although the variety of black-held jobs had increased, blacks remain concentrated in "unpleasant and routine" jobs—in the low-wage industries.

From 1965, when the War on Poverty was inaugurated, until 1968, black participation in Federal manpower programs steadily increased. But, beginning in 1969, as Federal funding levels declined, so did black participation. If the President's 1974 manpower budget is approved, the Federal commitment to manpower training will decline by a full 10 percent.

Governor Brimmer pointed out that between 1960 and 1971, the black median family income doubled. However, in 1971, black families earned only 6.6 percent of the national income—despite the fact that blacks comprise 11.3 percent of the total population. In real dollars, moreover, the gap between white and black family incomes is growing. In 1960, the average white family made only $2,602 more than the average black family. But by 1971, the chasm had grown to $4,232.

The Governor also used statistics to prove that, while more whites are on welfare than blacks, welfare payments accounted for 6.2 percent of the total black income—compared to only 0.6 percent of the total income for whites.

I urge my colleagues to take the time to read Gov. Andrew F. Brimmer's compelling study. The complete report follows:

EMPLOYMENT AND INCOME IN THE BLACK COMMUNITY—TRENDS AND OUTLOOKS

(By Andrew F. Brimmer) [*]

I. INTRODUCTION

During the last few years, I have attempted to make at least an annual assessment of the economic progress of blacks in the United States. The last such examination on my part was undertaken about a year ago. The results of that inquiry suggested that blacks were lagging considerably in the recovery from the 1969–70 recession and that the outlook for the ensuing year was rather mixed.[1]

I have just completed another assessment of the recent economic trends among blacks, and the picture which merges is again a mosaic of progress and stagnation. In general, blacks are moving ahead on the economic front, but a number of divergent trends are evident. The implications of some of these developments (particularly the persistence of high unemployment among youths) for the economic future of blacks—and for the economy generally—are potentially serious. Consequently, I am personally convinced that the time has come for this nation to assign a much higher priority to efforts to open up genuine opportunities for those groups that have failed to share equitably in the benefits of economic growth.

The evidence on which this conclusion is based is presented in some detail in the following sections. In Section II, overall trends in the black labor force, employment, and unemployment in recent years are analyzed. In Section III, the disproportionate impact of the 1969–1970 recession on blacks and their lag in participation in the subsequent recovery are assessed. The changing occupational and industry structure of black employment is examined in Section IV. The problem of youth unemployment and the possible adverse effects of minimum wage legislation on the employment opportunities of young people are discussed in Section V. The current situation and outlook for Federal Government manpower programs (some of which have been of especial importance to blacks) are appraised in Section VI. In Section VII, trends in personal income in the black community are analyzed. In particular, it is shown that blacks (far from depending excessively on public welfare) earn their spending money to about the same extent as whites. A summary of the main results and conclusions of the analysis is presented in Section VIII.

II. TRENDS IN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

In 1972, there were 9.6 million blacks [2] in the labor force. They held 8.6 million jobs, and 956 thousands were unemployed. In the same year, the civilian labor force totaled 86.6 million; total employment amounted to 81.7 million, and 4.8 million workers were idle. Thus, last year, blacks made up 11.1 per cent of the civilian labor force, 10.6 per cent of total employment, and 19.8 per cent of total unemployment. (See Appendix Tables I and II, attached). Behind these figures, however, is a picture of black participation in the labor market which is far from comforting. The dimensions of the situation among blacks are generally known, but it might be helpful to sketch the highlights in broad outline.

Trends in the Black Labor Force. During 1972, as a whole, the civilian labor force expanded by 2.1 million, and the black component rose by 217 thousand. This meant that black workers represented 10.2 per cent of the labor force growth last year. However, the black participation rate [3] continued to decline during the year, dropping from an average of 60.9 per cent in 1971 to 60.0 per cent in 1972. This decline was more pronounced than long-run trends in participation would warrant, and much of the decrease continued to be among adult men. Among men aged 20–24 years, the sharp drop experienced over the last five years appeared to have been arrested as their participation rate remained unchanged at 81.5 per cent. In contrast, white men of the same age group increased their labor force participation during the year from 83.2 per cent to 84.3 per cent—probably in response to improved employment conditions.[4] Black workers in the experienced age group (25–54) continued to show declines in participation. Moreover, although decreases were not as sharp as during the 1970–71 period, the drops were greater than during the expansion period of the mid-1960's and sharper than among their white counterparts. It seems reasonable that the recession combined with the rapid growth in the number of better educated young workers may have produced an economic climate discouraging to adult black males, particularly those who lost jobs.

In general, participation rates for older black workers have declined in line with white rates. However, 1972 saw a sharp drop in participation among black men and women 55–64 years of age which was not experienced among their white counterparts. The decline may be a delayed response to slack economic conditions prevailing in 1971 as well as continued high unemployment levels in 1972 as these workers became discouraged in their job search and left the labor force. Also, these older workers may have been replaced by younger workers during this recovery phase of the business cycle.

Adult black women aged 20–34 increased their participation during 1972—although not as fast as white women—and declines were experienced in the age group 35–54. Black youth participation recovered from the slump experienced in 1971, but remained below the rates of the mid-1960's. At 39.0 per cent of the civilian labor force in 1972, black teenage participation was significantly less than the white teenagers rate of 54.3 per cent.

The rapid expansion in the black civilian labor force last year was due primarily to a substantial increase in the working age population. However, it also partly reflected the re-entry of black youths who had left the labor market during the 1969–70 recession. The principal dimensions of labor force expansion during the last few years (as well as during the decade of the 1960's) are presented in Tables 1 and 2. Table 1 shows changes in the civilian labor force, employment and unemployment, by color, sex, and age. Table 2 shows blacks' share of each of these labor market measures for the same time periods.

Several characteristics of the changing black labor force stand out in these data. During the substained expansion of the national economy from 1961 through 1969, the black labor force rose in line with the total civilian labor force. So, blacks as a fraction of the total remained unchanged at 11.1 per cent. Among blacks as well as among whites, adult women and youths of both sexes accounted for a larger share of the rise in the labor force during the 1960's than they represented at the beginning of the decade. But, in the last few years (as shown more fully below), the labor market experience of black workers has been substantially less favorable than that of their white counterparts.

Trends in Employment. Blacks got a moderately larger share of the increase in employment during the 1960's than they had at the beginning of the decade. In 1961, they held 10.4 per cent of the total, but they accounted for 12.7 per cent of the expansion in jobs between 1961 and 1969. Within the black group, adult females got a relatively larger share of the expanded jobs than was true of black men. This pattern paralleled that evident among whites. On the other hand, black youths made virtually no progress toward improving their relative employment position during the decade. This was in sharp contrast to the situation among white youths. In 1961, black youths had 0.6 per cent of the total jobs, and in 1969 they held 0.8 per cent. White youths expanded their share of total employment from 5.6 per cent to 7.0 per cent over these years.

These broad shifts in employment should be kept in mind. Other major changes in the trend and composition of black employment

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are examined further in a subsequent section of this paper.

Trends in Unemployment. Between 1961 and 1969, the total number of workers without jobs dropped by 1,883 thousand. This reflected the recovery from the 1960–61 recession as well as the substantial growth of the economy during the decade. Over these same years, unemployment among blacks declined by 400 thousand. This reduction was about in line with the decrease in joblessness in the economy generally, and blacks' share of total unemployment was roughly the same in 1969 (20.2 per cent) as it was in 1961 (20.6 per cent).

On the other hand, the distribution of unemployment within the black community changed significantly. Among black adult males and black adult females, the level of unemployment decreased over the decade—as did unemployment among all components of the white group. But among black youths, the level of unemployment was 34 thousand higher in 1969 than it was in 1961. Joblessness among black youths rose during the 1969–70 recession—along with unemployment among other groups. However, unlike the situation among all other groups in the labor force, unemployment among black youths has continued to worsen—even during the last two years of substantial economy expansion. The problem of unemployment among black youths—and some of the factors which seem to have a bearing on its persistency—are discussed further below.

III. IMPACT OF THE RECENT RECESSION AND RECOVERY

As indicated above, the 1969–70 recession had a disproportionately adverse impact on blacks. The extent to which this was true can be traced in Tables 3 and 4. Table 3 shows annual variations in the civilian labor force, employment, and unemployment, by race, age, and sex from the fourth quarter of 1969 through the fourth quarter of 1970. Table 4 shows the same data in terms of percentage distributions.

It will be recalled that economic activity reached a peak in the fourth quarter of 1969, and the recession lasted through the fourth quarter of 1970. By historical standards, this was a mild recession. For example, from peak to trough, real gross national product (GNP) declined by less than 1.0 per cent (from $725.1 billion to $718.0 billion in 1958 dollars) at a seasonally adjusted annual rate. During the same period, the number of employees on nonfarm payrolls decreased by 771 thousand. This was the net result of a decline of 1,612 thousand jobs in goods producing industries, which was partly offset by expansion of 841 thousand jobs in service producing industries. The declines were concentrated in manufacturing (1,514 thousand, of which durable goods accounted for 1,258 thousand). The gains were mainly in State and local government payrolls (419 thousand), services (297 thousand), wholesale and retail trade (103 thousand), and in finance, insurance, and real estate (94 thousand).[5]

During the first year of recovery (measured from the fourth quarter of 1970 through the fourth quarter of 1971), real GNP rose by 4 per cent at a seasonally adjusted annual rate (from $725.1 billion to $754.5 billion). Simultaneously, the number of workers on nonfarm payrolls climbed by 983 thousand. Employment in goods producing industries continued to decline on balance (by 53 thousand), with the manufacturing sector registering a further cutback of 103 thousand. In contrast, service producing industries expanded their employment by 1,036 thousand, and the gains were broadly based.

Over the second year of recovery (from the fourth quarter of 1971 through the fourth quarter of 1972), the economy as a whole registered outstanding gains. Real GNP expanded by nearly 8 per cent at a seasonally adjusted annual rate (from $754.5 billion to $812.4 billion). Paralleling this overall economic performance, the number of workers on nonfarm payrolls rose dramatically—by 2.7 million. A significant part of this increase (865 million) centered in goods producing industries—where employment had decreased in the first year of recovery. Manufacturing industries saw a rise of 783 thousand, among which durable goods accounted for 633 thousand. But the service producing industries also expanded employment appreciably—by 1,833 thousand. Again, these increases were widely distributed among service sectors—except the Federal Government where employment shrank by 28 thousand.

Impact of the Recession. The racial composition of these cyclical variations in payroll employment during the last few years cannot be traced since these data do not include a racial identification of persons employed. However, statistics collected monthly by the Bureau of the Census in its Current Population Survey and published by the Bureau of Labor Statistics do enable one to obtain a rough idea of the way in which blacks were affected by the recent recession and recovery.

An analysis of these data demonstrates clearly that blacks bore a major share of the increased burden of unemployment during the recession—while they have shared to a lesser extent in the gains made during the recovery. During the recession, the growth of the black labor force was dampened considerably. While blacks represented 11 per cent of the civilian labor force as recession began, they accounted for only 6 per cent of the rise in the number of workers employed or seeking jobs. The recession's adverse effects were especially noticeable among black youths. Among the latter, the number in the labor force actually shrank by 37 thousand. But the dampening effects on black women were also evident. In the final quarter of 1969, black females aged 20 and over made up 4.5 per cent of the civilian labor force; yet, they represented only 1.7 per cent of labor force expansion in the ensuing year. In contrast to these trends, both white youth and adult white women increased their labor force participation during the recession. The trends among adult men were mixed. Adult black men accounted for a slightly larger than average share of the labor force rise during the recession, while their white counterparts accounted for a noticeably smaller fraction.

The adverse effects of the recession on black employment are registered even more sharply. In fact, between blacks as a group and whites as a group, blacks suffered all of the recession-induced decline in jobs—while whites made further net job gains. From the fourth quarter of 1969 through the fourth quarter of 1970, total employment decreased by 66 thousand. This was the net result of a drop of 174 thousand in the number of jobs held by blacks which was partly offset by an increase of 108 thousand jobs held by whites. The cutback in black-held jobs occurred across the board: adult men, 22 thousand; adult women, 55 thousand, and youths, 97 thousand. Among whites, adult men and youths experienced a net decline in jobs (of 60 thousand and 139 thousand, respectively), but the number of adult white women employed rose by 307 thousand. Expressed differently, while blacks held 10.8 per cent of the total jobs at the onset of the recession, they absorbed all of the net decrease—and then some—in total employment which occurred during the period of declining economic activity.

In the case of unemployment, the pattern of black-white employment changes sketched during the recession was more complex. Yet, the adverse effects on blacks were still clearly evident. As the recession began, 566 thousand black workers were unemployed. Thus, they represented one-fifth of the total number of unemployed workers—roughly double their share of the labor force. Their unemployment rate was 6.2 per cent, or 1.88 times the 3.3 per cent unemployment rate for whites during the fourth quarter of 1969. During the following year, the total number of workers without jobs rose by 1,915 thousand. Among blacks, joblessness rose by 285 thousand.

This represented one-sixth of the total increase, so blacks as a proportion of the unemployment rolls declined slightly. Nevertheless, in the fourth quarter of 1970, there were 851 thousand blacks without jobs, and their unemployment rate was 9.2 per cent. In the same quarter, the unemployment rate for white workers was 5.4 per cent, so the black-white ratio was 1.70 to 1.

Among blacks as among whites, adult men experienced a relatively sharper increase in the incidence of unemployment than that recorded for adult women and youths. Yet, while both white men and white youths experienced some decline in employment during the recession, for whites as a group the net rise in unemployment was primarily a reflection of the growth of the white labor force at a pace in excess of what could be absorbed by a sluggish economy. Thus, the rise of 1,630 thousand in the number of unemployed whites was the net result of an increase of 1,740 thousand in the white labor force and an increase of 108 thousand in employment. In contrast, the rise of 285 thousand in the number of unemployed black workers reflected an expansion of 109 thousand in the black labor force and a drop of 174 thousand in black held jobs.

Experience During the Recovery. The experience of black workers during the recovery from the 1969–70 recession has been equally adverse. In the first year of recovery, blacks accounted for 11.2 per cent of the increase in the labor force—about in line with the long-run trend. However, the rate of expansion was especially rapid for black women, below average for black men, and the participation of black youths in the labor force continued to decline. Among whites, adult men contributed proportionately much less, adult women contributed slightly more, and youths contributed much more, to the growth of the white labor force than their long-run shares would have suggested.

With respect to employment, blacks' share of the gains during the first year of recovery fell well below average. As a group, they accounted for only 5.8 per cent of the rise in jobs—against 11.2 per cent of the rise in the civilian labor force. In fact, adult black men and black youths experienced further net job losses—thus offsetting part of the gains made by black women. In contrast, whites registered gains across the board.

As a result of these mixed trends, during the first year of recovery, the level of unemployment among blacks rose substantially—while joblessness among whites registered only a slight increase. By the fourth quarter of 1971, there were 950 thousand blacks without jobs—about 100 thousand more than in the same quarter a year earlier. Among whites, the level of unemployment in the fourth quarter of 1971 amounted to 4,105 thousand compared with 4,005 thousand a year earlier. During the same period, total unemployment rose by 199 thousand. This meant that half the rise in joblessness was focussed on blacks—in contrast to their sharing in less than 6 per cent of the job gains. Reflecting these changes, the black unemployment rate rose further from 9.2 per cent in the last quarter of 1970 to 10.1 per cent in the final quarter of 1971. Over the same period, the white rate remained unchanged at 5.4 per cent.

During the second year of recovery (from the last quarter of 1971 through the last quarter of 1972), blacks shared somewhat more in the gains from economic expansion than they did in the previous year. The black labor force expanded at a pace above its long-

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run trend, however, the rate of expansion in jobs was about in line with the long-run average. Consequently, the level of unemployment among blacks rose somewhat further. In contrast, although the white labor force expanded rapidly, employment among whites rose even more rapidly, and the level of unemployment declined moderately. Over this period, the total civilian labor force rose by 1,880 thousand, and the black component rose by 257 thousand—representing 13.7 per cent of the total. The proportion of the increase accounted for by adult black men was roughly in line with the long-run trend, and the share of adult black women was somewhat above the long-run average. Also during this period, the two-year decline in labor force participation by black youths was reversed. Among whites, the most important change in the labor force was the dramatic climb in the proportion of the growth attributed to youths.

Between the fourth quarter of 1971 and the final quarter of last year, total employment expanded by 2,349 thousand. Blacks got 247 thousand (or 10.5 per cent) of these jobs. About 183 thousand of the gains were made by adult black men, and adult black women got the remaining 64 thousand. Black youths did not share in the gains at all—although the number of black youths in the labor force rose by 52 thousand. Among whites, the number of jobs rose 2,102 thousand—with 989 thousand going to adult men, 540 thousand to white youths. So the latter got almost one-quarter of the net increase in jobs last year—although they represented only 8.1 per cent of the civilian labor force in the final quarter of 1971.

The level of unemployment declined by 468 thousand during the second year of recovery (to 4,618 in the final quarter of 1972). On balance, this decrease was not shared among blacks. Instead, in the fourth quarter of last year, black unemployment amounted to 960 thousand—10 thousand higher than a year earlier. At this level, joblessness among blacks represented 20.8 per cent of total unemployment—a fraction slightly higher than that recorded at the peak of economic activity in the closing months of 1969. While unemployment among adult black men dropped by 73 thousand, it rose among adult black women (32 thousand) and among black youths (51 thousand). In the case of whites, unemployment declined by 478 thousand. Of this amount, 148 thousand occurred among adult white women, and 79 thousand among white youths. Reflecting these contrasting changes, the black unemployment rates was 9.9 per cent in the fourth quarter of 1972—compared with 4.7 per cent among whites, for a ratio of 2.11 to 1.

In summary, after two years of recovery, unemployment among the total civilian labor force was 269 thousand below what it was when the turning point in economic activity occurred in the final quarter of 1970. Among white, unemployment was 378 thousand lower. But among blacks, unemployment was 109 thousand higher. So, the conclusion is inescapable: blacks bore a disproportionate share of the recession-induced decline in economic activity in 1969–70, and they have failed to share equally in the gains from economic recovery during the last two years.

IV. CHANGING STRUCTURE OF BLACK EMPLOYMENT

At this juncture, we can take a closer look at the principal changes in the composition of black employment in recent years. These changes can be seen in both the occupational and industry distribution of black workers.

Occupational Distribution. The extent of the occupational changes among blacks can be traced in Table 5. Advancement in the range of jobs held by blacks in the decade of the 1960's is quite noticeable. This is particularly true of the improvements in the highest paying occupations. Between 1960 and 1970, the number of blacks in professional and technical positions increased by 131 per cent (to 766 thousand) while the increase in the total was only 40 per cent (to 11.1 million). Blacks had progressed to the point where they accounted for 6.9 per cent of the total employment in these top categories in the occupational structure in 1970, compared with 4.4 per cent in 1960. They got about 12 per cent of the net increase in such jobs over the decade. During this same period, the number of black managers, officials and proprietors (the second highest paying category) rose two-thirds (to 297 thousand) compared to an expansion of 17 per cent (to 8.3 million) for all employees in this category.

In the 1960's, black workers left low-paying jobs in agriculture and household service at a rate one and one half times faster than did white workers. The number of black farmers and farm workers dropped by 61 per cent (to 328 thousand) in contrast to a decline of about 40 per cent (to 3.1 million) for all persons in the same category. Therefore, in 1970, blacks accounted for about 11 per cent of employment in agriculture, less than their share in 1960 when the proportion was 16 per cent. The exit of blacks from private household employment was even more striking. During the last decade, the number of blacks so employed fell by about 34 per cent (to 625 thousand); the corresponding drop for all workers was only 21 per cent (to 1.6 million). Although roughly half of all household workers were black in 1960, the ratio had declined to just over two-fifths by 1970. The number of black nonfarm laborers declined (by 9 per cent to 866 thousand) over the last decade, but the total number of laborers rose somewhat.

Nevertheless, as already indicated, the accelerated movement of blacks out of the positions at the bottom of the occupational structure did not flow evenly through the entire occupational structure. For example, blacks in 1970 still held about 1.5 million of the service jobs outside private households—most of which require only modest skills. This represented almost one-fifth of the total—about the same as the proportion in 1960. Moreover, the number of blacks holding semi-skilled operative jobs (mainly in factories) rose by 42 per cent (to about 2.0 million) during the decade, compared with an expansion of only 16½ per cent (13.9 million) for all workers. The result was that blacks' share of the total climbed from 12 per cent to over 14 per cent. Taken together, these two categories of lower-skilled jobs (chiefly in factories or in nonhousehold services) accounted for a somewhat larger share (42 per cent) of total black employment in 1970 than they did in 1960—when their share was about 38 per cent. In contrast, among all employees the proportion was virtually unchanged—27 per cent at the beginning of the decade and 28 per cent at its close.

While blacks made substantial progress during the 1960's in obtaining clerical and sales jobs—and also registered noticeable gains as craftsmen—their occupational center of gravity remained anchored in those positions requiring little skill and offering few opportunities for further advancement. At the same time, it is also clear from the above analysis that blacks who are well prepared to compete for the higher-paying positions in the upper reaches of the occupation structure have made measurable gains. Nevertheless, compared with their overall participation in the economy (11 per cent of total employment), the occupational deficit in white collar employment—averaging 40 per cent—remains large.

Data on occupational distribution of total employment by color in 1972 are also shown in Table 5. In general, these figures show the mixed job experience of blacks in the last two years. Black employment rose moderately, but blacks' share of the total jobs remained essentially unchanged. However, between 1970 and 1972, they raised their share of professional and technical jobs. The number of blacks employed in white collar jobs rose by 218 thousand, but the number holding blue collar jobs in 1972 was still 121 thousand below the 1970 level. Within the blue collar group, the attrition was most noticeable in the case of operatives. This situation was mainly a reflection of the fact that total employment in the manufacturing sector (in which a sizable proportion of blacks is employed) at the end of 1972 was still 658 thousand below the level recorded in December 1969.

Industry Structure of Black Employment. The industry distribution of black employment can be traced in Table 6. In 1968, about 24.2 per cent of black jobholders were employed in manufacturing. The corresponding proportion for total employment was 27.2 per cent. By 1972, the corresponding figures were 24.1 per cent for the total, and 22.6 per cent for blacks. Over the same four years, however, blacks' share of total jobs in manufacturing climbed slightly (from 9.6 per cent to 9.9 per cent). The extent to which blacks—compared to all workers—have found jobs in other industries is also shown in Table 6. For example, the proportion of the black work force employed in transportation and public utilities rose somewhat between 1968 and 1972—from 4.3 per cent to 5.0 per cent. The proportion for all workers was essentially unchanged—at about 5.8 per cent. However, a sizable divergence is evident in the trade field, in which 13.8 per cent of blacks—in contrast to 20.0 per cent of the total—had found jobs in 1972. These fractions were essentially the same in 1968. A smaller (but still noticeable) divergence can be seen in the case of finance. insurance and real estate—which accounted for 5.2 per cent of total employment compared with 3.2 per cent of black employment last year. Yet, these industries did become a somewhat more important source of black jobs in the last four years. On the other hand, blacks were overly represented in services (23.9 per cent of employed blacks vs. 17.9 percent of the total) in 1972.

Within manufacturing, blacks were found employed particularly in heavy industry. They were found especially in industries producing transportation equipment (mainly automobiles); in primary metals (particularly steel); in electrical equipment; in food and related products, and in apparel. While blacks held about 9.9 per cent of the total jobs was considerably higher. For example, as shown in Table 6, in 1972, their shares were: tobacco, 33.8 per cent; lumber and wood products, 19.4 per cent; primary metals, 13.9 per cent; apparel, 12.9 per cent; food processing, 11.2 per cent; stone, clay and glass, 11 per cent; transportation equipment, 11.6 per cent; furniture, 10.2 per cent, and textiles 13.4.

In weighing these figures on black employment in manufacturing, however, one should not conclude that blacks have found an equal chance for advancement in the nation's factories. This is far from the case. To a considerable extent, the industries with large numbers of black employees are those in which numerous jobs are unpleasant and routine or which require much physical strength or long endurance. Moreover, blacks are typically found in the lower paid blue collar occupations requiring only limited skills.

Still another aspect of the industry distribution of black employment can be seen in Table 7. This table shows average weekly earnings and blacks' share of industry employment in 1968 and 1972. These actual figures are also expressed in terms of index numbers. The average weekly earnings in all private industry and blacks' share of total employment are taken as the base (that is, equal to 100). Weekly earnings and blacks' share of employment in specific industries are then expressed as a percentage of the base.

Several conclusions are suggested by these data. In general, blacks tend to have a disproportionate share of the jobs in low-wage industries, and they tend to be under-represented in high-wage industries. For example, among the low-wage manufacturing industries are lumber, tobacco, textiles, and apparel. In all of these, blacks' share of the total jobs in 1972 is well above their share of all jobs in the private sector. In contrast, among the high-wage industries, only in primary metals, stone, clay and glass, and transportation equipment (particularly automobile manufacturing) do blacks have an above average share of the total jobs. Among the high-wage manufacturing industries in which blacks are noticeably under-represented are fabricated metals, machinery (both electrical equipment and non-electrical varieties), instruments, paper, printing and publishing, and rubber. They are similarly under-represented in transportation and public utilities, wholesale trade, construction, and mining.

Between 1968 and 1972, blacks made some progress in migrating from low-wage to high-wage industries, but in several cases they became even more heavily represented in low-wage sectors. For example, blacks' share of total jobs declined somewhat in lumber and furniture manufacturing, food processing and in services—all low-wage industries. They also expanded their share of employment in a number of high-wage sectors: electrical machinery, transportation equipment, paper, chemicals, and petroleum manufacturing; in transportation and public utilities. On the other hand, blacks' share of total employment rose in tobacco, textiles, and apparel in which wages are below average. Their share eased off somewhat in printing and publishing and in wholesale trade in which wages are above average.

In general, blacks have been making modest progress in recent years in finding job opportunities in the better paying sectors of the economy. At the same time, however, they have also been becoming more heavily concentrated in some of those industries in which earnings remain well below the national average.

V. THE MINIMUM WAGE AND YOUTH UNEMPLOYMENT

As I mentioned above, the persistence of high levels of unemployment among youths—both black and white—is a widely-noted and troublesome problem. In fact, the situation among black youths is particularly distressing. In the fourth quarter of last year, the unemployment rate among workers 16–19 years of age was 15.6 per cent—compared with an overall rate of 5.3 per cent, and rates of 3.6 per cent and 5.2 per cent, respectively, for adult males and adult females. Among blacks, the overall rate in the same period was 9.9 per cent; it was 5.9 per cent for black men and 9.3 per cent for black women. But for black youths, the unemployment rate was 35.9 per cent. In contrast, among whites the overall rate was 4.7 per cent. It was 3.4 per cent for white men, 4.6 per cent for white women and 13.2 per cent for white youths.

As I also mentioned above, the youth unemployment rate has risen significantly in the last decade. Before the early 1960's, joblessness among youth was about two to three times the level of that of adults. However, since 1963, the rate has been four or five times greater. Moreover, the incidence of unemployment has fallen more heavily on black youth: the ratio of the black youth unemployment rate to the white youth jobless rate rose from 1.80 in 1963 to 2.90 at the end of 1972. Several developments over the past decade have contributed to the teenage unemployment problem: the substantial growth in the youth population, and increased proportion of school enrollees competing for part-time jobs, the movement of families from farms to the city where teenagers must compete in the urban labor market, and the effect of the draft with its attendant uncertainties.

In addition, the minimum wage laws have increasingly been a subject of scrunity by economists attempting to analyze the youth unemployment problem.[6] Last year amendments to the Fair Labor Standards Act (FLSA) were introduced in Congress which provided for a youth "subminimum" wage. The Administration had proposed a 20 per cent differential for workers under 18 years old and for full time students. In addition, it recommended this 20 percent differential for all 18 and 19 year olds for the first six months of their *first* job. This proposal was an attempt to ". . . recognize that during the early phases of a first job, the young person is in need of familiarization and orientation with the world of work. . . ."[7] A bill introduced early this year incorporates substantially the same features.[8] These proposals are based on the assumptions that increases in the level of minimum wages and broadening of the coverage have had an adverse impact on teenage employment opportunities.

A number of empirical studies have been conducted in an attempt to determine the relationship between the minimum wage and teenage employment. These studies, unfortunately, provide no consensus. A number purported to find disemployment effects among teenagers from rising minimum wages; others concluded these effects were not evident. While time does not permit an assessment of all of the studies, several major research efforts are reviewed below.

The Bureau of Labor Statistics conducted a series of studies,[9] and reported that increases in the level and coverage of the Fair Labor Standards Act (FLSA) may have contributed to the employment problem of young people. Yet, BLS concluded that, in general, it was difficult to disentangle such effects from numerous other influences—such as growth in the youth population, the military draft and other factors. This conclusion was based in part on results of statistical analysis (using regression techniques) in which teenage unemployment ratios by age, race, and sex were related to the armed forces participation of teenagers, agricultural employment ratios, the unemployment rate of adult males (a proxy for the business cycle), the proportion of teenagers in the population, a minimum wage variable, and a variable (dummy) representing manpower programs. From the results obtained, some highly tentative conclusions emerged. Extensions of coverage of minimum wages may have more of an effect on teenage employment than the level of minimum wages; Federal manpower programs may have offset the disemployment effect of minimum wage changes; and FLSA seemed to have had a larger effect on 16–17 year olds than on 18–19 year olds. In a related study, the BLS found that employer attitudes (as reflected in a BLS survey) suggested that a substantial youth wage differential (at least 20 per cent) might provide an incentive to overcome the apprehension of employers about the quality of teenage job seekers—especially 16 and 17 year olds.

Other researchers have reached different conclusions. One of these[10] found that increases in either the level or coverage of FLSA led to an increase in teenage joblessness. The author of this study employed a statistical technique in which he regressed unemployment rates by age, sex, and race against the jobless rate for males 25 and older, the minimum wage as a proportion of average hourly earnings, and the proportion of black teenagers in the population. He observed that the increases in unemployment among teenagers corresponding to an increase in either the level of coverage of minimum wage were higher for black youth than for white and for females than for males. When the same analysis was applied to men 20–24, FLSA changes did not appear to have a noticeable impact. However, this study may not have included all the relevant variables. Notably the author did not account for the increased proportion of all teenagers in the labor force, and another study[11] which took into account the sharp rise in the teenage population reported no statistically significant unemployment effects.

Another study reached conclusions similar to those described above.[12] Using statistical techniques[13] which related the employment rates of teenagers to "normal" employment (the difference between normal and actual employment) and the minimum wage as a percentage of average hourly earnings times the estimated coverage, the authors concluded that increases in the minimum wage sharpened the vulnerability of teenage employment to cyclical fluctuations and also decreased the teenage share of total employment. Moreover, the authors found that black youth bore a disproportionate share of the disemployment effects. However, a criticism may be leveled at this study too, on the grounds that the authors excluded from their analysis other factors—such as population growth, school enrollments, etc.—which would presumably have had an effect on the teenage share of employment.

It is difficult to draw firm conclusions from these empirical studies unless one is willing to play one methodology off against another. On balance, however, I think the evidence tentatively suggests that changes in the FLSA may have had some adverse impact on teenage employment—especially through the extension of FLSA coverage to service and trade establishments with amendments in 1961 and 1966.

In the light of this tentative conclusion—and given the extremely serious problem of youth unemployment (particularly among black teenagers)—I think a youth differential may, to some extent, alleviate the burden of youth unemployment. But I would not expect the establishment of a below-minimum entry wage to result in an expansion of the teenage share of employment. Instead, a differential might maintain the employment status quo in that it might preserve jobs which may otherwise disappear with increases in the minimum wage. And, judging from the evidence presented in some of the research studies, I would expect a youth differential to have the geratest impact on 16–17 years olds—the majority of whom are currently earning less than the minimum wage.

VI. FEDERAL MANPOWER PROGRAMS AND BLACK EMPLOYMENT

At this point in the discussion, I would like to explore briefly participation by blacks in the principal manpower programs sponsored by the Federal Government—especially in the decade of the 1960's. These programs are currently undergoing a reassessment, and—depending on the final outcome of the review—the implications for black employment may be particularly serious.

Blacks have been well represented in Federal manpower training programs. In fact, their participation in all major programs has been well above their proportion in the work force. However, this parallels to some extent the proportion of the low income population that is black. Black participation rates by program are shown in Table 8. A trend is clearly evident: expenditures on programs increased quite rapidly from the introduction in fiscal 1965 of the War on Poverty programs to a peak in 1968, and expenditures tended to taper off in each subsequent year

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until the introduction of the Emergency Employment Act in 1971.

Prior to 1968, blacks increased their participation in most programs each year as special efforts were made to increase their enrollment. As funding levels eased off in 1969 and 1970, black proportions declined somewhat—in spite of increases in the total number of enrollees in the programs—and black participation continued to edge down in 1971 and 1972. More than likely this result was due to the lower level of program expenditures in combination with the 1970–71 recession. As workers were laid off during this period, they may have displaced the more disadvantaged—mostly blacks—as enrollees in training programs.

In 1965, blacks constituted about 30 per cent of MDTA institutional training—one of the largest manpower programs in terms of expenditures. By 1968, they accounted for more than 45 per cent, but their share eased off in each subsequent year so that in 1972 only one-third of MDTA enrollees were black. Similar trends are evident in other major manpower programs: the MDTA on-the-job training program served about 12,000 individuals in 1965, one-fifth of whom were black. By 1968 the black proportion had risen to over one-third, but in 1972 their share had declined to about one-fourth. The Job Opportunities in the Business Sector Program, designed to provide jobs to the hard-core disadvantaged, was introduced in fiscal 1969 with enrollees who were about 80 per cent black. However, the proportion dropped off sharply to about 45 per cent as the impact of the recession was felt. The same pattern can be observed for the Concentrated Employment Program.

Only in two of the major manpower programs did blacks maintain their peak participation: Neighborhood Youth Corps and the Job Corps. Both of these programs were tailored to serve inner city youth and, as such, were somewhat insulated from the change in clientele brought about by the economic slump.

Current Status and Future of Manpower Programs. Outlays on manpower programs are expected to be reduced about 10.0 per cent to $4.8 billion in fiscal 1974. The decline is mainly attributable to the phaseout of the Emergency Employment Assistance (EEA) program which had funded transitional public service jobs for States and localities. New federal spending is primarily confined to veterans and rehabilitation programs and the Work Incentive Program.

The WIN program apparently will be emphasized by the Administration. It was revamped in 1972 by amendments to the Social Security Act of 1967 and the Revenue Act of 1971 after little success with the institutional training approach. Under the first of these amendments all "able-bodied" welfare recipients are required (as of July 1, 1972) to register for jobs or job training under WIN except those who clearly cannot work—the aged, children under 16 years, etc. The Federal Government funds up to 90 per cent of the cost of manpower, childcare, and other supportive services with the remainder picked up by the States. At least one-third of WIN expenditures must be used for on-the-job training and public service employment—reflecting a clear preference for jobs rather than classroom training. After six months of registering eligible persons on welfare (about 566,000 AFDC recipients), the Manpower Administration in the U.S. Department of Labor reported that 39,450 had been placed in unsubsidized jobs, and an additional 9,718 had been placed in job training or public service jobs with wages paid by the WIN program. The Administration estimates that in fiscal 1973, a total of 150,000 welfare recipients will be placed in jobs while a total of 120,000 will be referred to training. The comparable fiscal 1974 figures are 165,000 placed in jobs and 132,000 referred to training.

The amendment to the Revenue Act of 1971 provides employers with a tax credit for wages and salaries of WIN graduates—20 percent provided the employee remains on the payroll for 12 months. The tax credit may not exceed $25,000 plus 50 percent of taxpayer's income tax liability in excess of $25,000 in any one year, but the credit may be carried back three taxable years and/or forward seven taxable years. Since July 1972, about 6,232 persons have been claimed by employers under the Job Development Tax Credit. This part of the program may be expected to expand in fiscal 1973 and 1974 if more private employment opportunities become available.

The traditional manpower programs under the Manpower Training and Development Act (MDTA) and Economic Opportunity Act (EOA) will be replaced by Manpower Revenue Sharing. Although Manpower Revenue Sharing legislation was not passed by Congress in the last session, the budget for fiscal 1974 established revenue sharing de facto by decategorizing existing manpower programs under MDTA and EOA (including MDTA institutional and on-the-job training, Neighborhood Youth Corps, Operation Mainstream, and Concentrated Employment Program) and making available black grants to State and local governments to choose program mixes which they believe are best suited to local conditions. The critical factor here is that decision making will be transferred to State and local governments. The Administration feels the shift will increase the efficiency of program design and implementation. However, it is impossible to predict the results of this change at this time.

In fiscal 1974 and 1975, about 75 percent of the program funds under MDTA and EOA will be made available to States and localities. The remaining 25 percent will be retained at the Federal level for national supervision, research, and demonstration. The transfer of policy making will build on CAMPS (Co-operative Area Manpower Planning Systems) committees which are advisory councils appointed by State and local elected officials and responsible to them. The councils will advise State governors and mayors on manpower needs and programs and assist in the development of comprehensive manpower plans for their areas.

The funding of programs under Manpower Revenue Sharing was cut back in fiscal 1973 by some $250 million, and further across the board cuts are expected in fiscal 1974. Major programs affected by reduced outlays are MDTA institutional, Concentrated Employment Program, and the Neighborhood Youth Corps (where funding will be reduced by about $150 million from the fiscal 1972 levels). The Job Corps will continue to be run on the federal level, but spending will be reduced, and it is anticipated that a number of the Job Corps centers will be closed. The Job Opportunities in the Business Sector (JOBS), run by NAB will continue to be federally funded.

Since its August, 1971, inception, the Public Employment Program has employed a total of 283,147 people.[14] As of the end of November, 1972, 143,561 were employed in PEP slots. Of these, 22 per cent were black; about 40 per cent were disadvantaged. Jobs under PEP were temporary employment, and the Manpower Administration reports that 56 per cent of the enrollees had found permanent employment either with the program agent, other public agencies of the private sector. The Administration plans to phase out PEP primarily because the number of private sector jobs has increased substantially, unemployment has declined, and the financial ability of State and local governments to meet the demands for public services has improved. However, although Federal funding will terminate at the end of fiscal 1973, mayors and governors are anticipated to continue to support some public work opportunities under Manpower revenue sharing.

But whatever course the Federal Government manpower program finally takes—and in whatever form they may be continued at the State and local level—it is clear that blacks have a major stake in the outcome. Without some continued—and substantially broadened—training and skill-upgrading efforts, there appears to be little likelihood that blacks will greatly improve their employment position in the years ahead.

VII. INCOME TRENDS IN THE BLACK COMMUNITY

Another way of assessing the economic situation among blacks is to examine trends in their income. Census Bureau data for 1971 (the most current year available) presented in Table 9 indicate that total money income of black families and unrelated individuals was $46 billion in that year. This was 6.6 percent of the total—which amounted to $695.2 billion. This share for blacks should be weighed against the fact that blacks compose about 11.3 per cent of the total population. If they had received the same fraction of total income, their cash receipts in 1971 would have amounted to $78.6 billion—or $32.6 bililon more than they actually received. The explanation for this short-fall is widely known: a legacy of racial discrimination and deprivation has limited blacks' ability to acquire marketable skills while barring them from better-paying jobs.

It will be close to the end of the current year before Census Bureau figures on personal income in 1972 are available. However, from a comparative analysis of the personal income figures published by the Bureau of Economic Analysis (BEA) in the U.S. Department of Commerce, and those published by the Census Bureau each year, one can make an estimate of the racial distribution of total money income in 1972.[15] On the basis of such an analysis, it is estimated that total money income last year was in the neighborhood of $755 billion. It is also estimated that blacks received about $51 billion of this amount—representing 6.7 per cent of the total. These estimates suggest that total money income of blacks rose by about 10 per cent in 1972—compared with about 8½ per cent for the total. This relative improvement in the income position of blacks is a reflection of their greater (although still unsatisfactory) participation in the continued recovery of the economy in 1972 compared with their experience in the preceding year.

The median family income of blacks in 1971 was $6,440, a rise of 2.6 per cent over 1970. The rise in the median income of white families during 1971 amounted to 4.3 per cent. This slower expansion in black income was another indication of the failure of blacks to participate equally in the recovery of the economy in 1971. In contrast, blacks actually experienced a slightly faster rise in their median income in 1970 than that recorded for whites (4.7 per cent and 4.5 per cent, respectively).

As a group, black families made great strides over the decade of the 1960's in increasing their income. The median family income of blacks in 1971 was about double the level in 1960 which appears to compare favorably with a rise of roughly 83 per cent for white families over the same period. However, in absolute terms, black families received an average of $4,232 less than white families in 1971—whereas they received $2,602 less in 1960. This difference in 1971 was equal to two-thirds of black families' median income. Thus, although blacks have been gaining relative to whites over the decade, this progress was dampened somewhat by the recession in 1969–70. But aside from this factor, they still lag far behind the average

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Footnotes at end of article.

American white family—since blacks' median family income was only 60 per cent of the latter's in 1971.

Another way of comparing income differences is to look at how income is distributed among the respective black and white populations. The most common way of doing this is to use a statistical measure showing how equally income is distributed within a population.[16] If a given percentage of the population receives an equal percentage of the total income and this holds true for all groups in the population, then the degree of income inequality would be zero. Calculations of this measure by the Bureau of the Census for black and white families indicate that black income has historically been less equally distributed than white family income even though the differences between the two have narrowed slightly over the last decade. However, in recent periods of declining or slow economic growth, the difference in the income distribution for black and white families have increased. This was true during the brief period of declining economic activity in 1967 and also in 1970.

In general, this pattern of income distribution implies that lower income black families receive an even smaller proportion of total money income than do lower income white families in periods of reduced economic growth. Some of the greater sensitivity of the income of black families to cyclical slowdowns may be explained partially by the fact that a rapidly increasing proportion of black families is headed by females (3¼ times as many as white families in 1970 compared with 2½ times as many in 1960). The fact that the average number of earners in black families has actually been declining in the last few years (in contrast to a rise in the average number of earners of white families) may also contribute to the observed results. Thus, although income of blacks appears to have held up quite well in the recent period, it still lags far behind white income. In addition, average for blacks as a whole may disguise a deteriorating situation for lower income black families.

Sources of Black Income. Still other insights into the income situation among blacks can be observed from the figures in Table 10, showing sources of personal income by race in 1971. Several features can be highlighted. In the first place, it will be noted that blacks work for their income to about the same extent as do whites. Roughly 84 cents of each dollar of black income was derived from earnings in 1971 compared with 86 cents for whites. Yet, significant differences do exist and can be traced when earnings are broken down into specific receipts. About four-fifths of blacks' earnings consisted of wage and salaries—compared with just over three-fourths for whites. Only 3 per cent of blacks' income was obtained from nonfarm self-employment—against 7½ per cent for whites. This difference is clearly a reflection of the much smaller incidence of business ownership among blacks.

Income sources other than earnings provided about 16 per cent of total receipts for blacks and about 14 per cent of white receipts. However, the detailed sources differed markedly in several instances. Two sources were virtually identical: Social Security and Railroad Retirement receipts represented 4.8 per cent of the total for blacks and 4.5 per cent for whites. Unemployment and workmen's compensation represented 2.4 per cent of the total for both groups. On the other hand, private pension funds were a slightly less important source of income for blacks than for whites—1.4 percent vs. 1.8 per cent of the total, respectively.

But the major divergence among blacks and whites with respect to a specific income source is found in the case of public assistance and welfare. In 1971, this source provided $2.8 billion (or 6.2 per cent) of the total income of blacks. The figures for whites were $4.2 billion (or only 0.6 per cent of the total). So, in 1971, blacks received almost two-fifths of the total welfare payments—compared with their 11 per cent of the nation's total population.

The explanation of this heavier reliance on public assistance by blacks is widely known, but it might be helpful to reiterate the reasons: the incidence of poverty in the black community is roughly double that among whites, and—obviously—welfare payments are made to the poor and not to the rich. Moreover, the principal component of welfare outlays is aid to families with dependent children (AFDC). The typical AFDC family is headed by a female, and the proportion of such families is greater among blacks than among whites. In recent years, black families have made up about half of all AFDC families, but they have accounted for less than their proportionate share of those receiving aid to the blind, aged, and disabled.

In turning away from these income figures, several points should be kept in mind: blacks work for their income to roughly the same degree as whites. At the same time, the legacy of discrimination and deprivation have limited their accumulation of property and restricted their income for the ownership of investments. These same adverse factors have kept blacks disproportionately poor and have increased their reliance on public assistance. Yet, welfare receipts amount to only a minimal fraction of the total income of blacks. Instead, wages and salaries are the principal source of their spending money—the same as for whites.

VIII. SUMMARY AND CONCLUSIONS

The principal conclusions reached in this study have been presented in each of the foregoing sections. However, it might be helpful to summarize them here.

Blacks improved their relative economic position during the 1960's. But their pace of advance compared with whites has slackened somewhat in the last few years. The lag can been seen in several measures—including a slower growth in the black labor force, the smaller share of new jobs obtained by blacks, and the continued climb in black unemployment.

In particular, the 1969–70 recession had a disproportionately adverse impact on blacks. They experienced a relatively greater increase in unemployment (and they got a smaller share of new jobs) during the recession and first year of recovery than was true of whites. While blacks shared more equitably in economic gains last year, they were still carrying a disproportionate share of the lingering effects of the recent recession.

Blacks are continuing to make some progress in occupational upgrading. Yet, their occupational center of gravity remains rooted in jobs requiring little skill and which offer little hope of advancement. Moreover, blacks are also still generally concentrated in low-wage industries. Here, too, they were able to make some headway in expanding their share of the jobs in better-paying industries; but simultaneously they became somewhat more heavily concentrated in several industries with the lowest wage scales.

It appears that the difficult problem of persistently high unemployment of youths (particularly of young blacks) is being aggravated by Federally imposed minimum wage legislation. While the analytical evidence presented by economists on the relationship between statutory minimum wages and youth unemployment is mixed, on balance, it seems to suggest that the impact of such measures has been adverse. Given this evidence, I have concluded that it would be desirable for Congress to amend the existing fair labor standards to permit employers to offer entry rates to youths below the regular minimum wage level.

Blacks have been among the principal beneficiaries of the Federally supported manpower programs introduced in the 1960's. However, their participation in such programs—compared with other groups in the society—appears to have declined in the last few years. Yet, given the large number of blacks (especially black youths) who still have few—if any—skills, the continuing need for programs to improve our human resources seems to be obvious. In the meantime, existing programs are being reassessed. Some are being phased-out while others are expected to be taken over by States and localities and financed through revenue sharing. But, whatever new arrangements finally do come into being, the future of these manpower programs clearly is of major importance to blacks—as well as to the rest of the country.

The money income of blacks apparently reached $51 billion last year—representing 6.7 per cent of the total. In 1971, reflecting the continued greater impact of the 1969–70 recession on blacks than on whites, the income of blacks expanded much more slowly than was the case for whites. Last year—as blacks shared more equitably in the gains from further economic growth—the rise in black income was relatively greater than that recorded for their white counterparts. Nevertheless, the gap between the median incomes of black and white families continued to widen in recent years. Finally, when one examines the sources of black income, it is clear that blacks—far from depending excessively on public welfare—work for their spending money to about the same extent as do whites. Instead, the higher incidence of welfare receipts among blacks is a reflection of the greater impact of poverty and deprivation in the black community.

Before ending this paper, let me make a few additional observations with respect to the conclusions reached above regarding the introduction of an entry wage for youth below the statutory minimum. I appreciate the fact that a number of economists, public officials, and other observers (as well as officials of trade unions) have long held the view that such a provision would undercut the hard-won gains made by the labor movement over many years. I admit that, if employers could pay wages below the statutory minimum, they most likely would use the option to attract employees whom they otherwise might not be willing to put on their payroll. That is precisely the point: the willingness of employers to bring in teenagers as well as any other employees presupposes that the productivity of the newly-hired workers would at least equal the wage—after some reasonable allowance for learning time. On the record, it appears that a substantial number of employers have concluded that a considerable proportion of young people simply cannot meet that test. An entry wage below the statutory minimum would help to reduce this employment disincentive.

At the same time, I also realize that safeguards would have to be built into any amendment to the Fair Labor Standards legislation. Undoubtedly, some employers would attempt to replace some of their high-wage employees with workers to whom they could pay less. But the extent of that risk is uncertain. Against it must be offset the present certainty of persistent high unemployment among young people. I know that any substitution of lower paid youth workers for higher paid, more mature employees would involve some cost; but some benefits would also result. Thus, it becomes a question of trade-offs. Under the circumstances which are already prevailing, a disproportionate share of the burden of unemployment is borne by teenagers. This is especially true in the case of black teenagers.

So, I have concluded that the appropriate course for public policy at this juncture is to shift some of that burden to the shoulders of those better able to bear it. If this requires the use of public funds to provide modest subsidies to private employers to induce them

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to hire more teenagers while limiting the replacement of more skilled workers, I personally believe that would be a good use of the public's tax money.

FOOTNOTES

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* Member, Board of Governors of the Federal Reserve System.

I am grateful to the following persons on the Board's staff for assistance in the preparation of this paper: Ms. Diane Sower was particularly helpful. She organized and helped to analyze the statistics on employment and the Federal Government's manpower programs, and she also undertook the survey of the economic literature relating to the effects of minimum wages on youth unemployment. Mr. John Austin and Mrs. Ruth Robinson (my regular assistants) also helped in the preparation of the paper. In particular, Mr. Austin was helpful in the task of estimating personal income by race for 1972.

However, while I am grateful for the staff's assistance, the views expressed here are my own. Neither should they be attributed to my colleagues on the Board.

[1] See "The Economic Situation of Blacks in the United States," presented before the Joint Economic Committee of Congress, February 23, 1972. Reprinted in the *Federal Reserve Bulletin*, March, 1972, pp. 257–73.

[2] Most of the statistics relating to blacks as used in this paper refer to "Negroes and other races"; Negroes constitute about 92 per cent of the persons in this statistical category.

[3] Total labor force as a percent of noninstitutional population.

[4] U.S. Department of Labor, Bureau of Labor Statistics.

[5] See *Economic Report of the President*, January, 1973, Table 5, p. 27.

[6] In passing, it may be noted that the prevailing minimum wage is $1.60 an hour for nonagricultural workers in covered employment. In the last session of Congress proposals were made to raise the legal minimum to $2.00 an hour (House-passed bill) or to $2.20 an hour (Senate-passed bill). Currently, proposed legislation in the House provides an increase to $2.10 an hour.

[7] Testimony of Secretary of Labor Hodgson before the Subcommittee on Labor, Senate Labor and Public Welfare Committee, May 26, 1971.

[8] Introduced by Congressman John N. Erlenborn of Illinois. Notably the bill provides for youth minimum for full time students and for nonstudents 16–17 years old for the first six months on the job. Eighteen and nineteen year olds would be covered by the full standard.

[9] "Youth Unemployment and Minimum wages," Bureau of Labor Statistics, Bulletin 1657, 1970.

[10] Thomas Gale Moore, "The Efforts of Minimum Wages on Teenage Unemployment Rates," Journal of Political Economy (July/August, 1971).

[11] Masanore Hashimoto and Jacob Mincer, "Employment and Unemployment Effects of Minimum Wages," *The NBER Survey of Research into Poverty Markets*, National Bureau of Economic Research (forthcoming).

[12] Marvin Kosters and Finis Welch, "The effects of Minimum Wages by Race, Sex, and Age" in *Racial Discrimination in Economic Life*, edited by Anthony Pascal, 1972.

[13] In this study, nonlinear regressions were used.

[14] Latest available data were through November, 1972.

[15] The BEA personal income data do not contain a racial breakdown—in contrast to the Census Bureau figures.

[16] Economists will recognize this measure as the "Gini" coefficient.

TABLE 1.—CHANGES IN THE CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT, BY COLOR, SEX AND AGE, 1960-72

[Thousands]

Period	Total				Black [1]				White			
	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19
CIVILIAN LABOR FORCE												
1960–61	829	257	480	92	88	20	63	5	741	237	417	87
1961–69	10, 273	2, 491	5, 747	2, 035	1, 511	266	656	229	9, 122	2, 225	5, 091	1, 806
1969–70	1, 985	839	868	278	243	147	90	6	1, 742	692	778	272
1970–71	1, 395	671	519	205	125	47	105	−20	1, 270	624	414	232
1971–72 [2]	2, 127	838	744	545	217	87	71	59	1, 910	751	673	486
EMPLOYMENT												
1960–61	−38	−201	192	−29	−101	−71	−8	−22	63	−130	200	−7
1961–69	12, 156	4, 046	6, 100	2, 010	1, 551	604	755	195	10, 605	3, 445	5, 345	1, 815
1969–70	727	166	536	25	62	51	47	−36	665	115	489	61
1970–71	490	221	216	53	−43	−33	30	−40	553	254	186	93
1971–72 [2]	2, 290	1, 006	791	492	174	97	57	19	2, 116	909	734	473
UNEMPLOYMENT												
1960–61	861	458	288	115	183	91	71	21	678	367	217	94
1961–69	−1, 883	−1, 555	−353	25	−400	−335	−99	34	−1, 483	−1, 220	−254	−9
1969–70	1, 258	673	332	253	181	96	43	42	1, 077	577	289	211
1970–71	904	450	303	151	167	80	74	13	737	371	229	138
1971–72	−163	−168	−47	52	43	−10	15	39	−206	−158	−62	13

[1] Negro and other races, of which Negroes constitute about 92 percent.

[2] The changes shown here for 1971–72 cannot be derived directly from the statistics presented in appendix table I. The changes indicated for these years have been adjusted to reflect the change in population controls made by the Bureau of Labor Statistics and introduced in January 1972. For an explanation of the adjustments, see "Employment and Earnings," February 1972.

Source: Calculated from appendix table I.

TABLE 2.—PERCENTAGE DISTRIBUTION OF CHANGES IN CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMFLOYMENT, BY COLOR, SEX, AND AGE, 1960–72

Period	Total				Black [1]				White			
	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 16
CIVILIAN LABOR FORCE												
1960–61	100. 0	31. 0	57. 9	11. 1	10. 6	2. 4	7. 6	0. 6	89. 4	28. 6	50. 3	10. 5
1961–69	100. 0	24. 2	55. 9	19. 8	11. 2	2. 6	6. 4	2. 2	88. 8	21. 7	49. 6	17. 6
1969–70	100. 0	42. 2	43. 7	14. 0	12. 2	7. 4	4. 5	. 3	87. 8	34. 9	39. 2	13. 7
1970–71	100. 0	48. 1	37. 2	14. 7	9. 0	3. 4	7. 5	1. 9	91. 0	44. 7	29. 7	16. 6
1971–72 [2]	100. 0	39. 4	35. 0	25. 6	10. 2	4. 1	3. 3	2. 8	89. 8	35. 3	31. 6	22. 8
EMPLOYMENT												
1960–61	100. 0	528. 9	−505. 2	76. 3	265. 8	186. 8	21. 1	57. 9	−165. 8	342. 1	−526. 3	18. 4
1961–69	100. 0	33. 3	50. 2	16. 5	12. 7	4. 9	6. 2	1. 6	87. 3	28. 4	44. 0	14. 9
1969–70	100. 0	22. 8	73. 8	3. 4	8. 5	7. 0	6. 5	−5. 0	91. 5	15. 8	67. 3	8. 4
1970–71	100. 0	45. 1	44. 1	10. 8	−8. 8	−6. 7	6. 1	−8. 2	108. 8	51. 8	38. 0	19. 0
1971–72 [2]	100. 0	43. 9	34. 5	21. 5	7. 6	4. 2	2. 5	. 8	92. 4	40. 0	32. 1	20. 7
UNEMPLOYMENT												
1960–61	100. 0	53. 2	33. 5	13. 3	21. 3	10. 6	8. 3	2. 4	78. 7	42. 6	25. 2	10. 9
1961–69	100. 0	82. 6	18. 7	−1. 3	21. 2	17. 8	5. 2	−1. 8	78. 8	64. 8	13. 5	. 5
1969–70	100. 0	53. 5	26. 4	20. 1	14. 4	7. 6	3. 4	3. 4	85. 6	45. 9	22. 9	16. 8
1970–71	100. 0	49. 8	33. 5	16. 7	18. 5	8. 9	8. 2	1. 4	81. 5	40. 9	25. 3	15. 4
1971–72 [2]	100. 0	103. 1	28. 8	−31. 9	−26. 4	6. 1	−9. 2	−23. 9	126. 4	96. 9	38. 0	−8. 0

[1] Negro and other races, of which Negroes constitute about 92 percent.

[2] The changes shown here for 1971–72 cannot be derived directly from the statistics presented in appendix table I. The changes indicated for these years have been adjusted to reflect the change in population controls made by the Bureau of Labor Statistics and introduced in January 1972. For an explanation of the adjustments, see "Employment and Earnings," February 1972.

Source: Calculated from appendix table I.

TABLE 3.—CYCLICAL VARIATION IN THE CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT, BY RACE, AGE, AND SEX, 1969–72

[Thousands of persons]

Category and time period	Total				Black[1]				White			
	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19
CIVILIAN LABOR FORCE												
Level:												
1969:4	81, 528	46, 591	27, 736	7, 201	9, 093	4, 630	3, 633	830	72, 435	41, 961	24, 103	6, 371
1970:4	83, 377	47, 485	28, 522	7, 370	9, 202	4, 745	3, 664	793	74, 175	42, 740	24, 858	6, 577
1971:4	84, 987	48, 175	29, 173	7, 639	9, 383	4, 790	3, 810	783	75, 604	43, 385	25, 363	6, 856
1972:4	87, 199	49, 130	29, 863	8, 206	9, 685	4, 885	3, 955	845	77, 514	44, 245	25, 908	7, 361
Changes:												
1969–70	1, 849	894	786	169	109	115	31	−37	1, 740	779	755	206
1970–71	1, 610	690	651	269	181	45	146	−10	1, 429	645	505	279
1971–72	1, 880	847	519	514	257	109	96	52	1, 623	738	423	462
1970–72	3, 490	1, 537	1, 170	783	438	154	242	42	3, 052	1, 383	928	741
EMPLOYMENT												
Level:												
1969:4	78, 585	45, 542	26, 711	6, 332	8, 525	4, 457	3, 434	634	70, 060	41, 085	23, 277	5, 698
1970:4	78, 519	45, 460	26, 963	6, 096	8, 351	4, 435	3, 379	537	70. 168	41, 025	23, 584	5, 559
1971:4	79, 330	46, 074	27, 511	6, 345	8, 433	4, 421	3, 478	534	71. 497	41, 653	24, 033	5, 811
1972:4	82, 581	47, 346	28, 307	6, 928	8, 726	4, 596	3, 588	542	73, 855	42, 750	24, 719	6, 386
Changes:												
1969–70	−66	−82	252	−236	−174	−22	−55	−97	108	−60	307	−139
1970–71	1, 411	614	548	249	82	−14	99	−3	1, 329	628	449	252
1971–72	2, 349	1, 171	637	540	247	183	64	0	2, 102	989	573	540
1970–72	3, 760	1, 786	1, 185	789	329	169	163	−3	3, 431	1, 617	1, 022	792
UNEMPLOYMENT												
Level:												
1969:4	2, 941	1, 049	1, 023	869	566	173	198	195	2, 375	876	825	674
1970:4	4, 856	2, 024	1, 559	1, 273	851	310	285	256	4, 005	1, 714	1, 274	1, 017
1971:4	5, 055	2, 100	1, 661	1, 294	950	369	332	249	4, 105	1, 731	1, 329	1, 045
1972:4	4, 618	1, 785	1, 556	1, 277	960	290	367	303	3, 658	1, 495	1, 189	974
Changes:												
1969–70	1, 915	975	536	404	285	137	87	61	1, 630	838	449	343
1970–71	199	76	102	21	99	59	47	−7	100	17	55	28
1971–72	−468	−324	−116	−28	10	−73	32	51	−478	−251	−148	−79
1970–72	−269	−248	−14	−7	109	−14	79	44	−378	−234	−93	−51

[1] Negro and other races, of which Negroes constitute about 92 percent.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 4.—CYCLICAL VARIATION IN THE CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT, BY RACE AGE, AND SEX, 1969–72

[Percentage distribution]

Category and time period	Total				Black[1]				White			
	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19
CIVILIAN LABOR FORCE												
Level:												
1969:4	100.0	57.1	34.0	8.9	11.2	5.7	4.5	1.0	88.8	51.4	29.6	7.8
1970:4	100.0	57.0	34.2	8.8	11.0	5.6	4.4	1.0	89.0	51.3	29.8	7.9
1971:4	100.0	56.7	34.3	9.0	11.0	5.6	4.5	.9	89.0	51.1	29.8	8.1
1972:4	100.0	56.3	34.2	9.5	11.1	5.6	4.5	1.0	88.9	50.7	29.7	8.5
Changes:												
1969–70	100.0	48.4	42.5	9.1	5.9	6.2	1.7	−2.0	94.1	42.1	40.8	11.2
1970–71	100.0	42.9	40.4	16.7	11.2	2.8	9.1	−.6	88.8	40.1	31.4	17.3
1971–72	100.0	45.0	27.6	27.3	13.7	5.8	5.1	2.8	86.3	39.3	22.5	24.5
1970–72	100.0	44.0	33.5	22.5	12.5	4.4	6,9	1.2	87.5	39.6	26.6	21.2
EMPLOYMENT												
Level:												
1969:4	100.0	58.0	34.0	8.0	10.8	5.7	4.4	.8	89.2	52.3	29.6	7.3
1970:4	100.0	57.9	34.3	7.8	10.6	5.6	4.3	.7	89.4	52.3	30.0	7.1
1971:4	100.0	57.6	34.4	8.0	10.6	5.5	4.4	.7	89.4	52.1	30.0	7.3
1972:4	100.0	57.3	34.3	8.4	10.6	5.6	4.3	.7	89.4	51.8	29.9	7.7
Changes:												
1969–70	100.0	124.2	−381.8	357.6	263.6	33.3	83.3	147.0	−163.6	90.9	−465.1	210.6
1970–71	100.0	43.5	38.8	17.7	5.8	−1.0	7.0	−.2	94.2	44.5	31.8	17.9
1971–72	100.0	49.8	27.1	23.0	10.5	7.8	2.7	.0	89.5	42.1	24.4	23.0
1970–72	100.0	47.5	31.5	21.0	8.8	4.5	4.3	.0	91.2	43.0	27.2	21.0
UNEMPLOYMENT												
Level:												
1969:4	100.0	35.7	34.8	29.5	19.2	5.9	6.7	6.6	80.8	29.8	28.1	22.9
1970:4	100.0	41.7	32.1	26.2	17.6	6.4	5.9	5.3	82.4	35.3	26.2	20.9
1971:4	100.0	41.5	32.9	25.6	18.8	7.3	6.6	4.9	81.2	43.2	26.3	20.7
1972:4	100.0	38.6	33.7	27.7	20.8	6.3	7.9	6.6	79.2	32.4	25.7	21.1
Changes:												
1969–70	100.0	50.9	28.0	21.1	14.9	7.2	4.5	3.2	85.1	43.8	23.4	17.9
1970–71	100.0	38.1	51.3	10.6	49.7	29.6	23.6	−3.5	50.3	8.5	27.6	14.1
1971–72	100.0	69.2	24.8	6.0	−2.1	15.6	−6.8	−10.9	102.1	53.6	31.6	16.9
1970–72	100.0	92.2	5.2	2.6	−40.5	5.2	−29.4	−16.4	140.5	87.0	34.6	19.0

[1] Negro and other races, of which Negroes constitute about 92 percent.

Source: Table 3.

TABLE 5.—EMPLOYED PERSONS BY MAJOR OCCUPATION GROUP AND COLOR, 1960, 1970, 1972

[Numbers in thousands]

	Total employment, 1960					Total employment, 1970					Total employment, 1972				
	Total		Negro and other races			Total		Negro and other races			Total		Negro and other races		
	Number	Percentage distribution	Number	Percentage distribution	Percent by occupation	Number	Percentage distribution	Number	Percentage distribution	Percent by occupation	Number	Percentage distribution	Number	Percentage distribution	Percent by occupation
Total, employed	65, 778	100.0	6, 927	100.0	10.5	78, 627	100.0	8, 445	100.0	10.7	81. 702	100.0	8, 628	100.0	10.6
White collar workers	28, 522	43.3	1, 113	16.1	3.9	37, 997	38.3	2, 356	27.9	6.2	39. 091	47.8	2, 574	29.8	6.6
Professional and technical	7, 469	11.4	331	4.7	4.4	11, 140	14.2	766	9.1	6.9	11, 459	14.0	821	9.5	7.2
Managers, officials and prop	7, 067	10.7	178	2.6	2.5	8, 289	10.5	297	3.5	3.6	8, 031	9.8	320	3.7	4.0
Clerical workers	9, 762	14.8	503	7.3	5.2	13, 714	17.4	1, 113	13.2	8.1	14, 247	17.4	1, 240	14.4	8.7
Sales workers	4, 224	6.4	101	1.5	2.4	4, 854	6.2	180	2.1	3.7	5, 354	6.6	193	2.2	3.6
Blue collar workers	24, 057	36.6	2, 780	40.1	11.6	27, 791	35.3	3, 561	42.2	12.8	28, 576	35.0	3, 440	39.9	12.0
Craftsmen and foremen	8, 554	13.0	415	6.0	4.8	10, 158	12.9	692	8.2	6.8	10, 810	13.2	749	8.7	6.9
Operative	11, 950	18.2	1, 414	20.4	11.8	13, 909	17.7	2, 004	23.7	14.4	13, 549	16.6	1, 841	21.3	13.6
Nonfarm laborers	3, 553	5.4	951	13.7	26.8	3, 724	4.7	866	10.3	23.2	4, 217	5.2	850	9.8	20.2
Service workers	8, 023	12.2	2, 196	31.7	27.4	9, 712	12.4	2, 199	26.0	22.6	10, 966	13.4	2, 350	27.2	21.4
Private household	1, 973	3.0	982	14.2	49.8	1, 558	2.0	652	7.7	41.8	1, 437	1.7	584	6.8	40.6
Other service workers	6, 050	9.2	1, 214	17.5	20.1	8, 154	10.4	1, 546	18.3	19.0	9, 529	11.7	1, 766	20.5	18.5
Farm workers	5, 176	7.9	841	12.1	16.2	3, 126	4.0	328	3.9	10.5	3, 069	3.8	263	3.0	8.6
Farmers and farm managers	2, 776	4.2	219	3.2	7.9	1, 753	2.2	87	1.0	5.0	1, 689	2.1	55	.6	3.3
Farm laborers and foremen	2, 400	3.7	622	8.9	25.9	1, 373	1.8	241	2.9	17.6	1, 380	1.7	208	2.4	15.1

Source: Data for 1960 and 1970, U.S. Department of Labor, Manpower Report of the President, April, 1971, tables A-9 and A-10 pp. 171-173. Data for 1972, Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 6.—INDUSTRY DISTRIBUTION OF EMPLOYMENT, BY RACE, 1968 AND 1972

[In thousands]

	1968			1972		
	Percentage distribution		Black employment by industry, percent	Percentage distribution		Black employment by industry, percent
	Total, percent	Black, percent		Total, percent	Black, percent	
Total number	75, 920	8, 169		81, 702	8, 628	
Total percent	100.0	100.0	10.8	100.0	100.0	10.6
Agriculture	5.0	5.4	11.6	4.2	3.6	8.9
Mining	.7	.2	3.0	.7	.3	4.5
Construction	5.3	4.9	10.0	5.7	5.0	9.2
Manufacturing	27.2	24.2	9.6	24.1	22.6	9.9
Durable	16.0	14.0	9.4	14.0	12.8	9.6
Lumber	.9	1.8	21.9	.8	1.5	19.4
Furniture	.6	.6	10.7	.6	.6	10.2
Stone, clay and glass	.8	.9	11.3	.8	.8	11.0
Primary metals	1.7	2.2	14.0	1.5	2.0	13.9
Fabricated metals	2.2	1.7	8.3	1.7	1.3	8.2
Machinery	2.9	1.2	4.4	2.5	1.3	5.6
Electrical machinery	2.6	1.8	7.7	2.3	1.7	7.7
Transportation equipment.	3.1	3.0	10.4	2.4	2.6	11.6
Instruments	.7	.3	5.0	.6	.3	4.8
Miscellaneous	.6	.6	9.4	.8	.6	8.4
Nondurables	11.2	10.2	9.8	10.1	9.8	10.3
Food	2.4	2.7	12.2	2.1	2.2	11.2
Tobacco	.1	.3	26.3	.1	.3	33.8
Textiles	1.4	1.2	9.5	1.2	1.5	13.4
Apparel	1.7	2.1	12.8	1.7	2.1	12.9
Paper	1.0	.7	7.9	.8	.7	8.6
Nondurables—Continued						
Printing	1.5	0.9	6.2	1.5	0.7	5.0
Chemicals	1.5	1.2	8.1	1.3	1.1	8.8
Petroleum	.3	.2	7.4	.3	.3	11.1
Rubber	.7	.6	8.7	.7	.6	9.0
Leather	.5	.4	8.6	.4	.3	8.3
Transportation and public utilities	5.9	4.3	7.9	5.8	5.0	9.1
Trade	18.6	13.4	7.7	20.0	13.8	7.3
Wholesale	3.4	2.4	7.7	3.7	2.3	6.6
Retail	15.2	10.9	7.7	16.3	11.5	7.4
Finance, insurance and real estate	4.7	2.4	5.5	5.2	3.2	6.6
Services	27.4	25.8	16.0	17.9	23.9	14.1
Private household	2.6	10.2	42.8	2.1	7.5	38.4
Miscellaneous	14.8	15.6	11.4	15.8	16.4	11.0
Government	15.3	19.3	13.6	16.4	22.6	14.6
Federal	3.0	4.3	15.3	2.7	4.4	17.1
Postal	1.0	1.7	18.6	.9	1.7	20.1
Other Federal	2.0	2.6	13.6	1.8	2.7	15.6
State	.8	.6	7.7	.8	.6	7.8
Local	1.8	1.8	10.9	1.8	1.9	10.9
Other government (not specified)	9.6	12.6	14.1	11.0	15.7	15.1

Source: Derived from unpublished household data from the Current Population Survey provided by the Bureau of Labor Statistics. Totals may not add due to rounding.

TABLE 7.—AVERAGE WEEKLY EARNINGS AND BLACK'S SHARE OF INDUSTRY EMPLOYMENT, 1968 AND 1972

Industry	1968				1972			
	Average weekly earnings		Black's share of employment		Average weekly earnings		Black's share of employment	
	Amount	Index	Percent	Index	Amount	Index	Percent	Index
Total, private	107.73	100.0	10.8	100.0	135.78	100.0	10.6	100.0
Mining	142.71	132.5	3.0	27.8	186.15	137.1	4.5	42.5
Construction	164.93	153.1	10.0	92.6	223.25	164.4	9.2	86.8
Manufacturing	122.51	113.7	9.6	88.9	154.28	113.6	9.9	93.4
Durable goods	132.07	122.6	9.4	87.0	167.27	123.2	9.6	90.6
Lumber and wood	104.34	96.9	21.9	202.8	135.38	99.7	19.4	183.0
Furniture and fixtures	100.28	93.1	10.7	99.1	123.62	91.0	10.2	96.2
Stone, clay, and glass	124.98	116.0	11.3	104.6	163.83	120.7	11.0	103.8
Primary metals	147.68	137.1	14.0	129.6	194.32	143.1	13.9	131.1
Fabricated metals	131.77	122.3	8.3	76.9	163.98	120.8	8.2	77.4
Machinery except electrical	141.46	131.3	4.4	40.7	179.34	132.1	5.6	52.8
Electrical equipment	118.08	109.6	7.7	71.3	148.64	109.5	7.7	72.6
Transportation equipment	155.72	144.6	10.4	96.3	198.19	146.0	11.6	109.4
Instruments	120.69	112.0	5.0	46.3	150.26	110.7	4.8	45.3
Miscellaneous	98.50	91.4	9.4	87.0	122.53	90.2	8.4	79.0

Footnotes at end of table.

TABLE 7.—AVERAGE WEEKLY EARNINGS AND BLACK'S SHARE OF INDUSTRY EMPLOYMENT, 1968 AND 1972—Continued

Industry	1968				1972			
	Average weekly earnings		Black's share of employment		Average weekly earnings		Black's share of employment	
	Amount	Index	Percent	Index	Amount	Index	Percent	Index
Nondurable goods	109.05	01.2	9.8	90.7	137.76	101.5	10.3	97.2
Food	114.24	106.0	12.2	113.0	145.44	107.1	11.2	105.7
Tobacco	93.99	87.3	26.3	243.5	118.34	87.2	33.8	318.9
Textile mill	91.05	84.5	9.5	88.0	112.75	83.0	13.4	126.4
Apparel	79.78	74.1	12.8	118.5	93.96	69.2	12.9	121.7
Paper	130.85	121.5	7.9	73.2	168.20	123.9	8.6	81.1
Printing	133.28	123.7	6.2	57.4	169.79	125.1	5.0	47.2
Chemicals	136.27	126.5	8.1	75.0	175.56	129.3	8.8	83.0
Petroleum	159.38	147.9	7.4	68.5	209.39	154.2	11.1	104.7
Rubber	121.18	112.5	8.7	80.6	147.96	109.0	9.0	84.9
Leather	85.41	79.3	8.6	79.6	103.79	76.4	8.3	78.3
Transportation and public utilities	138.85	128.9	7.9	73.2	187.46	138.1	9.1	85.9
Trade	86.40	80.2	7.7	71.3	106.00	78.1	7.3	68.9
Wholesale	122.31	113.5	7.7	71.3	154.42	113.7	6.6	62.3
Retail	74.95	69.6	7.7	71.3	90.72	66.8	7.4	69.8
Finance, insurance, and real estate	101.75	94.5	5.5	50.9	128.34	94.5	6.6	62.3
Services	84.32	78.3	16.0	148.2	108.44	79.9	14.1	133.0

Source: "Average Weekly Earnings," U.S. Department of Labor, Bureau of Labor Statistics; "Employment and Earnings," January 1973. "Black's Share of Employment," unpublished data from U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 8.—EXPENDITURE, ENROLLMENT AND BLACK PARTICIPATION IN SELECTED MANPOWER PROGRAMS FOR FISCAL YEARS 1965–73

Program	1965	1966	1967	1968	1969	1970	1971	[1] 1972	[2] 1973
Manpower Development and Training Act (MDTA):									
Institutional:									
Expenditures (dollar millions)	180	249	221	250	248	260	338	406	341
Enrollment (thousands)	145	177	150	140	135	130	156	151	
Black enrollment (percent)	30	35	38	45	40	36	29	33	
On Job Training:									
Expenditures (dollar millions)	33	27	53	69	65	50	54	68	76
Enrollment (thousands)	12	58	15	101	85	91	99	82	
Black enrollment (percent)	21	22	24	33	35	30	26	24	
Job Opportunities Business Sector (JOBS):									
Expenditures (dollars millions)					42	136	177	127	92
Enrollment (thousands)					51	87	93	83	
Black enrollment (percent)					78	72	56	26	
Neighborhood Youth Corps:									
Expenditures (dollar millions)	125	241	247	231	288	292	364	501	407
Enrollment (thousands)	138	423	556	467	504	482	740	1,071	
Black enrollment (percent)	45	45	49	46	47	44	54	56	
Job Corps:									
Expenditures (dollar millions)	37	229	321	299	235	144	174	188	177
Enrollment (thousands)	NA	NA	NA	65	53	43	50	49	
Black enrollment (percent)	NA	NA	NA	59	58	61	60	61	
Operation Mainstream:									
Expenditures (dollar millions)		10	9	31	37	42	69	75	82
Enrollment (thousands)		NA	11	13	11	12	22	38	
Black enrollment (percent)		NA	NA	25	21	25	24	20	
Concentrated Employment Program (CEP):									
Expenditures (dollar millions)				68	141	164	158	158	128
Enrollment (thousands)				53	127	110	94	85	
Black enrollment (percent)				81	65	67	60	58	
Work Incentive Program (WIN):									
Expenditures (dollar millions)					26	82	94	131	316
Enrollment (thousands)					81	93	112	120	
Black enrollment (percent)					40	43	40	36	
Public Employment Program (PEP):									
Expenditures (dollar millions)								559	1,088
Enrollment (thousands)								226	97
Black enrollment (percent)								21	22

[1] Preliminary.
[2] Estimate.
NA—Not available.

Sources: Enrollment data is from Manpower Report of the President (1968, 1969, 1970, 1971, 1972), U.S. Department of Labor, Manpower Administration. Expenditure data and 1973 estimates are from the Executive Office of the President, Office of Management and Budget.

TABLE 9.—PERSONAL INCOME IN THE UNITED STATES, BY RACE, 1960–72

Income	1960	1969	1970	1971	1972 [1]
Total money income (billions)	$319.5	$604.9	$646.9	$695.2	$755.2
Black	$19.7	$38.7	$42.2	$46.0	$50.6
White	$299.8	$560.8	$598.6	$642.0	$694.8
Other races		$5.4	$6.1	$7.2	$9.8
Black as percent of total	6.2	6.4	6.5	6.6	6.7

Income	1960	1969	1970	1971	1972 [1]
Median family income:					
Black	$3,233	$5,998	$6,279	$6,440	[1] NA
White	$5,835	$9,793	$10,236	$10,672	NA
Income gap	$2,602	$3,795	$3,957	$4,232	NA
Ratio of black to white	.55	.61	.61	.60	

[1] Estimate.
NA—Not available.

Source: U.S Department of Commerce, Bureau of the Census. Figures for 1972 were estimated on the basis of personal income statistics published by the U.S. Department of Commerce, Bureau of Economic Analysis.

TABLE 10.—SOURCES OF INCOME, 1971

[Millions of dollars]

	Amount				Percentage distribution			
	[1] Total	White	Black	Other races	Total	White	Black	Other races
Total	695, 207	642, 020	46, 022	7, 121	100. 0	100. 0	100. 0	100. 0
Earnings:								
Total	597, 765	552, 575	38, 798	6, 371	86. 0	86. 1	84. 3	89. 5
Wage and salaries	539, 754	496, 835	37, 426	5, 475	77. 7	77. 4	81. 3	76. 9
Nonfarm self employment	49, 632	47, 489	1, 315	827	7. 1	7. 4	2. 9	11. 6
Farm self employment	8, 379	8, 251	57	69	1. 2	1. 3	0. 1	1. 0
Income other than earnings:								
Total	97, 442	89, 445	7, 224	750	14. 0	13. 9	15. 7	10. 5
Social Security and R.R. retirement	31, 280	28, 863	2, 213	202	4. 5	4. 5	4. 8	2. 8
Dividends, interest, etc	29, 726	29, 101	440	197	4. 3	4. 6	0. 9	2. 7
Public assistance and welfare	7, 077	4, 151	2, 842	83	1. 0	0. 6	6. 2	1. 2
Unemployment and workmen's compensation	16, 910	15, 696	1, 091	126	2. 4	2. 4	2. 4	1. 8
Private pensions, etc	12, 436	11, 656	638	141	1. 8	1. 8	1. 4	2. 0

[1] Data may not add to totals due to rounding.

Source: U.S. Department of Commerce, Bureau of the Census, "Money Income in 1971 of Familie8 and Persons in the United States," (series P-60, No. 85), December, 1972, table 42. pp. 96-9s

APPENDIX TABLE I.—CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT, BY COLOR, SEX, AND AGE, 1960-72

[Thousands]

	Total				Black [1]				White			
Year	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19
LABOR FORCE PARTICIPATION RATES [2]												
1960	60. 2	86. 6	37. 6	49. 5	64. 5	86. 2	49. 3	45. 0	58. 8	86. 0	36. 2	47. 9
1961	60. 2	86. 3	38. 0	49. 1	64. 1	85. 5	50. 1	45. 0	58. 8	85. 7	36. 6	4. 4
1969	61. 1	83. 7	42. 7	50. 9	62. 1	81. 4	51. 9	41. 9	59. 9	83. 0	41. 5	50. 6
1970	61. 3	83. 4	43. 3	51. 3	61. 8	81. 4	51. 7	40. 5	60. 2	82. 8	42. 2	51. 4
1971	61. 0	82. 8	43. 4	50. 8	60. 9	79. 9	51. 8	37. 5	60. 1	82. 3	42. 3	51. 6
1972	61. 0	82. 2	43. 7	53. 0	60. 0	78. 4	51. 1	39. 0	60. 4	82. 0	42. 7	54. 3
CIVILIAN LABOR FORCE												
1960	69, 631	43, 603	21, 185	4, 841	7, 716	4, 293	2, 855	568	61, 915	39, 310	18, 330	4, 275
1961	70, 460	43, 860	21, 665	4, 935	7, 804	4, 313	2, 918	573	62, 656	39, 547	18, 747	4, 362
1969	80, 733	46, 351	27, 412	6, 970	8, 955	4, 579	3, 574	802	71, 778	41, 772	23, 838	6, 168
1970	82, 715	47, 190	28, 180	7, 246	9, 198	4, 726	3, 664	808	73, 520	42, 464	24, 616	6, 440
1971	84, 113	47, 861	28, 799	7, 453	9, 323	4, 773	3, 769	781	74, 790	43, 088	25, 030	6, 672
1972	86, 542	48, 807	29, 710	8, 024	9, 585	4, 846	3, 889	850	76, 958	43, 961	25, 822	7, 175
EMPLOYMENT												
1960	65, 777	41, 543	20, 105	4, 129	6, 928	3, 880	2, 618	430	58, 850	37, 663	17, 487	3, 700
1961	65, 746	41, 342	20, 297	4, 107	6, 833	3, 809	2, 610	414	58, 913	37, 533	17, 687	3, 693
1969	77, 902	45, 388	26, 397	6, 117	8, 384	4, 410	3, 365	609	69, 518	40, 978	23, 032	5, 508
1970	78, 627	45, 554	26, 933	6, 142	8, 446	4, 461	3, 412	573	70, 183	41, 093	23, 521	5, 569
1971	79, 119	45, 775	27, 149	6, 195	8, 403	4, 428	3, 442	533	70, 716	41, 347	23, 707	5, 662
1972	81, 702	46, 881	28, 099	6, 729	8, 628	4, 517	3, 546	565	73, 073	42, 364	24, 554	6, 157
UNEMPLOYMENT												
1960	3, 853	2, 060	1, 080	713	788	413	237	138	3, 065	1, 647	843	575
1961	4, 714	2, 518	1, 368	828	971	504	308	159	3, 743	2, 014	1, 060	669
1969	2, 831	963	1, 015	853	571	169	209	193	2, 260	794	806	660
1970	4, 089	1, 636	1, 347	1, 106	752	265	252	235	3, 337	1, 371	1, 095	871
1971	4, 993	2, 085	1, 650	1, 258	919	345	327	248	4, 074	1, 740	1, 324	1, 010
1972	4, 840	1, 928	1, 610	1, 302	956	329	343	284	3, 885	1, 599	1, 268	1, 018

[1] Negro and other races, of which Negroes constitute about 92 percent.

[2] Total labor force as percent of noninstitutional population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

APPENDIX TABLE II.—CIVILIAN LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT BY COLOR, SEX, AND AGE, 1960-72

[Percentage distribution]

	Total				Black [1]				White			
Period	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19	Total	Male 20 and over	Female 20 and over	Both sexes 16 to 19
1960	100. 0	62. 6	30. 4	7. 0	11. 1	6. 2	4. 1	0. 8	88. 9	56. 5	26. 3	6. 1
1961	100. 0	62. 2	30. 7	7. 0	11. 1	6. 2	4. 1	. 8	88. 9	56. 1	26. 6	6. 2
1969	100. 0	57. 4	34. 0	8. 6	11. 1	5. 7	4. 4	1. 0	88. 9	51. 7	29. 5	7. 6
1970	100. 0	57. 0	34. 2	8. 8	11. 1	5. 7	4. 4	1. 0	88. 9	51. 3	29. 8	7. 8
1971	100. 0	56. 9	34. 2	8. 9	11. 1	5. 7	4. 5	. 9	88. 9	51. 2	29. 8	7. 9
1972	100. 0	56. 4	34. 3	9. 3	11. 1	5. 6	4. 5	1. 0	88. 9	50. 8	29. 8	8. 3
EMPLOYMENT												
1960	100. 0	63. 1	30. 6	6. 3	10. 6	5. 9	4. 0	. 7	89. 4	57. 2	26. 6	5. 6
1961	100. 0	62. 9	30. 9	6. 2	10. 4	5. 8	4. 0	. 6	89. 6	57. 1	26. 9	5. 6
1969	100. 0	58. 3	33. 9	7. 8	10. 8	5. 7	4. 3	. 8	89. 2	52. 6	29. 6	7. 0
1970	100. 0	57. 9	34. 3	7. 8	10. 7	5. 7	4. 3	. 7	89. 3	52. 2	30. 0	7. 1
1971	100. 0	57. 9	34. 3	7. 8	10. 6	5. 6	4. 3	. 7	89. 4	52. 3	30. 0	7. 1
1972	100. 0	57. 4	34. 4	8. 2	10. 6	5. 6	4. 3	. 7	89. 4	51. 8	30. 1	7. 5
UNEMPLOYMENT												
1960	100. 0	53. 5	28. 0	18. 5	20. 4	10. 6	6. 2	3. 6	79. 6	42. 8	21. 9	14. 9
1961	100. 0	53. 4	29. 0	17. 6	20. 6	10. 7	6. 5	3. 4	79. 4	42. 7	22. 5	14. 2
1969	100. 0	34. 0	35. 9	30. 1	20. 2	6. 0	7. 4	6. 8	79. 8	28. 1	28. 4	23. 3
1970	100. 0	40. 0	32. 9	27. 1	18. 4	6. 5	6. 2	5. 7	81. 6	33. 5	26. 8	21. 3
1971	100. 0	41. 8	33. 0	25. 2	18. 4	6. 9	6. 5	5. 0	81. 6	34. 9	26. 5	20. 2
1972	100. 0	39. 6	33. 2	27. 2	19. 8	6. 8	7. 1	5. 9	80. 2	32. 8	26. 2	21. 2

[1] Negro and other races, of which Negroes constitute about 92 percent.

Source: Calculated from appendix table I.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Addabbo (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Brasco (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Carey of New York (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Charles H. Wilson of California (at the request of Mr. O'Neill), on account of official business (Board of Visitors to the U.S. Air Force Academy).

Mr. Young of Alaska (at the request of Mr. Gerald R. Ford), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Gross for 30 minutes, today.

Mr. Zablocki, for 5 minutes, today, to revise and extend his remarks and include extraneous material.

Mr. Randall, for 10 minutes, today.

(The following Members (at the request of Mr. Mallary) to revise and extend their remarks and include extraneous material:)

Mr. Conable for 5 minutes, today.

Mr. Cleveland, for 5 minutes, today,

Mr. Steiger of Wisconsin, for 10 minutes, today.

Mr. Hogan, for 10 minutes, today.

Mr. Frelinghuysen, for 10 minutes, today.

Mr. Edwards of Alabama, for 10 minutes, today.

Mr. Heinz, for 5 minutes, today.

(The following Members (at the request of Mr. Jones of Oklahoma), to revise and extend their remarks, and to include extraneous matter:)

Mr. McFall, for 5 minutes, today.

Mr. Culver, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Matsunaga, for 30 minutes, today.

Mr. Hamilton, for 5 minutes, today.

Mr. Danielson, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Koch in two instances and to include extraneous matter.

Mr. Koch and to include extraneous matter, notwithstanding the fact that it exceeds 2¾ pages of the Congressional Record and is estimated by the Public Printer to cost $467.50.

Mr. Stokes and to include extraneous matter notwithstanding the fact that it exceeds 9¼ pages of the Congressional Record and is estimated by the Public Printer to cost $1,572.50.

Mr. Gross and to include extraneous matter.

Mr. Poage and to include extraneous matter in his remarks made today.

Mr. Bingham and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $425.

Mr. Saylor and to include extraneous material notwithstanding the fact that it exceeds two pages of the Record, and is estimated by the Public Printer to cost $935.

(The following Members (at the request of Mr. Mallary) and to include extraneous matter:)

Mr. Keating.

Mr. Esch.

Mr. Towell of Nevada.

Mr. Bafalis in five instances.

Mr. Roncallo of New York in two instances.

Mr. Derwinski in three instances.

Mr. Railsback.

Mr. Moorhead of California.

Mr. Young of Illinois.

Mr. Gilman.

Mr. Martin of North Carolina.

Mr. Quie.

Mr. Madigan.

Mr. Hogan in two instances.

Mr. Anderson of Illinois in three instances.

Mr. Erlenborn in two instances.

Mr. Butler.

Mr. Frelinghuysen.

Mr. Shoup.

Mr. Heinz in two instances.

Mr. Brotzman.

Mr. Guyer in two instances.

Mr. McClory.

Mr. Veysey.

Mr. Coughlin.

Mr. Abdnor.

Mr. Thomson of Wisconsin.

Mr. McKinney.

Mr. Brown of Michigan.

Mr. Skubitz in five instances.

(The following Members (at the request of Mr. Jones of Oklahoma), and to include extraneous matter:)

Mr. Anderson of California, in three instances.

Mr. Carney of Ohio, in four instances.

Mr. Seiberling in 10 instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Rodino.

Mr. Mathis of Georgia in two instances.

Mr. Rosenthal.

Mr. Koch.

Mr. Tiernan.

Mr. Danielson.

Mr. Symington.

Mr. Podell.

Mr. Van Deerlin.

Mr. Riegle in two instances.

Mr. Studds.

Mr. Byron in 10 instances.

Mr. Diggs in five instances.

Mr. William D. Ford in two instances.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which are thereupon signed by the Speaker:

H.J. Res. 210. Joint resolution asking the President of the United States to declare the fourth Saturday of September, 1973, "National Hunting and Fishing Day".

H.J. Res. 275. Joint resolution to authorize the President to issue a proclamation designating the month of May, 1973, as "National Arthritis Month"; and

H.J. Res. 437. Joint resolution to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week."

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 73. Joint resolution to authorize the President to proclaim April 16, 1973, as "Jim Thorpe Day."

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 51. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning May 6, 1973, as "National Historic Preservation Week;" to the committee on the Judiciary.

ADJOURNMENT

Mr. JONES of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 9 minutes p.m.), under its previous order, the House adjourned until Monday, April 16, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

754. A letter from the Deputy Assistant Secretary of the Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

755. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

756. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to further amend the U.S. Information and Educational Exchange Act of 1948; to the Committee on Foreign Affairs.

757. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with the Commonwealth of Pennsylvania for a research project entitled "Pilot /Demonstration Subsidence Control Project in Abandoned Mine Workings in the Minooka Area of Scranton, Pa." pursuant to sections (a) and (d) of Public Law 89-672; to the Committee on Interior and Insular Affairs.

758. A letter from the Attorney General, transmitting a draft of proposed legislation to promote the foreign policy of the United States by prohibiting travel in a restricted area; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STRATTON: Committee on Armed Services. H.R. 4682. A bill to provide for the immediate disposal of certain abaca and sisal cordage fiber now held in the national stockpile (Rept. No. 93–130). Referred to the Committee of the Whole House on the State of the Union.

Mr. DORN: Committee on Veterans' Administration. H.R. 2828. A bill to amend title 38 of the United States Code in order to establish a national cemetery system within the Veterans' Administration, and for other purposes, with amendment (Rept. No. 93–131). Referred to the Committee of the Whole House on the State of the Union.

Mr. DORN: Committee on Veterans' Administration. H.R. 6574. A bill to amend title 38, United States Code, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve, and for other purposes (Rept. No. 93–132). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee on Armed Services. S. 1494. A bill to amend section 236 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees to limit the number of employees that may be retired under such act during specified periods (Rept. No. 93–134). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 356. Resolution providing for the consideration of S. 502. An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes (Rept. No. 93–133). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 357. A resolution providing for the consideration of H.R. 6168. A bill to amend and extend the Economic Stabilization Act of 1970 (Rept. No. 93–135). Referred to the House Calendar.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5383. A bill to authorize appropriations for the Coast Guard for the procurement of vessels and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes; with amendment (Rept. No. 93–136). Referred to the Committee of the Whole House on the the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5451. A bill to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and the 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes; with amendment (Rept. No. 93–137). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5452. A bill to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended; with amendment (Rept. No. 93–138). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5932. A bill to authorize further appropriations for the Office of Environmental Quality, and for other purposes; with amendment (Rept. No. 93–139). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. STEPHENS:

H.R. 6879. A bill to amend and extend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. ADAMS (for himself, Mr. Pickle, Mr. Gilman, Mr. Helstoski, and Mr. Rangel):

H.R. 6880. A bill to restore and maintain a healthy transportation system, to provide financial assistance, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ADAMS (for himself, Mr. Foley, Mrs. Hansen of Washington, Mr. Hicks, Mr. McCormack, Mr. Meeds, and Mr. Pritchard):

H.R. 6881. A bill to provide for the continued operation of the Public Health Service Hospital which is located in Seattle, Wash., to the Committee on Interstate and Foreign Commerce.

By Mr. BINGHAM (by request):

H.R. 6882. A bill to authorize ex gratia payment of compensation for work performed by certain prisoners of the German Government during World War II who were wartime members of the Royal Army of Yugoslavia and who became U.S. citizens; to the Committee on the Judiciary.

By Mr. BOWEN (for himself, Mr. Whitten, Mr. Montgomery, Mr. Cochrane, Mr. Lott, Mr. Baker, Mr. Breaux, Mr. Fulton, Mr. Gettys, Mr. Ginn, Mr. Jones of North Carolina, Mr. Long of Louisiana, Mr. Passman, Mr. Rose, Mr. Thornton, and Mr. Wampler):

H.R. 6883. A bill to amend the Agricultural Adjustment Act of 1938 with respect to rice and peanuts; to the Committee on Agriculture.

By Mr. BRINKLEY:

H.R. 6884. A bill to amend title 10, United States Code, so as to provide that the Chief of the Medical Service Corps and the Chief of the Biomedical Sciences Corps of the Air Force shall be a Brigadier General and for other purposes; to the Committee on Armed Services.

By Mr. BROOMFIELD:

H.R. 6885. A bill to provide a penalty for the robbery or attempted robbery of any narcotic drug from any pharmacy; to the Committee on the Judiciary.

By Mr. BROTZMAN:

H.R. 6886. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6887. A bill to amend the Tariff Schedules of the United States in order to suspend until the close of December 31, 1975, the duties on certain insecticides; to the Committee on Ways and Means.

By Mr. BROWN of Michigan:

H.R. 6888. A bill to prohibit the President from impounding any funds, or approving the impounding of funds, the total appropriation of which does not exceed the President's budget for the appropriate functional area by more than 5 percent, without the consent of the Congress, and to provide a procedure under which the House of Representatives and the Senate may approve the President's proposad impoundment; to the Committee on Rules.

By Mr. BROYHILL of Virginia:

H.R. 6889. A bill to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and to provide the President with additional negotiating authority therefor, and for other purposes; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts:

H.R. 6890. A bill to permit collective negotiation by professional retail pharmacists with third-party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 6891. A bill to amend the act of August 13, 1946, to increase the Federal contribution to 90 percent of the cost of shore restoration and protection projects; to the Committee on Public Works.

By Mr. CLARK:

H.R. 6892. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLIER:

H.R. 6893. A bill to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to increase the diversion of water from Lake Michigan into the Illinois Waterway in order to control and eliminate water erosion on the shoreline of Lake Michigan and to improve the quality of the water in the Illinois Waterway; to the Committee on Public Works.

By Mr. COUGHLIN:

H.R. 6894. A bill to establish a national policy encouraging States to develop and implement land use programs; to the Committee on Interior and Insular Affairs.

By Mr. DANIELSON:

H.R. 6895. A bill to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by civilian officers and employees for damage to, or loss of, personal property incident to their service; to the Committee on the Judiciary.

H.R. 6896. A bill to amend the Internal Revenue Code of 1954 to provide that the designation of payments to the Presidential Election Campaign Fund be made on the front page of the taxpayer's income tax return form, and for other purposes; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama:

H.R. 6897. A bill providing for the establishment of a wild area system; to the Committee on Agriculture.

H.R. 6898. A bill to amend the National Trails System Act to authorize a feasibility study relating to the Bartram Trail in Alabama; to the Committee on Interior and Insular Affairs.

H.R. 6899. A bill to amend the act of August 13, 1946, to increase the Federal contribution to 90 percent of the cost of shore restoration and protection projects; to the Committee on Public Works.

By Mr. ERLENBORN (for himself, Mr. Dent, and Mr. Quie):

H.R. 6900. A bill to amend the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

By Mr. ERLENBORN:

H.R. 6901. A bill to improve the enforcement of the Occupational Safety and Health Act of 1970; to the Committee on Education and Labor.

By Mr. ESCH (for himself, Mr. Robison of New York, Mr. Broyhill of North Carolina, Mr. Anderson of Illinois, Mr. Erlenborn, Mr. Frelinghuysen, Mr. Guyer, Mr. Roncallo of New York, and Mr. Steiger of Wisconsin):

H.R. 6902. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes; to the Committee on Education and Labor.

By Mr. FLOOD (for himself, Mr. Addabbo, Mr. Alexander, Mr. Baker, Mr. Benitez, Mr. Boland, Mr. Brademas, Mr. Brasco, Mr. Brown of California, Mr. Burke of Florida, Mr. Carney of Ohio, Mr. Cotter, Mr. Coughlin, Mr. Davis of Georgia, Mr. Davis of South Carolina, Mr. de Lugo, Mr. Dent, Mr. Donohue, Mr. Eilberg, Mr. Gaydos, Mr. Haley, Mr. Hanley, Mr. Hastings, Mr. Hechler of West Virginia, and Mr. Helstoski):

H.R. 6903. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mr. FLOOD (for himself, Mr. Howard, Ms. Jordan, Mr. Leggett, Mr. McDade, Mr. McKinney, Mr. Minish, Mrs. Mink, Mr. Nix, Mr. Pickle, Mr. Podell, Mr. Price of Illinois, Mr. Rees, Mr. Rooney of Pennsylvania, Mr. Rosenthal, Mr. Sandman, Mr. Sarbanes, Mr. Sikes, Mr. Stokes, Mr. Tiernan, Mr. Udall, Mr. Ware, Mr. Williams, Mr. Bob Wilson, and Mr. Charles H. Wilson of California):

H.R. 6904. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mr. FLOOD (for himself, Mr. Won Pat, Mr. Yatron, Mr. Waldie, and Mrs. Heckler of Massachusetts):

H.R. 6905. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mr. FRELINGHUYSEN (for himself, Mr. Helstoski, Mr. Rodino, Mr. Widnall, Mr. Thompson of New Jersey, Mr. Dominick V. Daniels, Mr. Minish, Mr. Patten, Mr. Howard, Mr. Hunt, Mr. Sandman, Mr. Roe, Mr. Forsythe, Mr. Maraziti, and Mr. Rinaldo):

H.R. 6906. A bill to provide benefits on account of persons suffering disability or death from asbestotis or mesothelioma contracted in the course of their employment; to the Committee on Education and Labor.

By Mr. FUQUA:

H.R. 6907. A bill to amend title 10, United States Code, to authorize additional general officer rank for officers of the Regular Army Medical Service Corps, and to reorganize the Army Medical Service Corps; to the Committee on Armed Services.

H.R. 6908. A bill to protect hobbyists against the reproduction or manufacture of imitation hobby items and to provide additional protections for American hobbyists; to the Committee on Interstate and Foreign Commerce.

By Mr. GETTYS:

H.R. 6909. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

H.R. 6910. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal or broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBBONS (for himself, Mr. Haley, Mr. Young of Florida, Mr. Bennett, Mr. Bafalis, Mr. Burke of Florida, Mr. Chappell, Mr. Fascell, Mr. Fuqua, Mr. Gunter, Mr. Lehman, Mr. Pepper, Mr. Rogers of Florida, and Mr. Frey):

H.R. 6911. A bill to authorize the Secretary of the Interior to preserve Egmont Key, Fla.; to the Committee on Interior and Insular Affairs.

By Mr. GONZALEZ (by request) (for himself, Mr. Reuss, Mr. Rees, Mr. Hanna, Mr. Young of Georgia, Mr. Stark, Mr. Fauntroy, Mr. J. William Stanton, Mr. Crane, Mr. Frenzel, Mr. Conlan, and Mr. Burgener):

H.R. 6912. A bill to amend the Par Value Modification Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. GRASSO:

H.R. 6913. A bill to amend the Internal Revenue Code of 1954 to relieve employers of 50 or less employees from the requirement of paying or depositing certain employment taxes more often than once each quarter; to the Committee on Ways and Means.

By Mr. HARVEY:

H.R. 6914. A bill to amend the National Flood Insurance Act of 1968 to extend coverage under the flood insurance program to include losses from surface or floating ice; to the Committee on Banking and Currency.

By Mr. HELSTOSKI:

H.R. 6915. A bill to permit collective negotiation by professional retail pharmacists with third-party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

By Mr. HENDERSON (for himself and Mr. Pickle):

H.R. 6916. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HILLIS:

H.R. 6917. A bill to amend the Internal Revenue Code of 1954 to permit an exemption, in an amount not exceeding the maximum social security benefit payable in the taxable year involved, for retirement income received by a taxpayer under a public retirement system or under any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

By Ms. HOLTZMAN:

H.R. 6918. A bill to amend title VI of the Civil Rights Act of 1964 to prohibit sex discrimination in programs and activities receiving Federal financial assistance; to the Committee on the Judiciary.

By Mr. HOGAN:

H.R. 6919. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 6920. A bill to provide for loans for the establishment and/or construction of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6921. A bill to amend the Controlled Substances Act to require life imprisonment for certain persons convicted of illegally dealing in dangerous narcotic drugs; to the Committee on Interstate and Foreign Commerce.

H.R. 6922. A bill to amend the Internal Revenue Code of 1954, to provide that the designation of payments to the Presidential Election Campaign Fund be made on the front page of the taxpayer's income tax return form, and for other purposes; to the Committee on Ways and Means.

By Mr. KOCH (for himself and Mr. Aspin):

H.R. 6923. A bill to prohibit the military departments from placing on discharge certificates any codes or other indicators which disclose any reason why members of the Armed Forces are discharged or separated from service, and for other purposes; to the Committee on Armed Services.

By Mr. LANDGREBE (for himself, Mr. Bafalis, Mr. Baker, Mr. Blackburn, Mr. Broyhill of Virginia, Mr. Collier, Mr. Duncan, Mr. Guyer, Mr. Henderson, Mr. Hosmer, Mr. Michel, Mr. Quillen, Mr. Robinson of Virginia, Mr. Satterfield, Mr. Sikes, Mr. Steiger of Arizona, Mr. Stephens, Mr. Waggonner, Mr. Whitehurst, and Mr. Young of Florida):

H.R. 6924. A bill to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes; to the Committee on Education and Labor.

By Mr. LUJAN:

H.R. 6925. A bill to authorize the exchange of certain lands between the Pueblo of Acoma and the Forest Service; to the Committee on Interior and Insular Affairs.

H.R. 6926. A bill to amend title 5, United States Code, to allow credit under the civil service retirement program for military service performed by a citizen of the United States in the armed forces of any nation allied or associated with the United States during a period of war; to the Committee on Post Office and Civil Service.

By Mr. MATHIS of Georgia:

H.R. 6927. A bill to amend Title III of the Agricultural Adjustment Act of 1938, with respect to certain tobacco payments; to the Committee on Agriculture.

By Mr. MAZZOLI:

H.R. 6928. A bill to amend the Internal Revenue Code of 1954 to provide for income averaging in the event of downward fluctuations in income; to the Committee on Ways and Means.

H.R. 6929. A bill to amend the Internal Revenue Code of 1954 to provide that certain homeowner mortgage interest paid by the Secretary of Housing and Urban Development on behalf of a low-income mortgagor shall not be deductible by such a mortgagor; to the Committee on Ways and Means.

By Mrs. MINK:

H.R. 6930. A bill to amend the International Education Act of 1966 to provide for the establishment under that act of an Asian Studies Institute; to the Committee on Education and Labor.

By Mr. MOAKLEY:

H.R. 6931. A bill to provide for effective control of lobster fisheries on the Continental Shelf of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. MOLLOHAN:

H.R. 6932. A bill to amend chapter 17 of title 38, United States Code, to require the availability of comprehensive treatment and rehabilitative services and programs for certain disabled veterans suffering from drug dependence or drug abuse disabilities, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PEPPER:

H.R. 6933. A bill to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 6934. A bill to amend title 38, United States Code, to increase the amount of veterans' benefits for burial and funeral expense allowances from the present $250 to $750; to the Committee on Veterans' Affairs.

H.R. 6935. A bill to amend title 38, United States Code, to authorize a treatment and rehabilitation program in the Veteran's Administration for servicemen, veterans, and ex-servicemen suffering from drug abuse or drug dependency; to the Committee on Veterans' Affairs.

H.R. 6936. A bill to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery; to the Committee on Veterans' Affairs.

H.R. 6937. A bill to amend title 38 of the United States Code to permit veterans to determine how certain drugs and medicines will be supplied to them; to the Committee on Veterans' Affairs.

H.R. 6938. A bill to increase the availability of guaranteed home loan financing for veterans and to increase the income of the national service life insurance fund; to the Committee on Veterans' Affairs.

H.R. 6939. A bill to amend title 38, of the United States Code, in order to credit physicians and dentists with 20 or more years of service in the Veterans' Administration with certain service for retirement purposes; to the Committee on Veterans' Affairs.

H.R. 6940. A bill to amend title 38 of the United States Code to provide that pensioners may be furnished necessary medical services in Veterans' Administration facilities; to the Committee on Veterans' Affairs.

H.R. 6941. A bill to amend chapter 73 of title 38, United States Code, to make a career in the Department of Medicine and Surgery more attractive; to the Committee on Veterans' Affairs.

H.R. 6942. A bill to amend title 38 of the United States Code to provide for a pension of $100 per month for unremarried widows of men awarded a Medal of Honor posthumously; to the Committee on Veterans' Affairs.

H.R. 6943. A bill to provide for annual adjustments in monthly monetary benefits administered by the Veterans' Administration, according to changes in the Consumer Price Index; to the Committee on Veterans' Affairs.

H.R. 6944. A bill to make available to veterans of the Vietnam War all benefits available to World War II and Korean conflict veterans; to the Committee on Veterans' Affairs.

H.R. 6945. A bill to amend title 38 of the United States Code to provide an annual clothing allowance to certain veterans who, because of a service-connected disability, wear a prosthetic appliance or appliances which tends to wear out or tear their clothing; to the Committee on Veterans' Affairs.

H.R. 6946. A bill to amend title 38 of the United States Code to provide mustering-out payments for military service after August 5, 1964; to the Committee on Veterans' Affairs.

H.R. 6947. A bill to provide that veterans be provided employment opportunities after discharge at certain minimum salary rates; to the Committee on Veterans' Affairs.

H.R. 6948. A bill to amend section 333 of title 38, United States Code, to provide that veterans who serve 2 or more years in peacetime shall be entitled to a presumption that chronic diseases becoming manifest within 1 year from the date of separation from service are service connected; to the Committee on Veterans' Affairs.

H.R. 6949. A bill to amend subsection (d) (1) of section 3203, title 38, United States Code, to provide that where any veteran having neither wife nor child is being furnished hospital treatment, institutional, or domiciliary care by the Veterans' Administration, no pension in excess of $40 per month shall be paid to or for the veteran for any period after (a) the end of the second full calendar month of admission for treatment or care or (b) readmission for treatment or care within 6 months following termination of a period of treatment or care of not less than 2 full calendar months; to the Committee on Veterans' Affairs.

H.R. 6950. A bill to amend chapter 35 of title 38, United States Code, so as to provide educational assistance at secondary school level to eligible widows and wives, without charge to any period of entitlement the wife or widow may have pursuant to sections 1710 and 1711 of this chapter; to the Committee on Veterans' Affairs.

H.R. 6951. A bill to amend chapter 39 of title 38, United States Code, to provide the same eligibility criteria for Vietnam era veterans as is applicable to veterans of World War II and the Korean conflict; to the Committee on Veterans' Affairs.

H.R. 6952. A bill to provide equitable treatment of veterans enrolled in vocational education courses; to the Committee on Veterans' Affairs.

H.R. 6953. A bill to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to veterans who have served in the Indochina theater of operations during the Vietnam era; to the Committee on Veterans' Affairs.

H.R. 6954. A bill to amend title 38, United States Code, to improve the business loan program for veterans; to the Committee on Veterans' Affairs.

H.R. 6955. A bill to amend section 3101 of title 38, United States Code, to prevent consideration of proceeds of, or transfer of proceeds of, U.S. Government life insurance and national service life insurance for Federal estate tax purposes; to the Committee on Ways and Means.

By Mr. ROBISON of New York:

H.R. 6956. A bill to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROBISON of New York (for himself and Mr. Harrington):

H.R. 6957. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to extend for 3 years the provision for full Federal payment of relocation and related costs for victims of Hurricane Agnes and of certain other major disasters; to the Committee on Public Works.

By Mr. ROSENTHAL:

H.R. 6958. A bill to amend title II of the Social Security Act to provide a 35-percent benefit increase with a $150 minimum, to improve the computation of benefits and eligibility therefor, to provide for payment of widow's and widower's benefits in full at age 50 without regard to disability, to raise the earnings base, to eliminate the actuarial reduction and lower the age of entitlement, to provide optional coverage for Federal employees, and to eliminate the retirement test; to amend title XVIII of such act to reduce to 60 the age of entitlement to Medicare benfits and liberalize coverage of the disabled without regard to age, to provide coverage for certain governmental employees, to include qualified prescription drugs and free annual physical examinations under the supplementary medical benefits program, and to eliminate monthly premiums under such program for those whose gross annual income is below $4,800; and for other purposes; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 6959. A bill to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIKES:

H.R. 6960. A bill to provide additional penalties for the use of firearms in the commission of certain crimes of violence; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin:

H.R. 6961. A bill to amend the Land and Water Conservation Fund Act of 1965 to create the Disabled Eagle Passport Program under which disabled persons are admitted free to certain admission fee areas in National Parks and National Recreation areas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS (for himself, Mr. Moss, Mr. Eckhardt, Mr. Dingell, Mr. Reuss, Mr. Price of Illinois, Mr. Matsunaga, Mr. Corman, Mr. Udall, Mr. Karth, Mr. Burton, Mr. Gibbons, Mr. Reid, Ms. Schroeder, and Mr. Studds):

H.R. 6962. A bill to restore the independence of the Civil Aeronautics Board, the Federal Communications Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, and the Consumer Product Safety Commission; and to increase the independence of the Environmental Protection Agency in carrying out the Clean Air Act, the Solid Waste Disposal Act, and the Noise Control Act of 1972; to the Committee on Interstate and Foreign Commerce.

By Mr. STUBBLEFIELD:

H.R. 6963. A bill to provide cost-of-living adjustments in retirement pay of certain Federal judges; to the Committee on the Judiciary.

By Mrs. SULLIVAN (for herself, Mr. Breaux, Mr. Lott, and Mr. Young of Alaska):

H.R. 6964. A bill to authorize the Secretary of the Interior to establish programs and regulations for the protection of the fishery resources of the United States, including the freshwater and marine fish cultural industries, against the dissemination of serious diseases of fish and shellfish; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN (for herself, Mr. Breaux, and Mr. Young of Alaska):

H.R. 6965. A bill to amend the Anadromous Fish Conservation Act in order to clarify the duties of the Secretary of the Interior thereunder and to extend the authorization for appropriations to carry out such act; to the Committee on Merchant Marine and Fisheries.

By Mr. TAYLOR of North Carolina (for himself and Mr. Johnson of California):

H.R. 6966. A bill to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TOWELL of Nevada:

H.R. 6967. A bill to provide for the construction of a Veterans' Administration hospital in the State of Nevada; to the Committee on Veterans' Affairs.

H.R. 6968. A bill to provide for the burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., of the remains of an unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Vietnam conflict; to the Committee on Veterans' Affairs.

H.R. 6969. A bill to provide for the establishment of a national cemetery in the State of Nevada; to the Committee on Veterans' Affairs.

By Mr. WOLFF (for himself and Mr. Roe):

H.R. 6970. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

By Mr. YATRON:

H.R. 6971. A bill exempting State lotteries from certain Federal prohibitions; to the Committee on the Judiciary.

H.R. 6972. A bill to establish annual import quotas on certain textile and footwear articles; to the Committee on Ways and Means.

H.R. 6973. A bill to provide for orderly trade in textile articles and articles of leather footwear, and for other purposes; to the Committee on Ways and Means.

By Mr. YATRON (for himself, Mr. WILLIAM D. FORD, Mr. PEPPER, Mr. PODELL, Mr. STEIGER of Wisconsin, Mr. DAVIS of Georgia, Mr. HELSTOSKI, Mr. FORSYTHE, Mr. HARRINGTON, Mr. RANGEL, Mr. EILBERG, Mr. RIEGLE, Mr. CLARK, Mr. KASTENMEIER, Mr. MELCHER, Mr. MOORHEAD of Pennsylvania and Mr. GINN):

H.R. 6974. A bill to amend title 32, United States Code, to provide that Army and Air Force National Guard technicians shall not be required to wear the military uniform while performing their duties in a civilian status; to the Committee on Armed Services.

By Mr. BAKER:

H.J. Res. 505. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.J. Res. 506. Joint resolution authorizing the President to proclaim the first day of January of each year as "Appreciate America Day"; to the Committee on the Judiciary.

By Mr. DINGELL (for himself and Mr. HAWKINS):

H.J. Res. 507. Joint resolution to establish the Tule Elk National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

By Mr. STAGGERS:

H.J. Res. 508. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois (for himself, Mr. FASCELL, Mr. RHODES, Mr. PEPPER, Mr. MALLARY, Mr. MADIGAN, Mr. KETCHUM, Mr. ESCH, Mr. BEARD, Mr. MURPHY of Illinois, and Mr. BELL):

H. Con. Res. 196. Concurrent resolution authorizing and directing the Joint Study Committee on Budget Control to report legislation to the Congress no later than June 1, 1973, providing procedures for improving congressional control of budgetary outlay and receipt totals, the operation of a limitation on expenditures and net lending commencing with the fiscal year beginning July 1, 1973, and for limiting the authority of the President to impound or otherwise withhold funds authorized and appropriated by the Congress; to the Committee on Rules.

By Mr. RANDALL:

H. Con. Res. 197. Concurrent resolution; it is the sense of the Congress that the President should continue in operation the programs and activities authorized under the provisions of the Economic Opportunity Act of 1964, and in accordance with the provisions of that act, until and unless Congress determines otherwise; and submit a revised budget request for such activities for fiscal year 1974; to the Committee on Education and Labor.

By Mr. YATRON (for himself, Mr. COUGHLIN, Mr. DRINAN, and Mr. ROE):

H. Con. Res. 198. Concurrent resolution expressing the sense of Congress that our NATO allies should contribute more to the cost of their own defense; to the Committee on Foreign Affairs.

By Mr. WOLFF (for himself and Mr. SARASIN):

H. Con. Res. 199. Concurrent resolution to collect overdue debts; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII,

142. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to granting favored nation status to the Soviet Union; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H.R. 6975. A bill for the relief of Mr. Agostinho Rodrigues; to the Committee on the Judiciary.

By Mr. HOGAN:

H.R. 6976. A bill for the relief of Patricia P. Grant; to the Committee on the Judiciary.

H.R. 6977. A bill for the relief of Esaki Konar; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

H.R. 6978. A bill to authorize the Secretary of the Interior to consider and act upon an application for modification of Bureau of Land Management coal lease No. D–034365; to the Committee on Interior and Insular Affairs.

By Mr. MADIGAN:

H.R. 6979. A bill for the relief of Monroe A. Lucas; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

164. By the SPEAKER: Petition of Larry Rodriguez, Key West, Fla., and 78 other law enforcement officers in Monroe County, Fla., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

165. Also, petition of James J. Kelledy, Calumet Park, Ill., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

166. Also, petition of John R. O'Keefe and other members of Fort Pitt Lodge No. 1, Fraternal Order of Police, Pittsburgh, Pa., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

167. Also, petition of Edward R. Rumpler and others, Pittsburgh, Pa., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

168. Also, petition of James Werner, Quakertown, Pa., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

169. Also, petition of George Robb, Wheeling, W. Va., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

170. Also, petition of Keith R. Dumesic, Kenosha, Wis., relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

SENATOR RANDOLPH URGES REALISM IN THE QUEST FOR ENVIRONMENTAL QUALITY

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Thursday, April 12, 1973

Mr. JACKSON. Mr. President, on April 5, 1973, the senior Senator from West Virginia and distinguished chairman of the Public Works Committee (Mr. RANDOLPH) delivered the keynote address to the first Government Affairs seminar of the Air Pollution Control Association. The Senator's speech raises some very cogent points concerning the need to obtain a reasonable balance between the implementation of Federal environmental policies and the attainment of other national requirements such as our growing energy needs.

As we are all aware, and as the Senator from West Virginia points out so clearly, the country has not done well in finding a suitable and equitable balance between energy requirements and environmental goals.

The consequence has been severe implications for domestic energy supplies. This is already apparent from hearings of the Senate's national fuels and energy policy study, which I had the pleasure of cosponsoring with the Senator from West Virginia over 2 years ago. Through his foresight over the years we now have an opportunity, in the Senate, to address the balance between energy and the environment and other major energy policy issues. I commend my distinguished colleague's foresight in this area and recommend his speech of April 5 to my colleagues.

Mr. President, I ask unanimous consent that the text of the speech be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

LUNCHEON ADDRESS BY SENATOR JENNINGS RANDOLPH

It is gratifying to be invited to address the First Government Affairs Seminar of the Air Pollution Control Association.

On many occasions over the last ten years an event such as this could have helped to stimulate dialogue and understanding among government and industry and the environmentalist, alike. I say "ten-years" because it has been that long since the Senate Public Works established its Subcommittee on Air and Water Pollution. Together, we have journeyed over a long and arduous course. We still have a difficult journey ahead.

This Seminar has been concentrating, appropriately, on the policy issues arising out of the implementation of the 1970 Federal Clean Air Amendments and the resultant State implementation plans. And, this is a timely discussion, as are the public policy debates as to whether or not the auto industry can achieve the 1975 auto emission standards prescribed by the Congress. During the next two years, the Congress and the American people must evaluate the status of our national quest for clean air and the adequacy of the commitment by government, industry, and the public, toward achievement of our country's environmental goals.

I am reminded of the words of President Nixon in his February 1970 Environmental Message to the Congress:

"The task of cleaning up our environment calls for a total mobilization by all of us. It involves government at every level; it requires the help of every citizen. It cannot be a matter of sitting back and blaming someone else."

This statement was made by the President in response to a new awareness in America that environmental degradation threatens the public health and the quality of our lives. Later, that same year, the Environmental Protection Agency was established by law to insure our country's quest for environmental quality.

Today, however, these goals are jeopardized. There has been too much talk and too little action by government and industry, alike, Government actions, short on perspective, have actually threatened the long-term success of Federal environmental policies. I speak principally of energy supply problems arising out of implementation of the Clean Air Act Amendments of 1970 by EPA and the states of the Union. The choice, ultimately, may be clean air or energy.

But many current difficulties also are of industry origin. Unfortunately, and all too often, industry has not cooperated sufficiently with the Federal environmental policies, hoping for eventual variances or even repeal. And, unfortunately, all parties, and particularly, the Federal Environmental Protection Agency, have not undertaken the statutorially mandated programs necessary for the timely development of air pollution control technologies.

REALISM IS NEEDED

Without question, there is a need for realism in our country's implementation of environmental policies. Doubtless, there are those among you who believe that the prevailing policies enunciated in statute and regulations are unduly restrictive. But, they are the law of the land and are to be taken seriously. We surely can see our recent failures to make reasonable attempts to implement soundly the Federal and State environmental policies. We have not done well in finding a suitable, or equitable, balance between energy and the environment, and I emphasize, "energy AND environment." Rather, it seems that we have adopted a national posture of environment *versus* energy, to the very substantial disadvantage of domestic energy supplies. The consequences has been an exacerbation of an already difficult energy supply problem.

The answers are to be found, in some degree in the administration of the oil import program. But, the answers, in large part, are to be found in the form of the Environmental Protection Agency's Clean Air guidelines and regulations, and the resultant State emission standards and their time schedules. For there is ample evidence that EPA did not consider, at the time of their approval, the aggregate effect on domestic energy supplies of State implementation plans.

As a result, present State regulations will render 155 million tons of current coal production unusable, putting 26,000 miners out of jobs. This amounts to roughly one-third of the non-coking coal used in the United States.

And, ample alternative and acceptable energy supplies are NOT available. By 1975, an additional 125 million tons of coal, or its equivalent in other fuels, will be needed to satisfy rising energy demands.

From newspaper reports, I was encouraged to believe that the President's February 1973 Environmental Message would recognize in some degree—hopefully, a substantial degree—the cumulative impact caused by implementation of several Federal environmental policies, including those of the National Environmental Policy Act and other statutes. For these policies have carried numerous of our country's energy problems to the rim overlooking the valley of chaos.

What appears to have happened is that the cumulative effect of laws, regulations thereunder, the enforcement thereof, and actions by the courts moved us beyond the ability of known technology to keep pace. I was discouraged, when the President's Environmental Message provided little recognition of this reality.

I have long endorsed the statutory policy that protection of public health should not be subordinated to economic feasibility. This was the underlying premise of the Air Quality Act of 1967. And, I would not want in any way to jeopardize the long-term success of overall Federal environmental policies. But it is obvious to me that short-term environmental concerns have dominated EPA's implementation of the Clean Air Amendments of 1970 so dramatically that our country's energy requirements cannot be met until unrealistic environmental constraints, predicated upon protection of public welfare, are slowed down to "reasonable" time schedules. Only that for which there is technology available can be accomplished.

MUST RETURN TO STATUTORY POLICIES

After long deliberation in 1967, and again in 1970, the Congress enacted a Federal air pollution control policy that distinguishes between concerns for public health and concerns for welfare. Twice the Congress rejected the concept of national emission standards. Yet, as so frequently has occurred in recent years, the Administration ignored flexibility contained in the 1970 Clean Air Amendments and encouraged the States to adopt, in effect, national emission standards which bear no relationship to ambient air quality standards.

Nevertheless, don't look to the Congress for "wholesale" variance from existing regulations. Judicial remedies were provided, in 1970, for this purpose. A realistic distinction is needed between potential and actual problem areas. Then let's talk. For the issue is not repeal, but whether there has been a "good-faith" attempt to incorporate environmental and social concerns into management decisions by government and industry, alike.

For example, it is unrealistic to look for an environmental scapegoat for our emerging energy crisis. What has occurred is that hastily adopted environmental policies have expanded the problem and made it even more complex.

TECHNOLOGY OFFERS THE KEY

For many years, I have been in the vanguard of the too few Members of the Congress, urging more emphasis on the development of technologies to make the use of coal environmentally acceptable. This can be accomplished through better control of sulphur oxides and more rapid development of coal gasification and coal liquefaction and advanced power cycles for the generation of electricity.

When both the 1967, and 1970, Clean Air Act Amendments were under consideration in the Senate Public Works Committee, and in the Senate, I warned that the current situation might develop. I predicted potentially damaging consequences, not only for energy, but, also, for the success of environmental policies. Repeatedly, I offered amendments to increase both authorizations and appropriations for research and development. Most of my amendments were accepted, and are now in the law, but the Executive Branch consistently has done too little toward the financing of research on energy-related environmental control technologies.

Even when increased funds were fought through the Administration's budget councils and the Congress, EPA often declined to obligate them. Admittedly, the Office of Management and Budget, as usual, resisted budget increases; however, in this case, appropriated funds were not even committed to the effort. This was due to the failure of EPA's program managers to focus adequately on this problem and the statutory program to deal with it. That consequence is a badly out-of-balance condition of such proportions that our domestic coal industry—and the people involved in and depending on it—are in a tenuous position.

What is most disturbing, however, is that EPA regulators admit that all aspects of State implementation, in their aggregate, cannot be achieved by 1975, despite the best efforts of government and the private sector. Yet, in February 1973, when Administrator Ruckelshaus announced EPA's fiscal 1974 budget, it showed a decrease in funds for air pollution control programs and research.

The disturbing proposal, however, is termination of EPA's $5 million program to develop sulfur oxide control technologies to control air pollution emissions—for example, from the combustion of high-sulfur coals. The agency's justification for this is that EPA, to date, has devoted more than $86 million to development and demonstration of first-generation technology for reducing and controlling air emissions from stationary and mobile sources. EPA now plans to move into a second phase where the private sector is expected to further refine and improve this technology.

EPA's position on these budget cuts reflects a policy that the development of sulfur oxide control technology is the responsibility of the private sector, not government; yet, this position does not reflect the Congressionally enunciated policy contained in the Clean Air Act (Section 104). Is EPA under the law or does it consider itself above the law?

This budget cut is even inconsistent with recent recommendations of the Interagency Sulfur Oxide Control Technology Assessment Panel (SOCTAP), which states:

"In particular, Federal R & D efforts should be expanded to accelerate the development of improved scrub or solid waste management processes. It also is strongly recommended that the Federal government continue support of ongoing government sponsored program (SIC) to develop SOx processes."

At this point, I wish to emphasize excerpts from an October 13, 1972, letter from EPA Deputy Administrator Fri to the Office of Management and Budget—four months before the budget was submitted to the Congress:

"(The proposed reductions for stationary source air pollution control technology) will . . . eliminate the funding of the sixth (sulfur oxide) flue gas control technology demonstration and prevent EPA funding of the completion of the fifth. *This abandons the Presidential commitment to fund six of these demonstrations.* (Italic added) Eliminating these demonstrations does increase the risk that we will ultimately not be able to sustain the large scale steam generation SOx new source standard, but we think this risk is not unacceptable in view of the current legal situation and the progress that has been made in the first four demonstrations, in the private sector since the standard was set, and in foreign countries."

These cuts also affect the nitrogen oxide control technology program, which has direct public health implications. Yet, according to Administrator Fri, the proposed 1974 EPA budget represents—

"A risky course as the control technology for NOx is very primitive. If NOx does prove to be a major problem our reduction is this program will delay the setting of meaningful source standards and the achievement of the ambient standards."

To me, these statements represent a total lack of commitment by the current Administration to a Congressionally mandated joint government-industry program. This effort was to be geared at implementing Federal environmental policies in a realistic manner through available control technologies. Instead, while the Federal government reverses its position on its commitment to statutory policies, industry is expected, nevertheless, to meet enforcement deadlines.

The irony of this situation is characterized in Administrator Fri's own words:

"(EPA is) capable of achieving the most pollution abatement in those areas where we have the best legislative mandate. The Clean Air Act is our best legislative mandate. It also has congressional mandates which would be very embarrassing to do a poor job on."

Yet, while proposing budget cuts for research, EPA proposes to increase the FY 1974 budget by $5.2 million for enforcement of air standards and State implementation plans, and enforcement in auto certification and regulation. I cannot help but ask, "Where is the realism?"

I was encouraged, however, by the recent action by the Illinois Commerce Commission toward the achievement of workable solutions to environmental-energy problems. At the request of Commonwealth Edison Company, the Commission approved a fuel adjustment clause for the utility which, among other things, allows for the recouping of the costs attributable to cleaning up fuels, through such methods as sulfar oxide devices and pre-combustion techniques. This represents a significant step forward during a period of constant debate over whether the technology is even available.

AUTOMOBILE

We are familiar with reports of the decreased automobile performance associated with the particular air pollution control methods being developed by the auto manufacturers. This is true and the automobile industry has, in part, found a scapegoat for its own failures. That industry seems to lay its problems on environmental law and seems to impute perfection to its own engineering. This is a sanctimonious approach not supported by the National Academy of Science.

There is no secret about the fact that lighter and smaller cars emit less pollution and consume less fuel than their heavier, high-powered counterparts. It is also a matter of record that diesel engines are more efficient than gasoline engines of the same size.

However, the development of automobiles in this country has not followed the pattern of either small size or diesel power. The reason is clear—an unwillingness to abandon the internal combustion engine—perhaps motivated too much by profit considerations, rather than consideration for environmental or energy policies. The profit aspect is not un-American—but it can be overdone.

From 1960 to 1968, before the current air pollution standards came into being—by industry engineering design—the efficiency of operation of automobiles decreased almost 3 percent. This was due to such factors as increased weight, allegedly poor aerodynamic designs, more factory-installed air conditioning, and V–8 engines. So, the trend already existed before auto emission controls—to keep the current situation in perspective.

As I have said on previous occasions, I find it difficult to understand how our major automobile companies—General Motors, Ford, and Chrysler—keep complaining about the impossibility of the 1975 Federal automobile emission standards, while the Mercedes diesel and two small Japanese companies—Honda and Mazda—reportedly already have met the 1975 standards. This was accomplished with long-known, but non-traditional, engine technologies.

In addition, the National Academy of Sciences, in response to a study mandated by the Congress, concluded, in February of this year, that four types of systems are available to meet the 1975 standards. However, the auto manufacturers seem to keep right on disagreeing—with all except themselves.

In 1970, the Congress recognized that the 1975 standards might not be achievable, and a possible one-year extension was provided. And, this extension is now under review by EPA, with an announcement expected next week.

Meanwhile, before all appeal mechanisms have been exercised, a major public relations effort has been launched by the auto and oil industries to discredit the Clean Air Amendments of 1970. At issue, however, is not the statute, as this public relations effort suggests, but whether a "good-faith" effort has been made by government and industry to assure the success of Federal Clean air policies.

What most questioned are the corporate policies that insist on using the traditional internal combustion engine. These policies according to the NAS, have lead to the installation of the less effective—but more expensive—exhaust control systems. The obvious question is, "Has there really been adequate investigation of the other alternatives." Our country's quest for environmental quality is a joint, societal venture, which must not be allowed to be exploited for short-term economic gains.

However, the government's efforts to develop and demonstrate alternatives to the internal combustion engine, mandated by the Clean Air Act, must also be questioned. In its report of May 1972, the GAO stated, with respect to EPA's advanced automotive power systems program (AAPS), that—

"The commitment of resources, both money and manpower, to the search for a clean engine was not commensurate with the need, nor did it reflect the urgency of the need to resolve the air pollution problem."

In response to this GAO criticism EPA (or, perhaps, OMB) has cut its budget still further! In the words of EPA Deputy Administrator Fri:

"This increases the risk we will not be able to demonstrate an advanced power system capable of meeting the 1976 standards. We view the demonstration of such a system as essential as a hedge against the possibility that the auto industry will be unable to clean up the conventional internal combustion engine enough to meet the 1975–76 standards. *We see plenty of evidence that this oligopolistic (industry will not conduct enough of its own research into unconventional power systems without EPA stimulus."* (Italic added).

I quote from an editorial in a trade magazine—"The Commercial Car Journal," which says:

> The route taken by car and truck manufacturers to meet Federal exhaust emissions laws makes engines less efficient.
>
> By the time 1975 models are here, cars will burn 20 percent more fuel than in 1970 to travel the same distance.
>
> And diesels will be severely affected for the first time in 1975 when they come under harsher emission laws. For the diesels, a 10% increase in fuel consumption is predicted.

Clearly, something has to be done—and done soon. We cannot continue to have each vested interest in this country pulling in opposite direction from the other.

Certainly, the concept of burning more fuel to pollute less is a contradiction in itself. The time for action is now—before it is too late.

EPILOG

As I have emphasized on frequent occasions, a prime difficulty appears to be too many advocates of vested interests, whether environmental or economic. Too little effort is being made to sit down to discuss and develop, in a spirit of compromise, a consensus on what are the immediate environmental objectives and what are our country's long-term societal policies, of which environmental concerns are only one element.

It is generally recognized that our long-term environmental policies are but a small part of the much broader issue of providing an adequate lifestyle for the American people, with all the attendant ramifications.

The challenge is there—the question is one of acceptance and a solid commitment to meet our national environmental policies while, at the same time, meeting other societal responsibilities. Both can be achieved if the approachment to solutions is reasonable and not fanatical. You, and the interests you represent, both environmental and economic, must counsel with the Congress as well as the Executive Branch, for both bodies are coordinate branches of the United States government.

As provided in our Constitution, the Congress is responsible—and accountable—for the formulation of our country's priorities and programs. The Executive Branch, in turn, must implement and administer statutory policies or recommend their modification.

BOYCOTT OF ISRAEL BY JAPANESE COMPANIES

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. KOCH. Mr. Speaker, this week the Anti-Defamation League of B'nai B'rith revealed its finding that three leading Japanese companies—Toyota, Nissan, and Hitachi—are submitting to Arab boycott pressures against Israel. The ADL study of the problem of Japanese companies' refusal to do business with Israel has been an extensive one, tracing back to the mid-1960's the commercial relations of these countries with the Arab countries and their alternative refusal to sell their products in Israel.

The Japanese companies' plea that to whom they export is strictly based on commercial considerations cannot be accepted. In the instance of such large companies, particularly in a country whose industrial growth and production is greatly directed by the Government, a decision not to sell products to a particular company is surely influenced by national policy.

It is distressing to a Member of the U.S. Congress to see the major companies of one of our allies effectively joining a boycott against Israel. This has been a concern to me for a long time.

In December I first wrote to Japan's Ambassador to the United States, Nobuhiko Ushiba to protest the refusal of

Japan Air Lines to reach a mutual landing rights agreement with El Al, Israel's national airlines. I also expressed the concern of my constituents that this was a result of Japan's compliance with the Arab boycott against Israel. The Ambassador responded by letter of December 28 that there were several reasons why JAL "has not been keen on the proposal by El Al Airlines regarding mutual landing right." The two reasons Ambassador Ushiba gave were a lack of prospects for commercial profit in the route and a concern that "the present situation in the Middle East does not assure the safety of such operations."

The Ambassador failed to speak to the most pertinent point of the El Al offer and that is that JAL, if it wished, would not have to immediately pick up on its option to fly to Tokyo. If the agreement were signed, El Al would go ahead in servicing the Tel Aviv-Tokyo route alone if JAL did not want to immediately commence its service. Furthermore, El Al promised to share with JAL any profits of the service even if JAL did not also fly. Surely, JAL could not ask for much better commercial terms.

On January 22, I met with Ambassador Ushiba to speak with him personally about my concern and that of my constituents over this problem and to be sure he understood the terms of the El Al proposal.

Throughout the meeting I pressed the need for countries like Japan not to submit to Arab boycott pressures—that free countries throughout the world had an obligation to resist such pressures. The Ambassador promised to get in touch with Tokyo about our meeting and get back to me about the problem and the question of mutual landing rights agreement between El Al and JAL in particular.

The Ambassador's response when it came was not very promising—in fact it was most disappointing. Still no acknowledgement of El Al's unusual offer that would protect JAL's commercial interest. The Ambassador said:

> My Government has been studying this matter—the Israeli proposal for landing rights in Japan—including your information on this subject, most carefully. They are still of the opinion, however, that the scarce traffic demand for the direct reciprocal air service between Japan and Israel, and safety factors which are being raised by the continuing political difficulties in the Mid-East, make it unlikely that a decision will be forthcoming on this matter in the near future.

Ambassador Ushiba went on to say:

> On the subject of Japan's relations with Israel generally, I would like to mention two recent developments of note. First, last June, Japan lifted the quarantine restrictions which had applied to the importation of Israeli citrus fruit. Second, beginning last November, cargo liner service was established between Japan and Israel. Now such service operates once monthly; in the future it will be increased to twice monthly.

My own view, Mr. Speaker, is that Ambassador Ushiba's indication that cargo liner service between Japan and Israel operates only once a month simply underscores the paucity of the exchange—and this will be true even if expanded to twice monthly. Furthermore, with regard to the Ambassador's comments on safety for air travel in the Middle East, I would point out that almost every major airline in the world flies into Tel Aviv and has been doing so safely for years.

The Ambassador concluded his letter by saying—

> Please be assured that Japan is sincerely extending to Israel its good-will, its understanding and its cooperation.

This, unfortunately is difficult to perceive when the major companies of Japan refuse to do business with Israel, particularly in a world where economic relations are an essential component of any country's relations with another.

The Japanese automobile manufacturers, Nissan and Toyota, claim they cannot sell their cars in Israel because of a shortage of production. This is difficult to understand particularly in the United States where we have been seeking voluntary limitations by the Japanese in their exports. When it comes to selling goods to the United States, there does not seem to be any problems of shortage of production.

Mr. Speaker, no citizen of a free country can tolerate boycotts against another free nation. This is a matter that should be of concern to Jews and non-Jews alike. I for one will not stand by while Israel is prejudiced in this manner. And therefore, while regretting that my efforts and those of other interested persons have apparently not convinced the Japanese to alter their policy, I have decided to cease buying any Japanese products until that country's boycott against Israel is lifted.

For the interest of my colleagues, a story of the ADL report which appeared in the New York Times today follows:

BOYCOTT OF ISRAEL LAID TO JAPANESE—TOYOTA, NISSAN AND HITACHI ACCUSED OF BACKING ARABS

Three leading Japanese manufacturers of automobiles and electronics equipment—Toyota, Nissan and Hitachi—were accused yesterday of refusing to do business with Israel because of the Arab economic boycott.

The charges were lodged by the Anti-Defamation League of B'nai B'rith, which said that the companies were "concealing their long-term participation in the Arab economic boycott of Israel from American consumers because they fear the effect of the truth on their sales."

The Toyota Motor Company manufactures automobiles, the Nissan Motor Company makes Datsun cars and trucks, and Hitachi, Ltd., produces electronic and industrial items.

The three companies, which have largest export sales in the United States, denied the accusation in statements from their home offices.

The Nissan Motor Company said that it "is undertaking exports of its products strictly on a commercial basis and its export principle has never been swayed by any political consideration.

DENIALS CALLED FALSE

But the Anti-Defamation League said that, based on an investigation dating back to 1964 and on documentation from the manufacturers or their agents, the companies "have given in to the boycott."

Lawrence Peirez, chairman of the league's national civil rights committee, charged that the three companies were answering American inquiries with "patently false" statements denying their participation in the Arab effort to strangle Israel economically.

"They are obviously afraid of American reaction," he declared.

The league official said that the three companies had engaged in "misrepresentation and doubletalk for years." He traced Toyota's compliance with the boycott to 1964, Hitachi's to 1965, and Nissan's to 1967.

Spokesmen for Toyota and Nissan asserted that their companies had declined Israeli requests for car shipments because of a "shortage of production." The two companies have each exported 20,000 to 30,000 automobiles a year to the Arab nations in the last 15 years.

Hitachi also denied the accusation, but did not comment on it.

CODE OF CONDUCT FOR JUDGES

HON. WILLIAM LLOYD SCOTT

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, April 12, 1973

Mr. SCOTT of Virginia. Mr. President, I was privileged some days ago to participate in the Virginia Trial Lawyers Association Seminar in Hot Springs, Va. Several hundred Virginia lawyers were in attendance, and one of the highlights of the meeting was a talk by Mr. Justice Harry L. Carrico, an associate justice of the Supreme Court of Virginia.

Justice Carrico spent most of his life in Fairfax County, and I have been privileged to know him for many years and to follow his career. He served as a trial magistrate for some years, and then returned to the private practice of law. Afterward, he was appointed an associate judge of our circuit court for the 16th Judicial Circuit of Virginia. This is a Court of General Jurisdiction in Virginia, and his capable service was recognized by his elevation to Virginia's highest court some 10 to 12 years ago. Now, he is the third-ranking justice of that court.

I was particularly interested in a portion of Justice Carrico's speech which indicates that a judge should decide cases according to the law, and not what he thinks it ought to be. Most of his talk, however, relates to standards of judicial conduct and the need for members of our judiciary to be persons of impeccable integrity. I benefited from hearing his remarks of this fine lawyer and outstanding jurist, and ask unanimous consent to have his entire remarks printed in the RECORD so that my colleagues in the Congress may also enjoy them.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF JUSTICE CARRICO

I want to talk to you tonight about a matter of current and important interest to our profession. The Virginia Supreme Court, during its last session, adopted new Canons of Judicial Conduct for the Commonwealth to take effect this coming July 1st. This is the first revision of the Canons in thirty-five years. It represents a much needed reform, bringing the code of conduct for judges into modern focus.

The effort to update the rules of judicial conduct began in August, 1969, when the then president of the American Bar Association appointed a special committee to consider changes in the ABA Canons, which had been formulated under conditions existing at the turn of the century. The committee made its report and, with minor changes, the new ABA Canons were approved by the Association at its meeting this past summer.

Then, our Chief Justice, acting in his role as Chairman of the Judicial Council, appointed a committee to study Virginia's existing canons in light of the new ABA standards and to make recommendations to Council. The committee made its study and report, submitting a complete revision of the Virginia Canons. Council made some changes and then recommended to the Supreme Court that the new canons be adopted. The proposals were circulated to all Virginia judges with the request that suggestions be made to the Court. A number of suggestions were received and considered. Following this, the Court made some minor changes and the new Code was adopted this past February 26.

The new Virginia Canons follow the format and contain much of the language of the ABA recommendations. However, we did not follow the ABA proposals in toto. This was so for a number of reasons. In the first place, the ABA standards were tuned to those states which follow the practice of electing judges by popular vote, a practice happily not followed in Virginia, so many portions of the recommendations were just not applicable here. Secondly, it was found that the old Virginia Canons in some instances better expressed the meaning sought to be conveyed and contained desirable language which was left out of the ABA recommendations. Finally, some of the ABA provisions were found objectionable. For example, a hypertechnical interpretation of one of the ABA recommendations would have, for all practical purposes, prohibited a judge from receiving the assistance of a law clerk. Another of the suggested canons would have opened a crack in the wall of prohibition against televising courtroom proceedings.

Nonetheless, the real sense of the ABA recommendations is carried forward in the Virginia Canons, and our action in following ABA's lead has brought favorable response from that organization. In a letter received by the Chief Justice this past Wednesday, John T. Reardon, Chairman of a special committee of the ABA, stated:

"On behalf of the American Bar Association and the Special Committee to Obtain Adoption of the Code of Judicial Conduct, I wish to acknowledge adoption of the Canons of Judicial Conduct by the Supreme Court of Virginia. I extend our appreciation and congratulations for leadership in this vital area of judicial reform to you, the Justices of the Supreme Court of Virginia and all the Virginia judiciary.

"Virginia's actions put her in the forefront of the American Bar Association's nationwide effort to secure a more up-to-date and modern ethical code for judges. We are most pleased to add the Commonwealth of Virginia to the growing number of states that have adopted the Code of Judicial Conduct."

I do not intend to trespass upon your time by detailing all the provisions of the new Canons. They do, however, impose some novel and specific limitations on the activities of a judge, and it is to some of these limitations that I would like to direct your attention.

Under the new Canons, a judge and members of his household are forbidden to accept gifts from litigants. And he and members of his household are told they cannot accept any gifts, except incident to a public testimonial to him, or favors, other than ordinary social amenities, from lawyers practicing before him or from others whose interests are likely to be submitted to him for judgment.

A judge is prohibited from testifying as a character witness, from acting as an arbitrator or mediator, from attending political gatherings, from purchasing tickets for political dinners, and from practicing law if on a full time basis as a judge.

As before, a judge is permitted to participate in civic and charitable activities. But he may not serve as an officer, director, or trustee of a charitable or civic organization if it is likely that it will be engaged in proceedings before him. He may not use or permit the use of his title or the prestige of his office for the solicitation of funds, and he is prohibited from being the speaker or guest of honor at fund raising events.

The new Canons greatly restrict the financial activities of a judge. He is told to refrain from financial and business dealings that tend to reflect adversely on his impartiality, interfere with the proper performance of his judicial duties, exploit his judicial position, or involve him in frequent transactions with lawyers or persons likely to come before the court on which he serves.

A judge is prohibited from serving as an executor, administrator, trustee, guardian or other fiduciary, except for the estate, trust, or person of a member of his family and then only if such service will not interfere with the performance of his judicial duties and it is not likely that the estate, trust, or ward will become involved in adversary proceedings.

The new rules prohibit a judge from serving as an officer, director, manager, adviser, or employee of any business, except that he may act as an officer, director or non-legal adviser of a family business.

The new Canons provide that a judge may speak, write, lecture, teach, and participate in other extra-judicial activities concerning the law, the legal system and the administration of justice. And he is allowed to receive compensation for these activities if it is reasonable compensation and does not exceed what a person who is not a judge would receive for the same service. But he may not accept compensation if the source of such payment gives the appearance of influencing him or otherwise smacks of impropriety. And a judge must report the date, place, and nature of any extra-judicial activities for which he receives compensation, together with the name of the payor and the amount received. Such reports must be made annually and filed in the office of the Executive Secretary of the Supreme Court, where they become public.

So, as you can see, the new Canons rather carefully spell out what a judge may and may not do. If they are followed, as they must be, they will insure achievement of the purpose for which they were adopted—an independent and honorable judiciary.

Canon 1 of the new Code states that an independent and honorable judiciary is indispensable to justice in our society. How true that is! Judges who are independent and honest and—of equal importance—who are looked upon by the public as independent and honest, are the foundation of the success and respectability of our system of justice. On the other hand, just one judge who is subservient to any interest or is corrupt in any way can destroy public confidence in the whole system.

It is of extreme importance, therefore, that a judge not only be learned in the law but also that he administer justice with a free and open hand. As John Marshall put it so well during debate in the Virginia Constitutional Convention of 1829–30:

"The Judicial Department comes home in its effects to every man's fireside; it passes on his property, his reputation, his life, his all. Is it not, to the last degree, important that [the judge] should be rendered perfectly and completely independent with nothing to influence or control him but God and his conscience? . . . I have always thought, from my earliest youth till now that the greatest scourge an angry heaven ever inflicted upon an ungrateful and sinning people, was an ignorant, a corrupt, or a dependent Judiciary."

Being independent and honest means being free financially, morally, and intellectually from every man and every influence. It means being courageous in mind and spirit, never fearing the consequences of a decision, never hesitating to do what is right no matter how unpopular such a stand might be. It means being one's own man, recognizing but one duty—to preserve the integrity of the law.

But something more is required to insure a truly independent judge. A judge's decisions must be free from his own emotions, his own prejudices. As Canon 21 of the old Canons of Judicial Ethics said, "Justice should not be moulded by the individual idiosyncrasies of those who administer it." And Judge Burks, in his opinion in *Harris* v. *Harris*, 72 Va. (31 Gratt.) 13, 32 (1878), resisting the temptation to let sympathy have sway in a heart-rending case, stated:

"The unhappy condition of the appellee excites my commiseration; but courts of justice are not allowed to be controlled in their decisions by considerations of that character."

Nor should a judge's decisions be influenced by his personal ideas of the law or his own private notions of justice. He must be guided by the rule of judicial precedent, a rule which binds him to decide cases according to what the law is and not what he thinks it ought to be. And, if he is charting new waters, he must make that decision which he thinks is right because it is within the bounds of legal logic rather than because it might give him recognition as a judicial innovator.

Yes, an independent and honorable judiciary is an indispensable ingredient of a successful and respected system of justice. Those who sit on our benches must be men who love and are devoted to the law and who respect with impeccable rigidity the traditions that have made our system the finest in history. It is the responsibility of the judiciary itself to preserve those traditions and to uphold the dignity of the law. It is in an effort to discharge that responsibility that we have adopted the new Canons of Judicial Conduct. It is my sincere hope that they will tend to inspire a new public respect for the judicial household.

NATIONAL PRIORITIES AND CONTROL OF FEDERAL EXPENDITURES

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. GUYER. Mr. Speaker, on January 24, 1973, I introduced H.R. 2842, a bill to improve and implement procedures for fiscal controls in the U.S. Government, and for other purposes. I refer my colleagues who are concerned with the establishment of national priorities and control of Federal expenditures to the following statement I have submitted to the Senate Subcommittee on Budgeting, Management, and Expenditures, Committee on Government Operations, in conjunction with its hearings on similar legislation, Senator BROCK's S. 40:

This committee is to be commended for conducting hearings on bills to improve Congressional control over the federal budget. I support S. 40 introduced by Senator Brock of Tennessee and referred to the Government Operations Committee. I have introduced the same bill in the House of Representatives (H.R. 2842). The bill provides for a workable mechanism that will enable Congress to control Federal spending, prevent a tax increase and stop spiraling inflation.

S. 40 is an essential piece of legislation because it reforms Congressional procedures to:

1. Designate a joint congressional committee to formulate a legislative budget to evaluate the federal budget in terms of national priorities;
2. Require the projection of all major expenditures over a 5-year period;
3. Require all major spending programs to be evaluated at least once every three years—zero-based budgeting;
4. Require consideration of pilot testing of proposed major federal programs; and
5. Require federal expenditure programs to be appropriated annually by Congress.

The country is in a crisis today because of uncontrolled federal spending. In the past ten years, federal spending has increased over 100 percent from $111 billion in fiscal year 1963 to an estimate of at least $250 billion in fiscal year 1973. The question today is not to spend more, but how to achieve quality from services funded with federal expenditures.

Today, Congress lacks a mechanism for systematic budgeting procedures. At no point do the appropriation committees of either House coordinate actions with the tax-writing committees who are responsible for raising the revenue to pay the bills. Astonishingly enough, the Congress appropriates money in a piecemeal fashion in more than a dozen separate bills without ever first deciding on a budget. It is no wonder that huge federal deficits of over $71 billion have resulted in the last five fiscal years.

This fiscal crisis brought about by uncontrolled federal spending and the lack of any systematic budgetary procedures affects every American. By some estimates, an average family's annual share of the federal budget has risen from $2,000 ten years ago to $3,700 today—an increase of over 80 percent.

S. 40 would turn the tide on this uncontrolled federal spending by giving Congress a procedure to determine national priorities and ensure that federal programs will be responsive to the needs of the people. Pilot testing of major federal programs makes sense. Why should the government spend billions of dollars for a program before testing the alternative ways to implement the program? Who would buy a new car or some other major item without first trying different models and comparing costs? Major federal programs should be pilot tested for at least a two-year period before national implementation.

In conclusion, this committee is to be commended for embarking on a most difficult and complex project of congressional budgetary reform. I believe all of the five points in S. 40 make sense and should be enacted into law.

GOOD NEWS FOR THE COWS

HON. THOMAS F. EAGLETON

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Thursday, April 12, 1973

Mr. EAGLETON. Mr. President, the recent meat boycott was bad news for the farmers and of doubtful value to consumers in bringing prices down. But there was at least one bright note, according to 7-year-old Janet Lewis, daughter of one of my staff assistants—it was good news for the cows. I ask unanimous consent that her letter be printed in the Extensions of Remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 11, 1973.

DEAR SENATOR EAGLETON: I want to tell you why the meat boycott is good news for the cows. It is good news because the bulls who live on the farm have to go to market to be sold. When they are sold they are used for meat. If they are used for meat they have to be killed. So the meat boycott is good news for the cows.

Yours truly,

JANET LEWIS.

THE SUPREME COURT AND LEGITIMATE STATE INTEREST

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. HOGAN. Mr. Speaker, in further reference to the abortion issue I would like to call my colleagues' attention to an article by Robert G. Stewart dealing with the Supreme Court's decision.

[From the Ripon Forum, April 1973]

THE SUPREME COURT AND LEGITIMATE STATE INTEREST

(By Robert G. Stewart)

When the government must make a decision which strikes at the very souls of the people—their concepts of life and liberty—it is important that it be correct, that it be made well, and that it be made by the right body.

The Supreme Court's decision in *Roe v. Wade,* as it pertains to the right of a state to prohibit abortion, warrants comment on all three counts.

The abortion controversy allows for no morally neutral position. Any legal norm which orders basic values is a collective moral judgment. To prohibit abortion is to make a judgment that fetal life is more important than the right of a woman to control her own bodily processes. To decide that abortion is a matter of individual choice is to decide that individual liberty in our legal system is more important than fetal life. To permit abortion only in certain circumstances is to balance specific moral considerations.

The judgment of the Court in *Roe v. Wade* was that in the first six months of pregnancy our legal system must value the individual liberty of the woman higher than fetal life. After that, the state can value fetal life higher, except when the life or health of the woman is threatened.

There is no consensus that this is a morally correct judgment. Reasonable people heatedly differ on the morality of abortion, depending upon their view of the theological, philosophical and scientific evidence. So it is all the more important that at least the final decision be made well and that it be made by the right body.

The majority opinion in *Roe v. Wade* is almost ludicrous. The crux of the problem was to interpret the Fourteenth Amendment: "No State shall . . . deprive any person of life, liberty or property without due process of law . . ." After a stormy history of debate, Supreme Courts have developed a substantive meaning for "due process of law." When a legitimate state interest collides with a fundamental individual right preserved by the Constitution, the state can prevail only if it can show a "compelling" need to assert its interest to the detriment of the individual right. A balance such as this seems inherent in a Constitution which makes the state sovereign, but whose amendments enumerate basic individual rights which are to be protected from the sovereign.

This balance requires ascertaining the fundamental right, identifying the state interest and demonstrating that the state interest is or is not sufficiently "compelling" to override the individual right. But the majority in *Roe v. Wade* never even got off the ground.

The Court first deliberated over whether laws prohibiting abortion interfere with a "fundamental" right of a woman. Earlier Court decisions had identified the right of privacy as a fundamental one, emanating from other more explicit rights in the Constitution. The Court seized on this right and concluded that it is "broad enough" to encompass a decision on whether or not to bear a child, even after the child is conceived.

Earlier in the opinion, the Court had insisted that it need not decide whether the fetus was a human being. But can the notion of privacy be taken seriously in this context without assuming the answer to that very question—whether the fetus is a human being whose life is lost as the direct result of a "private" decision to abort it? This question, which has plagued scholars for centuries, is at the very heart of the abortion issue for many.

But few would seriously maintain that the concept of liberty in a free society does not encompass *some* "fundamental" right of personal control of the internal processes of one's body. The only real question in the abortion area, it seems, is whether the state has a sufficient interest to abrogate that right. Having felt compelled to engage in an unnecessary deliberation over the "fundamental" right involved, the Court could at least have attempted to reason out the real question.

The Court, however, was unable even to identify coherently what interest the state had in prohibiting abortion. First, it held that the fetus is not a "person" within the meaning of the Fourteenth Amendment, and thus not entitled by right to state protection of its life. The majority could find no definition of "person" in the Constitution—no use of the word which on its face indicated that the Founding Fathers contemplated a fetus—and no case to guide it. The Court then concluded that since abortions were not so widely prohibited in the nineteenth century at the passage of the Fourteenth Amendment as they are now, the framers of the Amendment did not have the fetus in mind.

In effect, the Court said that for some reason, in the nature of things, we are locked into this nineteenth century view (if anyone really believes and the framers of the Amendment did or did not hold this view). But why cannot a court expand the notion of person or life to conform with changing social values just as it has expanded other notions such as privacy itself on which it leans so heavily?

After concluding, then, that the state interest cannot be the protection of an individual right of life, the Court decided that a state cannot adopt one theory of when a fetus becomes a human being (as opposed to a legal "person") and impose that theory on the citizenry in justification of abortion laws. Thus, we are led to believe that the state interest cannot be protection of human life as an abstract either.

What then is the state interest? The Court appears to have found a legitimate state interest in the protection of "potential" life.

Therefore, having found such a legitimate interest, the Court proceeded not to demonstate whether the interest was "compelling" enough to justify infringing individual liberty, but merely to cavalierly state that it was, but only after six monthly of pregnancy, when the fetus is "viable." Why? Because at that time the fetus is capable of sustaining "meaningful life" outside the womb. That, however, is nothing more nor less than a definition of "viable."

But having boxed itself into a vague notion of potentiality of life, the Court could do no better, for potentiality covers a spectrum of time at least from conception, and any stopping place in that spectrum can only be arbitrary.

What is also troublesome is that no mention is made of other possible legitimate state interests. What of second order effects such as how the existence of an absolute right to abort a fetus, even in the first six months of pregnancy, might change the very value society places on human life itself? Is this not a legitimate concern? Or is it just "not compelling?" Many feel that this goes to the very heart of the problem, and the Court simply ignored it.

Doubtless, the opinion had to be written to command a Court majority. Nonetheless, no issue which causes such moral institutional and political soul-searching should receive such shoddy resolution.

We cannot even take comfort in knowing that at least the Court was the proper institution to make the decision, however badly it went about it. This question has no clear answer, theoretically or politically.

In a democratic society, one in which people govern themselves, there are certain ideals, such as life and liberty, which are much too fundamental to be defined by interpreting old words in a Constitution; they must be defined or ordered by the people themselves or by their accountable representatives. Justice Byron White, in dissent, put it this way: ". . . I find no constitutional warrant for imposing such an order of priorities on the people and legislatures of the states. In a sensitive area, such as this, involving as it does issues over which reasonable men may easily and heatedly differ, I cannot accept the Court's exercise of its clear power of choice by interposing a constitutional barrier to state efforts to protect human life and by investing mothers and doctors with the constitutionally protected right to exterminate it. This issue, for the most part, should be left with the people and to the political processes the people have devised to govern their affairs." (41 U.S.L.W. 4246)

As appealing as this concept is, it is not without its theoretical retort. Our democratic system has also built into it a check on the kind of tyranny which even a society which governs itself can impose—that of the majority on the minority. This check is a system of courts which acts to preserve all individual rights, regardless of the source of the infringement. One might argue from this that the more fundamental the values or rights at issue, the better it is that an objective court, not the people themselves, decide the issue, particularly given the practical realities of the legislative process.

An argument can also be made that majority rule itself evolved from a possibly outdated conception of man which denies any absolute order to values and therefore looks only to a nose count of individual arbitrary beliefs for collective decision making. If, instead, men have fixed, shared values, established and ordered by a God or another absolute, there may be no pressing need to make every basic value judgment by majority rule, even within our system. Any deliberative body can merely reason out the right answer.

Finally, it cannot be forgotten that the Supreme Court is accountable. New members are appointed by an elected President and confirmed by elected senators. Members are impeachable, and the Constitution they interpret is amendable. We tend not to think of these processes as tools of accountability.

If theory offers no clear answer as to how such decisions should be made, what does institutional politics tell us?

When any decision involving deepseated beliefs must be made, there is a serious problem in preserving institutional credibility. The Supreme Court has a heavy stake in avoiding the appearance of an arbitrary and seemingly despotic exercise of its power. When it acts in an emotional area such as abortion, one which commands no moral consensus, the Court can destroy its credibility as an institution, regardless of its substantive decision, and take a step toward the disestablishment of the entire governmental structure. A truly sensitive Court might well leave such issues to the legislature, as Alexander Bickel has suggested.

But that does not give us a clear answer either. History has brought in no verdict as to whether court action in sensitive areas has pushed us toward anarchy, revolution or a complete loss of credibility. People still use the courts and, by and large, do what courts tell them to do, albeit sometimes slowly and grudgingly. Extreme outrage at a particular decision might lead only to the attempted passage of emotional constitutional amendments; general dissatisfaction with the Court only to the election of a President who promises to change its membership. We have seen both. But these are the very tools of accountability the system provides; and when they are used, the system is working.

Morality, social theory and politics really give no clear answer as to how the abortion issue ought to have been decided or who should have decided it. But this much can be said. Once the Court decided to make the decision, it owed the people whose respect it must maintain more than just a reasonable compromise. It owed them a credible explanation of the result and some hint that the real concerns of the people were addressed. It owed them a sense of security that the result proffered was more than an arbitrary, fist-slamming decision.

BREAKING A DEADLOCK

Hon. PETER H. B. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. FRELINGHUYSEN. Mr. Speaker, it was with a sense of real relief that I read in yesterday's Washington Post that the Government of Bangladesh has asked the United Nations for a neutral ship to repatriate 20,000 Pakistani prisoners captured during the Indo-Pakistan war at the end of 1971.

This report follows up news that Mrs. Gandhi, the Indian Prime Minister, recently sent a special envoy to Dacca to see what might be done about the repatriation of some 93,000 Pakistanis captured during the hostilities. If the latest account is accurate, Pakistan, in an understanding with Bangladesh, is to return some 15,000 Bengalis, "provided adequate transport arrangements are made."

This development indicates a break in the prolonged stalemate which has led to the prolonged incarceration of tens of thousands of Pakistani prisoners. This deadlock, quite understandably, has heightened feelings of frustration and indignation in Pakistan. The Pakistanis have pointed to the "solemn assurance" by General Manekshaw, commander in chief of Indian forces in December 1971, that "personnel who surrender shall be treated with dignity and respect."

India's position since conclusion of hostilities has been that she could not release Pakistani prisoners imprisoned in India without the consent of the new Government of Bangladesh—consent which only now seems to be forthcoming. Feelings in Pakistan have been heightened by reports of killing of POW's in Indian prison camps—in March and October 1972—and by the fact that some 6,000 women and children are among those detained.

It is in this context that the apparent breakthrough could be of utmost significance. Stability on the Indian subcontinent is certainly to be desired, but there is little possibility that there can be stability until a durable peace is attained. The detention of the Pakistani prisoners has been a major roadblock in the quest for such a peace.

ELDERLY AMERICANS NEED OUR HELP

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. ROSENTHAL. Mr. Speaker, after a lifetime of work, the retired American soon learns that his golden years are anything but golden. His income drops while prices keep climbing in the other direction. These soon become the years of despair and disappointment.

The voracious appetite of inflation gobbles away at savings and pensions. Food prices, rents, property and sales taxes and the even increasing burden of medical care costs zoom out of sight. About 80 cents out of every dollar the elderly have must go for day-to-day survival. Disappointment rather than relief clouds the present and decreased services rather than additional assistance lurks in the future.

This is the mightiest and wealthiest Nation ever to occupy the globe. The knowledge and power of past empires is little compared to ours. There is no justifiable reason why millions of our elderly citizens must live in or near poverty. Yet, that is just what is happening. It has been reported that 70 percent of all single men over age 65 have incomes less than $2,600 a year. Couples are only slightly better off, with nearly 1 in 4 having annual incomes below $3,000. This means at least 5 million older Americans are attempting to subsist below the poverty level.

What are our national priorities? Surely a nation that has so much money to spend in the instruments of death and destruction can set aside a fraction of that sum for the betterment of its elderly citizens. Medicare coverage could be expanded to include out-of-hospital prescription drugs for the price of one aircraft carrier. A comprehensive manpower program for older workers could be estabilshed for the cost of a single submarine.

Poverty is not a transitional problem for the elderly. Unfortunately the inequities of the social security law present obstructions to the solution of the No. 1 problem of today's aged population: Low income. If we do not enact a bold, comprehensive and truly meaningful social security bill, many of our aged citizens may not have any alternative but to go on welfare, dealing a crippling blow to their pride and to the financial solvency of many of our cities and States.

I am proposing today a 35-percent increase in cash benefits for the elderly, survivors and the disabled, with a $150 minimum for individuals and $300 monthly for couples. This, coupled with the cost-of-living increase voted by the Congress last year, may not put elderly Americans in the lap of luxury but it will help improve their living standards to a more decent level. The age of eligibility would be lowered to 60 for men and women alike.

Features of this bill include:

First. Payment of benefits to married couples will be on their combined earnings record, thus ending discrimination against the working wife;

Second. Extension of social security coverage, including medicare, to Federal, State and local employees, at their option, including postal workers;

Third. Removal of the limitation on outside earnings; social security is insurance which the worker paid for, and he should not be denied the benefits because he has provided for other income in his old age;

Fourth. Improvement and expansion of medicare coverage.

The administration wants the elderly to pay an additional $1.9 million in their medicare costs in an effort to establish a cost-awareness on the part of the medical care consumer. This is absurd. Cost-consciousness is not a trait we need to teach our older citizens. It is a trait we should learn from them. Yet, the administration is telling people who must count out pennies for a newspaper or nickels for a quart of milk that they must hold the line on costs. I wish the President would show such cost-consciousness for the multi-billion-dollar cost overruns in the Pentagon.

My bill would not increase the burden on medicare recipients as the President proposes, but reduce it by:

First. Eliminating the co-insurance payment requirement for supplemental part B coverage for persons with a gross annual income below $4,800;

Second. Providing home-care prescription drugs under supplemental coverage;

Third. Reducing to 60 the age of entitlement to medicare benefits;

Fourth. Offering free annual physical examinations for the elderly;

Fifth. Eliminating the 100-day limit on post-hospital extended care services;

Sixth. Extending coverage to all disabled persons, regardless of age.

On the average, an elderly person pays $791 a year for medical bills, and the price keeps going up. Hospital and doctor costs are rising rapidly, well ahead of the overall cost of living.

My bill provides optional free annual physical examinations for the elderly in order to encourage preventive care rather than rely on crisis treatment. Not only will this measure contribute to a healthier population but it also will save more money in the long run than would the administration's short-sighted method of creating a cost-consciousness by raising the price of coverage.

Not only should we promote inhospital and posthospital care for the aged, but we must also resolve to ease the financial burdens of necessary prescription costs. The elderly spend about three times more per capita on prescription drugs than the rest of the population. In 1970, that came to $50.94, compared to $16.29 for persons under 65.

The bill I am introducing today would extend medicare coverage to include out-of-hospital drugs. This is something I have long advocated and which has been endorsed by the White House Conference on Aging, the President's own task force on aging, the 1971 Social Security Advisory Council and the Department of Health, Education, and Welfare's task force on prescription drugs.

This specific proposal, I believe, will have a significant side benefit. Many times the elderly must be admitted to hospitals in order to qualify for medicare coverage of drug purchases that could otherwise be prescribed on an outpatient basis. This proposal will not only eliminate this unfortunate use of much needed hospital space, but will avoid the potentially tragic psychological impact that a hospital stay can have on older people. This is a price that the elderly should no longer be expected to pay.

Every part of this bill affords effective, tangible and solvent ways of correcting the question it deals with. We all face a common aging problem. We must provide and plan for a retirement period of indeterminate length and uncertain needs. In 50 years, 15 percent of all Americans will be over 65, a third of these, 15 million, will be over 75. My bill will help eliminate many of the spiraling problems that have plagued our country's aged. It must be kept in mind that social security is not charity, but insurance bought and paid for by American workers.

JANE FONDA BOYCOTT

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RONCALLO of New York. Mr. Speaker, I would like to submit a resolution which I believe is most noteworthy. It was adopted by the Massapequa Park Republican Club headed by Martin F. Gannon:

A RESOLUTION

For too long now, we, the subscribers to the Motion Picture industry and the media of Television have fallen heir to attacks upon those things we believe in, i.e.: our concept of government, our military, our political way of life, by individuals who have attained their status because we have paid for the tickets and have purchased the products they promote.

In turn, they have exploited their newfound positions to flaunt their attacks. More recently, they have attempted to defame our Vietnam P.O.W.'s as "liars and killers". I believe such action should not be ignored. These people should not be permitted to go on enjoying what so many have sacrificed for: their riches, status, and an opportunity of vocal expression on such wide media, without liability.

Outstanding among these people, is Jane Fonda.

We propose the following resolution:

"Now, therefore, be it resolved that:

"1. Whereas Jane Fonda, has besmirched the good names of our returning prisoners of war, and, whereas, the same Jane Fonda has belittled the institution of this great country, from which she has received opportunity and financial support and, whereas, if the same action by Miss Fonda had taken place in any one of the countries for which she has displayed such great fondness, she would have received prompt internment. Now, therefore, be it resolved that we, the members of the Massapequa Park Republican Club, exercise the privilege of free speech and free action and agree to show our outrage by boycotting all media showing Jane Fonda."

We will correspond with all organizations who wish to join us in this effort.

A BILL FOR RELIEF OF MONROE A. LUCAS

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. MADIGAN. Mr. Speaker, today, I have introduced a bill for the relief of Mr. Monroe A. Lucas, an employee of the Farmers Home Administration in Illinois, who is faced with financial liability for loss incurred in a rural housing loan due to a fire on April 15, 1970.

My predecessor, the Honorable William L. Springer, introduced similar legislation in the second session of the 92d Congress, as H.R. 14347. It was then referred to the Committee on the Judiciary and received a favorable report from the Department of Agriculture.

The bill I introduced today is identical and would relieve Mr. Lucas of the financial liability for the balance of a home loan under his jurisdiction which burned at the time when he was county supervisor of the Effingham County, Ill., Farmers Home Administration.

On February 3, 1970, Mr. Lucas, then county supervisor in the Effingham County, Ill., Office of the Farmers Home Administration—FHA—received a 10-day cancellation notice from borrower Lewis' insurance company. When Mr.

Lucas visited the Lewis home on February 6, Mrs. Lewis told him the insurance premium had been paid. Mr. Lucas did not ask her for evidence of payment nor contact a representative of the insurance company to confirm her statement. When Mr. Lucas visited the property on April 17, 1970, 2 days after the house had burned, Mr. Lewis told him he had not, in fact, paid the insurance premium in February and that the policy had been canceled.

In accordance with 6 U.S.C. 14 Mr. Lucas, as county supervisor, was covered by a faithful performance bond. The term "faithful performance of duties" is defined in the bond to include "all duties and responsibilities imposed upon such individuals by law or by regulation issued pursuant to law." The borrower has no assets from which collection could be effected. Since he failed to discharge his responsibility for seeing that the borrower's house was insured, Mr. Lucas has been notified of his contingent liability for the loss. The remaining security for the debt consists of two lots valued at $500. Sale of the real estate has been deferred pending efforts to recoup as much of the loss as possible through leasing. After disposition of the lots and credit of the proceeds to the account, Mr. Lucas would be liable for the unpaid balance in the account. Principal and interest as of April 28, 1972, total $5,590.37.

Mr. Lucas said that since the borrower had made regular payments on his loan, he believed the borrower's wife when she stated the premium had been paid.

Legislation has been approved in the 93d Congress which eliminates the necessity for bonds for faithful performance of duties.

Also, Public Law 92-310, approved June 6, 1972, contains a provision which repeals title 6, U.S.C. 14 and provides instead that the Federal Government shall assume the risks of its fidelity losses.

Clearly, Mr. Lucas made a good-faith effort to determine that the insurance premium had been paid. Since legislation has since been enacted which provides authority for eliminating the necessity of faithful performance of duties bonds, I urge the early favorable consideration of this legislation and hopefully the early disposition of any financial obligation held by Mr. Lucas because of no fault of his own.

CONTINUE LEGAL SERVICES? BY ALL MEANS

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. TIERNAN. Mr. Speaker, in the April 11 evening edition of the Washington Star, columnist James J. Kilpatrick offers a well-reasoned statement on the necessity of continuing a fully-funded and unfettered legal services program.

I commend this article to the attention of my colleagues.

The needs are clearly stated and the conclusions are compelling:

Continue Legal Services? By All Means

(By James J. Kilpatrick)

There are times, sad to say, when American conservatives appear to constitute "the stupid party," as John Stuart Mill once labeled their British counterparts a century ago. By their failure to give active support to a continuing program of legal services for the poor, my brother conservatives are abandoning their principles and exhibiting a dull-wittedness that makes a man despair.

Of course, a legal services program should be extended! Let the Congress, if it pleases, scrap everything else that has been funded through the Office of Economic Opportunity. Let the administration, if it can, dismantle a hundred boondoggling, paper-shuffling programs of grants-in-aid. But in one form or another, the Neighborhood Legal Services must be maintained.

Chiseled in stone above the great white columns of the U.S. Supreme Court are four famous words: Equal justice under law. No concept in our public life is nobler and no concept has been more poorly served. The grim truth is that for all practical purposes we still have two systems of law in this country, one for the rich, another for the poor. Every newspaperman who ever has covered the small claims and criminal courts of his city knows this is so.

Granted, much has been done in recent years. Indigent defendants, even in serious misdemeanor cases, now have a right to counsel. Bail reform has remedied some of the most flagrant evils of the criminal justice system. Since 1965, the federally assisted legal services program has greatly benefited the poor in areas of civil litigation. Now this civil program—a program seeking to promote equal justice under law—is threatened with abandonment. Conservatives, dedicated in principle to this elementary proposition, ought to be in the forefront of a fight to push the cause along.

But where are they? They are grumbling that in recent years the program of legal services has been abused. Doubtless this is true. It would be incredible not to discover abuses in a program involving 2,500 lawyers in 900 neighborhood law offices.

But these occasional abuses, while serious, have been few. Viewed on the whole record, the legal services program has helped to foster a sense of confidence not only in the courts, but also in what is known vaguely as "the system." In a message two years ago, urging creation of a wholly independent Legal Services Corporation, President Nixon made that point. "This program can provide a most effective mechanism for settling differences and securing justice within the system and not on the streets."

Unhappily, Nixon now seems to be dragging his heels. The present $70 million program is to expire in June, and nothing is yet in sight to take its place. It would be calamitous to let the concept go. As a recent report from the General Accounting Office made clear, the great bulk of case-work by the NLS lawyers involves legal problems arising from housing, domestic relations, employment, and consumer grievances.

What is needed—and needed promptly—is a bill to create an independent legal services corporation, generously funded, with authority to provide essential representation for the poor. Such a corporation should have backup facilities for research. It ought not to be denied a hand in "law reform." Neither should it be prohibited from bringing the class actions that often provide the most effective remedies at law.

Conservatives should back such a bill, in the full awareness that from time to time they will be irritated, harassed, and outraged by the "zeal and adrenalin." Mistakes will be made. Incidents of bad judgment can be expected. But if we truly believe in equal justice under law, we ought not to be deterred from supporting an effort to make those words in stone something more than an empty phrase.

BUDGET REFORM NOW

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, today I am reintroducing for myself and the gentleman from Florida (Mr. FASCELL) and seven new cosponsors, a House concurrent resolution directing the Joint Study Committee on Budget Control to report comprehensive budgetary control legislation by June 1, 1973, which shall include procedures for the operation of an enforceable spending ceiling beginning in fiscal 1974, and for limiting the impoundment authority of the President. This brings to 45 the total number of House cosponsors on this legislation which we originally introduced on Monday of this week.

At this time, numerous impoundment control bills are pending before the House Committee on Rules of which I am a member, and I am proud of the fact that two other members of our committee, Mr. PEPPER and Mr. MURPHY of Illinois, are also cosponsors of this resolution. In addition, the gentleman from Arizona (Mr. RHODES), who is a member of the Joint Study Committee on Budget Control, the Appropriations Committee, and chairman of the House Republican Policy Committee, is a cosponsor of this resolution.

At this time, I again wish to commend the joint committee on moving to final adoption of its recommendations. Our resolution would simply give them the additional authority to turn those recommendations into legislative form and the added responsibility of including impoundment control procedures. It is my hope that the Rules Committee will report this concurrent resolution either as a substitute for any anti-impoundment bill or in lieu of such a bill.

At this point in the RECORD, Mr. Speaker, I include the list of new cosponsors as well as an article from the Tuesday, April 3 New York Times reporting on the final recommendations of the Joint Study Committee on Budget Control:

New Cosponsors

Mr. Mallary, Mr. Madigan, Mr. Ketchum, Mr. Ech, Mr. Beard, Mr. Murphy of Illinois and Mr. Bell.

Congress Panel Drafts Reforms To Curb Spending

(By James M. Naughton)

WASHINGTON, April 9—Leaders of a special Senate and House study committee have reached tentative agreement on major reforms in the Congressional budget process.

The proposals, if enacted, would enable Congress to set an annual spending limit, allocate maximum budget outlays to both appropriations and legislative committees, and impose a Federal income tax surcharge in the event that spending went over the annual ceiling.

In addition, the recommendations would provide for a new Congressional budget staff, rivaling the White House Office of Management and Budget in expertise, to guide Congress in setting spending priorities.

The proposals, in a 50-page confidential draft report of the Joint Study Committee on Budget Control, go to the heart of the bitter clash between the President and Congress over control of Federal spending.

"PRINCIPLES IN SPENDING

Mr. Nixon, charging that Congress does not have adequate procedures to exercise spending restraint, has taken it upon himself to impound—or, refuse to spend—more than $8-billion for programs set up by Congress.

The 32-member joint committee agreed on Feb. 7 to a set of "principles" for reform of the budget process aimed at registering Congressional autonomy over spending. But the committee, acknowledging the difficulty of getting a consensus on the specific way to implement the principles, had pleaded for a delay until the end of the year in submitting its detailed plan.

Thus it came as a surprise when the co-chairmen and vice chairmen of the committee worked out the following key reforms that are contained in the draft proposal:

Establishment of a 21-member House committee on the budget and a 15-member Senate committee on the budget. Each would have authority to recommend at the beginning of each session of Congress an over-all spending limit, the amounts that should be allocated for each budget purpose and the appropriate levels of tax revenue and public debt.

The two committees would also reassess the spending situation and make other recommendations—for a higher ceiling or, alternatively, for either cuts in spending programs or new taxes—at the end of the Congressional year.

Creation of a joint staff to serve both committees by providing nonpartisan, professional advice on likely Federal revenues and appropriate spending priorities. The staff, modeled after the Office of Legislative Analysis in the California General Assembly, would be, in effect, the Capitol Hill equivalent of the White House budget staff.

Strict rules to guarantee that, once a spending ceiling had been agreed upon, it would be followed by both committees of Congress and individual members.

"RULE OF CONSISTENCY"

The report stipulates that if the spending limit finally set by Congress would lead to a budget deficit "a surcharge would be imposed to bring in sufficient revenues in the next calendar year to eliminate that deficit." The income tax surcharge would apply both to corporate and individual incomes.

Furthermore, to prevent Senators or Representatives from amending spending bills and thus breaching the limit, the report calls for a "rule of consistency." Under the rule, a member would be required to propose a cut in spending in other areas, or an increase in taxes or the debt limit, if the amendment would increase spending.

The recommendations were developed by the joint committee's six senior members. They are the co-chairmen. Representatives Jamie L. Whitten, Democrat of Mississippi, and Al Ullman, Democrat of Oregon; plus the vice chairmen, Senators John L. McClellan, Democrat of Arkansas; Russell B. Long, Democrat of Louisiana, and Roman L. Hruska, Republican of Nebraska, and Representative Herman T. Schneebeli, Republican of Pennsylvania.

The six Congressmen will meet tomorrow to give their final approval to the draft and then submit it to the full joint panel.

Mr. Whitten said that the agreement appeared to have been reached because "things are falling into place." He said that approval of the report would show "everyone that we mean business."

Mr. Whitten said that he thought it was likely that the final report would be approved and published before Congress recesses for the Easter holiday. After the recess, he added, Congress would probably begin action on legislation to put the reforms into effect.

They are likely to meet with at least acquiesence of the White House as well, since the reforms would answer the President's complaint that Congress must update its budget system before asserting budget control.

Representative John B. Anderson of Illinois, the chairman of the House Republican Conference, joined today with 35 other House members in urging that the joint budget committee be given authority to turn the reform recommendations into bill form.

Perhaps the most notable recommendation was the proposal to give the new budget committee jurisdiction over both appropriations committees and legislative committees of Congress.

Although in theory the budget outlays are set by measures approved in the Senate and House Appropriations Committees, in fact, other committees that are empowered to draft new laws can determine outlays through what is called "back door" spending.

A bill setting up, for instance, a pollution control program can establish annual authorization levels that the appropriations committees are required, for all practical purposes, to follow.

As the draft report noted, over the last five years the Senate and House Appropriation Committees had reduced White House spending requests by $30-billion but, during the same period, other legislative committees approved bills that contained budget authority exceeding the spending level by the same amount, $30-billion.

At present, Congress acts on each spending bill as a separate entity, without much consideration for the effect the bill will have on over-all outlays.

Pressures have been building in Congress for adoption of some remedy to this situation. In hearings today before a subcommittee of the Senate Operations Committee, members of Congress and some budget experts underscored the urgent need for reform.

Robert A. Wallace, vice chairman of the Exchange National Bank in Chicago, testified that, "in the midst of current inflationary forces and the area of Congressional spending authority, the political environment is ripe for action."

The same point was made by Senator Hubert H. Humphrey, Democrat of Minnesota, who told the subcommittee that he was often regarded as a "bleeding heart," but that he was concerned that Congress might merely set a spending ceiling without establishing the system to enforce it.

Without strong reforms, Mr. Humphrey said, "we're just blowing smoke. We're kidding ourselves and we're kidding the public."

Charles Schultze of the Brookings Institution in Washington, who was a budget director in the Johnson Administration, testified that "it will do Congress more harm than good, and perhaps do the country more harm than good, if Congress merely establishes a spending ceiling."

Unless the limitation is accompanied by workable reform mechanisms, he said, "Congress would merely give the President a directive to impound."

EXTENSION OF PUBLIC HEALTH ACTS

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. BROTZMAN. Mr. Speaker, I am today introducing legislation designed to remedy a problem recently created by the fiscal year 1974 budget with respect to the Nation's many Federal health care assistance programs.

The problem is precisely this: Several health programs, proven worthwhile in their implementation, have been notified of fund cutoffs beginning with the ensuing fiscal year. And yet, according to the budget, special revenue sharing funds for health will not be available for these programs until July 1, 1975, and then only if the Congress can act in time.

I do not believe that this is the best way of going about the business of insuring our Nation's physical health and well-being. These programs should be given at least a fair chance to compete with others for the revenue sharing dollar. If we terminate them at this time, they cannot possibly continue to exist for the extra year before revenue sharing becomes available for health programs.

The result would be a breakdown in the advances our country has made in the field of health over the last decade. Expert staff personnel would be scattered and the advantages of the experience gained within the last few years would be lost forever.

Such programs are asked to take this matter up with State and local governments, to plead for their assistance until the money becomes available from other sources. How realistic is this request? Can we reasonably expect State and local governments, where taxes have been increasing rapidly to take up new and costly economic burdens? I think not.

I was a member of the House Interstate and Foreign Commerce Committee which reviewed many of these programs in three of the last four Congresses, and I believe that the committee has done a responsible job of overseeing the authorizations for these programs.

I support the idea of shifting programs to local governments. However, we will not be returning power to the local governments by handing over programs they cannot yet afford. My bill would provide a solution to this shortcoming, I feel, by giving the programs in question an additional year to carry on their activities. In the meantime, I hope these programs will use the added time to prepare themselves for the day that local governments bolstered by the assistance of health special revenue sharing, will be able to better afford to continue them for the benefit of their citizens.

Mr. Speaker, I join with the other sponsors of this legislation in asking the Committee on Interstate and Foreign Commerce to bring this matter quickly to the floor of the House, so that we might provide these programs and their clients with assurances, of the continuing support of the Congress.

PHILLIPS DEFENDS OEO DISMANTLING

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. MOORHEAD of California. Mr. Speaker, the Rocky Mountain News recently carried an interview with Acting OEO Director Howard Phillips.

I personally found this interview to be most interesting. I insert this article in the RECORD so my fellow Members of Congress will have the opportunity to see it:

PHILLIPS DEFENDS OEO DISMANTLING

(By Lee Stillwell)

WASHINGTON.—Howard Phillips, the man in charge of dismantling the Office of Economic Opportunity (OEO), sees his role as helping President Nixon reshape the nation's domestic policies.

Phillips, married and the father of three children, says the public controversy surrounding him these days doesn't affect him or his goal of closing OEO's doors at the end of June.

"It honestly doesn't bother me . . . to me, the reality of things is more important than the appearance of things. In five years most of the accounts of what happened will be forgotten but the reality of what happens will speak for itself."

Phillips first worked for Nixon as his Massachusetts youth chairman during the 1960 campaign while still a Harvard student. He believes the "Domestic Nixon doctrine" is of revolutionary proportions.

"More generally known as the new federalism, this doctrine will in my view prove even more consequential in the history of human liberty than his achievements in foreign policy," Phillips said.

This belief has given Phillips the determination to achieve the deadline of dismantling OEO by June 30, sending programs the Nixon administration believes are workable to other agencies while killing those it feels are not.

A tall, intense man of 32 who wears conservative suits and keeps his hair neatly trimmed, Phillips says: "I really am convinced that what I am doing is the right thing."

He sees the elimination of OEO and its policies as a way of reversing the power flow, giving it back to the people while taking it away from what he calls "bureaucrats."

"People have a right to decide for themselves," he says. "Why should a bureaucrat have the right to make your mistakes for you . . .? You should be able to make your own mistakes or your own successes. It's a mistake to think all the talent in this country lives on this side of the Potomac River.

"If you are going to get good people in local government, you have to give them the authority to make decisions of greater significance than what color do you paint the fire truck."

Phillips said the transfer of OEO programs to other agencies should provide better efficiency and more self-determination for communities:

"What we are doing is not a negative thing . . . it is a positive thing. We're not ending the federal government's federal poverty program . . . we're giving it new life by giving it a chance to be effective."

Phillips defends one of the more controversial aspects of the plan, eliminating the one-third federal funding of the nation's 907 community action agencies this fiscal year.

"We're not in a position to say which community action agencies are good and which are bad, we are saying local people have to make that decision," Phillips said, pointing out that local governments have the option of funding good programs fully. He said a legislative committee in Massachusetts just appropriated $8 million to continue community action programs.

And he contends the legal services program will be more effective if Congress approves legislation creating a separate federal legal assistance corporation.

The current OEO legal services programs employ more than 2,200 lawyers and in many cases they don't merely represent clients, Phillips charged, contending:

"They have been encouraged by OEO to organize groups, publish newsletters, assist lobbying activities, and otherwise engage in advocacy on issues of public policy in ways which do not arise out of the representation of specific clients."

There have been a number of situations where the money intended for the poor seemed to go to other areas, Phillips said, mentioning the spending of some funds for voter registration, calling this more political than poverty oriented.

The acting OEO director also said 78 to 80 per cent of OEO money currently goes for salaries.

"Being very generous with the figures, you are still not reaching more than one in 300 of the poverty population when you talk about people who have been taken out of poverty by being put on the OEO payroll," Phillips said. "That doesn't solve poverty."

Phillips is uncertain about his future if he's successful in closing down OEO on time. He wants to take a vacation with his family but indicated, when asked, that he hopes to continue to work at public service for President Nixon.

"My whole life has revolved around Richard Nixon, and whether in private or public life I want to carry forward the things that Richard Nixon is doing," Phillips said. "I think he is the most significant President in the century and I think what he is doing is of overwhelming importance in terms of the future of human liberty."

INDIAN SERVING AS ACTING MONTANA GOVERNOR

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. SHOUP. Mr. Speaker, in an article dated April 7, 1973, an Associated Press release from Helena, Mont., discusses an important event in Montana history. I request its contents be printed in the RECORD:

INDIAN SERVING AS ACTING MONTANA GOVERNOR

The first Indian believed to serve as acting governor of any state, Percy DeWolfe of Browning, said Friday that his sitting at the governor's desk "really proves discrimination in Montana is not as bad as in other states of the union.

"If we had discrimination as it exists in other states, I wouldn't be here today," the Blackfoot Tribe member said. DeWolfe was elected president of the Montana Senate for the legislative interim and is serving as chief executive until Monday while Gov. Thomas L. Judge and Lt. Gov. Bill Christiansen are out of the state.

The gravelly-voiced, 68-year-old veteran legislator said, however, that discrimination still exists "up to a point" in Montana. DeWolfe has said that with all the advances of civilization, "man himself has made very little change.

"Man still starts wars, still makes love, still smiles at small children . . . and still is as imperfect as he has ever been."

A Democrat, as is the governor, DeWolfe, a one-quarter Indian, served two terms in the Montana House and has been a state senator since 1961. He has been a rancher on a 15,000-acre spread on the Blackfoot reservation, east of the jagged mountains of Glacier National Park.

DeWolfe said there is a "small chance" that an Indian could be elected governor in Montana.

"The candidate would have to be the type of man who has proven himself, his business ability, and his management capabilities," he said. "State government is a large business. But I believe there are Indians in Montana who could fill the job of governor."

On assuming the interim presidency of the Senate, placing him second in line of succession for the governorship, DeWolfe said: "My election is not only a personal honor, but a tribute to a fine people and a unique history.

"I am proud for my people, my heritage and for my state."

THE 25TH ANNIVERSARY OF THE NORTH CAROLINA AIR NATIONAL GUARD

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. MARTIN of North Carolina. Mr. Speaker, Saturday, April 7, 1973 marked the 25th Anniversary of the North Carolina Air National Guard. I am confident that many of my colleagues will enjoy reading about the successful missions of this outstanding and important unit in our National Guard. I insert at this point in the RECORD, a review of their activities and accomplishments during the past 25 years.

The review follows:

CAROLINAS AVIATION DAY, APRIL 7, 1973

Twenty-five years isn't very long in the annals of time, but in that span the North Carolina Air National Guard has gone through some remarkable changes in both equipment and missions.

Each change has brought with it new problems and challenges but the North Carolina Air Guard has proven time and time again that problems and challenges are no matches for the skills and determination of its personnel. An uninterrupted chain of successful mission accomplishments attests to this fact.

The Air Guard will celebrate its 25th Anniversary Saturday, April 7th, during Carolinas Aviation Day, sponsored jointly by the Guard and the Charlotte Chamber of Commerce.

Highlights of the day include an aerial demonstration by the famed Air Force's precision jet team, The Thunderbirds, and a number of parachute jumps by the Army's crack team, the Golden Knights.

Organized in the early months of 1948, the North Carolina Air National Guard received federal recognition in March of that year with a total of twenty-four officers and sixty-four airmen. Commander of the fledging unit was Lt. Colonel William J. Payne. Today he's a Brigadier General and holds the distinction of being the only commander ever of the N.C. Air National Guard.

Today the Air Guard totals 1000 officers and airmen spread among 15 units and located in four different cities.

The biggest jump came in May, 1948, when the 118th Aircraft Control and Warning Squadron was organized to man eight radar stations in the state. Other units included the 156th Weather Station, the 218th Service Group Detachment and the 156th Utility Flight.

In January, 1950, the F-47 Thunderbolt was replaced with the faster F-51 Mustang and the Air Guard grew to some 700 officers and enlisted men.

The Korean War broke out in July, 1950. The units were near full strength. All were called to active duty.

The 156th Fighter Squadron was transferred from Charlotte to Godman Air Force Base near Louisville, Ky., and assigned to the 123d Fighter Bomber Wing. During the next 13 months, approximately 25 percent of the officers and 15 per cent of the enlisted men were assigned to Korea as individual replacements.

After a 21-month tour of active duty, the 156th Fighter Squadron was released in July, 1952, and returned to its former National Guard status at Douglas Field, and the unit was reequipped with the F-51 Mustang.

In January, 1951, the NCANG's 118th Aircraft Control and Warning Squadron (TC), was called to active duty and sent to Sewart AFB, Tennessee. Personnel of the 118th were from Charlotte and the Badin/Wadesboro area.

The 118th AC&W Squadron was sent to Nouasseur AFB, French Morocco. Personnel of the 118th rejoined their fellow Air Guardsmen of the 156th in Charlotte when released from active duty in 1952. Others of the 118th became the nucleus of what is now the 263rd Communications Sq in Badin.

In October, 1953, the 156th Fighter Squadron received its first jet, a T-33 trainer. The first F-86 Sabre jet arrived in January, 1954, which marked the beginning of the jet age for the Tar Heel Air Guard and Douglas.

The ever-growing Air National Guard soon found its facilities inadequate. Programs to increase the capabilities of the unit were undertaken. Meanwhile, the 156th had come under the Air Defense Command and stood regular ADC runway alerts. Under control of active United States Air Force Control Centers, Air Guard pilots scrambled day and night to check out unknown aircraft and violations of restricted flying areas such as Oak Ridge, Tennessee and the Savannah River Project.

Something new was added in equipment when the 156th received its first all-weather fighter interceptor, the F-86L. Designed for air defense, the later model Sabrejet gave the Air Guard its first rocket-firing interceptor.

Another transition was on tap for the North Carolina Air National Guard. In October, 1960, it was announced that the mission would be changed from air defense to aeromedical transport. The 800-man Air Guard received its first C-119 Flying Boxcar in January, 1961, and the unit was transferred from the Air Defense Command to the Military Air Transport Service.

The C-119 was not ideally suited for aeromedical service and this interim aircraft was replaced in 1962 by the first of nine C-121 Super Constellations.

Overseas runs were started in early summer of 1963 with missions to Europe and the Caribbean for all air crews. The first of the Pacific runs took off in March, 1964, and the North Carolina Air National Guard was truly global with missions to Frankfurt, Germany to the east and Tokyo, Japan westward.

The 145th Military Airlift Group received orders to prepare for a new aircraft, the C-124 Globemaster, in November, 1966. Phasing out of the 145th's eight C-121 Super Constellations was completed in April, 1967 after nearly five years of operating with the unit. NC Air Guard crews logged 22,546 accident-free hours in the versatile "Connie", flying support for the Army, Air Force, and National Guard throughout the U.S. and to almost all the free countries of the world.

Early in 1971, the unit was advised that they would be changing missions from MAC to TAC and would be equipped with C-130B type aircraft. The unit immediately started making plans for the conversion and a slow decrease in the number of overseas missions. The last of 85 flights to Vietnam was flown in February, 1971, and the last overseas trip was to Taiwan in April, 1971, ending the Group's overseas mission under the Military Airlift Command.

During the period January, 1964, when the Group was designated the 145th Air Transport Group (Heavy), with a global mission, until May, 1971, when the Group was redesignated the 145th Tactical Airlift Group, the unit airlifted over 23 million ton miles of cargo, 18½ million passenger miles . . . 1.1 million patient miles and flew over 11 million miles. The safety record now stands at over 70,000 hours and 14 years since the last aircraft accident.

The C-124 was flown 23,028 hours to over 51 countries or places, airlifting vitally needed cargo and supplies to our armed forces. The last C-124 departed the base on 14 July 1971, ending another outstanding period of NCANG history.

Since mid-1971, the 145th Tactical Airlift Group and its support units have been working feverishly to become operationally ready.

The culmination of all this work and training was in January of this year when the "boys in blue" successfully passed an unannounced ORIT (Operationally Readiness Inspection Test) under the very demanding eye of Tactical Air Command. The 145th is now ready to take its place in TAC as a full fledged partner in the mission of tactical air lift anywhere in the world.

Even before the successful ORI, the Air Guardsmen were already participating in "live drop" missions around the world, dropping both equipment and personnel on a regular basis.

In December, 1972, two C-130s and crews from the NCANG airlifted equipment and airborne personnel from Texas to Puerto Rico as part of Guard Rico I—an all-Guard airlift and air drop mission.

A number of other tactical airlift missions have been flown during the past year including drops at Pope AFB, NC, Fort Campbell, KY, and Fort Hood, TX.

During the last decade, the NC Air Guard has flown over 50,000 hours—the equivalent of keeping an aircraft airborne constantly for nearly six years, covering a distance equal to more than 31 round trips to the moon.

All of this and without an accident! The Air Guard has amassed an unbelievable safe flying record of over 14 years without an accident. As Colonel "Tom" McNeil, 145th Tactical Airlift Group Commander puts it, "The 145th Tactical Airlift Group has, once again, proved that it can perform any mission, any time, any where, and under any condition"!

PRESIDENTIAL RHETORIC

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. STUDDS. Mr. Speaker, the following front page editorial from the March 31, 1973, edition of the Quincy, Mass. Patriot Ledger is an incisive summary of the present administration's irrational approach to the problems that now confront this Nation. My respected colleague, Representative JAMES A. BURKE of Massachusetts, joins me in commending the Patriot Ledger and in offering to our colleagues the text of this editorial as a clear and perceptive analysis of Presidential rhetoric:

NIXON SPEECH

"Let us, therefore, put aside those honest differences about the war which have divided us and dedicate ourselves to meet the great challenges of peace which unite us."

The words, from President Nixon's TV address Thursday night, express a noble sentiment. But the nobility was greatly flawed by the remainder of the speech which was a hard-nosed, hard-line attack on the Administration's foes.

The President characterized some of those who had honest differences with him about the war as "those who advocated peace at any price—even if the price would have been defeat and humiliation for the United States."

He portrayed the complicated issue of his fight with Congress over federal spending as being a choice between an acceptance of his budget or higher taxes and prices. At the same time he denounced any effort to cut defense spending, saying it would destroy any possibility of negotiating further arms and troop limitations treaties.

And, the chief executive threw down an additional omnibus gauntlet, warning the North Vietnamese of the possible "consequences" for failing to carry out the terms of the Paris agreements.

This is very dangerous rhetoric.

The dangers of the warning to the North Vietnamese are obvious. The "consequences" were not specified. Perhaps the President is only thinking of cutting off U.S. aid for Indochina reconstruction which is called for in the Paris accords. But, he could also be threatening to resume the bombing and drag the United States back into the war.

However, the domestic political effect of Mr. Nixon's rhetoric is a matter of greater concern.

The oversimplified description of the choices facing the nation, and his no-compromise attitude can only increase divisions rather than heal them.

It may be politically advantageous for the President to claim, for example, that the alternative to approving his budget as submitted would be higher prices or a 15 per cent tax hike, but the fact of the matter is that there are many more alternatives, and some of them may be more attractive than Mr. Nixon's.

Congress has the constitutional responsibility to raise and appropriate federal money. It has the power and the obligation to review the President's budget and to make changes in it. Congress could decide to set different budget priorities than the President did, while remaining within the $268 billion ceiling.

Congress also could decide to raise additional money through a program of tax reform. And it is just possible that the public may be prepared to pay additional taxes in order to receive additional services such as national health insurance.

In taking his hard stance, the President also risks provoking an equally absolutist and irresponsible reaction. In trying to force his opponents into a corner, they may wind up opposing him even when he is right.

For example, Mr. Nixon is absolutely correct that world peace would be put on a firmer foundation if strategic arms limitations (SALT) and European troop reductions (MBFR) were done through international agreements and treaties.

But it seems absurd to say, as he did, that the pending SALT and MFBR talks preclude any attempt to cut the defense budget.

There is fat to cut in the President's $83 billion defense budget request. A lot of the increase involves personnel costs prompted by the all-volunteer army, and have nothing to do with strategic arms.

There are excess bases, cost overruns on defense contracts, and costly new weapons systems that would be needed only if SALT fails.

A long, long time ago, the President asked Americans to lower their voices. That process ought to start at the top.

TALES OF WOE, HIGH FOOD PRICES

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. ABDNOR. Mr. Speaker, the tales of woe of the consuming public, who are having to pay record prices for food items, especially meat, have been told many times and in many different ways in recent months. Every single person in every congressional district is a consumer, and it is only right that we, the Representatives of the people, give the cost of food our utmost attention. Certainly, nothing could be more important to us than seeing that our people are well fed.

There is another side to the tale, however, the side of one of the smallest minority groups in America, the side of the consumers who are the less than 5 percent of our population who are directly involved in producing the food.

This minority is being blamed for the record food prices while the prices they are receiving for the raw food products they sell have just in the past year come to equal the record prices of 20 years ago—and now we are talking about price rollbacks. This minority would be only too happy to sell their products at the record prices of 20 years ago if the prices of the supplies they must buy to operate were also equal to the prices of 20 years ago. Alas, the cost of their supplies has increased many times in 20 years.

I could go on with the tale of this minority group, but I have a letter from one of my constituents, a consumer and a housewife—the wife of a farmer—who tells the story much more eloquently and simply than I.

The letter follows:

WOONSOCKET, S. DAK.,
March 28, 1973.

DEAR MR. ABDNOR: As I sit here at my typewritter, I can look out of the window to the feedlot where we have approximately 40 head of calves on feed. It is not a lot, but it is our winter's work. I wonder what we will get for them when we sell them. They are not ready for market, but we could sell them before the price goes down. Unload them on some other feeder who possibly will take a great loss by the way things look. This is what is going to happen to a great many farmers if things proceed as they are now. There is undue publicity about the high price of meat, and it is going to hurt farm prices extremely. Look what has already happened to the hog market in the first *three days* of this week! Yesterday the price dropped $2.50! Today the price dropped $3.25! How can a farmer cope with this kind of treatment! I am afraid beef prices will soon follow.

Last Saturday my husband bought a very nice steak in our local Red Owl store for .98 per pound. I cannot understand how the price of steak in the cities can be $2.98. Either they are quoting the extreme choice cuts, to make a big publicity thing out of it, or someone else is getting a tremendous profit. Whatever it is, it is the farmer who will pay!

Nobody is expected to eat steak every day. What about EGGS? Our price was below 20¢ per dozen during the past year. (They are 30¢ now.) Yet the people did not take advantage of this to help bring up our price. Now that there is a little profit for the farmer everybody is screaming! I wonder how the city housewife would like it if HER husband worked for six months without a paycheck, and then when it came time for him to receive it, he would be told that his company couldn't sell their product and he would receive much less than what he had really earned!

Last year, we as farmers in South Dakota, had a very good crop. But when we tried to sell this crop it became virtually impossible. The corn that was harvested last fall was too wet and we had to take much less for it than what corn was really worth. We still have our corn crop from the previous year because we cannot get rid of it. First it was too wet to shell it, then when it got dry enough the elevators could not take it, and so the circle continues. Yet the prices that farmers must pay for the things *they* buy continue to rise. $12,000 and up for a new tractor, commercial feed has risen $100 per ton, the price of repairs is outrageous. When there is a short supply of farm products, the government imports, when there is a surplus, we are left holding the bag.

All we ask is a little justice. A fair price for what we raise, and a fair price for what we buy. We ask not to become rich, but we would like a comfortable living.

Sincerely,

MRS. MARTIN SCHROEDER.

How about a little justice for the farmers?

ENERGY AND THE ENVIRONMENT

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. SYMINGTON. Mr. Speaker, I had the privilege recently of hearing our colleague, Congressman MIKE McCORMACK of Washington State, present a speech entitled "Energy and the Environment." Congressman McCORMACK, as you know, is chairman of the Subcommittee on Energy of the Science and Astronautics Committee. This address was first given by Congressman McCORMACK on February 26 to the National Rural Electric Cooperative Association at a meeting in Dallas.

I heard the speech the next day in Washington, D.C., when Mr. McCORMACK delivered it to the joint engineering legislative forum, sponsored by the American Association of Cost Engineers, the American Institute of Industrial Engineers, the American Society of Agricultural Engineers, the American Society of Mechanical Engineers, the American Society for Metals, the American Society for Quality Control, the Institute of Electrical and Electronic Engineers, the Institute of Traffic Engineers, and the National Society of Professional Engineers.

I think Congress and the general public should be grateful for MIKE McCORMACK's insight and persistence in highlighting the different choices that must be made in this area, and I recommend this speech to all Members interested in energy and the environment.

The speech follows:

ENERGY AND THE ENVIRONMENT

(By Congressman Mike McCormack)

Today, I am going to discuss some aspects of the energy crisis, and some courses of action we may take, as a nation, that are consistent with the philosophy of protecting the environment and conserving our natural resources.

I will start with the premise that we now need, and will continue to need for the foreseeable future, all of the energy that we can economically convert into clean, useable forms, whether it comes from fossil fuels, nuclear fuels, or from any other source. It is therefore necessary that we review the environmental problems and implications associated with our conventional energy sources, and some considered to be "exotic".

It is obvious to even the most casual observer that our immediate energy problems focus around petroleum and natural gas, and on the consequences of our heavy reliance on them. I have always felt, and still do feel, that it is regrettable that our industrialized society today is so dependent upon the energy derived from our petroleum and natural gas resources.

I find it extremely unfortunate that we will have burned most of this precious source material for petrochemicals within this century. Nevertheless, this is what will happen unless we radically modify our present pattern of energy consumption. It should also be observed that supplementing our own resource base with imports is a temporary solution at best; and has serious economic and national security implications.

Our society runs on petroleum and natural gas today, and there is no way to significantly reduce our consumption of either fuel in the short run without changes in life style too cataclysmic for us to accept. Fortunately, the environmental problems associated with the combustion of oil and gas for space heating and electric generation are less than those of other sources of energy, and, at the present time, they are also the cheapest and most easily transported fuels.

This is not to say that there are no environmental problems involved in the use of petroleum and gas. We must remove sulfur from some petroleum. This is technologically possible, and hopefully it is, or soon will be, economically feasible.

There is an extreme sensitivity in the mind of the average citizen with respect to oil spills, whether at sea, or associated with pipelines, docks, refineries or any other point where oil is being handled. There is also an objection to drilling for oil or gas in promising offshore areas, particularly if they are within sight of the coast. It seems to me that the question of spills in the handling of oil is really a matter of providing adequate engineering safeguards and operating regulations, all conditioned by reasonable environmental protection standards. I believe the chances for this are good, and that we are making considerable progress in this area.

There will of course be environmental purists who will object even to underground pipelines and to pumps they may never see, but I believe a responsible and reasonable approach to the general problem of handling petroleum and natural gas will allow us to actually reduce environmental problems while consuming still greater amounts of these fuels.

Thus far, I have not addressed those environmental problems associated with the internal combustion engine and the smog conditions that have become a routine part of life in many of our large cities. Here we do indeed encounter a serious dilemma. I believe that we have yet to pass judgement on the wisdom of specific regulations and techniques that have been promulgated to control automobile exhaust emissions. It is quite obvious, however, that we cannot continue to increase the number of internal combustion engines operating in our megalopoli unless we find ways to drastically reduce the pollution resulting from their use. The propects in this area are indeed depressing.

A number of non-technological approaches have been suggested to alleviate the smog problem. These include gas rationing, mass transit (perhaps subsidized by a large increase in gasoline tax), imposition of special taxes on higher horsepower engines, outright prohibitions against the use of private cars within central cities, or any combination of these. All such suggestions would have seemed radical and ridiculous even two years ago, but I suspect that we will see some of them put into practice in some areas of this country this year.

I suggest that we undertake serious studies relative to the design of new communities in which private cars are not needed. Here we can strike a meaningful blow for energy conservation and simultaneously for environmental improvement.

Heavy reliance on our large reserves of coal as an energy source presents a number of problems that have been well known for years; and the anomaly that very little has actually been done in any organized way to solve these problems. In spite of the fact that the most noxious waste products emanating from the stack of a coal-fired generating plant are oxides of sulfur and nitrogen, a recent issue of *Coal News* quotes the *National Electric Reliability Council*, to the effect that no technology for reliable, commercial-size sulfur dioxide removal systems currently exists. Neither is technology for control of nitrogen oxides emissions "currently available."

In addition, although the need for coal gasification and liquefaction has been common knowledge for over a decade, we still do not have an organized program to develop such processes. Work underway is spotty and only marginally encouraging. It is obvious to me that one of the highest priority projects that this nation must undertake is the development of processes for coal gasification and liquefaction. They have the advantage that they remove all sulfur, arsenic, mercury, radioactive materials, and potential flyash that must otherwise be trapped and removed from the stack gas when untreated coal is burned.

I agree that we should import gas and oil for as long as we can without jeopardizing our trade balance, without spending more than is justified for LNG tankers, or without making ourselves economically or militarily vulnerable because of such imports. In the long run, however, and within no more than fifteen years, we should be in a position to phase in the use of synthetic liquids and gases on a very large scale. I believe that this is possible, and that it lacks only an organized program to manage and direct the research and development.

I suggest that the Congress finance an orderly but extremely aggressive program in this area, perhaps placed under the management and direction of one of our national laboratories. I believe that we should explore a number of alternative processes, including on-site and deep-mine gasification. We must emphasize research on air-cooling whatever processes are developed. There is not nearly enough water in some areas where coal is available to allow water cooling. Indeed, there may not even be an adequate supply of process water nearby. Studies should be undertaken to evaluate using either saline waters or raw sewage as process water in coal conversion.

The mining of coal can produce a severe insult to the environment in the immediate area of the mine. I think that every effort should be made to minimize such effects. Strip mining legislation will be considered seriously by this Congress, and some form of control legislation will, I expect, be enacted. Serious consideration must also be given to deep underground mining wherever possible, and new techniques of underground mining must be developed that are safer, possibly less expensive, and hopefully less offensive to the environment.

Even with all the problems presented by the use of coal, we must rely heavily on it as a major source of energy through the remainder of this century; realizing that, as with the other fossil fuels, it is an exhaustible resource and we must turn to other sources of energy at the earliest possible date.

Certainly the most controversial arena in the energy-environment dilemma is related today to nuclear energy—to real or imaginary threats from nuclear reactor accidents, to the fast breeder program, to nuclear waste storage and management, to the health hazard of plutonium, and to the potential of the theft or hijacking of fissionable materials. A small but intensely dedicated number of independent citizens, including some professionals in related fields, seem to be making at least an avocation of attempting to prevent or delay the nuclear energy program in this country. I regard this as unfortunate indeed.

The Atomic Energy Commission certainly has had a less than outstanding record in its public relations effort, and for me or anyone else to suggest that there are not problems or hazards associated with nuclear energy would be patently dishonest. On the other hand, I feel that the AEC and the various manufacturers and contractors in the nuclear field have done a superb job in the development of reactor technology and safeguards. It has not been perfect, but I cannot comprehend why any rational person would expect or suggest it should be. Any fair comparison demonstrates that nuclear energy presents much less of a threat to the environment today than does the burning of untreated coal, and I think it somewhat amusing to note that a person living in a frame house with a Coleman gas lantern hung in the basement receives four times as much additional radiation above background as he would if he camped continuously at the entrance to a large nuclear power reactor as licensed today by the Atomic Energy Commission.

I believe that we must push ahead as rapidly as possible with all safety studies related to nuclear power, but that we should not allow this program to be further delayed by irrational suggestions that the AEC prove conclusively that it is literally impossible for anyone at all to ever suffer any harm at all in any way at all from any kind of nuclear incident at all that may happen in the future.

I believe that the storage and management of nuclear wastes and the proper handling and care of plutonium can be accomplished through implementation of responsible engineering, responsible regulations, and responsible management. This should be essentially a zero-fault operation. However, we must help the average citizen to understand that, contrary to the impressions of the scare-plots of midnight movies, it is possible to experience a "non-permissible" accident, including the release of measurable amounts of radioactivity, without causing any harm to anyone. The issue of nuclear energy has been unfortunately exaggerated in the minds of some, relative to the hazards associated with other societal activities which are taken for granted. The Congress will, I believe, maintain its responsible policies in this field.

This country must depend heavily upon nuclear fission to help meet its energy needs for the balance of this century. I hope the time will come in the 21st century when we can, as a matter of world policy, totally abandon the combustion of fossil fuels and the use of nuclear fission, and turn instead to nearly inexhaustible and essentially non-pollution sources of energy that may be available to us in the future. Until that time, however, our only rational course is to proceed vigorously with our present programs, including the development of the liquid metal fast breeder reactor and alternate breeder concepts, at all times with strict adherence to rational controls regarding safety and environmental protection.

One of the sources of inexhaustible and potentially non-polluting energy is, of course, solar energy. In a report recently presented by the Solar Energy Panel of the White House Federal Council of Science and Technology, it was concluded that, with adequate R & D support over the next 30 years, solar energy could provide at least 35% of the heating and cooling of future buildings, greater than 30% of the methane and hydrogen needed in the U.S. for gaseous fuels, and greater than the 20% of the electrical power needs of the U.S.

This may be an optimistic estimate, but unfortunately, as with coal gasification and liquefaction, there is no organized program today for solar energy research and development.

Several encouraging studies are underway, but a well-managed, progressive, imaginative program for solar energy should be established at once. It should set as its immediate goal a series of inexpensive and simple experiments to determine whether or not solar energy would indeed provide the potential for heating and cooling of buildings and for central power stations that its advocates claim.

It would appear that solar energy, if it is economically feasible, would have a minimum impact upon the environment, except that central power stations would require large amounts of materials and large desert areas, or, as has been suggested, large areas of tropical islands. It is my hope that the Subcommittee on Energy, which I chair, can work closely with the National Science Foundation, with other federal agencies and with private groups to help establish a program for solar energy research. It would seem to me such a program should look to the extensive use of solar energy for the mid-1980's.

Geothermal energy may be another essentially inexhaustible source heat for conversion to electricity. Research scoped at Battelle Northwest indicates that possibly the conversion of such energy would also be nonpolluting, with closed systems pumping exhausted steam or hot water, with or without entrained salts, back into the ground. This study also considers the possibility of pumping seawater into the ground to produce dry steam to drive turbines and generators. Some outstanding geothermal research is being done at Los Alamos Scientific Laboratory, but, as with solar energy, an organized program is required. It seems to me that it should be set up in the same manner, and with the same priorities and time lines, as for solar energy.

Two "far out" sources of inexhaustible energy may be available to us. The first is fusion, and the second is satellite solar energy. I am encouraged with the programs on fusion research, although I suspect that it is underfunded by $5 to $7 million in the President's proposed budget for fiscal 1954. Fusion energy will not be completely pollution free. We can be certain that the early generations of power stations, will produce large amounts of waste heat which must be released to the atmosphere. In addition, radioactive materials, including small amounts of tritium will be produced. As in the case of nuclear fission, these can be handled with responsible engineering, regulations and management.

Satellite solar energy can be considered to be pollution free except for heat loss in converting microwaves to electric energy, and in use of the energy itself. It does involve the launching of many flights of the space shuttle, and the use of a nuclear powered transportation system from low orbit to high (or synchronous) orbit.

With regard to these "exotic" sources, it is my hope that we may have a demonstration plant for fusion by, or shortly before, the year 2000, and that it will prove to be economically competitive. It is also my hope that if satellite solar energy proves to be economically competitive, we may also have a demonstration facility in operation by the year 2000.

So far, I have discussed research and development related directly to energy sources, but there is much other research and development that must be done, involving the storage, transportation, and conversion of energy. All such research seems to have beneficial environment implications. For instance, we must one day switch from a hydrocarbon to a hydrogen economy, presumably using either solar or fusion energy to dissociate water to make hydrogen.

We must have research in superconducting and high energy transmission. We must look to the possibility of fuel cells, high energy batteries, and means of storing large amounts of electricity. We must explore the feasibility of incinerating all municipal solid wastes and sewage, in a pollution-free process that may also produce some electricity.

There is much to be done, but I am convinced that if there is an intelligent national energy policy implemented by an aggressive national energy program, we can overcome the energy crisis, reduce our dependence on foreign energy sources, provide for an adequate standard of living for all, and substantially reduce the impact on the environment involved today in energy conversion, transportation, and consumption. Finally, we can go even further, and using energy we cannot afford today, create a cleaner environment than we now know.

WILL NOT SOMEONE ACCEPT RESPONSIBILITY?

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. KOCH. Mr. Speaker, last February I read an article in the Village Voice entitled, "Justice Rampant in Night Court." Authored by Nat Hentoff, the article called attention to what most fair-minded people would consider a failure in the judicial system. The incident which occasioned the article was the 8 a.m. arrest and subsequent lengthy arraignment process of up to 18 hours on January 22 of over 100 welfare mothers charged with fraud. The article alleged that delays in processing the fingerprints substantially contributed to the prolonged detention and caused those arrested during the 18 hours "to stand—in the 10-by-10-foot detention pens—without food, water, or adequate toilet facilities." I am setting forth the article which depicts the suffering and indignities undergone by people who were charged with a crime—but not yet convicted.

I thought it important to ascertain who was responsible and how the procedures could be changed, so I wrote to each of the principals who would appear to have jurisdiction in this matter. In his response to me, Archibald R. Murray, New York State Commissioner of the Division of Criminal Justice Services, clarified his office's processing of the fingerprints. Commissioner Murray stated that over half the fingerprints had been processed by 9 p.m. on the evening in question. Some of the fingerprints were made available within as little as an hour and a half after being received.

The latest prints were received by Commissioner Murray's office at 10:40 p.m. and were processed by 2:40 a.m. This report is somewhat in conflict with the facts as set forth in the article but it still leaves two questions in need of answering. Why was there such a lengthy delay in sending the fingerprints to Commissioner Murray's office, and why, if over half the fingerprints were processed by 9 p.m., was there such a lengthy delay in arraigning the defendants?

No one in the chain of command acknowledges responsibility. District Attorney Eugene Gold told me that he would not respond to Nat Hentoff's article and his oral explanation to me of the events is described in the correspondence I had with others in this matter.

From the correspondence I must assume that the conditions will continue. Is it any wonder that people are frustrated by the workings of our judicial system and that justice is so often held, and correctly so, in such low regard? I have no jurisdiction in the matter and I am not able to direct a change in the process. But surely, those named in the correspondence can properly take the steps necessary to remedy this particular failure of the system.

It is not enough to pass the buck. Will not someone accept responsibility?

The correspondence follows:

[From the Village Voice, Feb. 8, 1973]

JUSTICE RAMPANT IN NIGHT COURT

(By Nat Hentoff)

Sometime ago, in a break between cases in one of our lower criminal courts, I was talking to a young assistant D.A.

"It's a funny thing," he said. "If one of you guys isn't around, the most incredible things can happen in this courtroom, and it's as if they never happened. So far as the public goes, I mean. I once saw a defense attorney make a terrible goof, the judge let it go by, and the poor bastard who was the victim of it didn't know what was going on. Maybe it can be remedied on appeal, if the guy can afford an appeal.

The assistant D.A. returned his attention to his papers. I asked him the circumstances of that particular "terrible goof." He declined further comment. Except to say: "You're the first journalist I've seen in this courtroom in weeks, because there haven't been any big cases. You guys should show up more often. Hell, what gets to be news is up to you people."

There are other times, moreover, when what happens in a courtroom is printed, but in such a way as to miss the crucial part of the story.

A story, for instance, in the January 23 Times was headed:

"GOLD STARTS PROSECUTION OF 214 AS RELIEF CHEATERS"

There are two main parts to the story, both of them cited in Morris Kaplan's lead paragraph in the Times:

"District Attorney Eugene Gold began yesterday the prosecution of 214 Brooklyn welfare recipients on fraud charges. He also announced the indictment of two brothers charged with cheating the city of $300,000 by the illegal cashing of 3000 rent checks intended for landlords."

Let us follow the first part of that story, as reported in the Times:

"Ninety of the 214 welfare recipients were reported under arrest. They allegedly got duplicate payments totaling $100,000 after falsely reporting that they had not received their customary monthly checks. If convicted, each should receive up to four years in prison The investigation, which began a year ago, involved 656 checks, Mr. Gold said."

District Attorney Eugene Gold was doing his job—and diligently. And that's all the Times had to say about that part of the story.

Let us now look at what actually happened—in terms of how these welfare cases were presented in court.

What follows is a report, dated January 24, from Lloyd Merrill, Staff Attorney for the Legal Aid Society. Please read it carefully. It reveals a lot about the quality of this city's "justice" for the poor and it also tells about the quality of the daily papers' reporting on the city's courts.

"*Re: Night Arraignment of One Hundred Eight* (*108*) *Welfare Cases*

"On Monday evening, January 22, I was the LAS (Legal Aid Society) attorney-in-charge of two other attorneys in Part APAR3 with Justice Nicholas Coffinas presiding, and ADA (Assistant District Attorney) Smukler representing the prosecution.

"This was to become a night to remember because of the shocking, callous behavior of D. A. Eugene Gold's office in presenting over 100 welfare cases before the court at one time.

"The result of this attempt by D. A. Gold to gain some cheap publicity was to create near chaos in the court, and to force the defendants who were:

"1—mostly Black and Latin Welfare mothers,

"2—who voluntarily appeared

"3—after making full restitution to the government

"4—on cases that were two-three years old

"5—involving an average of $100–200 per case

"They were forced to stand for up to eighteen hours in the 10 by 10 foot detention pens in the basement of the Criminal Court *without* food, water, or adequate toilet facilities while hundreds of their relatives and friends waited in and around the court building.

"What follows is a chronological account, based upon information and belief, of the day's events:

"*Monday morning—8 a. m.*—Over 100 welfare mothers *voluntarily* appeared in an answer to the attached letter at D. A. Gold's office in the Municipal Building."

(This is the letter to which LAS attorney Lloyd Merrill refers—it is from the office of the District Attorney, Eugene Gold, Kings County:

"Dear Sir or Madam:

"In connection with an investigation of criminal charges against you arising out of alleged Welfare fraud, you must be present at the District Attorney's office . . . at 8 o'clock in the morning on January 22, 1973.

"You may be accompanied by a lawyer of your choosing. If you cannot afford a lawyer, one will be provided for you in Criminal Court, by the Legal Aid Society.

"If you have children, please make arrangements for their care as the Court proceedings may take several hours.

"Your failure to appear will result in a police officer being sent to arrest you.")

So, in response to that letter, more than 100 welfare mothers appeared at Eugene Gold's office. This—continuing Lloyd Merrill's report—is what happened to them:

"The D. A. proceeds to have 10 city detectives on his personal squad arrest the welfare mothers based on 1970 and 1971 checks when full restitution has already been made to the government.

"The defendants are charged with: Offering a False Instrument For Filing in the First Degree (Sec. 175.35—Class E felony), Making an Apparently False Statement in the First Degree (Sec. 210.40—Class E felony), and Petit Larceny (Sec. 155.25—Class A Misdemeanor). *Since Class E is the lowest form of felony, the D. A. will be able to tell the press that these are 'felony' cases.*" (Emphasis added—N. H.)

"*9.30 a. m.—Noon*—The defendants are taken down to police vans for the *three*-block trip to court. Press and tv cameras are able to get excellent pictures of the 'arrests' made by the D. A.

"*10.30 a. m.—1.30 p. m.*—The defendants are logged in by the Corrections Department at the Criminal Court. However, only six of the D. A.'s detectives are left to help sign in the prisoners. Thus, some detectives are imprisoning defendants that they did not actually arrest.

"*1 p. m.—3 p. m.*—The defendants are fingerprinted. One-half the prints go to the NSITS Computer in Albany, and one-half go to the NYPD, BCI Division. Normally, it takes four-five hours to get 'rap sheets' back by Telex. However, the volume of prints is so great that a crisis will result.

"*6 p. m.*—Night Court begins session. No prints have arrived on the defendants. Several hundred relatives and friends are jammed into the courtroom.

"*7 p. m.—8 p. m.*—Justice Coffinas has a press conference with the ADA (Assistant District Attorney) in charge of the Court, Mr. Kamens; the ADA on night duty, Mr. Smulker; the LAS attorneys; and the court clerks. The Judge states that the Criminal Procedure Law does not permit him to parole defendants charged with a felony, unless the prior arrest record, the 'rap sheet,' is before the court. However, if the D. A. would reduce the Class E felonies, one step, to Class A misdemeanors, then the Judge had the discretion to parole without a 'rap sheet.' Mr. Kamens said that he will check with his superiors.

"*8.30 p. m.*—Mr. Kamens returns and says he has permission to *reduce* the charges on those defendants not called by 11 p. m. The Judge says that the present situation in the Basement is intolerable.

"*9 p. m.—10 p. m.*—The first 'rap' sheets arrive from Albany, and some defendants are brought from the basement 'detention pens' to the 'feeder pens' behind the bench. Only two detectives from the D. A.'s squad have remained, thereby further slowing the process of 'signing out' persons, and bringing them before the court. A single defendant is brought out, and Judge Coffinas demands that at least five defendants be arraigned at the same time so as to speed the process. About 20 defendants are arraigned this way, and all are paroled. The court recesses to await more rap sheets.

"*10:30 p.m.–1 a.m.*—A steady flow of 'rap sheets' from Albany and the New York Police Department begins, and the court arraigns and paroles to the week of February 20, about 60 defendants. During this period, about 15 'typical' cases: family assaults, bench warrants, shoplifters, auto thefts, etc. are arraigned before the Court.

"*1:30 a.m.–2:30 a.m.*—The flow of rap sheets has stopped and about 25 welfare mothers remain in the detention pens. The Judge requests that the Assistant District Attorney honor his agreement to reduce the charges to misdemeanors while still retaining his right under the law to raise the charges back to felonies at a later proceeding. The Assistant District Attorney agrees, and the last 25 cases are arraigned and paroled. One of those arraigned was . . . a Black woman in her 40s who claimed to have lost blood due to a wound that opened during her confinement in the pens. She appeared very weak and was allowed to sit down during the arraignment. The court adjourned at 2:30 a.m., and everyone staggered toward the exits. It had been a long night.

"*3 a.m.*—The New York Times was out, and one of the local news headlines read: 'GOLD STARTS PROSECUTION OF 214 AS RELIEF CHEATS.' The city could sleep soundly knowing that Mr. Gold was bringing 'criminals' to 'justice'!

"Respectfully submitted,

"Lloyd Merrill, Esq."

Some questions:

Was a reporter of the New York Times in that courtrooom that night? The Times was informed at 10 p.m. that night of what was going on.

Is A. M. Rosenthal satisfied with how the Times covered that story?

Why doesn't Abe Rosenthal assign a few reporters to make the courts their regular beat so that no judge and no prosecutor, and for that matter, no defense attorney, could ever be certain that a member of the press was not looking on—even if the instant case was not a "major" one?

In addition to the instructive information this kind of continuous court reporting would provide the public and the impetus it would give to court reform, visitations by journalists could have a beneficial effect on the way some judges conduct themselves in court. Those jurists, for instance, who are much harsher on defense counsel than on the prosecution and those jurists who sometimes appear to be extensions of the D. A.'s office.

An equally fundamental question is embodied in this report by Legal Aid Society Lawyer Lloyd Merrill. Would a middle-class defendant—accused, let us say, of embezzling $100,000 from either public or private funds—be forced to stand for up to 18 hours in 10 by 10 foot detention pens without food, water, or adequate toilet facilities?

A less important question, but nonetheless germane, is whether District Attorney Eugene Gold has any remorse for what happened in his name during that long night? Or does he think the procedures—and their effects on the defendants—were entirely proper?

I would appreciate hearing from Mr. Gold.

I have broken into the series on the schools this week, as I will again next week, because occasionally, there are stories that so clearly and harshly illuminate the transmogrification of "justice" in this city and this country that by my criteria, they have immediate priority.

None of the above, by the way, is meant to criticize Lesley Oelsner, the Times' extraordinarily able analyst and investigative reporter on the law and on the courts. What I am saying is that the Times needs more Lesley Oelsners—as does every other newspaper in the country, including this one.

Next week: another instance of "justice" inflicted on a child in a public school system.

I intend to return to the courts whenever there is space, and I would be grateful to hear from Legal Aid Society lawyers, other defense attorneys, assistant D.A.s (some of whom are not always happy with what they are told to do by their chiefs in some of the boroughs), and from anyone else who has information on acts of injustice in the courts confidentiality will be respected.

I would also add that Congressman Koch, who was so quick to call for an "investigation" of Judge Bruce Wright because of the $500 cash bail permitted by Judge Wright in the Gruttola case, ought to spend a few nights in Judge Wright's courtroom and a few nights in other judges' courtrooms in this city. Then the Congressman might begin to learn something about justice in the courts, and he might be less quick to shoot from the hip at a judge, Bruce Wright, who believes in the Constitution.

House of Representatives,
Washington, D.C., February 8, 1973.

Hon. David Ross,
Justice of the Supreme Court, New York City Criminal Court, New York, N.Y.

Dear David: An article appeared in the *Village Voice* of February 8th, authored by Nat Hentoff, which referred to the Criminal Court, and I am enclosing that article with the thought that you might not have seen it.

If the facts are as reported by Lloyd Merrill, a Staff Attorney for the Legal Aid Society, I respectfully submit that this would require an investigation on your part with appropriate measures taken to make certain that such a situation would not be repeated.

I would very much like to be informed as to the outcome of any investigation that you make in this matter.

Again, I want you to know how much I admire your administration of the Criminal Court, and I know that your additional powers recently given will benefit defendants, victims and the public at large.

All the best.

Sincerely.

Edward I. Koch.

House of Representatives,
Washington, D.C., February 12, 1973.

Hon. Eugene Gold,
Kings County District Attorney,
Brooklyn, N.Y.

Dear Gene: You may not have seen the enclosed article which appeared in the *Village Voice* of February 8th, authored by Nat Hentoff.

The article allegedly reports on an action taken by your office against 214 welfare recipients. I have no personal knowledge of the facts, but I do think that if the facts are as reported, then the defendants did not receive the fair treatment that your office would ordinarily provide.

I know that you are terribly busy because of the many activities in which your office is involved—and you deserve to be commended for them, but I think it extremely important that the allegations set forth in Hentoff's column be investigated by you and if found to be valid then measures taken to make certain that other defendants in similar situations would receive better treatment.

I would very much appreciate your advising me of the outcome of any investigation you may make in this matter.

All the best.

Sincerely,

Edward I. Koch.

Supreme Court of
the State of New York,
New York, N.Y., February 14, 1973.

Hon. Edward I. Koch,
Member of Congress,
New York, N.Y.

Dear Ed: Please excuse the delay in answering your letter of February 8th. However, as you are aware, I am undertaking additional duties and getting ready for same has kept me quite busy.

I have read the article which you forwarded with interest and chagrin. Please be advised that the Court has no control over any indictments or arrests until the moment when same is presented to the Judge for arraignment. It would appear, from this article, that the circumstances complained of occurred prior to submission to the Court. In fact, the article would indicate to me that these matters were first presented to the Judge in Night Court; and further the article seems to indicate that the Judge acted in a most diligent and humane manner.

With warm personal regards, I am,

Sincerely yours,

David Ross.

House of Representatives,
Washington, D.C., March 1, 1973.

Hon. Harold A. Stevens,
Presiding Justice, Appellate Division, First Department, New York, N.Y.

Hon. Samuel Rabin,
Presiding Justice, Appellate Division, Second Department, Brooklyn, N.Y.

Dear Mr. Justices Stevens and Rabin: On February 8th there appeared an article in the *Village Voice* describing the impact of the judicial system on individual defendants who allegedly commited felonies—in this case alleged welfare frauds. That article is enclosed if you have not already seen it.

I sent separate letters to Administrative Justice David Ross and District Attorney Eugene Gold and received a reply from Justice Ross, copies of which are enclosed. Yesterday, I had occasion to speak with District Attorney Gold who admitted to me that incidents have occurred in other cases and will occur again because anyone charged with a felony must be fingerprinted and the machines involved in checking the prints often break down, and if they are broken they do, on occasion, take as much as 6 or more hours before the defendant can be released.

It would appear to me that something must be done to correct the situation and since both Mr. Justice Ross and District Attorney Gold have advised me that it is not within their power to correct it, I am requesting that your Honors undertake measures to deal with what is more than a simple inconvenience but is, in my judgment, an injustice perpetrated against individuals who are charged with but not convicted of a crime.

I recognize the need for fingerprinting in felony cases but surely some better system can be devised than presently exists so as to permit an early release of a person brought to court for arraignment.

I would appreciate having any comments which you might have on this matter.

Sincerely,

Edward I. Koch.

Supreme Court Appellate Division,
New York, N.Y., March 9, 1973.

Hon. Edward I. Koch,
New York, N.Y.

Dear Congressman Koch: I had not seen the article to which you refer, which appeared in the Village Voice and thank you for sending me a copy of same.

I should point out that I have no control over District Attorney Gold and cannot, in any way, control the indictments returned by him. The Judge is not made aware of the charges—whether they be felony or misdemeanor—until they are presented in court. Charges of the nature involved are, I believe, usually handled in this Department as either misdemeanors or felonies of lesser grade. However, I cannot make that statement with absolute certainty.

I will, indeed, discuss the matter with them in the near future.

Very truly yours,

Harold A. Stevens.

House of Representatives,
Washington, D.C., March 14, 1973.

Hon. Harold A. Stevens,
Presiding Justice, Appellate Division, First Department, New York, N.Y.

Dear Mr. Justice Stevens: I have your letter of March 9th. It is clear that the point which I wanted to raise in my letter was either not clearly stated or misunderstood by you.

I would not under any circumstances suggest that you exercise control over District Attorney Gold or control the indictments returned by him. Rather, I was suggesting that you seek to correct the situation involving delays and the holding of individuals awaiting arraignment because of the failure in the existing machinery to promptly return fingerprint checks.

I would appreciate your considering that proposal and if it is within your power to correct that situation that you undertake to do so.

Please let me know your views on this matter.

Sincerely,

Edward I. Koch.

Supreme Court of the
State of New York,
Brooklyn, N.Y., March 15, 1973.

Hon. Edward I. Koch,
New York, N.Y.

Dear Congressman Koch: I am sorry that I did not respond to your letter of March 1st sooner, but it did not reach my office until March 9th and I did not see it until March 12th.

The solution to the problem concerning fingerprint records to which you allude in your letter is unfortunately, not within the court's control. Fingerprint records are obtainable primarily through the New York State Identification and Intelligence (NYSIIS) System. Last year I met with Dr. Robert Gallati, Director of NYSIIS, to discuss with him the need for improved services, both as to response time and the legibility of the criminal records. Dr. Gallati then assured me that NYSIIS was doing and will continue to do everything within its power to improve its services.

Since NYSIIS is part of the executive branch of government, the court's powers in this area, as you must undoubtedly realize, are limited. I will, however, again review the matter and see what can be done to expedite the transmission of the information relating to a defendant's criminal record which is required by law.

Very truly yours,

Samuel Rabin,
Presiding Justice.

Supreme Court Appellate Division,
New York, N.Y., March 16, 1973.

Hon. Edward I. Koch,
New York, N.Y.

Dear Congressman Koch: I must say that evidently I did miss the point of your earlier letter.

We are trying to expedite the return of fingerprint information in order that cases on arraignment may be disposed of more speedily. I met with Dr. Gallati, Director of NYSIIS, some time ago and we discussed this problem. He assured me that with changes contemplated, there should be a distinct improvement in the return of fingerprint checks. Justice Ross, who is the Administrative Judge of the Criminal Court, has been greatly concerned with the problem and I believe has been maintaining almost constant contact in an effort to improve the system. I am hopeful that in the near future the situation can and will be corrected.

Sincerely,

Harold A. Stevens.

House of Representatives,
Washington, D.C., March 19, 1973.

Dr. Robert R. J. Gallati,
Director, New York State Identification and Intelligence System, Executive Park Tower, Stuyvesant Plaza, Albany, N.Y.

Dear Dr. Gallati: I am enclosing a letter which is dated March 1st, the original of which was sent to Justices Harold A. Stevens and Samuel Rabin. I am also enclosing their responses to that letter.

You will note that they mention that the courts have no control over the situation as described in the Village Voice article of February 8th (a copy of which is also enclosed), and that they have taken up the matter with you.

Apparently the transmission of the information relating to a defendant's criminal record, required by law in felony matters before the defendant can be released after arrest, is still the subject of great delay causing the kind of situation described in the attached article.

Computers are near instantaneous in furnishing information when functioning and properly used. Can it be that your's are either not functioning or not being properly used?

I would appreciate hearing from you on this matter.

Sincerely,

Edward I. Koch.

Division of Criminal Justice Services,
Albany, N.Y., April 5, 1973.

Hon. Edward I. Koch,
Member of Congress,
New York, N.Y.

Dear Congressman Koch: Your letter of March 19, 1973, addressed to Dr. Robert R. J. Gallati the former director of the New York State Identification and Intelligence System, concerning arrests in certain welfare cases in Brooklyn has come to my attention.

The New York State Identification and Intelligence System was merged with two other State agencies last September to become the new Division of Criminal Justices Services. I am responsible for administration of the new agency. I have reviewed the supporting materials which accompanied your letter and I believe that the events are in need of some clarification. My staff has looked into the matter and reports that during the afternoon and night of January 22nd, 72 sets of fingerprints relating to these cases were transmitted from Brooklyn to our Albany office by facsimile device. The first set of prints arrived at 1:50 p.m. and the last set was received at 10:40 p.m. Our first response went out at 3:20 p.m. and the last one at 2:40 a.m., and by 9:00 p.m. more than half of the fingerprint inquiries had been received, processed and answered.

While it is true that the criminal histories of most of the defendants in our files are maintained on computers, it should be noted that the actual fingerprint cards must be examined, analyzed and compared manually. The analysis of fingerprints is still an art. To date, no reliable method of performing this task by machine has been developed. Accordingly, while the retrieval of the criminal history of an individual can be performed quickly by computer after a proper identification has been made, one must bear in mind that time must also be allowed for completion of the manual comparison and identification tasks.

At present, our records indicate that on the average it takes a little under three hours to search a set of fingerprints submitted by facsimile and prepare a response. While we expect and hope to improve upon this standard response time, I am advised that in most jurisdictions outside New York State, response time is not nearly as rapid. In this connection you may wish to inquire of the FBI as well as some of the larger states concerning whether or not they undertake to provide criminal history records in all felony and misdemeanor arrest cases on a statewide basis and, if so, with what result. I would appreciate learning the results of your findings.

If I can be of further assistance, please let me know.

Sincerely,

Archibald R. Murray,
Commissioner.

LET US NOT BE FOOLED—CLEAN AIR STANDARDS CAN BE MET

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. DANIELSON. Mr. Speaker, the announcement yesterday by Administrator Ruckelshaus of the Environmental Protection Agency, granting a 1-year delay of the 1975 auto emission standards, except in California, is no doubt a great victory for the automobile industry and petroleum companies which have been fighting these standards from the very beginning.

The next phase of the industry's battle will be to seek a modification or repeal of the law which imposes auto emission standards. The automobile industry and the petroleum companies would have us believe that our emission standards are impossible to meet, that they are impractical, and that they are not necessary. We are beginning to see the first flurries of glossy pamphlets and slick full-page advertisements from these industries propagandizing against the standards—a flurry which will soon become a blizzard.

Are we in Congress to believe that emission standards are "impossible" when it is an undisputed fact that those standards have already been met by three automobile manufacturers? Are we in Congress to believe that the expense of manufacturing the lead-free fuel necessary for catalytic mufflers is prohibitive when one of our oil companies, the American Oil Co., has been successfully manufacturing and marketing such a lead-free fuel for years? Who are they trying to fool? No amount of slick advertising can obscure these hard facts. The intransigence of these industries is appalling, to say the least.

We have been told that the costs of buying and maintaining an automobile will be greatly increased by emission controls, but nowhere in the industry's balance sheets have I ever seen the costs resulting from the assault upon the public health, from dying vegetation, and playgrounds closed by air pollution. These costs are paid by society, and society is subsidizing the automobile industry by bearing these costs.

At one time in our history, the phrase "Yankee ingenuity" was used to describe the ability of the American people to cope with complex technological problems. If some American enterprises are now beginning to take a back seat to foreign enterprises, the reason may very well be that today's crop of managers has lost the initiative, the vision, and the inspiration that made us a great Nation. Are we doomed to rest upon our laurels?

The claims of the automobile industry and the petroleum companies have been disputed by the Environmental Protection Agency. For the benefit of my colleagues, I am inserting in the RECORD at this point documents which present both views. The first is a Chrysler Corp. pamphlet entitled, "Let's Have Clean Air, But Let's Not Throw Money Away!" which I and many others received in the mail. The second is a rebuttal of the alleged facts contained in this pamphlet, which has been prepared by the Environmental Protection Agency:

LET'S HAVE CLEAN AIR—BUT LET'S NOT THROW MONEY AWAY

Chrysler Corporation believes that emissions from cars should be held at a level that scientists agree is necessary to protect the public health and improve air quality. But there is no benefit in adding expensive control systems which are more stringent than necessary.

Invisible gases and tiny particles in your automobile's exhaust have been blamed for many of the country's air pollution problems. But whatever part your automobile has in the air quality problem is smaller than it was even a few years ago. And it is smaller than most people may realize.

Auto engineers have drastically reduced the three gases which are the major emissions. Your 1973 model car produces 80 percent fewer hydrocarbons than a car without emission controls. It produces 70 percent less carbon monoxide. And the combination of oxygen and nitrogen called oxides of nitrogen has been cut 50 percent. Your car now produces less than two ounces of these emissions for each mile it is driven. That's not very much.

However, many people do not know of this progress. They also do not know that the 1975–76 federal automotive emission standards are overly strict and wasteful of the nation's resources. The new standards require that the three main exhaust gases from automobiles must be cut 93 to 97 percent compared to a car without controls.

Those new standards are not a problem for just the automobile companies. They are going to be a problem for you, the customer, because they will affect the choice of cars you will have in the future, and cost you your own good hard cash.

For example, you should know that the government says starting in 1977, when all the controls are in force, the nation will get less than $1 in benefit for every $8 you must spend on the new control systems.

That's no bargain.

Since Congress set the 1975–76 standards the country has learned a lot more about air quality and automotive emissions. These new facts raise the question of why we should reduce automotive emissions to the overly stringent level of 93 to 97 percent.

Did you know:

There is no substantiated evidence showing average street level concentrations of automotive missions—even in crowded cities—are a threat to health.

If the total weight of emissions meant what many fear, the human race would have expired long ago. Nature produces up to 15 times more of the automotive emissions than man.

Nature produces up to 90 percent of all the carbon monoxide in the atmosphere; cars account for only about six percent.

Nature easily disposes of emissions from all sources. For example, fungus in the soil in the United States alone can consume more than double all the carbon monoxide produced by all the cars and factories in the world. Studies show even in city areas, nature disposes of emissions.

The effect of emissions should be determined by harmfulness, not total weight. When measured this way, university scientists say automobiles are only 10 to 12 percent of the country's potential air quality problem.

Carbon monoxide effects in crowded cities are already below the level the government says is necessary to protect health. This is the result of a study of the effect of carbon monoxide on 44,000 Americans.

If you smoke, you will have a carbon monoxide blood level of as high as 12 percent. If you don't, your level will probably be less than two percent, even in a crowded city.

Burning one log in the fireplace produces as much carbon monoxide as the 1975–76 standards allow your car daily.

Heating your home for eight hours with an oil furnace uses up your car's 1976 daily quota of oxides of nitrogen.

The vegetation in your back yard gives off as many hydrocarbons as the 1975–76 law allows your car daily.

Government studies say the 1975–76 standards could raise the price of a new car $500.

Control systems with any hope of meeting the standards use catalysts requiring platinum and palladium. These expensive and rare metals come from outside the U.S.

Catalysts operate only on no-lead fuel. Cost of producing and supplying this special fuel will increase the price you pay for your gasoline.

Cars using catalysts may burn as much as 30 percent more fuel. This could cost you as much as $100 a year extra in gasoline costs, to say nothing of the costs of maintaining and replacing catalysts.

California, which has the most serious automotive air quality problem in the country, believes the federal standards are overly stringent. California says reductions of 75 to 94 percent are more realistic.

Chrysler Corporation agrees with California officials who are acting on current scientific information.

The company believes that in view of these facts, the government should:

Postpone the 1975–76 standards for one year (the present law allows that).

Give the Environmental Protection Agency authority to set new and more reasonable standards (EPA now sets all other emissions standards).

Chrysler believes the California standards are totally adequate nationwide and may be attainable *without catalysts* by the 1977 model year.

Those standards, strict enough to protect the state with the worst automotive emissions problems, should be more than adequate for the rest of the nation.

If this is done, it would save you hundreds of dollars on the new car you buy. It would save you many additional dollars in operating and maintenance costs.

It would conserve the country's limited resources, and serve the cause of clean air with responsibility.

We urge you to write your Representative and your Senator on this very important matter. Explain that while you support the cause of clean air, to go beyond proven need is to waste your dollars and the country's limited resources.

Let's have clean air—but let's not throw money away.

WASHINGTON, D.C.,
March 22, 1973.

HON. GEORGE DANIELSON,
House of Representatives,
Washington, D.C.

DEAR MR. DANIELSON: This is in response to your letter of February 21, 1973, to Mr. Ruckelshaus in which you requested our comments on a recent pamphlet published by the Chrysler Corporation regarding the control of automotive emissions.

To aid us in responding to the numerous letters we receive as a result of that and similar recent publications on this subject, we have prepared a Fact Sheet which summarizes the major arguments which have been raised against further control of automotive emissions and the Environmental Protection Agency's analysis of those arguments. I have enclosed a copy of that Fact Sheet which I believe you will find responsive to your request.

Sincerely yours,
ROBERT L. SANSOM,
Assistance Administrator for Air and Water Programs.

THE FEDERAL AUTOMOBILE EMISSION STANDARDS—THEIR PURPOSE, THEIR NEED, THEIR IMPACT

Recently the Federal automotive emissions standards have come under criticism from some quarters of the automotive and petroleum industries. This paper attempts to present relevant facts on the issues raised.

I. EMISSIONS OF AIR POLLUTANTS FROM AUTOMOBILES

In U.S. cities the automobile is a major contributor to the man-made emissions of carbon monoxide, hydrocarbons, and oxides of nitrogen. It is estimated that in cities motor vehicles will be responsible for the emission of 50% to 90% of these pollutants in 1973.

Industry Statement—Drastic reductions have been made in automotive emissions due to the Federal standards; a continuation of present control measures is sufficient.

EPA Position—It is true that, as a result of the promulgation of emission control standards, substantial progress has been made in reducing emissions from new vehicles. However, even greater control is required if we are to clean up the air in our major cities to a degree which protects against the known adverse effects of air pollution on our health and property.

National air quality standards for automotive pollutants were set to protect the public from the adverse health effects of these pollutants. However, in order to achieve these standards over 26 major metropolitan areas will require additional controls on motor vehicles above and beyond those imposed on new automobiles. These transportation controls (which may include restriction of parking, vehicle inspection, mandatory maintenance, gas rationing, and conversion of vehicles to gaseous fuels) will be designed to control automobile air pollution. All the help these cities can get through the achievement of the Federal new car emissions standards must be provided.

Industry Statement—Natural processes emit quantities of air pollution much larger than those emitted by the automobile. Natural processes also remove automotive pollutants from the air.

EPA Position—It is misleading to base an argument against the control of emissions on estimates of worldwide emissions of pollutants produced by vegetation and other natural sources.

Natural emissions occur in a widely diffuse fashion, and are disturbed over the entire world. Man, on the other hand, concentrates his activities on a very small portion of the earth's surface. With 75% of all Americans living on only 1.5% of our total land area, the emissions of automobile pollutants are similarly concentrated. This results in adverse levels of pollutants building up in all the major urban areas. Natural removal processes do exist for all the major air pollutants but these processes are quite slow, and come nowhere near to solving the problem of pollution accumulation in urban areas.

Industry Statement—Emissions from sources around the home (burning fireplace logs, fuel oil furnaces, and the mere existence of backyard vegetation) can be comparable to those resulting from using an auto meeting the 1976 Federal emission standards. Any one of these sources will use up a person's "emission quota" for that day.

EPA Position—The 90% reduction in automotive pollutants that was mandated by Congress in the Clean Air Act was designed specifically to remove the automobile from its role as the dominant source of air pollution in our urban areas. Comparing the emissions of a 1976 automobile to those of relatively less important sources of pollution simply points to the success of the Clean Air Act in achieving its goal.

In direct reference to the comparisons made between 1976 automobiles and burning logs, it should be pointed out that such a comparison can only have real significance if we assume that the fireplaces are used daily throughout the year, in every household that owns a vehicle, and that these households can be as concentrated in downtown areas during peak traffic periods as are automobiles.

Comparisons of natural HC emissions from a backyard and a 1976 automobile evoke the same comments as above. However, it should be pointed out that the research in this area must be considered to be preliminary and that the emissions data available can be used to support a wide range of estimates on HC emissions data per square foot of vegetation. One interpretation of these data is that the 1976 automobile will emit only as much hydrocarbons as a vegetated five acre plot. Clearly, in major urban areas, five acre plots of vegetated earth are far outnumbered by our automobiles.

Industry's Statement—California, with the oldest and most severe auto-related air pollution problems in the nation, does not support the Federal new car standards for 1975 and 1976 and, in fact, has established its own standards for 1975 which are much less stringent than those required by the Federal government.

EPA Position—The standards proposed by California for 1975 were formulated back in 1969 and were based on estimates by their engineers of available emission control technology. The California standards do not take into account the rapid advances in emission control technology since 1969 and were never meant to provide the reductions needed to meet air quality standards within the timeframe specified by the Clean Air Act. In fact, even meeting the 1975–76 Federal emission standards will not achieve the air quality stnadards in parts of California without a major curtailment of vehicle use. It is easy to agree with the industry that meeting the much less stringent proposed California standards would be easier and cheaper for the auto industry. The point, however, is that this would not meet the needs of the nation's cities for controlling automobile-caused air pollution.

II. HEALTH EFFECTS OF AUTOMOBILE POLLUTANTS

Automobile emissions of hydrocarbons and nitrogen oxides react in the atmosphere in the presence of sunlight to form toxic photochemical oxidants. These oxidants have detrimental effects on persons with respiratory illnesses, cause eye irritation and watering, and have destructive effects on rubber products and synthetic fabrics. Nitrogen dioxide, one of the nitrogen oxides, can as well cause adverse respiratory effects.

The carbon monoxide emitted by automobiles is absorbed through the lungs and thereby reduces the oxygen carrying capacity of the blood. The carbon monoxide in the blood takes the form of carboxyhemoglobin (COHb). At levels of COHb just over 2% our visual and time interval discrimination can be impaired. Increased COHb levels have also been shown to have adverse effects on heart patients.

The national air quality standards are designed to protect against these harmful effects.

Industry Statement—The carbon monoxide emissions from automobiles are much less toxic than stationary source related pollutants; in particular sulfur oxides. For this reason we should turn our interests more towards these other pollutants.

EPA Position—This is not a relevant argument. The goal of the Federal air pollution control program is to eliminate *all* air pollution problems; not eliminate some and leave others. The Clean Air Act requires control of sulfur oxides to whatever level is necessary, as well as control of carbon monoxide.

Industry Statement—Average carbon monoxide blood levels of people in major urban areas are below those levels related to effects on health.

EPA Position—Examination of "average" concentrations of carbon monoxide in the blood of urban dwellers is a dangerous approach to determining the hazard to the population. This type of data gives no indication of how many people have levels which exceed the acceptable health levels. It is known that some people receive a greater exposure to high pollutant levels than others and that some are more strongly affected by a given level of pollutant concentrations. The Clean Air Act mandates the EPA's standards protect the health of not only the "average" man but also those subgroups more exposed or more vulnerable than the average man.

Industry Statement—Carbon monoxide blood levels of smokers are higher than those for non-smokers.

EPA Position—The carbon monoxide blood levels in smokers have little relevance to the stringency of automotive emission standards. Smokers smoke by choice and know that it is harmful to their health. Non-smokers, on the other hand, have the right to be adequately protected against CO even if smokers elect to pursue their habit.

Industry Statement—"Average" street level concentrations of automotive emissions are low enough that they pose no threat to human health.

EPA Position—EPA's air quality standards are based on known adverse health effects. Air quality measurements show that these standards are being exceeded in many of our urban areas. The use of a concept such as "average" concentrations is misleading because it ignores the adverse effects on specific individuals of exposures to pollutants for specific times in specific places.

III. POLLUTION CONTROL AND FUEL CONSUMPTION

The automobile is a major source of air pollution in the United States. This is easier to understand when we realize that we Americans drive our cars nearly 1 trillion miles a year and in the process consume nearly 70 billion gallons of gasoline. This is the equivalent of 14% of all the energy resources consumed in the United States annually. The pollution abatement efforts of the automotive industry have increased the fuel consumption of our automobiles but not by as much as some would have us believe.

Industry Statement—The 1975–76 emissions standards have an adverse effect on automotive fuel economy and may increase fuel consumption by as much as 30%.

EPA Position—A recent study on automotive fuel consumption conducted by EPA shows that emissions controls do have an impact on fuel economy. This study estimates that the loss in fuel economy for 1973 model year vehicles over those with no emissions controls is in the range of 7% to 8%. Data available from a major domestic manufacturer indicates that the fuel economy of 1975 vehicles with their additional controls should remain unchanged from 1973. A fuel economy loss of this magnitude would increase the average drivers fuel bill by less than $25 a year. EPA estimates the increased fuel consumption for 1976 model cars to be in the range of 10% to 12%, again far below the 30% seen in many industry statements.

To put the fuel penalty of emissions controls into proper perspective, EPA has also quantified the fuel penalty associated with consumer choices such as automotive air conditioning, automatic transmissions and increased vehicle weight. That analysis shows an average fuel economy loss of 9% for air conditioners (installed on over 60% of new vehicles), and of 5% to 6% for automatic transmissions (installed on over 90% of new vehicles). Differences in vehicle weight can account for as much as a 50% loss in fuel economy.

Industry Statement—Catalyst equipped cars will suffer fuel economy penalties.

EPA Position—The use of a catalytic convertor as an integral part of emissions control systems does not of itself create a significant fuel economy loss. These convertors, which are attached to the exhaust system much like an acoustical muffler, by themselves create no more fuel economy loss than does today's standard exhaust muffler.

IV. COST OF EMISSIONS CONTROL

The cost of owning and driving an automobile includes the initial price, maintenance costs and operating costs. The Department of Transportation has estimated the total cost to be approximately 11.9 cents per mile or $11,900 over the 100,000 mile life of a vehicle. Emission controls will add to the cost of owning a vehicle. The increased operating cost due to a reduction in fuel economy was estimated above. The increased initial cost of a 1975 model year vehicle due to emissions controls should lie in the range of $150 to $300 which is only 2 to 3 percent of the total. The additional equipment needed for 1976 to control oxides of nitrogen could raise the upper limit of our cost estimate to approximately $350.

Industry Statement—Government studies say that 1975-76 standards could raise the price of a new car by $500.

EPA Position—Using acknowledged and informally obtained automotive industry data as a base, an Office of Science and Technology report published in 1972 did use a $500 initial cost figure. However, cost data later obtained by EPA from industry sources at formal public proceedings, and more recently obtained in preparation for new proceedings indicates that cost will be lowered substantially below this level.

Industry Statement—Emissions control systems will require the use of expensive and rare metals from outside the U.S.

EPA Position—Most American manufacturers intend to use precious metal catalysts as an integral part of the emissions control systems. Adequate supplies of the precious metals used in these systems can be imported at a cost of from $5 to $15 per car, depending on the configuration of the catalyst used. It should also be noted that several emissions control systems tested by EPA have met the 1975 standards without precious metal catalysts. Neither the Clean Air Act nor EPA prescribe that specific technologies be adopted. The Government sets the emission standards; industry chooses the technology.

Industry Statement—Precious metal catalysts require the use of lead-free fuels which cost more than the leaded grades.

EPA Position—Catalytic systems are effectively deactivated by the anti-knock compounds of leaded gasoline. The lead-free gasoline required for catalysts does cost more at the pump but a study conducted by EPA on the effects of lead additives shows that this cost will be offset by the increased life of spark plugs and mufflers resulting from the use of lead-free fuels.

Industry Statement—The costs of automotive pollution control exceed the benefits.

EPA Position—Reliable estimates of the benefits applicable to health and property have not been developed because of a lack of consistent data. This does not imply that there are no health and property benefits from reducing automotive pollutants. It simply means that these benefits have yet to be quantified, and translated into dollars. The benefits cited by some sources include only those which have been estimated for materials and vegetation. In ignoring the benefits to health and property any comparison of automotive pollution control costs and benefits is incomplete and misleading.

GEORGE FOREMAN—THE HEAVYWEIGHT CHAMPION, JOB CORPS GRADUATE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. PICKLE. Mr. Speaker, the most precious resource this Nation has is its human resources. Many government and private programs have been devised over the years to recoup as much of our human resources as possible.

One of the most successful has been the Job Corps, which takes the fellow at the bottom and time and time again starts him on the road toward a productive and useful life—off the welfare rolls, out of our criminal courts and jails forever.

One of the most dramatic success stories is told on himself by the current heavyweight champion of the world, Mr. George Foreman.

I would like at this time to reprint in the CONGRESSIONAL RECORD Mr. Foreman's recounting of his life as he told it in an article in the April issue of Nation's Business:

DON'T KNOCK THE AMERICAN SYSTEM TO ME

(By George Foreman)

In my business, boxing, I know a lot about giving hard knocks, and getting them, too. That's the kind of business it is. I accept it for being that. But knocking the American system, that I can't take.

If there is give and take in life, and I know for sure there is, and some of it rough stuff, a man has to find out early in his life how much of each he has capacity for.

I found out early, though, that you don't get much of anywhere by knocking success. The really smart guy tries to find out why it works, and how he can get in that kind of action, and then tries to make it work for him.

They call me a flag-waver, and it's true. Not just that time in Mexico City in the Arena Mexicana on the night of Oct. 27, 1968. That was when I had beaten the Soviet heavyweight, Ionnis Chepulis. The referee called it a TKO, and the Olympic gold medal was mine.

There were more than 2,000 black athletes in those Olympic Games in all sports. I was afraid—even with the USA on my jersey—they might not know I was an American. And I wanted everybody to know, and to know that at that moment I was one of the happiest Americans who ever lived. So, I took the American flag from the pocket of my robe, and waved it as I took a bow to each of the ring's four corners.

What never occurred to me then was that this little thing I did would be translated into an opposing view to the "black power" fever which was so much a part of that Olympics. It wasn't that at all. If that other way was how John Carlos and Tommy Smith felt—well, the America I came from is a free country, and they were entitled to do or say what they felt or thought. I was so proud, I was just doing what came naturally to me. It was my "thing," and thank God, it is still my "thing."

Casting about for places to put blame for the troubles a person has is an old human trait. "They" is an easier word to use than "I," when things don't go right. But in getting by an obstacle, or a trouble, or a problem, the key—and I know this because I've had them all, and still have some—is to take after it, all alone if that's the only way.

More times than not, battles have to be taken on alone. The messes a man gets into, they're the same. They didn't hunt him up; he went looking for them, whether he always knew it or not. He has to get into them himself, even if he has company at the time.

Nobody got me down in the street, for example, held my nose, and poured cheap wine down my throat when I was a kid. Not at all. I got the bottle, tipped it up, and drank it. Who would believe me if I said somebody forced me to drink that stuff? I don't force that easy. The memory of that wine is so clear to me yet that the smell of it now makes me sick to my stomach.

And when I was going about my first record-setting—which was how many windows I could break in a row without getting caught—I can't lay that idea on anybody else's doorstep. It was all my own, and I got all the way up to 200 before the Houston police thought it just might be me and looked me up to talk about it. It was quite a record, if one just wanted to look at the size of it, but it wasn't sensible or respectable to do it.

These were things that happened when I thought I had nothing going for me, but it was mostly my own attitude toward life that made it so. There was the high school there in the bloody Fifth Ward of Houston, and I dropped out of it in the ninth grade. It was my decision, not the school's. That and the other things caused my mother—bless her for all the suffering she endured for me—to have a nervous breakdown. That was my decision, being a bad guy and causing it, not hers. I had about lost faith in everything before I was even started, I guess, but she never lost faith in me.

SEEING THE LIGHT

Then, like Paul on the way to Damascus in the Bible story, my vision cleared up and the time came to make a right decision. I did it.

It was in an unlikely place, a Houston pool hall, and the TV set was on.

The man on the tube was doing one of those public service spots. It's a part of America that when a man gets famous, is a celebrity, they ask him to do these commercials about all kinds of things. Some are for causes, like fighting cancer, or helping retarded kids. This guy was recruiting, and he was saying he was once a down-and-outer himself.

Boy, was he on my wavelength, talking my language! I listened to him, half-like at first, and then he said he had this one skill, and finally got a chance to use it, and made it big. To anybody listening who needed a skill to get a job, he said, why not give the Job Corps a try?

So, I laid down that pool cue, and picked up hope. That's for me, I told myself, and they took me. There was some money in it, $30 a month, and $50 to go in the bank, and they'd send some home to my mother. Did she ever need it then!

It wasn't until then that it began to come to me what America was really all about, how there were things being done to really try to help people such as me find some way out. I was first in a Job Corps Center in Oregon, and then went to a big one, the Parks Job Corps Center, near Pleasanton in California.

It had a big company running it, Litton Industries. How come? Well, they were used to bringing people in through their employment offices and then teaching them whatever skill was needed for them to make or manufacture something. People just don't come off the street ready-made to do such work, they have to be taught. At Parks, they had courses in business machine repair, in electronics, auto mechanics, building maintenance and custodial services and how to cook. They put me in electronics, and had me putting transistor radios together.

But I was a rambunctious teenager, full of vinegar, and thought I was a pretty tough guy. Liked to fight, anywhere, anybody, the whole thing. But that wasn't the kind of place it was; it wasn't any western copy of my old Fifth Ward slum back in Houston. R. Sargent Shriver, the head of this war on poverty agency—Office of Economic Opportunity—he was telling the centers to throw the troublemakers out. I was headed out, no question about that, and to be honest about it, I didn't care all that much.

Litton Industries had put a man in there as the center director, Dr. Stephen Uslan, a fine man. When he was getting all this advice from his staff to send me packing, he said No. He said I was the kind of material the center had been set up to deal with. It wouldn't solve anything, he told them, just throwing George Foreman out. I had been thrown out of a lot of things by then, and it hadn't impressed or improved me much, was the way he put it. And then, he said the words which really turned George Foreman around.

"If he likes to fight so much," he told those staff guys, "put him in the ring down in the rec hall, and let him get it out of his system that way."

In business, you see, they can't really stand it when something won't work. They try one way, and then another, and they keep trying until they find the combination. Litton was especially good about things never tried before, and they had the guts to give it another try, and they took another swing at the George Foreman problem.

And then I found out what a long way it is from just an idea to a real, accomplished dream. I hit a lot of people, and I was awkward. I found out if I could connect, I could jolt them. I knew that, but also that I needed a lot of honing. I must have been the dullest knife in town.

But there are professionals in everything who know how to mold people, and Litton had one of them in that rec hall. His name was, and is Charles R. "Doc" Broadus. They hadn't just hired a man and sent him down there to work in the rec hall when they got Doc. He had been in this boxing thing for 35 years or more. If I would listen to him and follow his instructions, he said, he'd get me into Golden Gloves, and maybe on the Olympic team, and then I could turn pro. He said that he thought I could be champion one day, but that I would have to make up my mind to work for it.

Now down there in Houston in the slum I came from, there wasn't too much talk about working for anything. People got money a lot of the time from being what was called smart—or from taking advantage of somebody. People walked on both sides of the line, as far as the law was concerned. But Doc said I could get it all, everything that went with it, if I was willing to work for it.

A BIG FOUR-LETTER WORD

Work is such a big four-letter word. I'd know a lot of the other four-letter words and they couldn't help anybody. This one meant sweat. It meant getting banged around. It meant being more tired than I had ever been in my life. And sore in more places, too. But when I went into Golden Gloves, I found it paid off, and I won. Then there were the Olympic trails in Toledo, Ohio, and by a hair, I made the Olympic team. Litton sent Doc Broadus and one of its executives, a one-time Air Force colonel, Barney Oldfield, down to Mexico City with me.

What I didn't know then was that as early as June, 1968 (the Olympics were in October), Barney had written to several friends of his, sportswriters, people like that, telling them to interview me in Mexico City because, he said: "George Foreman will win the gold medal, and go on to be heavyweight champion of the world."

It meant a lot to me, finding out such things, and that work was getting me closer and closer to where I wanted to be in life, and that other people were believing in me, other than my mother. And because I like kids, I found the ones who lived in slums as I had, and others, too, were beginning to hang around me. They wanted to talk to me and they were paying attention to what I said. The more I won, the more they tuned me in. What a difference it makes when you first have that feeling that people are looking up to you, and not down on you!

That night, after winning in Mexico City, I couldn't bear to take the gold medal from around my neck. It was my badge, my reminder. The ones around me now had been telling me the truth: Work and get with it, and you can have it all.

I had put a phone call in to my mother in Houston. She was always worrying about me getting hurt. Not the other guy, just me, her little boy, all 220 pounds of him. But I felt a desperate need to talk to her, to tell her that finally all those young boy kitchen conversations and dreams we used to have were starting to come true.

While I was talking with her, Barney waited, and when I came back to the table, he said that if it was all right with me, he was going to call the White House in Washington. He was going to remind them that this George Foreman who won in Mexico City was a Job Corpsman.

It was a program President Lyndon B. Johnson had brought about himself, and now he would surely want to see me and tell me himself how proud he was. Imagine! "Man, you're too much," I told Barney.

On Nov. 18, 1968—just three weeks later—Charles B. "Tex" Thornton, Litton's board chairman; Eugene Allen, of the Parks Job Corps Center; Barney and myself, we were walking up to the White House on our way to visit the President of the United States!

A GIFT TO THE PRESIDENT

I was carrying a little plaque I wanted to give him. I didn't know whether it was the right thing to be doing or not, but almost every time I saw pictures of him, he was giving something to somebody. I felt I owed him something. I was about to learn that whatever your heart tells you to do is always right, never wrong.

When I gave it to President Johnson, he looked so tired. The whole country kind of had him on the ropes then. To bring it back together, he'd made the big decision not to be their punching bag any more. I told him the plaque was to thank him for making the Job Corps possible—giving young Americans such as me a chance for hope, and dignity and self-respect. I saw a tear start down his cheek from his left eye. But he was sharp, too. Recovering himself, and waving the plaque at the press who were there in his Oval Office with us, he told them he was going to keep it there where they could see it everytime they came in, to let 'em know there was one person in the world who thought he had done something right!

I learned a lot about America that day: That when you're right, and do right in a big way, even the President of the United States will have you in to tell about it, and encourage you to keep on, now that you've found out what it's like. And I was standing there with him, and he had once been poor, too, and was a not-too-well-educated Texas boy who had refused many times along the way to be licked. He was going out of that White House, a man who had championed the cause of a lot of people, including me, and however bad he may have felt, I knew he could live with himself for all he had done.

Tex Thornton said he was proud of me, the way it had gone there in the White House, and he said he would always be available to me for any advice I might need, that I had only to ask. He even said he and some of his friends would put together a kind of syndicate, or association, which would back me and keep me from having to take any offers which might not be good for me in the long run. When I told him I wanted to try it alone, he respected that, and understood it, and accepted it.

Somewhere, I kept telling myself, I have to begin making my own decisions, and it might as well be now. The professional thing was on my mind, and I talked with Dick Sadler about being my manager-trainer. He had had a long string of champions, the last being Sonny Liston. I had a strong feeling, an admiration, for Sonny. He had had so far to come back when he started, from the hole he was in, and he did it. He came to a sad end, but in what he did, he showed all things were possible.

[Sonny Liston, who had many scrapes with the law during his life, was found dead in his Las Vegas, Nev., home in January, 1971. He had been dead for about a week. Drugs were at the scene, but the death was attributed officially to natural causes.]

Work! That word again. Dick Sadler told me about how much of it I had to take on now. He said the road ahead was bumpy, and had turns in it, lots of them. There were some places we fought in where we almost had to borrow money, or hock something, to get out of town. We had trouble getting opponents. Boxing writers were saying I fought Joe Namelesses and Bill Whozitses, and that I had to get more experience, when I couldn't get most of the ones I fought to stand up long enough to give me any. All this was what Dick Sadler had meant by work, that it could include frustration and hopelessness and fighting off giving in to them. There was wood to split. And at 6:30 in the morning, running those three-mile exercises when other people were still all asleep. Then the gym, the bag—the little one and the big one—over and over.

A FINANCIAL CRISIS

I was hurting for money. I wanted to get married to Adrienne, a pretty girl I knew. A guy can't be smart enough to dodge everything. I signed some papers with some people, and I got married early in 1972 and we were very happy. Then the big chance came, and I signed for the fight with Joe Frazier for the championship in Jamaica. Right then, everything went sour in my mouth. I found that in the fight business, it's not just yourself, the guy you're fighting, and the referee in there with you—in spite of everything you try to do, you pick up partners, people who share in you, who know how to play you and your desires, and they have more to say about you than they should. When you have been living from day to day all your life, the implications of what you sign *today* don't look as big as they will tomorrow.

I got caught up in one of these things, not the first fighter to have it happen to him or probably the last. But it upset me so, the only thing I could think of was quitting the ring. I meant it. The lawyers all gathered around me and begged me to go ahead; suits were filed, and finally, in a kind of desperation, they asked me if I had a friend somewhere that I trusted. They wanted to explain it all to him, they said, and then he could advise me. I remembered Litton Industries, and told them to call Barney Oldfield. It was 3 o'clock in the morning in California when he got the call from New York, and after bringing him up out of a deep sleep, they talked with him for a half hour or more.

The next day, he called me.

I told him I didn't want to fight Joe Frazier, even if I knew I could beat him. So many people had gotten their hands into my money, I didn't want to be another sad story in boxing for people to write about. I said I might as well forget the whole thing.

But Barney told me: "George, the only thing I figure you can do is go knock Joe Frazier out, and then come back and show people you can take all this. If you don't go ahead with the fight, they'll all be writing you're scared or something." He said it was a legal contract, and the important thing was to win the title and then argue.

Suddenly, it all cleared up for me. I was really fighting everybody but Joe Frazier, and he was the one to beat. "They" didn't mean anything. It was just the same old "they" to blame things on again, and I was beyond that. I had to be. What I was in was a business, and I had to treat it like a business, where contracts were contracts, and if I didn't have integrity about a contract, however bad it might be, what would I have left?

It was off to Jamaica, even though my wife, Adrienne, was pregnant, and the baby was due. On Jan. 6, there in Kingston, I heard that my baby girl, Michi Helene, had been born in far off Minneapolis. On Jan. 10, I became 24 years old. On Jan. 22, after a minute and a half of the second round and when he had been knocked down six times by me, Joe Frazier—the favorite of almost every boxing writer and odds-maker in the world—had lost his heavyweight crown, and it was mine! Bad as I had felt about not being able to be with my wife when our baby came, it was one of the things life asks of you in keeping things in focus, and I could now get home to them—a champion.

GIVING THANKS

In the delirium of the ring, I guess I thought of everyone—the ones who believed in me and had done things for me.

Among them way Johnny Unitas, the famous pro football quarterback, the one who had done the public service TV spot about the Job Corps which sent me off in this new direction.

I didn't know until after the fight that President Johnson had died while I was on the way to the stadium. They kept it from me. It gave me a chill to think back to that day in 1968 when, there in the White House, he had asked me when I thought I'd be heavyweight champion, and I said I didn't know. It made me sad to think he couldn't have lived one more day and read about what had happened in Jamaica that night. Without his Job Corps, I wouldn't have been there.

So, don't talk down the American system to me. I know what men go through to make it run. I also know that some of its rewards can be there for anybody, if he will make up his mind, bend his back, lean hard into his chores and refuse to allow anything to defeat him.

The first thing I did in my dressing room that night after the fight in Jamaica was close the door, with Doc Broadus and Barney Oldfield in there with me. I went down to the foot of the old training table, got down on my knees, and thanked my God—for everything, for everybody, and for the determination He gave me to see it through. Perhaps there are several who deserve as much as I do to be champion, and perhaps they, too, will have their chance, but none can feel any more fortunate than I do to hold the title while I can.

I can truly say I worked for it. I say, worship the opportunity this country grants to those who will really try, don't knock it.

I'll wave that flag every public place I can.

Reprints of "Don't Knock the American System to Me!" may be obtained from Nation's Business, 1615 H St. N.W., Washington, D.C. 20006. Price: One to 49 copies, 35 cents each; 50 to 99, 30 cents each; 100 to 999, 17 cents each; 1,000 or more, 14 cents each. Please enclose remittance with order.

THE PRICE OF LAW AND ORDER

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. MATHIS of Georgia. Mr. Speaker, I recently had the privilege of serving as the host Congressman for an annual Federal seminar for the Georgia Jaycees in Washington. The jaycees had the opportunity to hear an impressive address by FBI Inspector David Bowers during a Good Citizens Award banquet. He very effectively pointed out that crime is costly business. Inspector Bowers gave a good account of himself and of the Bureau.

I want to share his address with my colleagues and with all citizens who should know what price we must pay for law and order.

The address follows:

THE PRICE OF LAW AND ORDER

Although the last couple of years have shown a very encouraging trend toward decrease, I doubt there is anyone here not aware of the fact that crime is one of this Nation's more serious problems. There are about 6 million serious crimes committed annually in this country.

Crime is a big, costly business.

Thousands of individuals make their living from crime, not all of whom are criminals. There are the policemen, judges, the prosecutors, prison guards, parole officers and related personnel. The income of some of these people is marginal, and one marvels at their dedication.

On the other side of the law are the robbers, the burglars, the petty thieves, the leaders of organized crime and the many other full and part-time criminals. Some of these are wealthy men. Others exist on very meager incomes, and one can only wonder at their perseverance.

The annual cost of crime has been estimated at some $51 billion. That's about 5 percent of the gross National product. A major industry has grown up in this country to provide protection against the criminal. Private security organizations flourish and compete with law enforcement for qualified personnel. These organizations benefit from strong finances and minimum regulations.

Law enforcement, to the contrary, has rarely enjoyed a strong financial base although recent Federal programs have helped greatly, and restrictions on law enforcement have been drawn ever tighter in recent years by court decisions.

From 1966 through 1971, serious crime went up 83 percent. Population rose during that time only 5.3 percent. This means crime has been growing at a rate of 16 to 1 over our population growth, and this in an era when people have expressed concern about a *population* explosion.

Obviously, we have not been getting the protection from the criminal we need. Our criminal justice system has not been functioning as well as it might. The current trend toward a decline in crime certainly is encouraging. It indicates we are getting a grip on the crime problem, a grip we must not relax.

We can stop the onslaught of crime; we can make our streets and homes reasonably safe from the criminal. But it will cost money! The question is, do we have the determination to attack the problem directly, to spend the money necessary to get the job done?

There are many law enforcement agencies in this Nation without the manpower needed to carry out their responsibilities. Why is this? A big reason is lack of funds. Historically, law enforcement budgets have been among the first cut when the pinch of economy comes. Until recently, law enforcement has had only a few champions among legislators, and it doesn't have enough now. Consequently, law enforcement salaries are near the bottom of the ladder for public employees. Salaries for full-time state and local law enforcement personnel range from about $9,000 to $10,500 in large cities. They are much less in rural areas, where crime is showing its greatest increase.

How much police protection do you think you have at any given time? In 1971 when we had close to 6 million serious crimes, we had an average of 2.4 police employees per 1,000 inhabitants. While serious crime was going up 83 percent between 1966 and 1971 the average police employees per 1,000 inhabitants increased only 26 percent. And this was in the period when law enforcement was called upon to deal with major problems not directly related to crime—riots, demonstrations, protest marches and the like.

When you discount clerks and other nonsworn personnel there is only about 2.1 officers per 1,000 population. And, when you take into consideration that police strength has to be divided into three shifts per day, that officers are given days off and vacations, they get sick, they have to appear in court and perform other chores which take them away from their regular duties, you will find there is only about one policeman for every 1500 inhabitants on a national average. That's pretty thin protection.

We really do not know how many criminals there are abroad in the United States today. The 6 million serious crimes recorded last year is a measure of the number of victims of crime, not the number of criminals.

Actually, the criminal population of our country is reasonably small. But many of this group are repeaters—in other words, the same few people are responsible for a large measure of our crime problem. FBI research into criminal careers reveals the average career spans five years from first to last arrest and averages 4 charges. Think about those figures for a moment for they indicate some very significant facts.

First and foremost, they shout loud and clear that our efforts to rehabilitate criminals are failing. Listen to these facts compiled by the FBI from studies of criminal histories of persons released from Federal custody in 1965:

Within four years 63 percent of all those persons released were rearrested.

56 percent of those released on probation were rearrested.

61 percent of those released on parole had been rearrested.

75 percent of those freed on earned "good time" were again arrested within four years.

A staggering 85 percent of those acquitted or against whom charges were dismissed were again arrested within four years.

68 percent of those charged with assault and released in 1965 were arrested on other charges in the next four years.

62 percent of those charged with larceny, 57 percent of those arrested for robbery, 76 percent of those charged with burglary, and 80 percent of those charged with automobile theft and released in 1965 were rearrested within four years.

These statistics measure the failure of our Federal rehabilitation system. But there certainly is no reason to believe any of our state systems are doing any better. Many people think of the process of rehabilitating a criminal as starting with his release on parole or probation. Actually, these are forms of leniency which should come into play only after the criminal has demonstrated a definite move toward a law-abiding life. Perhaps one of the greatest causes of the failure of our rehabilitation process is the overemphasis on sympathy for the willful criminal. Time and time again these people have repaid kindness with further treachery and more vicious crimes. There must be a line drawn where pity and leniency for willful criminals stop and meaningful and just punishment begins. But there forever seem to be some who advocate "just one more chance" for the violent wrongdoers among us.

There are three basic deterrents to crime—certain detection, swift prosecution and substantial punishment for willful lawbreakers. Do we have these deterrents working for us today?

On the average, only 20 of every 100 serious crimes are cleared and probably no more than 3 adults will ever serve time in prison for every 100 serious crimes against persons and property. And chances are this will not occur for months after the crime was committed due to delays in trial, numerous and lengthy appeals and the use of various legal technicalities. Often so much time passes between the commission of the crime and the trial the victim is forgotten.

Is this a record which is going to deter crime?

Is this a record which is going to persuade a person already involved in criminal activities to change his ways?

Of course not!

We must beef up our law enforcement agencies to increase the clearance rate of crimes.

We must enhance our prosecutive forces to improve the conviction rate.

We must add judges where needed so that justice can be swift.

But more judges will be meaningless unless they are men of determination. We would be better off without judges who are weak, who abdicate their authority and responsibility, who bow to pressure and give in to maudlin pleas for one more chance. And we would be better off without judges who continually grant trial delays on any request. I know one individual who has been to court four separate days to appear as a voluntary witness and each time had the trial rescheduled on some request by the defense. He has missed four days on his job, a job which does not provide for any compensation when he is out. How can we blame people for refusing to do their civic duty when such things are allowed to continue?

The responsibilities of a criminal court judge are indeed awesome. But if a man does not have the stomach to mete out proper punishment; if he cannot in good conscience sentence a man to prison for a long term when the facts so warrant, then he should not accept a judgeship.

Unfortunately, there are some judges and others within the criminal justice system who have lost sight of their primary responsibilities. They have confused their duties with those of social workers, and all society suffers from this misconception.

Dr. Ernest van den Haag, sociologist, psychoanalyst, author and educator, in a recent article entitled "In Defense of Punishment," declared:

"Amid all the concern about the steady rise in crime rates over the past ten years, one possible cause is generally overlooked—the widespread loss of faith in punishment as a deterrent of crime."

Dr. van den Haag points out it is fashionable for the so-called intellectuals and "compassionate people" to disparage punishment as a deterrent and to ridicule those who defend it as sadistic and vindictive. He declares punishment is attacked on the grounds it does not get at the "real" causes of crime. He points out some people contend that only the elimination of the so-called causes of crime—poverty, slums, poor education, lack of job opportunities—will have a significant and lasting effect. But, he declares, the familiarity of this contention does not make it true.

Dr. van den Haag concludes:

"Our one-sided emphasis on these conditions and our undue neglect of costs (punishment) to offenders contribute to an unnecessarily high crime rate."

Poverty, poor housing, lack of educational and job opportunities should be corrected regardless whether they have any impact on the crime problem. These are social ills and their correction should not be dependent on or confused with any drive against crime. If programs to correct these ills had to stand purely on their worth in crime prevention, it is doubtful they could be justified. Such programs in the fight against crime would be a broad-brush attack—an attack where the individual target is not apparent. We simply do not know how many living in poverty, lacking good housing, a good education or a job are potential criminals.

But we do know that some 63 percent of those persons who are released from custody today are potential future criminals!

We know who these people are. We have them in hand. This is one area where our individual targets are known and where we can be certain we are directing our efforts toward something which will pay definite dividends in the fight against crime.

About 100,000 persons were arrested last year for auto theft. Based on the FBI study of criminal careers, 80 percent of those persons can be expected to be arrested again within four years after their release. If we can reduce that figure through successful rehabilitation by only 10 percent, we realize a good decrease in future arrests. Spread that 10 percent reduction across the board to cover all serious crimes and we have a substantial decrease in crime.

This can be done IF we are willing to pay the price for law and order.

Fighting crime is expensive. Thankfully, more money is being put into the battle at all levels of government. But there is not enough. Many of our law enforcement agencies, our prosecutive offices, our courts, our prisons are understaffed. We need more men in all phases of the criminal justice system. We need more facilities, especially facilities to deal with convicted criminals in a manner which will enhance the possibilities of rehabilitation.

But the price of law and order is not one which can be stated solely in monetary terms. It must be considered also in individual responsibility—personal involvement.

There must be a reawakening of citizen interest in law and order.

There must be a determination among the people of every community to insure that law and order is maintained—that laws are obeyed or the guilty are punished.

There must be a willingness to get involved in the fight—a willingness to come to the aid of law enforcement with information, verbal support, even physical support if the circumstances dictate.

There must be a rethinking of the trend to feel pity for a willful criminal. The continuing cries of anguish over the deliberate criminal must be matched and drowned out by Americans who put concern for the victim and the welfare of their country at least on an equal footing.

There must be a return to the basic deterrents to crime—certain detection, swift prosecution and substantial punishment for willful criminals. Just punishment may well prove more beneficial for a young lawbreaker than the one more chance he keeps seeking.

We have a challenge. The choice, as I see it, is quite simple. The sacrifices we need to make to overcome crime are not great. The rewards for these sacrifices are. So are the consequences we will suffer if we fail to meet the challenge.

BLACKS AND THE NIXON ADMINISTRATION: THE NEXT 4 YEARS

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. DIGGS. Mr. Speaker, the distinguished executive director of the National Urban League, Mr. Vernon E. Jordan, Jr., recently delivered a speech to the National Press Club in Washington entitled "Blacks and the Nixon Administration: The Next 4 Years." This address deals with many of the issues before the Congress and the Nation in this critical time when our national priorities in economic and social areas are threatened. I believe Mr. Jordan's remarks are timely and should be made known to my colleagues. I would therefore like to submit those remarks for inclusion in the CONGRESSIONAL RECORD at this time:

BLACKS AND THE NIXON ADMINISTRATION: THE NEXT 4 YEARS

In his Budget Message to the Congress, the President once again called for "a new American Revolution to return power to the people." But the Message itself, and the provisions of a federal budget that hacks away at social spending with ruthless intensity, can only be seen as the first shots of a counter-revolution designed to destroy the social reforms of the 1960s.

Indeed, the proposed budget is the blueprint for the conversion of a national policy of "benign neglect" into a policy of active hostility to the hopes, dreams and aspirations of black Americans.

I do not believe this policy is intentional, nor do I believe that it is the product of conscious, anti-black, anti-poor reasoning. Rather it is the by-product of a view of society and of the proper role of government that is incompatible with the implementation of the precious rights won by minorities in recent years. The yawning gap between the philosophy of decentralized government marked by a passive domestic role for the federal Administration, and the effects of such a system on poor people and minorities vividly illustrates how honorable intentions can have disastrous results.

I am reminded of the famous lines by T. S. Eliot: "Between the idea and the reality/Between the motion and the act/Falls the shadow." Today that shadow falls on black Americans, minorities, and on the overwhelming numbers of poor people who are white. It is they who are being asked to carry the burdens imposed by the impending massive federal withdrawal from moral and programmatic leadership in the domestic arena. The shadow that falls upon them is deep and its darkness spreads a blight across our land.

The Administration's domestic policy, as revealed in its budget proposals and in a flurry of public statements, encompasses on the one hand, sharp cuts in spending on social services, and on the other, a massive shift in resources and responsibility from Washington to local governments. These are the two prongs of a pincer movement that entraps millions of Americans.

A brief examination of just a few of the federal actions both proposed and already taken, are enough to indicate that urban America is well on the way to becoming a free fire zone doomed to destruction by the very forces it looks to for salvation.

In employment, the Emergency Employment Act will be phased out, ending public service jobs for about 150,000 state and city employees, some forty percent of whom had been classified as disadvantaged. Job-creation and training programs already crippled by the refusal to spend appropriated funds, will be cut sharply. A wide variety of federally-backed summer and youth employment programs will be dropped, and special programs for high unemployment areas will be eliminated.

In housing, a freeze has been imposed on federally-subsidized housing affecting hundreds of thousands of low-income families and robbing construction workers of jobs.

In education, federal programs to provide compensatory educational services to disadvantaged children, and important vocational education programs will be dismantled, while day care, student loans, special school milk programs and aid to libraries will be eliminated or reduced to a small fraction of their former size.

In health, 23 million aged and handicapped people will have an extra billion dollars torn from them in higher Medicare charges and lessened coverage, while funds for the successful community mental health centers and for new hospitals will be eliminated.

In addition to this listing of horror stories, there are further atrocities—the dismantling of the Office of Economic Opportunity and abolition of its over 900 community action programs; the end of the Model Cities program, and the effective end of urban renewal and a host of other federal programs of community development.

A number of arguments have been advanced to justify the far-reaching changes the new American counter-revolution seeks to establish. Taken together, they recall Horace Walpole's comment about the world: that it "is a comedy to those that think, a tragedy to those that feel."

It is said, for example, that the budget cuts are necessary to avoid new taxes and to control inflation. This neatly avoids mention of the imposition of a sharply increased social security payroll tax that falls disproportionately on the same low-income families that will be hurt most by social service cutbacks. I accept the need for a ceiling on federal expenditures, but I cannot accept the faulty priorities that raise military expenditures by just under five billion dollars while slicing funds for the poor and for the cities. The cost of one Trident Submarine would pay for the public service employment program. The requested increase in funds for the F-15 fighter is about equal to the amounts cut from manpower training funds. Federal disinvestment in human resources reflects an irrational choice of priorities.

Another reason for the cuts is the overly-optimistic view that many of the federal programs are no longer needed. The President himself seemed to be making this point in his Human Resources Message when he said: "By almost any measure life is better for Americans in 1973 than ever before in our history, and better than in any other society of the world in this or any earlier age." And the theme was repeated in the Message dealing with cities, which declared that "the hour of crisis has passed."

I cannot agree. I believe, instead, that the hour of crisis is upon us, and is intensified by the federal withdrawal from urban problems. I would hate to have to explain to a poor black family in Bedford-Stuyvesant that's chained to an over-crowded slum apartment because of the housing subsidy freeze that this is really the best of all possible worlds. I would hate to have to explain to a poor black farm worker in Mississippi that the record gross national product means he's living in a golden era. And I would hate to have to explain to an unemployed Vietnam veteran who can no longer enter a federal manpower training program that he is being adequately repaid for his sacrifices.

Life in 1973 may be better for some people, but it is not better for black Americans. We are afflicted with unemployment rates more than double those for white workers. Black teenage unemployment is near 40 percent. Unemployment and under-employment in the ghettos of America is from one-third to one-half of the work force. The total number of poor people in this country has risen sharply in the past several years. No. This is no Eden in which we live and we cannot complacently agree that there is no longer a need for federal social service programs.

Another justification for ending some programs is arrived at by a method of reasoning I confess I am unable to comprehend. Such programs, it is said, have proved their worth and therefore the government should no longer operate them. Since they are so good, someone else should do them. I can only suppose that the next step will be to tell the Joint Chiefs of Staff that the armed forces have done such a good job that the federal government will stop funding them.

Another argument—a serious one of some substance—is that some programs have not worked and therefore should be abandoned. Such programs fall into two categories—those that appear to neutral observers to have accomplished their goals, and those that clearly have not been as effective as they should have been.

It is inaccurate and unfair to suggest that the community action programs or the Model Cities programs, to take two important examples, have failed. There is every indication that they have brought a new sense of spirit and accomplishment to many hundreds of cities. By fully involving poor people in the decision-making process they have contributed significantly to urban stability and to individual accomplishment. Federal evaluation studies endorse this view. Local political leadership has also insisted that the programs are successful. For years, the agony of the Vietnam War was justified on the grounds that we had made a moral commitment to the people there. Can we now abandon the moral commitment to our own cities and to our own people?

Some federal programs have been clear disappointments. Some of the housing subsidy programs, for example, were sabotaged not by poor people seeking a decent home, but by some speculators in league with some federal employees. Thus, although thousands of families have been sheltered by these programs; although scandal-free housing has been produced by effective non-profit organizations and although the need for low- and moderate-income housing is pressing, federal housing subsidies have been frozen and appear on their way to an early death. The victims of federal housing failures are being punished doubly—once by ineffective program control, and again by the moratorium on all housing subsidies. Ending all housing programs because some have shown signs of failure makes about as much sense as eliminating the Navy because some new ships have had cost over-runs.

The final justification of the Administration's policies, and the core of the new American counter-revolution, is that federal funds will be transferred to local governments in the form of bloc grants in four major areas—community development, education, manpower and law enforcement. It is proposed that the federal government end its categorical grant programs administered, financed and monitored by federal agencies and that local governments should now decide whether to spend federal monies on job-training or on roads, on compensatory education in the ghetto or on a new high school in the suburbs. This has been called "returning power to the people."

To black Americans, who historically had no choice but to look to the federal government to correct the abuses of state and local governments, that is very much like hiring the wolf to guard the sheep. It is axiomatic in American political life, with some exceptions, that the lower the level of government, the lower the level of competence and the higher the margin for discrimination against the poor and the powerless.

The power that has accrued to the central government is due to the failure of localities to be responsive to the needs of all but a handful of their constituents. Black Americans have looked to the federal government to end slavery, to end peonage, to restore our constitutional rights and to secure economic progress in the face of discrimination. Yes, we looked to Washington because we could not look to Jackson, to Baton Rouge or to Montgomery. White people looked to Washington too, for the federal programs that helped many of them survive the Depression, helped them move to suburbia and helped them to prosper economically. Now that Washington has finally embarked on programs that hold out some hope for minorities, we are told instead to look to local governments notorious for their historic insensitivity to the needs and aspirations of blacks and the poor.

Before falling prey to the siren song of local infallibility, the Administration should examine the use local governments are making of general revenue sharing grants already distributed. News reports from across the country repeat the same dismal story—federal money used to build new city halls, to raise police salaries, and to cut local taxes. All this is taking place at a time when school systems are falling apart, housing is being abandoned, and health needs are unmet. The record does not inspire confidence that lost federal social service programs will be replaced with effective local ones.

General revenue sharing is a fact. It is a reality. Thirty billion dollars is in the pipeline for state and local governments. Rather than throw still more money at local governments at the expense of federal programs with proven track records, the Administration should be developing performance standards and effective compliance mechanisms that assure these local programs will work. Folding—or rather, crumbling—federal social service programs into no-string-attached special revenue sharing packages seems to me to be a prescription for disaster.

Black Americans have been assured that anti-discrimination regulations will prevent local abuses. While the Treasury Department's guidelines have been revised and strengthened, we still cannot take heart from assurances. They come just a few weeks after the Civil Rights Commission reported the persistence of "inertia of agencies in the field of civil rights," and after the government was subjected to a federal court order to enforce the laws against school segregation. It is hard to imagine that the politically-charged decision to withhold funds from states or cities that discriminate will be made. And without federal standards assuring that funds will be used in behalf of poor people in need of job-training, public housing and special school and health programs, the money will once again find its way into the pockets of entrenched local interests.

The proposed special revenue sharing approach breaks faith not only with poor people, but with local governments as well. What Washington gives with one hand it takes with the other. Mayors who once hungered for no-strings-attached bloc grants are now panicked by the realization that the funds they receive will be inadequate to meet the needs of their communities and will be less than their cities get in the current categorical-aid programs. In addition, there is the probability that future special revenue sharing funds will continue to shrink. Rather than shifting power to the people, the new American counter-revolution creates a vacuum in responsible power.

We must not forget, as so many have, that federal programs today do embody local initiatives and local decision-making. The myths of the Washington bureaucrat making decisions for people 3,000 miles away is false. The money often comes from the federal Treasury. The broad program goals and definitions of national needs come, as they should, from the Congress. But the specific program proposals, their implementation, and their support come from local governments, citizens and agencies. Those federal dollars that are now deemed tainted actually enable local citizens to meet local problems under the umbrella of national financial and moral leadership. To shift the center of gravity away from national leadership is to compound the drift and inertia that appear to categorize our society today.

It is in this context that the blast of white silence is so puzzling. Far more white people than blacks will be hurt by the budget cuts. Yet the responsibility for calling attention to their impact falls increasingly on black leadership. There are three times as many poor white families as there are poor black families. The majority of people on welfare are white. Of the black poor, more than half don't get one devalued dollar from welfare. Two-thirds of the families who got homes through the now-frozen 235 subsidy program were white. The majority of trainees in manpower programs, and three-fourths of the people who will lose their jobs under the public employment program are white.

But because black Americans have been the most vocal segment of the population in urging social reforms, there is the mistaken impression that only blacks benefit from them. The Battle of the Budget is a larger-scale replay of the fight for welfare reform waged—and lost—last year. Then, as now, black leadership was out front in favor of a living guaranteed income for all. But we had few white supporters, although many more white people than black would have benefited. It is reasonable to ask, had we won that struggle would all of those poor white people have returned their income supplement checks? And it is fair to ask today that white people join us in the struggle to preserve the social services of the federal government that enable them, too, to survive.

The silent white majority that has been the prime beneficiary of the programs of the 1960s and is today the group most in need of further federal services will have to speak up. They are not stigmatized, as are blacks, by charges of special pleading by special Americans looking for special treatment. And their representatives in the Congress will have to act, too. They cannot complacently watch their constituents' welfare being trampled on, nor can they accept the shrinkage of their rightful constitutional role in our system of government.

Already, there have been signs that some Congressmen whose votes helped to pass progressive legislation a few short years ago are now of a mind to compromise with Administration power, to compromise the jobs and livelihood and needs of their constituents, to compromise the power of the Congress to control the purse and to influence domestic policies, and finally, to compromise their own principles. If this is so, it will be tragic for the Constitution, tragic for the country, tragic for the poor people, and tragic for the heritage of liberalism.

The gut issues of today—better schools, jobs and housing for all, personal safety and decent health care—are issues that transcend race. So long as they are falsely perceived as "black issues," nothing constructive will be done to deal with them. White America must come to see that *its* cities, *its* needs and *its* economic and physical health are at stake. The needs of blacks and whites are too strongly intwined to separate. As Whitney Young used to say, "We may have come here on different ships, but we're in the same boat now."

So White Americans must join with black people to rekindle the American Dream, and to sing, in the words of Langston Hughes:

> "O, let America be America again—
> The land that never has been yet—
> and yet must be."

PRESS NEW YORK STATE ACTION AGAINST APARTHEID: A LEAD THAT CONGRESS SHOULD FOLLOW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RANGEL. Mr. Speaker, the commitment of the South African regime to a brutal policy of apartheid has been deplored around the world. The inhumanity of apartheid and the repression of South Africa's majority is a stain on the world's conscience.

Yet our own Government directly and indirectly subsidies South African racism. We operate a NASA-tracking station in South Africa where American dollars are used to perpetuate segregation and inequality. We allow American businesses to trade with South Africa and to practice discrimination overseas which would be illegal in the United States. It seems like the American policy is to put dollars ahead of people.

New York State Assemblyman Franz S. Leichter is introducing legislation in the State legislature to compel firms which contract with the State or in which New York State deposits its money or invests its pension funds to follow fair employment practices in South Africa. As Assemblyman Leichter pointed out recently, the bill seeks to "end the hypocrisy and double standard which commits New York State to human rights, but allows the moneys of its taxpayers to go to companies which violate human rights in South Africa."

This is an area where Congress should also have the moral courage to tread. In the 92d Congress, I attempted to cut off funds for the Amercan space tracking station in South Africa after NASA officials told the Science and Astronautics Committee that apartheid was accepted by NASA and that the space program had higher priority than human rights. The House subcommittee chaired by the gentleman from Michigan (Mr. DIGGS) has been holding hearings on American investments in South Africa. So far, however, Congress has refused to make the type of commitment necessary to show the South African Government how strongly we feel moral revulsion and outrage at its apartheid policy.

I hope that State legislative initiatives such as that begun by Assemblyman Leichter in New York will pressure Congress to act against apartheid.

STATE LEGISLATORS, CHURCH, AND CIVIC LEADERS ANNOUNCE STATE PLAN TO FORCE FAIR EMPLOYMENT PRACTICES BY U.S. CORPORATIONS IN SOUTH AFRICA

(By Assemblyman Franz S. Leichter)

We all know that in New York State we have laws on the books to end racially discriminatory employment practices by businesses operating here and we have established agencies to enforce these fair employment laws.

But today many of our corporations here, ones with household names, run by some of our most prominent and respected business leaders, companies that often carry the phrase "equal opportunity employer" in their advertising, are deeply involved to the tune of hundreds of millions of dollars in the most notorious system of racial oppression—the apartheid system in South Africa. Apartheid has enshrined racial discrimination and white supremacy as the law of the land in South Africa, the law that governs all business and employment activities there.

We are familiar with the excuses and evasions that have been offered up when those implicated with cooperation with apartheid have been called on to end thir business-under-racism practices. They say South Africa is "different", apartheid is an "internal problem for people in South Africa only", "things are getting better" or "more jobs for Black South Africans will bring an end to apartheid".

The bill that I am introducing in the State Legislature with the support of a number of my colleagues is designed to force companies contracting with New York State or in which the State deposits its funds or invests its vast pensions moneys to follow fair employment practices in South Africa now.

The bill establishes a Fair Business Employment Practices Board, composed of seven appointees of the Governor, including the chairman of the Human Rights Commission and the Commissioner of Commerce, to determine whether New York State-based corporations conducting business activities in South Africa are following "fair employment practices". The Board is to determine what are "fair employment practices" within the guidelines of the bill: equal pay for equal work, equal hiring, equal opportunity, etc., all without regard to race or color.

The bill requires that every company contracting with New York State agree to follow such fair employment practices. If one fails to do so, its contract can be cancelled. Further, State funds and investment of government pension funds can only be made in companies which are on the roster of companies found by the Fair Business Practices Board to be following Fair employment practices.

The State presently contracts for billions of dollars for goods and services each year. It invests billions of dollars in pension funds and deposits billions of dollar in banks. All these moneys should be used to make New York State-based companies and those who benefit by dealings with the State follow overseas the same fair employment practices which they are required to follow in this State.

The reason that we have focused on South Africa is that there U.S. companies profit by exploiting the labor of the African majority under the world's only legalized system of racial discrimination, apartheid. They use the system of apartheid to gain cheap labor. Not only is this practice morally objectionable, but it induces companies to go to South Africa, with the loss of jobs and business activities in New York State.

Apartheid has been formally condemned by the United Nations and governments have been called on to cease the business activities of their nationals in South Africa. This bill gives legal expression to the resolutions of the United Nations.

We are seeking by this bill to end the hypocrisy and double standard which commits New York State to human rights but allows the moneys of its taxpayers to go to companies which violate human rights in South Africa.

ETHNICS OFFER MUCH

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. DERWINSKI. Mr. Speaker, Mr. Tedis Zierins of Chicago, a naturalized citizen, is a very well known civic leader and spokesman on foreign affairs. I am pleased to insert into the Record his letter to the editor which was carried by the Community Publications—Chicago, Ill.—shortly after St. Patrick's Day.

The article follows:

ETHNICS OFFER MUCH

St. Patrick's Day is gone, but I would like to share with you some thoughts, which still linger on in my mind.

"Join the crowd. Be Irish have the St. Patrick's spirit for a day!", said a stranger.

Why have this spirit only for a day when St. Patrick's life can give us inspiration and many wonderful lessons for every day?

Patrick himself was a foreign born who as a youth was taken to Ireland against his will. By brutal force he was torn away from his parents and everything dear to him and brought as a slave across the sea to Ireland. But instead of seeking revenge for his suffering he decided to give to Irish people the best he had ever known.—He gave to the Irish nation the belief in one God.

If Patrick had renounced his heritage, his past and accepted the Irish way of life as it was in those days, without trying to enrich it with the best he brought within himself, nobody would remember him today and also Ireland and Irish people would be much poorer in their spirit today. No doubt, Patrick was asked to give up his heritage and belief in one God but he dared to be different and not just melt away into Irish society. Because of his strong convictions and love of God he is honored as the greatest Irishman year after year and century after century. I am a foreign born in the United States of America and on St. Patrick's Day in 1964 I became an American Citizen. How many times I have been asked to renonce my Latvian heritage, my past experience and accept the American way of life as it is today!

But I feel, also I can bring from my native Latvia something which can make America a better and greater nation. Although I am not another St. Patrick, still I have something good to offer to this great country.

And if you or your ancestors come from Italy, or Africa, from Poland, Mexico or Scandinavia, from Germany, Japan or any other place on earth, let's follow St. Patrick's example and instead of seeking revenge for any injustice, let's search in ourselves for something good to give to make this a better and greater nation under God.

Members of each ethnic group have something good to offer to America thus making it a beautiful bright mosaic where each contribution shines like a precious gem.

But communists, who destroyed the freedom of my native Latvia and made me leave my homeland, are working hard to destroy St. Patrick's ideals and any belief in God everywhere, including America. Therefore let's pray for strong convictions and faith in one God and his truth like St. Patrick had, so that like St. Patrick despite the dangers of losing his life buried and overcame paganism in Ireland, we bury and overcome godless communism. Only then freedom and true peace will also be assured for our generation and our children.

St. Patrick's Day is gone agan but let us keep his spirit for eveyday!

BOMBING OF CAMBODIA

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RIEGLE. Mr. Speaker, I insert for the attention of my colleagues an excellent article written by Clayton Fritchey concerning the illegal and unjustified American bombing of Cambodia.

The article follows:

CAN CONGRESS STOP HIM?—NIXON HAS NO JUSTIFICATION FOR CAMBODIA BOMBING

(By Clayton Fritchey)

WASHINGTON.—In trying to justify continued aerial attacks on Cambodia, the administration says it secretly told North Vietnam that the bombing would go on until a cease-fire was achieved.

What matters, however, is not what Mr. Nixon privately told Hanoi, but what he publicly told the American public, which is that the Cambodian bombing would stop once U.S. troops were safely out of that country and neighboring Vietnam.

In an effort to get around that pledge, the President has all the experts in the White House, Pentagon and State Department racking their agile brains to find new arguments to legalize and support our prolongation of the war in Cambodia. So far, the results are feeble.

Even the claim that the bombing is in keeping with a "secret understanding" with North Vietnam collides with a statement made by Henry Kissinger on Jan. 24, when he described the terms of the Washington-Hanoi agreement. "There are no secret understandings," he said. "There are no secret formal obligations."

A White House spokesman now argues that Dr. Kissinger qualified this statement. If so, nobody noticed. In any case, an unwritten, unrecorded, under-the-table understanding with Hanoi cannot endow Mr. Nixon with constitutional powers he doesn't have, or justify the repudiation of his commitment to stop the bombing.

When U.S. troops were pulled out of Cambodia in June, 1970, Mr. Nixon said, "The only remaining American activity in Cambodia after July 1 will be air missions to interdict the movement of enemy troops and materials where I find this necessary to protect the lives and security of our forces in South Vietnam."

Elliot Richardson, the secretary of Defense, now contends the President has "residual" authority to keep pouring it on. This, of course, implies that the President had constitutional authority to invade and bomb Cambodia in the first place, but there are few constitutional experts in Congress who would agree.

The question that Congress is ready to fight over was raised by Sen. J. W. Fulbright, chairman of the Foreign Relations Committee. He asked: "Does the President assert—as kings of old—that as commander-in-chief he can order American forces anywhere for any purpose that suits him?"

The test will probably come on bipartisan legislation introduced by Sen. Frank Church and Sen. Clifford Case which provides that "no funds theretofore or hereafter appropriated may be expended to finance the reinvolvement of U.S. military forces in hostilities in or over or from off the shores of North and South Vietnam, Laos or Cambodia, without prior, specific authorization by Congress."

Sen. Mike Mansfield, the majority leader, fears the administration is getting itself into a position of "keeping in power a regime in Cambodia that does not have the confidence of the people, and doing it with the power of the B52 bombers." He also warns: "If we are not careful, we have got the makings of another Vietnam."

Fortunately for the United States, the Lon Nol government that Mr. Nixon is supporting in Cambodia is so weak and corrupt that it will probably collapse before we again get too deeply involved. Unfortunately for the Cambodian people, however, our bombs seem to be killing more innocent civilians than the elusive guerrilla forces of the enemy.

Few North Vietnamese forces are now opposing Lon Nol's reluctant army. The fighting has largely been taken over by determined Cambodian rebels. So once more the United States finds itself fighting on the losing side of what has become a civil war—but not for long if Congress has its way.

WHEN WILL TERRORISM END?

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. PODELL. Mr. Speaker, on Tuesday morning the news broke of another terrorist strike. This time, Arab terrorists staged simultaneous attacks on the Israel Ambassador's residence in Nicosia, Cyrus, and on an Israel airliner at the Nicosia Airport. Fortunately, the damage done was minor, and only one person, a Cypriot policeman, was seriously injured. Of the terrorists, one was killed, four were wounded, three were captured, and one escaped.

This time, we were lucky. Damage was miraculously held to a bare minimum. But how many more times do we have to witness the spectacle of innocent people shot to death and needless destruction of property before saying "Enough"?

I am amazed that this time the Israel Government was not condemned when it took justifiable reprisals against Lebanon. It is a well-known fact of life in the Middle East that, since their expulsion from Jordan after that country was the object of Israel commando reprisals, the terrorists have been using Lebanon as one of their chief bases. Ordinarily, the kind of raid that Israel commandos pulled off in Beirut would have been met by statements of outrage and hatred from the Arab States and their allies. This time, we hear only blessed silence.

It could be that the world is finally coming to its senses, and is beginning to realize that Israel has no other option in such circumstances than to strike back at known terrorist bases. It is sad that Israel must resort to such actions, but there seems to be no other way of dealing with the terrorists than by the exercise of armed might.

The reaction of the Lebanese Government is also out of character. The entire cabinet resigned, reminiscent of the political upheavals that took place in Jordan when that country was the object of Israel retaliatory strikes. It should be recalled that immediately after those internal problems, Jordan's King Hussein took a firm stand against the Palestinian terrorists and broke their power in his country. Hopefully, the same thing will happen in Lebanon in the near future.

However, we ought not to wait for Lebanon to deal with the terrorists, if indeed that nation ever does so. If nonviolent pressures can be applied to the Lebanese Government to take some decisive actions to control terrorists within her borders, that can and should be done.

What commitments does the United States have to Lebanon? Have we loaned any money or given other economic assistance to her? It would be in our interest to take unilateral sanctions against Lebanon in order to protect world peace. The next time, it may be a plane in flight, or another American diplomat, that becomes the target of the terrorists' madness. Perhaps if we make it clear to the Lebanese Government in a nonviolent way, as Israel has done by commando raids, that we will no longer tolerate her harboring of Palestinian terrorists, we can hasten the day when these moral lepers no longer can find a safe haven anywhere.

A UNION LEADER SPEAKS

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. GROSS. Mr. Speaker, it is indeed refreshing to find a union labor leader who is ready, willing and able to take direct issue with one of his national officers on the issue of the meat boycott.

Such is the position taken by Mr. Gerald R. Fisher, president of Local Union 1315 of the United Auto Workers, Charles City, Iowa, in a letter to Mr. Russ Leach, director of the UAW's Community Action Program Department, in Detroit, who has urged union members to join in the boycott of meat.

Local 1315 of the UAW represents the workers at the White Manufacturing plant which is the producer of Oliver tractors and other farm equipment.

Mr. Fisher says:

> We'll bet that if we UAW locals out here in the farm belt would institute a boycott on the high price of new cars we could well hear the screams from Solidarity House clear to Iowa and without the aid of loudspeakers.

I suggest that the Members of Congress and others take the 2 or 3 minutes necessary to read this union leader's letter and thus gain a further and perhaps clearer insight into the meaning of what a fair share of the national income for farmers means to millions of nonfarmers:

APRIL 5, 1973.

Mr. RUSS LEACH,
National Director, Community Action Program Department,
Detroit, Mich.

DEAR BROTHER LEACH: It is with a high degree of sadness that we read your letter of March 23, 1973, stating that we should all join hands in a boycott of food, particularly meats.

For three years, prior to September of 1972, I, as president of Local 1315, UAW, observed the great majority of our members here at the White Farm Equipment plant (farm and industrial tractors) walking the streets looking for work, primarily because the farmers of this nation were not sharing fully in our national income and, as a result, could not purchase new farm machinery.

If the price per 100 lbs. of livestock had kept up with everything else, the livestock prices today, to the farmer, would be around $90.00 per hundredweight—instead of $40.00.

How in the world can we, with one breath, ask the farmer to pay $15,000.00 to $20,00.00 for a farm tractor and then with the next breath tell him we're going to boycott his product.

We'll bet that if we UAW locals out here in the farm belt would institute a boycott on the high price of new cars—we could well hear the screams from Solidarity House clear to Iowa without the aid of loudspeakers.

As far as we are concerned, any action resulting in a boycott of any food products must be made clear that we are not aiming at, or being critical of the American farmer, who for too long has been asked to produce food below his costs. This has been one of the reasons so many, many farmers have left the farms to compete with us on the sidewalks of America for jobs.

In closing we want to make clear that our local union will never be a part of hurting an industry (farm) that keeps us employed—unless there is graft or corruption connected with the entire operation.

Fraternally yours,
GERALD R. FISHER,
President.

IMPOUNDMENT AND THE CONGRESS

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. BROWN of Michigan. Mr. Speaker, President Nixon has consistently justified his decisions to impound certain appropriated funds on the need, as he views it, to keep inflationary pressures under control. Regardless of the merits of that argument the real issue to resolve is how are the Congress and the Executive going to learn to live with this phenomenon—which has been occurring almost without interruption since the Presidency of Thomas Jefferson—without materially interfering in the performance of each others responsibilities.

Proposals for "reassertion" of congressional authority abound—some would write mandatory spending provisions into every appropriation bill; others would require the President to seek approval of every decision to withhold the expenditure of appropriated funds. Some Members have even gone so far as to join as amici curiae in lawsuits brought by intended recipients of appropriated funds. On the other side of the fence, the President and his advisers appear adamant in their insistence on the need to have this discretion, despite an initial setback recently given the administration position by the Eighth Circuit.

Somewhere between the battlelines lies an alternative that should be acceptable to all; a solution which would permit the President to fulfill his broad constitutional responsibilities, while at the same time, insuring that congressional appropriation decisions are not disregarded.

In brief, the attached bill would use the budget submitted to the Congress by the President at the beginning of each session, as required by law (31 U.S.C. 11) as the benchmark for requiring the President to seek congressional approval of a decision not to spend. Use of the budget in this manner requires the not unreasonable assumption that the President and his Office of Management and Budget would act responsibly in the preparation and submission of the budget.

Under the bill, the President could unilaterally impound those funds which exceeded his budget request in any functional area[1] by more than 2½ percent. If the amount appropriated by the Congress for any of the functional areas within the President's request by 2½ percent, then he would be required to transmit a special message to the Congress indicating his proposed action and explaining it. Congress would then have to expressly disapprove the proposed impoundment within 30 days, or the President could proceed.

The bill would define "impoundment" and provide for technical matters relating to procedures within the Congress for reviewing the Presidential proposal for impounding.

This proposal recognizes that minimal differences between the President and the Congress as to what should be the proper level of funding should be resolved in favor of the appropriating body, the Congress; whereas appropriations for a purpose grossly in excess of the President's evaluation of its priority in the whole budgetary picture could be limited by him.

Even in those cases where the appropriations do not exceed the budget by more than 2½ percent, the President can impound, if he can establish to the satisfaction of the Congress that changed circumstances or new evaluations prompt him to cut back on a program which even he thought was deserving of greater funding at the time he submitted his budget.

It would be the intention of this legislation to encourage cooperation between the Executive and the Congress and to create a healthy respect for the duties and responsibilities of the other—not to award victory to one side or the other in a power struggle.

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[1] Functional area was chosen as the breakdown because it was not as comprehensive a figure as the Budget total (to give the President some control) and yet not such a complete breakdown as to preclude Congressional changes of some magnitude. In addition, functional areas appear to be one of the standard Budget classification (see attached FY 1973 Budget). Such breakdown would include:

1. National Defense.
2. International Affairs and Finance.
3. Space Research and Technology.
4. Agriculture and Rural Development.
5. Natural Resources and Environment.
6. Commerce and Transportation.
7. Community Development and Housing.
8. Education and Manpower.
9. Health.
10. Income Security.
11. Veterans Benefits and Services.
12. Interest.
13. General Government.
14. General Revenue Sharing.
15. Allowances.
16. Undistributed Intergovernmental Transactions.

WELFARE SCANDAL—XII

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, the stifling paperwork that has characterized the Federal bureaucracy for years often works the same disadvantages of inefficiency on local units of Government. The result is waste and sloppy administration and low employee morale.

These are conclusions in this segment of the Milwaukee Sentinel series exposing the scandalous waste of an estimated $28 million in welfare funds in Milwaukee County last year.

Our present welfare system encourages this kind of gross waste and inefficiency. And the flabby Government discourages its clientel and further augments the problem of building public confidence in Government. We must trim the fat, tighten up standards, and streamline the administration of our welfare programs before the entire jerry-built apparatus collapses.

The article of the Milwaukee Sentinel follows:

WELFARE SYSTEM "REWARDS INEPT"

(By Gene Cunningham and Stuart Wilk)

The day to day operations of the Milwaukee County Welfare Department are sloppy, inefficient and unworkable, according to many of the workers who must live with the system.

It's a system that rewards incompetence and punishes those who recommend change, workers said repeatedly in a series of interviews with Milwaukee Sentinel reporters.

It's a system in which clients' official case records are sometimes lost or checked out and not returned.

It's a system in which files are such a mess that deputies with the Sheriff's Department Fraud Squad say they often spend hours reorganizing them in order to find the information they need. Often that information is incomplete or incorrectly they said.

It's a system in which a letter—or telegram—addressed to a caseworker or aide takes one to three weeks to move through channels and arrive at the worker's desk.

It's a system in which workers are snowed under by paperwork and are subject to the decrees of certain supervisors who may spend the day reading the newspaper, can't be found or don't want to be bothered.

Workers quote one top administrator as saying, "It isn't necessary to have good morale to do a good job."

And morale at the Milwaukee County Welfare Department is low.

Many client files are sloppy—with some notations scribbed on "the backs of envelopes" and then stuffed into the file, a county official said.

Quantities of files contain numerous errors, and so do other department records.

A 1971 study determined that the department's list of vacancies in foster homes was 60% incorrect.

TAKES MUCH TIME

The workers who did the study, for Supervisor William Nagel's special welfare investigating committee, said "a substantial amount of time and energy was spent just trying to run down records."

Some records had checkout cards indicating they'd been checked out more than a year earlier and were never returned.

Records were found in workers' desks, discarded in file cabinets and in areas that indicated they were not being used or simply had been forgotten.

"When records were located or reviewed," the report said, "we found a fantastic amount of inaccurate or incomplete (information), sketchy or inadequate narrative and records that did not indicate placement and/or removal of children placed in the (foster) home."

Almost daily, there are client files that cannot be found, a case aide said. "The whole thing is disorganized," he said.

"Anybody in the department can take a file out," said an administrator. "And they can lose it or not return it. They're supposed to put a checkout card in showing they have taken a file. Maybe they don't put one in."

ACCOUNT ON MAIL

Referring to the sluggish mail distribution system, a caseworker gave this account:

"After the mail hits Record Control I can't figure out where it goes, but wherever it is, it ends up taking two or three weeks to get to the workers."

Sometimes it is a communication from a client, she said.

All mail arrives already opened, The Sentinel was told.

One worker once received a telegram "two weeks after it had been sent to him," according to the case worker.

Mail distribution isn't the only operation that is slow.

A 1972 audit of the department revealed that records summarizing payments to clients were 10 months behind. The audit was conducted by Peat, Marwick, Mitchell & Co.

The computer list of available foster home openings is generally three months behind, caseworkers said.

DOES NOT KEEP UP

The computer process, the workers said, does not keep up with the filling of openings so it lists as available those openings that have been filled.

To find out what openings actually exist, workers must query other workers in the section.

If you ask welfare workers what is bothering them, you'll hear the word "paperwork" repeated often.

County officials acknowledge the problem.

"You can die of the paperwork," Supervisor William F. O'Donnell said in an interview. O'Donnell is chairman of the County Welfare Board.

A caseworker complained that there is wasteful duplication of paperwork—almost identical forms have to be filled out for the county and for the federal government.

It all takes time, energy and money.

"We do a lot of unnecessary paper shuffling," admitted an administrator.

If people suggested how to cut down on the paperwork, it would be helpful, but suggestions aren't welcome, he said.

THEY GET BACK

There are ways the department "gets back" at workers who suggest improvements or complain about the system, according to another administrator.

"They can isolate, transfer, reprimand or restrict (workers) to the office for speaking out against department policy or complaining of quality," he said.

"The administration has a way of making people feel intimidated. They really squelch people—even at top levels," he said.

He added that "this is what makes people go to the outside—to the press."

"We shouldn't have to, but there's no one else who'll listen and who is interested," said a case aide.

But "going to the newspaper" is forbidden by department policy.

A caseworker noted that employes are under instruction not to talk to the press and also not to talk to Nagel and other county supervisors.

If they have a complaint, it is to go through "department channels."

PERIODIC MEMOS

Welfare Director Arthur Silverman periodically sends out memos reminding employes not to talk to members of the press.

[Administrators, caseworkers and case aides who were interviewed by The Sentinel consented to the interviews only under the stipulation that their names would not be revealed.

They said they would be reprimanded by the department or possibly would lose their jobs.]

There is a prevailing feeling among workers—and some administrators—that the system rewards loafers and incompetents and discourages those who "step on toes" in attempts to correct departmental maladies.

It seems that the incompetents and "goofoffs" are the ones who are promoted, claimed an administrator.

"It becomes a morale killer," he said.

"Why am I knocking myself out, when (incompetents and loafers) are getting all the rewards?" the administrator quoted caseworkers as asking.

"How do you get rid of administrators who don't do their job under Civil Service—and we should get rid of them. . . .," said Supervisor William E. Meaux last November.

Meaux, who made the remark at a County Board Finance Committee meeting, was angered by an audit report that showed that babysitters were overpaid by the department by thousands of dollars.

"What happens to administrators who don't do their job? Yeah, we promote them and I'm damn sick and tired of it," Meaux declared.

Hard workers "are more likely to step on toes and get in trouble," said a caseworker.

It takes only a week for most caseworkers to learn—if not agree with—that philosophy, he said.

Workers are baffled by the lack of supervision and accountability and, they say, it produces massive bungling. They claim some of the supervisors don't care.

Each supervisor handles operations differently, aides said.

Some supervisors move applications through immediately. Others let them sit on their desks and get tied up "for months," aides said.

Some supervisors allow special grants to lag months behind when they should receive prompt attention, according to an aide.

"The only benficiary of the whole department," said an administrator, "is the staff. We are overpaid. No salary or benefits in government can compete with what we're getting.

"I would bet we make more than much higher administrators in the State Department of Health and Social Services. . . . We're overpaid and underworked.

"The department is not understaffed," the administrator went on. "If we knew what we were supposed to do as social workers, if the system was right, there'd be enough of us for all the work."

FOOD PRICE HEARING

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mrs. GRASSO. Mr. Speaker, on March 31, I sponsored a public hearing on food prices in New Britain, Conn. This hearing gave citizens an opportunity to express their views on the crisis in food prices.

Spokesmen included representatives of civic clubs and consumer groups, farmers and poultry breeders, food wholesalers and retailers, the fish and meatpacking industries.

The recommendations and observations of the participants were made available to members of the Banking and Currency Committee as they drafted legislation in this area.

For the benefit of all my colleagues, I am inserting in the RECORD today the statements of Betty Blanchard, legislative chairman of chapter 519 of the Waterbury Nutmeg American Association of Retired Persons, Inc.; Patricia Casella, president of the Junior Woman's Club of New Britain, Inc.; and a summary of the remarks of several other spokesmen at the hearing:

Statement by Betty Blanchard

There are in Connecticut some 300,000 people 65 years or over, and the majority are members of our organization.

I am here to testify that this food crisis is creating hardship for our elderly citizens, and the Social Security increase they received last fall is now being gobbled up by high food prices and other rising costs.

Some workers in the audience may say here are our elderly citizens again, the people who caused another chunk to be taken out of our earnings. But food prices affect everyone. And to be well and stay well, it is imperative that elderly people have well-balanced, nourishing meals. Too, many are on medically prescribed diets to check and cure illness, and many of these foods, such as dietetic foods, are high in costs.

Long before this food crisis, many of our senior citizens were in dire need. Millions are among the most underprivileged. The White House Conference for the Aging of November 1971 revealed that one quarter of America's 23,000,000 elderly are living on a subsistence level, and another quarter are very near to this level. Prior to the last Social Security boost, millions were receiving $50 or $60 in Social Security, and tried to live on this monthly check. The elderly have higher drug costs, more sickness, more hospital stays. For most that last Social Security raise meant no more than $10 to $15 a month, not enough to meet one week's food costs.

I did not have time to consult with our entire membership prior to this meeting—our monthly meeting is next week—but I am sure the men and women of our organization who have experienced the struggle of raising families would ask me to speak for all Americans who are weary to death of the battle of the budget. Never before has there been so much people power as you see in food stores during the past few days.

On Thursday, President Nixon proposed a ceiling on beef, lamb and pork—which means the price of these products cannot exceed the highest prices to date. This means these incredibly high prices will continue—and it is expected they will continue throughout the year. One Administration spokesman said we could not have stricter controls because it would create a black market and then we would be unable to obtain beef at even $1.79 a pound. What is the difference? We can't pay $1.79 a pound now.

It is a strange thing that prior to the election, the Administration understood all our problems, knew our wants and needs down to the finest detail. Increasingly, it becomes apparent that the Administration has no idea how America lives—and one wonders if it really cares. Recently, when an Administration spokesman said that elderly Americans could pay an additional 10 per cent of their hospital costs, as proposed by the President, Senator Muskie asked him how. This added charge would impose hundreds and in some cases thousands of dollars on the elderly. This Administration spokesman said, "well, they just got a 20 per cent boost in Social Secuity," for some amounting to less than $100 yearly.

The same thinking seems to prevail during this food crisis. We have heard various—and conflicting—explanations of the reasons behind this skyrocketing in food costs. What hasn't been well publicized, and is completely ignored by the Administration, is the fact that practically all food items—except bananas—have constantly and sharply risen since January. We would like to know why canned and frozen vegetables and fruits, which were processed during harvest time last year, took a jump during these winter months. They lay in warehouses for months, and when they hit the retailers' shelves they, too, went up. I have seen cans with the old price stamped out.

It seems clear to many of us that Congress must act—and act quickly—to determine who is making the profits, and stop this inflationary spiral. The philosophy seems to be—lay it on for all the traffic will bear.

This crisis goes far beyond the battle of the budget. Increasingly over the years, we have been told that millions of Americans suffer from poor nutrition because of processed food, chemically grown food, and poor food habits.

I have been reading a book by Adelle Davis, one of our leading nutritionists, who points to the rising tide of illness in America which she attributes to poor diet. And during this food crisis you may be sure people are being denied the necessary nutrients which keep the body well and functioning to capacity. Watch the food baskets go by at the checkout counter. Certainly there's less meat, protein needed for body building; but there are also far fewer fresh vegetables and fruits. You wonder about our children. Certainly families have to cut down on milk which costs 40 cents a quart at small stores.

I have heard our hot lunch programs are forced to cut out or down on essential foods. Just yesterday at a large Waterbury supermarket, there was a display case filled with pigs' skins, pigs' ears, pigs' feet—at, mind you, 79 cents a pound. If the very poor were not forced to buy these, what in God's name would they do with them—throw them back to the pigs?

For a week I have been haunted by the sight of a young mother who walked up and down the meat counter and looked and looked and grew sadder all the time. She finally selected one pound of the cheapest hamburg—yellow with fat—at 79 cents a pound. How can her family of four or more be fed on this cheap hamburg, which will melt down to about one half pound? It is disgraceful. It is a crime that people should have to endure a situation like this in the richest country in the world—where millionaires are being produced in multitudes.

Throughout many decades, by hard work, excessive taxes, and self denial, Americans have fed the world. The time has come, Mrs. Grasso, for all concerned members of Congress to act now to feed Americans.

Statement by Mrs. Patricia Casella

The Connecticut State Federation of Women's Clubs, Junior Membership, met on February 24, 1973, and passed the following motion: "To set aside the first week in April (April 1 through April 7) as 'Non-Meat Buying' week."

We, the Junior Woman's Club of New Britain, Inc., feel that this campaign, now nationwide, and its widespread publicity, are the reasons for President Nixon's meat price ceiling.

We offer no solution. Our aim is to call attention to the high cost of meat by not purchasing meat for one week. We hope that our legislators and economists who are knowledgeable in this area will study causes and effects, and provide the solution.

As housewives we can only read and listen to what the "experts" cite as reasons for this high cost: the law of supply and demand, farmers' problems, greater consumer purchasing power, expanded exports. We cannot offer remedies to these complex situations.

We are not blaming the owners of meat markets and supermarkets, however, but have enlisted their support of our boycott. The manager of a local chain, Mr. Paul Sussman, has ordered substantially less meat for the coming week and has purchased 5 tons of fish, which he will sell for less than $1.00 per pound.

As consumers we note that last December the price of bacon, ground chuck, and pork chops was 89c per pound. If an average family of four were to eat three meals with these meats served, the cost would have been approximately $3.56 (bacon and chuck in one-pound portions, two pounds of chops for the main meal).

Today, if the same three meals were served to the same family, the cost of meat would be bacon at $1.39 per pound, ground chuck at $1.29 per pound, and pork chops at $1.69 per pound, for a total of $5.06 for the same portions.

However, by using meat-substitutes with similar nutritional value, we could save $4.14 by serving egg-cheese omelets (instead of bacon and eggs) at a cost of 20c for the cheese, tuna salad for 53c, and haddock for $1.19 (one pound of fish sufficient). During our non-meat buying week, therefore, we encourage homemakers to consider serving meatless meals.

We are also urging our club members and city residents to send letters to our Senators, Congressmen, and the President protesting the high cost of meat. We feel that although people may spend a few minutes in writing these letters, they should keep in mind the money they won't spend in the future buying meat.

Summary of Remarks by Several Spokesmen

Albert Soli of Plainville, who represented the pheasant and poultry breeders, described the part a shortage of the freight cars that deliver grain to the Northeast plays in soaring food costs. Why, he questioned, do New England farmers and grain suppliers have to pay twice as much for transportation costs as do farmers and grain suppliers located in Southern states? The many freight cars used to haul to the coast grain headed for Russia played heavily in his response, as it did in the statement by Mr. Sal Trentino of the Fafnir Seniors.

Martin Greenberg, a member of the UAW, expressed the view that the "real culprit in the food price situation is the large corporate farms with vast acreage, farms that receive substantial federal funds for not growing crops on these lands." He said that the basic problem stems from the fact that the supply of food is controlled with only 65% of the nation's farmlands actually producing crops.

Neil Courtney, Director of the Connecticut Food Stores Association, which represents some 800 retail food stores in my State, pointed out that the retailers actually serve as the purchasing agents for consumers, and as such they share the concern of consumers for rising food costs. However, he said, everything is relative, and the retail food prices must reflect the costs of goods and services that are rising in all categories. Mr. Courtney also joined Mr. Mark Gordon of the Bostonian Fish Market in Hartford, in supporting waters from 12 to 200 miles.

Benny Price, of Cousins Bakery in New Britain, said that everyone is to blame for rising food prices. The law of supply and demand is reflected in the fact that "we eat too much."

Our consumer spokesmen represented many elements of the population. Led by Mayor Stanley J. Pac of New Britain, who told how rising food prices affect the residents of his city, they recited a moving catalog of personal experiences in the market place. Walter (Corky) O'Connor of New Britain, president of the Uniformed Firefighters Association of Connecticut, AFL–CIO said that much less meat was being bought during the weeks preceding the formal meat boycott. He told of the tribulations of feeding his family of seven, adding that his lot was far less difficult than the condition of the elderly with lower, fixed incomes. Brulio Qquindo, of the Spanish Speaking Center in New Britain, noted that many Spanish speaking citizens had low incomes, paid high rents, and were therefore forced to buy low cost, less nutritional food.

Mark Mahovney, a student at Central Connecticut State College in New Britain, noted that the increased cost of food also resulted in many college students living on an inadequate diet. Carl Symecko, president of the New Britain Jaycees, Michael La Rose, Director of the Senior Citizens Center in New Britain, and Al Scienco, Director of the Community Action Program in Norwalk, offered helpful suggestions to consumers. For example, shoppers would do well to purchase food on the basis of a planned menu, to engage in intelligent, competitive shopping, and to buy only those items for which unit pricing data is available.

IN FAVOR OF CONTINUATION OF NATIONAL INDUSTRIAL EQUIPMENT RESERVE

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. KEATING. Mr. Speaker, I rise in support of the amendment offered by my colleague, Mr. John Anderson, to provide $1.8 million for continuation of the national industrial equipment reserve.

This program, which is an integral part of our national preparedness, was terminated when the Congress failed to supply funds during the 92d Congress. Today, $40 million worth of machine tools are rusting away in Government warehouses.

This program is not only essential for the national defense but it also provides training machinery on free loan for vocational training purposes. These schools keep the machines in working order at no expense to the American taxpayer and train tool operators at the same time.

At the time the program was terminated, 41 schools had been authorized to receive loan equipment under this program. At the time the funds were cut off, the 41 vocational technical education schools were notified that they would not be receiving this needed equipment. The reinstitution of this program will mean that the young people at the schools across the country will get the equipment to learn a marketable trade.

Cincinnati, Ohio, which is in my district, is the center of the machine tool industry. Officials at machine tool companies state there is a real need for skilled tool operators. If these young people can get the training, as long as the economy remains strong, there are jobs waiting for them.

Every day that the Congress holds up funds this machinery is rusting and losing its value. If we wait too long this machinery which is currently worth over $40 million will be a total loss.

A study conducted by the GAO showed that it would cost the schools who participate in the loan program $103 million to buy similar equipment. Furthermore, if a national emergency develops this machinery will enable our industry to meet the needed demand.

I urge passage by the House of this amendment and quick action by the Senate.

JUVENILE JUSTICE: PROPOSALS FOR REFORM

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RAILSBACK. Mr. Speaker, for the past several days, I have been pleased to insert in the Congressional Record a fine series of articles by the New York Times about juvenile justice. Today, I will insert the final article of the four-part series which points to some possible solutions to our juvenile crime and delinquency problems. I recommend it to all my colleagues.

Juvenile Justice: Proposals for Reform

(By Lesley Oelsner)

Over tuna fish and coffee, at a table in the hallway outside their chambers, the judges of the Brooklyn Family Court are trading horror stories—a psychotic child sent home because the mental hospital had no place for him, a stabbing in the courthouse stairwell, a child who is an addict and another child whose mother doesn't want her.

"What can be done?" someone asks finally, interrupting the daily lunch hour catalogue.

There is a silence. And then, maelstrom-like, the answers come.

"Decent places to send kids," says one judge.

"Mental therapy," offers another.

Money, they say. Guards at the doorways to keep out the gangs. Merging Family Court with State Supreme Court. Better lawyers. Typists.

For here, as everywhere in New York City's juvenile justice system, there are proposals by the dozens. A five-week study by The New York Times found that the system is overripe for change and that the people who make up the system, from judges to prosecutors to psychiatrists to jailers are at least as eager for change as outside critics.

"We talk about changing it—it has to be changed," says Wayne Mucci, director of institutions for the Human Resources Administration's division of Special Services for Children.

"The problems aren't insoluble," says Judge Leo Glasser of Brooklyn Family Court. "They are problems that money and people can come to grips with."

The reform ideas range from a "Bill of Rights for Children," proposed by Judge Lois G. Forer of the Philadelphia Court of Common Pleas, to Bronx State Supreme Court Justice Sidney Asch's idea of a "central registry" of children in trouble. Some proposals are small, others huge; some are almost unanimously approved, others, controversial.

Mostly, though, they fall into these categories:

Diverting many more children from the justice system, prior to court action.

Attacking the problems of juvenile misbehavior through preventive services for children and families in trouble.

Shutting down most of the large institutions, such as reform schools and jails, and creating a huge network of small, well-staffed group homes and non-residential programs.

Restructuring the system so that there is more coordination between the units, and more accountability for what is done to children.

Rethinking the theories and policies underlying the system—especially those that allow a child to be jailed for conduct that an adult would not even be arrested for.

HOW DIVERSION WORKS

Diversion of children from the justice sys- Judge Philip D. Roache of the Brooklyn Family Court. "We really do."

Diversion of children from the justice system is the most common of the proposals; it has been made repeatedly by experts in the field, both nationally and locally, and is generally conceded to be the best approach for the majority of children in trouble.

The way it works, basically, is this: A child is arrested by the police; he is brought to some central location for an interview and a preliminary analysis of the case; he is then assigned to some type of program, drug treatment, say, or special schooling or psychiatric counseling; he is supervised by, and responsible to, a probation officer.

"We want to reduce penetration into the system," explains John A. Wallace, director of the city's Office of Probation and one of the the many advocates here of the diversion approach. For putting a child through a series of court appearances and perhaps a trial, he says, is often unnecessary and even damaging.

The problem with the diversion approach, though, is that in practice, it sometimes breaks down.

At the moment about half of the children who are brought into the city's system—either in juvenile delinquency cases, charged with essentially criminal behavior, or in the "person in need of supervision" or "PINS" category, in which they are charged with such things as truancy, are "adjusted out" of the system by the probation officials who must process each case before it can be sent to a judge.

RESOURCES CALLED LACKING

They are thus, in effect, being diverted in the manner that the experts recommend. But because of the scarcity of resources, probation personnel and community programs, they usually do not get the type of service or care on which the diversion theory is premised.

Because Mr. Wallace's department does not keep recidivism records on the "adjusted out" children, no one knows how these cases turn out. The feeling in the justice system, though, is that they don't turn out particularly well.

"I see it as a fraud against the child and a fraud against society," says Justine Wise Polier, the recently resigned judge of the Manhattan Family Court and one of the country's most outspoken advocates for children.

Yet the demand for diversion continues to mount—at least in part because so many officials view the court process here as potentially damaging for many children. And a pilot project set up last year in Schenectady indicates that if the necessary community services are provided, diversion can work.

In the Schenectady project—a joint effort of the state's Director of Probation, Peter Presier, and the Schenectady Family Court and other local officials—a vast array of community services is available to the children. More important, children are supervised by probation workers who—unlike New York City's probation staff—have abundant time for the children in their care.

PROGRAM EVALUATED

Last December, after eight months of operation, Mr. Presier reported that 92.5 per cent of the children involved had not had new complaints filed against them. The number of court cases processed against juveniles had been reduced by 52 per cent, he said, and the projected total annual savings for the state and the county were $500,000.

At the same time, more and more experts are beginning to call for preventive services—a rather ambiguous term that is variously used to include such things as family counseling and foster homes.

Dr. Karl Menninger advocated prevention at a United States Senate hearing last week; locally, its proponents include Judge Florence M. Kelley, administrative judge of the Family Court, and Barbara Blum, the H.R.A.'s Assistant Administrator/Commissioner for Special Services for Children.

"If we had preventive services in New York City, and we don't have many," says Judge Kelley, officials could "spot children who are about to get into trouble."

"If you have that," she adds, "the number of children and families coming to court at all is going to be reduced."

INSTITUTIONS UNDER FIRE

Three bills are now pending before the State Legislature that would give Mrs. Blum's department money to study what types of services are possible, and then to purchase them from other agencies. Passage of the bills, as she puts it, would "help a lot."

Then there are the institutions in which children are placed—the jails, Spofford and Manida, with their locked doors and high walls; the so-called temporary shelters such as Callagy Hall in which children are left as long as a year because no one else can be found to care for them; the reform schools, called training schools, some of them maximum-security institutions and some not.

The director of Callagy Hall sits on the sidelines of the gym, watching a dozen of the girls in his care play at volley ball. "I think," says the director, John F. Leis, "the program as it exists now should be closed."

The building, he adds, could be used instead as a diagnostic reception center to handle perhaps 40 children at a time, holding them for short periods before sending them on the appropriate homes.

Up at Manida in the Hunts Point section of the Bronx, the superintendent, Ron Curylo, sits in his office and recounts some recent renovations and improvements. Then he leans back in his chair, and adds: "I think, eventually, you could probably do away with institutions."

And Mr. Mucci, who as director of institutions is responsible for the city's jails and shelters, says this: "Institutions are doomed to failure. If they're there, people can use them for problems they don't want."

Mr. Mucci, Mr. Leis and Mr. Curylo are echoed throughout the system—and, in fact, are urging something that others have been urging for years. One of the most recurring proposals in the juvenile justice field has been to shut down jails, reform schools and similar institutions and replace them with small group homes for children who need residential care, and carefully supervised probation for children who don't.

OTHER STATES ACTING

In Massachusetts, this proposal has already been put into effect; Dr. Jerome Miller, the official who directed the Massacuhsetts changeover from large institutions, has now moved to Illinois, where he is expected to initiate similar changes. Massachusetts officials—who send their most serious cases to a four-week stint in a small forestry camp or, occasionally, to a mental hospital—say that recidivism has dropped.

Yet at the same time, even Mr. Mucci is not ready to promise that every institution will be shut down. The goal of his department, he says, is to eliminate large institutions "wherever possible."

And Milton Luger, the widely respected child-care authority who was recently placed in charge of the state's training schools, says this :"I think it's naive to feel that all kids can be handled in the community, and that no one needs institutions. I think that's nonsense."

Mr. Luger admits that programs in the schools are still largely "irrelevant" for the children placed there, and that "a youngster should be institutionalized as a last resort." But, he says, "some youngsters need a moratorium from city pressures"—and they also need services not otherwise available.

STRUCTURAL CHANGE

"I'm all for keeping kids out of institutions," he says. "I think it's great. But I think it's naive to believe that some of the establishments such as, you know, the education establishment and the social services establishment and some of the psychiatric establishment are really going to serve these youngsters well—or really desire to serve these children well."

The structure of the city's juvenile justice system also has its share of critics. Typical is Merrill Sobie, chief administrative officer of the city's Family Court, who says this: "The whole system has to be managed. That includes management within the court, and, much more difficult, improving accountability through the whole structure."

While many judges and other officials agree, there is little consensus as to precisely what should be done. Should there be a new state agency? A new city agency? Should the state Judicial Conference's newly-created Office of Children's Service, under Elizabeth Shack, be expanded and given more power?

The one structural change on which most Family Court judges agree is a merger of their court (which also handles such things as abuse and support cases) with State Supreme Court—a recurring proposal that was most recently made in January by the state's Temporary Commission to Study the State Court System. The commission suggested the merger on the grounds of efficiency, but the judges favor it because they think it would provide them with more staff and services.

So too with the area of policies, under which juveniles are given a brand of justice that is markedly different than that meted out to adults: The feeling in the system is that the policies have to be rethought, but there the agreement ends.

A CONTROVERSIAL PROPOSAL

Current proposals include removing truancy cases from court, removing all PINS cases (this is also the subject of a pending lawsuit by the American Civil Liberties Union, the New York Civil Liberties Union and the Legal Aid Society), and giving children jury trials.

Even more controversial is a pending bill that would require Family Court to turn over to Mrs. Blum's department any indigent children it wanted to place in group homes or other programs—placements the court sometimes makes directly.

Many legislators favor the bill because it would enable the state to get far more Federal funding than the present system allows; Mrs. Blum favors it because she could then have a central listing of all the children as well as develop "a sensible plan" for them.

But the judges of the Family Court almost unanimously oppose it. They say it is unconstitutional because it is limited to poor children—a limitation that was drafted to come within the Federal funding requirement. Beyond that, they say it would obstruct their work—their duty under the statutes being to devise the most appropriate program for the children they handle.

And that, in fact, is one of the crucial issues now in debate: whether the judges should simply be judges, deciding facts and law, or whether, as now, they should be a bit of social worker as well. Says Judge Kelley, after an hour or so of discussing the system's problems: "I don't know where we're going . . ."

EXOTIC RESEARCH PROJECTS VERSUS JOHN TAXPAYER'S POCKETBOOK

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. MATHIS of Georgia. Mr. Speaker, I wish to call attention to an article from the Florida Times-Union, April 9, 1973, written by Carey Cameron. Mr. Cameron is a hard-working newsman who resides in Valdosta, Ga., and keeps up with what is going on in south Georgia for the Florida publication. I think you will find that Mr. Cameron is very ably expressing the view of many citizens who are concerned about cutbacks on many necessary Federal programs while many questionable projects are continued.

Carey wrote to me and said I had his permission and blessing to introduce his column into the RECORD "if it will help." I agree with what he says. I hope it does help.

SOUTH GEORGIA SCENE

(By Carey Cameron)

VALDOSTA, GA.—Dear reader, Would you spend $55,000 to learn "the role of serotonin in the control of color changes in the fiddler crab?" You wouldn't? What about $30,000 to study "A taxonomic monograph of the bark and ambrosia beetles?"

No? Try this one—$7,600 for a workshop on the role of ethics in the legal system. Ha, at least now we have one where we can understand the language. Here's a good one, $117,700 for "collaborative research on the distribution of income and wealth with microsimulation applications."

Here's a great one, $9,300 for a study or report on Early Italian and French Weights. Hey, how about $10,900 for a symposium to commemorate the 400th anniversary of the birth of Johann Kepler."

Or say $29,300 for a study on "Galileo's Juvenilia?"

Those of you who are laughing can stop it because if you are a taxpaying U.S. citizen you did spend this money and many millions of other dollars on projects with title descriptions sounding just about as practical as these.

The samples listed above are from 1972 grants and awards approved by the National Science Foundation which U.S. Rep. Dawson Mathis says is an independent governmental agency and is funded by the federal government.

This sort of spending is apt to continue on and on while funds for supporting peanut production and caring for the children of working mothers striving to get off welfare are reduced or eliminated.

Let me make one thing perfectly clear here. I'm not saying all of the things listed in the 245-page National Science Foundation grant and award book are useless. Some are probably quite worthwhile. There might be a cancer cure or a key to eternal life clue somewhere in the millions of dollars of projects. Even some of those I've named might have some practical value. I don't know since only the titles are listed, who they went to and the money is contained in the book. But the titles themselves make some of these suspect. Some make good private projects but taxpayers shouldn't pay for them.

Reading the news releases that the winners of this money put out gives one a better chance of determining if there is a practical value. However, obviously no one person can study all the news releases even if he could get them all.

But a few weeks ago we got a release here which said where the University of Georgia, or one of its researchers, had received a grant of several thousand dollars to study something about the caddis fly.

I read the release several times and concluded that nowhere in the description of the project was there anything to show there was any practical value to the research to be financed by the handout.

These grants go to colleges, universities, individuals, foundations, institutes, etc. Granted, even the most worthless may have the effect of helping train some budding young scientist, historian, etc. Question is should the government pay for the training in this guise of research? Why not direct revenue sharing to colleges? No, that wouldn't work either. The major professors that let these projects be dreamed up to begin with probably would spend the money in about the same way. Of course the business end of the schools might have the chance to make a business-like decision in that case.

Mathis sent me the grant list and an annual report after I sent him the caddis fly release. In comment he said, "As you can see, the caddis fly research is only one example of the maladjusted priorities in this country. Of course our research scientists may not agree with this."

Why does this kind of stuff go on? One answer is that the right hand of government doesn't know what the left hand is doing. Those of you reading this column probably know more about some of the more way-out sounding grants than do 90 percent of the House and Senate members. Most will accept a committee recommendation and let it go. After all what's $50,000 here and $100,000 there compared to a major expenditure like a couple of hundred million on a defense contract? Give me the $50,000 and I'll show you what its worth.

The answer to the above problem is zero budgeting. Under this concept every department starts off with nothing every year and has to justify spending every dime it asks for.

But there is another problem. Everybody is for economy everywhere except at home. That $10,900 for the Johann Kepler anniversary went to I. M. Levitt at the Franklin Institute in Pennsylvania. Suppose the same amount was going to John the Barber to put on a Doc Holliday Festival in Valdosta? Heck, Dawson Mathias and I would help John get the money but we would tell that Kepler crowd to go get theirs from private sources.

And could you really blame us? As long as Congress votes funds for such things it won't save a dime to turn down your share. If John said he didn't want the Doc Holliday money some group in Arizona would start a Wyatt Earp show with it.

Mathis says the late great Sen. Richard B. Russell of Georgia said he would fight the giveaway programs to the wire but once they were passed he would be the first in line to get his share. And why not? If they pass, the money is going to get gone somehow if it doesn't do anything but vanish into administrative expenses.

Citizens should write their congressmen urging zero budgeting and an end to such spending whether it be by the National Science Foundation or some other agency or department. That would be a true taxpayers revolt and one worth the fight.

THE FUTURE OF NEIGHBORHOOD YOUTH CORPS—SUMMER

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. STARK. Mr. Speaker, one of the many fine programs that has been eliminated in Mr. Nixon's economizing drive is the Neighborhood Youth Corps Summer project. This program had an established history of success, nevertheless, it was abolished.

NYC—Summer attacked the sources of many of the problems of our cities while many other programs merely attacked the results. NYC—Summer offered jobs and opportunities to thousands of young people who might otherwise have turned to the streets for their amusement.

It is impossible to calculate the number of youths who have stayed out of trouble, because of NYC-Summer programs. But it is not impossible to see part of the tremendous impact this program has had on our communities. In Alameda County, Calif. alone over 6,500 youths were involved in the program last summer.

I recently received a letter from the chairman of the Youth Opportunities Board of Alameda County which succinctly and forcefully illustrates the impact of the NYC-Summer program and the incredible loss and void that will remain if we do not restore its funding. I submit that this letter illustrates the false economy we are sanctioning if we do not force the funding of this program:

MARCH 12, 1973.

Hon. FORTNEY H. PETE STARK,
U.S. Representative, Senate Office Building, Washington, D.C.

DEAR REPRESENTATIVE STARK: We are disturbed over the news that federal funding for the Summer Neighborhood Youth Corps Program has been withdrawn. This program has provided job training and work experience for up to 6,500 youth from poverty-level families in Alameda County. The Youth Opportunities Board has been responsible for administering programs for 2,600 of these youth.

The Youth Opportunities Board of Alameda County is a joint powers body composed of representatives from state and local governments. It was established in 1962 for the purpose of developing and exercising leadership in youth program activities, and coordinating community efforts in youth programs directed toward the resolution of youth problems through education, training, and job counseling and placement to the end that young people would have a better opportunity to develop as responsible citizens. It is believed that the NYC In-School, as well as the Summer Program, has provided the means through which this community has been better able to work toward these goals.

Enrollees in all NYC programs must meet federal poverty guidelines. Additionally, selection criteria is employed that will identify the most needy in terms of education, training, vocational counseling and goal development in order to intensify the impact on the total area of youth needs. In the In-School Program, priority selection is given the student who, without the program, would either drop out of school or find staying in school difficult. The Out-of-School Program selects youth who have dropped out of school or are enrolled in continuation school and who need counseling and guidance in developing and pursuing educational and employment goals. Success in this program is measured on the basis of the enrollees status at the end of enrollments. Employment and further education and training, for example, are considered successes. The YOB Out-of-School Program has been experiencing over 50% success from a population that includes a significant number of problem youth.

The Summer NYC Program, in terms of numbers, is the larger of the NYC Programs. Selection is based on poverty guidelines but the special individualized attention to selection given in other programs is not possible. Efforts are nevertheless made to select the most needy in terms of what the program offers. Success of this program cannot be measured in the same terms employed in other NYC program. Summer NYC is short term and the time insufficient to allow for objective measurement of long-term effect. However, it is believed that the impact of this program on youth is significant and in many instances lasting.

Those who have been closely associated with the program do attest to its success in terms of value to the community, constructive training opportunity, and work experience for youth. While the opportunity for needy youth to earn extra money is certainly an important contribution and value of the program, it is seldom at the top of the values listed by those working with the program. It is probably true that for many youth participants the money is foremost.

While success of Summer NYC in objective terms at this time is not possible, we believe that there is ample evidence of its value and that you would agree with our statement had you had an opportunity to review the activity. For example:

Had you visited the New Haven School District in summer, 1972, you would have observed classrooms of Chicano teenagers tutoring fourth and fifth graders in reading—both learning from the process. You would have met two NYC graduates of the summer program working as teachers aides during the summer vacation from Mills College.

In the City of Fremont, you would have met three NYC enrollees working for the police department—answering telephones and assisting the department in processing citations. You would have listened to praise of the youth by the police and commendations of the police by youth. How better can we improve relations than by direct contact?

In the school districts of Amador and Alameda you would have observed similar youth roles in the police departments and you would have been impressed with the representation of minority youth in these assignments.

In the city of Castro Valley, you would have visited a clinic for the mentally retarded and observed NYC youth assisting in the care of other youth with gross physical and mental problems. You would have gained a feeling of the depth of understanding that the NYC enrollee had developed assisting youth whom he recognized as being more disadvantaged than he.

If you had visited our Chabot College you would have observed youth attending college level classes or visited work sites where NYC enrollees were carrying assignments normally carried out by regular staff in libraries, offices, and on special projects.

If you had visited the city of San Lorenzo, you would have talked to youth who were enrolled in a sophisticated training and vocational program covering the fields of drafting, horticulture, auto mechanics, and coupled with work experience.

In the city of Hayward you would have been impressed with NYC enrollees preparing the "free lunch" at the school cafeteria. You might have talked to a young man in a construction assignment who would have said he now knows "how to build a house."

If you had visited our city and county offices, you would have met many youth assisting in staff coverage during this vacation period.

While it may be that scientifically objective data is considered the ultimate for assessment of a study, it is also true that the empirical method of study holds a firm place in scientific research. On the basis of our own empirical review we submit that our Summer NYC Program was and has been unusually successful and that its value to youth and the community warrants continuing funding. We further submit that had you monitored our sites you would not only have acclaimed our program a success but would have commended our staff for its imaginative work in developing constructive youth programs.

To eliminate the Summer NYC Programs would mean that more than 2.6 million dollars would be taken from this community and 6,500 youth would be denied an opportunity for a valuable learning experience during idle summer months.

We urge that you employ all resources available to restore the Summer NYC Program to this community.

Yours very truly,

ROBERT C. CONEY,
Chairman.

H.R. 69: TITLE I PROGRAMS

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RIEGLE. Mr. Speaker, last week I testified before the House Committee on Education and Labor supporting H.R. 69 which would extend the Elementary and Secondary Education Act for 5 years.

I include that testimony in the RECORD. The testimony follows:

TESTIMONY OF CONGRESSMAN DONALD W. RIEGLE, JR.

PURPOSE: TO URGE SUPPORT OF H.R. 69

Mr. Chairman and members of the Committee on Education and Labor, I am very grateful for the opportunity to testify on the extension of the Elementary and Secondary Education Act, H.R. 69. I feel that it is imperative that the programs included under this act be continued with full Federal funding. There is growing evidence of positive educational and community impact. While the programs are far from perfect, and while any educational program is hard to measure, there is no available financial alternative which would allow Flint area schools to continue the momentum of educational progress and innovation which H.R. 69 has made possible.

SOURCE OF INFORMATION: EDUCATION LEADERS FROM CITY OF FLINT AND STATE OF MICHIGAN

In preparation for this testimony, I have consulted with a wide spectrum of people involved in the Flint, Michigan, Title I programs—the Superintendent of Schools, Title I program supervisor, a target area school principal, members of the teachers' union, members of the Board of Education, legislative specialist of the Michigan State Department of Education, State Legislative leaders—as well as various educational authorities in Washington.

Many of the facts and observations that follow are based on the experience of schools in the Flint metropolitan area. Flint may be described as a typical American, middle-sized industrialized city, with a high proportion of working people and a broad ethnic and racial mix.

I would like to acknowledge to the Committee the testimony of Dr. William Early, Chief Executive Officer of the Flint School District, 1966 to 1972, before this Committee on March 28, 1973. Dr. Early's testimony documents the programs sponsored by Title I funds in Flint. Rather than repeat this testimony, I would like to offer the following evidence to illustrate both the academic and non-academic achievements of the program.

PROFILE OF TITLE I PROGRAM IN FLINT

In fiscal year 1973, Flint received $1.7 million under Title I. This money was directed to serve 2,859 children in 26 target schools. All of the 17,897 children in the target schools, however, benefit from Title I programs—the reduced class size, reading and math specialists and enriched curriculum. Eighty-four percent of Title I funds are used to pay the salaries of personnel: six program specialists, six certified teachers, sixty-five aides, and twelve social workers. With the additional staff, the schools can provide individualized instruction and innovative programs.

ACADEMIC RESULTS

One particularly unique program is the pre-school program. Academically, the preschool program includes a highly systematic approach to learning skills and concepts. The preschoolers tested in 1971–72 showed a marked improvement over the course of the year. Test scores rose from the 32nd percentile to the 73rd percentile in pre- and posttests, measured on a national norm. In addition, the program provides comprehensive health services—complete physical examinations, immunizations, vision testing, and dental care. Schools can identify and treat health problems which otherwise might impair learning. As Dr. Early testified, "As much knowledge of the child as possible is most important upon entrance to school. This information is now available for children entering kindergarten in Title I schools which was most difficult to acquire from parents due to lack of finances, lack of knowledge, and in some instances, . . . fear of the establishment."

Using standardized reading and math tests, evaluations of Title I children during the school year 1971–72 have shown improved test scores at every grade level. According to a United Teachers of Flint spokesman, the normal growth for children in similar urban school districts is 0.5 month's growth for each month in school—which put another way means that children fall one-half year behind with each year of schooling.

According to the Title I Program Specialist, Flint title I students from second through sixth grades are now progressing at least a month's rate for each month of school as indicated by the state and national standardized tests. Not only is this a substantial improvement over the previous achievement levels, before Title I programs were tested and debugged, but it is also better progress than many similar urban settings.

COMMUNITY AND FAMILY IMPACT

In assessing the success of the Title I program, the wider impact on adults should also be considered. Seventy teacher aides are now employed at hourly wages ranging from $2.66 to $4.11 per hour. This experience has encouraged many of these citizens to go back to schools to work on college degrees. To quote the Title I Program Specialist, the role of teacher aides "gives them a sense of worth."

Other adults—parents of the Title I children—who formerly were fearful of, or indifferent to, school matters have become increasingly involved. Parent advisory groups have been formed for each school. The parents work with the teachers and administrators of the schools to evaluate the progress of the children and to consider changes in the program.

I have received hundreds of letters from these parents voicing their concern that the program continue. My observation confirms Dr. Early's earlier testimony: "Trust has now replaced mistrust. Cooperation has been established in place of indifference. Participation and interest has replaced non-involvement."

THE ALTERNATIVES TO TITLE I—A BLEAK OUTLOOK

Teachers and principals involved with Title I predict that if Title I funds are disrupted, not only will youngsters suffer serious setbacks in their educational progress, but the social and economic fabric of the larger school community will be threatened. A former Flint school board member said, "The loss would be devastating," and foresaw social and economic ramifications which could create serious problems and unrest in the city. A current Title I school principal confirmed this view, commenting, "I don't know what would happen to the community. . . . (It would be) chaos."

COMMUNITY FINANCIAL STRAIN

Despite the critical role of Title I programs, if Federal funding were withdrawn, the programs might well face termination from lack of alternative funds. Flint citizens contribute already at the outer limits of their abilities to pay. In the last ten years, the community has never failed to vote a millage increase. With five or six votes, total mills have risen during the past decade from 16.8 to 29.2 mills. This is a record of local support for education unsurpassed at the ballot box and in the pocket book—all happening at a time when other communities around the nation have been rejecting millages as often as passing them.

The city is to vote next month to renew the millage rate. At present the Flint millage rate is three mills higher than the state average for comparable cities. School finance officials say that if the city were asked for an additional two mills to cover Title I expense, the chances of passage would be slim.

Over the past ten years the state's proportion of the local educational revenue has fallen from 52% to 31%. The local share reached 57% last year, with the Federal share at 8% and miscellaneous revenues at 4%. Compared with other cities of its size, Flint is paying more than the average local percent of total school revenue. The two-million dollar cost of the Title I program would place an excessive burden on the local tax payers. With no alternative sources of funding, it is imperative the Federal government continue funding this program.

STRONG MICHIGAN SUPPORT FOR H.R. 69

In closing, I would like to make public for the first time a resolution of the Superintendent of Public Instruction, Dr. John W. Porter, and twenty-five top administrators of the Michigan Department of Education. On April 2, 1973, Dr. Porter and the other education officials voted by over 90% for support of H.R. 69 as amended by H.R. 5163, introduced by Representative Quie. Although I do not fully support this resolution, I would like to propose a study of both the distribution formula suggested by Mr. Quie and the distribution formula used by Michigan Department of Education in its Chapter III program for disadvantaged children. According to one target area principal, the present system of earmarking funds for "low-income" children stigmatizes those who receive special aid and prevents staff from helping those with equal learning problems whose families happen to have higher incomes. While I feel a change in distribution methods would be beneficial, I feel alternatives should be carefully examined before initiated on a national scale.

CONCLUSION

Title I funded programs in Flint have helped to build successful patterns of educational, administrative and organizational teamwork—which are working smoothly and getting better all the time, allowing for flexibility, innovation and local control. To discontinue this Federal support now in favor of some new, untried program requiring untested mechanisms and the construction of new working relationships, could seriously damage the progress being made and more seriously undermine people's sagging faith in government. This is one program which is working, which is helping our young people, and which is helping our local communities to help themselves. To cast it aside now with no really workable alternative in sight, would deepen peoples' cynicism and despair over our self-government system.

Any alternative, if it is going to work, must have the broad support and involvement of those with the responsibility to make it work in our local schools and communities. Right now, these people—almost unanimously—support the continuation of the present funding and program arrangement rather than any alternative.

PRESIDENTIAL OR CONGRESSIONAL SUPREMACY?

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. DRINAN. Mr. Speaker, recently, I read an excellent article in the Boston Globe concerning the struggle between the Executive and the Congress. The author, Dr. William M. Goldsmith, teaches in the American Studies Department at Brandeis University. I commend this article to my colleagues:

CONGRESS MUST REGAIN ITS STATURE

(By William M. Goldsmith)

The end of the Vietnam War does not eliminate or seriously affect the Constitutional crisis in this country. Although the war and particularly the bombings of Hanoi and Haiphong dramatized the urgency of this crisis, it was by no means limited to these events and it was not resolved by the cease-fire. The President has aggravated the problem by impounding funds appropriated by Congress, and then ignored its protests.

The source of the crisis lies deep in the foundations of Constitutional government and nothing short of a fundamental redress of the present imbalance of power between the Executive and Legislative branches of government will resolve it.

The men who drew up the Constitution created a government not of separate powers, but a complex system where power and responsibility are divided between the three branches of government, and yet at the same time are shared among them. This would apply even to the responsibilities which appear to fall primarily upon one branch, such as legislation, for although Congress is responsible for passing laws, the President has the power to veto them, and also the prescribed invitation to propose legislative policy. Indeed today the Executive branch introduces close to 90 percent of the measures that eventually become law.

Not even the Supreme Court is immune from this divided but shared concept of responsibility. The Constitution spells out the original jurisdiction of the Court, but assigns to Congress the responsibility of determining the exceptions and regulation of its appellate jurisdiction, and of course the Executive and the Congress are involved in appointing its members. Every article and section of the document further defines and requires such a concept of shared responsibility.

Richard Nixon is not the first President to have violated both the spirit and letter of the Constitution to require such a shared responsibility, but the problem has become critical in this century and particularly urgent in his Administration. Although powerful Presidents dominated early days of the Republic, the Presidency after Andrew Jackson declined dramatically, and, with the exception of the war Presidents, Polk and Lincoln, a series of quite ineffective Chief Executives were subordinated to powerful and dominating Congresses.

The result of this decline of the Presidency in the 19th Century was a disaster for the American people, opening up the Treasury and other resources of government to the worst forms of corruption and exploitation by the so-called "Robber Barons." During this period, Woodrow Wilson described the President as nothing more than a glorified clerk.

It was not until the arrival of Theodore Roosevelt that the Presidency was restored to a more assertive and policy-making role in the government. Since then the power of the Congress has regressed gradually to the point where it has finally been eclipsed by the present inhabitant of the White House.

The crippling erosion of the Constitutional balance of power at the center of government has been destructive to the interests of the American people. Their power and welfare are best represented when they receive maximum expression in the balanced form of government drawn up by the founding fathers. Each branch of this system has its unique contribution to make to the interests of the people, and each branch brings to the crucible of public policymaking its own unique strengths and creative resources. Congress frequently reflects a healthy clash of sectional and minority views and interests which are absent from the more narrow partisan perspective of the White House.

This is not to indicate that the Presidency does not have a forceful and necessary role to play in the American system. A return to the Presidential impotence of the late 19th Century would be unthinkable. Without dynamic Presidential leadership, the country tends to flounder or be too vulnerable to the exploitation of self-serving special interests which are usually more successful in influencing the Legislative branch than the Executive.

The dynamic tension between two energetic and resourceful centers of power—a strong and purposeful President and a representative and cautious Legislature—produces at its best the ideal chemistry of democratic government. When this dynamic tension is short-circuited by the overbearing influence and power of either branch, the public interest suffers, the voice of the people is not heard, and representative institutions atrophy.

We are caught up at present in an historical crisis where the imbalance of power at the center of our government is rooted not only in the improper and arrogant expansion of Executive power, but also in the inertia of the Congress. Congress has sat by and accepted the rebukes of the President in recent years without doing much more than mouth empty rhetorical protests against the invasion of its prerogatives.

Congress has the power virtually to immobilize the Presidency if it has the will to act. It can harass him at every step of the legislative process. It can demand an accounting of impounded funds. It can refuse "to consent" to any of his appointments and cut off all appropriations until the President is willing to deal with it in a reasonable manner. But the public must support Congress in such a struggle or it cannot win.

The use of these ultimate weapons by Congress could paralyze the effective processes of government and lead to an inevitable showdown. The public interest would be jeopardized by such a crisis and public opinion would then demand a resolution of the conflict, hopefully before it led to the undermining of our Constitutional system of government. But to ignore the problem or to gloss over it could eventually lead to the same result without any real potential for its solution.

Of course there are risks in such a strategy. One tempts fate by showing such determination to reverse the trend or drift of events. On the other hand, President Nixon has given every indication in his political career that he is a reasonable man, and once convinced that Congress intends to fight back and recover its lost power, he will come to terms with the Legislative branch and permit the Constitutional balance of power to be restored. The alternatives are too dangerous for any President to consider seriously.

But Congress must fight this battle through to a decisive conclusion. Too much hangs in the balance for it to back off at this critical moment of history. The public interest is not served by either Presidential or Congressional supremacy, but rather by the balance of a dialectical tension at the center of our government, as the founding fathers planned.

RARICK REPORTS TO HIS PEOPLE: ECO-HYSTERICS SOLVE NO ENVIRONMENTAL PROBLEMS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RARICK. Mr. Speaker, hardly a day passes that we are not confronted with new dispatches from the front lines of the "war to save the environment." Thanks to the mass media and special interest groups, the American citizen is kept up to the minute in the latest developments. However, much of the "pollution crisis" story is only half complete. The half most often told is the half that supports the theories and advances the causes of those that shout the loudest.

There is another side to the story. The position of moderation.

No same person can quarrel with the ideal of protecting and preserving man's environment. Everyone who lives here has a stake in the air we breathe, the water we drink and the land that provides jobs, shelter, recreation, and all the other things man needs to survive. The early environmentalists did a great deal of good in focusing public attention on pollution and damage to the environment. True conservationists have been working to preserve the natural resources of this country from the distruction long before "ecology" became a popular indoor sport. And they did their work without resorting to the theatrics that have accompanied the new instant environmentalists.

History is full of examples of noble ideas that degenerated into something quite different from the original design. During the prohibition era, the crusaders against alcohol found an improbable ally in their efforts to prolong prohibition—the bootlegger. Naturally, he would support the cause, it was money in his pocket. Karl Marx's theory to rid the workingman of his chains, was adopted by the Soviet Union, only to give rise to the most repressive imperialist empire in world history.

Some elements of the ecology movement show signs of using a worthwhile aim with good intentions to conduct a witch hunt of sorts.

I do not question the original idea, or the good intentions of the people who diligently work for a better environment. Clean air, clean water, conservation of nature, and improved quality of life are still the announced aims of the new ecologists, but lately a turn has been taken in the movement. The gloom and doom forecasters have taken up a new principal of antitechnology and stopping scientific advance under penalty of doomsday. This ecohysteria, based on half-truths, pseudo-scientific information and over simplifications should cause serious questions to be raised by the public, and ham the cause of environmental protection.

Scientific advancement has recently come under such serious general attack. Cloaked in such catch phrases as: "People start pollution; people can stop it" and "Population times prosperity equals pollution," the movement has attracted many sincere people who want to help. And many of these people are taken in by supersimplification rhetoric. What has often been produced by horror-story fiction, picturing this country and the world, being totally consumed by pollution, is a growing fear and suspicion of all science and technology. The reasoning goes: "Science and technology got us into this mess; therefore, technology and science must be limited or stopped."

To conclude that since technology has advanced our society, brought about tremendous economic growth, and in its wake a degree of pollution, economic growth and technology must be stopped is immature nonsense. The reverse is true. More and better technology will be needed to clean up the environment.

More electric energy, not less, is needed to rid the cities of pollution. Electric energy can remove more pollution than it creates.

More clean energy is needed to run the sewage treatment plants, recycling operations, scrubbers, and precipitators to clean smokestack waste, and all the other pollution removing equipment. There are not enough power stations operating today to satisfy the demand to clean up the environment. Yet this is due in large part to actions by environmentalist groups opposing powerplants on the grounds they pollute. And so the arguments go round and round in circles.

Injunctions and court actions by dedevelopers have tied up one solution to our problems in costly, time-consuming legal redtape. And while the court fights go on, the environment continues to suffer, and the ecogroups trumpet their victory over technology. One national leader of a large group of eco-reactionaries proudly predicted recently that "within 5 years concerned citizens will force the cancellation of all plans to build nuclear powerplants because of a threat of nuclear radiation." His consumer group will "continue to oppose the construction on any nuclear powerplants in this country."

This is ecohysteria in its most destructive form. The "blind opposition to progress" exhibited here can certainly do no good for the cause of a cleaner environment. And the damage it has already done to the economic progress of this country is exhibited in the growing energy shortage. If we followed his leadership, our factories would be operated by treadmill powered by oxen.

Like any convincing propaganda message, the late blooming environmentalists are sure to include a grain of truth in their raving against technology, but they refuse to be misled by facts.

So while the instant ecologists are out picketing powerplants with placards made of recycled paper, industry and science continue the difficult job of cleaning up the atmosphere. More often than not, their efforts are slowed or halted completely by some self-serving ecology group to get news coverage.

A good case in point is blind opposition to nuclear generation of electric power I mentioned earlier. Technology has provided us with a method of power production that is free of air pollution. We have the capability of generating power to clean up pollution, without creating more, yet phony prophets of doom continue their unalterable opposition. Most of their arguments have been shot full of holes long ago, but their blind opposition to progress and solutions continues.

Some have even sought to equate a nuclear power station with an atomic bomb. There is no similarity between a nuclear plant and a bomb of any kind. Not even an expert nuclear physicist could force a powerplant to explode like a bomb. Yet, retrogressive intervenors persist in picturing mushroom clouds. Such fears are totally groundless. In the many years that these plants have been in operation both in this country and overseas, there has never been a reactor accident in a commercially operated plant.

But the arguments and the injunctions continue. Thermal pollution and hazards of radioactive waste are new bugaboos some developers have seized upon to retard the production of clean energy. They claim the warm discharge water used by these plants to cool the steam which powers the turbines will raise the temperature of nearby waterways enough to kill fish and aquatic life. Scientific studies show no effect on aquatic life from such a small increase in temperature. In most cases the rise in temperature amounts to less than 1 degree Fahrenheit. Any danger from radioactivity is far more imaginary that actual. Nuclear generating power stations are carefully controlled and monitored to detect the slightest danger from anything that may go wrong. They have been in commercial operation in Western Europe and many areas of this country since the early 1950's. But their safety record, the contribution made to a cleaner environment, their conservation of natural fuel resources, and all the other advantages they have over conventional oil, coal, and gas powered generation mean nothing to the ecohysterical crisis maker. He seeks only to halt progress in the field, and stop the very technological advancement that could clean our environment without pollution.

I mentioned the false premise earlier that population times prosperity equals pollution. Besides the groups that would remove pollution by limiting or halting prosperity, there are others who would accomplish the same thing by limiting or halting the first so-called ingredient: population.

We have been told so many times that the very existance of the earth is endangered by a "population bomb", many people have begun to believe it—in spite of the facts. The Zero Population Growth advocates point alarmingly to the sprawling masses in Asia, the Indian subcontinent, and other underdeveloped areas. But population growth in the emerging nations has not changed substantially over the years. What has changed is a lower death rate and longer life expectancy. This is due in part to the role played by pesticides that have improved crop yield, and conquered malaria and other diseases, as well as, better medical care, penicillin and other drugs.

We do not have a population explosion in this country, but the Zero Population Growth people demand a heavy dose of legislation to cure this imaginary ill. They demand monetary incentives for or even compulsory sterilization, incentives to limit the birth rate, tax incentives for small families, and the list goes on. They have been successful in legalizing abortion as a method of population control—something totally alien to our morality, culture and history. There is no reason to think they will stop at that point. Some of State legislatures already have mercy-killing legislation under consideration.

The fertility rate in this country last year reached an all-time low—almost equal to the zero population level.

Government statistics show that this year it has dropped below the replenishment level. Scientists expect the population of the United States to level off, below 260 million, within the generation of the present teenagers. However, we continue to be threatened with doomsday predictions of a population explosion.

I do not question the constitutional right of these people to be heard so long as their activities do not infringe on the rights of other Americans. In many cases the rights of the majority have already been trampled by the actions of environmentalists and ZPG people. Energy shortages have been made worse by legal maneuvering that benefits only the self interests of a few. Legislation has been passed that imposes impossible restrictions on industry and business, at the demand of a vocal few. Court decisions that attack the moral fiber of the country have been brought about by a few.

Pollution is not a necessary result of technological advancement as some ecologists would have us believe. It is an unfortunate byproduct of civilization, that must be cleaned up with better technology. The simplistic answers of limiting growth, halting progress, or reducing the population are easy slogans, but they are certainly not solutions. Overcompensation and overreaction to social problems do not solve them in the long run. They only aggrevate them further.

It is interesting to note that since the ecohysteria fad became the current fashion in this country, fewer flying saucers have been sighted.

E. AUSTIN JAMES

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. BYRON. Mr. Speaker, E. Austin James, a good friend and formerly a colleague in the law profession in Frederick, Md., passed away this week. Austin James was a man who was respected and admired by all those who knew him and worked with him. He was a man of great energy and dedication who will be missed in his community. A brief biography and tribute to Mr. James follows:

PROMINENT ATTORNEY E. AUSTIN JAMES DIES

E. Austin James, one of Frederick County's most prominent attorneys, died Monday evening, April 9, at the Frederick Memorial Hospital. His wife, Mrs. Ruth Mills James, predeceased him in May, 1971.

He was born in Frederick, on Nov. 26, 1895, the son of the late Edward and Virginia E. Staley James. He resided at 204 E. Church St.

Mr. James was actively engaged in the practice of law since 1923, having graduated from Georgetown Law University in 1922. He was a member of the Maryland State Bar Association, and a member and former President of the Frederick County Bar Association. He retired from the practice of law last Jan. 1. He had served as Frederick City Attorney for three terms, and one term as Attorney to the Peoples' Counsel to the Public Service Commission in 1935, and served as a Magistrate for Frederick City in 1938. He was appointed Chairman of the Board of Property Review for Frederick County by the Circuit Court, and served in that capacity for a period of ten years, (as of 1971).

Politically, he was an active and lifelong Republican. He served as chairman of the Frederick County Republican Central Committee for 25 years, and as chairman of the Republican City Committee for 20 years.

Upon his graduation from the old Boys High School in the class of 1913, he became a reporter on the Frederick News and Post from 1913 to 1916, when he entered the military service as a member of Company "A", Maryland National Guard, to serve on the Mexican Border in 1916; and after four years of duty in World War I, was honorably discharged as a second lieutenant. Before being discharged, he served as Personnel Officer on the Martha Washington, a troop ship, returning men from Europe. He held the rank of major on the Adjutant General's Staff in the Maryland National Guard during World War II.

Mr. James was a member and past Commander of the Francis Scott Key, Post 11, American Legion; a member and a former President of the Frederick County Fish and Game Association at Camp Kanawha, and a member and former president of the Fishing Creek Rod and Gun Club. He was an active member and former vestryman of All Saints Episcopal Church. He had served for one term as Senior Warden of the Church.

TAX SIMPLIFICATION: TESTIMONY BEFORE WAYS AND MEANS OF CLEVELAND LAWYER EDWARD J. HAWKINS, JR.

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. VANIK. Mr. Speaker, during the current Ways and Means hearings on tax reform, the committee was privileged to have as a witness on March 9, one of the leading tax lawyers of the Nation, Edward J. Hawkins, Jr., of Cleveland, Ohio. Mr. Hawkins has undertaken substantial research work into some of the most complex areas of the tax law and is a convincing proponent of tax simplification.

The 16th amendment, adopted in 1913, permitted the imposition of income taxes in the United States. That amendment is only 30 words in length—but the Internal Revenue Code which implements the amendment has now grown to some 1,100 pages.

As Mr. Hawkins stated in his testimony:

> In a tax world where professors and tax lawyers already disagree on the maximum rate applicable to capital gains, where textbooks are wrong, where Treasury return forms are wrong, I fear that the effect of constantly adding more and more mysteries may be disastrous to the level of accuracy at which tax practice is carried on.
>
> If this gloomy prophecy proves true, and we increasingly enter a state of great inaccuracy and confusion, is not that the context from which could develop as a later stage a national climate of massive deliberate tax evasion?

Mr. Speaker, I would like to enter in the Record the full text of Mr. Hawkins' testimony as well as his recommendations in the hope that they will be of use to the entire Congress.

THE CASE AGAINST SPIRALLING COMPLEXITY IN THE INTERNAL REVENUE CODE

(By Edward J. Hawkins, Jr.)

THE RELATIONSHIP OF TAX SIMPLIFICATION TO TAX REFORM

These hearings began with a panel on tax reform and tax simplification. The distinction reflects the general understanding that those concerned with tax reform are dealing primarily with the question of who ends up paying the tax, whereas those of us who speak for tax simplification are concerned with writing the statute in such a way that people can figure out who pays the tax. The reformers are concerned with where the car is going. The simplifiers are concerned with how the car is mechanically put together. On the other hand, to the extent the tax law becomes too complicated, the adverse consequences are serious enough so that tax simplification may be an important reform in itself. It is pointless to argue about where we want the car to take us if it breaks down on the highway.

On the original panel, Professor Bittker submitted a statement on tax simplification which I vigorously endorse. In a sense, my purpose today is to illustrate from a practicing tax lawyer's standpoint some of the points he made and develop some of their implications. We will begin with some specific examples of excess complexity. Next we shall consider some of the costs, present and prospective, of excessive complexity. Finally, we will conclude with some suggestions for dealing with the problem.

EXAMPLES OF EXCESSIVE COMPLEXITY

1. *Capital gains*. An important question debated by tax reformers is whether the tax burden on capital gains should be changed. An even more important question in tax practice is to determine what the present burden is. A client walks into your office and says that he has some stock held for many years which he can sell for $10,000 more than what he paid for it, and he wants to know what the increase in his taxes will be if he realizes the gain. You patiently explain that he will have to respond to a fairly extensive questionnaire before you can begin the necessary computations. The client replies that he has not time for psychoanalysis. He will settle for knowing the *maximum* amount of dollars he could have to pay the government on account of the $10,000 gain.

At that point in the conversation, most attorneys and accountants would have to answer that they simply do not know, but since this is a prepared speech, I checked it out. To assume the worst, the taxpayer must have other gains this year of $60,000 thus using up the alternative tax and using up the $30,000 exemption applicable to tax preferences. If he is in the highest possible tax bracket, 70%, the initial tax on the capital gain will be half of that or 35%. In addition, he must pay a 10% minimum tax, but this is applied only to half of the capital gain, or $5,000. Furthermore, one deducts from that another $3,500, representing the increase in regular income tax caused by the gain. Thus the preference tax is 10% of $5,000 less $3,500 or $150. That is only 1½% of the original gain so that the combined tax rate is only 36½%, which is what Professor Musgrave of Harvard said was the top rate.

Unlike Professor Musgrave, we must not forget the maximum tax. Tax preferences can have the effect of taking compensation out from under the 50% ceiling and jumping the rate to 70%. This increase in tax equals 20% of half of the gain, or a 10% rate on the gain as a whole, thus jumping the tax to 46½%. On the other hand, this increase in ordinary tax further reduces the preferences subject to minimum tax, thus decreasing the total tax rate from 46½% back to 45½%.

The next thing which one must consider is that in some years the maximum tax can be based on a five-year moving average, and thus, again assuming the worst, the gain will enter into the computation of the maximum tax for each of the four years following the year of the gain. In each later year the capital gain will be divided by five so that instead of a 10% impact per year it will have an impact of 2% per year for four years, or a total of 8%, producing a final total rate on long term capital gain of 53.5%, far above the rates commonly understood to be applicable.

The point of this illustration is not that the tax on capital gains is too high or too low but that it can be computed only by a most involved analysis with repeated interactions between three types of tax provisions and covering a five-year period. If a Harvard Professor of Political Science can't get within 17 points of the right answer, how can tax practitioners and revenue agents out in the field, let alone taxpayers, begin to understand it?

2. *Qualified stock options*. Let us now assume that the client walks into your office

and says that he has a qualified stock option to buy stock worth $10,000 more than the option price. He asks how much—at the most—his taxes will be increased if he exercises the option, holds the stock more than three years, and then sells it, making the simplifying assumption that the price of the stock is the same when he sells as it is today. In partial answer, you have already heard the analysis of the capital gain at the end of the road when he sells the stock. In addition, at the start of the road, the full $10,000 spread is a tax preference when the option is exercised for purposes of both the minimum tax and the maximum tax. Indeed, when one combines the exercise of the option and the sale of the stock and considers the moving averages, the one $10,000 spread is treated as a tax preference for maximum tax purposes two-and-seven-tenths times. Stated in dollar terms, the $10,000 preference is expanded to a $27,000 preference. As you can imagine, the total tax gets pretty high. Specifically, if we assume the worst, of the $10,000 spread the executive is left with $250.

3. *Baby-sitting expenses*. One may ask why it is that competent idealistic reformers appear before you to contend that the minimum tax ought to be tightened or increased when the tax burden on a perfectly legitimate transaction is 97½% already. It may be suggested that the answer is that reformers do not like business types, and don't care if their oxen get skewered. Such an explanation is hardly fair either to the businessmen or to the reformers, and in any event you will recall that Professor Bittker's speech included an example, which would be hilarious if it were not so real, of the impossible complexity of the rules for baby-sitter deductions for working mothers. It is not easy to evolve a political philosophy under which both business executives and working mothers are treated as public enemies.

The truth is that Congress is not trying to treat either group unfairly but that for all groups of taxpayers the statutory draftsmen are increasingly creating verbal jungles the practical implications of which are beyond the understanding of mere human beings.

4. *Private Foundations*. It is impossible in brief compass to describe the full complexity of the private foundation provisions. A few highlights are that the statutory provisions are spread among three different locations in the Code. They contain two different definitions of public support, involving intricate but different computations. They have one definition of income to which the 4% tax is applied and another definition of income for determining how much must be distributed. Procedurally, even the smallest private foundations are required to value their assets monthly. One effect is that a significant part of the income which had once been irrevocably set aside for charity is now being spent on the fees of professional advisers.

5. *Reorganizations* are an area on which tremendous expertise has been focused by both the private tax bar and the Internal Revenue Service and the result is five different statutory definitions of acquisitive reorganization, each with its own body of technical rules. Presumably each tiny subrule has some reasonable explanation, but the overall structure seems quite irrational. There may be a policy that certain types of acquisition should be tax-free, but there is no sensible policy explanation for requiring solely voting stock in a B reorganization and almost solely voting stock in a C reorganization but not requiring any voting stock in an A reorganization. Similarly, there is no policy reason for permitting securities to be received tax-free in a Section 351 exchange, while in an A reorganization they may be tax-free, capital gain boot, or dividend boot, and in a purported B reorganization they defeat tax-free treatment even for the accompanying voting stock. Still further incongruities are created by the two newest definitions, each different from the old definitions and from each other.

6. *DISC corporations* are highly controversial. Some say the DISC provisions should be repealed entirely, while others believe them a valuable contribution to the balance of payments problem. To tax practitioners, perhaps the most outstanding characteristic of the DISC provisions is not their goodness or badness but their sheer bewildering complexity. We are told that for provisions of this type, complexity is not a problem since big corporations can always hire lots of people to figure out the involved prose. This is seldom factually true, however, since most provisions applicable to large corporations are also relevant to small businesses. Furthermore, those who do tax work for large corporations have just as much trouble coping with labyrinths as anyone else. By way of personal experience I well recall the evening when I first had to answer a question about DISCs. The idea of DISCs is reasonably simple and at that time there were no regulations, no rulings, and no articles, so I thought it would be a simple matter of spending an hour or two with the Research Institute summary. I discovered, however, that the explanation ran for 46 two-column, 8½ x 11 pages of small print and bewildering terminology. Following those 46 double-column pages there were ten triple-column pages in even smaller print containing the text of the statute. I think that at best this is an absurdly wasteful use of the time and intellectual energy of tax people who, even in the case of large corporations, are limited in time and numbers. At worst, the length and complexity may mean that few or none of the people who must work with the law really understand it very well.

It is important to be aware that the DISC provisions are simply the latest example of the policy of drafting a group of fantastically complex sections, complete with special definitions, and layer after layer of exceptions to exceptions, to cover each corner of the law. Within the area of federal income taxation we have an increasing number of special areas, such as DISCs, REITs, private foundations, controlled foreign corporations, subchapter S corporations, savings and loan associations, various types of insurance companies, etc. Each is a separate and very involved world of its own, requiring considerable specialization if one is to have a working knowledge of the rules.

THE COSTS OF EXCESSIVE COMPLEXITY

1. *Lack of enforcement*. It is doubtful if the Internal Revenue Service can find enough revenue agents who will spend the time to really learn the ever-increasing, spiralling complexities of the tax law. Thus in practice many of the complexities are made tolerable by being ignored. Some years ago, I advised a client on a stock redemption, pointing out that the results would be catastrophic under the attribution rules. The lawyer on the other side admitted that I was correct if the rules were to be taken literally, but said that was not how they really were applied in practice. It is hard to say that he was wrong. How many of us in actual practice have seen any applications of these elaborate attribution rules beyond the most obvious of cases?

Another example of the difference between the written law and the enforceable law is the taxation of estates and trusts. That is an area with a mild level of complexity which in its context seems sensible and appropriate. Nevertheless, the fact it has given rise to relatively little litigation may say less about the merits of the rules than about the inability of the Service to find people to administer them. For example, we once attached to a fiduciary income tax return a note explicitly pointing out that we had not followed the form and the directions since they seemed to us to be wrong. This daring insubordination did not force us to the Supreme Court. It did not even elicit so much as a phone call from the Internal Revenue Service. Still again, I understand that, at an institute on estate planning, not in Cleveland, a speaker asked the audience of practitioners in this field whether any had ever had a fiduciary return audited, except where such audit arose from an audit of a different type of return. No one present admitted to having had such an audit.

In short, discussions by tax gurus frequently deal with very subtle, refined provisions which, out in the real world, are simply unknown to the Internal Revenue Service and to many tax practitioners.

2. *Uneven enforcement*. The usual result of complexity is not an absolute lack of enforcement but very uneven enforcement. In some cases, this seems intentional. For example, the area of travel and entertainment expenses, applicable to myriads of taxpayers, is replete with subtleties. One of my favorites is the rule that in determining whether an entertainment facility is used 50% for business one counts both entertaining "associated with" business plus entertaining "directly related" to business, but in determining the percentage of the expenses of the facility which can be deducted once the 50% test is met, one includes only "directly related" entertaining and not "associated with" entertaining. This rule on its merits is not bad, but it is nothing taxpayers or revenue agents can be expected to remember or apply. Its usefulness begins after the Service has already decided that a return should be attacked and both sides start to do research. Put more strongly, many of the rules are technical traps useful as handles for attacking bad guys who abuse expense accounts. This may be a good idea, perhaps depending on how much confidence one has in the government's ability to distinguish correctly which are the bad guys.

Most of the time uneven enforcement is not the result of policy but of pure chance. The taxpayer is simply unlucky enough to have found the one revenue agent in a hundred who happens to have heard of the provision in question. Perhaps instead he was unlucky enough to have hit the one tax practitioner in a hundred who knew of it and volunteered the correct result on a return.

3. *Eroding voluntary compliance*. I do not believe that the chief enforcement mechanism of the federal income tax is the honest taxpayer, because the honest taxpayer doesn't know enough of the rules to know what is required, and because most tax returns are now professionally prepared anyway, especially business returns. It is also not the diligent Internal Revenue Service, which audits very few returns and is staffed from top to bottom with human beings. The real enforcement mechanism, which makes the whole system work, is the vast body of tax professionals, whether independent attorneys and accountants or the internal tax staffs of the corporations. While there has been a lot of publicity attached to a handful of fraudulent tax return preparers, by and large, I have seldom encountered a more strait-laced group than the real tax professionals. One hears of regulatory agencies which adopt the thinking of the people they are supposed to regulate. It often seems to me that the tax bar has been brainwashed by the thinking of the regulatory agency they are supposed to fight. In discussions among tax lawyers I hear just as revenue-oriented viewpoints as I find in reading rulings or decided cases.

It is this estimable group of people whose position is being eroded by escalating statutory confusion. To the extent we are able to learn the mysteries of each new revenue act, we frequently do not save our clients money, but, through knowing the restrictions included in the statute, actually cost our clients money by enforcing rules which the

Internal Revenue Service in the field has scarcely heard of. For a clear example, I recently gave a client some tax advice he considered unpalatable. He took the same question to the Internal Revenue Service, which gave him the opposite and more favorable answer. The reason for the difference was that the Service was simply overlooking a rather technical rule, but the client, with no personal knowledge of the law, must have wondered, and should have wondered, about lawyers who apply pro-government rules that seem to have no existence out there in the real world.

Despite the disadvantages flowing from our role as enforcers, I do not think that the problem of spiralling complexity is going to make hitherto legitimate tax practitioners dishonest. The real cost initially is sloppiness. The most diligent tax man cannot today learn all the rules, let alone remember them. Accordingly, all of us have to practice some of the time with less than the technical knowledge that we would like.

As this becomes increasingly common on all sides of the table, I fear that the whole atmosphere of tax practice will become less one of technical precision and more one of tacit avoidance of whole complex areas. In a tax world where professors and tax lawyers already disagree on the maximum rate applicable to capital gains, where textbooks are wrong, where Treasury return forms are wrong, I fear that the effect of constantly adding more and more mysteries may be disastrous to the level of accuracy at which tax practice is carried on.

If this gloomy prophecy proves true, and we increasingly enter a stage of great inaccuracy and confusion, is not that the context from which could develop as a later stage a national climate of massive deliberate tax evasion?

WHAT CAN BE DONE?

1. *Definition of problem.* The first step must be one of analysis. One cannot simply attack every complicated provision in the Code. As Professor Bittker noted, much complexity is inevitable when one attempts to write a law which will translate any conceivable economic act by any one of 200 million people into a specific numerical dollar figure. Still other apparent complexities actually simplify the law; a very precise and hence lengthy rule will sometimes resolve many questions that would not be avoided merely by the device of not facing them. Accordingly, we must begin by developing conceptual rules for distinguishing between necessary or helpful complexity, and undesirable complexity. For example, I would suggest that rules which are too complex to be enforced should be considered suspect. Rules which go too far beyond the capacity of the human memory are suspect. Rules which serve small policy objectives are suspect.

2. *Support for simplifying legislation.* When bills are developed for simplification purposes, I think this Committee should go a little out of its way to push them. The reason is that the more a bill is genuinely aimed at simplicity for its own sake, as opposed to increasing or decreasing tax burdens, the less pressure from either private or Treasury sources there will be for the measure.

One example of this is the Deadwood bill. This seems to me to be most innocuous from a revenue standpoint, but it would be regarded by many as a hopeful sign that fighting for structural improvements in the Code is not a useless endeavor. Another example is the ABA Attribution Proposal. As you know, the Code is replete with different attribution rules, each with its own subtle quirks. The ABA developed a draft bill to consolidate these rules into a single set with a minimum number of special exceptions. Someday that bill will be introduced for your consideration, probably with all the political force behind it of a marshmallow thrown at a sofa pillow. Its only hope will be for members of this Committee to give it a helpful forward kick on their own initiative.

3. *Assign people to the problem.* Perhaps the key to the problem is that today there is no vested interest in favor of simplification. The Treasury is interested in raising revenue, and tax practitioners are interested in the amount of that revenue raised from their clients. Both sides curse complexity as they wrestle with it but have no incentive to linger with it when the current problem is resolved. A potential third force might be the legislative staff personnel who draft much of the law and review what is drafted by others. The problem with these men is that they work so deeply with a given provision that they become excessively aware of each subtle policy point, and lose any personal sense of how complex the provisions will seem to someone whose role does not permit such single-minded concentration on a single area. Thus they strive for high quality not in the area of comprehensibility—they personally comprehend the bill very well—but in the area of achieving perfect substantive rules, an inherently complex objective. To counter all this, would it not be possible to assign a small group, either in the Treasury, or in the Service or on a Congressional Staff, to the project of continuing technical review of the Code, not from the standpoint of reforming policy decisions made by Congress but from the standpoint of identifying the worst areas of confusion and of suggesting changes which at minimum cost in terms of tax policy will produce maximum returns in terms of preserving a Code which works.

EARTH WEEK, APRIL 8–14

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mrs. GRASSO. Mr. Speaker, a soda bottle along the roadside, a piece of paper flying from a car window, a deserted and rusting car by the side of the highway, a litter heap in the park, and a crumpled cigarette package on the sidewalk—all are symbols of the punishment that man has given to his environment.

The commitment of Earth Week, April 8–14, is to the preservation and enrichment of our natural environment. If we are to progress in our battle against garbage and pollution, our citizens must recognize the necessity for clean air, clean water, and a healthier environment. These are the goals toward which we strive.

In 1970, the youth and environmentalists of our country proclaimed that a special day be designated to celebrate the beauty of our Earth. In 1971, Earth Day was expanded to Earth Week. It was hoped that by setting aside this week—by drawing attention to the beauty of our Earth and its problems—determination to preserve and improve our environment would spread to all people throughout the Nation for every day of the year.

We have long recognized that human beings have the potential to severely alter or destroy the environment which sustains all living things. It is also in their hands to make the Earth a clean and health place to live. Clearly, it is our responsibility, through knowledge, commitment, and intelligence, to attack the forces of pollution and ecological destruction that could threaten our very existence.

Mr. Speaker, some small steps to improve the environment are being taken. Let us consider Earth Week as a celebration of the progress we have made toward the improvement of our environment. Better exhaust systems and cleaner gasoline for automobiles, waste treatment plants, and recycling programs for glass and paper are a few of the responses to the pleas of environmentalists. But most important, let us also consider Earth Week as a time to recognize the vast mountain of work that remains to be done in this area.

Earth Week is a call for continued action, commitment, and progress for ecological improvement.

AN INACCURATE NEWSPAPER ACCOUNT

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. ESCH. Mr. Speaker, one of the burdens of being in public life is the burden that we all bear in living with the uncontrollables that surround us. Surely one of the most significant uncontrollables that a public official has, and rightly so, is that of the media. I rise today to correct an erroneous impression that may result because of such recent media accounts concerning remarks alleged to have been made by H. R. Haldeman of the President's staff before an off-the-record meeting of the Wednesday group on March 28, involving the Watergate affair.

Like all Members, I am deeply interested in determining the full truth with regard to the Watergate incident and feel very strongly that the grand jury investigation and the study being conducted by the Senate are in the best interest of the Nation. Only when our political process is free of the kinds of illegal and immoral activities which have been alleged in this incident can it be really free in assuring that the choice of the people is heard at the polls. I first expressed my hope to the White House last year that prompt action be taken to clear up the record in this case. Most recently, I have introduced legislation with Congressman ERLENBORN which would limit executive privilege and would require testimony in cases such as this one. I feel very strongly that those who are directly involved should be prosecuted to the full extent of the law, and should be fully exposed in the eyes of the people of this Nation.

Having said all this, however, I also want to express my deep concern about the manner in which this incident is being treated in the media. All of us remember all too well the disgraceful period of the early 1950's when hundreds of people were "tried" through such immoral tactics as guilt by association, trial by headline, innuendo, and implication. The great media of the Nation were among the strongest opponents of such tactics and loudly condemned them. It was truly a despicable era.

Such innuendo and implication were directly involved in an article written by Robert Walters of the Washington Star-News on Saturday, April 7, purporting to report on the "off-the-record" meeting of H. R. Haldeman with the Wednesday group on March 28. No reporters were present at that meeting—but I was—and I rise today to correct the totally inaccurate implications of what was said at that meeting. Mr. Walters was, in fact, far fairer in his story—and far less guilty of using innuendos than are many of his colleagues—but the total story still made many implications which simply are not an accurate reflection of what was said at that meeting. Along with many of my colleagues I was personally distressed with the account.

The erroneous impression left by the entire article is that Mr. Haldeman admitted "that he was personally responsible for organizing a political intelligence operation" during last year's campaign. The use of the word "intelligence" in that paragraph is the first of many tainted words which are intended to give a false impression of what Mr. Haldeman said. Mr. Haldeman freely conceded that he had suggested a program of opposition research which included coverage of all opponents' public—and I emphasize his use of the word "public"—utterances during the campaign. He even indicated that as many as possible of the public utterances were to be taped—surely a legitimate means of keeping track of the opponents' stands as they shifted throughout the Nation.

There is not one of us here in this Congress who did not make an effort to keep track of what our opponents during the last campaign were saying. We all certainly tracked their written comments and, when we had an adequate staff, I am equally sure we attempted to track their major public appearances. Yet, the innuendos of the Star-News story imply that the "intelligence" operation which Mr. Haldeman discussed was somehow different.

Along the same lines is the emphasis of the word "tapes" with regard to the methods used to record public speeches. There can be no doubt in anyone's mind reading that story that the word "tapes," and its emphasis, is used to imply a somewhat shady connection with other "tapes" which were directly involved in the Watergate incident. I can assure you that Mr. Haldeman made no such implication.

Mr. Walters stated that Haldeman "freely acknowledged responsibility for establishing and running the political intelligence unit." That is a direct contradiction of fact. The article continues—

> He told us that he hoped to have tapes and used the word tapes of everything the opposition said in public.

The location and inference of that quotation appears to be a direct attempt at equating standard political opposition research with the Watergate incident. There was absolutely no such implication or discussion in the course of the meeting. Equally inaccurate is Mr. Walters' account of the "secret fund." He said in his report that—

> Haldeman denied newspaper accounts that he had access to a "secret fund" of hundreds of thousands of dollars in cash, reportedly used to pay for sabotage activities according to the congressmen. They also recalled that Haldeman asked that even his wife had asked about the "secret fund."

The real context of the discussion of the "secret fund" came as a personal illustration of how the newspaper accounts regarding Haldeman's control over a secret fund were erroneous, and how, when his wife had first seen a newspaper account and asked him about it, his reaction was one of equal incredulity.

My purpose in rising this afternoon is to correct the implications of inaccurate hearsay reporting on just one incident. I am not attempting to make a judgment on the Watergate affair and the persons involved in it. I simply don't have all the facts and I do not know who was involved in it. I do know, however, that contrary to the innuendos and sly implications of the Walters' story, Mr. Haldeman said nothing at the March 28 meeting which in any way remotely gave any indication that he was associated with the illegal and immoral activities of the Watergate affair.

This entire investigation reaches to the very heart of the integrity of our political and democratic system. Surely the media have a responsibility to be diligent in their pursuit of the truth as a legitimate check on all of us who serve the public, but when inaccuracies and innuendos take on the semblance of truth, I for one cannot stand idly by and see an individual accused unjustly. All of us, in the media and public life, are demeaned by such McCarthyite tactics. Our citizens deserve more.

FUNDS FOR THE PEACE CORPS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. GILMAN. Mr. Speaker, on March 29, 1973, the House voted continuing appropriations for the Peace Corps, approving a 2-year authorization.

It is difficult to fully assess the success of the Peace Corps because much of its real progress is intangible. The person-to-person approach of providing assistance to underdeveloped countries of the world is reflective of the great humanitarian spirit of our Nation. The Peace Corps has helped our Nation build ties with other countries in the far corners of the world.

The administration and the Congress has been focusing its attention upon economizing and tightening the Federal purse strings. Since some Members of Congress have expressed concern about the extent of the appropriations for the Peace Corps, I have suggested that Peace Corps funding should be partially absorbed by the utilization of our balance of excess currencies which now exist in some of the underdeveloped countries.

These local currencies, owned by the United States, have been accruing over the years as a result of the sale of agricultural commodities provided for in P.L. 480, and from interest on loans returned to us by foreign governments. A limited amount of these moneys are utilized for official governmental expenses—that is, H.R. 5610, the Foreign Service Building Act, passed by the House on March 28, 1973, and H. Res. 340, adopted April 5, 1973; authorizing travel expense for the Committee on Interior and Insular Affairs. There is still a substantial balance of U.S. owned foreign moneys in India, Tunisia, and Morocco, where some of our Peace Corps volunteers are stationed.

Mr. Speaker, if it is possible to utilize such funds for other purposes, why can't such funds be utilized by the Peace Corps?

Some of our foreign affairs experts have suggested that we write off these surplus funds because of the red tape and reactions involved in the administration of such resources. Surely, in the interests of economy, we should not just write off these funds when they could be put to a much wiser and sounder use for such worthy purposes as our Peace Corps thereby making that program even more meaningful to the taxpayer.

SUPPORT FOR REVISION OF TITLE I OF ESEA

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. QUIE. Mr. Speaker, yesterday, I inserted into the RECORD excerpts from letters which I have received in the last several weeks supporting in whole or in part H.R. 5163, a bill I introduced to amend and extend title I of the Elementary and Secondary Education Act of 1965, and excerpts from testimony on H.R. 5163 given before the General Education Subcommittee of the Committee on Education and Labor, of which I am ranking minority member. I am reproducing today excerpts from several more statements which I have received in the last several weeks and which I believe are of interest to all Members:

Mr. Rich Boyd, director, grants management section Department of Public Instruction, Olympia, Wash., March 27, 1973:

> I think the notion of allocating funds on the basis of academic need is good. Let me give you an example explaining why I think that change is healthy. Currently, as you know, Title I funds are allocated to districts on the basis of low-income. In Pullman, the lowest income area is near the college, where all the graduate students live. Therefore, the only eligible school for Title I services is Edison school which serves that area. Those kids are certainly not the most educationally disadvantaged in Pullman, as they are the sons and daughters of candidates for master and doctoral degrees. Their parents, however, are receiving very little income and conse-

quently, that school is the only eligible service area for Title I.

Again, let me say that I support the notion of making funds available on the basis of educational need as opposed to low-income.

Gene England, Ph. D., Behavioral Sciences Institute, Monterey, Calif., March 16, 1973:

We support your efforts to develop evaluation methods based on criterion referenced tests rather than standard achievement tests. We also support your efforts to extend the Title I effort with rigorous constraints on accountability and cost-effectiveness. And finally, we strongly support your emphasis on individualization of instruction and competency based teacher training.

Edward C. Myers, Ph. D., special assistant to the president, Cemrel, Inc., St. Ann, Mo.; March 26, 1973:

We at CEMREL have been following with great interest your attempt to implement a criterion-referenced testing system backed up by individualized instruction.

I believe it is important to making the case for criterion-referenced tests as the foundation for the measurement of educational progress to also point out two important side effects of these tests. First, they eliminate most of the adversary relationships in the school, both between the teacher and the students and between students. Second, they provide understandable tools for community members (who are not necessarily educational experts) to evaluate the effectiveness of their schools.

Mr. Gordon R. Werkema, the Council for the Advancement of Small Colleges, Washington, D.C., March 28, 1973:

I react favorably to the bill, particularly to the requirement that parents be actively involved in the establishment of meaningful educational goals and evaluating those goals. I hope that we will continue to realize that education is primarily the responsibility of parents and progressive legislation at all levels should involve parents in meaningful ways.

The distinction between economically deprived and educationally deprived children in your bill is commendable.

Mr. W. A. Wettergren, executive secretary, Minnesota School Boards Association, St. Peter, Minn., March 20, 1973:

As you and I have talked before, I think this is the correct approach to this kind of assistance as the economic status of an individual or family has absolutely nothing to do whether that pupil is educationally disadvantaged.

Dr. Jack P. Nix, State superintendent of schools, Department of Education, Atlanta, Ga., March 21, 1973:

I agree with your desire to place emphasis upon individualized instruction and upon parental involvement in the educational process. I also agree with you that the use of outdated 1960 U.S. Census data can no longer be justified and that all low achieving children should benefit from the provisions of Title I—not just those who reside in concentrated areas of poverty.

Your proposal to use criteria referenced tests as the basis for allocating funds to states and, I assume, the use of a similar procedure for allocations within states, is basically sound; however, I question the readiness of the general public to accept a national testing program to accomplish the desired end.

James J. Gallagher, director, Frank Porter Graham Child Development Center, Child Development Research Institute, University of North Carolina, Chapel Hill, N.C., March 30, 1973:

First of all, I am impressed by the many good issues that you address in the bill itself. I have great sympathy for the strategy of focusing on educational problems, as opposed to economic problems, in an education bill. I am also extremely enthusiastic for the benefits that could be realized by the many handicapped children who still need special service in this country.

I favor the general notion of an individualized written plan with responsibilities to both parents and school. Properly done, I would see that as bringing the school and the parents together as allies in a common cause to the benefit of the child, rather than have them be hostile antagonists a great deal of the time.

NO SIMPLE SOLUTION TO COMPLEX ENVIRONMENTAL PROBLEMS

HON. BILL ALEXANDER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. ALEXANDER. Mr. Speaker, every day we become more and more aware that there are no simple solutions to the environmental problems faced by our complex society today. To accomplish the environmental aims of some, we would have to give up some of our conveniences—a price which I do not believe the majority of the American people are willing to pay. We in the Congress are faced with the almost impossible task of choosing the course which offers the best method for insuring the maximum environmental protection available without crippling or destroying vital elements of our society.

One example of this selection which we will have to make that is before the Congress now is S. 425 which promulgates regulations concerning surface mining operations and the acquisition and reclamation of abandoned mines.

I believe a letter I had from one of my constituents in Jonesboro, Ark., together with a letter from the Brick Institute of America which includes a section-by-section of analysis of the bill illustrates very well the other side of the coin in this situation. I include them for the information of my colleagues at this point:

MARCH 30, 1973.

DEAR MR. ALEXANDER: Inclosed is a copy of the position paper submitted recently in behalf of the brick industry with respect to Senate Bill 425. I urge you to read this paper and support our position.

If passed in its present form, this bill could have a devastating effect on small firms such as ours. There would probably be no way we could meet the financial guarantees required. The brick industry is composed mostly of small companies, so the net result would be to destroy a large percentage of brick production within the United States, and the environment would gain nothing. Pits abandoned by companies legislated out of business would not be reclaimed, thus causing ecological damage, whereas laws which are reasonable, such as the present Arkansas law, will result in improvement of the environment.

Laws such as Senate Bill 425 have the same effect on innocent industries that saturation bombing of a populated area has on innocent civilians.

Let's not let hysteria over so-called environmental problems blind us to the economic needs of our country. The attitude of many environmentalists is, "Don't worry about industry, they have plenty of money and the technology to work it out." This is an unrealistic and unreasonable attitude and should not be accepted by our society.

We must use reason to determine first if a problem exists. Don't assume that because there is a problem caused by strip mining of coal, a similar problem is caused by open-pit mining of clay. It is simply not true. The two operations are very different, and should be treated differently. This is what we are asking. That legislation not be passed which will kill an innocent industry in an effort to correct the bad effects of an entirely different one.

Sincerely,

RANDALL WHEELER.

STATEMENT OF THE BRICK INSTITUTE OF AMERICA

We are presenting this statement as a committee of the Brick Institute of America, a national association of Brick Manufacturers representing over 65% of all brick production in the United States. Most of these brick manufacturers surface mine their raw material, clay and fire clay, which would be covered by the present S. 425.

There is a great concern in our country over land disturbed by surface mining operations in which the brick manufacturers concur. The brick manufacturers have been responsive in their own assessment in the need for reclamation, long before public sentiment brought on a demand for local, state or federal legislation. There are many examples of fine reclamation projects by clay miners which contribute to public and private use. An open clay pit mine site in North Carolina is now a beautiful landscaped golf course. In Pennsylvania and Ohio, housing developments now stand on former clay pits which are easily leveled for this use. In Ohio, the National Football Hall of Fame and a football stadium now stand on an old clay open pit mine site. The city of Chicago used the clay pits for garbage disposal and land fill operations. Many public and private water recreational areas have been created due to brick manufacturers' reclamation activities.

Notable examples of what has been done with clay surface mine sites also appear in Washington, D.C. The Washington National Airport and the Pentagon are now located on old clay surface mine sites.

The surface mining of clay represents less than 3% of the total land disturbed by surface mining operations, so, by national standards, the effect is minimal. For example, in the State of Ohio in 1972 only 250 acres were disturbed compared to approximately 20,000 acres which were disturbed by coal mining operations. Brick manufacturers have worked closely with their respective local and state authorities to develop and implement surface mining and reclamation regulations. They have reached relative harmony with these authorities in their combined social and industrial objectives. Of 29 states which have surface mining and reclamation laws, five states do not regulate clay mining.

We are opposed in principle to the enactment of Federal surface mining legislation which would affect the brick industry primarily due to the many variables encountered in this type of operation. We believe the brick industry has proven its commitment to the need for reclamation and we feel that local and state laws are quite adequate in protecting the use of our valuable natural resource; clay. Some states which do not have laws governing the extraction of clays are in the process of enacting same.

The mining of clay is quite different from that of coal and many other minerals and should be treated differently. The ground disturbed by clay surface mining operations is minimal in comparison to that disturbed by other materials, in particular by coal. Open pit mining is condutced in a relatively small area and over a long period of time.

Due to the nature of the clay mining operation whereby, in most cases, clay is extracted from the surface downward many environmental problems such as disposals of overburden, acid water drainage and spoils do not occur in clay surface mines. The typical brick manufacturer will extract his clay from a large hill thus leaving a level area that can be successfully reclaimed upon completion of the mining operation Proper time should be allowed for reclamation based on problems encountered in each individual surface mine operation. In the case where coal or another mineral is encountered incidental to securing clay special consideration should be given for disposal of this "overburden" without penalty.

Regulation of the mining of clay is more suited to local cooperation and local regulations. These distinctions should be considered by any enacted legislation.

In fact, we think the brick industry should not be included in any Federal mining legislation.

If, however, the committee decides to report S. 425 favorably we would like to make certain recommendations which would help make it a more workable piece of legislation than it would be as now written.

Three are certain sections of S. 425 which have been identified by the American Mining Congress in previous testimony before your committee. These areas would also have a significant impact on the clay industry.

1. Criteria of Reclamation (Section 212):

A. Requirements of Section 212 (b) are put in absolute terms which are not attainable. The example, the prevention of "permament erosion" is not attainable.

B. No consideration is given to cost versus benefit to insure that the ultimate use of land, manpower and money would be a wise use.

C. To require operations to return all surface areas to a condition "at least fully capable of supporting the uses which they were capable of supporting prior to any mining". excludes any other desirable and practical use of land.

D. Under Section 212(b)(4) the operator must establish a "stable and self-generating vegetation cover which, when advisable, shall be comprised of natural vegetation". This does not allow for mined areas which had no vegetation prior to mining or where vegetation will not grow, or where future use might be desirable such as for housing, etc.

E. "Contemporaneous reclamation" provided for under Section 212(b)(11) fails to take into account the fact that some reclamation requirements are not feasible during the mining cycle. The provision should allow some flexibility. More discretion should be provided for in determining how the land should be reclaimed.

2. Terms of Permit and Renewal (Section 207):

A. Section 207(c) provides that permits shall be effective for a period of 5 years. The life of a clay pit is from 15 to 40 years, with most averaging about 30 years. The Brick Institute of America recommends that the permit period be extended to at least 30 years or for the life of the mining operations.

B. Termination of a permit if production does not start within three years disregards the fact that many companies require a much greater start-up time. Time should not begin or run on a permit until the operator begins to commercially extract minerals from the ground.

3. Enforcement (Section 214):

A. Section 214(b) gives the Secretary the authority to order cessation of mining operations *absent* danger to human life and health. The judicial process should control in these cases.

B. Criminal penalties should not be prescribed for operators who must abide by regulations which, by their very nature, are vague.

C. S. 425 provides for review throughout the permit application period and during operations. This encourages constant costly intervention. Review should be provided for at set stages in the Process.

D. A bond should be required of any objector or intervenor "Having a valid legal interest" who brings an "appeal for review by a court". This would encourage only legitimate complaints under Section 209(d).

4. Bonding (Section 208):

A. The Brick Institute of America is opposed to posting a bond based on "estimated costs of reclamation by a *third party*" as stated under Section 208(b). This may tend to increase the amount of a required bond beyond what is reasonably necessary to guarantee reclamation.

B. Bonding provisions impose non-productive costs upon the clay mining industry.

C. Section 208 should provide alternate methods of assurance such as showing financial responsibility or the deposit of securities.

D. There is no assurance that bonding companies have the capacity to provide enough bonding coverage to guarantee prospective operators adequate funds to initiate clay mining operations.

E. The required amount of a bond should not be an amount equal to the costs of reclamation, only such amount that will insure the reclamation will take place.

F. Section 208(b) requires procedurally that a bond be submitted upon application of a permit. Since it is impossible to determine the cost of reclamation until a final plan has been agreed upon, the applicant should be permitted to furnish bond after the reclamation plan has been approved.

5. Open Pit Mining (Section 212(c)): Distinctions are not adequately drawn between strip mining, open pit mining and other types of surface mining.

6. Designation of Areas Unsuitable for Surface Mining (Section 2):

A. Any decision whether reclamation is physically or economically possible on a particular piece of land should be based only upon a permit application with respect to that land and *never* based an ex parte judgment of an administrator.

B. Prohibiting mining on land which is within 100 feet of primary or secondary roads, on lakes, streams or tidal waters to which the public has access, under Section 215(c)(1), would compel the closing down of many of the clay mining industries in current operation.

7. Federal Land Programs (Section 216): There is no overriding reason why mining operations on Federal lands and Indian lands should be distinguished from those on other lands for purposes of reclamation. Federal and Indian land programs should conform to the same procedures as enforced on other mined lands.

8. Exploration Activities (Section 401(5)(b)): All exploration activities should be exempted from the coverage of this bill.

These comments are made with the hope that the committee will give the utmost consideration to clay mine operators while simultaneously considering the interests of other mineral industries and environmental groups. We along with your committee feel we are working for the best interest of the public. In the interest of the clay miners and brick manufacturers we respectively request that these comments be considered in arriving at the best possible legislation.

STATE REGULATION OF NUCLEAR POWERPLANTS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. KOCH. Mr. Speaker, I am concerned over the fact that States are presently prohibited from setting more stringent controls on the discharges of wastes from nuclear powerplants than those set by the Atomic Energy Commission because Federal legislation has preempted the matter. With the proliferation of nuclear powerplants, it is desirable that States wanting to do so become involved in considering the adequacy of safety standards set by the AEC relating to projects in their respective States. In my opinion, States such as New York, which are particularly concerned about the discharge of radioactive effluents, ought to be able to establish additional, more restrictive environmental standards if these States do not consider the AEC Federal standards to be adequate safeguards. The AEC has not demonstrated infallibility in these decisions.

It is estimated that within the next 20 years at least 164 new sites will be needed for nuclear plants. Critical decisions will have to be made in the next few years as to the kind and quantity of wastes that may be discharged into the local environment. Certainly the States are in the best position to determine their own special environmental needs and they are, in addition, fully capable of making use of the available expertise needed to set stricter regulatory standards.

A year ago, in April 1972, however, the Supreme Court ruled that the Federal Government under the Atomic Energy Act has sole authority to regulate radioactive wastes. Thus, with this ruling, Minnesota's laws setting more stringent standards were in effect erased by the AEC's regulatory authority. To deal with this legal situation, I am cosponsoring legislation (H.R. 2314) introduced by my colleague Representative DON FRASER which would firmly establish the right of States to impose regulations more restrictive than those set by the AEC.

This legislation, to date cosponsored by 40 House Members, reflects the widely shared views of public officials in several States that State regulation of atomic energy facilities is often necessary to enable States to carry out their responsibilities for protection of the public health, safety, and environment. Under the 10th amendment of the Constitution States are given the responsibility to protect the health and safety of their citizens. Accordingly, since the discovery of X-rays, States have held regulatory authority over the use of X-rays and over the use of all radioactive materials. Under the Atomic Energy Act of 1946, however, Congress assigned to the Atomic Energy Commission the sole authority to regulate nuclear energy. H.R. 2314 would leave the AEC's existing regulatory program intact, but would empower States to strengthen the Commission's program through concurrent application of more restrictive State standards.

This legislation would establish the same relationship between the States and the AEC that the States now have with HEW for air quality standards. The Clean Air Act recognizes the right of a State standards by specifying that—

> Nothing in this title shall prevent a State, political subdivision, intermunicipality or interstate agency from adopting standards and plans to implement an air quality program which would achieve a higher level of ambient air quality than approved by the Secretary.

H.R. 2314 would reaffirm the State's right to more fully protect its peoples not by reducing the AEC's standards but by strengthening them. I urge my colleagues here in the House to join in supporting this essential legislation.

ALASKA OIL PIPELINE PROJECT

HON. DAVID TOWELL

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. TOWELL of Nevada. Mr. Speaker, during the last few days while attending Public Lands Subcommittee hearings, I have heard volumes of testimony regarding the Alaska oil pipeline project. The majority of the testimony was presented by persons representing outside interests. It is with a great deal of pleasure that I now present the testimony given by my colleague, the Honorable DON YOUNG from Alaska. I trust that my fellow colleagues will respect the feelings of the Alaska delegation and not be swayed by outside emotional appeals.

The testimony follows:

STATEMENT OF CONGRESSMAN DON YOUNG

Mr. Chairman, members of the Public Lands Subcommittee of the House Interior and Insular Affairs Committee. As a member of this subcommittee and as Alaska's only Representative in the House, I appreciate this opportunity to come before you and testify on the rights-of-way legislation which we have before us. Needless to say, the outcome of these hearings is of great importance to the people of Alaska and to the people of the "lower 48" States.

Since April 2, when the Supreme Court declined to review the Court of Appeals decision in the Alaska Pipeline case, it has become increasingly urgent, in light of today's energy need, that some form of rights-of-way legislation be enacted which would allow for the construction of the Trans-Alaska pipeline. Moreover, the reasoning of the Circuit Court of Appeals decision that the Trans-Alaska pipeline not be built because the Mineral Leasing Act restricts rights-of-way to 25 feet on either side of the pipeline could possibly obstruct construction of new pipelines as well as leave existing pipelines and other essential public utilities open to judicial review. Thus, it seems doubtful that many will oppose the basic concept behind much of the rights-of-way legislation which is being considered by this committee. Such legislation will most certainly involve the transmission of energy in nearly all parts of the United States, and, in particular, the public land states.

Yet the question remains as to what form of legislation this committee will act on. Mr. Chairman, this country is vitally in need of the oil flow the Trans-Alaskan pipeline will supply two and a half to three years from the time construction begins. And, it is for this reason and Alaska's critical need for revenue that I ask the Committee to act expeditiously on legislation which would allow for the immediate construction of the Trans-Alaska pipeline.

However, the recent Supreme Court refusal to hear the Trans-Alaska case has also spurred proponents of the Trans-Canada route to marshal their forces and argue that the time advantage of the Alaskan route has now been lost. Mr. Chairman, nothing could be further from the truth. Whereas it is generally agreed that the Trans-Alaska pipeline would take no more than three years to construct, uncertainty, delay, and extenuating circumstances surround the Trans-Canada alternative. (Secretary Morton has recently addressed a letter to Members of Congress which supports this contention. I would like to ask that this be made part of the record).

In that both routes require rights-of-way legislation to be enacted, both, then, are on equal footing so far as this committee is concerned. Yet when other factors are considered, it is clear that an Alaskan pipeline can be built more quickly than a Canadian line—if a Canadian line could be built at all. Not only is a Canadian route four times longer, and almost three times as costly as an Alaskan line, there are many obstacles which stand in the way of its construction that have not yet been resolved. It is important that these obstacles be kept well in mind when considering the viability of any Canadian pipeline route.

First is the potentially explosive issue of the Canadian aboriginal claims. As you may know, Prime Minister Trudeau just recently agreed to negotiate treaty claims with the Indians for a cash land settlement, and perpetual royalties on natural resources. However, it is my understanding that at the same time, Mr. Trudeau refused to definitely say that aboriginal rights exist legally. The Treaties, as they are referred to, involve only 7,000 Indians in the territories; 13,000 Eskimos have no treaty, nor do the 5,000 Metis who live side by side with the Indians in the Mackenzie area. In any event, the Indians want to do more than just negotiate their treaty claims, and rightfully so. Together with the Eskimos and Metis, they are organizing with the intention of settling their aboriginal land claims. And, I should add that it took more than five years to settle Alaska's native claims. Canada's natives have watched Alaska's 60,000 natives win $962.5 million in cash and royalty payments, title to 40 million acres of land and the right to chart their own future. We should expect that a proposed oil pipeline will alter negotiations with the Canadian natives, as it should, when the government and the courts address the aboriginal claims question.

Equally important is the fact that the Canadian government has enacted and is presently considering additional legislation aimed at protecting the environment. It is my understanding that these laws are phrased in broad terms which permit great leeway both in their interpretation and implementation—obviously the potential source of many time-consumed legal actions if Canadian oil development follows the pattern already established in the American Arctic, as I have every reason to believe it will. Because much of this legislation has only recently been enacted, its full impact is not yet known. Also uncertain is the role to be played by organized environmental groups which have just begun to gain momentum in Canada. There can be little doubt that the ecological impact will receive a thorough public review. In addition, the Trans-Canada route would require another U.S. environmental statement for more than 200 miles of line in Alaska and its extension in the "lower 48" states.

Another matter to consider is that a Trans-Canada oil pipeline would be subject to the provisions of Canada's National Energy Board Act of 1959. Section 2 (g) of that act requires a "Special Act" of the Canadian Parliament for the authorization of the construction and operation of a pipeline. Also, the Canadian Parliament or government can attach any conditions to this authority it deems desirable.

Once a "Special Act" is obtained from Parliament, the construction and right-of-way location, operation and rates of the pipeline must be approved by both the National Energy Board. Neither the government nor any other body may authorize a pipeline to proceed.

Once an application for a pipeline is submitted, the N.E.B. must then provide notice, hold a hearing and consider the objections of interested parties. Some delay is inevitable. In addition, public concern will compel a complete public airing of the issues involved, both in Parliament and before the Board. In the end, the Board has the responsibility of making the decision. If the decision is a negative one, then that is the end of the proposal.

In addition to these requirements and controls, the N.E.B. has discretionary power to compel oil pipelines, as opposed to gas pipelines, to act as common carriers for all oil irrespective of its origin, no matter whether Alaskan or Canadian. Moreover, there is little question that part of any proposed line capacity would be designated for the transportation of Canadian oil. This was made abundantly clear in the 1970 government guidelines for northern pipelines for reasons enumerated recently in the Commons by J. J. Green, Minister of Energy, Mines and Resources:

"Most important of all will be the right of entry to Canadian resources into this pipeline. It is not good enough that this be merely a bridge to transport United States resources to United States markets and that we have the boom that would go with construction, but no downstream benefit. So the most important under the conditions referred to, is that Canadian resources must have a right of entry into that method of transportation." (*Debates* at 4226).

Although the extent to which the Canadian oil might eventually occupy the line is an open question, there is little doubt that it would depend upon the success of Canadian frontier explorations. Transportation of any reserves would be essential:

"The most important thing is that the presently locked-in northern resources of oil and gas would have transportation to the market places available to them. I think probably the key to growth and development in this great country of ours has always been transportation. So the most important guideline, under the conditions referred to, is that Canadian resources must have a right of entry into that method of transportation." (J. J. Green, former minister of Energy, Mines, and Resources, *Debates*, at 4226.)

At the present time, currently known reserves in the Canadian north, while increasing rapidly, are not sufficient to justify the construction of the needed transportation facilities.

On March 13, 1973, Dr. Robert D. Howland, Chairman of the National Energy Board, told the House of Commons standing Committee on National Resources and Public Works, that 400,000 barrels per day from proven reserves would be required before a 48 inch pipeline could be built down the Mackenzie. It is clearly in Canada's interest to be able to rely on American capital for the construction of any proposed trans-Canada pipeline and, further, to be able to rely on the United States reserves and markets to support such a line until Canadian reserves have been developed. As the Minister for Indian Affairs and Northern Development has stated:

"To develop the great potential of the North, to overcome the great technical challenge of exploration, production, and transportation, we are going to need help, we are going to need capital." (J. Cretien, Minister of Indian Affairs and Northern Development before the Society of Petroleum Engineers, Dallas, Texas, March 9, 1971).

Unoffical cost estimates for the Trans-Canada pipeline construction (20–25% higher than a gas line which is presently estimated at more than $5 billion) emphasize the staggering costs of such a project and demonstrate why it is probably beyond Canadian resources. Therefore, it would be a matter of American capital investment which from every indication is agreeable to Canada. The Honorable Donald MacDonald, present Minister of Energy, Mines, and Resources explains it like this:

"The advantage of having American involvement in shipping Alaskan product through this kind of system is that over the long run we can get a transmission system constructed basically at the expense of the American consumer and producer." (Donald MacDonald, Minister of Energy, Mines, and Resources, A CTV interview with Bruce Phillips, March 16, 1973.)

As Canadian production increases, as there is every likelihood it will, it would be reasonable for the N.E.B. to take steps to reserve additional capacity for Canadian oil as it is authorized to do under the unequivocal terms of the National Energy Board Act.

If Canada were to require a significant share of any Trans-Canada line capacity, this would result either in a significant extension of the time required to deliver North Slope resources to market or the costly development of alternative means to deliver the displace quantity. For example, North Slope reserves of 15 billion barrels could be transported in 20 years if dedicated exclusively to North Slope production and operating at the rate of 2 million barrels per day. Inclusion of Canadian oil at the rate of 500,000 barrels per day (25% of capacity), however, would increase this time to 27 years. Canadian throughput of 1 million barrels per day (50% capacity) would increase this time to 41 years for complete recovery. Since the American capital investment would be returned over a significantly longer period of time—for example, from 7 to 21 years longer—a 25% or 50% Canadian throughput would result in a 1.1 percent or approximately $2.7 billion extra cost. (The calculation of extra costs is based on a Report on the Relationship of Oil Imports to the National Security, Cabinet Task Force on Oil Import Control, February 1970.)

A clearly emerging national goal is the intelligent development of the Canadian north, including the gas and oil resources of the Canadian Arctic. To the extent the latter decreases available U.S. transportation capacity, it would conflict with the U.S. policy relating to the development of Alaskan oil. This cannot be avoided if both countries are dependent upon the same limited transportation facility.

It is axiomatic that Canada's legitimate pursuit of its national interest in resource development and other areas may often conflict with equally valid and important American interests. Resolution of any such conflicts will require hard and realistic bargaining. To relinquish any significant part of American control over the only transportation system planned for Alaska's North Slope oil reserves, an essential element in the development of our domestic energy resources is to place the United States' interest at an unnecessary disadvantage in this critically important area.

Contrary to popular belief, a final policy decision favoring an oil pipeline has not yet been made by the Canadian government. Prime Minister Trudeau has stated that there has been no commitment by his government to permit the United States interest to build a pipeline. I should add that sometimes you would think that American supporters of the Trans-Canada route presume that this is a decision for the U. S. to make.

It is true for the reasons explained that Canada would most definitely benefit from a pipeline, but it is also true for the very same reasons that Canada would demand unacceptable terms to take advantage of the situation. Secretary Morton, in his letter, gave us a good idea of the unfavorable burden these terms would place on the United States. Evidently, it has been made clear to him by "responsible Canadian officials" that: (1) a majority of the equity interest in the line would have to be Canadian (2) management would have to be Canadian (3) a major portion (at least 51%) of the capacity of the line would have to be reserved for transportation of Canadian-owned oil, with the primary objective being to carry Canadian oil to Canadian markets and not to the American heartland, and (4) at all times preference would be given to Canadian labor groups during the construction of the project and to Canadian manufactures for supplying materials.

There is little question that if Canada should agree to let the pipeline through its country it won't be a favor to us and there will be a price to pay. Should there be any doubt, we have only to examine Minister MacDonald's comments regarding the proposed gas line given at the St. Lawrence Center, Toronto, on January 24, 1973.

"In order to keep the cost of transmission, and therefore the ultimate cost of gas, as low as possible for Canadian consumers, it has been proposed that the American demand for gas should be exploited in two ways: by providing a market for some of the Canadian gas, i.e., gas surplus to the foreseeable Canadian needs; and by incorporating Prudhoe Bay gas in the pipeline transmission system so that the American gas consumer will wind up paying a substantial part of the cost of construction of the pipeline."

As I have mentioned, Minister MacDonald has the same ideas with regard to an oil line being constructed down through the Mackenzie Valley.

In any event, the Trans-Canadian proposal is far from actuality. Minister MacDonald has recently stated in *Commons Debate* (February 14, 1973) that, ". . . the Government has no intention of renewing its representation. . . . Of course we will be interested in hearing from the United States administration in this regard, but at present we do not plan to take any fresh initiative. In light of President Nixon's meeting with Secretary Morton of April 5, I believe it is safe to say that the Canadian government will not be hearing from the U.S. government with respect to a Trans-Canadian pipeline.

However, our government would not be the party which filed an application with the Canadian National Energy Board. It presumably would be the private oil companies who are the owners of the North Slope Oil. To date, no applications have been received by the N.E.B. and it is unlikely any will be filed in the future when we consider the terms of ownership. Why? Simply this: the increased costs of a Canadian pipeline have at this time made the venture prohibitive. Mr. Thornton Bradshaw, president of the Atlantic Richfield Company, testified before the Joint Economic Committee, June 22, 1972, that "U.S. companies could not provide initial financing for a Canadian line, because the cost would be too great."

In summary, the Canadian route is mired down with uncertainties, delay, and extenuating circumstances which leads us to question the viability of the proposal. We know the line would take three to five years longer than the Alaskan route for construction alone. Should a gas line be built at the same time, you could add a year more. Moreover, the native people, the environmental issue, the financing, the N.E.B. requirements, the proposed ownership terms, and finally, the absence of an application, are all matters which would have to be looked into before construction of a Canadian pipeline could begin. All things considered, it would be difficult to estimate the time of delay.

By comparison, the Trans-Alaskan route has only the right-of-way and the Circuit Court's ruling on the environmental impact statement before it. Then, too, so does the Trans-Canadian route. There will be other testimony which will bear out the cost of each year's delay and the inconvenience to the American people.

Time, of course, is not the only factor to consider when comparing the two routes. The conditions under which Canada would be offering its right-of-way are unacceptable. It does not have to be done that way. Moreover, it would not be to the economic advantage of the United States if it were done that way.

Mr. Chairman, I would like to raise two additional points with respect to the State of Alaska. As you know, a little more than a year ago, Congress approved the Alaska Native Claims Settlement Act, equitably adjudicating the aboriginal claims to Alaska of more than 60,000 Indians, Aleuts and Eskimos. In that settlement, the Congress authorized payment of $962.5 million. More than half that money, $500 million, must come from a two percent overriding royalty on Alaska mineral production. With construction of an Alaska pipeline, Alaska's native peoples would realize $5,575,000 from North Slope oil production in fiscal year 1976, $21,625,000 the following year, and $27,273,000 in fiscal year 1978. Building a line through Canada will inevitably bring postponement. If an Alaska routing is not authorized, the state's contribution to the claims settlement will have to be delayed. A three-year delay would postpone the state's payments of $54,473,000 to Alaska's native peoples. With each year's additional delay, Congress will dash the hopes of Alaska's native peoples who have agreed to settle their claims. Without an Alaska pipeline, the 1971 Alaska Native Claims Settlement Act is only another piece of white man's paper.

Alaska pipeline construction will create 26,000 Americans jobs if—and only if—the line is routed through Alaska. Most of these jobs will be created in Alaska but workers throughout the West and unionized pipeline specialists from the hiring halls of Oklahoma will also earn the salaries. Canadian construction would send American money into a foreign nation to pay for foreign workers.

Alaska pipeline construction will provide 73,000 man-years of U.S. tanker construction. The President has said America's position as a maritime nation must be strengthened. Without an Alaska route, without modern American tankers built in re-vitalized American shipyards, antiquated foreign vessels whose registry puts them beyond the reach of American codes of safety and standards will continue to import oil into this nation.

SENSIBLE AUTO EMISSIONS STANDARDS URGENT

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. WYMAN. Mr. Speaker, in two Congresses I have introduced legislation to reduce the auto emissions standards required by the Clean Air Act of 1970 to sensible levels. They are higher than public health or ecological need requires at the present time. The cost of their full implementation at this unnecessarily high level will be an enormous waste of energy and money. It will also unreasonably burden the motoring public and the automobile industry with expensive gadgetry the net effect of which will be to cause the 1975–76 automobiles to run inefficiently and cost hundreds of dollars more per car.

Even in California with the air inversion problem in Los Angeles, the California Assembly has not required anything like the 96 percent pollution free standard now in the Federal law. In many parts of our country there is, in truth, no auto emission pollution problem that has any meaningful relation to public health. To require the cars in such locations to adhere to a standard that will see cars get as little as 8 miles to the gallon and cost as much as $500 more for emissions controls, is wrong.

Oil is in short supply in this country. There rages currently a great debate about how to improve our energy supply, to lessen the escalation of domestic energy demand, to do something to counter the specter looming before us of permanent imbalance in our balance of payments as we must pay billions of dollars more each year for foreign oil. Yet if the presently required emissions standards are persisted in, cars in 1976 in the United States will for that reason alone consume as much as 3 million barrels of oil more each and every day. This is the equivalent of what we hope to get from Alaska's entire North Slope when the pipeline is completed. It is a terrible waste of energy. It is up to Congress, the people's representatives, to take action now to prevent this prospect from occurring.

In this connection I commend a reading of the lead article in today's Wall Street Journal, pointing out that no less than the Environmental Protection Administrator and the National Science Foundation both acknowledge that the Federal standards presently in the law go beyond what is necessary to protect the public health. Sensible auto emissions standards are urgently needed now.

The Wall Street Journal article and the amendment follow:

[From the Wall Street Journal, Apr. 12, 1973]

AUTO MAKERS ARE GIVEN DELAY IN EXHAUST RULES, BUT MAJOR BATTLES LOOM

(By Seth Lipsky)

DETROIT.—The federal government has given the auto industry more time to clean up its engines, but the Great Clean Air Battle is far from over. Paradoxically, the moves by the Environmental Protection Agency yesterday set the stage for a battle in Congress to scale down the cleanup problem that the auto makers face.

Even before yesterday's decision by EPA Administrator William D. Ruckelshaus to delay 1975 standards for one year while setting tough interim standards the auto makers had decided to take their case back to Congress to win more basic concessions than the EPA is allowed to give.

Top auto-company executives have already started to make the rounds quietly in Washington to line up support from the White House and influential lawmakers. The oil industry, whose stake in the battle is as big as Detroit's, has been corralled to join the massive public-relations and lobbying battle. Shareholders, auto dealers, parts suppliers and just about anyone who might be able to pressure Congress are being recruited. Even the auto makers' arch rival, the United Auto Workers Union, is being solicited to join the campaign and to go far beyond the tentative support the UAW already has given.

A TOUGH FIGHT

But getting the law changed, in the view of strategists on all sides, may be far tougher than the just-finished battle for more time from the EPA. The reason: The changes the auto makers want are so far-reaching.

Detroit's top demand is for a sharp reduction in 1976 standards that require nitrogen oxides to be almost completely removed from auto exhaust. The auto makers would also like some modifications in the 1975 standards that require near-elimination of hydrocarbons and carbon monoxide from auto emissions. Although Detroit has made important progress to meet these standards and now has an extra year to comply with the law, auto makers aren't happy about the prospects of going far beyond what they believe is needed to provide a healthy atmosphere—at what they consider onerous costs for them in capital outlays and for the public in higher car prices and poorer gasoline mileage and performance.

Beyond these basic changes, the auto makers also want more flexibility in their technical approaches to cleaner air and permission to phase in pollution-control devices on only one part of their total model lineup at a time. In addition, the manufacturers seek less responsibility for the performance of government-required cleanup devices after the cars are sold. And Detroit wants the EPA, not Congress, to set specific pollution limits.

UNREASONABLE DEMANDS?

These demands seem unreasonable to the congressional authors of the 1970 Clean Air Act amendments that specifically told the auto makers what to do. Sen. Edmund Muskie, author of the 1970 amendments, now threatens to call for tougher legislation, not compromises, that would specify the design of engines, not just performance levels. And California Sen. John Tunney, apparently despairing that Detroit can or will clean up conventional engines sufficiently, is pushing a bill that would use federal funds for research and development of a less polluting power source within three years.

The environmentalists' pressure on legislators is increasing. "We'll be prepared to wage as vigorous a campaign as has ever been waged by environmentalists on any issue," says Michael McCloskey, executive director of the Sierra Club, a big environmentalist group. The club is already campaigning against the auto and oil companies.

Instead of a total victory for either side, some observers believe that the more likely outcome is a compromise, reached after what one emissions expert in Detroit calls "a protracted public negotiation"—one that could take several years and would undoubtedly involve some face-saving for all sides.

CONFIDENT OF CONCESSIONS

But the auto makers are confident of getting concessions. For one thing, the National Academy of Sciences, in a report on auto pollution, "strongly urges an early and thorough reexamination" by Congress, the EPA and the academy itself of "all aspects of motor-vehicle pollution standards" set in the 1970 act.

Also, a federal appeals court, in forcing the EPA to reconsider its original rejection of Detroit's bid for a one-year delay in the 1975 standards, stressed that environmental and health gains must be weighted against economic costs in arriving at controls.

Furthermore, the auto makers picked up a valuable ally yesterday in their attempt to change the 1976 standards. EPA Administrator Ruckelshaus urged Congress to look into possible relaxation of those standards because, in the EPA's view, the health risk associated with nitrogen oxides "no longer supports" the sharp reductions of this pollutant dictated by the Clean Air Act.

Ironically, Detroit's legislative battle may be helped by Mr. Ruckelshaus' decision to set stiff interim standards. These require that 1975 models go halfway toward meeting the final goals for hydrocarbons and carbon monoxide. This requirement applies to all parts of the country except California, where auto makers must go two-thirds of the way. Observers think that Detroit may be helped because instead of giving the auto makers a clear-cut victory of a year's delay, the EPA gave the manufacturers a mixed bag that included requirements about which they could argue.

General Motors reacted quickly to the interim standards, denouncing them as "most difficult to attain" and hinting at a formal protest. Ford went further, casting doubt on be helped by Mr. Ruckelshaus' decision to set whether it could meet all the interim rules. There was speculation in Detroit that one or more of the auto makers might go to court to appeal the EPA ruling. Protests or a court battle would only underscore Detroit's arguments to lawmakers that the basic rules need to be changed.

But the auto makers aren't leaving anything to chance. Their massive campaign to get the law changed moved into high gear right after the outcome of the 1972 presidential election became reasonably certain. GM sent its president, Edward N. Cole, to tell the American Petroleum Institute that Detroit would require very costly refining changes in gasoline if it hoped to use its most promising emissions cleanup device, the catalytic converter; this device is "poisoned" by lead in gas. The big oil companies quickly jumped behind a later proposal by Chrysler that standards be relaxed to the point at which the job could be done without catalysts.

The oil industry later responded to the threat of having to supply unleaded gasoline by beginning a major advertsing campaign arguing for relaxed clean-air standards. Mobil Oil warned of a "$66 billion mistake." Detroit now is counting on the petroleum lobby for help in the fight to get the law changed.

Shortly after the election, Detroit's weak industry group, the Motor Vehicle Manufacturers Association, began asking the powerful National Automobile Dealers Association to take some of the burden in lobbying on Capitol Hill. "You wouldn't believe the pressure we're under," one staff member of the dealers' group says.

Privately, the top auto brass began making trips to Washington to plead their case. Chrysler's chairman, Lynn Townsend, went straight to the White House to seek help from a top Nixon assistant, John D. Ehrlichman. Later, Mr. Ehrlichman, the President's domestic-affairs assistant, told a Detroit news conference that some aspects of the Clean Air Act don't make "common sense" to the White House. Detroit brass was gleeful, whether or not the Townsend visit had prompted the statement.

The auto industry also began making public moves, including stepped-up speechmaking. For example, Ford began sending executives into middle-size cities around the country in a carefully planned campaign calling for changes in the Clean Air Act.

The prospects are that such tactics by the industry will increase now that the EPA has made its decision. The call for changes in the law will come in a "rising crescendo," according to an executive at GM, which will probably take the lowest profile among the Big Three. And so far the tactics have brought some results that are encouraging, even a little surprising to Detroit.

The UAW, which some sources says top auto executives have asked directly for help, wrote Mr. Ruckelshaus and asked the EPA to recommend to Congress what the difficult nitrogen-oxide standard should be changed to, in light of the contention that measurements that led to the current standard seem "faulty."

Sen. Philip Hart, the Michigan Democrat who has been so hostile to the big auto companies on pollution and other questions, publicly called for a reexamination of the clean-air standards; he also sided with the auto makers in their bid to win a year's delay from Mr. Ruckelshaus. One auto-company staffer called it "a fantastic, unbelievable switch." Opponents said Sen. Hart "caved in."

But indications are emerging that Detroit will run into much more resistance when it starts to deal with the other key Congressmen it will have to woo to win changes in the law. The main figure is Sen. Muskie. Both privately and publicly, the Maine Senator and his aides have been posing tough basic questions that auto makers don't want to answer—and apparently haven't yet answered to anyone's satisfaction. The questions: What is the industry "willing to *commit* itself to do"? When will it commit itself to do it? And what guarantees is it willing to give the public?

When Leon Billings, a Muskie aide, asked those questions in an address to a meeting of about 50 top Ford executives in Washington last week, Henry Ford II, the firm's chairman, reportedly winced. Senate staffers say they will be asking those same questions at hearings likely to be held to take another look at the Clean Air Act.

All the Big Three auto makers have proffered suggested standards. But they are more in the nature of interim limits acceptable to Detroit and are far less strict than the levels called for by the law for the middle and late 1970s. Their attraction to Detroit is that they don't require catalysts, except in California, and Chrysler's proposals don't even go that far.

The proposals aren't apt to satisfy either the environmentalists or the key Congressmen. And congressional environmental hawks seem to be losing patience with Detroit. Sen. Muskie's staffers argue that "we are at the level with the air-pollution issue where we're outside the technical bickering." The debate will be over policy.

Some sources have suggested the only way to get Detroit to develop a clean engine is to legislate an economic penalty on cars that don't meet strict standards—what some call a "pay-to-pollute" tax. For example, a Harvard University research group, in a recent paper, recommended that a fine be levied on manufacturers of cars that don't meet certain interim standards. It also urged that the money collected be contributed to a fund to speed development of low-polluting automotive technology.

Those who want to keep the maximum pressure on Detroit in the clean-air battle oppose the auto industry's desire to have the law changed so that an administrative body would set the specific pollution limits, rather than Congress. "Congress would be out of their damned minds if they change the structure of the law," one expert in the field says. An administrative body would be more readily susceptible to White House pressure, he says worriedly.

The health effects of auto pollution remain a question of considerable controversy. The auto companies contend that the current standards are stricter than necessary to protect health and that the air is getting cleaner as newer cars replace old smokers on the roads. But no one seems to agree on what the health standards should be. And the absence of such agreement will continue to fuel the clean-air controversy.

H.R. 4313

A bill to amend the Clean Air Act to modify the emission standards required for light duty motor vehicles and engines manufactured during or after model year 1975

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202(b) (1) (A) of the Clean Air Act is amended by striking out "reduction of at least 90 per centum from emissions of carbon monoxide and hydrocarbons allowable under the standards under this section applicable to light duty vehicles and engines manufactured in model year 1970." and inserting in lieu thereof "reduction of at least 90 per centum from the estimate of the average emissions of carbon monoxide and hydrocarbons which would have been emitted from light duty motor vehicles and engines manufactured during model year 1970 had such vehicles and engines not been subject to any Federal or State emission standard for carbon monoxide or hydrocarbons. Such estimate of the average of emissions shall be determined by the Administrator under regulations.".

NATIONAL LIBRARY WEEK AND THE NIXON ADMINISTRATION—WATCH WHAT THEY DO, NOT WHAT THEY SAY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. WILLIAM D. FORD. Mr. Speaker, I would like to join my colleagues in observing the week of April 8–14 as National Library Week. Libraries are one of our most important educational resources. They are in effect the backbone of our entire educational system.

I find it somewhat perplexing, however, to read President Nixon's statement launching this annual observance, wherein he states—

> I ask all Americans during this special observance to share generously in the support of our libraries and to make the fullest possible use of the rich treasures they possess.

I find this perplexing because I recall the fact that this is the "watch what we do—not what we say" administration, and because it is quite apparent that while the President is saying all these nice things about libraries, he is simultaneously slamming their doors shut—by withdrawing millions of urgently needed Federal dollars from them.

Mr. Speaker, since the days of Abraham Lincoln—our first Republican President—books have symbolized the self-made man in this country. Libraries have traditionally been one of the most valuable and useful tools of self-improvement. So it is even more perplexing that the President has decided to destroy Federal library programs at the very same time that he is urging all Americans to do more for themselves.

Since the Library Services Act was enacted, Federal funds have made library services available to more than 17 million people for the first time. In 1956, when this program was established only six States provided grants-in-aid to localities for the support of public libraries. Today there are 44 States which provide such funds, and nearly every American citizen is in a library service area.

Since 1965, when we passed the Elementary and Secondary Education Act, the Federal Government has been helping over 60,000 public and private elementary and secondary schools purchase books, films, and other educational materials.

Now President Nixon proposes to wipe out title II of the Elementary and Secondary Education Act, which provided $90 million in school library resources during fiscal year 1972. He proposes to discontinue funding title II of the Higher Education Act; which last year provided $15.7 million for college library resources, training and research; and he wants to eliminate three titles of the Library Services and Construction Act, which last year provided nearly $60 million to public library services and construction and interlibrary cooperation.

Mr. Speaker, while the advertising relations office grind out publicity statements for public consumption which praise our libraries, his boys in the backroom of the Office of Management and Budget are working overtime to kill federally supported library programs—by reducing Federal aid from $165 million to zero.

To this administration I can only say, "what you do speak so loudly that I cannot hear what you say."

CONGRATULATIONS TO THE STAR-LEDGER

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RODINO. Mr. Speaker, since the merger of the Newark Star-Eagle and the Newark Morning Ledger into the Star-Ledger almost four decades ago, I have been a constant and satisfied reader.

Through the years, this exceptional newspaper has served me and an ever-growing community with dependable news coverage, informative features, provocative editorials, and engaging sports stories.

My day is never complete until I have gone through the Star-Ledger carefully, page by page. And this ritual, I might add, becomes increasingly more time consuming as the newspaper continues to expand.

Physical bigness and large circulation figures, needless to say, are not true measures of a newspaper's greatness; the acid test is the quality of its product.

On this score, the Star-Ledger is No. 1. It has just won the best daily newspaper and best Sunday newspaper awards for 1972 in the competition sponsored by the New Jersey Press Association.

The newspaper won four first place awards, including best interpretive writing, best feature writing, best editorial page layout and content, and best portrait and personality photo.

It also placed second for spot news coverage and sports pages layout and content. Third place awards were captured for enterprise writing, special column and women's pages layout and content.

Altogether, the Star-Ledger garnered more editorial and journalism awards than any other newspaper in the State.

It is comforting to know that New Jersey's biggest newspaper in size and circulation and influence is also the State's most honored newspaper—recognized by professionals for excellence in reporting, writing, page layout, and content.

ANIMAL WELFARE

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. BROOMFIELD. Mr. Speaker, anyone who has ever seen the widely publicized photos of animals caught in leghold and steel-jaw traps must admit that these traps are needlessly cruel and inhumane.

They capture an animal by its paw, crushing or breaking the leg. It usually suffers extreme pain for days before it eventually succumbs to infection, starvation, or the elements. With little expense or inconvenience we could at least require that this trapping be done as humanely and painlessly as modern technology will permit.

Recently, I reintroduced legislation which I first introduced in 1957 with Senators HUMPHREY, Neuberger, and Kefauver which would do exactly that by banning leg-hold and steel-jaw traps. Sixteen years ago our legislation was lost among thousands of other bills. For all the attention it received, it might as well have not been introduced at all.

Fortunately, times have changed. Of late my measure to prevent the unnecessary cruelty and suffering inflicted by steel-jaw traps has been the focus of growing support by environmental and animal welfare organizations. These groups have at great expense and effort brought this bill to the public's attention.

Mr. Speaker, it may be true that there is no such thing as a tender trap. Nevertheless, there are economical and effective alternatives now on the market which would immeasurably reduce the pain we inflict on hundreds of thousands of small animals. Cage devices and traps which instantly kill their victims have been on the market for some time. The latter variety is especially well suited to the task since it is available at the same price as the traps we seek to outlaw.

Mr. Speaker, the hue and cry of the opposition to the contrary, my measure would not ban all trapping; it would merely proscribe the use of an inhumane variety of traps. To the extent that trapping is still a source of recreation or commercial enterprise, it will be allowed to continue.

I mention this only because many have been misled to believe that we seek a prohibition against all trapping. Many sporting groups and sportsmen have been especially vocal in this regard. On reflection, it is apparent that this proposal is not inconsistent with the fundamental principles of sportsmanship.

Most sportsmen have a very deep and profound respect for the animals they hunt. They abide by a very rigid and self-enforced code of ethics. For example, they will continue to stalk a wounded animal regardless of the inconvenience or time which this might involve. They do so, not so much to capture their prize, but out of a desire to put an end to the animal's misery. It is this same principle which underlies my opposition to leghold and steel-jaw traps.

In a day when trapped animals are no longer a viable source of food or clothing, we who oppose these cruel devices are really asking very little. Animal furs have long ago been replaced by synthetic fibers which are lighter, warmer, and cheaper. Thus, the pelts are used almost exclusively for the production of luxury coats. If the people who wear these coats were aware of the suffering that was part and parcel of their manufacture, I doubt many would continue to purchase them.

Mr. Speaker, other nations, specifically England, Wales, Austria, and Norway have converted to humane traps. England banned steel-jaw traps in 1951 after a government study concluded that they were "diabolical devices that cause an incalculable amount of suffering."

It is probably true that man's inhumanity to man is nothing compared to man's inhumanity to animals. As Senator Neuberger said in 1957:

> A people's attitude toward the animals and other living things with which it shares a common world, is one significant measure of the people's civilization.

By that standard alone, we still have a long way to go. I only hope that one of our first steps will be the passage of my legislation to ban leg-hold and steel-jaw traps.

Mr. Speaker, at this point I would like to insert a copy of my legislation for the benefit of my colleagues:

H.R. 5917

A bill to discourage the use of leg-hold or steel jaw traps on animals in the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the public policy of the United States to discourage the manufacture, sale, and use of leg-hold or steel jaw traps on animals in the United States and abroad.

PROHIBITION

SEC. 2. No fur or leather, whether raw or in finished form, shall be shipped in interstate or foreign commerce if such fur or leather comes from animals trapped in any State of the Union or any foreign country which has not banned the manufacture, sale, or use of leg-hold or steel jaw traps.

CURRENT LIST

SEC. 3. The Secretary of Commerce shall compile, publish, and keep current a list of States of the Union and foreign countries which have not banned the manufacture, sale, and use of leg-hold or steel jaw traps.

PENALTIES

SEC. 4. Anyone shipping or receiving fur or leather in contravention of section 2 of this Act shall, for the first offense, be fined not more than $2,000; for the second or subsequent offenses, he shall be fined not more than $5,000 and shall be sentenced to a jail term of one to three years.

EFFECTIVENESS

SEC. 5. The provisions of this Act shall become effective four years after the date of its enactment.

CONGRESSIONAL REFORM: LET US NOT STOP NOW

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. VAN DEERLIN. Mr. Speaker, with all the laudable actions of late to effect congressional reform, we may still be missing a bet or two.

A column containing some pertinent suggestions was carried last week in the San Diego Evening Tribune. Writer Ben Shore, who is based here in Washington, finds a few things still amiss about the way we run this "show"—and I am inclined to agree with at least some of the points he makes.

Why, for example, is it necessary to prohibit note taking in some—but not all—of the visitors' galleries? What is logic in telling any visitor—regardless of where he is sitting—that he cannot take pen or pencil in hand? And by whose authority are these archaic seeming rules kept in force? These strictures conceivably could have been justified on the dubious grounds of denying onlookers the opportunity to record where their congressman stood back in those days when teller votes were never a matter of record. Now that teller counts are out in the open, there is surely no solid justification for retaining this ban.

And parking. Our constituents pay the taxes—why could not a few more parking spaces be reserved for them on Capitol Hill. The House controls something like 7,000 such spaces; we should set aside a generous bloc of them for our visitors. It may well be there are some among us and our staffs who would be better off walking anyway.

Mr. Shore has some other interesting observations, and I commend his column, which follows, to all our colleagues:

LOOK—BUT DON'T TAKE NOTES—THE TALK CIRCUS: IT'S BIGGEST SHOW IN TOWN!

(By Benjamin Shore)

WASHINGTON.—The upcoming Easter school recess marks the traditional start of the tourist flood in the nation's capital.

While the sheer volume of tourists is larger each year, long-time observers have noted an even more distinct trend: increasing numbers of visitors are interested in seeing how their congressional representatives really function.

But for those tourists planning a visit to Capitol Hill, a slight warning is in order—serious visiting is not encouraged by the House and Senate.

The first inkling of this comes when citizens discover that the Congress has not provided public parking. With more tourists staying in the suburbs, and with the Washington area lacking effective mass transit, more and more visitors must rely on their cars for getting in and out of Washington.

Yet there are virtually no public parking facilities within walking distance of the Capitol, Congressional office buildings, Supreme Court and Library of Congress, which are clustered on the Hill.

But assuming the citizen finds a way to get to the Hill—and tens of thousands do each year—he quickly discovers that any serious observation of House and Senate floor and committee activities will not be easy.

He may know that the real legislative process occurs not on the floor of the two ornate chambers but in the committee rooms. Yet nowhere will a citizen find a public posting of that day's committee sessions. Reporters and lobbyists who work here know that a list appears in tiny print somewhere in each morning's newspaper, but most visiting citizens don't know that.

If a tourist heads for the House or Senate chambers to observe debate, doorkeepers tell him that he cannot enter without a pass from his representative or senator.

The pass, which is free, is nothing but a gimick to force the tourist to report in at his congressman's office, get the warm smiles and friendly greetings that can pay off at reelection time, and sign the guest register that is used to expand the congressman's mailing list.

Now the citizen returns to the gallery to watch the House or Senate debate and vote on legislation. But if he takes out a pad and pencil to make some notes on who is saying what or how they are voting, an eagle-eyed attendant will rush over and admonish him for violating congressional rules against note-taking in the public galleries.

The citizen need not waste his breath pointing out that people in the press galleries, the staff gallery and the congressmen's own VIP guest gallery are permitted to take notes, or that, in the Senate, people in the Vice President's VIP guest gallery may write. Seems the Congress just doesn't feel comfortable letting the masses take notes.

These may seem like small obstacles, but there are many citizens who come to Capitol Hill with a serious desire to study the functioning of their elected representatives. They are quick to sense the deliberateness of these petty regulations. Which tend to perpetuate the public impression that legislators don't like being watched too closely by just anyone.

SHOULD THERE BE A LEGAL SERVICES CORPORATION? BY ALL MEANS

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. ERLENBORN. Mr. Speaker, in yesterday's Evening Star and Daily News, columnist James J. Kilpatrick succinctly told us why Congress should create a National Legal Services Corporation. I commend his article to our colleagues:

CONTINUE LEGAL SERVICES? BY ALL MEANS

(By James J. Kilpatrick)

There are times, sad to say, when American conservatives appear to constitute "the stupid party," as John Stuart Mill once labeled their British counterparts a century ago. By their failure to give active support to a continuing program of legal services for the poor, my brother conservatives are abandoning their principles and exhibiting a dull-wittedness that makes a man despair.

Of course a legal services program should be extended! Let the Congress, if it pleases, scrap everything else that has been funded through the Office of Economic Opportunity. Let the administration, if it can dismantle a hundred boondoggling, paper-shuffling programs of grants-in-aid. But in one form or another, the Neighborhood Legal Services must be maintained.

Chiseled in stone above the great white columns of the U.S. Supreme Court are four famous words: Equal justice under law. No concept in our public life is nobler and no concept has been more poorly served. The grim truth is that for all practical purposes, we still have two systems of law in this country, one for the rich, another for the poor. Every newspaperman who ever has covered the small claims and criminal courts of his city knows this is so.

Granted, much has been done in recent years. Indigent defendants, even in serious misdemeanor cases, now have a right to counsel. Bail reform has remedied some of the most flagrant evils of the criminal justice system. Since 1965, the federally assisted legal services program has greatly benefited the poor in areas of civil litigation. Now this civil program—a program seeking to promote equal justice under law—is threatened with abandonment. Conservatives. dedicated in principle to this elementary proposition, ought to be in the forefront of a fight to push the cause along.

But where are they? They are grumbling that in recent years the program of legal services has been abused. Doubtless this is true. It would be incredible not to discover abuses in a program involving 2,500 lawyers in 900 neighborhood law offices.

But these occasional abuses, while serious, have been few. Viewed on the whole record, the legal services program has helped to foster a sense of confidence not only in the courts, but also in what is known vaguely as "the system." In a message two years ago, urging creation of a wholly independent Legal Services Corporation, President Nixon made that point: "This program can provide a most effective mechanism for settling differences and securing justice within the system and not on the streets."

Unhappily, Nixon now seems to be dragging his heels. The present $70 million program is to expire in June, and nothing is yet in sight to take its place. It would be calamitous to let the concept go. As a recent report from the General Accounting Office made clear, the great bulk of case-work by the NLS lawyers involves legal problems arising from housing, domestic relations, employment, and consumer grievances.

What is needed—and needed promptly—is a bill to create an independent legal services corporation, generously funded, with authority to provide essential representation for the poor. Such a corporation should have backup facilities for research. It ought not to be denied a hand in "law reform." Neither should it be prohibited from bringing the class actions that often provide the most effective remedies at law.

Conservatives should back such a bill, in the full awareness that from time to time they will be irritated, harassed, and outraged by the "zeal and adrenalin." Mistakes will be made. Incidents of bad judgment can be expected. But if we truly believe in equal justice under law, we ought not to be deterred from supporting an effort to make those words in stone something more than an empty phrase.

URBANOMICS REPORT DETAILS FONTANA PLANTS' AREA IMPACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. BROWN of California. Mr. Speaker, one of the major employers in California's 38th District, which I represent, is Kaiser Steel of Fontana. In fact, the role which Kaiser plays in the economic life of the 38th District is probably much larger than most people in the area realize. I would, therefore, like to insert in the RECORD at this point a brief article from the Ingot, a publication of the Kaiser Steel Corp., which describes the impact Kaiser has on our local economy. I believe the information in this article deserves wider circulation than it has received, and I hope that printing it in the RECORD will help give it that circulation. The article follows:

URBANOMICS REPORT DETAILS FONTANA PLANTS' AREA IMPACT

The nearly 9,000 employees at Kaiser Steel's Fontana plants had an annual payroll of over $90 million in 1971, the company spent $114 million for materials and supplies, paid $9.6 million in taxes to San Bernardino and Riverside counties, and, in total, added $271.4 million in direct expenditures to the Southern California economy.

These facts are a few of the highlights of a comprehensive study of Kaiser Steel's economic impact on Southern California, introduced late last month by Dr. Gerhard N. Rostvold of Urbanomics Research Associates.

At a meeting March 26 in San Bernardino of government officials and business leaders, Dr. Rostvold unveiled the 116-page major research project titled, "The Employment, Income and Spending Habits of Kaiser Steel Corporation-Fontana on the Southern California Economy."

"This study is the most thorough and comprehensive analysis of a company's economic impact on its local community that my organization has ever produced, and probably the most detailed in my experience," Dr. Rostvold said. "Frankly, we have been surprised at the magnitude of this one company's economic significance to the Southern California economy."

FIRST SUCH STUDY

Kaiser Steel officials said that this is the first comprehensive study of the company's total economic impact to be undertaken in its 30 years of steelmaking and steel fabricating operations.

The report, which was commissioned in July, 1972, analyzes a large volume of data, mostly from the company's 1971 operations. It deals with the employees, their residence pattern, their importance to the economy of their communities and the many ways in which the operations of the steel plant and nearby fabricating plants contribute directly to the local economy.

After a detailed analysis of the impacts and expenditures that come directly from the Fontana-based operations, the report discusses the indirect or "induced" economic impacts. Dr. Rostvold defines these as the jobs, payrolls, spending, and investment, not directly related to Kaiser Steel, which are created in the area as a result of the company's economic contribution.

He stated, "The Fontana plants support more than 17,500 non-basic (service) type jobs in local communities, and support approximately $124 million of non-basic payrolls each year."

Totaling the primary and induced impacts, the report concludes that Kaiser Steel-Fontana facilities have a total impact of at least 25,000 jobs, annual payrolls totaling $216 million, and annual household spending of $164 million.

ANDERSON AMENDMENT WOULD HELP EASE POLLUTION CRISIS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. COUGHLIN. Mr. Speaker, the Federal-Aid Highway Act of 1973 will soon be considered by the House. As the Congressman from an urban area, I strongly support the amendment to be offered on the floor by the Honorable GLENN ANDERSON of California, which would allow flexibility in the use of $700 million of urban system funds from the highway trust fund for either bus or rail capital programs or for highway-related purposes.

If this legislation were enacted, it would contribute significantly to the alleviation of traffic congestion in our major cities. In doing so, it would help to reduce the problem of air pollution which plagues our urban areas.

The critical nature of the environmental problem was confirmed when William D. Ruckelshaus, Administrator of the Environmental Protection Agency, recently announced that at least 26 metropolitan areas in this country will need to curtail motor traffic in order to comply with the air quality standards prescribed by the Clean Air Act Amendments of 1970. I am particularly concerned that Philadelphia, a part of which is in my own congressional district, was among the 26 cities named.

Even prior to Mr. Ruckelshaus' announcement, Philadelphians and Pennsylvanians, in general, were involved in studying ways to reduce center-city pollution. As the following editorial from the Philadelphia Inquirer of January 22, 1973, will explain, an increase in mass transit ridership is envisioned as the primary means through which this goal could be achieved.

The Philadelphia Inquirer, I might add, has been a long-time supporter of the principle to allow urban areas flexibility in the use of urban system funds. It endorsed the local option concept both this year and last. I commend this paper for its foresight in recognizing the significant benefits which would be reaped if the Anderson amendment were adopted. Its passage would not only contribute significantly toward reducing urban pollution, but it also would be a giant step forward in providing our country with the type of revitalized and balanced transportation system it so urgently needs.

Following is the text of the Philadelphia Inquirer editorial:

ENLIST MASS TRANSIT AID IN FIGHTING AIR POLLUTION

Philadelphians who noted with casual interest the Federal warning that auto traffic in Los Angeles may have to be drastically reduced by 1977 to meet air pollution standards should not get the idea it couldn't happen here.

It could.

And if 1977 seems a long way off, the moment of decision is almost at hand. Pennsylvania, as every state, must submit to the U.S. Environmental Protection Agency by Feb. 15 a plan to meet carbon monoxide air quality standards by 1977. The Pennsylvania Department of Environmental Resources will hold a public hearing Jan. 30 on its plan for Philadelphia.

Motor vehicle exhausts are, of course, the source of carbon monoxide—so the basic question is how to reduce exhaust fumes in areas of high traffic density.

The arithmetic for Philadelphia, although not nearly as bad as for Los Angeles, is discouraging nonetheless. Current carbon monoxide emissions in the center-city business district are calculated at 25,240 tons a year and must be reduced about 70 percent, to 7,440 tons, by 1977.

Emission control devices on auto exhausts, to comply with Federal mandates, will cut emissions to 9,720 tons by 1977. The additional reduction of 2,280 tons must be achieved in some other way.

A 36 percent increase in mass transit ridership is the core of the state's plan for Philadelphia. Also proposed are state inspection and maintenance requirements for exhaust control devices that would reduce emissions even below limits mandated by the Federal Government.

How to get motorists out of their automobiles and into mass transit is the challenge. State proposals include these excellent ideas:

Exclusive bus and trolley lanes on center-city streets connecting directly with downtown railroad and subway stations.

Exclusive bus lanes on outlying streets of city and suburbs for feeder lines to railroad and subway stations.

Exclusive bus lanes from outlying areas into center city so persons who don't use rail transportation will be encouraged to use buses rather than their automobiles.

More parking facilities at rail stations.

Completion of the center-city rail tunnel by 1977, which would more than triple the capacity of the 12 Penn Central and Reading commuter lines—from 25,000 to 85,000 riders an hour.

Exclusive bus lanes, since they would eliminate right-hand turns by automobiles, would require major changes in center-city traffic patterns.

Air Management Services, an agency of the Philadelphia Department of Public Health, has a plan that, like the state's, would place major emphasis on development of mass transit. AMS would be more direct, however, in discouraging auto commuting to center city by imposing a special tax on autos arriving in off-street parking facilities before 9:30 A.M.

Even if there were no air pollution problem, mass transit improvements would be essential to relieve traffic congestion. SEPTA has long proposed virtually all of the mass transit projects that the state now endorses—but has lacked funds to implement them.

Ironically, air pollution from auto exhausts could prove to be a blessing in disguise if it awakes the nation, at least, to long neglected urban mass transit needs. And it becomes more essential than ever that the fight be won in Congress this year to make U.S. highway trust funds available for mass transit purposes.

WHEELMASTER DAY

HON. PAUL S. SARBANES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. SARBANES. Mr. Speaker, on May 17 the Safety First Club of Maryland will celebrate its 17th anniversary of service to the citizens of Maryland. Founded in 1965, the Safety First Club is dedicated to improving highway safety and reducing the number of traffic accidents and fatalities. To accomplish these goals, the Safety First Club has emphasized the importance of traffic safety to our youth, and rendered valuable community service by conducting safety programs, campaigns and activities aimed at making people more aware of the need for highway safety.

I am particularly pleased to note that the "Leader in Lifesaving" award of the Safety First Club, will be presented to the University of Maryland's Center for the Study of Trauma, located in Baltimore in tribute to its remarkable record in treating traffic victims and other patients with multiple, life-threatening injuries. Mr. Speaker, last year in the State of Maryland alone, 800 people lost their lives as a result of highway accidents. I believe that concerned citizens groups, like the Safety First Club of Maryland, can help to prevent this tragic death toll on our highways and I strongly commend its efforts. I believe the Members will be interested in the following resolution paying tribute to the Safety First Club of Maryland which was recently adopted by the Maryland General Assembly and signed by the Governor.

The resolution follows:

WHEELMASTER DAY

Whereas The Safety First Club of Maryland, a non-profit citizens' organization, has been crusading since 1956 for safety on our streets and highways; and

Whereas The organization's major objectives are to help reduce traffic fatalities; Stress the importance of traffic safety among our youth; Work for the passage and enforcement of statutes aiming to reduce our tragic traffic toll; and give proper recognition to the deserving for attainments in the field of traffic safety; and

Whereas The Safety First Club believes that traffic supervision and control being in the sphere of duly-constituted experts and authorities; but, nevertheless, such groups as the Safety First Club of Maryland can render services through planned and consistent safety programs, campaigns and activities aimed at helping to reduce our mounting toll; and

Whereas The Safety First Club of Maryland will feature the theme, "How To Protect Ourselves Against Air Pollution" at the organization's 17th Anniversary Wheelmaster Banquet to be held May 17, 1973 at the Emerald Gardens.

Whereas As one of the highlights at its 17th Anniversary Banquet to be held on May 17, 1973, the Safety First Club of Maryland will be the presentation of a "Leader in Lifesaving" Award to University of Maryland's Center for the Study of Trauma, in Baltimore, Maryland, in tribute to its remarkable record in treating traffic victims and other patients with multiple, life-threatening injuries; and

Whereas The seriousness of the traffic problems tragically emphasized by the fact that 800 persons lost their lives on Maryland's highways during the year of 1972;

Be it therefore resolved that May 17, 1973 is declared "Wheelmaster Day" in tribute to the services being rendered by the Safety First Club of Maryland to help reduce traffic injuries and fatalities. Citizens throughout the State are urged to join the Safety First Club of Maryland in its "Crusade for Safety" to protect their lives, their dear ones, their neighbors and their fellow Americans.

ASPIN URGES BEEF UP OF OIL IMPORT APPEALS BOARD

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. ASPIN. Mr. Speaker, despite requests for the importation of oil by oil refiners and distributors for more than 1 million barrels of oil per day, only approximately 170,000 barrels per day have been approved by the Oil Import Appeals Board according to official statistics provided to me.

I am urging Interior Secretary Rogers C. B. Morton today to immediately beef up the staff of the Oil Import Appeals Board to increase imports in order to alleviate this summer's rapidly approaching gasoline shortage.

Many of my colleagues may not know that the Oil Import Appeals Board has not acted on many of the approximately 250 requests to increase imports because the board is terribly understaffed.

On March 23, President Nixon issued a proclamation allowing the Oil Import Appeals Board to increase the imports of any oil refiners and distributors who are facing an emergency situation. At present, gasoline supplies are more than 20 million barrels lower than a year ago and gasoline shortages in various parts of the country are already developing.

Despite the President's public relations flourish about increasing oil imports, the Appeals Board has only two professional staffers and three part-time board members who cannot possibly process approximately 250 requests to increase imports.

For instance, according to the Oil Import Appeals Board statistics provided to me, of 33 requests seeking 300,000 barrels per day, of crude oil, the Board has only been able to approve six petitions allowing an extra 55,000 barrels per day into the United States.

The Board has been able to act on most of the 124 petitions seeking gasoline. But instead of allowing the importation of 325,000 barrels per day as requested, the Board is allowing only 61,000 barrels per day.

There is a need to dramatically increase the amount of petroleum products being imported into the United States to alleviate this summer's gasoline shortage and the Board must act now to ease the crisis.

I suggested to Secretary Morton that he send a special team of lawyers and investigators to the Oil Import Appeals Board to process all applications as quickly as possible. While I do not believe that every single petition should be granted by the appeals board, each one should at least be acted upon as quickly as humanly possible.

APRIL 11, 1973.

Hon. ROGERS C. B. MORTON,
Secretary of the Interior,
Department of the Interior,
Washington, D.C.

DEAR MR. MORTON: According to the information provided to my office, the Oil Import Appeals Board has approved approximately 170,000 barrels per day of special allocations, although requests for new allocations total more than 1 million barrels of oil per day.

I also understand that in addition to the Board's three part-time members, only two full-time professional employees are assigned to the agency. Apparently, the Oil Import Appeals Board has not acted on many of the approximately 250 requests for increased imports because the Board is terribly understaffed.

President Nixon's March 23rd proclamation allowing the Oil Import Appeals Board to increase the imports of any oil refiners and distributors who are facing an emergency situation was an important step forward. With gasoline supplies more than 20 million barrels lower than a year ago, and with gasoline shortages in various parts of the country already developing, more action is necessary *now* to increase imports.

Apparently the Board's slow action and understaffing is the result of sheer bureaucratic stupidity. In view of the current emergency, this situation must be corrected, immediately. There is a need to dramatically increase the amount of petroleum products being imported into the U.S. to alleviate this summer's gasoline shortage and the Board must act now to ease the crisis.

One possibility might be to send a special team of lawyers and investigators to the Oil Import Appeals Board to process all applications as quickly as possible. While I do not believe that every single petition should be granted by the Appeals Board, each one should at least be acted upon as quickly as humanly possible so that a serious gasoline shortage can be avoided this summer and necessary stocks of fuel oil can be accumulated for next winter.

Sincerely,

LES ASPIN,
Member of Congress.

SENIOR CITIZENS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. McKINNEY. Mr. Speaker, I sometimes believe we live in an age of Euphemisms. Many labels and characterizations are so overused that they soon become more well known than those which they were intended to euphemize. How many people, I wonder, would like to be just known as a person rather than a conservative, a liberal, a hippie or a senior citizen?

Recently, the YMCA of Westport, Conn. opened the "Bedford Room for the Elderly" and to mark the occasion, Parke Cummings authored a tribute to those who would enjoy the facilities. I would like to share Mr. Cummings' prose with my colleagues today, not only for its literary value, but for the message it contains. I think in light of my initial comment, we all may find it of interest.

The tribute follows:

SMILE WHEN YOU CALL ME A SENIOR CITIZEN

(By Parke Cummings)

God bless us all plus sixty-five;
Long may we live, long may we thrive.
Long may our praises fill the air
For Medicaid and Medicare.
Whatever good or ill befall us,
Just what, I ask, should people call us?
Senior citizens? I claim
That makes us sound too prim, too tame,
Too tottery and muttery,
Too fossilized and stuttery.
In talking geriatrical
Let's make it more theatrical.
And so let's try these on for size
"Maturing dolls" or "grizzled guys."
To tell the truth I'd just as soon
Be labeled a "decrepit goon."
Nor would I even hesitate
To be an "aging reprobate."
As for a feminine old-timer
Let's say that she's a sweet "post-primer"
An "elder Moll," a "golden flame,"
Or call her a "retreaded dame."
Yes, let's sound young and swingy-er,
A lot more ringy-dingy-er,"
And as for "senior citizen,"
Don't let me hear those words again.

"MISS HOPE" OF PENNSYLVANIA

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. GAYDOS. Mr. Speaker, it is with great pride I call the attention of my colleagues to a young woman from my 20th Congressional District who has been selected Miss Hope of 1973 by the Pennsylvania Chapter of the American Cancer Society—Miss Cecelia A. Evans.

Miss Evans, a daughter of Mr. and Mrs. Cyril B. Evans, resides in West Mifflin, Pa., and is the second young lady from that community to achieve recognition by the American Cancer Society. Last year, her friend and neighbor, Miss Gerri Wasilisin was chosen "Miss Hope" of Allegheny County.

The title of "Miss Hope" is not an empty one. It involves a great deal of personal sacrifice in that the holder must travel throughout Pennsylvania, launching local cancer crusades, representing the society at public appearances and addressing professional groups in the field of health. As the "spirt of hope," which symbolizes the American Cancer Society's educational effort, Miss Evans will try to inform as many people as possible about the lifesaving facts of this dread disease, offering assurances that someday it will be cured and conquered.

Miss Evans, who is employed at the Pittsburgh Poison Center in Children's Hospital, is a graduate of St. Peter's High School in McKeesport and the Pittsburgh Hospital School of Nursing. She entered the profession, she explains, because it affords her the opportunity to find a cause I can attend with heart and soul. Involvement with other human beings places me in a situation in which I find it possible to give of myself."

Mr. Speaker, Miss Evan's dedication to her profession, her compassion for people, and her earnest desire to help others makes me extremely proud to serve as her Representative in the Congress of the United States.

INDIANAPOLIS, IND., LSO INVOLVEMENT IN PARTISAN POLITICS

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. LANDGREBE. Mr. Speaker, I would like to submit a letter written by Judge John L. Niblack of the Marion Circuit Court, 19th Judicial Circuit, State of Indiana, to the local paper in Carmel, Ind.

Judge Niblack's letter provides an example of how OEO-funded legal service programs lawyers violate the Hatch Act while they neglect the legal needs of the poor.

I insert Judge Niblack's letter in the RECORD:

JANUARY 18, 1973.

"VOICE OF THE PEOPLE,"
North Side Topics,
Carmel, Ind.

DEAR SIR: I see a suit was filed in Federal Court to upset the patronage system of the two political parties of this State by three employees in the Department of Instruction, two of whom are Democrats and one not listed as to political party. In the election last fall their boss lost out to Republican Harold Negley, who will assume his duties on March 15. Their attorney is one Ronald E. Elberger, as LSO attorney conducted the suit against the Indianapolis School Board and Tech High School authorities in the "Corncob Curtain" case. Mr. Elberger prevailed on Judge Steckler to overturn the school ban on obscene papers that the students of Tech were publishing.

Mr. Elberger, a recent import from the East where he was prominent in such cases for the Office of Economic Opportunity, has conducted most of the LSO attacks on established government in this State in the past two years. He has sued Judge Joseph Myers of Municipal Court One, Judge Rufus Kuykendall of Superior Court Six, the Indianapolis School Board, the Attorney General of the State of Indiana, the State of Indiana itself, prison officials of the State and now is attacking the two-party system through Federal Court.

The two-party system in America may not be perfect, but it is a lot better than the system in Russia where the Government hands out a list of candidates and you vote "yes or no" with a soldier standing just outside of the voting booth. The life blood of the party system is party members holding minor positions in various public offices from Township to National level. They are the ones who man the precincts, register the voters, get out the vote, get up at 5:00 A.M. on a cold day to open the polls and generally see that the party functions. When their party goes out of office they should go out of office and the other party take over. That way the public can benefit by changing their public officials when they are not rendering good service.

We have enough of Civil Service now in this country, in my opinion a way too much. When you go in a federal bureaucrat office maybe you get some attention and maybe you will not. Some blond stenographer on Civil Service, after she disposes of her chewing gum and has found time to notice you, may ask you what you want and quite frequently refers you to some other office across town.

According to the news story, these three employees are paid $13,300.00, $13,900.00 and $5,848.00 respectively per year for their services. I do not see how Mr. Elberger and the LSO can contend they are "poor" people and in need of public funds to conduct another law suit against our established customs and institutions.

Incidentally, in all of the current strife about the County-Council refusing to appropriate $200,000.00 for the year 1973 to the LSO, the public should be advised that the LSO will have $400,000.00 in federal money beginning the first of February to assist the "poor" in legal matters. This amount alone should be enough to take care of all such affairs for Marion County and the surrounding 25 Counties.

JOHN L. NIBLACK,
Judge, Marion Circuit Court.

LIBRARY FUNDING AND AN OUTSTANDING LIBRARIAN

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. CULVER. Mr. Speaker, this week is National Library Week and thus an opportune time to talk about library financing. One of the principal omissions in the President's proposed fiscal year 1974 budget is in the area of library resources. The administration claims that libraries no longer need direct Federal aid and that libraries willing to lobby for revenue sharing funds can still obtain comparable Federal aid.

A recent survey by the American Library Association indicates that 20 million Americans do not have library facilities in their communities. Many of these communities are not large enough to support a library, but an expansion of library loan services or an increased number of mobile libraries could help to solve the problem. Many existing libraries, however, find these activities in conflict with their taxing and service boundaries.

Funding is an omnipresent problem because most libraries rely heavily on property taxes for financing. In many small towns there is a limited amount of money produced by the property tax, and the small allocation to libraries is not adequate to provide a diversity of materials.

Additionally, most librarians find that the majority of patrons use about 10 percent of the books. Regional library systems eliminate the need for all libraries to stock many of the other 90 percent. A regional library can supply the other books through loans, thereby freeing the use of community libraries' funds for local services. The Federal funds insure service for people who live long distances from the large libraries as well as library service for the elderly who are unable to leave their homes.

Libraries unfortunately do not command the high priorities at the local government level which police protection, fire protection, street repair, and sewer repair receive. In fact, libraries will likely receive very little in revenue sharing funds when other areas of public need compete for limited money.

There are many misplaced priorities in the President's budget. The lack of funding for the Library Services and Construction Act, which has been authorized by an act of Congress through 1976, is one such example. While I certainly agree with a reasonable budget limit for fiscal year 1974, I do not agree with many of the President's spending priorities. In my judgment, we can cut substantial amounts from the defense and foreign military aid budgets without harming our national security, and, in addition, I believe that we can increase revenues by reforming tax laws. This would enable the Federal Government to stay within a spending limit and reduce the Federal deficit while providing money for demonstrably efficient programs such as the Library Services and Construction Act, which meet the human needs of our people and, through their contribution to the improved education of our citizens, contribute invaluably to the genuine strength of our Nation.

Mr. Speaker, I have a very special legislative interest in libraries. Recently I learned of the death of my great aunt, Miss Essae Martha Culver, who served as a distinguished librarian for the State of Louisiana. This inspirational and influential family member impressed the importance of libraries upon all of us who were devoted to her.

In 1925, she became executive secretary of the Louisiana State Library Commission. At that time there was no State library and only five public libraries in Louisiana. It was her goal to build a State library and to provide a public library in each parish in the State. During her outstanding career, a State library was constructed and, by the time of her retirement in 1962, it had acquired 440,000 volumes, was processing 72,000 information requests, and was receiving $297,226 in appropriations from the State legislature.

In October 1968, she saw the project she had started 48 years before completed. The opening of the Jefferson Davis Parish Library meant that every person in Louisiana now had a library in his own parish. Not only were there more libraries, but the quality of the library services had greatly improved during her term of office. She was instrumental in the drafting of new legislation establishing qualifications of librarians and standards for a quality library program.

This most remarkable woman, like many other outstanding librarians in our country today, devoted her life to making public libraries a foremost place for persons to further their quest for knowledge and to enjoy fine literature. She knew that libraries greatly contribute to the general level of education in society.

This outstanding librarian will be remembered for generations in the improved opportunities available to the citizens of Louisiana through her work, and she will never lose her place of affection in the hearts of her family. In addition, her role and influence in her community were recently remembered in an article in the Register, the city magazine of Baton Rouge, which I insert in the RECORD at this point:

We Pause To Remember—A 21-Gun Salute to the Late Essae Martha Culver

(By Shirley Knowles Stephenson)

The commanding image of the late Dr. Essae Martha Culver has been intensified in the minds of her numerous friends and colleagues as her accomplishments in Louisiana library development were recognized at the recent Governor's Conference on Libraries. Miss Sallie Farrell, Louisiana State Librarian, indicated that the Louisiana library systems stand as living memorials to "Miss Essae," as she was so cordially and affectionately addressed. Miss Culver never wanted to be called Doctor even though she had been granted honorary doctorates by Pomona College, her alma mater, and Louisiana State University.

Miss Culver was eagerly anticipating the Louisiana Governor's Conference, which focused attention on "Library Excellence—Louisiana's Challenge" when she developed serious respiratory difficulty. A personal invitation to attend the conference called by Governor Edwards was in the mail addressed to Miss Culver at the time of her fatal illness.

SHE WOULD HAVE ENJOYED THIS CONFERENCE

Miss Farrell deeply regretted that Dr. Culver did not enjoy the rewards of participating in the conference. For many years Miss Culver had worked with the leaders and officials of the Louisiana State Government. She had advocated holding a Governor's Conference earlier in her career as State Librarian of Louisiana.

Those who were fortunate enough to encounter and to enjoy close personal relations with the *real Essae Martha Culver* doubtless remember varied aspects of her gracious personality. Her professional achievements are historically significant to the State of Louisiana and to the present and future of American libraries and information science. She has been recognized as the First Lady of Librarianship in Louisiana. For this we salute her!

Miss Essae's leadership qualities were dynamic forces which her friends respected, honored, and treasured through association and in retrospect. She enjoyed an inner endowment which motivated her constantly and forcefully to seek the ultimate good in our society! Her artistic and cultural motivation might be compared with the forces and the inspiration which the American astronauts experienced and reported concerning their journeys through the celestial regions.

The editor of *The Register* requested that this account focus attention on the magnificent personality and tremendous talents in human relations which were reflected by Essae Martha Culver. Miss Culver's innate poise and gracious manner and becoming attire were valuable asests as she travelled throughout the state and nation. Her compelling personality was a motivating force in engaging the interests of people and cultivating friends in all walks of life. She challenged persons in various business and professional activities to devote themselves to community projects designed to improve individuals and to enrich the pattern of life in this region.

Miss Culver's creative talents in human relations were assets which the library profession recognized, appreciated and identified as hallmarks of her success! We salute Essae Martha Culver as a great and gifted librarian!

The transition from the leading professional role in library development to the figure of the revered, retired Librarian Emeritus of the Louisiana State Library required tremendous testing of human values. In making the transition to another role, Miss Essae had the support, gratification and satisfaction of an eminent career. She had an enviable zest for living, which was reinforced by the success she had enjoyed in cultivating friends and exploring new ideas, as well as developing impressive buildings and library collections in Louisiana.

CORDIAL FRIENDSHIPS CLIMATE WAS DEVELOPED

The cordial climate of friendship which Essae Culver developed with the people of Louisiana and specifically with creative figures in the artistic and literary world were treasures which she took with her into the new phase of life with more leisurely and less clock-controlled living. Her sensitivity as a hostess, her graciousness and talents in sharing rewarding interpersonal experiences led to an intensified era of satisfaction in human values. She concurred with Robert Browning in believing that, "the best is yet to be."

For Miss Essae, there developed a rennaissance of social activities. She enjoyed more relaxed contemplative moments without the demands of professional pressures. She enjoyed the personal satisfaction of closeness with friends. The Culver hospitality was expressed in her apartment in the Westmoreland area of Baton Rouge where friends encountered the truly gratifying experiences of her special gifts in human relations.

Artists, writers, friendly colleagues, community leaders in various fields and their guests were frequent visitors. A star visitor who arrived frequently and was given a special welcome was a miniature blonde poodle named "Cindy" who accompanied her fond owner, wearing a gay ribbon in her carefully brushed top knot.

FEW LIFE-LONG FRIENDS MENTIONED

Space permits identification of only a few life long friends. A brief listing of noted persons who entered her life would certainly include figures such as Lyle Saxon, Alberta Kinsey, Lois Janvier Lester, John Chase, Robert Tallant, T. Harry Williams, Caroline Durieux, Margaret Dixon, and "Pie" Dufour.

In the European manner of the grand dame, Miss Essae was at home to her friends after five in the afternoon on frequent occasions. She enjoyed the callers who dropped in to visit. The setting was enriched by Miss Culver's special interest, momentoes of her travels and her cultural pursuits. Books, silver, paintings, brass, interesting glassware and exquisite china were accessories which she used with a flair and greatly enjoyed. A certificate presented to Miss Culver attesting to her crossing of the Arctic Circle during her travels with her revered brother, Mr. Chester Culver, was a conversation piece. The cafe brulot parties which Miss Essae staged for special guests of national prominence in library service were feats of hospitality as well as exciting as extraordinary gourmet celebrations.

Miss Essae enjoyed music, drama, the arts and she had a special enthusiasm for the LSU Tigers. She attended the football games regularly until failing eyesight limited her. Even after she could see very little of the playing field, Miss Essae would attend the games using a transistor radio to keep her informed as the game progressed. She owned a golden miniature tiger mascot, which she took to the games. She stroked "Mike," cheering him and the players! For out-of-town games, listening parties were arranged and enthusiastic cheers by Essae Martha Culver punctuated the radio commentaries on the game.

HER PROFESSIONAL FRIENDS WERE, INDEED, LEGION

A roster of her professional friends would form a tome similar to *A Biographical Directory of Librarians in the U.S. and Canada.* Her colleagues understand that space limitation permits identification of only a few. Certainly Mrs. Lois Shortess, Miss Debora Abramson, Mrs. Florrinell F. Morton and Miss Norris McClellan are representative colleagues whose association with Louisiana Library Development may be traced from the early phase of Miss Culver's role as Executive Secretary of the Louisiana Library Commission.

Miss Culver enjoyed working with numerous distinguished citizens who supported library development from the era of the 1920's and 30's when Mr. J. O. Modisette served as chairman of the Louisiana Library Commission to the period of her retirement. Throughout her era of service, Miss Essae enjoyed the friendship, counsel, support of distinguished lay leaders.

Retrospectively, we recall and salute Miss Essae for her strength and courage in accepting a pioneer role in the realm of library development in Louisiana. While the library project was initially supported by a grant from the Carnegie Corporation, Miss Essae looked to the people of Louisiana for ongoing personal and professional support as she utilized the demonstration method of library development in the State. Among her treasured friends from her early days in Baton Rouge were Miss Katherine Hill, Dr. Harriet Daggett, Dr. Mary Mims, and Mrs. A. G. Reed. One of the first organizations to extend an invitation to membership after Miss Culver arrived in Baton Rouge was The Study Club. Miss Essae accepted the invitation with pleasure. She considered membership in The Study Club an opportunity to become closely associated with a number of outstanding civic minded ladies in the community. Becoming a vital member of the community was an objective which Miss Essae set for all members of the profession. She realized that the objectives of The Study Club are correlated with her personal goals in helping to create in Louisiana more rewarding cultural activities which bring enrichment to individuals and to the community. Miss Essae realized that commentaries on great books and great ideas were more gratifying and enriching than merely polite conversations on the weather.

SHE RECEIVED SHOWER OF GREETING CARDS

On the occasion of Miss Essae's 90th birthday in November of 1972, her friends planned a shower of greeting cards. The activity was such a success that the cards were the featured attraction at a small party which Miss Farrell gave to celebrate the event. An unofficial count of the signatures and cards numbered approximately three hundred well-wishers!

The last party which Miss Culver gave honored her niece, Miss Ruth Cowen of Royal Oak, Michigan at a Thanksgiving dinner held at Masson's Beach House on Lake Pontchartrain.

A Christmas celebration was scheduled to share the excitement of the season and the annual gift box from Mrs. William Culver of Cedar Rapids, Iowa, mother of Congressman John Culver, devoted nephew of "Aunt Essae." The hand of destiny prevented the realization of the holiday celebration.

Miss Culver was indeed a brilliant and forceful personality. By her stature and her personal and professional qualities, she contributed magnificent values to the social tapestry of Louisiana.

The rewards of her services will be on going aspects of our cultural heritage and will pose a compelling frame of reference for the future. We salute Miss Culver, the great lady, warm friend, inspiring citizen, distinguished pioneer and mentor in Louisiana Library Development whose role will grow in significance with the realization of the greater goals set by Governor Edwards' conference on the challenge of achieving high standards of excellence.

HIGHER EDUCATION

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. GUYER. Mr. Speaker, after much warfare, all America welcomes peace. Young Americans with their hopes and dreams at long last are looking forward to a life uninterrupted by war to the promised volunteer military and the end of conscription.

In this critical time, it is imperative that the halls of our colleges and the equal opportunity for higher education be made available to all.

Tomorrow belongs to those who are prepared for it. In keeping with this commitment to our youth, I join my colleagues in support of the important amendment to House Joint Resolution 496 which would help erase doubts of uncertainty and bring timely tuitional assistance to the youth of America. We must give them the green light now by making supplemental appropriations under the National Direct Student Loan program, the College Work Study programs, the Supplementary Educational Opportunity Grants, and the Basic Opportunity Grant program. College preparation cannot wait; plans for enrollment must be made now.

Also, I am most pleased Representative JOHN ANDERSON was able to make our bill which would restore $1.8 million for the National Industrial Equipment Reserve and provide tools for schools, an amendment to House Joint Resolution 496.

Machine tools worth $46 million are literally rusting away and some 400 U.S. schools face possible loss of $40 million in tools on free loan for vocational training purposes.

Schools in my State of Ohio have 484 items on loan from the National Industrial Equipment Reserve—NIER—valued at $2,653,809.

Troy High School, in my district, has 18 items on loan from National Industrial Equipment Reserve—NIER—which are valued at $107,488.

Tools for schools are more of an investment than a cost. It would cost our Government $3.8 million each year to store these tools; if this machinery were to be withdrawn, it would cost schools $103 million to replace the machinery.

HANOI'S HEINOUS POW TREATMENT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. DERWINSKI. Mr. Speaker, now that our POW's have been released by the North Vietnamese, they are quite properly discussing the treatment to which they were subjected during their period of captivity.

Statements now being made and evidence now available demonstrate total disregard of the Geneva Accords relating to prisoners of war. Columnist Nick Thimmesch, in an article in the Chicago Tribune of Sunday, April 8, very effectively summarizes the treatment of our POW's.

The article follows:

HANOI'S HEINOUS POW TREATMENT

(By Nick Thimmesch)

WASHINGTON.—Last week, I wrote that the antiwar people who went to Hanoi and came home to tell how decently the North Vietnamese were treating American POWs were strangely silent. No sooner had I written that than Jane Fonda lipped off.

"Hypocrites and liars" is what she calls the returned POWs who told of their torture. "History will judge them severely. The condition of the returning prisoners should speak for itself to prove the men have not been tortured."

But the condition of some of the POWs is precisely what has converted some honest skeptics to believe that North Viet Nam is guilty of heinous treatment of its prisoners and also of a brilliant job of fooling some American visitors who now must be classified as "dupes."

But then we have Father Philip Berrigan saying not a word against Hanoi's violation of the Fifth Commandment, but describing the POWs as war criminals under "divine and human law."

And we have folk singer Joan Baez proclaiming from Paris that she is a little surprised that Americans are outraged over the atrocity revelations because there are still 200,000 prisoners in South Vietnamese prisons not being treated well.

Fonda, Berrigan, and Baez operate from their glands and can't be expected to be rational. But what of the political and academic folk who went to Hanoi and uttered authoritative remarks about how well our prisoners were? Those remarks, according to some returned POW's, were thrown in their faces later by the North Vietnamese and were part of Hanoi's propaganda campaign against the United States.

Take Ramsey Clark, former U.S. attorney general, who said that the 10 POWs he saw in Hanoi "were unquestionably humanely treated" and lived in individual rooms "bigger and better" than any prison he had seen anywhere.

Clark must have known that he met "showcase" POWs and that the North Vietnamese rigged the show for him. What does Clark say now? Nothing. I can't get him to return phone calls.

Dr. Richard J. Barnet, co-director of the Institute for Policy Studies, told a congressional committee in 1971 that there was compelling evidence that the North Vietnamese were not mistreating our prisoners.

He debunked stories of atrocities against the POWs. Not a peep out of Dr. Barnet now. He is in Mexico, unreachable by phone.

Stewart Meachem, peace secretary of the American Friends Service Committee, testified in 1971 that he was impressed in his visit to a POW camp in Hanoi with how alert and healthy the POWs were, and how he was told there was no mistreatment. No word from Meachem now.

Mrs. Cora Weiss of the Women's Strike for Peace, trafficked in the POW business for several years. She said, in November, 1970, that North Vietnamese disclosure of the names of four POWs and letters from POWs "show that the North Vietnamese are following a humanitarian policy toward the prisoners."

What does she say now? "I'm sure there was some suffering and hardship," she told me. "There are horrors in prison life, whether it's in Hanoi or the United States. Some of the POWs are angry at me and are looking for a scapegoat, and they found the wrong one. I didn't do anything wrong. The hands of the United States aren't clean on this war."

I talked with Lt. Col. Leo K. Thorsness, a returned POW, who told of how his captors taunted prisoners about how strong the antiwar movement was and how they wasted their efforts and lives in the war.

"They propagandized us," Thorsness said, "and two things that really got me were statements they provided us by McCloskey and [George] McGovern." He referred to Rep. Paul McCloskey's [R., Cal.] remark on NBC's Today show, June 7, 1972, opposing the bombing of North Viet Nam.

Thorsness said that he felt disheartened in prison when he learned of Sen. McGovern's statement that "I would go to Hanoi and beg if I thought that would release the boys one day earlier." Thorsness, who lives in Sioux Falls, S.D., now says, "Nothing would give me more joy that to run against and defeat the honorable Mr. McGovern some day in the future."

SENATE—*Friday, April 13, 1973*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, unto whom all hearts are open, all desires known, come to us in the purity of Thy presence and make us what we ought to be. Answer every prayer in this place, uttered or unexpressed, according to each particular need. In our work help us to move with alacrity, to be patient when we must wait, and to make decisions only when the answer has become clear. Grant us the serenity to accept what cannot be changed, the courage to change what can be changed, and the wisdom to know one from the other. Bring us at the end of the day to our resting places with hearts content and souls unblemished.

Through our Redeemer and Lord we make our prayer. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, April 12, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk read the nominations in the Department of Defense, as follows:

John O. Marsh, Jr., of Virginia, to be an Assistant Secretary of Defense.

Jerry Warden Friedheim, of Virginia, to be an Assistant Secretary of Defense.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. MARINE CORPS

The second assistant legislative clerk read the nomination of Lt. Gen. Ormond R. Simpson, to be lieutenant general.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

EXTENSION OF DIPLOMATIC PRIVILEGES AND IMMUNITIES TO LIAISON OFFICE OF THE PEOPLE'S REPUBLIC OF CHINA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 113, S. 1315.

The PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 1315. A bill to extend diplomatic privileges and immunities to the Liaison Office of the People's Republic of China and to members thereof, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93-119) explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

S. 1315 authorizes the President, under such terms and conditions as he shall determine, and consonant with the purposes of this bill, to extend to the Liaison Office of the People's Republic of China in Washington and to the members thereof the same privileges and immunities subject to the corresponding conditions and obligations as are enjoyed by the diplomatic missions accredited to the United States and by members thereof.

BACKGROUND

The United States-People's Republic of China Communiqué, following Dr. Henry A. Kissinger's meeting with Chinese leaders, February 22, 1973, contained these paragraphs:

"The two sides agreed that the time was appropriate for accelerating the normalization of relations. To this end, they undertook to broaden their contacts in all fields. They agreed on a concrete program of expanding trade as well as scientific, cultural, and other exchanges.

"To facilitate this process and to improve communications it was agreed that in the near future each side will establish a liaison office in the capital of the other. Details will be worked out through existing channels.

"The two sides agreed that normalization of relations between the United States and the People's Republic of China will contribute to the relaxation of tension in Asia and in the world."

Elaborating the same day, Dr. Kissinger explained:

"We discussed the principles of the Shanghai communiqué, particularly those that dealt with the desirability of normalization of relations, the desirability of reducing the danger of military conflict, the affirmation by both sides that neither would seek hegemony in the Pacific area, and each of them opposed the attempt of anyone else to achieve it, and that the relations between China and the United States would never be directed against any third country.

"In that spirit, it was decided to accelerate the normalization of relations to broaden contacts in all fields, and an initial concrete program for extending these contacts was developed.

"Given this new range of contacts, it was decided that the existing channel in Paris was inadequate and that, therefore, each side would establish a liaison office in the capital of the other. This liaison office would handle trade as well as all other matters, except the strictly formal diplomatic aspects of the relationship, but it would cover the *whole gamut* of relationships. This liaison office will be established in the nearest future. Both sides will make proposals within the next few weeks to the other about their technical requirements, and henceforth it will be possible for the United States and the People's Republic of China to deal with each other in the capital of the other."

On April 5, 1973, an advance party of the U.S. Liaison Office arrived in Peking. The counterpart delegation from the People's Republic is expected to arrive around Easter.

COMMITTEE ACTION

At an executive session April 12, 1973, the committee considered S. 1315 introduced by Senator Fulbright, by request, and a similar bill, S. 1287 introduced by Senator Kennedy. At that time, by a voice vote and without objection, the committee ordered S. 1315 favorably reported to the Senate, subject to the receipt of an official communication from the executive branch, which is printed in the appendix.

The committee notes that the wording of S. 1315 is based on previous such measures, as for example the Organization of American States Privileges and Immunities Act of 1952, and the extension of privileges to the Mission of the Commission of European Communities in Washington, D.C., in 1972. In general, the privileges and immunities involved concern immunity from suit and other judicial process, immunity from search and confiscation, inviolability of archives, immunity from import duties and procedures, official, freedom of communications, duty-free import of baggage and effects, exemption from Federal income and other taxes.

These are the same privileges and immunities enjoyed by foreign diplomats accredited to the United States, as set forth in the Vienna Convention on Diplomatic Relations, and similar to those contained in the United Nations Convention on Privileges and Immunities.

Passage of this bill will represent U.S. acceptance of the agreement on privileges and immunities referred to above.

To the extent that there may be additional costs to the U.S. Government, these would concern solely the small increase in services to be furnished by the Executive Protective Service. The numbers of people who would be entitled to the privileges and immunities of this bill would approximately equal the U.S. group in the People's Republic of China which will number approximately 30 persons.

On April 3, 1973, the committee received the following letter from the majority and minority leadership:

U.S. Senate,
Office of the Minority Leader,
Washington, D.C., April 3, 1973.

Hon. William Fulbright,
Chairman, Committee on Foreign Relations,
1215 Dirksen Building, Washington, D.C.

Dear Bill: We have noticed that you introduced S. 1315, a bill to give the Chinese Liaison Office—when established—diplomatic immunity and privileges.

Since an American group has already left the United States to begin preparations for an American liaison office in China, we respecfully request early action on S. 1315 so that the Chinese may begin preparations for the establishment of their liaison office.

Your kind attention to this matter will be most appreciated.

Warm regards.

Sincerely,

MIKE MANSFIELD,
Majority Leader.
HUGH SCOTT,
Republican Leader.

The Committee on Foreign Relations recommends that the Senate pass S. 1315 as soon as possible.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, under such terms and conditions as he shall determine and consonant with the purposes of this Act, the President is authorized to extend to the Liaison Office of the People's Republic of China in Washington and to the members thereof the same privileges and immunities subject to corresponding conditions and obligations as are enjoyed by diplomatic missions accredited to the United States and by members thereof.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. SCOTT of Pennsylvania. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EFFECT OF DOLLAR DEVALUATION ON GI'S ABROAD

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Overseas Weekly, European edition, written by Paul Stevick, on April 9, 1973, entitled "Devaluation—GI's Overseas Have To Bear the Brunt."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEVALUATION

(By Paul Stevick)

The continuing crisis in the international monetary situation has some people worried and everybody talking, but nobody is paying through the nose for it like the GI stationed overseas. While people Stateside can speak abstractly of balance of payment deficits and floating currencies, the reality of a shrunken United States dollar has struck the European-based soldier like a kick in the cash drawer. German-based troops have been especially hard hit since the Mark was revalued at the same time the dollar was devalued.

As a GI you are directly affected by the devaluation in more ways than you are probably aware.

Probably the most immediate and noticeable result of the devaluation was the announcement that the European Exchange System (EES) would raise its prices. Along with this announcement the commander of the EES, Brig. Gen. C. W. Hospelhorn, stated that "wherever possible, prices will be held to a minimum." That "minimum" is a general price increase from 8 percent to a whopping 35 percent. General Hospelhorn did not explain how a 10 percent devaluation could result in a 35 percent price increase.

Purchased goods weren't the only thing affected in the PX! The cost of services has gone up too. You now pay more to have your clothes laundered, film processed, car repaired or have your wife's hair done. A haircut that cost $1.25 now sets you back $1.40. That hamburger that cost you 35 cents now costs you 40 cents.

You might have some trouble getting that hamburger down if you pull in for gas while you're eating it. Gasoline prices have jumped almost 17 percent. A spokesman for EES told The Weekly that this giant leap was partially a result of a vendor price increase and the rest is due to the devaluation.

The other increases are the result of foreign goods now costing more devalued dollars and salaries being paid in local currencies. Since the dollar is worth less than it used to be, it takes more of them to buy the same goods from foreign manufacturers. Services are often performed by local labor and their salaries are paid in the local currency. Since the devaluation, it takes more dollars to pay them. Both increases are, of course, passed along to you.

Is there any way to avoid the brunt of this financial blow in the PX? The only glimmer of light in this bleak picture is that American-made goods will remain at about the same price. A spokesman for EES explains "American-made items will remain at virtually the same selling price, except for cost increases from vendors. The scope of American goods remaining at the same selling price ranges from shaving cream to washing machines and refrigerators." This is not to say that American goods have gotten cheaper. They have become somewhat of a bargain simply because they have stayed at the same price while everything else has gotten more expensive.

Everything purchased outside the PX has gone up in direct proportion to the devaluation. All purchases made in the local currency are now costing 10 percent more. That German delight of Bratwurst and a beer that used to cost the equivalent of 70 cents now costs 80 cents. You're hit with a similar increase every time you take a streetcar or taxi, eat a meal in a local restaurant, or sooth your romantic inclinations with a foreign dish.

If you are indebted to someone in the local economy, your bill just increased 10 percent. One unfortunate GI told The Weekly that his car engine was in the process of being rebuilt when the devaluation struck. "This devaluation is going to cost me $50 on my engine bill alone."

The opposite of this last example can also be true. If you have a contract with someone in the local economy that is to be paid in dollars, the price cannot be raised to adjust for the devaluation. At least one German firm has tried to raise prices on contracts already signed by servicemen. The furniture dealer sent out letters to customers stating they had to pay about 10 percent more even though their purchase agreement quoted the price in dollars. This can't be done, said Usareur legal assistance spokesman Capt Michael Gottesman. "They have written a contract and that contract was for a dollar price. The contract is solid and they can't raise the price."

If you are part of the approximately 50 percent who live in off-base housing and your rental contract calls for payment in dollars, you're lucky. Most rent is paid in marks, which means that for almost everybody renting on the local economy, housing costs just jumped a minimum of 10 percent.

Before the first devaluation last year it was possible to find a two bedroom apartment with utilities in the Wiesbaden, Germany, area for about $160. The first devaluation sent the price of that apartment up to $172.80. The recent devaluation of 10 percent raised the price even further to $190. A direct result of the devaluation is that the cost of renting an apartment in Germany is now about the same as Stateside. The difference is that you get a lot less for the same money in Germany.

Housing, however, is one area where the Department of Defense is at least trying to do something for those affected by the devaluation. The Standard Housing Allowance has already been raised for some locations.

Finding a fair adjustment of the housing allowance is difficult at best. With some economists predicting more financial chaos and even more devaluations, and with the "floating" dollar changing value daily, it would be a bureaucratic miracle if the adjustments kept pace with the actual value of our currency.

Even with the adjustments, four of the 20 soldiers that The Weekly spoke to said that they could not now afford to bring dependents to live with them as they had previously planned. Their response was to a general question on how the devaluation of the dollar had affected them personally.

Those below the rank of E-4 who don't get a housing allowance are finding it harder than ever to make ends meet. The Weekly learned of several low ranking soldiers living with dependents even though they receive no housing allowance who were forced to move to lower rent districts. These areas are usually out of the city and force the GI to spend a half hour or more commuting each way to work. "It's out to the boonies for me and my wife," one E-3 told The Weekly, "We just can't afford to stay in the city after this."

Price increases caused by the devaluation are not limited in the PX and housing. Recreation will also be more expensive. NCO and EM clubs are raising, or have already raised, their dues and prices. At Ramstein, Germany, for instance, the Club International has doubled its dues, increased food prices 20 percent and hiked entertainment prices 12 percent. The Officers Club and the Rod and Gun Club have also raised their dues. The same thing is happening in recreational facilities all over Europe. Since these facilities operate at least partially within the local economy (salaries and maintenance are paid for in local currencies) to stay within their budget they must raise their prices.

If the shrinkage of your dollar has you so despaired that a holiday retreat is in order to soothe your shattered nerves, you're in for some more bad news. "Special Dollar Prices Still in Effect," blares the advertisement headline of one of the largest tour operators for Americans in Europe. A little further down in the ad you'll find the small print that specifies "until April 15." The fact is, if you're planning to spend some leave time traveling around Europe or even going Stateside, your wallet has a bruise coming.

The international monetary crises have undermined the price structure of international travel. Since the value of the dollar changes daily, you may sorely discover that the ticket you purchased is not the full fare at departure time. If you have to pay for your ticket in a currency other than dollars in the price went up the same number of percentage points that the dollar went down.

Even if you don't fly you'll pay more. A round trip motor tour from Frankfurt to Istanbul which a month ago cost $139 now costs $159. Souvenirs along the way will be 10 percent more expensive.

As a result of the international monetary situation a traveler could easily find himself stranded. When a money crisis warrants it, governments often close their exchange offices. During the most recent crisis and subsequent devaluation, exchange offices throughout Europe were closed for over a week. During such a situation, if you are carrying dollars and no local currency, you're simply out of luck. During the last crisis one tourist was caught in the unwillingness of anyone to convert his money. "My plane to the States leaves in an hour," he moaned, "and I can't change enough money to get to the airport."

As if all this weren't enough, there are broader aspects to the dollar devaluation that directly affect the serviceman abroad. Since the second devaluation in 14 months there has been a new outcry by some senators and congressmen to reduce the number of American troops abroad.

TAX REFORM

Mr. SCOTT of Pennsylvania. Mr. President, yesterday we had some speeches about tax reform legislation to be or being introduced in the Senate and what was going to be done about it—how the rich were going to be soaked, the poor spared, and the middle-income people not touched.

The usual stuff, Mr. President.

It is par of the course. We get it all the time. This is what we must expect, only this time it did not fool the networks. That is where the news comes in.

Harry Reasoner on his 7 o'clock show pointed out the absolute nonsense of that kind of talk originating in the Senate by commenting on a serious discussion of tax legislation in the Senate as if we were going to do anything about it. We are not going to do anything about it until we get a bill from the other House. We know that tax legislation originates in the House of Representatives.

The general public is supposed to be bemused by how much we take from the poor, how much we touch the middle income, and about how the rich escape. This miracle is not going to be done in that way. There will be some tax changes. They will begin in the House, as usual. The distinguished chairman of the House Ways and Means Committee very likely will come up with some wise suggestions, and very likely work his will, and all the Senators who talk about a tax bill and what they are going to do will have to take the tax bill that comes from the House and live with it.

We will make a few changes. If we do not make too many, it will probably pass. If we make too many, the other body will change the bill back again.

So Harry Reasoner was right when he said this was just an exercise in making believe that the Senate introduces tax legislation.

I think we have to prick this balloon every now and then, for fear somebody will believe that what they hear is going up, is some kind of vessel which will carry freight. These balloons carry no freight. These balloons are filled with the usual components.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. Griffin) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order be vacated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the following order be vacated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes each.

Is there any morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON OVEROBLIGATION OF APPROPRIATIONS

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that certain appropriations had been apportioned on a basis which indicates a necessity for supplemental estimates of appropriations, for the fiscal year 1973 (with an accompanying paper). Referred to the Committee on Appropriations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TALMADGE (for Mr. Stennis, Mr. Eastland, and himself):

S. 1569. A bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development and management by small nonindustrial private and non-Federal public forest landowners, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. JACKSON:

S. 1570. A bill to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOLE:

S. 1571. A bill to clarify and extend the provision of title IV of the Rural Development Act of 1972 (Stat.) Referred to the Committee on Agriculture and Forestry.

By Mr. DOLE (for himself, Mr. Abourezk, Mr. Aiken, Mr. Bartlett, Mr. Bentsen, Mr. Burdick, Mr. Clark, Mr. Curtis, Mr. Eastland, Mr. Hansen, Mr. Hughes, Mr. Hruska, Mr. McGee, Mr. McGovern, Mr. Pearson, Mr. Percy, Mr. Talmadge, Mr. Tower, and Mr. Young):

S. 1572. A bill to provide equity in the feed grain set-aside program by allowing participants in plan B to switch to plan A. Referred to the Committee on Agriculture and Forestry.

By Mr. THURMOND:

S. 1573. A bill to amend title 10, United States code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, and Marine Corps. Referred to the Committee on Armed Services.

By Mr. BEALL:

S. 1574. A bill to amend title 38, United States Code, to permit certain veterans' benefits to be paid for the month in which a veteran dies. Referred to the Committee on Veterans' Affairs.

By Mr. SPARKMAN:

S. 1575. A bill to amend section 314(k) of title 38, United States Code, to provide for a special monthly payment to veterans who have lost a kidney as the result of a service-connected disability. Referred to the Committee on Veterans' Affairs.

By Mr. SPARKMAN (for himself and Mr. Allen):

S. 1576. A bill to amend title 5, United States Code, to include as creditable service for purposes of civil service retirement periods of service performed in nonappropriated fund instrumentalities of the Armed Forces, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. ABOUREZK (for himself and Mr. McGovern):

S. 1577. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Pollock-Herreid unit, South Dakota pumping division, Missouri River Basin project, South Dakota. Referred to the Committee on Interior and Insular Affairs.

By Mr. BAYH (for himself, Mr. Hart, Mr. Nelson, Mr. Randolph, and Mr. Pastore):

S. 1578. A bill to provide for a national program of disaster insurance. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. DOLE:

S. 1579. A bill to provide for the demonstration of models of living arrangements for severely handicapped adults as alternatives to institutionalization and to coordinate existing supportive services necessitated by such arrangements, to improve the coordination of housing programs with respect to handicapped persons, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. GURNEY:

S.J. Res. 91. A joint resolution to amend the joint resolution entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TALMADGE (for Mr. Stennis, Mr. Eastland, and himself):

S. 1569. A bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development and management by small nonindustrial private and non-Federal public forest landowners, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. TALMADGE. Mr. President, I am

privileged today to introduce S. 1569, a bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of resource protection, development, and management by small, nonindustrial private and non-Federal public forest landowners.

This bill was originally introduced by our distinguished colleague from Mississippi (Mr. STENNIS), who has been a consistent leader in various successful efforts to provide adequate timber resources for this Nation. His bill was passed by the Senate last year, but not by the House. It is regrettable that our stricken colleague cannot be here today to introduce his own measure, but I am honored to be able to introduce this bill on his behalf, as well as my own.

The need for this legislation has never been more evident. While Secretary of Agriculture Butz has stated that this Nation will have to rely less and less on our national forests as the primary timber reserve from this Nation, it is clear that given this fact, we must rely more and more on privately held stands of timber for the rapidly increasing national demand for timber.

Our newspapers have been filled with articles telling of the rising cost of lumber because of increased demand. These price increases have raised the cost of building a home by as much as $2,000.

Mr. President, this business of timber supply is an extremely complex problem.

There are those who say we should stop shipping logs to Japan and other nations so that this wood can be used for domestic needs. But on the other hand, these shipments help substantially to improve our balance of payments—an important consideration in these days of devaluation, inflation, and general economic crisis.

Public demands to set aside large tracts of the national forests for recreational purposes, or for wilderness, have increased substantially. This pressure has generated many false claims that the Forest Service operates only for the benefit of the timber interests.

The conflicts here are enormous. Some groups want pure wilderness, for the enjoyment of those hardy souls who can hike their way into the forest. Others claim that if the forests are not properly managed, many forms of wildlife will die. Others want to take their camping vehicles into the national forests, while still others want areas set aside for skiing, snowmobiling, and other sports. It is difficult sometimes to see how these conflicting interests of a public desiring the forest experience can be reconciled, yet we must respect the wishes of the people in dealing with land that belongs to them.

On the other hand, the so-called venal timber interests, men who have, for the most part, been conserving forest land for years, are afraid that if the national forests are locked up for recreational purposes, they will lose their businesses.

These men see the pressures on the national forests. They see developers purchasing huge tracts of woodlands to build retirement and vacation homes. They see suburban sprawl destroying still more forests. And they see the demand for wood by the American people rising 70 percent in the past three decades, with substantially further increases expected in the next 30 years.

These men are in the middle of a squeeze. They do not see a way to continue meeting national timber demands, and many of them, who do not have the resources to purchase vast tracts of land, wonder how they will survive.

Their fears are entirely justified. The Forest Service reported recently that given present levels of forest management, only modest increases in timber supplies will be available in future decades, and that timber supplies will not be adequate to meet projected demands, with consequent increases in prices for timber and timber products.

Most disturbing is that despite the vast land expanse of this Nation, the Forest Service predicts that we will eventually have to import timber from nations like Canada.

However, other forestry experts dispute this. They say that exports and imports of wood products are approximately in balance now, and that there is little opportunity to significantly increase imports in the near future. In other words, these experts say we will have to meet our own needs for timber as best we can.

Mr. President, there is no question that we could be doing a better job of reforesting and managing our national forests to provide higher levels of production from that source. And it can be done if this Congress and the executive branch will provide the Forest Service with the tools to do the job.

But as JOHN STENNIS recognizes better than any of us, there is still another alternative, that would be more productive than merely providing more funding for the Forest Service. We can double the productivity of small, private, nonindustrial forests by helping their owners make long-range improvements.

In my State of Georgia, 73 percent of the forest land is privately owned, and 85 percent of this land is in tracts of 100 acres or less. Many of these small-sized forests are only partially productive because their owners are unable to make the long-term investments needed to produce quality timber, and as a result, hundreds of thousands of acres of potentially productive land are cluttered with stunted growth that is of little commercial use.

On the national level, 60 percent of our available forest resources are on lands such as I have described. It is a terrible waste.

It occurs to me that until such time as we take some realistic attitudes toward putting lands such as these into well-managed production; until we take on a program of general reforestation of the national forests, it will be difficult to consider adequately the demands of the general public to take more and more national forest land out of timber production for wilderness and other recreational purposes.

Once again, Mr. President, we are painfully learning an object lesson. The resources of the spaceship earth are limited, and they have to be utilized wisely.

Fortunately, trees are a renewal resource if managed properly. We must approach this task immediately, for we are facing a national crisis every bit as difficult to solve as the shortage of energy fuels.

It is true that this bill would provide a subsidy to stimulate reforestation and cultural improvement of small private forests. It is necessary to meet the needs of future generations.

This fact was recognized 100 years ago by Dr. Franklin B. Hough when he admonished the American Association for the Advancement of Science on "The Duty of Governments in Forestry." He observed that few people live long enough to harvest the trees they plant. Their plantings are really for the benefit of the next generation. And so it is today. Our children and grandchildren will require twice as much wood as we use today. We must provide for their needs.

Mr. President, as part of this object lesson which I described earlier, we are learning that we should not arbitrarily shut down factories, close off energy sources and shut down forests because of the cries of one ecological pressure group or another. The stakes are too great.

For example, a number of fertilizer factories have been closed over this past winter because of complaints of smoke emissions from the burning of hydrocarbon fuels, necessary to produce nitrogen.

This spring, many farmers are beginning to tell me that they cannot get high nitrogen fertilizer, meaning that their production will be down somewhat. Undoubtedly, this will affect the price of food.

Similarly, I am the cosponsor of a bill that would preserve certain areas of the eastern forests in a wilderness-like setting. Yet the people in the timber industry plead with me not to take these trees out of production until some alternatives are provided. Their arguments are just as compelling as those of the preservationists who want to stop the cutting.

Our people need a better understanding of the entire picture of our ecology. I do not wish to be contentious, but I sometimes wonder if those consumers who are complaining about high food prices are not some of the same people who caused the fertilizer plants to close. I wonder if those who would lock up the national forests for wilderness and recreational uses are not the same ones complaining about the high cost of buying a home.

As I stand here to support this legislation today, I ask the Senate and the people of this Nation to take a balanced, sensible approach toward the use of our natural resources. The actions of business and industry, as well as each individual in this country, are interrelated. We must recognize this as we meet our ecological problems.

Mr. President, I believe this bill is a forthright approach to the balance I have referred to. I commend its passage to the Senate.

Mr. President, I ask unanimous consent that the bill, together with the statement of the distinguished junior Senator from Mississippi, be printed in the RECORD at this point.

There being no objection, the bill and

statement were ordered to be printed in the RECORD, as follows:

S. 1569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Forestry Incentives Act of 1973."

SEC. 2. (a) Congress hereby declares that the Nation's growing demands on forests and related land resources cannot be met by intensive management of Federal lands and industrial forests alone; that the two hundred ninety-six million acres of nonindustrial private land and twenty-nine million acres of non-Federal public forest land contain 65 per centum of the Nation's total forest resource base available to provide timber, water, fish and wildlife habitat, and outdoor recreation opportunities; that the level of protection and management of such forest lands has historically been low; that such lands can provide substantially increased levels of resources and opportunities if judiciously managed and developed; that improved management and development of such lands will enhance and protect environmental values consistent with the National Environmental Policy Act of 1969 (83 Stat. 582); and that a forestry incentives program is necessary to supplement existing forestry assistance programs to further motivate, encourage, and involve the owners of small non-industrial private forest lands and the owners of non-Federal public forest lands in actions needed to protect, develop, and manage their forest lands at a level adequate to national demands.

(b) For the purposes of this Act the term "small nonindustrial private forest lands" means commercial forest lands owned by any person whose total ownership of such lands does not exceed five hundred acres. Such term also includes groups or associations owning a total of five hundred acres or less of commercial forest lands, but does not include private corporations manufacturing products or providing public utility services of any type or the subsidiaries of such corporations.

SEC. 3. The Secretary of Agriculture (hereinafter referred to as the "Secretary") is hereby authorized and directed to develop and carry out a forestry incentives program to encourage the protection, development, and management of small nonindustrial private lands and non-Federal public forest lands. The purposes of such a program shall be to encourage landowners to apply practices which will provide for the afforestation of nonforest lands and reforestation of cutover and other nonstocked and understocked forest lands, and for intensive multiple-purpose management and protection of forest resources to provide for production of timber and other benefits, for protection and enhancement of recreation opportunities and of scenic and other environmental values, and for protection and improvement of watersheds, forage values, and fish and wildlife habitat.

SEC. 4. (a) To effectuate the purposes of the forestry incentives program authorized by this Act, the Secretary shall have the power to make payments or grants of other aid to the owners of small nonindustrial private forest lands and the owners of non-Federal public forest lands in providing practices on such lands which carry out the purposes of the forestry incentives program. No one small nonindustrial private forest landowner shall receive an annual payment in excess of $2,500 under this Act.

(b) The Secretary may, for the purpose of this section, utilize the services of State and local committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended (49 Stat. 1150; 16 U.S.C. 590h(b)) and distribute funds available for cost sharing under this Act by giving consideration to pertinent factors in each State and county including, but not limited to, the total areas of small nonindustrial private forest lands and non-Federal public forest land and to the areas in need of planting or additional stocking, the potential productivity of such areas, and to the need for timber stand improvement on such lands. The Secretary may also designate advisors to serve as ex-officio members of such committees for purposes of this Act. Such ex-officio members shall be selected from (1) owners of small nonindustrial private forest lands, (2) private forest managers or consulting foresters, and (3) wildlife and other private or public resource interests.

(c) Federal funds available to a county for a small non-industrial private forest lands each year may be allocated for cost sharing among the owners of such lands on a bid basis, with such owners contracting to carry out the approved forestry practices for the smallest Federal cost share having first priority for available Federal funds.

(d) As a condition of eligibility and to safeguard Federal investments, the Secretary shall require cooperating landowners to agree in writing to follow a 10-year forest management plan for their property as a basis for scheduling cost-sharing or grants for practices prescribed or approved by the Secretary or his designee. These plans shall assure maintenance and use of such practices throughout the normal life span of the practice as determined by the Secretary or his designee. Failure to comply shall require refunding of payments or grants or the value thereof and forfeiture of eligibility for future participation in this program. The Secretary shall devise such regulations as may be necessary and equitable to assure either maintenance of such practices or refunding of Federal investments even if ownership of the land changes. Pro rating of liability over the 10-year span of the management plan shall be permitted so that landowners are increasingly credited with maintenance and use of a practice over time.

SEC. 5. The Secretary shall consult with the State Forester or other appropriate official of each State in the conduct of the forestry incentives program provided for in this Act. Federal assistance under this Act shall be extended in accordance with such terms and conditions as the Secretary deems appropriate to accomplish the purposes of this Act. Funds made available under this Act may be utilized for providing technical assistance to and encouraging non-Federal public landowners, the owners of small non-industrial private forest lands, non-profit groups, individuals, and public bodies in initiating practices which further the purposes of this Act. The Secretary shall coordinate the administration of this Act with other related programs and shall carry out this Act in such a manner as to encourage the utilization of private agencies, firms, and individuals furnishing services and materials needed in the application of practices included in the forestry incentives program.

SEC. 6. There are authorized to be appropriated annually an amount not to exceed $25,000,000 to carry out the provisions of this Act. Such funds shall remain available until expended.

STATEMENT BY SENATOR STENNIS

A bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development, and management by small nonindustrial private and non-Federal public forest landowners, and for other purposes.

THE FORESTRY INCENTIVES ACT OF 1973

Mr. STENNIS. Mr. President, I reintroduce, with modifications the Forestry Incentives Act which I introduced last year, and which was passed by the Senate but was not reported from committee in the other body. After the bill was filed last year there were a number of cosponsors added, and I will welcome the cosponsorship of interested Senators this year.

Since colonial times the forests of this nation have served us well. They have provided fuel for cooking and heating, lumber for building homes, and fiber for the highest per capita consumption of paper in the world. The current rapidly rising demand for forest products and benefits however, has brought home the fact that no longer can we depend upon nature to replenish itself but that all of our forest lands must be tended and managed if we are to continue to supply a rising demand with an even flow of products and benefits.

This is a crucial time for our nation's forests. If they progress as they should they can be a dynamic force in the abundant supply of products and benefits. Otherwise they can suffer neglect and deterioration and be relegated a passive role much below their potential.

By the year 2000 the demand for wood as a raw material in the United States will be double that of today. Since it is a renewable natural resource, the requirement for wood can be met, provided timely and decisive action is taken. However, programs of improved management must be aggressively pursued if our forests are to reach their productive potential.

A sufficient increase in production can not be expected from our national forests. The effects of improved management will be largely offset by environmental concerns leading to withdrawal of forests from production and modification of timber harvesting. Industrial forests are rapidly approaching their productive potential. Most of the needed increases in production will have to come from the 296 million acres of forest land in the hands of 4 million nonindustrial private landowners. These lands are growing wood at only one-half their productive capacity.

The U.S. Department of Agriculture has calculated that a backlog approaching 50 million acres of private nonindustrial forest land needs to be reforested. In addition, growing conditions on some 125 million acres of these holdings can be improved by cultural treatment of existing stands.

A program of reforestation and timber stand improvement, as proposed, would do more than add to the needed future timber supply. The beneficial effects of trees on the environment would be enhanced. People would enjoy the forests as these were growing up. Watersheds would be protected from erosion. Idle land would contribute again its share to the strength of our country. An important benefit of the program would be the creation of jobs for the unemployed and a strengthening of the entire rural economy.

Private, nonindustrial landowners, however, are not generally able or inclined to make the longterm investments required to bring their property to full productivity. This fact coupled with the nation's need for increased timber supplies and other benefits from the forest leads to my proposal. In this proposal the Federal Government would share the cost of tree planting and other basic forestry practices with private nonindustrial owners, as an incentive for making the needed investments.

The program would focus special attention to the needs of forestry. The program would operate through the existing agencies of the U.S. Department of Agriculture and State governments. It would not require any additional administrative organization.

In brief, my bill would:

First. Authorize the Secretary of Agriculture to carry out a forestry incentive program to encourage the protection, development and management of nonindustrial, private and non-Federal public lands. Landowners would be encouraged to plant seedlings where needed and apply such cultural treatments as are necessary to produce timber, expand recreational opportunities, enhance environmental values, protect watersheds, and improve fish and wildlife habitat.

Second. Authorize the Secretary to make payments or grants of other aid to owners of nonindustrial private lands and owners of non-Federal public lands.

Third. Utilize the services of State and local ASCS Committees established under the Soil Conservation and Domestic Allotment Act. These committees, now composed primarily of agriculturists, should also include representation of forest owners, forest managers, and wildlife or other natural resource interests.

Fourth. Federal funds may be allocated for cost sharing on a bid basis with priority accorded landowners contracting to carry out approved forestry practices for the smallest Federal cost-share. This provision will spread Federal funds over a larger acreage.

Fifth. The Secretary shall consult with the State Forester or other appropriate official so that the forest incentives program may be carried out in coordination with other related programs.

A program such as I have outlined here could make a very significant contribution to American forestry. In a 10 year period with funding of 25 million annually, basic forestry treatments could be applied to some 11 million acres. These treatments would add well over 2 billion board feet of timber annually. If increased timber supplies are to be available by the year 2000, a forestry incentives program must be initiated now because of the lead-time required to grow a tree from a seedling to merchantable size.

The modifications made in the bill this year, as differentiated from S. 3105, my bill of the last session, are as follows:

a. Small nonindustrial private lands are defined as 500 acres or less. This limitation still will include 92 percent of private forest lands. The previous definition of 5,000 acres would have included 98 percent of private forest lands, so the difference is not great in terms of our total land assets.

b. No one private landowner can receive an annual payment of more than $2,500.

c. A written agreement is required between the landowner and the government covering a ten-year management plan. Failure to comply with the agreement would require refunding of payments on a prorated basis.

d. With respect to cost sharing, the Secretary of Agriculture would be given flexibility, as he now has under other cost sharing programs. The intent is that he would use the incentives in the amount necessary in the particular area to obtain the desired participation and productivity.

e. A pilot program of loans and loan guarantees has been eliminated, as being already possible under existing authorizations.

Mr. President, in order to carry out the purposes of the program I have outlined, I introduce a bill for appropriate reference and ask unanimous consent that it be printed at this point in my remarks.

By Mr. JACKSON:

S. 1570. A bill to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, some 3 weeks ago, in the Economic Stabilization Act Amendments of 1973, the Senate authorized the President to provide "for the establishment of priorities of use and for systematic allocation of supplies of petroleum products."

It is not clear at this point what action the House will take with respect to his authority. But it is increasingly clear, Mr. President, that the Senate did not go far enough. I am, therefore, today introducing the Emergency Fuels and Energy Allocation Act to give the President more precise and definitive authority to deal with emerging shortages of petroleum products.

As Senators are well aware, this is no longer an academic problem. We are no longer speaking of events which might occur at some ill-defined future date. We need rely no more on speculative forecasts or hypothetical possibilities.

The shortages which are now beginning to be felt are the tip of the iceberg. Last fall, when some of us were first discussing the prospects of shortages, official denials were prompt and unhesitating. When the Interior Committee held oil import hearings in January, the picture had changed somewhat but the outlook was for isolated spot shortages at worst. Now the denials are less sure, the forecasts less certain.

And no wonder—when we have independent gas stations closing from coast to coast, cities like Boston unable to get bids for municipal requirements, public transportation needs similarly unmet, and farmers fearful of inadequate fuel supplies for spring planting. It is quite clear that domestic refineries cannot meet the projected demand for gasoline during the balance of 1973. It is also clear that we cannot look abroad, where supplies are also tight, to fill this gap.

As Congress acts to build a coordinated and rational fuels and energy policy, we must be prepared to deal with both long-term and short-term energy problems. The fuel shortage problem may be short term, but its impact on the American economy and the welfare of the American people could be devastating. We have a clearcut responsibility to protect the public interest by seeing that scarce fuels are properly and fairly allocated in times of shortage. We cannot rely on the major oil companies, private energy industries or the laws of the marketplace to make these decisions.

The Emergency Fuels and Energy Allocation Act which I propose would provide the President of the United States with the authority he needs to protect the public welfare in cases of extraordinary shortages or dislocations in the national fuel distribution system. By exercising the temporary authority provided by the act, the President may allocate, ration, or distribute a fuel, or any form of energy, which is, or may become, in extraordinary short supply in order to protect the health and safety of the American people and preserve the domestic economy. Such authority may be applied on a national or a regional basis and would not necessarily represent a judgment of threat to national security.

When the President finds and declares that an extraordinary fuel shortage or dislocation which jeopardizes the public welfare or the domestic economy either exists or is imminent, he may use the authority granted by the Emergency Fuels and Energy Allocation Act to:

Protect the public health, safety, and welfare;

Maintain all essential public services;

Preserve an economically sound and competitive fuels and energy industry, including the competitive viability of independent producers, refiners, marketers, and distributors;

Assure equitable distribution of fuels among all regions and areas of the United States and among all classes of consumers; and

Minimize economic distortion, inflexibility and unnecessary interference with the mechanisms of the market.

The President is required to report to Congress any finding and declaration made or any rules and regulations promulgated pursuant to the provisions of the act.

The Emergency Fuels and Energy Allocation Act also requires the President to make quarterly reports to Congress and upon expiration of the act on September 1, 1973, a final report summarizing all actions taken, an analysis of their impact and an evaluation of their effectiveness in achieving the objectives of the emergency allocation authority.

Mr. President, this legislation is not a panacea for the energy crisis. It will not end shortages of scarce fuels. What it will do, Mr. President, is assure that shortages are handled in a fair and equitable manner, that essential needs are met, that the welfare of the energy-consuming public is protected. This is a responsibility of the Federal Government which cannot be ignored.

By Mr. DOLE:

S. 1571. A bill to clarify and extend the provision of title IV of the Rural Development Act of 1972 (stat.). Referred to the Committee on Agriculture and Forestry.

RURAL FIRE PROTECTION

Mr. DOLE. Mr. President. In 1972, title IV of the Rural Development Act of 1972 provided for expansion of our rural fire protection system. It provides for advanced planning, training, and use of specialized equipment in the control of fires in rural areas. The title authorized the expenditure of $7 million to fund this program beginning in 1973.

The proposed budget for fiscal 1974 does not include a recommendation for funding for this program during the first year of its 3-year authority.

The bill I offer today would amend the Rural Development Act of 1972, title IV, to provide that this program be funded for 3 consecutive years beginning with the first year which funds are appropriated under the authority of this title. This provision will enable the continuance of this program for 3 years once it is commenced, which our National Association of State Foresters feels is a necessity in order to accomplish the technical education that would be implemented under this program.

Another amendment offered in this bill would substitute the words "fire" and "fires" for the words "wildfire" and "wildfires," as this tends to confuse the purpose of this rural fire protection title. The purpose is to include protection from fires to structures and farms in rural areas, and should not be construed to mean only wildfires such as forest fires or fires in a grain field.

Mr. President, at this time, because

of its brevity, I would ask unanimous consent that the bill in its entirety be inserted in the RECORD.

And in conclusion, Mr. President, I would urge favorable consideration of my colleagues on this legislation. Rural fire protection is a most important facet of any development plans for rural America and implementation of this program will improve the quality of life and encourage our rural citizens to remain in these rural communities. They are entitled to the same type of protection that our urban friends enjoy. Fatalities in rural areas are 1½ times greater than in urban fires. The value of property destroyed is 6 times greater than the losses of urban property from fires. When this program is implemented and funded, it is important that it continue for 3 years in order to accomplish the improvements it will provide for the citizens of rural America.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1571

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 401 of the Rural Development Act of 1972 (86 Stat. 670) is amended by substituting the words "fire" and "fires" for the words "wildfire" and "wildfires", respectively, wherever such words appear.

SEC. 2. Section 403 of the Rural Development Act of 1972 (86 Stat. 671) is amended by substituting the word "four" for "two" in the first sentence of said section.

SEC. 3. Section 404 of the Rural Development Act of 1972 (86 Stat. 671) is amended to read as follows:

"SEC. 404. APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this title $7,000,000 for each of three consecutive fiscal years beginning with the fiscal year for which funds are first appropriated and obligated by the Secretary of Agriculture carrying out this title."

By Mr. DOLE (for himself, Mr. ABOUREZK, Mr. AIKEN, Mr. BARTLETT, Mr. BENTSEN, Mr. BURDICK, Mr. CLARK, Mr. CURTIS, Mr. EASTLAND, Mr. HANSEN, Mr. HUGHES, Mr. HRUSKA, Mr. McGEE, Mr. McGOVERN, Mr. PEARSON, Mr. PERCY, Mr. TALMADGE, Mr. TOWER, and Mr. YOUNG):

S. 1572. A bill to provide equity in the feed grain set-aside program by allowing participants in plan B to switch to plan A. Referred to the Committee on Agriculture and Forestry.

FEED GRAIN PROGRAM

Mr. DOLE. Mr. President, today I am introducing a bill that will correct an inequity in a recent announcement by the Department of Agriculture. The inequity was in changes of the provisions of the 1973 feed grain program that reduced the set-aside requirement.

I ask unanimous consent that the chronology of the announcements of the 1973 feed grain program and certain letters be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHRONOLOGY OF ANNOUNCEMENTS ON THE 1973 FEED GRAIN PROGRAM AS IT RELATES TO CORN

DECEMBER 11, 1972—FIRST ANNOUNCEMENT

Set-aside requirements and payments

Option 1—30 percent of base, no other restriction on planting, 35 cents per bushel.

Option 2—15 percent of base, planting limited to acreage planted in 1972, 24 cents per bushel.

JANUARY 31, 1973—SECOND ANNOUNCEMENT

Set-aside requirements and payments

Option 1—30 percent set-aside, reduced to 25 percent, no other restriction on planting, 35 cents reduced to 32 cents per bushel.

Option 2—15 percent set-aside, reduced to 0 percent, planting limited to acreage planted in 1972, 24 cents payment reduced to 15 cents.

The second announcement also pointed out that this change would make available for planting about 20 million more acres this year than last.

MARCH 26, 1973—THIRD ANNOUNCEMENT

Set-aside requirement and payments

Option 1—25 percent set-aside, reduced to 10 percent, no other restriction on planting, payment remains at 32 cents per bushel.

Option 2—Zero set-aside remains, planting limited to acreage planted in 1972, payment remains at 15 cents per bushel.

No enrollment changes will be permitted in the feed grain program.

The third announcement also pointed out that this change would make available for planting an additional 13.5 million acres.

HIAWATHA, KANS.,
March 28, 1973.

U.S. Senator BOB DOLE,
New Senate Office Building,
Washington, D.C.

DEAR SIR: This letter to you is about the injustice performed on the last change of the farm program. It is my understanding that those who signed up 25% have now been reduced to 10% with the total payment to be paid to them. In other words, the farmer who signed 25% will now draw $150 to $175 an acre opposed to those people who sign zero %, will get $45.00–$60.00 an acre. I also understand that the sign up will *not* be opened up for the zero %. This is a crooked injustice to those who signed zero %. The Gov't pressed for the zero %, the word was passed down to the County level to push for the zero %. Now those that did the Gov't bidding are nothing but assess, also he has been beaten out of thousands of dollars.

I would like to know one thing, why can't the Gov't be fair in its dealings?"

You know our Gov't works because of the faith people have in it. This sort of thing kills all respect one can muster for our Republican Party and the Gov't.

Would you please look into this, as it concerns 17% of those who signed up in the farm program this year. The people who sign up zero % should have the opportunity to change to the 10% program, after all the 10% program was not available when he signed up for the program so why should he be penalized?

Yours truly,

ROBERT J. HOWARD.

McDONALD FARM,
Williamsburg, Kans., April 2, 1973.

Senator BOB DOLE,
Washington, D.C.

DEAR SENATOR DOLE: The small farmers in this area are quite concerned about the change in Feed Grain payments that occurred this past week. Specifically, I am referring to the change that allows farmers who signed up for 25% to conserve 10% and still get paid for 25%.

In my case, with a 62-acre corn base:

If I left out 25%, I would receive $634.88 for 15.5 acres; if I left out 0%, I would receive $297.60; and $337.28 for conserving 15.5 acres or $21.76/acre.

I signed up for 0% because I thought my land was worth more than $21.76/acre rent. However, with the recent change in program, if I would have had to leave out 10% or 6.2 acres for the $337.28, I would have received about $54.40/acre which anyone would accept.

To be fair, I think the sign-up should be reopened for 10 days so that the ones like myself could have a chance to change to a more profitable program if they desired. Clearly, the way the change was initiated is similar to changing the rules of the game in mid-stream and penalizing those farmers who followed the administration's plea for increased production.

Our entire family of five and a son-in-law voted for President Nixon last election *but* we are disappointed with some of the recent National level decisions including the recent meat price ceiling.

Sincerely,

HAROLD J. McDONALD.

Mr. DOLE. Mr. President, the first announcement of program provisions was made in December and those provisions were revised January 31, and were in effect until the deadline for sign-up March 16. The program offered farmers two options: (A) to set aside 25 percent of their feed grain base and receive a payment of 32 cents per bushel, or (B) to set aside 0 percent—or no acres—and receive 15 cents per bushel payment.

Because of adverse weather this past winter, increased export sales, and increased demand for livestock feed, many feed grain farmers elected the zero option, and were astounded when the change in program was announced March 26 that the first option requirement was reduced from 25 percent to 10 percent and the payment remained the same, and not allowing any changes in enrollment in the program that had closed March 16.

Mr. President, we must maintain equality in the administration of Federal programs. This change in the feed grain program is not equitable and the bill I am introducing today would reopen the enrollment in the feed grain program for 14 days following enactment to allow farmers to change their enrollment to the 10-percent set-aside option.

Planting of these grains will commence as soon as the snow melts and weather permits, so passage of this legislation is needed immediately and I ask my colleagues to give it prompt and favorable consideration.

Mr. ABOUREZK. Mr. President, despite all the headlines about record farm incomes, the fact is that realized net farm income in 1972 was only 21 percent above 1948. Most employees, by comparison, found their compensation up 400 percent. The farmers share of the retail cost for a market basket of farm food products has actually declined by 16 percent since 1948.

This, however, is not the story you hear from the Department of Agriculture. When I see actions on the part of the USDA such as their recent change in the set-aside program, I wonder if this is really the Federal agency that is supposed to be the farmers' friend.

The decision to lower the set-aside requirements for options A from 25 to 10 percent with the same benefits is certainly advantageous for those who have already signed up for this option. It is also clearly in keeping with the policy of the administration to maximize production.

I certainly hope that those who participate in option A will benefit from this change. It seems evident that they will. However, this still leaves the question of those who signed up under option B.

Frankly, Mr. President, it strikes me that these people are being treated very unfairly. I expressed my opinion on this in a recent letter to Secretary of Agriculture Earl Butz. Incidentally, I have not yet received a response to this letter. I do, however, Mr. President, ask unanimous consent that my letter to Mr. Butz be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., April 2, 1973.

Hon. Earl Butz,
Secretary of Agriculture,
Washington, D.C.

Dear Mr. Secretary: I am deeply disturbed by the inequity created by the recent decision to allow individuals who had originally signed with ASCS for a 25% set-aside program to receive the same benefits while using only 10% set-aside. The inequity, of course, affects those who had originally opted for 0% set-aside.

It does not seem fair that these individuals are not allowed to reassess their decision in light of the changed program. It is particularly ironic that those who opted for 0% were the individuals who were acting in the manner which the USDA apparently preferred. There is even suggestions that USDA made serious efforts to pursuade as many people as possible to follow the 0% option.

In light of these considerations, I would hope that the Department will allow those individuals to reconsider the program under which they would chose to operate. Fairness demands no less.

Sincerely,

James Abourezk,
U.S. Senator.

Mr. ABOUREZK. Mr. President, it is my understanding that Mr. Kenneth Frick, Administrator of the Agricultural Stabilization and Conservation Service, when asked if farmers who signed up under option B might feel betrayed and consequently might not participate in future programs, replied that he hoped they would not.

Well, Mr. President, I have a copy of another letter directed to Mr. Butz from a farmer in South Dakota. He had signed up for option B and makes his opinion of the action of USDA very clear. He states that—

> He was planning on building another feed lot this next year, but I think I'll wait to see if there are going to be any more surprises.

I do not blame him for that decision, but its impact on the policy of the USDA in trying to maximize production is evident. If the farmers cannot trust the Government, their incentive to help that government is greatly reduced.

Mr. President, I ask unanimous consent that this letter from Mr. Les Zeller of Vermillion, S. Dak., be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Vermillion, S. Dak.,
April 2, 1973.

Mr. Earl Butz,
Secretary of Agriculture,
Washington, D.C.

Dear Sir: I am writing as a farmer to protest what the government has done to my business this past week.

March 15 was the final date for signing up in the ASC program. We were given two choices—zero per cent or 25 per cent. At the time you were asking for more production of soybeans. I chose zero per cent and signed a contract in good faith. A week later the rules were changed. The farmer who signed up for 25 per cent now only needs to retire 10 per cent and still receives payment for 25 per cent. Those of us who signed up for zero per cent receive half as much and must plant the extra acreage in order to increase production as you requested.

This is my situation:

I have a 600 acre corn base which 10 per cent retired would be 60 acres and ASC payment would be	$7, 942. 40
Zero per cent retired	3, 723. 00
Difference	$4, 219. 40
If 60 acres of beans yield 25 bu. at $3	$4, 500. 00
Cost of production:	
Seed—$8 per acre	480. 00
Herbicide—$7 per acre	420. 00
Fertilizer—$10 per acre	600. 00
Harvesting—$7 per acre	420. 00
Costs	1, 920. 00

This, of course, does not include the planting, cultivating and extra labor. As you can see, by planting the acreage to beans I will receive $2,580.00 before deducting my labor, fuel and depreciation versus receiving $4,219.40 for signing up for 25 per cent without any labor or costs. I also stand a chance of being hailed out, drowned out or dried out. I have had all three happen to me in one year.

I also feed cattle, approximately 2,000 head per year. One month to six weeks ago President Nixon, the Secretary of Agriculture, Earl Butz, and the Secretary of the Treasury, George Shultz, said a ceiling on beef was unworkable and this was not going to be done.

Last week President Nixon announced that a ceiling has been placed on dressed beef. Today's news release in the Sioux City Journal states that Iowa Beef Pack will lay off over four hundred people in their beef kill until live prices are forced down. You want cheap meat and are putting the entire cost of reduction on the farmer. The retailer and the packer will continue to make their profit and the cattleman will take anywhere from $2.00 to $4.00 per hundred weight reduction. This will amount to $20.00 to $40.00 per head.

Less than one month ago replacement cattle weighing 600 pounds were costing sixty cents per pound delivered to the feed lot. Due to weather conditions and muddy yards my cost of grain has doubled—This I won't blame on the government. It's just one of the hazards of this business.

I don't suppose the government plans to place a floor under beef prices so that I can be assured I won't lose money, but they have decided to restrict my profits in what should be a free and open market.

I have been reading a number of articles in Farm magazines about how managerial ability will determine the success of a farmer-feeder. My inability to outguess what the government will do to my business puts me at a definite disadvantage. Trying to outguess the weather is bad enough. It seems I am going to have my 1973 income cut away down by two decisions made in Washington this past week.

I am fifty-eight years old and was planning on building another feed lot this next year, but I think I'll wait to see if there are going to be any more surprises. If I were smart I'd sell out, but I can't find any young men that want to get into this business.

Incidentally, I was one of the people that sent out letters to farmers and ranchers in this area proclaiming the Nixon-Butz team for agriculture. To say the least, my faith has been somewhat shaken in the past week.

I am sure a letter from one farmer will not change anything but at least I will feel better having told our side of the story.

Very truly yours,

L. L. Zeller.

Mr. ABOUREZK. Mr. President, it is for these reasons that I am supporting the efforts of Senators Dole, Clark, and others in seeking a correction of what I feel is a gross inequity created by the Department of Agriculture.

Those who signed up for option B should either have some opportunity to reevaluate their decision in light of the changed conditions brought about by the changed policy or the policy should be changed so that those who chose the B option can receive benefits comparable to those under option A. It is only fair.

Mr. TOWER. Mr. President, today I join the Senator from Kansas (Mr. Dole) in sponsoring legislation which would extend the sign-up period for feed grain producers for 14 days after enactment of the legislation. On March 26, the Department of Agriculture announced a change in the two options open to feed grain producers for participation in the 1973 program. The change was made after the final date for farmer sign up. Had farmers known about the change in requirements before sign up, many possibly would have chosen a different option.

I feel it only fair to extend the opportunity for participation to these farmers, giving them ample opportunity to choose the program which would be best suited to their individual operations. Many of the feed grain producers in Texas have expressed an interest in seeing an extension of the sign up period to make the necessary changes to comply with the announced program change by the Department of Agriculture.

There may be only a few of the total number of producers who elect to change their participation if this legislation is passed; however, I feel it necessary to provide this option for change in view of the fact that the program was changed after sign up.

Mr. President, I urge expeditious consideration and passage of this measure by the Congress.

By Mr. THURMOND:

S. 1573. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, and Marine Corps. Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, the legislation I am proposing today is designed to amend Title 10 of the United States Code for the purpose of altering the method of computing retired pay of certain enlisted members of the military services.

At present there is an inequity in the military retirement laws in that officers after at least 20 years of active service are allowed credit for certain service in the National Guard and Reserve while enlisted men are denied credit for the same service.

Under present laws a regular enlisted member of the Army, Navy, Air Force, or Marine Corps who retires may use only his years of active service to compute his retired pay, whereas a commissioned officer may use all his years of service, active and reserve, prior to June 1, 1958, in computing his retired pay.

It should be noted that the Special House Subcommittee on Retired-Pay Revisions, in its report issued December 29, 1972, recommended in favor of this legislation. The Senate must realize that commitments and requirements for the enlisted member of the Reserve or Guard are almost identical to that of the officer. Both are subject to recall and many were ordered to active duty for the Korean and Vietnam wars and for the Berlin crisis.

The only difference between service for the enlisted individual and the officer is responsibility in command duties. In this area the officer has always been rewarded through superior grade positions and increases in basic pay.

A further example of this inequity may be illustrated by the point that if the enlisted guardsman or reservist became a commissioned officer during his service he was rewarded with additional retired pay based on service in the Guard or Reserve, whereas the enlisted counterpart was not so rewarded.

Mr. President, in introducing this legislation it is my hope that the Senate will act speedily in correcting the present inequity.

By Mr. BEALL:

S. 1574. A bill to amend title 38, United States Code, to permit certain veterans' benefits to be paid for the month in which a veteran dies. Referred to the Committee on Veterans' Affairs.

Mr. BEALL. Mr. President, I send to the desk a bill which resulted from a letter I received from a constituent, a widow of a totally disabled World War II veteran.

Mrs. Zelda Seideman of Baltimore wrote me regarding what she called "an unconscionable regulation of the Veterans' Administration is that the monthly benefits due for the month in which the veteran died is withheld unless the veteran's death is known to be service-connected."

The facts of this particular case illustrate the need for the change in law which I propose. Mrs. Seideman's husband, as result of his service-connected disability, was receiving compensation for his disability which was 100 percent disabling. The husband died on May 31, 1971, the last day of the month. While the veterans disability was service connected, his death, according to the Veterans' Administration, was nonservice connected, although the wife contends otherwise.

Because the husband was not alive on the first day of June, the wife had to return the May check to the Veterans' Administration.

As Mrs. Seideman said in her letter to me:

> In our case, although my beloved husband lived to the 31st day of the month, and the money was owed because the Veterans Administration pays at the close of the month rather than in advance, I was instructed to return the check because he was not alive on June 1 to receive it. Since my husband's expenses continued through the month of May, and I might add because he was so ill, they were extremely heavy, I was not allowed to use the check for his debts in that month even though the benefit had accrued to him.

Mr. President, this inequity exists because under present law a veterans' entitlement to disability benefits terminate the first day of the month in which his death occurs.

Mr. President, it seems to me that this Nation owes a tremendous debt to its veterans and their widows. I think this is particularly true when the veteran is disabled. In any event, I believe it is unconscionable for a government of the country whose freedom and prosperity has been protected by the veterans' service, to deny benefits that actually had accrued based on the date of death. On the contrary, I believe that the statute should be weighed in favor of the veteran rather than against him. Therefore, my amendment would change the law so that to pay the widow of the veteran for the month in which the death occurred.

By Mr. BAYH (for himself, Mr. HART, Mr. NELSON, Mr. RANDOLPH, and Mr. PASTORE):

S. 1578. A bill to provide for a national program of disaster insurance. Referred to the Committee on Banking, Housing and Urban Affairs.

FEDERAL DISASTER INSURANCE ACT OF 1973

Mr. BAYH. Mr. President, as our land becomes more heavily populated and the property on it more valuable, the cost to the Nation of natural disasters must inevitably increase. That is a simple fact, and nothing short of changing the laws of nature will alter it.

The American people, acting through their Government, have taken steps to aid the victims of such disasters. For nearly a quarter of a century, Congress has enacted a variety of measures designed to ease the financial sufferings of our citizens whose property has been destroyed by floods, hurricanes, tornados, earthquakes and other natural catastrophes. As the need has increased, so too has the Federal Government's contributions.

But the time is rapidly approaching, if it has not already arrived, when ad hoc relief measures will become both too expensive and too limited to serve our national purpose. Consider that, from 1961 to 1972, there have been 257 Presidentially declared "disasters"—but 65, or one-fourth, of them occurred in just the past 2 years. And in 1972 alone, with 48 disasters, the property loss is estimated to have been $3.5 billion.

As the financial burdens on both private citizens and Government continue to mount, we have, it seems to me, three possible courses of action open to us. We can continue doing what we have been doing—responding to crises on an ad hoc basis. We can get the Federal Government out of the disaster relief business altogether, leaving it to State and local governments and to the private insurance industry. Or we can establish, as I have urged in the past and do so now again, a comprehensive system of Federal disaster insurance that would enable citizens to buy their own financial protection on a sound actuarial basis.

The bill I introduce today, Mr. President, embodies this last alternative. I submit it in the belief that the other two alternatives are unsatisfactory—the first increasingly so, the second entirely so. Let me explain why.

I have already cited the alarming statistics pointing up the greatly increased costs of natural disasters. While the incidence of death, fortunately, has declined over the years, dollar costs have soared. This is because of the trend toward dense concentrations of residential, commercial and industrial property in small areas, along with a sharp appreciation of property values generally. To cite a dramatic illustration of the changing character of the costs of natural disasters, the terrible Galveston flood at the turn of the century took 6,000 lives with an estimated property loss of only $30 million; but Hurricane Agnes in 1971 took 122 lives while producing property losses of around $3.5 billion. And 2 years earlier, Hurricane Camille caused almost twice as many deaths—250—but only half the property loss—$1.5 billion.

We all hope and pray that this downward trend in deaths caused by natural disasters will continue; but we would be ill-advised to rely on hope and prayer to reverse the upward trend in financial costs.

In response to these increased costs, the Federal Government has enacted a number of measures to provide direct assistance to the disaster victim. These include long-term, low-interest loans, emergency housing, special unemployment compensation, food stamps, restoration of public facilities, and certain other subsidies. Congress, however, at administration urging, has just abolished one important feature of the Federal disaster relief program—the $5,000 forgiveness on loans under the Emergency Loan Act—and drastically revised another, by raising the interest rate from 1 percent to 5 percent. So what had been a fairly generous hodgepodge has now been reduced to a fairly mean hodgepodge.

To the extent that we move toward other such "economies," we move in the direction of the second alternative, which is to get the Federal Government out of the disaster relief business altogether.

Let me say bluntly, Mr. President, that I do not believe the American people will stand for this sort of 19th century, devil-take-the-hindmost approach to human tragedy. Having spent hundreds of billions of dollars in the past quarter century to help the unfortunate people of almost every other country in the world, we are not now going to turn our collective back on our own.

The States and localities cannot do the job because they simply do not have the fiscal resources; nor can any practicable level of revenue sharing bring their resources up to the level of need. And the private insurance industry has thus far been unable or unwilling to provide the public with broad-enough affordable coverage. Let me try to put this part of the problem in perspective.

The salient point about private insurance plans is that although damages from a variety of causes such as fire, windstorm, hail, and so forth, are covered by comprehensive casualty insurance, other causes such as floods, mud slides, high waves and wind-driven waters are usually not covered. In recent years the FAIR—fair access to insurance requirements—plan, the Beach plan, and the national flood insurance program have made additional coverage available for types of losses which were previously difficult if not impossible to insure. But we are still far from a system of comprehensive disaster insurance coverage.

The Office of Emergency Preparedness put the point forcefully in its "Report to the Congress" of January, 1972. We are told:

> With the exception of Hurricane Celia, insured losses (in a group of selected disasters) were consistently less than half.

For all these reasons I am convinced that we must reject the alternative of doing approximately what we have done in the past, as well as the alternative of getting the Federal Government out of the disaster relief business altogether. Instead, I believe, we must move toward a system of federally sponsored comprehensive all-disaster risk insurance which could be made available in a comparatively short time to property owners in all parts of the country. As I shall now explain in some detail, that is what my bill would do.

To be successful, disaster insurance must have widespread applications and must be offered at premium rates which are not inordinately expensive. With these premises in mind, the bill—section 15—would blanket into the proposed new national disaster insurance system all residential or other structures encumbered by loans or mortgages which have been guaranteed or insured by the Federal Housing Administration, the Veterans' Administration, or any other Federal agency. This would provide a sizable base upon which the program could be founded from the beginning. Second, as will be explained, the structure would be devised so as to attract into the system homeowners who would not be included automatically under the above provision. Third, further additional impetus to join would be provided by the outright denial—section 13—of any other Federal financial assistance to any owner of real property for damage to his property in a disaster, to the extent the loss could have been covered by a valid claim under disaster insurance made available at least 1 year prior to the disaster. It is believed that these three factors—mandatory inclusion of Federal insured mortgagors, minimal rates, and advance warning to nonparticipants of ineligibility for other Federal aid—would be sufficient to assure that within a reasonable period of time most homeowners throughout the Nation would be encompassed by the program.

The Secretary of Housing and Urban Development would be authorized—section 4—to establish and carry out the national disaster insurance system. He would be directed, to the maximum extent possible, to encourage and arrange for the financial participation and risk sharing in the program by private insurance companies or other insurers. It should be noted also that the Secretary would be empowered to define disaster for purpose of insurance, which would permit the inclusion of damages wrought by catastrophes which were lesser in scope than those declared to be "major disasters" by the President.

Priority would have to be given—section 5—to the coverage of residential properties housing from one to four families, but, if appropriate studies and investigations demonstrated that it would be feasible, the Secretary could extend disaster insurance to other residential, business, agricultural, nonprofit, or public properties.

The Secretary would provide by regulation for the general terms and conditions of insurability which would apply to disaster insurance. These would include such matters as the types, classes, and locations of properties, the nature and limits of loss to be covered, the classification, limitation, and rejection of risks, minimum premiums, loss deductibles, and any other necessary terms or conditions.

Coverage provided by the bill would be divided into two categories: First, a basic minimum amount, the premiums for which could be fixed by the Secretary at a rate below established costs; second, amounts above the basic minimum, which would be charged at rates not less than those estimated to be needed for all costs of providing that protection.

The basic coverage for residential properties housing up to four families would be $25,000 aggregate liability for any single dwelling unit, $50,000 for any structure containing more than one dwelling, and $8,000 aggregate liability for the contents of any dwelling unit. If the Secretary should declare other types of property to be eligible for disaster insurance, any single structure in those specified categories would have an aggregate liability of $50,000.

The Secretary would be authorized—section 7—to make studies and investigations which would enable him to estimate what the risk premium rates would be for various areas based on actuarial principles, operating costs, and administrative expenses. He would also be directed to estimate what level of rates would be reasonable, would encourage prospective insurers to purchase disaster insurance, and would be consistent with the purposes of the act.

Based on the above information, and after consultation with the Director, the Secretary would—section 8—from time to time prescribe by regulations the chargeable premium rates for all types and classes of property for which disaster insurance is made available. He could if necessary fix the premium rates for the basic property values covered—noted above—at less than the estimated risk premium rates. Otherwise, the rates would have to be based, insofar as practicable, on the respective risks involved and would have to be adequate to provide reserves for anticipated losses. If the rates were fixed at a lower amount, they would have to be consistent with the objective of making disaster insurance available at reasonable rates in order to encourage its purchase by homeowners and others.

To provide working capital for the national disaster insurance program, the Secretary would be authorized—section 9—with the approval of the Secretary of the Treasury, to issue notes or other obligations in an amount not exceeding $800 million. The Secretary of the Treasury would determine the rate of interest for these notes or obligations, and would be authorized to purchase or sell them as public debt transactions.

The Secretary would also be authorized—section 10—to establish in the Treasury of the United States the national disaster insurance fund from which would be paid all claims, expenses, administrative cost, and debt redemption of the disaster insurance programs. The fund would be the repository for all funds which might be borrowed, appropriated by Congress, earned as interest on investments, derived from premiums, or received from other operations. If the Secretary should determine that the fund total would be in excess of current needs, he could request the Secretary of the Treasury to invest the amounts which the latter deemed advisable in obligations issued or guaranteed by the United States.

Claims for losses would be adjusted and paid for according to rules which the Secretary would be authorized—section 11—to prescribe. It would also be his duty—section 12—to inform the general public and any State or local official about the extent, objectives, and premium rates of the national disaster insurance system, including the basis for and the differences between the rates for the two categories of coverage.

As pointed out previously, the bill would prohibit—section 13—Federal disaster assistance to any eligible property owner for a real property loss to the extent that such loss would be either covered by a valid claim or could have been covered by a valid claim under disaster insurance which had been made available in his area at least 1 year prior to the occurrence of the damage. On the surface, this may appear to be a harsh provision, but it seems to me that it is essential if the program is to be made workable on a national basis without exorbitant rates for participants. If disaster insurance is provided for any area, an eligible property owner would have a grace period of 1 full year in which to secure protection; subsequently, he would have to absorb any loss caused by a disaster unless he had taken advantage of the insurance opportunity provided him. It should be noted that this caveat applies only to the owners of real property and does not exclude other types of Federal assistance such as loans for any amount of loss not recovered by disaster insurance or for the loss of personal property.

To prevent structures being rebuilt in areas which have proven to be disaster-prone, the bill would prohibit—section 14—issuing new disaster insurance coverage for any property which the Secretary finds has been declared by a State or local government to be in violation of State or local laws, regulations, and ordinances intended to prevent land development or occupancy in those areas. In order that the disaster insurance system would be coordinated with other programs, the Secretary and the Director would be instructed—section 15(a)—to coordinate the administration of disaster insurance with the authority conferred on him by the National Flood Insurance Act of 1968. He also would be directed—section 15(b)—to consult with other Federal, State, and local government departments and agencies having responsibility for disaster assistance. If any controversy should arise over the validity of any order issued under the act, provision is made for judicial review at the request of a petitioner within 60 days after the order would be made.

In general, the national disaster insurance system would be designed to provide basic, minimum protection against disaster losses to most homeowners and possibly to other property holders as well. It would enable them to contract in advance at reasonable cost for coverage not now widely available which would assure at least partial compensation for dwellings, other structures, and personal property damaged or destroyed by disasters. I believe that the American people on the whole would support a program whereby they could, through a contributory system, help share in the heavy burden which inevitably will fall on those unfortunate enough to be caught in the maelstrom of a natural catastrophe. Although the insurance plan may have certain unknown defects or omissions which will have to be corrected, it should provide a pattern for further discussion and the basis for a perfected program.

It would, perhaps, be preferable if satisfactory, sensibly priced insurance coverage against damages to private property caused by disasters could be established by the insurance industry. In view of the nature and size of the risk involved, some kind of national reinsurance or subsidy might be necessary to induce private insurance companies to embark on such a venture. Any reasonable proposal which insurance representatives might make for a joint approach involving Government participation in an industry-managed disaster insurance system would be welcome. I believe that Congress would give serious attention to such a plan.

My bill provides a period of more than a year in which the insurance industry could develop an acceptable program. However, unless the Secretary of Housing and Urban Development should determine and certify to the President and Congress not later than June 30, 1975, that private insurance companies have made available on reasonable terms disaster insurance with coverage equal to or more extensive than that proposed in the bill, the Secretary would be directed to establish a national disaster insurance program. Although delays in the legislative process might make the above date unrealistic, it could be extended easily if chances appeared to be good that such a program would indeed become a reality. Without such a deadline, however, little progress might be made; in any event it may well be necessary to institute an all-Federal program.

Mr. President, I ask unanimous consent that the full text of the bill and a section-by-section analysis be printed in the Record at the conclusion of my remarks.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 1578

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Disaster Insurance Act of 1973".

PURPOSE

Sec. 2. It is the purpose of this Act to provide for a Federal insurance program covering property loss or damage resulting from a disaster if such insurance is not made available to the public at reasonable rates by the insurance industry.

DEFINITIONS

Sec. 3. As used in this Act—

(1) "disaster" means any flood, high waters, wind-driven waters, tidal wave, drought, hurricane, tornado, earthquake, storm, or other catastrophe as defined by the Secretary in regulations issued pursuant to this Act;

(2) "United States" means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Canal Zone;

(3) "State" means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Canal Zone;

(4) "Governor" means the chief executive of any State; and

(5) "Secretary" means the Secretary of Housing and Urban Development.

BASIC AUTHORITY

Sec. 4. (a) The Secretary is authorized to establish and carry out a disaster insurance program which will enable interested persons to purchase insurance against loss resulting from physical damage to or loss of real property and personal property related thereto arising from any disaster occurring in the United States.

(b) In carrying out the disaster insurance program the Secretary shall, to the maximum extent practicable, encourage and arrange for—

(1) appropriate financial participation and risk-sharing in the program by insurance companies or other insurers; and

(2) other appropriate participation on other than a risk-sharing basis by insurance companies or other insurers, insurance agents and brokers, and insurance adjustment organizations.

SCOPE OF PROGRAM

Sec. 5. (a) In carrying out the disaster insurance program the Secretary shall initially make disaster insurance available to cover residential properties which are designed for the occupancy of from one to four families.

(b) If on the basis of—

(1) studies and investigations undertaken and carried out and information received or exchanged under section 7, and

(2) such other information as may be necessary, the Secretary determines that it would be feasible to extend the disaster insurance program to cover other properties, he may take such action under this Act as may be necessary in order to make disaster insurance available to cover, on such basis as may be feasible, any types and classes of—

(A) other residential properties;

(B) business properties;

(C) agricultural properties;

(D) properties occupied by *private non-*profit organizations; and

(E) properties owned by State and local governments and agencies thereof.

Any such extensions of the program to any types and classes of such properties shall be established by order.

NATURE AND LIMITATION OF INSURANCE COVERAGE

Sec. 6. (a) The Secretary shall, after consultation with appropriate representatives of the insurance authorities of the respective States, provide by order for general terms and conditions of insurability which shall be applicable to properties eligible for disaster insurance coverage under section 5, including—

(1) the types, classes, and locations of any such properties which shall be eligible for disaster insurance;

(2) the nature of and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;

(3) the classification, limitation, and rejection of any risks which may be necessary;

(4) appropriate minimum premiums;

(5) appropriate loss-deductibles; and

(6) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the provisions of this Act.

(b) In addition to any other terms and conditions under subsection (a), such orders shall provide that—

(1) any disaster insurance coverage based on chargeable premium rates (under section 8) which are less than estimated premium rates (under section 7(a)(1)), shall not exceed—

A) in the case of residential properties which are designed for the occupancy of from one to four families;

i) $25,000 aggregate liability for any dwelling unit, and $50,000 for any single dwelling structure containing more than one dwelling unit; and

ii) $8,000 aggregate liability per dwelling unit for any personal property related thereto; and

(B) in the case of any other properties which may become eligible for disaster insurance coverage under section 5, $50,000 aggregate liability for any single structure; and

(2) any disaster insurance coverage which may be made available in excess of any of the limits specified in subparagraph (1) (A) and (B) of this subsection shall be based only on chargeable premium rates (under section 8) which are not less than estimated premium rates (under section 7(a)(1)).

ESTIMATES OF PREMIUM RATES

Sec. 7. (a) The Secretary is authorized to undertake and carry out such studies and investigations and to receive or exchange such information as may be necessary to estimate on an area, subdivision, or other appropriate basis—

(1) the risk premium rates for disaster insurance which—

(A) based on consideration of the risk involved and accepted actuarial principles, and

(B) including—

(i) applicable operating costs and allowances which, in his discretion, should properly be reflected in such rates, and

(ii) any administrative expenses (or portion of such expenses) of carrying out the disaster insurance program which, in his discretion, should properly be reflected in such rates, would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage shall be available under section 5, and

(2) the rates, if less than the rates estimated under paragraph (1) which would encourage prospective insureds to purchase disaster insurance, and would be consistent with the purposes of this Act.

(b) In carrying out subsection (a), the Secretary shall, to the maximum extent feasible and on a reimbursement basis, utilize the services of the Department of the Army, the Department of the Interior, the Department of Agriculture, the Department of Commerce, the Tennessee Valley Authority, and, as appropriate, other Federal departments or agencies, and for such purposes, may enter into contracts or other appropriate arrangements with any person.

ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

Sec. 8. (a) On the basis of estimates made under section 7 and such other information as may be necessary, the Secretary from time to time shall, after consultation with appropriate representatives of the insurance authorities of the respective States, by order prescribe—

(1) chargeable premium rates for any types and classes of properties for which insurance coverage shall be available under section 5 (at less than the estimated risk premium rates under section 7(a)(1), if necessary), and

(2) the terms and conditions under which and areas (including subdivisions thereof) within which such rates shall apply.

(b) Such rates shall, insofar as practicable, be—

(1) based on a consideration of the respective risks involved,

(2) adequate, on the basis of accepted actuarial principles, to provide reserves for anticipated losses, or, if less than such amount, consistent with the objective of making disaster insurance available, where necessary, at reasonable rates so as to encourage prospective insureds to purchase such insurance, and

(3) stated so as to reflect the basis for such rates, including the differences (if any) between the estimated risk premium rates under paragraph (1) of section 7(a), and the estimated rates under paragraph (2) of such section.

(c) If any chargeable premium rate prescribed under this section—

(1) is at a rate which is not less than the estimated risk premium rate under section 7(a)(1), and

(2) includes any amount for administrative expenses of carrying out the disaster insurance programs which have been estimated under clause (ii) of section 7(a)(1)(B),

a sum equal to such amount shall be paid to the Secretary, and he shall deposit such sum in the fund authorized under section 10.

TREASURY BORROWING AUTHORITY

Sec. 9. (a) The Secretary is authorized to issue to the Secretary of the Treasury from time to time and have outstanding at any one time, in an amount not exceeding $800,000,000 (or such greater amount as may be approved by the President), notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on the outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued under this subsection, and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations.

The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(b) Any funds borrowed by the Secretary under this authority shall, from time to time, be deposited in the disaster insurance fund established under section 10.

DISASTER INSURANCE FUND

Sec. 10. (a) To carry out the disaster insurance program authorized by this Act, the Secretary is authorized to establish in the Treasury of the United States a disaster insurance fund which shall be available, without fiscal year limitation—

(1) to repay to the Secretary of the Treasury such sums as may be borrowed from him (together with interest) in accordance with the authority provided in section 9 of this title; and

(2) to pay such administrative expenses (or portion of such expenses) of carrying out the disaster insurance program as he may deem necessary; and

(3) to pay claims and other expenses and costs of the disaster insurance program, as the Secretary deems necessary.

(b) The fund shall be credited with—

(1) such funds borrowed in accordance with the authority provided in section 9 of this Act as may from time to time be deposited in the fund;

(2) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(3) interest which may be earned on investments of the fund pursuant to subsection (c);

(4) such sums as are required to be paid to the Secretary under section 8(c); and

(5) receipts from any other operations under this Act which may be credited to the fund (including premiums and salvage proceeds, if any, resulting from reinsurance coverage).

(c) If, after all outstanding obligations have been liquidated, the Secretary determines that the moneys of the fund are in excess of current needs, he may reqeust the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

PAYMENT OF CLAIMS

Sec. 11. The Secretary is authorized to issue orders establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage to or loss of property which is covered by disaster insurance made available under the provisions of this Act.

DISSEMINATION OF DISASTER INSURANCE INFORMATION

Sec. 12. The Secretary shall take such action as may be necessary in order to make information and data available to the public and to any State or local agency or official, with regard to—

(1) the disaster insurance program, its coverage and objectives, and

(2) estimated and chargeable disaster insurance premium rates, including the basis for and differences between such rates in accordance with the provisions of section 8.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF BENEFITS

Sec. 13 (a) Notwithstanding the provisions of any other law, no Federal disaster assistance shall be made available to any owner of real property for the physical loss, destruction, or damage of such property, to the extent that such loss, destruction, or damage—

(1) is covered by a valid claim which may be adjusted and paid under disaster insurance made available under the authority of this Act, or

(2) could have been covered by a valid claim under disaster insurance which had been made available under the authority of this Act, if—

(A) such loss, destruction, or damage occurred subsequent to one year following the date disaster insurance was made available in the area (or subdivision thereof) in which such property or the major part thereof was located, and

(B) such property was eligible for disaster insurance under this Act at that date,

and in such circumstances the extent that such loss, destruction, or damage could have been covered shall be presumed (for purposes of this subsection) to be an amount not less than the maximum limit of insurable loss or damage applicable to such property in such area (or subdivision thereof) at the time insurance was made available in such area (or subdivision thereof).

(b) For purposes of this section "Federal disaster assistance" shall include any Federal financial assistance which may be made available to any person as a result of—

(1) a major disaster proclaimed by the President,

(2) a natural disaster, as determined by the Secretary of Agriculture pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), and

(3) a disaster with respect to which loans may be made under section 7(b) of the Small Business Act, as amended (15 U.S.C. 636(b)).

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

Sec. 14. No new disaster insurance coverage shall be provided under this Act for any property which the Secretary finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in disaster-prone areas.

COORDINATION WITH OTHER PROGRAMS

Sec. 15. (a) The Secretary shall coordinate the administration of this Act with the authority conferred on him by the National Flood Insurance Act of 1968.

(b) In carrying out this Act, the Secretary shall consult with other departments and agencies of the Federal Government, and interstate, State, and local agencies having responsibilities for disaster assistance in order to assure that the programs of such agencies and the disaster insurance program authorized under this Act are mutually consistent.

(c) The Veterans' Administration, the Federal Housing Administration, and any other Federal agency administering a program under which loans or mortgages on residential or other structures are guaranteed or insured by the Federal Government, shall, by regulation, require that any such structure be insured under the disaster insurance program administered by the Secretary.

TERMINATION OF AUTHORITY

Sec. 16. The Secretary shall not establish or carry out the disaster insurance program authorized by this Act if he finds and certifies to the President and the Congress not later than June 30, 1975, that disaster insurance with coverage equal to or more extensive than that which would be provided under this Act has been made available on reasonable terms by private insurance companies. The provisions of this Act shall have no effect from and after such certification by the Secretary.

JUDICIAL REVIEW

SEC. 17. Orders under this Act shall be established and issued in accordance with the provisions of section 553 of title 5, United States Code. In case of controversy as to the validity of any such order, a person who is adversely affected thereby may, at any time prior to the sixtieth day after such order is issued, file a petition with the United States District Court for the District of Columbia for judicial review of such order in accordance with the provisions of chapter 7 of such title.

IMPLEMENTATION

SEC. 18. After such consultation with representatives of the insurance industry as may be necessary, the Secretary shall implement the disaster insurance program unless he has certified to the President under section 16 that such program is unnecessary. In implementing such program, the Secretary is authorized, to the extent not inconsistent with this Act, to establish an industry program for disaster insurance with Federal financial assistance or a Government program for disaster insurance with industry assistance in the same manner and under the same terms and conditions as he is authorized to establish programs under chapter II of the National Flood Insurance Act of 1968.

PAYMENTS

SEC. 19. Any payments under this Act may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary may determine.

GOVERNMENT CORPORATION CONTROL ACT

SEC. 20. The provisions of the Government Corporation Control Act shall apply to the program authorized under this Act to the same extent as they apply to wholly owned Government corporations.

FINALITY OF CERTAIN FINANCIAL TRANSACTIONS

SEC. 21. Notwithstanding the provisions of any other law—

(1) any financial transaction authorized to be carried out under this Act, and

(2) any payment authorized to be made or to be received in connection with any such financial transaction,

shall be final and conclusive upon all officers of the Government.

ADMINISTRATIVE EXPENSES

SEC. 22. Any administrative expenses which may be sustained by the Federal Government in carrying out the disaster insurance program authorized under this Act may be paid out of appropriated funds.

AUTHORIZATION OF APPROPRIATIONS

SEC. 23. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act, including sums—

(1) to cover administrative expenses of carrying out the disaster insurance program;

(2) to cover reimbursement of premium equalization payments made from the disaster insurance fund and reinsurance claims paid under excess loss reinsurance coverage; and

(3) to make such other payments as may be necessary to carry out the purposes of this Act.

(b) All such sums shall be available without fiscal year limitation.

BRIEF SECTION-BY-SECTION ANALYSIS, FEDERAL DISASTER INSURANCE ACT OF 1973

TITLE

Section 1: The act could be cited as the Federal Disaster Insurance Act of 1973.

PURPOSE

Section 2: The purpose would be to provide for a Federal insurance program for disaster losses unless comparable coverage at reasonable rates is established by the insurance industry.

DEFINITIONS

Section 3: For the purposes of the act, the Secretary of Housing and Urban Development would be empowered to define the damages which would be included for insurance coverage, including that caused by floods, high waters, wind-driven waters, tidal waves, droughts, hurricanes, tornadoes, earthquakes, storms and other catastrophes.

All States, Territories and possessions of the United States would be subject to the provisions of the act.

BASIC AUTHORITY

Section 4: Unless a suitable program is established by the private insurance industry by June 30, 1975, the Secretary of HUD would be authorized to establish a national disaster insurance program to enable property owners to buy comprehensive disaster insurance.

SCOPE OF PROGRAM

Section 5: Dwellings in which are housed one to four families would be given priority for insurance. The Secretary would be authorized, however, to make disaster insurance available to other residential, business, agricultural, non-profit, and publicly owned properties if studies have deemed such insurance would be feasible.

NATURE AND LIMITATION OF INSURANCE COVERAGE

Section 6: The Secretary, after consultation with appropriate State insurance authorities, would issue regulations for disaster insurance pertaining to the classes of property, damage covered, classification of risks, premium amounts, loss-deductibles, and other matters. Coverage provided by the bill would be divided into two categories: first, a basic minimum amount, the premiums for which could be fixed by the Secretary at a rate below established costs; second, amounts above the basic minimum, which would be charged at rates not less than those estimated to be needed for all costs of providing that protection.

The basic coverage for residential properties housing up to four families would be $25,000 aggregate liability for any single dwelling unit, $50,000 for any structure containing more than one dwelling, and $8,000 aggregate liability for the contents of any dwelling unit. If the Secretary should declare other types of property to be eligible for disaster insurance, any single structure in those specified categories would have an aggregate liability of $50,000.

ESTIMATES OF PREMIUM RATES

Section 7: The Secretary would be authorized to make studies and investigations which would enable him to estimate what the risk premium rates would be for various areas based on actuarial principles, operating costs and administrative expenses. He would also be directed to estimate what level of rates would be reasonable, would encourage prospective insurers to purchase disaster insurance, and would be consistent with the purposes of the act.

ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

Section 8: The Secretary would from time to time prescribe by regulation the chargeable premium rates for all types and classes of property for which disaster insurance is made available. He could if necessary fix the premium rates for the basic property values covered (noted above) at less than the estimated risk premium rates. Otherwise, the rates would have to be based, insofar as practicable, on the respective risks involved and would have to be adequate to provide reserves for anticipated losses. It the rates were fixed at a lower amount, they would have to be consistent with the objective of making major disaster insurance available at reasonable rates in order to encourage its purchase by homeowners and others.

TREASURY BORROWING AUTHORITY

Section 9: The Secretary would be authorized with the approval of the Secretary of the Treasury, to issue notes or other obligations in an amount not exceeding $800 million. The Secretary of the Treasury would determine the rate of interest for these notes or obligations, and would be authorized to purchase or sell them as public debt transactions.

DISASTER INSURANCE FUND

Section 10: The Secretary would also be authorized to establish in the Treasury of the United States the Disaster Insurance Fund from which would be paid all claims, expenses, administrative costs and debt redemption of the disaster insurance programs. The Fund would be the repository for all funds which might be borrowed, appropriated by Congress, earned as interest on investments, derived from premiums or received from other operations. If the Secretary should determine that the Fund total would be in excess of current needs, he could request the Secretary of the Treasury to invest the amounts which the latter deemed advisable in obligations issued or guaranteed by the United States.

PAYMENT OF CLAIMS

Section 11: The Secretary would be authorized to establish regulations for adjustment and payment of claims.

DISSEMINATION OF DISASTER INSURANCE INFORMATION

Section 12: The Secretary could make available to state and local agencies data and information with regard to the coverage, objectives and premium rates for disaster insurance programs.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF BENEFITS

Section 13: No property-owner would be eligible for disaster relief assistance if a person or business is covered for losses by insurance or could have been covered by disaster insurance which had been made available in his area at least one year prior to the occurrence of the damage.

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

Section 14: No new disaster insurance would be provided for properties which the Secretary found to be in violation of State and local zoning laws and ordinances.

COORDINATION WITH OTHER PROGRAMS

Section 15: The Secretary would coordinate the new insurance program with the National Flood Insurance Act of 1968 and would consult with other departments and agencies of the federal, state and local agencies in order to coordinate the insurance program with their activities. Veterans Administration, Federal Housing Administration, and other federal agencies which guarantee or insure loans and mortgages would have to require that any such structures must be insured under the major disaster insurance program administered by the Secretary.

TERMINATION OF AUTHORITY

Section 16: The disaster insurance program would not be established if the Secretary determined that by June 30, 1975, private insurance companies have provided equivalent coverage on reasonable terms.

JUDICIAL REVIEW

Section 17: Standard provision would be made for judicial review of orders issued under the act.

IMPLEMENTATION

Section 18: Unless he determined such a program to be unnecessary, the Secretary would be directed to implement the act by establishing an industry disaster insurance program with Federal assistance or a Government disaster insurance program similar to that authorized by the National Flood Insurance Act of 1968.

PAYMENTS

Section 19: The Secretary would be authorized to make payments under the Act either in advance, as installments, or as reimbursements, and to fix conditions for those payments.

GOVERNMENT CORPORATION CONTROL ACT

Section 20: The provisions of the Government Corporation Control Act would be made applicable to the Disaster Insurance Act.

FINALITY OF CERTAIN FINANCIAL TRANSACTIONS

Section 21: Payments and financial transactions made under the Act would be final and conclusive on all Government officers.

ADMINISTRATIVE EXPENSES

Section 22: Authority would be made for payment from appropriated funds of any administrative expenses incurred in carrying out the disaster insurance program.

AUTHORIZATION OF APPROPRIATIONS

Section 23: Authorization would be made to appropriate funds needed for administrative expenses, premium equalization payments, reinsurance claims and other necessary costs of the disaster insurance program.

By Mr. DOLE:

S. 1579. A bill to provide for the demonstration of models of living arrangements for severely handicapped adults as alternatives to institutionalization and to coordinate existing supportive services necessitated by such arrangements, to improve the coordination of housing programs with respect to handicapped persons, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

HANDICAPPED AMERICANS, 1973

Mr. DOLE. Mr. President, each year since coming to the Senate, it has been my practice to direct a major address toward the needs, expectations, and aspirations of handicapped Americans. My first year in the Senate, I chose April 14, for my first speech to the Senate because it happened to be the date on which I entered the world of the disabled during World War II.

Those first Senate remarks were well received and led to the creation of Presidential task forces on the physically and mentally handicapped. Those groups were appointed, met over a considerable period of time and issued reports which have proven to be invaluable in the evaluation of public and private programs, the preparation of new legislation, and the achievement of a better understanding of the physical and mental handicaps. Other annual proposals have been offered, and it is my intention to continue this yearly tradition in the hope that each suggestion and proposition will stimulate widespread discussion of the handicapped and focus constructive attention on their needs and potential for contributing to their personal well-being and to the world around them.

PROBLEMS AND PROGRESS

There are, of course, many problems which uniquely afflict the handicapped. They must contend with an almost limitless variety of economic difficulties, physical obstacles, social prejudices, and emotional uncertainties. It is to the great credit of our society that we have attempted—through public, private, and individual efforts—to respond to these problems in ways that will facilitate and enhance the lives of our fellow citizens who are physically or mentally handicapped. One only has to look back a few decades to appreciate the distance we in America have come—from regarding persons with physical and mental disabilities as less than human—to the point where we now devote major programs and resources toward assuring their fullest and most rewarding participation in the mainstream of life. But as anyone who is concerned with this field understands, there is still much to do.

HOUSING DIFFICULTIES

Housing has always been a subject to the handicapped, for a variety of reasons relating to their unique physical, medical and financial requirements, their living accommodations frequently must conform to special needs. Doorways may have to be widened to allow easy passage on cruches or in wheelchairs. Elevators and ramps may be required, too. The installation of handrails, grip-bars, lifting devices, and other equipment is often necessary. Appliances, fixtures, and floor plans frequently must be modified. These requirements by virtue of their complexity, uniqueness, and cost are seldom met by conventional living accommodations; although, taken separately, they do not seem overly important or serious. But together they often have meant the difference between institutionalization and life as a part of the so-called normal community. And as the severity of an individual's handicap or group of handicaps increases, so does the likelihood that this individual will be unable to escape life in an institution.

The result of this process has been an increasing emphasis on institutionalization as a way of life for the more severely handicapped, and it has given rise to an "institutional" mentality among the handicapped, themselves, as well as the professional, technical and policymaking personnel who serve them. It seems most effort has been based on the proposition that severely handicapped individuals must by definition be maintained in institutions. Little thought, small energy, and few resources have been dedicated to deinstitutionalizing them and placing them physically in the environment of the communities to which they belong.

ESTABLISHED PATTERNS

Indeed, so far no broad-scale, concentrated efforts have been devoted to providing residential facilities designed specifically for severely handicapped adults. Except in rare instances, substantially handicapped persons have remained in their parents' houses until some emergency such as the death or physical incapacity of the parents has forced them into an institution, or they have been placed from the outset in institutions. Little thought has been given by these parents or their handicapped children to alternative living accommodations. And no wonder.

Even such rehabilitative services as are available are usually institutionalized, and often they are set apart from similar programs for the rest of the population. For example, excellent special education programs are often segregated for no real reason, and thereby the contact between handicapped and nonhandicapped children—which in many cases might be beneficial to both groups—is limited. In similar fashion vocational services and sheltered employment in many cases are also removed from the well-traveled paths of the community.

This continued separation produces a detrimental cycle. The handicapped person, segregated from his fellow citizens, finds his opportunities for personal interaction with others are limited. He finds it more difficult to enter community life when opportunities are presented. At the same time opportunities for the remainder of the population to become acquainted with the disabled as individuals and fellow human beings with the same emotions, hopes, and personalities are also reduced. And the whole society is the poorer for it. Because of this institutional mentality among those responsible for providing services to people with special needs, the severely handicapped, themselves, are confined by their limited experience to thinking in institutional terms. In effect the whole society is stifled.

A touching example of this institutional mentality arose out of a recent meeting in a large city where severely handicapped adults, their parents, volunteers, lay leaders, and State officials were discussing the kinds of living arrangements favored by the handicapped adults and their families. Everyone could mention already established institutional methods, but no one ever raised the possibility of a noninstitutional setting. They could not think of anything but large population categories—nursing homes, hospitals, institutions for 50 or more, with 3 or 4 in a room. The idea of increased self-sufficiency and independence in a private residential setting was completely foreign to them all.

NEW DIRECTION

I believe the time has come to set aside this institutional mentality and introduce a new direction into the planning and programs for the severely handicapped—particularly where housing is concerned.

Of course, some handicaps are so severe that they absolutely necessitate the care and extensive facilities available only in modern hospitals and extended care centers. But many severely handicapped people—given the right facilities, training and guidance—can live independent, productive lives away from the institutions to which they have been confined.

So from this point on, let us not make

our first question, "What institution is best?" Rather let us first ask, "How can we make it possible for this person to live in the community, how can we make him or her as much a part of the everyday life of America as possible, how can we enable him or her to play a maximum role in the world?"

The modern directions in this Nation for treating and rehabilitating the handicapped are deinstitutionalization and decentralization. These trends should also be incorporated in approaches to living arrangements for the severely handicapped. The goal should be to integrate them into the community but still provide all the special services they require—through establishing a new emphasis in planning for future housing construction and utilizing available services and facilities more effectively, efficiently, and economically.

HOUSING OPPORTUNITIES FOR THE HANDICAPPED ACT

Today, I propose a two-phase national effort to redirect our approach to housing for the handicapped in America. It will place the focus on providing alternatives to institutional living arrangements by adapting present housing to meet the needs of the severely handicapped and by assuring that future housing will be constructed with the needs of all handicapped Americans clearly in mind. I have titled this bill the Housing Opportunities for the Handicapped Act of 1973.

DEINSTITUTIONALIZING THE SEVERELY HANDICAPPED

With regard to existing housing, the bill establishes within the Department of Health, Education, and Welfare a demonstration grant program designed to break the patterns of the institutional mentality which has grown up around the severely handicapped.

Under this program the Secretary of HEW would work in cooperation with the many fine public and private agencies and organizations which are already striving to supply service delivery systems for the handicapped. Grants would be provided to "sponsor" organizations to support plans which are specifically designed to provide housing and coordination of existing supportive services for at least six severely handicapped individuals. The grants would be limited to a total $10,000 for each person served by any single program, but there would be no limits on the innovations, new approaches, or fresh ideas which could be implemented by the programs. It is hoped these grants will lead to a broad range of experimentation in methods of equipping, adapting, or modifying private homes, apartments, hotels, and other nonspecialized facilities to meet the residential needs of the severely handicapped. It would be expected that some experiments would fail because they were impractical, too expensive, too complicated as for any other reason. But I also believe that out of this experimentation by groups with established experience and demonstrated understanding in serving the handicapped many good ideas and workable new approaches will emerge.

Over the 3-year period that these demonstration grants are authorized there will be ample time to thoroughly test ideas, to correct mistakes and to make improvements or promising developments. And at the end of the 3-year authorization, the Secretary is directed to report back to the Congress, with legislative recommendations based on the experience of the programs funded under the act.

I believe this portion of the act represents a sound approach to an important need. It starts on a small scale but provides wide flexibility and latitude for searching out and applying new ideas. It lays the foundation for thorough study of the various experimental approaches, and it holds the promise of showing us a clear path to successful broad-scale legislation to meet these needs on a national basis—and open millions of existing homes, apartments, and other residential facilities to the severely handicapped.

FUTURE HOUSING

Of course, if this goal is to be achieved we must work with housing which is in existence now. But if we are to have lasting success we must assure that in the housing which will be constructed in the future the needs of the handicapped are taken into consideration from the start of the initial planning process.

It would be wonderful if by making a speech or passing a law we could assure that the needs of the handicapped would occupy a prominent place in the mind of every architect, housing planner, and residential developer in the country.

Well, we all recognize the limits of our laws and our abilities. However, we can also recognize the possibilities for achieving our goals on a more limited but, nonetheless, significant scale. And if we cannot immediately impress our concerns on the entire housing industry, it is certainly possible to do so with respect to one of the most important sectors of the housing fraternity—the Federal Government's Department of Housing and Urban Development.

BASIC PLANNING CONSIDERATION

Therefore, the bill amends the authority of the Department of Housing and Urban Development to require that its comprehensive planning activities:

> Include a consideration of the design, construction, and location of housing, transportation facilities, and other facilities and services for the purpose of ensuring the ease of adaptability of such facilities and services for occupancy or use by handicapped persons.

CLEAR MANDATE

This language is intended as a clear mandate to our Federal housing authority that the needs of the handicapped—all handicapped persons—shall be given basic consideration in America's planning for future housing.

As anyone who has ever undertaken a home remodeling project knows, it is many times more difficult and more expensive to modify a house after it is built than to include the modifications in the original plans. And it is much more difficult and costly—often to the point of being prohibitive—for a handicapped individual to modify a house or apartment to his specific needs. And thus we get back to the vicious cycle of institutionalization because of physical, financial, or personal limitations.

BASIC DESIGN CONSIDERATIONS

But what if these needs were considered in the beginning? For example, what if doorways were built wide enough for a wheelchair to pass through without difficulty? What if easy connections were made for converting sinks, lavatories, toilets, and bathtubs or showers to models readily utilized by an individual who is confined to a wheelchair? Countless other examples could be found—simple things, little things, inexpensive things, but some major items, too—that if included in original plans and specifications could make all the difference in the world for someone with a handicap.

And where could we find a better place to start than with the Federal Government and the Department which is concerned with the homes and communities in which we will all live in the future? With all the expertise and technical resources at its command, I believe the Department of Housing and Urban Development could produce great strides in a short time. And with the firm direction provided by this act, the Department would clearly be held accountable for achieving this progress.

SPECIAL ASSISTANT TO THE SECRETARY

To assure the maximum possible dedication to these objectives and to provide a central authority for directing departmental efforts toward it, the bill creates a Special Assistant to the Secretary of Housing and Urban Development to have coordinating and oversight authority within the Department and to consult and coordinate efforts with the Department of Health, Education, and Welfare.

I believe this section of the act is a vital requirement if America is to fulfill its responsibilities—its legitimate and clear responsibilities—to our handicapped citizens as we move into the third decade of our independence. The handicapped have long been a slighted minority in this country in terms of the planning processes of government. Perhaps the most glaring recent example of this inexcusable shortcoming is to be found right here in the District of Columbia, where a multibillion-dollar subway system has been permitted to proceed without incorporating even the most basic facilities to promote access by even moderately handicapped people.

Such serious defaults of our clear and basic obligations cannot be permitted to continue. And the area of housing is—along with medical and transportation considerations—as critical a subject for the handicapped as any I know.

So this portion of the act, I believe, takes on the greatest possible importance in terms of determining what type of nation the United States is to become. And if we do not meet our responsibilities to those citizens who are afflicted by various physical and mental disabilities, I do not believe America will ever achieve the full realization of its ideals and greatness.

AUTHORIZATION

The act is supported by reasonable but significant funding authorizations. For the first year $1 million is authorized, but for the second and third years—in the expectation that a certain momentum will be generated—$1.5 and $2 million authorizations are provided.

Certainly, $4.5 million—which can lead to vastly improved and more rewarding residential accommodations for the handicapped in America—is a wise and prudent investment.

CONCLUSION

I would hope the Senate will agree with this assessment of and response to a major need in the lives of millions of our fellow citizens.

The support and cosponsorship of my colleagues would be most welcome and deeply appreciated, and I look forward to this measure receiving detailed and serious consideration in the Senate.

Mr. President, I ask unanimous consent that the text of the Housing Opportunities for the Handicapped Act of 1973 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Housing Opportunities for the Handicapped Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to—

(1) promote alternatives to institutional living arrangements for severely handicapped adults;

(2) promote a more normal living experience and thereby provide an opportunity for the severely handicapped adult to choose how and where to live in order to reduce dependency, to maximize opportunities for vocational evaluation, training and placement, utilize already obtained rehabilitation and integration into the community, and to utilize already obtained rehabilitation and educational experiences;

(3) focus attention on housing needs which are not already available;

(4) promote facility construction adequate for both handicapped and non-handicapped at the most feasible cost;

(5) demonstrate models of housing and services for severely handicapped adults; and

(6) utilize existing supportive service systems.

AUTHORITY

SEC. 3. The Secretary of Health, Education, and Welfare (hereafter referred to as the "Secretary") is authorized to make grants to eligible sponsors to carry out a demonstration program to provide, in an efficient and innovative manner housing and coordination of existing supportive services for severely handicapped adults. For the purposes of this Act, "severely handicapped adult" means a person, having attained the age of eighteen years, whose handicap is sufficiently severe to impair substantial gainful activity, and who requires multiple services to assist in adjusting to or overcoming such handicap.

ELIGIBILITY

SEC. 4. An eligible sponsor for a grant under section 3 is a public or private nonprofit agency or organization (other than a State institution) which—

(1) has demonstrated a commitment to serving and understanding the severely handicapped;

(2) is, at the time it applies for such a grant, supporting a continuing service delivery system for severely handicapped persons; and

(3) is a community-based agency or organization.

CONDITIONS

SEC. 5. (a) The Secretary shall not approve any application for a grant under this Act unless he determines—

(1) that such application was submitted to and approved by a sponsor's advisory council, which council is established for the purpose of furnishing advice to a sponsor with respect to the administration and design of a program to be carried out under this Act, and of which not less than 50 percent of the members are handicapped persons, some of whom will reside in the housing to be operated by the sponsor, and of which not less than 25 percent of the members are professionals experienced in providing services to severely handicapped persons.

(2) that the applicant has furnished assurances that its program will not serve fewer than six severely handicapped adults at a cost of not more than $10,000 per adult; and

(3) that the applicant has furnished such other assurances as the Secretary may by regulation require.

(b) In furnishing assistance under this Act, the Secretary shall encourage the conduct of demonstrations in both densely and sparsely populated areas and in separate geographic regions of the United States.

REPORTS

SEC. 6. The Secretary shall report to the Congress not later than March 1 of each year on his activities under this Act and shall submit a final report to the Congress which report shall include recommendations for future legislation in the area of housing for severely handicapped adults based upon a comprehensive analysis and review of the projects funded under this Act.

PLANNING AND COORDINATION

SEC. 7. (a) Section 701(a) of the Housing Act of 1954 is amended by inserting before the last sentence the following: "Planning assisted under this section shall include a consideration of the design, construction, and location of housing, transportation facilities, and other facilities and services for the purpose of ensuring ease of adaptability of such facilities and services for occupancy or use by handicapped persons."

(b) Section 4 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following:

"(d) There shall be in the Department a Special Assistant to the Secretary, designated by the Secretary, who shall be responsible for—

"(1) consultation and coordination with the Department of Health, Education, and Welfare and other agencies with respect to housing design and technology with respect to adaptability of housing for occupancy by handicapped persons; and

"(2) coordination and oversight within the Department of all housing and related programs to assure the maximum praticable application of design and technology which facilitates adaptability for occupancy or use by handicapped persons."

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1974, $1,500,000 for the fiscal year ending June 30, 1975, and $2,000,000 for the fiscal year ending June 30, 1976, to carry out the purposes of this Act. Any sums so appropriated shall remain available until expended.

By Mr. GURNEY:

S.J. Res. 91. A joint resolution to amend the joint resolution entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America." Referred to the Committee on the Judiciary.

Mr. GURNEY. Mr. President, I am today introducing a joint resolution to clarify certain provisions of the laws regarding our patriotic customs, popularly known as the flag code.

The flag code was approved on December 22, 1942, for the purpose of codifying existing rules and regulations pertaining to the display and use of the flag of the United States of America. By amending the earlier legislation on the subject, it established a code for the use and guidance of civilians and civilian organizations who are not required to comply with regulations promulgated by the executive departments of the Government of the United States.

In recent years, however, the flag code has been subject to a multitude of differing interpretations. These various interpretations have created much confusion in the minds of many of our citizens with regard to the proper manner of displaying and showing appropriate respect for the flag on ceremonial, as well as other occasions. Some of the customs are outdated and need to be revised. Other provisions of the flag code need clarification and reemphasis.

It seems rather ironic that as we approach the bicentennial celebration of the founding of this Republic, we should find ourselves in such a state of confusion regarding use and respect for the honored symbol of our Nation.

Many patriotic organizations have expressed their concern over the existing situation, with its conditions of confusion and obscurity. The American Legion, for example, has called for legislation to restate and clarify the rules and customs relating to the use, display, and proper respect for the flag of our country. The concern and experience of that great organization of great Americans has been most invaluable in identifying existing problems and seeking a method of resolving those difficulties, and I would like to commend them for their diligent efforts to enhance the flag of our Nation.

The resolution I am introducing today provides in clear and simple language a clarification of those customs and usages which are presently a source of confusion. I ask unanimous consent that the complete text of the resolution be inserted in the RECORD at this point, and I call upon my colleagues to examine it, at the same time reaffirming the principles and ideals represented by our flag.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 91

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America" as amended (36 U.S.C. 171–178), is amended—

(1) by striking out the second sentence of section 2(a) and inserting in lieu thereof the following: "However when a patriotic effect is desired, the flag may be displayed twenty-four hours a day if properly illuminated during the hours of darkness.";

(2) by inserting in section 2(c) before the period a comma and the following: "unless it is an all-weather flag";

(3) by striking out section 2(d) and inserting in lieu thereof the following:

"(d) The flag should be displayed on all days, especially on New Year's Day, January 1; Inauguration Day, January 20; Lincoln's Birthday, February 12; Washington's Birthday, the third Monday in February; Easter Sunday (variable); Mother's Day, second Sunday in May; Armed Forces Day, third Saturday in May; Memorial Day (half-staff until Noon), on the last Monday in May; Flag Day, June 14; Independence Day, July 4; Labor Day, first Monday in September; Citizenship Day, September 17; Columbus Day, the second Monday in October; Veterans Day, the fourth Monday in October; Thanksgiving Day, fourth Thursday in November; Christmas Day, December 25; such other days as may be proclaimed by the President of the United States; the birthdays of States (dates of admission); and on State holidays.";

(4) by striking out ", weather permitting," in section 2(e);

(5) by striking out "radiator cap" in section 3(b) and inserting in lieu thereof "right fender";

(6) by inserting before the period in the last sentence of section 3(f) a comma and the following: "its own right";

(7) by striking out section 3(i) and inserting in lieu thereof the following:

"(i) When displayed either horizontally or vertically against a wall, the union should be uppermost and to the flag's own right, that is, to the observer's left. When displayed in a window, the flag should be displayed in the same way, with the union or blue field to the left of the observer in the street.";

(8) by striking out section 3(k) and inserting in lieu thereof the following:

"(k) When used on a speaker's platform, the flag, if displayed flat, should be displayed above and behind the speaker. When displayed from a staff in a church or public auditorium, the flag of the United States of America should hold the position of superior prominence, in advance of the audience, and in the position of honor at the clergyman's or speaker's right as he faces the audience. Any other flag so displayed should be placed on the left of the clergyman or speaker or to the right of the audience.";

(9) by striking out section 3(m) and inserting in lieu thereof the following:

"(m) The flag, when flown at half-staff, should be first hoisted to the peak for an instant and then lowered to the half-staff position. The flag should be again raised to the peak before it is lowered for the day. On Memorial Day the flag should be displayed at half-staff until noon only, then raised to the top of the staff. By order of the President, the flag shall be flown at half-staff upon the death of principal figures of the United States Government and the Governor of a State, territory, or possession, as a mark of respect to their memory. In the event of the death of other officials or foreign dignitaries, the flag is to be displayed at half-staff according to Presidential instructions or orders, or in accordance with recognized customs or practices not inconsistent with law. In the event of the death of a present or former official of the government of any state, territory or possession of the United States, the governor of that state, territory or possession may proclaim that the National flag shall be flown at half-staff. The flag shall be flown at half-staff thirty days from the day of death of the President or a former President; ten days from the day of death of the Vice President, the Chief Justice or a retired Chief Justice of the United States, or the Speaker of the House of Representatives; from the day of death until interment of an Associate Justice of the Supreme Court, a Secretary of an Executive or military department, a former Vice President, or the Governor of a State, territory, or possession; and on the day of death and the following day for a Member of Congress. As used in this subsection—

"(1) the term 'half-staff' means the position of the flag when it is one-half the distance between the top and bottom of the staff;

"(2) the term 'Executive or military department' means any agency listed under sections 101 and 102 of title 5, United States Code; and

"(3) the term 'Member of Congress' means a Senator, a Representative, a Delegate, or the Resident Commissioner from Puerto Rico.";

(10) by adding at the end of section 3, a new subsection as follows:

"(o) When the flag is suspended across a corridor or lobby in a building with only one main entrance, it should be suspended vertically with the union of the flag to the observer's left upon entering. If the building has more than one main entrance, the flag should be suspended vertically near the center of the corridor or lobby with the union to the North, when entrances are to the East and West or to the East when entrances are to the North and South. If there are entrances in more than two directions, the union should be to the East.";

(11) by striking out section 4(a) and inserting in lieu thereof the following:

"Sec. 4. (a) The flag should never be displayed with the union down, except as a signal of dire distress in instances of extreme danger to life or property.";

(12) by striking out section 4(d) and inserting in lieu thereof the following:

"(d) The flag should never be used as wearing apparel, bedding, or drapery. It should never be festooned, drawn back, nor up, in folds, but always allowed to fall free. Bunting of blue, white and red, always arranged with the blue above, the white in the middle and the red below, should be used for covering a speaker's desk, draping the front of a platform, and for decoration in general.";

(13) by striking out section (e) and inserting in lieu thereof the following:

"(e) The flag should never be fastened, displayed, used, or stored in such a manner as to permit it to be easily torn, soiled, or damaged in any way.";

(14) by striking out section 4(i) and inserting in lieu thereof the following:

"(i) The flag should never be used for advertising purposes in any manner whatsoever. It should not be embroidered on such articles as cushions or handkerchiefs and the like, printed or otherwise impressed on paper napkins or boxes or anything that is designed for temporary use and discard. Advertising signs should not be fastened to a staff or halyard from which the flag is flown.";

(15) by redesignating section 4(j) as section 4(k) and by inserting after section 4(i) a new subsection as follows:

"(j) No part of the flag should ever be used as a costume or athletic uniform. However, a flag patch may be affixed to the uniform of military personnel, firemen, policemen, and members of patriotic organizations. The flag represents a living country and is itself considered a living thing. Therefore, the Lapel Flag Pin being a replica, should be worn on the left lapel near the heart.";

(16) by striking out section 5 and inserting in lieu thereof the following:

"Sec. 5. During the ceremony of hoisting or lowering the flag or when the flag is passing in a parade or in review, all persons present except those in uniform should face the flag and stand at attention with the right hand over the heart. Those present in uniform should render the military salute. When not in uniform, men should remove their headdress with their right hand and hold it at the left shoulder, the hand being over the heart. Aliens should stand at attention. The salute to the flag in a moving column should be rendered at the moment the flag passes.";

(17) by striking out section 6 and inserting in lieu thereof the following:

"Sec. 6. During rendition of the National Anthem when the flag is displayed, all present except those in uniform should stand at attention facing the flag with the right hand over the heart. When the flag is not displayed, those present should face toward the music. During rendition of the Anthem, men not in uniform should remove their headdress with their right hand and hold it at the left shoulder, the hand being over the heart. Persons in uniform should render the military salute at the first note of the Anthem and retain this position until the last note.";

(18) by striking out section 7 and inserting in lieu thereof the following:

"Sec. 7. The Pledge of Allegiance to the Flag, 'I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.' should be rendered by standing at attention facing the flag with the right hand over the heart. When not in uniform men should remove their headdress with their right hand and hold it at the left shoulder, the hand being over the heart. Persons in uniform should remain silent, face the flag, and render the military salute."; and

(19) by striking out section 8 and inserting in lieu thereof the following:

"Sec. 8. (a) The Commander in Chief of the Armed Forces of the United States shall appoint a National Flag Commission for the purpose of necessary study and revision of this joint resolution.

"(b) Any rule or custom pertaining to the display of the flag of the United States of America, set forth herein, may be altered, modified, or repealed, or additional rules with respect thereto may be prescribed, by the Commander in Chief of the Armed Forces of the United States, whenever he deems it to be appropriate or desirable; and any such alteration or additional rule shall be set forth in a proclamation.".

ADDITIONAL COSPONSORS OF BILLS

S. 1162

At the request of Mr. Bartlett (for Mr. Bellmon) the Senator from California (Mr. Cranston) was added as a cosponsor of S. 1162, a bill to encourage the development of the natural energy resources of the United States in order to assure dependable and adequate energy supplies.

S. 1504

At the request of Mr. Griffin, the Senator from Michigan (Mr. Hart) was added as a cosponsor of S. 1504, a bill to provide that the Federal district court for the western district of Michigan may be held in Muskegon, Mich.

S. 1551

At the request of Mr. Robert C. Byrd (for Mr. Eastland) the Senator from Louisiana (Mr. Johnston) was added as a cosponsor of S. 1551, a bill providing for emergency provisions for rice and peanut allotments.

NOTICE OF HEARINGS ON SPEEDY TRIAL

Mr. ERVIN. Mr. President, I announce today that the Subcommittee on Constitutional Rights has scheduled 1 day of hearings for next Tuesday, April 17 to consider the Justice Department's position on S. 754, speedy trial legislation which the subcommittee has been considering for the past 3 years.

At that time Dean Sneed will appear

on behalf of the Justice Department and three other witnesses will appear at the request of Senator HRUSKA. Of course, the subcommittee would welcome any statements submitted for the record by consponsors of S. 754 or by any other interested persons. For further information please contact the subcommittee office, room 102-B, Russell Building, extension 58191.

ADDITIONAL STATEMENTS

THE SELLING OF AN EDUCATION

Mr. BEALL. Mr. President, I have the pleasure of serving on the National Commission on the Financing of Postsecondary Education.

Also serving on the commission is a student, Mr. Tim Engen of Bradley University. Tim is making an outstanding contribution to the commission in presenting the students' viewpoint. Earlier this year Tim addressed the Peoria Ad and Selling Club on the subject, "The Selling of an Education." I found this a most interesting address and I believe Senators will be interested in his remarks. I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE SELLING OF AN EDUCATION

(By Tim R. Engen)

It is indeed a pleasure to address the Peoria Ad and Selling Club today. These remarks are the finale of my speaking tour throughout Peoria. I could not begin today without thanking you and the Peoria community for the countless opportunities to present my point of view for the thousands upon thousands of students enrolled in American higher education. After 25 speaking engagements, I conclude today with a frank testimony regarding higher education and its present role in American society.

To begin, I would like to present a brief synopsis of what I have been saying to other organizations. I am aware that many of you may have heard these remarks previously, but for the purpose of extending my arguments to their logical ends, I repeat them today.

I have spoken repeatedly of the attitudinal revolution of college students. I firmly believe we have entered into a new era of involvement. It is an era without the frustrating and anxiety-producing visible displays of protesting war, poverty, unemployment, and Dow Chemical, but with the more localized and regional concerns of academic quality, job potential, quality living environments, and competitive degrees. These, gentlemen, are the new priorities.

We are not where we were in 1968 and 1969, although I hasten to say the American public may still be. While a recent Gallup poll indicates that 65 percent of Americans believe the present quiet on campus is merely temporary (that this is merely a period of reinforcement and entrenchment before the illogical, irreproachable Communistic activists return), I have pleaded with audiences to accept the realization that priorities have changed. The national government has changed. The obvious preoccupation with national policy has, to many students, been a diversion from the important, more individualized, priorities at the college or university level. In short, in the effort to change national policies, student energies were not directed effectively toward the home front—the campus scene. To illustrate that change in priorities, I would like to list what have to be the most asked questions on the campuses in 1972–73:

1. Will I ever get a job?
2. Why does this University cost so much?
3. Why does this University have to act like my parent?
4. How can that professor have all that education and still teach like that?
5. Why is there such a tremendous preoccupation with grades?
6. What does this community have against this student body?

I suggest the change is apparent by merely verbalizing this list of the most asked questions of college students today.

As our student government has devoted itself to these questions, we are becoming more responsive. That is as encouraging to us as I hope the new priorities are to you!

But, gentlemen, I caution you not to view these changes or this era as an era of "privatism"—an era where students will ignore changing society and concentrate on change for the sole purpose of improving the self. The words "college students" and "change" will continue to be an amalgam for years to come. Students are beginning to realize what Alvin Toffler reiterates in *Future Shock:*

"Happiness comes from understanding the distinction between our own private world and the larger more public world and involving ourselves in both."

Change in both contexts will continue!

As a member of the National Commission on the Financing of Postsecondary Education, I have had a tremendous opportunity thus far to meet the leaders in the educational field. As a result of that, I have had the opportunity to place the feelings and fears of today's college student into a new, clear perspective. Just as I listed the most asked questions of today's college students, I can remind you that those questions, based on beliefs, opinions, and experiences, are inextricably bound in the trends of our society and educational system itself.

My goal for this presentation today is quite simple. It is not to lecture. It is merely to explain to you the newly embodied frustrations of college students and their relation to a faltering educational system.

We are, in my opinion, merely selling an education! And we are selling it without regard to:

1. The value of the product once it is purchased;
2. The quality of the product in its manufactured stages;
3. The continued demand for that product meeting society's needs;
4. The newness of innovativeness of that product with respect to changing generations;
5. The oversupply of that product in terms of jobs, unemployment, and occupational trends;
6. The cost of the product in terms of the consumer's buying power;
7. The efficient management and planning and market research in the production of the product;
8. The lack of freedom of competition.

We are selling it to the millions of Americans who form the greatest buying potential but who, to this point, have been omitted by the rigors and straights of discriminatory prestige and traditions.

You may be surprised or confused by my comparison of education to business or that education can also be considered within the traditional business terms of consumer, supply, demand, quality, value, market research, management, or competition. But education is a business. I am a consumer and Bradley is the producer. There is a supply and demand. There are calls for management and needs for competition, etc.

As a consumer of a product called "education," as a frustrated student, as a future parent and financial contributor, as a member of the American society who supports education, I have a right, if not a duty, to attempt to improve what I am paying for. I have a right to attempt to keep costs down, quality up, and production relevant to society's needs. As a consumer I intend to exercise that right. And as a consumer I realize that whether it's the University of Illinois or Minnesota or Bradley or Knox, Greer Tech, or Midwest Business College, they are *all—all* profit-making institutions. Some just invest more.

In the words of Dr. Richard Fulton, President of Independent Proprietary Schools and Colleges:

"There are only three types of educational institutions in this country: (1) tax-consuming, (2) tax-avoiding, and (3) tax-paying. And, they are all profit-making."

I must stop and qualify my statements to this point. I am attempting to establish the fact that educational institutions "sell" education as a product. But, as you will note from the outset, I worded my contention that we are presently "*merely* selling education" without cognizance of the essential foresight and considerations for success in business. Here lie the frustrations of students and the failings of education! We, as students, are consumers. I am expressing a consumer ideology towards education.

Gentlemen, I stand before you today attempting to discuss the crisis of higher education in the terms you cope with daily. Education, which is essentially a business, has far too long merely pretended *not* to operate as one. Today education is big business, and it is time for the tax-payers and consumers to force this big business into accountability.

Just prior to my freshman year, I was packing all my possessions for my four-year college adventure. I searched my room for a symbolic memento of higher education. I spotted a soap-carved bust of Socrates, the supposed "Father of Education," which I thought was extremely apropos for my dorm room. So I packed him. When I unpacked him, his head had broken off. To this day I wonder if that is not an omen or a symbol for higher education. Are we probing in the park without heads? Are we merely Ichabod Cranes? The crisis in higher education would seem to indicate an element of truth in this comparison.

I return to earlier statements:

I. We are *merely* selling education without regard to management, planning, or knowledge of supply and demand.

College administrators in the 1960's were headless horsemen. The size of the potential college pool grew faster than the national population or the real income (4.2 percent annually). Therefore, the call for expansion produced enormous building programs, more dormitories, more faculty, and extensive Ph. D. and graduate programs. Educational planners were so overwhelmed by the boom that no one could envision other educational alternatives competing against that prestigious educational institution of higher learning. No one could envision a declining pool of students. Who, in 1960, could fathom empty dormitories, studentless faculty, or alumni and foundations who refused to give?

However, as early as 1960, the United States Office of Education projected that the college pool would shrink to an increase of one percent between 1970–1990. Where were our eductional planners then? Now, as we are selling endowments, holding empty dorms, seeing state budgets slashed, seeing faculty reductions and higher tuitions, we are beginning to evaluate the foresight of those enthusiastic educational planners.

If only the planners had done some market research and viewed the supply and demand and had anticipated. . . .

The consumer and taxpayer is now being asked to pay for inefficiency and poor planning. Colleges and universities now proudly claim. "If you've got the money, we've got the place." Sell!

No one can summarize the business inadequacies as well as the chief fiscal officer of New York University. Last December he said, "We stopped computing over deficit. It is beginning to be psychologically devastating for the members of the University to consider. We must grow whether or not we have the money!"

Absurd! What would happen if you operated your businesses like that? With that attitude, I conclude that Will Rogers was right when he said, "Last year we decided things can't go on like this and we were right! Things got worse!"

II. We are merely selling education without regard to or concern for the destruction of educational alternatives or the freedom of competition which is being eliminated.

I smell monopoly!

Charles McCoy, head of the DuPont Company, pinpointed an essential consideration that all private corporations must remember: "Private corporations live by public permit. Such business organizations have to perform a service to earn their keep."

There can be no doubt that most private institutions of higher learning offer a service. Bradley does. But in higher education, a public permit means that same market with a heavy debt incurred (which they will be required to pay off in the ensuing years).

Thus the consumer's investment in higher education may never be fully realized. The increasing emphasis on loans or a means to finance a student's education merely increases the cost of education as the student is forced to forfeit post-graduation income which increases the percentage of unearned income he forfeited by attending school in the first place. Equal opportunity of education is hardly maximized by extravagant student loan programs. Again, the federal objective of equal access of education to those with the desire and ability is hardly realized.

V. We are merely selling education without serious regard to relevancy and supply and demand. We have nineteenth century curriculums to meet a twentieth century inflated economy and an increasingly service-oriented society.

Charles Reich, in his best-seller, *The Greening of America,* suggests our philosophical error:

Our present ideas of education are absurdly narrow and primitive for the kinds of tasks men face. Education is little more than training for an industrial army. What we urgently need is not training, but education; not indoctrination, but the expansion of each individual—a process throughout life; education for consciousness.

The irrelevancy and lack of consciousness is the present keynote to student frustration. Mass production of the educational product for the purpose of serving an ever-changing society has produced a product few can use in its raw form. In terms of society's needs, we are producing illiterates. Poetically, the experience sounds like this:

Nowadays simply paying fees
Automates assembly-line degrees
As hosts of secretaries punch and file
Proper cards in proper places.
Meanwhile
In the classrooms students come and go
Who never heard of Michelangelo.
For IBM now calculates with ruth—
Not as in its hour of thinkful youth—
But heeding oftentimes the still, sad plea
Of illiterate humanity.

JOHN A. WEIGEL, *Miami University.*

Will I ever get a job? Is it possible to be illiterate after four years of higher education? When will we ever need teachers again? These are the great unanswered questions of 1973. I wonder how many times they have been asked. I wonder how it feels to be like the cab driver I met in Washington, D.C., who had a Ph.D. in bio-chemistry.

The problem is not just temporary. It is not just a condition incurred by present economic conditions. Thousands of college graduates have to be completely retrained following graduation. Are we training people to be something or make something? We have not yet answered that question in higher education. Relevancy?

By 1980 and in the ensuing ten years, we will have 20,000 more Ph.D.'s than society requires yearly. In the years 1970–1980, we will continue to produce 145,000 more teachers yearly than we need. Whether we are overeducating or undereducating is not the question. The question is, "Are we educating with consciousness of society?"

Students for years have been told there is a positive correlation between increasing increments of educational achievement and total lifetime earnings. There is increasing evidence that there is no causal relationship between the two. If for no other reason, 80 percent of the jobs in our society do not require a college education.

In America today our college enrollments have not significantly responded to economic conditions. Increased federal funding and societal encouragement have kept enrollments (input) higher than society needs (desired output).

At this point in our education development, we would see less frustration, less unemployment, less financial crisis within institutions if we had wisely planned and accepted market conditions. Uppsala University in Sweden lost 6,000 students last year, reflecting the inflated economy. We could all learn a lesson from Uppsala University. As students begin to respond to economic conditions, educational planning may truly develop.

There are two widely accepted theories of education. One is the Individual Benefit Theory which simply implies a student would naturally obtain some individual benefit from his educational experience. I will not argue that theory. The second and more controversial theory is the Social Benefit Theory. It is suggested that education not only benefits the individual, but also society as a whole. The federal government justifies student grant and loan programs by accepting the latter theory. The two theories are cited for one expressed reason—to raise a very important question. How much of what we are doing in our educational world today is of social benefit?

VI. We are merely selling education without regard to individuality.

Are we merely "training for an industrial army?" In the process of our training, how are we aiding our own uniqueness, our own potential, our own individuality? The assembly-line degrees are a major concern of the educational participant. Am I one of the 28,342 accountants that will be needed in 1972 or one of the 14,000 that won't be needed? Individuality will continue to be a key concern of students. Will our system attempt to meet society's needs as well as our own individual ones? Will the curriculum content be an individual benefit for me? These are questions that at present have no answers. Until we stop "merely selling an education" we won't have one.

VII. We are merely selling education without regard to the millions of Americans outside the traditional confines of prestigious higher education.

Traditionally Americans and the federal, state, and local governments have viewed postsecondary education as colleges and universities. This has been labeled as the "prestigious higher education." Governmental aid has been consistently directed towards the 2,300 institutions in that category. But governmental aid has consistently ignored the 82 million other students who are participating in organizational, proprietary, correspondence, television, and adult education. These have been labeled inferior forms of education. But much learning potential, much career orientation, much social relevance is found in this unknown educational region.

In light of the training and placement capabilities in much of this sector, one must wonder who is inferior. If education is a continuing, ongoing process, if access is to be a successful national goal, then these educational systems must be seen as important alternatives. We must stop funding prestige and start funding a relevant learning process. We must become responsive to the learning force. It includes a core (K–12, graduate and undergraduate programs) and a much larger periphery (organizational, proprietary, etc.). This is truly "postsecondary education."

VIII. Conclusion: Are we merely selling education?

I think we are. Are we selling a quality product that is in demand? We, as consumers, have a right to question what is, in my opinion, a myriad of grave mistakes and discouraging directions.

This product is not improving!
Our definitions are too narrow!
Our needs go unmet!
Our supply is overexpanded!
Our planning is shortsighted!
Our goals go unattained!
Our federal dependency is too great!
And our students are left disenchanted!

I do not want to be remembered in this speech today as a young chronic complainer. I would like to have you accept these thoughts as but one perspective which noticeably challenges the status quo.

But you are successful businessmen! I only wish we had had some of your business savvy years ago!

It is extremely difficult for me to share student frustrations with you and do justice to them. I turn, then, to a piece of literature which aptly parallels that student frustration. It is Samuel Beckett's *Waiting for Godot*.

Here we find two humans living subsistently without emotion, cares, worries, hopes, any interruption in a static state of life. There is only hope that a somebody or something by the name of "Godot" will someday save them. Students, too, have that hope as expressed here amidst a seemingly static educational environment.

Let us not waste our time in idle discourse! Let us do something, while we have the chance! It is not every day that we are needed. Not indeed that we personally are needed. Others would meet the case equally well, if not better. To all mankind they were addressed, those cries for help still ringing in our ears! But at this place, at this moment of time, all mankind is us, whether we like it or not. Let us make the most of it, before it is too late! Let us represent worthily. What do you say? It is true that when with folded arms we weigh the pros and cons we are no less a credit to our species. The tiger bounds to the help of his congeners without the least reflexion, or else he slinks away into the depths of the thickets. But that is not the question. What are we doing here, that is the question. And we are blessed in this, that we happen to know the answer. Yes, in this *immense* confusion one thing alone is clear. We are waiting for Godot to come—

JUDGE RICHEY'S CHARGE

Mr. ERVIN. Mr. President, since I value my reputation, I am much saddened by information that on yesterday Charles R. Richey, U.S. District Court Judge for the District of Columbia, charged in open court that I attempted to influence him improperly in the execution of his judicial office and committed an unethical act in sending to him a letter reading as follows:

April 9, 1973.

Hon. Charles Richey,
U.S. District Court, Third and Constitution Ave., N.W., Washington, D.C.

Dear Judge Richey: I understand that Mr. James W. McCord, Jr., is scheduled to give a deposition in the next few days in *O'Brien, et al., v. McCord, et al.*, Civil Action No. 1223–72. Our Committee has already begun to take statements from Mr. McCord. On Wednesday, March 28, 1973, Mr. McCord testified before the Committee in Executive Session.

The Committee staff, under its Chief Counsel Samuel Dash, is now continuing the investigation based on Mr. McCord's testimony for the purpose of preparing for a public hearing before the Committee in the near future. Mr. McCord has promised to give much more information to the Committee prior to the public hearings.

I believe our Committee's investigation aimed at following up the leads based on Mr. McCord's statements would be seriously impaired if his deposition in the Civil Action before you were made public at this time. Public disclosure might well result in leads becoming fruitless and witnesses becoming unavailable.

We would hope that you would consider requiring that Mr. McCord's deposition be taken under seal for the use of the lawyers and their clients only and not to be released to the public. We hope that the deposition would also be available to the Committee.

I do not believe such a procedure would interfere with the Civil proceedings before you or would work to the disadvantage of any of the parties involved. But it would serve the double purpose of preventing premature public disclosure of information valuable to the success of our Select Committee's investigation and protecting against unfair public implications of persons in criminal activities who may be innocent.

With kindest regards.

Sincerely,

Sam J. Ervin, Jr., *Chairman*.

cc B. Fensterwald, Esq.; M. Dunie, Esq.; K. Parkinson, Esq. SJE: SD–1m.

As appears from the notation on the foot of the letter, copies of the letter were sent to counsel for Mr. McCord and counsel for the parties to the civil action.

Judge Richey's charge against me appears in the Washington Post for today.

I ask unanimous consent that this report be printed immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ERVIN. Mr. President, at the time the letter was written, the Senate Select Committee on Presidential Campaign Activities, of which I am chairman, was engaged in taking the testimony of James W. McCord, Jr., in executive meetings. During an interim in this proceeding, attorneys for officials of the Committee to Reelect the President undertook to take the deposition of James W. McCord, Jr., for use in a civil action pending before Judge Richey. As chairman of the Senate select committee, I became apprehensive that the public release of such deposition might result in leads given the select committee by Mr. McCord becoming fruitless and in making possible witnesses unavailable.

At my request, the chief counsel for the select committee contacted Judge Richey by long-distance telephone, informed him of my concern, and asked him to suggest some appropriate way by which I could express my concern to him. Thereupon Judge Richey suggested to counsel that I mail to him at his chambers in Washington a letter expressing my concern.

Inasmuch as the letter which formed the basis of Judge Richey's charge against me was sent to Judge Richey pursuant to his own suggestion, I am at a loss to say whether I am more hurt by Judge Richey's charge or more astonished by Judge Richey's reprimand of me for following his suggestion.

Let me assure my colleagues and the public that in sending Judge Richey the letter pursuant to his suggestion I was not attempting in any way to improperly influence Judge Richey in the execution of his judicial office. Indeed, it has never occurred to me that Judge Richey is susceptible to improper influence. I was merely expressing to Judge Richey pursuant to his suggestion my concern in respect to the possible release to the public of McCord's deposition prior to the completion of the task of the select committee of taking McCord's testimony and expressing the hope that he would give consideration to the advisability of sealing the deposition temporarily to allow the select committee to complete its task of taking McCord's testimony and running down any leads suggested by it.

Upon receipt of information of his charge, I dispatched to Judge Richey a second letter, which sets forth these circumstances. This second letter reads as follows:

April 12, 1973.

Hon. Charles Richey,
U.S. District Court,
Washington, D.C.

Dear Judge Richey: The Chief Counsel of our Select Committee informed me of your statement in court today with regard to the letter I sent to you on April 9, 1973. Of course, your decision that Mr. McCord's deposition be public and not placed under seal is final and not a matter on which our Committee has any right to speak. However, I understand that you expressed displeasure that I, as Chairman of the Committee, sent this letter to you concerning Mr. McCord's deposition on the grounds that my action constituted some form of interference between the Legislative Branch with the Judicial Branch of the Government.

As you well know, I have strongly supported the doctrine of separation of powers and respect that separation between the Legislative and Judicial Branches as well as the Legislative and Executive Branches. My letter to you, as it expressly states, was in no way an effort to have our Committee interfere with the civil judicial proceedings before you. Indeed, I would not have sent the letter to you had you not specifically invited me to do so when Mr. Dash, our Chief Counsel, spoke to you on the telephone on Monday, April 9. Mr. Dash called you at my request simply to apprise you of the problem the Committee felt it faced with public disclosure of Mr. McCord's deposition and to request how the matter might be properly presented to you and counsel in the case since the Committee was not a party to the civil litigation and did not seek to become a party. You will recall that you specifically asked Mr. Dash to have me write a letter to you, addressed to your chambers setting forth the problem the Committee thought it confronted concerning McCord's deposition and that you would consider the matter.

I deeply regret that after you invited me to send a letter on behalf of the Committee you chose in open court to criticize me for sending it.

Sincerely,

Sam J. Ervin, Jr., *Chairman*.

While smarting over Judge Richey's charge, I recall words of wisdom expressed by a Tennessee poet and judge, Walter Malone, in his eloquent poem entitled "To A Judge," and words of wisdom which Shakespeare put in the mouth of his character Iago in "The Tragedy of Othello." These words of wisdom merit consideration in this connection.

Let me recite Walter Malone's words:

TO A JUDGE

O thou who wieldest for one fleeting day
The power that belongs alone to God:—
O idol moulded out of common clay,
To sway one little hour an iron rod.—

Dost thou not tremble to assume thy seat,
And judge thy fellow-travelers to the tomb?
Dost thou not falter as thy lips repeat
Thy Comrade's downfall, thy Companion's doom?

A word from you, and Fortune flies away,
While silks and satins tatters into rags;
The banquet revellers scatter in dismay,
And Pride and Pomp haul down their flaunting flags.

You sentence, and your brother, lost to light,
Sits crouching in a dungeon dark and damp;
No stream can ever wash his brow to white
From inky impress of your iron stamp.

He bids farewell to all things fair and sweet,
Exiled from fields and forests, blooms and birds;
He hears no more his children's pattering feet,
Their liquid lisping of their mother's words.

Your hapless fellowman must heed your call
To mount the scaffold,—you have power to kill,
And Life, the greatest miracle of all,
Is ended in obedience to your will.

Your softest speech may smirch the fairest name,—
What reputations hang upon your breath!
Your fiats may translate from fame to shame,
Or bring dishonor blacker-hued than death.

Then be so wise, so merciful, so kind,
The words "Well done!" may never come begrudged;
For thou, the master, shall a Master find,
And thou who judgest soon shalt be adjudged.

Let me quote Iago's words:

Good name in man, and woman, dear my lord,
Is the immediate jewel of our souls
Who steals my purse steals trash. 'Tis something, nothing;
'Twas mine, 'tis his, and has been slave to thousands;
But he that filches from me my good name
Robs me of that which not enriches him,
And makes me poor indeed.

EXHIBIT 1

WATERGATE JUDGE REJECTS ERVIN BID

(By Paul Ramirez)

U.S. District Judge Charles R. Richey rejected yesterday a request from Sen. Sam J. Ervin Jr. (D–N.C.) that a deposition from convicted Watergate conspirator James W. McCord Jr. be kept secret until Ervin's Senate select committee completes its own probe of the bugging incident.

Richey labeled as "utter folly" Ervin's contention that the release of the deposition would "seriously impair" his Watergate investigating committee's ability to pursue leads based on McCord's statements.

In a statement released last night, Ervin said his request "provided no justification for Judge Richey's statement in open court criticizing the committee."

"The committee's concern was that such public disclosure might result in leads becoming fruitless and witnesses becoming unavailable," Ervin said.

Ervin said a committee staff member had telephoned Richey last week to request that McCord's deposition be kept secret and was instructed by the judge to write a letter about it.

"I deeply regret that Judge Richey chose to criticize me and the committee in open court for following his suggestion," Ervin said.

Richey is presiding over a civil suit filed by the Democratic National Committee against officials of President Nixon's re-election committee. The suit asks for $6.4 million in damages.

"This Court will not allow either the legislative or executive branches of government to interfere with the conduct of any judicial proceedings pending before it," Richey said yesterday. "This is also a violation of the canons of ethics and the right of the parties to a fair trial without outside pressure or influence. I will not tolerate this from anyone."

He said that Ervin, a lawyer and former judge, "knows this to be correct."

"Moreover, the doctrine of the separation of powers is too deeply rooted in the historical foundation of our democracy to permit otherwise, and the Court is certain that the committee fully intends to respect and preserve that fundamental doctrine," Richey said.

Public disclosure about the Watergate case would be "carefully evaluated by a responsible press and a thoughtful public" and could even make the committee's work "much easier," Richey said.

"I don't think we would have a select committee in the first place were it not for the press," he said.

Samuel Dash, chief counsel for the Senate investigating committee on the Watergate incident, told the judge the committee's intent was not to "intercede or interfere or impede," but to protect its own investigation.

McCord is the former security chief of the President's reelection campaign and one of seven persons convicted in last June's Watergate break-in and bugging attempt. He has already testified in secret before Ervin's committee and a grand jury investigating the incident.

Kenneth Wells Parkison, attorney for the President's reelection committee, and Maurine R. Duney, lawyer for the Democratic National Committee, both told Richey they opposed keeping McCord's sworn pretrial testimony secret.

Meanwhile, the federal grand jury investigating the Watergate bugging and related matters continued yesterday to question former staff members of the Committee for the Re-election of the President.

Republican National Chairman George Bush told the Associated Press yesterday that President Nixon "Fully understands the Watergate problem" and predicted he "will clear it up totally."

At least three former Nixon campaign staff members testified before the grand jury yesterday—Sally Harmony and Sylvia Panarites, both former secretaries to convicted Watergate conspirator G. Gordon Liddy, and Powell Moore, a deputy press officer for the Nixon re-election committee and now a White House staff aide for congressional liaison.

The two secretaries were expected to be questioned about testimony by McCord that Liddy told him plans for the Watergate bugging were approved during a February, 1972, meeting attended by former Attorney General John N. Mitchell, presidential counsel John W. Dean III, and Jeb Stuart Magruder, then deputy director of the Nixon campaign.

Investigators have reportedly concluded that Liddy, Mitchell, Magruder and Dean attended a meeting together in February, 1972, but thus far have been unable to corroborate that Watergate bugging was discussed there. Mitchell, Dean and Magruder have repeatedly denied any prior knowledge of the bugging.

Yesterday the Nixon re-election committee issued a statement for Mitchell, quoting him as saying that had he known of the Watergate bugging in advance, he would have put a stop to it.

Miss Harmony was also expected to be questioned about McCord's testimony that she typed final transcripts of wiretapped conversations overheard in the Watergate eavesdropping.

McCord confirmed Wednesday that he had testified that Liddy told him the transcripts were sent to Mitchell, who has denied receiving them.

SUCCESS STORY OF HANDICAPPED VIRGINIAN

Mr. SCOTT of Virginia. Mr. President, the Consulting Engineers Council of Metropolitan Washington has furnished me with a statement regarding the success of a handicapped Virginian which I believe might be an inspiration to others.

I congratulate Mr. Barry Morris on his success and ask unanimous consent to insert the statement by the Consulting Engineers Council in the Record in full.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by the Consulting Engineers Council of Metropolitan Washington

"A physical handicap is mostly in the mind." The statement of an unaffected observer? Hardly. It's the opinion of A. Barry Morris, a young man who was born with multiple handicaps: no right forearm or hand; a left hand with three fingers only; no right leg; no left foot. It was only after a long series of operations that one of his three fingers was made into a thumb.

For those who know Barry, his attitude toward handicaps is perfectly in keeping with his character. For despite all his handicaps, Barry chose engineering drafting as a career, and is employed by the consulting engineering firm of Hurst and Adams, Falls Church, Virginia.

But Morris is far more than just a draftsman. In fact, he may very well be the finest draftsman in the entire metropolitan Washington area. For the past six years, Barry Morris has won first-place honors in the plumbing category of the Annual Drafting Competition of the Consulting Engineers Council of Metropolitan Washington. And for four of those six years he has won the overall title of Draftsman of the Year. And this year, in the Seventh Annual CEC/MW Drafting Competition, Barry Morris has done it again, and will once again receive the silver tray symbolic of the title, Draftsman of the Year 1973.

Nor has judging ever been influenced by Barry's handicaps. All entries, and this year there were 60, have all identifying material removed before judging, and judges selected are not affiliated with CEC/MW. This year the Consulting Engineers group had some 100 judges—students at the Washington Drafting School, each casting a ballot on entries which had no identification whatsoever, judged on their excellence alone.

And just as Barry's occupational record would be enviable for anyone with or without a handicap, so is his personal life. Married and the father of three children, the 32-year-old Morris finds time to coach the Woodbridge, Virginia, Boys Club football and basketball teams; to participate actively in an area drug abuse prevention program as well as a program designed to provide vocational education for the handicapped and, "when I find the time," to visit and talk with Vietnam veterans at Walter Reed Army Hospital who must learn to live with handicaps. "It's particularly tough on them," Morris comments, "because they know what they're missing. I've never had it to miss."

According to CEC/MW President Claude R. Engle, Jr., this will be Barry's last opportunity to win the Draftsman of the Year award, to give other entrants more hope for success. In fact, the award itself is being redesigned for next year. It's new name: The A. Barry Morris Award for Excellence in Drafting.

SPECIAL EDUCATION REVENUE SHARING

Mr. BAYH. Mr. President, I rise to express my concern about special education revenue sharing, which has been proposed by the Office of Education to replace the specifically targeted programs that have been the hallmark of Federal aid to education since passage of the Elementary and Secondary Education Act of 1965.

This would turn education funds over to the Governors, legislators, and/or State education chiefs who would have substantial discretionary authority on how they should be distributed. Under such a plan the continuation of key programs would become a matter of State option.

Besides the inevitable elimination of certain programs under the special education revenue sharing, there would be the annual uncertainty of how each State would apportion its Federal assistance. Such uncertainty makes it difficult to do multiyear planning which is essential for many education programs. Bringing a youngster along over a period of years requires some assurance of sustained funding. The absence of such an assurance could well require the abandonment of successful and constructive educational programs.

Besides this serious problem with education revenue sharing, there is great concern about the fact that the proposed education budget actually calls for a decrease in Federal assistance.

To reduce Federal assistance to education, when costs are rising, is not only unfortunate; it represents an insensitivity to the need for quality education. Moreover the proposed cutback—more than $200 million from this year to next—comes at a time when the ability of localities to meet climbing education costs is strained to the limit.

There is no better investment in the future of this country than that which we put into the education of our young people. If that education is to be adequate there must be decent facilities, fairly paid and properly trained teachers, and the equipment essential to a successful educational program.

There are other weaknesses in the Office of Education proposals which give cause for concern:

The administration's new budget will discontinue certain impact aid which has helped Indiana school districts where there are tax-exempt Federal facilities.

There is no assurance, such as that which has been provided annually since 1967, that individual districts will receive funding at least equal to that of previous year. This assurance is important since it permits planning and taxing at the local level in a consistent manner.

Vocational education, an important program in providing training for large numbers of students, is losing its special designation and being included in the education revenue sharing. This threatens vocational training programs which are essential if these young people are to develop job skills.

As the teaching profession is constantly upgraded, and as the need for better facilities grows, we must not retreat from our commitment to provide the support necessary to give every child the best possible education. This is not an inexpensive objective, but it is one to which we must give a top priority.

With this in mind, as a member of the Appropriations Committee I intend to examine special education revenue sharing closely with the goal of making certain the Federal Government provides maximum possible assistance for worthwhile education programs.

DEVERE L. SHEESLEY OF PENNSYLVANIA

Mr. SCOTT of Pennsylvania. Mr. President, a Pennsylvania businessman and constituent, Mr. DeVere L. Sheesley, chairman and chief executive officer of the Brockway Glass Co., has been elected chairman of the Glass Container Manufacturers Institute, a trade association representing glass container and closure producers operating nearly 100 plants from coast to coast. I take this opportunity to congratulate him on this new honor.

The Glass Container Manufacturers Institute serves its industry members in many ways designed to expand the market for their products, thereby helping to provide steady employment for the more than 77,000 people involved in its manufacturing process. At the same time, GCMI is a leader in the efforts to improve our environment and has been working directly with the Environmental Protection Agency in the development of the new solid waste treatment systems.

DeVere Sheesley is the kind of socially responsible business leader ideally suited to serve as the institute's chief executive officer. For the past 25 years, he has been an officer and director of Brockway Glass Co., and has been its chief executive officer since 1968. Throughout that time he has been equally involved in community affairs.

During his association with it, Brockway Glass Co. has become the Nation's second largest glass container manufacturer. We are proud that this major national company, which provides employment for more than 10,000 people in 17 plants located in 10 States, is headquartered in western Pennsylvania.

SOME COMMON ARGUMENTS AGAINST THE GENOCIDE CONVENTION: AN ANALYSIS

Mr. PROXMIRE. Mr. President, in January 1967, I vowed to speak daily on the Senate floor in favor of ratification of the Genocide Convention. Since then, I have received a steady flow of mail on the subject, some of it critical of the convention. In my daily speeches, I have tried to show why these criticisms are invalid, and to convince the Senate that the convention should be ratified.

One common objection to the convention states that we should not ratify it because, no matter what, Communist nations will not abide by the convention, their ratification notwithstanding. The conclusion of this line of reasoning is that the United States should not be a party to a treaty that limits our actions, but not the actions of Communist nations.

This overlooks the basic function of the Genocide Convention. As with any enactment of statutory prohibition, the function of the convention is to deter the acts outlawed by it. It does not insure that violations will not take place. It does not insure that violators will be punished. But it will act as a deterrent, and the degree of the deterrence will depend upon the vigor with which the convention is enforced. To say that others might not abide by the convention is hardly a reason why we should not ratify it—rather, this indicates that we should not only ratify the convention, but work to see that it is vigorously enforced.

The Genocide Convention should be considered on its own merits. When it is, I am confident that the arguments will overwhelmingly favor ratification.

BASIC OPPORTUNITY GRANTS

Mr. BAYH. Mr. President, one of the bright spots in a somewhat disappointed allocation of priorities in the proposed education budget for the next fiscal year is the request for full funding of the new program of basic opportunity grants. These grants were written into the major Higher Education Act approved by the Congress last year.

The goal is to assure every student pursuing his or her education beyond high school a maximum grant of $1,400 a year, minus that amount which the student and his parents could reasonably be expected to contribute to his education. Each grant may cover up to one-half of a student's college costs.

Unfortunately, the rest of the budget request for higher education is not as encouraging. I am very much concerned about these aspects of the administration budget requests:

The budget proposes a sharp reduction and the ultimate elimination of national defense student loans which have played a significant role in enabling many of today's teachers to complete their education.

The budget calls for an end to Government subsidized interest on privately placed loans for higher education facility construction. This is not a very expensive program, but it has proven helpful in keeping down the cost of borrowing for colleges and universities which need new or improved physical facilities.

Health training funds have been sharply reduced causing great and understandable concern at nursing schools in Indiana and across the country. I have heard from hundreds of nursing students who rely on Federal grants and loans to pursue their education, many of whom will have to leave school if they lose Federal support.

While the Congress last year authorized $200 million for construction grants to institutions of higher education, there are no funds requested for this program in the administration budget. Federal support has enabled many schools to meet existing needs, but it would be foolish to assume that all such needs are now satisfied. Many schools face a tight financial pinch, and desperately need Federal aid to construct necessary facilities to assure their students of the best possible education.

Federal support for language training and area studies under title VI of the National Defense Education Act is being terminated. This has been a program of great value to professors specializing in languages and foreign studies and has paid substantial dividends.

Full funding of the basic opportunity grants to students who pursue their education beyond high school is most welcome. However, this program does not remove from the Federal Government its responsibility to continue to fund at adequate levels other higher education programs of importance to students and the institutions they attend. Higher education is crucial to our continued development and deserves sustained Federal support.

This recognition of the need not to retreat from the proper Federal role will be a high priority for me as a member of the Appropriations Committee during consideration of the budget.

EARTH WEEK—1973

Mr. FULBRIGHT. Mr. President, in April 1970, at the time of the first Earth Day, I spoke in the Senate about some of the environmental problems facing the country and what might be done to improve the situation.

I am pleased to report that progress has been made on some fronts. Two of the subjects which I discussed were, in my view, correctly acted upon by the Congress. The first of these was the question of Federal funding for the supersonic transport—SST—aircraft. This was a project which I had consistently opposed since it was first proposed and which I believed was neither environmentally nor economically sound. I am glad that Congress, after considerable debate, did vote to end funding for the SST.

A second matter in which I was particularly interested was legislation which I had proposed, along with Senator McCLELLAN, to make the Buffalo River in Arkansas a national river and a part of our National Park System. Last year this legislation was approved by both Houses of Congress, signed by the President, and now we will be able to preserve, in its free-flowing natural state, an important segment of this beautiful river in an area which contains many unique features.

While I am pleased about these developments as well as some others in the the environmental field, Earth Week 1973 reminds us of the many serious problems we still face, particularly in regard to energy. Earlier this week I mentioned two of the fuel problems that currently affect my State—the shortage of natural gas and a potential shortage of diesel fuel for farmers.

The energy crisis is a national challenge. It challenges us to conserve our resources and to apply our technology constructively. One of the more obvious avenues that we need to pursue is to develop alternative sources of energy. In the past, Federal research and development of new energy sources has been given low priority, while billions have been spent in developing exotic weapons and on the space program. I hope we can reverse this situation and give proper attention to this important need and the possibilities of using solar and geothermal energy and synthetic fuels as well as making better use of those sources already available.

One step we must take is to carefully reconsider our heavy dependence on high-horsepower automobiles which consume fuel at a rapid and steadily increasing rate. I think we must consider action to bring about a more sensible usage of fuel for automobiles.

While I am convinced of the need to develop new sources for fuel and to insure access to those existing sources, I am equally convinced that we can and must make much more economical use of the fuel that is available and conserve wherever possible.

THE U.S. TARIFF COMMISSION—GRATITUDE FOR A JOB WELL DONE

Mr. RIBICOFF. Mr. President, I have a great respect for the work of the U.S. Tariff Commission, an independent, fact-finding agency organized to perform research on matters pertaining to international economics and foreign trade.

With a relatively small staff of 300 consisting mainly of economists, commodity analysts, lawyers, accountants, and statisticians, it turns out a huge amount of important and valuable research on issues vital to the foreign trade policy of the United States.

Some time ago the Commission embarked on four major studies at the request of the distinguished chairman of the Finance Committee (Mr. LONG) and myself, in my capacity as chairman of the Finance Committee's Subcommittee on International Trade. One already completed was a study of customs valuation procedures by the United States and foreign countries. The study suggested uniform standards of customs valuation which would operate fairly among all classes of shippers in international trade. Two other studies yet to be issued will deal with nontariff trade barriers among the principal trading nations and a study of the nature and extent of tariff concessions granted by U.S. trade agreements.

The fourth and most important study recently completed by the Commission dealt with the implications of the operations of multinational firms on world trade and investment. Nine hundred and sixty-eight pages in length, it is one of the more definitive analyses yet produced on this increasingly important subject. This study has received wide critical acclaim from many quarters, both here in Washington and elsewhere. It marshals a wealth of heretofore unavailable information in an objective analysis of the impact of U.S.-based multinationals on world trade and investment, the international monetary system, and most importantly, employment in our own country. I would like to commend all those on the Commission who produced this valuable document.

Major studies are only one part of the Commission's rapidly expanding workload. Over the years Congress has given it heavy investigative responsibilities as well as a key role in preparations for trade negotiations.

A substantial amount of the Commission's work today is carried out under its authority to investigate all aspects of international trade including trade adjustment assistance, unfair trade practices, antidumping, and agricultural adjustment assistance.

At the same time, it has also prepared 17 reports for the Congress on proposed legislation and handled many letters and phone calls from Members of Congress, executive agencies, and the public. Last year, the Tariff Commission issued no fewer than 94 separate publications.

At present the Commission's most urgent and immediate responsibility is to provide advice to the President and Congress in connection with trade legislation and trade negotiations. It must also provide technical assistance and policy recommendations to our negotiating team.

As the Congress gives careful consideration in the months ahead to important trade legislation, I am confident we will be able to rely on the expertise of the Tariff Commission.

CULEBRA

Mr. HUMPHREY. Mr. President, Culebra has become well known as the small, inhabited Puerto Rican island that serves as a training target for Navy bombs and shells. I first heard of this incredible situation from a Culebran family I met on St. John Island in December of 1970. I knew the Navy shelled Culebra but I had no idea Culebra was an inhabited island until that day. After hearing a first-hand account of what life on a target is like I promised the Culebran couple I would do what I could to end this abuse. I intend to keep that promise.

Even a Defense Department study concluded that the gross error rate at Culebra is "unduly high for training operations in an area where there are nonparticipants within the weapons delivery range." Beginning in 1972, the Navy did substitute nonexplosive rounds for the explosive warhead shells it had traditionally fired at Culebra, but this has not significantly enhanced the safety of the Culebrans. The nonexplosive rounds are projectiles like bullets or cannon balls. When they go astray, they can kill or maim. Indeed, a recently declassified Navy study indicates that the problem of ricochet is considerably greater in the case of these nonexplosive rounds than was experienced with the explosive warhead shell.

It is becoming clear, however, that the Navy's insistence on continuing its training at Culebra affects more than 700 U.S. citizens residing there. Culebra has become the crucial test of the unique relationship between the United States and its only commonwealth, Puerto Rico. It has brought into question the credibility of the U.S. Government.

The United States gave its word to the people and government of Puerto Rico that all naval training at Culebra would terminate by June 1975. This commitment was repeatedly expressed by Defense Secretary Melvin Laird to Puerto Rico's former Governor, Luis Ferre.

On December 27, 1972, Secretary Laird abruptly reversed himself and reneged on this formal commitment of the U.S. Government. The Secretary indicated that Naval bombardment and shelling at Culebra would continue indefinitely and at least until 1985. He announced that aerial bombardment of the keys adjacent to Culebra would be increased substantially.

This reversal stunned our friends in Puerto Rico. Former Gov. Luis Munoz-Marin, who is held in the highest esteem by many Members of this body who have known him personally over the years, believes that this failure to live up to a formal commitment strikes at the very heart of the Commonwealth relationship which, in his opinion, is necessarily premised on a foundation of mutual respect and trust.

The reaction in Puerto Rico to Secretary Laird's December 27, 1972, announcement led to action that is totally without precedent in the history of Puerto Rico. All four men elected Governor through Puerto Rico's history, representing three political parties that differ considerably on many issues, joined in signing a letter sent to each Member of the U.S. Senate who has not yet agreed to consponsor S. 156, a bill introduced by Senator BAKER and myself to terminate naval training at Culebra by July 1, 1975. This letter of the four Puerto Rico Governors urges each Member of the Senate to consponsor our bill.

Mr. President, I ask unanimous consent that there be printed at this point in my remarks the text of this letter dated March 28, 1973, from Gov. Rafael Hernandez Colon and former Governors Luis Munoz-Marin, Roberto Sanchez Vilella, and Luis A. Ferre.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"DEAR SENATOR ———: On January fourth of this year, Senators Baker and Humphrey introduced a bill, S. 156, that would require the Department of the Navy to terminate all shelling and other weapon range activities on the small, inhabited, Puerto Rican Island of Culebra. This bill would do no more than reaffirm previous commitments made by the Department of Defense to the Government of Puerto Rico.

A recently declassified Navy study concludes that there are feasible alternatives which are operationally acceptable, if not preferable, to Culebra. On the basis of this, as well as other studies that have been completed by defense experts, we are convinced that the need of the Navy and national security can be met fully without the use of Culebra.

The people of Puerto Rico, who are, of course, citizens of the United States and who share a common interest in the legitimate needs of the armed forces of the Nation, are united on this issue. We, the four elected governors of Puerto Rico, join together in this non-partisan plea to you to add your name to those of thirty other senators of both parties, including majority leader Mansfield, and minority leader Scott, who are co-sponsors of S. 156.

Sincerely,

Rafael Hernandez Colon.
Luis Munoz-Marin,
Roberto Sanchez Vilella.
Luis A. Ferre.

Mr. HUMPHREY. Senator Baker and I are encouraged that the following 32 Senators have joined with us in cosponsoring this legislation to make good on the promise of our Government:

List of Cosponsors

Senator Alan Cranston, D.—Calif.
Senator Mike Mansfield, D.—Mont.
Senator Edward M. Kennedy, D.—Mass.
Senator Abraham Ribicoff, D.—Conn.
Senator Frank E. Moss, D.—Utah
Senator William D. Hathaway, D.—Maine.
Senator Edward W. Brooke, R.—Mass.
Senator Adlai E. Stevenson, D.—Ill.
Senator James Abourezk, D.—S. Dak.
Senator George McGovern, D.—S. Dak.
Senator Robert W. Packwood, R.—Oreg.
Senator Pete V. Domenici, R.—N. Mex.
Senator Jacob K. Javits, R.—N.Y.
Senator Edmund Muskie, D.—Maine.
Senator Harrison A. Williams, Jr., D.—N.J.
Senator Mike Gravel, D.—Alaska
Senator Ted Stevens, R.—Alaska
Senator J. William Fulbright, D.—Ark.
Senator Hugh Scott, R.—Pa.
Senator Walter F. Mondale, D.—Minn.
Senator Philip A. Hart, D.—Mich.
Senator William Proxmire, D.—Wis.
Senator Birch Bayh, D.—Ind.
Senator Harold E. Hughes, D.—Iowa
Senator Thomas F. Eagleton, D.—Mo.
Senator Clifford P. Case, R.—N.J.
Senator Charles H. Percy, R.—Ill.
Senator Mark O. Hatfield, R.—Oreg.
Senator Floyd K. Haskell, D.—Colo.
Senator Joseph R. Biden, Jr., D.—Del.
Senator Marlow W. Cook, R.—Ky.
Senator William V. Roth, Jr., R.—Del.

Mr. President, fortunately, Culebra is a problem that can be resolved to the benefit of our Navy as well as the people of Puerto Rico. Upholding the honor of this country on the issue of Culebra is fully consistent with our national security interest in providing adequate training for the U.S. Navy. The prestigious Armed Forces Journal, known for its intelligent and effective advocacy of a strong military posture, editorialized in its April 1973 issue that it is up to Congress to assist the Navy by protecting those interests of the Navy which the Navy seems too ready to jeopardize—a strategic interest in a continuing Navy presence at Roosevelt Roads as well as continued use of Vieques, its primary training target in the Caribbean. This editorial by Mr. Ben Schemmer, publisher of the Armed Forces Journal and a noted authority on military affairs, documents the fact that there are uninhabited alternatives available to the Navy which even the Navy's own study concedes would be "suitable from an operational viewpoint" and in some respects even superior to Culebra for training purposes.

Mr. President, I ask unanimous consent that there be printed at this point in my remarks the text of the editorial entitled "Culebra—Go Away" published in the April 1973 issue of the Armed Forces Journal.

There being no objection, the material was ordered to be printed in the Record, as follows:

Culebra—Go Away

(By Benjamin F. Schemmer)

Nothing gives us less pleasure than to raise again an issue called "Culebra." We thought the issue had been resolved two years ago when former Defense Secretary Melvin Laird stated publicly that the Navy would quit firing on the island by June of 1975 and told us he had directed the Navy to study "where" to relocate the Culebra targets.

There's no future for AFJ on Culebra. It's a losing proposition. We don't have one subscriber on the island. We wish Culebra would go away—but it won't. Every time we *mention* the issue, our motives are indicted, senior Navy officials (*some* but by *no* means all) ask if we've "sold out," and our usually constructive "dialogue" with top Navy officials cools noticeably.

But the *Navy*, not AFJ, has much of *its* future at stake over Culebra. What bothers us is how little the Navy seems to perceive, or address, the *real* issues.

Congress has a rare opportunity to help the Navy resolve this long-festering political issue that threatens its continued strategic presence at Roosevelt Roads, as well as Vieques, its primary training target in the Caribbean. But the chance is slipping away fast. We're counting on Otis Pike to save the day for the Navy.

The move—shifting operation from Culebra to an uninhabited island—would have the added values of improving Navy training and saving money.

A recently declassified Navy study concludes that such alternatives are available and "suitable from an operational viewpoint." In one important respect, such an alternative was found to be superior to Culebra, constrained as that tiny, inhabited target is by safety considerations. In periods of peak use, the Navy says, "two bombing/rocket targets should be available for simultaneous use." The proximity of the Culebra air-to-ground targets "to one another and the flight patterns necessary to provide safe firing bearings are such that only one of these targets may be used at any one time."

By contrast, the Navy study points out that "all of the [alternative] sites evaluated—including Mona together with Monito [both uninhabited] [and] Desechco [also uninhabited]—are suitable for conduct of all the required types of naval gunfire and aircraft weapons exercises." As the study points out, "The size of Mona permits the use of the *two* aircraft target areas *concurrently* with one another and with the naval gunfire target area" [emphasis added]. As for ships firing on islands so far removed from Roosevelt Roads, it could even add to their training: after all, sailors have to learn to navigate and maneuver as well as shoot. Moreover, the study notes that there are more varied angles and firing ranges than are possible at Culebra.

Obviously, a shift of operations from the inhabited island of Culebra to an uninhabited site would eliminate the present risk to civilians of gross errors: An earlier Defense Department study concluded that the gross error rate at Culebra is "unduly high for training operations in an area where there are non-participants within the weapons delivery range."

The cost of achieving these real training improvements is about $10 million less than what the Navy will spend this year at Atlantic Fleet Weapons Range. As the Navy study points out, however, much (possibly all) of this cost would be offset over time by gains to the total U.S. economy. The study indicates that *remaining at Culebra is the most costly alternative* on an annual basis.

In light of these findings and Secretary Laird's public commitment that the Navy would stop shelling Culebra by June 1975, why did he reverse his stand last December (Feb AFJ)? The *only* hint we can find in the Navy study (which led to his about-face) is a "political assessment" that we find incredible and disturbing. The study implies that the two major political parties in Puerto Rico do not oppose the Navy's continued use of Culebra. But documents made public by Sen. Howard Baker (R-Tenn.) and the repeated statements of political leaders in Puerto Rico leave little room to doubt that *all* political parties there are united in their determination to terminate Navy shelling of Culebra and in their sense of betrayal by Mr. Laird.

The Navy study says flatly that "neither" of the two major political parties "have any official platform advocating removal of the weapons range," thus implying that neither objects to keeping Culebra as a target within it. But the Popular Democratic Party *does* have, and had had, a platform plank to terminate the shelling on Culebra. And it carefully distinguishes between Culebra and Vieques, implicitly recognizing the Navy and Marine Corps needs to retain the latter (also inhabited, but with much better and larger safety buffers for its inhabitants).

What's at stake now, given Mr. Laird's about-face and reaction in Puerto Rico to it, is that Puerto Ricans conceivably could soon become so frustrated over the Culebra issue that they will in fact move to have the Navy give up Vieques as well.

But there are signs that Puerto Rico's new governor, Hernandez Colon, is anxious to work out a resolution of this dispute which takes full cognizance of the Navy's real training and strategic needs in Puerto Rico. Secretary of Defense Elliot Richardson committed, in his confirmation on hearings, to reassess Mr. Laird's December surprise announcement that the bombing and shelling of Culebra, past commitments notwithstanding, would continue indefinitely.

Mr. Richardson and the Governor met here on 1 March to discuss the issue. Mr. Richardson, we understand, will announce his decision soon. But—without going into detail—we are not persuaded that he has been getting the full story or a *balanced* assessment weighing *both* sides of the issue. Nor are we persuaded that the Navy really understands how much its strategic interests in the Caribbean could be in jeopardy or how the Culebra target alternatives stack up.

So it may be up to Congress to assure that the Culebra issue is finally decided on its *merits*—and, we regret to say, to protect the Navy from itself. Specifically, it's probably up to Representative Otis G. Pike (D-NY), head of the new House Armed Services Subcommittee on Military Installations and Facilities (see page 11), which has clear jurisdiction over the Culebra issue. Mr. Pike has made it clear to AFJ that his committee will hold "substantial hearings" on the matter "independent of what Mr. Richardson may decide."

Mr. Pike is also a friend of the Navy, a man of insight and political savvy—he is not known for slicing onions only one peel deep.

Culebra is a sore spot; sunlight is a great disinfectant. What Puerto Rico and the Navy need to resolve this issue in a way that will serve the interest of *all* is just that, more sunlight. *We* don't want to prejudge the issues. Nor should the Navy, nor Mr. Richardson.

It's up to you, Otis.

Mr. **HUMPHREY**. Culebra also presents a significant environmental issue which is addressed in an article by Mr. Richard D. Copaken, Washington counsel for Culebra, published on the environment page of the Christian Science Monitor on Wednesday, April 11, 1973. Apparently, the Navy asserts it protects Culebra's environment because its maneuvers keep man's despoilment to a minimum, but Mr. Copaken observes that Culebrans do not accept the premise that continuous bombing and shelling is a necessary price of preservation and they challenge the Navy's record as protector of Culebra's natural environment. He backs up this challenge with the sorry history of Navy disregard for Culebra's extraordinary natural environment.

Even the Navy's own recently declassified study concedes this point:

Weapons training activities over the past 30 years has resulted in structural and sedimentary denigration of the reefs. The reef front off the Flamenco naval support range has little surviving ecological value. Ordnance impact on the coral platform west of the gunfire range has resulted in extensive physical damage. Reef damage at Ladrone Cay off Culebrita is also extensive. Benthic formations at this cay are almost completely destroyed, with entire colonies of coral shattered, overturned and smothered in silt and ordnance debris. Many coral colonies have aerial bombs embedded in them and the sea bottom is heavily cratered. Similar benthic damage exists surrounding the outlying target cays off Culebrita, Twin Rocks, Fungy Bowl and Cayo de Augua.

Continued damage of this nature and magnitude to offshore reefs may eventually result in changes in the wave action near Culebra's shoreline with increased and accelerated beach erosion. In such an event, wide, flat beaches, at Playa Larga and Flamenco, may become a steeper and coarser grained if waves break on the beach rather than on the barrier reefs.

Unless care is taken to protect the reefs during training operations and during subsequent detonation of unexploded ordnance, the long-term impact may be the destruction of the recreational value of these and perhaps other beaches on Culebra once they are no longer required by the Navy.

* * * * *

The Navy, in its "Draft Environmental Impact Statement for the Continuing Use of the Inner Range of the Atlantic Fleet Weapons Range" states that the aerial bombardment of Los Gemelos (Twin Rocks) and Cross Cay, at present activity levels (1971), though utilizing nonexplosive "puff" ordnance, results in destruction of birds, eggs, and nests. Thus, it can be expected that with current procedures and the future expansion to 1969 levels of activity, the destruction of eggs, young and adult birds will be proportionately greater on these two cays.

Mr. President, I ask unanimous consent that there be printed at this point in my remarks the text of the article entitled: "Culebrans Ask U.S. Navy for a Cease-Fire," published on the environment page of the Christian Science Monitor of Wednesday, April 11, 1973.

There being no objection, the material was ordered to be printed in the Record, as follows:

Culebrans Ask U.S. Navy for a Cease-Fire

(Mr. Copaken, a former White House Fellow, has served for the past several years as Culebra's Washington counsel. As such, he has been concerned with both the people and environment on this Puerto Rican island which provides target areas for U.S. Navy training. The Navy maintains: "The Culebra complex offers such advantages over all other alternatives studied that none of these other alternatives can be considered reasonable.")

(By Richard D. Copaken)

Culebra, Puerto Rico.—Some 726 Spanish-speaking, United States citizens reside on this tiny Puerto Rican island. For the most part, they fish or farm. Culebrans are poor, but they love their island home. Unfortunately, so does the U.S. Navy, which uses one-fourth of it as a convenient Caribbean training target.

Culebra has been bombed, shelled, and strafed continuously since 1936. Annually, the Navy invites navies from 20 nations to join in shelling the island.

Despite Defense Department promises that the Navy would find another training traget, bombs and shell are still dropping on Culebra—and being opposed by Culebrans and Puerto Rican Government officials. The controversy may reach a climax in this Congress as the result of a bipartisan bill sponsored by 33 senators, including Majority Leader Mike Mansfield (D) of Montana and Minority Leader Hugh Scott (R) of Pennsylvania to terminate all Navy operations at Culebra by July 1, 1975.

Culebra is a magnificent volcanic outcropping in the Atlantic, halfway between the main island of Puerto Rico and the Virgin Islands. Less than three by seven miles, this municipality of Puerto Rico is blessed with perfect weather, abundant wildlife, and pink and white sand. Over the last thousand years, currents and geography conspired to produce some of the finest coral formations in the entire world just off Culebra's coast.

Culebra's northwest peninsula serves as the target of offshore naval shelling; keys off Culebra's west coast are bombarded in air-to-ground operations. Two towns, Dewey and Clark, are within two to three miles of the targets. Some families live even closer.

The Navy asserts it protects Culebra's environment because its maneuvers keep man's despoilment to a minimum. Culebrans don't accept the premise that continuous bombing and shelling is a necessary price of preservation, and they challenge the Navy's record as protector.

Approaching Culebra by plane, one is struck by its beauty. Blue-green water spread from shore. Dark swathes cut through a remarkably transparent sea, signaling enormous beds of coral below. Lagoons and lush green mountains, dotted with thousands of soaring birds, complete the picture of an idylic natural wonderland. But as the plane circles closer, the Navy's contribution comes into view. Amid nesting sooty terns and some rare and endangered species of birds, including the nearly extinct Bahamian pintail, lie target tanks and gaping craters—the pockmarked scars of naval shelling.

Culebrans experience constant anxiety. The Navy boasts of its safety record: Only one civilian killed, another child disfigured while playing with a dud, and nine Navy personnel killed when their observation post on Culebra was mistaken for the target. But, sporadically, shells have landed throughout the community. One hit a cistern less than 50 yards from the Town Hall in Dewey. A Defense Department report concluded that the gross error rate at Culebra is "unduly high . . . where there are nonparticipants within the weapons' delivery range." The Navy officer in charge of World War II training at Culebra observed: "It is a miracle that more Culebrans have not been killed."

Besides posing a continuing threat to an entire community, Navy shelling and bombing destroyed irreplaceable coral and fish, as well as birds in great numbers. Even though President Theodore Roosevelt set aside Culebra's keys as a National Fish and Wildlife Refuge in 1909, he authorized the use of these islands for "naval purposes."

Surrounding Culebra are some of the oldest living corals in the world, still in a state of climatic growth. They are breathtaking, as is the rich marine life they nurture. Naval training has taken its toll on both.

Culebra suffered an ecological disaster in 1970. The Navy, carrying out orders to rid Culebran waters of more than 30 years of accumulated duds, stacked all shells it could find on one of the most magnificent coral reefs in the entire Caribbean and then began detonating this ordnance.

After several smaller explosions destroyed considerable coral and massacred thousands of fish, angry Culebrans complained to Rafael Hernandes Colon, then Senate President and now Governor of Puerto Rico. He secured local counsel who went to federal court in San Juan on behalf of the Culebrans, seeking a temporary restraining order pending completion of an environmental-impact statement by the Navy as required by the National Environmental Policy Act.

When the matter came before Federal Judge Hiram Cancio on Dec. 7, 1970, the U.S. attorney representing the Navy persuaded the judge that his client would not conduct further explosions pending full review by the court and, consequently, that there was no immediate threat of irreparable harm.

At the very moment the Navy's counsel was giving these assurances—and unknown to him—a Navy demolition team pulled the pin for another ordnance-removal operation on Culebra's coral. When the Judge learned of the explosions, he immediately issued a temporary restraining order. For Culebra it was unfortunately late. A Navy study conceded that this explosion "left a crater 15 feet deep and 100 feet in diameter."

ALTERNATIVES STUDIED

In October, 1970, President Nixon signed a law directing the Secretary of Defense to study all possible training alternatives to Culebra. Three months later, Navy Secretary John Chafee signed a "peace treaty" agreeing to reduce activities on Culebra and to seek an alternative site.

When the congressionally directed study was published in April, 1971, showing that Culebra could be replaced. Secretary of Defense Melvin R. Laird promised the Puerto Ricans that he would transfer all Navy operations away from Culebra by no later than June, 1975. Pending release of a second congressionally mandated study that sought more detailed information on alternatives to Culebra, Secretary Laird reaffirmed his commitment in a Nov. 4, 1972, telegram to then Governor Luis Ferre. This was made public in Puerto Rico.

But on Dec. 27, 1971, Mr. Laird abruptly reversed himself and announced that Navy shelling at Culebra would continue indefinitely and at least until 1985. He claimed his reversal was based on a secret Navy study.

SUITABLE SITES FOUND

At the time it was assumed that this study found no suitable alternative to Culebra and that this information came to the Secretary after his November telegram to the Governor. When this study was declassified last month, however, Culebrans learned it concluded that a number of uninhabited island alternatives were "suitable for conduct of all of the required types of naval gunfire and aircraft-weapons exercises," and that at least one uninhabited site was admittedly superior to Culebra for Navy training. The study was dated Oct. 16, 1972—several weeks before Mr. Laird reaffirmed his commitment to terminate Navy shelling at Culebra.

The Culebrans and Puerto Rico returned to Congress in their pursuit of the promised peace. Sen. Howard H. Baker Jr. (R) of Tennessee and Hubert H. Humphrey (D) of Minnesota introduced S. 156, a bill to terminate all Navy operations at Culebra by no later than July 1, 1975, by ending Navy funds for such operations beyond this date. Thirty-three Senators now cosponsor S. 156. And during his confirmation hearings, the new Secretary of Defense, Elliot L. Richardson, agreed to review Mr. Laird's reversal.

DETERMINATION VOICED

All four men elected Governor of Puerto Rico throughout its history, representing three political parties, and the Mayor of Culebra, strongly endorsed S. 156. Shortly before taking office. Puerto Rico's newly elected Governor, Rafael Hernandez Colon, reacted to Secretary Laird's reversal with unbowed determination.

"So now it is up to the United States Congress to make a decision. My intention and that of the people of Puerto Rico is to stop the Navy from its arbitrary use of Culebra as a target-practice range. We'll persist in that position."

Culebra and all Puerto Rico continue to hope that Congress or Secretary Richardson or President Nixon will make good on the promise of the United States Government to end the shelling, but the legislative and political process is slow. In the meantime, shells and bombs continue to fall on Culebra.

Mr. HUMPHREY. It is noteworthy that the Culebrans and Puerto Rican leaders are determined to preserve Culebra's unique natural environment. They have made it perfectly clear that they do not intend to lose to developers the peace and tranquility that they hope to achieve in their longstanding dispute with the U.S. Navy. Indeed, the Senate Committee on Interior and Insular Affairs has already taken action to implement this objective of the Puerto Ricans. A resolution adopted by this Senate Committee on June 16, 1971, directs the Secretary of the Interior to conduct in cooperation with the Governor of Puerto Rico a study of Culebra "to determine the highest and best use or mix of uses of the island's natural resources and the most feasible means of conserving, protecting, and developing the natural, scenic, recreational and wildlife and fish values of the island." I understand that the Department of the Interior and the Commonwealth government are working in close cooperation to impose whatever restrictions are necessary to preserve Culebra's wondrous natural environment as a unique national resource when the Navy ceases firing there.

Mr. President, I ask unanimous consent that there be printed at this point in my remarks the text of a Senate Interior and Insular Affairs Committee resolution regarding Culebra adopted on June 16, 1971.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION

Resolved by the Committee on Interior and Insular Affairs of the United States Senate, That (a) the Secretary of the Interior, with the full cooperation and assistance of the Commonwealth of Puerto Rico, is requested to direct the Bureau of Outdoor Recreation and the Bureau of Sport Fisheries and Wildlife to conduct a study of Culebra Island and vicinity, including adjacent water areas, to determine the highest and best use or mix of uses of the island's natural resources and the most feasible means of conserving, protecting, and developing the natural, scenic, recreational and wildlife and fish values of the island. The study shall identify those areas that should be established as fish and wildlife refuges, scenic and recreation units, and development areas compatible with the natural environment of the island.

The Secretary of the Interior and the Governor of Puerto Rico shall coordinate the study, as appropriate, with other Federal, Commonwealth and local agencies. The Department of Defense is specifically requested to cooperate with the Department of the Interior and the Commonwealth of Puerto Rico in completing the goals of the study. The study will include the views of the Secretary of the Interior and the Governor of Puerto Rico for enhancing the recreation resources of this area by possible designation of the island as a National Wildlife Recreation area. The Secretary of the Interior and the Governor of Puerto Rico shall report their findings, recommendations, and cost estimates of any recommended plan to the Committee on Interior and Insular Affairs of the United States Senate by July 1, 1973.

Adopted this 16th day of June, 1971.

Mr. HUMPHREY. I urge all of my colleagues to join in a bipartisan effort to uphold the honor of the United States and to do justice to the long-suffering residents of Culebra by adding their names as cosponsors to S. 156.

A LOSS TO NASA AND THE WORLD

Mr. MOSS. Mr. President, all of us know that life itself is uncertain and fragile. One has only to read the daily papers to encounter frequent news of sudden death.

We understand also that a life dedicated to extending man's knowledge and power into the air and space surrounding Earth adds another measure of risk. Yet men dedicated to improving our lives here on Earth risk their lives every day in these pursuits. Some risks, like the Apollo flights, are taken in full view of the whole world. Others take risks quietly with little public notice.

Yesterday, over Moffitt Field near San Francisco, two planes collided. One, a Navy craft involved in an antisubmarine patrol, carried six men, five of whom died in the crash. All 11 men on the second plane died. That second aircraft was literally a flying laboratory—a NASA Convair 990 known around the world as a test bed for instruments designed to look outward toward the Sun and the stars for new information, and inward, at Earth itself, for knowledge of our environment and resources, and their preservation.

This NASA flight, one of many for the laboratory over the past 9 years, was an Earth resources flight; one mission of many to study the Earth from aircraft and spacecraft. The scientists, technicians, and pilots who died on that mission gave their lives, as have many before them, in the quest for a better life for all mankind.

They will forever be marked in that part of history which notes individual gifts for the good of all. Let their names be also recorded in the annals of the Senate:

Herbert V. Cross, James Remington, James P. Riley, Frank Brasmer, John W. Yusken, Phillip R. Wilcox, Gaeton P. Faraone, Roy Adkins, C. A. Robinson, E. Forslow, B. Sorenson.

Lt. Stephen A. Schwarting, Lt. Lonnie H. Kerkoff, Petty Officer James McDowell, Petty Officer William Russey.

THE TRANS-ALASKA PIPELINE

Mr. STEVENS. Mr. President, at its March 1, 1973 meeting, the Executive Committee of the National Association of Regulatory Utility Commissioners—NARUC—adopted an important resolution urging the building of the trans-Alaska pipeline. The National Association of Regulatory Utility Commissioners is a quasi-government organization which has been in existence since 1889. It represents the Regulatory Utility Commissioners of the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands.

These people and their agencies are intimately concerned with the regulations of utilities, many of which depend upon constant supplies of petroleum and petroleum products. Their stake in assuring an adequate supply of petroleum is important and immediate.

I request unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION RE OIL AND GAS PIPELINES FROM ALASKA

Whereas, This Nation is currently confronted with inadequate domestic oil and gas resources and prospects of further deterioration of such resources in the years ahead; and

Whereas, An adequate supply of gas and oil is essential to the Nation's economic and social health; and

Whereas, The increasing dependence upon foreign areas for oil and gas should be minimized to the greatest extent possible; and

Whereas, Substantial oil reserves of about 10 billion barrels and gas reserves of 26 trillion cubic feet have already been proven on the North Slope of Alaska and the potential for discovery of additional major reserves of oil and gas in that area seems good; and

Whereas, The construction of the proposed oil pipeline from Prudhoe Bay of Valdez, Alaska, and its environmental impact have been exhaustively studied for several years by the Department of Interior and other interested Federal agencies and Alaskan agencies and the construction of such line has been found by the Secretary of Interior to be appropriate and in the national interest; and

Whereas, A permit to be issued by the Secretary of Interior will provide appropriate safeguards to the environment; and

Whereas, Until oil can be produced and transported from Prudhoe Bay, the potential gas reserves badly needed in the lower 48 States cannot be produced; and

Whereas, Even if the project could be commenced immediately, oil cannot be made available in less than three years and gas a year or two thereafter; now, therefore, be it

Resolved, That the Executive Committee of the National Association of Regulatory Utility Commissioners strongly urges that appropriate legislation, including amendments to the Mineral Leasing Act authorizing the Secretary of Interior to grant rights-of-way of appropriate width for the construction and operating requirements of oil and gas lines, be promptly enacted by the Congress of the United States; and be it further

Resolved, That the Congress and the Executive Branch of the Government promptly initiate action to expedite the final approval and construction by industry of a gas pipeline from Prudhoe Bay through Canada to the lower 48 States; and be it further

Resolved, That the officers and the members of this Association promptly communicate this Resolution to the President of the United States and Members of Congress and that the Officers of the Association are hereby authorized to take such action, including appearances before the Congress and Federal Agencies of the Government, in furtherance of the objectives of this Resolution.

Mr. STEVENS. Mr. President, at its March 7 meeting, the Anchorage chapter of the Propeller Club of the United States passed a similar resolution supporting the construction of the trans-Alaska pipeline. This also is extremely important and I request that it be inserted in its entirety in the CONGRESSIONAL RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

THE PROPELLER CLUB OF
THE UNITED STATES,
Anchorage, Alaska, March 7, 1973.

Be it resolved that the Propeller Club of the Port of Anchorage, Alaska, a member of the National Propeller Club of the United States supports the shipping of North Slope oil and gas from the Port of Valdez to the West Coast of the United States, in American bottoms, registered under the American Flag, and that this should occur just as soon as it is physically possible to complete pipe line construction without further unnecessary delay.

THE LEGAL PROHIBITION ON U.S. FINANCING OF SOUTH VIETNAMESE MILITARY OPERATIONS IN CAMBODIA

Mr. FULBRIGHT. Mr. President, there are growing signs that the administration is encouraging the South Vietnamese armed forces to move into Cambodia to prevent the collapse of the Lon Nol government.

In view of this possibility, I wish to call attention to a provision of law, approved by Congress in 1970, which prohibits use of Defense Department funds "to support Vietnamese or other free-world forces in actions designed to provide military support and assistance to the government of Cambodia or Laos."

This means that if South Vietnamese forces go into Cambodia they cannot expect the United States to foot the bill. There is a long and involved legislative history behind this provision. Since 1970 this prohibition has been restated in each annual Defense procurement authorization and appropriation bill.

I originated this amendment in order to carry out the intent of the Senate Armed Services Committee, stated in its report on H.R. 17123, that Defense Department appropriations shall not be used to "support Vietnamese and other free world forces in actions designed to provide military support and assistance to the Cambodian Government." There was general agreement in the Senate at that time the United States should not in any way become further committed to the Cambodian Government.

Unfortunately, the Senate's view has not prevailed and the administration appears determined to prop up the Lon Nol government regardless of the consequences. American prisoners of war have been returned home and our troops withdrawn from Vietnam. There is no justification for further U.S. military involvement in Cambodia or legal grounds for financing the costs of South Vietnamese operations in that country.

In order to make the record clear on this point, I ask unanimous consent to have printed in the RECORD the current law, a summary of the legislative history concerning this amendment, and a statement I made in the Senate on February 11, 1971, which includes a thorough legal memorandum on the subject by Hugh Evans of the Office of the Senate Legislative Counsel.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CURRENT LAW

6. ARMED FORCES AUTHORIZATIONS AND APPROPRIATIONS

a. Armed Forces Appropriation Authorization, 1966, as amended

Partial Text of Public Law 89–367 [H.R. 12889], 80 Stat. 36, approved March 15, 1966, as amended by Public Law 91–121 [S. 2546], 83 Stat. 204, approved November 19, 1969; Public Law 91–441 [H.R. 17123], 84 Stat. 912, approved October 7, 1970; Public Law 92–156 [H.R. 8687], 85 Stat. 427, approved November 17, 1971, Public Law 92–226 [Foreign Assistance Act of 1971; S. 2819], 86 Stat. 35, approved February 7, 1972; Public Law 92–436 [H.R. 15495], 86 Stat. 734, approved September 26, 1972, effective July 1, 1972; and Public Law 92–570 [Department of Defense Appropriation Act, 1973; H.R. 16593], 86 Stat. 1184, 1204, approved October 26, 1972.

An act to authorize appropriations during the fiscal year 1966 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, research, development, test, evaluation, and military construction for the Armed Forces, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

* * * * *

TITLE IV—GENERAL PROVISIONS

SEC. 401. (a) (1) Not to exceed $2,735,000,000 of the funds authorized for appropriations for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (A) Vietnamese and other free world forces in support of Vietnamese forces, (B) local forces in Laos [3]; and for related costs, during the fiscal year 1973 on such terms and conditions as the Secretary of Defense may determine. None of the funds appropriated to or for the use of the Armed Forces of the United States [4] may be used for the purpose of paying any overseas allowances, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States (under section 310 of title 37, United States Code) serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970. Nothing in clause (A) of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: *Provided,* That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of United States Forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war.

SUMMARY OF THE LEGISLATIVE HISTORY OF THE FULBRIGHT AMENDMENT RELATING TO THE PAYMENT FOR FOREIGN MILITARY OPERATIONS IN CAMBODIA OR LAOS

I. DEFENSE AUTHORIZATION BILL—H.R. 17123

The Defense Authorization Bill revised the language carried in defense authorization and appropriation bills in previous years in order to authorize specifically the financing of Vietnamese or other free world forces operations in the "sanctuary" areas of Cambodia. The Senate Armed Services Committee report on the bill stated, however, that there was ". . . no intent to permit the use of DOD appropriations under this authority to support Vietnamese and other free world forces in actions designed to provide military support and assistance to the Cambodian government." Senator Fulbright introduced an amendment to the bill to carry out that intent and to prohibit U.S. financing of any such activities in Laos as well. (A second Fulbright amendment prohibited paying special allowances to foreign troops greater than the rate of combat pay paid U.S. troops.)

The amendment was adopted by the Senate without opposition on August 21 and was accepted without change by the House conferees. The text of the entire section with the Fulbright amendment underlined follows:

"(a) (1) Not to exceed $2,800,000,000 of the funds authorized for appropriation for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (A) Vietnamese and other free world forces in support of Vietnamese forces, (B) local forces in Laos and Thailand; and for related costs, during the fiscal year 1971 on such terms and conditions as the Secretary of Defense may determine. None of the funds appropriated to or for the use of the Armed Forces of the United States may be used for the purpose of paying any overseas allowances, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States (under section 310 of title 37, United States Code) serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970. *Nothing in clause (A) of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.*"

II. DEFENSE APPROPRIATION BILL—H.R. 19590

The language in the authorization bill, concerning the funding of Vietnamese and other foreign forces, has traditionally been carried in the Defense appropriation bill also. The Fulbright amendment added to the authorization bill was not included in the House version of the Defense Appropriation Bill, H.R. 19590. If the language had not been carried over from the authorization bill there would have been no practical restrictions on use of Defense funds to pay for Vietnamese or Thai operations in Cambodia or Laos. At Senator Fulbrights request, the restrictive language was included in the bill reported by the Senate Appropriations Committee and no objection was raised to the item on the Senate Floor.

The conference added a proviso to the amendment which made it read as follows (proviso added in conference underlined):

"*Provided further,* That nothing in clause (1) of the first sentence of this subsection shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: *Provided further, That nothing contained in this section shall be construed to prohibit support of free world or local forces in actions designed to promote the safe and orderly withdrawal or disengagements of U.S. Forces from Southeast Asia or to aid in the release of Americans held as prisoners of war,"* . . .

The conference report was rejected by the Senate, by voice vote, on December 18 because of this item and the addition of a similar proviso to the Cooper-Church amendment. The second conference modified, but did not eliminate, the proviso. After considerable discussion in the Senate about the meaning and intent of the provision, the conference report was agreed to on December 29. The entire text of the section as agreed to, with the revised proviso underlined; follows:

"SECTION 838(a)—SUPPORT OF FREE WORLD FORCES

SEC. 838. (a) Not to exceed $2,500,000,000 of the appropriations available to the Department of Defense during the current fiscal year shall be available for their stated purposes to support: (1) Vietnamese and other free world forces in support of Vietnamese forces; (2) local forces in Laos and Thailand; and for related costs, on such terms and conditions as the Secretary of Defense may determine: *Provided,* That none of the funds appropriated by this Act may be used for the purpose of paying any overseas allowance, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States (under section 310 of title 37, United States Code (serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970: *Provided further,* That nothing in clause (1) of the first sentence of this subsection shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: *Provided further, That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia or to aid in the release of Americans held as prisoners of war."*

[From the Congressional Record, Feb. 11, 1971]

FINANCING FOREIGN MILITARY OPERATIONS

Mr. FULBRIGHT. Mr. President, apparently there is some confusion over the legal effect of a proviso added in conference to a provision in section 838(a) of the Defense Appropriation Act which prohibits financing of South Vietnamese or other foreign military operations in support of the Cambodian or Laotian Governments.

In a press conference on January 20, Secretary Laird, commenting on congressional restrictions relating to the war, said:

"We will follow those mandates. But as far as air and sea activities, the law is very clear that as far as the sanctuaries or as far as protecting the Vietnamization program, protecting American lives, insuring withdrawal, all of those terms are written very emphatically and clearly into the Congressional legislation, which passed in this last session of Congress."

There is no such language relating to use of American forces in any act passed by Congress last year.

A January 26 column by Col. R. D. Heinl, Jr., military analyst for the Detroit News, stated:

"In the defense appropriations act, passed at nearly the same time as Cooper-Church, Congress flatly said that any funds could be used for 'actions required to insure the safe and orderly withdrawal or disengagement of U.S. forces from Southeast Asia, or to aid the release of Americans held as prisoners of war.' "

This is exactly what we are doing in Cambodia.

Section 838(a) of the Defense Appropriation Act, to which Secretary Laird and Colonel Heinl apparently were referring, relates only to U.S. financing of military operations by foreign forces; it has nothing whatsoever to do with the President's use of U.S. forces, of any kind. In order to help clear up the confusion as to the meaning and application of the proviso involved, I asked the Senate legislative counsel to prepare a memorandum on the legislative history of the matter. Mr. Hugh C. Evans, of that office, has written a concise, thorough memorandum which I believe will set the record straight.

I ask unanimous consent that the memorandum and the column by Colonel Heinl be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR SENATOR FULBRIGHT

This memorandum is written in response to your request, transmitted by Mr. Norvill Jones, for an opinion of this office regarding the third proviso of section 838(a) of the Department of Defense Appropriation Act, 1971 (P.L. 91-668). Specifically, you asked whether or not the language of that proviso provides any affirmative grant of authority to the President to use the Armed Forces of the United States in Cambodia.

I

The third proviso of section 838(a) of the Department of Defense Appropriation Act, 1971, was a provision which was added to that section by the conferees of the two Houses of Congress appointed to consider the differences between the House and Senate passed versions of H.R. 19590 of the 91st Congress. Section 838(a) provides as follows:

"SEC. 683. (a) Not to exceed $2,500,000,000 of the appropriations available to the Department of Defense during the current fiscal year shall be available for their stated purposes to support: (1) Vietnamese and other free world forces in support of Vietnamese forces; (2) local forces in Laos and Thailand; and for related costs, on such terms and conditions as the Secretary of Defense may detemine: *Provided,* That none of the funds appropriated by this Act may be used for the purpose of paying any overseas allowance, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States under section 310 of title 37, United States Code serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970; *Provided further,* That nothing in clause (1) of the first sentence of this subsection shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: *Provided further,* That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia or to aid in the release of Americans held as prisoners of war."

A brief history of the development of the language of section 838(a) during the second session of the 91st Congress will provide some assistance in arriving at the intent and purpose of the language of the proviso here in question.

The text of section 838(a), authorizing the use of funds appropriated to the Armed Forces of the United States to be available for their stated purposes to support Vietnamese and other free world forces and local forces in Laos and Thailand, is essentially the same language contained in section 502 of Public Law 91-441 (the military procurement authorization Act for fiscal year 1971), which amended section 401(a) of Public Law 89-67, approved March 15, 1966 (80 Stat. 37). As passed by the House of Representatives, section 401 if H.R. 17123 of the 91st Congress, which subsequently was enacted as section 502 of Public Law 91-441 (the procurement authorization Act), amended subsection (a) of section 401 of Public Law 89-367 to read as follows:

"Funds authorized for appropriations for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (1) Vietnamese and other Free World Forces in Vietnam, (2) local forces in Laos and Thailand; and for related costs, during the fiscal year 1971 on such terms and conditions as the Secretary of Defense may determine."

The Senate Armed Services Committee retained that House provision but made two significant changes in the text thereof. It limited the amount of funds which could be expended under the authority granted to $2,500,000,000 and removed the requirement that the use of funds to support Vietnamese and other free world forces must be *in Vietnam* and authorized the use of such funds to support Vietnamese and other free world forces *in support of Vietnamese forces.*

The pertinent part of the amendment to section 401(a) of Public Law 89-376, as it was reported to the Senate by the Senate Armed Services Committee, reads as follows:

"(a) (1) Not to exceed $2,500,000,000 of the funds authorized for appropriation for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (A) Vietnamese and other free world forces in support of Vietnamese forces, (B) local forces in Laos and Thailand; and for related costs, during the fiscal year 1971 on such same terms and conditions as the Secretary of Defense may determine."

The $2.5 billion limitation had been included in the Act authorizing funds for military procurement for fiscal year 1970. The change made by the committee in the support language was very carefully explained by the committee in its report as follows:

"The Committee is of the opinion that the use of the authority in section 401 of the fiscal year 1970 act (and its related appropriation act provision) to support South Vietnamese and other free world forces in border sanctuary operations in Cambodia and in protective reaction strikes in these same areas was correct. Such action is in line with the policy of Vietnamization which in turn has and will continue to assist in the reduction of U.S. forces in Vietnam and the protection of such U.S. forces as remain in Vietnam. Doubt has been expressed by some that because of the use of the words "In Vietnam" in this section, as to whether any support for South Vietnamese or free world forces outside of Vietnam in the sanctuaries of Cambodia is authorized. The Committee desires that there be no misunderstanding about the authority for those important actions and has accordingly changed the language of this section to remove all such doubt.

"In making this clarification it must be clearly understood that there is no intent to broaden the authorization beyond the support of participation in border sanctuary and related operations in order to protect U.S. forces in Vietnam or to accomplish protective reaction strikes. The purpose of the clarification is to make clear that the use of Defense funds is authorized to support in those areas of Cambodia where for the purposes of Vietnamization or the protection of U.S. troops military action becomes necessary.

"There is no intent to permit the use of DOD appropriations under this authority to support Vietnamese and other free world forces in actions designed to provide military support and assistance to the Cambodian Government," (PP. 106 and 107, Senate Report No. 91-1016, 91st Congress).

On August 20, 1970, while H.R. 17123 was being considered by the Senate, you offered an amendment to the committee amendment to section 401(a) of Public Law 89-367. You expressed concern that the removal of the requirement that support of Vietnamese and other free world forces must be "in Vietnam" might be looked upon as authorizing the use of funds to support Vietnamese and other free world forces to move into Cambodia and Laos and provide support to the Governments of Cambodia and Laos. Despite the statement contained in the report, you considered it very desirable to have in the statute language similar to that contained in the Senate report. Your amendment went one step beyond the report language in that it included a reference to the Government of Laos as well as Cambodia. In explaining your concern and the purpose of your amendment you said in part—

"Although the committee's stated intent was to make it clear that U.S. funds can be used to support Vietnamese operations in the Cambodian sanctuary area and for "protective reaction strikes in these locations" the change in language permits the executive branch to foot the bill for any operations the Vietnamese choose to undertake, including an invasion of Laos or China. And it would also permit the financing of any Thai operation in Laos or Cambodia as long as it is claimed that the action is to aid Vietnamese forces in these countries.

"There is certainly no assurance that the executive branch will follow the committee's restricted intent when the language in the statute is far more broad. And, the Senate has no assurance that the House conference report will not seize upon a generous—and quite different—interpretation of the new wording, superseding the effect which the Senate committee hoped to achieve. If the legislative history is confused, we can be sure that the executive branch officials who will be implementing this authority will choose the broadest interpretation possible. The only practicable way to insure that the language is not used to finance Vietnamese military adventures in Cambodia and Laos is to say so in the statute.

"The Senate is slowly but surely imposing effective limits on U.S. involvement in this tragic war. To approve the language in the bill, as now written, would reverse that process and invite a further expansion of the war by the Vietnamese and the Thais, using an American proxy. I hope that the Senate will continue to build on the record of the past and adopt this amendment by an overwhelming margin.

"Mr. President, as I conceive this amendment, it is, as I said, a further step in the same direction taken by the Cooper-Church amendment, which was passed by this body only recently. It is also consistent with the amendments offered by the Senator from Kentucky and others last December on an appropriation bill, forbidding the sending of American ground combat forces to Laos and Thailand.

"All we are saying now is that money in this bill shall not be used to finance Vietnamese troops to go into Cambodia or into Laos." (Congressional Record, vol. 116, pt. 22, pp. 29586-87.)

Subsequently, during the course of the debate on your amendment you reiterated the purpose of the amendment:

"My intention in offering the amendment was to express my explicit agreement with the Senator's statement in the report. That was my purpose; to show I agree with the Senator's sentiment expressed in the report. My difficulty is that I was afraid the language in the bill itself did not accurately and forcefully enough reflect the Senator's intention. My intention is the same as his. I do not want us to get involved in all-out support of the Government of Cambodia—and that is what the report said—or the Government of Laos.

"Then, the only question is, how to tie that down so that the administration would be in agreement with the Senator and me. It is not that I disagree with the Senator but we might find ourselves in disagreement with future administrations." (Congressional Record, vol. 116, pt. 116, p. 29581).

The amendment was agreed to on August 21, 1970, as follows:

"On page 19, after the period in line 8, insert the following: 'Nothing in clause (A) of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.'" (Congressional Record, vol. 116, pt. 22, p. 29688).

That amendment was agreed to in conference without change and is the last sentence of section 401(a)(1) of Public Law 89-367, as amended by section 502 of Public Law 91-441, the military procurement authorization Act for fiscal year 1971. Another amendment offered by you to the same section 401(a)(1), relating to the use of funds under such section to pay free world forces in Vietnam, was also adopted by the Senate, agreed to in conference, and became a part of that section. The amount authorized to be expended under such section was set by the conferees at $2.8 billion.

Section 838(a) of the Department of Defense Appropriation Act, 1971, repeated the substance of section 401(a)(1) of Public Law 89-367 (as amended by the authorization Act) except for two changes: (1) the amount was reduced from $2.8 to $2.5 billion, and (2) the addition of the proviso here under consideration. The two so-called Fulbright amendments included in section 401(a)(1) of Public Law 89-367 are carried as the first two provisos in section 838(a) of the defense appropriation Act (Public Law 91-668). As originally passed by the House, H.R. 19590, which subsequently became Public Law 91-668, carried none of the provisos. The Senate added the two so-called Fulbright amendments and the third proviso was added by the Senate and House conferees at the insistence of the House conferees.

You were strongly opposed to the proviso added in conference. You were apprehensive that it could be interpreted as nullifying the intent of the second proviso relating to use of funds to support the Governments of Cambodia and Laos.

II

In attempting to determine the meaning of the proviso added in conference two points should be mentioned at the outset and kept in mind throughout the discussion: (1) section 838(a) deals only with authority to use funds appropriated for the use of the Department of Defense to support Vietnamese and other free world forces and local forces in Laos and Thailand, and (2) all three provisos are written in the negative, the first two imposing prohibitions on the use of funds made available under the section.

According to the discussion on the Senate floor during the consideration of the conference report on H.R. 19590, the House conferees insisted that the language of the last proviso be included to make it clear that the preceding proviso, relating to the use of funds to provide military aid to the Governments of Cambodia and Laos, did not prohibit the use of such funds to support Vietnamese and other free world forces in actions to promote the safe and orderly withdrawal or disengagement of United States troops from Southeast Asia or to aid in the release of Americans held as prisoners of war.

The debate on the Senate floor during consideration of the conference report on H.R. 19590 indicates that the conferees intended that the language have very limited application and was not any broad grant of authority.

Mr. Allott. "Now, we come to the last few sentences, which is cause of concern to the Senator, and in view of the way he has been burned in the past, I can understand it:

"Or to aid in the release of Americans held as prisoners of war.

"I explained the House attitude on that. Now, the only question left is whether this is to be broadly interpreted, such as the Gulf of Tonkin resolution was stretched a few years ago. Is this to be taken as a resolution to permit these forces we are talking about in the beginning of section 838 to mount an invasion of Cambodia or Thailand or North Vietnam under the guise that it is done for the liberation of prisoners?"

Mr. Fulbright. "That is correct."

Mr. Allott. "I can only say this to the Senator. As far as I am concerned, there is no such element in it, and I am sure, listening to the conferees in the House all day, there is no such element as that in the minds of the conferees from the House.

"I am sure if the distinguished Senator from Maine were here, and she was another member of the conference, she would say the same thing. Other members of the conference were the Senator from Louisiana, the Senator from Arkansas, the Senator from Missouri, the Senator from North Dakota who is behind me. They would all say exactly the same thing: that *this is to be considered and interpreted in a restrictive manner and that is it is strictly what it says, which is to aid in the release of Americans held as prisoners of war.*

"Let me say for myself, and I am sure every member of the conference committee will agree, that as far as this is concerned, not one of us would vote for this language if we thought it meant by interpretation the possibility of an invasion, which the Senator from Arkansas is so concerned about. I do not know that I personally can add more than I have except to try to eliminate all of these other things and to bring it down to this one question and say this is how we all feel about it. I am sure no one disagrees with me."

Mr. Young of North Dakota. "Mr. President, will the Senator yield?"

Mr. Fulbright. "Certainly."

Mr. Young of North Dakota. "I want to associate myself with the remarks made by the distinguished Senator from Colorado. There is no intent to broaden it. In fact, there is no possibility of that with South Vietnamese troops now in Cambodia. The fact that they are there makes this language more limiting in nature. There are two purposes for the assistance—our withdrawal of troops and rescuing our prisoners. We do have about 75 prisoners in Cambodia. There might be a problem there. If there is, I do not think there could possibly be objection to trying to get them out. The South Vietnamese are presently helping Cambodia. I think this language to some extent serves the purpose of the language sponsored by the Senator from Arkansas."

* * * * *

Mr. Cooper. "I was very interested in the statements made by the Senator from Colorado, the Senator from North Dakota, and the Senator from Louisiana, all conferees. They provide an interpretation of this section. *Would they say the proviso must be construed to mean that our support of Vietnamese or other free forces goes only to their use to insure and to protect the withdrawal of U.S. forces from Southeast Asia?"*

Mr. Young of North Dakota. *"That is exactly what the language says."*

Mr. Cooper. "We have argued for months in the Senate over the war power of the President. It has been interpreted many times on this floor that he has the power as Commander in Chief to protect American forces. I do not think there is any question about that. The differing ways that the power can be used is subject to debate, but in the present case—that is, regarding the war in Vietnam I believe the colloquy between the Senator from Idaho (Mr. Church) and the Senator from Mississippi (Mr. Stennis) on December 15 established very well what the power means.

"Do the Senators who are conferees agree that the proviso which appears in the conference report is designed chiefly for the protection of our Armed Forces under the constitutional power of the President?

"Would the Senator from North Dakota answer that question?"

Mr. Young of North Dakota. "That would be my understanding of it."

Mr. Cooper. "What does the Senator from Colorado say?"

Mr. Allott. "Yes; I shall be glad to answer for myself. Probably the right person to answer is the chairman of the committee, but the answer is 'Yes.' "

Mr. Ellender. "That is my answer."

Mr. Cooper. "The concern I have about the language has been expressed by the Senator from Arkansas, (Mr. Fulbright). But, I must say that the President of the United States and the Secretary of State have said publicly that the policy of the administration is withdrawal of our forces. In convention with the express policy of the President the interpretation given today is of extreme importance.

"Inasmuch as the language in question is the House language, I would like to ask the Senate conferees if their interpretation of the language is as important and as binding as the interpretation of the House managers?"

Mr. Allott. "I would like to be corrected if either the Senator from North Dakota (Mr. Young) or the Senator from Louisiana (Mr. Ellender) have a different understanding, but in listening to all the discourse I detected not one word that would indicate that their interpretation of this language would be any different than the one we have tried to place on it on the floor. There was not one word said in the whole conference to indicate otherwise." Congressional Record, vol. 116, pt. 33, p. 43906.)

The explanation of the Chairman of the Appropriations Committee of the House of Representatives during consideration of the conference report on H.R. 19590 in the House would seem to remove any doubt that the proviso under consideration here relates only to the second Fulbright amendment regarding the use of funds to provide military aid to the Governments of Cambodia and Laos and was not intended to relate to authority of the President to use the Armed Forces of the United States.

Mr. Mahon. "On October 7 of 1970, the defense procurement authorization bill became law—Public Law 91–441. In that bill, language with respect to the use of defense funds to support South Vietnamese and other free world forces in Cambodia or Laos was carried as follows:

" 'Nothing in Clause A of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.

" 'This provision appeared to be a direct denial of any right on the part of the President to use funds in the Defense appropriation bill for the support of the South Vietnamese or other free world forces in their efforts to prevent a Communist takeover in Cambodia or Laos. From the standpoint of the House conferees on the Defense appropriation bill, this language, which had been enacted into law, was intolerable at this particular point in time.

" 'Almost identical language was incorporated in the Senate version of the Defense appropriation bill. The House conferees refused to adopt the language, tie the President's hands, and make it impossible for him to use funds in the bill to support South Vietnamese and other free world forces in their efforts to prevent a Communist takeover in Cambodia or Laos.

" 'So, in the first conference we had with the other body, we left this language, which became known as the "Fulbright amendment," in the bill, but we modified the amendment by attaching the following proviso:

" '*Provided further*, That nothing contained in this section shall be construed to prohibit support of free world or local forces in actions designed to promote the safe and orderly withdrawal or disengagement of U.S. forces from Southeast Asia or to aid in the release of Americans held as prisoners of war.'

"That language gave the President considerable latitude in the use of Defense funds to support the Vietnamese and other free world forces in their efforts to make Vietnamization operative, in their efforts to make the disengagement of U.S. troops possible, and in their efforts to prevent a very drastic deterioration in their military situation by a complete Communist takeover in Cambodia or Laos.

"So, in the conference today with the other body we agreed to include the objectionable language, which I have quoted, but we insisted upon a proviso which in substance is approximately the same proviso as was contained in the original conference-agreement. This relates to section 838 of the Defense appropriation bill. The new proviso is as follows:

" '*Provided further*, That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war.'

"We thought that this sufficiently modified the provision in the bill which relates to the same subject and which was very restrictive upon the President.

"The fact is that the language in the Defense Procurement Authorization Act—Public Law 91–441—raised grave doubt in my mind as to whether or not that language actually would control the Defense appropriation bill carrying the money, but since this language had been almost identically repeated in the Defense appropriation bill in the Senate, it was thought we should take some action to modify what we consider to be the very damaging language to which I made reference.

"So it seems to me the House of Representatives has performed a good function in making it possible for the President to have the latitude which is required to exercise his judgment, to meet the situation in Southeast Asia from the standpoint of the use of South Vietnamese and other free world forces." (Congressional Record, vol. 116, pt. 33, p. 43809.)

Under basic rules of statutory construction, the proviso here in question must be read in the context of the entire subsection and not by itself. There is nothing in the entire provision relating to the use of the Armed Forces of the United States; the subject matter dealt with is the use of funds of the Department of Defense to provide foreign assistance to Vietnamese and other free world forces and to local forces in Laos and Thailand. Certain specific limitations were added by the first two provisos regarding the use of those funds. The third proviso merely states that a certain interpretation shall not be placed upon the language of the section. The last proviso confers no affirmative authority for any purpose.

It may be argued, of course, that since the Congress explicitly stated in the third proviso that the section is not to be construed to prohibit certain actions, it intended that such actions be authorized. Even accepting the validity of this argument, any authority granted by the proviso would be circumscribed by the basic purpose of the subsection. Consequently, the most that can be said to have been granted under the third proviso is a sanction to use the funds made available under section 838(a) to support Vietnamese and other free world forces and local forces of Laos and Thailand in "actions required to insure the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war." To the extent that Vietnamese or other free world forces engage in any action designed to support Cambodia or Laos, the support of such action is not prohibited if such action is required for one of the two purposes stated in the third proviso.

III

It would be a strained construction of the third proviso of section 838(a) to conclude that it confers any affirmative authority on the President to use the Armed Forces of the United States in Cambodia. It is the conclusion here that the proviso does not grant any such authority and was not intended by the Congress to do so. This conclusion is predicated upon the wording of the proviso itself to context with the rest of section 838(a) and upon the purpose and legislative history of that section.

Respectfully,

Hugh C. Evans,
Assistant Counsel.

February 8, 1971.

[From the Detroit News, Jan. 26, 1971]

Cooper-Church Amendment Is Held Intact

(By Col. R. D. Heinl, Jr.)

Washington.—An immediate and foreseeable effect of the North Vietnamese military charades being conducted around and inside Phnom Penh has been to raise questions as to whether the "spirit" of Congress' Cooper-Church restriction on Cambodian operations is being violated by our forces.

The so-called Cooper-Church amendment was a Senate concoction adopted in conference by the House during closing moments of the late lameduck session. Its provisions are simple: no American ground troops or military advisers in Cambodia. This mandate is being rigorously adhered to.

Unfortunately, in the uproar of confusion and doubt that the word Cambodia instantly triggers, elements of the public, as well as editorial writers and politicians who really know better, are complaining that the "spirit" of Cooper-Church is being flouted by the President's authorization of U.S. air and helicopter support for the Cambodians.

Such complaints—as the Communists well understand—impugn and discredit the domestic as well as the international veracity of the President and of our government in general.

To get at the "spirit" of Cooper-Church whatever it may exactly be, one has to look into the legislative history of the amendment, which is unusual to say the least.

To begin with, Cooper-Church represents a Senate notion, conceived in the covens of the anti-militarist New Left. It was never really passed by Congress at all, at least in the normal fashion.

The House of Representatives never debated Cooper-Church. Certainly the House didn't explore the implications of this amendment, let alone its "spirit." The only time the House ever specifically voted on Cooper-Church (in an earlier round nearly a year ago), it rejected it.

In the words of Rep. Samuel S. Stratton, New York Democrat, a senior member of the House Armed Services Committee, the restrictive amendment (which its sponsor, Senator Frank Church hailed as "an historic decision") was "slipped through in a conference committee as, frankly, a ransom to the Senate for getting their approval of the supplemental foreign aid appropriations for Cambodia."

Dismissing Cooper-Church as "a strictly shotgun wedding," Stratton bluntly said that the House (and the government) are committed only to the actual letter, and not to various broad or vague implications that its sponsors or supporters would like to read into it.

Looking behind the Cooper-Church restrictions and whatever they imply, it seems fair to ask those who are fussing so vocally—what do they really want?

Wind down the war? Cambodia or not, the war is irreversibly winding down (and the Communist rampage around Phnom Penh merely represents a desperate attempt to hype up U.S. opinion to the contrary).

Get the troops home? The troops are coming home. As this is written, we are 82,000 men ahead of (i.e., below) the troop ceiling scheduled for the present phase of our troop-withdrawal plans. All U.S. ground combat forces will be out of action in Vietnam by this summer.

Reduce American casualties? We had only 37 soldiers and airmen killed in Vietnam last week—a tenth of what were being inflicted before Mr. Nixon became president. More enlisted men are being killed in jeep accidents in Vietnam today than in combat.

Get Asians to fight thir own land wars (i.e., the Nixon doctrine)?

The Cambodians, aided by the South Vietnamese, are making a surprising and resolute fight to defend their own homeland against foreign Communist invaders from North Vietnam, now backed, according to intelligence sources, by North Korean and Chinese elements in northeast Cambodia.

All we are doing is providing a minimum of supplies and some air support in the clinches.

Those who agonize over some imagined infringement of the Cooper-Church restriction (which incidentally represented the first limitation Congress has ever placed on the President's power to send U.S. troops into combat overseas) ought to look at another provision by the same Congress.

In the defense appropriations act, passed at nearly the same time as Cooper-Church, Congress flatly said that any funds could be used for "actions required to insure the safe and orderly withdrawal or disengagement of U.S. forces from Southeast Asia, or to aid the release of Americans held as prisoners of war."

This is exactly what we are doing in Cambodia.

By helping to open Highway 4 into Phnom Penh, and by giving the Cambodians gear to fight their own battles, we are supporting an effort that keeps most of South Vietnam quiet, and will—despite Communist psychological warfare around Phnom Penh—assuredly facilitate continued orderly withdrawal of U.S. combat troops on schedule and as promised.

FRANK D. REEVES

Mr. HUMPHREY. Mr. President, I was saddened recently to learn of the death of Frank Reeves. I shall miss his friendship and his leadership in the field of civil rights. His wise counsel was sought by many members of Congress.

Frank Reeves was well-known in the legal and educational communities as well as in the political community. He had been associated with Howard University and had worked tirelessly for the NAACP. Frank Reeves was respected and admired by all those who knew him.

Mr. President, I ask unanimous consent that a press statement concerning the death of Frank Reeves, prepared by Ofield Dukes and Associates of Washington, D.C. be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Leaders Mourn Death of Frank D. Reeves

Washington, D.C.—Political and civil rights leaders are mourning the death of Dr. Frank D. Reeves, a longtime political and civil rights activist who was a close personal advisor to President John F. Kennedy.

Reeves, 57, died this past week at Freedmen's Hospital following a six-week confinement due to a stroke.

He had a long and distinguished career in the fields of Democratic politics, education, law and civil rights.

After becoming the first Black to be elected Democratic national committeeman from the District of Columbia in 1960, Reeves worked actively to help then Senator John Kennedy in the Democratic presidential primary, and seconded the nomination for him at the Democratic convention.

Once Mr. Kennedy became President, he appointed Reeves, who had traveled with him as a minorities advisor in his campaign, to a position at the White House as special assistant.

Reeves played an active part in the 1968 presidential campaign as a chief advisor to Senator Hubert H. Humphrey and assisted in developing plans for the Black Political Convention in Gary in 1972.

A Howard University graduate, Reeves was associated with its Law School for 30 years. He served on the Howard University Board of Trustees from 1961–1966. Beginning in 1940, Reeves joined Thurgood Marshall as an assistant counsel to the NAACP and the National Conference of Black Lawyers.

In 1954, he was one of the counsels in the cases which led to the historic school desegregation decisions by the Supreme Court.

Survivors include his wife, Senora, his mother, Mrs. Sarah Murphy, his father, Fred B. Reeves, two children, Daniel R. and Deborah, and two step children, Linda and Stephen Wood.

The following comments were made by friends of Frank D. Reeves.

Senator Hubert H. Humphrey—"The nation has lost a true and dedicated servant and humanitarian in Frank Reeves. He was a good and loyal friend, whose advice I sought and respected, and a man who believed in and worked for a more representative Democratic Party, and a country more responsive to the needs of the Black and the poor."

Percy Sutton, President, Borough of Manhattan, New York—"Frank Reeves was a giant. In the more than 25 years that I have known him and seen his brilliance in the courtroom, in a planning session, at a civil rights conference, at a rally or in our efforts to organize the National Conference of Black Elected Officials and subsequently in our organization, always Frank stood tall.

"Frank Reeves leaves large shoes. But all of us whose lives he touched will remember well that the shoes he wore were always pointed in the right direction.

"Whether the place was in New York City, San Antonio, Texas or a small town in Mississippi, he was always brilliant, warm and very, very decent. I liked him so much."

Mervyn Dymally, State Assemblyman, Los Angeles—"Frank's passing is a great loss to the legal, academic and political communities. He was a dedicated and sincere man.

"For me personally, he has been a friend for over 12 years. He has been a great help to me throughout my political career. I came to know him in the 60s during the New Frontier days when he was organizing Blacks in Los Angeles.

"On behalf of all the Black legislators in California, I join with his many friends in expressing our deepest sympathies to his family."

Louis Martin, former Vice Chairman of the Democratic National Committee—"Frank was a very great and generous spirit who helped all of us who are in politics. He was a pioneer in helping Blacks into the political arena. Many of the best known politicians *today* benefitted from the spade work that he did years ago.

"Frank served with distinction as the first executive director of the Joint Center for Political Studies. He made a unique contribution to the development of this organization and to its effective support of Black politicians in all parts of the country."

Richard Hatcher, Mayor of Gary, Indiana.—"I shall remember Frank Reeves as a good man for all seasons, a cutting edge of the Black political thrust, a bulwark of the civil rights movement and a lifelong ally of the historical forces for human justice."

Clarence Mitchell, Jr., Director, Washington Bureau, NAACP—"Frank Reeves was one of the able lieutenants in the great civil rights battles. He was tirelessly and deeply committed. His death leaves a great vacancy among those who worked for the rights of man."

Dr. Kenneth B. Clark, noted psychologist and President of Metropolitan Applied Research Center—"Frank's death creates the kind of void that cannot be filled. He has been unquestionably one of the most underestimated individuals in the whole civil rights struggle.

"He was directly involved from the year he graduated from Howard University Law School until his death. He joined the struggle when he worked for Thurgood Marshall at the NAACP and together they kept people from being legally lynched in our courts.

"There was a total personal involvement by Frank in the endless struggle for human dignity. He exhibited the 'Happy Warrior' style. He was not philosophic about his involvement; he never hesitated to consider what the advantages or disadvantages of his involvement would be to him. Whenever he could use any skill he had, he jumped into the fight. Whether it was in the *Brown* case in 1954 or in defending Adam Powell in 1967, he was there.

"Everybody respected Frank for his commitment, his drive, his unselfish devotion to the cause. Sure, there were those who argued with him, but the respect was always there.

"Personally, I have lost my brother."

Dr. James E. Cheek, President, Howard University—"As we mourn the loss of a colleague and friend, we cannot think about the liberation of Black people without remembering Frank D. Reeves. Mr. Reeves used his political and legal talents to always advance the cause of Black Americans in their drive for social justice.

"He knew the value of education and took time from his activist career to teach law at Howard University for more than 30 years so that young Black men and women would be prepared to challenge and change the political, social and economic systems which control and exploit people simply because of their color or economic or social circumstances.

"When he seconded the nomination of John F. Kennedy for the Presidency in 1960, Frank Reeves said: 'Boldness must be the course of America and bold must be its leader.' These words he used to support John F. Kennedy described his own career. Frank Reeves was a bold man and his colleagues and students will miss him.

"He was a close personal friend and I always valued his wise counsel. I will miss him and am personally saddened by his death."

Vernon Jordan, Executive Director, National Urban League—"With the passing of Frank Reeves we have lost a great lawyer and a great humanitarian, one who dedicated his life to the struggles of Black people. And in so doing helped all people understand the meaning of freedom. Frank Reeves was a wise and courageous man whose unflagging commitment to equal rights signals a major contribution to our lives. We are all poorer for losing him, yet richer for his having passed our way. The Board and staff of the National Urban League join me in sending our sympathies."

John Morsell, Deputy Director, NAACP—"The NAACP family is shocked and grieved at the loss of Frank Reeves who was associated with this organization over a great many years as a member of the staff, Board of Directors, counselor, consultant and as a long time friend and supporter. Frank had the rare combination of practical and theoretical capacities which made him so extraordinary to us as a lawyer. We are going to miss him and we express our profound condolence to his widow and his family."

Senator Edward M. Kennedy—"As an educator, as a lawyer, as a civil rights activist and as a statesman, Frank Reeves served the Black community and our nation with distinction. I know how much my brother, President Kennedy, valued his advice and counsel in the 1960s, and his leadership and courageous representation of his people, our city, and the nation will be long remembered by those of us who had the privilege of working with him."

Congressional Black Caucus—"The members of the Congressional Black Caucus learned today of the death of Frank Reeves, a colleague in the field of American politics and government and a personal friend to all of us. Frank's tireless efforts in the struggle to improve and make better the lives of Black people and other minorities is well known throughout this country. Frank's contributions to Howard University over the years and his contributions to the Democratic Party were outstanding. In more recent years his contributions to the Joint Center for Political Studies were certainly well known in Washington and in places beyond. No man gave more to government and politics than did Frank Reeves.

POWER FROM THE SUN

Mr. MOSS. Mr. President, the country is slowly awakening from its Rip Van Winkle sleep of oblivion about the energy crisis.

If this country is to meet its energy needs we must put American ingenuity to work and develop all of the potential power sources. For example, the space program has shown us the use of solar panels for energy. It is my hope that research and development efforts can be expedited to find long range answers to our energy problems.

I call to the attention of the Senate an article from the April 16 issue of U.S. News & World Report and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POWER FROM SUN: THE SEARCH PICKS UP

(NOTE.—As signs of a fuel crisis grow more ominous, scientists are spurring efforts to tap the awesome power of the sun to help meet earth's energy needs.)

An age-old dream of man—harnessing the sun's energy—is moving close to reality. Solar heat is expected to be helping ease America's fuel shortages by the end of this decade.

The potential is enormous. Scientists say, for example, that just one day of sunlight on the surface of Lake Erie is equal to all the energy consumed by Americans in a year.

Much of the technology to tap this ever-present, nonpolluting source of power is at hand.

A Solar Energy Panel of top federal scientists has concluded that, with increased research and development, this timetable is possible:

In five years, solar energy could be heating many private homes and office buildings.

In less than 10 years, the sun's power could be running air-conditioning systems.

In five to 10 years, solar heat could be used to convert organic materials into fuel oil and methane gas. The latter is similar to natural gas and can be employed for the same uses. Experts say that this process is capable of providing the U.S. with a third of its gaseous fuels by shortly after the turn of the century.

Within 15 years, the sun's energy could be producing substantial amounts of electricity for American consumers.

HEATING HOMES, OFFICES

As prices of conventional fuels increase, interest is expected to quicken in drawing warmth from the sun to heat the places where people live and work. Another growing application of solar energy is seen in heating water for homes.

Eighty-four per cent of the average home-owner's fuel and electricity bills goes for running furnaces, air conditioners and water heaters. Over all, 26 per cent of all the energy consumed in this country goes for these three uses.

The experts are divided on the best way to trap the sun's heat in order to warm a home or other building.

Some hold that each building should have its own solar-energy system, because this would make for fuller use of the sun's widespread radiation. It would involve construction of relatively expensive equipment in every building.

Another group favors a centralized system with solar-energy "farms" providing power for whole communities. These farms would concentrate the sun's heat on steam boilers that would generate electricity.

There are at present about two dozen houses in the United States that use the sun's energy for heating. Four of them were designed and built by Harry E. Thomason, a Washington, D. C., patent attorney.

About 90 per cent of winter-heat requirements for Mr. Thomason's own home are provided by the sun.

Mr. Thomason has laid corrugated aluminum on his roof, painted it black to absorb the sun's heat, and covered it all with glass to hold the warmth. Water circulates from a 1,600-gallon tank up to the roof and over the sun-heated aluminum. A backup oil furnace in the basement heats the house in case a string of sunless days cuts into the solar equipment's efficiency.

The whole system, minus the oil furnace, costs about $2,500. Mr. Thomason figures this is about $1,000 more than a conventional heating system, but that long-term savings in fuel oil will erase the cost differential.

BULK COLLECTORS

Advocates of the solar-farm approach say that, to provide all the electricity the U. S. will need in the year 2000, about 14,000 square miles of land would have to be devoted to energy collectors. That is slightly more than the combined areas of Connecticut and Massachusetts.

These estimates were worked out by a husband-and-wife scientist team, Aden and Marjorie Meinel of the University of Arizona. The Meinels say that a 1,000-megawatt solar farm—producing about as much electricity from its steam-driven turbines as one of the country's largest nuclear reactors—would require 7 square miles of land for its energy collectors in southern parts of the U. S. Farther north, the size would have to be increased to compensate for more cloudy days and colder weather.

Solar water heaters installed on rooftops of homes were once a big business in parts of the U.S. For example, Miami, Fla., during the late 1940s had an estimated 50,000 such heaters in operation.

The emphasis in Miami was on sales, however, and not on quality of equipment. As a result, the booming industry soon faded. Small numbers of the water heaters are still sold and serviced in the South. Experts say the market could expand with a quality product. In Japan, Israel and the U.S.S.R., solar water heaters are a growing business. The French Government in 1970 built a 2-million-dollar, 1,000-kilowatt solar furnace in the Pyrenees to explore the sun's potential for industrial application.

SOLAR CELLS

Development of an inexpensive solar cell, using a crystal that chemically converts solar energy to electricity, would mean that a home's entire energy needs could be met by using only roof-top collectors.

Silicon solar cells now power scientific experiments aboard U.S. satellites in space. These cells convert the sun's energy to electricity with an efficiency of about 11 per cent. They are hand-made at a cost of around $7,000 per square meter. Experts say the efficiency will have to be doubled and the price cut down to less than $3 per square meter before the cell could achieve widespread use.

Utilization of solar cells would require storage of electricity for the night hours, and that also poses a problem. There are no large-scale, inexpensive storage batteries on the market such as would be needed for this system.

But scientists say that if demand were widespread, current problems with the solar cell and the batteries for storage would take care of themselves. There would be more money for research, and mass production would lower the costs.

ENERGY FROM SPACE

One of the most advanced blueprints for utilizing solar energy calls for putting giant "collector farms" into space orbit around the earth.

The basic idea was developed in 1966 by Peter Glaser, a vice president of Arthur D. Little, Inc., a Cambridge, Mass., research firm. Now Grumman Aerospace, Textron and Raytheon are all working on the concept.

Mr. Glaser proposes to use a space shuttle of more than 1,000 flights to put a collector farm into earth orbit. This huge satellite, 7 miles long and 3 miles wide, would convert the sun's radiation to electricity in solar cells. The electricity would then be channeled to a central power station, converted to microwaves and beamed back to earth.

The receiver for the microwaves would be a saucer more than 4 miles in diameter. And, according to Mr. Glaser, each space station would be sending back to earth 1,000 megawatts of electric power.

The advantage of putting collectors in space is that the sun's radiation is not interrupted by weather or darkness, and power production could be maintained at an almost constant level.

Mr. Glaser claims the prototype of his satellite concept would produce electricity at a cost of about three to five times that of today's conventional sources.

FUEL FROM PLANTS

Another way to use the sun's energy is to let nature capture it in growing things. Then, by burning the material, or by more advanced conversion methods, a fuel is created.

One advanced application of this so-called biological conversion is known as pyrolysis. Using this process, man can extract methane gas and fuel oil from organic materials. In fact, the Environmental Protection Agency is helping Baltimore build a pyrolysis plant which not only will supply valuable fuel, but also will dispose of the city's organic wastes.

MORE MONEY

Research on all types of solar energy is now under way at more than a dozen universities and private organizations.

The National Science Foundation is asking Congress for three times as much money next year for solar-energy research—12 million dollars, compared with 3.8 million in the year ending June 30, 1973. This is still far short of the level of 100 to 150 million annually, recommended by the Solar Energy Panel.

Many of the early industry leaders in solar-energy research have dropped out of the field—Goodyear, Hoffman Electronics and Westinghouse, for example. But new interest is springing up among some utilities, aerospace companies and manuafcturers of "energy intensive" products such as aluminum and glass.

REASONS FOR DELAY

The fact that America has enjoyed an abundance of cheaper fuels is perhaps the leading reason why this country has been slow to exploit the sun's potential.

Two other natural problems hamper potential growth. First, solar energy is widely dispersed and therefore difficult to collect in usable quantities. And second, the sun shines only half the time at any one point on earth, creating a need for massive energy storage to provide power on cloudy days and at night.

The Solar Energy Panel is made up of experts from the National Science Foundation and the National Aeronautics and Space Administration. It sums up the future in these terms:

"There are no technical barriers to wide application of solar energy to meet U.S. needs . . . For most applications, the cost of converting solar energy to useful forms of energy is now higher than conventional sources, but [with] increasing constraints on their use, it will become competitive in the near future."

NATIONAL LIBRARY WEEK

Mr. PELL. Mr. President, this is National Library Week. It is impossible to read the President's statement launching the annual observance without more than a tinge of bitterness, for it was proclaimed by the President with the following words:

> National Library Week gives appropriate focus to the great array of resources offered by our libraries to people of every age. . . . I ask all Americans during this special observance to share generously in the support of our libraries and to make the fullest possible use of the rich treasures they possess.

These ringing declarations come from a President whose budget for the coming fiscal year contains no Federal funds specifically designated for libraries—public, college, or elementary and secondary schools.

In their attempt to initiate a "redefined Federal role" in proven and popular programs of human services, the administration proposes to wipe out title II of the Elementary and Secondary Education Act, which during fiscal 1972 provided $90 million in school library resources, textbooks and other materials; title II of the Higher Education Act, which last year provided $15.75 million for college library resources, training and research, and three titles of the Library Services and Construction Act which together last year allocated nearly $60 million to public library services and construction, interlibrary cooperation—a total 1-year reduction in major Federal library grants from more than $165 million to zero.

In view of these drastic proposed reductions, the American Library Association, even while marking the observance of National Library Week, has planned a program with the theme of "Dimming the Lights on the Public's Right To Know." Later this spring, on a date and at a time to be announced, lights will be symbolically dimmed in the Nation's libraries to signify the cutbacks in services and even the library closings that will result if these drastic cutbacks are allowed to take effect.

Mr. President, what is needed now is not pious rhetoric about the importance of our libraries while decimating their support, but a concerted effort, with Federal support for State and local activities designed to further their development and improve their services. To that end, on last January 26, I introduced Senate Joint Resolution 40, authorizing and requesting the President to call a White House Conference on Library and Information Services in our bicentennial year, 1976. I plan to hold hearings on that resolution early in May.

The President's budget aside, in closing I congratulate the librarians of our Nation on the fine work they are doing and can assure them of a firm body of support here in Washington—support which will seek to see that funds are available.

VISIT TO THE CAPITOL BY JAPANESE GOVERNORS AND VICE GOVERNORS

Mr. HANSEN. Mr. President, it is my privilege, and a great honor, to announce that we have present as our guests today in the Capitol a distinguished delegation of Governors and Vice Governors from five Prefectures of Japan. They are with us in connection with an exchange visit with American Governors and to attend the 12th annual meeting of the Japan-United States Governors Conference which will be held in South Carolina tomorrow.

This is the sixth visit of Japanese Governors to our country that has been developed under the cultural exchange program of the Department of State, which has done much to improve people to people understanding. It has been done in cooperation with the National Governors' Conference and the Council of State Governments, of which I am an alumnus.

Our honored guests and their Prefectures are: Gov. Morie Kimura of Fukushima, leader of the delegation; Gov. Mansanori Kaneko, of Kagawa; Gov. Taketo Tomono, of Chiba; Vice Gov. Yoshio Ogiyama, of Tochigi; Vice Gov. Kumashi Kakehashi of Nagasaki.

When I was Governor of Wyoming and a member of the executive committee of the National Governors' Conference in 1965 I had the honor of being a guest of the Japanese Government on a visit to Japan. My visit to Japan was one of the great experiences of my life and I am sure that this thought will be echoed by Senator HAROLD HUGHES who was Governor of Iowa when he made the trip to Japan, and Senator BELLMON, then Governor of Oklahoma, who accompanied me.

There are other Senators and other guests who as Governors also participated in these valuable trips which have been arranged and sponsored by the Educational and Cultural Affairs Office of our State Department. We commend the State Department for this splendid achievement in furthering international cooperation between our two nations.

During this year's visit by the Japanese Governors to the United States, our esteemed friends were received by Gov. John Burns of Hawaii. After visiting historic places, the Dole Cannery, and attending a State reception by Governor Burns and a dinner hosted by the Counsel General of Japan they left for Idaho where they were received by Governor and Mrs. Andrus and entertained at a State dinner.

Their next stop was to be Iowa, the home State of Senator HAROLD HUGHES, former Governor. Unfortunately because of a spring snowstorm the Governors were unable to land in Des Moines. Instead they stopped over in Denver where they saw the beautiful front range of the Rockies and visited the tourist attractions of Denver.

The next State in the Governors cross-country tour was Wisconsin, the home State of former Gov. Gaylord Nelson, now U.S. Senator, and Representative and former Gov. Vernon Thompson.

In Wisconsin they were guests at a dinner given by the Wisconsin Manufacturers' Association. The next day they were honored at a joint session of the legislature at which Governor Lucey and former Gov. Warren Knowles spoke.

Following a reception for State legislators in the Governor's conference room they toured the U.S. Forest Products Lab and the Mayer Packing Co. After a breakfast sponsored by the Kikkomon Co., and a visit to the university, the Governors left for Washington.

Last night they were honored at a reception at the Japanese Embassy and today after a meeting at the State Department they met with President Nixon at the White House. After lunch and their visit here they will meet with Secretary Richardson at the Pentagon.

Tomorrow, Gov. John West of South Carolina and a number of southeastern Governors and businessmen will meet with the Japanese Governors in Charleston to discuss the development of trade between United States and Japan. The Governors' Conference will be under the sponsorship of the Governors' Task Force on Economic Growth, Gen. William C. Westmoreland, chairman. It will also be sponsored by the National Governors' Conference and the Council of State Governments and the Japanese Embassy. Secretary of Commerce Frederick Dent and Ambassador Ushiba of Japan will speak. Business sessions of the Japanese-American Governors' Conference which will be held in Charleston will conclude the South Carolina meeting. Both Senator THURMOND and Senator HOLLINGS have visited Japan.

On Monday and Tuesday, they will visit the Virgin Islands as the guests of Gov. Melvin Evans and his cabinet. At the conclusion of the Virgin Islands meeting they will visit Puerto Rico briefly and then return to Japan.

I join my colleagues in welcoming the Governors to the Capitol of the United States. We are pleased and honored to have them here.

JOINT ECONOMIC COMMITTEE STAFF STUDY OF ADMINISTRATION BUDGET CUTS

Mr. HUMPHREY. Mr. President, as chairman of the Consumer Economics Subcommittee of the Joint Economic Committee, I have released today a detailed analysis by the staff of the Joint Economic Committee. It shows that the administration shares as much or more blame as the Congress for fiscal 1973 spending, contrary to the administration's attempt to label Congress as the big spender.

Moreover, it documents the fact that the Nixon administration's spending reform policies are a combination of deception and incompetence, and that it has misrepresented savings being achieved by the budget cuts.

I have also released for the first time the Office of Management and Budget's so-called justifications for the 108 budget cuts that represent the administration's spending reform package. This document was furnished to the committee by OMB Director Roy Ash at the request of Senator PROXMIRE and myself, for detailed justifications of the President's budget cuts.

The President has said spending is his No. 1 goal, but an examination of the budget details shows there is insufficient substance to support the rhetoric.

While the administration claims to have made the most exhaustive evaluation of the Federal programs ever undertaken—there are, in fact, no meaningful program evaluations to support the budget cuts made by the President.

The material sent to the Joint Economic Committee to justify the President's budget cuts consists of undocumented assertions, descriptions of programs, inconsistencies, errors of logic and fact, and a great deal of extraneous material.

We are told that medicaid adult dental care should be terminated because "lack of dental care is seldom life-threatening and is less critical for adults."

The open space land program is indicted because "benefits accrue primarily to residents served by the parks."

The regional mental health centers are phased out because they don't serve the poor, we are told, when in fact 64 percent of those served had annual incomes below $5,000.

In not one single case does it appear the administration has competently evaluated the program it proposes to cut. Nor has it evaluated the impact of the particular cuts on the economy.

We are witnessing the crudest meat ax approach to Government policy in my memory.

In addition, the administration has misrepresented the real savings that will be achieved by the budget cuts. In many cases the so-called savings are bookkeeping manipulations more than they are real savings to the taxpayer.

In fiscal 1974, for example, the JEC staff study estimates that approximately $8 billion of the administration's declared savings of $17 billion are, in fact, political cosmetics.

Finally, the JEC staff study sets the record straight on the administration's charge that Congress is responsible for spending increases.

The President alleges that in fiscal 1973, for example, he was forced to achieve "savings" because of spending increases by Congress over and above his original budget.

But the facts are that this $15 billion in spending increases consists of roughly $6½ billion in Presidential spending initiatives, $1½ billion in uncontrollable fixed spending increases, and $5 billion in congressional spending initiatives.

The other $2 billion of this amount consists of imaginary cost increases for the social services grant program; that is, money never spent because the Congress established a ceiling for this program about $2 billion below the budget projections.

My criticism of the particulars of the administration's spending reform proposals does not decrease the need for spending reform, and for Congress to take the leadership for such reform.

But the information provided to the Joint Economic Committee is of such low quality that Congress cannot rely on it in formulating spending reform and setting national priorities. This puts a new urgency to the need for Congress to improve its budget review and analysis capabilities.

Congress must create an Office of Budget Analysis and Program Evaluations, such as I have advocated in the Fiscal and Budgetary Reform Act of 1973, to constantly monitor the programs it authorizes, and to perform the necessary analysis of the executive budget.

In conclusion, I want to announce that the OMB Director, Mr. Roy Ash, will testify on the administration's budget cuts, particularly as they affect consumers, before the Consumer Economics Subcommittee—which I chair—on April 17 at 10 a.m.

Mr. Ash has written me that he would prefer only to deal with the "overall fiscal outlook," and to avoid questions concerning the rationale and impact of specific program reductions and terminations.

I have replied to Mr. Ash that this is an unacceptable attempt to avoid an examination of what real evidence there is to support the President's budget cuts.

Either the administration stands behind its budget cuts or it does not. I expect Mr. Ash to testify on these matters on April 17.

Mr. President, the study I have released was prepared by the Joint Economic Committee staff in consultation with the Library of Congress. Copies of the JEC study and the Office of Management and Budget's justifications for the 108 budget cuts are available from the Joint Economic Committee.

Mr. President, I ask unanimous consent to have the analysis printed at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

AN ANALYSIS OF THE ADMINISTRATION'S SPENDING REFORM PROPOSALS*

Although a great deal has been said and written about the fiscal 1974 "battle of the budget," and the spending reform issue, the debate has been characterized by a high degree of assertions and rhetoric. The Administration asserts that the Congress is irresponsible in its management of tax money, and Congress asserts that the Administration is dismantling 30 years of social programs. In addition, the debate on impoundment has tended to focus on the general question of which branch has what constitutional powers and not on the true merits of the particular programs for which funds have been restricted.

The Administration's spending reform proposals merit more searching examination because, with general agreement that the Federal budget level should be held to $268 billion, the central budget issue is one of priorities—what activities should be cut and what activities should be increased. An understanding of why certain programs were cut, in the sense of how they were deficient, is also a necessary step to formulating alternative techniques for those areas where social problems remain.

The President himself has characterized the budget as dramatic because it fulfills his "pledge to hold down Federal spending." In particular, the Administration *claims* its spending proposals are important because they:

hold down excessive Congressional spending;

are responsible for substantial budget savings;

represent a comprehensive evaluation of all government programs and a determination of which ones are most ineffective.

The purpose of this analysis is to examine these assertions about spending reform in the light of the best available evidence. The necessary information is not available in the budget. The analysis is therefore based in large measure on information obtained from Mr. Roy Ash, Director of the Office of Management and Budget, at the request of both Senator Hubert H. Humphrey and Senator William Proxmire. Our evaluation of that information should be regarded as preliminary work to be further refined by General Accounting Office studies and public hearings.

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* A joint Economic Committee staff study prepared with the assistance of the Library of Congress.

Based on the discussion that follows, our preliminary findings on the Administration's spending reform proposals are:

that recent increases in government spending are the joint result of Executive and Congressional actions;

that the real savings obtained from Administration budget actions are substantially less than the savings claimed. For fiscal 1973, approximately $8 billion of the estimated $11.0 billion in savings is questionable as real budget savings. For fiscal 1974, approximately $8 billion of the estimated $17.0 billion in savings is also questionable as real budget savings;

that the Administration has made no analytical evaluations to support the real budget cuts that were made. Moreover, the information provided to the Committee as formal justification for the budget cuts is of such low quality that Congress cannot rely upon it in formulating spending reform and setting national priorities.

WHO SPENT THE MONEY?

Several Administration spokesmen have argued that unconstrained Congressional spending would have driven fiscal 1973 spending $11 billion over a spending ceiling of $250 billion, were it not for the President's intervention to control that spending. In a March 27, 1973 New York Times article entitled "Congress As The Crisis," Mr. Caspar Weinberger described Congress as on a spending binge, and:

"Only Presidential intervention prevented an additional $11 billion increase in this fiscal year's budget. Left to its own devices, Congress had created a spending momentum that would have pushed the budget $19 billion above President Nixon's 1974 request, and $24 billion above the President's proposals for 1975."

An examination of the facts about who initiated additional spending beyond the President's original fiscal 1973 budget requests reveals a different picture, however. In the first place, the President originally proposed $246 billion for the fiscal 1973 budget. That was increased to $250 billion by the Administration itself, which apparently felt that additional outlays of $1.2 billion for Vietnam, $1.5 billion for hurricane Agnes, and certain other supplementals were necessary; an additional $2.6 billion was due to an Administration request to shift fiscal 1972 revenue sharing into fiscal 1973. Still another $1.6 billion was due to an uncontrollable increase in interest payments on the public debt. Congress launched spending initiatives to increase social security benefits by $2.8 billion (partially offset by increased social security taxes), establish black lung benefits of about $1 billion, and increase revenue sharing payments by $1 billion. Most of the remaining "unconstrained" spending growth is a projection of what the social services grant program would have cost if Congress had not put a $2.5 billion ceiling on it during the last session.

Thus, the potential $15 billion increase in fiscal 1973 spending over the President's *original* budget proposals consisted of roughly $6½ billion in presidential spending initiatives, $1½ billion in uncontrollable spending increases, $5 billion in Congressional spending initiatives, and $2 billion in imaginary cost increases for the social service grant program.

Even these distinctions oversimplify the issues, however, because virtually all the spending initiatives were eventually supported by both Congress and the President. The President in fact emphasized his support of certain Congressional spending initiatives, such as social security increases, by publicly taking credit for them.

Moreover, these distinctions oversimplify the process by which government spending decisions are executed. The spending reform and budget ceiling proposed by the President are in terms of *outlays*. Congress, through its authorization and appropriation process, enacts *obligational authority*, it does not enact outlays. Obligational authority is not necessarily spent during the year in which it is made available and, of course, much spending authority is "open-ended." Since it is the Executive which actually makes outlays, Congress and the Executive must cooperate in order to enact spending authority which is consistent with the desired outlay ceiling.

These remarks should not be construed to mean that Congress does not have serious deficiencies with respect to evaluating and managing the budget. The Congress does not have an adequate mechanism to review the overall impact of the budget on the economy, to establish and monitor a spending ceiling, and to allocate the funds within that ceiling to priority areas. The Congress also lacks an adequate budget staff to perform these actions as well as evaluating the budget submitted by the President. But Congress is seriously at work on these problems, and Administration portrayals of Congress as a drunken sailor on a spending binge is inaccurate and counterproductive in an area where both branches are responsible for recent spending increases, and where improved spending control requires Executive and Congressional cooperation.

WHAT ARE REAL BUDGET SAVINGS?

The Administration claims that it has taken or proposed actions that will lead to budgetary savings of $11 billion in FY 1973, $17 billion in FY 1974, and $22 billion in 1975. As evidence, the fiscal 1974 Budget contains an eight page list of actions labeled "Outlay Savings From Program Reductions and Terminations, 1973–75" (pp 39–57). Unfortunately, the budget does not contain any explanation of what constitutes a genuine or *real budget saving*.

We have emphasized the term *real budget saving* because it has no general accepted definition and yet the term must be defined if any sense is to be made from the Administration's alleged savings. As with most questions of definition, there is room for disagreement and we would not insist that there is only one way to define real budget savings. In one sense, a real budget saving could be defined as an action that leads to a reduction in the level of prgram outlays from one year to the next—e.g., fiscal 1973 manpower outlays of $500 million are reduced to $400 million in fiscal 1974. In another sense, a real budget saving could be defined as an action that leads to a reduction in the rate of increase in program outlays, as mandated or committed by existing law, from one year to the next—e.g., fiscal 1973 medicaid outlays of $500 million, which would have automatically grown to $600 million in fiscal 1974, are reduced to $550 million through some action; the rate of increase is reduced from 20 percent to 10 percent. Both of these seem reasonable interpretations of genuine budget savings and together they constitute what is regarded as a real budget saving to taxpayers for the purpose of this analysis. To the extent that the Administration has taken actions that achieve such ends they can correctly claim real budget savings.

Other manipulations or windfalls in budget and receipt totals however, are highly questionable as real budget savings resulting from Government action. Such bookkeeping arrangements as asset sales, the deferral of reprograming of payments, a reduction in outlays based on a previous year action, and windfall receipts or outlaw decreases are examples, although the issues are in some cases complex. The deferral of spending may be for one day or several years and, if of a long enough duration, a deferral may become a termination or permanent reduction and therefore a real budget saving as defined in this study. Asset sales, which may be desirable for several reasons, represent an increase in government receipts in a government asset and do not usually change the net worth of the Government and achieve real budget savings. Adequately accounting for such items on the budget books, and the desirability of taking such actions for fiscal policy and other reasons, should not be confused with real budget savings and spending reform. It is inaccurate to say such items represent real savings to the taxpayer in the same sense as a reduction in the level or rate of growth of program outlays.

With these standards in mind, a substantial part of the Administration's claimed savings for fiscal year 1973 are not real budget savings. It is not a real saving to shift $1.5 billion of general revenue sharing payments a few days so that it is accounted for in fiscal 1974 rather than fiscal 1973; it is not a real saving to sell off $1.5 billion in Federal credit and stockpile assets; it is not a real saving of $242 million to have a windfall increase in receipts from the terminated European Fund: it is not a real saving of $17 million to have maritime subsidy payments "automatically" reduced because there are not enough ships to subsidize. The list goes on and in total about $8 billion of the $11 billion the Administration claims to have saved in fiscal 1973 are in fact not real budget savings as much as they are budget cosmetics.

Much the same situation is revealed where the budget savings for fiscal 1974 are examined in detail. This is not possible from the budget documents themselves—a point worth noting—but can be done to a great extent from the information provided to the Joint Economic Committee by the Office of Management and Budget. Some of the fiscal 1974 cosmetic budget cuts are already well known, such as the $2.7 billion social services grant "savings", but the full extent of such cosmetic budget cuts in fiscal 1974 is not well known. Table 1 represents a preliminary effort to identify the fiscal 1974 cosmetic budget cuts. As one can see, about $8 billion of the $17 billion claimed savings are not real budget savings at all. (See page 9.)

It should be noted that a significant portion of the remaining $8.5 billion in real budget savings which we have not been able to identify because of a lack of data, will not be saved because new expenditures are substituted for those that are reduced or because proposed reductions will be withdrawn by the Administration. The substitution of an alternative means for meeting a public objective should not on its face be criticized because such shifts are the essence of adapting techniques to achieve priorities. The issue simply shifts from budget savings to the relative merits of the two alternatives, which in turn should be based on careful analysis of the programs and their alternatives. Budgetary savings are of course desirable only if they eliminate ineffective programs.

WHERE ARE THE ADMINISTRATION'S EVALUATIONS?

Determining which programs are to be cut to achieve spending reform is a complicated business because there are several criteria by which to judge the effectiveness of a program. In particular, program evaluation should consider:

(1) Whether the original goals of the program are still appropriate and, if not, how the program could be terminated without unduly disrupting the industry or groups affected.

(2) Whether the program does in fact achieve the goals laid down in the original legislation.

(3) Whether the total cost of the program is commensurate with the total benefits; more specifically, how many dollars of costs are necessary to obtain $1 of net benefit.

TABLE I.—*Cosmetic budget cuts, fiscal 1974*
[In millions] *

	Amount
Farm Price Supports (10) [1]	$600
Agriculture Extension Programs (17)	34
Reduce Military Personnel and Operations Costs (24)	1,200
Reduce Defense Procurement Costs (25)	650
Limit Defense Research & Development (26)	200
Reduce Military Construction (27)	50
Slow Corps of Engineers Construction (30) [2]	351
Strengthen Medicaid Management (32)	175
Limit Social Service Grants (45)	2,700
Adjust Vocational Rehabilitation (46)	21
Reduce Department of Interior Construction (54)	10
Reschedule Bureau of Reclamation Projects (55) [3]	70
Constrain Federal Land Purchases (57)	61
Increase Oil Lease Sales (58)	1,010
Review Prison Construction (60)	28
Reorient Community Relations Service (61)	4
Employment & Unemployment Insurance Services (64)	35
Postal Service Unemployment Benefit Costs (66)	26
Deferring Highway Projects (67)	83
Defer Coast Guard Construction (68)	14
Reschedule FAA Purchases (69)	35
Reorder High Speed Research & Development (71)	41
Refocus UMTA Research & Development (73)	26
Rephase Intermodal Transport Research & Development (74)	7
Delay Construction of Federal Law Center (78)	12
Reduce Plowshare Program (80)	3
Delay Space Shuttle (88)	45
Reduce Manned Space Flight (89)	47
Reduce NASA General Expenses (95)	24
Reform Veterans Benefits (96)	160
Reschedule Veterans Construction	55
Postal Service Retirement Costs (100)	285
TVA Construction Activity (106)	30
Water Pollution Control Act Amendments of 1972 (84) [4]	300
	8,392

*The numbers in parentheses match OMB's numerical coding on pages 49–57 of the Budget and in the material sent the Joint Economic Committee.

[1] A substantial part of the farm price support savings reflect unrealistic projections of the costs of these programs in view of the world grain shortage, the effect of that shortage on farm prices and income, and therefore the level of payments necessary to stabilize the farm sector. Although it is not possible to determine the exact amount of overestimation from the available data, we estimate that it is $600 million.

[2] A substantial part of the Corps of Engineers saving reflects deferrals but some real reduction appears to be taking place. Our estimate of $351 million represents the difference between the savings claimed by the Administration and the actual outlay reductions for the Corps of Engineers between fiscal 1973 and 1974.

[3] The estimate for the Bureau of Reclamation is arrived at in the same manner as the Corps of Engineers estimate.

[4] A substantial part of the wastewater treatment facilities savings reflect unrealistic projections of the spending mandated by Congressional authorizations under the Water Pollution Control Act amendments of 1972. Although it is not possible to determine the exact amount of overestimation from the available data, we estimate that it is $300 million.

Source: The Joint Economic Committee staff based on information obtained from the Office of Management & Budget and the Budget of the United States—Fiscal 1974.

(4) Whether there are better ways of achieving the original goals of the programs or of providing the same net benefits at lower costs.

(5) The distribution of income occasioned by the program by income class and how this relates to program objectives and social welfare.

(6) Whether a particular program is consistent with other programs and, if not, how better consistency can be obtained.

It should be emphasized that the reduction of inflation is not a valid economic criteria for eliminating an *individual* government program. The effect of government spending on inflation depends primarily upon the total level of such spending, the level of taxes, monetary policy, how these relate to the capacity of the economy, and the effectiveness of a price-wage control system. Once it is decided that the level of existing or projected government spending is too high, relative to these other factors, the necessary reduction in government spending should consist of the set of government programs that are lowest priority and most ineffective. Which particular programs should be included in that set should be determined by reference to the above criteria.

As one can see, there is a complicated array of standards by which a program's effectiveness can be judged. It should also be obvious that testing a program against a standard requires analytical and quantitative evidence. In other words, the charge that the Hill-Burton program is outmoded should be supported by data on the supply and distribution of hospital beds; the charge that housing programs do not benefit the poor should be supported with beneficiary data by income class; the charge that certain manpower programs are inefficient should be supported with cost-benefit comparisons. Although there are measurement problems, these can be substantially overcome through careful analysis.

The Administration would have Congress and the public believe they have done this kind of careful analysis. In a March 27, 1973 New York Times Article entitled "Congress As The Crisis" Mr. Caspar Weinberger said:

"President Nixon's second step was to order the most exhaustive evaluation of Federal programs ever undertaken. Those in the Office of Management and Budget who conducted the evaluation used only one criterion: Does the program work?

"Of the more than 1,000 Federal grants programs reviewed, 115 were found to be riddled with waste and inefficiency. There is no money for such programs in President Nixon's 1974 Budget."

In an effort to determine whether the Administration had thoroughly evaluated the programs it cut, several members of the Joint Economic Committee asked the Office of Management and Budget for the analytical evaluations during the Committee's annual hearings on the budget. In the Joint Economic Committee hearing of February 8, 1973, Senator Humphrey, addressing Mr. Roy Ash, stated: "I am hereby asking for the Joint Economic Committee that you provide for this Committee a full detailed explanation, justification of cost-benefit impact, cost-benefit relationship of every single cut that you made in every program in the 1973 fiscal operation and projected 1974." In the same hearing, Senator Proxmire made a similar request for the analytical rationale behind the cuts the Administration made or proposed. (See Appendix A). In response to these requests, on March 19, 1973 the Office of Management and Budget sent the Committee a 179 page loose leaf binder of their formal justifications for cutting 108 programs labeled as "riddled with waste and inefficiency."

It is difficult to describe the material Mr. Ash has sent the Committee to support the President's budget cuts. They are not studies or evaluations of programs at all. They are primarily undocumented assertions, descriptions of programs, explanations of actions taken, and a great deal of extraneous material. The material does not indicate the President and his advisors have carefully studied these matters. The material gives Congress no reason to have confidence in the President's reform proposals and budget priority decisions.

Seventy-four percent of these "detailed analyses are less than one page long. The explanation of the inventory and working capital reduction in the Atomic Energy Commission is less than four typed lines; several of the explanations are less than 10 typed lines. Ninety-eight of these analyses are less than two pages long. In this entire 179 page document, only two programs had an analysis which exceeded two pages.

Most of these explanations are divided into two parts: "background" and "action," and there is no section devoted to the reason or basis for the cut—the information which was requested. Much of the information provided is slightly interesting but totally extraneous. For example, changing Medicare cost controls are rationalized as follows: "During Phase II, the inflation of medical care prices was reduced to about half the rate of increase before the Economic Stabilization Program. Nevertheless, strong inflationary pressures continue to exist in the health sector, particularly in hospital costs." These are not sentences lifted out of context; they are the *complete* explanation. In another place we are told that the Department of Justice Community Relations Service will save $4 million in fiscal 1974 while it intends to spend $2.4 million reducing racial tension and to expand crisis resolution and State liaison activities by 41 percent. One wonder whether Justice intends to find 41 percent more new crises to resolve, or just to resolve the old crises 41 percent better. When one finds a clearly stated reason for cutting a program they often read like this "indictment" of the Open Space Land Program: "Benefits accrue primarily to residents served by the parks."

When reasons for the cuts are given, they do not represent any clearly stated and applied criteria for judging a program's effectiveness. In the case of the Economic Development Program in the Commerce Department, for example, the program is cut because the funds are so widely dispersed that, "while they may have been helpful in individual cases, they have done little to overcome the problems of any community." In the case of Community Mental Health Centers, on the other hand, we are told the program is cut because funds are too highly concentrated and therefore "inequitable to the Nation as a whole because relatively few communities receive Federal funds." The most common criteria by far, however, take the form of Administration assertions. We are told that the Administration opposes certain education programs because they are "inconsistent with Administration policy." In other cases it is simply asserted that the program is bad or that it "is not an appropriate Federal role."

Having made some general observations about the Administration's budget cut justifications, let us now turn to what they look like in some particular program areas for fiscal 1974.

DEFENSE

The most incredible case of cosmetic budget cuts is national defense, which in fact increases by $4.7 billion. The Administration's claim that there are budget savings of $2.7 billion is to a considerable extent fabricated. This can be seen from the 7 pages of "justification" OMB provided to the Committee.

A personnel and operations saving of $1.2 billion is claimed, for example, with two sentences: "Reduced proposed activity rates for real property maintenance, material depot maintenance, operating force support and supply operations . . . Reducing military and civilian end strengths 106,000 from proposed levels for 1974." The key word here is *proposed* as it means a budget saving is claimed because the Secretary of Defense cut the in-house wish list for the military departments. Elsewhere in the budget it is revealed that fiscal 1974 personnel and operations costs rise approximately $122 million.

Procurement, research and development savings of $850 million are claimed with the justification: "These reductions have the effect, in some cases, of slowing down the pace of development and, in other cases, of deferring program initiation." Actually, procurement, research and development increase by approximately $1.4 billion.

HEALTH

Although the Administration may have proposed some necessary spending reforms in the health area, there is no way that this can be determined from the information provided by OMB. We are told, for example, that $75 million can be saved by terminating Medicaid adult dental care because: "Lack of dental care is seldom life-threatening and is less critical for adults." No evidence is provided to support a contention that seems highly questionable when applied to adults with the social, economic, and dental histories of Medicaid recipients. In addition, in the face of the 17,000 deaths each year as a result of oral cancer, is it accurate to state that lack of dental care is seldom life-threatening?

Among the assertions given for the phase-out of the Community Mental Health Centers is that: "Less than 25 percent of the population are in catchment areas served by these centers which place little emphasis on the medically disadvantaged." Statistics from the Department of Health, Education and Welfare, however, show that in 1970, 42 percent of the persons admitted to these centers had family incomes below $3,000 and 64 percent had family incomes below $5,000. How poor do people have to be to be classified as disadvantaged?

TRANSPORTATION

Transportation is the best example of an area where claims for budget savings are cosmetic shifts in the timing of Federal payments. In the case of the highway program; for example, the Administration claims budget savings of $83 million as Federal payout requirements are reduced because the "Highway Act of 1972 was not enacted by the Congress." In another case, the FAA is said to save $35 million because "unanticipated program delays have resulted in some slippage in the FAA accelerated commissioning program." In all, only $37 of the $263 million in savings claimed in the transportation area can be considered real budget savings.

MANPOWER

The savings in the manpower area are for the most part real—program outlays for public employment and training decline by about $1 billion. There is no analysis or evidence provided by OMB to support these cuts, however.

The reason given for a reduction in manpower training programs is that: "The many evaluations of manpower projects and programs have not demonstrated that they have been effective as presently operated." While that is true for some manpower training programs, it is not so for all and the composition of the cuts made by the Administration does not stand up to hard scrutiny. Those programs which had the highest benefit-cost ratios are being cut back most sharply. The Subcommittee on Fiscal Policy of the Joint Economic Committee recently examined the five largest training programs. The staff study concluded that MDTA on-the-job training and institutional training have very high social rates of return. This is especially true of on-the-job training.

The other program which has demonstrated relatively high benefits in relation to cost is the Neighborhood Youth Corps out-of-school program. Studies have shown that this program had positive rates of return, especially for high school dropouts. The cuts in the most effective programs for training are in contrast to the sharp expansion of the Work Incentive Program (WIN) by 37 percent. Studies of WIN have shown that the placement rates of those completing the program are only 20–30 percent, compared with 70–80 percent for MDTA training.

In a similar fashion, the public employment program is terminated with the unsupported statement that: "The remaining unemployed are in need of assistance that this program cannot provide." Although we don't know what is meant by the statement that this program cannot aid the remaining unemployed, we do know that 27 percent of the beneficiaries are veterans, that 38 percent are disadvantaged, that 36 percent are from minorities, and that 56 percent of the beneficiaries had been unemployed 15 weeks or more before entering the program. In addition, some portion of the public employment program savings appears to be cosmetic because it takes credit for reductions that would have occurred automatically as unemployment approached the 4.5 percent cut-off associated with this program.

CRIME AND LAW ENFORCEMENT

Savings in the crime and law enforcement area again provide an example of timing shifts in Federal expenditures because of unavoidable delays or intentional deferrals. A saving of $12 million is claimed by the Treasury Department, for example, because further construction of the Federal Law Enforcement Training Center is "being delayed pending final resolution of sewage treatment problems." The Bureau of Prisons claims savings of $28 million because "construction of two Metropolitan Correctional Centers is being deferred, and an arrangement is being sought with the State of California in place of constructing a Youth Facility in Ventura Country."

HOUSING AND URBAN DEVELOPMENT

Real savings of $305 million are achieved by suspending housing subsidy programs but there is no analysis of why the programs were cut and what impact this action will have on housing supply. It is asserted that the housing subsidy programs have provided inordinate financial gains for intermediaries, placed some families in houses they could not maintain and inflated the cost of housing. This is true and the reasons for it, according to recent General Accounting Office studies, is that the Department of Housing and Urban Development (1) did not properly inspect homes, (2) did not provide adequate counselling to low-income homebuyers, and other aspects of program mismanagement.

We even have an assertion based on assertion. The Urban Renewal program is condemned with quotes from an old speech by the former HUD Secretary, George Romney. According to Romney, the program is ineffective because: "These categorical programs are no longer adequately responsive to the crisis of our central cities. We have poured billions into these programs with little result. To continue would mean throwing more billions of the taxpayers money away. Larger infusions of money have not served to solve the problems. Something else is needed." Maybe something else is needed, but let's base the decisions on some careful studies and not old speeches.

POVERTY AND WELFARE

The Administration projections of saving $592 million through administrative reforms of the welfare system is an example of real savings so naively conceived they may never come to pass. The projected savings would be the result of a proposed Federal regulation which has not yet been adopted and whose legality is questionable. The proposed regulation would eliminate all Federal financial participation for *all payments* to ineligible cases and all overpayments under the Federally-assisted public assistance program. The application of a *zero tolerance level* to public assistance programs is itself a questionable concept, and thirty-four states have threatened a legal suit contesting the proposed measure.

The budget savings claimed from terminating the Community Action Programs are real but the reasons given by OMB are, alternatively, too much success and too much failure. Since the Community Action program has "demonstrated the value of participation in service development programs by the people being served, . . . The continued existence of this program as a direct Federal responsibility is no longer necessary. On the other hand, the program should be terminated because: "There is no conclusive evidence that the Community Action program has moved significant numbers of people out of poverty on a self-sustaining basis."

As indicated earlier, this analysis is meant to be a preliminary to a more detailed review by the General Accounting Office and public hearings. Still, this preliminary analysis would seem to indicate that the information provided to the Committee as formal justification for the budget cuts is of such low quality that Congress cannot rely upon it in formulating spending reform and setting national priorities. Moreover, the quality of the Administration's back-up support for its spending reform proposals is so weak that it may be that spending reform is not being advanced as a serious economic policy.

In conclusion it should be emphasized that criticism of the Administration's inept formulation of a spending reform package does not diminish the need for the elimination and restructuring of ineffective government spending programs. In fact, several of the programs the Administration has on its reform list merit careful review. It is now time for the Congress to take the leadership for spending reform.

APPENDIX A

The following statements are the specific requests made by Senators Humphrey and Proxmire during the testimony of Mr. Roy Ash before the Joint Economic Committee on February 8, 1973.

Senator HUMPHREY. I happen to believe that you have not provided the information and I am hereby asking for the Joint Economic Committee that you provide for this Committee a full detailed explanation, justification of cost-benefit impact, cost-benefit relationship of every single cut that you have made in every program in the 1973 fiscal operation and projected 1974. That is an official request from a member of this Committee and the law requires that you fulfill.

Mr. ASH. As the law requires we now receive that request and will respond to it.

Senator HUMPHREY. As promptly as possible?

Mr. ASH. We certainly will.

Senator PROXMIRE. Senator Humphrey asked for something I was going to ask for, specific cost-benefit studies which are required by law. I am asking for the details, not just the numbers—the details.

ARTS AND CRAFTS FESTIVAL AT HISTORIC HARPERS FERRY

Mr. ROBERT C. BYRD. Mr. President, the second annual Mountain Heritage Arts and Crafts Festival will be held at historic Harpers Ferry, W. Va., on June 8, 9, and 10. I believe that this year this event will surpass the outstanding success of last year's festival, and that it will draw throngs of visitors from a wide area, including the metropolitan area of the Nation's Capital.

Harpers Ferry is only about an hour's drive from Washington, D.C., and I hope that many officials and employees of the Federal Government will wish to take advantage of the opportunity to visit what, in my judgment, will be a very rewarding exhibition of handicrafted articles, together with demonstrations of how they are produced by the skilled craftsmen who offer them to the public. There will be, in addition, folk music, dancing, and other entertainment.

In this day of assembly lines and factory-produced goods, it is reassuring to know that the old skills of our forebears have not disappeared, but that, on the contrary, they have been given now life and vigor by dedicated craftsmen such as one finds in West Virginia and many other States. Weaving and spinning, pottery making, quilting, glass blowing, blacksmithing, candle dipping, corn meal grinding, soap making, and fancy woodworking may be thought of as relicts of the past. But in festivals such as that to be held at Harpers Ferry, the visitor may watch as deft artisans in these and other skills create handmade articles of beauty and usefulness. The pride which these mountain artisans take in their work is obvious and inspiring.

Harpers Ferry and the eastern panhandle of West Virginia would be worth a visit even if there were no festival. It is beautiful country, and it is historyland as well. The Harpers Ferry National Historical Park is there, and such names as George Washington, Thomas Jefferson, John Brown, and Robert E. Lee loom large in the area's fascinating past.

The Jefferson County Chamber of Commerce, the headquarters of which is located in Charles Town, W. Va., sponsors the Mountain Heritage Arts and Crafts Festival, and the chamber is highly to be commended for its efforts in putting on an affair of this caliber. Those in charge of the undertaking, and West Virginians in general, will welcome all who attend.

A general revival of oldtime arts and crafts is taking place in wide areas of our country, and I am happy to say that West Virginia has been in the vanguard of that development. The Harpers Ferry Festival, one of many to be held in my State this year, will provide a fine showcase for the skills and products that are so much a part of our national heritage. You all come.

POISONING AND PREDATOR CONTROL

Mr. BAYH. Mr. President, I believe that by now it is clear that this country's past practice of using extremely toxic poisons for predator control on public lands is objectionable to taxpayers, the environmentalists, the Department of Interior, and to countless citizens. While most agree that some form of predator control is desirable, the use of massive amounts of indiscriminate poisons—which often kill nontargeted animals, and can eventually contaminate our water supply—has deleterious side effects which are simply too risky.

My bill—the Antipoisoning Act of 1973—is designed to permanently end the use of poisons on public lands except in extraordinary situations, and to assist States find an alternative to poisoning for predator control. Hearings were held on my bill, S. 819, on March 27 before the Subcommittee on the Environment of the Senate Commerce Committee. During the hearings, chaired by Mr. Stevenson, of Illinois, who is a cosponsor of S. 819 bill, both S. 819 and the bill introduced by the administration were examined carefully; hopefully, the Senate can join the House during this Congress in passing a bill to reorient our attitudes and techniques in predator control.

I ask unanimous consent that a copy of my prepared testimony—which outlines the main points of the bill in comparison to the administration and the House-passed bill of the last Congress—be printed in the Record along with a copy of the bill.

There being no objection, the testimony and the bill were ordered to be printed in the Record, as follows:

Testimony of Senator Bayh Before the Subcommittee on the Environment of the Senate Commerce Committee, March 27, 1973

Mr. Chairman, the proposal to terminate poisoning programs on public lands has aroused highly emotional debate during the past few years, debate intensified by the absence of clear facts to lend a stabilizing effect. Unfortunately, there still are no detailed statistics on the extent of sheep losses due to predation, nor is there hard information on the effectiveness of various predator control techniques—including poisons—which have been used.

However, we do know from the Cain Report of 1972 that during the 20-year period of 1951–1970, at least $110 million in federal and contributed funds were spent on animal damage programs. Under these programs more than 1,000 tons of poisoned meat as well as huge amounts of compound 1080, strychnine tablets, and poisoned grain have been disbursed throughout our Western lands. We also know from the environmental impact statement submitted by the Department of Interior that here were a number of unintentional accidents to humans (19), dogs (87), horses (12) and other animals during the ten-year period of 1596–1969. Almost two-thirds of these accidents were caused by poison-disbursing agents. Finally we know that the use of indiscriminate poisons has led to the death of many nontargeted animals, and has disrupted the natural environmental balance and predation cycle more than is necessary. The fact that many of these poisons are not biodegradable is most disturbing as it raises the probability that large amounts of these poisons have been accumulating in our water supplies and could eventually affect humans. In short, it is clear that past programs are not satisfactory to the taxpayers, the environmenalists, the Department of Interior, and countless citizens.

I think we can agree that a clear consensus exists in favor of finding an alternative to poisoning. Last year, a bill to establish alternative methods of predator control passed the House. Two sets of hearings have been held on my bill, S. 2083, since its introduction in 1971; no action was taken on the bill but the Administration took the very important steps in 1972 of banning the use of poisons on public lands, and suspending the registration of particularly toxic poisons. Although I have commended these steps, I also believe that such crucial protections deserve the authority and permanence of law. Executive and agency orders are repealed too easily. Therefore, I hope Congress will act promptly on my bill and others to curtail the use of poisons which have adulterated our environment.

The Anti-Poisoning Act—S. 819—which I have introduced this year has three main purposes: (1) to outlaw the manufacture, sale or use of particularly toxic poisons; (2) to prohibit the routine use of poisoning on Federal lands; and (3) to encourage the development of alternative methods of predator control, as well as their utilization by individual states. Exceptions to the poisoning prohibition are possible, but any use of poison would require a detailed written justification by the Secretary of Agriculture or the Secretary of the Interior, following opportunity for public debate. The general purpose of the bill is similar to that of H.R. 38 and S. 887 which will be considered eventually by this Subcommittee. There are significant differences, however, which I wish to emphasize.

Most important, under Section 6 of my bill it is unlawful to sell, ship or use certain particularly toxic poisons for field use in predator control programs. Three of these poisons—sodium cyanide, strychnine, and sodium monofluoracetate—were ordered suspended and cancelled for use in predator control last spring by the Environmental Protection Agency. In the report ordering their suspension, EPA noted that the Cain report "points out the extreme toxicity of these compounds, their nonselectivity, and their potential impact on the environment which is 'increased by secondary hazard, accumulation in the animal, and combined characteristics of chemical stability and solubility in water'."

In the case of the fourth poison—Thallium Sulfate—the EPA order took a step which went beyond that proposed in my bill. The March 9, 1972 order suspended the registration and interstate commerce of thallium sulfate for all uses; although my bill limits its attention to field use in predator control, the EPA order affecting other uses would still be valid under the Federal Insecticide, Fungicide, and Rodenticide Act. (FIFRA)

Under Section 6 of my bill, there are two other subsections which are designed to augment existing authority under FIFRA. Under FIFRA, record-keeping is required of producers of the pesticides in question. Since the prohibition in my bill is also directed at the *use* of those pesticides, I have added provisions to require record keeping and licensing to record the possession and use of all compounds so banned. If control programs are to be turned over to the States, such record keeping is essential to efficient monitoring and enforcement.

Finally, the bill authorizes the Environmental Protection Agency to purchase from producers the compounds and chemicals banned under the bill. Under FIFRA, the Agency is required to pay indemnities to producers if a producer would suffer losses as a result of the cancellation of the registration. The parallel section in my bill is designed to serve as an indemnity payment mechanism at the same time that it removes excess stocks of the pesticides from the market. Since registration for these poisons has already been cancelled under FIFRA, indemnities have presumably been paid where necessary; I would accept EPA's judgment as to whether this particular provision is superfluous.

As to the larger question of whether a statutory prohibition of the manufacture or use of these poisons for predator control is necessary, I believe that this provision of my bill will make Congressional intent clear to those who wish to use poisons on private lands, and to those who request special permission for a "limited emergency" poisoning program. A statutory ban will also encourage more research in alternative control techniques, since there would be no lingering hopes that the Environmental Protection Agency will repeal its order at some date in the future. Since it now seems highly unlikely that EPA will in fact rescind its Order, statutory enactment of Section 6 would simply remove speculation without binding the Environmental Protection Agency to a position which would be untenable at a later date.

Mr. Chairman, there are 4 additional points of difference between my bill and the other two bills, S. 887 and H.R. 38, to which I would like to draw the Committee's attention. First, under my proposal, a public hearing is required before the emergency use of poisons by either Federal or State authorities is permitted on public lands. Second, poisoning is not justified, even as a last resort, to prevent major damage to domestic livestock alone. Third, a total of $4 million rather than either $9.5 million or unspecified amounts of money is authorized for the first year of the program. Fourth, the Federal role in predator control programs or in funding thereof, shall be eliminated after three years of transitional assistance. I will deal with each of these issues separately and briefly.

A public hearing would be required by my proposal before emergency use of poisoning so as to dampen the proven enthusiasm of Federal and Local agents concerning the use of poisons. Although H.R. 38 and S. 887 require consultation with the heads of four Federal agencies and a written finding before emergency use of poisons may be authorized, such procedures do not ensure any depth of debate, or the involvement of knowledgeable and interested outside groups. The consultation mechanism could easily become routine due to other pressing crises in each agency; in that case, interest groups could only protest written findings after the fact, rather than participate in the gathering of relevant information.

Mr. Chairman, I do not believe that poisoning is justified, even as a last resort, to prevent major damage to domestic livestock. According to the testimony offered last week before the House by Nathaniel P. Reed, Assistant Secretary of the Department of Interior for Fish and Wildlife and Parks, the Bridger Project last summer proved that even in the most difficult terrain, alternative control methods can be as effective as poisoning has been in controlling depredations. The intensive lobbying effort this past winter to repeal Executive Order 11643 is clear indication that owners of livestock prefer to use poison. I am concerned that an emergency provision will be gradually widened until it is a gaping loophole. H.R. 38 allows the Secretary to approve a State program which uses chemical toxicants to prevent "major damage to domestic livestock in an area where he determines that other means of predator control will not prevent such major damage". S. 887 is even more open-ended, permitting the Secretary to approve a State program which uses toxicants "for the prevention of substantial irretrievable damage to nationally significant resources". S. 819, on the other hand, would permit approval of such a State program "for the prevention of substantial *irretrievable* damage to nationally significant *natural* resources." I believe this language would exclude the use of poisons to protect domestic livestock.

At this point Mr. Chairman, let me emphasize that although I oppose any form of poisoning for predator control, I do support the sheepraising industry. Wool is a precious raw material and reports indicate that demand for it is increasing as the fashion world's romance with synthetic fibers flickers. Furthermore, the prospect of greater opportunities for meat exports—coupled with the present high domestic meat prices—is a strong argument in favor of fostering more, rather than less, sheepraising. Following this theme, I was very interested in the theories and suggestions advanced by Friends of the Earth during the House hearings on March 19 of this year, particularly in the suggestion for training, placement, and financial assistance to new sheepherders. I hope that the National Wool Growers Association will share with the committee its reactions to those proposals, as well as estimates of the needed expenditures.

Mr. Chairman, the third distinction between the bills involves cost. The highest estimate I have received of the cost to taxpayers of the poisoning predator control program was $8 million a year. H.R. 38 proposes to spend even more in each of the first two years—$9.5 million. S. 887 avoids the problem—and also avoids a ceiling—by eliminating authorization estimates. I believe a ceiling is necessary and that States or affected Associations should contribute a substantial share of the funds available for predator control. S. 819 proposes a ceiling of $4 million the first year, $3 million the second, $2 million the third, and $1 million in research money for each succeeding year.

Finally, I believe that although the Federal government should continue to help fund research and to set uniform standards for State control programs, it should extricate itself from both operation and funding of predator control programs over a reasonable time period. The time period established in my bill is three years; the other bills would provide financial assistance for an indeterminate period of time. I am certainly pleased that those public lands not yet needed for parks or preserves can be used for a small fee by sheepowners. I also believe that in view of the government's past willingness to protect sheep on those lands, we bear a responsibility to sheepowners to assist them find an effective alternative to poisoning. But I do not believe that the Federal government should shoulder the large financial burden which has been associated with protecting private herds of sheep in a minority of States.

Mr. Chairman, thank you again for the pleasure of joining you today to present testimony on this crucial issue. I look forward to working with you to secure the passage of legislation on this subject.

S. 819

A bill to authorize a national policy and program with respect to wild predatory mammals; to prohibit the poisoning of animals and birds on the public lands of the United States; to regulate the manufacture, sale, and possession of certain chemical toxicants, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antipoisoning Act of 1973", and that it is the policy of Congress to recognize that the wolf, the coyote, the mountain lion, the lynx, the bobcat, the several species of bear, and other large, wild carnivores native to North America and commonly known as predatory mammals are among the wildlife resources of interest and value to the people of the United States.

DEFINITIONS

SEC. 2. For purposes of this Act—

(a) "public lands" means all publicly-owned lands of the United States;

(b) the term "person" means any individual, organization, or association, including any department, agency, or instrumentality of the Federal Government, a State government, or a political subdivision thereof;

(c) the term "State" means the several States of the Union, Puerto Rico, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and the District of Columbia, but shall not include any political subdivision of the foregoing entities;

(d) the term "chemical toxicant" means any chemical substance which, when ingested, inhaled, or absorbed, or when applied to, or injected into the body, in relatively small amounts, by its chemical action may cause significant bodily malfunction, injury, illness, or death to animals or man;

(e) the term "predatory animal" means any mammal, bird, or reptile which habitually preys upon other animals;

(f) the term "depredating animals" means any nonpredatory mammal or reptile causing damage to agricultural crops or natural resources;

(g) The term "secondary poisoning effect" means the result attributable to a chemical toxicant which, after being ingested, inhaled, or absorbed by or into, or when applied to or injected into a mammal, bird, or reptile, is retained in its tissue, or otherwise retained in such a manner and quantity that the tissue itself or retaining part if thereafter ingested by man or another mammal, bird, or reptile, produces the effects set forth in subsection (d) hereof; and

(h) The term "field use" means any use on lands not in or immediately adjacent to occupied buildings.

PUBLIC LANDS

SEC. 3. (a) Except as provided in subsection (b) of this section, no person shall—

(1) make field use of any chemical toxicant on any Federal lands for the purpose of killing predatory animals; or

(2) make field use on such lands of any chemical toxicant which causes any secondary poisoning effect for the purpose of killing other mammals, birds, or reptiles.

(b) In any specific instance where either the Secretary of the Interior or the Secretary of Agriculture believes, because of unusual and extraordinary circumstances, that it is imperative to use poisons on public lands for animal control, he shall place a Notice of Intention in the Federal Register at least sixty days prior to the proposed beginning of the program and shall give a public hearing to anyone who wishes to protect the poisoning; the program shall not be begun until a review of the protest is made by the Secretary of Interior or Secretary of Agriculture, as the case may be, and a detailed explanation of the need of the program is placed in the Federal Register. The use of poison under such a program must be essential—

(1) to the protection of human health or safety;

(2) to the preservation of one or more wildlife species threatened with extinction or likely within the foreseeable future to become so threatened; or

(3) to the prevention of substantial irretrievable damage to national significant natural resources.

(c) In such emergencies, in the absence of an approved program for control of predatory and depredating animals for the State in question, the Secretary of Interior is authorized to provide technical assistance to a State agency, or to direct Federal personnel to oversee the emergency program.

(d) Any person, including officials, employees, and agents of the United States or any State, who violates the provisions of this section shall, upon conviction for the first offense, be subject to a fine not to exceed $500 or imprisonment not to exceed six months, or both; upon conviction of a second or subsequent offense, violators shall be subject to a fine not to exceed $10,000, or imprisonment not to exceed 12 months, or both.

(e) There are hereby authorized to be appropriated for the purposes of this section not to exceed $400,000 for each fiscal year occurring after fiscal year 1973.

ALTERNATIVE METHODS OF PREDATOR CONTROL

SEC. 4. (a) In order to assist the States in controlling damage caused by predatory and depredating animals and in order to encourage the use by States of methods which are consistent with accepted principles of wildlife management and the maintenance of environmental quality, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to conduct directly or by agreement with qualified agencies or institutions, public and private, a program of research which shall concern the control and conservation of predatory and depredating animals and the abatement of damage caused by such animals. Research objectives, and the program of research authorized by this subsection, shall be developed by the Secretary in cooperation with each of the affected States.

(b) The program of research authorized by subsection (a) hereof shall include, but need not be limited to—

(1) the testing of methods used for the control of predator and depredating animals and the abatement of damage caused by such animals;

(2) the development of effective methods for predator control and the abatement of damage caused by predatory and depredating animals which contribute to the maintenance of environmental quality and which conserve, to the greatest degree possible, the Nation's wildlife resources, including predatory animals;

(3) a continuing inventory, in cooperation with the States, of the Nation's predatory animals, and the identification of those species which are or may become threatened with extinction; and

(4) the development of means by which to disseminate to States the findings of studies conducted pursuant to this section.

(c) The Secretary is authorized to conduct such demonstrations of methods developed pursuant to subsection (b) and to provide such other extension services, including training of State personnel, as may be reasonably requested by the duly authorized wildlife agency of any State.

(d) There are hereby authorized to be appropriated for the purposes of this section not to exceed $600,000 for each fiscal year occurring after fiscal year 1972.

SEC. 5 (a) In furtherance of the purposes of this Act, the Secretary is authorized to provide in the three fiscal years following enactment financial assistance to any State which may annually propose to administer a program for the control of predatory and depredating animals. To qualify for assistance under this section, any such State program must be found by the Secretary to meet such standards as he may, by regulation, establish except that—

(1) the Secretary shall not approve any such State program which entails the field use of chemical toxicants for the purpose of killing predatory animals or the field use of any chemical toxicant which causes any secondary poisoning effect for the purposes of killing other mammals, birds, or reptiles; and

(2) the Secretary may approve a temporary State program which entails such emergency use of chemical toxicants as he may authorize, in each specific case, for the protection of human health or safety, the preservation of one or more wildlife species threatened with extinction or likely within the foreseeable future to become so threatened, or for the prevention of substantial irretrievable damage to nationally significant natural resources. Such approval will not be made until in each specific case he makes a written finding, following consultation with the Secretaries of the Interior, Agriculture, and Health, Education, and Welfare, and Administrator of the Environmental Protection Agency, that an emergency exists that cannot be dealt with by any means which do not involve the use of chemical toxicants. Prior to his decision to approve or disapprove, the Secretary shall publish notice in the Federal Register of each proposed emergency use being considered under this section. Such notice shall invite the submission from interested parties, within thirty days after the date of notice, or written data and/or views with respect to the proposed emergency use.

(b) An annual payment under subsection (a) hereof may be made to any State in such amount as the Secretary may determine except that—

(1) no such annual payment shall exceed an amount equal to 75 per centum in the first year, 50 per centum in the second year, or 25 per centum in the third year, of the cost of the program approved under subsection (a) hereof;

(2) no such annual payment to any State shall exceed $300,000 in the first fiscal year following enactment, $200,000 in the second fiscal year, and $100,000 in the third fiscal year following enactment:

(3) no payment otherwise authorized by this section shall be made to a State whose share, in whole or part, of the cost of the program approved under subsection (a) hereof is to be paid from funds not appropriated by its legislature; and

(4) not more than 10 per centum of the State share may be from funds derived from sale of hunting, fishing, and trapping licenses or permits.

(c) There is hereby authorized to be appropriated for the purposes of this section $3,000,000 in fiscal year 1974, $2,000,000 in fiscal year 1975, and $1,000,000 in fiscal year 1976.

CONTROL OF POISONS

SEC. 6. (a) It shall be unlawful to manufacture, distribute, offer for sale, hold for sale, sell, ship, deliver for shipment, deliver, receive, or use any compound of thallium sulfate, sodium cyanide, strychnine, or sodium monofluoracetate for field use in predator control programs.

(b) In addition to existing authority under the Federal Insecticide, Fungicide, and Rodenticide Act, the Environmental Protection Agency shall establish a system of recordkeeping and licensing to record the possession and use of all compounds and chemicals encompassed in subsection (a).

(c) The Environmental Protection Agency is authorized to purchase the compounds and chemicals in section (a) from any persons who possess them upon enactment of this Act but whose continued possession becomes unlawful under the Act or regulations issued thereunder.

(d) Any person convicted of any violation of subsection (a), or of any regulation promulgated thereunder, shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

SEC. 7. Heads of Federal departments, agencies, or establishments are hereby authorized to issue such regulations as may be necessary to carry out the purposes of this Act.

SEC. 8. There is hereby repealed in its entirety the Act of March 2, 1931 (7 U.S.C. 426–426(b)), pertaining to the eradication and control of predatory and other wild animals.

SEC. 9. Nothing in this Act shall be construed as superseding or limiting the authorities and responsibilities of the Administrator of the Environmental Protection Agency under the Federal Insecticide, Fungicide, and Rodenticide Act, as amended.

SEC. 10. Except as otherwise provided in sections 3, 4, and 6 hereof, there is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

JULIUS SILVER ON TECHNOLOGY AND MEDICINE

Mr. RIBICOFF. Mr. President, an important address on one of the newest fields of medicine has come to my attention. This was a lecture delivered by Mr. Julius Silver at the Israel Institute of Technology, a part of the world famous Technion in Haifa, Israel. Mr. Silver is an outstanding civic leader and philanthropist deeply devoted to furthering health and educational projects both here and abroad.

In his remarks, Mr. Silver drew attention to the importance of biomedical engineering and its unique marriage of medicine and engineering. Mr. Silver also traced the historical development of this concept and examined the future boon to mankind as a result of biomedical engineering. New designs for heart pacemakers, artificial kidneys, heart pumps, and germ free surgical theaters are only a few of the promising prospects.

Israel's significant contribution in this field were cited as well as the establishment of the first biomedical institute in the world there.

I commend Mr. Silver for his perceptive and illuminating remarks on a subject of interest to all concerned with progress in medical science. I ask unanimous consent that the text of his address, "Technology and Medicine," be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TECHNOLOGY AND MEDICINE

(By Julius Silver)

Biomedical engineering can build bridges between the life sciences, such as biology and medicine, and the physical sciences, such as physics, chemistry and mathematics. Yet the uninitiated layman may be astonished to discover that an institute of higher learning devoted to biomedical engineering is a rarity in the academic world. When such an institute at Technion was publicly inaugurated in December 1968, it was the first of its kind in this part of the world and indeed, it had few counterparts as an independently structured academic entity in the Western world.

The declared purposes of the biomedical engineering institute at Technion included, on an inter-institutional basis, a program of training engineers and physicians in the biomedical sciences, the sponsorship of research in those sciences, and the creation of educational facilities to support these activities. The declared purposes included the further objective of encouraging in Israel the commercial production and sale of biomedical devices.

The concept of promoting a closer relationship among Israeli engineers in behalf of medical objectives was received with great interest in the academic circles of Israel. It soon became apparent to the leadership of Technion that there was an enormous latent and unsatisfied appetite in the engineering community for greater involvement in the life sciences. At the same time, the medical community of Israel recognized in this institute the opportunity to enlist practitioners of the physical sciences in a mutually advantageous collaboration in the perpetual crusade for the improvement of health care. It seems that, certain sponsors of Technion, government officials and lay members of the community also recognized the manifold advantages of such a collaborative effort. These were the essential motivations for the recent merger which brought the Rambam Hospital and the Aba Khoushy Medical School into the Technion family.

This institutional marriage represents an achievement of great administrative and diplomatic skill. Here, at Technion, for the first time in this part of the world, the highly desirable objective has been realized of centralizing in one institution the indispensable components of biomedical engineering. Henceforth, the administrators of one institution have the capability and potentiality for leadership in a total program supported and enriched by medical as well as engineering faculties and student bodies, by an outstanding hospital, by laboratories and equipment for research, by libraries and other educational facilities, and by the means for reduction to practice of the fruits of collaboration of medicine and technology.

This union opens unlimited vistas of challenge and opportunity to add adaptations of revolutionary modern discoveries in the physical sciences to the epoch-making progress of the medical sciences. This union also promises to mitigate the effects of the fragmented specialization in science which has in the past inhibited inter-disciplinary collaboration.

During its long history, Israel has given birth to some of the major ideologies of Western civilization. It has had occasion to observe the manner and extent to which these ideologies have been nourished and sustained by the creation and the growth institutions dedicated to the perpetuation of these ideologies. From the standpoint of historical perspective, it is understandable that Israel should be responsive to an idea, no matter how modest and unpretentious its origin, if it lends itself to institutionalization and if it appears capable of providing its own dynamism for growth and progress.

If the institutional marriage of medicine and engineering is so rational and so full of promise, why is it such a rare phenomenon?

We are reminded that engineering originally involved the science and practice of designing and building machines of war and facilities to serve military purposes. About the middle of the 18th century, a new class of engineers became involved in projects not exclusively military. In contrast to its predecessors, such practitioners became known as "civil" engineers. The growth of commerce and industry and the consequent urge for specialization led to the training of mechanical engineers who were concerned with steam engines, means of transport, machine tools and the production equipment of the industrial revolution. In the course of time, academies of higher learning were training mining engineers, marine, sanitary, chemical and electrical engineers. We may note that these specialized engineers in the first half of the 19th century had little interest or qualification for involvement in the world of biology or of medicine.

Turning briefly for a bird's eye view of the history of the life sciences, we note that early medicine was based on observation and experience rather than on investigation and analysis. The early medicine of the Greeks rested on the notion that disease was caused by malfunction of four liquids or humours of the body.

The progressive medicine of the 16th century was influenced in part by the invention of printing and by the religious schisms which sparked a reexamination of established values. The advent of a school of art which studied the human body as a model created the impetus for a detailed knowledge of anatomy.

In the latter part of the 19th century, the outlook on the nature of living things underwent a profound change due to the discovery of an essential identity in certain of the life processes of plants and animals, such as nutrition, respiration and reproduction. The age of Darwin's "Origin of Species" focused scientific attention on the life processes that had evolved from plants to animals to human beings, and these concepts underlined the unifying elements inherent in the functioning of all living things.

The science of medicine influenced by the spread and development of education, began to embrace all branches of so-called "natural science". It reached out to borrow from biology, from chemistry, from physics, geology and ethnology; it tested the applicability of each emerging field of knowledge. In this way, for example, the science of biochemistry arose out of a union of biology and physiological chemistry to study body functions, or metabolism. Similarly, the science of biophysics developed to share the common ground of biology and physics. The adaptation of these and other specialized sciences and combinations of sciences led to notable advances in pathology, pharmacology, physiology and anatomy. As knowledge in these areas became more detailed, surgery became more daring, probing the interior of the human skull and chest.

The ramifications of medical knowledge grew to the extent that no single individual could grasp the total scope of its almost limitless horizons. Accordingly, the age of the specialist in medical practice dawned and specialization became more and more prevalent.

Specialists are said to learn more and more about less and less. Specialization in science has manifold advantages as well as drawbacks, depending on the discretion with which the specialized knowledge is applied to an overall objective. In general, it may be said that specialization is most useful—not when it stands alone—but when it is conjoined with one or more specialities.

In an age of specialization in medicine it has become necessary to create mechanisms in education and practice that emphasize the need for understanding the human being as a whole. Otherwise, the practice of medicine by specialists tends to became impersonal and the physician tends to diminish his effectiveness in the art of treating the whole person.

Those of us who are familiar with industrial research which is supervised and monitored to achieve a common organizational objective will agree, I believe, that a grouping of specialists may create a totality greater than the sum of its parts. Now one, now another, of the specialists contributes an idea or a procedure out of his experience which moves the project on to a higher plateau and thus brings the objective a little nearer to realization. No single one of the specialists could have achieved this result without collaboration.

Each specialist thinks in terms of his discipline, his training and experience and he instinctively defines the limits of his capacity in these terms. The medical researcher lives with the variables which are characteristic of the animal world. Such variables are not ordinarily germane in the world of the physical scientist who can repetitively examine a hypothesis free of certain of the limitations of research in the life sciences.

Many technical as well as social and professional barriers inhibit interchanges among separated disciplines and thus limit the scope and effectiveness of specialized knowledge. How except by accident or good fortune could one expect a physician to conceive of the medical potentialities of spectroscopic instrumentation? Conversely, where would you find a practicing engineer who could conceptualize the creation of an Enders type viral environment in the study of immunology which led to the polio vaccines. The chemist who is accustomed to the use of the electron microscope or the physicist who observes differences in the appearance of phenomena under ultraviolet light may advance the work of the medical researcher; but only if those scientists are brought together to understand each other's objectives, capabilities and limitations.

It is highly desirable that sophisticated technology, equipment and instrumentation familiar to the engineering profession should be enlisted in the service of medical research and practice. The specialists in both fields must have the benefit of an environment in which interaction is natural, confident, useful and mutually satisfying.

Unfortunately in the past, the most talented and promising engineers found greater opportunities for professional recognition and career advancement in the older specialties of engineering practice. Moreover, the medical practitioner has on occasion treated the engineer as a mechanic or craftsman rather than as a full-fledged partner in the search for the solution of specialized medical needs.

We are now and here witnessing the emergence of an understanding of the need for a radical restructuring of the relationship between medicine and engineering on several fronts, each one critical, all interdependent. It is necessary to educate selected engineering students at the undergraduate level in biomedical as well as in engineering subjects. It is necessary to create an atmosphere in which the physician or the medical researcher will treat with the engineer as an equal, not in sporadic or occasional dialogues but in a continuous search for solutions in which each partner participates in common objectives. It is necessary to provide prestige and teaching opportunities in postgraduate studies for masters and doctoral candidates in biomedical engineering. It is necessary to combine all the facilities in a common environment in which the engineer as well as the physician has access to his tools, his intrumentation, his library and his faculty associates. It is also necessary to encourage local industries to exploit opportunities for manufacturing and marketing biomedical products.

In a biomedical engineering institute we may hope to find, in the course of time, such advances as definements in radiology and in the fashioning of alloys for medical uses. We may hope to develop machines to act as artificial kidneys for the periodic relief of abnormal function. We may look for the design of miniaturized Pacemakers to stimulate ailing heart action, or of a heart pump that will bypas an organ under repair. We may anticipate the improvement of artificial functioning limbs, substitutes for lenses of the eyes and artificial sensors for the blind. We can envision the development of controlled environments, such as germ-free surgical theatres, and of improved hyperbaric chambers with variable atmospheric pressures. We may hope to provide sensitive and less expensive intensive care units with electrical readouts, computerized procedures for diagnosis for multi-phasic screening and record keeping and for the collection of medical data in the management of health care centers.

These were the considerations which induced the faculty and administration of Technion with characteristic energy, courage and resolution, to react promptly to the challenge to establish in this part of the world an Institute for Biomedical Engineering Sciences. These were the incentives that led to the brilliant achievement of bringing a great hospital and medical school into the total complex that has become a reality in this time and place. The prospects are most encouraging for the success of this alliance and our hopes for its progress are intensified by the particularly favorable conditions existing in Israel.

A number of factors favor the progress of such an institution in this environment, factors flowing from greater flexibility in the academic and industrial communities in Israel. There is a sense of national urgency which induces collaboration between centers of higher learning. Physicians and engineers are not separated physically and by sheer weight of numbers to the same extent as in the Western world. In this compact academic and professional community they learn to know each other in military, paramilitary, as well as in civilian activities and they share a common determination to sacrifice personal interests in the process of weaving a strong, equitable and defensible social fabric. The distances are smaller here between the academic centers of higher learning, hospitals are near at hand, there is access to a vast pool of skilled hand-workers and entrepreneurs motivated to make prototype instrumentation for development and sale. Many foreign consultants are eager and willing to lend their experience and expertise, the costs of research are much lower than in the Western world and there is less insistence by local industry on large-scale assembly-line mass production. All these factors and many others support the conclusion that biomedical engineering science may flourish in Israel with less of the frustrations that flow from the preoccupations, the distractions of size and the motivations characteristic of older and more stratified societies.

It is our hope that in this country, in this atmosphere of high intellectual and scientific content, there may develop from this small beginning a significant contribution to the economy of Israel and to the health of people all over the world.

GAO REPORT ON FLIGHTS MADE BY THE PRESIDENT AND HIS CABINET DURING THE 1972 ELECTION CAMPAIGN

Mr. PROXMIRE. Mr. President, last September, I asked the General Accounting Office to determine the extent to which the Committee for the Reelection of the President was paying for the political trips of the President, the Vice President, the Cabinet, and other members of the administration.

I have now received a report from the Comptroller General giving much of that information.

According to his facts, the Committee to Reelect the President reimbursed the Government for 23 trips out of 103 trips made by the 89th Military Airlift Wing on behalf of the White House and the Cabinet from September 1 through election day. Whether any of the remaining trips were political and should have been paid for is not determined by the GAO.

The White House refused to allow the GAO access to the flight logs of the Presidential crew. However, some 32 trips made by the Presidential crew have since been paid for by the Committee to Reelect the President.

May I also say that I am the Member of Congress refered to anonymously by the General Counsel of the GAO Mr. Paul H. Dembling when he testified before the Subcommittee on Foreign Operations and Government Information of the House Government Operations Committee recently.

Until I have had an opportunity to carefully analyzed the information presented to me by the Comptroller General I shall make no further comment about it. However, I think it should be made public and I ask unanimous consent that the letter from the Comptroller General and summary of the trips be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., April 13, 1973.

Hon. WILLIAM PROXMIRE,
U.S. Senate.

DEAR SENATOR PROXMIRE: In accordance with your request of September 27, 1972, and subsequent discussions with your office, GAO has examined trips taken by the President and his family, the Vice President, White House Staff, and Cabinet officers. It was agreed that our examination would be limited to transportation provided by the 89th Military Airlift Wing, Andrews Air Force Base (AFB), Washington, D.C., during September, October, and the first week of November 1972. It was also agreed that the specific information we would furnish you would be a list of the trips made by those mentioned above with an indication as to which trips were paid for by the Finance Committee to Re-Elect the President and the amount the Committee reimbursed the Government.

From flight records of the 89th Military Airlift Wing, we identified 103 trips made by the White House and the Cabinet officers. We found that the Finance Committee to Re-Elect the President had reimbursed the Government for 23 of the trips. Our examination was restricted to trips made by other than the Presidential pilot and crew because the Presidential crew's flight records were not available to us.

However, information obtained by our Office of Federal Elections showed an additional 32 trips made by the Presidential crew and paid for by the Finance Committee to Re-Elect the President. We could not determine the total number of trips made by the crew during the period under examination.

SUMMARY OF TRIPS MADE BY OTHER THAN PRESIDENTIAL CREW

We identified from flight logs 103 trips made by the 89th Military Airlift Wing for the White House and for Cabinet officers between September 1 and November 7, 1972.

Twenty-six of the trips were made by Cabinet officers, and the costs were paid by the agency involved except in the case of the Secretary of Defense. Eight trips made by Secretary of Defense Laird were charged to the 89th Military Airlift Wing appropriation.

The remaining 77 trips were made for the White House. The flight logs for these trips showed only itinerary data and not the names of passengers. The Finance Committee to Re-Elect the President has reimbursed the Government $50,355 for 23 of these trips.

Details of the 103 trips, including an indication as to whether costs were paid by the Finance Committee to Re-Elect the President, are included in enclosure I.

TRIPS MADE BY THE PRESIDENTIAL CREW

Our examination of payment documents at the Air Force Finance Office, Bolling AFB, Washington, D.C., and information available at our Office of Federal Elections showed that the Finance Committee to Re-Elect the President had paid $98,936 for 32 additional White House trips made by the 89th Military Airlift Wing during the period we examined. These trips were not included in the 103 we identified through flight logs on file at Andrews AFB and manifests at Headquarters, Military Airlift Command, Scott AFB, Illinois. We assume that they were made by the Presidential crew and that the pertinent logs and manifests were retained by the Military Assistant to the President. Details of these trips are included as enclosure II.

LIMITATIONS ON AVAILABLE FLIGHT DATA

The 89th Military Airlift Wing is responsible for fulfilling the air transportation requirements of the President and other key Government officials. Air Force officials informed us that the Military Assistant to the President maintains flight log information and manifests for trips made by the Presidential pilot and crew. Flight log information for all other trips flown by the 89th Military Airlift Wing are on file at Andrews AFB.

All flight manifests are maintained at Headquarters, Military Airlift Command, except those pertaining to White House flights. The Military Assistant to the President maintains the manifests for all White House flights, even those not flown by the Presidential crew.

In response to our request for the flight and manifest data, the Counsel to the President said that such records have been traditionally considered personal to the President and thus not subject to inquiry by the Congress.

We trust this information is satisfactory. We will be glad to discuss this matter in detail with you or members of your staff.

Sincerely, yours,

ELMER B. STAATS,
Comptroller General of the United States.

SUMMARY OF TRIPS BY OTHER THAN PRESIDENTIAL CREW FOR WHITE HOUSE AND CABINET OFFICERS BETWEEN SEPT. 1 AND NOV. 7, 1972

Date	Agency	Itinerary	Passenger	Cost paid by—
Cabinet (26 flights):				
Sept. 24	State	Andrews AFB to LaGuardia International Airport, N.Y., and return	Secretary of State	Department of State.
Sept. 29	do	LaGuardia International Airport, N.Y., to Andrews AFB	do	Do.
Oct. 2	do	Andrews AFB to LaGuardia International Airport, N.Y., and return	do	Do.
Oct. 10	do	Andrews AFB to LaGuardia International Airport, N.Y.	do	Do.
Oct. 12	do	LaGuardia International Airport, N.Y., to Andrews AFB	do	Do.
Sept. 21	Justice	Andrews AFB to Myrtle Beach AFB, S.C.	Attorney General	Department of Justice.
Sept. 23	do	Myrtle Beach AFB, S.C., to Andrews AFB	do	Do.
Sept. 6	Labor	Andrews AFB to Sullivan County International Airport, N.Y., and return	Secretary of Labor	Department of Labor.
Sept. 13	Agriculture	Andrews AFB to Des Moines and Burlington, Iowa, to Mankato, Minn., and return to Andrews AFB.	Secretary of Agriculture	Department of Agriculture.
Oct. 30	do	Andrews AFB to Bloomington, Ill., to Amarillo, Tex., to Albuquerque and Kirkland, N. Mex.	do	Do.

SUMMARY OF TRIPS BY OTHER THAN PRESIDENTIAL CREW FOR WHITE HOUSE AND CABINET OFFICERS BETWEEN SEPT. 1 AND NOV. 7, 1972—Continued

Date	Agency	Itinerary	Passenger	Cost paid by—	
Sept. 1	Treasury	Andrews AFB to Westover AFB, Mass	Secretary of the Treasury	Department of the Treasury.	
Sept. 4	do	Westover AFB, Mass., to Andrews AFB	do	Do.	
Oct. 21	do	Andrews AFB to Ingalls Field, Va., and return	do	Do.	
Oct. 25	do	Andrews AFB to Chicago, Ill	do	Do.	
Oct. 28	do	Chicago, Ill., to Andrews AFB	do	Do.	
Nov. 2	do	Andrews AFB to Logan International Airport, Mass., and return	do	Do.	
Oct. 19	Commerce	Andrews AFB to Tinker AFB, Okla., to Los Angeles, Calif., and return to Andrews AFB.	Secretary of Commerce	Department of Commerce.	
Nov. 6 and 7	do	Andrews AFB to Chicago, Ill., and return	do	Do.	
Sept. 5 and 6	Defense	Andrews AFB to Alameda Naval Air Station, Calif., to Knoxville, Tenn., and return to Andrews AFB.	Secretary of Defense	Air Force appropriation for operating the 89th Military Airlift Wing.	
Sept. 18 and 19	do	Andrews AFB to Mosinee, Madison, and Stevens Point, Wis., and return to Andrews AFB.	do	Do.	
Sept. 22	do	Andrews AFB to Hagerstown, Md., and return	do	Do.	
Sept. 26 and 28	do	Andrews AFB to Tinker AFB, Okla., to Sheppard AFB and Carswell AFB, Tex., to McConnell AFB, Kans., and return to Andrews AFB.	do	Do.	
Oct. 13 and 14	do	Andrews AFB to Pensacola, Fla., and return	Secretary of Defense	Do.	
Oct. 21 to 23	do	Andrews AFB to East Hartford, Conn., to Quonset Point, R.I., to East Hartford, Conn., and return to Andrews AFB.	do	Do.	
Oct. 25 to 31	do	Andrews AFB to London, England; to Rota, Spain; to Norfolk, Va., and return to Andrews AFB.	do	Do.	
Nov. 2 and 3	do	Andrews AFB to Oshkosh, Mosinee, and Madison, Wis., and return to Andrews AFB	do	Do.	
White House (77 flights):					
Sept. 14		Andrews AFB to Birmingham, Ala., and return	Unknown	Do.	
Sept. 19		Andrews AFB to Montgomery, Ala., and return	do	Do.	
Sept. 19 to 21		Andrews AFB to Los Angeles and San Francisco, Calif., and return to Andrews AFB	do	Do.	
Oct. 30 and 31		Andrews AFB to El Toro, Calif., and return	do	Do.	
Nov. 3 to 7		Andrews AFB to El Toro and Ontario, Calif., and return to Andrews AFB	do	Do.	
Sept. 12		Andrews AFB to Colorado Springs, Colo., and return	do	Do.	
Oct. 22 and 23		Andrews AFB to Homestead AFB, Fla., to Ashland, Ky., and return to Andrews AFB	do	Do.	
Oct. 27 and 28		Andrews AFB to Tristate Airport, W. Va., to Ashland, Ky., to Homestead AFB, Fla., and return to Andrews AFB.	do	Do.	
Nov. 7		Andrews AFB to Homestead AFB, Fla., and return	do	Do.	
Sept. 9		Andrews AFB to Atlanta, Ga., and return	do	Do.	
Oct. 4		do	do	Do.	
Oct. 23		Andrews AFB to Chicago, Ill., and return	do	Do.	
Oct. 24		Andrews AFB to Ashland, Ky., and return	do	Do.	
Oct. 19		Andrews AFB to Detroit, Mich., and return	do	Do.	
Sept. 8		Andrews AFB to Selfridge AFB, Mich., and return	do	Do.	
Sept. 19		Andrews AFB to Minneapolis, Minn., and return	do	Do.	
Sept. 10 and 11		Andrews AFB to Nellis AFB, Nev., and return	do	Do.	
Sept. 18		Andrews AFB to Newark, N.J., and return	do	Do.	
Nov. 6 and 7		Andrews AFB to Islip, N.Y., and return	do	Do.	
Oct. 22 and 25		Andrews AFB to Albuquerque, N. Mex., and return	do	Do.	
Sept. 6		Andrews AFB to JFK International Airport, N.Y., to Cleveland, Ohio, and return to Andrews AFB.	do	Do.	
Oct. 13 and 14		Andrews AFB to JFK International Airport and Westchester County Airport, N.Y., and return to Andrews AFB.	do	Do.	
Sept. 24		Andrews AFB to JFK International Airport, N.Y., and return	do	Do.	
Sept. 8		Andrews AFB to LaGuardia International Airport, N.Y., and return	do	Do.	
Sept. 9		do	do	Do.	
Sept. 13 and 14		Andrews AFB to LaGuaradia International Airport, N.Y., and return	Vice President	Do.	
Sept. 17		Andrews AFB to Dulles International Airport, Va., to LaGuardia International Airport, N.Y., and return to Andrews AFB.	Unknown	Do.	
Sept. 19		Andrews AFB to LaGuardia International Airport, N.Y., and return	do	Do.	
Sept. 20		Andrews AFB to LaGuardia International Airport, N.Y., and return	do	Do.	
Sept. 26		do	do	Do.	
Sept. 25		do	do	Do.	
Sept. 28		do	do	Do.	
Sept. 30		do	do	Do.	
Do		do	do	Do.	
Oct. 3		do	Dr. Henry Kissinger	Do.	
Sept. 28 and 29		Andrews AFB to LaGuardia International Airport, N.Y., to Johnson City, Tex., and return to Andrews AFB.	Unknown	Do.	
Oct. 24 and 25		Andrews AFB to LaGuardia International Airport, N.Y., and return	do	Do.	
Nov. 3 and 4		do	do	Do.	
Oct. 13		Andrews AFB to Youngstown and Cleveland, Ohio, and return to Andrews AFB	do	Do.	
Oct. 27		Andrews AFB to Cleveland, Ohio, and return	do	Do.	
Oct. 16		Andrews AFB to Philadelphia, Pa., and return	do	Do.	
Sept. 13		Andrews AFB to Philadelphia and Pittsburgh, Pa., and return to Andrews AFB	do	Do.	
Sept. 15		Andrews AFB to Wilkes-Barre, Pa., and return	do	Do.	
Sept. 5 and 6		Andrews AFB to Beaufort, S.C., and return	do	Do.	
Oct. 6 and 7		Andrews AFB to Ellsworth AFB, S. Dak., to Seattle, Wash., and return to Andrews AFB.	do	Do.	
Oct. 9 and 10		do	do	Do.	
Sept. 14		Andrews AFB to McGhee-Tyson Field, Tenn., and return	do	Do.	
Sept. 22 and 23		Andrews AFB to Harlingen AFB and Randolph AFB, Tex., and return to Andrews AFB.	do	Do.	
Oct. 26 and 27		Andrews AFB to Charleston and Huntington, W. Va., and return to Andrews AFB	do	Do.	
Oct. 19		Andrews AFB to Hot Springs, W. Va., and return	do	Do.	
Oct. 21		do	do	Do.	
Oct. 26		Andrews AFB to Huntington, W. Va., to Ashland, Ky., and return to Andrews AFB	do	Do.	
Oct. 27		Andrews AFB to TriState Airport, W. Va., and return	do	Do.	
Oct. 11		Andrews AFB to Atlantic City, N.J., and return	do	Do.	
Sept. 13		Andrews AFB to Philadelphia and Pittsburgh, Pa., to Andrews AFB	Mr. Robert Finch	Finance Committee to Re-Elect the President.	$1, 124. 51
Sept. 18 to 20		Andrews AFB to Billings and Yellowstone, Mont., and Idaho Falls, Idaho, to Andrews AFB.	Unknown	do	10, 875. 08
Sept. 18 to 21		do	do	do	
Oct. 23		Andrews AFB to Lockbourne, Ohio, and return	President's family	do	1, 025. 68
Oct. 27		Andrews AFB to Shreveport, La., to Gulfport, Miss., to Keesler AFB, Miss., to Minneapolis, Minn., and return to Andrews AFB.	do	do	5, 333. 54
Oct. 28		Andrews AFB to Detroit, Mich., and return	do	do	1, 179. 53
Sept. 14		Andrews AFB to Trenton, N.J., and return	do	do	564. 13
					769. 26
Sept. 5		Andrews AFG to Mayport Naval Air Station, Fla., and return	do	do	72. 00
Sept. 8		Andrews AFG to Chicago, Ill., and return	do	do	1, 538. 52
Sept. 10		Andrews AFG to Cleveland, Ohio, and return	do	do	1, 025. 68
Sept. 11		Andrews AFG to LaGuardia International Airport, N.Y., and return	do	do	512. 84
Sept. 12		Andrews AFB to Nashville, Tenn., and return	do	do	1, 384. 68
Sept. 28 and 29		Andrews AFB to Birmingham, Ala., to Craig AFB, Ala., to Little Rock, Ark., to Raleigh-Durham, N.C., and return to Andrews AFB.	do	do	2, 923. 18

Date	Agency	Itinerary	Passenger	Cost paid by—	
Oct. 1		Andrews AFB to Milwaukee, Wis., and return	President's family	Finance Committee to Re-Elect the President	$1,641.08
Oct. 4		Andrews AFB to Indianapolis, Ind., and return	do	do	1,435.95
Oct. 5		Andrews AFB to Richards-Gebaur AFB, Mo.; to Los Angeles, El Toro, and Ontario, Calif.; to Cleveland, Ohio, and return to Andrews AFB.	do	do	6,154.08
Oct. 6		Andrews AFB to Westchester County Airport, N.Y., to Montpelier, Vt., to Berlin, N.H., and return to Andrews AFB.	do	do	1,791.68
Oct. 18		Andrews AFB to Columbia and Myrtle Beach, S.C. and return to Andrews AFB	do	do	1,384.67
Oct. 23		Andrews AFB to Offutt AFB, Nebr., to Medford, Oreg., to McClellan AFB, Calif., and return to Andrews AFB.	do	do	6,820.77
Oct. 26		Andrews AFB to Huntington, W. Va., to Ashland, Ky., and return to Andrews AFB	do	do	1,208.34
Nov. 6		Andrews AFB to LaGuardia International Airport and MacArthur Airport, N.Y., and return to Andrews AFB.	do	do	666.69
Nov. 7		Andrews AFB to MacArthur Airport, N.Y., and return	do	do	410.27
Nov. 4		Harrisburg, Pa., to Willow Grove, Pa	do	do	512.84
		Total			[1] 50,355.00

[1] 23 flights paid by Finance Committee to Re-Elect the President.

WHITE HOUSE TRIPS BY THE PRESIDENTIAL CREW BETWEEN SEPT. 1 AND NOV. 7, 1972, FOR WHICH THE COST WAS PAID BY THE FINANCE COMMITTEE TO REELECT THE PRESIDENT

Date	Itinerary	Passenger	Amount of reimbursement
Sept. 22 and 23	Andrews AFB to Laredo, Harlingen, and San Antonio, Tex., and return to Andrews AFB	President Nixon and staff	$8,283.68
Sept. 18 to 20	Andrews AFB to Chicago, Ill., to Billings, Mont., to Idaho Falls, Idaho, to Moffett Field, Calif., to San Antonio, Tex., to Oklahoma City, Okla., and return to Andrews AFB.	President's family	16,794.30
Sept. 23	Andrews AFB to Chicago, Ill., and return	do	1,641.09
Sept. 26	Andrews AFB to Kansas City, Kans., to Stapleton and McCarren, Calif., to Phoenix, Ariz., to Sante Fe and Carlsbad, N. Mex., and return to Andrews AFB.	do	5,846.38
Oct. 24	Andrews AFB to Morgantown, W. Va., and return	do	669.69
Oct. 30	Andrews AFB to Syrcuse and Buffalo, N.Y., and return to Andrews AFB	do	1,333.88
Do	Andrews AFB to Wausau, Wis., and return	do	1,948.79
Sept. 7	Andrews AFB to LaGuardia International Airport, N.Y., and return	do	820.54
Sept. 9	Andrews AFB to Willow Grove, Pa., and return	do	512.84
Sept. 10	Andrews AFB to LaGuardia International Airport, N.Y., and return	do	461.55
Sept. 12	Andrews AFB to St. Louis, Mo., to Cleveland and Port Columbus, Ohio, and return to Andrews AFB	do	2,410.34
Sept. 16	Andrews AFB to Port Columbus, Ohio, and return	do	1,025.68
Do	Andrews AFB to Philadelphia, Pa. and return	do	615.39
Sept. 21 and 22	Andrews AFB to Bismark and Fargo, N. Dak., to Sioux Falls, S. Dak., and return to Andrews AFB	do	3,589.88
Sept. 15	Andrews AFB to Morristown, Pa., and return	do	410.27
Sept. 16	Andrews AFB to LaGuardia International Airport, N.Y., and return	do	358.99
Sept. 26 to 28	Andrews AFB to Newark N.J., to Oakland and Los Angeles, Calif., and return to Andrews AFB	President Nixon	11,574.45
Oct. 9	Andrews AFB to LaGuardia International Airport, N.Y., and return	President's family	769.26
Oct. 13	Andrews AFB to Quincy, Ill., to Kansas City, Kans., to Wheeling, W. Va., to Hagerstown, Md., and return to Andrews AFB	do	2,666.76
Sept. 4 and 5	Andrews AFB to Harrisburg, Pa., to LaGuardia International Airport, N.Y., and return to Andrews AFB	do	1,025.68
Oct. 15	Andrews AFB to Buffalo, N.Y., and return	do	1,025.68
Oct. 19	Andrews AFB to Detroit and Wayne, Mich., and return to Andrews AFB	do	1,179.53
Oct. 31 and Nov. 1	Andrews AFB to Lawrence G. Hanscom Field, Mass., and return	do	1,025.68
Oct. 10	Andrews AFB to JFK International Airport, N.Y., and return	do	36.00
Oct. 12	Andrews AFB to Atlanta, Ga., and return	President Nixon	2,723.40
Oct. 23	Andrews AFB to Westchester County and MacArthur Airports, N.Y., and return to Andrews AFB	do	1,929.08
Oct. 28	Andrews AFB to Cleveland, Ohio, to Saginaw, Mich., and return to Andrews AFB	do	3 971.63
Nov. 3	Andrews AFB to Chicago, Ill., to Tulsa, Okla., to Providence. R.I., and return to Andrews AFB	do	8,510.63
Nov. 2	Andrews AFB to Grand Rapids, Mich., to Chicago, Ill., and return to Andrews AFB	President's family	1,794.94
Nov. 4	Andrews AFB to Greensboro, N.C., to Albuquerque, N. Mex., to Ontario and El Toro, Calif., and re turn to Andrews AFB	President Nixon	11,687.93
Sept. 1	El Toro, Calif., to Seattle. Wash., and return	President's family	2,256.50
Oct. 21	JFK International Airport, N.Y., to Andrews AFB	do	36.00
Total			[1] 98,936.44

[1] 32 flights.

THE IMPORTANCE OF FEDERAL AID FOR RURAL WATER AND SEWER PROJECTS

Mr. FULBRIGHT. Mr. President, it is most instructive to observe what the current administration regards as pork barrel projects, not of any real importance to the citizenry, and what it regards as priority projects, necessary to the security and well-being of the American public.

The President and his spokesmen categorized the program of grants to rural communities for water and sewer systems as "pork barrel" and "low priority" programs.

The Secretary of the Department of Housing and Urban Development, in an article in the New York Times, said the water sewer system program "is not targeted on the needy. Tne grants go to benefit the rich and poor alike."

Mr. President, I would strongly disagree. The water and sewer grants do go to the needy, or at least they would if the administration had not done its best to stifle this program for the past 3 years through impoundment.

We do not have many rich people in Arkansas, but if a few of them are incidental beneficiaries of water and sewer systems, I do not believe this is contrary to our form of government, which is supposed to serve all the people.

According to the 1970 census, there were 672,967 permanent housing units in Arkansas, and 230,377 of these did not have access to public or private water distribution systems, and 317,286 were not connected with a sewer system. Nearly all of these housing units were in rural areas, and let me assure you that the occupants of these houses are not rich people.

There are at least 100 pending applications from Arkansas for water and waste disposal grants from the Farmers Home Administration. These requests, for more than $11 million in grants, were on hand and not funded at the time the President cut off the program. There has been a consistent backlog of more than 100 applications from Arkansas for several years.

Apparently the President thinks that $11 million would be better spent elsewhere. After all, that $11 million would buy almost one-half of an F–14 plane. Originally it would have bought a whole F–14, but the cost overrun has now more than doubled the price for this dubious aircraft.

The entire amount which the President would have been required to spend this fiscal year under the vetoed legislation—$120 million—is about 7 percent of the amount the Pentagon plans to spend in just 1 year, fiscal 1974, for the Trident submarine.

At the same time the President was vetoing legislation for water and sewer system grants, he was pledging a large, if undisclosed amount of aid, to South Vietnam's President Thieu. Has anyone asked why the hundreds of millions the President wants to give to President Thieu is not pork barrel, not inflationary, and will not lead to higher taxes?

An article in the Washington Post on April 8, indicated that we spent almost $1 billion in Korea last year for our troops and installations there, and in assisting the South Korean military and government. The President has indicated that he wants to continue spending at something near that level. But that, we are to assume, is not inflationary and has no effect on our taxes. Nor for that matter, we must assume, is the $17 billion that the majority leader (Mr. MANSFIELD) has reported we spend in relation to our NATO forces.

Additionally, I do not believe I have seen any explanation from the President of how the $3.2 billion he plans to spend on the space program in fiscal year 1974 is "anti-inflationary" and going to hold down taxes, particularly in contrast to funds for water and sewer systems, vocational rehabilitation, libraries, and educational programs, which are among the many activities the President wants to cut or terminate.

Following the failure of the House to override the President's veto of water-sewer funds, the Washington Star-News, in an article by Ronald Sarro, referred to the veto as part of the President's "anti-inflation" program.

John Chancellor, on the NBC Nightly News, referred to the water-sewer funds for rural communities as "pork barrel legislation dear to the hearts of Congressmen."

I would like to know if the Star-News has reported that the $83 million Pentagon budget and the overall $119 billion budget for military and military-related expenditures are part of the "anti-inflation" program of the President?

Has Mr. Chancellor reported that the Trident submarine or the nuclear aircraft carrier or the C5-A or the F-14 are "pork barrel projects dear to the heart of the President?"

Which are the real pork barrel projects—subsidies for the aviation, defense and maritime industries or programs to develop the infrastructure of our small communities? Bailing out Lockheed or Grumann or Litton is not considered pork barrel, but trying to aid small communities develop the amenities to become attractive places to live is viewed as some kind of useless boondoggle.

I believe the press would do well to examine the situation because a number of reporters seem to have accepted the President's terminology at face value and therefore give credibility to it, in turn influencing millions of readers and viewers across the country.

I think the media would perform a real public service as well as a contribution to our understanding of the language, if we could have an explanation of why the the millions we pour into military assistance programs to Cambodia, Thailand, Korea, Taiwan, and Turkey are not "giveaways" or "pork barrel" but funds to aid community and human development in this country area.

Mr. President, one of the claims made by the President in his veto of the water-sewer grants is that funds could be obtained elsewhere for the same purposes, specifically through the Environmental Protection Agency. Like so many other claims made about the President's budgetary policies, this one contains a particle of truth and a large amount of misleading malarkey.

As an official of the Little Rock Office of the Farmers Home Administration, Mr. Lewis Robertson, has pointed out—

> EPA grant money available for sewer systems is distributed on a formula that gives priority to large cities and none is ever left for the small towns FHA serves . . . It's hard to understand how these little towns can do it by themselves.

An examination of the EPA pollution control funds available to Arkansas shows that because of impoundment and planned cutbacks the total for fiscal years 1973 and 1974 combined—$17.7 million—is less than the fiscal year 1972 total of $19 million. Once again there is a huge backlog of applications.

Much of the money available to Arkansas will go for just one city, Hot Springs, which has a particularly critical need. Altogether there are some 125 communities and improvement districts ready to proceed on EPA projects with a total cost of almost $58 million, and it has been estimated that, spread over a 5-year period, these projects would cost $75 million.

This estimated cost is bound to increase, however, because so many projects are being delayed.

Much has been written and said in recent years about the problems of our urban areas. One of the ways we can ease the burden on our big cities is to make our smaller communities attractive and viable places to live. Yet these communities are unable to obtain the relatively small amounts needed to develop this basic infrastructure of water and sewer facilities.

I have been encouraged in recent weeks to see that some national journalists, such as Joseph Kraft, and newspapers such as the Washington Post, have commented on the orderly, sensible development in the State of Arkansas, where we have succeeded in revitalizing many of our communities. Much of the credit for this development goes to programs like that of the Farmers Home Administration, along with the Economic Development Administration and Ozarks Regional Council, programs the President also plans to terminate.

In nearly every case these small towns have raised local funds to support these projects and have sought federal grants and loans to supplement the local funds. Many communities have successfully implemented such projects, but as I have pointed out, many others remain without water and sewer systems.

Numerous communities have encountered delay after delay in getting Federal assistance for these projects and the future, based on the President's proposals, can only be described as bleak. The result is that many of these small towns face the prospect of "drying up" and their residents will flock to the cities, adding to the considerable problems already encumbering our urban areas. The increase in cost of welfare in the cities resulting from this shift in population will probably be much more than the amount involved in FHA grants.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of the pending but unfunded applications for Farmers Home Administration water and sewer grants in Arkansas, and an article by David Broder of the Washington Post, as printed in the Arkansas Democrat of April 8, detailing the administration's large-scale public relations operation on behalf of the President's proposals.

I also ask unanimous consent, Mr. President, to have printed in the RECORD a resolution adopted by the Arkansas Commission on Pollution Control and Ecology on March 28 concerning the problems facing municipalities in financing sewerage facilities.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CENTRAL WATER AND WASTE DISPOSAL GRANT APPLICATIONS ON HAND AND NOT FUNDED AS OF GRANT TERMINATION—ARKANSAS, FEB. 1, 1973

Name	County	Congressional district	Type of facility	FHA grant amount
Pt. I—Projects where letters of conditions have been issued:				
Ludwig Water Users Association.	Johnson	3	Domestic water	$80,700
Readland-Grandlake Water Corp.	Chicot	4	Domestic water	33,600
Town of Adona	Perry	3	Domestic water	56,000
Total				170,300
Pt. II—Projects above attrition line, notification given to prepare preliminary engineering report, no letter of conditions issued:				
Tri-County Water Users Association, Inc.	Arkansas	2	Domestic water	1,098,300
City of Washington	Hempstead	4	Domestic water	49,000
City of Dover	Pope	3	Both	150,000
City of Carthage	Dallas	4	Waste disposal	36,000
City of Dierks	Howard	4	Both	21,600
Sevier Co. Rural Development Authority (Chapel Hill).	Sevier	4	Domestic water	$70,000
Town of Colt	St. Francis	1	Both	70,000
Town of Subiaco	Logan	3	Waste disposal	50,000
City of Hardy	Sharp	1	Waste disposal	43,000
Town of Reed	Desha	4	Waste disposal	26,000
Town of Vilonia	Faulkner	2	Domestic water	126,000
City of Tillar	Drew	4	Waste disposal	47,400
Cleveland County Highway 15 Water Association, Inc.	Cleveland	4	Domestic water	300,000
Boston Mountain Water Users Association.	Crawford	3	Domestic water	82,500
Town of Fredonia (Biscoe)	Prairie	2	Waste disposal	50,000
City of Grady	Lincoln	4	Both	90,800
Poinsett County Water Users Association.	Poinsett	1	Domestic water	100,000
Southwest Mississippi County Water Association.	Mississippi	1	Domestic water	90,500
Free Hope Water Association	Columbia	4	Domestic water	47,000

Name	County	Congressional district	Type of facility	FHA grant amount
Half Moon Water Association	Mississippi	1	Domestic water	$30,000
Total				2,625 100
Pt. III. All other grant applications on hand at time of grant termination:				
City of Cotter	Baxter	3	Both	250,000
Madison County Water Association	Madison	3	Domestic water	200,000
City of Gassville	Baxter	3	Both	219,000
Lawson-Urbana Water Association.	Union	4	Domestic water	55,000
East Sebastian County Water Users Association.	Sebastian	3	Domestic water	90,000
Monroe Community Water Association.	Monroe	1	Domestic water	22,000
Town of Palestine	St. Francis	1	Both	133,500
Town of Strawberry	Lawrence	1	Domestic water	35,000
Witen Burg	Hempstead	4	Domestic water	20,000
City of Danville	Yell	3	Both	648,000
West Sheridan Water Corp	Grant	4	Domestic water	50,000
Town of Rosebud	White	2	Domestic water	62,939
Central Arkansas Water Users Association.	Pulaski	2	Domestic water	450,000
City of Blevins	Hempstead	4	Both	30,000
City of Moro	Lee	1	Waste disposal	40,000
City of Norfork	Baxter	3	Both	80,000
Center Grove Water Users Association, Inc.	Grant	4	Domestic water	87,000
City of Bradford	White	2	Domestic water	45,500
Enola-Mount Vernon Water Association.	Faulkner	2	Domestic water	168,640
Letona-Oak Grove Water Association.	White	2	Domestic water	159,300
Town of Belleville	Yell	3	Domestic water	100,000
Town of Havana	Yell	3	Domestic water	150,000
Southwest Water Users Association.	Saline	2	Domestic water	383,000
Town of Concord	Cleburne	2	Domestic water	188,000
Bradford Rural Water S. Association.	White	2	Domestic water	125,000
Gainsboro-Charlotte Water Association.	Independence	1	Domestic water	82,805
Halliday Water Users Association, Inc.	Greene	1	Domestic water	55,000
Town of O'Kean	Randolph	1	Waste disposal	50,000
Town of Black Oak	Craighead	1	Waste disposal	40,000
Town of Griffithville	White	2	Waste disposal	30,000
Town of St. Charles	Arkansas	2	Both	109,000
Thida Water Association	Independence.	1	Domestic water	78,000
Bethesda Water Users Association.	Independence.	1	Domestic water	50,700
Montongo Water Works Association.	Drew	4	Domestic water	120,000
Webb City Water Users Association.	Franklin	3	Domestic water	22,850
Town of Branch	Franklin	3	Domestic water	70,000
Wesson-Newell Water Association.	Union	4	Domestic water	$50,000
Town of Tumbling Shoals	Cleburne	2	Domestic water	121,900
Town of Bull Shoals	Marion	3	Waste disposal	172,500
Town of Higginson	White	2	Waste disposal	54,100
Town of Wabbaseka	Jefferson	4	Waste disposal	73,400
Town of Montrose	Ashley	4	Waste disposal	129,380
City of Bluff City	Nevada	4	Domestic water	45,750
Frenchmans Bayou Water Association.	Mississippi	1	Domestic water	25,000
City of McDougal	Clay	1	Waste disposal	64,000
City of Dell	Mississippi	1	Waste disposal	52,500
Town of Mount Pleasant	Izard	1	Both	115,000
Greene County Water Users Association Inc.	Greene	1	Domestic water	238,000
Mountain Springs Water Association.	Lonoke	2	Domestic water	91,630
Birdsong-Whitton Water Association.	Mississippi	1	Domestic water	95,000
Ferndale Water Users Association.	Pulaski	2	Domestic water	313,000
Richwoods Water Users Association.	Jackson	1	Domestic water	112,000
Town of Louann	Ouachita	4	Waste disposal	54,095
Town of Viola	Fulton	1	Waste disposal	40,000
City of Prairie Grove	Washington	3	Domestic water	100,000
Town of Datto	Clay	1	Domestic water	40,000
City of Pollard	Clay	1	Waste disposal	48,000
City of Horatio	Sevier	4	Domestic water	50,000
City of St. Francis	Clay	1	Waste disposal	96,000
Beulah Water Association	Drew	4	Domestic water	5,000
Town of Keo	Lonoke	2	Waste disposal	46,200
City of Gilmore	Crittenden	1	Waste disposal	30,000
Town of West Point	White	2	Waste disposal	56,800
Breckenridge-Union Water Users Association.	Jackson	1	Domestic water	219,000
Little River Water Distribution Association.	Mississippi	1	Domestic water	19,200
City of Winchester	Drew	4	Waste disposal	76,900
Town of Fouke	Miller	4	Waste disposal	134,260
City of Calion	Union	4	Waste disposal	135,000
City of Waldenburg	Poinsett	1	Both	45,500
Carson Lake Water User Association.	Mississippi	1	Domestic water	28,600
Town of Lead Hill	Boone	3	Waste disposal	20,000
Little Italy Water Association	Pulaski	3	Domestic water	45,000
City of Carlisle	Lonoke	2	Domestic water	250,000
Highway 319 Water Association	Lonoke	2	Domestic water	100,000
Lafe Water Users Association	Greene	1	Domestic water	100,000
Town of Maynard	Randolph	1	Both	200,000
Standard-Umpstead Water Association.	Ouachita	4	Domestic water	88,000
Total, Pt. III				8,281,949
Total, Pt. I				170,300
Total, Pt. II				2,625,000
Grand total				11,077,249

[From the Arkansas Democrat, Apr. 8, 1973]

NIXON PUBLICIZING BUDGET BATTLE

(By David S. Broder)

WASHINGTON.—Last Wednesday afternoon, the weekly meeting of the departmental information officer of the Nixon Administration was shifted from its regular location in the Executive Office Building to the Theodore Roosevelt Room of the White House.

The occasion was something of a celebration. Ken W. Clawson, the deputy director of communications for the executive branch and organizer of the session, passed out cufflinks with the presidential seal to everyone present.

Such momentos have been traditional at the White House for years, celebrating the end of wars, the resolution of missile crises or the passage of major pieces of legislation.

As far as anyone could remember, however, this was the first time that the agency publicity men, the top echelon of the army of government flacks, were so well rewarded for their part in sustaining a presidential veto.

"One down," said Clawson, referring to the previous day's Senate vote upholding Nixon's veto of the vocational rehabilitation bill. "One down and 14 to go."

Facing at least 15 possible veto showdowns with Congress, the White House mobilized all the resources of the executive branch for the 1973 battle of the budget. In this struggle, the mobilizing public opinion on the President's side of the debate is regarded as one of the most vital battlegrounds.

Nixon's men are organizing it with the same thoroughness—and many of the same techniques—they used in the last election campaign, in time, the "Selling of the Budget" may make as striking a chapter in the public relations textbooks as "The Selling of the President."

Clawson, a former reporter who is expected to succeed the departing Herbert G. Klein as the administration's information director, is the coordinator of the budget campaign.

As in the last campaign, Nixon himself is being used sparingly for crucial roles in the publicity drive. The President provides the basic themes and the overall message, and delivers—in occasional radio and television talks to the public and in messages to Congress—the key statements in the budget battle.

But the day-to-day work of keeping the message before the public is being done by Cabinet officers and agency heads, just as those men or their predecessors were "surrogate candidates" for the President last fall.

Clawson, who coordinated the "surrogates" in the 1972 campaign, is marshaling them with similar efficiency and an eye for detail in this new campaign.

In an interview last week, he insisted that each Cabinet member is setting his own speech schedule and picking his own topics, with the White House merely offering background material on budget issues and providing suggestions on ways to reach as wide an audience as possible in the city he chooses to visit.

But participants in Clawson's weekly meetings depict the White House role as central in the whole publicity drive.

Weeks ago, they say, Clawson announced to the agency information chiefs that the President wanted his hold-the-line budget drive given top priority in every possible forum. Applying this doctrine, Clawson ordered a quota of one "economy" speech per week for every presidential appointee in the department or agency.

Last week the quota was tripled, with the flacks told they would be responsible for producing three appearances a week by each political appointee.

Target areas were identified—mainly small to medium-sized cities with conservative Democratic or liberal Republican congressmen. Agency public relations men were told to coordinate their principals' speaking plans with John Guthrie, an aide to presidential assistant H. R. "Bob" Haldeman, in order to avoid overlapping appearances and to assure maximum coverage.

In recent weeks, Clawson has added other assignments to the expanding drive:

—Each department or agency was told to deliver two signed editorial page-style commentaries on the budget battle written by its officials. Clawson is attempting to place these in newspapers.

—Each agency publicity man was directed to produce several ideas on budget stories for trade and business publications.

—Each department with a radio facility was told to produce recorded budget messages for radio stations to tape for their own use.

—A list of radio talks shows across the country was distributed and the publicity men were urged to line up interviews for their bosses—via long distance.

The White House is also playing a leading role in shaping the contents of the message. In addition to distributing the President's own economy statements and legislative veto messages to a list of some 1,500 editors, editorial writers and broadcasting executives, Clawson's office prepared a bulky "battle of the budget" kit as a guide to agency speechwriters.

Resoluton

Whereas, Section 206(f) (1) of PL 92–500 and subpart 35.903 (d) of rules and regulations relative to grants for construction of treatment works prohibit post-construction Federal grant fund assistance to municipalities which because of present unavailability of Federal grant funds desire to proceed with the construction of needed sewage treatment and collection systems with temporary financing; and

Whereas, many municipalities in Arkansas are willing to initiate construction of these facilities with temporary financing, provided that they can be reimbursed by appropriate grants when Federal funds become available and

Whereas, the Arkansas Commission on Pollution Control and Ecology recognizes that a substantial need for sewerage facilities does exist among the cities and towns of the State but that construction of these facilities cannot be undertaken without placing a severe long term financial burden on the citizens, due to the aforementioned prohibitions,

Now, therefore be it resolved that the Commission on Pollution Control and Ecology does hereby petition all members of the Arkansas Congressional Delegation and the United States Environmental Protection Agency to take any and all steps necessary to provide for the rescission of these prohibitions in order that the municipalities of Arkansas may, without financial penalty, continue to provide the sewerage facilities necessary to protect and enhance the health and safety of their citizens. It is further resolved that a copy of this resolution be provided to the Arkansas Congressional Delegation, and appropriate representatives of the Environmental Protection Agency.

Resolved this 28th day of March, 1973 at Little Rock, Arkansas.

FOOD PRICE HEARINGS

Mr. HUMPHREY. Mr. President, in my view, the unprecedented housewives' meat boycott of last week, and the various effects of that action, have been a useful lesson in economics for the people of this country, whether they be farmers, processors, packers, wholesalers, retailers, or consumers.

We have seen consumers—in an action and on a scale almost unknown in our history—stay away from meat in a protest over high prices. In some areas retail sales were reportedly off up to 80 percent.

In response to the consumers' action, we saw cattle and hog raisers keep their livestock from the market. Farm wives accelerated meat buying in a counter-protest of their own. Meatpackers and processers, in the crunch, were thrown out of work. Wholesale and meat prices bounced around in uncertainty as the effects of those actions ricocheted in the marketplace.

On Wednesday of that memorable week, Mr. President, I conducted food price hearings before the Subcommittee on Consumer Economics of the Joint Economic Committee. At that time, I released a Joint Economic Committee staff study that identifies the causes of the "1972–73 food price spiral." To a considerable degree, as the study documents, the food price problem is the result of mismanagement by this administration and the Department of Agriculture. At the hearing, we sought the views of consumer activists and agricultural economists.

On the consumer side, we were pleased to hear from June Donavan, the California mother who took time from a busy professional career to help found "fight inflation together"—FIT—from Carolyn Sugiuchi, a Cleveland housewife and mother who has organized consumers in her community to monitor food prices, and from Mark Silbergeld, a young attorney from Consumers Union.

Mr. President, these witnesses confirmed passionately, eloquently, and intelligently what the country learned during the week of the boycott; namely, that consumers are angered mightily over the rise in food and other consumer prices. They are unhappy and frustrated over a Presidential phase III which seems to permit prices and profits to rise astronomically, but which seeks to restrict wage increases.

All of us, perhaps, can remember the times when scarcity of food items produced not only high prices but long lines of customers at retail food stores. The food price crisis we face is of a markedly different kind. Scarcity and rising prices we have, but instead of lines of customers we see lines of demonstrators, successfully exhorting their fellow shoppers to abstain from buying meat.

These events are serious, Mr. President, as our consumer witnesses testified. Retail prices on all goods in February rose 0.8 percent, which is a shocking annual rate of 9.6 percent. Expert witnesses before our subcommittee testified to the real possibility of a 10-percent rise for the year. And, as if to underscore that sad forecast, the day following our hearing the Wholesale Price Index for March revealed that prices soared 2.2 percent, an increase which will certainly be reflected in higher retail prices.

Three other witnesses at our food price hearing provided very useful analysis of the problem we face. Their testimony reviewed the complexity of the food production and price cycles in a way that contributes to public understanding of this vexing problem. I am referring to the testimony of George Brandow, professor of agricultural economics at Pennsylvania State University, William Helming, general manager of the Livestock Business Advisory Service, and John Schnittker, an economic consultant formerly with the U.S. Department of Agriculture.

I have been critical of the Nixon administration in the food-price area because it has appeared to me that this administration has, until too late, been content to let the farmer bear the blame and the consumer bear the burden of rising prices.

In his testimony, Professor Brandow told the subcommittee that there is an important potential role of stabilization in the Federal farm program. Properly administered, the farm program, according to Professor Brandow, can ameliorate upward retail price surges while preventing undue drops in prices for the farmer. This is the kind of program we need, of course. But Professor Brandow *cites* instances in which this administration neglected that stabilization function, such as by deferring too long a decision to release croplands withheld from use under the set-aside program. He also referred to the fact that the administration's decision to suspend meat import quotas is unlikely to have any major effect in raising supplies in the United States, since consumer demand for meat is high worldwide and because the dollar devaluation reduces our ability to compete for food abroad.

Dr. Schnittker likewise noted poor agricultural policy management by the administration. As he pointed out, even after the Soviet Union had begun massive purchases of our grain in July 1972 the Department of Agriculture announced a restrictive wheat acreage program for 1973, thereby assuring the shortages which drive up not just feed prices, but ultimately the price of retail meat.

Naturally, there are other natural and essentially unavoidable causes of feed and meat price rises. Humans cannot fend off bad weather. Nor can they shorten the time required for growing crops or building herds. But this is all the more reason that we must expect alert and competent leadership from farm policymakers in the executive branch in those areas where humans can make a difference.

In his testimony, Mr. William Helming, general manager and chief economist of the Livestock Business Advisory Services summarized the principle reasons for the rise in food prices. These included, he noted, the U.S.S.R. decision to upgrade its diet, the Soviet Union's unexpectedly large wheat purchases, U.S. harvesting delays, and a variety of our own logistical problems, including transportation snags created by a run on the U.S. market and a deteriorated rail system. These factors raised the price of grain.

A protein price increase was partially due to the poor Peruvian fish catch, used extensively in fish-meal feed, in addition to a worldwide shortage of other protein.

Our own domestic protein and milk price rises, Mr. Helming testified, could be traced to increased consumer demand; greater purchasing power of other countries; a decrease in supply due to weather and inventory building; the rising feed prices; the sharply rising costs of finished production; and consumer boycotts themselves, all contributing to the upward retail price spiral.

For the longer term, Mr. Helming outlined four compelling policy requirements:

First, the prevention of a U.S. food shortage;

Second, the equalization of living standards in rural and urban America;

Third, the strengthening of U.S. ability to be the most efficient producer of food; and

Fourth, the improvement of the U.S. balance of trade and value of its dollar.

In conclusion, Mr. Helming offered the following recommendations: steps to assure an adequate profit incentive and free market system for the farmer; increased consumer spending upon food to encourage farm production and lower prices; extension of the 1970 Farm Act for another year; and more efficient means of communicating and using market information regarding supply and demand.

Mr. Silvergeld of Consumers Union provided a very useful chronicle of the non-agricultural causes of rising food prices: the fuel shortage, the sorry state of our rail transportation system, the shortsightedness of our import policies, the nonenforcement of certain Federal laws, some rising and perhaps unnecessary costs associated with packaging, advertising and promotional gimmickry. In all of these areas, Mr. President, there is ample statutory authority for the administration to act forcefully on the consumers' behalf while assuring equity to the farmer. Unfortunately, as events have shown, the administration has failed to provide the energy or leadership required to meet the inflation which is upon us, not only in food but in all consumer areas.

Mr. President, only a genuine crisis can account for the spontaneity and vehemence of the housewives' protest against rising prices last week.

This crisis has been long in coming, and the administration has consistently failed to recognize its importance or its dimension. Even now, unfortunately, the administration is only tinkering with the problem.

The view of the incisive testimony from Professor Brandow, and Mr. Helming, Dr. Schnittker, and Mr. Silbergeld, I ask unanimous consent that their prepared statements be included in full at this point in my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

INFLATION AND FOOD

(By G. E. Brandow)

Inflation of food prices during the past 18 months has been attributable mainly to expanding demand, fueled by rapidly rising incomes, and to failure to increase food supplies rapidly enough to keep up with demand. From 1965 to 1971, per capita food consumption rose about 1 percent per year, which was enough to keep food prices from rising more rapidly than the Consumer Price Index. Both foods as a whole and meat were consumed in record quantities in 1971. Per capita supplies of total food and of meat turned down slightly in 1972, however, and food prices became the problem child in the effort to control inflation. In the current year, 1973, food consumption per capita is expected to hit another all-time high, and meat consumption per capita will be the second highest on record. But consumers have about 9 percent more money to spend and a strong disposition to buy meat with it, with the result that food prices are up sharply again this year.

The reduced supplies of food that began to appear in the summer of 1972 were mostly fortuitous. Adverse weather hurt fruit and vegetable production. Hog producers, who had cut back breeding in response to low prices in 1970 and 1971, had fewer animals to send to market. Egg production entered a similar period of low production as the result of depressed prices in the past two years. Unfavorable harvest weather somewhat reduced production of corn and soybeans.

Export demand has added to strong domestic demand. The most spectacular instance, of course, was the huge wheat purchase by Russia in the summer of 1972. But a fact of more enduring significance is that Europe and Japan are reaching the levels of affluence at which demand for meat and poultry become strong. Their consumers, and apparently Russia's, too, want livestock products, which in turn require feedstuffs that cannot be wholly supplied locally. Thus American exports of feed grains and soybeans have been rising, and they have risen especially strongly in the past year. Furthermore, the meat supply lags behind demand also in other countries, with the result that suspending U.S. import quotas on beef has had little effect on U.S. prices. The devaluation of the dollar, of course, has increased the ability of foreign countries to buy in American markets and has reduced our ability to buy abroad.

A factor of minor significance in the recent surge of food prices but likely to resume its customary importance is the cost of processing and distributing food. This cost ordinarily accounts for about 60 percent of prices paid by consumers in food stores. USDA's "market basket" statistics show only 2.4 percent increase in the farm-retail price spread between June 1972 and February 1973. To some extent, this is a statistical illusion, for customary lags of retail price movements behind farm prices narrow the computed price spread when prices are rising. But it appears to be generally true that margins taken by processors and distributors have not increased much. The rising costs that are permeating the whole economy are affecting food processing and distribution, however, and a widening spread between farm retail prices can be expected in the future.

Though reasons for rising food prices in the past 18 months are fairly clear, the extent of the increase since mid-1972 is less easily explained and was anticipated by very few analysts. An inflation temperament seems to have taken hold. The tight supply situation in wheat created by the Russian purchase generated expectations that exports might indefinitely outrace capacity to produce. Similar expectations seem to have rubbed off on feed grains even though current supplies were ample. The soybean situation was genuinely tight and added to expectations of higher prices for farm products in general. Even markets for such perishable products as beef and pork seem to have been affected. Consumers accepted inflation, not in the sense that they were happy about it but in the sense that in their private purchasing decisions they were little deterred by soaring prices. In such a market, retailers and packers could pay almost anything for the meat and livestock they bought and get their money back when they sold. The precision that economists like to attribute to price in equilibrating markets was shrouded by an inflation psychology.

The giant farm program administered by the USDA inescapably gives it great influence over supplies and prics of farm products. As 1972 began, farm prices probably were higher than they would have been if no farm program had been in existence. But the country was in much better position to increase market supplies of food than it otherwise would have been. Stored stocks of feed grains and wheat were considerably lower than the private trade would have carried. Large acreages of productive cropland were in operating farms but were withheld from use by the set-aside program. Prices of wheat and feed grains were near support levels and were little different from prices in 1965, seven years earlier.

In the absence of the farm program, food prices would have risen more than they did in 1972–73, and, more important, there would be little prospect of prompt increases in supplies of feedstuffs with which to curb rising meat and poultry prices later on. The experience dramatically illustrates the potential role of the farm program in *stabilization*, in ameliorating upward surges of prices for consumers as well as preventing excessive declines of prices for farmers.

I think the principal criticism of the administration of the farm program since early 1972 is the failure to recognize and implement the stabilization function. One can understand why USDA, for many years plagued by costly and embarassing surpluses, was willing to commit almost any amount of wheat the Russians might want. Refusal to sell would not have prevented a rise in the price of wheat, for Russia would have had to buy somewhere and thus raise the world price. But when the effects of the sale began to be apparent, and when other food prices began to rise rapidly for other reasons, the Secretary of Agriculture was explicit in saying that he wanted higher farm prices and in rejecting the idea of stabilization.

If USDA had been quick to change its thinking, it might have modified the set-aside program for wheat seeded in the fall of 1972 to increase acreage. To have done something so unpopular with farmers in an election year would have required a disregard for politics most unusual in Washington. Probably USDA could have somewhat abated the speculative upward pressure on grain prices in the fall of 1972 if the Department had announced a firm policy of operating the farm program in 1973 and later to stabilize grain prices as soon as possible at the levels of early 1972. The actions, finally completed in late March 1973, to release set-aside acerage have been substantial, but the delay probably tended to hold up feed prices during a crucial period for livestock and poultry producers.

The retail food price index should slow down its rise and perhaps level off temporarily in the fall of 1973. An increase in hog marketings in response to high prices will reduce pork prices. If weather is not unfavorable, several fruits and vegetables will be more abundant than last year. Modest increases in production of beef and poultry should hold their prices in check. On the assumption that acreage expansion will materially increase supplies of feed grains and soybeans late in 1972, we may expect rising supplies and somewhat lower prices of pork, poultry, and eggs in 1974. Even retail beef prices may weaken in 1974 or 1975 as the current build-up of herds leads to a faster increase in beef slaughter than has occurred in recent years.

Other factors will tend to offset such price-decreasing tendencies, however. Prices of such items as dairy products, fats and oils, beverages, and restaurant meals probably will gradually rise. Increasing costs of processing and distributing foods will particularly affect prices of highly prepared foods. Imported foods and fish probably will advance in price. Thus, a significant decline in the retail food price index after 1973 seems unlikely. Rather, food prices may rise roughly in line with the Consumer Price Index as a whole.

Prospects for keeping food prices from outracing other consumer prices after 1973 depend crucially upon the size of feed grain and soybean crops this year. If the weather is favorable, crops should be large enough to bring prices of feedstuffs well below their winter peaks and to encourage livestock and poultry producers to expand production. But the situation is vulnerable to the weather: poor feed grain and soybean crops could cause a repetition of the 1972–73 experience.

One recommendation for curbing inflation of food prices is obvious—operate the farm program so as to bring land back into use and to produce enough feed grains and wheat to hold their prices near the levels of early 1972. Full production of wheat cannot be achieved until 1974. Unless exports grow faster than seems likely, it seems possible to produce adequate supplies of feed grains and wheat in the next few years. Soybean production also can be abundant, though prices will be higher than they were prior to 1972. Pork, poultry, and egg prices can then be kept within reasonable bounds, and even cattle prices may be moderated by rising output. This does not mean that retail prices will be stabilized—both farm costs other than feedstuffs and costs of processing and distributing food will rise with inflation in the general economy and will increase retail prices.

A second recommendation is also familiar: suspend or eliminate import quotas on foods deemed excessively high priced in the United States. The practical effect of this is likely to be minor. Cheese perhaps offers the best possibility at present.

Since I think we face a long-term inflation problem, I doubt that much can be accomplished to control food prices by such devices as ceilings, boycotts, or other short-term expedients. Ceilings that are merely nominal may be of some temporary use in political bargaining with labor and industrial groups capable of increasing wages and prices by the exercise of private economic power. Price ceilings that materially reduce prices will eventually require rationing, and the program could soon replace high prices as the focus of dissatisfaction. We should not tie the economy in knots trying to solve long-term problems with emergency measures.

The current meat boycott has obviously affected prices for a brief period. Just possibly it will stimulate some consumers to turn away from expensive cuts of meat in the future, but only if that happens will the boycott have any lasting effect. Though the heat is now on food prices, the more enduring danger is that inflationary forces serving to increase the Consumer Price Index by 40 percent in the past decade will be at least as strong in the future. Containing those forces requires, of course, much broader policies than those affecting the food sector alone.

WHY FARM AND FOOD PRICES HAVE INCREASED DURING 1972–73 AND PRICE OUTLOOK FOR FARM COMMODITIES AND FOOD DURING THE BALANCE OF 1973

(By William C. Helming)

I. INTRODUCTION

Mr. Chairman, I appreciate having the opportunity and pleasure of being asked to appear and testify before this committee today to outline the major causes of rising farm and food prices during 1972, what we believe the farm and retail food price outlook will be during the balance of 1973, plus making any recommendations which we believe are appropriate. My name is William C. Helming and I am General Manager and Chief Economist for Livestock Business Advisory Services in Kansas City, a Division of the American Hereford Association. Setting aside the question of policy recommendations for the moment, my staff and myself do this type of analysis and price projections constantly. In an effort to lend order to my presentation, I wish to first speak briefly about the factors that caused grain prices to increase and then about beef, poultry and milk price, which depend in part on feed grain and protein supplement prices. Then on to our price projections and policy recommendations.

II. WHY FARM AND FOOD PRICES HAVE INCREASED DURING 1972–73

A. Grain

The factors that influence markets are always broadly characterized as affecting supply or demand. The operations of the market place that concerns grain is so complex that no computer model has ever successfully duplicated its action, let alone correctly anticipated the events that influence markets and which are there for everyone to see. It is the interpretation of these events by various interests in the market place that influence prices. These factors are also political, economical and climatological. The best way to set the stage is to go back to the period just before the beginning of this fiscal year. The U.S. was raising a huge wheat crop. In fact in mid-July, U.S.D.A. announced a new wheat program with the goal of reducing acreage by 5 million acres and production by 150 million bushels. That announcement was the result of many months study prior to its release. I mention it here not to say that the U.S.D.A. had embarked on a wrong course, but rather to point out the attitude that was then prevalent in the market place. There was no thought of wheat surpluses becoming deficits at that time. The same was true of feed grains. Proteins were known to be in short supply during mid-1972.

1. Soybean Complex

The protein situation first. As indicated above, events need interpretation. My colleague (who has provided the background and forecasts in this grain sector) pointed out in his Daily Grain Letter of March 16th, 1972, let me repeat that year 1972, that the flooding that was then taking place in Peru had sometimes forced the Humboldt current away from the shore. At that time he said, "There are not yet any reports of disaster to the fishing industry, but we are suggesting that this situation should be watched closely as a sharply reduced fish catch would alter world protein supplies in a way that has not yet been seen or calculated." That event, as you know by now, was the major factor in the upward movement in protein prices which did not take place until fall.

Such other factors as Russian purchases and the late harvest were small in comparison to the protein that was lost to the world as the Peruvians curtailed their fishing and then stopped entirely. There are vast details of world oilseed meal supply and demand balances, but to sum these up is to say the world was already known to be protein short, and the Peruvian situation made it worse.

2. Feed Grains and Wheat

In regard to wheat and feed grains, the all pervasive influence was Russia's political decision to improve the diets of her citizens. In October, 1971, Russia made purchases of feed grains from this country. From that time on, officials of both countries made no secret of that country's willingness to buy feed grains and proteins. Russia's five year plan projected a 27% increase in the production of meat and eggs between 1971 and 1975. For the same period, she projected an increase of feed grain production of only 10–13% with the presumption that the balance would be imported from other countries. This plan of Russia's was known by March, 1972. There is a question of when the Russian authorities recognized that their wheat crop would not be within 30% of their earlier projections. Whether any one in authority should have anticipated the Russian need for wheat is unimportant here. We are looking at factors that made prices rise and the lack of knowledge by U.S. officials and/or private enterprises did not change the fact itself. It only introduced the element of surprise.

There were specific elements that magnified the Russian demand. For example, Canada had book—or even overbooked—her own facilities. (This is not strictly the result of the internal railroad transportation system of Canada or even the ability of the elevators to load ocean vessels.) The major bottleneck was the cleaning facilities at the elevators. The crops of Australia declined sharply. That left only Argentina and South Africa among the major exporting nations. Their physical facilities were also inadequate.

There were minor factors. For example, the late harvest of wheat in this country. There was the rumor that China would enter the market (she subsequently did but not on a scale that compared with the Russian purchases.) Another was that the regular major importers of U.S. wheat and feed grains became frightened. Once the size of the Russian purchases became a subject of conversation, Japan, Korea, Taiwan all had to protect themselves, as did India, Pakistan and Bangladesh. These countries could not run the risk of undertaking Russian purchases because there was not an adequate alternative source of supply.

One other factor operated in all markets and that was the makings of another currency crisis. The increasing deficits in the U.S. National budget, trade balance, and balance of payments that lead to the wage and price ceilings of August, 1971, limited convertibility of the dollar to gold and the 10% surcharge on selected imports were still prevalent. Every effort was made by the Administration to increase exports, particularly dollar-earning agriculture exports.

There were two other factors. The first is that the ever increasing export sales of all grains to all destinations created a massive traffic jam. Figures were produced last August pointing out that the volume of exports were more than the ports could handle and what would occur. This traffic jam created really two sets of prices. The FOB vessel price, which included a substantial premium for the use of the elevator space itself. The tie up on the railroads actually tended to depress prices in the interior of the United States. This last fact became more apparent as the fall harvest was delayed by weather. As you know, now some fields were not harvested until calendar 1973, and some not at all due to poor weather conditions. There was wet grain that could not be stored and could not be dried. The transportation problem is a factor that is still with us, and will continue to be with us for several more years.

The second factor was the U.S.D.A.'s handling of the subsidy. I return to my beginning statement of the attitude of this country that wheat was in surplus supply, and, in fact, a new program was introduced to reduce acres and production. The wheat exports for the year ending June 30, 1972, totaled 581 million bushels, compared to 677 million bushels the previous year. It was hoped that the Russian purchases might return the exports to the year ago level. The CCC continued to sell wheat at the formula price, because that not only helps stabilize markets, but permitted the CCC (and the Administration) to reduce wheat storage and ancillary costs. The policy of the U.S.D.A. was to maintain world wheat prices at the level that was then about $66.00 per metric ton, cost and freight, Antwerp/Rotterdam. As domestic wheat prices went up, the policy of maintaining world prices at unchanged levels caused the subsidy to go up. It is only reasonable to assume that exporters relied on the evidence derived from CCC subsidy and sales policy that the U.S.D.A. did not want an increase in world wheat prices. It is inconceivable that exporters would take risks on that scale unless they were convinced that the subsidy policy would not change. Thus reassured, additional sales were made when the Russian buying team returned to the U. S. from Canada. If the subsidy was going to move upward with domestic prices, then exporters could refrain from booking subsidy at the time sales were made. By the same token, once it became evident that the Administration policy had changed, then exporters would book all the subsidy they could handle in advance of their sales to overseas buyers. The assurance provided the courage to trade large volumes: uncertainty about regulations, laws, or their interpretation inhibits trade.

Again, it was the sheer volume of trade as it became publicized that helped to cause markets to rise.

Summing up, while maybe there are other and lesser factors that operated in our market places the above are certainly the significant reasons for the upward price move in protein, food, and feed grains from July 1, 1972 onwards.

B. Meat supplies

Beef, pork and mutton production in the first quarter of 1973 was down 2% compared to the first quarter and down 11% compared to the fourth quarter of 1972. The major factors affecting the supply of livestock, poultry and meat since early 1972 are as follows:

1. Build up in Cattle and Hog Inventory

Farmers and ranchers are now building inventories of both cattle and hogs. Since the first part of 1970, cattlemen have been holding back more cows and replacement heifers to increase their cow herds. At the same time, total cattle slaughter and beef production has been reduced. This is a normal relationship and during 1972–1973, this trend has been accelerated.

Since mid 1972, hog producers have been holding back sows and gelts to build their inventories. At the same time, hog slaughter and pork production has been reduced and this trend has also been accelerated since the first part of 1973.

It normally takes a minimum of 5 years for cattle and 2 years for hogs for the inventory building cycle to result in substantially larger slaughter and meat production and therefore, subsequent lower prices at the farm and retail level. Significant increases in beef production will not show up until 1975–1976 and major increases in pork production will not take place until late 1973, 1974 and the first part of 1975.

2. Poultry Production Is Not Profitable

Until the last part of 1972, poultry supplies exceeded demand, causing prices to drop and financial losses to be incurred by the producer and processor. This has caused the production of broilers and chickens to be cut back significantly. The sharp rise in feed grain and protein supplement prices since last fall has also caused broiler and chicken production to be restricted.

3. Poor Weather

Cold, snow and rain throughout most of the agricultural producing areas of the country since last October has (1) caused cattle and hogs to gain poorly, resulting in delayed marketings, and (2) has caused much higher than normal death losses. The poor weather also contributed to the feeding of large quantities of wet or deteriorated corn, causing further delays in cattle and hog marketings. In addition, the poor weather has caused the cost of feeding cattle and hogs to increase sharply and this situation is as bad now as anytime in the past six months.

4. Restricted Use of Growth Stimulants

The government imposed restrictions on the use of DES for feeding cattle has resulted in cattle requiring more feed per pound of gain and more time to reach slaughter weight and grade. This has caused substantial delays in cattle being marketed and has of course significantly increased the cost of gain.

5. Consumer Boycotts and Ceiling on Meat Prices

Contrary to popular belief, this, in this instance, caused prices to rise. The emotionalism associated with consumer boycotts and the recently announced ceiling on meat prices, coupled with considerable adverse publicity and poor market psychology regarding increasing farm and food prices, has resulted in widely fluctuating livestock prices the past several weeks and has caused many farmers to temporarily restrict the supply of livestock going to slaughter. This is a natural reaction, particularly since the farmer is now faced with the real prospect of selling his livestock below the cost of production.

C. Demand for meat

The demand for beef, pork and poultry has increased sharply. The primary factors affecting the demand for livestock, poultry, and meat since early 1972 are as follows:

1. Higher Incomes

Personal incomes in the U.S. have increased sharply in recent years and this trend is continuing in 1973. People simply have more money to spend for food, particularly meat. Since 1960, personal incomes in this country increased 104%, while meat prices since 1960 have increased only 67%. In 1960, the average American homemaker spent 21% of the families take home income on food, whereas today the average family spends 16% on food. The American people have by far the cheapest food in the world today.

2. More People Are Employed

The total number of people employed in the U.S. today is a record 89 million. This also means more women working, larger family incomes, a greater demand for convenience foods that require a minimum amount of time for preparation, plus improved food quality. This all costs more money, particularly after the food leaves the farm.

3. People Like Red Meat and Poultry

Red meat and poultry are an increasingly more popular in the American diet. Per capita meat and poultry consumption is continually increasing and now is 198 pounds per person, which is 29% over what it was in 1960.

4. Devaluation of the Dollar and Increased Exports

The devaluation of the dollar by 25–30% in relation to gold and other currencies and the subsequent buying of meat and other commodities by other countries since August of 1971 has been a major factor in increasing the exports of important meat and feedstuffs. For example, even though the absolute quantities are relatively small now, meat exports from the U.S. to other countries during January and February of 1973, principally to Japan and Canada, were up 301% over year ago levels.

Hide and offal values for cattle have increased substantially since early 1972. The hide and offal value during the first quarter of 1973 was $4.45 compared to $2.70 the first quarter of 1972. This is due primarily to a strong export demand for cattle hides. In addition, Argentina, Brazil, India, Pakistan, South Africa and Australia have all placed an embargo on their respective hide exports since mid 1971, which has further restricted the world supply and therefore the demand for U.S. hides.

The demand for red meat, poultry, feed grains, food grains and protein throughout the world is increasing rapidly. Some of this demand is caused by short supplies resulting from such things as crop failures and a poor fish catch, but much of the increased demand represents a real change in and shift of the demand curve to the right. Many governments have placed a high priority on improving the diets of their citizens. The implications of this increased demand are most important.

5. Government Social Reform Program

The demand for red meat and poultry has accelerated during 1971–1973, in part because of various government social reform programs resulting in a redistribution of income, allowing traditionally lower income groups to have more money to spend for meat. For example, spending over $2 billion during 1972 in the food stamp program, plus two major jumps in social security payments during the past 18 months, have greatly stimulated the demand for food.

D. Cost of production

The cost of producing and finishing beef, dairy cattle, hogs and poultry since July of 1972 have increased 30–40%. This is partly due to sharply higher prices paid for feed grains, protein supplements and hay. In addition, the inflation spiral of continually rising prices also affects the farmer and rancher regarding everything he keeps. Some of these sharply increased costs are now showing up in the retail price of food.

The costs of processing, packaging and distributing food from the farm level to the retail level have increased substantially over the past two years and are contributing greatly to the increase in food prices. Sharply higher labor costs at the wholesale, processing and retail level is a major factor contributing to higher food prices.

E. Milk prices are higher

Prices for all dairy products are presently 3% higher than a year ago levels. Milk supplies are down about 1% since November of 1972. The factors causing milk supplies to be down and prices up are as follows:

1. Cost of Production

The cost of producing milk has increased 25–30% in the past six months, largely due to increased feed grain, protein and hay prices. This has caused liquidation of milk cows by dairy farmers, who have in turn taken advantage of improved slaughter cow prices since the first of the year. Poor weather has been a factor. The Cost of Production has been higher than the prices received for milk.

2. Demand

The per capita consumption of milk in 1972 was up and this was the first increase since 1955. We expect the improved demand for milk and milk products to improve during 1973.

III. PRICE OUTLOOKS FOR GRAIN IN 1973

It must be obvious that forecasts of grain prices at this time are singularly dependent upon the weather. I must be emphatic in stating that the *primary* weather concern is that which will influence American farmers in the use to which they put their acreage. The probability is that the weather will delay the planting of corn beyond the optimum date for the major corn growing states.

Secondary weather considerations are that which governs the growth and rate of maturity of what ever grain is planted on whatever number of acres.

Prices will move in response to these same weather factors that govern planting and growth throughout the Northern Hemisphere during this time of year. We have no reasonable way to proceed except to assume normality in Western Europe, Eastern Europe, Canada and China. Even with that assumption, it is important to state that there are indications that all of these areas have given indications that their difficulties are no less than our own.

Another assumption is that there will be no further changes in program regulations. I realize that the Administration has requested the Congress to extend the Agricultural Act of 1970 for one more year. Furthermore that in the absence of new legislation, the Secretary of Agriculture is required to make a decision on the 1974 wheat crop by April 15th. The wheat harvest in the southern part of the United States will begin in late May. Wheat farmers in those areas need to make their 1974 plans so there is an element of urgency. Extending legislation may not incorporate perfection, but it incurs less evil than any enlarged attempt to interfere with the ordinary operation of supply and demand factors.

A. Wheat prices

For the last half of 1973 the farm prices of wheat in the major wheat producing areas of the United States is going to emphasize the transportation tie up that has plagued us for so long. At the height of the harvest, farm wheat prices will average in the $1.65–$1.85 per bushel range. This will be the excess of wheat for which farmers cannot find a convenient home. They will recall that in the harvest time of 1972, they sold their wheat when, subsequently, hindsight proved they should have held on to it. They will remember that and sell only the surplus. I have every confidence that wheat prices will move sharply upwards after the flush of the harvest.

How much upwards certainly depends to a large extent on the crops of the other countries in the Northern Hemisphere. We are of the strong opinion that farm wheat prices a year from now will not be less than they are today. By the same token, these price levels will most certainly stimulate an increase of wheat acreage throughout the world. Nature will one harvest season be as bountiful to Russia and Western Europe as it has been to Canada and United States. Southern Hemisphere countries will be equally blessed and then farm prices of wheat will move downward to test the current support levels of the United States.

B. Corn prices

Corn prices will move somewhat in concert with wheat. Considering our forecast of wet weather through April and May, we have to consider that harvest time corn prices would not be lower than a year ago levels and depending on the weather could be equal to current levels. It seems obvious that year ago levels will reaffirm the interest that Russia has expressed in our feed grains, particularly, for corn. It was in the heart of the harvest season in 1972 that the President announced the sale of corn to China and so that country will also be a factor. It will be difficult for corn to move sharply upwards, while wheat is at depressed levels. Once that excess wheat has been put under cover, corn prices will move up also. They will range in the summer of 1974 to near the $1.75 per bushel level. It is true that there is research under way to increase the yield of corn. If Russia, Brazil, the Argentine and South Africa all attain breakthroughs on yields at the same time, our forecasts for higher prices in late 1974 may be modified. Price levels for corn during the summer of 1973 have to reflect what happens to the new corn. It will test the highs that prevailed in early part of 1973.

C. Protein

Protein prices as measured by farm prices of soybeans has a lot of correcting to do. The weather is forecasting a sharply higher soybean crop and we envision that farm prices this fall will be close to the $3.00–$3.30 per bushel level. This assumes a resumption of fishing in Peru, and normal oilseed crops in Canada, Eastern Europe, and next year's Southern Hemisphere crops. Farmers are now looking at sales of new crop beans close to $4.00 per bushel, so the above levels of $3.00–$3.30 will not be readily accepted. For that reason, and the willingness to postpone sales into the next tax year, these lower prices may not occur until the first quarter of 1974.

G. Price outlook for livestock, poultry, milk and food in 1973

We expect food prices during 1973 to average 6–9% above the average price of food at the retail level for 1972. Farm prices during 1973 will be more than 10% over the 1972 levels. Following below are our more specific price projections and reasons for increased farm and food prices during 1973 for the major items of (1) Beef and Pork, (2) Poultry, and (3) Dairy products.

1. Beef and pork outlook: Beef—Choice slaughter steers, Amarillo basis averaged $45.30 per CWT in March 1973, and will range between $43.00–$47.00 during the months of April through December, 1973, if the ceiling on meat prices recently announced remains in effect. The ceiling price for choice steers is about $46.00–$47.00 per CWT.

Retail beef prices averaged $1.30 per pound in February, 1973, or 14% above the 1972 average. Retail choice beef prices for March, 1973, will be above the February price levels. Retail beef prices, April through December, 1973, will range between $1.10 and $1.45 per pound.

2. Pork—No. 1 and 2 Slaughter hog prices, Peoria basis, averaged $38.69 per CWT in March, 1973, and will range between $35.00–$40.00 April through August and $32.00–$36.00 September through December. This assumes the recently announced ceiling on meat prices will remain in effect. The ceiling price for slaughter hogs is about $40.00–$41.00 per CWT.

Retail pork prices averaged 97¢ per pound in February, 1973, or 17% over the 1972 average. Retail pork prices, March through December, 1973 will range between 85¢ and $1.20 per pound.

Reasons: In addition to the causes outlined in Part II—A, B, C and D, we expect larger than normal numbers of feeder cattle to be diverted to grass during the March–June period of this year. Many feedlot operators are going to make an effort to "cheapen back" the feeder cattle they are now purchasing. In addition to the continued relatively high cost of grains being a major factor, grass conditions and/or prospects throughout the U.S. for this spring and summer appear to be excellent.

The diversion to grass will cause feedlot placements to be lower than normal during the spring and summer months, and it will in turn cause fed cattle marketings in the last half of 1973 to be lighter than normal for most of the Midwest and Panhandle areas. Feedlot placements during the February-May period stand an excellent chance of being below year ago levels. Cattle numbers coming off of wheat this spring will be sharply lower than a year ago. Movement off grass of much larger than average placements on the West Coast and Arizona Desert areas during the winter and spring months will offset somewhat the reduced spring and summer Midwest placements, as far as total on feed numbers is concerned. Early fall marketings in the western feeding areas will be larger than normal. Feedlot placements will be much larger than normal during the August–November period, which will in turn cause above average fed cattle marketings during the first part of 1974, resulting in subsequent lower prices for fed cattle at that time. If high death losses continue, this year's calf crop will not show as much increase as originally anticipated.

Pork supplies will start to increase significantly during the last quarter of 1973, which is the primary reason hog and pork prices will be lower then, compared to present levels. We expect this trend of lower prices to continue during most of 1974 for hogs.

3. Poultry—Average retail broiler prices in the U.S. will range between 35 and 50 cents a pound during the balance of 1973. Retail broiler prices average 46 cents a pound in February of 1973, which is 11% over the average U.S. retail broiler price for 1972.

4. Reasons—There is a strong demand for broilers, chickens and eggs and we expect this trend to continue during 1973. Broiler and related poultry supplies compared to 1970–1971 levels will stay low through September of this year. This is due to sharply rising costs, resulting in the cost of production being above the price received by the poultry producer and processor.

5. Dairy products—The average retail price for milk in the U.S. in February was about 60 cents per one half-gallon, which was up about 3% over the average retail price of milk during all of 1972. We expect the retail price of milk during the balance of 1973 to range between 60 and 66 cents per half-gallon of milk, which represents about a 10% increase in milk prices by this fall, compared to the last half of 1972.

6. Reasons—As with the care of red meat and poultry the demand for milk has been increasing. We expect this trend to continue during the balance of 1973. Total milk production in the U.S. during the first half of 1973 will be about 1% below the first half of 1972 and milk production during the second half of 1973 will be down about 2% compared to the second half of last year. This is because of sharply rising production costs which are now above prices received for milk and many milk products by the producer and the processor. Dairy farmers are, as a result, culling their cow-herds more heavily than normal now and we expect this trend to continue for several more months during 1973.

SUMMING UP

Grain prices increase due to:
USSR decision to upgrade diet.
USSR unexpectedly large wheat purchases.
US harvesting delays.
US logistic problems:
Interior transportation.
Seaboard elevation.
Protein price increase due to:
Reduction/cessation Peruvian fish catch.
Existing and known world shortage of protein.
Livestock/Poultry/Milk/Meat price increases due to:
Increased demand.
Increasing personal income.
Increased exports.
Decreased supplies.
Weather.
Mud losses.
Inventory building.
Increased costs for farmer.
Cost of feed.
Cost of gain—(weather/mud).
DES.
Increased spread between farm and market.
Inflation.
Wage Increases.
Transportation charges.
Consumer Boycotts.

THE NEED

1. The prevention of a food shortage in the United States.

2. Make the standard of living and income in rural and urban America equal and keep it that way. We need more young farmers.

3. Further strengthen this country's ability to be the most efficient producer of the most, the best and the lowest priced food in the world.

4. Improve the U.S. balance of trade and payments position and the stability of the U.S. dollar.

RECOMMENDED SOLUTIONS

1. When the American Farmer and Rancher, through the *profit incentive* and *free market system*, is in a position to consistently make a comparable return on his labor, land and capital investment as other industries do, he and the American farm family will solve all of the major needs, and problems referred to above. This is the only solution that will really work and that will stand the test of time.

2. If the American consumer spent 20% of his income on food instead of the present 16%, the American public would actually benefit. Why? Because it would insure an ample supply of high quality food and a sound expanding total economy in the future. The American Farmer is optimistic by nature and when he starts making a real profit that he can be proud of, he will unquestionably produce plenty of food for our needs, plus the need of many other countries.

3. Do not make the serious mistake of placing the sole blame for this country's

price inflation problems on farm and food prices. The record shows very clearly that the American Farmer has contributed the least to rising consumer prices than any other basic industry in this country. This is true today and it was true 20 years ago.

4. Once rural and urban incomes become equal, then food prices should increase in proportion to all wage increases on a year to year basis.

5. Extend the 1970 Farm Act for only one year, and then make proper changes in the farm program next year, with the emphasis on much less government involvement financially and otherwise, while letting the free market and profit incentive system take over.

6. Adjust the milk price support level this year only from 75% to 85% of parity.

7. Develop and implement, a more flexible and longer range two-way market sharing and foreign trade policy regarding agricultural farm commodities. The American farmer needs longer range production guidelines self-imposed relative to the world supply and demand for food.

8. More than ever before, we have a world market for food. American Agriculture and the public would benefit greatly by having much more complete and timely information regarding supplies, demand and prices for farm commodities and food for all countries of the world. We recommend that the U.S. Government finance and develop, in cooperation with other countries, a sophisticated and computerized agricultural market information system.

EXHIBIT A

The buildup is too rapid

We interpret the USDA January 1, 1973 Cattle Inventory Report as bearish especially from late 1974 to 1976. In addition, it appears as though both pork and feed grain supplies will be substantially larger in 1974 compared to 1972 levels. Caution, restraint and positive action are the keys to a continued profitable cattle industry.

A 7% buildup in replacement heifer numbers, plus a 6% jump in beef cow numbers during 1972, spells trouble down the road. This sharp increase during 1972 in beef cow numbers is on top of previous significant jumps during 1970 and 1971. The increase in beef cow numbers during 1972 was 2,295,000 head or 245% more than the increase of 930,000 head during 1971.

To further illustrate the trend towards building beef cow numbers, cow slaughter was lower in 1972 than in any of the eight previous years (except 1970) since 1964. At the same time, a trend towards holding back significantly larger numbers of replacement heifers has been obvious since 1970. Cow slaughter under federal inspection in 1972 was 5,400,000 head or more than 4% below the 1971 figure.

We expect cow slaughter in the U.S. to start increasing during the 1974–1976 period, compared to the 1972–1973 levels. With a trend of increased cow slaughter between now and 1976, any increase in beef imports from foreign countries will have a pronounced depressing effect on domestic cattle prices during this same period.

This word of caution regarding too rapid a build-up in our cattle numbers may sound out of place in view of today's prices, but the commercial cow/calf operator is again faced with the important decision of how much to increase his herd inventory. It is a decision that will greatly affect the beef business for at least the next three to five years. We have now had three years of sharp increases in our beef cow inventory. With this trend continuing during 1973 and 1974, we believe that the favorable position which the cow/calf operator is in today will have eroded considerably by 1975. The results will be lower cattle prices than what we have in 1973 and substantially larger feeder cattle supplies.

In the past few years, cattlemen have done an excellent job of efficiently producing a uniform supply of high quality beef which the consumer has come to readily accept. It is a case of regularly satisfying the consumer with predictable quality and uniform eating satisfaction.

To keep pace with the growing demand and consumer preference for beef, some growth in cow numbers is needed. The key question is how much growth is healthy and when do we reach the "too much" level.

We do expect personal incomes to further increase and therefore the demand for beef and pork to continue improving in the years ahead. However, the accelerated demand for meat during 1972 and 1973 has been caused in part by various government social reform programs resulting in a redistribution of income, allowing traditionally lower income groups to have more money to spend for beef and pork. For example, our government spent over $2 billion during 1972 in the Food Stamp program. In addition, there were two jumps in social security payments during the past 15 months of about 20% each. Furthermore, local, state and national welfare payments were at an all-time high in 1971–1972.

During the 1974–1976 period, it appears that these government programs causing accelerated demand and expenditures for beef and pork in 1972–1973, will be leveled off, and in many cases, reduced. Therefore, the demand for beef and pork in the future will primarily come from increases in consumer personal incomes, population growth, and from whatever exports of pork and beef we are able to achieve to foreign countries, such as Japan. We believe, therefore, that it is unrealistic to assume that the demand for beef and pork will continue to increase at the same accelerated rates during the 1974–1976 period as it did during the 1971–1973 period.

Relating this to the cow/calf operator, all the indicators point toward an ideal steady growth rate in beef cows numbers of no more than 2.0% to 2.5% per year. This rate of growth would add about 820,000 to 1,000,000 head of new females to the breeding herd each year and keep supply and demand in a healthy balance for both the producer and the consumer. We believe that sound supply-management guidelines call for cow/calf operators to regulate their calving and replacement programs so that beef cow numbers do not increase more than 2.5% per year during the next three years. They should start now.

The trend of improved efficiency on the part of the U.S. cattlemen to obtain proportionately higher increases in beef tonnage from relatively small increases in the nation's cow herd, will continue for at least the next five years. Improved seedstock, better management, greater emphasis on fertility and the expanding feedlot industry all contribute greatly to having an adequate supply of beef available from a steady 2.0% per year increase in beef cow numbers.

The dairy cattle inventory in the U.S. has finally stabilized. For the first time in many years, dairy herd replacements are now increasing. This will result in even larger total beef supplies in the years ahead.

All major regions in the U.S. had increases in beef cow numbers during 1972, ranging between a plus of 2.3% to 8.8%. The most significant increases were in the states of Texas, Oklahoma, Kansas, Missouri, North Dakota and the southeastern states. We expect this trend to continue.

In the case of state rankings 50% of the beef cows in the U.S. are in the eight states of (1) Texas, (2) Oklahoma, (3) Missouri, (4) Nebraska, (5) Kansas, (6) South Dakota, (7) Iowa and (8) Montana.

USDA ANNUAL CATTLE INVENTORY ESTIMATES, JAN. 1, 1970–73

Cattle classification	1970	1971	Percent change	1972	Percent change	1973	Percent change
A. All cattle:							
1. All cattle and calves	112, 303	114, 578	+2	117, 862	+3	121, 990	+4
2. All cows and heifers that have calved	48, 982	49, 786	+2	50, 585	+2	52, 753	+4
B. Beef cattle:							
1. Cows and heifers that have calved	36, 404	37, 877	+3	38, 807	+3	41, 102	+6
2. Heifers over 500 lb, for replacement	6, 253	6, 664	+7	6, 987	+5	7, 470	+7
3. Steers, heifers and bulls under 500 lb	29, 704	30, 235	+2	31, 688	+5	32, 342	+2
4. Steers over 500 lb	15, 080	15, 610	+4	15, 999	+2	16, 655	+4
5. Bulls over 500 lb	2, 245	2, 327	+4	2, 376	+2	2, 465	+4
C. Dairy cattle:							
1. Cows and heifers that have calved	12, 578	11, 909	−5	11, 778	−1	11, 651	−1
2. Heifers kept for replacement	3, 974	3, 843	−3	3, 828	0	3, 875	+1
3. Other heifers	6, 065	6, 113	+1	6, 399	+5	6, 430	0

EXHIBIT C

AVERAGE QUARTERLY PRICES OF CHOICE SLAUGHTER STEERS AT AMARILLO AND SLAUGHTER HOGS AT PEORIA PER HUNDREDWEIGHT

	Quarter 1, 1972	Quarter 2, 1972	Quarter 3, 1972	Quarter 4, 1972	Quarter 1, 1973
Cattle	$35. 20	$35. 53	$35. 30	$35. 37	$43. 02
Hogs	25. 98	26. 46	29. 84	30. 19	36. 27

MEAT PRODUCTION BY QUARTER FOR BEEF, PORK AND MUTTON

[Millions of pounds]

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1972	8, 272	8, 396	8, 466	9, 137
1973	8, 135			

POULTRY SLAUGHTER BY QUARTER (MILLIONS OF POUNDS OF POULTRY INSPECTED FOR SLAUGHTER)

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1972	3, 052	3, 443	3, 879	3, 764
1973	[1] 2, 022			

[1] For January and February.

EXHIBIT D

AVERAGE RETAIL BEEF PRICES

[Cents per pound]

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1972	114.4	112.3	115.3	113.2
1973	[1] 126.3			

[1] For January and February.

AVERAGE RETAIL PORK PRICES

[Cents per pound]

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1972	79.0	79.9	86.1	87.7
1973	[1] 95.6			

[1] For January and February.

AVERAGE RETAIL BROILER PRICES

[Cents per pound]

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1972	41.4	40.7	42.0	41.5
1973	44.7			

EXHIBIT E

AVERAGE QUARTERLY PRICE SPREADS FOR BEEF, PORK AND BROILERS PER HUNDREDWEIGHT

Quarter	Live-wholesale price spread			Wholesale-retail price spread		
	Beef	Pork	Broilers	Beef	Pork	Broilers
1st (1972)	$3.07	$7.95	$13.60	$23.39	$16.52	$13.60
2d (1972)	3.09	7.62	11.50	22.05	17.60	13.50
3d (1972)	2.94	7.05	14.40	25.15	17.68	12.30
4th (1972)	3.15	9.28	13.90	25.19	14.77	13.50
1st (1973)	[1] 3.36	[1] 7.59	[1] 18.80	[1] 23.51	[1] 16.24	7.60

[1] For January and February.

AVERAGE QUARTERLY HIDE AND OFFAL VALUES PRICE PER HUNDREDWEIGHT FOR LIVE WEIGHT STEERS

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1971	$2.06	$2.25	$2.16	$2.24
1972	2.70	3.33	3.78	4.26
1973	4.45			

EXHIBIT F

LIVESTOCK PRICES—RETAIL PRICES AND CONSUMER INCOME, 1951–72

Year	Price per hundredweight		Price per pound (cents)		Disposable personal income per capita
	Average cattle prices	Average hog prices	Average choice beef prices	Average pork prices	
1951	$29.69	$20.00	87.3	57.8	$1,468
1952	25.71	17.80	85.7	56.2	1,518
1953	17.66	21.40	68.4	62.1	1,582
1954	17.44	21.60	67.8	63.4	1,585
1955	16.92	15.00	66.8	53.6	1,666
1956	16.34	14.40	65.4	51.4	1,743
1957	18.50	17.80	69.9	59.4	1,801
1958	23.11	19.60	80.2	63.8	1,831
1959	23.91	14.10	82.0	56.3	1,905
1960	21.98	15.30	80.2	55.9	1,937
1961	21.41	16.70	78.4	58.4	1,984
1962	22.95	16.40	81.7	58.8	2,066
1963	21.10	15.00	78.5	56.6	2,139
1964	19.71	14.80	76.5	55.9	2,284
1965	$21.37	$20.80	80.1	65.8	$2,436
1966	23.34	23.00	82.4	74.0	2,605
1967	23.43	19.00	82.6	67.2	2,751
1968	24.63	18.70	86.6	67.4	2,946
1969	27.25	22.90	96.3	74.3	3,130
1970	27.79	21.90	98.8	78.0	3,358
1971	28.80	17.95	104.3	70.3	3,581
1972	33.20	26.00	113.8	83.2	3,767
Increase, 1951–72 (percent)	12	30	30	44	150
January 1973	$37.10	$31.00	122.3	94.1	
February 1973	40.50	34.20	130.3	97.1	

Share of food expenditures from personal disposable income

[In percent]

United States	16.7
Canada	20.6
West Germany	24.2
Japan	26.6
Western Europe	30.0
U.S.S.R.	52.0
Eastern Europe	54.0
Other nations	Up to 60.0

Economically active population in agriculture as percent of total economically active population

[In percent]

Name of country of area	
United States	4
Oceania	18
Europe	19
Japan	21
U.S.S.R.	32
South America	39
Central America	47
Asia	63
People's Republic of China	67
Africa	69

STATEMENT OF JOHN SCHNITTKER

The extraordinary rise in the prices of agricultural commodities and in wholesale and retail food prices over the past few months can be traced to a number of causes. The most important single factor behind the rise in crop prices was the disastrous crop failure in the Soviet Union, requiring the USSR to import some 25 to 30 million tons of grains and oilseeds in the 1972–73 season after having been in a small net export position for many years. Food grain crops in India and China in 1972 were also down some 5 percent, while crops in Australia, Argentina, South Africa, the Middle East, and West Africa were also below average, requiring larger imports or reduced exports. Australia's wheat exports were only half of normal, and South Africa has virtually no corn for export. The result, taking all the countries of the world together, was the first reduction in total world grain production in modern history.

Livestock price increases can be traced to the increased worldwide demand for meats, to the long biological cycle required to expand beef production, and to high feed costs arising directly out of world climatic disturbances and increased exports of the past year. U.S. cattle numbers are increasing, however, and we are fairly sure to have slightly larger supplies of beef this fall and next year. Pork and poultry supplies will also increase, but so will the demand for all meat products. Official predictions that food prices will be lower at the end of the year than at the beginning do not appear to rest on a realistic analysis of the situation. In February USDA specialists anticipated a food price rise of some 6 percent in 1973. We have already had a 4 percent rise, and this will probably go to 7 percent when the April CPI is in, given wholesale prices already reported. A 10 percent rise in food prices by year's end should not be ruled out, even if crop prices stabilize.

The managers of federal farm programs in the Executive Branch also bear a share of the responsibility for the current accelerated rise in food prices. Only days after the USSR had begun its massive purchases of U.S. grain last July, and when the full magnitude of the Russian crop disaster was well known, USDA announced a restrictive wheat acreage program for 1973. Officials consistently refused to correct that error until January this year. U.S. wheat exports were subsidized at a cost of millions of dollars for at least 2 months after the world grain situation had turned from a buyer's to a seller's market. A restrictive program was announced in December for feed grains only to be changed in January and again in March, not because of new developments but because of belated recognition of the actual state of world grain and oilseed supplies and prices.

The "set-aside" has had the effect in 1971 and 1972 of accentuating the shortage and the spectacular price increase in soybeans, the scarcest of all agricultural products. The set-aside encourages expansion of corn acreage more than soybeans, even though demand expansion is most rapid in soybeans. Congress should look closely at this program this year. Serious losses during harvest last fall were also an important cause of present high prices in the protein meal complex.

Carryover stocks in both grains and oilseeds are so badly depleted worldwide by the 1972–73 situation, that crop shortfalls in 1973 far less serious than in 1972 would set off a new spiral of grain and oilseed prices to new record highs. Russia's wheat crop is off to another poor start, India's food supplies remain tight, and the growing season is still a few months away in the U.S. and Canada, where record crops this year are essential if there is to be a degree of price stability later this year. In this situation, the U.S. can afford to err only on the side of plenty. If record crops were to be harvested everywhere this year and prices fell toward early 1972 levels, present price support laws could be brought into play to help cushion the drop in farm prices since it would be partly the result of expansionary production policies.

If the 1973 harvests in the U.S., Canada, or other major countries fall substantially below targeted levels, strong measures, including a continuation of the freeze on meat prices, and limitations of exports of grains, oilseeds, and meats would be required to keep retail food prices from rising into 1974. Alternatively, refusal to invoke such measures when adverse world crop conditions become known would virtually assure further escalation of food prices.

Statement of Mark Silbergeld

Mr. Chairman and members of the subcommittee, Consumers Union is pleased to accept your invitation to appear before these hearings to comment on food prices. My name is Mark Silbergeld, and I am an Attorney in Consumers Union's Washington Office.

Before I offer you my comments, a bit of background about Consumers Union, which is a nonprofit membership organization chartered in 1936 under the laws of the State of New York to provide information and counsel to consumers about the management of family expenditures. Consumers Union's financial support comes from our more than two million subscribers and newsstand readers. We accept no support from any commercial organization. *Consumer Reports*, the magazine published by Consumers Union, carries no advertising. Besides testing and reporting tests on consumer products, *Consumer Reports* publishes general information for consumers on health, medicare, produce safety, the economics of the marketplace, and legislative, judicial and regulatory actions of government which affect consumer welfare.

Food quality and value has been a primary topic in *Consumer Reports* for many years. In 1972 alone, our magazine reported test results on frozen breaded shrimp, rose wines, frankfurters, frozen orange juice concentrate, honey, peanut butter, frozen pizza, ice cream and baby foods, and also published articles on drained weight of canned foods and freshness dating of packaged foods. Consumers Union also submitted extensive technical comments to the FDA on nutritional labeling and to the FTC on its proposed supermarket comparative price surveys.

Consumers are, needless to say, greatly concerned by recent food price increases, which outdistance the price increases of all other commodities in the Consumer Price Index. Indeed, since the Consumer Price Index does not reflect the apparently substantial increase in consumption of prepared (so-called "convenience") foods in the recent years since the CPI marketbasket was composed, actual food expenditure levels may be even higher than officially reported. On the other hand, neither can the CPI reflect compensatory consumer actions for reducing food expenditures, since it consists of a fixed group of food commodities which does not shift as buying patterns change.

Still, it is clear, food prices are drastically higher than they were a year ago, and the prospects for lower prices are some distance away—if at all in sight. What is more, the situation is not solely an American problem. Demand appears to be outstripping supply on a world-wide basis.

The primary focus of concern is the short term problem. Why the sudden, sharp increase in 1972, which we are continuing to experience? But, in addition the interest in cyclical production decrease, other questions also are relevant. 'From what base is the increase measured?' and 'Does that base reflect higher than competitive prices for significant food commodities?' are two questions which should be asked. And, although a worldwide supply shortage means that imports are not available to make up all of our domestic deficit, import policies bear scrutiny as an expression of a policy posture contrary to our expressed desire to keep food prices down.

PRODUCTION AND SUPPLY

It is clear that there was in 1972 a cyclical decline in production levels of significant food commodities. The Cost of Living Council Committee on Food reports,[1] from other government data sources, the following changes from 1971 to 1972:

	Percent Change, 1971 to 1972
Meat	−2
Dairy products	+2
Poultry & Eggs	+3
Food Grains	−5
Vegetables	0
Fruits & Nuts	−10

The CLC Food Committee, in its March 20 white paper on food prices, predicted substantial 1973 production level recovery. This prediction, however, must be viewed with reservations, especially since the government has already revised from mid-year to year's end the time by which it estimates that food prices will level off.

A number of factors seem to have resulted in reduced 1972 production levels. Two of these simply were not under the control of man. One was a reduction in supplies of fishmeal, used as poultry protein supplement, because of low Peruvian fish catches. Another was lower production of domestic soybeans, in part due to bad weather. Soybeans are another primary livestock feed.

Demand estimate and policy coordination, however, are within the purview of man—and the government, specifically, is expected to perform satisfactorily in these areas. There are clues that such is not the case. One clue comes from a briefing on March 22 by Council of Economic Advisers Chairman Herbert Stein. According to reports in the *Washington Post* the following day, Mr. Stein: . . . conceded that "one or two years ago" the administration had not foreseen the extent of demand for agricultural products. "Now we have a policy more conducive to the production of farm products than we had (then) . . . I would sound silly if I said we had forecast the situation correctly."[2]

Attached is a column by *Washington Post* Finance Editor Hobart Rowen regarding Mr. Stein's remarks and the underlying situation. This subcommittee should order a General Accounting Office investigation into economic forecasting and acreage allotment management at the Agriculture Department in order to determine just what causes lay behind the inaccurate forecasts and to determine whether in fact the present policy referred to by Mr. Stein is indeed more conducive to increased production of farm products.

Production on the farm was not the only supply problem over which the government was supposed to have some ability to exercise control. There have been indications that both a shortage of fuel necessary to dry out the wet crops resulting from bad weather and a worsening rail transportation system added to the supply problem.

The fuel shortage problem was reported in the *Washington Post* on December 12, 1972.[3] Senator Hartke also noted the inadequate supply of natural gas during hearings earlier this month on freight car shortages[4]—and freight car shortages also appear to have been (and to be) a very substantial portion of the food supply problem.

According to testimony given to the Senate Commerce Committee's Special Subcommittee on Freight Car Shortages during hearings in March, the shortage of rolling stock to move farm produce and elevator-stored grain is now more serious than ever before, even though such shortages have been a problem since before the turn of this century—and even though rail freight moved fifty percent more farm produce tonnage in 1972 than in 1971.[4a]

Witnesses and members of the Special Subcommittee have blamed the transportation requirements of the Soviet wheat sale and of Commodity Credit Corporation sales for the fact that the problem is worse despite greatly increased tonnage moved.[5] So that, in addition to production problems, the economy is not able to fully utilize what production was available for consumption.

It seems clear that a lack of coordination of government policies and actions is one of the factors contributing to food supply problems, and it seems equally clear that unless steps are taken to coordinate these policies and actions, and to solve related problems which have such effects, these incremental costs will continue to be reflected in food prices.

INCREASED DEMAND

Together with production declines, the economy has seen increased consumer demand. As the Cost of Living Council White Paper points out, an effective increase of six percent in real personal income during the fourth quarter of 1972, a 2.5 million person increase in employment, larger social security, public assistance and tax refund payments all add to demand. Increased foreign demand on U.S. agricultural products also add. The added demand can only exacerbate the supply shortage problem.

Additionally, the relatively inelastic consumer demand for red meat, especially beef, necessarily adds to food price levels. The consumer resistance which has finally set in to meat price levels is now having some effect on meat prices. Secretary Butz reports that beef prices were down 3¢ per pound during the week ended March 24.[6] It remains to be seen, however, how much resistance will remain as prices for meat drop. If a small drop results in a return to former meat consumption patterns before supplies are adequately increased, prices can be expected to rise again for that commodity.

IMPORT POLICIES

The worldwide food shortage relative to worldwide demand means that relaxing import restrictions is not necessarily a means of solving our production shortage. The June, 1972 removal of import quotas on meat resulted in a 15 percent increase in imports during 1972. So far in 1973, imports are up 20 percent over the previous comparable period.[7] However, it is our understanding that use of the imports is primarily in food away from home, and in prepared foods which have little weight in the Consumer Price Index, so that the effects on price levels are minimal.

Footnotes at end of article.

At the same time, there are some government actions which, while having minimal effect, are not consonant with our present situation. For example, a March 1 determination of the Tariff Commission under the 1921 Antidumping Act will have the likely effect of keeping out an additional supply of canned Bartlett pears from Australia, even though Australian Bartlett imports have never constituted more than 8.9 percent of the relevant U.S. market and at the end of 1972 constituted less than 5 percent of that market.[8] This seems particularly inappropriate in view of last year's 10% decline in the domestic production of fruits and nuts.

Further, the President's requests for Tariff Commission investigation of possible suspension of import quotas for nonfat dry milk and for cheese and cheese substitutes only cover a period of short duration, ending well before the December, 1973, date by which the administration now estimates as the earliest that food price increases will level off.[9]

THE ALREADY INFLATED BASE

To this point, focus has been on the nature of the cyclical supply and production shortage associated with the sharp food price increases of 1972 and early 1973. However, the ability of consumers to afford such increases in the face of the economy's inability to provide short-term solutions is affected in great part by the price base from which those increases depart.

Failure to enforce the antitrust laws and to conform governmental policies to our underlying assumption that competition will regulate prices appears to have a significant effect on food prices. Last spring, Senator McGovern unofficially released the summary data from a Federal Trade Commission Bureau of Economics study of costs imposed on the economy by lack of effective price competition in 100 selected industries. On the FTC's lists are seventeen food and food-related industries which, for lack of effective price competition, add an estimated $2.6332 billion annually to the nation's food bill. This overcharge—which is above and beyond what we would pay for the same commodities under price-competitive conditions—is made on a total value of shipments of $60.1 billion. In other words, we could reduce our food expenditures for these items alone by about 4.36 percent if antitrust and other government policies truly assured the competition which we often profess to exist—and this list is itself incomplete![10] If we do not assure competition, which is the market's way of fighting inflation, then we may be in for permanent controls or permanent inflation—or both.

To make matters worse, it appears that the Senate is preparing to assist in the maintenance of high food prices by granting special antitrust exemption to the soft drink industry—thereby interfering with pending FTC litigation designed to end expensive regional monopolies in soft drink bottling. It is our understanding that S. 978, a bill with over forty Senatorial sponsors, will have little if any Senate opposition, thus assuring that the estimated $250 million in annual monopoly overcharges by that industry will continue to burden the nation's food bill. Adoption of that legislation would not be consistent with the Senate's expressed concern over food prices.

Additionally, costs built into modern supermarketing add greatly to the costs of food—costs associated with such problems as brand proliferation, deceptive packaging, trading stamps, brand-name advertising and other marketing and promotional gimmicks. Attached and offered for the record is a copy of the article "The High Cost of the Supermarket Revolution," *International Consumer*, Journal of the International Organization of Consumers Unions, No. 1—1967, by Colston E. Warne, Professor of Economics at Amherst College and President of Consumers Union of United States, Inc. Dr. Warne's article outlines the nature of these costs.

ALLEVIATION OF SHORT-TERM PRICE PRESSURES

To a great extent, the administration is correct in suggesting that wise consumer shopping is the best means of alleviating the short-term pressures of food price inflation. Although it is regrettable that this advice comes from a government which admits that bad agricultural planning is a cause of our supply problem, it is nevertheless true that supply cannot be increased overnight.

Consumers Union has recommended over a number of years adoption of such information aids to the would-be-wise shopper as unit pricing and open freshness dating. If such information were to be made available in useable form, it could help consumers to get the most for their money. We have recommended these and other potential measures to the Food Industry Advisory Committee to the Cost of Living Council or to the Food and Drug Administration. The recommended informational measures include a petition to FDA for disclosure of drained weight, rather than net weight, on labels of canned fruits and vegetables. A copy of the petition is offered for inclusion in the record or the Committee files, as the Chairman may deem appropriate. Other proposals include recommendations to the Advisory Committee for CLC rules requiring unit pricing, USDA grade disclosure in conjunction with labeling and packaging of food. It has been Consumers Union's position that uniform use of ABC grading plus disclosure to consumers would promote shopping on the basis of quality rather than advertising-created brand preference or presumptions that higher prices assure quality. A copy of a letter to Advisory Committee Chairman Donald S. Perkins is also offered for the Committee's information.

Additionally, Consumers Union has supported the proposal that FDA issue nutritional labeling standards to help consumers make food quality judgments and the Federal Trade Commission conduct a supermarket comparative price survey to help consumers sort out competing "low price" claims in supermarket advertising. Such information would be of obvious use to consumers who seek to maximize the purchasing power of their food dollar.

SUMMARY

In summary, Mr. Chairman, we believe that this Committee should pursue further reports of government mismanagement and lack of policy coordination as a cause of short-term food production and supply shortages; that the Senate look to its own legislative policies—as will be reflected in the expectedly upcoming vote on special antitrust exemptions—to assure that it is not adding to or helping to continue burdens on the consumers food budget; that an effective antitrust policy and other pro-competitive government policies be adopted as a means of fighting inflation through the market mechanism; and that the Congress take any and all steps available to increase consumer product information so that consumers can make informed, economically sound purchasing decisions.

FOOTNOTES

[1] Cost of Living Council Committee on Food, White Paper on "Food Prices," March 20, 1973.

[2] Hobart Rowen, "Stein Sees Buyer Effect on Meat Cost," *Washington Post*, Friday, March 23, 1973, p. A-1. The Cost of Living Council Food Committee White Paper on Food Prices does not mention inadequate forecasting as a cause of production shortages.

[3] "Lack of Heating Fuel May Shut Some Iowa Firms," *Washington Post*, Wednesday, December 13, 1972, p. A1.

[4] United States Senate, Special Subcommittee on Freight Car Shortages of the Committee on Commerce, hearings, March 13, 1973, p. 5.

[4a] Special Subcommitte Hearings, March 13, pp. 27–28, 69.

[5] Special Subcommittee Hearings, March 13, pp. 9–10, 26, 31–33. The CLC Food White Paper states: "The record volume of grains being transported has caused transportation congestion and shortages of boxcars and hopper cars." It does not mention the effect of export sales on transportation of grain for domestic feed and food consumption!

[6] "Beefed-Up Boycott Squeezes Meat Packers," *Washington Evening Star*, Tuesday, March 27, 1973, p. A-3.

[7] CLC Food Committee White Paper, p. 6.

[8] 38 Fed. Reg. 44, p. 6239, Wednesday, March 7, 1973.

[9] See 38 Fed. Reg. 6, p. 1240, Wed. Jan. 10, 1973; 38 Fed. Reg. 48, p. 6855, Tues., Mar. 13, 1973.

[10] The FTC data are reported and analyzed in Scanlon, "FTC and Phase II: The 'McGovern Papers,'" 5 Antitrust Law and Economics Review 3, p. 19, Spring 1972. The seventeen food and food-related industries are:

SIC	Industry	Value of shipments (billions)	Monopoly overcharge (millions)
2011	Meat packing plants	$15.6	$489.3
2026	Fluid milk	7.8	256.7
3522	Farm machinery	4.3	251.1
2036	Soft drinks, bottled and canned	3.2	247.8
2042	Prepared animal and fowl feed	4.8	201.5
2082	Malt liquors	2.9	198.0
2051	Bread, cake, and related products	5.1	191.9
2033	Canned fruits and vegetables	3.5	143.6
2071	Confectionery products	1.9	94.4
2041	Flour and other grain mill products	2.5	88.5
2085	Distilled liquor, except brandy	1.4	88.3
2037	Frozen fruits and vegetables	2.1	84.9
2062	Cane sugar refining	1.4	71.5
2032	Canned specialties	1.4	71.2
2654	Sanitary food containers	1.1	64.1
2052	Crackers and cookies	1.4	57.3
3551	Food products machinery	.8	38.5

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

VOTER REGISTRATION ACT

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 352, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MONTOYA). Without objection, it is so ordered.

Mr. McGEE. Mr. President, we have had an informal conversation in regard to handling the remaining committee amendments, and I want to ask unanimous consent that the group of changes on page 7, beginning on line 15, that runs down through line 17—they are word changes or deletions and they are all addressed to the same point—may be adopted en bloc.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

Mr. McGEE. Mr. President, on the next section, I ask unanimous consent that they be considered en bloc also, but we do want to discuss the meaning of one of the limitations.

The PRESIDING OFFICER. Is there objection to the consideration of the next section of amendments en bloc? The Chair hears none, and the amendments will be considered en bloc.

The Senator may proceed.

Mr. McGEE. Mr. President, I yield to the Senator from Alabama.

Mr. ALLEN. Mr. President, I have no objection to considering these several amendments en bloc, but I do wish to point out what to me seems to be a deficiency in the language, or at least the injection of a practice that would not be in the public interest.

I note that postcards sent out on a mass distribution basis are to be sent out at least once every 2 years. It would seem to the Senator from Alabama that this would allow multiple distribution and it would just lie within the discretion of the Administrator as to how much time he wanted to send out these mass mailings, up in the tens of millions of cards. I think it has been estimated it could be as many as 240 million cards.

Would the Senator object if we deleted the words "at least" in the language which provides that they are to be sent to postal addresses and residences and, instead of using the language "at least once every two years," have it "once every two years"?

Mr. McGEE. That is the way it originally was written when we first put it in there, and then we were advised by the authorities that there were exceptions to that under a situation like this: In the State of Wyoming, just for the sake of illustration—there are several States like this—if one does not vote in the general election, he is no longer registered. If our Congressman died in the next few months, the Congressman would have to be replaced in a special election, and therefore there would be no postcard facility available for that Federal election. So, because there were enough instances in which that could occur if there were such a special election, we were advised to put in that covering language. That is the reason for the addition.

Mr. ALLEN. That is another thing that disturbs the Senator from Alabama—that the bill seems to contemplate a national distribution of postcards to all households and all postal addresses in the country. That would be triggered by a special election, even.

There seems to be no provision for spot distribution to a particular territory. There would be arguments on both sides as to whether it would be a spot distribution in a particular locality or whether a special election would trigger a mass distribution all over the country. What would be the Senator's view of that?

Mr. McGEE. The first view would be that the board of registration Commissioners of three men would certainly have to be more responsible than that. They have to get their money from Congress and if they were going to run a play game with postcards, they would be subject to restrictions by Congress. But assuming the President of the United States appoints responsible men, and not two or three "nuts," there would be a sense of responsibility. The Bureau of the Census permits coverage of a State in a special election. We would have to assume good judgment. That is the implied responsibility of the Commission.

Mr. ALLEN. It seems to the Senator from Alabama that this would allow the injection of politics into the distribution.

Would it not be possible then for a candidate of a political party to go to the administrator of the post card registration bureau and say, "Look, I am facing a hard election here in my particular city. And I feel that if I can get more people registered there, I can win the election. Will you not then send cards just to my county?" Under this law would the administrator of the bureau be authorized to send to just one county?

Mr. McGEE. Rather the other way around. The jurisdiction would extend only to Federal elections in that State.

Mr. ALLEN. That is what I am talking about.

Mr. McGEE. For a Member of the Congress, for example.

Mr. ALLEN. That is what I am talking about.

Mr. McGEE. It would depend on the status of the registration laws, and that law would determine it. If the registration which had occurred in the preceding year in any Federal election had been through the post card system, it would not automatically follow until two years later. If that State had laws that wiped out registration if one had not voted in the preceding election, it would automatically follow as a matter of policy of the commission. But it would have no relation to the candidates running for election.

Mr. ALLEN. I disagree with the Senator. There would be nothing to prevent a candidate for Congress, since he is running in a particular race as a candidate for Congress, from coming to the administrator and saying, "Now, if I could just get a few more people registered in my district, I could win the election. Would not you send out a mass distribution of post cards in my congressional district?" Would there be anything under the law to prevent the administrator from complying with that request?

Mr. McGEE. Yes, the chance that he would be called into question by the Congress, his right and his ability to hold the office and his responsibility would certainly be called into question by the administrator in charge, the President of the United States. And then there would be the good judgment and the intent of the law itself. The law is to be triggered by the mechanics of a State in terms of registration procedure. They could be registered in any kind of way. One could not request the sending in of a mass mailing in a particular district.

Mr. ALLEN. There would be nothing to prevent it other than that possible criticism of his bad judgment.

Mr. McGEE. And the responsibility of the Commission. I think we have to have the good faith and the responsibility of the Commission.

Mr. ALLEN. Every 2 years there is a general election for Congressmen and there are certain key districts. Would it not be entirely possible that the Administrator could be called on to send out a mailing only in these key districts and key States? Would not the ugly head of politics be reared in the administration of this law? Is that not conceivable?

Mr. McGEE. No. It is not conceivable to me as one who reads the language. This mandates the mass mailing in a Federal election at least every 2 years. That means in all the Federal districts. That is all 435 or 436 congressional districts and no selectivity would be available there.

Mr. ALLEN. Every time they have a special election to fill a congressional seat, they have to mail throughout the country?

Mr. McGEE. No. It is the opposite that I was addressing myself to, the required mandate that there be a mass mailing every 2 years.

Mr. ALLEN. But they can mail them as quick as they put them in the mail. But there is nothing to prevent them from sending out another mailing throughout the country to selected districts?

Mr. McGEE. It would be in the good judgment of the Commission. If we had to write laws that way, we would still be writing laws about the Constitution. We have to proceed in accordance with the article of the legislative history and the article of the intent of the Congress which we have been trying to spell out in the colloquy with the Senator, which rests entirely on the good judgment and not on horseplay.

Mr. ALLEN. The Senator says that only the good judgment of the administrator or the Commission would stand between the possibility that the mailing might be sent out to selective districts where more registrants are needed?

Mr. McGEE. These three Commissioners, or the Voter Registration Commission, are subject to the approval of the Senate. They cannot proceed without receiving the money from this body. This would control the abuses or exposures to the same restraints we have now in the various agencies and the bureaus of the Government. They still must proceed in accordance with the good faith and responsibility of the administrator.

Mr. ALLEN. The Senator heard the representatives of the Census Bureau who testified before his committee to the effect that the passage of this bill would bring politics for the first time into the Census Bureau. They objected strenuously to the passage of this bill. Is that not correct?

Mr. McGEE. Which year is the Senator talking about, this year or last year?

Mr. ALLEN. I do not know. I do not imagine that the situation has changed.

Mr. McGEE. As a matter of fact, it did. The Census Bureau a year ago testified in favor of it. And then at the very last minute, after refusing to testify, they suddenly came in with a decision that it gave them serious misgivings because of the political angle. One can find no role for political horseplay in this particular bill. And yet one could raise with the Bureau of the Census the question of politics and what it does sometimes now. They inquired this last year about what the public thought about Phase I of the President's economic program. That is a highly political question for some people. However, I think that is a legitimate question for them to ask. And I do not think that is loaded politics. But it is certainly more loaded than the mailing of the postcards under a prescribed format of no less than every 2 years and to cover only those cases in selected States where registration laws cover the matter.

Mr. ALLEN. With respect to S. 352, the pending bill, the Senator would not take the position that this would inject politics into the operations of the Census Bureau for the first time?

Mr. McGEE. They raised the doubt that it would, and then qualified it very materially in the Senate hearings, as the Senator knows, having read the transcript. The testimony was less than persuasive to all members of the committee. However, that is irrelevant here. Do we indeed open up some avenue of political shenanigans for the Bureau of the Census? We certainly do not. They would be asked to mail postcards which are applications to register to vote. And the Census Bureau ought to be glad to do it and ought to brag about doing something to make it possible for people to vote, because, God knows, they do not vote.

Mr. ALLEN. I was interested in the Senator's suggestion. There would be no danger of politics creeping into a Federal bureau or agency. Is the Senator suggesting then that no Federal bureau or agency is ever guilty of playing politics?

Mr. McGEE. Heavens, no.

Mr. ALLEN. Why would this bureau be any different than any other bureau?

Mr. McGEE. For the reason that it does not have the kind of access through this kind of funds to the kind of discrimination that would be available to some of the bureaus of the Government that need much closer vigilance or surveillance. This one mails postcards.

Mr. ALLEN. They have access to the Government's franking privilege, and access to the Government Printing Office's printing presses, do they not? That spells more than money, in many cases.

Mr. McGEE. Well, almost everything else we do in that way would have some implications, but not in terms of partisan, loaded politics that would disrupt the steady operation of a system to obtain more voters.

Mr. GURNEY. Mr. President, will the Senator from Wyoming yield on that point?

Mr. McGEE. Just a moment; let me add one comment from the Acting Director of the Census Bureau in the course of our hearings. In the series of questions that we were pursuing in regard to the contradiction between the Census Bureau testimony last year and the Census Bureau testimony this year, there was an attempt to try to rationalize those differences without any particularly sharp delineation; but what the Acting Director of the Bureau of the Census finally concluded was:

> We would do everything we could, obviously, if we were given this responsibility, to do it objectively and to be nonpartisan.

The further point in connection with it is that there would be 3 members of the Commission who would have that jurisdiction, that would be appointed by the President of the United States. They have to be divided 2 and 1. The Senate approves them and has the oversight surveillance responsibilitity for their conduct. In the mechanism that they are selected to administer, there are not even the usual avenues or alternatives with which to play political favoritism.

Mr. ALLEN. The Senator would not think the Census Bureau would come in and tell a Senate committee they would not carry out the law if the law was passed, would he?

Mr. McGEE. I was not of the opinion that Mr. Hagan would testify falsely before a committee of the Congress, and believed this was a genuine statement of intent, that it was not a coverup for Congress.

Mr. ALLEN. Well, of course he would carry ou the law if he was working for the Government.

Mr. McGEE. And carrying out the law under this mechanism makes it a very straight line he is on, because there are no side roads that permit pulling off the track in order to play political favoritism.

Mr. ALLEN. Well, if the Senator from Florida will delay his inquiry just a moment, as the Senator from Alabama reads this particular amendment, or this particular section, there is nothing other than the good judgment of the Commissioners, to which the Senator from Wyoming has frequently alluded, that would prevent this commission, first, from having a mass mailing throughout the country every month, every week, or every day of the year. There is nothing under this section that would prevent these Commissioners, other than their good judgment and their refusal to play politics, from spotting particular congressional districts over the country that they would like to have more people registered in for the purpose of aiding one party or another. All we have got is the good judgment of the Commissioners.

As a distinguished office holder of the Federal Government at this time recently stated, he had a presumption of regularity. I believe he called it, about the operation of the Presidential Office and the offices of some of the staff members. He said he presumed regularity.

The Senator from Wyoming, I believe, is falling into that same line of reasoning. He is presuming regularity. But it does not always happen that way, and I think we should provide for the worst.

I think, while it would not cure my objections to the bill, it would remove one of my objections if we limited this mass mailing to once every 2 years by knocking out the words "at least" here. It is possible that I will offer an amendment to that effect.

Another thing I would like to point out in connection with this mass mailing: Take a State like Utah. According to the Census Bureau's figures, there are registered, or were in 1970, of all of the people in the State of Utah of voting age, 98.4 percent of those people in Utah who are 18 years of age or over, leaving only 1.6 percent unregistered.

I feel that 98.4 percent of the people registered is a pretty good record. But yet the Senator from Wyoming, under his bill, would have the registration by post card administrator send out somewhere between a half million and a million post cards to the State of Utah, to catch those 1.6 percent of the people there who are not registered.

Speaking of overkill, that looks to me like just about as bad a case of overkill as one could imagine. Why in the world would we want to send out from half a million to a million post cards to get that handful of people in Utah who are not registered?

That is just one illustration of the manner in which this bill would operate against the interests of all the people of this country.

Another thing I would like to point out to the distinguished Senator from Wyoming, and I did not have an opportunity to do so yesterday, as I was saying, when I made a few remarks on the bill: The Senator is concerned about the fact that so few people are registered. I have looked at this table for 1970, it is true, showing that in the State of Wyoming—which the distinguished Senator has the honor of representing so ably here in this body—there were some 69 percent of the people of Wyoming eligible to vote who had registered, whereas in my own State of Alabama, 80 percent of our eligible voters are registered.

I shall not claim all the credit for our people there in getting this tremendous number of people registered, which so far, with apologies to the distinguished Senator, outdistances the record of registration in Wyoming. The Federal Government aided us on that, and they sent down droves of Federal registrars to register our people down there. They kept late hours. They would go out on the streets and sidewalks, grab people by the neck, and bring them in and register them. They would go to shopping centers at night. They would go to the factory gates. They would scatter out all over the State, registering people.

Now, if the distinguished Senator from

Wyoming finds that a lower percentage of his people are registered out in Wyoming, and he wants some aid from the Federal Government to get those good citizens registered, I would suggest that I would support an amendment to the Voting Rights Act of 1965, as amended by the Voting Rights Act of 1970, that would send some Federal registrars into areas outside of the South, and help the good people of those other States to register their citizens.

But I feel that it lies within the motivation of the people as to how good a percentage of registered voters a State is going to have. If the State of Utah can register 98.4 percent of its people, I believe that other States, if they are interested enough, if the people are interested enough in voting to bother to drop down by the registration office and register—many States have lifetime registrations—the Senator from Wyoming said his State has to register before every election—but I would support the Federal registrars in areas outside the South. I feel that that would be some aid that could be given, without setting up this vast Federal bureaucracy, another echelon of government that will seek to serve as "big brother" to the people of this country.

Mr. President, this legislation is not needed. The power given to the administrator to mass distribute the cards throughout the country would certainly be a very unwise provision.

Now the distinguished Senator, the chairman of the Post Office and Civil Service Committee, I know is familiar with the operations of the Postal Service. He is doing a good job trying to get the Postal Service to render better postal service. I know that he is very much concerned about that.

Just a little rule of thumb arithmetic calculation here, I should like to illustrate the burden that this mass mailing of cards would have on the Postal Service every time the administrator decided he wanted to mail out a mass mailing of cards.

These cards would have to be at least the size of a postcard and if they have the four-page document that the committee report says the State of Alabama has, it would have to be several postcards. But just say two postcards going out with the return card attached to it, I would figure that there could not be more than 25 double cards per inch. In one foot of cards stacked, one on top of the other, there would be about 300-cards-per-foot.

To illustrate further, if we stacked the cards up, one on top of the other, we would get a stack of cards the height of the Washington Monument. That would be by multiplying the 300 by the 555 feet, which is the height of the Washington Monument, and we would end up with about 165,000 cards in a stack as high as the Washington Monument.

Well, say we sent out 100 million cards—the distinguished Senator from Hawaii estimated it would be 240 million—but let us say 100 million, just a modest number, to go out to the people all over the country, that would make some 600 stacks of cards each as tall as the Washington Monument that would be put into the business of the Postal Service. Each of the cards will cost some 12 cents, it has been estimated, to prepare; although I think that is ridiculously low. By having to have each State law on there in order to comply with State law on the questions having to be asked, and then having the cards addressed back to a particular registrar, but each one of the cards costing at least 12 cents apiece, I do not believe that the Postal Service needs this additional business. If it takes a week now to get a letter from Alabama to Washington or from Washington to Alabama, I do not know how much delay this would cause the public which patronizes the Postal Service.

I note from the bill that not only do they have the cards going out, scattered throughout the country, they have them in stacks in various government offices, Federal, State, and local.

It would really seem to me to be better to eliminate putting them in the mail and have the cards left at the corner grocery store, the drugstore, the city clerk's office, or the mayor's office, so that the fellow can come by every now and then, as he would get into town once every 2 years and he would certainly have to go to the grocery store even—if he is running a boycott—he would have to go to the grocery store at least once every 2 years to pick up up some supplies, so that at that time he could pick up one of these cards.

So, why put all this stuff over on the Postal Service? I do not believe they need that additional business.

Mr. McGEE. Would the Senator vote for it if we would limit it to that kind of distribution?

Mr. ALLEN. I would have to give it serious consideration. Is the Senator making that offer?

Mr. McGEE. I was interested whether such an offer would have any interesting takers.

Mr. ALLEN. If the Senator made that offer, I would be very glad to consider it.

Mr. McGEE. I have the feeling that we have been here before. I am now looking at the clock and it says 11:06. I am advised, in checking on our mail distribution system, that some 11 million pieces of mail have actually been delivered since the Senate went into session this morning at 10 a.m., and some two and three-quarter million pieces of mail have been delivered while the Senator was speaking.

What I am trying to say is that we can play all kinds of numbers games and stocked cards from now to doomsday but the Postal System of the United States exists to serve the people of the United States and the system of government of the United States.

I did not happen to notice that the Internal Revenue Service decided not to send out its income tax forms in the mail this year because they were worried about the "lousy" mail service. I got my income tax forms and everyone else got theirs, I am sure.

Mr. ALLEN. May I point out an important difference there, since the Senator has given that illustration?

Mr. McGEE. Yes.

Mr. ALLEN. The Internal Revenue Services, with all due respect, does at least have a taxpayer or a potential taxpayer listed by name and address, whereas the distinguished Senator from Wyoming is far from doing that. The cards will be addressed to "Postal Patron," "Boxholder," "Addressee," "Householder"—words of that sort. There is some specificity in the IRS's mailing, whereas the Senator from Wyoming would have a scatter-shot approach.

Mr. McGEE. They likewise do the same thing in addition. There are Internal Revenue forms all over the lot.

Mr. ALLEN. Has the Senator ever heard of the IRS's sending out forms to "Postal Patron"?

Mr. McGEE. I have picked up my Internal Revenue forms from offices downtown. I have also requested them from other places and later picked them up. They also come to my home of course. I sometimes lose them. Those IRS forms can be picked up without having to write for them.

Mr. ALLEN. But they have the name of the Senator on it.

Mr. McGEE. Not the ones I happen to lose sometimes. Sometimes I do the forms over again, thinking I can save a nickel. So I make out another one. That is no problem, in any event. But I did want to address myself to two or three points that the Senator raised. I have made these points before, as the Senator has. I wonder whether I might ask the Senator from Alabama if he had a time in mind when we might come to a vote on the bill itself? We agreed not to do anything like that today. We have some amendment votes we will likely have, but I am speaking to the bill itself. I note in the Washington Post that they are worried there is some kind of loose filibuster underway and I do not consider it that. I think we are having an educational discussion to raise all the points. But sometime we are going to run out of education.

Mr. ALLEN. As the Senator from Alabama has stated to the distinguished Senator from Wyoming on more than one occasion, he has no amendments and plans to make no motions whatsoever; and he would like to call to the attention of the distinguished Senator from Wyoming that thus far we have not even adopted the amendments that the committee headed by the distinguished Senator from Woming thought necessary to add to the bill. We are still working on amendments that he is proposing and his committee is proposing.

I am advised that some Members of the Senate do have amendments, but I do not have any. I imagine they will be discussed. I have no understanding as to when it might come to a vote, and I do not know when the Senator is going to conclude having the committee amendments considered. I assume that the bill will then be open to amendment by other Senators.

Mr. McGEE. That is correct.

I must say that the Senator from Wyoming, as chairman of the committee and author of the bill, made the customary effort to have the committee amendments, which were largely perfecting amendments, with one or two exceptions, considered en bloc. It was not the idea of the Senator from Wyoming that we ought to separate them and take several days to discuss them. I was ready to consider them en bloc so that we might move expeditiously and get down to the other amendments. But, because of the wisdom of others who did want to consider them one at a time, we are under that process, which I am delighted to do so that we can explain these matters as we go along.

In the interest of not holding up other legislation and that sort of thing, and yet having adequate time to raise all our questions and to make all our speeches, I think that perhaps we could arrive at a tentative agreement as to some format for limiting debate on amendments, so that we can have a time down the road in order to give Congress a chance to vote on this matter. Would the Senator be willing to work out a limitation?

Mr. ALLEN. I would like to ask the Senator whether there is any date beyond which he would not insist on having this bill considered by the Senate?

Mr. McGEE. The committee has reported the bill, and the bill is the subject of the Senate. Senators disagree on the merit of the bill; under our system, I have found that McGEE has been disagreed with very often, and many bills have passed that I did not think were very good. But the name of the game in our society is that if a majority—51—believe it is a good bill, that becomes the bill that passes, no matter what McGEE thought. I have always been willing to run that risk and have that test.

The Senator from Wyoming would be derelict in his duty as the chairman of the committee not to offer the bill or to stop offering the bill. The bill has been reported, it is on the calendar of this body, and it is now the pending business. The ordinary procedure is that, after due respect for all those who have ideas to express about it, and to raise the amendments that seem to refine it, and make it more practicable, we would then vote it up or down. That is what I was asking the Senator about—whether we might have an up-and-down vote at some time, which we might agree upon, by limiting the debate on all amendments they want to throw in.

Mr. ALLEN. I state to the Senator that the Senator from Alabama is ready to vote right now on this amendment.

Mr. McGEE. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the amendments being considered en bloc? Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I desire to offer an amendment to the committee amendment.

Mr. McGEE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McGEE. Is that in order at this time?

The PRESIDING OFFICER. Is there objection to the amendments being considered en bloc? Without objection, it is so ordered.

The Senator from Alabama may offer his amendment.

Mr. ALLEN. I offer an amendment, Mr. President, in line 22, on page 7, to strike the two words "at least," which would allow the distribution of these cards once every 2 years rather than at least once every 2 years, which would leave in the Administrator the discretion to send them out every year, if he saw fit. I offer that amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 7, line 22, strike the words "at least".

Mr. ALLEN. Mr. President, I would like to have the yeas and nays. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator suggests the absence of a quorum?

Mr. ALLEN. Obviously a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the Gurney amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it will be in order to order the yeas and nays on the Gurney amendment.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Gurney amendment.

The yeas and nays were ordered.

Mr. McGEE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McGEE. What is the parliamentary situation?

The PRESIDING OFFICER. The Senator from Alabama has offered an amendment to committee amendments Nos. 20, 21, and 22, being considered en bloc.

Mr. McGEE. Is it in order to proceed to vote on this amendment?

The PRESIDING OFFICER. It is in order to proceed to a vote on the amendment of the Senator from Alabama.

Mr. McGEE. Mr. President, we have yielded back our time.

The PRESIDING OFFICER. There is no time limitation.

The Chair will put the question.

The question is on agreeing to the amendments. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CLARK), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PELL), and the the Senator from Illinois (Mr. STEVENSON), are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), and the Senator from Illinois (Mr. STEVENSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. CURTIS), the Senator from Colorado (Mr. DOMINICK), and the Senator from Oregon (Mr. PACKWOOD) are absent on official business.

The Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Oklahoma (Mr. BELLMON), the Senators New York (Mr. BUCKLEY and Mr. JAVITS), the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Oklahoma (Mr. BARTLETT) and the Senator from Maryland (Mr. MATHIAS) are detained on official business.

If present and voting, the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA), the Senator from Hawaii (Mr. FONG), the Senator from Oregon (Mr. HATFIELD), and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 27, nays 40, as follows:

[No. 99 Leg.]

YEAS—27

Aiken
Allen
Beall
Bennett
Byrd, Harry F., Jr.
Byrd, Robert C.
Dole
Domenici
Eastland
Ervin
Fannin
Griffin
Gurney
Hansen
Helms
McClellan
McClure
Roth
Saxbe
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Talmadge
Thurmond
Tower

NAYS—40

Abourezk
Bayh
Bentsen
Bible
Biden
Burdick
Cannon
Case
Church
Cook
Fulbright
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Pastore
Pearson
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Symington
Tunney
Weicker
Williams
Young

NOT VOTING—33

Baker
Bartlett
Bellmon
Brock
Brooke
Buckley
Chiles
Clark
Cotton

Cranston
Curtis
Dominick
Eagleton
Fong
Goldwater
Gravel
Hart
Hartke
Hatfield
Hollings
Hruska
Inouye
Javits
Johnston
Kennedy
Long
Mathias
Nelson
Packwood
Pell
Stennis
Stevenson
Taft

So Mr. ALLEN's amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to these committee amendments en bloc.

Mr. GURNEY. Mr. President, I object to treating the amendments en bloc.

The PRESIDING OFFICER. The Chair will announce that the unanimous-consent request has already been granted for the amendments to be considered en bloc. It is too late at this stage to object.

The question is on agreeing to the amendments en bloc. [Putting the question.]

The amendments were agreed to en bloc.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. BIDEN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

VOTER REGISTRATION ACT

The Senate continued with the consideration of the bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

The PRESIDING OFFICER. The clerk will report the next committee amendment.

The legislative clerk read as follows:

On page 8, line 20, after "(b)", insert "(1)";

Mr. McGEE. Mr. President, we have an agreement to make the relevant adjustments in the wording between line 20, page 8, down through line 10, page 9. They are all on the same point and the same question. I ask unanimous consent that they be adopted en bloc.

Mr. GURNEY. Mr. President, I object to that request.

The PRESIDING OFFICER. The Senator from Wyoming is correct. There is a unanimous-consent agreement.

Mr. GURNEY. What are we on, (b) (1)?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing en bloc to the committee amendments from page 8, line 20, to page 9, line 10.

Mr. McGEE. Did I understand that they were adopted en bloc as in the preceding instance, and are now open to amendment by the Senator from Florida?

The PRESIDING OFFICER. There is unanimous consent to consider them en bloc. They have not been agreed to as yet. They are open to amendment from the floor in one degree.

Mr. GURNEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GURNEY. I have an amendment to this particular section. Is it in order now for me to submit that amendment?

The PRESIDING OFFICER. It is in order to submit it.

Mr. GURNEY. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 9, lines 7 through 10, in lieu of the language proposed to be inserted, insert the following:

"(2) Any individual who fulfills the requirements to be a qualified voter under State law and is or may be registered to vote under the provisions of this chapter may bring an action in any appropriate district court of the United States or the District of Columbia to enforce the provisions of this section. The district court shall have jurisdiction without regard to any amount in controversy."

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GURNEY. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 1 hour on the pending amendment, the time to be equally divided between the sponsor of the amendment, the Senator from Florida (Mr. GURNEY) and the manager of the bill, the Senator from Wyoming (Mr. McGEE).

Mr. GURNEY. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. Mr. President, may we have order? We cannot hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. GURNEY. I do not think I shall object, but I would like to have an understanding. I know there are a few Senators who wish to leave, and may be inconvenienced if we go too long on this amendment. I do not want to do that, but I would like some reassurance whether after the vote on this amendment perhaps we may not have any further business on this particular piece of legislation this afternoon.

Mr. MANSFIELD. This will be the last vote today.

Mr. GURNEY. I thank the majority leader. I have no objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. Who yields time?

Mr. GURNEY. Mr. President, this particular section of the bill has to do, as the title says, with prevention of fraudulent registration. Certainly that is a very wise provision in this bill, because if I ever saw a barn door open to fraudulent registration of voters, it seems to me we have not only opened the barn doors here, but we have thrown them away. So, indeed, we need in this bill, in this section, to pay very close attention to fraudulent registration.

As a matter of fact, it is my hope that perhaps the bill never will be enacted at all. Perhaps the managers of the bill will see the wisdom of withdrawing it from consideration, at some future time, after we have had some more discussion on it, which I certainly think is helpful in illuminating the whole question of voter registration and elections in our country.

One of the things we have constantly been concerned with, ever since the founding of the Republic some 200 years ago, and ever since we began to have elections in this country, is fraudulent registration that has occurred or may occur. It is a pity, in a great democracy like this—and we often set up ourselves as a shining example of what other people ought to do—that insofar as conducting our elections is concerned, and making sure every individual in this country has the opportunity to say yea or nay on the candidates of his choice. nonetheless, we have had many glaring examples of fraud and corruption in election battles throughout the years.

As a matter of fact, the present incumbent in the White House probably had to wait 8 years longer than he might otherwise have had to wait, because of the election back in 1960 between him and the late President Kennedy. It is a well recorded fact of history that there were election frauds, during that election, that occurred in several of our States. In fact, without identifying the particular State, because I do not want to single out one State or embarrass it, here is an interesting piece of election history:

The day that President Kennedy was assassinated, I was on a plane going to San Juan, Puerto Rico, with several other Members of the House of Representatives. We were going as a part of the Space Committee business of the House of Representatives, of which I was then a member, before I came to the Senate.

We stopped for lunch that day at Patrick Air Force Base in Florida, and it was there that we learned of the very tragic occurrence on that particular day, the assassination of a very popular and very beloved President of the United States.

The point that I want to bring to mind is not that tragic event; it just happened that it occurred during the trip that I was on. Rather, I wish to describe something I was told regarding some of the electioneering that occurred during the Kennedy-Nixon election.

One of the Representatives from one of the larger States in our Nation, where it has always been subject to question who really won in that Kennedy-Nixon election, whether President Kennedy or President Nixon, described to us on that plane his participation in that particular election.

It seems that he was in charge of several precincts in one of the larger cities of the particular State. He had been charged with producing a certain percentage of the vote on election day. I do not recall now the percentage of the vote that he was supposed to turn in, but say it was 70 percent, to use a figure. As the day went on, as he told us on the plane, the voting in other parts of the State was extremely heavy, heavier than usual. These were from Republican areas of the State. His, of course, was a Democratic area. He received a call from whoever was in charge of the vote-gathering operation late in the afternoon, and the subject of the telephone call was, "Your quota has now been raised from 70 percent to 90 percent."

Again I am using this figure as a hypothetical figure, to illustrate the problem, because I do not recall the precise percentages involved. That is not important, but the illustration is important. Instead of producing the 70 percent, he told the Congressmen present, including me, he turned in his percentage of 90 percent, for the particular block of precincts that he was in charge of for that particular city.

As I say, that is a very interesting incident in the politics of elections and government in the United States. It actually happened. I heard it from the lips of one of those in charge of this particular vote fraud and vote stealing that day. It is of enormous credit to the incumbent President of the United States, who was urged by many of his people to challenge the election, which people thought might have been overthrown, that he said "no." He refused to do that, because it would have precipitated a constitutional crisis which we could not afford neither in this Nation nor in the world—which was a troubled world at that time.

I give this illustration simply to point out that there are frauds in elections in the United States. I do not believe they are the monopoly of any one party, or of any one group or of any one particular political persuasion. I also am optimistic enough to think that they are getting fewer and fewer over the years, although they used to be frequent perhaps 100 years ago when we had political machines in all the large cities of this country in all political parties, and when fraud was a commonplace thing and not the exception.

But frauds do exist. When they do occur, sometimes the candidate who should have won the election has it stolen from him, and some candidate who should have lost becomes the elected candidate and assumes the public office, whatever it may be. Perhaps wholesale vote frauds are a thing of the past, but I do think the occasion still exists where certain numbers of vote frauds do go on.

I recall another incident, and again I will withhold the name of the State because I do not want to embarrass any particular State, but the only reason I remember this one is that it occurred to a classmate of mine who went to law school with me some years ago. He was one of the most brilliant members of the class. He ranked No. 2, 3, or 4 in the class, as I recall.

He came down to Washington during the New Deal days and filled several important posts as an attorney for various organizations. As a matter of fact, before he became a practicing lawyer he was the law clerk of an eminent Justice of the Supreme Court. I recall that when he left Washington some years ago, in the 1950's or early 1960's, I was astounded, appalled, and certainly ashamed and sorry to read, when I picked up the newspaper one day, that he had been caught stuffing ballot boxes in his particular State in a very important election in that State. He was later indicted and convicted.

I have often wondered why he did it, because he certainly had no need to do so. He was a most successful individual not only economically in his chosen field but also in the political field.

But these things do exist, these frauds in elections and corruption in elections. So, as I say, it is indeed extremely important that we have in this particular bill this provision, section 407 on pages 8 and 9, to do something about the prevention of fraudulent registration.

Subsection (a) provides:

> In addition to taking any appropriate action under State law, whenever a State official has reason to believe that individuals who are not qualified electors are attempting to register to vote under the provisions of this chapter, he may notify the Administration and request its assistance to prevent fraudulent registration. The Administration shall give such reasonable and expeditious assistance as it deems appropriate in such cases, and shall issue a report on its findings.

That takes care of the State, the State official who may discover that there has been fraud and wants to do something about it. I suspect, particularly, that it might be a supervisor of voter registration who might suspect, in the post cards that came in, that there was a possibility of fraud. Perhaps it might have been noticed at the polling booth itself when some people who had registered by post card came in to vote.

At any rate, this covers what the State may do.

Then subsection (b)(1) goes on to provide that:

> Whenever the Administration or a State official determines that there is a pattern of fraudulent registration, attempted fraudulent registration, or any activity on the part of any individuals or groups of individuals to register individuals to vote who are not qualified electors, the Administration or a State official may request the Attorney General to bring action under this section. The Attorney General is authorized to bring a civil action in any appropriate district court of the United States or the United States District Court for the District of Columbia . . .

Then it also goes on, in subsection (2), to state:

> The district court of the United States or the United States District Court of the District of Columbia shall have jurisdiction without regard to any amount in controversy, . . .

I think that this is a fine thing but I do not think it goes far enough. If we take a look at the sections that I have just read here, it would permit a State official who is concerned that there has been fraudulent registration, to render a protest and to bring this to the attention of the Attorney General. The Bureau of the Census, the so-called administration, which is the name given to it under the bill, can also do that and say to the Attorney General, "There has been wrongdoing here and we want you to bring a civil suit to stop it."

But it occurs to me that perhaps neither one of these people, neither the State official nor the administration, may want to inspire the Attorney General to bring an action.

Let me give an illustration why this may be so.

Suppose we have an administration in power that may want to indulge in some corrupt and fraudulent activities so far as voter registration is concerned. Let us suppose, further, that they want to do it in a State where many State officials are of the same political persuasion that they may be. It seems to me that neither the administration, which has the opportunity and the right under this section to ask the Attorney General to do something about it, nor the State official down below, would have much motivation to want to correct the fraudulent activity that went on, because in the examples that we give, they are the people who would be up to the fraudulent activity and would want to benefit from it.

Let us take another example of how this might be able to happen. I notice here in another part of the bill, page 4, section 403, subsection (2), that the administration, the people who will run the voter registration, are given under this section which describes the powers and the duties, the duty and the power to "collect, analyze, and arrange for the publication and sale by the Government Printing Office of information concerning elections in the United States."

That is a pretty broad power. As a matter of fact, under that power, I can see where the administration can employ a great many experts in the matter of voting patterns and elections in this country. We are making more sophisticated all the time the election process in the United States. Some of the people in the business now are able to identify almost anyone or any one group of people and how they are likely to vote.

It is so sophisticated that they can tell us within almost a fraction of a percentage point how a certain group of farmers will vote on a certain issue or for a Federal political candidate. They can tell us how a veterans group may vote. They can even tell us how house painters will vote, or however people in various categories of occupations vote in this country.

The reason why they are able to do that is that these analyses have been made again and again and again in every election we go through. We have a voting pattern of the people of the United States now, and we do know how certain people are going to vote in certain elections, and this we can predict. Those of us who are careful and cautious about our elections make pretty sure as we go into an election that we know whether we are ahead or not. We take opinion polls to find out how a certain group of people feel about a particular candidate and why they feel that way about him. If they do not like the way he parts his hair, the candidate may decide to part it another way. If it is too short, perhaps he may decide it is a better idea to wear it a little longer. If it is too long, he may decide to cut it a little shorter.

The point is that people have very definite feelings now as to how they are going to vote and how they view political candidates.

Under this particular section of the bill, the administration within the Bureau of the Census can collect, analyze, and arrange the publication and sale of information concerning elections in the United States. To me, that gives them power to do almost anything so far as collecting information about political elections in the country is concerned.

Suppose they did that. Suppose they get all the expertise they can in the Bureau of the Census, so far as the voter registration section is concerned, and gather every particle of information they can discover regarding the voting patterns and the voting habits of Americans in general, regardless of where they live, whatever their age group, or whatever their occupation.

Then, suppose they single out a congressional seat somewhere in the State of Florida, or perhaps in the State of Wyoming or any other State in the United States, where they want to upset an incumbent, a Representative who may be of a different political party from that of the people who are in command of the White House at that time. It would be the easiest thing in the world for somebody who really was corrupt—not necessarily speaking of the President or anybody like that; I am just speaking of somebody in the administration, any administration, who may have a good deal of power—to go over to the people in the Census Bureau who run these elections and say, "Give me all the information on Congressional District X in the State of Florida." The administration would pull out all that data that they had been able to gather over the years on that particular congressional district.

I might remind the Members of the Senate that elections occur in the House of Representatives much more frequently than they do in the Senate. We run every 6 years. There is a considerable change in our electorate in 6 years. But in the House of Representatives, where they run every 2 years, they are pretty current on the voting patterns and the people who reside in the congressional districts, unless we are talking about a very rapidly changing congressional district.

So, with all the data that come out of the collection by this administration, if we go ahead with the horrendous bill that is before the Senate, they could take that information and give it to the candidate who is running for Congress in X Congressional District in the State of Florida.

He could take a piece of information, for example, that said that in a certain geographical area, encompassing perhaps 10 city blocks or so, the people usually vote for the political party and the candidates of the political party to which the challenger of the incumbent belongs. The data might also show that the people do not turn out in very good strength in that particular block in that congressional area—let us say it encompasses 10,000 votes—that the people are not very interested in voting, and that in past elections perhaps only 30, 35, or 40 percent of the people had turned out to vote. That is not an unusual number, either. Sometimes it is less than that.

The person who has this refined data of these voting patterns can take that data, get up a mail operation, and saturate that particular part of that congressional district with his propaganda, and he can slant it in the way that usually appeals to those people. They may be interested in lower meat prices; they may be interested in more health benefits; they may be interested in a variety of political issues that he is able to ascertain from this data which he is able to get from the administration, the voter administration in Washington, where they have all this information.

So, taking that information, he can zero in on that particular area of 10,000 votes with his propaganda and make his pitch: "Vote for me, because if you vote for me, I'll make sure you get better health benefits," if that is what they are interested in. Or, if they are interested in stronger law and order, he can say: "When I get to Congress, I'll offer a lot of bills that will strike down hard on law and order and perhaps enact stiffer penalties for drug pushers." Perhaps it is a high drug area or something like that.

So as his mailing propaganda goes into that particular section of that election district—those 10,000 votes—if he makes enough input in that area and puts enough propaganda in there, every one of us who has anything to do with politics knows that instead of a 30-percent turnout, which that area usually turns out and which has been the practice in past political elections, it will go up—and it will go up in direct proportion to the amount of political activity that candidate for public office puts in there. It may go up to 60 percent, twice as many votes as before. It may be that in a closely contested election, the additional few thousand votes turned out in that particular area may swing that election.

How could he use the information in other ways? There are other ways in which he could use such information. As we all know, in every election area, whether it is a congressional district or a municipal election or a Statewide election, certain areas will vote very strongly for one political party. Sometimes it is as much as 90 percent.

My home town in Florida is a very strong Republican area. It is one of the strongest areas in the State. It turns out a Republican vote—I cannot recall the exact figures—as high as 80 percent, perhaps higher. Other parts of my county are different. I recall that in one precinct in the Goldwater election, when I was running, GOLDWATER got 9 votes out of an election precinct of 1500. I received 90. I thought I was doing a pretty good job because I got 90 votes in that 1500-vote precinct.

It illustrates that that particular precinct goes almost overwhelmingly Democratic, somewhere between 95 percent and 99 percent. Those areas can be identified, too, with the data that will go into this central place in Washington.

Now, then, how can that information be used? So far as the person is concerned who is campaigning and happens to be of a political persuasion that turns out the 90 percent, he will zero in heavily on that area so he will motivate his people to come out to vote. But it is also very important to the person who does not expect many votes from that area. The reason why it is important to him is that he can save his money and his time by not fooling around with that particular area if he knows where it is.

If he knows it is going to vote 90 or 95 percent for his opponent, for the political party on the other side, he will not spend one thin dime sending any of his political propaganda in there because if he does, in all probability it will stir up those people to come out and vote against him and not for him. The point is that he can save his money, husband it, and spend it carefully, and put it in an area where it will do him the most good.

This is the insidious, vicious tool that this kind of operation can furnish to unscrupulous political people. As I said earlier in my argument, I do not want to give the impression that politicians and political operations in this country are all that corrupt. They are not. It is not the rule, and we all know that. Yet we also know that sometimes the exception of vote fraud occurs, enough to swing an election, enough to propel some candidates into office who should have been defeated and enough to defeat some candidates who should be in public office.

This is the reason I say that this section of the bill that deals with fraud is an extremely good section. I am totally for it if we are going to pass this bill, which I hope we do not do since we do not need it. But if we do, I think it should be expanded to include the right of individuals to also bring suits for fraud.

Again I remind Senators that my amendment states:

> Any individual who fulfills the requirements to be a qualified voter under State law and is or may be registered to vote under the provisions of this chapter may bring an action in any appropriate district court of the United States or the District of Columbia to enforce the provisions of this section. The district court shall have jurisdiction without regard to any amount in controversy.

The reason why that is in there is to provide for action in the case in which a State official or a Federal official may have his hand in any corruption that may go on in a political election around the United States and is not motivated to advise the Attorney General of the corruption. In this situation it is extremely important that we have the provision.

I think we should have in the bill the right of an individual also to enforce this section so we can tighten up the fraudulent part of it to make sure that anybody who has a direct interest in preventing fraud under the bill, and this fraud sometimes is going to occur, will be able to have the fullest remedy in the courts of the United States.

I hope the Senate will approve the amendment. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McGEE. Mr. President, I yield myself such time as I may require. May I ask the time situation?

The PRESIDING OFFICER. The Senator from Wyoming has 30 minutes and the Senator from Florida has 1 minute.

Mr. McGEE. Mr. President, I oppose the well-intended amendment, which does have a certain appeal on the surface. The reason for the limitation in the committee amendment is that it restricts the responsibility for the decision on fraud and suits for fraud to the responsibility of elected or appointed authorities under the law, the county clerk or the secretary of state or the registrar of elections, whatever it may be. We felt in placing that in the bill that this would make it orderly and responsible. It is my concern that the amendment by my friend from Florida would really open the door to mischief. It could produce a mass of harassment in the courts.

Any citizen, whether he is an interested party or not could be given standing before the court. For that simple reason the authority for that status before the court should be reserved for the proper authorities, namely, the county or State individuals involved; or decisions by Governors themselves, after being appealed to by some State official for assistance because of fraud.

Mr. President, because of the concern of many Senators on a number of matters, I am prepared to yield back the remainder of my time.

Mr. GURNEY. Mr. President, I should like to pose a question to the Senator from Wyoming. We give individuals enormous rights under the Civil Rights Acts that have been passed during the last several years. They may pursue individual grievances. Why should they not do so under the Voting Rights Act?

Mr. McGEE. This is not a voting rights act; it is simply a registration process. The difference is that under the Civil Rights Act, the action has to do with an individual grievance that is expressed.

The Senator's proposal would be extended to all citizens—open end, as it were—and they would have unlimited standing to sue. They would not be an interested party before the court. We do believe that a registrar, a county clerk, or a secretary of State—they are properly selected officials—should make the judgment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Florida. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CLARK), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wisconsin (Mr. NELSON), the Senator from Illinois (Mr. STEVENSON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Illinois (Mr. STEVENSON) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. CURTIS), the Senator from Colorado (Mr. DOMINICK), and the Senator from Oregon (Mr. PACKWOOD) are absent on official business.

The Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Oklahoma (Mr. BELLMON), the Senators from New York (Mr. BUCKLEY and Mr. JAVITS), the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

If present and voting, the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA), the Senator from Hawaii (Mr. FONG), the Senator from Oregon (Mr. HATFIELD), and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 32, nays 37, as follows:

[No. 100 Leg.]

YEAS—32

Aiken
Allen
Bartlett
Beall
Bennett
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cook
Dole
Domenici
Eastland
Ervin
Fannin
Griffin
Gurney
Hansen
Helms
McClellan
McClure
Nunn
Percy
Roth
Saxbe
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Talmadge
Thurmond
Tower
Young

NAYS—37

Abourezk
Bayh
Bentsen
Bible
Biden
Burdick
Cannon
Case
Church
Fulbright
Hart
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Symington
Tunney
Weicker

NOT VOTING—31

Baker
Bellmon
Brock
Brooke
Buckley
Chiles
Clark
Cotton
Cranston
Curtis
Dominick
Eagleton
Fong
Goldwater
Gravel
Hartke
Haskell
Hatfield
Hollings
Hruska
Inouye
Javits
Johnston
Kennedy
Long
Nelson
Packwood
Stennis
Stevenson
Taft
Williams

So Mr. GURNEY'S amendment to the committee amendments was rejected.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on committee amendments 23 to 25 en bloc. [Putting the question.]

The amendments were agreed to en bloc.

The PRESIDING OFFICER. The clerk will report the next committee amendment.

The assistant legislative clerk read as follows:

> On page 10, beginning on line 24, after the word "this", strike out "chapter." and insert "chapter. Such regulations may exclude a State from the provisions of this chapter if that State does not require a qualified applicant to register prior to the date of a Federal election."

The PRESIDING OFFICER. The question is on agreeing to the amendment. [Putting the question.]

The amendment was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, that concludes the substantive business for today. We will be in session a little longer, but there will be no further votes. We will be in session for the purpose of allowing Members to make speeches, introduce bills, and the like.

REMOVAL OF INJUNCTION OF SECRECY FROM THE CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA (EX. H, 93D CONG., 1ST SESS.)

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed at Washington on March 3, 1973—Executive H, 93d Congress, first session—transmitted to the Senate today by the President of the United States, and that the convention with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed at Washington on March 3, 1973. The report of the Department of State is enclosed for the information of the Senate. This Convention is designed to establish a system by which States may strictly control the international trade in specimens of species in danger of becoming extinct and monitor the trade in specimens of species which, because of present or potential trade in them, might be expected to become endangered.

The international community has realized that steps must be taken to halt the rapid depletion of wildlife. The present Convention constitutes a major step in this direction. I strongly recommend that the Senate give prompt consideration to this Convention and consent to its ratification.

RICHARD M. NIXON.

THE WHITE HOUSE, *April 13, 1973.*

TRIBUTE TO SECRETARY OF SENATE ON FULFILLMENT OF DUTIES UNDER FEDERAL ELECTION CAMPAIGN ACT

Mr. MANSFIELD. Mr. President, April 7 marked the first anniversary of the Federal Election Campaign Act. The act has resulted in the disclosure of vast amounts of information on the financing of elections which heretofore did not see the light of day. The law has great virtue in that it is designed to strengthen public awareness of certain pertinent facts of political campaigns and, hence, strengthen the democratic process. It is a law in a much needed area of the American political process even though compliance with it does put an extra burden on candidates and the participating public.

The job of administering the act, as might be expected, is a staggering one. On this point, the Senate has particular cause for satisfaction. The act specified that the administrative burden was to be shared three ways between the Comptroller General as to Presidential elections, the Clerk of the House as to House elections, and the Secretary of the Senate as to Senate elections. The Secretary of the Senate was brought into the situation belatedly in the legislative process, one might say almost as an afterthought. Nevertheless, I want to report to the Senate today that as far as the Senate is concerned, his office has carried out its part in this difficult undertaking in an outstanding fashion. The performance has been characterized by scrupulous impartiality, fairness, and dispatch. I might note the Secretary's office has also operated with great efficiency, staying within, by far, the smallest budget of the administering agencies, while at the same time processing 10,506 reports amounting to 81,284 pages in the first year.

So I want to express my commendation to Hon. Frank Valeo, the Secretary of the Senate, and to his excellent staff for their outstanding work in connection with the first year of operation under the Federal Election Campaign Act which has reflected very favorably on the Senate. I especially wish to make public notice of their contribution at this time because the press often finds little news in a job well done, although it is quick to make news, quite properly, of jobs done poorly.

Mr. President, yesterday, April 12, Mr. Valeo presented an extensive statement before the Senate Subcommittee on Privileges and Elections, in which he reported on the first year's performance under the act and also made a number of proposals for statutory revision. I ask unanimous consent that his statement be printed in the RECORD at this point, along with two press releases dealing with implementation and enforcement of the act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF FRANCIS R. VALEO, SECRETARY OF THE SENATE, BEFORE THE SENATE SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS, APRIL 12, 1973

Mr. Chairman, Members of the Subcommittee, I appreciate this opportunity to appear here today to discuss the Federal Election Campaign Act. The administration of Title III of the Act has been a major concern of the Office of the Secretary for the past fourteen months, and we have built up a considerable body of experience which I hope may be of some assistance to this Subcommittee as it considers refinements and revisions in the law.

I might note at the outset, Mr. Chairman, that we have described the administrative machinery in the Senate elections in a Technical Report, copies of which are before you and which I ask that you incorporate by reference into the record of this hearing. The Technical Report sets forth the preparation and distribution of report forms and the provision for public display and reproduction of reports by microfilm, with a computerized indexing system providing cross-referencing as required by the Act. As of the close of business last Friday, April 6, which was the end of the first year of operations under the Act, we had received and processed for Senate elections, 10,506 reports and registrations, amounting to 81,284 pages. Technical implementation of the Act in the Senate was accomplished with the assistance of the Subcommittee on Computer Services of the Committee on Rules. The whole system was designed and brought into being in 60 days and I am proud of the fact that it has worked very effectively since the beginning. If it would be helpful to your deliberations, I would urge the Members of the Subcommittee and its staff to inspect the operation of the Public Records Office of the Secretary of the Senate which is located in Rooms ST–45, and ST–2 and 4 of the Capitol. You might be interested in the fact that we are operating the whole system for Senate elections well within the budget of $228,000. The system is economical and it is highly effective.

In overall terms, Mr. Chairman, it seems to me that the Federal Election Campaign Act has gone a long way toward opening to public visibility the financial roots of American politics. Vast amounts of information have been disclosed and made available promptly for public consumption. Insofar as Senate elections are concerned, by and large, compliance with the disclosure provisions of the law has been very good, notwithstanding some statistics which I shall give you shortly with respect to enforcement.

To be sure, there have been some problems and ambiguities, and the purpose of my testimony today is to call your attention to these problem areas and to recommend certain changes in the law which are suggested by our first year's experience.

I realize, Mr. Chairman, that you have several bills pending which relate to the electoral process, but it seems appropriate that I comment only on those that have bearing on my present responsibilities as Supervisory Officer of Senate elections with respect to financial disclosure. If I may, I would like to make my comments on the pending bills in the context of an overall review of Title III of the Federal Election Campaign Act as it now stands. My review will proceed more or less on a section by section basis.

The Supervisory Officers (Sec. 301 and Sec. 308).

I would first like to address myself to the problems posed by the present system of three co-equal Supervisory Officers as provided by Section 301(g) of the Act. Specific duties of *each* Supervisory Officer are spelled out in Section 308 but nowhere in the Act is there any explicit directions as to the relationship *between* the three.

Nevertheless, the three Supervisory Officers concluded at the outset that there had to be a very intimate relationship because all are charged with administering the same provisions of law. The closest possible collaboration seemed essential to assure uniform interpretation and application of the law and minimize confusion for the hundreds of candidates and committees required to report.

Accordingly, representatives of my office were instructed to work closely and continuously with representatives of the Clerk of the House of Representatives and the Comptroller General to develop standard reporting forms and uniform regulations. They were directed to pursue a separate course only if and when our interpretation of the full responsibilities of the Secretary of the Senate, under the law, might make that imperative. It was not an easy process but I can report to you that cooperation was excellent and a genuine sense of collaboration emerged; there was input into the deliberations from all three sources.

The Committee might wish to consider in its revisions of the Act, that this ad hoc and informal system of cooperative uniformity between the three Supervisory Officers be given firm legal standing by inserting a new paragraph in Section 308 which would direct the three supervisors to act jointly to assure standardization and to eliminate duplication and, by vote, if necessary.

One of the first consequences of such a provision might be to eliminate the necessity for the filing of identical reports with the three Supervisory Officers by nationwide or interstate committees which support candidates for all three offices, the Presidency, the Senate and the House.

The present arrangement of three co-equal Supervisory Officers is cumbersome in many respects. I would point out, however, that some of the worst fears expressed for the system have not materialized in any way, shape or form. You will recall, I am sure, press comments which suggested that the Secretary of the Senate, as an elected officer of the Senate, could not effectively enforce disclosure of financing for Senate elections. My own view is that such fears are grounded in a rather archaic view of the government and of the political process. My experience has been that when an officer of the Senate has a stated legal responsibility to fulfill, the membership will unhesitatingly honor his authority.

In the case of the Federal Election Campaign Act, the stated statutory responsibilities of the Secretary and the requirements imposed on the Members are spelled out with far greater clarity than ever before. We have gone to some lengths to assert that the Secretary of the Senate has legal responsibilities as Supervisory Officer and the Leadership and the Membership of the Senate has responded accordingly. I can state for the record and without reservation that neither I nor any member of my staff has been subjected to any improper requests or any pressures or threats to compromise or in any way limit the application of the law.

We have accordingly been able to do our part in enforcing the Act in an even-handed way, without regard to incumbency or party affiliation. So far we have made 565 referrals to the Department of Justice for non-compliance or lateness. I will say, frankly, that I am not fully satisfied that all of them were significant violations, but I will make a specific recommendation on this point at a subsequent point in my testimony.

In addition to providing even-handed enforcement, my office has also been able to give prompt and helpful guidance to persons attempting to comply with the law. I think there are grounds for asserting that such advice has been more effective because it originates from a legally authorized Senate officer directly conversant with the electoral process than it might be from another source.

I cite these details, Mr. Chairman, because I believe the record should show clearly that the Senate, and specifically the Office of the Secretary, has carried out its responsibilities, fully, under the law. I appreciate the arguments in favor of consolidation, whether under a commission as proposed by Senators Scott, Mathias and Stevenson, or by any other means. I do not oppose the principle of consolidation as such, particularly to the extent that it will ease the burden of the participating public and further the objective of disclosure. I reject, however, any presumption that an appointed board is more to be trusted than an elected officer of the Senate. Insofar as the Senate is concerned, if modifications in the direction of consolidation are to be made, they should be made to achieve these positive goals and not because of preconceived and presumptuous notions as to the reluctance of the Senate to insure the integrity of the electoral process with respect to the enforcement of the Federal Election Campaign Act.

The Senate's institutional stake in the effective enforcement of this law is as high as that of the Presidency and the House and it has acted accordingly. That will continue to be the case. Therefore, if the Commission concept proposed in the Scott bill (S. 1094) were to be adopted, I would recommend that two revisions be made in the bill. One would be to broaden the appointing authority as set forth in Section 2(a) of the bill to provide that two members of the Commission be nominated by the Presiding Officer of the Senate, on the recommendation of the Majority and Minority Leaders, two by the Speaker of the House and two by the President of the United States. As it now stands, the Scott bill would provide only for Presidential appointments to the proposed Commission. The national experience with Commissions whether at the State or Federal level, as the Committee well knows, has not been a uniformly happy one. Commissions have displayed their share of corruptability, ineptitude and unresponsiveness to public needs. In the circumstances, it seems to me, therefore, that if the Commission route is to be followed, the Senate had best keep a close contact with it by assuming a share of the appointing power at least during the initial period of its development.

I refer, again, to the possibility of what amounts to an interim stage of consolidation, short of a Commission, in which the three Supervisory Officers would be directed by law to work in concert to insure uniformity of practices. All three elective bodies would be represented in that case, with the Comptroller General speaking for the Presidency, from which his appointment is derived, and the elected Clerk of the House and the elected Secretary of the Senate representing the concerns of their respective institutions. Under these arrangements, the administrative experiences and practices of the three bodies, not to speak of their cost-effectiveness, might be accumulated and compared as a guide for further consolidations in the future.

Mr. Chairman, the rest of my statement concerns a number of technical points in the Act which appear to need clarification regardless of whether future administration of the Act remains in the hands of the present Supervisory Officers or is assigned to a separate agency.

The Question of Candidate Status (Sec. 301).

I would like to call your attention to the problem of the definition of a candidate. Section 301(b) of the Act defines a candidate as an individual who has either taken action under State law to qualify himself as a candidate or who has received contributions or made expenditures, or authorized others to do so, with a view to bringing about his nomination or election.

The essential point here is that the second part of this definition is extremely broad insofar as it quite properly makes a person a candidate for disclosure purposes as soon as he begins advance fund-raising for a campaign. This step may occur—and frequently does occur—long before he makes formal declaration of candidacy or even a final decision as to whether or not to run. An initial fund raising venture which is not successful may, in fact, tip the decision against running.

Thus we are now carrying in our candidate index the names of many incumbent Senators whose terms may have as many as five years yet remaining, but who have been listed as the recipients of payments and benefits from their respective party campaign committees, or who have authorized advance, or continuous, fund raising activities. Undoubtedly, there are men and women in the States contemplating running against these incumbents and who may have had offers of financial assistance to that end but who will not make a final decision to become a candidate until a later date. They are candidates for the purposes of this Act nonetheless if funds have been received.

Recently, a group of incumbent Senators who may be candidates in 1974, have raised questions about the legal implications of these disclosure requirements. If, by virtue of having initiated fund raising activities or fund raising activities having been initiated on their behalf, they have attained the status of a "candidate" for disclosure purposes under the definition of Sec. 301(b), are they also "candidates" as far as other requirements of law are concerned? Are they, for example, "candidates" under the Equal Time provision of the Communications Act or under the media limitations of Title I of the Federal Election Campaign Act? Are they "candidates" with respect to whatever restrictions may appear to attach to their mailing privileges as a result of recent court cases?

After a careful review of several of the statutes involved, my office has tentatively concluded that it is possible for a person to be considered a "candidate" for disclosure purposes under Title III of the Federal Election Campaign Act without implicating himself as a formally declared candidate—subject to requirements of other laws. We have prepared and circulated a Draft Memorandum to this effect, and I submit a copy for the record of this hearing.

While these guidelines represent quite broad concurrence on the part of many different authorities, it seems to me that the matter should be further clarified by simple statutory revision. One possibility would be to broaden the definition in Sec. 301(b) to describe as a "prospective candidate" a person who may be authorizing or undertaking advance political fund raising or political expenditures prior to formal declaration of candidacy. Sec. 304(a) should then be amended to provide that "prospective candidates" have the same reporting responsibilities as "candidates".

You may wish to note also that the definition of "candidate" as presently construed, appears to apply retrospectively as well as prospectively. That is, a person who is paying off debts from a past election, or authorizing others to do so, appears to fall under the disclosure requirements of the Act for as long as receipts or expenditures are made to retire debts of a past election.

Different Kinds of Political Committees (Sec. 301).

Next, I would like to suggest some new distinctions in the definition and reporting requirements with respect to political committees.

The definition of "political committee" in Sec. 301(d) applies without differentiation to all groups which accept contributions or make expenditures in excess of $1,000 to influence a federal election.

While there is no question that all such committees should make full disclosure, there is considerable evidence on the basis of the first year's experience to suggest that there are different categories of committees fulfilling different roles and that the reporting requirements should be adjusted accordingly. My first suggestion is that the differences be acknowledged in the definition, by amendment of Sec. 301(d).

A basic distinction should be made between committees which are organized to support a single candidate, which might be designated as Class A committees, and those that support several candidates which might be designated as Class B committees.

It became apparent in 1972 that committees in the proposed Class B category, that is, those that supported several candidates, were subjected to unfair and unduly burdensome reporting requirements. A large labor union political fund or corporate political action committee, for example, which supported Senate candidates in several of the 33 States in which there could have been primary, run-off or convention contests for Senate seats, would have been required to report twice just before each such preliminary contest regardless of how recently they had filed a prior report. In 1972, dozens of committees in this category did file such reports continuously and conscientiously, even though it required them to close their books at frequent, brief and irregular intervals. I submit for the record in this connection a schedule of reporting dates in connection with each Senate nominating contest in the various States.

I suggest, Mr. Chairman, that committees which I have proposed to designate as Class B, that is, those supporting several candidates, be authorized to report on a monthly basis during an election year, and periodically on off-years. (They would, of course, be expected to report before a general election, as well.) Provision for this arrangement could be made by an appropriate amendment to Sec. 304(c).

I note, Mr. Chairman, that the Scott bill (S. 1094) makes provision for such an alternate reporting schedule in Sec. 4(4), and I support in general the concept embodied therein. The difference is that Senator Scott's provision would become effective only upon request of the committee involved, whereas mine would be automatic for any committee which meets the terms of the proposed revised definition—that is any committee supporting more than one candidate in a given year would go on a monthly reporting schedule. I might note a slight variance in the test for relief: The Scott bill would permit monthly reporting for committees operating in more than one *State*; my proposal would provide such relief for committees supporting more than one *candidate*. Our experience has been that, as far as the Senate is concerned, a committee supporting one candidate may occasionally operate in more than one State, but that it is the committee which supports several different candidates in different States which entails the most burdensome requirements.

I fully realize that you must take into account the dynamics of the Presidential primaries as well as Congressional contests and that you may wish to combine these two criteria; that is, you may conclude that eligibility for an alternative reporting schedule should be based on both the State and candidate criteria.

CENTRAL CAMPAIGN COMMITTEES

A related matter which should be discussed at this point is the problem of obtaining centralized disclosure for each candidate. As the law now operates, all political committees are co-equal and have identical reporting responsibilities, whether they handle final transactions for a single candidate, or whether they operate as a collection arm for a given candidate or as a national collection agent for a certain interest group. It is perfectly possible—and sometimes it did occur in the 1972 Senate races—that several different committees may make final expenditures on behalf of a single candidate. In the Senate Public Records Office, a common link between these expenditures is provided through the computerized cross indexes which list on a daily basis all the committees reporting on behalf of each candidate. But it is difficult, at best, under the present structure of the law to get a clear overall picture of the finances of campaigns managed by more than one committee. In some cases, it will not be known until the completion of a final audit later this year whether the media allowances or personal spending limits assigned to the candidates involved may have been exceeded.

A solution, Mr. Chairman, and, to be sure, it would be a major change, would be a requirement in law that each candidate designate one committee as the central expenditure committee and that all expenditures be made through and reported by that committee, including any made by the candidate himself. Senator Scott's bill makes such a provision as part of the proposed new sections under Sec. 2 on Page 7 of S. 1094.

The language of S. 1094 appears to require that *all* subsidiary committees report not only their expenditures but also their receipts through the central compaign committee of the candidate. I can see no problem with this language insofar as it might pertain, for example, to a county committee or a special committee of professional people organized to support a particular candidate whose collections could be centrally reported. But what of the receipts of a multi-candidate committee, such as the National Committee for an Effective Congress, which might make a substantial contribution to the particular candidate? The recipient candidate's central committee can hardly be held responsible for reporting all the commingled receipts of the contributing national committee. Here the transfer mechanism would still be in effect, and with one important exception, the ultimate source of the funds would be disclosed in the reports of the national, multi-candidate committee, which fall in the proposed Class B category.

The one important exception would be that in the event a transfer had been *earmaked* for the recipient candidate by a donor to the national multi-candidate committee, the recipient candidate's central committee report the amount of the earmarked contribution and the full identity of the original contributor.

I might note, Mr. Chairman, that the supervisory officers are contemplating a regulation which would require such disclosure of earmarked contributions. But I would suggest, if the language of S. 1094 is adjusted with respect to central campaign committees, that it be appropriately modified to take into account the status of national, multi-candidate committees of the proposed Class B variety.

A final note with respect to central campaign committees is that they would be absolutely essential to the enforcement of any overall limitation on campaign spending as contemplated by Senator Pastore's bill S. 372. Without an explicit requirement for centralized accounting and reporting for each campaign, the enforcement of an overall limitation would be cumbersome in the extreme—if not impossible. And I might just add that the candidate himself would find that such centralization would be essential to keeping his expenditures within the proposed limits.

SEMANTIC CLARIFICATION OF THE WORDS "STATEMENTS" AND "REPORTS"

Next I would like to call your attention to a simple semantic problem which should be corrected either by inserting a new definition or making minor amendments at various places in Title III. The problem is that the word "statement" as used in Title III appears to have variable meaning, and the exact intent of the Act is thus not clear for those who must administer it.

The word first appears in Sec. 303, which requires each political committee to file a a "statement of organization", which is very clearly defined therein to mean a detailed list of information constituting the initial registration of each committee. The data required is organizational information—such as the name and address of offices—and has nothing to do with the financial data required in reports of receipts and expenditures under Section 304.

In Sec. 306 and in Sec. 308(1) (2) (4) and (5), the Act lays out certain requirements with respect to both "statements" and "reports", thus clearly indicating the intent of the Act to distinguish between the two kinds of documents.

Thereafter, however, the word "statement" frequently appears alone in a context which suggests it is meant to have a broader, generic connotation which would cover all reports and not just statements as defined by Sec. 303.

Sec. 308(a) (6), for example states that the Supervisory Officer shall: "compile and maintain a current list of all *statements* or parts of *statements* pertaining to each candidate."

If this section is really meant to apply only to a statement of organization, its effect would be quite limited in scope. In practice, we have read this subsection in conjunction with Sec. 308(a) (3) which directs the Supervisory Officer "to develop a filing, coding and cross-indexing system consonant with the purposes of the title" and we have developed a cross indexing system which includes all *reports* as well as statements pertaining to each candidate. Clarification of the law would sanction this interpretation.

The semantic problem grows even murkier in Sec. 309, entitled, "Statements Filed with State Officers". Sec. 309(a) specifies that "a copy of each *statement* to be filed with a Supervisory Officer by this Title shall be filed with the Secretary of State . . . of the appropriate State."

One might assume that this requirement relates exclusively to "statements of organization", but subparagraphs (1) and (2) indicate that the term "statement" in the case includes "reports relating to expenditures and contributions".

Finally, while Sec. 309(b) (1) (2) and (3) properly distinguish between "reports and statements", subparagraph (4) reverts to the language of Sec. 308 and directs State officials to "compile and maintain a current list of all statements or parts of statements pertaining to each candidate".

As you can see, Mr. Chairman, this is a simple problem of wording, but it could lead to confusion or even challenges of the law, particularly with respect to the State reports. My suggestion is that it be remedied either by definition or by the simpler expedient of inserting the words "and reports" wherever the word "statements" stands alone.

Compilation of Annual Committee Reports (Sec. 302(f) (2)).

Next, I would like to report to you on a section of the Act which has become quite controversial. That is the requirement that the Supervisory Officer assemble and submit to the Public Printer all reports submitted by each committee during the calendar year and that the Public Printer "shall make copies of such annual reports available for sale to the public."

Mr. Chairman, this provision of the Act, as I see it, has been vastly distorted by rigid interpretation. It has been assumed that the Public Printer would have to print and make formal publication of all the reports and automatically distribute this mass of paper to all depository libraries and other recipients of official publications. On that basis, I believe it was estimated that the total cost of printing the committee reports of all three Supervisory Officers would be about $3 million.

My office has taken the position from the beginning that this was an extremely costly and unnecessarily rigid approach to compliance with the Act, particularly in the face of an uncertain demand for the reports which are to be produced. In the alternative, we have transmitted our reports on Senate campaigns to the G.P.O. in microfilm form, fully indexed, at an added cost of approximately $500 which is considerably short of the $3 million estimate. We have recommended that the G.P.O. reproduce the reports on demand only, and by the cheapest film-to-paper reproduction techniques, thus obviating formal publication. Under this approach only those reports would be reproduced for which there has been a request, and the cost would be largely recovered through sales.

I submit for the record a copy of my letter of transmittal of March 29 to the Public Printer and a copy of a letter of March 22 from the Majority Leader to the Comptroller General, both of which relate to this matter.

Mr. Chairman, it may be that this provision of the law is superfluous and should be deleted. My own position has been that we should test it in the most flexible and economical way until we can determine the public response to it. I should think that a reference in the Committee report endorsing the Senate's approach should be sufficient to end any further controversy on the matter.

Revision of Reporting Schedule (Sec. 304 (a)).

I have several recommendations to make with respect to Sec. 304(a) of the Act and the principal ones have to do with revisions of the reporting schedules. It has been my view from the beginning, Mr. Chairman, that the purposes and intent of the Act—namely maximum public disclosure—can and should be accomplished without imposing unfair burdens on candidates or their committees and without discouraging or deterring prospective candidates, and while encouraging the broadest possible public participation in all aspects of the electoral process.

I submit for the record, a statement which I have issued regarding the Senate Office of Public Records which sets forth guidelines on this score and which we sought to follow in administering the Act.

It has seemed to me that the provision of Sec. 304(a), requiring reports 15 and five days before an election, comes close to imposing an unfair burden without adding appreciably to the achievement of full disclosure. The same purpose could be achieved, in my judgment, by consolidating the two pre-election reports into a single report and tightening up on the special reports of large amounts received just before the election. I, therefore, fully endorse those changes proposed by Sec. 4(b) of Senator Scott's bill (S. 1094) which would provide for a single pre-election report ten days before election, combined with a reduction in the amount of special reportable contributions, received after that report, from $5,000 to $2,500, and a reduction in the time lapse for such special reports from 48 to 24 hours. Indeed, even further tightening of these restrictions, both in terms of time and amount may be in order.

There is a further technical point in Sec. 304(a) that needs clarification regardless of any other changes in the section and this relates to the time within which special reports must be filed with respect to large contributions received before an election. The Act now requires that such special reports must be made for contributions of $5,000 or more "received after the last report *is filed.*" This language is in conflict with the provisions of the first part of the same sentence which states that all regular reports "shall be *complete* as of such date as the Supervisory Officer may prescribe." Under this authority, the Supervisory Officers jointly determined and prescribed by regulations that books should be closed seven days *prior* to the stipulated *filing* dates of pre-election reports to allow adequate time for processing reports and mailing. Thus as the law now stands, reports are complete as of the closing date rather than the filing date and there is a technical seventh day loophole with respect to the reporting of special large contributions received prior to elections. We have attempted to close that loophole by administrative fiat but our action should be confirmed by revision of this section to require that special reports should be made with respect to large contributions "received *after the books are closed* for the last report filed prior to an election."

I note that Section 4 of Senator Scott's bill also provides for a change in the periodic reporting dates from the present schedule of March 10, June 10 and September 10 to April 10, July 10, and October 10 while retaining the January 31st report. I can see no objection to this plan which shifts the balance of reporting toward the last half of the year, a change which may well be desirable.

Definition of the Word "File" (Sec. 304 (a)).

We had considerable difficulty, at the outset, in interpreting the word "file" as used in Section 304(a). Does it mean delivery at and receipt by the Supervisor on the date specified, or does it mean deposit in a mail box on the date specified? The three Supervisory Officers had considerable debate on this point. My position was that mere deposit in a mail box on the filing date might frustrate the intent of the law, particularly with respect to those reports filed just before an election. Accordingly, we defined "filing" to mean either delivery in the Office of Public Records on the date specified or a certified mailing no later than midnight of the second day next preceding the filing date. This may have seemed like a rather cumbersome requirement to the reporting parties, but I think it did help to provide the kind of timely disclosure required by the law. To simplify the situation for the reporting parties, moreover, we devised a mailing and delivery schedule card for primary and special elections in each State and for the general elections. I submit a sample of this card which was used for reporting in the 1972 elections and which will show how the concept of the mailing date was applied in practice.

I would point out that if the committees were to decide to combine the five and 15 day reports into a single ten day pre-election report that the "filing" date might then be construed as the mailing date and teh separate distinction of a mailing date would no longer be necessary.

Conditional Relief for Candidates (Sec. 304(a)).

Again, in the interests of simplification with no compromise of maximum disclosure. I would like to propose a revision that would conditionally reduce the reporting requirements as they apply to candidates. The problem here is that the reporting requirements set out in Section 302(a) apply without distinction to "each treasurer of a political committee . . . and each candidate . . . " Thus, every time a reporting deadline comes up, whether periodic or pre-election, candidates as well as committees must report.

As far as Senate elections are concerned, this provision, as it applies to the candidates themselves, is often a meaningless exercise. The vast majority of the candidates conduct all campaign financing through committees and, hence, do not report either receipts or expenditures themselves. They file reports, as required by the law, which show zero receipts and zero expenditures. My suggestion is that the Supervisory Officers be permitted to relieve candidates from further filing of these meaningless reports if they make a sworn statement on their first reports to the effect that all receipts and expenditures are handled by committee and none by themselves. If they cannot subscribe to such a statement, they would continue to be required to file regularly as the law now provides. The sworn statement, moreover, would bind them to resume reporting if and as soon as they incur any personal receipts and expenditures in connection with the campaign. Such a provision could either be added to Section 304(a) or, preferably, added as a new paragraph (e) to Section 306, which is entitled "Formal Requirements Respecting Reports and Statements."

I might note in this same context that the Supervisory Officers should be provided further leeway to exempt certain categories of committees and candidates from non-relevant reporting requirements. I am thinking here of Senators and prospective candidates not running in a given year, but who may be reporting periodically nonetheless. There is no reason, for example, why they should be required to file pre-election reports for a general election in which they will not be a candidate, yet the law appears to require them to do so. The same applies to candidates defeated in a primary whose committees may continue reporting periodically on the retirement of outstanding debts, but who should not be required to file reports prior to the general election.

We have attempted to grant reasonable administrative relief to such persons and committees on an ad hoc basis but we really need clarification of the Act. Here, too, the problem could be alleviated by an addition to Section 306.

Identity of Contributors, Lenders, etc. (Sec. 304(b)).

Next, I would call your attention to a particularly troublesome provision and that is the stipulation that persons be identified not only as to full name and mailing address but also as to "occupation and principal place of business, if any."

This requirement appears in the following places with respect to information which must be disclosed on the reports filed by candidates and committees:

Sec. 304(b)(2)—as to contributors.

Sec. 304(b)(5)—as to lenders and endorsers of loans.

Sec. 304(b)(9)—as to recipients of general expenditures.

Sec. 304(b)(10)—as to recipients of expenditures for personal services, salaries, etc.

The business or professional affiliation of a contributor, indeed, is a valid and important part of the total information on the financing of the electoral process. At the same time, I must report to you that, in terms of securing compliance, this requirement is among the most vexatious in the whole Act. We have sent out literally hundreds of Notifications of Error and Omissions to committees or candidates who dutifully reported long lists of contributors, but who left out the occupation and principal place of business. In some cases, the amounts involved may be significant but in many cases they are not; in some cases there may have been a deliberate attempt to withhold significant information, but in most, it was pretty clearly a matter of forgetfulness, ignorance of the law, the unavailability of the information, or the inability to cope with the sheer complexity of gathering and reporting so much information. We will not know until our detailed audit of reports is completed later this year how significant are the violations.

My tentative conclusion at this point, however, is that the absence of this data does not automatically constitute a significant violation of law. Yet the statute, appears to allow little leeway to the Supervisory Officers when it comes to referring or not referring certain cases to the Attorney General for enforcement action. The requirement for disclosure of "occupation and principal place of business, if any," is symbolic of the general enforcement problem.

If there is a statutory solution, it may well come through some sort of modification of Section 308(a)(12), about which I will have more to say shortly. I can well appreciate that the committee may conclude that any modification might compromise the spirit of the Act, but you should be aware of the problem which it imposes on the reporting persons, the Supervisory Officers, and the Attorney General.

Reporting of Debts (Sec. 304(b)(12)).

The Committee may wish to take note of the fact that Section 304(b)(12) refers to the reporting of debts and obligations owed by or to political *committees* and that there is no mention of political debts assumed by a candidate himself. This is probably as it should be for a debt assumed by a candidate becomes a personal matter, very much enmeshed in an individual's family and business affairs. During the past year, we had a classic example of what can happen in this respect. An unsuccessful candidate in a Senate primary assumed the debts of his committee and took out a 20-year mortgage on his home to pay them off.

We do not propose to require that gentleman to file reports for 20 years explaining how he is liquidating that personal debt. He has been relieved of any responsibility for further filing, unless, of course, he should become politically active again and become the beneficiary of contributions which have a clear political character.

We do require, on the other hand, political committees to report continuously until their debts are retired or otherwise extinguished. I might note that we have levied that requirement on some committee which is now actively engaged in receiving contributions and making expenditures to retire debts even though the debts were incurred for elections which took place before the effective date of the Act.

I have no recommendations to make with respect to this section but merely thought you should be advised of its impact.

Annual Statistical Report (Sec. 308(7)).

Section 308(7) requires the Supervisory Officers to compile an annual statistical report which will show the total cost of the elections they supervise, with figures broken down by candidate, State, party and other categories. These summaries will provide a solid core of data for the study and analysis of election financing. The Senate figures will be compiled by computer in conjunction with the final audit of all reports which began just last week.

There is one part of Section 308(7), however, with which we cannot comply, literally, as the law is now structured and that is the requirement in Clause (E) which directs us to compile: "aggregate amounts contributed by any contributor shown to have contributed in excess of $100."

The problem is, Mr. Chairman, that we do not have adequate data to identify contributors for purposes of aggregation. As noted earlier, Section 304 requires that contributors be identified by full name and mailing address, together with occupation and principal place of business, if any. But as you know, contributors do not always identify themselves in exactly the same way every time they give a donation, and some contributors of significant amounts often give from two or more addresses. Even if the name and address on two or more contributions are identical, we cannot legally make the presumption that the donations, in fact, came from the same indivdual although that may frequently be the case.

We are meeting the situation half way this year, Mr. Chairman, by compiling an alphabetical list of each and every contributor who gave more than $100 during 1972. No matter how many times the same name may reappear, it will be listed separately, along with the city of residence, the amount of the donation and the recipient. If the committee concludes this is adequate, it should modify Clause (E) to give proper sanction to our action.

If, however, the committee wishes us to compile true aggregates for all contributors who give in excess of $100, it will have to provide legal authority to require, with respect to the identity of contributors, a social security number, or other unique numerical identifier. This is the procedure which, as you know, is followed by the Internal Revenue Service. This requirement could be added to the other aspects of identification already required by Section 304(b) and it should be coupled with a prohibition against the acceptance by candidates or committees of contributions which do not contain this information.

I would hope that the committee will resolve the matter, one way or the other, this year.

Referral of Apparent Violations (Sec. 308 (a)(12)).

I would now like to turn to the key enforcement provision of the Act, Section 308 (a)(12) which provides that it shall be the duty of the Supervisory Officer: "to report apparent violations of law to the appropriate law enforcement authorities."

This subsection was the basis for all 565 referrals made by my office to the Department of Justice which I noted earlier. I submit for the record a press release issued by my office on March 30, 1973 which further describes these referrals.

I might say for the record, Mr. Chairman, that while the most significant of these referrals, namely those for outright failure or refusal to comply were made during 1972, many of the others, including the late lists, were referred after the conclusion of the 1972 annual reporting cycle. Still more will be made this year as we complete our audit of reports. I can state without reservation that the timing of the referrals was dictated strictly by administrative and procedural considerations during the first year of operations. It would be my intention in subsequent years to make earlier referrals, particularly if we are able to confirm at an earlier date blatant or serious violations of the law.

As you will note, the press release included at this point in the proceedings, makes reference to inflexibility in the enforcement process. The late lists did in fact include many candidates and associated committees, who did not wage significant campaigns, or who had missed only one deadline for a periodic report but who had thus incurred a technical violation. At the same time, however, there may still be, as yet unnoted, much more substantial violations involving, for example, anonymous contributions. The problem is that it takes time to identify these more substantial violations and it is difficult to do so in the haste of processing large volumes of reports in an election year. This is why we are proceeding in the relative calm of the off-year to conduct a detailed audit. The fact is that the enforcement of this Act is going to be a continuing process, year in and year out. It would be helpful if the Committee would consider the possibility of distinguishing between technical violations, such as lateness or incomplete identification and so forth from more substantive errors, and prescribing varying responses accordingly.

There is one other aspect of Section 308(a)(12) which should be brought to the Committee's attention. In this instance, too, the provision is not quite explicit. It simply directs the supervisor to report "apparent violations of law." Does this mean we are responsible for spotting violations of *this* law, or of all laws pertaining to elections or of all laws in general? Obviously, the more inclusive the term, the more staggering the responsibility.

I would suggest that the Committee might consider elucidating Section 308(a)(12) at least to the extent of making it clear that the supervisor is to look for certain kinds of violations, and in particular those specified by other parts of the Act. It is notable, I think, that, while Title I specifies limits on media expenditures, and while Title II sets up very clear limitations on personal expenditures, there is nothing stated anywhere else in the Act about who is to tabulate the totals and determine apparent violations. *We assume* that is what Section 308(a)(12) intends for us to do, but there might be some value in spelling it out.

In this connection, I might just note that there is a substantial ambiguity in Title II. That is the question of whether the limitation on personal expenditure by a candidate applies to each election, including primaries and run-offs, or whether it just applies once in an election year. On the basis of an informal advisory letter from the Department of Justice, the former construction has been applied this year, namely that the limitation applies to each election. But it would be most helpful if the law would be clarified.

A related suggestion is that contributors be required to disclose, under Section 304 (b) a family relationship, if any, to the candidate, as specified by Title II.

The Complaint Mechanism (Sec. 308(d) (1)).

I turn now to the other avenue of enforcement under the law, which, as distinct from direct referral by the Supervisory Officer of apparent violations, involves the complaint procedure specified by Section 308(d)(1). The clear intent of this provision seems to have been to provide a procedure whereby aggrieved candidates, citizens or groups may make formal complaint that could lead to judicial relief action.

I would note that there are several intermediary steps stipulated in the Act which are rather puzzling in their complexity. Section 308(d)(1) states, and I paraphrase in part, that after a complaint is filed alleging violation "of this Title" (Title III), the following things happen:

1. The Supervisory Officer makes a determination as to whether or not there is substantial reason to believe a violation has occurred.

2. If his preliminary determination is affirmative, he then expeditiously makes an investigation, including examination of reports of complaining candidates.

3. He then offers the opportunity for a hearing, with due notice.

4. He then makes a judgment whether any person has or will engage in practice which will violate "this title" (Title III).

5. If the supervisor's judgment is affirmative, the Attorney General must institute a civil action for relief, which might include a permanent or temporary injunction, a restraining order or any other appropriate court order.

Aside from the fact that there is apparent redundancy in these steps, certain substantive questions emerge. Why, for example, is this relief limited to violations *"of this title?"*

We had a glaring example of the effect of the limitation last fall when we received a subsatntial complaint three days before the general election alleging that a candidate in a major Senate race had overspent his personal expenditure limitation. We checked the records and while there was some ambiguity in the reports, there did not appear to be any definite violation of the disclosure requirements of Title III. So technically the complaint could have died at that point. There did remain the possibility that the personal limitations of Title II had been violated, however, so we referred the case to the Attorney General under our general referral authority in Section 308(a) (12).

The other substantive question arises with respect to the real effect of any court action that might be taken. The Act specifies "a civil action for relief" and a "permanent or temporary injunction, restraining order or court order." The question is relief from what? Or injunction to do what? Since the whole procedure is limited to Title III, there presumably could be no injunction, for example, to curtail media expenditures. Court action apparently would be limited to compelling disclosure as required by Title III.

I raise these questions, Mr. Chairman, only in the hope that the Committee will undertake to clarify the language. I do not suggest dilution of the complaint procedure which, as it now stands, was not widely used in 1972. All told, we received only nine formal complaints. One of them, as I have already described, really involved Title II. Another involved a candidate who had already been referred under another provision of the Act to the Department of Justice several months earlier because of his declared refusal to comply with the Act. The other seven cases were settled without referral to the Department of Justice when the parties against whom complaint had been made, responded to due notice and supplied the information alleged to have been withheld.

Relationship with State Governments (Sec. 308(b) and Sec. 309).

I now turn to the question of the relationship between the Supervisory Officers and the election officials of the several States as a consequence of two separate but related provisions of Title III.

Section 308(b) directs the Supervisory Officer to: "encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements."

Section 309(a) requires that a copy of each report filed with the Supervisory Officer be filed also with the Secretary of State of the state in which the candidate seeks election and part (b) directs the State official to make the reports available for inspection and copying and to compile "a current list of all statements" (as noted earlier) and to preserve the documents.

Although Section 309 places an administrative and financial strain on the States, it has become apparent that these filings have commanded as much, if not more, attention from the news media and the general public than those available here in Washington. In retrospect, this should not be a surprising conclusion since the local media representatives have a more specialized knowledge of the participants and the developments which surround and influence their activities.

In order to identify and evaluate the problems involved in the State filings of the federal reports, in late December of 1972 letters were sent by me to the 33 States involved this year with Senatorial contests requesting comments and observations on the Act. A copy is submitted for the record. As of this printing, 17 replies have been received. I might note that members of my staff also have made personal visits to several of the States to get first-hand impressions.

The most serious and significant problem, as delineated by State officials, was the quantity of reports and the considerable staff time required to receive, date, catalogue and file. Colorado and Kansas, for example, found it necessary to hire additional personnel, while Maine, Nebraska and Alabama observed that their responsibilities under the Act imposed an added burden on their existing staff.

Inspection of these reports by the news media, citizen action groups and the general public, required constant staff attention. In some instances, the other operations of their offices were disrupted at a time when, for many, their own disclosure statements under State law were being received and processed.

Permanent storage of documents caused apprehension on the part of many responding to our inquiry. This requirement will take on added significance with the passage of each election.

Lack of equipment and space for filing these reports, combined with inadequate facilities for public viewing, hampered the accessibility of reports to the public, imposed additional burdens on State personnel, and caused confusion to all parties concerned.

Telephone queries from the press and public reached such proportions in some States that existing telephone lines proved inadequate.

Compliance with the provision requiring that copies of these reports be made available on the same day as received, appeared to present the greatest difficulty to Maine and Alabama, both of which have comprehensive State disclosure laws of their own. It would appear that some States are not fully complying with this responsibility which is imposed on them under Section 309. Nor are they meeting the requirement which requires them to compile and maintain a current list of statements or parts of statements pertaining to each candidate. This situation, I am persuaded, results far more from inadequate staff and equipment rather than any willful or deliberate noncompliance. Federal funding, as suggested by several States, would undoubtedly relieve the administrative burdens associated with Section 309.

It is my intention to issue a separate report in more detail later this year on the problems of State compliance with Section 309 and to suggest more specific remedies. In the meantime, I urge that the Committee give consideration to providing authorization for the Supervisory Officers to administer jointly a modest subsidy to the States to assist them in complying with this portion of the Act.

There is one additional technical problem in connection with the State filing which merits consideration and it relates to my earlier comments about different kinds of committees fulfilling different roles. This concerns the national, multi-candidate type of committee—the Senate Campaign Committees, for example—which might send one or more contributions to a candidate during the course of a campaign, and which dutifully sends duplicate copies of its reports to the appropriate Secretary of State. The question is, when does this committee stop submitting such reports, particularly if the candidate and other, single-candidate committees are continuing to file indefinitely in connection with retirement of debts.

Technically, as the Act now stands, the national, multi-candidate committee appears to have a continuing responsibility to file also, even though its reports are no longer relevant. It is my suggestion that appropriate provision be added to Section 306 to give the Supervisor authority to waive such reports to the States by national, multi-candidate committees.

Contributions in the Name of Another (Sec. 310).

Finally, Mr. Chairman, I wish to call your attention to a problem which has arisen in connection with Section 310 of the Act which states:

"No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person."

Last October, we received a formal complaint from a national citizen's organization citing several cases of apparent earmarked contributions which, it was contended, violated Section 310.

After a careful review of the cases cited, I dismissed the complaint on the grounds that evidence was lacking, in the cases cited, of the deliberate misrepresentation which appears to be the intended target of Section 310.

My letter of dismissal to the organization then went on to state, and I quote:

"Nevertheless, it is recognized that earmarking can be used as a means of evading the spirit of the Act, and the matter is now under consideration by the staff of this office in collaboration with the staffs of the other two Supervisory Officers, with a view toward possible rule-making or referral to appropriate committees of the Congress for statutory revision."

Since that time, Mr. Chairman, the organization has seen fit to bring suit in this connection against the Secretary of the Senate. I am hopeful that the matter can be resolved by the issuance of an appropriate regulation promulgated by the three Supervisory Officers in connection with an overall revision of their regulations on the basis of experience to date. Since the matter is now in court, I will have nothing more to say on the merits of the case except to advise you that the various documents relating to this matter will, of course, be available to the committee staff in the event the Committee believes a clarification by law rather than regulation is the preferred course.

Quite apart from the merits of the particular case, I might just observe that when groups purporting to represent the public interest resort to litigation in the courts, they sometimes do so to the detriment of the very objective they seek. This is all the more unfortunate because we have been happy to consider their views fully in pursuing the objectives of the Federal Election Campaign Act. In this instance, it seems to me, that there has been untimely and unwarranted harassment which has resulted in an unjustifiable imposition on my office in terms of time, manpower, and needless public expenditures for legal defense. The suit does a disservice to the hardworking people who are striving conscientiously to implement this highly complex Act. But most of all, by subjecting this matter to the tedious complexities of litigation, the suit has impeded the orderly implementation of the Act. It is not the first instance of this kind nor do I expect it to be the last. Nevertheless, it is a matter which should be brought to your attention at this time. As the incumbent Secretary of the Senate, with legal responsibilities which fall on me personally, I do not propose to be sidetracked from those responsibilities by pressure from outside the Senate any more than from within.

Mr. Chairman, that ends my testimony on the first year's experience under the Federal Election Campaign Act. I thank you again for extending me this opportunity to appear here today.

PRESS RELEASE, OFFICE OF THE SECRETARY OF THE SENATE, MARCH 1, 1973

Francis R. Valeo, Secretary of the Senate, today released a report describing the use of microfilm and computer technology in the implementation of the Federal Election Campaign Act, with respect to elections for the U.S. Senate in 1972.

"Without the support of modern data processing technology, we would have been hard put to provide for adequate public inspection of the large volume of reports submitted under the Act," Mr. Valeo declared in releasing the report.

Mr. Valero issued the report in his capacity as Supervisory Officer for Senate elections under the Federal Election Campaign Act.

It was prepared by Marilyn E. Courtot, of the staff of the Subcommittee on Computer Services of the Senate Committee on Rules and Administration. The Subcommittee staff assisted the Office of the Secretary in making technical preparations for the implementation of the Act.

Mr. Valeo paid special tribute to the efficiency of the Subcommittee staff for its work in bringing the technical system into operation within the 60 day period allowed for implementation after the Act was signed on February 7, 1972.

The report released today disclosed that the Office of the Secretary received a total of 8,161 reports and registrations, totaling 69,564 pages in the first 10 months of operation. There were 306 candidates for the Senate from 33 States, including unsuccessful primary candidates, and 1,169 registered political committees.

Technical implementation, as required by the Act, involved maintenance of an up-to-date indexing system which would provide rapid cross reference between all committees and the candidates they supported. The Act also required that all documents be available for displaying and copying within 48 hours of receipt.

To meet these requirements, a system was devised to provide for in-house microfilming and key taping of index material upon receipt of documents, with each document made retrievable by a sequential page number automatically printed by the microfilm camera. Films were processed overnight, while updated indexes were run off on the Senate computer, thus assuring availability of the reports for inspection and copying on microfilm reader-printer machines, within the time required.

The Report concludes with the statement that "The Federal Election Campaign Act Reporting System is an example of how a system can be designed and implemented to satisfy a complex law in a very short period of time (60 days). Moreover, the system was immediately responsive, while being economical and easy to operate. The utilization of modern computer and microfilm techniques was a prime factor in the ease of implementation and operation of this system."

PRESS RELEASE, OFFICE OF THE SECRETARY OF THE SENATE, MARCH 30, 1973

Secretary of the Senate Francis R. Valeo, Supervisory Officer for Senate elections under the Federal Elections Campaign Act, today announced the completion of the first phase of enforcement activity on financial disclosures relating to the 1972 elections, resulting in the referral of 565 cases to the Department of Justice.

The first phase involved identification of candidates or political committees who had either failed to submit reports or had done so after the dates of the deadlines prescribed by law.

A total of 19 candidates and three political committees were referred for failing to file reports notwithstanding confirmed receipt of official notifications from the Secretary advising them of their responsibilities under the Act. Referrals to the Department of Justice in this category began in July 1972. An additional referral was made on the basis of a citizen's complaint.

In the late category, a total of 173 candidates and 369 committees were referred for failing to file reports within the prescribed time limits.

All told there were 306 candidates for the Senate, including primary candidates and 1,169 registered political committees of which 195 were waived from reporting requirements.

In announcing the referrals, Mr. Valeo noted that the law left little room for discretion on the part of the Supervisory Officers with respect to referring violations for lateness or non-compliance. He noted that the late lists included many candidates and associated committees, who did not wage significant campaigns, or had missed only one periodic report deadline.

In an effort to identify more significant types of violations, Mr. Valeo stated that his office is undertaking a detailed audit of all reports submitted during the 1972 reporting cycle. The audit is expected to continue over a period of several months.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I yield to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the remarks of the distinguished Senator from Minnesota (Mr. HUMPHREY) there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PAN AMERICAN DAY

Mr. HUMPHREY. Mr. President, early in the 19th century, Simon Bolivar, hero and liberator of South America, dreamed of a pan American union which would forge the states of Latin America into a single community. Through cooperative action and the sharing of scarce resources, the states of Latin America would work together toward the eradication of mutual problems and the attainment of mutual goals.

Today, this ideal lives on in the form of the Organization of American States. Founded in 1948, the OAS actually dates back to 1890 when its predecessor, the International Union of American Republics, was established. This makes the OAS the world's oldest regional international organization.

On this 83d anniversary of the founding of the original Pan American Union, we celebrate Pan American Day to show the deep commitment of the United States to the Organization of American States and all that it represents. This year, Pan American Day has special significance because it also marks the 25th anniversary of the signing of the OAS Charter.

During the past quarter of a century, the OAS has come to signify the best hopes for the improvement of living conditions for the people of Latin America. While the original Pan American Union had as its objective the limited goal of improving trade relations among the Latin American States, the present organization of hemispheric unity seeks to further social and economic welfare, cultural exchange, scientific and technological cooperation, and improvements in health and education. The goal of the OAS is a hemisphere of peace and prosperity for all.

To further that end, the OAS holds frequent meetings where foreign ministers of the member States have the opportunity to consult with each other on ways to improve inter-American cooperation. The various executive committees and specialized agencies of the OAS coordinate efforts in urban and rural development, labor and employment, agriculture and industry, increasing tourism and the promotion of exports. The United States, along with international financial institutions, contributed approximately $800 million last year in assistance to Latin America through the OAS. However, despite these efforts, the problems of underdevelopment—poverty, disease, illiteracy, and overpopulation—persist.

In 1961, President Kennedy launched the Alliance for Progress to determine whether it was possible to redress ancient inequities, improve the distribution of economic benefits, and progressively open the political process to sectors previously excluded from participation. That task turned out to be far more difficult than we had anticipated. But that does not mean that we should abandon the objectives of the spirit of the Alliance as some would have us do today.

The Alliance for Progress constituted an explicit recognition of the relationship that existed between traditional U.S. security objectives in Latin America and the fate of landless peasants, hungry people in urban levels, illiterate and diseased adults, and young men and women without skills and employment opportunities.

On this Pan American Day we should remember the commitment made to social and economic equality by the Alliance for Progress, and dedicate ourselves once again to the proposition of Franklin Roosevelt that no nation can live on an island of wealth in a sea of poverty.

Pan American Day is a time to reaffirm the deep bonds of history and geography inextricably linking the United States and the nations of Latin America. By virtue of a common frontier and a common heritage, the United States has a responsibility, indeed an obligation, to assist our hemisphere neighbors in reaching the level of development which they are striving toward.

The 280 million people of Latin America and the 200 million people of the United States have long been warm and close friends. But we need to learn more about each other to enhance that friendship and establish even greater grounds for mutual respect. Understanding and cultural exchange are the keys to bringing the people of our hemisphere even closer together in a cooperative partnership. We can no longer take Latin American friendship for granted. Rather, we must work to build that friendship by repairing the serious damage that has been done to our relations with Latin American nations over the years.

Our neighbors in Latin America have always looked to the United States for leadership and security. We must not fail that trust which has been put in us. If we are to fulfill our historical role of partner and friend of Latin America, this administration must give a greater share of its attention and time to this hemisphere. We need to include Latin America into our global policy plan and to consider Latin America first among equals in terms of our attention and commitment.

Now that we are finally free from our preoccupation with the tragedy of Vietnam, the United States has a rare opportunity to reassess and redirect its policy toward Latin America in hopes of making the Western Hemisphere a model of the success that might result from a truly cooperative union of peoples. By demonstrating to the people of Latin America that the United States sincerely is concerned with their welfare, and is committed to helping them, the sense of hemispheric community envisioned by Simon Bolivar can become a reality.

Mr. President, I yield the floor.

ORDER FOR RECOGNITION OF SENATORS GRIFFIN AND ROBERT C. BYRD ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, following the recognition of the two leaders or their designees under the standing order, the Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that following the recognition of Mr. GRIFFIN on Monday, the junior Senator from West Virginia (Mr. ROBERT C. BYRD) be recognized for not to exceed 15 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. I ask unanimous consent that following the orders for recognition of Senators on Monday, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR RESUMPTION OF THE UNFINISHED BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, following the transaction of routine morning business, the Senate resume its consideration of the unfinished business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

EXTENSION OF PERIOD FOR THE THE TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the limitation on statements made during the present period for routine morning business may be extended to 10 minutes and that the period for the transaction of routine morning business be extended to 30 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THE ENERGY CRISIS

Mr. BARTLETT. Mr. President, on March 6, the Senate Committee on Interior and Insular Affairs, as part of its national fuels and energy study, conducted hearings concerning the capital requirements of the U.S. energy industry. These hearings highlighted an aspect of the energy crisis which up to that time had gone largely unnoticed. The hearings provided information on a major cause of why our Nation's energy companies have not been supplying enough fuels to meet our growing demand. That cause relates to problems of insufficient capital supply.

Put another way, the hearings revealed the following problems:

The demand for energy in this country is continually increasing at an approximate annual rate of 4.2 percent;

To supply such increasing demands involves ever increasing financial requirements;

These requirements must come from either internally generated funds resulting from increased earnings or from outside financing or both;

There are limits on the amount of moneys available from internally generated funds and these limits are related to earnings and earnings are related to prices and tax incentives;

There are also limits to the amount of outside financing available to the industry and these limits are related to internal profits, the profit potential, and internally generated funds and to conditions pertaining to the tight supply of capital;

These limitations taken together will have a substantial impact upon supply; and

Thus, the ability of the energy industry to meet its financial requirements will affect its ability to supply projected increases in the demand for energy from both domestic and foreign sources.

I would like to touch briefly upon the question of financial requirements and later upon the related issue of our balance-of-payments problem caused by energy imports.

Reliable estimates of total capital requirements for the U.S. energy industry between 1971–85 have ranged from $451 billion to $547 billion. These estimates did not include other major sums required for petroleum marketing; oil, gas, and electricity distribution, and the development of overseas natural resources to satisfy U.S. import requirements. They were strictly related to requirements for domestic energy resource development, processing, and primary distribution.

The estimated range of $451 to $547 billion is tied to four hypothetical cases which project various levels of success in terms of domestic development of our indigenous energy resources. Of these amounts $88 to $171.8 billion would be allocated to exploration, development, and production of domestic oil and gas. Adding investments for refineries, pipelines, ships and other transportation systems, brings the cumulative oil and gas capital expenditures between 1971 and 1985 to a range between $186 billion and $256.9 billion.

These capital requirements are staggering and it would be useful to review the problems associated with obtaining them. Referring to the petroleum industry alone, capital outlays in the United States increased steadily during most of the decade of the 1960's, rising above the $8 billion level in 1968. Since then, spending has failed to increase—remaining at about the 1968 level despite the rapid growth in petroleum markets.

A recent study of a leading bank revealed that in 1971 for the first time the industry spent more money on the search for petroleum outside the United States than within. Its outlay in the foreign sector amounted to $3.8 billion—$935 million more than the preceding year—an amount about equal to the decline in domestic investments.

Spending in the U. S. is lagging greatly in relation to increasing demands for petroleum. An unattractive investment climate in the United States results from several things. First of all, the unfavorable political climate has a direct effect on the economic climate.

Secondly, Congress and the Administration have failed to act in any of many important areas: tax incentives, Alaskan oil, offshore leases, deregulation of gas, dependable imports, reasonable environmental policies, improved transportation. In a moment, I will address some of these problems specifically.

A third factor pertains to resource availability. With most of the "easy" oil already discovered and produced, exploratory efforts are being concentrated in offshore and other onshore areas where access to the formations is difficult, where wells must go deeper and where operating costs are higher. A foot-dragging Federal leasing policy has compounded this problem.

Fourth, unrealistically and artifically controlled prices of natural gas at the wellhead have not been attractive to capital investment. Deregulation of gas is long overdue.

A fifth factor relates to environmental policy which raises capital costs. It costs more to produce and to burn energy in a manner consistent with current environmental policy. For example, it is estimated that the capital required to remove lead from gasoline, get sulfur out of crude oil and oil products and to upgrade water quality will amount to about $3 billion a year between now and 1980. It is estimated that the emission standards require an increase of 300,000 barrels per day of additional crude oil—further compounding the energy crisis.

Sixth, the price of oil has not kept pace with costs of finding and producing it. For example, between 1960 and 1970 the cost of drilling an average U.S. well rose from $55,000 to almost $95,000. Today the average offshore well costs over $500,000 to drill and the average well in Alaska runs over $2 million. These rising costs involve not only more expensive drilling operations but also reflect higher bonus costs, particularly involving Federal leasing of offshore areas. The price of oil has not kept pace with such increased costs.

One additional factor is related to national security. As we are becoming more dependent upon imported oil and gas, costs of expanding domestic refineries, storage facilities and LNG conversion facilities will continue to mount.

Having reviewed some of the factors responsible for increased financial requirements and the difficulty of attaining them, let us turn to the question of availability of capital.

First, let us consider the prospects for internally generated funds. For years one of our Nation's leading banks has been studying the performance of a group of 20-some U.S. petroleum companies. Ten years ago, the bank's study showed that the group generated more than 87 percent of required funds as cash earnings. By 1971, the figure had dropped to 71 percent, meaning that the group was forced to rely on outside financing for 29 percent of its requirements. The reason for such a changing relationship regarding sources used to meet financial requirements is that profitability has been eroding steadily over the past decade. Having no small impact on the decline in profitability has been the regulated wellhead price of natural gas and the fact that the real price of crude oil dropped by 14 percent from 1960 to 1971.

Specifically, over the period 1960–71

gasoline prices rose by less than half as much as the Consumer Price Index for all items. Gasoline prices rose during that period by 15 percent while prices for all consumer items rose by 37 percent.

Unless prices increase, or tax incentives are provided, or both, the industry will be forced to turn increasingly to outside sources to meet their financial requirements, substantially reducing the amount of outside capital available and greatly reducing total available capital. More importantly, we must realize that the persons who hold the purse strings in those outside sources are not unmindful of the decline in profitability which has been facing the industry. In fact, the substantial rise in debt experienced by many petroleum companies has created a situation in which further increases, without a commensurate gain in earnings, could lead to deteriorating financial ratings and higher interest rates, further reducing available borrowings.

Thus, some companies have begun to undertake more extensive equity financing, often taking the form of stock issues. There are limitations here, too. If an investor buys stock he expects to be paid a fair return. If earnings are down, so are dividends and so too most often is the price of the stock, resulting in capital losses rather than capital gains.

For these reasons, the conclusion must be drawn that "the era of cheap energy is at an end."

So far I have tried to point out that—as domestic demand for energy increases, the financial requirements necessary to maintain a strong domestic industry increase far more rapidly. Unless earnings increase, there will be further limits on the ability of the industry to meet rising demands for capital. Sufficient internally generated funds and outside financing will not be available unless there is an increase in earnings.

Dr. Richard J. Gonzalez, in his testimony before the committee, stated that—

> The additional investments in U.S. energy required to serve national needs can and will be made by private industry under clearly defined, dependable policies on the part of the Federal government if those policies offer the prospect of adequate profits in keeping with risks and success. These investments involve a long lead-time from the initial decision to the beginning of operations of new facilities, and long payout periods, especially for all the facilities necessary for major new capacity, such as the pipelines to move oil and gas from the vast Arctic areas of Alaska and Canada. The greatest difficulty in attracting sufficient capital funds will arise from uncertainties about governmental policies on such matters as import controls, changes in tax treatment after capital has been risked under the promise of differential incentives, and delays under the promise of differential incentives, and delays in ability to produce oil and gas after they are discovered, as has been the case in Alaska and off the coast of California.

Other testimony revealed the substantially expanding financial requirements of the electrical utility industry and the bleak future prospects for meeting these requirements. Mr. Eugene W. Meyer told the committee that the investor-owned electric utility industry will require construction expenditures totaling $75.8 billion during the 1973–77 period. In addition, he commented that $5 billion of maturing securities must be refunded during the same period, increasing the total capital requirements of the electric industry to some $80.8 billion—56 percent higher than the requirements of the past 5 years.

Turning now to a related issue, that of capital outflow to develop foreign energy sources, we can see another dimension further complicating the energy crisis.

Our present energy crisis, resulting in part from greatly increased demand, is forcing us to import massive amounts of foreign oil and gas with substantial investments in refineries and expanded storage; large, expensive ships; deepwater ports; barges; and pipelines.

The National Petroleum Council reports that imports of foreign oil could easily increase from 22 percent in 1970 to 40 percent in 1975, 50 percent in 1980, and 54 percent in 1985.

Recently, there has been a surge in plans to import large amounts of liquified natural gas. There is not sufficient incentive to explore and develop domestic natural gas reserves. Because of this, companies are going abroad and contracting for significant amounts of liquified natural gas at a very high price. An estimated high price of $1.10 to $1.50 per thousand cubic feet of gas results from high initial capital expenditures in liquification facilities, special tankers, and regasification facilities. In addition, these foreign purchases further increase the balance of payment deficit besides impairing domestic employment and national security.

We have an immediate decision to make. We must take the necessary steps to strengthen the domestic energy industries. If we fail to strengthen the domestic oil and gas industry, our country will, with the passage of time, become more dependent upon foreign supplies of oil and gas at higher and higher prices. This decision needs to be made right away or it will be too late—too costly to make later.

G. A. Lincoln, formerly the Director of the President's Office of Emergency Preparedness and former Chairman of the President's Oil Policy Committee, stated that—

> There is no more important single area of national security and overall foreign policy concern for our country in the years ahead than the problem of oil and gas imports.

He further pointed out that—

> The national security of the country rests on its economic well-being, and, hence, the net balance of payments cost of mushrooming imports of oil and gas is of great concern.

The extent to which we turn to foreign sources will not only affect our balance of trade but also the value of the dollar itself.

In 1973 our balance-of-payments deficit due to oil imports will be about $6.1 billion. This figure could grow to $9.1 billion in 1975 and $15.3 billion by 1980. If we fail to provide an adequate climate for revived development of our domestic energy resources, our balance of trade deficit by 1985 could reach a level as high as $31.7 billion.

The press has begun to pay increasing attention to the problem. The headline in a recent Wall Street Journal read:

> Middle East Oil Funds Play an Increasing Role in Monetary Turmoil.

This problem was most cogently summarized by the following statement of Walter Levy:

> In the case of a few Middle Eastern countries, with revenues from oil beginning to exceed their national budgets, their surplus of foreign exchange funds could far exceed any accumulation of foreign-held funds ever before experienced. Realistically, such funds could probably not be placed into long-term or short-term investments year in year out without risking severe international repercussions and potentially extensive restrictions on the free flow of capital. Moreover, the reverse flow of dividends and interest would soon add an additional unmanageable balance of payments burden to the oil import bill of the key countries. Nor could the short-term money markets handle such excessive and most likely very volatile funds without undermining the world's monetary arrangements.

The fact that our total balance of trade deficit exceeded $6 billion in 1972 had a great deal to do with the recent devaluation of the U.S. dollar. With each such devaluation of the dollar, the cost of foreign energy rises.

The message is clear: The more dependent we become on foreign energy sources without an offset in the form of increased exports of other products, the greater become the pressures for further devaluation.

As the dollar is devalued, the more foreign energy will cost. It is a very vicious cycle.

The stability of our dollar cannot be permitted to unravel further. Our only sane course is to engineer a turnaround in the level of domestic energy production which necessitates a turnaround in the climate for domestic investment. And that turnaround cannot occur without an increase in prices or an increase in tax incentives, or both.

John Emerson, a well-respected energy economist, in pointing to the most viable means of preventing such national bankruptcy, concluded that we must limit our dependence on foreign oil. He said:

> This means committing ourselves wholeheartedly to the development of our own energy resources as a matter of the highest national priority. Our concern in the future must be with supply rather than with price. If we attempt to regulate prices at a level that will not bring forth an adequate supply of energy, the whole fabric of our economic structure will crumble about us.

Joseph J. Sisco, Assistant Secretary for Near Eastern and South Asian Affairs, in talking about energy in relation to the Middle East says:

> It would be a mistake to view the current situation in the Middle East with a complacent attitude. It is true that the ceasefire (Arab-Israeli) is now in the thirtieth month, but if we need a cogent reminder of how fragile is the ceasefire, we need only

recall the recent shooting by a Libyan aircraft, and the recent murders of our diplomats in Khartoum.

It is not in the national interest of the United States to be overly reliant on any one source or any one area for our energy needs.

The way to avoid our energy needs being exploited by others for political or other purposes is to assure our own sources of supply in this country. That means an all-out effort to develop the variety of sources available to us in this country—a diversification of such sources. To the degree to which we assure ourselves of our own resources here in this country it will also help to assure that sources outside the country, to the degree to which we desire or need them, will remain available to us in the foreseeable future.

The choice is simple. We either pay more for domestic energy or go bankrupt buying foreign energy. There is no other way.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MANPOWER COSTS IN THE DEFENSE BUDGET

Mr. HARRY F. BYRD, JR. Mr. President, I would like to speak briefly about a very important issue that has caused me considerable concern for some time. It is the rising cost of manpower as a portion of the defense budget.

In fiscal year 1974, the Department of Defense will spend 56 percent of its total budget on manpower costs that are narrowly defined, compared with 41 percent in fiscal year 1963.

If manpower costs are defined more broadly and we include such things as hospital construction, construction of troop housing at training centers, and so forth, we come to the alarming result that 66⅔ percent—$2 out of every $3—of the defense budget is manpower related. To put this in perspective the Soviet Union spends about 30 percent of its budget on manpower.

Let me state this differently.

In fiscal year 1954 the defense outlays budget was $43.6 billion and in fiscal year 1974 it will be $79 billion—an increase of $35.4 billion in 20 years.

Of this $35.4 billion increase, $32.9 billion, or 93 percent, went for pay and operating costs and only $2.5 billion, or 7 percent, of the increase went for the combined total of procurement, research and development, and military construction.

This to me is an alarming fact. It should be clear from this that the preponderant rise in the defense budget for the last 20 years has been the significant increase in manpower costs and not in weapons systems as is commonly thought.

Mr. President, the staff of the Committee on Armed Services has completed two studies that I think will be of general interest to the Members. One has to do with the "Cost of Maintaining a U.S. 'Soldier' on Active Duty from Fiscal Year 1950 to Fiscal Year 1974" and the other with a "Projection of the Department of Defense Budget in Total Obligational Authority from Fiscal Year 1975 to Fiscal Year 1980."

I would urge my colleagues and their staffs who might use these studies to read very carefully the assumptions used in deriving the figures found therein. I invite particular attention to the study dealing with the projection of the defense budget. In this it should be noted that a factor of 5 percent was used to project the cost of procurement, research, and development and military construction. The 5-percent factor was thought to be the most reasonable estimate for growth in this area since the Department of Defense does not provide to Congress a 5-year projection of their total procurement programs.

I would add that I do not intend in any way by bringing these studies to the attention of Members of the Senate that our military servicemen and women have not deserved or do not deserve to be well-paid, well-housed, and well-fed. But I think it important that the Congress recognize an important fact; namely, the significant portion of the defense budget that goes for manpower.

One conclusion I would draw from the studies and facts I have cited is that defense manpower is a very expensive resource and that it is incumbent on the Department of Defense to manage it as such. I am talking here of the size of the support establishment, promotion policies, utilization of personnel, and a host of other issues that impact on manpower costs.

Mr. President, I ask unanimous consent that the studies completed by the staff of the Committee on Armed Services be printed in the RECORD at this point.

There being no objection, the studies were ordered to be printed in the RECORD, as follows:

COST OF MAINTAINING A U.S. "SOLDIER" ON ACTIVE DUTY—FISCAL YEAR 1950 TO FISCAL YEAR 1974

The average cost of maintaining a U.S. soldier on active duty has risen from about $3,443 in FY 1950 to $12,448 in FY 1974, an increase of 262%. Chart 1 shows how this cost has increased for each fiscal year since 1950 and describes how the cost calculation was made.

Increases in military pay have accounted for more than half of the increased cost of the U.S. soldier since 1950. Chart 2 shows how military pay and allowances have increased from October 1, 1949, to January 1, 1973, and Chart 3 shows how military basic pay increased during this period. The average increase during the period 1949–73 in military pay and allowances has approximated 170%, and the average increase in basic pay has been about 217% whereas for the same 1949–73 period, average annual classified Federal Civil Service pay increased by 153%, and weekly and hourly earnings of production workers in the private sector increased about 180%.

It should be noted that basic pay is the base on which military retired pay is computed, and the significant increases in basic pay since 1949 have accounted in part for the present $137 billion unfunded liability of military retirement discounted at three and one-half percent, which means that $137 billion would have to be invested now and earn three and one-half percent interest into the future to cover the current unfunded liability of the military retirement system.

Chart 4 provides disbursement and projected cost data for the military retirement system from FY 1950 to FY 2000. The assumptions used in deriving Chart 4 were somewhat conservative. If annual increases in basic pay and the Consumer Price Index are 7.2% and 3.0% respectively, then retirement pay costs could reach $35 billion per year by FY 2000 or alternatively, the government would disburse between now and FY 2000—26 short years—over $435 billion in military retired pay.

Military retired pay was .88% of total Department of Defense outlays in FY 1954, 2.38% of outlays in FY 1964 and will be approximately 6.21% of outlays in FY 1974 (excluding legislative proposals such as for recomputation).

CHART I

COST PER "SOLDIER" FROM FISCAL YEAR 1950 TO FISCAL YEAR 1974

Fiscal year	Active force average strength (thousands) (1)	Manpower cost in defense budget [1] (millions) (2)	Dollar cost per "Soldier" [2] (3)
1950	1,539	$5,299	$3,443
1951	2,394	9,471	3,956
1952	3,504	12,537	3,578
1953	3,554	13,694	3,854
1954	3,425	12,528	3,658
1955	3,178	12,337	3,882
1956	2,888	11,935	4,133
1957	2,794	11,811	4,228
1958	2,674	11,955	4,471
1959	2,565	12,270	4,784
1960	2,489	12,122	4,870
1961	2,490	12,410	4,984
1962	2,725	13,667	5,015
1963	2,702	13,660	5,056
1964	2,691	14,626	5,435
1965	2,668	15,232	5,709
1966	2,853	17,621	6,176
1967	3,298	20,476	6,209
1968	3,436	22,743	6,619
1969	3,467	24,005	6,924
1970	3,294	25,588	7,768
1971	2,891	25,334	8,763
1972	2,512	26,119	10,398
1973	2,333	27,017	11,580
1974	2,277	28,344	12,448

[1] The amount in column (2) includes the Military Personnel Appropriation for each fiscal year (which consists of military basic pay, regular and variable reenlistment bonuses, separation pays, special pays, housing and subsistence allowances, etc.) plus the cost of constructing and operating family housing, the cost of medical programs and certain training costs. This amount would therefore cover all pay and allowances of military personnel in cash or kind plus a large portion of the personnel support costs. Relatively small portions of the above costs were estimated for prior to 1956.

[2] This amount was determined by dividing the figure in column (1) into the amount in column (2) for each fiscal year.

CHART 2

EXAMPLES OF THE INCREASES IN ANNUAL MILITARY PAY AND ALLOWANCES[1] FROM JULY 1, 1949 TO JAN. 1, 1973

Grade	Years of service	Pay and allowances Oct. 1, 1949	Pay and allowances Jan. 1, 1973	Dollar increase	Percent increase
0-10 General	30	$13, 761. 00	$40, 030. 56	$26, 269. 56	191
0-9 Lieutenant general	30	13, 761. 00	39, 969. 36	26, 208. 36	190
0-8 Major general	30	13, 761. 00	36, 434. 16	22, 673. 16	165
0-7 Brigadier general	30	12, 222. 00	32, 204. 16	19, 982. 16	163
0-6 Colonel	27	9, 981. 00	28, 424. 16	18, 443. 16	185
0-5 Lieutenant colonel	22	8, 613. 00	23, 636. 16	15, 023. 16	174
0-4 Major	16	7, 236. 00	19, 589. 76	12, 353. 76	171
0-3 Captain	10	6, 030. 00	16, 497. 36	10, 467. 36	174
0-2 1st lieutenant	5	4, 828. 56	13, 296. 96	8, 468. 40	175
0-1 2d lieutenant	0	$3, 969. 00	$9, 066. 96	$5, 097. 96	128
E-7 Sergeant 1st class	20	3, 985. 20	11, 499. 45	7, 514. 25	189
E-6 Staff sergeant	15	3, 367. 80	9, 926. 25	6, 558. 45	195
E-5 Sergeant	10	2, 926. 80	8, 601. 45	5, 674. 65	194
E-4 Corporal	5	2, 127. 60	7, 406. 25	5, 278. 65	248
E-3 Private 1st class	1	1, 686. 60	6, 131. 85	4, 445. 25	264
E-2 Private	1	1, 530. 00	5, 969. 85	4, 439. 85	290
E-1 Recruit	0	1, 440. 00	5, 548. 65	4, 108. 65	285

[1] Military pay and allowances consist of basic pay and cash housing and subsistence allowances. The tax advantage on the nontaxable housing and subsistence allowances is not included in the above figures.

Note: Enlisted grades E-9 (sergeant major) and E-8 (master sergeant) were not included above because these grades were not established by law until 1958.

CHART 3

EXAMPLES OF THE INCREASES IN ANNUAL MILITARY BASIC PAY FROM OCT. 1, 1949 TO JAN. 1, 1973

Grade	Years of service	Basic pay Oct. 1, 1949	Basic pay Jan. 1, 1973	Dollar increase	Percent increase
0-10 General	30	$11, 457. 00	$36, 000. 00	$24, 543. 00	214
0-9 Lieutenant general	30	11, 457. 00	35, 938. 80	24, 481. 80	214
0-8 Major general	30	11, 457. 00	32, 403. 60	20, 946. 60	183
0-7 Brigadier general	30	9, 918. 00	28, 173. 60	18, 255. 60	184
0-6 Colonel	27	8, 037. 00	24, 750. 00	16, 713. 00	208
0-5 Lieutenant colonel	22	6, 669. 00	20, 196. 00	13, 527. 00	203
0-4 Major	16	5, 472. 00	16, 430. 40	10, 958. 40	200
0-3 Captain	10	4, 446. 00	13, 575. 60	9, 129. 60	205
0-2 1st lieutenant	5	3, 334. 56	10, 612. 80	7, 278. 24	218
0-1 2d lieutenant	0	$2. 565. 00	$6, 793. 20	$4, 228. 20	165
E-7 Sergeant 1st class	20	3, 175. 20	8, 960. 40	5, 785. 20	182
E-6 Staff sergeant	15	2, 557. 80	7, 524. 00	4, 966. 20	194
E-5 Sergeant	10	2, 116. 80	6, 336. 00	4, 219. 20	199
E-4 Corporal	5	1, 587. 60	5, 346. 00	3, 758. 40	237
E-3 Private 1st class	1	1, 146. 60	4, 269. 60	3, 123. 00	272
E-2 Private	1	990. 00	4, 107. 60	3, 117. 60	315
E-1 Recruit	0	900. 00	3, 686. 40	2, 786. 40	310

Note: Enlisted grades E-9 (Sergeant Major) and E-8 (Master Sergeant) were not included above because these grades were not established by law until 1958.

CHART 4

COST OF THE MILITARY RETIREMENT SYSTEM, FISCAL YEARS 1950-2000

[In millions of dollars]

Fiscal year	Amount
1950	195
1951	324
1952	340
1953	357
1954	386
1955	419
1956	477
1957	511
1958	562
1959	641
1960	694
1961	786
1962	894
1963	1, 015
1964	1, 209
1965	1, 384
1966	1, 591
1967	1, 830
1968	2, 095
1969	2, 444
1970	2, 849
1971	3, 386
1972	3, 885
1973	4, 446
1974	[1] 4, 912
1975	5, 199
1976	5, 691
1977	6, 179
1978	6, 694
1979	7, 208
1980	7, 751
1981	8, 300
1982	8, 885
1983	9, 460
1984	10, 059
1985	10, 652
1986	11, 291
1987	11, 957
1988	12, 727
1989	13, 545
1990	14, 419
1991	15, 270
1992	16, 145
1993	17, 024
1994	17, 987
1995	18, 948
1996	19, 998
1997	21, 074
1998	22, 236
1999	23, 402
2000	24, 659

[1] This figure includes only the estimated cost of paying military retirees in fiscal year 1974 and does not include amounts budgeted in fiscal year 1974 for legislative recommendations such as $360,000,000 for a 1-time recomputation and $30,000,000 for changes to the retirement system itself.

Note: Amounts prior to fiscal year 1974 are Department of Defense outlays for military retirement pay. Amounts for fiscal year 1975 and beyond are projections based on a 5.5 percent annual increase in basic pay and a 2.4 percent annual increase in the Consumer Price Index. The projections assume no change in the present military retirement system and no one-time recomputation.

PROJECTED DEPARTMENT OF DEFENSE TOTAL OBLIGATIONAL AUTHORITY (TOA) BUDGETS, FISCAL YEARS 1975-80

[In millions of dollars]

	DOD request fiscal year 1974	Base[1] amount	Fiscal year— 1975	1976	1977	1978	1979	1980
Civilian payroll[2]	13, 512	13, 450	14, 190	14, 970	15, 793	16, 661	17, 577	18, 544
Military payroll[3]	18, 444	18, 161	19, 469	20, 871	22, 374	23, 985	25, 712	27, 563
Other military personnel[4]	6, 236	5, 999	6, 082	6, 167	6, 255	6, 346	6, 439	6, 535
Retired pay[5]	5, 302	4, 912	5, 400	5, 900	6, 500	7, 100	7, 800	8, 400
Family housing[6]	966	966	995	1, 025	1, 056	1, 088	1, 121	1, 155
Operations and maintenance[7]	12, 276	11, 760	12, 113	12, 476	12, 850	13, 236	13, 633	14, 042
Procurement, research and development, military construction[8]	28, 290	27, 976	29, 375	30, 844	32, 386	34, 005	35, 705	37, 490
Total	85, 025	83, 224	87, 624	92, 253	97, 214	102, 421	107, 987	113, 729

[1] This reflects the reduction in MASF and U.S. spending for SEA from the fiscal year 1974 level as discussed above. For example, the fiscal year 1974 amount of $12,276,000,000 for operations and maintenance was decreased by $516,000,000 in the base amount because of a reduction of $173,000,000 in MASF and $343,000,000 in U.S. costs for SEA (fiscal year 1974 $12,276,000,000—$516,000,000 = $11,760 base amount). It also reflects a reduction of $390,000,000 from the fiscal year 1974 figure for retired pay as explained in footnote 5. All inflation factors were applied to figures in the base amount.

[2] This includes salaries of Department of Defense civilian personnel. Projected to increase from the base amount 5.5 percent each year.

[3] This includes basic pay and items related directly to basic pay such as reenlistment bonuses, etc. Projected to increase 7.2 percent each year from the base amount and asumes no change in the so-called Rivers amendment (Public Law 90-207) requirement of adding comparability increases in military pay to basic pay only.

[4] This includes cash basic allowance for quarters (BAQ), a cash basic allowance for subsistence (BAS) for officers, cash subsistence for enlisted personnel and enlisted subsistence payments

Footnotes continued on following page.

when rations are not available, other costs such as permanent change of station (PCS) travel, clothing allowances, and fixed costs such as flight pay, hostile fire pay, special pays. Since the other military personnel amount consists of items fixed by law and items subject to adjustment because of inflation, it was assumed that items fixed by law, such as BAQ, BAS, flight pay, special pays, etc. would not change and that items subject to adjustment for inflation, such as cash subsistence for enlisted personnel, clothing allowances, etc. would increase by 3 percent.

[5] Assumes an annual increase of 7.2 percent in basic pay and an annual increase of 3 percent in the consumer price index (CPI). The fiscal year 1974 figure includes $360,000,000 for a recomputation proposal and $30,000,000 for changes to the retirement system. The projections for fiscal year 1975 and beyond do not include costs for recomputation or other changes in the retirement system.

[6] This includes the cost of family housing (excluding pay) and is projected to increase from the base amount by 3 percent each year.

[7] This includes the cost of operations and maintenance (excluding pay) and is projected to increase by 3 percent from the base amount each year.

[8] Projected to increase by 5 percent from the base amount for each year.

Note: These projections assume that the Department of Defense will maintain through fiscal year 1980 the fiscal year 1974 military force of 2,233,000 (end strength) and civilian force of 1,008,000 (end strength). The following inflation factors were applied to the above categories: Civilian payroll—5.5 percent; Military payroll—7.2 percent; Other military personnel—various factors outlined in footnote 4; Retired pay—projections by the Department of Defense Actuary; Family housing—3 percent; Operations and maintenance—3 percent; Procurement, research and development, military construction—5 percent. In addition, the projections considered incremental costs in fiscal year 1974 for Southeast Asia (SEA) as follows:

[In milions of dollars]

	Military assistance service funded (MASF)[a]	United States	Total SEA	MASF base amount
Civilian payroll		62	62	
Military payroll		283	283	
Other military personnel	55	226	281	44
Operations and maintenance	871	343	1,214	698
Procurement	945	127	1,072	758
Total	1,871	1,041	2,912	1,500

[a] This is free world force support for SEA. This projection assumes $1,500,000,000 for MASF through fiscal year 1980 (or a reduction of $371,000,000 from the MASF fiscal year 1974 funding level of $1,871,000,000) and that all of the U.S. costs for SEA, that is, $1,041,000,000 would drop out after fiscal year 1974.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS DURING ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that committees may have authority to file reports during the adjournment over to 12 o'clock meridian on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for Monday is as follows:

The Senate will convene at 12 o'clock meridian.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Michigan (Mr. GRIFFIN) will be recognized for not to exceed 15 minutes, to be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Senate will resume consideration of the unfinished business, S. 352.

There is no time agreement on the bill. Yea-and-nay votes may occur on amendments and, of course, tabling motions are always in order, as are motions to recommit, refer, and so forth.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock meridian on Monday next.

The motion was agreed to; and at 1:19 p.m. the Senate adjourned until Monday, April 16, 1973, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate April 13, 1973:

DEPARTMENT OF STATE

David H. Popper, of New York, a Foreign Service officer of the class of career minister, to be an Assistant Secretary of State.

ATOMIC ENERGY COMMISSION

William E. Kriegsman, of Maryland, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1975, vice James R. Schlesinger.

DEPARTMENT OF JUSTICE

George K. McKinney, of Maryland, to be U.S. marshal for the District of Columbia for the term of 4 years vice Anthony E. Papa, resigning.

BUREAU OF THE CENSUS

Vincent R. Barabba, of California, to be Director of the Census, vice George Hay Brown, resigned.

FEDERAL HIGHWAY ADMINISTRATION

Norbert T. Tiemann, of Nebraska, to be Administrator of the Federal Highway Administration, vice Francis C. Turner, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 13, 1973:

DEPARTMENT OF DEFENSE

John O. Marsh, Jr., of Virginia, to be an Assistant Secretary of Defense.

Jerry Warden Friedheim, of Virginia, to be an Assistant Secretary of Defense.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE NAVY

The following-named Reserve officers of the U.S. Navy for permanent promotion to the grade of rear admiral:

LINE

John H. Pedersen
Richard Freundlich
Edwin M. Wilson, Jr.
Graham Tahler
George V. Fliflet
Eddie H. Ball
Judson L. Smith
Anthony A. Braccia
John D. Gavan
Robert A. Hobbs
Burnett H. Crawford, Jr.
Hugh R. Smith, Jr.

MEDICAL CORPS

Ben Eiseman
David B. Carmichael, Jr.

SUPPLY CORPS

Jack F. Pearse
Robert H. Spiro, Jr.
Raymond Hemming

CHAPLAIN CORPS

Mark R. Thompson

DENTAL CORPS

George J. Coleman
Roman G. Ziolkowski

IN THE MARINE CORPS

Lt. Gen. Ormond R. Simpson, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of lieutenant general in accordance with the provisions of title 10, United States Code, section 5233.

EXTENSIONS OF REMARKS

BILL SCOTT REPORTS—APRIL

HON. WILLIAM LLOYD SCOTT

OF VIRGINIA
IN THE SENATE OF THE UNITED STATES
Friday, April 13, 1973

Mr. SCOTT of Virginia. Mr. President, our practice is to keep constituents informed through monthly newsletters and I ask unanimous consent to print the April report in the RECORD for the information of Senators.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

YOUR SENATOR BILL SCOTT REPORTS

COMMITTEE ACTION

Our Committees of the Senate are now very active in considering proposed legislation, and two items which may be of special interest to you have been selected for comment.

Let me add that a number of important measures are still in the respective committees and hearings are being conducted.

SCHOOL BUSING

Hearings on proposals to amend the Constitution to prevent the busing of school children to obtain a racial balance were held by the Senate Judiciary Committee on April 10 and 11. This appears to be an extremely important domestic problem, and I urged the Committee to bring a Constitutional amendment or an alternate proposal to the Floor for consideration promptly so that each member of the Senate could have an opportunity to cast his vote on this important matter.

A supplemental proposal was that jurisdiction over all issues and controversies involving the public schools be transferred from the Federal courts to the State courts. Other members of the Senate have agreed to cosponsor my bill, which could be enacted by a majority vote of each House of the Congress. I understand that a majority of the Virginia delegation is also introducing it in the House.

As you know, our trial judges are elected by the Virginia General Assembly for periods of eight years, and I believe are more in tune with the feelings of local citizens than Federal judges, who have life-time tenure.

Every poll I have seen in recent years indicates that the people of the country are overwhelmingly opposed to racial busing. The General Assembly of Virginia this year adopted a Joint Resolution petitioning the Congress to call a convention for the purpose of amending the Constitution to eliminate this problem. Certainly we want to make every effort to preserve our public schools and to respond to the will of the people to eliminate busing of school children to obtain a racial balance, regardless of the vehicle used for this purpose. Several members of the Senate urged the Committee to take the necessary action. A copy of my own statement will be furnished upon request.

THE HIGHWAY BILL

The Senate passage of the Federal Aid Highway Act is of major concern to Virginians.

One feature adopted by the Public Works Committee was my amendment to speed completion of I-66. The amendment would require completion of the environmental studies of the project by October 1, and a final decisions on all other matters not later than December 31, 1973, so that contracts can be let next spring.

Interstate 66 was one of the routes included in the original nationwide system of Interstate and Defense highways designated in 1956. It is an integral part of our overall balanced transportation system in the Washington area and serves as a vital link in moving the suburban commuter as well as the visitor in and out of our Nation's Capital. Seventeen years is a long time for a project to be studied, and it is time to get construction under way. The completion of I-66 can be a model urban highway and I am hopeful that it will be.

The Highway Bill will assist Virginia in completing its interstate highway system. It includes $540 million for road construction in Virginia over the next three years. The Senate passed the bill by 77-5, and it is now awaiting action by the House. I am pleased, however, that the House committee has adopted the Senate language with regard to I-66. A copy of my statement on this bill will be furnished upon request.

FEDERAL JUDGESHIPS

The Senate Judiciary Committee has been holding hearings on the creation of fifty-one additional judgeships which are expected to be completed by the end of April. Then, the Committee will meet and allocate the judgeships.

The proposal includes three new judgeships for Virginia, two in the Eastern District and one in the Western. The senior judges from both districts testified before the Subcommittee in support of the new judges for Virginia. I have discussed the matter informally with the Subcommittee chairman, and it does appear that we will obtain at least two of the three.

There is a need to limit the tenure of our federal judges. As you know, our own Virginia Circuit Court Judges have eight-year terms, whereas our State Supreme Court Justices serve for twelve years. A ten-year term seems reasonable, and I have introduced legislation to this effect. All public officials—executive, legislative, and judicial—in my opinion should at one time or another have to account for their stewardship either to the people or their elected representatives. Life tenure does away with accountability. You may be assured that my own office will not recommend a lawyer for appointment to the federal bench unless he is known as a strict constructionist who will recognize the legislative duty to make the laws and the judicial duty to interpret them as enacted by Congress.

THE WASHINGTON OFFICE

The quarters we have been occupying since being sworn in are being assigned to a more senior Senator, but we are fortunate in obtaining a very attractive outside suite in the New Senate Office Building. Our new suite will be located in room 3107, and our telephone number will remain the same, (202) 225-2023.

FEDERAL SPENDING

The battle over curtailing federal spending continues on Capitol Hill.

The President in his desire to hold down federal spending has made it known that he will veto bills which he regards as fiscally unsound and inflationary. A total of seventeen bills may fall in this category.

The Senate sustained the President's veto of the Vocational Rehabilitation Act by a vote of 60-36, and the House of Representatives sustained the President's veto of the rural water and sewer grant program by a vote of 225-189. This issue of federal spending will undoubtedly be a major matter in this session of Congress and, of course, my vote has been for reduction of spending.

LEGISLATION

You may be interested in some of the following measures we have sponsored or cosponsored since the last newsletter:

A measure to seek international agreements to end air piracy;

A provision for continual funding of the interstate highway system;

A proposal to have the Federal Communications Commission conduct a comprehensive study of the effect of violence on viewers of television programs;

An amendment to the National Labor Relations Act to provide for trial of unfair labor practice cases in U.S. District Court;

An amendment to the Communications Act of 1934, to establish orderly procedures for the consideration of applications for renewal of broadcast license;

Limitation on the authority of the government of the District of Columbia with respect to the levying and collecting of certain taxes;

A measure requiring permits and the posting of bonds for the conduct of public demonstrations in the District of Columbia;

A bill to restore the death penalty for certain crimes.

An amendment to the Railroad Labor Act and the Labor Management Relations Act, 1947, to more effectively protect the public interest in national emergency disputes;

An amendment to the Occupational Safety and Health Act of 1970, to extend deadlines to allow states to meet the Act's requirements;

A measure prescribing uniform criteria for formulating judicial remedies for the elimination of dual school systems;

A proposal to improve and implement procedures for fiscal controls in the U.S. Government;

A proposal to support and protect the U.S. fishing industry;

A bill to prevent forced transportation of elementary and secondary pupils during the school year;

An amendment to the Federal Trade Commission Act (15 USC 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful;

A Federal Appropriations Reform Act, changing the fiscal year to coincide with the calendar year and providing a ceiling on federal spending by linking the authorization and appropriations process;

AID TO NORTH VIETNAM

The Senate recently expressed its sentiments on the question of aid to North Vietnam by voting 88-3 to prohibit any aid to North Vietnam without the specific authorization of Congress.

THE RICHMOND OFFICE

We have had full days during each visit to the Richmond Office, and will visit there again on April 18. Should you care to stop by, feel free to do so without an appointment, but if you care to obtain further information, please call our office secretary, Mrs. Dorothy Robinson, at 649-0049.

JOBS ON CAPITOL HILL

The Joint Committee on Congressional Operations has informed me that there are a number of positions available for qualified Congressional secretaries. Qualifications include 60 wpm typing and 80 wpm shorthand, and applicants must have a high school education. Salaries range from $7,000 to $9,000. However, persons with more Capitol Hill experience will receive higher starting salaries.

If you are interested and want additional information, send a copy of your résumé to the Joint Committee on Congressional Operations, Office of Placement and Office Management, Washington, D.C. A personal visit, if it is convenient for you, might be more fruitful. The employment office is located in the basement of the Old Senate Office Building, Russell Building (B-46) (Phone: 225-6731). If you care to do so, you may also send a copy of your résumé to our office for our files.

SOMETHING TO PONDER

The vastness of our national debt of almost $460 billion can be graphically illustrated if we picture it as converted into one dollar bills. It is said if we place one billion dollar bills end to end, they would extend four times around the world. If we carried this a step further and converted our entire national debt into one dollar bills, they would form piles end to end, 1,840 bills deep, stretched around the entire world. The President's budget includes a $26.1 billion item as interest, or carrying charge, on this indebtedness which will increase in future years unless we take action to reduce the debt.

Newsletter addition: The form provided herein is for the purpose of advising us of address changes or for providing us with names of interested Virginians who wish to be added to our mailing list:

Add the following name to your mailing list:

Name____

Address______________________________________

____

____

AN ALL-AMERICAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RANGEL. Mr. Speaker, last Monday, April 9, marked the 75th birthday of a very special human being, Paul Robeson.

This Nation has rarely seen individuals with the genius and spirit of Paul

Robeson. As an athlete, scholar, singer, and actor, and as a man deeply involved with political and social affairs, Robeson was everything a great American could be. Tragically, America never accepted Robeson—because he was black. From being excluded from the College Football Hall of Fame to being blacklisted by the entertainment industry, America attempted to disavow any and all knowledge of Robeson.

On Sunday, April 15, in New York's Carnegie Hall some of us will remember.

Members of the Congressional Black Caucus, Harry Belafonte, Dizzy Gillespie, Robeson's son, Paul, Jr., and others have planned an evening to pay tribute to Paul. The celebration will help to initiate the Paul Robeson Archives in New York City, a lasting tribute to his life and work.

That Paul Robeson continues to evoke sharp and profound remembrances for so many of us, across the country, hopefully means that not all of the glory and beauty of America has died.

I now submit for the edification of my colleagues, a series of articles written by Pete Hamill for the New York Post aptly entitled: "All-American."

[From the New York Post, Apr. 9, 1973]

ALL-AMERICAN—I

(By Pete Hamill)

"Be disloyal. You owe it to the human race."—Graham Greene.

Paul Robeson is 75 today, and if there were a proper way to apologize and to celebrate, his voice would be allowed to boom once more across America, from Harlem to Watts, from the West Side to Beverly Hills, from a million loudspeakers in a thousand towns. It would fill up the public squares; they would hear it in Georgia's tragic hills, in the auto plants of Detroit, in the bus stations and the railroad yards, the walls of Springfield Av. in Newark. Even Richard Nixon's Washington would shudder with the voice, its black majesty, its lucid strength, its defiant insistence on the humanity of all men.

Children would stand and listen as Robeson sang of the crimson petal that now sleeps, in a voice they have never heard. Children would listen and know that the singer was a man. And old men would walk cut on 125th St. or Fulton St. or Central Av., and the old men just might tell the young men about Paul Robeson, and what happened to him in America.

They might show the young the famous portrait by Steichen of Robeson as "The Emperor Jones," the dark brooding strength, the fierce beauty, the endangered intelligent eyes. They might recite the facts. But you would not need the facts, if you could listen to the singer and his song. For Robeson was an artist, and the one thing the hard, desperate little men of power truly fear is art.

Somehow, considering the long heroic tragedy of Robeson's life, it takes the shape of modern America itself. He was born on this day, in Princeton, N.J. in 1898, the year America made its first moves for overseas empire in the war against Spain. We tell about America when we say that his father was a slave, a man who was *owned* by other men; we tell about black people when we remember that the father resisted, that in 1860, at 15, he broke from his owners in North Carolina, said a hard farewell to the plantation, and moved north on the underground railway to eventual rest in Princeton, N.J. Robeson is alive now, and his father was a slave: A possession like mule or a toaster. We speak here not of antiquity, friends.

And we learn about roots, and long history when we know that Paul Robeson's great-great-grandfather on his mother's side, Cyrus Bustill, baked bread for the troops of George Washington, that in 1787 he became the founder of the Free African Society, the very first mutual aid society of American blacks. Robeson grew up as American as anyone who ever lived. He also grew up black, and he later remembered Princeton with bitter accuracy (in "Here I Stand," now a Beacon paperback):

"Bourbon and banker were one in Princeton," he wrote, "and there the decaying smell of the plantation Big House was blended with the crisper smell of the Countinghouse. The theology was Calvin; the religion—cash."

Robeson went to Rutgers on a scholarship, in the days when that school was a private institution with 1000 students; he was one of two blacks to attend the school in the years 1915 to 1919. He had an extraordinary career there, winning Phi Beta Kappa in his junior year, earning 13 letters in four sports, and twice being picked by Walter Camp as an All-America end (1917 and 1918). He was then 6-3, weighed 217 pounds, and Camp said of him: "There never has been a more serviceable end, both in offense and defense, than Robeson."

He was class valedictorian at Rutgers, graduated from Columbia Law School and briefly joined a downtown law firm. This was all taking place during years when blacks were being lynched, shot, and physically or psychologically mutilated with little protest from the federal government. America went on to love Robeson passionately, and then to destroy him, on American terms, if not his own. And the long process of making him a "nonperson" has covered up such of this long, bitter saga.

Two examples are in order. Today, Robeson remains the *only* two-time All-American who is not in the College Football Hall of Fame. His son, Paul Robeson Jr., has pointed out another example of our own revisionist history. In 1971, in Freedomways, Robeson Jr. wrote:

"It is a fact that the book 'College Football,' published in 1950 by Murray and Co. and labeled 'the most complete record compiled on college football,' listed a *ten-man team* for 1918, the only *ten-man team* in All-America history. The missing man was an end named Paul Robeson."

Today, at 75, the missing man still haunts America. But it is not too late to apologize, and yes, even to celebrate.

[From the New York Post, Apr. 11, 1973]

ALL-AMERICAN—III

(By Pete Hamill)

". . . Of the countless people I have known in my wanderings over the world, he is one of the few of whom I would say that they have a greatness. I do not mean greatness as a football player or as an actor or as a singer . . . I do not even have in mind what is, I suppose, the indisputable fact that he is the finest musical instrument wrought by nature in our time. I mean greatness as a person."—Alexander Woolcott on Paul Robeson. "While Rome Burns."

That was the tone of praise in the years when America loved Paul Robeson. The yellowed newspaper clips sketch the story: the first triumphs with the Provincetown Playhouse, Eugene O'Neill writing plays for the man, Jacob Epstein sculpting his powerful head. There are the first trips to England and Europe, on the stage with Mrs. Patrick Campbell, Robeson, black and beautiful, "taken up" by the withered strains of British royalty. Hollywood called, and J. Arthur Rank: "Showbot Boat," "Sanders of the River," "The Emperor Jones" and eight others. He packed them in on the concert tours, was lionized in Russia.

Robeson settled in England in 1927, because he thought it was free of racism; but after he had finished drinking their cup of tea, he began to see where the real enemy lived. No son of a slave could long live with dukes and earls and corporate managers. He learned his Marxism from the British Labor Party and from his first trips to the Soviet Union; it must be a terrible thing to have experienced that in your youth, and discover now that Harold Wilson rules the Labor Party and they are building a Holiday Inn in Moscow.

Marx led to politics, and politics changed Robeson's life. He was the first modern black militant, seeing clearly that race had been used to separate the black man from the white working class, and that no union of the two could be effected unless black people believed in their own worth, beauty, history and tradition.

It is not clear, even now, whether Robeson actually became a Communist; certainly, his closest friends were Communists he loved the Soviet Union, and sent his son Paul Jr., to school there for a while; later, he won the Stalin Peace Prize. It really isn't important. What everyone forgot at the time was that if Robeson, a free man, wanted to be a Communist, it was his business. Picasso, Sartre and many others were Communists. Nobody went after them the way the American government went after Robeson.

But then Robeson was not feared in America because has was a Communist. He was feared because he was black, because he was a man, because he refused to become a "house nigger" for anyone. He was feared, more than anything else, because he was an artist.

How else to explain the extraordinary events that took place after the war? Harry Truman was President; Jimmy Byrnes from South Carolina, was Secretary of State; Tom Clark of Texas was Attorney General. In 1946, Robeson and other blacks saw Truman at the White House to get him to sponsor federal anti-lynching laws. Truman refused, and Robeson warned him that ". . . if (black people) keep on being murdered by lynchers, there will be several national emergencies which will require federal intervention."

Truman didn't forget this uppity black man. In 1949 in Paris, Robeson said: "It is unthinkable that American Negroes could go to war, on behalf of those who have oppressed them for generations, against the Soviet Union which in one generation has raised our people to full human dignity."

That did it; Robeson might have been naive, especially about the non-racist wonders of Stalin's Soviet Union. But he was not to be forgiven for suggesting that blacks should not fight for the country of Sen. Eastland. He came back to America, and the same year, a concert he gave in Peekskill was turned into a shambles. A mob of American legionnaires, Catholic War Veterans and other great Americans attacked the concertgoers, yelling "Kike" and "Nigger-lover." A fiery cross was burned on a hillside. And Tom Dewey's state troopers looked on. After that, the booking agents and the movie producers were through with Paul Robeson.

And then the State Dept. refused to give Robeson a passport. In 1950, Truman himself signed an Executive Order forbidding Robeson to set foot outside the U.S., or face five years in jail. At some point, the State Dept. offered him a deal, allowing him to travel abroad if he promised only to sing and not talk. Robeson turned the deal down.

The All-American stayed under national house arrest until 1958, when the Supreme Court ruled that he could have a passport. He moved on, exhausted and sick, to England, the Soviet Union, East Germany. In 1963, he came home. Since then, he has chosen silence. Truman, of course, was buried with honors. But Robeson lives on, at home in the America that treated him so terribly, and on the phonograph records, you can still hear the voice, clear, strong, the lion who outlived the hunters.

DISCHARGE CODE ATTACKED

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. KOCH. Mr. Speaker, Congressman Les Aspin and I have sent a letter to Secretary Elliot Richardson urging his ending the present practice of lising separation program numbers—SPN's—on discharge papers because of the harm that it creates for the individual veteran in private life and employment. Our letter to the Secretary giving our reasons is appended to this statement.

We are introducing legislation which would ban the SPN's and urging our colleagues to support that legislation. Hopefully, however, the Secretary will dispose of this matter administratively.

The text of the letter to Secretary Richardson follows:

House of Representatives,
Washington, D.C., April 12, 1973.

Hon. Elliot Richardson,
Department of Defense,
Washington, D.C.

Dear Mr. Secretary: We are very concerned that the Department of Defense refuses to change its policy regarding Separation Program Numbers (SPN's). Today a letter was received from Lt. Gen. Leo Benade insisting that the use of SPN's on the DD Form 214 (discharge papers) is necessary for administrative and statutory purposes. We do not think so. Those numbers which indicate the underlying reason for the discharge allegedly, according to Lt. Gen. Benade, are restricted from "non-governmental organizations and individuals." Yet, we know, as does he, that the list of SPN numbers is easily available to reporters and indeed, we understand that one of the major American veterans organizations prints a book including SPN numbers and their classifications. What is the effect of providing these SPN numbers in this way? It is in fact to prejudice employers against certain veterans seeking jobs. To illustrate one of the most glaring situations: the same SPN number which applies to someone discharged for addiction to heroin is also used for an individual discharged for smoking marihuana. The SPN number designates one as a homosexual or alcoholic and, without question, will affect in an overwhelming prejudicial way the opportunities of those veterans to secure employment.

The Pentagon statement supports the SPN code numbers stating they are needed to determine a serviceman's eligibilty for veterans benefits, his current selective service classification and his future potential for military service. That information can surely rest in the file without public revelation. Don't you agree?

We understand that this matter was called to your attention at a recent hearing by Senator Harold Hughes and that you indicated that you were unfamiliar with the matter and would look into it. We would appreciate knowing what your conclusion after an examination of the facts is.

We are introducing legislation which would ban the use of the SPN numbers on discharge documents or any other instrument available to the public. We hope, however, because the Congressional process, as you know so well, is so slow, that you will use your administrative powers to end this serious situation now. Returning veterans have other burdens to bear in securing employment and housing and re-entering civilian life. We do not think it fair to place the additional burden of SPN's on their shoulders.

We would very much appreciate your giving our request your immediate consideration and ending the practice.

Sincerely,

Les Aspin.
Edward Koch.

ABORTION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. HOGAN. Mr. Speaker, William F. Buckley, Jr., recently wrote a article on the subject "When Does a Person Become a Person?" In light of the Supreme Court's decision of January 22 legalizing abortion I think this article is particularly interesting.

WHEN DOES A PERSON BECOME A PERSON?

(By William F. Buckley, Jr.)

The press has not widely noticed an extraordinary appeal that has been lodged by the State of Connecticut asking the Supreme Court to review its decision of January in respect of abortion. On that occasion the court ruled that no state can deny a woman the right to an abortion during the first few months of her pregnancy on the grounds that the fetus is not a "person" in any constitutional sense and is not therefore entitled to the protections given to a person. The court was not itself anxious to rule just when in the embryonic process someone comes alive, satisfying itself to say that "We need not resolve the difficult question of when life begins."

The State of Connecticut reminds the court that in 1966, in Brookhart v. Janis, the Supreme Court observed, "When constitutional rights turn on the resolution of a factual dispute, we are duty bound to make an independent examination of the evidence in the record." It is such an independent examination that the State of Connecticut has conducted.

Connecticut has imposed upon itself rigorous scientific responsibilities, to which end it begins its 55-page brief with testimony from scientists. Dr. Albert William Liley is professor in perinatal psychology in the Postgraduate School of Obstetrics and Gynecology at the University of Auckland.

"In 1963," says Dr. Liley, "I developed a technique for the transfusion of blood to the baby in utero. This work demonstrated conclusively that the unborn child, like any other person, could be ill and could have his disease diagnosed, his condition assessed, and his malady successfully treated. In a number of genetic and biochemical problems, definite diagnosis can be established as early as the 14th week, and in Rh baby, therapy has been undertaken as early as the 13th week of intrauterine life.

"With advances in technology these limits will be moved back earlier in pregnancy. The unborn child is my patient, and I respect and protect his life as I would the life of any other patient."

Dr. Hymie Gordon is chairman of the department of medical genetics at the Mayo Clinic. He introduces his testimony philosophically.

"The modern biological concept of human individuality is remarkably in harmony with that of some of the oldest theological concepts. The rabbis of the Talmudical period and the early Christian fathers taught that life entered the fetus at the moment of conception. Modern biology teaches the same thing . . . True, environmental influences both during the intrauterine period and after birth modify the individual's constitution and continue to do so right until his death, but it is at the moment of conception that the individual's capacity to respond to these exogenous influences is established.

"It is an ignorant presumption to suggest that we are in a position to weigh its (the living cell's) life against that of another. A clear distinction must be made between the unquestionable right of the mother to decide whether or not she is to become pregnant, and the unquestionable right of the unborn baby to life."

Dr. Paul Rockwell, director of anesthesiology at Leonard Hospital in Troy, N.Y., writes that "in 1958 or thereabouts, while giving an anesthetic for a ruptured ectopic pregnancy at eight weeks gestation, I observed what I believe was the smallest living human being ever seen. A tiny human male (approx. 1 cm.) was swimming vigorously in the amniotic fluid from the end of his umbilical cord within the intact, transparent embryo sac. This tiny male was perfectly developed with fingers and hands, toes and feet . . . It is my opinion that if the lawmakers and people realize that very vigorous human life is present, even at this early stage of development, it is possible that abortion would be found much more objectionable than euthanasia."

FREEDOM OF THE PRESS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. HEINZ. Mr. Speaker, the whirling controversy over the need to protect our first amendment rights is centered on developing an effective way to guarantee freedom of the press. There is little doubt at this time that any threat to inhibit and curb the responsible news gathering activities of reports will be costly to all Americans in both freedom and information. In the interest of presenting to my colleagues one legislative alternative to this problem, I would like to bring to your attention the statement of our distinguished colleague, Mr. Whalen of Ohio. Congressman Whalen states the case for a shield law quite succinctly and cogently in an address before the Conference on American Freedoms, on April 11, 1973, at the Washington Hilton Hotel. The text of his remarks follows:

ADDRESS BY CONGRESSMAN CHARLES W. WHALEN, JR.

To the vast majority of our citizens, Freedom and the First Amendment are synonymous. This concept becomes ingrained at an early age. As soon as a child enters school, he or she learns about the Founding Fathers, the Bill of Rights, and how the American tradition of freedom of speech, press, and assembly is protected by the First Amendment. Later the student reads words such as those written by Thomas Jefferson:

"The basis of our government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate to prefer the latter."

Indeed, for nearly two hundred years Americans have pontificated about the necessity of the First Amendment in a free society. Yet, despite our rhetoric, First Amendment values still do not occupy a preeminent position in our society. With all the glowing phrases spoken about the First Amendment and the respect we ostensibly accord to the concepts embodied therein, the freedoms it guarantees have come under constant attack—and by decent, law-abiding citizens as well as by government officials.

This divergence between our words and our fidelity to the First Amendment is not new. In an opinion authored almost two decades ago, Pennsylvania Supreme Court Justice Michael Musmanno incisively exposed the occasional emptiness of First Amendment guarantees:

"That we should have to argue at this high hour in the day of civilization in behalf of the rights of the press to speak and act unrestrictedly in obtaining and reporting the news is astonishing."

He continues: "And yet, it appears that from time to time the most obvious truism is attacked and the most commonplace virtue is derided, and, as a consequence, one finds oneself defending the integrity of the multiplication table, the sanctity of mother love, and the need of milk in growing children."

As the other Conference participants have documented, we are living in a time when "the most obvious truism is attacked and the most commonplace virtue is derided." The American press is clearly under siege today. However, as Professor Emerson pointed out in his paper, the attack differs from previous First Amendment assaults. A recent Chicago Tribune editorial perhaps most accurately described the current situation as a "drift away from press freedom" that has come about "through a gradual process of osmosis . . . which could not proceed were it not for the apathy of the public and, in some instances, even the press."

At this Conference there have been aired a number of approaches designed to re-establish the primacy and full implementation of the First Amendment. The most critical task, however, is that of constantly informing and reminding all American citizens—including government officials and journalists—what stakes are involved in First Amendment conflicts. As Alexander Hamilton observed, the security of the press' freedom, "whatever fine declarations may be inserted in any constitution respecting it, must altogether depend upon public opinion, and on the general spirit of the people and of the government."

That, in my view, is the primary value of a conference such as this eschewing rhetoric, examining the disasterous consequences of an emasculated First Amendment, and, finally, perceiving that those consequences are visited not merely on journalists, but on us all.

Today I wish to discuss what is perhaps the most confusing First Amendment problem in terms of realizing exactly what is at stake. The most common label for the issue—"journalist's privilege"—is the origin of the misunderstanding. In legal jargon, a reporter's right to protect the confidentiality of his sources and information is termed an "evidentiary privilege." As a result, many citizens perceive shield legislation as an attempt to establish "special rights and privileges" for journalists. In this context they tend to oppose the shield concept with the same vigor they would fight legislation singling out reporters for special income tax or social security benefits.

There is no denying that journalists are the subject of the legislation, or that they have a direct and personal interest in not going to jail. But the shield law bestows this "privilege" in recognition of the journalist's essential role in the democratic process. First, a free flow of information is an absolute requisite in a society based on representative government. Second, the newsman serves as a conduit for transmitting this information to the public. That is why I have labeled the shield legislation I have intorduced as the "Free Flow of Information Act."

When no shield law exists, journalists are required to testify before courts, grand juries, and other governmental bodies. Consequently, potential sources are reluctant to talk with reporters if the revelation of their identities may jeopardize their jobs, careers, or even physical safety. Additionally, there is a disincentive for reporters to pursue contacts with confidential sources when such efforts may result in the dilemma of choosing between six months in jail or violating a confidence.

By inducing sources to refrain from "blowing the whistle" and by encouraging the press to avoid the "trouble" which a confidential contact may cause, the subpoena power creates a "chilling effect" which diminishes the flow of vital information to the public. Instead, news received about government and other societal institutions is more likely to be of the favorable, "press release" variety.

Does this really matter, however, to the average citizen? Is he personally affected by this "chilling effect"?

I could recite numerous instances in which the public has directly benefitted by revelations made possible through reporters' contacts with confidential sources. However, to illustrate the value to the resident of Gary, Indiana, or Dubuque, Iowa, of protecting the confidentiality between source and reporter to insure a free flow of information, I shall relate two situations with which I personally was involved.

Two years ago I was asked by Mike Wallace of CBS to appear on a segment of his "60 Minutes" television program. He was doing a story on the Mark-48 Torpedo. He asked me bluntly during the interview: "Congressman, does it work?" I responded: "The government says it does, but I don't know."

Well, Mike Wallace knew. The volumes of information provided me as a Member of the House Armed Services Committee were not as instructive as Wallace's investigating reporting. He uncovered the torpedo's serious operational defects and huge cost overruns and brought them to the public's attention. And he depended on confidential information to secure his story. As he put it:

"Some of the most important and revealing information that we obtained came in confidence from subcontractors, suppliers, and men employed by government agencies. Without that information we could not have constructed the story of how a torpedo project originally scheduled to cost $680 million had risen to a projected $4 billion."

What does this mean to you? It means that you have had nearly 3.5 billion of your tax dollars squandered on this one weapons system. It means that there undoubtedly are other instances of waste awaiting exposure by enterprising reporters. It means that if we really want to know how our tax dollars are being spent, we need an aggressive press. Certainly the government is not going to broadcast its profligacy!

Perhaps the value to the public of exposed corruption or incompetence is obvious. What may be less clear is the fact that the possibility of press exposure often creates a deterrent effect. Forewarned that the press is likely to spotlight his misdeeds, the public official is likely to think twice before he misbehaves. An independent, probing press is the best prescription for honest, effective government. This medicine, unfortunately, is being diluted by the constant threat of government subpoena.

My second experience is one which was shared with millions of Americans. I speak of the press and its role in reporting the war in Vietnam.

When first elected to Congress in 1966, I accepted the war in Indochina as a fact of life. It wasn't necessarily good or bad, it was just there.

After arriving in Washington, as a member of the Armed Services Committee I was briefed regularly by Department of Defense spokesmen. I was assured that all was going well. The war was being won; the end was in sight.

In the meantime, I began talking with other contacts and I read extensively. The information garnered from these sources varied considerably from that provided by the Pentagon. Take press reports, for example. Although much of the news from Vietnam seemed to be re-written official press releases, some investigative journalists portrayed the situation more realistically. They went beyond the press handouts and talked confidenitally to informed observers. As Pulitzer Prize Advisory Board Secretary John Hohenberg said:

"Every Pulitzer Prize won for coverage of the Vietnam war, beginning with those won by Malcolm Brown of the AP and David Halberstam of the New York Times in 1964, depended on confidential sources."

Thus, during my first term in Congress I began to re-evaluate my acceptance of the war and the reasons for our involvement. This reconsideration was not spurred by military briefings. Rather, my new insights were derived from my own discussions with "unofficial" sources and from investigative reports in the public press.

I discovered that the Gulf of Tonkin incident, which served to justify our massive escalation, was misrepresented and might not have even happened. I discovered that the military situation was far more unfavorable than was depicted in official briefings. And I learned that we really had no idea why we were fighting in Southeast Asia. This knowledge inspired me to lead the fight for end-the-war amendments in the House of Representatives.

These journalistic accounts of the realities of Vietnam also prompted public recognition of the error of our involvement and of the necessity for ending it. It is unfortunate that reliable information was not available until after policies had solidified. If anyone doubts the very real impact of the press, let him assess the toll of Vietnam and ask himself if knowing the facts would have mattered: 55,000 American lives lost; 200,000 of our troops wounded; hundreds of thousands of Indochinese killed and wounded; an increase in taxes; an inflation that still is not under control. These, of course, are just the bare facts and figures. The suffering, anguish, and heartbreak that Vietnam has caused, and will continue to cause, cannot be computed.

In terms of our nation's future, there is another, perhaps more grave, consequence of the war. After a time, I simply stopped attending Congressional briefings on the war. I just could not believe the government handouts. Nor could many other Americans. And today they still don't believe what government officials say.

These illustrations should make it manifestly clear that the public is the real winner when the press is free to perform; unimpeded, its reportorial, interpretative, and investigative functions.

Last year the Supreme Court ruled, in a 5-4 decision, that journalistists' confidential sources of information are not protected by the First Amendment. The subpoena threat, therefore, is one which every potential source and every reporter must constantly consider. As long as this threat exists, the press remains intimidated.

The only real remedy is legislation. As Professor Emerson observed, "it would seem that the maintenance of an effective system of freedom of expression depends, much more than at any time in the past, upon support by the legislative branch of government."

Many individuals are wary of legislative attempts to bolster First Amendment freedoms. I can understand their concern. Yet if the subpoena problem is to be resolved, Congressional action is necessary.

The battle for a Federal shield law is vital because the stakes are so high: it involves your right to know, my right to know. Hopefully, the 93rd Congress, spurred by concerned citizens, will enact the Free Flow of Information Act or similarly strong shield legislation. Our right to know hangs in the balance.

CRITICISM OF POSTAL SERVICE

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. DIGGS. Mr. Speaker, Mr. Robert L. White, National President of the National Alliance of Postal and Federal Employees, recently gave testimony before the Postal Service Subcommittee of the Committee on Post Office and Civil Service of the House, chaired by the gentleman from New York, Mr. HANLEY. Mr. White's statement deals with the status of black employees in the U.S. Postal Service and the impact of new directions the postal service has taken in areas of new facilities, equal employment hiring procedures and removal of employees for "disciplinary" reasons. I believe the information given in Mr. White's testimony points to an ominous trend in the Postal Service, a trend away from the commitment to full and equal rights for all employees as well as service to its customers. I submit for the close examination of my colleagues Mr. White's testimony:

STATEMENT OF MR. ROBERT L. WHITE

Mr. Chairman and members of this Subcommittee:

I appreciate the opportunity to appear before you to express the views of the National Alliance on the U.S. Postal Service.

First, I wish to introduce to you, the two officers who are with me today. On my right is National Vice President Wesley Young, of Chicago, Ill., and on my left is Presidential Aide John W. White, of Baltimore, Md.

I am sure that this committee has heard ample testimony that contained varying degrees of criticism of the reorganized Postal Service, as well as the testimony of the Postmaster General who, also admits that there is vast need for immediate improvement in the type of Postal Service that is being provided for the American Public, since Postal Reorganization.

As President of the National Alliance of Postal and Federal Employees, there is much that I could say about the operation of the U.S. Postal Service, since 1971, and none of it would be complimentary. In addition, some of what I could say, possibly would not be jurisdictional to this committee. Therefore, I shall be brief and hopefully not too repetitious in my remarks to you.

This Union feels that the basic reason for the deteriortaion in Postal Service during the past twenty months, can be attributed to at least one elementary cause, the postal management, in its haste to institute a new philosophy into the operation of the Post Office Department.

The first example of this type of attitude was notable in the involuntary retirement action which was launched against thousands of long time, experienced employees in 1971. The pressure which was exerted to bring about the, so called, voluntary retirement of these dedicated fifty plus year old employees, was actually demoralizing. It was a bitter pill to swallow for those who were forced to leave the service, and it left a very bad taste in the mouth of those who escaped the initial ax, but recognized the handwriting on the wall. As a result, it created a climate of apprehension and distrust, which still hangs as a foreboding cloud throughout most postal installations.

The heavy exodus of so much high and talented postal experience, had to adversely affect the caliber of service that was to be provided. The knowledge of how to effectively run the postal service, left with these employees. Hiring of business executives at higher salaries and mechanizing postal facilities, does not process the mail. Experienced and dedicated employees is still a necessary asset.

The second example of flagrant disregard of human dignity manifested itself in the handiwork, either through naivety or stupidity, of those who profess to represent the best interest of employees. For employees, who for years and years had enjoyed certain job security and benefits, to all at once find themselves virtually completely unprotected against such things as arbitrary reassignments, suspension and removal actions, was in itself enough of a shock to justify any adverse reaction in the performance and attitude of these employees. This initial shock of what has happened, is just beginning to wear off and has now settled down into smoldering resentment.

The total effect of all of this is reflected in the type of service that is being performed today by those long time employees, who once cared about the role they played in providing a needed service for people, and the much junior employees who never acquired the feeling of being a part of a vital organization, and therefore could care less about the end results of a piece of mail or parcel that pass through their hands.

What I am attempting to say is simply that regardless of the number of high salaried business executives that are hired to manage the U.S. Postal Service, or how much mechanization that is installed in old or new postal facilities, human beings are still needed to provide the basic requirements necessary to process and deliver the mails. Human beings cannot, or will not, work efficiently and with the needed dedication, in an atmosphere that is permeated with fear and distrust, such as is found today at every level of the Postal Service.

Some may say that these are just wild assertions that cannot be backed up by facts and figures. Well, I will certainly not argue this point because the very nature of these assertions would make it impossible to back them up in such a manner. However, the broad range of contact that the National Alliance has with every classification of present day employees and with former postal employees, leaves no doubt in my mind that there will be no meaningful improvement in the Postal Service that is being provided for the American public, until there is a change in the attitude of those who must provide this service. I might add also that forcing retirement upon every employee who has reached fifty years of age, and arbitrarily firing many other employees, in order that a new crop of employees at a lower rate of pay may be obtained, in my opinion, is not the answer.

The U.S. Postal Service must take the necessary time to win the confidence of all its employees, inasmuch as such was not an inherited part of the change-over. Undoubtedly, this is going to take more time than the new postal managers are inclined to want to grant, and certainly I feel, it will require different tactics than those that have so far been placed into action.

The National Alliance of Postal and Federal Employees is not pleased at all with the performance of the new managers of the U.S. Postal Service, particularly in their approach to programs and problems that effect Blacks and other minority postal employees and potential employees. Specifically I am referring to:

1. The Movement Of Mail Processing To The Suburbs.

The building of these mailing facilities in suburban areas, we feel, are designed for the express purpose of reducing the number of minorities that are presently hired by the Postal Service, especially in the large cities throughout the country, where vast numbers of minorities are now residing. The moving of jobs from the cities to the suburbs will mean increased unemployment rates for the inner city minorities, as well as a drastic reduction in the amount of money that will flow into the inner city's economy. For example, take the city of Chicago, where some 4,000 jobs have already been lost from the inner city post office, and where another 4,000 to 5,000 additional jobs will be lost, due to additional planned movement of mailing facilities to a suburban area. This will amount to a loss to the inner city of some eighty million dollars per year, which could generate into many more millions of dollars to help bolster this city's economy. The same situation applies to all of the other major cities where such moves are scheduled to take place.

We have previously presented our concern on this subject to a Postal Subcommittee, and we have heard the argument that has been made in support of building these mailing facilities in the suburbs. The basic arguments in support of building in the suburbs, has been in the area of a need for adequate space, and availability to airports. We contend that this is not a completely valid argument, because most of the cities that are involved are cities that have available, blocks and blocks of uninhabited buildings, or vacant land from which buildings have been demolished. In, addition, transferring mail from an airport to an inner city postal facility, will not be any more time consuming than transferring it to the suburban area where the new facility is being built.

Based on the lack of available housing and inadequate transportation to these suburban areas, it is anticipated that minorities will gradually be phased out of these postal jobs. Also, by hiring from the residential area surrounding these suburban placed postal facilities, the possibility of minorities being hired for these jobs in the future is very bleak. Minorities just cannot afford to lose these positions.

This union would ask this committee to take another look at the proposed postal building program. Assess the relative value of these jobs to the economy of the involved inner cities, as against the values voiced by the first Postmaster General, after the passage of the Postal Reorganization Act.

The Mayor of every City that will lose jobs based on the planned building of postal facilities in suburban areas, is already overwhelmed with unemployment problems and a steadily, sagging economy. To lose these postal jobs will only add unnecessarily to their woes.

2. *Another major concern of this union, is the unquestionable de-emphasis of an effective affirmative action* Equal Employment Opportunity Program *by the* U.S. Postal Service.

This is a program of which the Postal Service formerly boasted that it excelled well above all other government agencies. A boast which may have been true, however, a gold medal has not yet been awarded, nor in our estimation even warranted, for any Government Agency, for out-standing accomplishments in this area. Apparently, the U.S. Postal Service can no longer see a need to continue its former efforts in this program since it has now combined E.E.O. with other, so called, key social programs and at the same time, reduced the staff responsible for promoting and enforcing the provisions of these programs. The question is, why?

It was brought to my attention that Postmaster General Klassen, when appearing before the full committee a few days ago, was asked by an Honorable Senator as to whether the social programs, such as the hiring of minorities, handicaps and veterans, created any problems. According to the information that I received, the Postmaster General expressed affirmatively, that it was a cause of concern. When asked further, what did he plan to do about it?, the reply was, "Nothing at the present time".

This union only hopes that the questions that were asked by this Honorable Senator, had no unusual significance. I am sure that there is not a record available aynwhere in the Postal or Federal Service, that can substantiate a showing of advantages for minorities in employment and/or promotions, to the detriment of whites and the efficiency of the respective service. Such just does not exist.

This union also certainly hopes that these questions did not create additional wave lengths in the thinking of the Postmaster General, as to how to make further improvements in the Postal Service.

Blacks have been the victims of discrimination in promotional opportunities within the Postal Service for years. For many years, this is the only Federal Agency where college educated blacks could get a job that paid a decent salary. Therefore, the Postal Service has been loaded with qualified Blacks, however, most of these college graduates could not and did not receive any promotions, until the most recent years. Even today, there are still many college educated blacks that are buried in the lower jobs of the Postal Service, and who will never be considered for a promotion, only because of of their race.

Postmaster General Klassen was boasting in his report about the number of Postmaster's positions that have been filled from the ranks since November 1970. He stated that a total of 7,585 new postmasters were named. He further stated that all of these appointments were made solely on the basis of merit. It would be interesting to know how many, if any, of these 7,585 appointments were blacks. We know for a fact that there is not a black postmaster of a major city in the country. We wonder why, if merit was the criteria for such promotions.

We have made numerous attempts to find out how many blacks have been promoted to postmaster positions since Postal Reorganization. However, the postal service has constantly refused to release this information, claiming that such record is not available. It is our contention that the record of the number of blacks that have been appointed as postmasters must be so poor, that it would be considered ill advised to make such information public. This is highlighted because we do know that the Postal Service, as well as all other agencies, have always been overly anxious to release any favorable figures showing their achievements in the area of Equal Employment Opportunity.

This union intends to take any steps necessary to find out how the, so called, merit promotion plan in filling postmasters positions, is working for blacks and other minorities. Frankly, we anticipate a dismal finding.

In the meantime, we shall be watching closely to see who will be selected to fill the top fifty six (56) postmaster positions that are presently vacant. All of these vacancies are in grades 14 to 20, and are located in many major sized cities.

3. Reducing The Work Force

A further grave concern of this union, is the increasingly number of blacks that are being removed from the service. This is not to say that we are opposed to warranted disciplinary actions, however, we are opposed to removal action being taken against blacks for the same, or closely related offenses which provided lesser penalties for white employees. This unfortunately, is extremely prevalent throughout the Postal Service.

We do not want favoritism for minority employees, but we do want fair play.

Last but not least, this union is very displeased with the manner in which postal management has collaborated with the craft unions to the disdvantage of our membership, and of the many postal employees who during the past year has requested to have the National Alliance represent them in their grievances with the U.S. Postal Service.

This union contends that not only did the Postmaster General and his staff violate the intent of congress, when it permitted "closed shop" language provisions to be included into the grievance procedure, which was negotiated with the craft unions, but it has also defied the National Labor Relations Board who has already charged and ruled that the U.S. Postal Service is engaged in unfair labor practices, for denying employees the right to select a representative of their own choosing to represent them in grievances, during the transitional period, in accordance with provisions contained in the Postal Reorganization Act.

We contend that this unsavory collusion between postal management and the postal craft unions, was designed specifically for the purpose of embarrassing and humiliating this black controlled National Labor Union in the eyes of the thousands of postal employees, thereby providing irreparable harm to our image, and damaging our chances of remaining viable in order that we can effectively compete in representation elections, that are yet to be held by the N.L.R.B.

We have always anticipated and received hostile treatment from the craft unions and we could care less, however, it was surprising to see an agency of the Federal Government, for whom we all work, and who is obligated to respect the laws of the land, take sides with a group of unions against another union which is in direct violation of the law.

It highlights again how deeply racial discrimination is imbedded in so many facets of our system of government.

We feel that we have been treated unjustly, in an illegal manner, and yet, according to words expressed by the judge who rendered the most recent court decision in our case, it was congress who is responsible for our position and not the court, and that it is up to congress to correct whatever injustices that have developed in any area as a result of the enactment of the Postal Reorganization Act.

Therefore, we respectfully call upon this committee to promptly consider legislation which will clear up the question of the rights of postal employees and the unions, during the transitional period that is provided for under provisions of the P.R.A.

In making this request, we do not feel that we are asking for a favor, we are only seeking justice under the law.

In concluding; I wish to repeat a statement which I made to the Postmaster General and his top management people, who were recently in Washington to discuss ways of improving the postal service. The officers and members of the National Alliance of Postal and Federal Employees are committed to assisting in any way that we can, in an all out effort to provide better Postal Service. I stated at that time that I felt that the U.S. Postal Service immediate priority should be to gain the confidence of its employees, I still feel that this is the key to the problem.

Apparently, Postal Reorganization is here to stay. The National Alliance was opposed to it, up to the final vote and we still do not regret our position.

I feel that the future will show that it is the American people who have really lost the most, and who will eventually become the victims of inevitable higher cost for sending a first class letter, while at the same time receiving less than every-day delivery of mail. I hope that this does not happen, however, we might as well be realistic.

On behalf of the National Alliance of Postal and Federal Employees, I wish to thank the committee for listening to our statement.

We will be pleased to answer any questions if we can, that any member of the committee may wish to ask.

AID TO PRESIDENT THIEU: WILL CONGRESS ASSUME ITS RESPONSIBILITY?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. RANGEL. Mr. Speaker, the stories of physical and mental torture that some of our returned prisoners have described are indeed quite shocking. What is just as shocking, however, is the policy the Saigon government is following in regards to its political prisoners.

The Thieu regime now holds, in jails throughout the country, some 50,000 to 200,000 men, women, and children. These people are not criminals—their only crime has been opposing the leadership of President Thieu. Not only are these people being illegally detained, but all sources indicate that the treatment they receive is, in most cases, worse than the horrible treatment that some of the American prisoners received.

Prisoners are subject to beatings, rape, electric shocks, starvation, deliberate withholding of medical treatment, all of which sometimes lead to death. But these are merely a few examples of what happens to a political prisoner.

He may be put into the tiger cages on Con Son Island—cages which were built by an American firm under a U.S. Government contract.

With the advent of the cease-fire, the Saigon government has originated a new policy. It has been reclassifying political prisoners as criminals so they will not have to be released. Because of this practice, a spokesman of South Vietnam recently had the audacity to claim that the government hold no political prisoners.

The man who is responsible for these cruel and inhumane practices was recently in this country seeking economic and military assurances. It is my opinion that any aid to this dictator should be contingent upon a demonstration that all of these present policies will not be continued.

I do not think it is asking too much of President Thieu to allow people to oppose him politically. In South Vietnam today, anyone who disagrees with Thieu may be thrown in jail. It is no secret that the runner-up to President Thieu in the 1968 election has been in prison for the last 5 years and was only recently released.

On January 22, 1973, 5 days before the cease-fire went into effect, President Thieu issued some new "decree laws." Two of these were:

> Arrest and detain those persons who leave those areas controlled by the government in order to go into the communist-controlled zones or vice versa. If they protest, they will be shot.
>
> Detain those persons who are neutralist. They will be taken before a military court as soon as possible.

Clearly, it is not too difficult to get an impression of the type of government that President Thieu runs.

Not only is President Thieu disregarding all humane impulses with his policies toward political prisoners, but he is also violating the peace agreement and, in doing so, decreasing the chances for a successful cease-fire. According to the peace agreement, the question of detained civilian personnel is to be resolved within 90 days. Unless the Thieu regime immediately stops the policy of reclassifying political prisoners the cease-fire will fail. The Vietcong will not tolerate such a blatant violation of the peace agreement.

In many instances, President Thieu's suppression of political liberties, which are embodied in his "decree laws" also violate the peace agreement. Article XI of the agreement, which guarantees democratic liberties in South Vietnam, might as well not exist.

President Nixon said on Tuesday, April 3, after his meeting with President Thieu, that the "United States views violations of any provision of the agreement with great and continuing concern" and that the North Vietnamese "should have no doubt as to the consequences if they fail to comply with the agreement."

The President should view the violations by President Thieu with equal concern.

Some in the Nixon administration hold that what the South Vietnamese do in their internal affairs is no longer our concern. In regards to political prisoners, this is complete nonsense. First of all, the South Vietnamese are violating the cease-fire agreement. Second, as my colleague, Congressman ROBERT DRINAN, of Massachusetts, pointed out on Monday, April 9, these prisoners are being held and tortured in American built prisons and would not even be there if it had not been for this Government.

Recently, two Frenchmen, Jean Pierre Debris and Andre Menras, testified about the conditions that I have described. They are, however, by no means the only source of this information.

On April 3, my colleague, Congressman ROBERT STEELE of Connecticut, aptly criticized Jane Fonda for saying American prisoners were lying when they stated they were tortured. He challenged Miss Fonda to make her statements face to face with the prisoners.

I would like to ask President Thieu, or anyone else who think these atrocities are not taking place to tell these two Frenchmen, or any of the few lucky prisoners who have been released from South Vietnamese jails, face to face, that the torture, death, and tiger cages do not really exist.

The President of the United States could stop these repressive and brutal policies if he so desired. Apparently he does not. It is up to the Congress to stop aid to President Thieu until he demonstrates that these policies toward innocent civilians have ended.

Mr. Speaker, every Member of this body is outraged at the treatment American prisoners received at the hands of their captors in Vietnam. I would hope that given this justifiable outrage at the treatment received by our prisoners of war, every Member will act to remove the support of the United States from a man who orders treatment of innocent civilians that, in most instances, is much worse than what our returning American prisoners were subjected to. By helping these civilian detainees, we will also improve the chances for a successful and lasting peace in Southeast Asia.

NUCLEAR STEAM PROPULSION FOR U.S. MERCHANT FLEETS

HON. M. CALDWELL BUTLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. BUTLER. Mr. Speaker, I would like to call to the attention of the House the recent developments in the national nuclear merchant ship program. American industry today has the technical skill and capacity to build nuclear merchant ships that can be operated efficiently, safely, and economically.

At a recent meeting of the Southern Interstate Nuclear Board in Williamsburg, Va., Mr. Samuel H. Esleeck of the Babcock & Wilcox Co.'s Nuclear Power Generation Division located in Lynchburg, Va., presented a discussion paper on the need for, and the economics of nuclear merchant ships.

At this point I would like to insert Mr. Esleeck's discussion into the RECORD and urge my colleagues to study this very enlightening paper:

NUCLEAR SHIP REACTORS

(A discussion by Samuel H. Esleeck, manager, government markets, at the Southern Interstate Nuclear Board 12th annual meeting, Williamsburg, Va., Mar. 27, 1973)

At lunch today, Mr. Casey of the Maritime Administration discussed the National Nuclear Merchant Ship Program. The Babcock & Wilcox Company is the major reactor manufacturer supporting and participating in this program—and this support has been continuous for well over a decade.

I would like to discuss with you the need for and the economics of nuclear merchant ships. I believe this to be a most appropriate subject for the Southern Interstate Nuclear Board. The states which makeup this board encompass many of the major shipping ports which serve not only the needs of its members but the entire nation as a whole.

Drawing from the lessons learned in nuclear central station power generation plants, it was apparent in the early 1960's that a nuclear power plant for ship propulsion had to be large to be economically competitive. It was equally apparent that ship propulsion power demands were not large enough to make nuclear propulsion attractive in the 60's except for highly specialized purposes and demonstration ships like the *Savannah* and *Otto Hahn.*

The *Savannah* and the *Otto Hahn* were not economically competitive because their power plants were too small, the *Savannah* generated 22,000 SHP and the *Otto Hahn* only 10,000. To be competitive, a power reactor must have a relatively large output. It is a matter of operational fuels savings balancing the incrementally higher capital cost.

Today, high productivity ships such as VLCC's, Containerships, and LNG's require a lot of horsepower to move ever increasing tonnage at high speed. This coupled with the escalating propulsion fuel oil prices makes nuclear power a very competitive propulsion system candidate in the decade of the seventies.

It is not a happy coincidence, but one of the real facts of life, that along with the increase in power requirements and the increases in fuel oil prices, a balance-of-payments deficit and even a foreign trade deficit have appeared. The purchaser of an oil fired vessel of 100,000 SHP or more may be committing himself to a lifetime fuel expenditure of at least 140 million dollars. As much as 75 percent of the propulsion fuel may be imported, thus adding to the deficit in balance of payments over the ship's lifetime. Considering U.S. tanker requirements only, by the end of this decade, the balance-of-payments deficit from propulsion fuel alone could be more than one billion dollars a year. A nuclear merchant ship with an American built reactor will obtain all its fuel from U.S. sources. It will consume approximately 25 million dollars worth of nuclear fuel in its lifetime, thus contributing to the U.S. economy and reducing the foreign trade deficit. Nuclear fuel can be obtained from competitive sources in the U.S. and on long-term contracts if desired.

NUCLEAR POWER—WE'RE THERE TODAY

The basic research and development stage of nuclear powered steam ships is well behind us. American industry has the technical skill and capacity to build nuclear ships that can be operated efficiently, safely, and economically. Shipbuilders and ship operators are giving serious consideration to the nuclear alternative. B&W firmly believes that now is the time to capitalize on nuclear power to support the rebuilding of our U.S. Merchant Fleet and for the following reasons:

1. We Have The Technical Know-How;
2. Nuclear Ships Are Economically Competitive;
3. Maritime Crews are Readily Trained For Nuclear;
4. Nuclear Power Is Clean And Safe; and
5. Nuclear Powered Ships Are Needed.

Now, I would like to elaborate on these reasons.

1. We Have The Technical Know-How

In 1955 B&W started its commercial nuclear maritime program with the nuclear contract for the N.S. SAVANNAH. The technical feasibility and foreign port acceptability of nuclear propulsion was proven by SAVANNAH's cruising some half a million miles while opening over forty foreign ports to nuclear power. Her B&W power plant worked flawlessly with an at-sea availability of 99.88 percent.

In addition, West Germany has had similar success with the OTTO HAHN that uses an advanced pressurized water reactor of B&W (U.S.A.) design.

2. Nuclear Ships Are Economically Competitive

Nuclear-powered ships are now economically competitive at power levels from 100,000 SHP and have real promise down into the range of 40,000 SHP. Nuclear fuel prices are declining while those of fossil fuel are rising.

Bunker C fuel oil ships has doubled in price in recent years. By 1975, the cost per barrel may be from $5.00 to $6.00. On the other hand, nuclear fuel is showing continued stability and improvement in both cost and supply.

At the $4.50 per barrel mark for oil, nuclear ships would be competitive at about 80,000 SHP; at $6.00, the whole commercial maritime market would be open to nuclear power plants. In addition, nuclear fuel has the added advantage of originating here, in the U.S.A. As I stated before, this is a factor in reducing the U.S. balance of payments deficit, a major consideration in continued government support of the program.

Today's fossil-fueled tankers and containerships can be replaced with fewer, high-speed nuclear ships that decrease total fleet capital costs for the same transport capability. For example, our studies show that five high-speed nuclear tankers can do the job of eight fossil-fueled tankers.

3. Maritime crews are readily trained for nuclear

Crews capable of running nuclear ships can be trained without difficulty. Experience with the SAVANNAH and the OTTO HAHN demonstrated that the skills required to operate a nuclear reactor can be provided by cross-training qualified marine personnel. Only a modest increase in crew size may be required.

4. Nuclear power is clean and safe

The nations of the world are growing increasingly conscious of the effects of pollution—both within their own boundaries and on the high seas. Regulations restricting the dumping of a wide variety of shipboard wastes are today a reality, and all indications point to even more stringent regulations in years to come.

There is little question that the ultimate answer to many of these problems affecting merchant shipping is the eventual widespread use of nuclear power. For example, there is no oily fuel ballast, smoke, or soot discharged. Today's modern marine nuclear power plant is inherently cleaner than conventional fossil-fueled systems.

The nuclear power industry has an outstanding safety record of over ten years of safe commercial operations while logging over 150 billion kilowatt-hours. There are about 150 large central station nuclear plants in operation, under construction, or on order in the United States. Incidentally, they will generate the equivalent power of 1500 maritime reactors of 120,000 SHP each.

5. Nuclear-powered ships are needed

The need for nuclear-powered maritime shipping has never been more apparent than now as continuing economic pressure forces a trend toward greater horsepower and increased reliability.

To be more specific, there are at least three major ship classes in which nuclear power can today make an economic penetration; tankers, containerships, and LNG (Liquefied Natural Gas) carriers.

(a) *Tankers*—This is the class of ship that is monopolizing the world's shipbuilding capability, both in size and number. Ten years ago a tanker of 100,000 DWT would have been considered a Goliath of the sea. Today there are eight in operation that are over 300,000 DWT and in the last year over 50 have been ordered in excess of 300,000 tons with the larger ones in excess of 500,000 tons.

For the remainder of the decade it is expected that two basic tanker sizes will emerge, a 400,000 DWT class and a 600,000 DWT class.

The escalating world oil consumption coupled with the geographical shift in dependency to known reserves in the Middle East has brought about this mammoth worldwide tanker ship building program. To better understand the "why's" of this tanker market and how nuclear power can make an economical as well as a national contribution we should take a more in-depth look at the situation.

Let's look at the world projected oil consumptions. Projections which are a composite of petroleum companies, financial institutions, labor-management, and Government projections. From the projection it can be seen that the world demand is going from approximately 46 million barrels per day in the early seventies to over 100 million barrels per day in the early eighties. Note that the U.S.A. and Western Europe together require about half of the worlds needs. Getting closer to home, it can be seen that the U.S.A. demands are nearly doubling in this same period of time, going from about 14 to 27 million barrels per day. Of major interest is our import needs, rising from 4 million barrels per day in 1972 to over 16 million barrels per day by 1985. This assumes that the North Slope oil fields in Alaska will be fully productive by the late seventies.

The questions we must ask, is where is the oil coming from and how do we get it here? First let's look at the Free World known oil reserves, two-thirds is in the Middle East, that is, Persian Gulf countries which are some 12,000 miles away from the U.S.A. If you relate known reserves to projected demands it becomes rather easy to project tanker tonnage requirements. This tonnage growth rate requirement is already reflected in the worlds largest shipbuilding boom. As a minimum—some 25,000,000 tons per year are required for at least the next 10 to 15 years. Of major interest is that the U.S.A. has not produced more then 800,000 tons total maritime in any year since world war II. It is doubtful that we can build 5 percent of the worlds tanker requirement.

This marine tonnage dictates high productivity ships. For example, if our petroleum companies stayed with the so-called super tankers, that is 250,000 DWT, in order to meet our projected imports from the Persian Gulf, in the early 1980's we would have a tanker coming and going every 30 miles across the Pacific Ocean, some 12,000 miles of "floating pipe lines". This of course is an almost impossible logistic situation. We must remember that today there is not a single port in the U.S.A. that can accept a fully loaded tanker of about 125,000 DWT much less 400,000 or 600,000. These large tankers draw between 60 and 90 feet of water. American harbors have maximum channel depths of about 45 feet. Therefore these tankers will have to be unloaded off-shore. At the present time there are no U.S.A. off-shore terminals. Some are being built in the Caribbean—the Bahamas and Haiti. I think this is of major interest to the SINB, not just as major users of our imported petroleum but as potential sites for off-shore terminals and/or unload-facilities.

How can nuclear propulsion help in this oil transport situation? Any Naval Architect will tell you that a conventional fired tanker optimum speed is around 15 or 16 knots. It is a complicated operational and design consideration that dictates this historical speed—therefore increased productivity can come from size increase only. The factors which dictate 15 or 16 knots do not apply to nuclear power, therefore nuclear power can increase productivity by increasing ship speed as well as increasing ship size. The basic economics for nuclear tankers can be demonstrated in one example. A 400,000 DWT nuclear tanker can deliver at least 30 percent more cargo while still maintaining a sizeable fuel savings, both in dollars and propulsion fuel availability. We are working with several of the major oil companies on this problem and we expect high speed productivity nuclear tankers to be a reality in the very near future.

Briefly I would like to discuss two other major ship applications for nuclear power, they are the containerships and the LNG's.

(b) *Containerships*—The United States pioneered containerization, and high-speed, large power containerships are already a reality. The economics for the nuclear high-speed containership can be shown on fuel savings alone, without the favorable considerations of ecology, ballasting, and sustained high speed on long trade routes. In its twenty-year life, the 120,000 SHP, high-speed containership may have a nuclear fuel savings of 140 million dollars.

(3) *Liquefied Natural Gas*—If ever a ship was economically dependent on high speed and efficient delivery of its product, it is the LNG carrier.

The use of imported liquefied natural gas as an energy source supplement is a constantly increasing reality. From numerous industry projections, by 1985–1990, a minimum of 100 additional LNG ships of the 120,000 cubic meter size will be required to meet the USA's projected import requirements. Assuming ship delivery starting in early 1977, this requires an annual ship construction rate of approximately 10 ships per year.

If the required LNG carriers were 120,000 SHP nuclear-powered vessels, approximately 70 with a capability of 27 knots would be required. In all cost categories, capital, operating, and fuel, the nuclear LNG fleet costs will be less than the conventional LNG fleet.

THE NATIONAL NUCLEAR SHIP PROGRAM

The cost and performance analyses that I have covered represent the results of a concerted effort which has come about via the National Nuclear Ship Program under the leadership of MARAD.

The work to date has included the combined efforts of MARAD, Babcock & Wilcox, General Electric Marine Turbine and Gear Department, George Sharp Naval Architect, and National Steel and Shipbuilding Company. GE has not been a contractor but has performed needed engineering and donated propulsion machinery data and cost. This team has worked very closely with the U.S. Atomic Energy Commission and the U.S. Coast Guard relative to licensing and regulatory requirements. Preliminary discussions have been held with the U.S. State Department concerning international and foreign port entry requirements. B&W, as the power plant designer and licensor of the OTTO HAHN, has obtained design and up-to-date operating data from this ship.

The program is proceeding on schedule and we anticipate the contractual start of construction for at least three nuclear merchant ships this year.

U.S. SHIP OPERATORS' REACTION TO NUCLEAR-PROPELLED SHIP

Since October 1971 we have been presenting the merits and advantages of nuclear merchant ships to American owners and operators. We have worked with and made detailed presentations, to senior executives of firms which own and/or operate tankers, containerships, LNG's and other type ships. Without exception, the American ship owners contacted accept and agree with the technical and economical feasibility of nuclear-propelled ships. Also, almost without exception, they ask the following questions:

1. Can we obtain Construction Differential Subsidy under the Merchant Marine Act of 1970 and if so, how much and on what basis will it be determined?

2. U.S. tanker operators with foreign flag ships want to know what can be done about the provision in the Merchant Marine Act of 1970 that requires them to divest themselves of such ships in 20 years if they accept subsidy.

3. While American manufacturers can be counted on to meet equipment delivery schedules, what assurance is there that the ships will go into operation in a timely manner? Will regulatory approvals be timely, or will they be delayed as in the present-day land-based nuclear electrical generation plants? One can anticipate that licensing of the first ship would be applicable to all additional ships of the same class, size, and power because the siting and operational problems would be the same.

4. There is an additional financial burden associated with the first nuclear ships resulting from potential delays in operation associated with such a new venture. Is Incentive Support available that can reduce the risk? For example, a nuclear ship will cost approximately 20 million dollars more to construct than its contemporary counterpart. Will the Government make available this 20 million dollars for each of the first three ships, perhaps on some form of pay-back plan from the owner's net nuclear fuel savings?

The resolution of these questions depends in part on the actions of Congress and the Executive Branch of the Government. However, the U.S. Government cannot be expected to take positive action relative to these questions without the open, energetic support of the marine community.

It appears that Incentive Support, over and above subsidy, loaned on an operational pay-back principle, is not only warranted, it is probably the single most important action that can be taken to launch America's nuclear maritime.

We believe that now is the time to capitalize on nuclear power for our U.S. Merchant Fleet. What is needed is a willingness of the operating industry to join with the Government and supporting industry to make the National Nuclear Ship Program a success. There is a real opportunity facing all of us in the 1970's and beyond. It is an opportunity for America to recapture leadership on the high seas. The Babcock & Wilcox Company sees this as a major challenge of the decade and is working to make it happen.

(NOTE.—Two charts which followed not reproduced in the RECORD.)

Free world known oil reserves

Area:	Percent
Alaska	2
Canada	2
Continental United States	5
Western Europe	1
Africa	15
Latin America	5
Middle East	67
Far East	3

World tanker requirements

Minimum: 1975, 205,000,000 Dwt.; 1980, 302,000,000 Dwt.

Minimum growth rate: 25,000,000 Dwt./year; at 400,000 Dwt. each, 63 ships/year; at 250,000 Dwt. each, 100 ships/year.

1980 tanker trade routes

To:	Percent
United States	29
Western Europe	39
Japan	17
Other	15
From: Middle East	88

ECONOMICS CONSIDERED BY TANKER OPERATORS

[400,000 DWT tanker]

	Speed knots	Persian gulf trips per year	SHP	Annual fuel cost (dollars)		
				At $4 per barrel	At $5 per barrel	At $6 per barrel
Fossil	15.5	5	65,000	$2,900,000	$3,600,000	$4,300,000
Nuclear	19.0	[1] 6½	120,000	1,300,000	1,300,000	1,300,000

[1] Additional productivity (30 percent) will more than pay for additional capital cost (22 percent).

PROPOSED RESOLUTION ON CONGRESSIONAL REFORM FROM THE COMMITTEE ON JUSTICE AND PEACE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. KOCH. Mr. Speaker, it gives me great pleasure today to insert into the CONGRESSIONAL RECORD a resolution that was approved by the Committee on Justice and Peace and the executive board of the Central Conference of American Rabbis. This resolution will be submitted to the entire conference for a vote at its annual convention in June in Atlanta, Ga. Five hundred rabbis from all over the country and the world will be attending the June convention.

I wholeheartedly support this resolution which states that—

> To maintain a vigorous, responsive democracy, the traditional balance in the division of powers devised by the Founding Fathers must be restored.

It is certainly my desire for Congress to take more initiative than it has in the past few years. The executive branch has become more and more powerful, and I do believe a balancing process is very justifiable. I am supporting several bills in an attempt to incorporate this idea into law.

One measure, H.R. 1760, would require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds. The bill also provides a procedure under which the House and the Senate may approve the President's action or require the President to cease such action. Another bill, H.R. 3124, is legislation to provide that meetings of Government agencies and congressional committees and the transcripts of these meetings be open to the public. And, a third bill, H.R. 4401, would create a new Office of Budget and Expenditure Oversight in a newly reconstituted General Accounting Office.

The officials of the GAO and the agency would be nominated and appointed by Congress and the agency would have full control of the budget process. It would have the power to block spending not consistent with the intent of Congress and to compel the Executive to carry out programs and spending as Congress has mandated. It would also have subpena power to gather any information from the Executive that Congress deems necessary and proper to the discharge of its legislative responsibilities.

At this time I would like to insert into the RECORD the full text of this resolution:

PROPOSED RESOLUTION ON CONGRESSIONAL REFORM FROM COMMITTEE ON JUSTICE AND PEACE

Jewish tradition teaches us that one of our highest values is liberty. Jewish history teaches that Judaism and the Jewish people thrive and live free of oppression in a free society.

The United States Congress is the closest link of the American people to its government. To maintain a vigorous, responsive democracy, the traditional balance in the division of powers devised by the founding fathers must be restored.

The Central Conference of American Rabbis expresses its deep concern at the growth of power of the Executive Branch of the United States Government at the expense of the power of Congress.

Congress must execute those long-overdue reforms which will allow both Houses to function with efficiency and assertion of authority in proper balance with the Executive Branch.

We call upon the Congress to work those reforms without further delay, and to insist that the Executive Branch carry out its mandates. Should the Executive continue to thwart the will of Congress and to abrogate to itself powers and functions properly belonging to the Congress, we urge the use of contempt proceedings.

We authorize the Conference to affiliate with the National Coalition for Congressional Reform.

IMPROVEMENT IN POSTAL SERVICE NEEDED

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. CULVER. Mr. Speaker, I have been concerned about the deterioration of our mail service and recently submitted a statement to the House Subcommittee on Postal Service on this important subject which I am inserting in the RECORD for the consideration of others concerned about this matter:

STATEMENT OF THE HONORABLE JOHN C. CULVER

At the time the U.S. Post Office became a quasi-independent corporation in 1970, it was intended that the change in organization also would signify a change in operation. It was hoped that in addition to changing the name from the Post *Office* to the Postal *Service*, there would be a shift of emphasis to a better, more efficient postal service. While many improvements have been made, it is clear that the new U.S. Postal Service is not providing the improved mail delivery service which the public is entitled to expect.

The deterioration of service is evident to everyone who uses the mail system. Mail delivery is often erratic and is increasingly undependable. In far too may cases, it takes too long for mail to reach its destination and, in some cases, mail simply never gets delivered. Many packages also are damaged en route. In short, there has been a serious, general decline in the quality of mail service.

An extraordinarily high level of complaints from the general public has resulted. Impaired service affects all types of postal users. Anyone who uses the mail system to transmit material, convey information or correspond with friends is affected by unreasonable delay of mail delivery. Slow mail not only causes unnecessary inconveniences and other personal hardships, but also often results in substantial economic loss.

Members of Congress are being deluged by complaints from the general public on mail service. I would like to cite a few examples from letters received in my office:

A man in Postville, Iowa wrote that after an Area Mail Processing program went into effect in that town, mail came later—a fact which was verified by the Postal Service—and the delivery time was longer.

A woman in Clinton, Iowa reported that it took over a week for an important letter about prospective employment positions to reach her son only 60 miles away.

A state representative in Iowa advised that a two day delivery time was necessary for a letter traveling only 15 miles between two Iowa towns.

An executive officer of a national nonprofit organization informed me that increases in the second class nonprofit rates are causing financial hardships for many civic, church, charitable, and other worthwhile nonprofit organizations.

A publisher of an important Iowa daily newspaper wrote of the publishing difficulties caused by slow mail delivery of newspaper columns and other material sent from a news service located in New York.

These are but a few of the examples of the many daily letters received by each Member on this subject. These complaints convince me of the need for Congressional review of the operational problems of the Postal Service, and I welcome this committee's efforts in this regard.

I recognize that the goal of providing quality mail service to every American at a reasonable cost is a staggering task, and that the problems besetting the Postal Service are complex. Nevertheless, I believe the Postal Service should be striving for a higher standard of performance. For example, a letter mailed within a 500 mile radius should be delivered the next day, and it should take no longer than three days to deliver a first class letter to any part of the nation. In addition, except for Sunday, postal window and carrier service should be offered daily.

I hope that these hearings cause an intensive review of postal policies and result in sound recommendations for improvement of our mail service. It ought to be the objective of the Postal Service to provide the nation with prompt, reliable and efficient service to postal patrons in all parts of the country at a reasonable cost to the taxpayer. At the present time, the Postal Service is clearly not meeting this objective. I commend this committee for its initiative in studying this important area of public concern, and I earnestly hope that we will see an improvement in postal service in the future.

WAR POWERS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Ms. ABZUG. Mr. Speaker, while it is essential that the Congress give careful and lengthy consideration to the creeping growth of presidential war powers, one aspect of the subject is of immediate urgency—the present use of those powers in Southeast Asia. During the recent hearings of the Subcommittee on National Security of the House Foreign Affairs Committee, it was my privilege to present the following testimony on that point:

TESTIMONY OF MS. ABZUG

Mr. Chairman, it is strange that we have reached the point of extended debate over "war powers." It is strange, that is, if we are still a Constitutional democracy; for the Constitution states without qualification that "the Congress shall have the power * * * to declare war." There is nothing in the Constitution that authorizes Presidential wars. Yet that is what we have had and are still enduring in Indochina. After the signing of a cease-fire agreement in Vietnam, the President continues to bomb Cambodia daily. He threatens to resume American bombing in North and South Vietnam also, despite the often-expressed demand of an overwhelming majority of Americans, that we get out of Southeast Asia and stay out.

It is strange that one man has such power. The Founding Fathers would never have believed it. They envisioned a system in which a vote meant something and was not just a parody of participation in making decisions. This President makes all the decisions, alone, often against the advice even of his own advisers—who then have to scurry around to find legal justification for what he has done. They can't find such justifications, bult that doesn't stop Mr. Nixon from continuing to do as he pleases.

It is strange that the Congress seems powerless to stop him. We have the power: that, too, was provided in the Constitution. Congress has the ultimate power, the "power of the purse"—if we had the will, we could put a stop to this madness at once by cutting off all funds for present and future ventures in Indochina.

We could have the backing and the enthusiastic support of a vast majority of our constituents. No war in America's history has ever been so unpopular. The repeal of the Tonkin Gulf resolution repealed every vestige of authorization by Congress for Presidential wars—and essentially admitted error in having been tricked into passing the Resolution in the first place. There is every evidence that prolonging or renewing this war will meet with tremendous resistance, not just from peace groups, but from moderates and conservatives as well.

Before the cease-fire agreement, the Senate twice passed measures to cut off funds, but the House, fearing that such action would endanger our troops and impede the President's peace efforts, refused to pass similar legislation. By this time, it is surely clear to all that, whether or not the President's peace efforts were sincere, they did not work. There is no peace in S.E. Asia; there is not even a cease-fire in Vietnam. Both sides go on shooting, each blaming the other. Undoubtedly, both sides *do* violate the cease-fire; but that is not a problem that can or should be settled by American bombs.

If we are to avoid continued involvement, the Congress must take firm control of American intervention in the affairs of other nations.

I have introduced two bills that would have this effect in the Asian situation, H.R. 3578, would terminate all military and paramilitary assistance to the nations of Indochina. This specifically includes funding for military activities of such agencies as the CIA and AID, whose activities have often served as a covert substitute for a declaration of war. Political subversion and assassination in other lands should not be paid for by American taxpayers. Yet we have seen it happen, not only in S.E. Asia, but in South America, and the Dominican Republic.

My second bill, H.R. 5821, would require Congressional authorization for the re-involvement of American forces in Indochina.

The problem I find with the other bills that have been introduced to cope with this situation is that Congressional sanction would be applied for any armed intervention *longer than 30 days*. This last provision invalidates the whole concept. Within 30 days, as we have seen all over the globe, a well-supplied army can overthrow practically any government and substitute a more friendly one. This is precisely what the ITT and the US government planned in such countries as Chile. What point is there in allowing this to happen, and then asking Congress to rubber-stamp it? Is it conceivable that at such a point, Congress will cut off funds for our troops backing the new, "friendly" government? We have been caught in that trap for the last decade. We should have learned something from it.

The Congress should demand that the President receive specific authorization *prior* to intervention in the affairs of other nations. We are now discovering that a great deal of intervention has been going on, without public accountability, in a number of countries. One might call it pre-war intervention. United States dollars and military aid continue to prop up shaky regimes around the world. When they fall—as Cambodia's seems about to do—we find ourselves committed by Presidential decisions to war, by whatever name. This is clearly an unconstitutional exercise of war powers which the Congress can act to prevent before, not after, conflagrations occur.

Apart from pragmatic results, there is the basic necessity for establishing the *principle* of Congressional authority. This country is traveling down a dangerous road, in allowing more and more power to be concentrated in one man's hands. Can we name any country where this trend has not ended in dictatorship?

What reason have we to believe that it will be different here? Before we leap to cite the safeguards of democracy, we should look to see just what is happening to those safeguards. Opponents of the present administration are not yet in jail in any great numbers, but they have certainly been silenced. Under threat of losing licenses, broadcast media have imposed an uneasy "self-censorship." News reporters who will not disclose their sources *are* being jailed—which means that sources are drying up. "Executive privilege" is being used to cover—we know not what, for those close to the President are being protected from disclosing their role in the Watergate bugging and break-in. Impoundment of funds already appropriated for social services, is being used as a way to keep the poor from getting too knowledgeable in organizing. Mr. Nixon's proposed budget cuts would finish off all hope that moderate and low-income people can make it in this inflated economy. Only the rich will make it—and that too is characteristic of dictatorships.

The course of least resistance is to allow ourselves to continue on this downhill slide. It is not easy, having relinquished our power, to regain it. But it is the one significant act that can change the course of history for decades to come. And the time to act is now, before it is too late.

JOHN LORD O'BRIAN

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. DULSKI. Mr. Speaker, on Wednesday I had the sad duty to inform my colleagues of the passing of John Lord O'Brian, one of the most distinguished attorneys and public servants of the 20th century.

Mr. O'Brian, at the age of 98, had been at his desk as usual in his Washington office the previous Wednesday. It was later in that day that he fell in his apartment and suffered fractured ribs, leading to his death on April 11.

Mr. Speaker, I detailed earlier some of the highlights of this remarkable man's career in his home city of Buffalo, N.Y., in our State Capital, and particularly in our Nation's Capital.

Today, as a supplement, I include with my remarks two excellent editorials on Mr. O'Brian:

[From the Buffalo (N.Y.) Evening News, Apr. 11, 1973]

John Lord O'Brian

Superlatives come readily and accurately to mind in assessing the remarkably full and productive life of John Lord O'Brian. He was perhaps Buffalo's most distinguished contemporary native son. He was certainly one of the nation's most outstanding lawyers of the 20th Century.

Pubic service and the law were his primary interests and he was still practicing law in Washington a week before his death at 98. His service in high governmental posts under six presidents of both political parties, starting with Theodore Roosevelt, reflected equally his dedication to the national interest and his brilliance as a lawyer-administrator.

Older citizens will most fully appreciate the significance of his role in successfully defending the constitutionality of the Tennessee Valley Authority before the Supreme Court and in assisting the war effort during World War II as general counsel for the War Production Board. Here in Buffalo he greatly enhanced the vigor of community life through his exceptional services to the University of Buffalo and to the Episcopal Diocese of Western New York, among other major local institutions.

We can think of no finer or more authoritative tribute to Mr. O'Brian than this characterization of him in the published memoirs of Arthur Krock, the retired veteran Washington correspondent and columnist:

"He is the leader and the dean of the bar of the Supreme Court and the nation; a public servant extraordinary who in two declared and two undeclared wars lent his wisdom, learning and professional eminence to serve the national interest: The most authentic liberal in the classic tradition that I have ever known."

[From the Washington Post, Apr. 12, 1973]

John Lord O'Brian

What a superb life John Lord O'Brian lived. Until the very moment when death took him at the age of 98, his years were filled with kindness and with love, with striving for great goals, and with hard and useful work. Although the relative obscurity of his old age left him unknown to a younger generation he exercised great power and responsibility in public affairs, rose to the very summit of his profession, the law, and was all but universally regarded by his contemporaries as an embodiment of the law's best values and traditions.

John Lord O'Brian did almost everything that a lawyer could do. He served a term as a United States Attorney. He was a protege of Al Smith in the New York State Assembly. During World I he headed the War Emergency Division in the Department of Justice and in World War II he served as general counsel for the Office of Production Management.

In between these assignments, he ran the Justice Department's Antitrust Division, and, though a Republican, toughly pursued suits against corporations that were lavish contributors to Republican campaign chests. When he left government services, he embarked, at 71, upon an active career in private practice as a senior partner in the Covington and Burling law firm.

In 1955, Mr. O'Brian delivered the Godkin Lectures on the "Essentials of Free Government and the Duties of the Citizen" at Harvard University. He used the occasion to express the dismay and contempt which so fastidious and principled a lawyer was bound to feel regarding the incursions on individual liberties countenanced in the name of national security. Surveying the activities of certain congressional investigating committees, of the FBI and of the federal employee loyalty-security program, he declared: "These far-flung regulations illustrate again the truth that once the power is given to government officials to inquire into the associations and opinions of private individuals, there is literally no limit to the expansion of inquisitions and the injustice which must inevitably result."

The Godkin lectures, with the prod they gave to the country's conscience, may well have been John Lord O'Brian's most important public service. "In a democracy," he remarked "there is always latent the cancer of indifference and apathy . . . But what is significant above all other developments is that whenever political or social issues are clarified and take on the aspect of a moral issue, the American public react promptly and powerfully."

John Lord O'Brian was genuinely a man for all seasons—cultivated, sensitive, wonderfully quiet and sweet and gentle, yet magnificently strong. He understood the full import of the term "national honor." It is in the capacity of this country occasionally to produce such a man that the best hope for the future is to be found.

LEGAL SERVICES REPRESENTS UNION

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. TREEN. Mr. Speaker, an article in the Bangor, Maine, Daily News recently brought to light the most disturbing fact that a legal services program funded by the Federal Office of Economic Opportunity was representing a labor union.

The lawyer who represented the OEO-funded program received permission to be counsel for the Caribou, Maine, union and its members. The union was striking American Kitchens, Inc. The lawyer was eventually relieved of his duties.

I am shocked to hear of this example of gross mismanagement of public funds which left OEO as funds to aid the poor. I certainly see no reason for the taxpayers to subsidize one side in a political dispute between labor and management. That OEO funds were abused in this way is a grave disservice to the poor of our country.

This is one more example which illustrates why the legal services program should be completely restructured.

The article follows:

[From the Bangor (Maine) Daily News, Mar. 14, 1973]

Pine Tree Fires Presque Isle Lawyer

Presque Isle.—Staff attorney Don Fontaine of Portland was said Tuesday to have been assigned to the local office of Pine Tree Legal Assistance, Inc., "for the next five or six weeks," following the dismissal of Staff Attorney Tom Kapantais.

Pine Tree executive Director Dennison Ray could not be located in Portland to determine why Kapantais had been fired.

Usually informed sources speculated that Kapantais' firing may have resulted because of an active role which the attorney played in assisting union members on strike in Caribou during the past week.

The strike against the former American Kitchen Foods, Inc., potato processing plant ended Tuesday when the workers voted to accept company-union proposals and returned to work.

Kapantais said the he was notified Monday by Fontaine that "I'm through, that's all." The former Pine Tree lawyer said he was not given a reason.

Kapantais was the only attorney assigned here by the Portland-based legal assistance group that works in conjunction with community action programs.

Kapantais said he had been fired on orders of Ray.

The lawyer said he received a verbal okay form Ray March 7 to represent the Caribou union and its members, on behalf of Pine Trees. Kapantais explained that Ray actually fired him by telephone Friday and that a telephone call from Fontaine Monday confirmed this.

Kapantais said he was told over the weekend by an official of J–S Industries that the official was going to go to OEO and get Kapantais' job for the latter's role in the strike.

J-S Industries with headquarters in Rosalyn, N.Y., operates one of the world's largest potato factories here, Potato Service, Inc., has numerous other holdings and on March 6 completed purchase in Caribou of American Ktichen Foods, Inc.

Union workers at AKF went on strike March 7 after some 100 to 150 of their members had been fired.

Asked whether he thought J-S Industries played a role in getting him fired, Kapantais replied, "I won't elaborate except to say that Mr. Ray started his professional career working for Cravath, Swain and Moore, the second largest corporate law firm in New York City, and he may find it difficult to break those ties."

A REALISTIC LOOK AT OUR ENERGY NEEDS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. KOCH. Mr. Speaker, I am inserting for the consideration of my colleagues the following article by Bartle Bull, which appeared in the Village Voice and which offers a refreshing reassessment of our real energy needs:

Energy and Dollar Crises—The Gnomes of Abu Dhabi

(By Bartle Bull)

Unless President Nixon's imminent energy message is rich in instant enlightenment, present administration policies will see to it that by 1980 the oil-exporting Arab nations will hold in their treasuries the largest hoard of money ever accumulated in the history of the world. Conservatively estimated at $175 billion, this immense floating resource will have the capacity to dominate the world's exchange and investment markets, to acquire major international industries, and to force foreign policy decisions from Israel to Japan.

Total deposits of every bank in the United States total only $595 billion, and $175 billion in Arab camelbags would far exceed the total national reserves of the United States, Germany, and Japan. Faced with economic domination by Sheikh Sabah, Sheikh Zayed, Shah Pahlevi, and King Faisal, the layman might conclude that even the most hysterical environmentalist makes sense when he asks if we really have to move a 4000-pound metal dinosaur in order to transport a 150-pound biped.

For some time it has been fashionable in pointy-headed circles to deplore highways and automobiles, mostly on arguments of environment, social concern, and even taste. But the Rotarians in Detroit and the White House instinctively know there's money in gas and cement, and to protect the automobile economy Henry Ford and George Meany are prepared to fight to the last consumer. While it is shocking to imagine that the oil, automobile and highway lobbies are in bed together (not to mention Jimmy Hoffa's teamsters and all those beautiful Fords), it is clear that their message has reached the White House.

Of Nixon's original 12 cabinet appointments, four came from the construction industry, and with Peter Brennan now digging in as Secretary of Labor we can expect the construction boondoggles he and Rockefeller perfected in New York to flower on a national basis. Despite some timid concessions, the Highway Trust Fund preserves its virginity, Nixon is now planning the biggest road program in the history of the world, and last year we attained the record obscenity of an 11-million-car year. Only in America is the passage of the earth around the sun recorded in terms of automobile production.

Despite all this, the pointy-headed environmentalists should break bread with the Rotarians, because the reality is that over-dependence on highways and cars isn't just bad for the whopping cranes in Louisiana and their protectors in Brooklyn Heights, it's bad for the godlike economy itself. To reduce it to board room simplicity, more cars need more gas, more gas means more imports, more imports mean worse trade balances, bad trade balances mean devaluation and less dollar confidence, which means inflation, high interest rates, a shaky stock market, and all the rest. Add to this the increasing dependency on Arab and Soviet energy resources (as the National Review recently perceived with horror), enormous dollar assets hovering abroad in unpredictable hands, and even the bravest cold warrior should start throwing sand in the Detroit gears.

The source of the problem is the survival of that frontier neanderthal, the American growth ethic, forever embalmed in the mandate of the Federal Power Commission to ensure an "abundant" and "economic" supply of power. With six per cent of the earth's population, the United States is devouring 35 per cent of the energy consumed by the entire world. As the recent flood of "public service advertising" by the oil companies assures us, the nation's energy "requirements" will double by 1985 and quadruple by 2000.

To keep this beast growing, the present national non-plan calls for the devastation of the American West by strip mining, the destruction of coasts and marine life by oil spills and offshore drilling, the construction of hazardous nuclear plants and the perpetual shortage of their immense radioactive wastes, the sacrifice of hundreds of thousands of acres to pipelines and transmission lines, and economic dependency on the Arab world, to name a few of the more certain and dramatic costs.

Sound energy policy and fiscal health are not the incompatible creatures suggested by Administration Victoriana like Agriculture's Earl Butz and Herbert Stein of the Council of Economic Advisers, who find it easier to ridicule environmentalists as "sentimentalists" and "myopics" than to develop a comprehensive approach to related environmental and economic realities. As yet there has not even been either an unmotivated, systematic inventory of America's energy resources, or a coherent national study of ways to estimate and reduce energy needs (as opposed to self-serving estimates of energy "demand"). A disinterested commission is needed now to carry out these fundamental functions, to be followed by adequate funding or tax incentives for research into new sources like solar, geothermal, and fusion energy. The energy crisis is largely a crisis of political leadership, and to understand this monstrous spectacle, to relate energy alternatives and the dollar crisis, we must review the familiar environmental horrors from a new perspective.

Of present energy consumption, 55 per cent goes to commerce and industry, 20 per cent to households, and 25 per cent to transportation. About 44 per cent of the energy comes from oil, 32 per cent from natural gas, 19 per cent from coal, four per cent from water, and one per cent from nuclear sources. Each of these sources has its limitations. We have already used up the more accessible half of our continental oil reserves, and only have enough left for 10 more years. According to the proven recoverable reserve figures of the United States Geological Survey, we have enough natural gas left for 11 years, and enough uranium for 13 years.

There are now 29 operational nuclear fission reactors, with up to 1000 planned by the year 2000. Each produces deadly wastes with a radioactive life ranging from a few centuries to over 200,000 years. In December the Vernon, Vermont, plant was cut to half capacity when it began generating high levels of radiation, and Detroit's Fermi fast breeder reactor has been shut down after generating electricity for only 26 days since it was first turned on in 1963. A major accident there in 1966 took four years to repair, and other problems with reactor fuel rods have deplayed plants all over the country. The beloved Readers Digest reports there already have been at least seven fatal reactor accidents, and nuclear physicist Ralph Lapp, former Assistant Director of the Argonne National Laboratory, warns "it appears a certainty we will have a serious nuclear accident before the year 2000." In the meantime, conventional reactors won't be delivering substantial energy for several years, and fast breeder and fusion energy are even further away.

Apart from shale oil (whose recovery costs are still too high), and largely undeveloped resources like geothermal and solar power, this leaves coal as the real source of abundant domestic power, and oil as the essential import. We have enough coal to last for 500 years, but coal means strip mining and already an area twice the size of Delaware has been destroyed by stripping. States like West Virginia have sold their treasure and beauty to this process, and although Pennsylvania has a few more years to give, the action now is in the West. The scale of the proposed stripping is almost literally unimaginable. Within 25 years strip mining will have made the West unrecognizable.

To date the worst atrocity is at Black Mesa in Arizona, where the sacred land of the Hopi Indians, now an open pit mine, is the single largest source of coal in the United States. The adjacent Four Corners power plant is the largest coal burning facility in the western hemisphere and generates more particulate waste than the city of Los Angeles. It already consumes 25,000 tons of coal daily, and immense volumes of needed desert water. Doctors complain of Four Corners' fallout in towns more than 50 miles away, and the Gemini XII astronauts said its cloudy black plume was the only work of man visible from the moon. Five more such plants are under way in the Southwest, and worse is yet to come in Wyoming, Montana, and the Dakotas.

The proposed North Central Power Project (NCPP), in northern Wyoming, which will ultimately appear in a different name and a less centralized form due to environmental opposition, will dwarf Four Corners and will consume two-thirds of the total amount of coal now used by every electrical generating station in the United States. The NCPP or its successor developments will generate more electricity than the total present output of either Japan, Germany, or Great Britain. Gillette, Wyoming, will be the world's third ranking electrical power after the Soviet Union and the rest of the United States. Power lost in traveling over the extended transmission lines to cities like St. Louis will be greater than the present peak power demands of Manhattan. An area half the size of Rhode Island will be strip-mined to feed the plants, and immense volumes of water to cool the generators will be drained from the Yellowstone River and the major rivers of Montana. Electric transmission lines will fan out to cover 4800 square miles, an area roughly the size of Connecticut.

About 85 per cent of the low-sulphur coal in the United States is located on public lands in the West under the regulatory jurisdiction of the Interior Department and its offsprings, the Bureaus of Land Management and Reclamation, the unlikely sponsor of the Gillette project. Like the Forest Service and the Soil Conservation Service, the Bureaus have little relation to their name, except in the obverse Orwellian sense, and they share a close relationship to their commercial clients and a delinquency in meeting the impact statement requirements of the National Environmental Policy Act. Once again, the detailed public service homework has been presented not by the government stewards, but by ecofreaks like the Environmental Defense Fund and the highly professional environmental litigators of the Natural Resources Defense Council.

With approximately 5000 acres being strip-mined each week, there has been severe pressure in Washington for and against tough legislation restricting strip mining and mandating some serious degree of reclamation. Senators Mansfield and Metcalf of Montana (which has more coal than all the coal so far mined in the United States) recently denounced "the arrogance of the executive branch" in over-riding a Senate request for a moratorium on leasing public land to strippers. Legislation sponsored by the Nixon administration rejected even the modest restraints proposed by the Environmental Protection Agency (EPA) and was successfully revised within the administration to favor strip mining interests.

Coal industry spokesmen have already used the argument that if we don't strip coal then we will have to aggravate the dollar drain by importing Arab oil, and the oil importers argue that we should import oil to reduce environmental costs at home. Even without the additional pressure to be placed on oil resources by well-earned opposition to strip-mined coal, oil imports will increase dramatically as oil is used to fill shortages in various forms of energy use. We now import 23 percent of our oil, and by 1985 we will import at least half of it. This increase will make the dollar ever weaker. In 1973 fuel imports alone will account for over $3 billion of our international trade deficit, $1 billion more than our total trade deficit in 1971. In 1972 our total trade deficit of $6.4 billion was enough to force the second dollar devaluation in 14 months. By 1980 the fuel dollar deficit alone will cost over $12 billion. What sort of devaluation will we have then?

Dr. Arthur Burns of the Federal Reserve Board calls the trade deficit "a cancerous growth" that was the "basic cause" of the devaluation crisis. Nixon's last two dollar devaluations totaled 18 per cent and were designed to save the dollar drain, in part by helping exports and discouraging imports. But in fact devaluation aggravated the oil dollar deficit, because the oil deals with the Arab governments provide for increased payments in the event of dollar devaluation. As a result of the last devaluation the Arabs will get an extra $750 million in 1973 alone.

As billions swell in the treasuries of Saudi Arabia, Iran, Kuwait, the Persian Gulf states, and Algeria, even Washington is beginning to wonder what gnomes of Abu Dhabi will do with the money. In the past, the international movement of less than $1 billion in pounds was enough to generate a world sterling crisis. The Wall Street Journal has reported that in the final hectic days before the February devaluation Kuwait and other Arab states sold "hundreds" of millions of dollars. What will happen in 1980 when the Arabs have $175 billion, as estimated by the Senior Vice-President of New York's Chemical Bank? Or in 1985 when they have $227 billion, as estimated by the Chase Manhattan Bank?

With the possible exceptions of Algeria and Iran, it is unthinkable that the money will be spent internally. Saudi Arabia, for example, has over four times the proven oil reserves of the United States, and has six million people spread over a territory one-third the size of the United States. King Faisal ibn Abdul-Aziz al-Saud is not one to spend money developing anti-feudal attitudes of social progress. By 1985 Saudi Arabia's oil receipts will exceed $150 billion, excluding devaluation. Today, total world reserves of gold and foreign exchange come to only $150 billion.

Already the oil dollars are finding their way into the exchanges in Zurich, Frankfurt, and London, and Wall Street is whispering nervously of what will happen when the Arabs start to buy up the American oil companies, or when Kuwait one day decides to sell General Motors. The prospect of immense wanton trading and financial manipulation by the largest free assets in the world dwarfs the normal irrationality of the stock markets.

The political and economic implications of this Arab power are also stimulating planning in Tel-Aviv and the Pentagon. The prospect of Arab blackmail on American foreign policy does not comfort Israel. An added dimension is that the Soviet Union, the only non-Arab nation of the top six countries in proven oil reserves, is alert to this game and is narrowing the available market by herself securing rights to Arab oil. Beirut is a key transit point for Arab oil money, and the second biggest bank in Beirut is the Moscow Narodny Bank.

Yet another danger is the rebirth of aggressive Yankee imperialism, this time based on fuel demands. Who knows what President Connally, a good oil man, may do when faced with the choice of turning off the toothbrushes in Los Angeles or intervening in Abu Dhabi at the request of a sympathetic Sheikh? As the Wall Street Journal noted on January 30, Admiral Zumwalt is alert to the need for more ships to escort the tankers home. Fresh from his latest attempts to stamp out race riots on the aircraft carriers, the commanding Admiral was quoted as saying, "To the citizens of a less technologically oriented society, nothing is quite like a shipshape destroyer making a call."

Of course the fundamental and neglected point is that we just don't need all that energy. Despite the "educational" advertising of the power industries, we don't really have to choose between devastating America by strip mining or bankrupting her with oil imports, let alone wallow in a messy combination of both. We didn't really need all the energy that we used yesterday, let alone the energy that Mobil's tireless advertising campaign wants to force-feed us with in 1980. As Newsweek has concluded, America wastes 50 per cent of the energy it uses. In addition, as Business Week points out, each year our municipalities wastefully bury or burn 200 million tons of refuse, which if properly burned could supply 10 per cent of the country's electricity demands. Every segment of American energy use is characterized by extravagant government policies, corporate waste, and bloated public consumption.

Transportation consumes 25 per cent of our energy and 70 per cent of America's oil production is devoted to automobiles, buses, and trucks. The EPA's William Ruckelshaus argues that if the maximum weight of cars was reduced to 2500 pounds we would save over two million barrels of oil a day. Not only is mass transit enormously more energy-efficient in moving people over heavily traveled routes, but automobile engines are so designed that over 85 per cent of their energy consumption goes out the exhaust pipe.

A current favorite of the Detroit mythologists is the proposition that environmental hysteria is forcing otherwise pure-minded Detroit engineers to design emission controls that will increase gas consumption by seven per cent. What ought to concern these industrial ecologists is that car air conditioners have a "fuel penalty" of nine to 20 per cent, automatic transmissions add six per cent, and excess weight and horsepower far more. Another interesting phony, the idea that the 1975 emission control deadline is unattainable, was first undermined by Detroit's reluctant improvements and is now made ridiculous by the March 1 EPA report indicating that a Mazda prototype has already met the 1975 emission standard without even using Detroit's fuel-wasting catalytic converter. A more compassionate fable, this time the darling of Mobil's imaginative advertising, is that holding down energy consumption will hurt the poor. Apart from the point that small users waste the least energy and pay the highest electricity rates (thus subsidizing big users), economic growth and new jobs should be re-directed into mass transit, insulation, efficiency research, solid waste disposal, improving the urban environment, and numberless other areas easily stimulated at far less cost than highway subsidies and coal lease giveaways on public lands.

Twenty per cent of our energy goes to households, which with better insulation could save 50 per cent of their heating and air conditioning inputs. Frost-free refrigerators use 50 per cent more energy than ordinary refrigerators. The pilot light on a gas range devours one-third of the fuel consumed by the gas range. If energy costs more, electrical efficiency would become the selling point in the appliance industry.

The remaining 55 per cent of our energy is consumed by commerce and industry. Commercial establishments could make the same insulation savings available in household construction, and could apply standards to reduce over-heating in the winter and over-cooling in the summer. Conventional electric power plants lose two-thirds of their energy in boiler stacks and in cooling water. Not only are the aluminum and paper products industries (two of the four largest industrial users of energy) enormously wasteful in their exaggerated packaging practices, but the solid waste of nonreusable aluminum cans is an economic burden to every community. As many architects point out, another area of commercial waste is the over-lighting of much business space.

The utility industry, which has the largest capital investment of any industry in America, is torn by its schizophrenic policies. Some utilities have finally attained enough maturity to discourage excess energy consumption, but even the most enlightened companies give cheaper rates to large users. The rate structures should be inverted, and electricity should be far more expensive so that all the true costs are included and consumer waste is discouraged. The effectiveness of such a policy, and the elasticity of energy demand, are already demonstrated by the fact that such energy-intensive industries as the aluminum industry have been forced by energy costs to invest in research to reduce energy needs and so have succeeded in cutting their energy consumption. As Con Ed points out in its expensive mailings, "energy is still a good buy," and has only gone up half as much as other goods and services. Many utilities still spend more on consumer advertising than on research.

Most of these wasteful practices are susceptible to government influence, whether by tax incentives and penalties, direct regulation, or the setting of standards for such things as horsepower limitations and insulation requirements. The public is well ahead of the government in its sensitivity to these problems, and all that is required is moderately enlightened national leadership.

But the good guys don't expect much from Nixon's forthcoming energy message. After four years of exalted environmental rhetoric, combined with four years of destructive federal policies in every area from mass transit to clear cutting of the National Forests, the best to be hoped for is environmental tokenism. Following a expansive rhetorical gesture on the need to limit waste and to balance environmental considerations against the "offset" of needed growth, the President may make one or two substantive concessions in the direction of energy conservation and badly needed research funding into solar, geothermal, and fusion power. There may be higher gasoline taxes and the appointment of a commission to do a comprehensive national energy study, long overdue moves which he may then undercut with the designation of a hardhat energy czar. Presumably the President will defend the oil depletion allowance in the name of national self-sufficiency and will partially deregulate natural gas prices and restrictions on imported crude oil. But when it comes to the tough part, we can expect strong support for strip mining, offshore drilling, nuclear power, and super tanker, deep port, and refinery construction.

Once again Nixon will talk down to us,

equating energy demands with energy needs, masking destruction with vague talk of reclamation, and failing to tell us what we need to be told: that we must take energy growth off the altar and exercise national self-discipline. The message will come by radio, not television, because the President still remembers that although he lost the television debates to Kennedy in 1960, the polls showed that he won with the unseeing radio audience. And the result will be that we will literally do more damage to our own country than our bombing inflicted on Japan, Germany, or Vietnam.

Indeed we can expect almost anything from a President who stated in February that the dollar is now secure at home and abroad and that America is "well on the way to making peace with nature." Once we had a candid Republican President, who understood the true compatibility of our economy and our environment, but Dick Nixon and Teddy Roosevelt march to the sound of different drummers.

LEGISLATION INTRODUCED TO AID POLICEMEN AND FIREMEN WHO SUFFERED WHILE ON DUTY

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 13, 1973

Mr. BROOMFIELD. Mr. Speaker, too often we ignore or take for granted the crucial role that our local police and fire officials play in the preservation of public safety. At great risk to their personal safety, they devote themselves unselfishly to the protection of life, property and the promotion of "domestic tranquillity."

Despite the inherent dangers that are associated with their jobs, their's is usually a thankless task.

This is all the more distressing because their duties are more dangerous than ever before. In 1971 and 1972 there were 240 police fatalities stemming from injuries incurred in the line of duty. This is double the mortality rate of the 1960's. Assaults and serious injuries have also skyrocketed.

Firemen also have suffered the effects of the escalation of violence against our public officials. We need only recall the New Orleans incident earlier this year when unarmed firemen were lured into rifle range by a deranged sniper while responding to a call for help.

Mr. Speaker, these are more than cold statistics. They represent dedicated and selfless men who put the public welfare above their own. They leave behind them grieving widows and families because they were willing to safeguard our families. For that reason alone society has a commitment to offer them every protection it can and to the best of its ability see to it that their assailants are brought to justice.

Therefore, I have introduced legislation which would make it a Federal offense to assault or kill a policeman or fireman in the line of duty or as a result of actions stemming from the performance of his duties.

This proposal would allow the FBI to assist State and local officials in the search for the criminal if he were not apprehended within 24 hours. This section is modeled after the Federal kidnaping statute which has proven so effective.

Police assailants, much like kidnapers, often flee across State lines to escape local authorities. Thus, quick and decisive action by Federal authorities in cooperation with local police could mean the difference between success and failure in capturing a suspect.

My measure also specifies a Federal penalty of up to life imprisonment or capital punishment for anyone convicted of killing a fireman or policeman. Assault would carry a term of up to 10 years and/or a $10,000 fine. This would be in addition to any State penalties which might be prosecuted.

Mr. Speaker, I offer this legislation because first I am confident that it will act as a deterrent to future assaults and secondly, because I believe the Federal Government has a responsibility and duty to assist in these cases. Afterall, Washington already provides equipment and training to local officials. It is only reasonable to expect that they should also offer their expertise and assistance when it is most desperately needed. For these reasons alone, this bill merits the support and consideration of Congress. A copy of my legislation follows:

H.R. 4001

A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 51 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1116. Protection of Federal, State, and local firemen or law enforcement officers

"(a) (1) Whoever kills or feloniously assaults any law enforcement officer or fireman engaged in the performance of his official duties, or on account of the performance of his official duties, after (A) traveling in interstate or foreign commerce with the intent to kill or assault such law enforcement officer or fireman, or (B) using any facility of interstate or foreign commerce, including, but not limited to, the mail, telegraph, or telephone, to effect the killing or assaulting of such law enforcement officer or fireman, shall be punished as provided in paragraph (2) of this subsection.

"(2) (A) Whoever kills a law enforcement officer or fireman in violation of paragraph (1) of this subsection shall be sentenced to imprisonment for any term of years up to life or, if a jury recommends and the court in its discretion determines, shall be sentenced to death.

"(B) Whoever feloniously assaults a law enforcement officer or fireman in violation of paragraph (1) of this subsection shall be sentenced to a term of imprisonment for not more than ten years, a fine of not more than $10,000, or both.

"(b) If two or more persons conspire to kill or feloniously assault any law enforcement officer or fireman engaged in the performance of his official duties, or on account of the performance of his official duties, and (1) one or more of such persons travels in interstate or foreign commerce or uses any facility of interstate or foreign commerce, including, but not limited to, the mail, telegraph, or telephone, to effect the object of the conspiracy, and (2) one or more of such persons does any other overt act to effect the object of the conspiracy, each conspirator shall be sentenced to a term of imprisonment of not more than ten years, a fine of not more than $10,000, or both, except that if the law enforcement officer or fireman is killed, each conspirator shall be sentenced to imprisonment for any term of years up to life, or if a jury recommends and if the court in its discretion determines, each conspirator shall be sentenced to death.

"(c) The failure of State or local authorities to arrest the person or persons for the killing or felonious assault of a law enforcement officer or fireman within the State where the law enforcement officer or fireman was killed or feloniously assaulted within twenty-four hours after such killing or felonious assault was committed shall create a rebuttable presumption that the perpetrator or perpetrators traveled in interstate or foreign commerce, or used a facility of interstate or foreign commerce, to commit such killing or felonious assault, or traveled in interstate or foreign commerce to avoid prosecution for such killing or felonious assault.

"(d) Violations of subsection (a) or (b) shall be prosecuted only in the Federal judicial district in which the original crime was alleged to have been committed, and only upon formal approval in writing by the Attorney General or any Assistant Attorney General of the United States.

"(e) This section shall not be construed to evidence an intent on the part of the Congress to prevent the exercise by any State of jurisdiction over any offense with respect to which such State would have had jurisdiction if this section had not been enacted by the Congress.

"(f) For purposes of this section:

"(1) The term 'fireman' means any member of a fire department of any State or political subdivision of a State or any volunteer fire department organized or administered under the laws of any State or political subdivision of a State.

"(2) The term 'law enforcement officer' means any officer or employee of the United States, any State, or any political subdivision of a State responsible for the enforcement of any of the criminal laws of the United States, a State, or any political subdivision of a State, or the prosecution or conduct of any trial or appeal arising thereunder, or the enforcement of any sentence or decree imposed therefrom.

(b) The table of sections of chapter 51 of title 18 of the United States Code is amended by adding at the end thereof the following new item:

"1116. Protection of Federal, State, and local firemen or law enforcement officers."

AUTO POLLUTION CLEANUP MAY BURDEN THE POOR

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. BROWN of California. Mr. Speaker, it is easy to lose contact with reality when grappling with some of the serious problems facing America today. After expending great effort analyzing a problem on paper and still more effort developing a solution, again on paper, it is easy to overlook the fact that, while the problem exists in the real world, the solution may only exist on paper.

I fear that such an oversight may have occurred in recent years in the area of air pollution. Some of the solutions advocated by dedicated, sincere people may do more harm than good for the citizens they are trying to help.

In southern California the private automobile is the major source of air pollution. It would seem logical that cleaning up the automobile offers the best hope for solving the air pollution problem—on paper. However, Mr. Frank Gallucci, testifying recently before the Environmental Protection Agency, has pointed out that cleaning up the automobile will put the greatest burden on those least able to bear it. I would like to insert Mr. Gallucci's testimony in the RECORD at this point in the hope that his words may help us avoid imposing a regressive solution to an urgent problem.

Thank you for permitting me to testify before these hearings.

My name is Frank Gallucci, I am a student at the University of California at Riverside. I have been a resident of Riverside only since last September when I transferred from a college in the San Francisco Bay area. The following speech comes mainly from the observations I have made and the opinions I have which I hope will be helpful.

I would like to comment on some aspects of the proposals which have been mentioned to reduce the oxident level in the South Coast Air Basin to meet the 1975 guidelines specified in the Clean Act Amendments of 1970. First of all I would like to state that I am very much in favor of eventual elimination of the smog problem in Riverside as well as the rest of Southern California and the nation. I feel that smog has become a severe health hazard for me personally while living in this area and as a result is the major reason why I cannot live in Riverside during the summer months when the problem is at its worst.

Although I very much support what the EPA is trying to do I have reservations on how it is trying to reach its solutions. To put a twist on a phrase from Hamlet, "I find a madness in your method". What I find to be the most distressing about the ways in which you propose to reduce the oxidant level is that I am concerned about its effects on those people who cannot personally afford to meet with some of the proposals mentioned in the statement of Mr. Robert Fri, Deputy Administrator of the EPA, and also the proposals of others I have heard speak at these hearings who would like to make my car fit requirements equal to the exact specifications of a moonlaunch at Cape Kennedy and I would imagine for the same exorbitant costs. Specifically I would like to mention the following: The proposal in Mr. Fri's statement to require all 1966 to 1974 vehicles to "have catalytic converters to reduce exhaust emissions," and also the proposal in the Fri statement to ". . . have controls installed in all 1966 to 1974 vehicles to prevent evaporation of gasoline from the gas tank and the carburetor." What a wonderful idea if the Blacks on the Eastside of Riverside, if the Chicanos in the Casa Blanca area, and if the many students U. C. Riverside and Riverside City College, if the many working mothers and welfare mothers and many of the lower income families and working class families could afford the $350 to $450 per car it would cost to install these devices on their automobiles.

The sad fact of the matter is that we cannot. Our politicians may be able to dismiss any one of these groups as an insignificant minority. But these minorities added together form a significant proportion of the population and their numbers swell even more so if you include other minorities who are discriminated against both economically and socially—such as the elderly.

I would like to tell you about my own situation as an example. I am a student at UCR. My only income is what I receive from the GI Bill and whatever part-time work I can get during the summer. My quarterly tuition, thanks to our beloved governor cost me $215 every 11 weeks. The rest of the money I receive and make, goes toward rent, food, clothes, books, and I do splurge and go to a movie or concert every once in awhile. I bought a used car which costs $725 but actually cost over a thousand dollars after registration, sales tax, new tires, battery, tune-up, and replacement of the oil cleaner. The installation of a new catalytic converter on my used car would cost me approximately 50% of the original cost of the car. Is there some way of buying a used catalytic converter for my used car? I doubt it. There is no way I have that money and there is no way I could get it in the near future. Through the possible implementation of that proposal, and the subsequent proposed vehicle inspections, I would be legally forced off the road, or I could illegally drive that car until I got caught.

Because of the fact that I am a university student, my low financial status will hopefully be only temporary and will improve after graduation. And so although I am somewhat concerned about my own situation I am more concerned about those who will experience poverty as a lifelong situation or for prolonged periods of time because of lack of marketable skills, or because of their social or racial heritage. Will the elimination of smog be the result of the fact that certain people won't be able to afford to drive their cars anymore or be able to use public transportation? Can anyone honestly say that public transportation will provide the convenience and the dependability that people have come to expect from their autos? Can anyone honestly say that present public transit or transit systems proposed for the near future will provide the services that people are able to get from their cars?

I am sure that those who come out in favor of annual motor vehicle inspections, catalytic converters, and evaporation controls, are not those people who could not afford to put them on. I am not worried about the executive who drives a Porsche and has a weekend cabin up at Lake Arrowhead. I'm sure that the $350–$450 would only comprise about one fifth of his monthly income. However for people who are poor, for people such as myself and for those who are even less fortunate (as I don't really even pretend to know what real poverty is like), that $450 dollars is equal to one fifth of my yearly, not monthly income. Or to be more precise it equals almost two quarters of tuition or five months of my share of the rent.

What I forsee by the proposed California vehicle requirements, and by the proposed federal requirements of the Clean Air Act is that a lot of older cars will be forced off the road. I'd like to emphasize the word forced, as there are no real existing public transportation facilities that will come even close to providing the services and convenience to the individual that the car now provides. And no one has to have many beans in their pocket to figure out who drives old cars. It surely isn't the executive, who, if he's really smart, gets to drive the company car or the inter-agency motor pool car.

So what I am trying to say is that enforcement of these laws at this time would be welcomed by all peoples if it were economically fair to everyone. But as usual it will be one more example of economic discrimination—although unintentional—against those people who cannot afford to bear this burden that you are trying to impose upon them. Can you honestly say that I will benefit as a citizen from this policy if there is not made in advance, some alternative to this reliable, convenient, and relatively cheap form of transportation which I already have at my disposal. I seriously doubt whether RTD will be able to implement a mass transit system by 1975 which will even come close to providing the service, the convenience, the carrying capacity, and the dependability that people already get from their cars. I as a citizen fully expect that before I give up my car that there will be an alternative which will give me as good or better service than my car already provides me.

I know that the technology now exists for providing a very efficient transit system. I know that the money exists also, although it is now tied up in such programs as the National Highway Trust Fund, and state gasoline sales taxes which are used to build freeways. I know that the political clout exists in our state and national legislatures to rechannel this money if they only had the guts to do it instead of yielding to private and corporate interests, and if individuals in these bodies had the knowledge of the magnitude and severity of the problem.

As was mentioned by Congressman George Brown, it has almost become traditional that government will usually only respond to the needs of the people when a crisis has occurred. This has almost become administrative doctrine as I have witnessed it over the years. With the possible exception of the SST and I'm sure of some other measures, the usual way in which government has passed laws to protect its citizens is only after many people have been cheated, disenfranchised, injured or killed because of governmental doctrine of satisfying instead of having the foresight that could have prevented such catastrophes. I hope that state and federal agencies will work with the EPA to develop alternatives to the car that will be functional before the 1975 deadlines so that people won't have to be inconvenienced, forced to constantly move to always stay within a close radius of their companies, forced to break the law, or forced to give up their car to stand for up to an hour at a bus stop just to go to the store to buy groceries. I also hope that the transit systems will not only be designed for people's convenience, and personal comfort, but for their safety from accidents and safety from criminal assault. I would like to have some assurance before taking a public transit vehicle that I will have at least as equal a chance as in my car that I won't be robbed or that my girlfriend won't be assaulted riding home in the evening from school or work. These are very real problems which I feel people using public transit will have to face if it is not faced and solved by those running the transit system beforehand.

So in summation, I feel that to require people who cannot afford to spend what little money they have on anything other than food, clothes, and rent, is practicing economic discrimination and will also force people off the road whose only fault is that they are too poor to afford to comply with government requirements which should have been requirements placed upon the auto industry 25 years ago but is now being placed upon the people. Let us put these requirements back on the auto industry. I also feel that workable solutions to mass rapid transit systems should be working realities before anything such as vehicle requirements or gasoline rationing are begun. I truly hope that the highway trust funds and gasoline taxes for highway construction are altered or abolished and that this money and energy is rechannelled to make for great rapid transit systems that a person need not wait for more than 10 minutes nor walk further that the end of his block to board. I would truly like to see it and would devote my energies to this end and because I personally detest cars and what they have done to disfigure the land and air of the beautiful city of Riverside, and other cities where I have lived. But for now, the car is the best way of getting from point A to B that the individual has at his disposal. I would like to see the EPA proposals implemented eventually, and as close to the 1975 deadlines as possible, but I hope that you will work closely with state and regional rapid transit districts to come up with some alternatives to the car that work—*before* you take the car or the gasoline away from us. Instead of the deadlines in the Clean Air Act to reduce oxidants, how about deadlines for state and regional rapid transit districts to have working transit systems by 1975 that will offer an alternative and an eventual phasing out of vehicular traffic.

LEGAL SERVICES PROJECTS IN REGIONS V THROUGH IX

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, as ranking member of the Subcommittee on Equal Opportunities, Committee on Education and Labor, I have received a series of reports from the Office of Legal Services on the grant refunding process. I include the report at this point in the RECORD:

OFFICE OF LEGAL SERVICES, FISCAL YEAR 1973

Grantee nmmber and name	12-month funding made during fiscal year 1973	Program year end (PYE)	Partial funding (number of months)	Expiration of partial funding	Tentative remaining number months planned	Tentative PYE after funding remaining months
REGION V						
51108—Wisconsin Judicare	X	July 1973				
50116—Flint-Saginaw, Mich	X	do				
50618—Detroit	X	August 1973				
50540—Macomb County, Mich	X	do				
50377—South Bend	X	September 1973				
50165—Akron, Ohio	X	do				
50883—Cincinnati	X	do				
50849—Columbus	X	do				
51176—Milwaukee	X	do				
50600—Ann Arbor, Mich	X	October 1973				
50420—Calhoun Co., Mich	X	do				
50408—Bay-Midland, Mich (see Flint-Saginaw)						
50291—Fort Wayne	X	October 1973				
50770—Lima-Allen, Ohio	X	do				
51037—Scioto County, Ohio	X	do				
50196—Waukegan, Ill	X	November 1973				
50956—Youngstown, Ohio	X	October 1973				
50111—Minneapolis	X	November 1973				
51533—Dayton, Ohio	X	do				
50553—Muskegon, Mich	X	do				
50946—Toledo	X	December 1973				
51054—Canton, Ohio	X	do				
50106—Grand Rapids, Mich	X	do				
50564—Oakland County, Mich	X	do				
50081—Chicago	X	do				
50238—Peoria	X	do				
50655—Michigan State	X	do				
50819—Cleveland	X	do				
50338—Gary	X	January 1974				
50103—St. Joseph, Mich	X	do				
50795—Butler County, Ohio	X	do				
50859—Ohio State	X	do				
50025—Land of Lincoln (Southern Illinois)	P		6	July 1973	6	January 1974.
50358—Indianapolis	X	February 1974				
50438—Upper Peninsula, Mich	X	do				
50941—Lorain County, Ohio	X	do				
50458—Lansing, Mich	X	March 1974				
50057—Cook County, Ill	X	do				
50935—Licking County, Ohio	P		6	September 1973	6	March 1974.
50733—St. Paul	X	April 1974				
51079—Tuscarawas County, Ohio	X	do				
REGION VI						
60257—Tallulah, La	X	July 1973				
60412—Sandoval County, N. Mex	X	do				
60045—Jay, Oklahoma	X	August 1973				
61081—Corpus Christi, Tex	X	do				
60859—El Paso, Tex	X	do				
62134—Little Rock, Ark	X	do				
60060—New Mexico Rural	X	do				
61231—Laredo, Tex	X	September 1973				
61475—TRLA	X	do				
61524—Osage County, Okla	X	October 1973				
60073—Lake Charles, La	X	do				
60205—Baton Rouge, La	X	December 1973				
60260—New Orleans, La	P		11	November 1973		
60680—Tulsa, Okla	X	December 1973				
60646—Altus, Okla	X	do				
60076—Shreveport, La	X	January 1974				
60332—Albuquerque, N. Mex	X	February 1974				
60033—Dallas, Tex	X	do				
60595—Oklahoma City, Okla	X	March 1974				
60004—Brownsville, Tex	X	do				
60730—San Antonio, Tex	X	do				
61517—Jackson County, Ark	X	April 1974				
61030—Waco, Tex	X	do				
61191—Austin, Tex	X	do				
61179—Fort Worth, Tex	X	do				
60925—Houston, Tex	X	May 1974				
REGION VII						
70855—Lincoln, Nebr	X	September 1973				
70191—Dubuque, Iowa	X	October 1973				
70035—Topeka, Kans	X	do				
70710—St. Louis, Mo	X	November 1973				
70199—Iowa City, Iowa	X	December 1973				
70841—Omaha, Nebr	X	January 1974				
70563—Kansas City, Mo	X	February 1973				
70383—Kansas City, Kans	X	March 1973				
70364—Wichita, Kans	X	April 1973				

Grantee number and name	12-month funding made during fiscal year 1973	Program year end (PYE)	Partial funding (number of months)	Expiration of partial funding	Tentative remaining number months planned	Tentative PYE after funding remaining months
REGION VII—Continued						
70018—Waterloo, Iowa	X	May 1973				
70004—Scottsbluff, Nebr	X	June 1973				
70383—Des Moines, Iowa	X	July 1973				
REGION VIII						
80823—Montana	X	do				
80679—Colorado Rural	X	August 1973				
81041—Ogden, Utah	X	do				
81012—Salt Lake, Utah	X	do				
80011—Grapehoe, Colo	X	do				
80984—Rapid City, S. Dak	X	September 1973 (1-time grant for flood).				
80059—Colorado Springs	X	November 1973				
80001—Adams Coy, Colo	X	do				
80039—Denver, Colo	X	December 1973				
81065—Cheyenne, Wyo	X	do				
80091—Pueble, Colo	X	January 1974				
81071—Casper, Wyo	X	February 1974				
REGION IX						
90074—Prima, Ariz	X	July 1973				
90424—Napa, Calif	X	August 1973				
90582—Santa Clara, Calif	X	do				
90598—Shasta, Calif	X	do				
90045—Micronesia	(FY 72)	do				
90522—San Francisco L.A.S	X	September 1973				
90522—San Francisco NLAF	P		6	March 1973	6	September 1973.
90629—Tulare, Calif	X	September 1973				
90289—Pasadena, Calif	X	October 1973				
90443—Riverside	X	do				
90592—Santa Cruz	X	do				
90058—Alameda Coy, Calif	X	November 1973				
90319—Long Beach, Calif	X	do				
90269—Mendecino, Calif	X	do				
90232—Fresno, Calif	X	December 1973				
90298—*Los Angeles*, LAF	X	do				
90298—San Fernando, Calif	X	do				
90298—San Gabriel, Calif	X	do				
90293—Compton, Calif	X	do				
90132—Monterey, Calif	X	do				
90122—Sacramento, Calif	X	do				
90646—Clark Coy, Nev	P		6	June 1973	6	December 1973.
90280—California Rural, L.A	X	December 1973				
90129—Maricopa, Ariz	X	January 1974				
90432—Orange, Calif	X	do				
90556—San Joaquin, Calif	X	do				
90020—Coconino, Ariz	P		4	May 1973	(1)	
90255—Kern Co., Calif	X	February 1974				
90403—Merced, Calif	X	do				
90493—San Diego, Calif	X	do				
90619—Stanislaus, Calif	X	do				
90635—Berkeley, Calif	N	March 1973			(1)	
90987—Contra Costa, Calif	P		4	July 1973	11	July 1974.
90218—Martin County, Calif	X	March 1974				
90573—San Mateo, Calif	N	March 1973			12	March 1974.
90604—Salano, Calif	X	March 1974				
90635—Ventura, Calif	X	do				
90954—Hawaii	P		8	November 1973		
90660—Washoe County (Reno)	P		6	September 1973	6	March 1974.
90695—Pinal, Ariz	N	April 1973			12	April 1974.
90597—California Indian LS	X	June 1973			(1)	
90369—USC Western Center	(FY 72)	do				
REGION X						
00136—Lewiston, Idaho	P		11	July 1973	(2)	
00919—Alaska	X	September 1973[3]				
00019—Western Idaho	X	December 1973				
00742—Portland, Oreg	X	do				
00029—Northwest Washington	X	January 1974				
00030—Pierce County, Wash	X	February 1974				
00028—Lane County, Oreg	X	do				
00710—Marion and Polk Counties, Oreg	X	do				
00872—Spokane, Wash	X	March 1974				
00036—Seattle	X	Feburary 1974				

Key: X—a refunding decision for 12 months was made during fiscal year 1973. Longer grants are denoted by the number of months. The terminal date for each of these grants is listed under the heading "Program year end." P—refunding has been on a partial, or less than full year basis. The columns labled "Partial funding (number of months)" and "Expiration of partial funding" describe the current status and terminal date for each of these temporary extensions. N—a refunding decision has not yet been made. The columns for "Program year end" and "Expiration of partial funding" state when such programs lose their funding in the absence of positive action. FY—programs which are operating under long term funding authorized during a previous fiscal year, designated by the appropriate date.

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[1] Not determined.

[2] Regional plan calls for 11 months.

[3] Acceleration of program's expenditures authorized, on a 1-time basis, resulting in shortening grant period.

Note: The last 2 columns for each grantee—"Tentative remaining number of months planned" and "Tentative PYE after funding remaining months"—provide long range prospects for programs which have not been refunded on a full year basis. However, it must be stressed that these 2 columns simply describe "tentative" planning and do not represent a commitment for further refunding from the Office of Legal Services.

SENATE—*Monday, April 16, 1973*

The Senate met at 12 o'clock meridian and was called to order by Hon. J. BENNETT JOHNSTON, a Senator from the State of Louisiana.

PRAYER

Dr. Elmer George Homrighausen, dean and professor emeritus, Princeton Theological Seminary, Princeton, N.J., offered the following prayer:

O Lord, our God, Thou art the fountain of all life and the source of all wisdom; Thou art our help in ages past, our hope for years to come, and our eternal home; in this time of reverent mood, create within us a strong sense of Thy faithful presence, a joyful awareness of Thy creative and renewing power all about us, a sincere gratitude for the beauty and bounty of this favored land, and a genuine appreciation of the rich heritage of our people and culture. Awaken within us, O living God, a fresh understanding of who we are, of what we so richly enjoy, and what by Thy guidance and grace we may become. And fill us with a firm resolve to deal justly, to love mercy, and to walk humbly with Thee our God.

Through Jesus Christ, our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 16, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. J. BENNETT JOHNSTON, a Senator from the State of Louisiana, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. JOHNSTON thereupon took the chair as Acting President pro tempore.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of January 29, 1973, Mr. MCCLELLAN, from the Committee on Appropriations, reported favorably, without amendment, on April 13, 1973, the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes, and submitted a report (No. 93–120) thereon, which was printed.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, April 13, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished minority leader desire to be recognized?

Mr. SCOTT of Pennsylvania. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Michigan (Mr. GRIFFIN) is now recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and I do this with the knowledge of the distinguished Senator from Michigan (Mr. GRIFFIN)—that the time allotted to him be transferred to the distinguished Senator from New Mexico (Mr. MONTOYA).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TAX REFORM

Mr. MONTOYA. Mr. President, last month the Senate Appropriations Subcommittee on the Treasury, Postal Service, and General Government held 3 days of hearings regarding problems encountered by the Internal Revenue Service in administering taxpayer service assistance and compliance programs.

BACKGROUND

Since last spring's appropriations hearings, the committee has become increasingly concerned with the way our tax system is administered. We realize that it is difficult to separate and identify questions of the Service's effectiveness from the complexities of tax law which it administers. Nonetheless, we felt that the effort should be undertaken.

Following the hearings last year, the committee, in expressing its interest and intent to make such an inquiry, ignited an expression of public concern which culminated in my office receiving in the area of 1,300 letters from concerned taxpayers encouraging further inquiry into the nature of the IRS's taxpayer service assistance and compliance programs.

In response to this expression of public concern, I communicated to the Treasury my interest in convening hearings in the interest of both the Service and the public. These are not adversary or accusatory hearings. They were taxpayers' hearings. People with vast wealth are well enough able to make their voices heard when it comes to formulating and administering our national tax law. But we rarely hear the voice of the average man and woman who bear the largest burdens in sustaining our tax system and yet have the smallest voice.

The hearings were held in the interest of making that voice audible to the Service, its employees, and to the Congress. It was felt from the onset that such hearings would result in a better understanding between the Internal Revenue Service and the individual taxpayer whom it is supposed to serve.

From the very beginning we on the committee acknowledge that our Internal Revenue Service is known and respected throughout the world and that it has been historically receptive to recommendations from the public, as well as Congress and has altered its programs when the public was able to communicate clearly alternative ways of increasing its effectiveness and efficiency.

It was and it remains our purpose to assist both the Service and the individual taxpayer to identify areas of public criticism and dissatisfaction that have emerged from the nature of their relationship and mutual obligations to one another in maintaining a healthy, voluntary assessment tax system. It was in this spirit that these hearings were held.

Foremost in our minds was that a citizen's willingness to carry his own tax burden is determined by the measure of his own faith in the capability, fairness, and integrity of those who administer our tax code. That faith must be sustained. With the assistance and cooperation of both the Service and the public, the committee has sought to infuse a little energy and vigor into that effort.

Acknowledging the awesome responsibilities that accompany congressional delegation of authority to carry out tax policy, it is the duty of the Service to interpret tax code provisions in line with congressional purpose and to do so in a fair and impartial manner.

Inherent to fulfilling this mission, it is clearly understood that in the interest of a healthy system of tax administration the individuals responsible for management policy must recognize that it is ultimately assessed not only by its success in effectively collecting Federal revenue but by its capacity to convince the taxpayer that a government point of view in a tax dispute is ultimately based on a reasonable and meaningful interpretation of the code which is enforced judiciously.

In pursuing its ends the committee invited a diverse group of public spirited citizens to gather and provide us with the benefit of their counsel in examining and determining the nature and source of current problems in the area of taxpayer service assistance and compliance programs and to suggest alternative solutions which might serve the mutual interest of the Service and the general public. Those who gave counsel included:

First. Individual taxpayers.

Second. Groups involved in preparing taxpayer returns.

Third. Students and specialists in tax law and its administration.

Fourth. Representatives of an Internal Revenue Service employee organization.

Fifth. Former professional tax administrators who accepted the committee's invitation to provide it with an experienced perspective on how the Service and the public might be better served.

Never before have former IRS Commissioners been called upon to testify before a Senate committee concerned with the administration of tax law.

The committee appreciated the counsel provided by this group of public spirited citizens and along with the IRS is now in the process of carefully examining all criticism and comments advanced in the hearings to insure that they are given full consideration.

There is much that can be done administratively by the Service to rectify current problems.

In briefly sketching the principle issues and problems identified during the 3 days of hearings, I will focus my remarks on the two related areas of tax administration which appear to be in need of thoughtful analysis. The first are problems which arise from the Internal Revenue Service taxpayer service and assistance programs. The second involves problems encountered by the Service in administering compliance and enforcement programs.

I. TAXPAYER SELF-ASSISTANCE SERVICE

A key assumption underlying my interest in the area of taxpayer service and assistance programs is that it is the first step in the IRS compliance program. If the Service renders sufficient and credible assistance at this stage of the taxpayer's efforts to comply with tax law, then perhaps we can act preventively to eliminate those compliance difficulties that emanate from uninformed or misinformed taxpayers.

In short, taxpayer assistance is an essential component of our voluntary compliance system. If it falters, it undermines the health of our tax system.

A. SIGNIFICANCE OF UNRESOLVED PROGRAMMATIC PROBLEMS OF TAXPAYER ASSISTANCE

Testimony which was aimed at identifying fundamental problems in this area suggested to the committee that complexities in tax law have generated a number of administrative problems that deserve recognition.

First, it was pointed out that at return time, far too many Americans have to shuffle about for themselves or seek out professional assistance to assess themselves. As a nation which prides itself on the willingnes of its citizens to engage in income self-assessment, it appears that we are developing into a nation where the commercial tax preparation industry does the bulk of our taxpayers' "self-assessing." Our tax system has in the last few decades become dependent *on that industry*. The question that we must consider is whether programmatic weakness in the Internal Revenue Service's administration of taxpayer assistance programs has contributed to the emergence of that industry to the extent that it has become an integral ingredient in our national tax system. Involved in facing up to these programmatic, responsibilities is recognizing the disparity between what IRS recognizes as their responsibilities versus the need of the taxpayer who is willing to comply with tax law but who is increasingly becoming disenchanted with inequities in the tax code, and programmatic deficiencies in tax assistance and compliance programs.

One witness before the committee, a certified public accountant who heads a free low-income return preparation organization, suggested that—

> Taxpayers could turn to the Internal Revenue Service for assistance, but it is simply not a reasonable alternative.

As chairman of the subcommittee which appropriates funds for the administration of our tax system, I will insist upon knowing why any citizen's dependence on the Internal Revenue Service for information and assistance is not "a reasonable or viable alternative."

If we are indeed in what one witness referred to as "a real mess" as a result of not facing up to our programmatic responsibilities to assist the Service in seeing to it that taxpayers pay no more or less than they owe under law, then we must reexamine the following question: To what extent does the Service have a responsibilitity to see that taxpayers receive accurate tax assistance by its own personnel, and to what extent is the Service obligated to ensure the accuracy of the kinds of assistance that a citizen receives from other sources?

Testimony during the hearings suggested that there exists a substantial difference between the tax administrator who administers assistance programs and the small taxpayer regarding the character of the latter's need during the filing season. This difference, as one witness pointed out, is further complicated by the Service's assumption that taxpayers, though unable or unwilling to learn enough to make out his own return, somehow would know enough to see that those who make out his return were competent and trustworthy.

In addressing the programmatic responsibilities that both the Internal Revenue Service and the Congress must confront in seeing to it that our tax system is effectively and efficiently administered, we must examine what we fund the Internal Revenue Service to do for the taxpayer versus what is in fact done. Obviously, given the tremendous growth of the tax preparation industry and the accompanying financial burden that the American taxpayer faces, we have failed to determine whether taxpayers are willing to assume this burden out of choice or necessity.

That same certified public accountant suggested that taxpayer assistance and compliance programs, if they are to serve the general public, must have certain characteristics. He pointed out that—

> Included and fundamental to the notion of service or assistance must be the belief that those doing the assisting must have the public's confidence and trust. That to actually be a service, assistance must be offered in terms of those who are receiving, not those doing the assisting.

In my own mind, this is a question of attitude, perspective and administrative leadership. The Service does not feel they can quantify public satisfaction—and in large measure viable indicators have not been constructed to determine why the majority of the taxpayers comply. As former Commissioner Caplin stated this point:

> We have to decide whether we are out to squeeze those last enforcement dollars—the $6.5 billion of enforcement dollars—or are we trying to maximize the $203.5 billion that the American taxpayers put on the table.

The question for the committee is—Are we going to judge the performance of IRS and its managers by these extra enforcement dollars; are we willing to say, as Caplin pointed out:

> You are not getting as many audit dollars this year, but we are still going to give you revenue agents because you are giving better taxpayer assistance—you are being fairer to the taxpayer and are getting good compliance.

We are intent, with the Service's cooperation, to attempt to devise a more viable criteria for performance and funding of IRS. One that includes mechanisms which will ensure taxpayer compliance and sustain confidence in IRS administration of the tax code.

The committee has requested that the Service undertake a study to examine the merits of licensing the commercial tax preparation industry. Such a study would identify the advantages or disadvantages of the IRS's direct involvement in establishing and operating a licensing system.

Included in the study would be an analysis of the procedures for granting, denying, transferring, modifying, spending or terminating licenses. Of concern here is—if the Service cannot effectively monitor the tax preparers industry, who should? Where does IRS's responsibilities stop?

Regarding the issue of Internal Revenue Service personnel training and employment, the Service has been asked to keep the committee informed of how the competence, professionalism and effectiveness of Taxpayer Service Representative Division is being enhanced. Specifically, we are interested in questions concerning recruitment, retention of personnel, qualifications, appointment, training, compensation, et cetera.

In the future, in addition to initiating inquires from the subcommttee, I encourage the public and the Congress alike to become familiar with the Taxpayer Service Division within the Internal Revenue Service, as I would expect that it will be in the forefront of efforts to improve taxpayer assistance throughout the Service. The division was established in 1971 to provide taxpayer information and guidance on tax laws, as well as assistance in the preparation of returns. The committee is intent upon becoming well acquainted wtih this vital function of the Internal Revenue Service.

II. SIGNIFICANCE OF UNRESTRICTED PROGRAMMATIC PROBLEMS IN ENFORCEMENT AND COMPLIANCE

During the hearings it became abundantly clear that in addition to examining programmatic responsibilities which had been overlooked regarding the Internal Revenue Service's administration of taxpayer services at the assessment phase of a citizen's income reporting—issues concerning compliance and enforcement programs emerged which were in need of immediate consideration and review.

Some witnesses suggested that in close review, a taxpayer's knowledge and understanding of his compliance obligations were grossly inadequate. The committee supports a firm policy of collection as long as revenue agents conscientiously attempt to avoid imposing undue hardship on the taxpayer.

A fundamental goal that the committee must encourage the Service to pursue concerns closing the gap between what it knows about tax law and what the public should know. What understanding a representative of the Service may have about any subject which affects private and public parties should be made known to them, except where the agent has sufficient reason for not doing so.

In my own mind, the most serious issue that emerged from the hearings concerns the fundamental issue of how the Service evaluates the performance of revenue officers and agents particularly in ensuring compliance. Does the Service as an administrative organization do enough to ensure that its employees are not operating from assumptions similar to those of a county justice of the peace who gets paid from fines collected. A related question concerns whether we in Congress have indeed inadvertently subsidized such a system. Can we afford to have that thought in the minds of taxpaying Americans who overwhelmingly support our self-assessment system?

The Service is obligated to apply and administer the law in a reasonable and practical manner. Federal revenue is properly collected only when it is founded in a fair interpretation of law. Issues should not be raised arbitrarily or for trading purposes. Revenue officers are obligated to serve tax law in an impartial manner in the interest of the taxpayer as well as the Government; that is, they should not hesitate to raise a meritorious issue.

Administration of the law which is both vigorous and reasonable is applauded when accompanied with courtesy and consideration. In reviewing our appeals process clearly, something has to be done about an appeals system that obviously works to the disadvantage of taxpayers who, however, strong the merits of the case cannot afford to have expert tax lawyers and accountants to prepare and argue his case. I am distressed to hear testimony to the effect that the Internal Revenue appeals system works on the "inability to pay" principle, "the rich pay less and the poor simply pay."

In addressing the adequacy of our appeals process, Mr. Ralph Nader, a witness before the committee, suggested that—

> To say that the taxpayer is outraged is not to say that the taxpayer is always right. The critical point is that the settlement was pressed upon him; he has acquiesced to the power rather than the fairness of government.

I am in this regard in accord with another hearings witness, Dr. L. Hart Wright, who testified that we in Congress must insist that the Internal Revenue Service strive to:

> Establish an appeals process that will permit the development of as fair a settlement as would be reached had a taxpayer been able to carry his case to court on the basis of mutual concessions responsive to anticipated litigation.

A fundamental issue which pervades thoughtful discussions concerning the adequacy of the Internal Revenue Service's taxpayer assistance and compliance programs concerns the simple fact that Internal Revenue employees who deal with the public are themselves subject to a crosscurrent of pressures which result from their confronting the question of exactly who do they represent: Are they taxpayer advocates or simply operatives of a truly impartial system? The issue seems to revolve around the nature of an employee's perception of his responsibility in insuring compliance.

Relatedly, we must communicate to our tax administrators who oversee auditing and collecting programs that those programs represent the most acute interfaces of Government and the individual citizen.

The allocation of audit effort by the Service should be a prototype of rational determination of social and economic policy. We are all obligated to review the inherent value assumptions that are implicit in these technical and complex calculations.

In evaluating the performance of the Service, we cannot on the one hand chastize them for evaluating the performance of audit employees on the basis of cases "closed" and the amount of additional tax liabilities assessed, or seizures of taxpayer assets, if we in Congress do not establish and insist upon a more viable measure of performance than collected revenue.

A system in which evaluating an employee's performance in terms of dollar production, obviously creates severe pressure on IRS employees and taxpayers. In order to obtain appropriation funds the Service must not assume that I, or my colleagues on the committee, are prepared to subsidize such a system whether it be referred to as a "quota" or a "point" system. The overhead cost in the good will and confidence of those who comply willingly with tax law is simply not worth the presumed gain in revenue.

The problems of the Service are indeed awesome, but we must not take the lazy way out. We must insist upon fair and equitable enforcement of the tax law, which is keenly sensitive to the managerial responsibilities of insuring taxpayer service while sustaining compliance.

To those who are disturbed by the lack of past congressional understanding of Internal Revenue Service operations, as long as I am chairman of the Senate Appropriations Subcommittee on Treasury, Postal Service, and General Government, the committee will be receptive to those who are interested in tax administration and feel that they can expand our understanding and assist us to improve our current system.

CONCLUSION

In pursuing the committee's interest in assisting both the Service and the individual taxpayer to identify areas of public dissatisfaction and programmatic concern, the following issues have been identified as deserving serious study and consideration by the committee and interested parties:

First. The use of summary administrative action; for example, seizures, suspensions, jeopardy assessments.

Second. The administrative use of money penalties as a sanction. Relevant to our interest here, is how collection practices might be altered or refined to improve likelihood that a citizen's livelihood is not impaired or jeopardized by collection activities which are overbearing and contribute little to the total compliance picture.

Third. A basic goal that the committee recognizes and one that the services should be concerned with involves closing the gap between what the Service and its staff knows about tax law and administrative procedures and what a taxpayer must know and is permitted to know. Whatever understanding a representative of the Service may have about any subject that affects private and public parties should be made known to them except when the Service has justifiable reason for restricting that knowledge.

Fourth. The availability and dissemination of public information on administrative procedures, policies, and activities.

Fifth. The handling of citizen's grievances and complaints.

It is generally felt that the issues raised during the course of the February IRS hearings can be dealt with administratively. There are a number of issues however which require further analysis and which can be worked out with cooperation of Service and others.

The Service has been asked to:

First. Present taxpayers undergoing audit or collection with a brief written explanation of procedure. This notice would identify taxpayer rights, obligations, appeal procedures, and names of supervisors who will entertain complaints.

Second. Provide taxpayers with an understandable booklet outlining how IRS enforces tax law judiciously.

Third. Inform taxpayers at the beginning of the audit whether or not he is suspected of a crime.

Fourth. Simplify audit and collection forms.

Fifth. Impress upon the entire agency its responsibility for insuring that taxpayers are informed of their rights and that one's career progress is not linked to a quantifiable production measurement, but to the level of total services which are engaged to sustain compliance.

Sixth. Review current emphasis on audit production goals and consequences of "point" system in measuring progress of collection employees.

Seventh. Instruct auditors to inform taxpayers when an issue raised in the audit could favor the taxpayer and explain truthfully and candidly possibilities to compromise the amounts involved in conferences with higher officials.

Eighth. Reexamine appeals procedures in the interest of streamlining process and rendering it less expensive and confusing to a taxpayer who can ill afford to subsidize a cumbersome system of appeals which he is adverse to utilizing—simply because he cannot afford to make it work for him.

Ninth. Improve training and career development for taxpayer service representatives, revenue agents, and officers.

Tenth. In the area of information practices, expand publication of overall audit, appeals, and collection information. Publish all IRS private rulings after deleting identifying taxpayer details.

In pursuing the interest of the committee, I have kept the staff of the Joint Committee on Internal Revenue Taxation informed as to the committee's efforts and where there is need for legislative remedies, I am sure that along with the Senate Finance Committee and the House Ways and Means Committee, it will make every effort to constructively deal with problems raised by these hearings.

ORDER OF BUSINESS

Mr. MONTOYA. Mr. President, I thank the distinguished Senator from West Virginia for allotting me some of his time so that I could finish my statement.

Mr. ROBERT C. BYRD. The Senator is very welcome.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 5 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, I yield 5 minutes to the distinguished Senator from Oklahoma (Mr. BARTLETT).

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is recognized.

Mr. BARTLETT. I thank the distinguished Senator from West Virginia for yielding this time to me.

NATURAL GAS PRICES

Mr. BARTLETT. Mr. President, the newspapers, magazines, and television, as well as bankers, industrial experts, and economists have all given increasing attention to the United States growing balance-of-payments deficit and to the erosion of our national security because of our further reliance on foreign energy imports. Although national security, the dollar drain into unstable foreign nations, and the expanding balance-of-payments deficit are of the gravest concern, there is another very important aspect of our domestic energy shortage that has been somewhat neglected until now. Just what does all this mean to Mr. John Q. Consumer? In particular, what should the consumer of natural gas know about supply and imports and prices? The consumer's interest in national energy policy is every bit as critical as the producer's interest.

Governmental controls in the energy marketplace possess inherent hazards that will ultimately affect the price that we consumers pay for natural gas supplies. The gap between our ever-increasing demand and lagging supply can be bridged in several ways, but each alternative has a related cost. Once the facts about these costs are known, I am sure the consumer of natural gas will then understand why encouraging further development of our own natural gas reserves is so important.

First, let us define the problem that confronts us before we outline the alternative solutions. A gas shortage exists in the sense that current domestic deliverability is not capable of meeting domestic demand. Make no mistake—the undeveloped natural gas reserves of this country are abundant. Why then do we have the shortage? Unfortunately, we are the the victims of overprotection. The marketplace has not been allowed to provide its valuable function by balancing supply with demand.

Since 1953, the Federal Power Commission has attempted to fulfill its responsibilities under the Natural Gas Act. Even FPC officials have questioned the desirability of price controls, but nevertheless Congress asked the FPC to assure consumers "just and reasonable rates." The FPC has held gas sold across State lines, interstate gas, at artificial market prices.

Initially, intrastate prices for natural gas, which the FPC does not control, were not substantially different from the controlled interstate prices. The current artificially low market prices and environmentally desirable burning characteristics have stimulated demand for natural gas. Natural gas today provides over one-third of our Nation's total energy requirements. Today the cost of heating homes by natural gas in the United States averages 30 percent less than the cost of heating by fuel oil and 55 percent less than the cost of heating by electricity. Unfortunately, the same low prices that create the aggressive demand for natural gas have not been high enough to encourage development of the vast resources of natural gas in the United States. The result is that supply is not keeping up with repeatedly increasing demand. Gas companies are being forced to turn away new customers and to scramble for supplemental supplies.

How does all this affect the consumer? It sounds great at first—low prices, clean-burning fuel—but then we realize: what good is a low price when no gas is available?

Basically, there are two kinds of consumers—the intrastate consumer and the interstate consumer. The intrastate consumer lives in a State that produces its own natural gas. The gas he buys is not controlled by the FPC and the wellhead price is significantly higher than gas that is sold as interstate commerce. In my home State of Oklahoma, for example, intrastate gas has been selling for 40 to 50 cents per 1,000 cubic feet and more recently even higher, but the wellhead price for an out-of-State buyer is held by the FPC at only 19½ cents per 1,000 cubic feet. The producer has no economic incentive to develop gas for interstate sale: It is a losing proposition and the consumer is the ultimate loser.

The interstate customer has, in the past, enjoyed the artificially low prices. But, as I mentioned, these low prices have discouraged investment in the risky business of finding and developing gas reserves. The resulting shortage of natural gas supplies has been forcing gas companies to consider more expensive supplemental supply sources: First, gas derived from coal; second, synthetic natural gas—SNG—derived from liquid hydrocarbons such as naphtha; third, imports of liquefied natural gas—LNG—from Algeria and Russia; and, fourth, pipeline imports of gas from Canada and Alaska.

Coal gasification projects will yield gas that will cost about $1.20 per 1,000 cubic feet. SNG will be approximately $1.50 per 1,000 cubic feet. LNG imports from Algeria will cost an estimated $1.10 per 1,000 cubic feet delivered to the United States. Proposals to import LNG from Russia estimate costs delivered of $1.25 to $1.50 per 1,000 cubic feet. Pipeline imports from Alaska will cost about $1.20 per 1,000 cubic feet. Imports by pipeline from Canada that now cost over $1 per 1,000 cubic feet are dependent on Canada's export policies.

Why should we pay for expensive methods of converting coal and liquid hydrocarbons into gas? Why should we jeopardize our national security? Why should we pay more to foreign countries for their gas? Why should we make our balance-of-payments deficit more critical? Why should we, when we can encourage development of our own natural gas resources by allowing a reasonable price for gas?

If a reasonable price were allowed, the interstate gas consumer would pay more at the wellhead but still significantly less than for the other alternative sources of gas supply. The current average wellhead price for natural gas in the United States is only 20 cents per 1,000 cubic feet. This wellhead price represents approximately 10 percent of the total price that a residential consumer on the east coast pays after transmission and distribution charges are added on to the wellhead price. As you can see, a significant rise in the average wellhead price of 20 cents per 1,000 cubic feet could occur without a large increase in the ultimate cost to the east coast consumer. Even if the average wellhead price for natural gas doubled to 40 cents per 1,000 cubic feet, the east coast residential consumer's cost would rise only an estimated 9.3 percent.

Not long ago, there was an editorial in the Washington Post entitled "Cockpit Point and the Price of Gas." The editorial pointed out that interstate gas at the wellhead in the Southwest costs Washington Gas & Light Co. approximately 20 cents per 1,000 cubic feet. After transmission by pipeline to the east coast, the total cost to Washington Gas & Light Co. has run up to 55 cents per 1,000 cubic feet. Recognizing that the continuation of this "cheap" gas from the Southwest is threatened by lack of incentives, Washington Gas & Light Co. has now planned a synthetic gas plant at Cockpit Point. The cost of this gas will be $1.50 per 1,000 cubic feet.

The price of natural gas in the Southwest could be five times its current average of 20 cents per thousand cubic feet and after transportation expenses still cost less than the synthetic gas.

A price increase would create the necessary incentive for further development of domestic gas reserves. The U.S. consumer benefits by increased availability of desirable, clean-burning gas produced domestically. At the same time, the U.S. economy is strengthened by a more favorable balance-of-payments posture. Dependence upon unstable foreign supply is avoided. And most importantly, the consumer has a long-term supply of clean-burning fuel at a relatively low cost.

It is time that we take the shackles off natural gas by deregulating the price at the wellhead and allow the marketplace to perform its function of balancing supply and demand. Government controls have failed; let us give free enterprise a chance.

Mr. President, I yield back my time.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of the time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 11 a.m. tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid before the Senate the following letters, which were referred as indicated:

Plans for Works of Improvement in Certain States

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement in the States of Iowa, Montana, New Mexico, North Carolina, Oklahoma, and South Carolina (with accompanying papers). Referred to the Committee on Agriculture and Forestry.

Proposed Legislation From Department of Agriculture

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1964, as amended, for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1973 (with an accompanying paper). Referred to the Committee on Agriculture and Forestry.

Report of Director of Selective Service

A letter from the Director, Selective Service System, transmitting, pursuant to law, his report for the period July 1–December 31, 1972 (with an accompanying report). Referred to the Committee on Armed Services.

Report of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Military Assistance and Commitments in the Philippines," Department of State, Department of Defense, dated April 12, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

Plans for Works of Improvement in Certain States

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement in Colorado and Wyoming, Indiana and Ohio, Nebraska, and South Carolina and North Carolina (with accompanying papers). Referred to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. JOHNSTON):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Finance:

"Assembly Joint Resolution No. 15

"Relative to East-West trade relations

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President to support, and the Congress of the United States to enact, legislation to amend the East-West Trade Relations Act of 1971 so as to deny most-favored-nation status to countries which prevent their citizens from emigrating freely by requiring the payment of ransom taxes; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States to the Speaker of the House of Representatives, to Senator Henry M. Jackson and Congressmen Charles Vanik and Wilbur Mills, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Connecticut. Referred to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution No. 51

"Resolution memorializing Congress concerning the crisis in Wounded Knee, South Dakota.

"Resolved by this Assembly:

"Whereas, the people of Connecticut and the nation are increasingly disturbed by the worsening situation in Wounded Knee, South Dakota, seized two weeks ago by members of the American Indian Movement; and

"Whereas, negotiations between the leaders of the Indians and representatives of the United States Department of Justice and Interior have so far failed to resolve the dispute; and

"Whereas, lines and property are in jeopardy as the crisis deepens;

"Now, therefore, be it resolved, that the general assembly of the state of Connecticut urges the Congress of the United States to take prompt action to restore peace to the historic hamlet of Wounded Knee and to investigate the claims of the American Indian Movement to determine their validity and the necessity for federal response to these claims; and

"Be it further resolved, that the Clerks of the House and Senate cause a copy of this resolution to be sent to the Speaker of the United States House of Representatives, the President Pro Tempore of the United States Senate and the members of the United States Congress from Connecticut."

Two resolutions of the Commonwealth of Massachusetts. Referred to the Committee on Agriculture and Forestry:

"Resolutions Promoting the Boycott of Meat

"Whereas, In recent months there has been an unprecedented increase in the cost of meat and food products; and

"Whereas, There has been a call to consumers across the nation to boycott meat products starting April 1, 1973; and

"Whereas, The proposed consumer boycott is intended to cut back the spiraling cost of the family grocery bill; and

"Whereas, A recent examination shows that food prices are substantially higher in Massachusetts than in New York and other eastern states; and

"Whereas, There is evidence tending to show that certain manipulations by national food and grain combines and the Administration in Washington have indirectly caused the increase in food prices; therefore be it

"*Resolved,* That the Massachusetts House of Representatives hereby recommends to the citizens of the Commonwealth that they support and participate in the proposed Meat Boycott and further that they call upon President Nixon and his Administration to justify recent action by the Administration which directly contributed to and caused skyrocketing food costs; and be it further

"*Resolved,* That copies of these resolutions be sent by the Secretary of the Commonwealth to the President of the United States, the presiding officer of each branch of Congress, and to each member thereof from this Commonwealth.

"House of Representatives, adopted March 28, 1973."

"Resolutions on a Proposed "Meat Boycott"

"Whereas, Throughout the United States and within the Commonwealth, consumers are mobilizing to force meat producers to decrease their prices on the various and sundry types of meat sold; and

"Whereas, The cost of living index recently rose another 0.8%, forecasting even higher prices for the necessary foods consumed by the American people than ever before; and

"Whereas, Several communities within the United States have recently conducted "meat boycotts" with the effect of solidifying consumer belief in the value of such tactics in pressuring meat producers; and

"Whereas, In the interest of similarly increasing pressure on the suppliers and producers of meat sold in the Commonwealth there is currently being planned a "meat boycott" for the first week in April, 1973; now, therefore, be it

"*Resolved,* That the Massachusetts Senate wholeheartedly supports the efforts of organized consumer groups and ordinary consumers to decrease meat prices and to dramatize such efforts by means of a "meat boycott" during the first week of April, 1973; and be it further

"*Resolved,* That copies of these resolutions be forwarded forthwith by the Senate Clerk and Parliamentarian to the President of the United States, the presiding officers of each branch of the Congress, and to the members of the Congress from the Commonwealth.

"Senate, adopted, March 27, 1973."

Resolution of the Commonwealth of Massachusetts. Referred to the Committee on the Judiciary:

"Resolutions Requesting the Congress of The United States To Call a Constitutional Convention for the Purpose of Proposing an Amendment to the Constitution of the United States Relating to the Use of Public Funds for Secular Education.

"Whereas, The General Court of Massachusetts believes that an amendment to the Constitution of the United States will permit the several states to use more direct methods of financing secular education of children in nonpublic elementary and secondary schools and that legislatures of the several states will pass resolutions applying to the Congress to call a convention for the purpose of proposing an amendment to the Constitution of the United States regarding financing secular education of children; and

"Whereas, Article V of the Constitution of the United States grants to the states the right to initiate constitutional change by applications from the legislature of two thirds of the several states to the Congress, calling for a constitutional convention; and

"Whereas, The General Court of Massachusetts believes it to be in the best interests of the people of the United States that such an amendment be adopted; now, therefore, be it

"*Resolved,* That the General Court of Massachusetts pursuant to Article V of the United States Constitution does hereby make application to the Congress of the United States to call a constitutional convention for the sole and exclusive purpose of proposing the following amendment to the Constitution of the United States:

"ARTICLE—

"'Sec. 1. Nothing in this Constitution shall prohibit the United States or any state or any political subdivision of any state from the expenditure of public funds for the support of secular education of children in nonpublic elementary and secondary schools. Provided, however, no such expenditure of public funds shall be made for such purpose where the nonpublic elementary or secondary school discriminates in its admission policies on the basis of race, creed, color or place of national origin or in the conduct of its instruction on the basis of race, color or place of national origin.

"'SEC. 2. This article shall be imperative unless it shall have been ratified as an amendment to the Constitution by the Legislatures of three fourths of the several states within seven years from the date of its submission to the states."; and be it further

"*Resolved,* That if the Congress of the United States shall have proposed an amendment to the Constitution identical with that contained in this resolution prior to June the first, nineteen hundred and seventy-three, this application for a convention shall no longer be of any force or effect; and be it further

"*Resolved,* That this application shall constitute a continuing application for such convention pursuant to Article V until the legislatures of two thirds of the states shall have made like applications and such convention shall have been called by the Congress of the United States unless previously rescinded by the General Court of Massachusetts; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the secretary of the commonwealth to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from the commonwealth.

"Senate, adopted, March 21, 1973.

"House of Representatives, adopted in concurrence, March 28, 1973."

A joint resolution of the Legislature of the State of Nevada. Referred to the Committee on Finance:

"SENATE JOINT RESOLUTION 16

"Memorializing Congress to correct inadequacies in grants of social security and supplemental benefits

"Whereas, The members of the legislature of the State of Nevada have been apprised of the fact that unanticipated hardships have been imposed upon the receipt of social security and supplemental benefits by the sick, the aged and the disabled; and

"Whereas, The eligibility for many benefits continues so long as the recipient's income does not exceed an established amount; and

"Whereas, The incomes of many recipients have been increased by the Congress with the belief that the recipients would benefit thereby; and

"Whereas, For many recipients, the increase in income is more than offset by the disqualification from eligibility for other benefits, and results in a net loss to the recipient; and

"Whereas, Grave hardships have befallen the very people who have been the object of the laudable social legislation; and

"Whereas, It is the belief of the members of the legislature of the State of Nevada that the Congress should act with all deliberate speed to correct this oversight and to prevent the dire consequences likely to be inflicted upon the less fortunate; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, jointly,* That is legislature of the State of Nevada memorializes Congress to correct the inadequacies in grants of social security and supplemental benefits by raising the ceiling of eligibility for supplemental benefits; and be it further

"*Resolved,* That Congress prevent similar inequities from accompanying future increases in social security benefits by corresponding adjustments of eligibility for supplemental benefits; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted by the legislative counsel to the President of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada Congressional delegation; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

A concurrent resolution of the Legislature of the State of North Dakota. Referred to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION NO. 4069

"A concurrent resolution requesting the Congress of the United States to propose an amendment to the United States Constitution for ratification by the states which will guarantee the right of the unborn human to life throughout its intrauterine development subordinate, only to saving the life of the mother, and will guarantee that no human life shall be denied protection of law or deprived of life on account of age, sickness, or condition of dependency.

"Whereas, 77 percent of those voting in the November 7th, 1972, general election in North Dakota rejected abortion as an alternative to solving the problems of maternal and prenatal and natal health; and

"Whereas, the United States Supreme Court on January 22, 1973, nullified the overwhelming decision of the North Dakota electorate to protect unborn human life by interpreting the United States Constitution in a way which allows the destruction of unborn human life to preserve the well-being of the pregnant woman; and

"Whereas, the sweeping judgment of the United States Supreme Court in the Texas and Georgia abortion cases is a flagrant rejection of the unborn child's right to life through the full nine-month gestation period; and

"Whereas, human life in the womb is entitled to the protection of the laws which may not be abridged by act of any court or legislature or by a judicial interpretation of the Constitution of the United States;

"Now, therefore, be it resolved by the Senate of the State of North Dakota, the House of Representatives concurring therein: That the Congress of the United States is hereby urged and requested to propose a constitutional amendment for ratification by the states that will guarantee the explicit protection of all unborn human life throughout its intrauterine development subordinate only to saving the life of the mother, and will guarantee that no human life shall be denied protection of law or deprived of life on account of age, sickness, or condition of dependency, and that Congress and the several states shall have power to enforce this article by appropriate legislation; and

"Be it further resolved, that copies of this resolution be forwarded by the Secretary of State to the North Dakota Congressional Delegation, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and the President of the United States."

A concurrent resolution of the Legislature of the State of South Carolina. Referred to the Committee on Commerce:

"CONCURRENT RESOLUTION

"Memorializing the Congress of the United States to desist from enacting legislation relating to 'no-fault' insurance

"Whereas, the United States is comprised of a union of sovereign states to which powers not delegated by the Constitution of the United States are reserved; and

"Whereas, historically, matters governing the insurance industry have been dealt with by the states; and

"Whereas, state control of insurance matters has proven beneficial as appropriate measures have been enacted to provide for conditions peculiar to local circumstances and

"Whereas, in recent times much attention has been given to various 'no-fault' schemes to replace automobile liability coverage now available in many states and in this State; and

"Whereas, in determining if South Carolina should require such 'no-fault' insurance, it would seem best that such determination and the particulars related thereto would most properly be left to this General Assembly and all other State Legislatures. Now, therefore,

"Be it resolved by the House of Representatives, the Senate concurring: That this General Assembly does hereby memorialize the Congress of the United States to desist from enacting 'no-fault' insurance legislation thereby preserving the power of the States to supervise insurance activities.

"Be it further resolved that a copy of this resolution be forwarded to the President of the United States, the Secretary of Transportation of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate and each member of the Congress who represents the people of this State."

A resolution of the Legislature of Guam. Referred to the Committee on Interior and Insular Affairs:

"RESOLUTION NO. 72

"Relative to requesting and memoralizing the President of the United States, the Congress of the United States and the Department of Defense to transfer lands not necessary to the national defense to the government of Guam.

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the Department of Defense has title to several holdings of property located within the territorial government of Guam, which holdings are not necessary and vital to the defense of the United States of America; and

"Whereas, the persons who reside within the territorial government of Guam have found it increasingly difficult to obtain adequate housing, one of the reasons being the unavailability and the right price of land; and

"Whereas, persons who reside with the territorial government of Guam desperately need additional lands for recreational and park purposes; now therefore be it

"Resolved, that the President of the United States, the Congress of the United States and the Department of Defense transfer any lands not necessary to the vital defense of the United States said land to be used for the purposes of constructing adequate housing, parks, and recreational facilities for the inhabitants of Guam; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Richard M. Nixon, President of the United States, to the President Pro Tem of the United States Senate, to the Speaker of the House of Representatives, to the Secretary of Defense, to Guam's Delegate to Washington, and to the Governor of Guam.

"Duly and regularly adopted on the 23rd day of March, 1973."

A resolution adopted by the County Council, County of Hawaii, Hilo, Hawaii, relating to Federal subsidized housing and community development programs. Referred to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the Byelorussian-American Association, Inc., Jamaica, N.Y., relating to the enslavement of Byelorussian peoples. Referred to the Committee on Foreign Relations.

A resolution adopted by the Michigan Chiefs of Police Association, praying for the enactment of legislation to support police investigative efforts in crimes against property. Referred to the Committee on the Judiciary.

A letter, in the nature of a petition, from the Board of Supervisors, Sutter County, Calif., in support of certain joint resolutions of the Legislature of the State of California, relating to the matter of busing. Referred to the Committee on the Judiciary.

A resolution adopted by the City Council of Philadelphia, Pa., praying for the continuation of the Opportunities Industrialization Center in Philadelphia. Referred to the Committee on Labor and Public Welfare.

A resolution adopted by the Executive Committee on the National Association of Secretaries of State, relating to proposed changes in election procedures. Ordered to lie on the table.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

Dale Kent Frizzell, of Kansas, to be Solicitor of the Department of the Interior.

Mr. JACKSON. Mr. President, in submitting this report of the Committee on Interior and Insular Affairs on the nomination of Kent Frizzell to be Solicitor of the Department of the Interior, I wish to state that this nominee has agreed and committed himself in open hearing before the Interior Committee to appear and testify at such reasonable times as the Interior Committee or any other duly constituted Senate committee might request his presence.

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

Laurence E. Lynn, Jr., of California, to be an Assistant Secretary of the Interior.

Mr. JACKSON. Mr. President, in submitting this report of the Committee on Interior and Insular Affairs on the nomination of Laurence E. Lynn, Jr., to be an Assistant Secretary of the Interior for Program Development and Budget, I wish to state that this nominee has agreed and committed himself in open hearing before the Interior Committee to appear and testify at such reasonable times as the Interior Committee or any other duly constituted Senate Committee might request his presence.

By Mr. MAGNUSON, from the Committee of Commerce:

Robert H. Morris, of California, to be a member of the Federal Power Commission; and

William L. Springer, of Illinois, to be a member of the Federal Power Commission.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that certain views, relating to the the nominations of Mr. Morris and Mr. Springer, to be members of the Federal Power Commission, be printed in the RECORD.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

Additional Views of Chairman Magnuson on the Nomination of Robert H. Morris to the Federal Power Commission

While I did not in Committee vote against reporting the nomination of Robert H. Morris, I am deeply troubled by the pattern of recent appointments to the Federal Power Commission. I believe the President has the right to select nominees to regulatory agencies of his own choosing so long as there is no evidence of unfitness, moral flaws or conflicts of interest. Nevertheless, I am most sympathetic with the sentiments expressed in the separate views of Senators Hart and Moss.

Robert H. Morris has spent a substantial part of his professional life advocating the interests of a major national supplier of natural gas. I have no reason to doubt that Mr. Morris would approach his assignment on the FPC with integrity, that he is committed to serving the public interest, and would implement the statutes that the FPC is committed to enforce. I am also aware of outstanding agency appointees who, despite industry backgrounds, served the public interest faithfully and well.

But, frankly, such men are the exception. Too often the regulatory agencies lose their vigor and become captives of the regulated industries. I believe the President is capable of finding competent, knowledgeable nominees who have demonstrated a commitment to public service, rather than those who have dedicated their professional lives to the pursuit of the best interests of oil and gas companies. This seems to be inconsistent.

There have been dark periods in the history of the FPC, and today again it has apparently adopted the views of the industries it was designed to regulate. It is not the function of the FPC to aid gas producers, pipelines and electric utilities to maximize profits regardless of costs to the consumer. That is not its purpose. Instead, "The regulating Commission, my friends, must be a tribune of the people, putting its engineering, its accounting and its legal resources into the breach for the purpose of getting the facts and doing justice to both the consumers and investors in public utilities. This means, when the duty is properly exercised, positive and active protection of the people against private greed." Franklin D. Roosevelt's charge should now be renewed.

This is not to say that selective rate increases fully justified on the record, may not be required. Perhaps, rate designs may have contributed to our current energy difficulties. But I believe that the public would have more confidence in a Commission whose membership reflected independence and commitment to the public interest.

Separate Views of Senators Hart and Moss with Senators Hollings and Tunney Concurring in Part on the Nominations of William L. Springer and Robert H. Morris to the Federal Power Commission

On Tuesday, April 3, the Commerce Committee voted to recommend that the nominations of Robert H. Morris of California and William L. Springer of Illinois to be members of the Federal Power Commission be confirmed. We dissent.

Originally the regulatory functions of the Federal Power Commission and the other independent regulatory agencies were performed by Congress. Because such regulation was complex and required a high degree of expertise, Congress performed these functions inadequately. Congress then delegated the performance of these specialized duties to newly created independent regulatory commissions. In carrying out such duties these agencies perform quasi-legislative functions.

But in order to perform their functions properly, the independent regulatory agencies, like the Congress, must have balanced representation of many viewpoints. Such bodies need a diversity of opinion that cuts across the spectrum of viewpoints in America. Several witnesses at the confirmation hearings for these nominees testified that the present Federal Power Commission lacks even one vigorous pro-consumer member in the mold of say, Leland Olds, Tom Buchanan, Bill Connole, or Charlie Ross and perhaps as a consequence, the Commission, usually without dissent and frequently over the opposition of consumer representatives, has in recent years adopted the basic views and the ever-higher prices urged by the regulated industries.

The Federal Power Commission was established in 1920 with a strong statutory mandate in environmental and consumer protection. It regulates the wholesale price of electricity and natural gas and the construction of non-federal hydroelectric projects and natural gas facilities. It has jurisdiction over industries whose gross revenues exceed $30 billion per year. In light of the environmental and energy difficulties facing the nation today, the functions of the Federal Power Commission are of paramount importance. It must meet the challenge of assuring adequate supplies of energy while protecting the environment and maintaining utility prices at the lowest reasonable level.

Thus, the Committee was very interested to learn of the President's selection of nominees to fill the demanding role of Federal Power Commissioners. This high public trust requires competence and judgment as well as an absence from past constraints and loyalties which might interfere with the mission of the FPC. The public is legitimately skeptical toward regulatory agencies whose important positions are assumed from the industries to be regulated or by persons who have a past record that is not generally consumer oriented. Since the primary purpose of the Federal Power Commission is to protect the consumer, to perform this mission the FPC needs strong consumer spokesmen. Neither nominee appears to fulfill this role. Mr. Morris, during his fifteen year association with the San Francisco law firm of Pillsbury, Madison and Sutro spent a majority of his time on Standard Oil Company of California matters. Standard Oil and its subsidiaries are major natural gas producers subject to Federal Power Commission regulation. Congressman George E. Brown and Charles A. Vanik, Attorney Morton L. Simons and Mrs. Erma Angevine, Executive Director of the Consumer Federation of America urged that Mr. Morris had spent nearly his entire professional career opposing the policies which he as a Federal Power Commissioner would be required to implement. It was suggested that such a complete turnaround is unlikely to occur when he becomes a Federal Power Commissioner and that he may continue to reflect views he shared with his former client.

Chairman Staggers of the House Interstate and Foreign Commerce Committee and Congressman Paul Rogers and John Dingell endorsed former Congressman Springer's nomination. On the other hand, the same four witnesses who opposed Mr. Morris also opposed Mr. Springer's nomination. It was urged that Mr. Springer not be confirmed because of his 22 year record in the House where he voted to remove the FPC's power to regulate gas prices at the wellhead, in favor of private power companies and opposing public power interests, and against environmental and consumer legislation.

Concern was expressed that an unfavorable recommendation by the Committee would reflect adversely on the professional careers of the nominees. This is most disturbing. It may indeed seem unfair to "blow the whistle" on these two men, when so many with similar backgrounds have been approved. But at some time the line must be drawn. Congress should carefully scrutinize regulatory commission nominations and reassert its duty to advise the President.

These are able men, but it's two more with the same industry orientation. In the midst of an energy and environmental crisis it would be more appropriate for the President to appoint at least two FPC Commissioners out of five whose background indicates an impartial or consumer orientation.

Senator Hollings concurs with these views with respect to Mr. Morris. Senator Tunney concurs with respect to Mr. Springer.

Minority Views of Senator Ernest F. Hollings Regarding the Nomination of Robert H. Morris to the Federal Power Commission

I associate myself with the views expressed by my colleagues, Senators Hart and Moss, as they relate to the nomination of

Mr. Robert H. Morris to the Federal Power Commission. As they indicate, we do not question his competence. There was nothing on the record to indicate incompetence or the lack of integrity. As a consequence, it was only after considerable deliberation that I found it necessary to cast my vote in opposition to his confirmation. In my mind, his nomination represents the "last clear chance" for the United States Senate and for the American gas customers. The present members of the Commission have indicated through speeches and through opinions their obvious support for the industry they are charged with regulating. Mr. Morris has served these same industry interests for the greater part of his career, and there is every reason to believe his views would not change subsequent to his confirmation. To vest this agency with such unanimity of view contradicts the purpose of regulation.

As my colleagues, Senators Hart and Moss, have indicated in their views, regulatory commissions derive their power and authority directly from Congress. Hence, as members of Congress we would be remiss in our duties if we did not oversee regulatory activities to ensure that they continue to serve the objectives we have set. The Federal Power Commission was established with a strong mandate to protect the consumer from the market tendencies of the energy industry. The Commission must assume the responsibility of assuring adequate supplies of energy at the lowest reasonable price to the ultimate consumer. At a point in time when we are facing energy shortages, when we are seeing the Commission approve price increases and consider substantial future price increases, the objective of protecting the consumer from unreasonable prices cannot be reached by a Commission dedicated to abandoning price regulation.

I feel that it is essential to have at least one functioning member of the Commission who will look with critical objectivity at the requests of industry. Based upon the Constitutional requirement that the Senate give its advice and consent to the President, I feel it is necessary for me to advise the President against his choice of this nominee and to propose in his place a person who can demonstrate a record of service to the public.

ADDITIONAL VIEWS OF SENATOR TUNNEY

I firmly believe that the members of the Federal Power Commission must be open and fair minded. The vital role of the Commission demands nothing less when billions of dollars and vast environmental effects ride on the Commission's decisions. Any person who hopes to serve as a Commissioner must be able to satisfy rigorous standards of objectivity, and to evaluate impartially the competing claims of those who are most affected by those decisions.

I am opposing the nomination of Congressman Springer. Though Congressman Springer is clearly a man of ability, his 22 years in the Congress raise serious questions in my mind as to whether he could satisfactorily represent the interests of the consumer and the environment. As those opposing Mr. Springer have noted, his record shows a pattern of frequent opposition to the interests of consumer and public-power groups.

On the other hand, Mr. Morris presents a different case. He has been criticized for positions taken while serving as a lawyer representing his client's point of view. I believe that this Committee would create a potentially dangerous precedent if it disqualified lawyers from public service on the basis of professional advocacy.

Because of the importance of the position for which Mr. MORRIS was nominated, I wanted to assure myself of his open-mindedness. In conversations with many Californians whose judgment I respect, and in my own conversations with Mr. Morris, I have confirmed to my own satisfaction that Mr. Morris possesses the requisite objectivity for this position. For that reason, I support his nomination.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PEARSON:

S. 1580. A bill to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition. Referred to the Committee on Commerce.

By Mr. HATFIELD:

S. 1581. A bill to amend the Internal Revenue Code of 1954 to require the payment of interest on overpayments of tax without regard to date of refund. Referred to the Committee on Finance.

S. 1582. A bill to provide for the conveyance of certain public lands in Klamath Falls, Oreg., to the occupants thereof, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 1583. A bill for the relief of the Summer Institute of Linguistics, Inc. Referred to the Committee on the Judiciary.

By Mr. PELL:

S. 1584. A bill to provide for the crediting of certain past employment by certain persons subject to the National Guard Technicians Act of 1968. Referred to the Committee on Armed Services.

By Mr. TALMADGE (by request):

S. 1585. A bill to prevent the unauthorized manufacture and use of the character "Woodsy Owl", and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. JACKSON (for himself, Mr. RANDOLPH, and Mr. MAGNUSON):

S. 1586. A bill to create a system of strategic petroleum reserves in the Department of the Interior; to limit imports of oil and natural gas to levels, sources and forms that are consistent with national security, public safety and welfare; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 1587. A bill to provide for the continued operation of the Public Health Service Hospital which is located in Seattle, Wash. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (by request):

S. 1588. A bill to amend section 502(a) of the Merchant Marine Act, 1936. Referred to the Committee on Commerce.

S. 1589. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of a broadcast station shall be issued for a term of 5 years, and to establish orderly procedures for the consideration of applications for the renewal of such licenses. Referred to the Committee on Commerce.

S. 1590. A bill to give effect to the International Convention on Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and for other purposes. Referred to the Committee on Commerce.

S. 1591. A bill to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and other countries, and for other purposes. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. HATFIELD) (by request):

S. 1592. A bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are presently threatened with extinction or likely within the foreseeable future to become threatened with extinction; and for other purposes. Referred to the Committee on Commerce.

By Mr. MOSS:

S. 1593. A bill to promote and enhance interstate and foreign commerce in recyclable and recycled materials; to encourage the utilization of reclaimable postconsumer waste materials; to encourage conservation of our precious energy reserves and natural resources through effective recycling; and for other purposes. Referred to the Committee on Commerce.

By Mr. GRIFFIN (for Mr. BAKER):

S. 1594. A bill to amend the Federal Water Pollution Control Act, as amended. Referred to the Committee on Public Works.

By Mr. FANNIN:

S. 1595. A bill relating to the income tax treatment of charitable contributions of inventory and certain other ordinary income property; and

S. 1596. A bill to amend the Internal Revenue Code of 1954 (26 U.S.C. Section 542(d)) to provide that for purposes of the tax on certain income of personal holding companies, the term "lending or finance business" shall not include the business of making loans, etc., with a maturity exceeding one hundred twenty (120) months. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PEARSON:

S. 1580. A bill to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition. Referred to the Committee on Commerce.

Mr. PEARSON. Mr. President, in 1888, the Amateur Athletic Union was established. In 1896, the Olympic games were revived and held in Athens. In December 1905, the National Collegiate Athletic Association was founded. Weeks later, in 1906, the NCAA and the AAU began struggling for jurisdiction over amateur basketball and baseball, leading to a series of squabbles which has continued to this day with only a few short periods of peaceful coexistence.

Nobody wins in these petty disputes among the great sports bureaucracies which control amateur athletics in this country. Everybody loses—sports fans, competitive athletes, and ultimately, teams representing our Nation in international competition.

Recent events, including the fiasco at the Munich games and the tragicomic dispute over the basketball competition between American and Russian teams, have, once again, raised serious questions about the competence, responsiveness, and responsibility of the major amateur sports organizations. Athletes, journalists, sports administrators, Members of Congress, and many American sports fans have questioned the policies, programs, and goals of the USOC, AAU, and NCAA.

Representatives of those organizations have publicly stated that accounts of their actions have been distorted by a hostile press and a few disgruntled athletes. They claim further that they are misunderstood by the American sports fans. Perhaps this is true. I believe that representatives of these organizations should be given the opportunity to present their case to the public at congressional hearings. But I also believe that the public and Members of Congress should have the opportunity to carefully examine and question the officers and policies of these organizations in an open public forum.

THE INTERNATIONAL AND NATIONAL SPORTS

I am confident that Senate hearings will be held in the near future, and that all interested parties will have an opportunity to present their points of view.

Mr. President, I need not remind Members of the Senate that we have been involved in amateur sports disputes before and that our efforts have not been particularly successful. As a member of the Commerce Committee, I joined Chairman MAGNUSON and other committee members in an attempt to resolve a previous dispute between the AAU and the NCAA. After considerable time and effort, our success was limited and fleeting.

THE INTERNATIONAL AND NATIONAL SPORTS STRUCTURE

In the wake of this experience, I began to wonder why the Congress of the United States, a legislative body granted considerable power under our Constitution, a body capable of affecting the actions of mighty nations and powerful corporations, could not resolve the petty disputes between two amateur sports bodies. I began to wonder why the U.S. Olympic Committee, an organization chartered by the Federal Government, remains impervious to suggestions that it reform its programs, policies, and procedures and administering American participation in the Olympic movement.

My curiosity prompted me to initiate a careful examination of the rules and bylaws which govern the International Olympic Committee, the U.S. Olympic Committee, the Amateur Athletic Union, and the National Collegiate Athletic Association.

Mr. President, my examination reveals that under existing rules, the organizations in power when the USOC was chartered by Congress have been able to perpetuate their power and will remain impervious to public criticism and suggestions for change unless Congress acts.

Before discussing the legislation I have introduced today, it is necessary to report the conclusions of my study of the rules and structure of the amateur sports establishment.

The structure of the organizations governing amateur sports is composed of three basic groups:

The International Olympic Committee, a private organization which governs the Olympic games, and the International Sports Federations which govern invidividual sports;

The U.S. Olympic Committee, recognized by the OIC as the sole governing body for American participation in the Olympics, and the national sports federations such as the AAU which are recognized by the international federations as the sole governing bodies for each sport in which Americans compete internationally;

The leagues, conferences, and local organizations and clubs which comprise the foundation of the American amateur sports movement.

The interrelationships between the national and internatonal sports governing bodies illustrate both the progress which has been made in promoting worldwide amateur competition, and, unfortunately their unwillingness to respond to the criticisms which have been leveled against them.

Mr. President, rule 23 of the Olympic Rules and Regulations states:

> The International Olympic Committee is the final authority on all questions concerning the Olympic Games and the Olympic movement. It delegates, however, to the International Federations the technical control of the sports which they govern.

This rule simply means that the IOC controls the games, but the international federations establish the rules and regulations for sports.

IOC rule 24 provides a key to an understanding of the voting structure and control of the USOC as well as the basis for the entrenched power of the AAU. It states:

> Only National Olympic Committees recognized and approved by the International Olympic Committee can enter competitors in the Olympic Games and the qualifying rounds. Therefore, in order that contestants from a country or geographical area can participate in the Olympic Games, a National Olympic Committee must be composed of at least five National Federations . . . (and) must include in their membership . . . representatives of the National Federations, which are members of International Federations whose sport is included in tht Olympic programme. These Federation representatives shall be of their own choice and *must constitute a voting majority of the National Olympic Committee.* (emphasis added)

Rule 24 means that the IOC must approve the USOC and that the USOC must be composed of national federations which have been approved by international federations.

But most significantly, the national federations must constitute a voting majority of the USOC. That means, in the case of the USOC, that 19 disparate organizations, ranging from the AAU with substantial membership, to the relatively small U.S. Team Handball Federation, will retain control of the USOC.

Furthermore, it must be emphasized that the AAU is the recognized national federation for 10 sports and therefore has more votes on the USOC than all of the other national federations combined.

The power of the AAU and other national federations would be formidable enough if it ended there, but it does not. These groups have further entrenched themselves in power in the USOC by passage of the following USOC rule:

> In order to be eligible for election to Group A, an organization seeking affiliation with an International Federation as a national sports governing body must first have its application for affiliation approved by a vote of two-thirds (⅔) majority of the Board of Directors present at a meeting duly called.

This rule means that any U.S. group which wants to challenge the supremacy of any group now recognized as a national federation would have to seek approval of the group it challenged and all other national federations, which have the votes to block its attempts.

The power of the AAU and other national federations goes well beyond the Olympic Committee. Because national federations sanction participation in international competition, they have been able to extend their authority to require sanctions for many national sports events. This assumption of power has been the underlying cause in the conflicts between the AAU and the NCAA.

Mr. President, what this means to the athlete, Congress, and the public is that as long as the national federations retain recognition by the international federations, they control the USOC and the amateur sports under their jurisdiction. Despite the fact that the USOC is federally chartered, and despite the fact that Congress retains the right to revoke or amend the charter, there is nothing anyone can do to fundamentally alter the USOC's structure.

Furthermore, it means that the individual groups of people who control these organizations, competent or incompetent, dedicated or self-serving, have little reason to be responsive to Congress, athletes, or the people. They are in power in many cases because they were the only organization around when the national federation was recognized and when the USOC was chartered. They cannot be dislodged—so long as they retain recognition as a national federation.

The recent AAU–NCAA dispute over the U.S.–U.S.S.R. basketball competition is an example of the results of the impact of a conflict between a national federation and a large U.S. amateur sports organization which operates extensive programs.

I mention this incident, which did credit to neither the AAU nor the NCAA, because its origins lie in the rules governing all national and international sports competition.

This analysis of the rules, regulations and organizational structures governing amateur sports reveals that the key to the power over the USOC and amateur sports in the United States lies in the national federations. The analysis demonstrates that under present International Olympic Committee Rules, Congress cannot resolve disputes between the AAU and the NCAA or improve the effectiveness of the Olympic Committee unless it can establish its authority over the national federations.

THE AMATEUR SPORTS ACT

Mr. President, the legislation I introduce today will provide the Congress with that authority. My bill is aimed directly at the power base of the organizations which control amateur sports in this country. And the bill accomplishes this without interjecting the Federal Government directly into the administration or regulation of the individual sports.

Briefly, my bill accomplishes the following:

Provides for the creation of a five-member U.S. Amateur Sports Association Board. The Board, appointed by the President with the advice and consent of the Senate, would also include one active amateur athlete who would serve as a nonvoting member;

Empowers the Board to establish rules

and regulations under which "U.S. Sports Associations" could be issued Federal charters as the sole sanctioning authority for open amateur athletic competition in the United States. The U.S. Sports Associations would be the chartered counterparts of groups which are currently recognized national federations. To receive a charter, an association would be required to meet the regulations and procedures established by the Board and to receive recognition by the International federation governing the sport;

Provides that no open amateur athletic competitive meet be conducted within the United States more than 2 years after the date of enactment of this bill, unless such meet is sanctioned by a U.S. Sports Association;

Insures that active competitive athletes are adequately represented in the organizations which govern their sports by requiring a U.S sports association's governing body to include among its voting members not less than two individuals who are actively engaged in amateur athletic competition and that the voting power held by such individuals be no less than 20 percent of the total voting power held in the governing body;

Prohibit any U.S. sports association from holding more than one charter.

Mr. President, this legislation will have a fundamental and far-reaching impact on the organization of amateur sports in this Nation.

The Amateur Sports Act proposes a fundamental shift in the power structure of the USOC. No longer could it be dominated by any single organization. The AAU would be prohibited from holding more than one charter, as would any other group. Athletes would have a much greater voice in USOC operations through their voting authority in the associations. A combination of these circumstances should lead to a revitalization of the USOC without direct involvement of the Federal Government.

Finally, this act would have a direct impact on the struggle between the AAU and the NCAA for control of certain amateur sports. The AAU would no longer control 10 sports. Rather, new, revitalized organizations would control amateur sports, hopefully leading to an era of peaceful cooperation.

Mr. President, after several months of research and a thorough analysis of the rules, regulations and structures of national and international amateur sports, I offer this legislation as a means of resolving some of the most serious problems affecting amateur sports in this country. While I recognize that many dedicated, hard-working individuals are committed to preserving the integrity of their organizations, I believe that events of the past few years, and especially those of the last 6 months, have demonstrated that only Federal intervention can resolve the fundamental problems which exist. But because I am not convinced that the Federal Government should become directly involved in the administration of amateur sports, I have provided a proposal by which we can accomplish a badly needed reorganization of amateur sports, while retaining the best features of private control.

My bill offers a way to insure that amateur athletes have a strong voice in the sports organizations. It also clearly establishes the principle that the USOC and all U.S. sports associations are ultimately responsible to the American people.

Mr. President, I am hopeful that consideration of this proposal will come at an early date. It is important that our involvment in the next Olympic games not be impaired by inadequate time to train a national team, a situation which could result with late approval of this legislation. I therefore urge my colleagues to proceed to its enactment in the very near future.

Mr. President, I ask unanimous consent to insert the text of my bill in the RECORD at the end of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1580

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Amateur Athletic Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) organized amateur athletic competition within the United States is conducted in such a manner as to impinge upon commerce among the several States in several respects, including the sale of admission tickets to attend competitive events, the use of common carriers in transporting athletes and the public to such events, and the broadcasting, by radio and television, of such events;

(2) to the extent that amateur athletes who are citizens of the United States are recognized by international athletic organizations and engaged in international competition, organized amateur athletic competition involving such athletes impinges upon the foreign commerce of the United States; and

(3) as an exercise of the power of the Congress to regulate commerce with foreign nations, and among the several States, it is necessary to regulate organized amateur athletic competition within the United States.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Board" means the United States Amateur Sports Association Board; and

(2) "United States Sports Association" means a corporation not for profit which holds a charter granted under section 5 by the Board.

ESTABLISHMENT OF BOARD

SEC. 4. (a) There is established in the executive branch of the Government an independent agency to be known as the United States Amateur Sports Association Board. The Board shall consist of 5 members, selected for their demonstrated excellence, ability, knowledge, and experience in the field of amateur sports, who shall be appointed by the President, by and with the advice and consent of the Senate. Not more than 3 members shall be affiliated with the same political party. No 2 members serving at any one time shall have been officers or employees of the same national or international athletic association. No individual shall be eligible for appointment who has previously served as a member of the Board. No member shall serve during his term of office as an officer of any national or international sports organization. A member may be removed from office by the President for neglect of duty or malfeasance in office, but for no other cause.

(b) (1) Each member shall be appointed for a term of 5 years, except that—

(A) of the members first appointed, one shall be appointed for a term ending one year after the date of enactment of this Act, one shall be appointed for a term ending 2 years after such date, one shall be appointed for a term ending 3 years after such date, one shall be appointed for a term ending 4 years after such date, and one shall be appointed for a term ending 5 years after such date;

(B) no member appointed to serve for the remainder of the unexpired term of his predecessor shall serve under such appointment beyond the end of such unexpired term (except as provided in subparagraph (C)); and

(C) a member shall continue to serve after the expiration of his term until his successor has been appointed and qualified, but such post-term service shall not be for a period greater than 90 days.

(2) The Board shall elect a chairman and a vice chairman from among its members for a concurrent term of 2 years each. No member who serves as chairman may succeed himself as chairman. The vice chairman shall act as chairman whenever the chairman is absent or disabled from performing his duties as a member.

(3) Three members of the Board constitute a quorum for the conduct of business.

(4) The Board shall have a seal which shall be judicially recognized.

(b) The Board shall first meet within 30 days after the date on which the fifth member is appointed and thereafter shall meet on call of the chairman or upon written demand of not less than 3 members, but not less frequently than once each year.

(c) With the consent of at least 3 other members, the chairman may appoint an administrative officer and such additional employees as the Board determines are necessary to carry out its duties. The administrative officer shall serve at the pleasure of the Board. The Board shall maintain an office in Washington, D.C.

(d) Members of the Board shall be compensated at the maximum daily rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) spent in the active performance of their duties under this Act, and shall receive reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

(e) The President shall appoint annually an amateur athlete's representative to the Board who shall be, at the time of his appointment, actively engaged as an amateur in athletic competition. No individual shall be eligible for appointment under this subsection with respect to the sport designated in the charter application, or

(B) the Board has received assurance satisfactory to it that the chartered corporation will be so recognized.

(2) The power of the Board to revoke a charter under this subsection is in addition to its authority to revoke a charter for cause under regulations promulgated by the Board.

UNITED STATES SPORTS ASSOCIATIONS

SEC. 6. (a) In order to be eligible to receive a charter under section 5 as a United States Sports Association, a group of not less than 3 individuals shall, in accordance with regulations promulgated by the Board—

(1) incorporate under the laws of any State or the District of Columbia as a corporation not for profit for the purpose of furthering amateur athletic competition within the United States and by United States citizens in international competition with respect to a single sport,

(2) submit an application to the Board setting forth a request for a charter, a copy of the corporate charter and bylaws, the names, addresses and occupations of all shareholders and other persons having any financial interest in the corporation, the sport in which it seeks to further competi-

tion, and such additional information as the Board may request,

(3) demonstrate to the satisfaction of the Board that—

(A) its board of directors, executive committee, or other governing body will at all times include among its voting members not less than 2 individuals who are actively engaged in amateur athletic competition in the United States, and that the voting power held by such individuals is not less than 20 percent of the total voting power held in that board, committee, or other body.

(B) it will at all times, to the extent consistent with rules and regulations promulgated by the Board, operate under procedures reasonably calculated to inform amateur athletes under its jurisdiction of policy matters under consideration by the corporation, and reasonably calculated to reflect in its policies the views of such athletes,

(C) it will undertake to develop interest and participation in its particular sport throughout the United States, and

(D) if the requested charter is granted, the corporation will be recognized by the appropriate international amateur sports organization or organizations as the single United States organization for sanctioning amateur athletic competition within the United States in that particular sport.

(b) No corporation shall be eligible to receive a charter under section 5 if more than 10 percent of the incorporators or individuals having a financial interest in the corporation are officers or employees of, or associated with, any other corporation chartered under such section as a United States Sports Association.

UNITED STATES SPORTS ASSOCIATION SANCTION REQUIRED

SEC. 7. (a) Except as provided in subsection (b), no open amateur athletic competitive meet (as defined by the Board in regulations promulgated by it) shall be conducted within the United States more than 2 years after the date of enactment of this Act unless such meet is sanctioned by a United States Sports Association.

(b) The Board may waive the requirement of subsection (a) only by unanimous vote and only if there is no United States Sports Association which can sanction the meet, taking into consdieration the time necessarily involved in planning such a meet.

(c) Upon application by the Attorney General, the district courts of the United States shall have jurisdiction to enjoin the commission of acts in violation of subsection (a).

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

By Mr. HATFIELD:

S. 1581. A bill to amend the Internal Revenue Code of 1954 to require the payment of interest on overpayments of tax without regard to date of refund. Referred to the Committee on Finance.

Mr. HATFIELD. Mr. President, I am pleased to send to the desk a bill which will require the Federal Government to automatically pay interest on the refunds it gives for overpayments of tax.

Mr. President, when individual taxpayers are delinquent in making proper deposits of their estimated tax liabilities, penalties and interest payments are imposed on them by the Federal Government. These charges act as incentives for the taxpayer to meet his depository requirements and also recompense the Government for the period when it did not have its rightfully due money. By establishing such a system of penalties, the Government insures some measure of equity and budgetary stability.

Unfortunately, however, such equity does not exist for the taxpayer who overpays his taxes, perhaps in an effort to avoid the penalties, or perhaps through simple overwithholding by his employer. Although the Government, in this situation, is holding money which justly belongs to the taxpayer, it does not, except in special circumstances, recompense him for the use of that money in the form of interest.

Mr. President, if it is proper policy for the Government to be paid interest by the people on money it is owed, it is equally proper policy for the Government to pay interest on money which it owes the people. In view of our common desire to design a fairer system of taxation, it is necessary that the current inequity be recognized and remedied without further delay.

In submitting this bill for consideration, I would very much like to commend by constituent, Mr. W. R. Graham of Salem, Oreg., and Mr. Frank Forte, Jr., a certified public accountant. Both were instrumental in providing the idea and design for this legislation.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 611(e) of the Internal Revenue Code of 1954 (relating to income tax refund within 45 days after return is filed) is repealed.

(b) The amendment made by this Act shall apply with respect to taxable years beginning after the date of enactment of this Act.

By Mr. TALMADGE (by request):

S. 1585. A bill to prevent the unauthorized manufacture and use of the character "Woodsy Owl," and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. TALMADGE. Mr. President, I introduce a bill relating to the unauthorized manufacture and use of the character "Woodsy Owl." I ask unanimous consent that a letter from the Under Secretary of Agriculture, requesting the proposed legislation, be printed in the RECORD, together with a supplemental statement relating to this proposal, and the bill itself.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 23, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate.

DEAR MR. PRESIDENT: Transmitted herewith for the consideration of the Congress is a draft bill "To prevent the unauthorized manufacture and use of the character 'Woodsy Owl,' and for other purposes."

The Department of Agriculture recommends that the draft bill be enacted.

The draft bill would authorize the Secretary of Agriculture to establish and collect use or royalty fees for the manufacture, reproduction or use of the character and name, "Woodsy Owl," and the associated slogan "Give a Hoot, Don't Pollute," which were originated by the Forest Service as the symbol for a public service campaign to promote wise use of the environment and programs fostering maintenance of environment quality. Receipts from such fees would be available for furthering the Woodsy Owl campaign.

The draft bill would also protect Federal use of the "Woodsy Owl" character, as it is described in the bill. It would prohibit the knowing manufacture, reproduction, or use of the Woodsy Owl character, facsimile, name, or slogan, except as authorized under rules and regulations issued by the Secretary of Agriculture. Unauthorized use would be subject to a fine of $250, or six months imprisonment, or both. Violation of the Act would be subject to injunction proceedings.

The draft bill would permit use of funds received by the Federal Government in connection with the Woodsy Owl program to be used on a "revolving fund" basis, to further the campaign. No additional budget outlays would be required as a result of the proposed legislation.

Further details on the purposes and provisions of the draft bill are included in the enclosed supplemental statement.

An identical letter has been sent to the Speaker of the House of Representatives.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

SUPPLEMENTAL STATEMENT ON WOODSY OWL PROPOSAL

Woodsy Owl has been created by this Department in connection with its Federal responsibilities for national leadership in forest and related land management. The Department of Agriculture also has a principal responsibility to encourage wise resource use on the privately owned lands which make up more than two-thirds of the Nation. We work intensively on land management and ecology problems with State and private organizations throughout the country. Woodsy is furthering our total Department objectives of protecting and improving the quality of air, water, soil, and natural beauty in rural and urban areas alike.

Woodsy Owl's purpose is to create an awareness, particularly among our young people, of the pressing national need to maintain and improve environmental quality. The campaign is being modeled after the extremely successful Smokey Bear campaign. It involves a catchy, fanciful symbol, promoted through widescale use of media, and will involve merchandising of Woodsy Owl items which will be carefully controlled so as to further appeal to all generations, and campaign material relates to problems in all sectors of the country.

The major campaign effort was launched in September 1971. Media sources throughout the United States have begun to carry the Woodsy Owl campaign as a public service, without cost to the government.

We proposed that the program be administered by the Secretary of Agriculture principally because of our direct responsibilities for environmental management and because of the experience of the Forest Service in this and similar efforts. Although Woodsy Owl furthers USDA environmental responsibilities, the character and campaign approach have been designed to accommodate specific environmental improvement programs of other Departments and agencies.

The proposed draft bill is similar to authorities related to the Smokey Bear campaign (18 U.S.C. 711, 31 U.S.C. 488a). The proposed authority is needed to prevent exploitation and unauthorized use of the Woodsy Owl character and symbol. In the conduct of the campaign thus far we have taken steps to give protection to the symbol and slogan within the limited framework of applicable authorities. Procedures relating to Woodsy Owl and his slogan were announced in the Federal Register on April 23, 1971 (36

F.R. 7695). Regulations relating to use of the Woodsy Owl symbol were published in the Federal Register on December 7, 1971 (36 F.R. 23220) and March 18, 1972 (37 F.R. 5700). Specific authority as proposed in the draft bill is necessary to give a clear statutory "copyright" to the campaign features.

No additional appropriations or outlays would be required to administer the program. However, the draft bill would permit use of funds received by the Federal Government in connection with the program to be used on a "revolving fund" basis, to further the campaign. Anticipated annual receipts to the fund are estimated at $10,000 for the first year and up to $25,000 by the fifth year.

S. 1585

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture may, under such arrangements and terms and conditions as he deems suitable, establish and collect use or royalty fees for the manufacture, reproduction, or use of the character and name "Woodsy Owl" and the associated slogan, "Give a Hoot, Don't Pollute", originated by the Forest Service, United States Department of Agriculture, as a symbol for a public service campaign to promote wise use of the environment and programs which foster maintenance and improvement of environmental quality.

SEC. 2. The Secretary of Agriculture shall deposit into a special account all fees collected pursuant to this Act. Such fees are hereby made available for obligation and expenditure for the purpose of furthering the "Woodsy Owl" campaign.

SEC. 3. As used in this Act, the name or character "Woodsy Owl" means the representation of a fanciful owl, who wears slacks (forest green when colored), a belt (brown when colored), and a Robin Hood style hat (forest green when colored) with a feather (red when colored), and who furthers the slogan "Give a Hoot, Don't Pollute", which was originated by the Forest Service, United States Department of Agriculture, as a symbol and slogan for a public service campaign to promote wise use of the environment and programs which foster maintenance and improvement of environmental quality.

SEC. 4. Chapter 33 of title 18 of the United States Code is amended by adding after section 711 a new section to be designated section 711a, as follows:

"§ 711a. 'Woodsy Owl' character, slogan, or name.

"As used in this section, the name or character 'Woodsy Owl' means the representation of a fanciful owl, who wears slacks (forest green when colored), a belt (brown when colored), and a Robin Hood style hat (forest green when colored) with a feather (red when colored), and who furthers the slogan 'Give a Hoot, Don't Pollute', which was originated by the Forest Service, United States Department of Agriculture, as a symbol and slogan for a public service campaign to promote wise use of the environment and programs which foster maintenance and improvement of environmental quality.

"Whoever, except as authorized under rules and regulations issued by the Secretary of Agriculture, knowingly manufactures, reproduces, or uses the character 'Woodsy Owl', the associated slogan, 'Give a Hoot, Don't Pollute', the name 'Woodsy Owl', or facsimiles or simulations of such character, slogan, or name in such a manner as suggests the character 'Woodsy Owl' shall be fined not more than $250 or imprisoned not more than six months, or both.

"A violation of this section may be enjoined at the suit of the Attorney General upon complaint by the Secretary of Agriculture."

SEC. 5. The analysis of chapter 33 immediately preceding section 701 of title 18 of the United States Code is amended by adding at the end thereof:

"711a. 'Woodsy Owl' character, slogan, or name.".

By Mr. JACKSON (for himself, Mr. RANDOLPH, and Mr. MAGNUSON):

S. 1586. A bill to create a system of strategic petroleum reserves in the Department of the Interior; to limit imports of oil and natural gas to levels, sources, and forms that are consistent with national security, public safety, and welfare; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

PETROLEUM RESERVES AND IMPORT POLICY ACT OF 1973

Mr. JACKSON. Mr. President, events of recent days, including the destruction of American-owned oil supplies abroad and growing gasoline shortages at home, have dramatized the need for decisive action to deal with urgent energy issues. We are facing supply shortages unprecedented in our peacetime history. And the failure to develop a national energy program is forcing us into increasing reliance on foreign energy sources.

On Friday, I introduced in the Senate an Emergency Fuels and Energy Allocation Act to give the President broad authority to allocate fuels in time of shortage. This act provides essential authority to preserve a strong economy, maintain essential public services, and protect the public welfare.

An allocation program may be the only way to assure that crops will be planted, that factories will operate, and the buses will run. We cannot count on the existing distribution system to make a fair and equitable distribution of scarce fuels.

As we prepare to deal with the problem of shortages, we must also take steps to protect against unnecessary interruption in our oil supplies from abroad. We must act to reduce our vulnerability to natural disasters, acts of sabotage, or the whims of oil-producing countries.

For this reason I am today introducing legislation to establish a National Strategic Reserve System capable of replacing all oil and gas imports from insecure sources for at least 90 days. This reserve would be composed of several storage components including steel tanks and salt dome storage as well as the maintenance of reserve producing capacity.

The reserve bill would also authorize an intensive exploration of existing Naval Petroleum Reserves, which are believed to include very large oil reserves. We must know the extent of these reserves and we must be in a position to use them if necessary.

Although my bill does not so provide, I believe we should give serious consideration to earmarking revenues from the oil import license fees authorized in this bill to finance in part the Strategic Reserve System.

We are beginning to pay the price for years of inaction and indecision on energy matters. We have waited too long for leadership from this administration on energy issues. As our energy situation continues to deteriorate, it is increasingly clear that Congress must take the initiative in establishing energy policy. The bills I have discussed today are only a first step.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 1586

A bill to create a system of strategic petroleum reserves in the Department of the Interior; to limit imports of oil and natural gas to levels, sources, and forms that are consistent with national security, public safety, and welfare; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Petroleum Reserves and Import Policy Act of 1973".

TITLE I—GENERAL PROVISIONS

SEC. 102. DECLARATION OF POLICY.—It is hereby declared to be the policy of the United States—

(a) to create over a period of three years, and to maintain thereafter, strategic reserves of petroleum in the form of useful storage or reserve producing capacity capable of replacing all oil and gas imports from insecure sources for at least ninety days;

(b) to limit imports of oil and natural gas to levels, sources, and forms that are consistent with national security, public safety, and welfare, and with the efficient functioning of the United States economy;

(c) to encourage the development and perpetuation of domestic capacity for the production, refining, conversion, and distribution of fuels and energy;

(d) to foster and perpetuate sound, diverse, and competitive energy industries and markets, both domestic and international, including integrated concerns, and independent producers, refiners, distributors, and marketers;

(e) to minimize, to the extent compatible with the other policies declared in this Act, the cost of fuels and energy to consumers, to the United States economy and to its international payments account;

(f) to achieve these objectives with policies and machinery that are flexible enough to meet changing conditions, but stable enough to encourage investment with reasonable confidence in exploration, construction of refinery, fuel conversion, and transportation facilities, both in the United States and abroad; and to avoid unnecessary interference with market mechanisms.

SEC. 103. AUTHORITY AND ADMINISTRATION.—(a) Authority under this Act shall be exercised over the establishment and management of reserve producing and storage capacity for, and over any and all imports of, liquid and gaseous fuels, whether crude or processed.

(b) There shall be a Petroleum Reserve and Import Policy Committee (hereinafter referred to as the "Committee"), composed of the Secretary of the Interior (hereinafter referred to as the "Secretary") or his designee, who shall hold the rank of Assistant Secretary or higher and who shall be Chairman of the Committee; one member of the Federal Power Commission, designated by its Chairman; and one member holding the rank of Assistant Secretary from each of the following departments, to be designated by the appropriate Secretary: State, Defense, Treasury, and Commerce. Decisions of the Committee under the provisions of this Act shall be taken by majority vote, and the Secretary shall have tie-making and breaking powers.

(c) There shall be a Petroleum Reserves and Imports Administration in the Department of the Interior, which shall be headed by an Administrator appointed by the President with the advice and consent of the Senate, and which shall implement the decisions of the Committee and the provisions of this Act.

(d) The Secretary shall establish and appoint, in consultation with the Committee, a Reserves and Import Appeals Board to consider and act, under rules and regulations established by the Committee, upon appeals from specific actions taken by the Secretary under the provisions of this Act.

SEC. 104. DISCLOSURE, INSPECTION, INVESTIGATIONS.—(a) Every importer, refiner, transporter, distributor, or marketer of fuels subject to the provisions of this Act shall prepare such accounts, records of cost-accounting procedures, correspondence, memorandums, papers, books, and other records as the Secretary may by rule and regulation prescribe as necessary or appropriate for purposes of the administration of this Act.

(b) The Secretary shall at all times have access to and the right to inspect and examine all producing, transportation, storage, refining, or processing facilities, and all accounts, records, and memorandums of persons subject to the provisions of this Act; and it shall be the duty of such persons to furnish to the Secretary, within such reasonable time as the Secretary may order, any information with respect thereto which the Secretary may by order require, include copies of maps, contracts, reports of engineers, and other data, records, and papers, and to grant to all agents of the Secretary free access to their property and their accounts, records, and memorandums when requested so to do. No member, officer, or employee of the Secretary shall divulge any fact or information which may come to his knowledge during the course of examination of books, records, data, or accounts, except insofar as he may be directed by the Committee, the Secretary or a court.

(c) The Committee may investigate any facts, conditions, practices, or matters which it may find necessary or proper in order to determine whether any person has violated or is about to violate any provision of this Act or any rule, regulation, or order thereunder, or to aid in the enforcement of the provisions of this Act or in prescribing rules or regulations thereunder, or in obtaining information to serve as a basis for recommending further legislation to the Congress.

SEC. 105. ANNUAL REPORTS.—The Committee shall prepare, have printed, and transmit to the Congress an annual report summarizing all actions taken under authority of this Act, with an analysis of their impact, an evaluation of their effectiveness in fostering the objectives listed in section 102, and any recommendations the Committee may address to Congress for legislation regarding the matters governed by this Act.

SEC. 106. AUTHORIZATION OF APPROPRIATION.—There are hereby authorized to be appropriated to the Department of the Interior such funds as are necessary for implementation of the provisions of this Act.

TITLE II—STRATEGIC PETROLEUM RESERVE SYSTEM

SEC. 201. GENERAL PROVISIONS.—(a) In order to protect the United States economy against interruptions in fuel imports, to limit the impact of failures in the domestic oil distribution system, and to provide adequate petroleum inventories for national security purposes, there is hereby created a strategic petroleum reserve system (hereinafter referred to as the "system") for those fuels subject to the provisions of this Act, which shall be composed of the following programs—

(1) petroleum industry storage reserve,

(2) petroleum industry production reserve, and

(3) national petroleum reserves.

(b) The Committee shall devise and implement a strategy that will assure, within five years of the effective date of this Act, that domestic fuel sources, including domestic production and the system, could effectively replace all ordinary and extraordinary imports, as defined in section 301(c) hereof for a continuous period of at least ninety days. The Committee, in devising and implementing said strategy, and in determining the component mix of the system among and within its three programs, shall seek, to the extent consistent with the other provisions of this title, to minimize its long-term costs to the United States economy.

(c) Additions of fuels or producing capacity to, and production or withdrawals from, the system to offset interruptions of imports, anticipated or unanticipated variations in supply and demand, or for any other purpose, shall be governed by rules, regulations, and orders of the Committee.

SEC. 202. PETROLEUM INDUSTRY STORAGE RESERVE.—(a) "Petroleum industry storage reserve" refers to the useful capacity within the United States for storing and withdrawing from storage in tanks, natural geological formations or otherwise fuels subject to the provisions of this Act, owned by or under the control of importers, refiners, transporters, distributors, or marketers of those fuels.

(b) The Committee shall, whenever, it promulgates a schedule of import license fees under the provisions of title III of this Act, also promulgate and cause to be published in the Federal Register a schedule that sets forth the quantities of petroleum industry storage capacity and of fuel actually stored in that capacity, which importers must own, control, or otherwise have available in order to be eligible to receive an import license.

SEC. 203. PETROLEUM INDUSTRY PRODUCTION RESERVE.—(a) "Petroleum industry production reserve" refers to the available but unutilized capacity to produce oil and/or natural gas from completed, producing wells within the United States, other than those wells owned and operated by the United States Government.

(b) The Secretary, under his existing authority to regulate for conservation purposes the development and production of oil and gas on Federal lands, including the Outer Continental Shelf, shall require holders of oil and gas leases on those lands to produce oil and/or gas from their wells at a specified percentage, less than 100 per centum, to be determined by the Committee of their maximum efficient rate (MER), in order to create reserve producing capacity as part of the petroleum industry production reserve.

SEC. 204. NATIONAL PETROLEUM RESERVE.—(a) There is hereby created a national petroleum reserve, which shall include—

(1) the naval petroleum reserves administered by the Secretary of the Navy pursuant to title 10, United States Code, section 7421 et seq.; and

(2) the storage of crude oil in natural geological formations.

(b) The Secretary of the Navy shall, with the consultation and assistance of the Secretary, conduct a program of exploration for oil and gas on the naval petroleum reserves in order to determine the oil and gas resources therein which might be producible as part of the national petroleum reserve.

(c) $20,000,000 is authorized to be appropriated to the Department of Defense in fiscal year 1974, $50,000,000 in fiscal year 1975, and $50,000,000 in fiscal year 1976, for the exploration program authorized in subsection (c) hereof.

(d) The Secretary of the Navy shall make annual reports to the Committee regarding the progress, results, and findings of the exploration program authorized in subsection (c) hereof. The Committee shall incorporate this report into its own annual report to Congress, together with any recommendations by the Secretary of the Navy or by the Committee regarding development, production, sale, exchange, transportaion, or storage of oil and/or natural gas found to exist on the naval petroleum reserves.

(e) The Secretary of the Interior is hereby authorized to establish a program for the purpose of storing within three years of the effective date of this Act, a minimum of two hundred barrels of crude oil and/or natural gas liquids in salt domes or other natural geological formations suitable for that purpose, as part of the national petroleum reserve. The Secretary shall prepare and submit to the Congress within six months from the date of enactment of this Act a report identifying sites suitable for such storage, together with current estimates of the capital and operating costs required for such storage, and recommendations for securing oil for such storage.

(f) The Secretary is authorized for the purpose of storing fuels as authorized in subsection (e) hereof, to purchase crude oil as required therefor, or to appropriate and transport or exchange, any and all crude oil and/or natural gas to which the United States is entitled as royalty for production upon Federal lands, including the Outer Continental Shelf.

TITLE III—OIL AND GAS IMPORT REGULATION

SEC. 301. CLASSIFICATION OF FUELS BY KIND AND SOURCE.—(a) The Committee shall from time to time classify liquid and gaseous fuels by kind and source according to the risk to the United States of their total or partial interruption, for reasons which may include but are not necessarily limited to natural disaster; war; international political confrontations short of war; sabotage, insurrection or political instability or disputes over prices or other conditions of production, sales, or delivery.

(b) Factors to be considered by the Committee in classification *of* fuels and their sources under this section shall include, but need not be limited to—

(1) the availability of alternative supplies of the same or readily substitutable fuels and the availability of the transportation facilities necessary to their substitution;

(2) the distance of the source from United States markets and the security of its transportation;

(3) domestic and international political stability in the region of production and or refining, and in the regions or nations through which fuels from said region are transported;

(4) membership or participation of the source nation in international producer organizations, associations, or cartels, and the policies of those groups;

(5) the past behavior and history of the source nation with respect to supply reliability and with respect to the sanctity of contracts and commercial agreements; and

(6) treaties and formal or informal agreements between the United States and the source nation regarding their commerce in fuels.

Factors which shall not govern the classification of fuels except insofar as they are shown to influence the risk of supply interruptions include the economic or political systems of source nations, their participation or nonparticipation in military or security alliances or blocs, and the form or nationality of the nominal ownership or control of producing, refining, or transport facilities.

(c) Classifications established for specific fuels by source under this section shall be as follows:

(1) Exempt imports are those imported fuels, by kind and source, for which the risk to the United States of total or partial interruption of supply is found not to be substantially greater than that for comparable fuels of United States origin.

(2) Ordinary imports are those imported fuels, by kind and source, for which there is shown to be a substantial risk to the United States of total or partial interruption of supply.

(3) Extraordinary imports are those imported fuels, by kind and source, for which there is shown to be an exceptionally high risk to the United States of total or partial interruption of supply.

SEC. 302. IMPORT LICENSES.—(a) Every person who imports into the United States fuels subject to the provisions of this Act, except exempt imports, shall have in his possession an import license, issued by the Secretary under the provisions of this Act and the rules and regulations of the Committee, specifying the kind, quantity, and source of fuel to be imported, and if so provided by the rules and regulations of the Committee, the Petroleum Administration for Defense (P.A.D.) district or districts into which said fuel may be imported.

(b) Import licenses issued under this section shall be freely exchangeable, transferrable, or negotiable, but all exchanges, transfers, or sales or import licenses shall be promptly filed and recorded with the Administration under its rules and regulations: *Provided, however,* That the Committee may prohibit, limit, or regulate exchanges, transfers, or sales of import licenses among P.A.D. districts.

(c) The Committee shall, from time to time, after due notice and a public hearing, and after consultation with concerned Federal agencies, promulgate, publish in the Federal Register, and transmit to Congress a schedule of import license fees by kind of fuel, class of import, size of importer or volume of imports, and any other lawful classification determined by the Committee to be relevant to the objectives set out in section 102 of this Act.

(d) The Committee shall, in its deliberation over and promulgation of a schedule of import license fees under the provisions of this section, explicitly consider and give weight to each and every objective set forth in section 102 of title I of this Act. Each schedule of import license fees promulgated, published and transmitted under subsection (c) of this section shall be accompanied by a report containing the Committee's economic and security assumptions and analyses underlying its determinations; the expected implications of said schedule of fees with the respect to each of the objectives listed in section 102 of this Act; and forecasts of the levels and structure of domestic fuels and energy prices; amounts and composition of domestic fuels and energy production, of consumption and of imports expected as a result of said schedule.

(e) A schedule of import license fees promulgated under subsection (c) of this section shall take effect thirty legislative days after its publication in the Federal Register and transmission to the Congress: *Provided, however,* That the Congress by a majority vote of both Houses may disapprove or amend any such schedule at any time before its effective date.

(f) Import license fees established under the provisions of this section shall, for the purpose of collection and enforcement and except as otherwise provided in this Act, be regarded as import tariffs under title 19 of the United States Code. Import license fees collected under this provision shall be deposited in the United States Treasury as miscellaneous receipts.

By Mr. MAGNUSON·

S. 1587. A bill to provide for the continued operation of the Public Health Service hospital which is located in Seattle, Wash. Referred to the Committee on Labor and Public Welfare.

Mr. MAGNUSON. Mr. President, I rise to introduce a bill which would require the Department of Health, Education, and Welfare to continue operation of the Seattle Public Health Service Hospital as a full-fledged hospital providing inpatient care until such time in the future as the Congress might, by law, authorize its closure.

Mr. President, the administration has announced that in July it will end in-patient admissions at the PHS hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, and Boston. Also, as I understand it, HEW intends to halt in-patient admissions in the near future at the other two PHS hospitals in New York and Norfolk. When in-patient services are terminated these hospitals will, of course, no longer be federally operated hospitals.

The President's budget speaks of transferring the control of these facilities to non-Federal sponsors so that they will continue as hospitals serving the health care needs of the areas where they are now located. However, while I do not know what the situation is with respect to the other seven hospitals, I do know that there is no realistic hope at this time that any non-Federal organization or agency will be able to assume the financial responsibility for the Seattle PHS Hospital. Consequently, when it ceases to operate as a PHS hospital it will cease to operate as a hospital altogether. That will be a serious loss to the health care delivery system of not only Seattle but the entire Pacific Northwest. Furthermore, the hospital's closure will not save the Federal Government any money. If contractual arrangements are made with other providers for the hospital's primary beneficiaries, HEW estimates it will have to pay $137 per day for hospitalization alone and $32 per day for physicians' services. That is in contrast to the $81.50 which it costs per day to provide in-patient care at the PHS hospital in fiscal year 1972.

Mr. President, as it is now written the bill I am introducing today concerns only the Seattle hospital. However, if other Senators feel it should be broadened to include other PHS hospitals, I would welcome such additions. And in that connection, I wish to advise my colleagues that I hope to offer this bill—or an expanded version of it—as an amendment to the Emergency Medical Services bill when that bill is taken up on the Senate floor after the Easter recess.

Mr. President, the bill I am introducing would require the following:

First, it would require—until Congress provides otherwise by law—that the Seattle PHS hospital continue to provide in-patient and other health care services, and continue to serve all persons who were eligible for care in the PHS system as of January 1, 1973.

Second, it would require—until Congress otherwise authorizes or requires—that the Seattle hospital continue to provide a level and range of health care and health care related services that is at least as great as was provided as of January 1, 1973.

Third, it would require that all funds appropriated for the Seattle hospital be expended for that purpose as long as they can be effectively utilized.

This is not unreasonable legislation. It does not say that the Seattle hospital must or will continue forever. But it would mean that the future of this hospital, which was created at the direction of the Congress, will be determined by the Congress—not by Executive fiat.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point in my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1587

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That (a) the Secretary of Health, Education, and Welfare is directed to take such action as may be necessary to assure that the Public Health Service Hospital which is located in Seattle, Washington, shall, until such time as the Congress shall by law otherwise provide, continue in operation as a hospital and continue to provide inpatient and other health care services to categories of individuals entitled, or authorized, to receive care and treatment at hospitals or other stations of the Public Health Service, in like manner as such services were provided to such categories of individuals at such hospital on January 1, 1973.

(b) It is the policy of the Congress that such Public Health Service Hospital shall (except as may otherwise hereafter be authorized or required by the Congress)—

(1) continue to provide, for categories of individuals for which health care services were provided (or authorized to be provided) by such hospital on January 1, 1973, a level and range of inpatient, outpatient, and other health-care services which is at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospital on January 1, 1973, and

(2) continue to conduct a level and range of other health-related activities (including, but not limited to, training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973.

SEC. 2. (a) It shall be the duty of the Secretary of Health, Education, and Welfare, in the administration of any and all laws with respect to which he has responsibility, to carry out the provisions of subsections (a) and (b) of the preceding section; and he shall take no action (other than action required pursuant to a law enacted after the date of enactment of this Act) inconsistent with such provisions.

(b) Funds appropriated to carry out any activity in furtherance of the provisions of subsections (a) and (b) of the preceding section shall, to the extent necessary to carry out such provisions, be utilized to carry out such activity; and the President shall have no authority to, and shall not, impound or withhold any such funds; except that nothing in this subsection shall be construed to require the President or the Secretary of Health, Education, and Welfare to expend funds in excess of the maximum amounts which can effectively be utilized in carrying out such provisions.

SEC. 3. Nothing in this Act shall be construed as authorizing or requiring the conduct of any activity which is not authorized under other provisions of law, nor as an authorization for the appropriation of any funds.

Mr. MAGNUSON. Mr. President, the Seattle PHS hospital serves three vital purposes—direct patient care, health manpower training, and health research. In other words, it is more than just a hospital. It is, in fact, a major health resource.

In fiscal year 1972, some 4,842 persons received inpatient care at the Seattle hospital. Included in that total were 1,134 American seamen, the original PHS beneficiaries, as well as nearly 2,000 active and retired military personnel and their dependents. Besides serving those traditional beneficiaries, the Seattle hospital has extended its inpatient care to a variety of other groups. For example, in fiscal year 1972 some 550 Indians were hospitalized including 112 Indians who, because they do not live on reservations, would have in all probability gone without proper care had it not been for the PHS hospital. Hospitalization was also provided for 76 persons referred from 17 community clinics which are staffed by physicians and other health personnel who volunteer their time. Their patients are those who have "fallen through the cracks," so to speak, of our health care delivery system.

Inpatient services are, of course, only part of the patient care provided by the hospital. In fiscal year 1972, there were more than 107,000 outpatient visits. Here again many of those served were the medically indigent referred by the community clinics. Also, many were Indians who are now being served by the Seattle Indian clinic which is located in the hospital and staffed, in part, by a National Health Service Corps doctor, nurse, and dentist. Not only does the hospital house the Indian clinic and take patients referred by the community clinics, but it also provides these clinics with the supportive services such as laboratory tests and X-ray facilities which they must have if they are to continue.

In other words, the PHS hospital stands at the center of a health care system that has extended into the community and into the lives of many who in the past would have gone without proper care.

Health manpower training is a second critical function of the Seattle PHS hospital. One-fourth of the University of Washington Medical School's enrollment—or about 200 students—is in training at the hospital in some 33 different programs. Nursing students and those training for other health occupations bring the total educational load of the hospital to well over 500 students. The loss of the hospital will very seriously jeopardize the training of these desperately needed health personnel.

Finally, the hospital carries out major clinical research in heart disease, cancer, infectious diseases, and endocrinology.

Mr. President, it is for the reasons I have just spelled out above that I believe the Seattle PHS hospital should remain open. The bill I am introducing today is only the latest of many congressional efforts in which I have joined to save this and other PHS hospitals. Review of those past efforts clearly demonstrates that the present precarious situation of the PHS hospitals is solely the responsibility of the administration.

As chairman of the Labor-HEW Appropriations Subcommittee that handles appropriations for the PHS Hospitals, I can attest to the Congress' past willingness to provide sufficient funding for them. Since 1969 the Congress has appropriated some $13 million more for the hospitals and clinics of the Public Health Service than the President has requested in his budgets.

The 91st Congress enacted legislation, which I introduced, to create the National Health Service Corps. A major purpose of that bill was to make possible greater utilization of the PHS Hospitals, and as I indicated earlier that has occurred at the Seattle hospital.

The 92d Congress approved Senate Concurrent Resolution 6, introduced by Senator KENNEDY, Senator MATHIAS, and myself, calling upon the administration to continue to operate the PHS Hospitals through fiscal year 1972 while it made an in-depth study of the hospitals.

Last year, Mr. President, the Congress passed the Emergency Health Personnel Act Amendments of 1972, now Public Law 92-585, which was introduced by the distinguished chairman of the Health Subcommittee (Mr. KENNEDY) and myself. That law imposed certain requirements upon the Department of HEW which it was to fulfill if it sought to close or transfer to community sponsorship any PHS Hospital. The law requires the plans to be "detailed" and to contain:

> (A) assurances that persons entitled to treatment and care at the hospital or other facility proposed to be closed or transferred and persons for whom care and treatment at such hospital or other facility is authorized will, after the proposed closing or transfer, continue to be provided equivalent care and treatment through such hospital or other facility or under a new arrangement, and (B) an estimate of the cost of providing such care and treatment to such persons after the proposed closing or transfer. . . .

Additionally, the law requires that the plan submitted to the Congress contain the comments, if any, of the appropriate comprehensive health planning agencies, the so-called 314(a) and 314(b) agencies, after:

> The Secretary has provided each such agency a reasonable opportunity to review and comment on the proposed closing or transfer.

As originally introduced and approved in the Senate, the emergency health personnel act amendments would have required the "approval" of the 314(a) and 314(b) agencies on HEW plans.

Mr. President, on March 28 the Department of Health, Education, and Welfare submitted to the Congress its plans for the PHS hospital in Seattle as well as those in San Francisco, Galveston, New Orleans, Baltimore, and Boston. I am not intimately familiar with the plans submitted for the other hospitals nor do I know to what extent HEW has consulted with the health planning agencies in the other cities having PHS hospitals. However, I do know that the plan submitted for Seattle is not "detailed" as required by Public Law 92-585. Nor does it assure, as required by the law, that those now served by the hospital will receive "equivalent care and treatment" elsewhere. I also know that HEW did not give the relevant 314(a) and 314(b) agencies a "reasonable opportunity to review and comment" on that plan as required by Public Law 92-585. Instead, HEW has ignored the planning agencies and run rough-shod over local concerns.

HEW has ignored recommendations from the 314(a) and 314(b) agencies that the hospital remain open. It has similarly ignored formal resolutions opposing the hospital's closure which have been approved by the Washington State Legislature, the King County Council, and the Seattle City Council.

The Department allowed the health planning agencies only 10 working days in which to comment on its proposed closure. Furthermore, despite assurances to myself and the 314(b) agency, the Department has made no effort to work with that agency or with any other local people in working out alternate arrangements to the hospital.

The plan itself is little more than a list of promises. It provides no evidence to demonstrate that the Department can meet those promises. And HEW's past performance with respect to the hospital gives me no reason to expect it will live up to its promises.

With regards to inpatient care the plan lists available beds at eight Seattle area hospitals that have indicated they may wish to contract with HEW and then states—

> Based on these responses, it would appear that there should be no difficulty obtaining in-patient care for our primary beneficiaries in the Seattle area.

That carefully hedged language is scarcely reassuring, particularly since the plan makes no mention of the terms it intends to offer the hospitals or the date by which it expects to begin negotiating contracts let alone when it expects to have actual contracts signed. Furthermore, the plan makes no mention of what inpatient care will be available to other than primary beneficiaries. That is a particularly serious omission since in fiscal year 1972 primary beneficiaries accounted for only about 1,700 of the hospital's 4,842 inpatients.

The plan makes no provision for outpatient care despite the fact that there were over 107,000 outpatient visits at the hospital in fiscal year 1972. While it says the Indian Clinic "could" continue at the hospital, it carefully declines to say that it "will" continue there. The plan states that backup services for the community clinics "will be provided through other community resources." Yet it does not identify those resources. Likewise, it asserts that "other facilities will be utilized" for inpatient treatment of reservation Indians without identifying those "other facilities." Finally, the plan is silent with respect to the future beyond this year of health manpower training programs now conducted at the hospital.

In closing, Mr. President, I can only say that the health of those served by the PHS hospital, the medical research being conducted there, and the role the hospital plays in training new health manpower are far too important to be left to HEW's promises.

Mr. President, I ask unanimous consent that the Department of HEW's plan for the Seattle hospital be printed in the RECORD following my remarks.

There being no objection, the plan was ordered to be printed in the RECORD, as follows:

HEW Plan for Seattle

SEATTLE, WASH.

The Seattle PHS hospital is a general medical-surgical hospital with active training and research programs. In Fiscal Year 1972 this facility had a primary beneficiary average daily patient load (ADPL) of 57 and an outpatient workload of 45,790 primary beneficiary visits.

The following hospitals could provide the approximate number of beds as listed.

	Beds
Harborview Medical Center	30
University Hospital	30
The Doctors Hospital	18
Providence Hospital	25–30
Northwest Hospital	20–30
Seattle General	10
Waldo General	20
St. Cabrini	65

Based on these responses, it would appear that there should be no difficulty obtaining inpatient care for our primary beneficiaries in the Seattle area.

COMMUNITY PROGRAMS INVOLVING INPATIENT CARE

1. Seattle Indian Health Board

This National Health Service Corps program is located at the PHS hospital. The hospital provides inpatient care and supportive services, such as specialty consultation, X-ray and laboratory services. The Indian Clinic could continue to operate at the hospital after the cessation of inpatient services and continue to receive back-up services. Inpatient care will be obtained from other facilities in the area.

2. Seattle Free Clinics

Seventeen of the Seattle Free Clinics refer patients to the PHS hospital for inpatient care, laboratory, X-ray and other supportive services. Back-up services will be provided through other community resources.

3. Indian Health Service

A total of 437 beneficiaries of the Indian Health Service were admitted to the Seattle PHS hospital during Fiscal Year 1972 (7,892 inpatient days). Other facilities will be utilized for the inpatient treatment of IHS beneficiaries.

RESEARCH

This hospital carries out major clinical research in cardiology, cancer, infectious diseases (venereal diseases), and endocrinology. Major support is by grants and contracts from other agencies.

Extramurally Supported Research (Grants, Contracts, Direct Operations): $2,012,331.

Intramurally Supported Research: $49,370.

Current research by department or category (with projected status following termination of inpatient services).

DEPARTMENT, NAME OF PROJECT, AND SOURCE OF SUPPORT

Cancer: The Seattle Cancer Research program and Adult Leukemia Center are operated and supported directly by the NIH. Currently, there are approximately 10 major supporting grants—NIH and American Cancer Society.

Cardiology: Comparative study of hypertension—NIH; cardiovascular mechanisms of aerobic impairment—NIH; two projects—intramural.

Endocrinology: Training grant in endocrinology—NIH; pituitary gonadal interrelationships—NIH; contraceptive development studies for males—NIH.

Infectious diseases: Epidemiology of *E. Coli* infections. Urinary tract infections in adult women—NIH; clinical epidemiology of venereal diseases—Center for Disease Control; one project—intramural.

Gastroenterology: One project—intramural.

Nephrology: One project—intramural.

With termination of inpatient services, all research requiring inpatient care will be phased out or relocated. Every assistance will be given to relocating these activities in other facilities. The two cooperative studies under the cardiology program supported by NIH, the endocrinology studies, the infectious disease studies, and other research not requiring inpatient services could continue. The National Cancer Institute will arrange for equivalent facilities for the Leukemia Center at an alternate site, probably Providence Hospital.

TRAINING ACTIVITIES

During Fiscal Year 1973, the hospital was engaged in the training of 545 individuals in the health care categories. The number of students completing training by June 30, 1973 is 506.

The emphasis is primarily in the area of continuing education of health professionals, the development of new skills of existing personnel, and the training of allied health personnel. The duration of the programs ranges from a matter of hours to a matter of years.

Every possible effort will be made to fulfill commitments to trainees in discontinued programs. Trainees will be assisted in every way practicable to find comparable training in other approved non-PHS hospitals.

By Mr. MAGNUSON (by request):

S. 1588. A bill to amend section 502(a) of the Merchant Marine Act, 1936. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend section 502(a) of the Merchant Marine Act, 1936, and ask unanimous consent that the letter of transmittal and statement of purpose and need be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the third sentence of section 502(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1152(a)), is amended as follows:

(1) By striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1976".

(2) By striking out the words "and 41 per centum in fiscal 1973" and inserting in lieu thereof the words "41 per centum in fiscal 1973, 39 per centum in fiscal 1974, 37 per centum in fiscal 1975, and 35 per centum in fiscal 1976".

THE SECRETARY OF COMMERCE,
Washington, D.C., March 20, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate, U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill "To amend section 502(a) of the Merchant Marine Act, 1936," together with a statement of purposes and provisions in support thereof.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our proposed legislation to the Congress and further that its enactment would be consistent with the Administration's objectives.

Sincerely,

FREDERICK B. DENT,
Secretary of Commerce.

STATEMENT OF THE PURPOSES AND PROVISIONS OF THE DRAFT BILL TO AMEND SECTION 502(a) OF THE MERCHANT MARINE ACT, 1936

Section 505 of the Merchant Marine Act, 1936, provides that all construction in respect of which a construction-differential subsidy is allowed shall be performed as a result of competitive bidding. This provision was in the Merchant Marine Act, 1936, prior to the enactment of the Merchant Marine Act of 1970. One of the purposes of the Merchant Marine Act of 1970 was to bring the shipyards into the design work on vessels so as to achieve economies of production. To accomplish this, it was necessary to provide a means whereby it would not be necessary for a shipyard to put its design up for competitive bidding, because the shipyard that developed the design, at its own expense, might not be the lowest responsible bidder.

The Merchant Marine Act of 1970, therefore, amended section 502(a) of the Merchant Marine Act, 1936, to provide that notwithstanding the provisions of section 505 of the 1936 Act, the Secretary of Commerce is authorized at any time prior to June 30, 1973, to accept a price for construction of a ship that has been negotiated between a shipbuilder and a proposed ship purchaser if (1) the price yields a subsidy that is equal to or less than 45 percent in fiscal 1971, 43 percent in fiscal 1972, and 41 percent in fiscal 1973; (2) the proposed ship purchaser and the shipyard submit backup cost details and evidence that the price is fair and reasonable; (3) the Secretary finds that the price is fair and reasonable; and (4) the shipyard agrees that the Comptroller General of the United States shall, until 3 years after final payment, have the right to examine any pertinent books, documents or records of the shipyard or its subcontractors related to the negotiation or performance of the contract.

Under section 502 of the Merchant Marine Act, 1936, the Secretary is authorized to contract with a shipyard for construction of the vessel and is required concurrently to contract with the ship purchaser for sale of the vessel upon its completion at the cost of construction less construction-differential subsidy. This section has not been used since enactment of the Merchant Marine Act of 1970. The provisions of the section with respect to negotiation, however, are incorporated by reference in section 504 of the Merchant Marine Act, 1936, under which the Secretary agrees to pay the shipyard the construction-differential subsidy and the ship purchaser agrees to pay the shipyard the balance of the construction cost.

Since enactment of the Merchant Marine Act of 1970, all contracting for construction of ships has been done under the negotiation authority incorporated into section 504 of the 1936 Act, and awards for 37 new ships have been made.

The draft bill would extend the authority to negotiate to June 30, 1976, and it would provide that the productivity goals that must be met to permit negotiation for fiscal years 1974, 1975 and 1976 are 39 percent, 37 percent and 35 percent respectively.

The authority to negotiate has induced the shipyards to enter the marketing business and as a result they are developing and building standard ships. This authority makes the shipowners and the shipyards aware of the productivity goals, because the authority is available only if the productivity goals are met. This results in negotiating prices downward so the goals can be met.

By Mr. MAGNUSON (by request):

S. 1589. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of a broadcast station shall be issued for a term of 5 years, and to establish orderly procedures for the consideration of applications for the renewal of such licenses. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce my request, for appropriate reference, a bill to amend the Communications Act of 1934 to provide that licenses for the operation of a broadcast station shall be issued for a term of 5 years, and to establish orderly procedures for the consideration of applications for the renewal of such licenses, and ask unanimous consent that the letter of transmittal, statement of need, and section-by-section analysis be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307 of the Communications Act of 1934 shall be amended by striking subsection (d) of said section, and inserting in lieu thereof the following:

"SEC. 307(d) (1). No license granted for the operation of any class of station shall be for a longer term than five years, and any license granted may be revoked as hereinafter provided. Upon the expiration of any license, upon application therefor, a renewal of such license may be granted from time to time for an additional term of not longer than five years, if the Commission finds that the public interest, convenience, and necessity would be served thereby.

"(2) With respect to any application for the renewal of a broadcasting license the Commission shall grant such application if it finds that the applicant is legally, financially, technically, and otherwise qualified to hold such a license under the provisions of this Act and the rules and regulations of the Commission, and that the applicant:

"(A) is substantially attuned to the needs and interests of the public in its service area, and demonstrates, in its program service and broadcast operations, a good faith effort to be responsive to such needs and interests; and

"(B) affords reasonable opportunity for the discussion of conflicting views on issues of public importance;

Provided, however, that in applying subparagraph (A), the Commission shall not consider any predetermined performance criteria categories, quotas, percentages, formats, or other guidelines of general applicability respecting the extent, nature, or content of broadcast programing; and that in applying subparagraph (B), the Commission shall consider only the overall pattern of programing provided by the applicant on particular public issues.

"(3) Notwithstanding any other provision of this Act, the procedure to be followed in the event that an application for the renewal of a broadcasting license is challenged by a petition to deny or by a competing application for the same broadcast service is as follows:

"(A) The petitioner or party filing such competing application shall make specific allegations of fact sufficient to show that grant of the application for renewal would be prima facie inconsistent with paragraph (2) of this subsection. Such allegations of fact shall, except for those of which official notice may be taken, be supported by affidavit of a person or persons with personal knowledge thereof. The applicant for renewal shall be given the opportunity to file a reply in which allegations of fact or denials thereof shall similarly be supported by affidavit.

"(B) If the Commission finds on the basis of the application, the pleadings filed, and other matters which it may officially notice, that there are no substantial and material questions of fact and that a grant of the application to renew the license would be consistent with paragraph (2) of this subsection, it shall grant such application, terminate the proceedings, and issue a concise statement of the reasons for its findings. If a substantial and material question of fact is presented, or if the Commission for any reason is unable to find that grant of the application would be consistent with paragraph (2) of this subsection, it shall proceed with the hearing provided in subsection 309(e) of this Act to determine whether grant of the application would be consistent with paragraph (2) of this subsection. If, in such hearing, the Commission finds that a grant of the application would be consistent with such paragraph, it shall grant such application, terminate the proceedings, and issue a concise statement of the reasons for its finding. If the Commission for any reason is unable to make such a finding, it shall either deny the renewal application or consider it together with any competing application or applications for the same broadcast service, then on file or later timely filed, and shall grant the application that will best serve the public interest, convenience and necessity.

"(4) In order to expedite action on applications for renewal of broadcasting station licenses and in order to avoid needless expense to applicants for such renewals, the Commission shall not require any such applicant to file any information which previously has been furnished to the Commission or which is not directly material to the considerations that affect the granting of denial of such application, but the Commission may require any new of additional facts it deems necessary to make its findings. Pending any hearing and final decision on such an application and the disposition of any petition for rehearing pursuant to Section 405. the Commission shall continue such license in effect. Consistently with the foregoing provisions of this subsection, the Commission may by rule prescribe the period or periods for which licenses shall be granted and renewed for particular classes of stations, but the Commission may not adopt or follow any rule which would preclude it, in any case involving a station of a particular class, from granting or renewing a license for a shorter period than that prescribed for stations of such class if, in its judgment, public interest, convenience, or necessity would be served by such action."

OFFICE OF TELECOMMUNICATIONS POLICY,
Washington, D.C., March 13, 1973.

HON. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am submitting herewith for the consideration of the Congress, a proposed revision of section 307 of the Communications Act of 1934, as amended, which pertains to the term of broadcast station licenses.

The basic concept of the American system of broadcasting is that of localism. It means that broadcasting will be rooted in private enterprise at the community level, with many autonomous and independent local broadcasters throughout the country seeking to construct program schedules in accordance with the tastes, desires, needs, and interests of the public in the area which they serve. This principle reflects the American tradition of having a multitude of diverse local voices serving both local and national purposes in many communities and areas throughout the country.

The broadcast media, however, are unique among our many outlets for expression, in that only they are licensed by the Federal Government. Our system of broadcasting presents this country with a unique dilemma that goes back to the basic policy embodied in the Communications Act of 1934. On the one hand, the Act requires a government agency—the Federal Communications Commission—to grant applications for broadcast licenses only if the public interest, convenience, and necessity will be served thereby. This necessarily means that, to some extent, the government will be involved in passing judgment on the heart of that broadcast service, which is the broadcasters' programming. On the other hand, the First Amendment, which applies fully to radio and television broadcasters, denies government the power of censorship and the power to interfere with our most valued rights of free press, free speech, and free expression. It is within the system of government licensing that these two somewhat contradictory objectives must be balanced. And, within the system of licensing, the most important aspect is the license renewal process. It is the pressure point of the system, because the manner in which renewals are treated goes to the core of the government's relationship to broadcasting.

The requirement to seek government permission to continue in business and the threat of nonrenewal affect the licensee throughout the license term not just at renewal time. Renewal procedures and the factors to be considered by the government at renewal time have a substantial impact upon the daily operations of broadcast stations and the manner in which broadcasters exercise their public responsibilities. Therefore, these procedures and factors could have a stifling effect on the free flow of information, which is so vital to the interests of a free society.

The First Amendment should guarantee broadcasters the right to disseminate ideas, popular and unpopular, and without regard as to whether they are consistent with the views of government. Yet, the role of the broadcasters, not as free agents, but as agents authorized to act only so long as they espouse views consistent with government views, is a possibility under current license renewal procedures. That danger exists when broadcasters, affected by the uncertainty and instability of their business and lacking assurance that they will be able to continue to exercise their local responsibilities, seek safety by rendering the type of program performance necessary to obtain renewal. If the government encourages this type of compliance by setting detailed criteria to determine such performance, the effect could be to turn broadcasters away from the communities that they are licensed to serve and to cause them to seek to serve the government that charts the course for them.

Counterbalancing the goal of stability in the renewal process, however, is the clear public interest mandate of the Communications Act and *its prohibition* against anyone acquiring a property right in the broadcast license. The license is and must continue to be a public trust; an opportunity to render service; and a privilege to use a scarce public resource to speak to and on behalf of the public. No licensee who fails to exercise the responsibility to his local audience can have any assurance of renewal. Accordingly, the threat of nonrenewal and the spur of competition in broadcasting are important parts of the overall statutory plan.

At present the license renewal process is conducted in an unstable environment. The bill submitted with this letter would restore balance and stability to the license renewal process and enable the private enterprise broadcasters, operating within the rights and the responsibilities of the First Amendment, to serve the public's paramount right in the broadcast media.

The Administration bill would change the present practice and procedure with respect to license renewals in the following four essential ways:

1. License terms for radio and television

stations would be extended from three to five years. When the Communications Act was prepared in 1934, the relatively brief three-year license term was a reasonable precaution in dealing with a new and untested broadcast industry. A five-year term, however, seems to be more reasonable at this stage in broadcasting's development. It would inject more stability into broadcast operations and would allow more time for the licensee to determine the needs and interests of his local community, and plan long-range programs of community service.

2. The bill would eliminate the present requirement for an automatic, lengthy, and costly comparative hearing whenever a competing application is filed for the same broadcast service. The FCC would be able to exercise its independent judgment as to whether a comparative hearing is necessary. The renewal challenger would bear the burden of demonstrating that the renewal applicant has not met the criteria of the Act. If the incumbent licensee had performed in the public interest, he would be assured of renewal. A hearing would be required only if the Commission were unable to conclude that the broadcaster's performance warranted renewal.

3. The bill would preclude the FCC from restructuring the broadcast industry through the renewal process. Presently, the FCC can implement policies relating to broadcast industry structure—such as a policy restricting newspaper ownership of broadcast stations—through the criteria it uses to decide renewal hearings. This allows for the restructuring of the broadcast industry in a haphazard, highly subjective, and inconsistent manner. The bill would establish that if these industry-wide policies affecting broadcast ownership are imposed or changed, only the general rulemaking procedures of the FCC would be used, with full opportunities provided to the entire broadcast industry and to all interested members of the public to participate in the proceedings.

4. The license renewal bill would also forbid FCC use of predetermined criteria, categories, quotas, formats, and guidelines for evaluating the programming performance of the license renewal applicant. There has been an increasing trend for the FCC to dictate to the broadcasters as to what "good" or "favored" program performance is from the government's point of view. The bill, therefore, would halt this trend toward an illusory quantification of the public interest in broadcast programming and would remove the government from the sensitive area of making value judgments on the content of broadcast programming. The bill would make the local community the touchstone of the public service concept embodied in the Communications Act. Serving the local communities' needs and interests instead of the desires of government would become the broadcasters' number one priority.

The Office of Management and Budget advises that enactment of the proposed legislation would be in accord with the program of the President.

A similar letter is being sent to the Speaker of the House of Representatives.

Sincerely,

CLAY T. WHITEHEAD.

EXPLANATION AND SECTIONAL ANALYSIS—REGULATORY BACKGROUND

Twelve years ago, the Federal Communications Commission (FCC), in its "Report and Statement of Policy Re: Commission *En Banc* Programming Inquiry," 20 P&F Radio Reg. 1901 (1960) sought a delicate balance between the public interest performance of broadcast licensees and minimal governmental interference with program decisions. In doing so, the Commission stressed the same principle that underlies the proposed legislation, namely the separation of government from broadcasting.

This principle is consistent with the intent of the Communications Act of 1934 and Congress' continual refusal to impose, or to permit the FCC to impose, affirmative programming requirements or priorities. For example, in the face of "persuasive arguments" that the Commission require licensees to present specific types of programs, the Commission stated that:

> "[W]e are constrained to point out that the First Amendment forbids governmental interference asserted in aid of free speech, as well as governmental action repressive of it. The protection against abridgement of freedom of speech and press flatly forbids governmental interference, benign or otherwise."

Id. at 1907.

The Commission noted that, while it may inquire of licensees what they have done to determine community needs, it cannot impose its own notions of what the public should see and hear, stating:

> "Although the Commission must determine whether the total program service of broadcasters is reasonably responsive to the interests and needs of the public they serve, it may not condition the grant, denial or revocation of a broadcast license upon its own subjective determination of what is or is not a good program."

Id. at 1907.

Finally, in summarizing the obligations and responsibilities of broadcast licensees, the Commission stated that:

> "The confines of the licensee's duty are set by the general standard 'the public interest, convenience or necessity.' The initial and principal execution of that standard, in terms of the area he is licensed to serve, is the obligation of the licensee. The principal ingredient of such obligation consists of a diligent, positive and continuing effort by the licensee to discover and fulfill the tastes, needs and desires of his service area. If he has accomplished this, he has met his public responsibility."

Id. at 1912.

Yet, during the past decade, there has been a trend toward a more expansive view of the government's power to require licensees to present certain types of programs. Recently, this has led the Commission to propose various quantitative criteria for such program types.

It is, therefore, appropriate that the Congress reaffirm its views regarding the relationship between government and the broadcast media that it must license. The proposed revision of section 307(d) of the Communications Act of 1934 enables the Congress to reaffirm the independence, freedom and responsibility of the broadcast licensee by making the following changes in the Communications Act, which would apply to all pending and future broadcast license renewal applications.

DISCUSSION OF THE PROPOSED LEGISLATION

A. Section 307(d)(1): License term

The proposed legislation would lengthen the term of broadcast licenses from three to five years; thereby reducing the frequency of government intervention and enhancing the free enterprise character of the broadcast media.

In 1934, when the Communications Act was enacted, a three-year license term was a reasonable precaution in dealing with a new industry. A five-year license at this stage in the development of broadcasting, however, is reasonable since the longer term enables licensees to render high quality service, by injecting more stability into the license renewal process.

The Commission's power to protect the public by use of forfeitures, "early" renewal applications, and license revocations is in no way diminished by the extended license term. Moreover, the longer term would enable the Commission to give closer scrutiny to each renewal application, since the number of renewal applications to be processed annually would be reduced from 2,700 to 1,600. Further, this closer scrutiny would allow the Commission to resolve problems without deferring the grant of as many renewal applications as is now the case. Current estimates, for instance, are that some 140 applications are in deferred status.

It should be noted that this provision would apply prospectivity to any original broadcast license or to any existing license which the FCC renews after the enactment of the bill.

B. Section 307(d)(2): Renewal standards

The proposed legislation clarifies the Communications Act's broad "public interest" criterion as it applies to renewal applications.

As a starting point, the proposed legislation specifies that the renewal applicant must be qualified, under the Act and the rules and regulations of the Commission, to hold a license. This requirement goes beyond minimal legal, technical and financial qualifications. The applicant's broadcast record must be free of serious deficiencies in compliance with the Act and with the rules and regulations of the Commission, such as a pattern of failure in making sponsorship the equal employment opportunity rules, fraudulent practices in keeping logs or in reporting changes in ownership information, and the like.

However, with the exceptions noted below, policies developed by the Commission could not be enforced against the applicant at renewal time unless reduced to rules. Thus, Commission policies applicable to initial licensing, such as local ownership, integration of ownership and management, and diversification of media control, would not be applicable to renewal applicants, unless the Commission had decided that the applicant did not satisfy the renewal criteria of the proposed subsection 307(d)(2) (see p. 12 *infra*). The proposed legislation, however, would not prevent these or similar industry structure policies from becoming rules that would be applicable to all licensees on an industry-wide basis.

Some policies, however, could not be reduced to rules, since they would fall within the category of predetermined performance criteria prohibited by the proviso contained in paragraph (2) of section 307(d). Such current policies as the over-commercialization policy would fit within this category, since it substitutes a government-imposed quota for the judgment of the licensee as to what limits on commercial matter would best serve his community's needs, as well as his own needs. In addition, any future policies regarding statistical program performance criteria, such as those being considered in the pending Commission proceeding on license renewals (Docket No. 19154), would also fall within this forbidden category.

The only policies that would apply directly to the renewal applicants without having been reduced to rules would be the ascertainment and fairness policies incorporated in subsections (A) and (B) of section 307(d)(2). The overall fairness policy would include attendant rules, such as the personal attack and editorial endorsement rules, and policies such as the *Cullman* doctrine (free time to respond to controversial issues) and the *Zapple* ruling ("quasi-equal" time to respond to an authorized spokesman of a political candidate). The Commission would be free to determine which aspects of its ascertainment or fairness policies would best be reduced to rules; however, whether in the form of rules or not, they would be applicable to renewal applicants directly through operation of the proposed subsections (A) and (B).

In addition to acknowledging that a renewal applicant must comply with the requirements of the Communications Act and the general rules and regulations of the Commission, the proposed legislation sets out two criteria for evaluating past and proposed programing performance of the incumbent licensee. These criteria in turn are based upon the two critical obligations of the broadcaster in serving his local public. They are the responsiveness of the licensee to the needs and interests of the public in the communities and areas served by the broadcast station (ascertainment obligation), and the licensee's performance in affording reasonable opportunity for the discussion of conflicting views on issues of public importance (fairness obligation).

As noted above, these two obligations are of long standing. The enactment of the proposed legislation would amount to an explicit confirmation by the Congress that the Commission has authority to review and evaluate the programing performance of the renewal applicant. But, consistent with the First Amendment and with the anticensorship provision of the Communications Act (section 326), the Commission's role would be limited to an evaluation and review of the licensee's good faith and reasonableness in meeting the community needs and interests, conducting his broadcast operations, and providing a program service.

As the Commission has stated:

> "In short, the licensee's role in the area of political broadcasts is essentially the same as in the other programing areas—*to make good judgments as to how to meet his community's needs and interests.*"

"Obligation of Licensees to Carry Political Broadcasts," 25 P&F Radio Reg. 1731, 1740 (1963) (emphasis added).

A similar standard applies specifically with respect to the Commission's review of the licensee's performance under the fairness obligation:

> "In passing on any complaint in this [fairness] area, the Commission's role is not to substitute its judgment for that of the licensee . . . but rather *to determine whether the licensee can be said to have acted reasonably and in good faith.*"

"Applicability of the Fairness Doctrine in the Handling of Controversial Issues of Public Importance," 2 P&F Radio Reg. 2d 1901, 1904 (1964) (emphasis added).

The Commission's review of licensee programing performance under the proposed subsections (A) and (B) would be similar to an appellate court's review of an administrative agency. The FCC would not decide the facts anew from its own perspective and substitute its own judgment, but would simply determine whether the licensee's determinations were reasonable and made in good faith.

(1) *Section 307(d)(2)(A): Ascertainment*

The public interest standard of the Act requires licensees to make a "diligent, positive, and continuing effort . . . to discover and fulfill the taste, needs and desires of [the] . . . community or service area, for broadcast service." "Report and Statement of Policy Re: Commission *En Banc* Programing Inquiry," 20 P&F Radio Reg. 1901, 1915 (1960). This has been explained as consisting in part of eliciting information concerning the community's needs, interests, problems and issues. Ascertainment, which is a continuing process through the license period, requires the broadcaster to consult with a representative range of community leaders and members of the general public. The broadcaster must not only seek out and determine the nature of significant public issues, he must respond to them specifically. In television, this most usually means news, public affairs discussions, and other informational programing.

The ascertainment standard in the proposed bill incorporates this FCC precedent, although it would require the present renewal application to be changed, since the present application relates ascertainment only to the applicant's proposed programs and not his past program service. With this change in the form and evidence of a continuing record of ascertainment and programing responsive to that ascertainment, the Commission would have sufficient information before it to hold the applicant to a so-called "promise v. performance" test. This means nothing more than the Commission holding the licensee to the programing standards he sets himself, based on his objective judgment as to the nature of community needs and interests.

The term "substantially attuned" to the public's needs and interests as used in subsection (A) of section 307(d)(2), is the same term that was used in the FCC's "Policy Statement On Comparative Hearings Involving Regular Renewal Applicants," 18 P&F Radio Reg. 2d 1901 (1970); *i.e.*, the renewal applicant must show that its service during the preceding license period "has been substantially attuned to meeting the needs and interests of its area." In the context of the proposed legislation, however, there is special emphasis on ascertainment.

Moreover, the proposed legislation would require that the applicant demonstrates a "good faith" effort to be responsive to the needs, interests, problems and issues he ascertains. The "good faith" standard is an objective standard of reasonableness as it is often used in the law. It is also the standard that the Commission usually uses to describe the essential responsibility of the licensee (*i.e.*, "to make good faith judgments as to how to meet his community's needs and interests.").

As a rule of reason, the standard would not obligate the licensee to present programs to deal with every problem or issue facing the public, or meet every need or interest. In responding to the significant matters that have been ascertained, the broadcaster may take into account the composition of his audience; the other stations serving the community, a factor especially relevant in radio; and his own judgments as to his programming format. Thus, this objective standard of reasonableness would allow flexibility for the FCC to recognize the need for differences in treatment between radio and television stations, AM and FM radio stations, VHF and UHF television stations, profitable and unprofitable stations, and similar reasonable distinctions among classes and types of broadcast stations.

This standard would in no way preclude the Commission from using its authority under the Communications Act, including the full extent of its experimental authority under section 303(g), to deregulate radio broadcasting. If, however, the FCC and the Congress were to decide that the virtually total deregulation of radio would be in the public interest, this proposed legislation, along with many other existing provisions of the Act, would have to be amended accordingly.

(2) *Section 307(d)(2)(B): Fairness*

The "fairness" obligation is a statutory policy relating to the broadcaster's programming performance and is a necessary corollary to the ascertainment standard of subsection (A).

Use of the fairness obligation as a standard for license renewal is fully consistent with the law and the established practice of the Commission. The Supreme Court, the *Red Lion* case, specifically stated:

> "To condition the granting or renewal of licenses on a willingness to present representative community views on controversial issues is consistent with ends and purposes of those constitutional provisions forbidding the abridgement of freedom of speech and freedom of the press."

Red Lion Broadcasting Co. v. *FCC*, 395 U.S. 367, 394 (1969).

Inclusion of the fairness obligation in the renewal standards would also serve as a Congressional expression of intent as to the preferred method for fairness obligation enforcement. The obligation was initially enforced by reviewing the overall performance of the licensee at renewal time. For example, the 1960 "Programming Inquiry" report stated that:

> "This responsibility usually is of the generic kind and thus, in the absence of unusual circumstances, is not exercised with regard to particular situations but rather in terms of operating policies of stations as viewed over a reasonable period of time. *This, in the past, has meant a review, usually in terms of filed complaints, in connection with the applications made each three-year period for renewal of station licenses.*"

20 P&F Radio Reg. 1901, 1910 (1960) (emphasis added).

By the mid-1960's, however, the Commission began to assess the performance of this obligation on an issue-by-issue basis. It undertook to inquire, with respect to each issue, whether various sides were presented; and effectively to compel adjustment or redress when it determined that a particular point of view was inadequately represented. As this method of enforcement—or the Fairness Doctrine—has escalated, the Government has been injected with increasing frequency into the licensee's responsibility to make reasonable fairness judgments.

Although the proposed legislation does not eliminate issue-by-issue enforcement of the fairness obligation, there is a need for the Congress to clarify that the appropriate way for the Government to evaluate what is essentially a journalistic and private responsibility is by overall review of licensee fairness performance at renewal time.

Here again, the rule of reason would apply in that the broadcaster would not jeopardize his license by occasionally failing to achieve perfect "fairness" and "balance," as long as he had made good faith efforts to cover issues in a balanced manner, and, when appropriate, selected responsible spokesmen for conflicting viewpoints, and offered them reasonable amounts of time with respect to problems and issues dealt with by the broadcaster.

The proviso makes clear that, in applying subsection (A)'s ascertainment standard, the Commission may not consider any predetermined performance criteria, categories, quotas, percentages, formats, or other such guidelines of general applicability with respect to the licensee's broadcast programing. Thus, the legislation would establish the local community as the point of reference for evaluating a broadcaster's performance. In effect, it would place the responsibility and incentive for superior performance in the hands of the local licensee and the public he undertakes to serve, without the convenient crutch of Government specifications as to the kind of program performance that will satisfy the statutory standard.

At present, the Commission's programing policy categorizes programing by type (i.e., agricultural, entertainment, news, public affairs, religious, instructional and sports) and by source (*i.e.*, local non-network and recorded, which means only non-local non-network). Although enforcement of program standards, quotas and the like is not made explicit or formal, broadcasters, especially television broadcasters, are expected to provide a "well-rounded program service consisting of programing in each of the categories, with respectable showings in the most favored categories of news and public affairs."

Moreover, the Commission has proposed the establishment of program quotas in certain categories as representing a *prima facie* showing of "substantial service" to be used in evaluating a television applicant's program performance in the context of a comparative renewal hearing.* Although the percentage quotas are expressly limited to use in such hearings, it is only the foolhardy broadcaster who does not treat them as minimum standards in creating his program service and preparing his renewal application.

Government guidelines respecting the extent and content of television programs are inappropriate to the statutory scheme for broadcasting. The existence of such guidelines changes the character of the broadcast license. Instead of reflecting a public trust to be carried out by an independent, private licensee, the license merely becomes a government contract, under which the licensee performs in accordance with government specifications regarding the quantity and content of program service. Thus, the proviso would take from the FCC's hands the authority to create and enforce such specifications. It would stress that the proper role for government in the program area is as arbiter in the ascertainment and programming dialogue between the broadcaster and the public, without injecting its own judgments into this dialogue.

Accordingly, under the proposed legislation, the Commission's review of program performance would be based upon considerations such as:

(1) the mechanics, quantity and quality of the applicant's ascertainment efforts;

(2) an evaluation of the applicant's past, present, and proposed programming in light of the ascertained needs, interests, problems and issues, *i.e.*, the community's standards of program performance and not the FCC's program standards;

(3) the "promise v. performance" aspects of the broadcaster's programming showing; and

(4) various "content neutral" aspects of the applicant's programming, such as programming expenditures; equipment and facilities devoted to programming; policies regarding preemption of time to present special programs; and the like.

In addition, the proviso also makes clear that, in applying the "fairness" standard of subsection (B), the Commission may consider only the overall pattern of programming on particular public issues, as explained above.

C. Section 307(d) (3): Procedure for competing applications

The proposed legislation would not change the current procedures for Commission consideration of petitions to deny license renewal applications.

FCC records show that during fiscal year 1972, 68 petitions to deny were filed against the renewal applications of 108 broadcast stations. Most petitions were filed by minority and special interest groups in the broadcasters' communities and contained allegations directed toward the licensees' ascertainment efforts, programming for minority groups, and employment practices. Nothing in the proposed legislation would adversely affect the ability of these groups to file such petitions.

The proposed bill, however, would change the procedures for dealing with competing applications for the same broadcast service. It would require the competing applicant to show that a grant of the renewal application would be inconsistent with the legislation's criteria for renewal. If this burden could not be met, the Commission would grant the renewal application and dismiss the competing application. If, however, the Commission were unable to make the requisite finding, or if there were a material factual question presented, the renewal application would be set for hearing.

The first issue to be resolved in the hearing, with the full participation of the competing applicant, would be whether the renewal applicant has, in fact, met the criteria set out in section 307(d) (2). If so, the hearing would be terminated, the renewal application granted, and the competing application dismissed. If it is found, however, that the renewal application does not meet the criteria, the Commission would have the choice of dismissing the renewal application, or, if appropriate, entering the second phase of the hearing by considering it together with the competing application or applications. The criteria to be used in such an eventuality would be based upon the showings of all the applicants with respect to section 307(d) (2) standards *i.e.*, the applicants' qualifications and their programming proposals, as well as the standard comparative issues.

This change in the competing application procedures is needed because a licensee seeking renewal should not be put to the same tests used for applicants seeking original licenses. An incumbent licensee should not be deprived of the broadcasting privilege unless clear and sound reasons of public policy demand such action. This does not give the incumbent an unfair advantage solely by reason of its prior operations. The proposed legislation would simply require the FCC to exercise its independent judgment on the question of whether the incumbent licensee has rendered meritorious service. The legislation would thus balance the interest of using renewal process to spur licensee performance with the equally important interest of injecting more predictability and stability into broadcast operations.

The goal of fostering competition in broadcasting is fundamental to the Communications Act, but the present procedures for competing applications are not the most appropriate means of serving this goal. The competition fostered by current procedures is not competition in the marketplace of programming and services offered to the public. It amounts to no more than one applicant vying with another before a government agency for the license privilege. It does not result in a net increase in competition in the offering of community broadcast services, but simply operates to substitute one licensee for another. There is a need for increased competition among broadcasters, but this need should be met by government policies that expand broadcast outlets and reduce economic concentration among existing broadcasters.

D. Section 307(d) (4): Miscellaneous provisions

This section of the proposed legislation simply incorporates the portions of the present section 307(d) that would remain unchanged by the bill.

MARKUP OF SUBSECTION 307(d) OF THE COMMUNICATIONS ACT OF 1934

"Sec. 307(d) (1) No license granted for the operation of any class of station shall be for a longer term than five years, and any license granted may be revoked as hereinafter provided. Upon the expiration of any license, upon application therefor, a renewal of such license may be granted from time to time for an additional term of not longer than five years, if the Commission finds that the public interest, convenience, and necessity would be served thereby.

(2) With respect to any application for the renewal of a broadcasting license, the Commission shall grant such application if it finds that the applicant is legally, financially, technically, and otherwise qualified to hold such a license under the provisions of this Act and the rules and regulations of the Commission, and that the applicant:

(A) is substantially attuned to the needs and interests of the public in its service area, and demonstrates, in its program service and broadcast operations, a good faith effort to be responsive to such needs and interests; and

(B) affords reasonable opportunity for the discussion of conflicting views on issues of public importance;

Provided, however, that in applying subparagraph (A), the Commission shall not consider any predetermined performance criteria, categories, quotas, percentages, formats, or other guidelines of general applicability respecting the extent, nature, or content of broadcast programming; and that in applying subparagraph (B), the Commission shall consider only the overall pattern of programming provided by the applicant on particular public issues.

(3) Notwithstanding any other provision of this Act, the procedure to be followed in the event that an application for the renewal of a broadcasting license is challeged by a petition to deny or by a competing application for the same broadcast service is as follows:

(A) The petitioner or party filing such competing application shall make specific allegations of fact sufficient to show that grant of the application for renewal would be *prima facie* inconsistent with paragraph (2) of this subsection. Such allegations of fact shall, except for those of which official notice may be taken, be supported by affidavit of a person or persons with personal knowledge thereof. The applicant for renewal shall be given the opportunity to file a reply in which allegations of fact or denials thereof shall similarly be supported by affidavit.

(B) If the Commission finds on the basis of the application, the pleadings filed, and other matters which it may officially notice, that there are no substantial and material questions of fact and that a grant of the application to renew the license would be consistent with paragraph (2) of this subsection, it shall grant such application, terminate the proceeding, and issue a concise statement of the reasons for its findings. If a substantial and material question of fact is presented, or if the Commission for any reason is unable to find that grant of the application would be consistent with paragraph (2) of this subsection, it shall proceed with the hearing provided in subsection 309(e) of this Act to determine whether grant of the application would be consistent with paragraph (2) of this subsection. If, in such hearing, the Commission finds that a grant of the application would be consistent with such paragraph, it shall grant such application, terminate the proceeding and issue a concise statement of the reasons for its finding. If the Commission for any reason is unable to make such a finding, it shall either deny the renewal application or consider it together with any competing application or applications for the same broadcast service, then on file or later timely filed, and shall grant the application that will best serve the public interest, convenience and necessity.

(4) In order to expedite action on applications for renewal of broadcasting station licenses and in order to avoid needless expense to applicants for such renewals, the

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* "With respect to local programming, a range of 10–15% of the broadcast effort (including 10–15% of the prime-time period, 6–11 p.m., when the largest audience is available to watch).

"The proposed figure for news is 8–10% for the network affiliate, 5% of the independent VHF station (including a figure of 8–10% and 5%, respectively in the prime-time period).

"In the public affairs area, the tentative figure is 3–5% with, as stated, a 3% figure for the 6–11 p.m. time period."

Notice of Inquiry in Docket No. 19154, 2 Current Service P&F Radio Reg. 53:429, 431 (1971).

Commission shall not require any such applicant to file any information which previously has been furnished to the Commission, or which is not directly material to the considerations that affect the granting or denial of such application, but the Commission may require any new or additional facts it deems necessary to make its findings. Pending any hearing and final decision on such an application and the disposition of any petition for rehearing pursuant to Section 405, the Commission shall continue such license in effect. Consistently with the foregoing provisions of this subsection, the Commission may by rule prescribe the period or periods for which licenses shall be granted and renewed for particular classes of stations, but the Commission may not adopt or follow any rule which would preclude it, in any case involving a station of a particular class, from granting or renewing a license for a shorter period than that prescribed for stations of such class if, in its judgment, public interest, convenience, or necessity would be served by such action."

By Mr. MAGNUSON (by request):

S. 1590. A bill to give effect to the International Convention on Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to give effect to the International Convention on Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and for other purposes, and ask unanimous consent that the letter of transmittal and section-by-section analysis be printed in the Record with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 1590

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The North Atlantic Fishing Operations Act of 1973."

Sec. 2. For purposes of this Act the term—

(a) "Convention" means the International Convention on Conduct of Fishing Operations in the North Atlantic signed at London under date of June 1, 1967.

(b) "Convention Area" means that portion of the Atlantic and Arctic Oceans and their dependent seas defined in Annex I of the Convention.

(c) "Contracting Parties" means those governments bound by the Convention.

(d) "Secretary" means the Secretary of the Department in which the Coast Guard is operating.

(e) "Authorized Officers" means those officers appointed by the Contracting Parties to perform duties in accordance with article 9 and annex VI of the Convention.

(f) "Person" denotes individuals, partnerships, corporations, and associations subject to the jurisdiction of the United States, or to the jurisdiction of the Contracting Parties with respect to international measures of control in force pursuant to the Convention for those parties.

(g) "Fishing vessel" means any vessel engaged in the business of catching fish.

(h) "Vessel" means any fishing vessel and any vessel engaged in the business of processing fish or providing supplies or services to fishing vessels.

(i) "Fisheries zone" means the entire zone established by the United States under the Act of October 14, 1966 (80 Stat. 908; 16 U.S.C. 1092), or similar zones established by other Contracting Parties to the extent United States.

Sec. 3. (a) The Secretary, in cooperation with the Secretary of Commerce, is authorized and directed to administer and enforce, through the Coast Guard, all of the provisions of the Convention, this Act, and regulations issued pursuant thereto, except to the extent otherwise provided for in this Act. In carrying out those functions, the Secretary may cooperate with the duly authorized officials of any Contracting Party and, with the concurrence of the Secretary of Commerce, and as appropriate of the Secretary of State, is authorized and directed to promulgate those regulations necessary to carry out the purposes and objectives of the Convention and this Act, including but not limited to articles 3 to 6, 8, and 9, and annexes II to VI of the Convention, and to prescribe procedures for providing notice to other Contracting Parties and to United States vessels as to concentrations or probable concentrations of fishing vessels, including vessels excepted from Annex III of the Convention. Those regulations may include, without limitation, rules regarding the distribution of vessels and gear on and in the ocean.

(b) Enforcement activities under the provisions of this Act relating to vessels subject to this Act and to the jurisdiction of the United States shall be primarily the responsibility of the Coast Guard, in cooperation with the Secretary of Commerce.

(c) After the effective date of regulations issued pursuant to this Act, they shall apply to all United States vessels, and things done by those vessels and their crews, anywhere within the Convention Area to which the regulations relate.

(d) In accordance with paragraph 3 of article 8 of the Convention, the Secretary, with the concurrence of the Secretary of Commerce, may make special rules for or exempt any vessels from the operation of any regulations issued pursuant to this Act within the territorial sea and fisheries zone of the United States. Before making any special rules for or exempting any vessels from those regulations in any area in which vessels of foreign Contracting Parties may be entitled to conduct fishing operations in the territorial sea and fisheries zone of the United States, pursuant to any law of the United States or any international agreement to which the United States is a party, the Secretary shall inform the Contracting Parties concerned through the Secretary of State, and shall consult with those Contracting Parties through the Secretary of State if they so wish.

Sec. 4. (a) The Secretary, in cooperation with the Secretary of Commerce, shall designate authorized officers in accordance with article 9 of the Convention to enforce the terms of the Convention, this Act, and regulations issued pursuant thereto, those officers to be known as Fisheries Conduct Officers. Any commissioned, warrant or petty officer of the Coast Guard or any enforcement officer or employee of the Department of Commerce may be designated as a Fisheries Conduct Officer. The Secretary may, as he deems appropriate and with the concurrence of the appropriate Secretary, designate commissioned officers of any vessel; or any other surface craft of an agency of the United States Government as Fisheries Conduct Officers. The Secretary may designate officers and employees of the States of the United States, of the Commonwealth of Puerto Rico, and of any territory or possession of the United States to exercise the powers and perform the duties of a Fisheries Conduct Officer subject to any limitations the Secretary may prescribe, and a person so designated shall be a Fisheries Conduct Officer within those limitations but not otherwise. When so designated, those officers and employees are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission. The Secretary shall notify another contracting party, upon request, of the names of the United States Fisheries Conduct Officer thus designated or of the ships in which those officers are carried.

(b) It shall be the duty of Fisheries Conduct Officers to observe whether the provisions of the Convention, this Act, and the regulations issued pursuant thereto are being carried out, to investigate and report on apparent or reported violations thereof, to seek information in cases of damage, where appropriate to draw the attention of vessels of contracting parties to the provisions of the Convention, and to cooperate in these matters with the authorized officers of other contracting parties. If a Fisheries Conduct Officer has reason to believe that a vessel of any contracting party is not complying with the provisions of the Convention, he shall investigate and report the incident in accordance with the provisions of the Convention, this Act, and the regulations issued pursuant thereto.

(c) If the violation appears sufficiently serious, the Fisheries Conduct Officer may order the vessel to stop and, if it is necessary in order to verify the facts of the case, he may board the vessel to complete his investigation.

(d) If a Fisheries Conduct Officer has reason to believe that a vessel or its gear has caused damage to a vessel or fishing gear and that the damage may be due to a breach of the Convention, he may, under the same conditions as are described in subsection (c) of this section, order any vessel concerned to stop and board it to investigate the incident.

(e) If a Fisheries Conduct Officer boards a vessel pursuant to subsections (c) or (d) of this section he may board with or without persons assigned to assist him in his duties, and for that purpose may require a vessel to stop and do anything else which will facilitate the boarding of the vessel.

(f) Upon boarding, a Fisheries Conduct Officer may require the attendance of the master and other persons on board the vessel and may make any examination and inquiry which appears to him to be necessary for the purposes mentioned in subsection (b) of this section and, in particular,

(i) may examine the equipment of the vessel, including the fishing gear, and require persons on board the vessel to do anything which appears to him to be necessary to facilitate the examination; and

(ii) may require any persons on board the vessel to produce any documents relating to the vessel or the persons on board which are in his custody or possession and may photograph, duplicate or copy any such document.

(g) A Fisheries Conduct Officer may, in case of damage to a vessel or fishing gear, offer to conciliate at sea, and if the parties concerned agree to this, assist them in reaching a settlement. At the request of the parties concerned he shall draw up a protocol recording the settlement reached. Any protocol signed by the masters of the vessels concerned shall constitute a binding agreement between them which shall be enforceable in any court of competent jurisdiction.

(h) A Fisheries Conduct Officer may not—

(i) order a fishing vessel to stop while it is actually fishing or engaged in shooting or hauling gear except in an emergency to avoid damage to vessels or gear;

(ii) pursue his inquiries further than necessary to satisfy him either that there has been no breach of the Convention, or, where it appears to him that a breach has occurred, to secure information about the relevant facts, always acting in such a manner that vessels suffer the minimum interference and inconvenience; or,

(iii) exercise his powers to board a vessel of another Contracting Party if an Authorized Officer of that Contracting Party is available and in a position to do so himself.

(i) Any person authorized to enforce the provisions of the Convention and this Act referred to in subsection (a) of this section may be directed to attend as a witness and to produce those available records and files or duly certified copies thereof necessary to the prosecution in the forum of a Contracting Party of any violation of the provisions of the Convention or a Contracting Party's law for the enforcement thereof when requested by the appropriate authorities of the prosecuting Contracting Party.

SEC. 5. (a) For the purpose of enforcing the provisions of the Convention, this Act and regulations issued pursuant thereto, a Fisheries Conduct Officer may, in relation to a United States vessel or any foreign Contracting Party's vessel anywhere within the Convention Area and outside the territorial sea or fisheries zone of any other Contracting Party, and an Authorized Officer of any foreign Contracting Party may, in relation to a United States vessel anywhere within the Convention Area and outside the territorial sea and the fisheries zone of the United States or of another Contracting Party, exercise the powers conferred on a Fisheries Conduct Officer by subsections (c) through (g) of section 4, subject to the limitations of subsection (h) of section 4 and of article 9 of the Convention.

(b) Nothing in this section shall be deemed to empower an Authorized Officer of any Contracting Party to do anything not authorized by the Convention or to exercise in relation to a vessel belonging to any other Contracting Party any power which the government of that country has informed the other Contracting Parties is not to be exercised in relation to its vessels.

(c) An Authorized Officer may be indemnified by the Secretary for civil penalties or actions for damages assessed because of any act done in purported exercise of the powers conferred on him by the Convention, this Act, or regulations issued pursuant thereto.

(d) The report of a foreign Authorized Officer pursuant to the terms of the Convention shall, in any court of the United States or of a State, be accorded the same evidential value as the court would accord to a similar report of a Fisheries Conduct Officer *except that* no court shall be required to accord a higher evidential value to a foreign Authorized Officer's report than that report would be accorded in the proceedings in the foreign Authorized Officer's country.

SEC. 6. (a) It shall be unlawful for any person or vessel subject to the jurisdiction of the United States to engage in conduct in violation of any provision of the Convention, this Act, or any regulation issued pursuant thereto or of any order of a court issued pursuant to section 8 of this Act.

(b) It shall be unlawful for any person or vessel subject to the jurisdiction of the United States to do any act prohibited or fail to do any act required by the Convention, this Act, or any regulation issued pursuant thereto.

(c) It shall be unlawful for any person on a United States vessel anywhere within the Convention Area—

(i) to fail to comply with any requirement imposed by a Fisheries Conduct Officer under sections 4 or 5 of this Act;

(ii) to prevent, or attempt to prevent, any other person from complying with any requirements so imposed; or,

(iii) to assault any Fisheries Conduct Officer while he is exercising any of the powers conferred on him by or by virtue of sections 4 or 5 of this Act or to obstruct any such officer in the exercise of any of those powers. This subsection shall apply to the performance of duty by a foreign Authorized Officer acting pursuant to the Convention with respect to a vessel subject to the jurisdiction of the United States anywhere within the convention Area outside the territorial sea and fisheries zone of the United States.

SEC. 7. (a) Any person or vessel violating subsections (a) or (b) of section 6 of this Act shall be assessed by the Secretary a civil penalty for a first offense of not more than $1,000 and for any subsequent offense committed within five years of any previous offense under this Act shall be assessed a civil penalty of not more than $5,000 and for each such subsequent offense a court may in a civil action order forfeited, in whole or in part, the fishing gear involved in the violation or the monetary value thereof. The forfeited fishing gear shall be disposed of as directed by the court.

(b) Any person violating subsection (c) of section 6 of this Act, upon conviction, shall be fined for a first offense not more than $5,000 or be imprisoned for not more than three years or both and for any subsequent offense committed within five years of any previous offense under this Act shall be fined not more than $25,000 or be imprisoned for not more than three years or both and for each such subsequent offense the court may in a civil action order forfeited, in whole or in part, the fishing gear involved in the violation or the monetary value thereof. The forfeited fishing gear shall be disposed of as directed by the court.

(c) Any vessel used or employed in the violation of any of the provisions of this Act shall be liable in rem for the pecuniary penalties or fines specified in this section, and in addition thereto for the amount of the damage done by that vessel, including damages adjudged under section 9 of this Act. That vessel may be seized and proceeded against summarily or by way of nonjury action in rem in any district court of the United States having jurisdiction thereof.

SEC. 8. (a) Any Coast Guard commissioned, warrant, or petty officer; any duly authorized officer or employee of the National Marine Fisheries Service of the Department of Commerce; any United States marshal or deputy United States marshal; any customs officer; and any other person authorized by the Secretary to enforce provisions of the convention, this Act, or regulations issued pursuant thereto, shall have power without warrant or other process to arrest any person subject to the jurisdiction of the United States committing in his presence or view a violation of the convention of this Act, or of the regulations issued pursuant thereto, and to take that person immediately for examination before a justice or judge or any other official designated in section 3041 of title 18 of the United States Code; and shall have power, without warrant or other process, to search any vessel subject to the jurisdiction of the United States when he has reasonable cause to believe that the vessel is engaged in conduct in violation of the provisions of the convention or this Act, or the regulations issued pursuant thereto. This subsection shall not apply to foreign nationals or foreign vessels subject to United States jurisdiction only by virtue of the convention. Any person authorized by the Secretary to enforce provisions of the convention, this Act, or regulations issued pursuant thereto shall have power to execute any warrant or process issued by an officer or court of competent jurisdiction for the enforcement of this Act, and shall have power with a search warrant to search any vessel, vehicle, person, or place at any time. The judges of the United States district courts and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue warrants in all those cases. Any person authorized by the Secretary to enforce provisions of the convention, this Act, or regulations issued pursuant thereto may, except in the case of a first offense, seize, whenever and wherever lawfully found, all fishing gear involved in fishing or other conduct contrary to the provisions of the convention or this Act or regulations issued pursuant thereto. Any property so seized shall not be disposed of except pursuant to the order of a court of competent jurisdiction or the provisions of subsection (b) of this section, or, if perishable, in the manner prescribed by regulations of the Secretary of Commerce.

(b) Notwithstanding the provisions of section 2464 of Title 28 of the United States Code, when a warrant of arrest or other process in rem is issued in any cause under this section, the United States marshal or other officer shall stay the execution of that process, or discharge any property seized if the process has been levied, on receiving from the claimant of the property a bond or stipulation for double the value of the property, that value having been established by an independent appraisal acquired by the marshal or other officer, with sufficient surety to be approved by a judge of the district court having jurisdiction of the offense, conditioned to deliver the property sized, if condemned, without impairment in value or, in the discretion of the court, to pay its equivalent value in money or otherwise to answer the decree of the court in that cause. That bond or stipulation shall be returned to the court and judgment thereon against both the principal and sureties may be recovered in event of any breach of the conditions thereof as determined by the court.

SEC. 9. (a) Where in any proceeding under section 7 of this Act a person is found to have violated section 6 of this Act, and it appears to the court that personal injury or property damage has been caused by the offense, for which personal injury or property damage compensation has not yet been paid, and the extent of the personal injury or property damage does not substantially exceed $2,500, the court may, subject to subsection (b) of this section, in the same proceeding adjudge the person found in violation to pay, in addition to any civil penalty or fine, a reasonable sum, not exceeding $2,500, as compensation for the personal injury or property damage, and the sum when recovered by the United States shall be paid to the person or persons who have suffered the personal injury or property damage. If the sum adjudged shall not be recovered by the United States, the order of the court issued pursuant to this section shall be a final judgment in favor of the injured party on which suit may be brought against the defendant in any court of competent jurisdiction.

(b) Participation under this section by a person or persons alleging personal injury or property damage caused by the alleged violation of section 6 of this Act, in proceedings brought by the United States against the defendant or respondent to punish a criminal violation or to collect a civil penalty under section 7 of this Act, shall be voluntary. The injured person or persons, including nationals of foreign Contracting Parties, must indicate an intent to so participate by filing with the United States Attorney for the district in which the prosecution or action by the United States shall be brought a notice of claim at the time and with the information the Attorney General may by regulations require. A notice of claim may be withdrawn by the claimant without prejudice at any time prior to judgment. The decision of the court shall be binding on all issues regarding the claim between the defendant or respondent and any claimants who have not prior to judgment withdrawn their notice of claim *except that* if the United States does not prevail on the merits of the prosecution or action under section 7 of this Act, the decision of the court shall have no effect as to the cause of action, if any, between the defendant or respondent and the claimant. No counterclaims, offsets, or any other civil claims may be raised in a proceeding under this section. The United States Attorney may, as he deems advisable and in the interests of justice, accept or reject the notice of claim for inclusion in a prosecution or action brought under section 7 of this Act. If he accepts the notice of claim, the claim shall be prosecuted by the United States as a part of the prosecution or action brought under section 7 and the United States Attorney may require any assistance from the claimant he deems necessary to establish the claim. Failure of the claimant to provide the assistance required by the United States Attorney may be a basis for rejection of the notice of claim by the United States Attorney at any time prior to judgment or for involuntary dismissal of the claim by the court. The burden of proof for a claim in a proceeding under this section shall be no greater than the burden of proof for that claim had it been raised in a separate civil action. This section shall not effect the application of any statute of limitations.

(c) Subject to the foregoing provisions, this section shall not be taken to derogate from any right of a person who has suffered personal injury or property damage in consequence of a violation of section 6 of this Act to recover damages in respect to the personal injury or property damage in separate civil proceedings, *except that* any compensation awarded by the court to the injured party under subsection (a) of this section, and actually recovered by the injured party, shall be credited to the defendant or respondent in any civil action by the injured party on that claim.

SEC. 10. (a) In the absence of agreement among Contracting Parties concerning the resolution of disputes arising between a national of another Contracting Party and a person or persons subject to the jurisdiction of the United States as to damaged gear or damage to vessels resulting from entanglement of gear, the Secretary of State, following consultation with the Secretary and the Secretary of Commerce, upon the request of the Contracting Party of a complainant or upon receipt of a claim of a United States national against a national of another Contracting Party concerning damaged gear or damage to a vessel resulting from entanglement of gear, shall appoint a review board for handling the claim pursuant to the provisions of Article 7 of the Convention. The Secretary of State shall prescribe procedures for the board in accordance with Article 7 of the Convention and, for the claim of a United States national under this subsection, may request the other Contracting Party to appoint a review board or designate other appropriate authority to handle that claim.

(b) The review board shall consist of one or more members, as the Secretary of State deems appropriate in each case, and shall be designated from among the officers and employees of the Department of State and from among the officers and employees of the Coast Guard and the National Marine Fisheries Service in the Department of Commerce upon the recommendation of the appropriate Secretary.

(c) A review board appointed pursuant to this Act shall examine the facts surrounding referred disputes arising between a national of another Contracting Party and a person or persons subject to the jurisdiction of the United States concerning damaged gear or damage to vessels resulting from entanglement of gear. The review board shall, with consideration of the terms of the Convention, endeavor to bring about a settlement.

(d) Appearance before a review board acting pursuant to this section shall be entirely voluntary and any decision of the board shall be without prejudice to the rights of the parties, *except that*, with the consent of all the interested parties, and with the consent and cooperation of the foreign Contracting Party's review board, the proceedings of the United States review board on a claim submitted for consideration may be constituted as a binding arbitration. In such a case, the review board shall consist of at least three members, a majority of whom must agree on any decision rendered; the rules of decision for the review board will be the terms of the Convention and, to the extent not inconsistent therewith, the admiralty law of the United States and the international law of the sea; and the decision of the review board will have the force and effect of a binding agreement between the parties which shall be enforceable in any court of competent jurisdiction.

SEC. 11. The Secretary shall from time to time notify the depositary government of the convention of the competent authorities of the United States who have been designated for the purposes of each of the relevant provisions of the convention. Any notifications by other contracting parties received by the Secretary of State from the depositary government of the convention shall be transmitted forthwith to the Secretary and the Secretary of Commerce.

SEC. 12. (a) The Secretary of State, with the concurrence of the Secretary and the Secretary of Commerce, may propose amendments to the articles of the convention or a meeting to consider the need to amend articles of the convention. Any proposed amendment received by the United States from the depositary government pursuant to article 10 of the convention shall be accepted on behalf of the United States only after acceptance by the President following advice and consent of the Senate.

(b) The Secretary of State, with the concurrence of the Secretary and the Secretary of Commerce, may propose amendments to the annexes to the convention or a meeting to consider the need to amend annexes to the convention. The Secretary of State, with the concurrence of the Secretary and the Secretary of Commerce, is authorized to take appropriate action on behalf of the United States with regard to proposed amendments received by the United States from the depositary government pursuant to article 11 of the convention. The Secretary and the Secretary of Commerce shall inform the Secretary of State as to what action each considers appropriate at least thirty days prior to the expiration of the period specified in article 11 of the convention during which objection may be made to any amendment so received.

SEC. 13. (a) The effective date of this Act and regulations issued pursuant thereto shall not be earlier than the date of entry into force of the convention for the United States pursuant to article 16 of the convention.

(b) The provisions of this Act or of any regulation under this Act shall be taken to be in addition to and not to derogate from the provisions of any other Act or regulation issued pursuant thereto except that section 4 of the Act of May 20, 1964 (78 Stat. 196; 16 U.S.C. 1084), is amended by inserting between "Treasury" and "and": ", the Department in which the Coast Guard is operating,".

SEC. 14. There is hereby authorized to be appropriated, from time to time, out of moneys in the Treasury not otherwise appropriated, those sums necessary to carry out the purposes and provisions of this Act.

SEC. 15. If any provision of this Act or the application of those provisions to any circumstances or persons shall be held invalid, the validity of the remainder of the Act and the applicability of those provisions to other circumstances or persons shall not be affected thereby.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., March 22, 1973.
HON. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed bill, "To give effect to the International Convention on Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and for other purposes."

The proposed bill would provide implementing legislation for the International Convention on the Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and approved by the Senate on October 22, 1969. The Convention would establish a generally uniform system of identification, marking, light signals, conduct, and enforcement for fishing vessels and support vessels in a large part of the North Atlantic for the United States and sixteen other countries which represent the great majority of the vessels engaged in fisheries in that area. This bill would implement the Convention and enforce it as to United States fishermen. The Secretary of the Department in which the Coast Guard is operating would be charged with responsibility to administer and enforce the provisions of the bill consistent with the terms of the Convention.

In recent years the increased concentration of foreign fishermen operating close to our Atlantic Coast has resulted in a substantial increase in compliants of harassment or impaired operating freedom due to congestion on the fishing grounds. The Convention on the Conduct of Fishing Operations in the North Atlantic is responsive in large part to our, and other countries, needs in this regard throughout the designated area of the North Atlantic.

The Convention establishes a system for marking and identifying fishing vessels which will be useful not only for the purposes of the Convention but for other purposes as well, such as search and rescue. It also establishes a uniform system of fishing signals to supplement the International Regulations for Preventing Collisions at Sea, and a system of marking fixed and drifting fishing gear. It sets forth a principle of noninterference with other fishing vessels and gear and lays down some basic rules for the good order and conduct of fishing operations in areas frequented by vessels of several nations. A prohibition is imposed by the Convention on dumping into the sea any article or substance which may interfere with fishing or obstruct or cause damage to fish, fishing gear or fishing vessels. The broad regulatory authority of the Secretary of the Department in which the Coast Guard is operating would encompass these matters under the bill. The Convention and the bill also provide for simplified methods of settling claims among fishermen of various nations for damage to fishing gear or vessels.

Enforcement of the Convention is primarily the responsibility of each Contracting Party with respect to its vessels and gear. Within the area of a coastal state's territorial sea and fisheries zone, the coastal state exercises jurisdiction to enforce the Convention which applies from shore to shore; a coastal state may make limited exemptions within its areas of jurisdiction. Outside national fisheries limits enforcement is supplemented by a system of mutual inspection similar to but distinct from enforcement of conservation regulations of the International Commission for the Northwest Atlantic Fisheries. These responsibilities are recognized and the distinctions preserved in the proposed bill.

Article 16 of the Convention provides that the Convention will enter into force on the ninetieth day following the date of deposit of the tenth instrument of ratification or approval. We have been advised that the State Department will deposit the United States ratification consequent to passage of implementing legislation. While only six of the necessary ten countries have deposited instruments in accordance with Article 16, it is our hope that the deposit of the United States ratification will spur other countries to act similarly. The bill, if enacted, would not be effective until the Convention enters into force.

Enactment of the proposal would incur costs dependent upon the degree of implementation.

A section-by-section analysis and a list comparing provisions of the Convention with their treatment in provisions of the bill are enclosed.

It would be appreciated if you would lay this proposal before the Senate. A similar proposal has been submitted to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely,

CLAUDE S. BRINEGAR.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title.

This section provides that the Act may be cited as "The North Atlantic Fishing Operations Act of 1973."

Section 2. Definitions.

This section contains the definition of various terms used in the Act. The Convention Area is defined by incorporating Annex I for the Convention. Contracting Parties specifically provided for the Annexes to be flexible and amended more easily than the Articles in Article 11 of the Convention. Materials included in an Annex are, then, more easily revised and in the case of the Convention Area this could be used to increase the area included in appropriate circumstances. The limited definitions of the terms "Fishing Vessel" and "Vessel" are provided to parallel that same distinction made initially in Article 1 of the Convention and carried throughout the Convention's terms.

Section 3. Administration and regulation; enforcement; applicability; exemptions.

Subsection 3(a) designates the Secretary of the Department in which the Coast Guard is operating as the administering authority for this Act in cooperation with the Secretary of Commerce. Traditionally in the area of fisheries regulation, the Department of Commerce (and previously Interior) has been given the responsibility for administering and enforcing the conservation aspects of the fisheries laws, while the Department in which the Coast Guard is operating has been charged with enforcement of those laws at sea. This Convention is unique to other fisheries conventions in that its primary thrust is towards vessel conduct without reference to conservation measures otherwise in force through international agreement. In this context then, this Convention is properly viewed as one designed to enforce certain standards of conduct in the fisheries. Assignment of primary responsibility to the Secretary of the Department in which the Coast Guard is operating preserves this traditional pattern, making provision for input in the administration of the Act by the Department of Commerce with their considerable expertise in fisheries conservation matters. Similar treatment is given the regulation writing authority under the Act. Finally, subsection 3(a) provides that certain regulatory functions must be performed by the Secretary subject to the preceding provisions so as to insure implementation of the Convention Articles and Annexes and to establish notification procedures. Those regulations may provide rules for distribution of vessels and gear on and in the ocean.

Subsection 3(b), consistent with other fisheries laws, designates the role of enforcement to the Coast Guard in cooperation with the Secretary of Commerce.

Subsection 3(c) provides that the regulations shall apply to all United States vessels, as defined in subsection 2(h), anywhere within the Convention Area.

Subsection 3(d) implements paragraph 3 of Article 8 of the Convention. That provision permits a Contracting Party to make special rules and exemptions in its coastal waters provided that there is no discrimination in form or fact against vessels of other Contracting Parties entitled to fish in those waters. Consultation with those other Contracting Parties is necessary if they express a wish for same.

Section 4. Designation of Fisheries Conduct Officers; duties; scope of authority to board and investigate; availability as witnesses to other Contracting Parties.

Subsection 4(a) provides for the designation of United States Authorized Officers, to be known as Fisheries Conduct Officers. The Secretary is given broad powers of designation in this subsection, in cooperation with the Secretary of Commerce, to insure flexible administration of the Act in the broad spectrum of area, activities and conditions included within its scope. Limiting the designation of United States Fisheries Conduct Officers to Coast Guard and Department of Commerce personnel is overly restrictive. The Convention Area is so large as to make Coast Guard presence everywhere a virtual impossibility. Although such designation is not presently planned, this section would permit the Secretary to utilize, with the concurrence of the appropriate Secretary, a commissioned officer aboard any vessel or other surface craft of an agency of the United States Government where those craft might be operating in an area of potential fisheries conduct incidents in which no Coast Guard ships are immediately available. Additionally, the Secretary would be authorized to designate as Fisheries Conduct Officers the officers and employees of the States of the United States, of the Commonwealth of Puerto Rico, and of any territory or possession of the United States. Those designations must be published to another Contracting Party upon request in accordance with paragraph (3) of Article 9 of the Convention.

Subsection 4(b) sets out the general duties of the Fisheries Conduct Officer as provided in paragraphs (5) and (6) of Article 9 of the Convention.

Subsections 4(c) through 4(h) define the scope of authority of the Fisheries Conduct Officer to board and investigate as set out in paragraphs (5) through (9), and (12) of Article 9 of the Convention. Upon reasonable cause, he may board a vessel to investigate a sufficiently serious incident. Subsection 4 (d) indicates that damage to a vessel or its gear which is apparently due to a violation of the Convention is generally sufficient cause to board. Subsection 4(h) prescribes limitations on the authority of the Fisheries Conduct Officer consistent with the terms of the Convention.

Subsection 4(i) provides for the availability of a Fisheries Conduct Officer, when properly requested, as a witness for the prosecution of a violation of the Convention or the requesting Contracting Party's laws where the officer has conducted the investigation.

Section 5. Scope of authority of Fisheries Conduct Officers over United States and foreign Contracting Parties vessels and of foreign Authorized Officers over United States vessels; liability of Authorized Officers; evidential value of foreign Authorized Officers' reports in United States courts.

Subsection 5(a) provides that for the purposes of enforcing the provisions of the Convention, this Act, and regulations issued pursuant thereto the authority set out in subsections 4(c) through 4(g), subject to the limitations of subsection 4(h) and Article 9 of the Convention, may be exercised by a Fisheries Conduct Officer in relation to a United States vessel or any foreign Contracting Party's vessel anywhere within the Convention Area and outside the territorial sea and fisheries zone of any other Contracting Party, and by a foreign Authorized Officer in relation to a United States vessel anywhere within the Convention Area and outside the territorial sea and fisheries zone of the United States or of another Contracting Party.

Subsection 5(b) makes it clear that no Authorized Officer, including Fisheries Conduct Officers, may exceed the terms of the Convention under authority granted by section 5, nor may any Authorized Officer exercise any power against the vessels of a Contracting Party which power that Contracting Party has specifically made reservations regarding in accordance with Article 14 of the Convention.

Subsection 5(c) authorizes the Secretary to indemnify an Authorized Officer for penalties or actions for damages assessed because of any act done in the exercise of the authority under the Convention, this Act, or regulations issued pursuant thereto. Included would be penalties or damages assessed Fisheries Conduct Officers and foreign Authorized Officers acting aboard a United States vessel.

Subsection 5(d) accords the report of a foreign Authorized Officer an evidential value in any State or Federal court of the United States equivalent to the evidential value accorded a similar report by a Fisheries Conduct Officer pursuant to this Act except that the report need not be accorded a higher evidential value than that foreign Authorized Officer's country would accord it. This implements paragraph (11) of Article 9 of the Convention and is intended to apply to any judicial proceeding.

Section 6. Unlawful acts and omissions; applicability.

This section provides for unlawful acts and omissions under this Act. The broad, general provisions of subsections (a) and (b) are supplemented in subsection (c). Subsection (c) specifically deals with Fisheries Conduct Officers acting under authority vested by the Convention and sections 4 and 5 of this Act. By its terms, subsection (c) is made applicable to the conduct of foreign Authorized Officers aboard United States vessels in the Convention Area pursuant to the authority granted in the Convention and section 5 of this Act. The authority of the Fisheries Conduct Officer and the foreign Authorized Officer in the proper exercise of their duties under the Convention and this Act is considered of fundamental importance to the integrity of the mutual inspection scheme of the Convention as implemented by this Act. Accordingly that authority is given special consideration in this section and in section 7.

Section 7. Civil penalties, fines, or imprisonment for violations; forfeiture of fishing gear; liability of vessels.

Subsection 7(a) provides a civil penalty assessed by the Secretary for violations of subsection 6(a) or 6(b). Additionally, fishing gear involved in subsequent violations may be ordered forfeit.

Subsection 7(b) makes violation of subsection 6(c) a criminal act subject to fine or imprisonment or both. Provision is made for forfeiture of fishing gear involved in a subsequent violation in a separate civil action.

Subsection 7(c) provides that a vessel involved in a violation of section 6 is liable for penalties or fines assessed under section 7 and for damages done, including damages adjudged under section 9, which vessel may be seized and proceeded against summarily or by way of nonjury action in Rem.

Section 8. Power to arrest and search, to execute warrant or process, to issue warrants, to seize and dispose of property; stay of execution in rem or discharge of property on bond or stipulation and breach of conditions thereof.

Subsection 8(a) provides for arrest and search without warrant, for execution of warrant or process, for issuance of warrants, and for seizure of fishing gear involved and disposition of property so seized.

Subsection 8(b) provides that with property subject to in rem process the marshal or other officer may stay execution or discharge property if process has been already levied where the claimant puts up a bond or stipulation for double the value of the property with sufficient surety to be approved by a judge of the district court with jurisdiction of the offense. The value of the property would be established by an independent appraisal acquired by the marshal or other officer. Provision is made for any breach of required conditions.

Section 9. Assessment of damages to injuried parties in same proceedings; procedure for and effect of; authority of the United States Attorney; effect on subsequent actions.

Subsection 9(a) provides that in a proceeding under section 7 where a person is found to have violated section 6, and where there remains uncompensated damage which resulted from that violation the value of which does not substantially exceed $2,500, the court may, subject to subsection 9(b), give an additional judgment in an amount not to exceed $2,500 as compensation to be paid to the injured party. If the United States does not recover any sum so adjuged, the court's decision shall constitute an enforceable judgment for the injured person or persons on which suit might be brought in any court of competent jurisdiction. The remedy provided by this section is intended to be limited to claims not substantially in excess of $2,500 so that an injured party with a significantly greater claim will be required to bring a separate civil action at his own expense to obtain recovery. This section is specifically intended to provide a less-expensive means of recovery of compensation for an injured party, including an injured party who is a national of a foreign Contracting Party, where the violation of section 6 has been proven to the satisfaction of the court. Any claims filed under this section is unaffected by the decision of the court unless procedures provided under subsection 9(b) have been complied with and unless the defendant or respondent has been found by the court to have violated section 6.

Subsection 9(b) implements the procedures for the remedy provided for in this section, defines the broad, discretionary authority of the United tates Attorney as to the inclusion and prosecution of the claim in the section 7 proceeding, and limits the scope and effect of a proceeding under this section. Participation in the proceedings by the injured person or persons is entirely voluntary and a notice of claim may be withdrawn by the injured person or persons at any time prior to judgment. Further, participation initially is subject to the discretionary judgment of the United States Attorney and subsequently requires the continuing cooperation and assistance of the claimant as the United States Attorney might direct. If an injured person or persons participate in proceedings under this section until a judgment is rendered by the court on the merits of the United States proceeding under section 7, which judgment is in favor of the United States, then they and the defendant or respondent shall be bound by the decision of the court on the issues relating to the claims on file with the United States Attorney. No additional claims other than those claims arising directly from a violation of section 6 may be raised in a proceeding under this section. The burden of proof for the claim is unaffected by the nature of the proceedings under section 7. The section does not affect the application of any statute of limitations.

Subsection 9(c) indicates that except as otherwise provided, the remedy under this section is without effect on any cause of action, if any, between the parties except that any compensation adjudged and recovered by the injured party shall be credited to the defendant or respondent in a subsequent civil action by the injured party on that claim. This subsection is not intended to derogate from the mandate of subsection (a) since no claim should initially be included under this section where it reasonably appears the value of that claim will substantially exceed $2,500.

Section 10. Appointment of a review board and prescribing procedures therefor; designation of board members; duties of board; authority of the review board to act; requests to convene foreign review boards.

This section implements the provisions of the Convention in Article 7 which establishes a system of review boards for damage disputes without the trouble and expense of ordinary legal procedure. The review boards are an alternative to legal procedure. Authority is provided in this section for the United States review board to act, with the consent of all interested parties and with the consent and cooperation of the foreign Contracting Party's review board, as the binding arbitrator of the claim submitted. In those cases, the decision of the review board will constitute a binding agreement between the parties which shall be enforceable in any court of competent jurisdiction. The cooperation of the foreign Contracting Party's review board is considered necessary to facilitate in an appropriate case and transmission of evidential and other related matters to the United States review board when it is acting as arbitrator under this section.

Section 11. Notification of competent authorities of Contracting Parties.

This section implements Article 12 of the Convention which provides for mutual notification by Contracting Parties, through the depositary government, of the competent authorities designated for relevant portions of the Convention.

Section 12. Amendment of Articles and Annexes of the Convention.

The amendment to the Articles which constitute the basic Convention is provided for in Article 10 requiring unanimous acceptance by the Contracting Parties. Those amendments would take effect only after the acceptance of the President following the advice and consent of the Senate. This procedure is provided for in subsection 12(a).

Subsection 12(b) provides for more expeditious handling of proposed amendments to the Annexes, reflecting the intent of Article 11 of the Convention. The Annexes contain technical and procedural rules which do not affect the substantive policy statements of the basic Convention. Those amendments to Annexes would be treated under this Act by Executive action and implemented, where necessary, by regulation under subsection 3(a).

Section 13. Effective date; effect on other laws and regulations.

Subsection 13(a) provides that this Act and regulations issued pursuant thereto shall not take effect until the Convention is in force for the United States as provided for by Article 16 of the Convention.

Subsection 13(b) provides that this Act and the regulations issued pursuant thereto are in addition to other Acts and regulations issued pursuant thereto and this Act shall not derogate from such other Acts or regulations except that a minor amendment is made to section 4 of the Act of May 20, 1964 (78 Stat. 196; 16 U.S.C. 1084), to provide for consistency of regulatory authority in the fisheries zone as it relates to this Act.

Section 14. Authorization of monies.

This section authorizes monies necessary to carry out this Act.

Section 15. Saving clause.

This section provides a saving clause in the event any provision of the Act or application of any provision to any circumstance or person shall be held invalid.

Comparative listing; where Articles, Annexes, and paragraphs of the Convention are treated in the draft legislation:

Convention	*Legislation*
Title.	Section 1.
Article 1, para. (1); Annex I.	Subsection 2(b).
Article 1, para. (2).	Subsections 2(g) & (h).
Article 2.	Subsection 3(d).
Articles 3 through 6; Annexes II to VI.	Subsection 3(a).
Article 7, para. (1).	Section 10.
Article 7, para. (2).	Section 9.
Article 8, para. (1).	Total proposal.
Article 8, paras. (2) & (3).	Subsections 3(d) & 5(a).
Article 9, para. (1).	Subsection 3(a).
Article 9, paras. (2) & (3).	Subsection 4(a).
Article 9, para. (4).	Subsection 4(b).
Article 9, para. (5).	Subsections 4(b) & (c).
Article 9, para. (6).	Subsection 4(d).
Article 9, paras. (7) & (8).	Subsections 4(h) (i) & (ii).
Article 9, para. (9).	Subsection 4(g).
Article 9, para. (10).	Subsections 5(a) & 6(c).
Article 9, para. (11).	Subsection 5(d).
Article 9, para. (12).	Subsection 4(h) (iii).
Article 10.	Subsection 12(a).
Article 11.	Subsection 12(b).
Article 12.	Section 11.
Article 13.	None.
Articles 14 & 17, para. (3).	Subsection 5(b).
Article 15.	None.
Article 16.	Subsection 13(a).
Articles 17 to 20 (except para. (3) of Article 17).	None.

By Mr. MAGNUSON (by request):

S. 1591. A bill to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and other countries, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janerio May 14, 1966, by the United States of America and other countries, and for other purposes, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1591

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Atlantic Tunas Convention Act of 1972".

DEFINITIONS

SEC. 2. For the purpose of this Act, the term—

(a) "Convention" means the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, including any amendments or protocols which are or become effective for the United States.

(b) "Commission" means the International Commission for the Conservation of Atlantic Tunas provided for in Article III of the Convention.

(c) "Fisheries zone" means the entire zone established by the United States under the Act of October 14, 1966 (80 Stat. 908; 16 U.S.C. 1091–1094), or similar zones established by other Parties to the Convention to the extent that such zones are recognized by the United States.

(c) "Person" means every individual, partnership, corporation, and association subject to the jurisdiction of the United States.

(f) "Fishing vessel" means any vessel engaged in catching fish or processing or transporting fish loaded on the high seas, or any vessel outfitted for such activities.

(g) "Fishing" means the catching, taking, or fishing for, or the attempted catching, taking, or fishing for any species of fish, or any activities in support thereof.

COMMISSIONERS

SEC. 3. The United States shall be represented by not more than three Commissioners who shall serve as the United States Delegates on the Commission, and who may serve on the council and panels of the Commission as provided for in the Convention. Such Commissioners shall be appointed by the President, serve as such during his pleasure, and receive no compensation for their services as such Commissioners. Of such Commissioners—

(a) One shall be an official of the Department of Commerce; and

(b) Each of the others shall be a person residing in a State, the residents of which maintain a substantial fishery in the Convention area; at least one of such persons shall be chosen from the public at large, and shall not be a salaried employee of a State, any political subdivision thereof, or of the Federal Government.

ADVISORY COMMITTEE

SEC. 4. The United States Commissioners shall appoint an advisory committee which shall be composed of not less than five nor more than twenty persons and shall fix the terms of office thereof, such members to be selected from the various groups concerned with the fisheries covered by the Convention. Members of the advisory committee may attend all public meetings of the Commission and any other meetings to which they are invited by the Commission. The advisory committee shall be invited to attend all nonexecutive meetings of the United States Commissioners and at such meetings shall be given opportunity to examine and to be heard on all proposed programs of investigation, reports, recommendations, and regulations of the Commission. Members of the advisory committee shall receive no compensation for their services as such members.

SECRETARY OF STATE TO ACT FOR THE UNITED STATES

SEC. 5. (a) The Secretary of State is authorized to receive, on behalf of the United States, reports, requests, and other communications of the Commission, and to act thereon directly or by reference to the appropriate authorities. The Secretary of State, with the concurrence of the Secretary of Commerce, and, for matters relating to enforcement, the Secretary of the Department in which the Coast Guard is operating, is authorized to take appropriate action on behalf of the United States with regard to recommendations received from the Commission pursuant to Article VIII of the Convention. The Secretary of Commerce and, when appropriate, the Secretary of the Department in which the Coast Guard is operating shall inform the Secretary of State as to what action he considers appropriate within 5 months of the date of the notification of the recommendation from the Commission, and again within 45 days of the additional 60-day period provided by the Convention if any objection is presented by another Contracting Party to the Convention, or within 30 days of the date of the notification of an objection made within the additional 60-day period, whichever date shall be the later. After any notification from the Commission that an objection of the United States is to be considered as having no effect, the Secretary of Commerce shall inform the Secretary of State as to what action he considers appropriate within 45 days of the 60-day period provided by the Convention for reaffirming objections.

(b) The Secretary of State, in consultation with the Secretary of Commerce and the Secretary of the Department in which the Coast Guard is operating, is authorized to enter into agreements with any Contracting Party, pursuant to paragraph 3 of Article IX of the Convention, relating to the implementation of regulations adopted by the United States or such Contracting Party pursuant to recommendations of the Commission. Such agreements may provide for authorization of personnel of the United States and such other Contracting Party to enforce such regulations with respect to persons under the jurisdiction of the other party to the agreement in waters beyond the territorial sea and fisheries zone of the United States and such other Contracting Party.

ADMINISTRATION

SEC. 6. (a) The Secretary of Commerce is authorized and directed to administer and enforce all of the provisions of the Convention, this Act, and regulations issued pursuant thereto, except to the extent otherwise provided for in this Act. In carrying out such functions he is authorized and directed to adopt such regulations as may be necessary to carry out the purposes and objectives of the Convention and this Act, and with the concurrence of the Secretary of State, he may cooperate with the duly authorized officials of the Government of any party to the Convention. In addition, the Secretary of Commerce may utilize, with the concurrence of the Secretary of the Department in which the Coast Guard is operating, insofar as such utilization involves enforcement at sea with or without reimbursement and by agreement with any other Federal Department or agency, the personnel, services, and facilities of that agency, or for the purpose of enforcement with respect to any vessel in the fisheries zone, or wherever found, with respect to any vessel documented or numbered under the laws of the United States, any State agency or agency of the Commonwealth of Puerto Rico. When so utilized, such personnel of the States of the United States and of the Commonwealth of Puerto Rico are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(b) Enforcement activities at sea under the provisions of this Act for fishing vessels subject to the jurisdiction of the United States shall be primarily the responsibility of the Secretary of the Department in which the Coast Guard is operating, in cooperation with the Secretary of Commerce and the United States Bureau of Customs. The Secretary of the Department in which the Coast Guard is operating, with the concurrence of the Secretary of Commerce, is authorized and directed to adopt such regulations as may be necessary to provide for procedures and methods of enforcement pursuant to Article IX of the Convention.

VIOLATIONS: FINES AND FORFEITURES: APPLICATION OF RELATED LAWS

SEC. 7. (a) It shall be unlawful for any master or other person in charge of fishing vessel subject to the jurisdiction of the United States to engage in fishing in violation of any regulation adopted pursuant to section 6 of this Act, or for any person knowingly to ship, transport, purchase, sell, offer for sale, import, export, or have in custody, possession, or control any fish taken or retained in violation of such regulations.

(b) It shall be unlawful for the master or any person in charge of any fishing vessel subject to the jurisdiction of the United States or any person on board such vessel to fail to make, keep, or furnish any catch returns, statistical records, or other reports as are required by regulations adopted pursuant to this Act to be made, kept, or furnished.

(c) It shall be unlawful for the master or any person in charge of any fishing vessel subject to the jurisdiction of the United States to refuse to permit any person authorized to enforce the provisions of this Act and any regulations adopted pursuant thereto, to board such vessel and inspect its catch, equipment, books, documents, records, or other articles or question the persons on board in accordance with the provisions of this Act, or the Convention, as the case may be, or to obstruct such officials in the execution of such duties.

(d) Any person violating any provision of subsection (a) of this section shall be fined not more than $25,000 and for a subsequent violation of any provision of said subsection (a) shall be fined not more than $50,000.

(e) Any person violating any provision of subsection (b) of this section shall be fined not more than $5,000 and for a subsequent violation of any provision of subsection (b) shall be fined not more than $15,000.

(f) Any person violating any provision of subsection (c) of this section shall be fined for a first offense not more than $5,000 and be imprisoned for not more than six months, or both, and for a subsequent violation of any provision of subsection (c) shall be fined not more than $15,000 and be imprisoned for not more than one year, or both.

(g) All fish taken or retained in violation of subsection (a) of this section, or the monetary value thereof, may be forfeited.

(h) All provisions of law relating to the seizure, judicial forfeiture, and condemnation of a cargo for violation of the customs laws, the disposition of such cargo or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act.

ENFORCEMENT

SEC. 8. (a) Any person authorized in accordance with the provisions of this Act to enforce the provisions of this Act and the regulations issued thereunder may—

(1) With or without a warrant, board any vessel subject to the jurisdiction of the United States and inspect such vessel and its catch. If as a result of such inspection he has reasonable cause to believe that such vessel or any person on board is engaging in operations in violation of this Act or any regulations issued thereunder, he may, with or without a warrant or other process, arrest such person.

(2) Arrest, with or without a warrant, any person who violates the provisions of this Act or any regulation issued thereunder in his presence or view;

(3) Execute any warrant or other process issued by an officer or court of competent jurisdiction; and

(4) Seize, whenever and wherever lawfully found, all fish taken or retained in violation of the provisions of this Act or any regulations issued pursuant thereto. Any fish so seized may be disposed of pursuant to an order of a court of competent jurisdiction, or, if perishable, in a manner prescribed by regulation of the Secretary of Commerce.

(b) To the extent authorized under the Convention or by agreements between the United States and any Contracting Party concluded pursuant to section 5(b) of this Act for international enforcement, the duly authorized officials of such Party shall have the authority to carry out enforcement activities with respect to persons or vessels subject to the jurisdiction of the United States, and the officials of the United States authorized pursuant to this section shall have the authority to carry out enforcement activities with respect to persons or vessels subject to the jurisdiction of such Party.

(c) Notwithstanding the provisions of 28 U.S.C. 2464, when a warrant of arrest or other process in rem is issued in any cause under this section, the marshal or other officer shall stay the execution of such process, or discharge any fish seized if the process has been levied, on receiving from the claimant of the fish a bond or stipulation for the value of the property with sufficient surety to be approved by a judge of the district court having jurisdiction of the offense, conditioned to deliver the fish seized, if condemned, without impairment in value or, in the discretion of the court, to pay its equivalent value in money or otherwise to answer the decree of the court in such cause. Such bond or stipulation shall be returned to the court and judgment thereon against both the principal and sureties may be recovered in event of any breach of the conditions thereof as determined by the court. In the discretion of the accused, and subject to the direction of the court, the fish may be sold for not less than its reasonable market value at the time of seizure and the proceeds of such sale placed in the registry of the court pending judgment in the case.

COOPERATION: COMMISSION'S FUNCTIONS NOT RESTRAINED BY THIS ACT OR STATE LAWS

SEC. 9. (a) The United States Commissioners, through the Secretary of State and with the concurrence of the agency, institution, or organization concerned, may arrange for the cooperation of agencies of the United States Government, and of State and private institutions and organizations in carrying out the provisions of Article IV of the Convention.

(b) All agencies of the Federal Government are authorized, upon the request of the Commission, to cooperate in the conduct of scientific and other programs, and to furnish facilities and personnel for the purpose of assisting the Commission in carrying out its duties under the Convention.

(c) None of the prohibitions deriving from this Act, or contained in the laws or regulations of any State, shall prevent the Commission from conducting or authorizing the conduct of fishing operations and biological experiments at any time for purposes of scientific investigation, or shall prevent the Commission from discharging any other duties prescribed by the Convention.

(d) Nothing in this Act shall be construed to diminish or increase the jurisdiction of the States over their respective territorial waters.

APPROPRIATIONS

SEC. 10. There are authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary for carrying out the purposes and provisions of this Act, including—

(a) Necessary travel expenses of the United States Commissioners without regard to the Standardized Government Travel Regulations, as amended, the Travel Expense Act of 1949, or Section 10 of the Act of March 3, 1933 (5 U.S.C. 73b).

(b) The United States share of the joint expenses of the Commission as provided in Article X of the Convention.

SEPARABILITY

SEC. 11. If any provision of this Act or the application of such provision to any circumstance or persons shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

DEPARTMENT OF STATE,
Washington, D.C., March 16, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft of a proposed bill, "To give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the United States of America and Other Countries, and for other purposes". We recommend that it be enacted.

The International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, and hereinafter referred to as "the Convention", entered into force March 21, 1969, after being ratified or adhered to by seven countries, including the United States. The countries now party to the Convention are Brazil, Canada, France, Ghana, Japan, Korea, Morocco, Portugal, Senegal, South Africa, Spain and the United States. The Dominican Republic, Gabon and Venezuela have signed the Convention but have not yet ratified it. The Convention remains open to adherence by any Government which is a member of the United Nations or of any of its specialized agencies.

The Convention was a response to the rapidly increasing exploitation of Atlantic Ocean tuna resources by fishermen of a larger number of nations of Europe, Africa, the Americas and Asia. It reflects the conviction of the fishery experts of those nations that there is danger of overfishing and a decline in the productivity of the stocks of tunas and tuna-like fishes unless an effective program of international cooperation in research and conservation is implemented.

The Convention establishes an International Commission for Conservation of the Atlantic Tunas to coordinate, and if necessary carry out, scientific research on the Atlantic tunas and recommend joint measures to maintain the populations at levels which will permit the maximum sustainable catch. The Convention obligates the Contracting Parties to be represented by Delegates on the Commission, to furnish statistical and biological information for the Commission's use, to apply the duly adopted recommendations of the Commission, and to take necessary action to enforce the Convention, including collaboration in setting up an international enforcement system. Since its first meeting in December 1969, the Commission has been in its organizational stages. This process is now essentially completed, and the Commission has made its first regulatory recommendations in November 1972.

Although the United States has ratified the Convention, new legislation is required to carry out its provisions. In addition to authorization for appointment of Commissioners to represent it on the Commission and authorization for the Commissioners to appoint an advisory committee, legislation is required to receive and accept or object to conservation recommendations made by the Commission under the Convention, promulgate and enforce such regulations as may be necessary to ensure compliance by U.S. fishermen with the duly accepted conservation measures recommended by the Commission, and cooperate in carrying out the scientific and other programs of the Commission. The proposed bill provides the specific legislative authority needed for the discharge of these treaty obligations by the United States. Many of these provisions are substantially similar to like provisions in other statutes implementing fishery agreements, such as the Northwest Atlantic Fisheries Act of 1950, as amended, and the Tuna Conventions Act of 1950, as amended.

Section 1 of the bill gives a short title for the proposed legislation.

Section 2 defines certain terms used in the bill.

Section 3 authorizes the President to appoint three Commissioners, the maximum number of representatives permitted each country by the Convention, stipulates that they shall receive no compensation for their services, and establishes certain criteria for their selection to ensure that they will be representative of the interested public and Government sectors.

Section 4 authorizes the Commissioners to appoint an advisory committee of from five to twenty persons representative of the various groups concerned with Atlantic tuna fisheries, to serve without compensation. The rights and functions of the advisers are prescribed and are the same as those of members of similar advisory committees provided by statute for other international fishery commissions.

The classification of Commissioners and members of the advisory committee as special or regular government employees, and their relationship to the conflict of interest laws, is covered under existing law, at 18 USC 202–209.

Subsection 5(a) authorizes the Secretary of State, on behalf of the United States, to receive and deal appropriately with communications from the Commission, with the concurrence of the Secretary of Commerce and, with respect to enforcement, the concurrence of the Secretary of the Department of Transportation. The purpose of the procedure authorized is to ensure that conservation measures recommended by the Commission shall not be applied to U.S. fishermen if their rejection by another Contracting Party or other Parties would make their application ineffective for accomplishing the purposes of the Convention.

Subsection 5(b) authorizes the Secretary of State, in consultation with the Secretary of Commerce and the Secretary of the Department in which the Coast Guard is operating, to enter into international agreements for the purpose of implementing regulations binding on the Parties. Such implementation may include enforcement which could involve inspection of U.S. vessels and catches by foreign enforcement officers as well as by U.S. enforcement officers. This provision relates specifically to Article IX, paragraph 3 of the Convention, which calls for international collaboration for the implementation and enforcement of Convention provisions.

Subsection 6(a) prescribes the procedures for promulgation of regulations by the Secretary of Commerce for the purpose of carrying out recommendations of the Commission that are effective for the United States. This Subsection also empowers the Secretary of Commerce to designate officers and employees of the States and the Commonwealth of Puerto Rico and authorize them to function as Federal law enforcement agents for the purpose of carrying out enforcement activities under the Act. The enforcement activities of such State officers in regard to foreign flag vessels will be limited to the fisheries zone. Subsection 6(b) places enforcement responsibility primarily with the Coast Guard, and authorizes regulations for procedures and methods of enforcement. Publication of proposed regulations in the Federal Register and a public hearing are provided for generally under the requirements of 5 U.S.C. 553. This Section does not contain an import embargo provision similar to that in subsection 6(c) of the Tuna Conventions Act of 1950. The Fishermen's Protective Act of 1967 as amended by Public Law 92–219 contains a general embargo provision which is applicable to situations arising under the Convention.

Subsection 7(a) makes it unlawful for any person in charge of a fishing vessel of the United States to fish in violation of any regulation adopted pursuant to this Act or for any person knowingly to deal in or be in possession of fish taken in violation of such regulations.

Subsections 7(b) and 7(c) make it unlawful for persons aboard any fishing vessel of the United States to fail to keep records and make reports required by regulations adopted pursuant to this Act or to refuse to stop and show such records, catch, equipment to a duly authorized official and permit interrogation of persons on board the vessel.

Subsections 7(d) and 7(e) prescribe maximum fines of $25,000 for a first violation and $50,000 for subsequent violation of subsection (a), and $5,000 for a first violation and $15,000 for subsequent violations of subsection (b). Subsection 7(f) prescribes maximum penalties of $5,000 fine and six months imprisonment for a first violation, and $15,000 fine and one year imprisonment for subsequent violations of subsection (c). Subsection 7(g) provides that all fish taken or retained in violation of subsection (a) or the monetary value of such fish may be forfeited.

Subsection 7(h) makes all provisions of law relating to seizure, judicial forfeiture and condemnation of a cargo for violation of the customs law applicable to seizures and forfeitures under the provisions of this Act.

Subsection 8(a) prescribes how enforcement shall be carried out. It states that any person authorized to carry out enforcement activities under the Act may board and inspect any vessel and its catch in the waters of the Convention area; arrest, with or without a warrant, any person who violates the provisions of the Act or regulations issued thereunder; execute warrants and processes; and seize any fish found aboard a vessel in violation of the Act or regulations issued under the Act. Subsection 8(b) provides authority for duly authorized officials of either the United States or another Contracting Party to carry out enforcement activities with respect to persons or vessels subject to the jurisdiction of the other party to the extent authorized under the Convention or by agreements concluded pursuant to subsection 5(b). This provision insures that the United States can participate in systems of international enforcement established in accord with Article IX, paragraph 3, of the Convention, which calls for international collaboration for the implementation and enforcement of Convention provisions. Subsection 8(c) provides that execution of or process or seizure of any fish under the provisions of the Act shall be stayed upon posting of a sufficient bond by the accused.

Subsection 9(a) authorizes the United States Commissioners through the Secretary of State, to arrange for the cooperation of agencies of Federal, State and private institutions and organizations in carrying out the research function of the Commission under Article IV of the Convention. Subsection 9(b) authorizes all agencies of the Federal Government to cooperate in scientific and other programs upon request of the Commission. Subsection 9(c) provides that none of the prohibitions deriving from the Act, or those contained in the laws or regulations of any State, shall prevent the Commission from carrying out or authorizing fishing operations and biological experiments for purposes of its scientific investigations or discharging any other duties prescribed by the Convention. Subsection 9(d) states that the Act does not alter the existing sovereignty of the several States within their presently defined territorial waters.

Section 10 authorizes appropriation of the sums necessary for carrying out the purposes and provisions of the Act, including necessary travel expenses of the Commissioners and the United States share of the joint expenses of the Commission, as provided in Article X of the Convention.

Section 11 is a standard separability clause.

The Office of Management and Budget has advised that there is no objection to the presentation of the proposed legislation from the standpoint of the Administration's program.

A letter similar in content is being sent to the Speaker of the House.

Yours sincerely,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

By Mr. MAGNUSON (for himself and Mr. HATFIELD) (by request):

S. 1592. A bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are presently threatened with extinction or likely within the foreseeable future to become threatened with extinction; and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are presently threatened with extinction or likely within the foreseeable future to become threatened with extinction; and for other purposes, and ask unanimous consent that the letter of transmittal and section-by-section analysis be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Endangered Species Conservation Act of 1973."

SEC. 2. (a) The Congress finds and declares that one of the unfortunate consequences of growth and development in the United States and elsewhere has been the extermination of some species or subspecies of fish and wildlife, that serious losses in other animals with educational, historical, recreational, and scientific value have occurred and are occurring; that the United States has pledged itself, pursuant to migratory bird treaties with Canada and Mexico, the migratory and endangered bird treaty with Japan, the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere, and other international agreements to conserve and protect, where practicable, the various species or subspecies of fish and wildlife, including game and nongame migratory birds, that are presently threatened with extinction; and that the conservation, protection, restoration, and propagation of such species or subspecies will inure to the benefit of all cities. The purposes of this Act are to provide a program for the conservation, protection, restoration, and propagation of selected species or subspecies of fish and wildlife, including migratory birds, that are presently threatened with extinction, or are likely within the foreseeable future to become threatened with extinction.

(b) It is further declared to be the policy of Congess that all Federal departments and agencies shall seek to protect species or subspecies of fish and wildlife, including migratory birds, that are presently threatened with extinction or are likely within the foreseeable future to become threatened with extinction, and, insofar as is practicable and consistent with the primary purposes of such bureaus, agencies and services, shall utilize their authorities in furtherance of the purpose of this Act.

(c)(1) A species or subspecies of fish or wildlife shall be regarded as an endangered species whenever, in his discretion, the Secretary determines, based on the best scientific and commercial data available to him and after consultation, as appropriate, with the affected States, and, in cooperation with the Secretary of State, the country or countries in which such fish and wildlife are normally found or whose citizens harvest the same on the high seas, and to the extent practicable, with interested persons and organizations, and other interested Federal agencies, that the continued existence of such species or subspecies of fish or wildlife, in the judgment of the Secretary, is either presently threatened with extinction or will likely within the foreseeable future become threatened with extinction, throughout all or a significant portion of its range, due to any of the following factors: (i) the destruction, drastic modification, or severe curtailment or the threatened destruction, drastic modification, or severe curtailment of its habitat; or (ii) its overutilization for commercial, sporting, scientific, or educational purposes; or (iii) the effect on it of disease or predation; or (iv) the inadequacy of existing regulatory mechanisms; or (v) other natural or man-made factors affecting its continued existence.

(2) After making such determination, the Secretary shall publish in the Federal Register, and from time to time he may revise, by regulation, a list, by scientific and common name of such endangered species, indicating as to each species or subspecies so listed whether such species or subpieces is presently threatened with extinction or likely within the foreseeable future to become threatened with extinction and, in either case, over what portion of the range of such species this condition exists. The endangered species lists which are effective as of the date of enactment shall be republished to conform to the classification of endangered species provided for in this Act: *Provided, however,*

That until such republication such an endangered species already listed shall be considered an endangered species presently threatened with extinction pursuant to this Act. An endangered species which is to be republished as a species presently threatened with extinction shall not require public hearing or comment under the provisions of section 553 of title 5, United States Code. Such provisions shall apply to any other regulation issued under this subsection. The Secretary shall, upon the petition of an interested person under subsection 553(e) of title 5, United States Code, also conduct a review of any listed or unlisted species or subspecies of fish and wildlife proposed to be removed from, added to, or reclassified within the list, but only when he finds and publishes his finding that, to his satisfaction, such person has presented substantial evidence to warrant such a review.

(d) For the purposes of this Act, the term—

(1) "fish and/or wildlife" means any wild animal, whether or not raised in captivity, including without limitation, any mammal, fish, bird, amphibian, reptile, mollusk, or crustacean; including any part, product, egg, or offspring thereof; or the dead body or parts thereof;

(2) "United States" or "State" means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, and Guam;

(3) "person" includes any individual, firm, corporation, association, partnership, or private entity;

(4) "take" means to pursue, hunt, shoot, wound, kill, trap, capture, or collect, or attempt to pursue, hunt, shoot, wound, kill, trap, capture, or collect;

(5) "Secretary" means the Secretary of the Interior or the Secretary of Commerce as program responsibilities are vested pursuant to the provisions of Reorganization Plan Number 4 of 1970;

(6) "import" means to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into any place subject to the jurisdiction of the United States, whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the tariff laws of the United States;

(7) "foreign commerce" includes, among other things, any transaction (1) between persons within one foreign country, or (2) between persons in two or more foreign countries, or (3) between a person within the United States and a person in a foreign country, or (4) between persons within the United States, where the fish or wildlife in question are moving in any country or countries outside the United States;

Sec. 3. (a) The Secretary shall utilize the land acquisition and other authorities of the Migratory Bird Conservation Act (45 Stat. 1433), as amended (16 U.S.C. 715d-3), the Fish and Wildlife Act of 1956 (70 Stat. 1122), as amended (16 U.S.C. 742f), and the Fish and Wildlife Coordination Act (72 Stat. 566; 16 U.S.C. 663), as appropriate, to carry out a program in the United States of conserving, protecting, restoring, and propagating those species and subspecies of fish and wildlife that he lists as endangered species pursuant to section 2 of this Act.

(b) In addition to the land acquisition authorities otherwise available to him, the Secretary is hereby authorized to acquire by purchase, donation, or otherwise, land and water, or interests therein needed to carry out the purpose of this Act relating to the conservation, protection, restoration, and propagation of those species or subspecies of fish and wildlife that he lists as endangered species pursuant to section 2 of this Act.

(c) Funds made available pursuant to the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 460), may be used for the purpose of acquiring land and water, or interests therein that are needed for the purpose of conserving, protecting, restoring, and propagating those species or subspecies of fish and wildlife, including migratory birds, that he lists as endangered species pursuant to section 2 of this Act.

(d) The Secretary shall review other programs administered by him and utilize such programs in furtherance of the purpose of this Act. All other Federal departments and agencies shall, in consultation with and with the assistance of the Secretary, utilize their authorities in furtherance of the purpose of this Act by carrying out programs for the protection of endangered species or subspecies of fish and wildlife and by taking such action necessary to insure that actions authorized, funded, or carried out by them do not jeopardize the continued existence of endangered species.

Sec. 4. (a) Notwithstanding any other Act of Congress or regulation issued pursuant thereto, and except as authorized by this Act, it is unlawful for any person subject to the jurisdiction of the United States to:

(1) import into or export from the United States; or

(2) (A) take within the United States, the territorial sea of the United States, or upon the high seas; or (B) when so unlawfully taken, to possess, sell, deliver, carry, transport, or ship, by any means whatsoever; or

(3) deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever, for commercial purposes; or

(4) sell or offer for sale in interstate or foreign commerce any species or subspecies of fish and wildlife which the Secretary has listed as an endangered species presently threatened with extinction pursuant to section 2 of this Act.

(b) Whenever the Secretary, pursuant to section 2 of this Act, lists a species or subspecies as an endangered species which is likely within the foreseeable future to become threatened with extinction he shall issue such regulations as he deems necessary and advisable to provide for the conservation, protection, restoration, and propagation of such species or subspecies, including regulations making unlawful any of the acts specified by this section.

(c) It is unlawful for any person subject to the jurisdiction of the United States to import into the United States any fish and wildlife, other than shellfish and fishery products imported for commercial purposes or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes, except at a port or ports designated by the Secretary. Any port or ports which have been designated by the Secretary by regulation under the authority of the Act of December 5, 1969 (83 Stat. 276; 16 U.S.C. 668cc–4(d)), and are in effect on the date of enactment shall remain effective under the authority of this Act unless modified by the Secretary. For the purpose of facilitating enforcement of this Act and reducing the costs thereof, the Secretary, with the approval of the Secretary of the Treasury and after notice and opportunity for public hearing, may, by regulation, designate ports and alter such designations. The Secretary, under such terms and conditions as he may prescribe, may permit the importation at nondesignated ports in the interest of the health or safety of the fish and wildlife, or for other reasons, if in his discretion, he deems it appropriate and consistent with the purpose of this subsection.

(d) It is unlawful for any person subject to the jurisdiction of the United States to attempt or conspire to commit, or to cause to be committed, any offense defined in this section.

(e) Any State law or regulation is void to the extent that it would effectively permit or prohibit imports, exports, or transactions in interstate or foreign commerce in a manner inconsistent with subsection (a) hereof, or regulations issued under authority of subsection (b) hereof. This Act shall not otherwise be construed to void any State law or regulation which is intended to conserve and manage migratory, resident, or introduced fish or wildlife, or to permit or prohibit sale of such fish and wildlife: *Provided, however,* That any State law or regulation respecting the taking of an endangered species listed pursuant to section 2 of this Act which is less restrictive than the prohibitions provided by this Act shall be void to the extent that such State law or regulations is so less restrictive.

Sec. 5. (a) The Secretary may permit, under such terms and conditions as he may prescribe, any act otherwise prohibited by or pursuant to section 4 of this Act when he determines, to his satisfaction, that such act will be undertaken for zoological, educational, or scientific purposes, or to enhance the survival of such fish and wildlife, but only if he finds that such act will not adversely affect the survival of the wild population or the reproductive capacity of the species or subspecies concerned.

(b) In order to minimize undue economic hardship to any person who proposes to be exempted from applicability of subsection 4(a); of this Act under any contract entered into prior to the date of publication in the Federal Register of notice of a proposed listing of an endangered species presently threatened with extinction, the Secretary, upon such person filing an application with him and upon filing such information as the Secretary may require showing to his satisfaction, such hardship, may exempt such person from applicability of subsection 4(a): *Provided, however,* That no such exemption shall be for a duration of more than one year from the date of publication in the Federal Register of notice of a proposed listing of the affected species or in the quantities which exceed those specified by the Secretary; and *Provided further,* That the one year period for those species or subspecies of fish and wildlife listed by the Secretary as endangered prior to the effective date of this Act shall expire in accordance with the terms of Section 3 of the Act of December 5, 1969 (83 Stat. 275).

(c) The prohibitions contained in subparagraph 4(a) (2) of this Act respecting the taking within a State or its territorial sea, as well as analogous regulations which may be issued pursuant to the authority provided in subsection 4(b) of this Act, may be suspended by the Secretary in any State which has entered into and, in the judgment of the Secretary, satisfactorily carries out an active program to manage and protect endangered species. The Secretary's determination that such a suspension is warranted shall include a finding that State laws and regulations are framed and enforced in a manner consistent with, and no less stringent than, the prohibition and exceptions of this Act. Said suspension shall take effect by notice published in the Federal Register, and it may be revoked whenever the Secretary finds either that the program to manage and protect such endangered species is not being satisfactorily carried out, or that State laws or regulations, or the enforcement thereof, permit acts prohibited by this Act and the exceptions thereto.

Sec. 6. (a) (1) Any person who violates any provision of this Act or of any regulation or permit issued hereunder may be assessed a civil penalty by the Secretary of not more than $10,000 for each such violation. No such penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to such violation. Each violation shall be a separate offense. Any such civil penalty may be compromised by the Secretary. Upon any failure to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. The court shall hear such action solely on the record made before the Secretary and shall sustain his action if it is supported by substantial evidence on the record considered as a whole.

(2) Hearings held during proceedings for the assessment of civil penalties authorized by paragraph (1) of this subsection shall be conducted in accordance with section 554 of title 5, United States Code. The Secretary may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpoena served upon any person pursuant to this paragraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The head of any Federal agency which has issued a lease, license, permit, or other agreement authorizing the grazing of domestic livestock on Federal lands, to any person who is convicted of a criminal violation of this Act or any regulation or permit issued hereunder may immediately modify, suspend or revoke each lease, license, permit or other agreement. The Secretary shall also suspend for a period of up to one year, or cancel any Federal hunting or fishing permits or stamps issued to any person who is convicted or a criminal violation of this Act or any regulation or permit issued hereunder. The United States shall not be liable for the payments of any compensation, reimbursement, or damages in connection with the modification, suspension or revocation of any leases, licenses, permits, stamps, or other agreements pursuant to this section.

(b) Any person who knowingly commits an act which is declared unlawful by this Act, or any regulation or permit issued hereunder, shall, upon conviction, be fined not more than $20,000 or imprisoned for not more than one year, or both.

(c) The several District Courts of the United States, including the courts enumerated in 28 United States Code 460, shall have jurisdiction over any actions arising under this Act. For the purpose of this Act, American Samoa shall be included within the Judicial district of the District Court of the United States for the District of Hawaii.

(d) (1) The provisions of this Act and any regulations or permits issued pursuant thereto shall be enforced by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, or all such Secretaries. Each such Secretary may utilize, by agreement, with or without reimbursement, the personnel, services, and facilities of any other Federal agency or any State agency for purposes of enforcing this Act.

(2) The judges of the district courts of the United States and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process as may be required for enforcement of this Act and any regulation issued thereunder.

(3) Any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, to enforce this Act may execute and serve any arrest warrant, search warrant, or other warrant or civil or criminal process issued by any officer or court of competent jurisdiction for enforcement of this Act. Such person so authorized may search and seize, with or without a warrant, as authorized by law.

(4) All fish and wildlife taken, possessed, sold, purchased, offered for sale or purchase, transported, delivered, received, carried, shipped, exported or imported contrary to the provisions of this Act, any regulation made pursuant thereto or any permit issued thereunder, and all guns, traps, nets and other equipment, vessels, vehicles, aircraft and other means of transportation used to aid the taking, possessing, selling, purchasing, offering for sale or purchase, transporting, delivering, receiving, carrying, shipping, exporting or importing of any fish and wildlife in violation of this Act, any regulation made pursuant thereto or any permit issued thereunder shall be subject to forfeiture to the United States.

(5) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeiture, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act: *Provided*, that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Treasury Department shall, for the purposes of this Act, be exercised or performed by the Secretary or by such persons as he may designate.

(e) The Secretary may require any person importing or exporting fish and wildlife, other than shellfish and fishery products imported for commercial purposes or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes, to file a declaration with him stating such information as he deems necessary to facilitate enforcement of this Act.

(f) The Secretary, the Secretary of the Treasury and the Secretary of the Department in which the Coast Guard is operating, are authorized to promulgate such regulations as may be appropriate to carry out the purposes of this Act, and charge reasonable fees for expenses to the Government connected with permits authorized by this Act, including processing applications and reasonable inspections, and with the transfer, board, handling, or storage of fish and wildlife and evidentiary items seized and forfeited under this Act. All such fees collected pursuant to this subsection shall be deposited in the Treasury to the credit of the appropriation which is current and chargeable for the cost of furnishing the services. Appropriated funds may be expended pending reimbursement from parties in interest.

Sec. 7. (a) In order to carry out the provisions of this Act, the Secretary, through the Secretary of State, shall encourage foreign countries to provide for the protection, conservation and propagation of fish and wildlife, including those species listed as endangered pursuant to section 2 of this Act, and shall encourage bilateral and multilateral agreements with such countries for the protection, conservation, and propagation of fish and wildlife. The Secretary shall also encourage persons, taking directly or indirectly fish and wildlife in foreign countries or on the high seas for importation into the United States for commercial or other purposes, to develop and carry out, with such assistance as he may provide, conservation practices designed to enhance such fish and wildlife and their habitat. After consultation with the Secretary of State, the Secretary is authorized to assign or otherwise make available any officer or employee of his department for the purpose of cooperating with foreign countries and international organizations in developing personnel resources and programs which promote the protection, conservation and propagation of fish and wildlife. He is authorized to conduct or provide financial assistance for educational training of foreign personnel, in this country or abroad, in the subjects of fish and wildlife management, research, and law enforcement and to render professional assistance abroad in such matters. After consultation with the Secretary of State and the Secretary of the Treasury. as appropriate, the Secretary is authorized to conduct or cause to be conducted such law enforcement investigations and research abroad as he deems necessary to carry out the purposes of this Act.

(b) The Secretary of Agriculture and the Secretary shall provide for appropriate coordination of the administration of this Act and amendments made by this Act, with the administration of the animal quarantine laws (19 U.S.C. 1306; 21 U.S.C. 101–105, 111–135b, and 612–614) and the Tariff Act of 1930, as amended (sec. 1306 of title 19). Nothing in this Act or any amendment made by this Act, shall be construed as superseding or limiting in any manner the functions of the Secretary of Agriculture under any other law relating to prohibited or restricted importations or possession of animals and other articles and no proceeding or determination under this Act shall preclude any proceeding or be considered determinative of any issue of fact or law in any proceeding under any Act administered by the Secretary of Agriculture.

(c) Nothing in this Act, or any amendment made by this Act, shall be construed as superseding or limiting in any manner the functions and responsibilities of the Secretary of the Treasury under the Tariff Act of 1930, as amended, including, without limitation, section 1527 of title 19, United States Code, relating to the importation of wildlife taken, killed, possessed, or exported to the United States in violation of the laws or regulations of a foreign country.

Sec. 8. (a) In carrying out the program authorized by this Act, the Secretary shall cooperate to the maximum extent practicable with the several States. Such cooperation may include consultation before the acquisition of any land and water, or interest therein, for the purpose of conserving, protecting, restoring, or propagating any endangered species.

(b) The Secretary may enter into agreements with the States for the administration and management of any area established for the conservation, protection, restoration, and propagation of endangered species. Any revenues derived from the administration of such areas under these agreements shall be subject to the provisions of section 401 of the Act of June 15, 1935 (49 Stat. 383), as amended (16 U.S.C. 715s).

Sec. 9. (a) Subsection 4(c) of the Act of October 15, 1966 (80 Stat. 928), as amended (16 U.S.C. 668dd(c)), is further amended by revising the second sentence thereof to read as follows: "With the exception of endangered species listed by the Secretary pursuant to section 2 of the Endangered Species Conservation Act of 1973, nothing in this Act shall be construed to authorize the Secretary to control or regulate hunting or fishing or resident fish and wildlife on lands not within the system."

(b) Subsection 10(a) of the Migratory Bird Conservation Act (45 Stat. 1224), as amended (16 U.S.C. 715i(a)), is further amended by inserting "or likely within the foreseeable future to become threatened with" between the words "with" and "extinction".

(c) Subsection 401(a) of the Act of June 15, 1935 (49 Stat. 383), as amended (16 U.S.C. 715s(a)), is further amended by inserting "or likely within the foreseeable future to become threatened with" between the words "with" and "extinction" in the last sentence thereof.

(d) Subsection 6(a)(1) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 903), as amended (16 U.S.C. 460-1-9 (a)(1)), is further amended by inserting "or likely within the foreseeable future to become threatened with" between the words "with" and "extinction".

Sec. 10. (a) Sections 1 through 3 of the Act of October 15, 1966 (80 Stat. 926, 927), as amended (16 U.S.C. 668aa-668cc) are hereby repealed in their entirety.

(b) Sections 1 through 6 of the Act of December 5, 1969 (83 Stat. 275-279; 16 U.S.C. 668cc-1 through 668c-6) are hereby repealed in their entirety.

Sec. 11. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

U.S. Department of the Interior,
Washington, D.C. February 15, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: There is enclosed a draft bill "To provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are presently threatened with extinction or likely within the foreseeable future to become threatened with extinction; and for other purposes."

We recommend that this bill, a part of the environmental program announced today by President Nixon, in his Environment and Natural Resources State of the Union Message, be referred to the appropriate committee for consideration, and that it be enacted.

This proposal addresses the need to identify those species or subspecies which, though not yet threatened with extinction, are likely within the foreseeable future to become so threatened. We are convinced that it is far more sound to take the steps necessary to keep a species or subspecies from becoming endangered than to attempt to save it after it has reached that critical point. Therefore, the bill defines "endangered" (Section 2(c) (1) as meaning any species or subspecies which is either presently threatened with extinction or likely within the foreseeable future to become threatened with extinction. To assure protection of all endangered species commensurate with the threat to their continued existence, we propose to (1) remove the current ceiling imposed by law on acquisition of essential wildlife habitat; (2) prohibit unauthorized import or export, taking, possession, sale, delivery, and transport of species presently threatened with extinction; (3) clarify authorities pertaining to warrantless searches and forfeiture of seized property; and, (4) allow importation at other than designated ports of entry "in the interest of health or safety of fish and wildlife."

The boll follows closely the precedent established by the Congress in 1966 and 1967, when it enacted the first legislation to provide protection for fish and wildlife determined to be threatened with extinction in the United States and abroad. This proposal retains those provisions of the earlier Acts which laid the foundation for this Department's effort to protect endangered species and adds to them the authorities which, as demonstrated by experience, are needed to cope with a continuing decimation of the world's wildlife resources. It provides authority for a new program to be administered jointly by this Department and the Department of Commerce, pursuant to the allocation of responsibilities established by Reorganization Plan No. 4 of 1970.

We urge the Congress to take this further step forward for the protection of our diminishing wildlife resources. The Office of Management and Budget has advised that this legislation is in accord with the President's program.

Sincerely yours,

Rogers C. B. Morton,
Secretary of the Interior.

ENDANGERED SPECIES CONSERVATION ACT OF 1973

SECTION-BY-SECTION ANALYSIS

Sec. 1. Short Title.

Sec. 2. (a) Restates the declaration of purpose provided in section 1 of the Act of October 15, 1966 (80 Stat. 926; 16 U.S.C. 668aa), hereinafter the "1966 Act," eliminating reference to "native" species, adding "or subspecies" following "species," adding "or are likely to become threatened with extinction" following "threatened with extinction," and expanding reference to existing treaties.

(b) Restates parallel declaration of policy in section 1 of the 1966 Act, strengthening mandate to all Federal agencies to use their authorities in furtherance of purposes of the Act.

(c) Defines "endangered species" as any species or subspecies of fish or wildlife determined by the Secretary to be presently threatened with extinction or likely within the foreseeable future to become threatened with extinction throughout all or a significant portion of its range due to the enumerated factors. This definition supplants those found in section 1 of the 1966 Act and section 3 of the Act of December 5, 1969 (83 Stat. 275; 16 U.S.C. 668cc-3), hereinafter the "1969 Act," making possible the publication of a single list of species or subspecies so defined as "endangered," whether "native" or "foreign" and eliminating the requirement that a listed species be threatened throughout its range. This definition of "endangered species" is intended to make clear that Federal protection shall be afforded to species which are not yet threatened with extinction, but which are likely within the foreseeable future to become threatened with extinction.

The Secretary is required to publish, and from time to time revise, a list of endangered species, indicating whether threatened with extinction or likely within the foreseeable future to become so threatened, to republish existing lists of endangered species in conformance with this Act, and to conduct a review of proposed additions or deletions upon petition by an interested person and presentation of substantial evidence.

(d) Definitions essentially parallel those of 1966 and 1969 Acts, but also include additional definitions of "import" and "foreign commerce" in order to provide broad coverage of activities and transactions affecting endangered species. "Secretary" is defined to mean the Secretary of the Interior or the Secretary of Commerce, as may be appropriate, in accordance with Reorganization Plan No. 4 of 1970.

Sec. 3. (a) and (b) Restate, with conforming amendments, parallel subsections in section 2 of the 1966 Act (16 U.S.C. 68bb).

(c) Authorizes utilization of proceeds from Land and Water Conservation Fund for acquisition of endangered species habitat. Limitations of 1966 Act ($15 million total, $5 million annually, and $2.5 million for any one area) are deleted.

(d) Strengthens parallel provision of 1966 Act pertaining to endangered species programs of other Departments.

Sec. 4. (a) Prohibits, except as authorized elsewhere in the bill, the import, export, taking within the United States or upon the high seas, and the interstate transportation of endangered species listed as threatened with extinction pursuant to section 2. The 1969 Act provides only a prohibition against the importations from a foreign country of endangered species.

(b) Requires that the Secretary, upon listing an endangered species or subspecies likely within the forseeable future to become threatened with extinction, issue regulations which may include those prohibitions contained in subsection (a) applicable to species or subspecies which are threatened with extinction.

(c) Restates parallel provision of section 4 of 1969 Act pertaining to authorized ports of entry, and permits importation at non-designated ports when "in the interest of the health or safety of the fish or wildlife."

Sec. 5. (a) Authorizes the Secretary to permit activity otherwise prohibited by section 4 for zoological, educational, and scientific purposes.

(b) Restates, with conforming amendments, "economic hardship" provision of section 3 of 1969 Act (16 U.S.C. 668cc-3).

(c) Authorizes suspension of Federal prohibitions respecting taking within a State or its territorial waters when Secretary determines that such State has adopted active program to manage and protect such species.

Sec. 6. (a) Increases penalty in parallel provision of section 4 of 1969 Act (16 U.S.C. 668cc-4), providing civil penalty of not more than $10,000 for each violation of the Act, or regulations or permits issued thereunder. Also authorizes suspension of Federal hunting and fishing licenses, permits, or stamps and grazing leases, permits or licenses upon conviction of a criminal violation of the Act, or any regulation or permit issued thereunder.

(b) Increases penalty in parallel provision of section 4 of 1969 Act, providing criminal penalty of not more than $20,000 or one year's imprisonment, or both, for knowingly violating the Act, or regulations or permits issued thereunder.

(c) Establishes the jurisdiction of the District Courts of the United States over any actions arising under the Act.

(d) Restates parallel provision of section 4 of 1969 Act, providing for enforcement by the Secretaries of the Interior, Commerce, Treasury, and the Department in which the Coast Guard is operating. Authorizes warrantless search and seizure in accordance with law and permits execution by authorized agents of warrants *to seize property* used in connection with violations for which a penalty is prescribed by subsection (a) or (b).

(e) Authorizes the Secretary to require importers of fish and wildlife, with the exception of commercial and sport fishermen, to file a declaration stating such information as the Secretary deems necessary to facilitate enforcement of the Act.

(f) Authorizes the promulgation of regulations to carry out the purposes of the Act.

Sec. 7. (a) Restates parallel provision of section 5 of 1969 Act (16 U.S.C. 668cc-5) pertaining to endangered species programs of foreign countries, including additional authority in the areas of law enforcement and training.

(b) and (c) Restate parallel provisions of section 6 of 1969 Act (16 U.S.C. 668cc-6) pertaining to animal quarantine and tariff laws.

Sec. 8. Restates parallel provisions of section 3 of 1966 Act pertaining to cooperation with the States (26 U.S.C. 668cc).

Sec. 9. Provides conforming amendments to National Wildlife Refuge System Administration Act of 1966 (80 Stat. 927; 16 U.S.C. 668dd-668ee), Migratory Bird Conservation Act (45 Stat. 1224; 16 U.S.C. 715), Act of June 15, 1835 (49 Stat. 283, 16 U.S.C. 715s(a)), and the Land and Water Conservation Fund Act of 1965 (78 Stat. 903; 16 U.S.C. 4601-9).

Sec. 10. Repeals sections 1 through 3 of the 1966 Act and sections 1 through 6 of the 1969 Act, which are replaced by this Act. Sections 1 through 3 of the 1966 Act and sections 1 through 5 of the 1969 Act had been designated by the 1969 Act as the "Endangered Species Conservation Act of 1969".

Sec. 11. Authorizes appropriations of such sums as may be necessary to carry out the purposes of the Act.

By Mr. MOSS:

S. 1593. A bill to promote and enhance interstate and foreign commerce in recyclable and recycled materials; to encourage the utilization of reclaimable postconsumer waste materials; to encourage conservation of our precious energy reserves and natural resources through effective recycling; and for other purposes. Referred to the Committee on Commerce.

RESOURCE RECYCLING AND CONSERVATION ACT OF 1973

Mr. MOSS. Mr. President, the Resource Recycling and Conservation Act of 1973, which I have just introduced, seeks to deal simultaneously with several of the most urgent and pressing problems facing our nation today.

The bill is aimed at removing transportation roadblocks to the recycling of solid waste materials which have consistently been encouraged and fostered over the years by the Interstate Commerce Commission and the Federal Maritime Commission. Second, it provides for the elimination of other Federal statutory impediments to expanded recycling in interstate commerce. It also proposes that the Federal Government take the lead in promoting the conservation of some of our most precious depletable natural resources by providing new, effective tax and procurement incentives for resource recovery and recycling of solid waste materials. Finally, it seeks to cope effectively with at least one aspect of the threatened "energy crisis" by restricting regular tax deductions for wasteful fuel and energy consumption by manufacturers and processors who persist in utilizing high energy-consuming virgin commodities in their business operations when equally usable, low energy-consuming recyclable commodities are readily available.

In a joint report recently filed with the Environmental Protection Agency, the National League of Cities and the U.S. Conference of Mayors stated that "the national problems of waste disposal and resource conservation are as crucial as any this Nation faces in the latter third of the 20th century." The joint report demonstrates that almost half of our cities will be running out of current disposal capacity within 1 to 5 years, and accordingly "urban America faces an immediate disposal crisis." Simultaneously, the Bureau of Mines has warned that by the end of the century, U.S. demands for metals alone will have quadrupled, and that unless we recycle more, we will soon need imports at seven times the present rate to satisfy our needs.

Solid waste in this country is actually growing five times faster than the population. Industrial solid wastes account for 110 million tons of waste, much of which could be recycled. These wastes include recoverable wastepaper, metals, textiles, and other potential raw materials. In addition, Americans throw away more than 250 million tons of residential, commercial, and institutional solid waste each year. Thus, at the present time, our local collection agencies are being called upon to collect and dispose of 30 million tons of paper, 60 billion cans, 30 billion bottles, 4 million tons of plastics, 100 million tires, and millions of discarded automobiles and appliances. These staggering volumes are projected to increase by 50 percent by 1980.

At the present rate alone, the total solid waste collection and disposal costs heaped upon our municipal agencies is $6 billion a year. According to the President's Council on Environmental Quality, those costs will reach $10 billion a year by 1980. In fact, it is expected that solid waste control costs will actually exceed air and water pollution costs by the end of this decade.

This extremely disturbing picture is aggravated by the fact that the President's Council on Environmental Quality has also found 94 percent of all existing open dumping systems to be inadequate, while 75 percent of the municipal incinerators are not only insufficient—they are among the worst air pollution offenders. In New York City, most local land fill areas have been exhausted, and the city is spending more than $36 a ton to collect and dispose of its solid waste accumulations.

Unfortunately, while these growing mountains of solid waste continue to spiral out of control, we are simultaneously witnessing an insatiable drain on our critical supplies of natural resources. In its 1970 Report to Congress, the President's Council on Environmental Quality described the situation as follows:

> Population growth threatens the Nation's store of natural resources. Currently, the United States with about 6% of the world's population, uses more than 40% of the world's scarce or nonreplaceable resources and a like ratio of its energy output. Assuming a fixed or nearly fixed resource base, continued population growth embodies profound implications for the United States and for the world.

Faced with these alarming conditions, the CEQ advised the Congress as long ago as 1970 that crash programs are needed to attack these twin problems of mounting solid waste and depleting natural resources, head-on and without delay. The Council thus urged the Congress to pursue every possible means to encourage and increase recycling of our precious natural resources. Indeed, CEQ stated:

> In his February 10 [1970] Message on the Environment, the President announced the Federal Government's goal to reduce solid waste volume and encourage reuse and recycling. Recycling waste materials into the economy has not been widely applied in the United States. *Economic considerations and the abundance of virgin resources have forestalled the development of recycling technology and markets. Primary materials producers, often with the help of tax concessions, have developed remarkably efficient technologies for removing metals and other substances from their virgin state. But meanwhile, techniques for separating and recovering waste materials remain primitive and expensive. . . .*
>
> *Methods must be developed to reuse a greater percentage of products and to develop new products from and new uses of solid waste. . . .*
>
> Industry . . . and all levels of government must be enlisted to maximize the recycling of solid wastes.

In response to these urgent pleas from the administration for crash programs aimed at reversing the disastrous "mounting solid waste—virgin resource depletion crises," Congress in 1970 passed The Resource Recovery Act. That statute did not attempt to legislate definitively to remove the Federal roadblocks to expanded recycling or to provide new incentives to promote recycling. Rather, it directed the Environmental Protection Agency to investigate and determine—

> (i) how existing federal procurement, transportation and tax programs and policies, operate to impede, restrict or unfairly discriminate against the recycling, reuse and conservation of materials and in favor of constant drains on our depletable natural resources;
>
> (ii) how Congress should proceed to eliminate these disincentives to recycling, and
>
> (iii) what type of relief should be provided to accelerate the recycling of raw materials from solid wastes.

Over the years since 1970, both CEQ and the Environmental Protection Agency have repeatedly gone on record in favor of new Federal procurement programs to stimulate the purchase of recyclables and to conserve dwindling depletable virgin resources. Both have urged the immediate elimination of discriminatory rail and ocean freight rates which block recycling and sponsor constant depletion of our scarce natural resources; the adoption of new tax and procurement policies to offset the outdated advantages now sponsored for virgin timber, metals and oil.

Unhappily, however, when the Environmental Protection Agency was apparently ready this year finally to recommend a definitive legislative program aimed at correcting and eliminating all of these disincentives to recycling and to replace them with new affirmative, effective incentives, the administration's Office of Management and Budget somehow intervened and forced EPA to surpress its proposals. Thus, in the final analysis, nothing effective has been done by the administration since Congress passed the Resource Recovery Act in 1970 to eliminate the insidious Federal discriminations against recyclable materials which simultaneously force this country foolishly to continue to deplete at an alarming rate our disappearing natural resources while its mountains of solid waste continue to grow in all sections of the Nation.

In the meantime, however, while the administration has been blocking effective relief, other Federal bodies have unanimously urged Congress to take action. In its 1971 and 1972 reports to the President, for example, his Citizen's Advisory Committee on Environmental Quality, headed by Mr. Laurence Rockefeller called upon the President and the Congress to move immediately to eliminate the outrageous transportation rate discriminations against recyclable materials, and to adopt new Federal procurement and tax policies which will guarantee at least economic equality in the marketplace for recyclable materials which compete with dwindling virgin resources. Similar reports and recommendations have been prepared by the National Materials Advisory Board of the National Academy of Sciences; by the National Materials Policy Commission, created by Congress as part of the Resource Recovery Act of 1970; and by the National

Industrial Pollution Control Council, an agency created by Executive Order of the President pursuant to the National Environmental Policy Act. In addition, the National League of Cities and the U.S. Conference of Mayors have now joined in one urgent report to add their plea that Congress take action without further delay to change and eliminate all of these existing Federal policies which have so far served as impossible barriers to effective recycling.

Accordingly, Mr. President, the bill I have now introduced attempts to answer these mounting entreaties from almost every quarter. Some of the proposals contained in this legislation have received favorable consideration from Congress last year but unfortunately did not completely clear the legislative process. For example, the Senate last year passed the Fast Freight Systems Transportation Act of 1971 which contained a provision directing the Interstate Commerce Commission to eliminate all rail rate discriminations against recyclable materials within 2 years. A similar directive was contained in the Surface Transportation Act favorably reported by both the Senate Commerce Committee and the House Interstate and Foreign Commerce Committee. This bill actually directed both the Interstate Commerce Commission and the Federal Maritime Commission to cooperate to eliminate all existing freight rate discriminations whether they be found in the tariffs filed by the railroads or in those filed by the steamship conferences.

Now, however, the time has clearly arrived when we can afford to delay no longer.

SUMMARY OF BILL

My bill will do the following: require Government procurement of recycled materials in bids and contracts; establish fair and equitable freight rates for recycled materials by eliminating present discrimination; require product, packaging, and container standards for materials that move in interstate commerce to reduce their environmental impact; equalize tax benefits so that virgin resource materials do not receive preferential treatment; allow rapid amortization of investments in recycling capacity; establish a loan program for State and local governments for the purchase of collection and separation systems with incentives toward energy recovery, efficiency, regionalization, and recovery of their resources; require product durability standards; and provide an energy consumption adjustment to encourage the use of materials that are not energy intensive in their production processes. The bill would also create a technology transfer program to rapidly disseminate information about research and development breakthroughs, allow citizens to go to court to encourage enforcement of the act, and provide for public rulemaking process.

Obviously, Mr. President, all of these policies should have been adopted by the Congress years ago. We are presently witnessing the fruits of our folly as day after day we read about how the most essential, depletable natural resources are evaporating or have already evaporated while our solid waste buildups continue to accumulate and expand. The time has clearly come for decisive Federal action. Therefore, I hope that the legislation introduced today will receive early hearings here in the Senate and that this session of the Congress will not adjourn until all of the necessary laws in this area have been enacted.

By Mr. GRIFFIN (for Mr. BAKER):

S. 1594. A bill to amend the Federal Water Pollution Control Act, as amended. Referred to the Committee on Public Works.

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Tennessee (Mr. BAKER), I introduce a bill to amend the Federal Water Pollution Control Act, as amended.

I ask unanimous consent that a statement prepared by him in connection with the bill together with a priority list of phased construction grants for the State of Tennessee and the text of the bill itself be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BAKER

Mr. President, I am today introducing legislation that I believe would make an important and necessary amendment to the Federal Water Pollution Control Act.

The intent of my proposed legislation is very simple: it would enable the States to accelerate their construction of sewage treatment facilities in order to meet clean-water goals.

This bill, however, would impose no additional cost whatsoever on the Federal government. It would not alter, in any way, the sums authorized under existing law. It would not alter the allocation formula among the States.

Rather, it would have the effect of saving the Federal Government—and American taxpayers—money by enabling the States to initiate projects on a more logical basis. It would enable States to move forward on some projects now that otherwise, under current interpretations of the law, would have to be delayed until they are far more costly later in the 1970's.

Why is this bill necessary? It is necessary because of what I consider to be a misinterpretation of the intent of P.L. 92–500 (the Federal Water Pollution Control Act Amendments of 1972) by the Environmental Protection Agency.

Section 203 of that legislation authorized a State to split an individual project into separately funded component parts. Thus a single project could be funded serially.

This procedure was intended to augment State flexibility, encouraging the States to accomplish the job as effectively and efficiently as possible. In its explanation of the intent of section 203, the Conference Report (Sen. Rept. 92–1236) stated:

When funding the construction of waste treatment plants, the Administrator, upon the request of a State, should encourage the use of a phased approach to the construction of treatment works, and the funding thereof, on a State's priority list. Such a phased program, which the committee notes has been developed and approved in the State of Delaware has enabled the State to accelerate the construction of sewage treatment facilities, and thus accelerate the attainment of clean water.

While there are some practical differences in the 'phased-funding' developed by the various States, each has a similar intent: that a State should have the flexibility to allocate its annual total of grant funds among the projects in a State on the basis of what can be accomplished in a year, rather than to tie up all its funds in the few projects at the top of a State's priority list.

Put another way, far more can be achieved toward clean water if a State can partially fund a number of treatment works, *then add* to the partial funding the following year, than if the State must fully fund a few projects each year.

This opportunity is accentuated in States, such as my own, which have one or two costly high-priority projects. Those projects would sop up nearly all of a State's apportioned funds for at least one fiscal year, shutting off any work on other needed projects in the State.

Let me explain what this legislation would accomplish, based on a hypothetical example. Assume that a State has 20 sewage-treatment projects on its priority list, although most States have many times that number. Let us also assume that the two projects with the highest priority each have a Federal share totaling $10,000,000. The third project on the priority list has a Federal cost of $20,000,000. Each of the next seven projects on the list will cost the Federal Government $5,000,000, while the final 10 have a Federal grant cost of $2,000,000 each.

Finally, assume that this State received $20,000,000 this year under the law's grant allocation formula.

Under the procedures used by EPA—procedures with which I disagree—only the first two projects would receive Federal funding during the fiscal year. The third project on the priority list would be funded in its entirety during the second year. Projects 4 through 7 would be funded in the third year. And no other project would receive a dime in Federal grants until at least year 4. Thus, no work would be undertaken on these lesser-priority projects in the State.

Of course, much of the funds that were obligated for projects 1 and 2 under this scheme would not actually be spent for several years, since work on these complicated facilities can take several years.

My bill would direct EPA to allow the States to use an alternative funding approach, if the States so wished. This alternative is one that I thought was approved by the Conference Report language I quoted previously.

It would say that a State may spread this hypothetical annual allocation of $20,000,000 to fund partially any number of projects on a State's priority list, on the basis of what the State can reasonably accomplish during a year of construction.

Thus, in this alternative, a State might decide during the first year to give projects 1 and 2 $2,000,000 each, allocate $6,000,000 to project 3, and allocate $1,000,000 each to projects 4 through 13.

The following years, the State would be free to allocate additional funds out of its apportionment to these projects, until each is completed and to the limit, of course, of 75 percent Federal funding.

As I stated earlier, this bill would in no way alter the level of funding available to any State. Rather, it would allow a State, if it so requested, to share its allocation in the most effective way among these very needed clean-water projects.

The EPA has argued that such an approach would create "a pool of equitable claims similar to the reimbursement claims created under Section 8 of the old Act, but quite clearly no longer permissible under P.L. 92–500."

If that is a valid criticism of the language of P.L. 92–500, the legislation I am introducing today should resolve any conflicts and allow a State to set aside a portion (based solely on funding criteria) of a project to be funded in a given fiscal year.

EPA has argued that it failed to allocate the full $5 billion authorized by P.L. 92-500 for fiscal 1973 because the construction industry was incapable of using more than $2 billion.

Yet, by its strict interpretation of the statute, the EPA has assured that far less than $2 billion in construction work will actually be accomplished this year, since most of the funds allocated will not be spent on bricks and mortar until several years from now.

Tennessee, I might point out, offers an excellent example of what could be accomplished under the approach of this proposed legislation.

Tennessee presently has 79 sewage-treatment projects on its priority list. If the current EPA funding interpretation is used, funds during the first year would be available only for 9 projects at the top of the Tennessee priority list.

Tennessee, on the other hand, believes it could most effectively clean up the waters of the State by spreading its allocation among the top 36 projects on the priority list, basing the distribution of funds on the level of work that could be reasonably undertaken on each project during the year.

And, I reiterate, this legislation would not alter the funds available to Tennessee or any other States, nor would it increase the call on the Federal Government. It would simply allow Tennessee, or any State, to spread its available funds over those projects that can reasonably be initiated, not locking away funds for work that would be accomplished years hence.

PRIORITY LIST—TENNESSEE PHASED CONSTRUCTION GRANTS, 1973 FISCAL YEAR

No.	WPC No.	Name	Total eligible cost	75 percent grant	Percent in 1973 fiscal year		Percent in 1974 fiscal year		Percent in 1975 fiscal year	
					Completed	Payments	Completed	Payments	Completed	Payments
1	255	Chattanooga Area 3B-3C (I)	2, 692, 000	2, 019, 000	63	1, 278, 740 F	0			
2	274	Hallsdale Powell U.D.	5, 560, 000	4, 170, 000	20	834, 000	50	2, 085, 000	30	1, 251, 000
3	304	Dyersburg	2, 700, 000	2, 025, 000	40	810, 000	60	1, 251, 000	0	
4	277	Clarksville	2, 895, 000	2, 171, 250	20	434, 250	70	1, 519, 875	10	217, 125
5	328	Lebanon	7, 500, 000	5, 625, 000	20	1, 125, 000	50	2, 812, 500	30	1, 687, 500
6	281	Bolivar	656, 000	492, 000	100	492, 000 F				
7	374	Murfreesboro (Broad Street)	831, 000	698, 250	100	698, 250 F				
8	354	Hermitage Springs School	64, 000	48, 000	100	48, 000 F				
9	306	Memphis—North Plant	30, 000, 000	22, 500, 000	30	6, 750, 000	30	6, 750, 000	30	6, 750, 000
10	327	First Utility District Knox County	1, 294, 000	970, 500	40	388, 200	60	582, 300	0	
11	371	Lewisburg	1, 930, 000	1, 447, 500	20	289, 500	60	868, 500	20	289, 500
12	310	Nashville—Mill Creek (I)	1, 142, 000	868, 500	50	428, 250	50	428, 250		
13	259	Nashville—Sims Branch (I)	869, 000	651, 750	40	260, 700	60	391, 050		
14	322	Knoxville—Third Creek	12, 500, 000	9, 375, 000	21	1, 968, 750	39	3, 656, 250	30	2, 812, 500
15	330	Radnor—Smith Springs	285, 000	213, 700	40	85, 480	60	128, 220		
16	352	Gatlinburg	3, 840, 000	2, 880, 000	30	864, 000	60	1, 728, 000	10	288, 000
17	358	Nashville—Donelson Plaza (I)	1, 178, 000	883, 500	50	441, 750	50	441, 750		
18	360	Greeneville (Water Plant)	193, 000	144, 750	100	144, 750	0			
19	317	Carthage	670, 000	502, 500	60	301, 500	40	201, 000		
20	367	Pigeon Forge (WQ)	248, 000	186, 000	50	93, 000	50	93, 000		
21	343	Memphis—Presidents Island (I)	2, 420, 000	1, 815, 000	40	726, 000	60	1, 089, 000		
22	339	Morristown	1, 530, 000	1, 147, 500	30	344, 250	50	573, 750	20	229, 500
23	340	Shelbyville	840, 000	630, 000	50	315, 000	40	252, 000	10	63, 000
24	348	Alamo	244, 000	183, 000	70	128, 100	30	54, 900		
25	275	Cumberland City	116, 000	87, 000	100	87, 000				
26	321	Harriman	2, 146, 000	1, 690, 500	40	643, 800	60	965, 700		
27	355	McEwan (WQ)	469, 700	352, 275	60	211, 365	40	140, 910		
28	313	Sparta (WQ)	1, 005, 000	753, 750	60	452, 250	40	310, 500		
29	319	Tullahoma (WQ)	410, 000	307, 500	50	153, 750	50	153, 750		
30	369	Claiborne County Utility District	161, 000	120, 750	50	60, 375	50	60, 375		
31	356	Big Sandy	137, 000	102, 750	50	51, 375	50	51, 375		
32	279	Dyer	300, 300	225, 225	60	135, 135	40	40, 090		
33	326	Woodbury	336, 300	252, 225	40	100, 890	60	151, 335		
34	333	Goodlettsville	384, 594	288, 446	100 F	288, 446	0	0		
35	272	Washington County Utility District	1, 524, 000	1, 143, 000	50	571, 500	50	571, 500		
36	307	Memphis—Fletcher, Woodstock	1, 599, 997	1, 199, 998	100 F	1, 199, 998	0	0		
		Total				23, 205, 354		27, 392, 880		13, 588, 125
		Balance				4, 646				
37	284	Westmoreland	588, 000	441, 000						
38	250	Camden	1, 270, 000	952, 500						
39	280	Huntland	366, 000	274, 500						
40	283	Decherd (Interceptors) (WQ)	1, 373, 640	1, 030, 310						
41	364	Lafayette	858, 300	643, 730						
42	311	Springfield	2, 809, 000	2, 106, 750						
43	270	Decatur	1, 657, 100	1, 242, 830						
44	353	Gates	108, 000	81, 000						
45	362	Covington	818, 000	613, 500						
46	278	South Fulton	306, 990	230, 240						
47	321	Friendship	106, 892	80, 170						
48	300	Jasper	319, 000	239, 250						
49	291	Memphis—Horn Lake	1, 763, 000	1, 322, 250						
50	351	West Knox Utility District	458, 444	343, 830						
51	366	Chattanooga—B-9 and B-10	711, 480	533, 610						
52	286	St. Joseph	340, 000	255, 000						
53	309	Nashville—Richland Creek	1, 374, 042	1, 030, 530						
54	265	Ridgetop	662, 000	496, 500						
55	296	Lakewood	97, 500	56, 630						
56	331	Hendersonville—Maskers Creek	500, 400	375, 300						
57	308	Estill Springs	593, 000	444, 750						
58	363	Collierville	740, 800	555, 600						
59	297	Bulls Gap	516, 000	387, 000						
60	344	Memphis—Horn Lake Creek	8, 772, 000	6, 579, 000						
61	345	Memphis—Mallory Bayou	383, 000	287, 250						
62	351	Charlotte	260, 000	195, 000						
63	288	Maury City	133, 000	99, 750						
64	336	Harpeth Valley Utility District	1, 430, 000	1, 072, 500						
65	370	Whitehouse	369, 423	277, 065						
66	332	Clarksville—St. Bethlehem	663, 000	497, 250						
67	361	Lebanon	516, 074	387, 560						
68	293	Chapel Hill	282, 875	212, 156						
69	294	Knox Chapman Utility District	1, 305, 500	979, 125						
70	305	Collinwood	351, 000	263, 250						
71	368	Clifton	100, 000	75, 000						
72	303	Smith County Utility District	562, 000	421, 500						
73	337	Atwood	180, 000	135, 000						
74	347	Cleveland	234, 000	175, 510						
75	316	Hendersonville—Blue Grass Cove	772, 000	579, 000						
76	359	Nashville—Richland Creek	5, 952, 000	4, 464, 000						
77	314	Chattanooga—Annex Area 11	4, 368, 585	3, 276, 440						
78	315	Chattanooga—Annex Area 9	2, 231, 102	1, 673, 330						
79	299	East Knox Utility District	504, 000	378, 000						
		Total	138, 378, 038	103, 783, 528						

S. 1594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(a) of the Federal Water Pollution Control Act, as amended, is amended to add at the end thereof the following sentence: "The Administrator shall approve as a project each physical or financial phase of a treatment works which otherwise meets the requirements of this Act."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 180

At the request of Mr. Williams, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 180, the Coastal Environmental Protection Act.

S. 632

At the request of Mr. Church, the Senator from New Jersey (Mr. Williams) was added as a cosponsor of S. 632, a bill to amend title II of the Social Security Act to increase the amount which individuals may earn without suffering deductions from benefits on account of excess earnings, and for other purposes.

S. 740

At the request of Mr. Williams, the Senator from Massachusetts (Mr. Brooke) and the Senator from California (Mr. Tunney) were added as cosponsors of S. 740, a bill to extend the Migrant Health Act for 4 years.

S. 868

At the request of Mr. Williams, the Senator from West Virginia (Mr. Randolph), the Senator from Arizona (Mr. Goldwater), and the Senator from Iowa (Mr. Hughes) were added as cosponsors of S. 868, a bill to provide computation of social security benefits based on combined earnings of married couples.

S. 869

At the request of Mr. Williams, the Senator from West Virginia (Mr. Randolph) and the Senator from Iowa (Mr. Hughes) were added as cosponsors of S. 869, a bill to provide computation of social security benefits for men at age 62.

S. 904

At the request of Mr. Williams, the Senator from Michigan (Mr. Hart), the Senator from Rhode Island (Mr. Pell), and the Senator from Minnesota (Mr. Humphrey) were added as cosponsors of S. 904, the Truth in Food Labeling Act.

S. 1296

At the request of Mr. Goldwater, the Senator from Delaware (Mr. Roth) was added as a cosponsor of S. 1296, the Grand Canyon National Park Enlargement Act.

S. 1418

At the request of Mr. Hatfield, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 1418, a bill to commemorate the 100th anniversary of the birth of Herbert Hoover by providing grants to the Hoover Institution on War, Revolution and Peace.

S. 1423

At the request of Mr. Williams, the Senator from Ohio (Mr. Taft) was added as a cosponsor of S. 1423, a bill to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by Labor organizations to defray costs of legal services.

SENATE JOINT RESOLUTION 86

At the request of Mr. Beall, the Senator from Virginia (Mr. Scott) was added as a cosponsor of Senate Joint Resolution 86, to suspend, for 2 years, Federal support of projects involving psychosurgery.

PRINTING AS SENATE DOCUMENT OF TWO REPORTS ON VIETNAM AND SOUTHEAST ASIA

Mr. MANSFIELD. Mr. President, I am about to make a unanimous-consent request, and it has been cleared with the distinguished minority leader, the senior Senator from Pennsylvania (Mr. Scott).

I ask unanimous consent that two reports on Vietnam and Southeast Asia which I made, respectively, to President Kennedy in 1962 and to President Johnson in 1965, which have previously not been published, be printed, together with certain related material, as a Senate document. May I say that I have taken this matter up with the State Department, and this request also has its approval.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

TIMBER EXPORT ADMINISTRATION ACT OF 1973—AMENDMENTS

AMENDMENT NO. 87

(Ordered to be printed, and referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. PACKWOOD. Mr. President, recently Senator Cranston and I conducted 2 days of hearings on S. 1033, the Timber Export Administration Act of 1973, for the Subcommittee on International Finance of the Committee on Banking, Housing and Urban Affairs.

During the course of these hearings, at which more than 75 individuals and organizations presented their views on the proposed legislation, there was considerable sentiment that one of the defects in the bill was the length of the delay prior to which its provisions would become effective after enactment.

As presently written, the proposal will take effect on January 1, 1974. Given the sentiment in favor of a more speedy application of the remedies contained in the bill, I am submitting these amendments which will provide that the restrictions on log exports will take effect no later than July 1, 1973.

Only by adopting a public policy of regulating log exports to the best advantage of the American consumer will the Congress be able to have any immediate effect on the prices paid for lumber and plywood in our homes. It is all well and good to suggest that we increase the harvest from our national forests—I support such action provided we accompany it with sufficient funds so as to enable the Forest Service to properly manage the increased sales activity. But the effects of such action take time to work themselves into the economic stream of wood products pricing.

The American homebuyer needs relief today.

I take this opportunity to urge my colleagues to act favorably and promptly on these amendments and on the Timber Export Administration Act of 1973.

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1973—AMENDMENT

AMENDMENT NO. 88

(Ordered to be printed, and to lie on the table.)

Mr. PELL submitted an amendment, intended to be proposed by him, to the joint resolution (H.J. Res. 496) making supplemental appropriations for fiscal year 1973.

ADDITIONAL STATEMENTS

WHERE FOOD COSTS ARE REALLY ZOOMING

Mr. MANSFIELD. Mr. President, I invite the attention of the Senate to a table entitled "Where Food Costs Are Really Zooming," published in U.S. News & World Report of April 9, 1973. The table details the following increases in food costs during the past 12 months:

Onions, 64 percent;
Eggs, 39 percent;
Potatoes, 33 percent;
Bacon, 22 percent;
Pork sausage, 21 percent;
Fish, 20 percent;
Beef liver, 18 percent;
Pork chops, 18 percent;
Canned ham, 16 percent;
Chuck roast, 15 percent;
Green peppers, 14 percent;
Hamburger, 13 percent;
Veal cutlet, 12 percent;
Apples, 12 percent;
Round steak, 11 percent;
Frankfurters, 11 percent;
Chicken, 11 percent;
Shrimp, 10 percent;
Canned beets, 9 percent;
Cucumbers, 9 percent;
Sirloin steak, 9 percent;
Coffee, 8 percent;
Flour, 7 percent;
Grapefruit, 6 percent; and
Oranges, 6 percent.

Not all food items have risen in price. Some of those that cost less than a year ago are:

Celery, down 15 percent;
Lettuce, down 12 percent;
Cooking oil, down 4 percent;
Corn flakes, down 3 percent;
Chicken soup, down 2 percent;
Baby food, down 0.4 percent; and
Butter, down 0.2 percent.

The source of this information is the U.S. Department of Labor.

WHY PICK ON MEAT?

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an article entitled "A Ranch Wife Asks: 'Why Pick on Meat?' The article was written by Barbara Ann Lynch, from Woonsocket, S. Dak., and published in the National Observer of April 21, 1973.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Ranch Wife Asks: "Why Pick on Meat?"—With Risks and Demanding Chores, Stockmen Ready Food for the Table

(By Barbara Ann Lynch)

It is cold this morning, and the wind is howling. Sleety rain soaks through your clothing in minutes. Boot tops nearly disappear in slimy mud made more tacky by straw and manure as you try to get close to a yearling that shows signs of pneumonia and must be gotten in for treatment. Your investment in him is already 21 months (including gestation) and well over $200, and it looks like he might die. No tax loss either: You raised him, and the Internal Revenue Service considers he hasn't cost you anything!

You would like to go inside, but you live on a farm and chores have to be done. Twice a day. Seven days a week. No overtime or double time. Every day of the year. (*What holidays?*) Cows—and all your other livestock—have to eat. And in bad weather they need bedding or some kind of shelter. So while the men do the rest, you wrestle straw bales that weigh nearly as much as you, and somehow the chores get done. Then you come inside, clean up the breakfast dishes, put in a load of laundry, and steal half an hour to read the latest National Observer, which came four days ago and which you haven't had time to look at until now.

A quick glance reveals the usual advertisements—quality items, at quality prices. But someone must have the money to buy them, you reason, or the companies couldn't afford to advertise them week after week. At least three different companies offer pocket-sized electronic calculators in the $60 range, telling you that they are great for everyone, from students to housewives to anyone else who might occasionally have a few figures to work with. Of course, these machines were over $100 not long ago, so although they can hardly be a necessity they are nonetheless grabbed up at this "bargain" price. And don't forget all the Christmas Plates offered in December—some more than $200 each.

Then you read about the Oregon fight against nonreturnable beverage containers, which looks like a large step in the right direction. But you note that the pay for bottle sorters is $4.65 an hour, and will soon be going up. You think of what that would mean to the average farmer on ranches, who puts in a 10- to 12-hour day every day (Sundays excepted in the "off" seasons, when you get by with four or five). The number being too difficult to calculate without one of those pocket calculators you can't afford, you move on to an article on the high cost of food, meat specifically, and you finally get mad enough to write for the first time to a national publication.

If you raise sheep as well as cattle, January begins a long, demanding spring. We were lucky this year. We have only had to raise 28 orphan lambs. They spend their first day or two in the house (yes, they smell), then graduate to a heated pen in the barn. They must be fed five times a day, however, which leaves little time for everyday pleasures that city dwellers take for granted.

Of course, you could just let them die—but those 28 lambs just might help pay for the extra-protein feed that the ewe flock required for the six weeks prior to lambing, so you do your best to keep them alive. Besides, sheep require checking every 2 hours, 24 hours a day, while lambing over a period of two months. Exhaustion forced you to hire extra help then. Now you must pay for it—even though you have no monthly income to fall back on.

The cows calve from April through June. You will lose a few to calving problems, pneumonia, and, if they are on the range, to predators. But that is part of the business, and you just save as many as you can. Every one you lose means that you have fed its mother for 9½ unproductive months—and will feed her for two more months before she can be rebred, plus another 9½ months to the next calf. But that's not supposed to be an economic factor in the cost of raising beef. After all, a lot of that time she is on pasture, and everyone knows that the grass is free. It's just the land it grows on that costs money.

Once your calves are well started you begin the breeding season. If you are production-minded you probably artificially breed your cows to specially selected bulls—and this means several hours of "heat detection" each day, plus bringing the cows in daily in order to breed them when they are ready. This is the best way we know of to ensure superior beef carcasses.

The cost is higher, of course, than natural breeding. But with the demanding consumer that we serve, product quality is of prime importance. During the breeding season, crops must be sown and cared for, hay must be cut, and weaned livestock must be fed. Sickness is also a danger, requiring constant attention so that the year's profit is not lost in animal deaths.

With these things in mind, it is increasingly difficult to understand or sympathize with the public outcry at the high cost of meat. We don't hear about picket lines around stores that feature color-television sets, microwave ovens, golf clubs, or stereo sets. National production figures seem to indicate that Americans are the most compulsive merchandise consumers in the world, and that the demand is rising constantly. But Americans also seem to think that although the salaries of most wage-earners rise regularly, and that the average worker is able to spend more than ever on goods and products, basics such as food have no right to rise in cost—apparently because this will reduce the money available for nonessentials.

Unions bargain for better contracts for their members each year. Manufacturers and suppliers incorporate rising expenses into their products' prices. These prices include the many goods and services the farmer-rancher requires to produce meat: machinery, fuel, protein supplements, seed, fertilizer, building products, etc. Yet the consensus seems to be that the farmer should pay more for the things he requires for production, yet sell his product for prices he got 20 years ago. How many other industries can say they have not had a salary increase in 20 years, or even 5, or even 2?

If consumers are so hard pressed to meet their grocery costs, why do they spend so much on "junk": snack foods, soft drinks, sawdusty children's cereals, TV dinners? As long as housewives are too lazy to take time to prepare cheaper cuts of meat; to make more things from scratch, thereby releasing food dollars spent on expensive ready-made items for more meat products; and to plan nutritional meals for their families, they will never find enough food dollars for first quality protein.

The cost to produce an animal from conception to market can be staggering. For beef this time period is two years at the absolute minimum, with a lot of costs and no income in all that time. Feed costs have increased greatly; soybean-oil meal, a major ingredient in cattle feeds, has more than doubled since last year. All the other items necessary to a livestock-production unit are many times higher than 10 or 20 years ago. Yet we still get only one calf (with few exceptions) per cow per year, and the demand for meat is steadily increasing. The inescapable fact is that meat will and must increase in price.

It is high time this consumption-mad nation realizes this and starts being more selective in its priorities. People need to eat far more than they need to have minibikes or expensive patio barbecues or garden furniture or self-cleaning ovens. And when they obviously have the money to buy frivolous, nonessential items, their complaints at the cost of a basic product like meat (or food in general) have a very hollow ring. Perhaps when they stop spending so much on the frosting, they will find that the cake has become far more palatable to the budget.

ABOUT THE WRITER

Last week Editor Gemmill wrote in the Post Scrip column of a reader's suggestion that Observer readers might have information and opinions to share with the rest of the Observer community. Coincidentally, this contribution arrived at the Editor's desk, proving the point.

Barbara Ann Lynch, who wrote this rancher's view of these inflationary times, reads her Observer on a ranch near Woonsocket, a town of about 1,000 in southeastern South Dakota. A self-styled "city girl" from Edmonton and Calgary, Alberta, she and her husband, Ronald, lived in Canada until about 3½ years ago. Ronald is a veterinary medicine graduate from Iowa State University, and his wife has an M.A. in English from the University of British Columbia.

The Lynches share with Ronald's father, Aubrey, and his brother, Steve, in the operation of about 5,000 acres of ranch land. The main ranch has 800–900 sheep, 450 purebred cows, and about 200 steers being fed for market. In addition, Ronald and his wife have another 150 ewes and 35 cows to contend with. Barbara Ann raises her own vegetables for freezing and canning, does her own baking, and tends to a couple of quarter-horse colts, three dogs, and 10 cats.

OPPOSITION TO AID FOR NORTH VIETNAM—RESOLUTION ADOPTED BY HOUSE OF REPRESENTATIVES OF OKLAHOMA

Mr. BARTLETT. Mr. President, I ask unanimous consent to have printed in the Record a resolution adopted by the House of Representatives of the State of Oklahoma in opposition to aid to North Vietnam.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

House Resolution No. 1041

A resolution memorializing Congress to oppose aid to North Vietnam; and directing distribution

Whereas, it has been the stated policy of some of the leaders of this country that the Congress appropriate funds to aid in the "reconstruction" and "development" of North Vietnam; and

Whereas, after 13 years of bitter guerrilla warfare in Southeast Asia, the United States has finally achieved an honorable peace settlement and complete military withdrawal from Vietnam; and

Whereas, though on a diminishing scale, the fighting still continues sporadically between our longtime allies, the South Vietnamese, and our longtime enemies, the North Vietnamese, thereby impeding the attainment of true peace; and

Whereas, rewarding the actions of outlaw nations by offering economic aid, especially in the form of uncommitted monies and industrial hardware is an anathema to the American way of life, the rebuilding of the United States and the rehabilitation of her returning Prisoners of War being of a much higher priority.

Now, therefore, be it resolved by the

House of Representatives of the 1st session of the 34th Oklahoma Legislature:

Section 1. That the Congress of the United States be and hereby is memorialized to oppose any and all foreign aid for North Vietnam.

Section 2. That duly authenticated copies of this Resolution, following consideration and adoption, be prepared for and sent to the Speaker of the U. S. House of Representatives, The Honorable Carl Albert, and all other members of the Oklahoma Congressional Delegation.

Adopted by the House of Representatives the 3rd day of April, 1973.

CAPTAIN'S AUTHORITY

Mr. ROBERT C. BYRD. Mr. President, last month during the course of the Judiciary Committee's hearings on the nomination of L. Patrick Gray to be Director of the Federal Bureau of Investigation, the November 1972 skyjacking of a Southern Airways aircraft was a matter of considerable discussion. During the testimony, views as to who has the authority to terminate the flight of a plane which has been skyjacked were discussed. This month's issue of Air Line Pilot, the journal of the Air Line Pilots Association, includes an article on the subject which states the position of the pilot of the Southern Airways aircraft which was skyjacked, Capt. William R. Haas. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE PILOT'S VIEW—CAPTAIN'S AUTHORITY

(The following testimony was given by Captain William R. Haas (SOU) before the House Commerce Committee's Subcommittee on Transportation and Aeronautics on March 6, 1973. Captain Haas was pilot of a D–9 that was hijacked last November by three fugitives and flown to Cuba in an unprecedented odyssey of terror. He was asked to testify at the hearing on flight-security legislation and to describe his feelings about an airline captain's authority, especially during a skyjacking.)

Mr. Chairman: I would like to touch upon the one aspect of my particular incident, which makes it somewhat unique. My hijacking almost ended in total disaster. While it is true that the flight was in jeopardy from the moment those three criminals stepped on board, it is also true to say that the interference from those people on the ground who were trying to help not only compounded the danger facing my crew and passengers, but was the prime cause of the highly dangerous takeoff and landing I was obliged to accomplish. I am an experienced pilot, but to this day I am still astonished that the last leg of that frightening trip ended without loss of life.

As an airline captain, I accept the tasks and responsibilities of my job. My training and the constant honing of my professional skills ensures my passengers of a safe flight. In a hijacking, when other factors outside those normally encountered in my job thrust themselves upon me, my training and professional skills are still the best weapons to overcome those difficulties.

When the armed assault (by the FBI at Orlando, Fla.) was launched on my aircraft, I was totally unprepared, as well as completely surprised. I was within an inch of finally negotiating the release of my passengers and an agreement for a relatively safe flight to Switzerland.

Gentlemen, as the captain, I had been with these criminals for more than 29 hours. I had reached the point of at least some understanding as to their condition and weaknesses. For outside forces to inject themselves, violently and without my knowledge, in my opinion, was foolhardy to say the least.

As an airline pilot, I have accepted the awesome responsibilities thrust upon me. I am checked over and over again to determine if I am capable of handling those responsibilities. Why is it that in such a situation as I found myself, people not qualified in aviation matters or aerodynamics made life and death decisions affecting my life and the lives of my crew and passengers. This I cannot accept.

I have always believed that captain's authority is inviolable. That belief enables me to function in my job. When the situation gets as rough and bizarre as in a hijacking, an airline captain has only three things going for him: skill, training and his authority. He must be allowed to remain the master of his vessel. No one is qualified or able to control the destiny of my flight from anywhere but the flight deck.

I can see no circumstances where this rule could be violated. The consequences are appalling. In my case, this could very well have led to some Monday-morning quarterback's explanation of what went wrong—being read to my widow, my children and the relatives of my passengers and fellow crew members.

LIKE IT OR NOT, THE ERA OF THE SST IS AT HAND

Mr. GOLDWATER. Mr. President, despite all of the difficulties encountered by the British-French SST program, the era of supersonic transport is upon us. I realize that there are many opponents of the SST who would like to believe that a recent decision by two U.S. airlines, Pan American and TWA, not to pick up their options to buy the British-French Concorde will consign the whole issue of SST to a permanent graveyard. But I suggest that since the basic research on the SST has been carried out successfully by at least three foreign governments there is now no way that the clock can be turned back on commercial aviation.

Mr. President, the SST represents the next step in the development of aviation. Both the Concorde and the Soviet Union's SST—the TU–144—are in an advanced state of flight testing. Both are in limited production. And despite all the difficulties, they will shortly usher in a new era in world aviation. And if the United States continues to overlook this development and continues to heed opponents who claim the SST will never become feasible, we are, indeed, paving the way for becoming a second-class power in civil aviation.

Mr. President, this issue is a long way from settled. It will crop up again and again in the years ahead. For an up-to-date appraisal of this issue, I ask unanimous consent to have printed in the RECORD an article from the March 22, 1973, edition of the newspaper Newsday entitled "Like It or Not, the Era of the SST Is at Hand." The article was written by Mr. Ansel E. Talbert, former aviation editor of the New York Herald Tribune.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIKE IT OR NOT, THE ERA OF THE SST IS AT HAND

(By Ansel E. Talbert)

There's no sensation of speed when you're flying in the new Concorde supersonic transport at 1,350 MPH—twice the speed of sound, or Mach 2—well over nine miles above the earth.

For all you feel, hear or see, you might be orbiting the earth in almost vibrationless comfort in a space capsule. When you look out of one of the small, thick windows you see a sky bluer than you have ever seen before, with a long, extended view of the curvature of the earth. There is no sensation of crashing the sound barrier, save the slightest shudder. And there is no clue when the needle-nosed craft reaches Mach 2, unless the pilot tells you so over the loudspeaker.

But if travel on an SST is so smooth, quiet and pleasant, why all the predictions that the Concorde boom is going to be a financial bust? Is the Anglo-French supersonic transport, on which many millions of pounds and francs are riding, really being sent to its doom by the recent decision of two top U.S. overseas airlines, Pan American and TWA, not to exercise their options to buy it?

If it turns out that even relatively small-scale Concorde production for airline use is indeed to be cancelled, will this event in turn kill the development and sale of *any* SST to the world's airlines in the foreseeable future?

The answer to the first two questions is: Not likely. To the third, a definite no.

Despite the undeniably heavy blow by the two U.S. lines to the hopes of the Concorde's builders, there are important influences working against a washout of the project. The prime one is that about 50,000 jobs, divided about evenly between France and Britain, depend directly on it. The British and French governments already have spent or committed around $2.4 billion, money which neither nation expects to get back directly. There is tremendous economic and political pressure to go ahead, even on a slowed down production scale.

What appears most likely to happen is that the Concorde builders are going to mount an intensive sales effort between now and late fall. Braniff International, the only U.S. airline to demonstrate much public enthusiasm for the Concorde in recent months, has options upon which it does not have to act until October, when the first Concorde to fly to the U.S. will land at the giant new Dallas-Ft. Worth International Airport. Braniff's management team, headed by Harding Lawrence, one of the more imaginative airline presidents, says that it is sticking to a statement that the Concorde appears to be an "ideal airplane" for its routes to South America. Ideal, that is, if the aircraft can do what its builders say it can do, something which Braniff is now carefully checking.

Studies already are under way to see whether British Overseas Airways Corp. and Air France—which have given firm orders for five and four Concordes respectively, and plan to fly them into the U.S. by 1975—can afford to pick up now, rather than later, any of the 12 options for additional planes which they hold. A Concorde has just been dispatched on a demonstration tour to South Africa, following up earlier ones to South America, the Middle East, Southeast Asia and Australia.

Exceptional efforts are in progress to add entries in the Concorde order book to the preliminary purchase agreements, now totaling five, signed with the airline of the People's Republic of China and Iranair, the national carrier of an oil-rich and ambitious government. (The Lebanon-based, privately owned Middle East Airlines has ordered two on condition that they win approval to land at Kennedy Airport.)

Should there be indications that new orders and option pickups are going to be few, the next step by the Concorde's builders almost certainly will be to consolidate the two airframe production lines for the SST—one in England and the other in France—into a single slowed-down line. It probably would be at Toulouse, since throughout the duration of the more than 10-year-old Concorde project, the French have been the more enthusiastic partner, and the plane has received almost unanimous backing from the French nation.

The single final assembly line for engines used in the Concorde (the Olympus 593) on the other hand, undoubtedly would be at the Bristol, England, plant of Rolls Royce. Rex Nicholson, managing director of this company, already has promised workers that there will be no layoffs this year of any personnel working on Concorde engines.

Right now, regardless of the production details, the odds are that commercial passengers will regularly be carried at supersonic speeds on the world's key air routes, including trans-Atlantic and trans-Asian runs, beginning about April, 1975, a little over two years from now.

Last month the Concorde project received a strong vote of confidence in the House of Commons, which passed a bill setting a new limit of 250,000,000 pounds on loans to the British Aircraft Corp. and Rolls Royce for financing Concorde production. The old limit of 125,000,000 pounds was established in 1968, and the bill mentioned a still higher possible limit of 350,000,000 pounds, should it be needed.

Both the 1,350-MPH Concorde and the Soviet Union's slightly smaller Tu-144, which the Russians claim is 200 MPH faster—are in an advanced state of flight testing, looking to their early certification next year for airline use. Both are in limited production, with the Concorde's builders, as of now, authorized to build up to 22. Nine Concordes are a long way towards completion, although only the first steps to order materials for production models 17 through 22 have been taken. Four Concordes are now flying.

There is not the slightest sign that the Soviet Union is planning to slow down or cut back on its SST production program. The USSR has announced a "supersonic corridor" across Siberia for 4,000-mile, three-hour flights between Moscow and Vladivostok. This corridor will be open to Concordes of Britain and France, and presumably any other nations which buy them, subject to certain concessions made by these nations to Aeroflot. It will give them access to the fastest route from Europe to the Far East.

Mao's China, not to be outdone, is known to be interested in opening an SST route across Central Asia. Pakistan already is China's ally, and the Shah of Iran has stated that he will permit a "supersonic corridor" to be operated across the sparsely settled northern part of his country. During 1972, China, until recently extremely backward in air transport development and operating few routes outside its borders, signed aviation agreements with Afghanistan, Albania, Ethiopia, Iran, Romania, Turkey and Yugoslavia, and held informal discussions on landing rights with Britain, France and a number of African nations.

A dual question arises at this point: "If the Concorde and the TU-144 are any good, why are the American carriers passing them by, and why haven't the airlines of the builder nations ordered more?" Here are some of the answers.

Beyond any question, the Concorde is a beautiful piece of flight equipment, aerodynamically and technologically, as representatives of the Air Line Pilots Association who have flown it have stated in writing. And flying in it as a passenger is an amazingly pleasant experience. But, the Concorde is the most expensive airliner ever built, costing around $38,000,000 before the latest devaluation of the U.S. dollar.

Spare engines and parts could well add another $8,000,000 to $10,000,000 a plane, unless, as already has been suggested, all Concorde users form one or more maintenance pools. Devaluation will add at least another five per cent to the cost for U.S. airlines buying the SST. And, despite the Concorde's technological excellence, which certainly has advanced the art of aircraft manufacturing, nobody knows for sure whether it will make any money for its operators, particularly in a highly competitive and frequently cut-throat situation as is found on North Atlantic air routes. (Now that Air France and BOAC know that they are going to have a supersonic travel monopoly on the North Atlantic in 1975 due to the dropping out of Pan Am and TWA, their optimism over the possibility of filling almost every seat on every flight has become boundless. High load factors make for consistent profits.)

The conservative Air France and BOAC Concorde initial orders obviously reflected a wish by the chiefs of these airlines not to risk running up large deficits in a competitive situation with an aircraft of unknown economic capabilities, particularly before load factors could be monitored and direct and indirect costs of operating the Concorde carefully calculated.

With the U.S. carriers, Pan Am and TWA, which are forced by the antitrust laws and the attitude of the Civil Aeronautics Board to adopt a constant and never-ending competitive posture, the story is quite different. Pan Am, the first airline in the world to take out Concorde options, did this when the fantastically successful airline pioneer, Juan Trippe, was still running the company, in 1963.

Times then were good with future airline prospects excellent, and Pan Am and other U.S. airlines took out Concorde options largely to tide them over until a larger, faster and more economical U.S. SST could be designed and built, as they were sure it would be. (The Concorde can carry 102 to 108 passengers on a New York-London or New York-Paris route, according to the best estimates, at 1,350 MPH, while the proposed Boeing SST which was cancelled by Congress would have carried 285 passengers at 1,800 MPH over longer distances.

Now, the Concorde has come along at just the wrong time, from a U.S. airline economic standpoint. During the years since Trippe retired in 1968, the going hasn't been great for Pan Am, although many factors other than the loss of his leadership—including a CAB decision giving several other airlines the chance to cut into the Pan Am money-making routes in the Pacific just as a major recession was closing in—had a part in the situation.

Pan Am has suffered heavy successive losses in every year from 1969 through 1972 totaling more than $150,000,000, and currently is trying to sell two of its giant Boeing 747s, bought but never used, as part of its fight to cut 1973 losses considerably and perhaps show a profit next year.

TWA currently is in good shape, for after an all-time record loss for an airline of over $72,000,000 in 1970, reduced to something over $5,000,000 in 1971, it turned a profit of $43,100,000 in 1972.

But both airlines had every reason to be cautious, and both decided against jumping into a situation which involved buying, operating and selling seats on the world's most expensive and revolutionary airliner. The present Concorde, like every other "first" airplane, is bound to be improved—as will be the Soviet Tu-144—and should the British, French and other airlines demonstrate that the SSTs are real winners as money-makers and magnets for drawing first-class business travel, there is hardly any doubt that U.S. carriers and many others will have a sudden change of heart. They risk losing a large part of their first-class passengers after 1975 commercial SST flights begin, but Aerospatiale and BAC probably are going to risk losing their shirts keeping Concorde production going.

DAVID K. E. BRUCE—AMERICAN LIAISON OFFICER IN PEKING

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "The Bruce Mission to China," written by R. H. Shackford, and published in the Baltimore Sun of April 16, 1973.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BRUCE MISSION TO CHINA

(By R. H. Shackford)

WASHINGTON.—When the first American envoy to China, Commissioner Caleb Cushing, set sail 130 years ago, one of his major worries was whether he would have to kowtow to the Chinese emperor—the ritual of "three kneelings and nine prostrations" with nose upon the floor. His fears of making America appear inferior to China by such a performance were unwarranted. He never was allowed an audience with the emperor.

However, Cushing negotiated a treaty with the Chinese under which they formally accepted for the next 100 years a position of inferiority to the United States and the other Western Powers. The Treaty of Wanghia established the principle of extraterritoriality which placed Americans in China under the exclusive jurisdiction of American laws and officials.

For 130 years, the United States has dealt with diverse Chinese governments on a basis of inequality—a basis which in various ways for most of those years gave Americans special privileges, rights and influence in China and discriminated against Chinese in America.

Among the major accomplishments of the Chinese Communist regime has been eradication of the last vestiges of any kind of unequal status in China's relationship with the rest of the world.

Another major change in that direction is taking place. A new relationship between the governments in Washington and Peking will begin soon on the basis of absolute equality.

When David K. E. Bruce, the aristocratic Baltimorean and Virginia country gentleman, arrives in Peking early in May as the first American "Ambassador" to Mao Tse-tung's People's Republic of China, he will symbolize these landmark changes:

1. For the first time in American-Chinese relations, there will be no special status for the United States with Chinese governments, either by virtue of extraterritorial rights for Americans or because of lavish American financial and military aid.

2. Nearly a quarter of a century of bitter enmity between the United States and the Communist government of China—in contrast to American uninhibited support and apology for the rival Chinese regime on the island of Taiwan—will formally end.

3. Diplomatic relations will continue between the United States and "The Republic of China"—the government of Chiang Kai-shek which was defeated by Mao's armies in 1949 and has survived on Taiwan since then because of American support. But that, too, will change and the beginning of the end of the American "special relationship" with Chiang already is underway.

Technically, Bruce will be the director of the American "liaison office" in Peking. A similar Chinese office is to be opened in

Washington. But, in fact, these "liaison offices" will be embassies in everything but name.

This will mark the establishment of *de facto* diplomatic relations between Washington and Peking—a quantum jump after a generation of no contact whatever toward complete *de jure* diplomatic recognition by the United States of the Communist government of China.

Such developments were considered unthinkable as little as five years ago. But after China's initiative two years ago this spring, via ping-pong diplomacy, and the super-secret Henry A. Kissinger visit to Peking in the summer of 1971, events have moved at a remarkable speed, President Nixon's extraordinary visit to China—a trip to some critics would call a kowtow to Mao—is now quickly crowned with "The Bruce Mission."

The choice of 75-year-old David Kilpatrick Este Bruce to represent the United States in Peking, and China's selection of veteran 64-year-old diplomat Huang Chen to be his counterpart in Washington underline the importance both governments attach to this historic development.

For years Bruce has been America's senior ambassador. He is the only American in history who has served as ambassador to Europe's Big Three: Britain, France and Germany. One of John F. Kennedy's major mistakes was failure to make Bruce his Secretary of State after considering him and then deciding against him because of age—then in his early sixties.

Bruce brings more than his long diplomatic experience to this new, exciting venture. He helped create the Office of Strategic Services (OSS) during World War II, the forerunner of the postwar CIA. He is immensely wealthy—a connoisseur of art, fine food and French wines—an intellectual who wrote a history of the first 16 American Presidents—and a man of considerable business-banking experience and (in his younger years) minor political experience, as well as a man who wielded in a quiet, effective manner powerful influences in shaping the recovery of Europe after World War II.

Huang Chen also is one of China's senior diplomats who has served as ambassador to Hungary, Indonesia and France and, like Bruce, held high positions in the Foreign Ministry. He has been a political activist since the days of the Long March in which he participated and has also been a military commander in the field. Among the Peking hierarchy, he is the only one with a background in the arts—a graduate from the Fine Arts Academy in Shanghai—a painter, poet and playwright.

The date of Bruce's arrival in Peking is planned for "about the first of May." Given Nixon's obsession with "firsts" and historical parallels, May 8 might be an appropriate date.

It was on May 8, 1843, that Secretary of State Daniel Webster signed his instructions for Caleb Cushing to go to China and try to negotiate a treaty that would protect and help American businessmen and missionaries. A year later, on July 3, 1844, the Treaty of Wanghia was signed and American-Chinese governmental relations began.

Bruce's instruction will be very different than those handed to our first envoy to China by Daniel Webster, who apparently feared China would treat Cushing as a tribute bearer, or force him to indulge in the kowtow rite.

"You will signify to all Chinese authorities and others," Webster instructed Cushing, "that it is deemed to be quite below the dignity of the Emperor of China and the President of the United States of America to be concerning themselves with such unimportant matters as presents from one to the other."

Imagine Webster's reaction to Mao's gift of Pandas to the United States and Nixon's gift of musk oxen to China!

And just as today there is a third power related to the new American-Chinese relationship—Soviet Russia—so in 1843 the United States was engaged in a triangular diplomatic game. The nation that Cushing was urged to warn China about was Britain and he was instructed to call attention to Britain's invidious colonial policy, especially in India.

The last major American mission to China was that of the late Gen. George C. Marshall who, in 1946, tried to avert a civil war by persuading Mao and Chiang to form a coalition government. He failed, but the full details of his instructions and his efforts were made public only last year, 25 years later.

SENATOR CURTIS HONORED BY JOHN F. KENNEDY COLLEGE

Mr. HELMS. Mr. President, as a trustee of Nebraska's John F. Kennedy College, I was delighted to learn that one of my distinguished colleagues, Senator CARL T. CURTIS, was the recipient of an honorary doctor of laws degree at this year's Founders Day ceremonies.

The award to Senator CURTIS was particularly appropriate, because the Senator embodies the principles of this small college which stresses traditional American values and the free enterprise system.

The Senator from Nebraska took the occasion of Founders Day to deliver an incisive address to which I commend to the attention of the Senate. As usual Senator CURTIS laced his remarks with wisdom gained from his long experience in Congress and tempered them with the good commonsense for which he is known and respected.

Because this address touches on so many points of current interest, including the energy crisis, I ask unanimous consent that Senator CURTIS' remarks be included in the RECORD at this point.

There being no objection, the text of the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF SENATOR CARL T. CURTIS

Mr. Chairman, ladies, and gentlemen: My congratulations to John F. Kennedy College, its founders, its administration, its faculty, and its students. It is a happy privilege for me to be here and participate in this Founders Day meeting. I sincerely hope, and I believe, that this is but the beginning of a great and lasting contribution that this fine institution will make to the cause of higher education.

We have excellent tax-supported colleges and universities with many outstanding and learned men and women on their faculties. They are indispensable to both our state and our nation. At the same time, for the best in higher education, we need our private and church-related colleges and universities. They, too, are indispensable. They, too, make a great contribution. This dual system adds balance to higher education. The institution which is not beholden to government at any level is in a perfect position to pursue that eternal question, "What is truth?" I believe that education can be defined as a quest for the answer to the question, "What is truth?" As a Nebraskan, I am happy to visit our state's newest and youngest private college.

We should not forget that John F. Kennedy College was founded here at Wahoo at a time when colleges elsewhere were closing. Rising costs and other problems have made it difficult for the private and church college, and that is all the more reason why we salute you.

One of the early and important landmark decisions of the United States Supreme Court concerned a case which has been identified as the Dartmouth College case. It was none other than Daniel Webster who made the argument to the Supreme Court of the United States in behalf of Dartmouth College. The statement made by Webster in his opening argument expresses the idea that is in the minds and hearts of many of us when we think of those colleges which are dear to us. Daniel Webster began his argument on that occasion by saying, "Dartmouth is a little college but we love her."

When I began to formulate some ideas for a meeting with you, I recalled how many times I have heard, in recent years, "The United States can put a man on the moon—why can't it do this" . . . or that, or anything which anybody might want sometime or anytime. It is a facile and beguiling question—"you can put a man on the moon—why can't you do this!"

For many years, I have served as a member of the Senate Committee on Aeronautical and Space Sciences. I was not a member when this nation decided to match Russia's prowess by putting a probe into space. I was not a member when President Kennedy made his damatic announcement that this nation would put a man on the moon. In the years I have been a member, this nation has put its first man, and, later, several men on the moon.

We gave a high priority to this achievement. We put our best scientists together with the necessary materials. We have done a superb job because we set out to do it. And, mark this, the job was done with no diminution of production in any other area of endeavor. Making the hardware for space ships did not limit the ever full marketplace of consumer goods in our day-to-day living. No other nation has the system to match what we were able to do. Beyond its costs, the space achievement has advanced our knowledge in communications, weather observation, aero-dynamics, astronomy, medicine, agriculture, fishing, oceanography, computer science and, very importantly, in the utilization of solar energy.

There are, of course those who will say "What good is it?" I am reminded of the story about the famous British scientist Michael Faraday who one day was explaining to the British House of Lords the miracle of electricity. He was asked "But what good is it?" Faraday's reply was "Someday you will tax it."

No doubt we will derive revenue from the fruits of space progress.

But I want to make my point in this reference to space achievement, that while there is much this nation has done, can do, and seeks to do, it cannot possibly be expected to do all those things which are, or may be, from time-to-time, desired by each and every citizen.

There is a limit to the resources and capabilities of this nation, the best and most productive system ever to serve mankind. We cannot toy around with any notion that we are supermen—history has been bloodied in too many of its chapters by that surge of arrogance.

Let us assess where we are, in the decade of the 1970's, three years short of the two hundredth anniversary of national beginning.

In material things the good life has encompassed most of the land. In those narrow areas of hardship, the necessities and some of the luxuries are provided. Almost no one who desires a car, or a television set, or a telephone has to forsake that desire. These are the lot of every working person in the United States—only a minority of workers in other nations can have them. And, these material trappings are but a small measure of personal worth. Let me observe a conviction, from my knowledge of the "under-thirty" people of this nation, that they have a perspective and a better balance in the matter of material acquisition than does their predecessor generation in our society.

The "show-off" will never be eliminated but he has been obscured by a prolonged level of good times.

In essence, the market economy, with vigilant government as a referee, has flourished in these United States as nowhere else. This is evident to all of us, it is really not arguable. To most of us, this bounty is a blessing, to some a curse—it really depends on how we utilize a good fortune.

The system—which term is broad enough to include national institutions—is the product of an enlightenment which began in Europe in the 16th Century. The ideal of the individual living under a social contract promulgated by government to serve his needs, and protected by the courts and by his right to vote, was distilled in the harsh environment of Europe's ferments. It was transported to these shores by colonizers, and by political and religious refugees.

In a new land, rich in resources and ennobled in purpose, the ideals of the European reformists took root much faster than in the mother countries. Land and labor quickly made the citizens of the new republic a propertied class. Jefferson was deeply influenced by Rousseau. The French revolution generated a higher escalation of the human condition in the United States than it did in France. Quickly, we saw the rise of the broad middle class, and the institutions of government are largely a product of their exercise of the ballot.

Traditions which have matured in this climate are belief in God, the dignity and rights of the individual before the law, and the ethic of work. A citizen, encouraged to acquire property and to develop a resource for the marketplace and for his keep, has had almost unlimited opportunity in these United States. These traditions are still basic to most of us.

Is the nation, at this point in time, healthy in a spiritual sense? I believe we are reasonably prudent in the defining for each of us a personal ethic. For most of us, the why of our existence is suitably defined in the Scriptures. For those whose outreach does not lead to the Scriptural definition of existence, there is a rationalism which usually adheres to natural law substantially akin to the Christian belief. For my own part, I am glad I have not had to confine my religious beliefs to the limits of human reason. This limitation has troubled mankind from the beginning. The Greek philosophers could never define the ultimate reason for being and the rationalists of later times have done no better. The acceptance of, and the faith in revealed truth have been the highest traditions of this nation in its first two centuries. It is worth contemplating the fact that, the counter culture of the early 1960's, the determined effort of a militant minority of young people to generate a separate existence within our midst, has become the bulwark of the Jesus movement in the nation.

We measure today's problems against the backdrop of history. To paraphrase Winston Churchill's remark about self-government, we are the worst nation in the world except all others. Despite acute areas within our society for which we seek solution, the nationhood of these United States has been mankind's best provider. It is imperfect in the philosophical sense that neither man nor his institutions can become perfect. But, the system has provided well for most of us, and we are motivated to make it always better.

I am sure the national spirit will be elevated by the end of a long and unpopular involvement in Vietnam. It is to be hoped that an honorable cessation of hostilities will help to bring a higher degree of stability to Southeast Asia than has been known since the end of World War II. I do not defend the degree of United States involvement, I cannot tell you that there are many pluses from it in vision today. There are some interesting consequences. Certainly Thailand and Singapore believe the involvement has given them security. Certainly the involvement has been a catalyst to the opening of discussions with the People's Republic of China. Certainly Hanoi seeks a continuing United States involvement in Southeast Asia as a counterbalance to a too-strong China or a too-dominant Russia.

The end of Asian military involvement will undoubtedly divert additional manpower and resources to areas within the domestic economy.

And Hanoi's chief provider is still far behind us, behind the European Economic Community and behind Japan in providing consumer goods. Russia's need for feed grains produced in the United States was undoubtedly a factor in her lessening of support for North Vietnam's war machine.

It does appear that we can expect a stable period within the international community for the years ahead. We are able to communicate more effectively with centers of power which have the capacity to bring about turmoil. They are restrained not by any particular love for us, but by a respect for our capacity. We must preserve that restraint.

Can we meet the reasonable demands of this nation with the productive skills and the institutions of government at hand? I most assuredly believe that we can—I am as bullish on America today as ever.

It must be remembered that on the down side of the national average are many who desire better housing, better nutrition, better health care and a better opportunity to participate in public education. The essence of our system is to provide opportunity for these people to earn advancements, and to give a desirable standard of living to those who because of age, illness, or misfortune cannot earn it.

It is within our nature to exert a little more discipline in resource utilization than we have had to do since World War II. That discipline will necessarily be graduated so that the lesser advantaged can continue to catch up while, at the same time, some restraint will be required of those of better circumstance.

There are some very large conquests ahead of us. We require a greater fuel supply than domestic reserves appear to be able to furnish. Our fuel shortage, or energy crisis, will not be met by stopping all progress and restorting to primitive living as demanded by some. It will be met by following a national policy, including a tax policy which is conducive to the discovery and development of more fossil fuel supplies, the full utilization of nuclear power, the use of agricultural crops, and a general technological advance. The numbers in quantity of fuel to be imported indicate to me that, for several years, a favorable balance of trade will be difficult to reach. I think this gap in imbalance will be narrowed more by export of farm produce than by export of manufactured goods. No nation can match the efficiency of agricultural production in the United States.

There is little likelihood that the foreseeable years will bring any downward trend from the level of living at hand. There may be a deceleration of gains in the higher standards but I believe there will be an acceleration in the progress of the lower income range toward more security, better housing and more of the luxuries. The "binge" of unlimited resource consumption is neither practical nor desirable to continue.

Public funds will be used, to a greater degree, to bring on line new sources of energy, recycling of reusable minerals and industrial feedstocks. Conservation programs will have a higher priority in the 1970's than they did have in the 1950's and 1960's, but they will be gradually achieved.

If a danger exists in the near term, it will come from unreasonable and even irrational demands on the system which has been the good provider. There will never be an institution of government, whether capitalist or socialist, which can meet all the demands made on it by the electorate, in whole, or in part, or individually. The collective appetite of any society can be extended to an extreme which reaches far beyond the governmental capacity to provide. If we are too excessive, for too long, the ultimate end is not unlike riding a canoe over Niagara Falls.

It is a matter of reaching for the right list of priorities. The common good is the first concern of any government of free men. A free society's greatest gift to its members is opportunity. Its greatest obligation is to preserve that opportunity for succeeding generations. This has been our pattern for almost two hundred years—not a perfect performance—but the best yet demonstrated. If a better way is discovered, I predict it will be done within this nation, and by the system, and the kinds of people who have brought us along to this point in our time.

I believe in the United States. I believe in her people, and especially her young people, and I believe in her future. I believe that free men and women through hard work, self-improvement, sacrifice, faith in our system, and a greater religious faith, can either solve or come nearer to solving all the problems that we face than any other people in the world. If I didn't believe this, I wouldn't be here today.

Survival in any age is a test of faith and character. I believe not only in our country's survival, but in its future greatness.

Abraham Lincoln said, "As a nation of free men we will live through all time or die by suicide."

It has been said that civilization is a contract between the great dead, the living, and the unborn. We, the living, dare not default on that contract.

STATE OF SIEGE

Mr. PELL. Mr. President, in recent days there has been controversy concerning the withdrawal of a film entitled "State of Siege" from an American Film Institute series at the John F. Kennedy Center for the Performing Arts.

It was alleged that the decision not to show this particular film at the Center represented censorship, and that governmental censorship could be involved, because the American Film Institute derives a part of its support from the National Foundation on the Arts and the Humanities. The allegation was emphasized in a statement to the Senate by Senator PROXMIRE which appeared in the RECORD on April 11.

I wish to point out that the American Film Institute is a privately run, nonprofit corporation. Like any other such group it is eligible for support from the arts and humanities program.

In the enabling legislation creating this program, there is a strong provision against Federal interference in the operation of groups which are assisted either by the National Endowment for the Arts or the National Endowment for the Humanities which are the two branches of the foundation.

This provision states:

> In the Administration of this Act no department, agency, officer, or employee of the

United States shall exercise any direction, supervision, or control over the policy determination, personnel, or curriculum, or the administration or operation of any school or other non-Federal agency, institution, organization or association.

I believe this provision in the statute was most wisely included, for it goes to the very core of any possibility of Federal control or domination or censorship. I am convinced that both endowments have been punctilious in their adherence to this provision, and to the entire concept it contains.

Furthermore, I believe the withdrawal of this film by the American Film Institute has been misinterpreted, and that the question of censorship is not involved as has been alleged.

In support of this belief is an excellent editorial which appeared in the Washington Post on April 13. I am thoroughly in accord with the principles eloquently expressed in this editorial.

We can hardly talk in terms of censorship when this film was being shown last week in three Washington theaters. With respect to the Kennedy Center, as the editorial states:

> What seemed inappropriate to the occasion was the showing of a film dealing with political assassination and including scenes of the coffin of an assassinated American official, draped in the American flag, being lowered into his grave. These scenes would inevitably evoke painful memories and grim associations in general, and for members of the Kennedy family in particular . . . Mr. Stevens' decision was prompted by considerations of taste . . . Taste is a matter of courtesy, concern for the feelings of others and discernment. It has nothing to do with ideology.

Mr. President, I ask unanimous consent that the full text of this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THE SIEGE OF AFI

We believe we take a back seat to no one in our opposition to censorship. For censorship of legitimate public information and free artistic expression is a deadly serious matter. But the withdrawal of one film out of 32 films to be shown in the course of a three-week film festival does not begin to qualify as censorship in our view. No way—and especially not when that one film is commercially available to any citizen in the country who cares enough to pay the price of admission.

The firm we have in mind, as you may have guessed if you have observed the tremendous amount of space this newspaper has devoted to it in recent weeks, is director Costa-Gavras's political thriller "State of Siege." It was to be shown on the second day of the current opening festivities of the American Film Institute's superbly designed 224-seat theater in the John F. Kennedy Center for the Performing Arts. No doubt AFI's director, George Stevens, Jr., made a mistake in the first place to include this particular piece, sight unseen, in what he has called "the opening mosiac of diverse and lively films, old and new, from many parts of the world, without having first screened it.

Mr. Stevens previewed "Siege" only after its co-producer, Max Palevsky, told him at lunch on the West Coast that he was surprised that "Siege" was chosen for this particular occasion, the opening of a theater at the Kennedy Center. Mr. Stevens' subsequent misgivings (which we share) have nothing whatever to do with the general theme of Costa-Gavaras's latest work—the struggle of an American AID official with young, left-wing revolutionaries in Uruguay. What seemed inappropriate to the occasion was the showing of a film dealing with political assassination and including scenes of the coffin of an assassinated American official, draped in the American flag, being lowered into his grave. These scenes would inevitably evoke painful memories and grim associations in general, and for members of the Kennedy family in particular. It was with this in mind that Mr. Stevens withdrew the film—and started a tempest of indignation.

The press, including this newspaper, fanned the tempest with its own cries of "censorship" and with predictions that the withdrawal of this one film "could have further repercussions" and "precipitate shock waves for several weeks to come." The prophecies proved self-fulfilling.

The telephone lines started humming across continents and oceans. The drums started beating for—well, for what? Freedom? Freedom from censorship of a film that has been widely hailed and is now being shown in three Washington movie theaters? The outcry was joined by famous and obscure producers alike. In the end 10 films were withdrawn—self-censored, you could as easily argue—from the AFI festival in protest against what excited and excitable filmmakers, critics and not-so-innocent bystanders chose to call a "deplorable act of censorship" and a "repression of freedom." The hubbub recalls to mind the smashing of windows and other acts of violence by zealous war critics protesting acts of violence by the government.

Mr. Steven's decision was prompted by considerations of taste, which critic Tom Dowling informed his readers in a recent interview of the affair, "is ultimately an ideological matter." We disagree. Taste is a matter of courtesy, concern for the feelings of others and discernment. It has nothing to do with ideology.

There is, to be sure, cause to be sensitive about government censorship these days, even in America. But vigilance on this score should not be confined with vigilanteeism. The kind of self-dramatics and hypersensitivity that led to the protest-withdrawals of 10 films from the AFI festival dangerously befuddles the real issue, which is now free expression in the arts can be preserved at a time when some measures of government support is essential to the survival of free expression in the arts. Dealing with this issue calls for clear, cool minds—and a sharp aim. The filmmakers who withdrew their films from the Kennedy Center, we fear, completely missed the mark.

NEED FOR STUDY OF VIETNAM MISTAKES

Mr. GOLDWATER. Mr. President, the Vietnam war is now behind us, at least so far as a combat role is concerned. All of us have been touched emotionally by the return of the prisoners of war. One even dares hope that stirrings of a brand of patriotism which has been lacking in recent years have been aroused by their steadfast spirit, their lack of self-pity, and their rejection of self-aggrandizement.

Our pride in the conduct of the returning prisoners must be matched by compassion for the men who will bear the scars of battle all of their lives, by sympathy for the families of those who will not come home again, and by gratitude to all who have served in Southeast Asia.

But with hearts full of these worthy emotions, we must not turn our backs on an unwanted war from which we have extracted ourselves at last. We must not dismiss the bitter experience of the past decade with the slogan, "No more Vietnams." A great nation cannot *live with* so simplistic a rejection of the responsibilities and alternatives that lie in an unknowable future.

It is better that we set about the painful task of studying the record of a war that, until its closing months, was badly managed, so that its mistakes will not be repeated. To do less would be to dishonor those who sacrificed so much and suffered so long.

Some of those mistakes are analyzed in an editorial that appears in the March issue of Air Force magazine. I commend it to you, and request unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

NOT WITH A WHIMPER, BUT A BANG

(By John L. Frisbee)

Ironically, the cease-fire in Vietnam has come, not with the whimper that some pundits had long predicted, but with a bang.

The "bang" was Linebacker II, the eleven-day bombing campaign of last December that brought North Vietnam and the Viet Cong back to Paris, eager to sign the cease-fire agreement that is now being put to the test of workability.

That bang will reverberate for a long time. Already, it has forced a number of critics to the grudging admission that airpower, when used with discrimination, purpose, and firmness of will, can be as decisive in a politico-military environment (which Vietnam always has been) as it was proven to be in the all-out, no-holds-barred combat of World War II.

The vindication of airpower came in Vietnam in the last nine months of the eleven-year-old war. U.S. airpower turned back the only massive North Vietnamese invasion of the conflict, carried the war to the enemy, and persuaded him to sign a cease-fire. While the Paris agreement may not be all that one might have wished, it is a reality. Our POWs are coming home, and South Vietnam has an opportunity to survive as an independent, non-Communist nation. That has been the U.S. objective from the beginning.

All this came about after U.S. ground forces had been withdrawn from combat, and at a cost of 300 U.S. combat deaths in 1972, in dramatic contrast to 14,600 U.S. battle deaths during the peak year (1968) of our ground force commitment.

This is not to claim that airpower worked a near-miracle singlehandedly. The mining of North Vietnamese harbors in May 1972 was a critical element. So was the enhanced combat effectiveness of the South Vietnamese military forces attained through the Vietnamization program. Our South Vietnamese allies fought far better than almost anyone believed they would.

But the 1972 *invasion* from the North could not have been halted with so little loss of territory, nor the cease-fire negotiated when and as it was, if U.S. airpower had been held to the mainly defensive role to which it was restricted from 1968 to April 1972—a four-year period when air strikes were confined below the DMZ and to the Ho Chi Minh Trail in Laos. In the final analysis, the decisive quality of airpower lies mainly in its offensive capabilities. These were used only in half measures between 1965 and 1968, and hardly at all from March of 1968 until April of last year.

Airpower's success in bringing the Vietnam

War to a halt on terms that are acceptable if not ideal raises questions of policy that cannot be ignored in the future. The tendency today is to say: "No more Vietnams"—as we once said, "No more Koreas." One would be hard put to make a case for more limited wars following the Vietnam pattern. But for the United States categorically to foreswear future participation in any war that may not directly and immediately threaten our territory and our people would be an open invitation to blackmail, aggression, and ultimate confrontation. We cannot possibly foresee the alternatives to involvement in situations that don't even exist today.

An unfortunate accident of history involved the US in Vietnam at a time when the theory of "gradualism"—an ostensibly surgically precise application of military power to make the enemy stop what he was doing—was the current enthusiasm of the theorists who then were managing the Department of Defense. At the same time, most—though not all—professional military men held that "the best war is a short war." In other words, if you're going to fight, don't give the enemy a chance to disperse his logistic systems, stockpile war materiel, build up his defenses, enlarge his armies, and expand his propaganda base. Admittedly, there were military leaders in high places who chose to ignore—even oppose—this view.

In any case, this fundamental issue was resolved in favor of the theorists, who underestimated the enemy's determination and resilience and grossly overestimated the willingness of the American people and the ability of the economy to support a long and open-ended war. The compound result of error, self-deception, and political manipulation was the longest and second most expensive war in our history, with 46,000 Americans killed in combat, more than 300,000 wounded, and an astronomical price exacted in national treasure. The side effects, in terms of national divisiveness, are yet to be reckoned with.

Any objective evaluation of the effectiveness of airpower since April 1972 leaves little doubt that the military professionals who opposed gradualism were right, as we have long maintained. In March 1968, the Air Force Association Statement of Policy urged the Administration to adopt a strategy based on "an end to sanctuaries in North Vietnam. The denial of seaborne imports to North Vietnam by appropriate application of air and naval power." That is a quite accurate description of the strategy adopted four years later by the Nixon Administration.

If the 1972 strategy—an air strategy involving no US ground troops—had been followed in 1964 or 1965, a favorable decision might well have been reached in from six months to a year, and the US combat casualty list shortened by at least an order of magnitude.

The lives and dollars needlessly expended in Vietnam are only part of the price paid for failure to use airpower properly from the beginning. How different the course of events in this country might have been had this been done.

As was pointed out in the July 1969 issue of this magazine:

"The basic lack of candor about Vietnam, masked primarily by the prestigious public image of Mr. McNamara as the world's greatest manager, lies at the root of almost every major problem the US is currently concerned with. Half of the $80 billion defense budget the military-industry complex is blamed for is attributable to Vietnam. The desperate fiscal gamble involved in waging the war on a business-as-usual basis, with no restraints on the economy, has fed the flames of inflation. In turn, inflation has eroded the purchasing power of both the government and the private economy.

"Defense programs and social programs cost more and hence are more competitive for the tax dollar, exacerbating a conflict in priorities which need not ever have developed. . . . Relations with our allies, particularly in Western Europe, have been strained nearly to the point of rupture at times. The inequities of the draft, especially to feed the needs of a war so open to just criticism, have swelled the ranks of the peace movement, provided a focus for campus dissent, and further complicated the economic and social unrest in the nation."

Some of the unrest—especially that on campus—is now behind us, but the damage to the prestige of the military—who have taken most of the blame for decisions they neither made nor recommended—will not soon be repaired. That can have serious consequences as we turn from the draft to an all-volunteer force. To further complicate the military recruitment problem, reliance on draftees to do most of the fighting in Vietnam, in lieu of calling up the Reserve Forces, put the Reserve and National Guard in the unfairly embarrassing position of looking like a haven for draft dodgers. That stigma, only partially erased by the mobilization of some units at the time of the *Pueblo* incident, is slow to disappear.

The achievements of airpower during the last nine months of the war should sharpen the hindsight of policy-makers, armchair strategists, and the American public. Nor need one apologize for hindsight. It is, after all, the stuff of which foresight is made.

The great lesson of Vietnam is clear. Any future U.S. military involvement in limited wars should be based on the early and proper use of airpower, with the defended allies providing the bulk or all of the ground forces. Only in that way can U.S. capabilities be kept in balance with national objectives at a cost we can afford. If such a strategy had been followed in 1964, the U.S. could have had both victory in Southeast Asia and the Great Society at home without inflation and for a fraction of what Vietnam has cost in blood and treasure.

Despite the fact that airpower was misused consistently until very late in the game, its earlier achievements even under desperately tight restraints must not be overlooked—its tactical employment to save Khe Sanh and many other beleaguered outposts, the heroism of tactical aircrews during the Rolling Thunder operations in the North prior to 1968, the mobility it provided both tactically and strategically, the unparalleled professionalism of SAC's bomber and tanker crews, the dedication of thousands of USAF support people who kept the planes flying.

During most of the eight years of large-scale Air Force participation in the war, airpower was used in ways that no airman would have chosen—often in ways that subjected crews to high and unnecessary risks for small gain. Over those difficult years, only four Air Force crew members refused to fly combat missions. That says it all.

The way the Vietnam War was managed from the top during most of its long, dreary, disheartening course provides little satisfaction for Americans. We can look with pride at the performance of those who served in Southeast Asia. But the price they paid was inordinately high, and a repetition of it would be shameful.

ERTS: SURVEYING EARTH'S RESOURCES FROM SPACE

Mr. MOSS. Mr. President, the accomplishments of the space program are numerous and widely acclaimed, but few space efforts have the almost universal appeal of NASA's Earth resource surveys from space. The first space system dedicated to surveying the Earth's resources is the Earth Resources Technology Satellite—ERTS-A—launched last year. The success of the ERTS-A mission has exceeded the most optimistic earlier predictions; it has laid the groundwork for a global inventory of man's resources; and it is still going strong although its tape recorders are no longer operable.

In two recent issues—April 6 and 13, 1973—of Science, a publication of the American Association for the Advancement of Science, two excellent articles by Dr. Thomas H. Maugh II, explain the ERTS-A system and its accomplishments.

As these articles on ERTS are of substantial interest to all Members of the Congress, I ask unanimous consent that they be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

ERTS (II): A NEW WAY OF VIEWING THE EARTH

Less than three-quarters of the earth's habitable land has been mapped in detail, and at least a third of the maps that have been prepared are already out of date. Accurate crop censuses are available only in limited areas, and most of these are weeks or months out of date; censuses of other vegetation are practically nonexistent. Mineral deposits, geothermal power sources, and underground reserves of fresh water have only begun to be identified. Man's knowledge of his planet, in short, is fragmentary and superficial.

That situation is changing rapidly, however. On Sunday morning, 23 July 1972, the National Aeronautics and Space Administration launched the first Earth Resources Technology Satellite (ERTS), whose mission is to demonstrate that these resources, can be surveyed inexpensively from space. Preliminary results indicate that it is performing that mission far more successfully than had been anticipated. ERTS has shown its capability not only for cataloging natural resources, but also for such disparate activities as monitoring air and water pollution, charting land use, and monitoring crop damage caused by pests and disease.

Most of ERTS' capabilities arise from its pair of imaging systems, the Return Beam Vidicon (RBV) and the Multispectral Scanner (MSS). Orbiting the earth in a circular path 914 kilometers above sea level, these systems photograph 185-km-wide strips of the earth's surface in three bands of the visible spectrum and one in the near-infrared (*Science*, 6 April, page 49). The satellite's orbit offers the opportunity of imaging virtually the entire Earth's surface once every 18 days, thereby providing systematic, repetitive global land coverage under conditions of maximum consistency.

Transmitted imagery from the satellite is processed into photographs at NASA's Goddard Space Flight Center in Greenbelt, Maryland, and distributed to the 206 U.S. and 106 foreign principal investigators who are working with NASA to assess the utility of remote sensing in specific applications. Last month, most of these investigators gathered near Goddard to discuss ERTS' first half year of operation and to report their initial findings. Those findings encompassed a multitude of subject areas and individual topics, but perhaps some of the most interesting and significant results were in the areas of geology, environmental monitoring, and agriculture and land use.

A wide variety of information is available from any one ERTS image of series of images. Marion F. Baumgardner of Purdue University, West Lafayette, Indiana, for example, studied a 31,000-km^2 test site near Lubbock, Texas. Using computer scanning of ERTS images, he found that his group could map and measure crops, other vegetation, damaged crops, and gross soil patterns with an accuracy of at least 90 percent. Surface features he found easily identifiable in the ERTS images included row crops, unimproved and improved rangelands, bare soil, playas, rivers and streams, ground water recharge, and such crops as winter wheat, corn, and soybeans.

TOWARD A WORLD FOOD INVENTORY

Other investigators have identified a wide variety of crops from ERTS images. Charles E. Poulton of the Earth Satellite Corporation, Berkeley, California, and Arthur J. McNair of Cornell University, Ithaca, New York, have separately obtained spectral signatures for the world's most important food crop, rice, under many different conditions in both the wet and dry growing seasons. Working with reconstituted false-color photographs, Poulton has also found within-field color variations that he hopes to link to crop yield and production. The availability of this information is a major step in preparing the first worldwide inventory of food resources.

ERTS images have also shown great potential for monitoring plant health and identifying potentially hazardous situations. Cotton fields in some areas of California, for example, have been heavily infested with a pink cotton bollworm that can be controlled in part by plowing cotton plants under the ground after harvesting so that emerging larvae will have no food. Virginia B. Coleman of the University of California, Riverside, has found that repetitive ERTS imagery can be used to distinguish between healthy and infested cotton fields and to ensure that infested fields have been plowed under. Forests and vegetation infested with other pests or infected with plant diseases have also been identified in other areas.

The ability to distinguish between healthy and dead or dying vegetation in ERTS images provides a new way to assess hazards from fires, says Robert N. Colwell of the University of California, Berkeley. Photographs of the Oakland-Berkeley area, he notes, show clearly the more than 1200 hectares of eucalyptus trees that were destroyed by a 9-day period of freezing weather in December 1972. They also reveal that the current rainy season is producing a record growth of grass vegetation on the range and park lands intermingled with the eucalyptus forests. The grass will dry out next summer and, in combination with the dead trees, present a tremendous fire hazard to homes in the area. Armed with data from ERTS and ground surveys, area officials are seeking more than $4 million in federal and state disaster aid loans to reduce the fire hazard.

The line that separates agricultural and environmental monitoring is a fine one, and many applications could be placed in either category. Brian Gilbertson of Spectral Africa (Pty.) Limited, at Randfontein in the Republic of South Africa, for example, is using satellite images to monitor the health and growth of vegetation planted to curtail environmental pollution from mine tailings dumps. J. M. Wightman of the Canadian Forestry Service, Ottawa, Ontario, has found that the images can be used for detection and mapping of areas destroyed by forest and grass fires; in some cases, the rate of spread of the fire can also be determined.

ERTS imagery should also prove valuable for monitoring such environmentally disruptive activities as strip mining. Charles E. Wier of the Indiana Geological Survey, Bloomington, has made a preliminary study of Warrick and Pike counties in that state and has found that an area of 26 km^2 has been mined since the last ground survey in 1968—bringing the total mined area in the two counties to 216 km^2. Disturbed areas smaller than 2 hectares could not be mapped, but Wier suggests that increments to the larger areas could be mapped at regular intervals in less than an hour by ERTS, whereas each ground survey requires many manweeks.

Wayne Pettyjohn of Ohio State University, Columbus, and D. P. Gold of Pennsylvania State University, University Park, have mapped strip-mined areas in their own states with ERTS images. Their results indicate that the satellite can also be used to monitor pollution abatement procedures at the mines and reclamation of the disturbed areas. This type of monitoring could prove very valuable if strong federal legislation regulating strip mining is enacted.

Enforcement of other environmental laws is also made easier with ERTS. G. E. Copeland and his associates at Old Dominion University, Norfolk, Virginia, have found that they can observe particulate emissions from some 10,000 smoke stacks in that state. By mapping the locations of these sites, some of which were not known to pollution control authorities, they are then able to observe new stationary emission sources, as well as such unauthorized sources as fires at construction sites. By incorporating meteorological, air quality, and emission concentration data obtained on the ground into their study, they also hope to develop techniques for monitoring stack emission rates using only ERTS imagery.

Water pollution can also be monitored effectively. Algal blooms in eutrophied lakes, for example, show up quite clearly in false-color photographs. Suspended sediment and turbulence in rivers and lakes are aslo readily observed and, in many cases, effluent from large plants is visible. In one image examined by Aulis O. Lind of the University of Vermont, Burlington, effluent from an International Paper Corporation mill north of Fort Ticonderoga, New York, can be seen entering Lake Champlain and crossing to the Vermont shore. This photograph may be used as evidence in a court suit that Vermont has filed against New York in an effort to halt the discharge. The photograph is not crucial to the case, which is supported by much other evidence, but its introduction could establish a precedent for use of such images in other cases.

Potentially the most financially rewarding—and the most controversial—use of ERTS data, however, is in geological mapping. Major geological features such as linear fracture traces, faults, and boundaries (classified in general terms as lineaments) are readily discernible in ERTS images, even though many are so masked by other surface features or are so large in scale that they are not recognized from the ground or from low-altitude aircraft, Identification of these features is especially valuable because major deposits of minerals and fossil fuels are generally found along such lineaments, and especially at their intersections. Areas of seismic activity are also associated with the lineaments.

Yngvar W. Isachsen and his associates at the New York State Museum and Science Service, Albany, have used ERTS imagery to map more than 500 km of previously unknown lineaments in New York. Ernest H. Lathram of the U.S. Geological Survey, Washington, D.C., has identified several areas of extensive fracturing in Alaska that may be correlated with mineral deposits. A previously unobserved, large east-trending lineament in Alaska's Arctic Coastal Plain, for example, has great potential for petroleum exploration, as does a strongly lineated area north of a shallow oilfield at Umiat. Close examination of the ERTS imagery, he adds, reveals no traces of environmental damage caused by the extensive petroleum exploration of the last 20 years. James H. Anderson of the University of Alaska, Fairbanks, has also identified an unmapped radial drainage pattern, about 7 km in diameter, in Alaska's Seward Peninsula. This pattern suggests the presence of tin deposits.

ERTS images are also providing much new data about seismic activity. Monem Abdel-Gawad of the North American Rockwell Science Center, Thousand Oaks, California, plotted the epicenters of historic earthquakes in California, Nevada, and Mexico, and found that many of the epicenters are located on previously unrecognized major faults. He has also identified several fault zones transverse to California's San Andreas fault that may mark the presence of mercury deposits. Larry Gedney of the University of Alaska, Fairbanks, has identified one newly discovered fault that appears to intersect the proposed site where a bridge and the trans-Alaska oil pipeline will cross the Yukon River.

The identification of potential mineral deposits by satellite has raised the specter of economic imperialism and exploitation of undeveloped countries. Environmentalists and representatives from some of these countries have voiced fears that the wide availability of the ERTS data will allow multinational corporations to acquire mineral deposits before the countries are aware of their existence. But Leonard Jaffe of NASA argues that the ERTS images only indicate the more favorable sites for ground exploration, and access to these sites is more easily controlled by the countries' governments. In any case, NASA claims it has scrupulously informed such countries of any promising areas as soon as they are discovered, so the point may be moot.

The results cited here are but a small sampling of the great amount of new information derived from ERTS and of the uses made of it. Cartographers, for example, have used ERTS images to update old maps and to prepare new ones for areas to which there is limited access. Environmentalists have prepared land-use maps of several U.S. cities and at least four states, preparing in hours maps that formerly took months or years of work. Hydrologists have used ERTS imagery to locate new sources of fresh ground water. Oceanographers are using ERTS to locate underwater features that might be hazardous to navigation and to develop new techniques for assessing fishery resources. But even with all of these applications, the potential of ERTS has just barely begun to be tapped, and the benefits derived from its use may soon themselves become unmeasurable.

—Thomas H. Maugh II.

ERTS: Surveying Earth's Resources From Space

Space flight is no longer surrounded by the glamor that accompanied the first satellite launchings or, more recently, the manned missions to the moon. The public has, if anything, grown incredibly blasé about space, accepting its daily satellite weather pictures and its television transmissions from China and Europe as a matter of routine, and seemingly paying only enough attention to the Apollo moon program to question its cost.

And yet the space program, especially the unmanned satellite program, has been highly productive in yielding information that is of immediate value to the citizenry whose taxes support it. The communications satellites and the Nimbus weather satellites have demonstrated unequivocably that space platforms can be used inexpensively on a daily basis to solve earthbound problems. What they haven't done, however, is demonstrate the multitude of different types of information that can be obtained by placing the appropriate remote sensing devices in orbit.

A major step in this direction is the Earth Resources Technology Satellite (ERTS), the first of two National Aeronautics and Space Administration orbiting observatories designed specifically for monitoring the natural resources required by man. Launched last July, its mission is to define practical problems where space technology can make beneficial contributions to conduct research on remote sensors and their utility in observation of the earth, and to develop handling and processing techniques for earth resources surveying. Results so far suggest that its capabilities are significantly greater than had been anticipated and that satellite observation shows great promise for activities as disparate as inventorying crops, planning land use, prospecting for oil, minerals, and water, preparing new maps, census taking, and regulating pollution.

The ERTS orbit and coverage are designed to provide systematic, repetitive global land coverage under conditions of maximum consistency. The 891-kilogram satellite revolves around the earth every 103 minutes in a circular orbit 914 kilometers above sea level. The nearly polar, sun-synchronous orbit allows the satellite to cross the equator at about 9:30 a.m. local time on the north-to-south leg of each orbit. Previous experience with aerial photography has shown that shadows cast on the ground at this time of day provide the greatest assistance in interpretation of surface features.

The satellite completes 14 orbits each day, photographing three strips 185 km wide in North America and 11 similar strips in the rest of the world. Strips photographed the following day are contiguous to those of the first day, with a 14 percent overlap of coverage at the equator and a greater overlap near the poles. Thus ERTS passes over any location on the earth's surface once every 18 days, at the same time of day and with the the same lighting. It is this receptive coverage that provides ERTS with great potential for monitoring time-dependent changes in surface features.

The heart of ERTS is a pair of imaging systems called the Return Beam Vidicon (RBV) and the Multispectral Scanner (MSS) that photograph the earth in the visible and near-infrared spectrum. It also carries a data collection system (DCS) that relays telemetered information from about 100 collection stations located in remote regions of North America. These stations collect data on water quality, rainfall, snow depths, seismic activity, and the like, and transmit a 38-milli-second burst of data from all sensors every 3 minutes. When ERTS is in line-of-site contact with both a remote site and a ground station, it relays these messages automatically. The satellite's orbit is such that a message is relayed from each 12 hours. The DCS was designed by the space division of General Electric Company, Valley Forge, Pennsylvania. GE also constructed the satellite.

The RBV, developed by the Astro-Electronics division of RCA Corporation, Princeton, New Jersey, is a set of three identical cameras filtered in such a way that each operates in a different band of the visible spectrum. Camera 1 functions in the 0.475 to 0.575-micrometer band; camera 2 functions between 0.580 and 0.680μm, and camera 3 between 0.690 and 0.830 μm.

A shutter and lens systems in each of the RBV cameras produces images on a photosensitive plate. These images are then scanned with an electron beam to produce a video output. When the RBV system is operated continuously, it produces a set of three images of the same surface area every 25 seconds, with about a 10 percent overlap along the direction of spacecraft motion.

The MSS system, developed by Hughes Aircraft Company, Culver City, California, is a line-scanning device that operates in three bands of the visible spectrum and one in the near-infrared. Band 4 encompasses the region between 0.5 and 0.6 μm, band 5 between 0.6 and 0.7 μm, band 6 between 0.7 and 0.8 μm, and band 7 between 0.8 and 1.1 μm. Bands 4, 5, and 6 of the MSS thus provide coverage similar to that of bands 1, 2, and 3 of the RBV; band 7 provides a near-infrared capability that is particularly useful for monitoring vegetation.

An oscillating mirror in the MSS causes light energy from a 185-km swath perpendicular to the satellite's path to be swept across the focus of a small telescope. At the focus is a four-by-six array of 24 optical fibers, six for each band monitored. The fibers carry light energy from each imaged spot through spectral filters to detectors that convert it to an electrical signal. Each fiber subtends an area about 79 meters square on the ground. The oscillating mirror is timed so that when it has returned for the next sweep, the satellite has advanced 474 meters and the next six lines are adjacent to the preceding six. As long as the MSS is operating, therefore, it produces a continuous strip photograph of the ground below the satellite.

Only the MSS is now being operated. An electronic failure in the RBV power supply circuitry last August made it difficult to switch between the two imaging systems, and the RBV was shut down. If the MSS fails while the rest of the satellite equipment is operational, however, the RBV can be reactivated for continued imaging.

Each of the RBV or MSS photographs covers an area about 185 km square, and each 34,000-km^2 target area—or scene—is photographed four times with the MSS or three times with the RBV. If the satellite is over North America, the imagery is relayed directly to one of three U.S. and one Canadian ground stations. (Brazil is now building an ERTS ground station that will be the only one outside North America.)

Imagery obtained over other countries is stored in one of two wideband videotape recorders for replay when the satellite passes over the United States at night on the south-to-north leg of its orbit. One of the recorders failed last August, however, and the other has completed about 80 percent of its designed 1000-hour lifetime, so it is used only for about an hour per day. There is a strong possibility, however, that videotape recorders for ERTS may be installed in Apollo ground stations in Spain and Australia to provide real-time coverage of Europe and Australia.

Using only the one videotape recorder, ERTS photographs 188 scenes each day, 44 of them in the United States. It thus maps an area of about 6.5 km^2 every day. All possible scenes are photographed whenever the satellite passes over North America. Selection of scenes in other areas is dictated by the presence of cooperating investigators in the country and by forecasts of cloud cover.

Since its launch, ERTS has imaged more than 33,000 scenes in four spectral bands, and more than 1.5 million photographs have been prepared. It has mapped more than 75 percent of the earth's land mass, including both poles; the areas that have not been mapped are principally in the U.S.S.R. and the People's Republic of China, where there are 10 cooperating investigators. It has also photographed the entire United States 10 times. Transmitted imagery from the satellite is processed into photographs at NASA's Goddard Space Flight Center in Greenbelt, Maryland, and sent to cooperating federal agencies and to the 220 U.S. and 100 foreign principal investigators who are working with NASA to assess the utility of remote sensing in specific applications. A complete set of images produced by ERTS is also sent to the Department of the Interior's Earth Resources Observation Systems Data Center in Sioux Falls, South Dakota, for sale to the public.

The resolution capability of the imaging devices is quite impressive. ERTS photographs reveal significant surface features without loss of definition at a scale of 1:250,000 (1 cm is equivalent to 2.5 km) and information at a scale of 1:30,000. Some investigators have found that they can identify features as small as 90 meters in diameter or linear features only 15 meters wide. Major highways, for example, can thus be identified readily, and smaller streets can often be seen.

Even more information can be obtained from the black and white images by assigning a different color to each of the three (RBV) or four (MSS) spectral bands and superimposing the images to produce highly detailed false-color photographs. Bands 1 and 4 are generally assigned blue, bands 2 and 5 are assigned green, and bands 3 and 6 or 7 are assigned red. Photographs produced in this manner thus show dense vegetation as bright red because of the very high reflectivity of chlorophyll-bearing leaves in the near-infrared. Rural-urban interfaces appear pink, and highly developed or barren land appears gray. Rocks and granite mountains produce neutral colors similar to their real-world appearance, and deep lakes appear dark blue. These color variations provide much more information to the naked eye, but more importantly, they also allow a much greater amount of information to be obtained from computer processing of the different spectral bands.

Because of the satellite's height above the earth, the ERTS images are also orthophotographic; that is, each point on the image appears to have been photographed from directly above it, making the images especially useful for cartography. When maps are prepared by means of conventional medium- or high-altitude photography, sophisticated techniques must be used to remove distortions that arise because areas at the fringe of each image are photographed at an angle. Such corrections are not necessary with ERTS imagery, so the production of maps takes much less time. Also because of the satellite's altitude, only about 500 ERTS images are required for complete coverage of the United States, compared to the 500,000 required for mapping with high-altitude aircraft.

The flow of data from ERTS has been so great that much of it may not be fully analyzed for months or for years. Preliminary results (to be discussed in a second article next week) are so promising, however, and many of the data are so immediately useful that the scientific community was severely disappointed when the tight NASA budget forced postponement of the second ERTS launching from November 1973 to the first quarter of 1976. The designed lifetime of ERTS is only one year. Even though similar Nimbus satellites have operated for about 36 months, therefore, it is probable that there will be a gap in ERTS coverage unless the second launching is moved forward again.

—THOMAS H. MAUGH II.

PERSECUTION OF JEWS IN THE SOVIET UNION

Mr. CASE. Mr. President, I recently receive a letter from two of my constituents in New Brunswick, Rabbi Harvey J. Fields and Mr. Samuel Landis, which contained an earlier statement addressed by 34 Leningrad Jews to the U.S. Congress. These courageous residents of Leningrad, at great personal risk to themselves, outline a tragic tale of persecution.

Mr. President, I ask unanimous consent that the letter from Rabbi Fields and Mr. Landis be printed in the RECORD together with the statement of the 34 Leningrad Jews. I am omitting their names so as not to open up the possibility of increased persecution.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

ANSHE EMETH MEMORIAL TEMPLE,
New Brunswick, N.J., March 14, 1973.
Senator CLIFFORD P. CASE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CASE: Enclosed you will find a letter received recently in New Brunswick signed by 34 Leningrad Jews. The letter has been translated from the Russian original (also enclosed) and is a courageous call upon the conscience of those of us who live in the United States of America. It speaks of the tragic persecution of Jews in the Soviet Union. It describes their harrassment and the inequity of their treatment. It asks, indeed cries out for help.

The members of our congregation and the entire Jewish community of the Raritan Valley request that you make the enclosed letter available to your colleagues in the United States Congress. We hope that you will enter it into the Congressional Record, and will be guided by its plea in your discussion of foreign aid and cooperative programs with the Soviet Union in the future.

We are convinced that unless the United States government takes a firm stand on the persecution of Jews, and the right of Jews and others to leave the Soviet Union, our people and others there will continue to suffer in the bonds of tyranny.

The 34 Jews who signed the enclosed letter have put their welfare and lives in serious jeopardy. They are asking us for "no concessions or compromises, only free exit for those who wish." It seems to us that that is the least that we can do for them.

We know of your support for the Jackson Amendment (No. 1691 to S. 2620) and thank you for it.

We hope that you will do all possible in the cause of bringing pressure to bear upon Soviet authorities so that all Jews, who wish it, may obtain free exit and the right to settle in the countries of their choice.

Very sincerely,
Rabbi HARVEY J. FIELDS,
Anshe Emeth Memorial Temple.
Mr. SAMUEL LANDIS,
President, Jewish Federation of Raritan Valley.

A GROUP OF LENINGRAD JEWS ADDRESSES THE CONGRESS OF THE UNITED STATES OF AMERICA

We are not able to fulfill our wish—to leave the Soviet Union and to settle forever in the State of Israel. We are conscious of the fact that this, our wish, is an elementary right of contemporary civilized men—nevertheless, we are deprived of it. The Soviet authorities do not allow us to arrange our own fate and the lives of our children.

We do not lead an easy life, but one that is full of assorted material and spiritual difficulties. We are not writing about them because they will never be fully understood in the West—no matter how much is written or said about them. We live a life which kills the spirit, moreover, we bear our present time only so that it might pass quickly; but after all the present life is that only life we have. We want the future to arrive as quickly as possible, our indefinite future.

We are striving for fairness from the Soviet authorities. In our argument what can we say to them?

The only stand we can take is to show our lack of fear of their monstrous power; to show our agreement to make sacrifices; and by our being prepared to go to prison. This latter is a preparedness which the authorities unfortunately use all too often. It is turned out that after the camps and crematories of the War—there still remains Jews for whom it is necessary to go to prison in order to reaffirm their right to leave the Soviet Union forever and live a national life in their homeland in the State of Israel.

The official laws which regulate the issuance of exit permits for the State of Israel are unknown to us. Jews to whom exit visas are refused do not know when they will be able to receive a visa; they do not know of what the reasons for refusal are based; they do not know in particular which organizations or officials are blocking the issuance of the visa; they do not know in which instances it is necessary to appeal the refusal; and above all, they do not know if they will ever receive permission to depart. The only thing that they know is that a year after the refusal they once again may submit all of the documents together with their request for an exit visa. And it is possible once again to receive a refusal. And again in another year to submit documents . . . and this can go on without end.

But life goes on, children go on growing. Specialists are disqualified. In order to live such a life and not lose heart or despair an unlimited belief in success is necessary.

We complain about the absence of laws but when they appear the situation by no means gets any better. The notorious education tax has only the appearance of legality; indeed it emphasizes still more the lack of rights of those who wish to leave. The unprecedented sums of the tax which were called for in the beginning have so affected public opinion that, when they were slightly reduced (albeit remaining excessively large), it was possible to point out that the situation had improved. But no, it had not improved. The education tax continues to remain a monstrous absurdity and a mockery of common sense. The evil of the education tax lies not only in itself but also in the fact that it diverts public opinion in the West from more important issues to do battle against it. Progressive people in the West may think that if the tax is either surmounted, lowered or completely rescinded, then the main obstacle on the path for Jews going to Israel will have been eliminated. No, no, no! This just isn't so! The main obstacle on the path for Jews going to Israel is not the education tax but the absence of free exit for all who wish it.

The Jews and non-Jews of the Western world have rendered us invaluable aid. The support of public opinion and of various organizations in the West helps us to exist, to endure and surmount our lives. It may be said straight-forwardly that without your support we would never have been able to stand ground.

Therefore we are turning to you: remember us!

We are living people just as you are; we know the same joys and the same pain that you do. We do so love our children and fear for them as do you for yours; and we too want to make them happy.

Help us in this! Remember about this during the negotiations with the Soviet government over political and economic questions.

Do not agree to compromises and half measures.

Do not trade the bodies and souls of Soviet Jews for tons of grain or fertilizer.

Don't delude yourselves about the apparent legality of the tax on education and similar measures.

We beg you to strive for one thing alone: Free Exit From the Soviet Union for All Jews Who Wish It.

No concessions or compromises! Only free exit for all who wish this—this is the position we are expecting from you; and it is for this that we have hope.

NATIONAL LIBRARY WEEK

Mr. PELL. Mr. President, this is National Library Week. It is impossible to read the President's statement launching the annual observance without more than a tinge of bitterness, for it was proclaimed by the President with the following words:

> National Library Week gives appropriate focus to the great array of resources offered by our libraries to people of every age. . . . I ask all Americans during this special observance to share generously in the support of our libraries and to make the fullest possible use of the rich treasures they possess.

These ringing declarations come from a President whose budget for the coming fiscal year contains no Federal funds specifically designated for libraries—public, college, or elementary and secondary schools.

In their attempt to initiate a "redefined Federal role" in proven and popular program of human services, the administration proposes to wipe out title II of the Elementary and Secondary Education Act, which during fiscal 1972 provided $90 million in school library resources, textbooks and other materials; Title II of the Higher Education Act, which last year provided $15.75 million for college library resources, training, and research, and three titles of the Library Services and Construction Act which together last year allocated nearly $60 million to public library services and construction, interlibrary cooperation—a total 1-year reduction in major Federal library grants from more than $165 million to zero.

In view of these drastic proposed reductions, the American Library Association, even while marking the observance of National Library Week, has planned a program with the theme of "Dimming the Lights on the Public's Right to Know": later this spring, on a date and at a time to be announced, lights will be symbolically dimmed in the Nation's libraries to signify the cutbacks in services and even the library closings that will result if these drastic cutbacks are allowed to take effect. Mr. President, what is needed now is not pious rhetoric about the importance of our libraries while decimating their support, but a concerted effort, with Federal support for State and local activities designed to further their development and improve their services. To that end, on last January 26, I introduced Senate Joint Resolution 40, authorizing and requesting the President to call a White House Conference on Library and Information Services in our bicentennial year, 1976. I plan to hold hearings on that resolution early in May.

The President's budget aside, in closing I congratulate the librarians of our Nation on the fine work they are doing and can assure them of a firm body of support here in Washington—support which will seek to see that funds are available.

THE MANNED BOMBER ISSUE FLIES AGAIN

Mr. GOLDWATER. Mr. President, it certainly will not come as any great surprise to most Members of the Senate that I have long been a strong supporter of the manned strategic bomber as an integral part of our defense system. I am just as convinced today as I have been in the past that it will be many years before the manned strategic bomber becomes obsolete.

More and more, the truth of this assessment is being borne out by world events. Yet we still find the opponents of maintaining America's B–52 fleet and development of the new B–1 arguing that the manned bomber has outlived its usefulness. Some of these spokesmen, including Senator George McGovern, of South Dakota, claim the Soviet Union has abandoned bomber development to concentrate on other weapons. In fact, this has been a favorite theme of those who oppose the manned bomber ever since Soviet Premier Khrushchev remarked in 1957 that "bombers are obsolete and might as well be thrown on the fire."

But now, Mr. President, it develops that the Soviet Union is indeed building a long-range bomber. It is known by its NATO code name "Backfire" and is a product of the famous Tupolev design group which has created Russia's SST and other reliable bomber designs.

Because of the importance, not only to the United States but to the entire world, of the Soviet bomber program I ask unanimous consent to have printed in the Record an article entitled "The Manned Bomber Issue Flies Again" published in the December 23, 1972, issue of Human Events.

There being no objection, the article was ordered to be printed in the Record, as follows:

U.S.S.R.'s "Backfire" and Our B–1—The Manned Bomber Issue Flies Again

WILL THE RUSSIANS BEAT THE FREE WORLD TO IMPORTANT STRATEGIC OPTIONS?

"Many will recall Mr. Khrushchev's famous remark in 1957: 'Bombers are obsolete. You might as well throw them on the fire.' In view of Russia's continued reliance on their manned bombers, one wonders whether Khruschev made this comment as a matter of conviction or in an effort to influence U.S. national defense policy." Rep. Robert Price (R.-Tex.) in the House of Representatives.

For years, those opposing maintenance of America's fleet of B–52s and development of the new B–1 manned strategic bomber have said the long-range bomber is obsolete.

To support their argument they like to point out that the Soviet Union has supposedly abandoned bomber development to concentrate on building up its force of intercontinental and submarine-launched ballistic missiles.

Sen. George McGovern, one of the leading advocates of unilateral American disarmament, has stated: "The minimal Soviet effort on strategic effort or strategic bombers indicates that they place little emphasis on that form of delivery."

In the absence of any Soviet disclaimers and in spite of the warnings of those who watch Soviet strategic developments closely, such statements have become widely accepted. Just last week Jerome H. Kahan, formerly with the U.S. Arms Control and Disarmament Agency, wrote in the Washington *Post*:

"The United States is developing a new generation strategic bomber, while the USSR has shown no evidence of a comparable program."

The trouble with Mr. McGovern's assumption (and it is echoed by many others in the highly organized "peace lobby") is that it implies "if the Russians aren't doing it, why should we?"

It is obviously fallacious (and would be disastrous) to predicate our weapons development simply on what the Soviets do or do not do. But in the case of strategic bombers, it is beside the point.

The plain fact is, the Soviet Union *is* building a new long-range bomber. Known by its NATO code name, "Backfire," the aircraft is a product of the famous Tupolev design group, which has created Russia's supersonic transport and several other reliable bomber designs.

American observers, who have followed the covert development of this plan for some time, have dubbed it "Big Swinger" because of its moveable wing design (similar to our FB–111).

This needle-nosed Soviet bomber is powered by two gigantic Kuznetsov NK 144 turbofan engines (with afterburners) and has an unrefueled range of between 4,300 and 6,000 miles, which places it definitely in the strategic aircraft category. *Aviation Week & Space Technology* magazine notes:

"Since all NATO targets can be covered from Russia by an aircraft with a combat radius of 2,000 miles, strategists in the West believe 'Big Swinger' was designed specifically with U.S. targets in mind."

Test and evaluation prototypes of Backfire have been flying for several years in a program shrouded in secrecy exceptional for even the Russians. The Soviets may have wanted to achieve a "technological surprise" with Backfire similar to the one they pulled with their supersonic Foxbat fighter.

But the West has been rapidly gathering intelligence on the new bomber. Last year, one of the Backfire prototypes was discovered while being refueled in flight from a giant Myasischev Mya-4 Bison tanker. After its "drink" the Backfire streaked away on a 10-hour flight.

Aviation Week reports "production of operational aircraft has begun," and now there are at least 20 Backfires completed or on the production line. The production model of the aircraft has been modified with lengthened wings (to improve range) and further cleaning of the fuselage to improve aerodynamics.

Backfire has a speed at altitude in excess of Mach 2 and a limited supersonic dash capability when flying "on the deck" to penetrate radar and anti-aircraft defense.

In a typical example of Soviet adaptation of "civilian" research and development technology, the Backfire's powerful in-fuselage twin engines are the ones originally developed for the Tupolev Tu-144 supersonic transport.

Little is known of the Backfire's armament, but the Soviets are believed to be working on an improved air-to-surface strategic missile to use with it. This would be a stand-off weapon, similar to the U.S. short-range attack missile (SRAM), a supersonic nuclear missile now being fitted to the Strategic Air Command's B-52s and FB-111s.

These stand-off weapons permit bombers to strike their targets without flying into the heavy defense areas around them.

The Soviets now have three stand-off missiles operational, evidence they have never really abandoned the manned-bomber concept. One is the somewhat crude Kangaroo. Another is the Kipper, designated mainly as an anti-ship missile.

The third is a much more sophisticated missile, the Kitchen. An outgrowth of this missile may be destined for use with Backfire.

Backfire presents substantial evidence that the Soviets intend to copy the U.S. "nuclear triad" mix of bombers, ICBMs and sub-launched missiles more fully. Much discussion in Soviet military and political circles has centered around the degree of flexibility the manned bomber affords in confrontation situations and this has added momentum to the development of the new aircraft.

Because of this, manned bombers will now emerge as a much more important factor in the current round of SALT talks than had at first been expected.

The Soviets never really lost sight of the efficacy of bombers. They pushed a number of strategic bomber projects during the 1950s and 1960s, none of which really panned out.

In fact, some of the great secrecy surrounding Backfire stems from a Soviet reluctance to chance any more embarrassments like its two former strategic bomber projects. These were both Myasischev designs—the huge Mya-4 Bison, with its curious design mixture of the modern and the antique, and the truly formidable-looking Bounder.

Both of these planes developed what the Soviets vaguely referred to as "shortcomings" and never became operational as strategic bombers. The Bounder has been used for "research," while the Bison has been used for "maritime reconnaissance" and tanker service.

The less than praiseworthy performance of these two planes in a strategic bomber role bolstered the arguments of those in the Soviet military who maintained that no manned aircraft, however, fast, could successfully penetrate a modern air defense.

However, this argument did not take into consideration "penetration aids," electronic devices to fool radar, mislead homing anti-aircraft missiles, and allow for precise navigation while flying close to the ground at high speeds.

Meanwhile, the United States, capitalizing on its advanced electronics know-how, has succeeded in bringing penetration aids and electronic countermeasures (ECMs) to new heights.

In doing so, we have succeeded in making the B–52, a plane designed in the 1940's, a continuing and awesome threat. The bag of penetration secrets in the B–52 has so discomfited Moscow that it has been the target of a terrific espionage effort in this country and anywhere the giant aircraft are based.

For several years now, every American aircraft shot down in North Viet Nam but still somewhat intact has been shipped back to Soviet laboratories for examination of its electronics devices. The highest priority item (and one so far not delivered, fortunately) has been to get hands on a B–52.

As the Soviets have become stronger and achieved equality if not superiority in strategic weapons, they have become more disposed to throw their weight around. They quickly discovered that missiles, which you either fire or don't fire, don't have that certain quality of coercion the Soviets like so well.

A manned bomber, however, possesses that quality in abundance.

It allows a very precise control over events in a power play scenario. The Kremlin saw this very clearly during the Cuban missile crisis of 1962. One of the most tangible evidences of the American power that made Khrushchev back down was the B–52.

For one solid month, every hour of the day, the Strategic Air Command "leaned on" the Soviet Union with clouds of B–52's on the periphery of the Russian air defense radar. Soviet air defense controllers couldn't look at their boards without seeing the blips.

Gen. Bruce K. Holloway, former commander of SAC, notes that "the bomber is the only strategic system which can be applied across the spectrum from show of force (as in the Cuban crisis), to jungle combat (as in Viet Nam to conventional conflict (as in Korea), to nuclear holocaust and post-attack conditions."

This admirable flexibility from a politico-military standpoint sometimes obscures a very important military economic advantage of the manned bomber: It must be defended against.

It is estimated the Soviets spend at least 15 per cent of their defense budget to counter our bombers. One of the priority functions of new Soviet fighters, like the Foxbat, is combat radius that will enable them to engage incoming bombers before they launch stand-off weapons. One of the priority targets of Soviet missile submarines off our coasts is SAC airfields. (Our B–52s have already been dispersed because of this threat.)

For this reason, development of the B–1 is of primary importance. This heir to the fabulous legacy of the B–52 will severely compound Soviet defense problems:

It will penetrate Soviet defenses flying 700 miles per hour at tree top level, guided by terrain-reading radar and an automatic pilot.

It will carry almost three times as much nuclear firepower as the B–52.

It will use shorter runways and less fuel than the B–52 and can thus "scramble" from a much wider selection of American airfields.

It will offer a very small and confused image to defense controllers mainly because it will be obscured by "ground clutter" (radar images of trees, buildings, etc.).

It will incorporate vastly improved ECMs and decoys. Some of its decoys (cruise missiles that appear to be bombers on radar screens) will actually carry nuclear warheads.

On the other side of the ledger it must be noted that Backfire will present problems for American air defense. And at the moment, that defense is in a pretty sad state.

In fact, because of rapid development of Backfire, upgrading of the U.S. Aerospace Defense Command (ADC) is a top priority item for the Air Force. It will take most of this decade to bring the system up to a standard where it will be proof against Backfire.

Procurement of three main items is involved:

1. The so-called IMI (improved manned interceptor), probably the McDonnell Douglas F–15 air-superiority fighter.

2. Boeing E–3A airborne warning and control system (AWACS) aircraft (modified Boeing 707s) to enhance early warning and control IMI squadrons.

3. An over-the-horizon backscatter (OTHB) radar system which could detect Soviet bombers virtually from take-off.

This will involve an initial investment of between $4 and $5 billion and yearly operating costs of about $800 million. But it is vitally needed to counter Backfire or its successor, for it seems certain the Soviets will put the same kind of developmental energy into long-range bombers that they have put into their navy in the past decade.

One reason for this development may be to offset any SALT II agreements on offensive strategic missiles.

The Soviets know that our air defense has declined sharply since the heydays of the late 1950s when there were about 240,000 people in ADC. Now there are about 100,000.

Where there were once 67 active-duty aircraft squadrons there are now seven (plus 19 Air National Guard units serving part time).

Where there were once 116 long-range radar squadrons there are now 57.

The primary interceptor in ADC service now is the 13-year-old F–106—no match for Backfire.

Despite all the glitter of ballistic missiles, the bomber age is not over. Both our Defense Department and the Soviets realize this. The question is: Does Congress?

The battle for the B–1 and for our ailing air defense will be fought in the coming session of Congress. The development of the Backfire demands the upgrading of our bomber defense, while the proven flexibility of the B–1.

In fact, everything possible should be done to enhance the formidability of so important a deterrent.

ABA OPPOSITION TO THE GENOCIDE CONVENTION BEFORE 1971 FOREIGN RELATIONS SUBCOMMITTEE HEARING

Mr. ERVIN. Mr. President, the Genocide Convention was first submitted to the Senate by President Truman on June 16, 1949. Since that time the Senate has wisely refused to advise and consent to ratification, and, I believe, should continue in its refusal.

The American Bar Association has played a significant role in opposing the Genocide Convention over the past 20 years. On March 10, 1971, ABA opposition was most ably presented by Mr. Eberhard Deutsch of the New Orleans Bar before a Senate Foreign Relations Subcommittee. Mr. Deutsch and the ABA deserve commendation for their perception in seeing beyond the facade of the Convention to the tragic consequences which ratification would have on the American system of government and law.

Mr. President, I ask unanimous consent that Mr. Deutsch's eloquent and perceptive remarks before the Foreign Relations Subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY EBERHARD P. DEUTSCH

My name is Eberhard P. Deutsch, and I am a lawyer in New Orleans. The within statement is made in my capacity as one of the two duly appointed and accredited representatives of the American Bar Association, to appear before this Committee in behalf of the Association in opposition to ratification of the Genocide Convention.

On September 8, 1949, at its annual convention in St. Louis, the American Bar Association, through its House of Delegates, expressed the "sense of the Association that the conscience of America, like that of the (entire) civilized world, revolts against Genocide . . .; that such acts are contrary to the moral law and are abhorrent to all who have a proper and decent regard for the dignity of human beings, regardless of the national, ethnical, racial, religious or political groups to which they belong; (and); that Genocide as thus understood should have the constant opposition of the government of the United States and of all of its people".

The House found, however, "that the suppression and punishment of Genocide under an international convention to which it is proposed the United States shall be a party involves important constitutional questions (which) the proposed convention . . . does not resolve . . . in a manner consistent with our form of Government".

The House accordingly placed the Association on record as opposing approval, by the Senate of the United States, of the Convention on the Prevention and Punishment of the Crime of Genocide "as submitted" to it for its advice and consent by President Truman less than three months earlier—on June 16.

At its mid-winter meeting in Atlanta on February 23, 1970, the House, by the narrow margin of 130 to 126, re-affirmed the position which it had taken in 1949, by voting down a recommendation for reversal of that position and for unreserved approval of the Convention.

This statement is submitted in support of the position of the American Bar Association as recited above, and to record the background of that position which, in the last analysis, is simply that whole-hearted concurrence in the lofty ideals that engender promotion of moral issues, should not be permitted to substitute the ephemeral tissue of those ideals for the enduring fiber of constitutional limitations.

On December 11, 1946, the General Assembly of the United Nations adopted a Declaration to the effect that genocide "is contrary to moral law and to the spirit and aims of the United Nations"; that many instances . . . of genocide have occurred when racial, religious, *political* and other groups have been destroyed, entirely or in part"; that genocide is a crime, whether it "is committed on religious, racial, *political* or any other grounds"; and inviting "the Member States to enact the necessary legislation for the prevention and punishment of this crime" (emphasis added).

The United States joined in this declaration. Standing foremost as a world leader in the protection of individual rights, she could do no less. Representing the American Bar Association, we are accordingly in complete and unequivocal accord with the following statement made by the Association's Section of Individual Rights and Responsibilities in its recent Report (p. 7) recommending that the Association go on record as favoring ratification of the Genocide Convention:[1]

"The United States which was founded on the basis of protest against government excesses, and which grew great in substantial measure because it was a haven and the hope for oppressed persons anywhere, should be in the lead in joining in the declaration of revulsion at the organized effort to eliminate a whole people during World War II, and of determination that such an effort should not be undertaken ever again."

But our conviction is equally firm that, having joined in such a declaration as to a matter which lies, ultimately, within the domestic sphere of each of the world's nations, the United States has gone far enough.

She should not, in our opinion, join in a Convention by which she would commit herself in advance to protect the people of other nations against their own governments, nor agree that such other countries may determine for themselves what is to be deemed to be genocide within the borders of the United States, and invite them in advance, in the words of Article VIII of the Genocide Convention, to take, through "the competent organs of the United Nations, such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression thereof."

The Section Report itself makes this point abundantly, and indeed shockingly, clear. It is stated therein (p. 17) that under Article VIII of the Genocide Convention.

"Even if the complaint involved alleged prohibited action by one country against an ethnic group within its own country . . . the claim that the United Nations could not consider the matter because it concerned the domestic jurisdiction of one State . . . would be foreclosed. The Security Council, or the General Assembly, or the Economic and Social Council would all be authorized to hear the complaint. In appropriate cases, where the complaint was borne out by the facts, the United Nations organs could recommend or decide on measures to be taken."

It is submitted that treaties with other nations are not the proper constitutional means for the government of the people of the United States in their internal affairs, which should continue to be regulated by our own federal and state and local legislative bodies

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through enactments which have their foundation in our own constitutional processes.

We subscribe whole-heartedly to the statement made by the late John Foster Dulles as Secretary of State, testifying before a sub-committee on the Senate Judiciary Committee on a proposed constitutional amendment to limit the effect of treaties as internal law within the United States. He said (Hearings, 83rd Cong., 1st Sess. 824–825–1953):

"I do not believe that treaties should, or lawfully can, be used as a device to circumvent the constitutional procedures established in relation to what are essentially matters of domestic concern." The United States should, he felt, "favor methods of persuasion, education and example rather than formal undertakings . . .

"We do not ourselves look upon a treaty as the means which we would now select as the proper and most effective way to spread throughout the world the goals of human liberty to which this Nation has been dedicated since its inception."

We do not agree with the extravagant statement which has at times been made (Section Report, p. 16) that "in terms of a threat to international peace and security, the occurrence of genocide anywhere in the world is as much a matter of international concern as, for example, the spread of nuclear weapons"; nor with the further submission that when a number of other nations consider a matter to be of sufficient concern to make a treaty about it, it becomes a matter of international concern cognizable as such under the Constitution of the United States.

This is the old bootstrap doctrine by which a domestic issue, not subject as such to regulation by treaty, can be transmuted by the very prohibited act of making it the subject of a treaty, into the arena of international affairs subject to regulation by treaty.

It is the same doctrine which gave rise to the dictum by the Department of State (Publication 3972, Foreign Policy Series 26, September, 1950), which we cannot accept either, that "there is no longer any distinction between 'domestic' and 'foreign' affairs".

If indeed the limitations contained in the Constitution of the United States are subject to circumvention by such judisprudential sorcery, the matter becomes one of broad constitutional policy rather than of strict constitutional law; and it is submitted that our constitutional philosophy should not be so impaired by transplanting matters within our domestic jurisdiction into the international forum, subject to legislation by treaty and adjudication by international bodies.

There can really be no question that the crime which gave rise to the Genocide Convention—mass murder of Jews by the Nazis—was committed with the encouragement and indeed at the direction of the Government of Germany.

It is our position that in order for genocide to be an international crime, and accordingly a matter of international concern appropriately the subject of a treaty with other nations under the Constitution of the United States, it must, by definition, be committed with the complicity of the government concerned—not merely by individuals.

When the Convention was being formulated, the representatives of the United States, backed by those of other Western nations, sought, as a *sine qua non*, to have genocide defined as having been committed "with the complicity of government", because its "delegation felt in fact that genocide could not be an international crime unless a government participated in its perpetration."[2]

This demand was rejected, and under Article IV of the Convention, states-parties are required merely to enact legislation providing punishment for "persons committing genocide", and requiring trial of "persons charged with genocide", whether they are "public officials or private individuals".

Instead, therefore, of including government complicity as an element of the offense required to constitute it a matter of international concern, Article VIII of the Convention, as already shown, permits "the competent organs of the United Nations" to interfere in the domestic affairs of member nations by hearing complaints as to the conduct of their individual citizens, and to "take such action . . . as they consider appropriate" against them.

The type of problem with which the United States might be faced in this regard, if it became a party to the Genocide Convention, is illustrated graphically, and quite startlingly, by a recent news item (see Time Magazine, December 12, 1969, p. 20) which reported that a "San Francisco lawyer who represents the (Black) Panthers . . . revealed plans to go before the United Nations and charge the United States with 'genocide' against the Panthers".

Already before the United Nations is a petition stated to be supported by "such outstanding leaders" as Paul Robeson, Mrs. Coretta Scott King, the Rev. Ralph D. Abernathy, William L. Patterson and Bobby Seale, addressed to the General Assembly, and published in 1970 in the form of a book entitled, "We Charge Genocide", a copy of which is filed with this statement.

The petitioners describe themselves as "being the first in history to charge the government of the United States of America with the crime of genocide . . . with mass murder of its own nationals (and) with institutionalized oppression and persistent slaughter of the Negro people in the United States", a crime "prohibited by the conscience of the world as expressed in the" Genocide Convention.

The petitioners ask that the General Assembly "declare by resolution that the Government of the United States is guilty of the crime of Genocide against the Negro people of the United States"; that it "condemn the Government of the United States for failure to . . . observe its solemn international obligations under . . . the Genocide Convention"; and "finally, for whatever other measures shall be deemed proper by the General Assembly, under the . . . Genocide Convention, to secure the safety of the Negro people of the United States".[3]

Another constitutional question of some significance arises out of the vagueness of certain provisions of the Convention. It provides, in Article II, for instance, that genocide consists of certain "acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such" by (b) "causing serious . . . mental harm to members of the group".

In its favorable report of December 8, 1970, on the Genocide Convention, this Committee proposed that in its ratification of the Convention, the United States should state expressly that it "understands and construes the words 'mental harm' . . . to mean permanent impairment of mental faculties".

In the Foreword to "We Charge Genocide", cited above, William L. Patterson, one of the petitioners to the United Nations, submits that "the psychological impact . . . of jim-crow and segregation in their subtle and covert forms does extreme mental harm to the group".

In *Brown vs Board of Education*,[4] the Supreme Court of the United States went even further and held expressly that separation of Negro children "from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone . . . (and) has a tendency to (retard their) education and mental development . . ."

In light of this holding by the Supreme Court, such an understanding as this Committee has proposed in recommending advice and consent to ratification, that "mental harm" is to be construed "to mean impairment of mental faculties", would hardly deter any tribunal from determining that any form of local segregation is within the definition of the international crime of genocide under the Convention.

Another understanding proposed by this Committee in its recommendation, made toward the close of the Second Session of the 91st Congress, that the Senate advise and consent to ratification of the Genocide Convention, is that the United States "understands and construes the words "intent to destroy, in whole or in part, a national, ethnical, racial or religious group as such . . . to mean to intent to destroy" such a group "in such manner as to affect a substantial part of the group concerned".

It is again submitted that such an understanding in ratification of the Genocide Convention by the United States would hardly stand in the way of finding of guilt on such a charge as that of Mr. Pattern in his cited Foreword, that "America's racism is bringing about in part the physical destruction of the group".

Just as the United States and her political allies were unable to get "complicity of government" into the definition of genocide while the Convention was being formulated, they also acquiesced, at the insistence of the Community block, in the omission of "political" from the categories of groups as to which genocide is to be prohibited.

The original United Nations Declaration against Genocide, adopted by the General Assembly in December 1946, denounced genocide whether "committed on religious, racial, *political* or any other grounds" (emphasis added). When this declaration was being converted into the Convention, the Communist nations insisted on omission of "political" from the listed categories, and the United States capitulated; so that none of the Communist nations could, for example, ever be charged, under the Convention, with committing genocide by inflicting intolerable "conditions of life" on a political group, and seeking to destroy its members.

When this point was raised in the course of the debate before the House of Delegates of the American Bar Association at its midwinter meeting in Atlanta on February 23, 1970, Nicholas Katzenbach, former Under Secretary of State of the United States said, in effect, that omission of "political" from the Convention was simply a "trade" in the course of compromise between the Communist and Western nations, by which "we succeeded in getting 'ethnical' included among the groups in place of 'political' ".

Considering that "ethnical", in its ordinary meaning, is defined as "pertaining to or designating races", and that "racial" was already in the draft Genocide Convention, a compromise for insertion of "ethnical" in return for omission of "political" was acceptance of a stale, crumbling cracker for a carload of fine smoked hams.

This "legislative history" as to the circumstances under which the word "political" was omitted, on the insistence of the Communist nations, from the Genocide Convention, so that genocide as to political groups is not prohibited by that Convention, is explained and confirmed by the refusal of the Soviet Union to ratify the 1957 Convention on the Abolition of Forced Labor, because of its prohibition of the imposition of such labor as a means of political coercion, or as punishment for the expression of political views opposed to those of the government.

Aside from the answerability of governments for violation of the Convention, on charges filed with the United Nations, the treaty provides (Article VI) that "persons charged with genocide . . . shall be tried by

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Footnotes at end of article.

a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those Contracting Parties which shall have accepted its jurisdiction".

Proponents of the Genocide Convention, ignoring the words of the foregoing Article that trials of persons charged with commission of genocide are to be conducted by a tribunal "of the State in the territory of which the act was committed", conclude that a United States citizen charged with genocide could, under no circumstances, be tried elsewhere than in a court of the United States.

The same egregious non-sequitur has been drawn to the effect that since there is no such international tribunal as is contemplated under this Article, no American citizen could be deprived of his constitutional right to trial by jury, or be forced into a trial in some foreign court under procedures not American.

It seems especially difficult to understand such fallacious syllogisms, especially in light of the provisions of Article VII of the Convention that genocide is not to be considered a political crime, and that the parties to the Convention "pledge themselves in such cases to grant extradition (presumably for trial in 'the State in the territory of which the act was committed') in accordance with their laws and treaties in force".

These jurisdictional and "extraditional" provisions raise important practical problems for the United States. The authorities in Hanoi have (see New York Times, November 29, 1969) charged that members of the armed forces of the United States have been guilty of committing genocide in "the alleged massacre of civilians in a South Vietnamese village".[5]

If the United States were a party to the Genocide Convention, she would necessarily have agreed that these soldiers would be subject to trial in Vietnam under the provisions of Article VI, and, if the United States and Vietnam should have an extradition treaty, would be subject to extradition for trial in Vietnam, even if deemed (or even found) innocent in this country.

Of course, no extradition would be necessary as to our American prisoners in North Vietnam. That country, it may be assumed, would cite the Genocide Convention, if we were a party to it, as our consent to trial of those prisoners on such charges in that country, with the Nuremberg trials as a precedent sanctioning such procedure.

It is true that this Committee, in its favorable report on the Genocide Convention during the 91st Session of the Congress, recommended that the United States should, when ratifying the Convention, state that it "understands and construes Article VI" thereof as containing nothing which would "affect the right of any State to bring to trial before its own tribunals any of its nationals for acts committed outside the State".

It is submitted, however, that such an understanding would, under no circumstances, deprive any other country of its concurrent jurisdiction over the trial of such individuals, especially since the understanding pointedly fails to negate the obligation of the United States, under Article VII, to grant extradition of its citizens for trial in other countries with which it has extradition treaties.

This suggestion in turn raises another interesting, serious and really dangerous question for the United States. The so-called "Nuremburg defense", universally pleaded in war-crimes trials, is that the accused was following orders which he was required to obey. Article IV of the Genocide Convention provides:

"Persons committing genocide . . . shall be punished, whether they are constitutionally responsible rulers, public officials or private individuals."

As stated by the ABA Section of Individual Rights and Responsibilities, in its Report (p. 19) favoring ratification of the Genocide Convention:

"The Genocide Convention makes clear, in Article IV, that in respect of the crimes specified, no one, not government officials, not private individuals, can escape responsibility for his action through his (Nuremberg) defense."

In his dissent from the foregoing report, Mr. Ben R. Miller, a member of the Council of the Section, posed a serious question in this regard:

"Would not the military strength of this nation, and hence the nation itself, be endangered if, in the following orders of a superior officer in the heat of battle, subordinates would be faced with instant decision of whether to risk court martial for refusing to follow orders, or punishment for genocide if a (tribunal) in the calm aftermath of a war could consider the result of following a particular order to have been genocide? For the Treaty abolishes the defense of subordinates that they were but following orders of their superior officers."

As has already been noted, under Article VI of the Convention, "persons charged with genocide" may be tried either before a tribunal of the country in which "the act was committed," or before "such international penal tribunal as may have jurisdiction with respect to those contracting parties which shall have accepted its jurisdiction".

Opponents of the Genocide Convention have insisted that if the Convention were ratified by the United States, there would always be the possibility of trial of an American citizen accused of genocide thereunder before an international penal tribunal when, as and if such court should be established and its jurisdiction accepted by the United States, without the constitutional safeguards by which he would be protected in a court of the United States.

To this the proponents of the Convention say (Section Report, pp. 25–26) that "the answer is simple. No such tribunal has been established"; and they add:

"If one were established, parties to the Genocide Convention would have the option whether to accept its jurisdiction or not. For the United States, that option would have to be independently exercised through the Treaty Power, that is only with the advice and consent of the Senate by a two-thirds vote."

In the first place, this is just the type of objective which would probably be sought to be reached by an executive agreement without the advice and consent of the Senate. This point is well illustrated by the case of the International Anti-Dumping Code, concluded by the United States with seventeen other nations in Geneva on June 10, 1967. All of those seventeen countries treated this Code as a formal treaty requiring parliamentary approval, and so ratified it.

The United States alone dealt with the document as an executive agreement, and because certain of its provisions were in direct conflict with corresponding provisions of Congressional tariff acts, the Code was not submitted to the Senate for its advice and consent, for fear of adverse action by that body.[6]

There would quite possibly be no practical way in which to assert the invalidity of an executive agreement accepting, in behalf of the United States, the jurisdiction of an international penal tribunal established for the trial of offenders under the Genocide Convention, once that convention had been ratified by the United States.

Nor can it be said cavalierly that it is not contemplated by the United States that such an international penal tribunal is to be established at all. The minutes of the 74th meeting of the Sixth (Legal) Committee of the General Assembly of the United Nations, held at Paris in October, 1948, contain a significant statement to the effect that the United States Delegation stated that it "intended, at a later stage, to show the need for the establishment of an appropriate international tribunal" in connection with Article VI of the Genocide Convention.

George A. Finch, erstwhile deputy undersecretary of State, Professor of International Law at Georgetown University, Vice-President of the American Society of International Law and Editor-in-Chief of its Journal, in an address before the annual meeting of the Society at Washington on April 29, 1949, said:

"The proposals . . . to prevent genocide . . . have been framed so as to take American domestic questions out of the jurisdiction of American courts and place them under some form of international jurisdiction."

In a book on International Enforcement of Human Rights, Professor Paul Gormley of the University of Tulsa School of Law, states that:

"A private individual must be able to prosecute an action before an international tribunal—in his own name—against an offending government, particularly his own."

Finally, the Bangkok Conference on World Peace Through Law, held in September, 1969, unanimously adopted a resolution commending its committee engaged in a project entitled "Toward a Feasible International Criminal Court", and voted to give it all possible support and assistance.

How can it be said, in good conscience, in face of this wealth of background material to the contrary, that Americans may rest assured that ratification of the Genocide Convention by the United States at this time, will not carry with it ultimate establishment of an international penal tribunal for the trial of citizens of the United States charged with commission of offenses thereunder?

The concept of an international criminal court raises also an intriguing constitutional issue—especially if the court were to have its seat, as seems likely, outside the United States. The constitutional policy of the Declaration of Independence in this regard centers on its protest of the transportation of Americans "beyond Seas to be tried for pretended offenses"; and the Sixth Amendment to the Constitution itself gives to every person accused "the right of a speedy and public trial by an impartial jury of the State and district wherein the crime shall have been committed".

How could an American charged with the commission of genocide in the United States, be sent out of the country for trial before an international penal tribunal, if such a court were established, and its jurisdiction accepted by the United States under the Genocide Convention, in light of the foregoing clear guarantee of the Sixth Amendment's protection?

Another constitutional issue militating against ratification of the Genocide Convention arises out of the provision of its Article III(c) making punishable "direct and public incitement to commit genocide" vis-a-vis the First Amendment's guaranties of free speech and press. Suffice it to say here that there is at least grave doubt, under recent decisions of the Supreme Court of the United States, as to the effect to be given, even by that Court, to such a treaty provision in the circumstances of different cases—certainly completely incomprehensible to judges of an international tribunal to whom our concepts of freedom of thought and expression are chimeric mysteries at best.

It will be recalled that by the Connally Amendment to the reservation of the United

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Footnotes at end of article.

States to its declaration of adherence to the International Court of Justice, it is stipulated that the United States is not to be subjected to the processes of that court as to disputes which are essentially within her own domestic jurisdiction "as determined by the United States of America".

To circumvent that reservation safeguard, it was provided by Article IX of the Genocide Convention that

"Disputes between the Contracting Parties relating to the interpretation, application or fulfillment of the present Convention, including those relating to the responsibility of a State for genocide or any of the other acts enumerated in article III, shall be submitted to the International Court of Justice at the request of any of the parties to the dispute."

This Article clearly overrides the Connally Amendment, and subjects the United States to the unreserved jurisdiction of the International Court of Justice as to all matters involving the "interpretation, application or fulfillment" of the Genocide Convention.

Thus, if the United States should ratify that Convention, and a case should arise thereunder which our Supreme Court should hold to be one within this country's domestic jurisdiction and protected by the First Amendment to our Constitution, any party to the treaty could still bring the matter before the International Court of Justice, which could disregard completely the decision of our Supreme Court, and hold that the matter was not one of domestic jurisdiction, and was not protected by the free-speech guaranty of the Constitution of the United States—and the United States would be bound by that decision despite the Connally Amendment.[7]

Parenthetically, it is well to note at this point that all of the Communist nations have ratified the Genocide Convention, now that it contains no prohibition against commission of the crime on political grounds, but each of those nations has expressly reserved against jurisdiction of the International Court of Justice over disputes under the Convention.

It is especially interesting to note, in this connection, that, in the prayer of the pending petition to the General Assembly, charging that the "United States is guilty of the crime of Genocide against the Negro people of the United States", it is requested "that any dispute as to the applicability of the Genocide Convention to the crime here allegedly submitted to the International Court of Justice".

It is submitted that, in any event, the entire Convention presents constitutional issues devoutly to be avoided. As stated at the outset, in 1949 the American Bar Association resolved that the Genocide Convention should not be "approved as submitted," because "the suppression and punishment of genocide under an international convention . . . involve important constitutional questions," and the proposed convention "does not resolve them in a manner consistent with our form of government"; and on February 23, 1970, the House of Delegates of the Association voted not to recede from the position of the Association as expressed in 1949.

In the final analysis, prohibition of genocide by treaty must inevitably become an exercise in futility. Adolf Hitler would hardly have restrained the frightful acts of genocide which gave rise to the Convention, even if it had been in existence, and Germany had been a party to it, during the Nazi reign of terror.

The Soviet Union and her Communist-bloc allies were not deterred from the 1968 invasion of Czechoslovakia by the non-aggression provisions of the Charter of the United Nations of which they are all pious members. And yet, incredibly, the Section Report advocating ratification of the Genocide Convention, states unequivocally (p. 14) that no member state of the United Nations has ever "acted in deliberate defiance of the commitments it entered into" in the Charter!

The Convention on the Prevention and Punishment of the Crime of Genocide places in the hands of foreign nations whose peoples have never known such freedoms as are guaranteed under the Constitution of the United States, the power to judge whether those freedoms are being protected properly within our domestic borders.

It is submitted that an international convention whose provisions may be invoked in an international forum when an individual commits a crime within the domestic jurisdiction of his own state, would cause far more friction between peoples and governments than does the evil which it seeks to correct, and would tend to promote war rather than to "maintain international peace and security" within the letter and spirit of the Charter of the United Nations.

FOOTNOTES

[1] Reference to that report will hereinafter sometimes be made as the "Section Report".

[2] See record of the proceedings of the Ad Hoc Committee in 1948, and especially the statement made on April 15, 1948, by Mr. Maktos of the United States, chairman of the Committee, as to the position of the United States, and also the proceedings and votes in the Sixth (Legal) Committee (75th and 128th meetings), and the Official Records of the Third Session of the General Assembly, Part I, "Legal Questions".

[3] In this connection, there is also filed herewith a copy of a news release of September 17, 1970, by the Cardinal Mindszenty Foundation, discussing background of the foregoing petitions, and stating, *inter alia,* that "the U.S. Communist Party has ordered its membership to mount a full-scale campaign for Senate Ratification" of the Genocide Convention.

[4] 347 US 483, 493, 494 (1954).

[5] A copy of this New York Times article is filed herewith.

[6] See Public Law 90–634, 82 Stat. 1347 (October 24, 1968), 19 USCA 160, note (Suppl.), suspending certain provisions of the Code and its legislative history in *US Congressional and Administrative News* (1968), Vol. 3, 4359 *ff*. See also Long, *United States Law and the Anti-Dumping Code,* 3 *The International Lawyer,* 464 (April, 1969).

[7] See Phillips, The Genocide Convention, 35 ABAJ 623, 625 (April 1949).

[From the New York Times, Nov. 26, 1969]

Genocide Charge Is Made by Hanoi—It Hints Village Killings May Be Exploited at Paris Talks

(By Charles Mohr)

Hong Kong.—North Vietnam accused the United States yesterday of genocide.

The North Vietnamese Foreign Ministry said in a statement that the alleged massacre of civilians in a South Vietnamese village in March of last year grew out of United States policy in Southeast Asia and was not merely the result of criminal acts by one American unit.

The Hanoi Government thus seemed to be moving to exploit the reported incident in Songmy village to reinforce its negotiating demands that the United States withdrew quickly and unconditionally from South Vietnam.

U.S. OFFICIALS DENOUNCED

The Foreign Ministry statement was the latest of at least four long news articles and reports transmitted by the official Vietnam News Agency since Sunday. Other articles included an editorial denunciation of American officials and what were asserted to be first-hand accounts by survivors of the Songmy incident.

The United States Army has charged First Lieut. William L. Calley, Jr. with the murder of at least 109 persons in the incident at Songmy last year.

The North Vietnamese Foreign Ministry statement broadcast late last night, said:

"The United States war of aggression is a genocide war against the Vietnamese people. This loathsome crime, which will be forever cursed, has itself laid bare the United States allegation on its so-called defense of the freedom and respect for the fight to self-determination of the South Vietnamese people."

"The question here," the statement continued, "is not only the responsibility of the criminals in Songmy" but the responsibility of the United States. Ruling circles who have unleashed a war of aggression against Vietnam and committed innumerable and abominable charges against the Vietnamese people."

"To put an end to the United States crimes against the Vietnamese people, the United States aggression must be stopped and the United States and satellite troops must be totally withdrawn from South Vietnam," it asserted.

The Hanoi Government "strongly denounces" the killing of civilians in Songmy, according to the statement, and calls on "progressive people in the United States" and elsewhere to "raise their voices and take measures" to check American policy.

A similar statement by "a spokesman" of the Vietcong's political organization, provisional revolutionary government of South Vietnam, said the reported incident in Songmy "laid bare the fallacy of the United States ruling circles' mythical contention that a 'wholesale massacre' would take place in South Vietnam if the United States withdraws all its troops."

REGIONAL HEALTH AID

Mr. JAVITS. Mr. President, as one who has played a role in the Senate passage of S. 1136, the omnibus extension of the Public Health Service Act—which encompasses authorizations for regional medical programs—I would commend to the attention of my colleagues an article which appeared on the front page of today's New York Times by Harold M. Schmeck, Jr., entitled "Congress Fights for Regional Health Aid."

The newspaper story by Mr. Schmeck discusses the decision on whether regional medical programs are to be continued. While it is good to know that the regional medical program project which provides for a regional kidney transplant program between New York and New Jersey may survive because financial resources will be available to it under Congress enacted medicare reimbursement, it is most distressing to learn that a vitally needed demonstration program for controlling high blood pressure and improving mortality from stroke in Harlem must terminate because of the zero budget request for regional medical programs. I shall do my utmost to keep this program going.

I ask unanimous consent that the full text of the article entitled "Congress Fights for Regional Health Aid" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Congress Fights for Regional Health Aid

(By Harold M. Schmeck, Jr.)

Washington, April 15.—Regional medical programs all over the country are winding up their affairs, on orders from the Nixon Administration, in spite of the fact that the

Senate has passed a bill to keep them alive and the House is considering an almost identical measure.

The House bill is considered to have a good chance of passage, but it faces a probable Presidential veto. Continuation of the regional medical programs is provided in an omnibus bill that also covers and extends for a year Federal support for hospital construction and other health programs.

The Congressional forces trying to extend these programs over Administration objections want to do so to provide sufficient time to draft more effective alternatives.

The Administration has wanted to kill the programs partly as an economy move and partly because of dissatisfaction with their accomplishments. When the budget for the 1974 fiscal year was announced, an Administration spokesman said of the program, "The projects supported have not been carried out according to any consistent theme or set of priorities." The Administration has not suggested to Congress any alternative Federal program.

Projects that face extinction cover a broad range of efforts to improve health care, particularly among the poor and disadvantaged. Examples are an educational program in New York to improve the competence of doctors who practice in the city's slums and a program in Westchester County that was planning neighborhood health centers in poverty areas.

The concept of the regional medical programs began in 1964 as a plan to improve the treatment of Americans suffering from three major disease categories—heart disease, cancer and stroke. A law bringing the program into being was signed in 1965, but it forbade the key activity originally intended—the establishment of a network of special treatment centers.

Thereafter the programs tried to accomplish their main goal of speeding the translation of reasearch advances into patient care by less direct means. These included continuing education programs for doctors, demonstration projects in various areas of health care and aids to health manpower training.

Some critics say the programs have been little more than continuing education programs for doctors and in some respects duplicate functions that could be carried out satisfactorily by other agencies.

In the last several years, the programs have lost their original identification with heart, cancer and stroke and have taken on such areas of endeavor as health maintenance organizations, emergency medical care and other things that were fashionable in Washington at the time.

The programs are guided by the Regional Medical Program Service here. It will go out of business, too, unless Congress acts and can override a veto.

Under the current phasing out, the continuing education program is one of four in New York City that loses its support at the end of this month.

The fatal date for the Westchester project has already passed.

REVISIONS ARE URGED

Congressional leaders in the health field, including Senator Edward M. Kennedy, Democrat of Massachusetts, and Representative Paul G. Rogers, Democrat of Florida, have stated the need to revise the regional medical programs idea along with several other health programs that the Administration is intent on ending.

These include the Hill-Burton hospital construction program and a program of Federal support for community mental health centers. Senator Kennedy is chief sponsor of the Senate bill to keep the regional programs alive.

For years, the regional medical programs have been in periodic trouble, partly because of their changing orientation. Always in the past they have survived, but survival seems far less likely this time.

"The Administration is more adamant than I've ever seen any Administration before," said one veteran of the program. "In fact they've sort of taken it on as a crusade to kill it."

In California, one of the biggest and most successful of the regional medical programs, there are more than 100 projects, including free clinics in urban poverty areas, emergency care systems in places that never previously had them and a broad range of educational programs designed to turn out the kinds of health manpower the state needs.

The California program also managed to provide doctors for some isolated communities that had lost their last physician—sometimes by the strategy of paying the costs of bringing a visiting doctor in by air.

Paul Ward, executive director of the California program, said officials there were also beginning to make some headway against licensure restrictions that prevented nurses from operating clinics when there were no doctors to supervise them.

The state's program has been told to go out of business by mid-February next year, he said. The individual projects are being terminated at intervals between now and then.

"It just like shooting one of your own children," Mr. Ward said.

The final date for the New York metropolitan program is the end of October, according to John Eller, its deputy director. Earlier the staff had been afraid it might have to close by April 30, and all staff members had been advised to take their vacations before then.

The plans from each region, drafted on orders from Washington, go into great detail including arrangements for disposal of equipment and central staff personnel and helping the directors of individual projects find alternative sources of support.

The value of the regional medical programs has been questioned in recent years, but some of their advisory groups and health leaders in Congress have been angered by what they see as the Administration's attempts to eliminate the programs before Congress has decided on their fate.

"It is clear the Administration is in the process of dismantling the region medical programs," said Senator Kennedy.

ACTIVE ROLE SEEN

"It is one thing to propose that a program be terminated," he said. "It is quite another to proceed actively in its dismemberment."

The staff of the Senate health subcommittee, of which Mr. Kennedy is chairman, has obtained texts of several of the detailed termination plans, including that for the New York metropolitan region.

The Senator quoted an official of the Maine plan as saying "We have been told to dismantle the program by June 3, 1973."

Florida's regional advisory group protested the decision to order the termination and particularly "the decision to begin the dismantling process before Congress considers whether the program should be terminated."

"The abrupt order to dismantle represents a decision adverse to the program," the Florida advisory group statement said, "and appears to us to be premature, economically wasteful and damaging setback to the progress attained in meeting Florida's health goals and needs."

Mr. Ward said the California group had also sent in a protest with its termination plan.

In the New York metropolitan region, the project that seems most likely to survive is the New York-New Jersey regional kidney transplant program. Because of a change in the Social Security law, reimbursement under the Medicare program is expected to pay for the costs of this program.

"It is reasonable to expect that by December 31, 1973, the level of operations, i.e., the number of transplants per month, will have risen to a point so that Social Security reimbursement will cover the administrative costs," the termination plan said.

Another major project—a demonstration program for controlling high blood pressure and improving mortality from stroke in Harlem—was scheduled to end its phase in August. Virtually all of the other programs sponsored by the metropolitan New York unit are presently expected to end prematurely. There are about 10 altogether.

After June 30 the New York metropolitan central staff will be cut back to skeleton proportions—director, deputy director, business officer and a secretary.

The original intention was to turn all the projects over eventually to local or state funding. Indeed, one of the arguments for the programs was that a high proportion did find local support.

With termination looming for the whole enterprise, the individual projects are all looking for local support, and seem to be finding it in many cases, according to Dr. Harold Margulies, director of the Regional Medical Program Service.

Less promising so far, he said, are efforts to keep the administrative structures of the programs intact. In some of the successful programs these are considered to be among the prime accomplishments of the effort because of the effectiveness with which they have achieved working relationships among many professional and other health groups in their areas.

Even local support for the individual demonstration projects is not a complete solution to the problem, said Mr. Ward of the California program. While some of the community efforts were expanding under guidance, he believes their growth will stop once the driving force behind them is gone.

DR. KISSINGER RECEIVES AWARD FOR DISTINGUISHED PUBLIC SERVICE

Mr. McGEE. Mr. President, in Sunday's edition of The Washington Post there appeared a column excerpting remarks recently made by Dr. Henry Kissinger at the Federal City Club's Award for Very Distinguished Public Service.

Dr. Kissinger made a very meaningful plea for this Nation to overcome its division and reassert its will to challenge the problems which confront us.

As Dr. Kissinger noted:

> The world needs our idealism, our faith and our purpose. In this respect the spirit of the early 1960s was more nearly right and some of the present attitudes are dangerous. In the 1920s we were isolationists because we thought we were too good for this world. We are now in danger of withdrawing from the world because we believe we are not good enough for it. The result is the same and the disastrous consequences would be similar.

I am in total agreement with Dr. Kissinger when he asserts that in recognizing our limits, "We have achieved one of the definitions of maturity." But, by recognizing our limits it does not necessarily follow that we must feel unable to cope or overcome adequately the problems which face us domestically and internationally. Mankind is the product of experience. We achieve by learning from our experience, not from retreating because the experience has been bad.

Dr. Kissinger's remarks are very cogent and reflective. But they are also very outward looking.

I ask unanimous consent that the column be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

WHAT COURSE FOR AMERICA?

(By Henry A. Kissinger)

(Note.—*The following is an excerpt from remarks by Dr. Kissinger, the Assistant to the President for National Security Affairs, on receiving the Federal City Club's Award for Very Distinguished Public Service at the club's annual dinner April 13:*)

For years, one of the shibboleths of our political debate has been that with the end of the war in Vietnam we could restore our priorities and recover our unity. It is true that during the war, debate dissolved increasingly into a sterile chant of competing liturgies. But the end of the war has produced a strange lassitude and uncertainty. Combatants have been reluctant to leave the trenches. The habits of confrontation have proved hard to overcome. We had clung to our divisions so stubbornly that we seem anchorless without them. And we have grown more conscious of what we seek to prevent than of what we should strive to achieve.

Someday—I suspect sooner than we think—the tactical debates will be forgotten or seem irrelevant. But some of the deeper scars linger. We have been shaken by the realization of our fallibility. It has been painful to grasp that we are no longer pristine—if we ever were. Later than any nation, we have come to the recognition of our limits.

In coming to a recognition of our limits, we have achieved one of the definitions of maturity. But the danger is that we will learn that lesson too well—that instead of a mature recognition that we cannot do everything, we will fall into the dangerous and destructive illusion that we cannot do anything. Nothing is more urgent than a serious, dare I say compassionate, debate as to where we are going at home and abroad. Tecnicians cannot master revolutions; every great achievement was an idea before it became a reality. Catherdals cannot be built by those who are paralyzed by doubt or consumed by cynicism. If a society loses the capacity for great conception, it can be administered but not governed.

I first saw government at a high level in the early 1960s—at a time which is now occasionally debunked as overly brash, excessively optimistic, even somewhat arrogant. Some of these criticisms are justified. But a spirit prevailed then which was quintessentially American: that problems are a challenge, not an alibi; that men are measured not only by their success but also by their striving, that it is better to aim grandly than to wallow in mediocre comfort. Above all, government and opponents thought of themselves in a common enterprise—not in a permanent, irreconcilable contest.

The world needs our idealism, our faith and our purpose. In this respect the spirit of the early 1960s was more nearly right and some of the present attitudes are dangerous. In the 1920s we were isolationists because we thought we were too good for this world. We are now in danger of withdrawing from the world because we believe we are not good enough for it. The result is the same and the disastrous consequences would be similar.

So it is time to end our civil war.

To be sure, we should leaven our optimism with a sense of tragedy and temper our idealism with humility and realism. But only as we regain a sense of direction can we heal our nation's spirit and recover our unity—the unity which is the prerequisite for mastering the future and overcoming the wounds and divisions of the recent past.

THE LESSONS OF VIETNAM

Mr. GOLDWATER. Mr. President, the whole subject of the Vietnam war and our involvement in it undoubtedly will be a subject for debate for many years to come. For, not only was this the longest war in American history, but it was a war which began in error and was escalated in misconception. It was a war that was both botched and blotched with civilian leadership error and misconception, with failures and deficiencies of command in Washington and with mistakes in methods and tactics. But despite all the blunders, the American strategy finally devised under the Nixon administration, managed to recoup the failures that would have guaranteed defeat and shambles.

It is true that almost everyone in this country has some view of what occurred and what should have been done. But I believe that the best appraisal yet written was one by Col. Robert D. Heinl, Jr., a Marine Corps veteran of World War II and Korea and a recognized expert and historian on military affairs. His three-part critique of the U.S. role in Indochina was published February 18, 1973, in the Orlando, Fla., Sentinel Star's publication, Florida Magazine. I ask unanimous consent that Colonel Heinl's study be printed at this point in the Record.

There being no objection, the study was ordered to be printed in the Record, as follows:

THE LESSONS OF VIETNAM: HOW THE UNITED STATES MANAGED TO COME OUT AS WELL AS IT DID

(Comment by Col. Robert D. Heinl, Jr.)

(Note.—Col. Robert D. Heinl Jr., has been studying the Vietnam War from the outset. He wrote this three-part critique of the U.S. role in the conflict over a period of years from interviews, research and tours of the Far East. A graduate of Yale and a Marine Corps combat veteran of World War II and Korea, Colonel Heinl is a recognized expert in military affairs and a renowned military historian and lecturer.)

The Vietnam War probably represents the most grievous self-inflicted wound the United States has ever sustained but its international liquidation on essentially just and successful terms well justifies Georges Clemenceau's famous aphorism that war is a series of disasters that ends in victory.

Our zigzag track into, through and finally out of the Indochina morass will fuel a century's-worth of analyses, dissertations, dissections, theses, term-papers and controversies rich in might-have-beens, but certain main lessons and conclusions as to the war already stand out.

Joseph Alsop has referred to Vietnam as "the worst managed serious war in U.S. history" and there are few who would dispute that judgment-in-chief.

The conduct of the war was both botched and blotched with strategic error and misperception, with failures and deficiencies of command, with major mistakes of method and tactics, and with self-defeating factors and constraints which alone nearly lost the war outright. Besides being a graveyard of people, Vietnam was also a graveyard of reputations.

Despite all blunders, despite domestic dissension and defeatism, despite world efforts of Hanoi's powerful friends—despite everything, really, that could go wrong, and mostly did—a number of interlocking, ultimately powerful factors nevertheless combined to bring us through the major Vietnam crises of 1965, 1968, 1970 and 1972, and now around the corner.

Considering its abysmal track-record throughout much of the war, American strategy (particularly under the Nixon Administration) ultimately managed to recoup failures that ought to have guaranteed defeat and shambles.

The biggest strategic mistake of the war, among several, was one which Douglas MacArthur and many another professional soldier had warned against, time out of mind. Rule number one for the United States, echoed and re-echoed the strategists, was avoid a land war in Asia against Asia's limitless manpower. Yet that is exactly what we walked into.

Despite more than 935,000 battle deaths—close to four per cent of total population—North Vietnam still proved able to meet its manpower needs at all stages of the war while absorbing all the killing modern firepower could deliver.

Ho Chi Minh spoke correctly when he prophesied, "You will tire of killing us before we tire of being killed."

An equally fundamental U.S. misperception, at least until 1970, was to regard the war as a conflict to be waged exclusively in and for South Vietnam—in other words, a Vietnamese war. On the other hand, as early as 1946, speaking in the Hanoi Opera House, Ho Chi Minh openly enunciated what was to be the undeviating Communist strategy and objective, that the war was for all Indochina.

American refusal to recognize the evident facts of Hanoi's strategy—the enemy's invasions, occupation and blatant military exploitation of Laos and Cambodia—our Cambodian transborder operations, committed U.S. forces to a hobbled war in which, until frontier doors swung one way only, into South Vietnam, and never the other way into Communist sanctuaries.

Obscurity of aim, feeding logically into failure of strategy, enveloped U.S. operations from the start.

To know or formulate U.S. aims in Vietnam, even now, is hard enough; in 1965, when clear knowledge of the objective should have been the initial benchmark for strategy, the aim (aside from rescue of the South Vietnamese—ARVN—from total disaster) often seemed to be to find the enemy and fight him, with no political objective stated, let alone comprehended, for this most political of wars.

Because there were no clear aims, the soldiers rarely had a sufficiently precise idea of what they were trying to do, and they were kept in that ignorance by Lyndon Johnson's White House and Robert McNamara's Pentagon, both of which minutely oversupervised operations, monopolized decision and, sometimes, it seemed, positively begrudged the right of the military to have ideas about the war.

Coupled with and exacerbating the effects of the foregoing fundamental deficiencies in strategy was another which probably bears the blame, more than any single factor, for the intolerable prolongation of this longest of American wars.

The false strategic theory known in its stylish days of the 1960s as "graduated response" not only added years to the war but undoubtedly underlay its no-win mind-set, unique (and uniquely discouraging) to the American temperament.

"Graduated Response"—a Kennedy/Johnson strategic nostrum—was the notion that precisely measured armed force or military violence, incrementally administered to a theoretically rational enemy, one notch at a time, would bring him to a point where he recognized the price as too high. Between hard covers or in official position-papers, the idea looked good. In actuality, it proved disastrous.

The results of graduated response, to cite examples, were that we bombed the North but avoided the Hanoi-Haiphong targets that would hurt the enemy very much. We never executed Inchon-like amphibious thrusts against North Vietnam's vital communications centers (e.g., Vinh, practically the Grand Central Station for the Ho Chi Minh Trail) and other such points north of the DMZ.

Not until seven years after the joint chiefs of staff unanimously recommended it (and the foregoing tough military actions as well), did we finally mine Haiphong and blockade North Vietnam.

The exaggerated fear of vague consequences that made graduated response seem an essentially ineffective strategy, seem alluring was epitomized in 1966 when Averell Harriman scolded a senior U.S. general for suggesting that Haiphong should be mined. "What!" Harriman burst out, "and either trigger World War III or have a million Chinese in North Vietnam within six weeks!"

Vietnam—as the above rebuke would suggest—was the first minutely civilian-run war in American History. Civilians in the White House and the Pentagon, mischievously aided by instantaneous worldwide communications, took over every significant and not a few insignificant details of military operations from the unfortunate soldiers who understood only too well that, if anything went wrong, they alone would be held responsible, rather than the bright and self-assured young pipe-smoking civilian statisticians and social scientists of Washington.

If there was one grossly wrong way to run war, it was typified by the late President Johnson telephoning battalion-commanders in the field, making individual target selections for fighter-bombers and bragging to reporters, "They don't dare bomb an outhouse without my say-so."

Closely allied to intolerable civilian oversupervision of the professionals was false and insistent reliance—typified by Robert S. McNamara and those around him—on statistical indicators to arrive at misleading conclusions as to the progress of the war.

The notorious body-count (as if wars were won by human butchery rather than achievement of strategic objectives) exemplifies the self-deceiving passion for quantification which enveloped the civilian managers of the war and provoked one Army Chief of Staff (Gen. Harold K. Johnson) to protest what he called "this scoreboard war."

If high command in Washington (at least until Richard Nixon arrived) was muddled and mismanaged, what can one say about the ineffectual command-arrangements in Vietnam where, despite the Himalayan disparity of roles, contributions and national power, the United States never imposed a single combined command to direct and coordinate American and South Vietnamese forces and operations?

That Gen. Creighton Abrams had to rely on advice and persuasion and some backstage armtwisting to secure the most elementary cooperation of South Vietnamese forces—for their own good and for their own national survival—is an anomaly that will astonish military students for generations to come.

In human terms, the greatest mistake of the war will probably be considered the Johnson Administration's decision to fight a distant, overseas war (what in the old days would have been called "a colonial war") using a conscript army. This single error imposed constraints, handicaps and ultimately cancerous national divisions onto the country and our entire conduct of the war.

If one single lesson, among so many, might be ineradicably drawn from the Vietnam experience, it is that no war can long be pursued by a democracy unless it is acceptable to those called upon to fight it in the ranks.

Arising directly from this looming mistake was another defeating constraint which permanently limited the efficiency of all military operations—the 12-month overseas tour. Unlike World War II, where troops stayed overseas for the duration, the Vietnam War was perpetually being waged by beginners or by nervous short-timers. At any given moment—due singly to the 12-month tour—the average time on station of any given GI in Vietnam was four months.

In the oft-repeated observation of one of the war's true authentic heroes, the late John Paul Vann, who gave his life defending the Central Highlands against the final Communist invasion, though we fought for 10 years, we never had 10 years' accumulated experience, but only the regularly repeated mistakes of 10 separate one-year-tours.

Put in still other words, because of the rotation system, every U.S. unit in Vietnam had a 100 per cent built-in casualty rate per year.

This lack of institutional memory and continuity in policy, leadership, tactics—in short, every aspect of war-making and pacification—practically guaranteed the too often disjointed, formless, inconsistent and spasmodic way in which the United States sometimes seemed to pursue the war.

Together with civilian interference, strategic aimlessness and misperceptions, defective personnel, the military effort in Vietnam was bogged down by enormously overstaffed headquarters and bloated logistic installations which devoured resources, manpower and military momentum. At a time when we were fielding 500,000 American soldiers in Vietnam, no more than 90,000 of these at most were combat troops. The U.S. war effort, in other words, was all tail and no teeth.

The swollen, sprawling American headquarters, MACV (Military Assistant Command, Vietnam) outside Saigon, was called "Pentagon East," its airconditioned corridors swarming with staff officers wearing starched fatigues to create the illusion that they were discharging combatant functions.

The Leavenworth-trained general-staff officers who (subject to the whim and aberation of Washington civilians) tried to run the war from "Pentagon East" seemed to suffer from a running deficiency of professional imagination. Their Clausewitz-endoctrinated, often rigid and narrow view of war fathered the elephantine "search-and-destroy" big-war conventional tactics of the Westmoreland years, together with disdain for "the other war" of pacification and their neglect of the humble Vietnamese ARVN.

In such minds (but of course it would be unfair to say that all our planners or commanders thought that way, or the war would never have turned out as it has), Vietnam was perceived as a war against the enemy rather than what it truly was—a war for the people.

Major General J. F. C. Fuller, Britain's magistorial military historian, once mordantly observed that whereas most western nations fight to destroy their enemy, the Communists wage war to convert him.

Closely related to our built-in big-war conventional approach to this least conventional of wars was typical American overreliance on air power to achieve and solve everything.

To be sure, carefully thought-out, well executed final bomber offensive against Hanoi and Haiphong certainly deserves central credit for ending the war. In a literal sense, the final air onslaught was truly Clausewitzean—"a continuation of politics by other means" which achieved the clearly political objective of bringing about conclusive and serious negotiations to settle the war.

Not so much can be said for our often aimless, usually extravagant, almost invariably cost-ineffective single reliance on aviation as the favorite firepower-purveyor of the United States.

In a war that amounted to a zero-sum contest for one population, the military aircraft proved a singularly ineffective weapon. In the words of one observer, "bombing never won a convert."

For reasons that are difficult to justify intellectually or professionally, the vulnerable, costly manned aircraft (pricing out above $2 million apiece with a million-dollar pilot) was used time and again to attack targets that other cheaper and frequently more effective weapons could have handled.

One example was the comparatively marginal and secondary role assigned to naval bombardment in favor of air attacks. Despite the fact that many hundreds of important targets in North Vietnam lay within easy range of the monster 16-inch naval gun, we waited over three years to reluctantly recommission one battleship (total cost equal to that of six crashed F–4S), and then foolishly mothballed it prior to the massive Communist 1972 offensive when the need was greatest.

Yet it would be wrong-headed not to underscore, in defense of air power that control of the air (whether economically or correctly exploited at all times or not) was, with control of the sea, perhaps our greatest winning asset and one of only very few such.

Overabsorption with the necessary military contest against Hanoi's regular formations—the deadly-serious big war along the DMZ in 1966, 1967 and 1968, for example—led American soldiers to slight the other war, that of pacifying the countryside, winning the support of the rural population and overmastering the Viet Cong.

One salient aspect of this neglect of pacification from the outset (in sharp contrast to the skilled and experienced British counter-insurgency campaigns in Malaya and later in Borneo), was neglect to recognize the central role in a guerrilla war of an effective, highly-trained national police.

It was well-nigh systematic U.S. neglect of the police function in South Vietnam until after the rude shock of Tet 1968 which gave the Viet Cong a free run that nearly toppled Saigon.

Closely allied to American neglect of police training and development was a parallel failure to concentrate, first and foremost in this kind of political war, on intelligence. Here again, to be sure, we encounter the reflection of inbred weakness of the U.S. military system in which the G–2 intelligence specialty is too often a professional dead-end.

Besides initial failures to develop an effective national police function, backed by a massive counterinsurgency intelligence effort such as was belatedly mobilized by Robert Komer (another of the war's forgotten heroes, who first grasped and energetically attacked the fundamental problems of pacification), American advisers committed two long-term mistakes with regard to the regular South Vietnamese military forces.

The first serious mistake in American advice and military assistance to South Vietnam dates back to the earliest days of the Diem regime. This error was to organize and prepare the South Vietnamese ARVN for another Korean War and in the process turn out a mirror-image copy of the U.S. Army conceptually unsuitable to Vietnamese needs.

In the mid-1950s, it was all too easy to view the two Vietnams as another pair of Koreas and to visualize the coming struggle as another Korean-type Communist smash-and-grab involving overt invasion and a subsequent war of position. Nothing remotely like this happened and for this, as well as many other reasons, the performance of the ARVN was anything but brilliant against the fine-honed Viet Minh veterans with the new name of Viet Cong, who had just humiliated France's best army.

After U.S. ground forces intervened, the ARVN found itself shoved aside, not to be seriously rebuilt and trained until after Tet

1968, when General Abrams took this effort in hand.

The ultimate proof of Abram's (and of course the ARVN's) success came in 1972 when—with American air and naval support to be sure—ARVN soldiers and marines resolutely fought the flower of Hanoi's iron regulars. Despite Communist Gen. Vo Nguyen Giap's contemptuous head-on strategy that called for the capture of Hue by May 1, that obliterated An Loc but never took it, that never won Kontum or Pleiku, and never came near cutting South Vietnam in two—despite the massive Ardennes-like invasion of the South by 14 veteran Communist divisions, the ARVN stopped them in their tracks and saved the South.

One reason why the ARVN in 1972 found itself so dependent on American air power was the other major planning mistake for which U.S. advisers must be held blameworthy. This was the failure to foresee the need for a South Vietnamese Air Force sufficiently powerful and versatile to meet requirements which in hindsight seem so clear.

Building so technically oriented a service as an air force, where quality and individual performance count for so much, is a process which, beyond very definite limits, cannot be accelerated. Thus, because of inadequate decisions going in some cases five or more years back, South Vietnam even now finds itself with an air force perhaps two or three years behind the requirements of the other services and the present national situation.

The relative retardation of the Vietnamese Air Force—however well it performed within given limits during the 1972 crisis—accounts in the main for our continuing requirement to retain strong American aviation units in Thailand to prevent the MIG-equipped North Vietnamese from one day storming into the South, attaining air supremacy and starting a new war.

No past war in American history—possibly in all history—has been waged by a great power under such a burden of constraints, self-imposed handicaps and self-defeating limitations.

Some of these—for example, the enemy's savage resort to hostage warfare, using U.S. POWs—were unavoidable. Others—national defeatism, failure to proceed straightforwardly with declared war, the bankrupt strategy of graduated response—were our own doing.

No matter how the war finally ended, it was a defeat for the United States in terms of its psychological aspects. Because the Communists thoroughly understood and proficiently manipulated world and American domestic opinion, they scored point after point and at certain times (such as the student uproar in mid-1970) brought the country close to insurrection.

Besides exploiting American defeatism and propagating the notion (which only our ultimate stern actions in mining and bombing the north dispelled) that Hanoi had no breaking-point, Communist propaganda successfully perpetrated the worldwide dike-bombing hoax and a host of lesser atrocity counts with which (as in the case of the equally false Korean germ-warfare charges) the United States will remain smeared for a generation.

The most difficult single constraint on the war effort was the unremitting hostility of American news media, and particularly that of U.S. major television networks.

Underlying this bitter conflict lies the whole unsolved question of fighting undeclared wars in an open society operating under the First Amendment.

The United States came near to defeating itself by television, which, we should somberly realize based on Vietnam experience, comes close to being a quite unprecedented weapon for the mass destruction of national will.

Future historians will be struck if not amazed at the consistently high (and quite undeserved) credibility and sympathy accorded Communist Hanoi, as opposed to the vilification and disbelief meted out by American media towards their own government and soldiers.

Unquestionably, many of the grave difficulties encountered in a totally visible war arose from the lack of censorship which in turn derived from the absence of declared war. In this connection, older readers will remember, for example, that the World War II public never saw a picture of a dead American GI until after the Normandy landings in 1944.

Another consequence of undeclared war was the decision not to mobilize reserves and thus to rely on draftees to fight a war which most came to detest and resist. The poisonous effect upon the morale and discipline of the army of hostile, overeducated, resentful draftees surfaced most clearly in the succession of post-1969 unit mutinies in the face of the enemy and in the repeated murder (known as "fragging") of strict or unpopular officers or NCOs.

Perhaps the hardest lesson for the United States to learn in Vietnam was the realization of how difficult it may be for a great power to bring its full weight and strength to bear in a distant, politically tangled and obscure overseas war of limited objectives. It was this very perception which once prompted the Duke of Wellington to say, "For a great power, there can be no such thing as a little war."

After this long litany of misperceptions, national illusions, poor decisions and near disasters, the question may well be asked—how did the United States manage to come through as well as it has?

The positive factors, few indeed, yet sufficiently weighty to have tipped the scales, seem to be as follows:

Absolute control of the air and the sea. While the Communists enjoyed and exploited their transborder sanctuaries deep in the jungles of Laos and Cambodia, the United States had its own sanctuaries offshore on blue water; aircraft carriers that Viet Cong sappers could never harass, floating naval artillery (though never enough of it) with invulnerable battery-positions and unlimited on-position ammunition. Moreover, because 90 per cent of what Hanoi required to sustain war reached it by sea, our control of the sea and our power to deny it to Hanoi's suppliers, as we did by mining Haiphong and the other ports, may well be viewed as the ultimately decisive factor in the war.

American technical innovation and superiority. This characteristically American advantage comprehends firepower (laser bombs, automatic weapons, beehive ammunition, all types of "SMART" ordnance) massive use of helicopters—pioneered in Korea, one war earlier, by the U.S. Marine—sensors, weather modification, modern mines, pilotless aircraft (RPVs), electronic warfare in a hundred guises and shapes, superb communications, generally superior mobility and crushing logistic superiority.

Ultimate success of two twin but distinct U.S. programs—Vietnamization and pacification. Vietnamization meant the transfer of the war to a sufficiently trained, equipped, motivated and battleworthy ARVN which could then assume the burden of defending South Vietnam. This has been accomplished.

Pacification meant the process of defeating Viet Cong terrorism and shadow government throughout South Vietnam and winning the support and confidence, in particular, of the rural population.

The very process of this complex many-faceted and highly sophisticated program was what prompted, in fact inexorably compelled, Hanoi to throw in its last reserve, its regular army into overt invasion of the South. Only when the Communists recognized that time was running against them in the pacification struggle did they determine to stake everything on a final throw of the iron dice.

Hanoi's reckless penchant for big war. From the moment Vo Nguyen Giap crushed the French—the first defeat in history of a modern army by Asian guerrillas—North Vietnam allowed itself to be seduced into illusions of military omnipotence. These illusions led to the Communists' most fundamentally bad decision—that to challenge the United States frontally in 1964–65.

Following this gravest mistake, came two other almost equally serious Communist errors: headlong commitment of the hoarded flower of the Viet Cong to the Tet Offensive in 1968 (coupled with the disastrous failure to replay Dien Bien Phu when encircled U.S. Marines at Khe Sanh refused to emulate French mistakes); and, in 1972, the final, reckless and irretrievable North Vietnamese invasion of the South in a campaign which, 300 days later in the end, came close to costing Hanoi its effective regular army.

In summary, and no doubt in oversimplification, it might be said that the winning equation for the United States could be formulated in these terms:

"Vietnamization plus pacification plus destruction of the Viet Cong (Tet 1968) plus frontal defeat of the North Vietnamese Regular Army (1972) plus blockade plus final bomber offensive (December 1972) equals attainment of U.S. objectives."

What the foregoing equation omits—because limited to military factors—is the overwhelming success of Nixon–Kissinger diplomacy in forging a consensus among the great powers that Vietnam could no longer be allowed to continue as a poisoned apple of discord in world affairs.

Without that essential precondition, the American agony in Indochina would still be dragging on.

IT IS EASY TO START A WAR, NOT SO EASY TO STOP ONE

A few conclusions as to the war—miscellaneous and fragmentary because we are still so near the event—warrant statement even at this point-blank range.

Vietnam cannot be regarded as a typical guerrilla war on a theoretical model for future wars of national liberation. It was America's peculiar misfortune to involve itself gratuitously in a uniquely difficult situation which it would be nearly impossible to duplicate in other times or places.

For those who launch wars of national liberation, the wreckage of Vietnam should underscore a rueful but typically blunt remark by Nikita Khrushchev after Korea: "It was easy enough to start the Korean War. It was not so easy to stop it."

Despite massive Communist propaganda to the contrary, Vietnam was not a true civil war. At most—while the authentic indigenous Viet Cong of the South still played a role, before their virtual liquidation at Tet 1968—it represented an externally fomented revolt within the South. Vietnam, in fact, was no more a civil war than was Korea, and openly ended the way Korea began, with overt invasion by Hanoi's regular army across the DMZ in March 1972.

WHO WON THE WAR? NOBODY. WHO LOST? EVERYBODY

Profound differences divide the two Vietnams and it is a historical fact, too often disregarded, that, during the past 800 years, less than a hundred altogether have ever seen all of today's Vietnam unified under one government.

Vietnam may well prove to be last large rural insurgency based in the countryside rather than the cities. Until the mid-1960s, guerrilla war was regarded, classically speaking, as a rural phenomenon. Since that time, urban terrorism has taken deep root in the cities (as in Northern Ireland) and looks like the wave of the future in revolutionary war.

In its closing days, Vietnam seems to have answered (or at least indicated an answer to) the long-argued question as to how well American big bombers might do in delivering nuclear weapons against a sophisticated air defense.

The survival with low attrition of U.S. B52s against the world's most advanced Russian-model air-defense system (that of Hanoi and Haiphong), including not merely SA-2 missiles, as widely reported, but also the new and feared, low altitude SA-3, certainly seems to indicate that more modern B52s, let alone the oncoming B-1 Super Bomber complete with such electronic decoys as the SCAD (available in 1974), are by no means obsolete as nuclear-delivery vehicles.

Finally, the turning-points of the war can now be clearly identified as:

1965 (U.S. commitment of ground forces to save South Vietnam), 1968 (destruction of the Vietcong at Tet); 1970 (the closing of Sihanoukville in Cambodia and neutralization of Cambodian sanctuaries; and finally, 1972 (destruction of Hanoi's offensive capability to wage big war).

Who won the war?

Nobody.

Who lost?

Everbody.

Perhaps Benjamin Franklin had it right when he wrote: "I never knew a good war or a bad peace."

Or, in the end, looking to the future, might we not turn to William Tecumseh Sherman? "The only legitimate object of war," he somberly said, "is a more perfect peace."

AMERICAN TREATIES AND THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, some people who oppose the Genocide Convention treat it as if it were unique in the history of American treaties, as if it were a radical departure from any international agreement that the United States has ever been a party to.

To fully appreciate the Genocide Convention it is necessary to examine it in the context of the other treaties that the United States has ratified. When this is done we find that there are treaties such as the Interim Convention on Conservation of North Pacific Fur Seals and the Supplementary Slavery Convention which establish and define crimes, just as does the Genocide Convention. We find that there are treaties which provide for extradition for a variety of crimes such as murder and robbery. Genocide would become one among many crimes for which extradition would be possible, under conditions determined by the Executive and the Senate in ratifying an extradition treaty for genocide.

The Genocide Convention does not stand alone. It stands within a substantial body of American laws and treaties, and it stands under the Constitution. When looked at in the total context of American jurisprudence, we can see that the Genocide Convention is not unique, but that there is precedent for it.

Mr. President, I urge the Senate to ratify the Genocide Convention as soon as possible.

BIOMEDICAL RESEARCH

Mr. JAVITS. Mr. President, a recent thoughtful editorial in the Syracuse Herald-Journal focused public awareness on the complex critical issues which confront the Congress in responding to the serious problem of human subjects at risk in biomedical research.

The Herald-Journal editorial entitled "Rights of the Helpless" gives careful and serious consideration to the subject and supports two measures I authored—S. 878 and S. 974—to confront the problem. The editorial states:

> Senator Jacob K. Javits, New York Republican, has proposed legislation to apply guidelines for all HEW research grants. We agree.
>
> He would set up special funds for medical school courses on clinical research ethics. We also agree.

I commend this editorial on the need for congressional action on the rights of human subjects at risk in medical research and ask unanimous consent that the full text of the editorial entitled "Rights of the Helpless" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Rights of the Helpless

It is time that human and animal "guinea pigs" have rights!

Recall the revelation last July that the Public Health Service had failed to treat 430 men injected with syphilis in one of its experiments?

Remember the horror tales that creep out of laboratories conducting research on helpless animals?

Now we read of experiments in birth control being conducted on women from the backwood areas of Tennessee with threats that if they do not cooperate welfare checks will be withheld!

Almost every new procedure or drug must be tested on animals and then on a selected group of humans before it can be safely prescribed for the general patient population.

And the new advances in the fields of genetics, brain surgery, behavior control and drug therapy among others heighten the stakes in ethical decisions affecting life and behavior.

Standards must be set immediately and a "bill of rights" must be approved for these helpless humans and animals.

We understand the Department of Health, Education and Welfare is considering overhaul of its guidelines on human experimentation, and a Senate subcommittee has opened hearings, expressing concern because so many prisoners, children or mentally ill have been used for this research.

Sen. Jacob K. Javits, New York Republican, has proposed legislation to apply guidelines for all HEW research grants. We agree.

He would set up special funds for medical school courses on clinical research ethics. We also agree.

But some members of Congress are expressing reluctance to overhaul standards for clincial research or to enact a "bill of rights" because they worry about conflict with the traditional belief that doctors should regulate their own profession.

Fine but what about the syphilis experiments? The horror tales of animal research? The birth control threats in Tennessee? Where were the doctors?

We need rights for those who are helpless soon!

ITT IN CHILE

Mr. McGEE. Mr. President, it is apparent, from the recent hearings conducted by the Multinational Corporations Subcommittee of the Senate Foreign Relations Committee, that ITT has rendered this Nation a great disservice in its attempts to prevent Chilean President Allende from coming to power.

However, one of the problems we encounter in focusing so much attention on ITT and other multinational corporations is that it gets us off the track of what our policy should be as it relates to areas of the world such as Latin America.

In Sunday's edition of the Washington Post, there appeared an editorial pointing out that ITT's attempted intervention in Chile is not a typical case.

The Post editorial noted:

> It should not be taken for granted . . . that the ITT affair in Chile showed your typical American corporation consumed by greed and contempt for the natives. Latins should be the first to insist that they have the pride and the savvy to cope with foreign firms. The legitimate contribution the multinationals can make to development, and the political ripples which even the most honorable and effective operations will cast, must be read into the equation too.

While we in the Congress cannot tolerate or allow another ITT incident, we cannot let this blind us. Instead, we should be devoting our efforts to defining what our overall policy should be as it relates to developing areas of the world such as Latin America. We do need a reassessment of our relations with Latin America, recognizing that significant, new development in the world have outdated many aspects of our policy. That should be the focus of our attention.

I ask unanimous consent that the Washington Post editorial of April 15, 1973, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

ITT in Chile: Not a Typical Case

A tendency to regard almost all American-*controlled* corporations operating in Latin America and elsewhere as predatory and "imperialistic" and as servants (or masters) of American policy has long flourished in many liberal quarters here and in many Latin and third-world countries as well. This tendency can hardly fail to have been strengthened by disclosure of ITT's unsuccessful effort to trigger CIA intervention in Chile three years ago. As regular readers know, we hold no brief for ITT's Chilean maneuvers; denial of its insurance claim by the U.S. government agency that insures American business against expropriation losses seemed to us only right. We would consider it harmful and wrong, however to have this one episode involving one corporation be taken as typical of all American corporate-official performance abroad.

We would note, first of all, that American firms no longer storm ashore under the cover of naval gunfire to set up economic beachheads from which to control local governments. They are invited ashore, or allowed to stay ashore, because they have something to offer—a capacity to mobilize foreign *and* local capital, to introduce new technology, to produce substitutes for imports or good for export, etc. If the terms on which such corporations work are found to be too onerous, then the local government can change them. It was precisely by changing the terms—too late and too fast, granted—that Chile brought about the situation of which ITT's misfortunes are a part. It is to avoid such precipitate changes that most corporations go to considerable lengths these days to be good citizens—obeying local laws, training local workers, sharing control—and to keep a close eye (as ITT failed to do) on stirrings of political change.

This is not to say that all corporations are equally and fully attentive to the economic, political and psychic needs of host countries, nor that the terms of their tenure should not continually be under mutual review. It is to say that very few corporations get into ITT's kind of fix in Chile. Host countries may honestly lament the limited alternatives the world economy permits them; the contrast with the broader alternatives of the multinationals can be painful. Local politics or international pressures often ensure that such laments are loud. But the hosts know the corporations provide useful service, as indeed they do.

The charge that Washington and the American-controlled multinationals work hand-in-glove is, at most, only partly true. When the United States squeezes off international development loans to win better treatment for an American firm, as the Nixon administration has in Chile, then the charge is warranted. But other aspects of the ITT affair dilute it. A power structure controlled by big business would not have set up a Senate subcommittee to investigate alleged foul play by ITT. The investigation, moreover, received unprecedented assistance—in making CIA witnesses available, for example—from a Republican administration, no less, and it was followed by official rejection of the company's expropriation insurance claim. The exposure and financial penalty surely will be noted by other corporations operating overseas.

No doubt the widespread myth of American corporate rapacity has enough grounding in past history and in current political and ideological appeal to survive even the most stringent contest with reality. And it is not, of course, that the multinationals are all faultless in their policies today. Certainly, or so their stockholders must hope, they are not engaged in public philanthropy. It should not be taken for granted, however, that the ITT affair in Chile showed your typical American corporation consumed by greed and contempt for the natives. Latins should be the first to insist that they have the pride and savvy to cope with foreign firms. The legitimate contribution the multinationals can make to development, and the political ripples which even their most honorable and effective operations will cast, must be read into the equation too.

SERVICES OF RMP'S SHOULD CONTINUE

Mr. JAVITS. Mr. President, a recent editorial in the Union-Sun & Journal addressed itself to the substantive issues involved in the regional medical program, one of the many health authorities encompassed in the recent Senate-passed omnibus extension of expiring health programs, S. 1136.

The editorial praises the accomplishments of the lakes area regional medical program which embraces Niagara, Erie, Allegany, Cattaraugus, Chautauqua, Genesee, and Wyoming Counties in New York, as well as Erie and McKean Counties in western Pennsylvania. The lakes area regional medical program is one of six regional medical programs in New York State, the others being the Albany RMP, the central New York RMP, the Nassau-Suffolk RMP, the New York metropolitan RMP, and the Rochester RMP.

The achievements of the lakes area RMP discussed in the editorial evidence why, as I have previously indicated when the Senate considered S. 1136, the Nation must continue the services of the regional medical programs. Whatever may be the shortcomings of the RMP's—as alleged by the administration—the Nation cannot afford its preemptory termination. And, Congress must determine how the programs' mission should be reoriented to make RMP's even more effective in providing and developing high quality health care for all Americans.

I commend the editorial entitled "A Threat to Medical Care" to the attention of Senators and ask unanimous consent that it be printed in the Record.

There being no objection, the following editorial was ordered to be printed in the Record, as follows:

A Threat to Medical Care

Despite a campaign pledge to improve the nation's health care services, President Nixon has urged Congress not to renew the law which authorizes the program which has done the most to accomplish that aim.

The President's budget for the coming fiscal year failed to request any funds for the regional medical programs which, through federal funding, have been able to improve medical care and thus help solve many of the nation's principal health problems.

Unless corrective steps are taken by Congress, all 56 regional medical programs of the nation will close their activities by June 30.

Fortunately, this may not happen. A bipartisan group of 15 U.S. senators, including Jacob Javits, R-N.Y., has introduced legislation that would continue such programs at least until June 30, 1974.

Another sponsor of the legislation, Sen. Edward M. Kennedy, D-Mass., acknowledged that "some of the concern the President has with respect to the way in which some of these programs are working is valid." He said, however, that some of the programs can be consolidated, others changed to make them work better.

Meanwhile, if the proposed bill is enacted, he pointed out, Congress can use the next year for a careful examination of each of the programs.

This could have a pronounced effect upon Western New Yorkers because the Lakes Area Regional Medical Program (LARMP) embraces Niagara, Erie, Allegany, Cattaraugus, Chautauqua, Genesee and Wyoming counties as well as Erie and McKean counties in Western Pennsylvania.

It so happens that LARMP hast been one of the nation's outstanding regional medical programs. Among its many accomplishments have been:

Funds to establish a radio communications network linking all police and fire departments, hospitals and transit authorities to improve and coordinate emergency medical services in Erie County and eventually the region. In addition, an associated Medical Emergency Technicians Training Program (MET) has been established to train 5,000 ambulance and rescue squad attendants over a three-year period.

Trained 325 nurses in coronary and pulmonary care throughout the region.

Programs to improve existing skills of health personnel have benefited 1,704 physicians, 10,157 nurses and 3,752 other health personnel during 1970–73.

Developed new skills in existing health personnel which have been of benefit to 905 nurses who, in turn, have been indirectly responsible for training additional groups serving an estimated 1,070,551 persons in the region.

Placed 102 health science students in the rural communities of the region under a Rural Externship Program which hopefully will encourage these students to settle in a rural area where health manpower is scarce.

A telephone lecture network connecting hospitals in the region which has been used to meet the educational and training needs of over 60,000 health professionals during its four years of operation.

All these, and many other such services, have been provided by LARMP which would not otherwise have been available. It would be tragic, indeed, if this program were to be abandoned while so much more needs to be done to improve medical care services so that every person, regardless of means, is able to benefit.

ELABORATE RETIREMENT CEREMONIES FOR AIR FORCE BRASS

Mr. PROXMIRE. Mr. President, according to an official 51-page booklet of orders, 2 days of ceremonies for a retiring major general at Malmstrom Air Force Base, Mont., the end of February included a parade and a flyby of 12 F–106's and 16 F–101's, B–57's, F–104's, and T–33's flown by Air Force and Canadian pilots.

The cost of this retirement party must have been in the tens of thousands of dolars. The book of orders alone was distributed in some 82 copies.

There are 375 major generals in the Army, Air Force, and Marines. If all the other general and flag officers of our military are treated equally, the amount spent annually for retirement ceremonies must be staggering.

I have asked the Secretary of Defense to estimate the cost to the taxpayers of all this pomp and circumstance, including the manpower and material expense. I have also asked for a justification for these elaborate ceremonies.

The orders booklet, "24th NORAD Region Operations Order 3249," was issued on January 31, 1973, for the ceremonies on February 27 and 28. The meticulously detailed orders described the "mission" this way:

> To provide personnel, aircraft, aircrew, logistical and administrative support, necessary planning, guidance and instructions to conduct appropriate retirement ceremonies of the highest standard for Major General William S. Harrell. To insure the ceremonies are safely and successfully accomplished.

The orders called for a cocktail party and a banquet on February 27, followed the next day with a retirement and change of command ceremony, a parade, an aerial review, and a reception. Both the flyby and parade were to be rehearsed, according to the orders.

Cooperating in this effort were the North American Air Defense Command, the Aerospace Defense Command, Canadian Forces, the Federal Aviation Agency, the 341 Strategic Missile Wing, and the 341 Combat Support Group. Arrangements were made for providing awards and honors, and making sure that the visiting dignitaries were well taken care of.

FREE GIFTS FOR RETIREMENT

I have also asked for an explanation of an installation in the Washington, D.C., area where retirement gifts for military and civilian personnel are made.

The U.S. Army Recruiting Support Center at Cameron Station, Alexandria, Va., spends 50 percent of its time making gifts. Regulations call for such work to be done voluntarily and at a nominal cost.

Instead, work orders are issued to 100

military men to make exhibits, bookends, metal photos, slide shows, display cases for medals, guns, and maps, pistol boxes, displays of ammunition, framed invitations, murals, Pentagon-shaped cigar boxes—all to be given at taxpayers' expense to retiring generals, admirals, and high ranking Pentagon civilians.

What is this if it is not fat in the military budget?

When a taxpaying worker retires from a company after 40 years, he is lucky if he gets the traditional $50 watch. Under the Air Force system, he and his company will be paying tens of thousands of dollars in taxes to finance this long goodby to the big brass. It seems that modern Air Force generals, unlike old soldiers, do not just "fade away."

TWENTY-FIFTH ANNIVERSARY OF ARTHUR R. WATSON AS DIRECTOR OF THE BALTIMORE ZOO

Mr. BEALL. Mr. President, in a day and age where many Americans are rediscovering the wonders of nature, much credit for this growing awareness must go to the zoos scattered throughout our country.

In my State, the Baltimore City Zoo has long been classed as one of the Nation's best. With a zoo population of over 1,000, representing 386 species, it has become a mecca of enjoyment for people, young and old, in the mid-Atlantic region.

The driving force behind the success of the Baltimore Zoo is Arthur R. Watson, director of the facility. Recently, Mr. Watson celebrated 25 years of service to the Baltimore community. To mark this significant occasion, the Baltimore News-American published a fine article, by Rich Hollander, dealing with Mr. Watson's career at the zoo. I wish to add my congratulations to the many I know Mr. Watson has received on this milestone, and ask unanimous consent that the article, "Watson Loves Animals, Particularly Zoo's 1,000," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore News American, Mar. 11, 1973]

WATSON LOVES ANIMALS, PARTICULARLY ZOO'S 1,000

(By Rich Hollander)

Arthur R. Watson doesn't have a panda. In fact, he doesn't even have a rhino. Rather than crying in the sea lion pool over a relative dearth of animals, Baltimore's Zoo director has built the zoo up to a point where "It's among the top 25 in the nation."

When Watson was appointed zoo director 25 years ago this month, the Baltimore Zoo had a paltry collection of 169 animals. Today Watson boasts of a zoo population of over 1,000 representing 386 species. The size of the zoo staff has also jumped from eight in 1948 to 85.

Watson, 57, began his career in Cleveland as an accountant for Republic Steel, where the words "wild cat" refer to strikes not animals. Watson finally chucked his calculator for a job at the Cleveland Zoo, because "sitting at a desk doesn't fit my nature."

Today Watson roams his animal kingdom in a zebra-stripped electric golf cart. He stops in front of a Bengal tiger—a gift to the zoo from (who else?) Exxon Oil—to explain the facts of tiger life to some nursery schoolchildren. He ventures into the monkey house to cuddle with Melody, a four-year-old chimp. The cart cruises over to the elephant residence for a quick check on the two young Republicans.

No matter how it's phrased, it's an under statement to say Watson loves animals. At one time he had three chimps as pets in his home.

"I guess I'd have to consider myself an administrator," Watson says in reference to an annual $900,000 zoo budget which is his responsibility. Most diplomatically Watson refuses to select a favorite exhibit. "My bird keeper knows nothing of snakes. The reptile man wouldn't go near the elephant house. The fellow in the elephant house wouldn't be caught in the monkey house." So Watson keeps his neutrality.

"What we try to do is bring together groups of animals," Watson explains while lighting an ever-present pipe. "We'd rather not have single animals around, because we don't want to be party to an extinction."

The process of obtaining animals is a prime function of a zoo director. In Watson's case it is particularly difficult because his budget includes no money for purchasing animals. There are two ways to acquire animals without money—breeding and trading. The system works just like two kids trading baseball cards. "Now I'll give you one koala bear for a kiwi, a mountain goat and a flamingo.

Twice during his tenure as zoo director Watson has gone on trips to Africa to buy animals—that's when money was specifically appropriated to purchase new additions. The first time he came back with gorillas and the second trip he returned with giraffes. The going rate for a giraffe these days is over $5,000—and they don't give green stamps.

Watson believes that it's going to get more difficult for American zoos to obtain foreign animals.

"As species become in danger of extinction—as the pygmy hippo is in Liberia—the nations are going to ask for their animals back." Watson predicts. Although this has not yet occurred, he feels certain it will as poachers and urban growth lead animals into oblivion. Furthermore, Watson says he would give his animals to their native lands in order to save the species from extinction.

With the advent of Earth Day, recycled paper, Zero Population Growth, and the entire ecology consciousness, zoos and their animal inhabitants have become a virtual symbol of The Movement.

"I can't say that I'm an environmental militant," Watson qualifies, "but I don't believe in killing animals unless it's for food."

Ecologically, Watson is committed to maintaining the delicate balance in nature "between prey and predator." Sometimes human technology takes the place of a natural predator. Watson cited the death of an animal in the Staten Island Zoo recently which was attributed to lead poisoning.

"We do autopsies on our animals and find many black spots on their lungs," he reports. "Imagine what human lungs look like," he adds conjuring up an unpleasant reality.

With his well-groomed mustache, glasses hanging as a necklace and his slow gait, Watson could easily pass as a professor. It's an appropriate image, because the future of the American zoo, Watson is convinced, will be as an educational facility.

"The concept of a zoo as a monagerine where people come and look at animals in cages was okay 100 years ago," Watson says pointing to children gazing into a row of cages.

Teaching rather than amusement will be the goal of the zoo of the future. In fact, if the magic genie of zoo directors grants Watson three wishes, two of them would go toward promoting educational facilities at the Baltimore Zoo. Now, of course, the zoo budget comes from City Hall by way of the Parks Department.

"I'd like to build an educational center which would be the very heart of the zoo," Watson says wishfully. In his educational center Watson envisions lecture halls and classrooms where school children, hobbyists and interested adults could learn about the animal kingdom. Watson talks of a day when children, after viewing the beasts in cages, could go to the educational center and witness a demonstration, lecture or slide show.

Actually, Watson has already begun to implement his concept of learning at the zoo. For the second consecutive year zoo personnel are visiting city schools armed with animals and a slide show.

The Optimist Club of Baltimore is sponsoring the school visits. Only city schools are eligible to participate because, Watson says, "the county doesn't contribute one penny to the zoo."

Watson's second "wish" or long range goal is for land where the animals could be viewed in their natural habitat. Although the Baltimore Zoo with its 142 acres is considered large. Watson would like additional space where he could breed animals and "add to the sum total of knowledge about genetics."

Finally, Watson would like to build an animal hospital. What else would one expect from an animal lover? This season the only new structure will house the Kodiak bear.

But the most important structures built during the last 25 years don't house animals at all—they're ticket booths which opened for business on Sept. 1, 1970, when the fence was completed around the zoo.

Since only adults and unaccompanied children are charged, only half of the 404,000 zoo visitors paid the 50c a head admissions charge in fiscal 1972. Nevertheless, the fencing of the zoo was a major success, because the vandalism rate fell "to zero."

"I had been arguing for a fence since I got here," Watson says. "This is a low crime area. The only crime you'll really see here is stealing from cars." From the crime statistics it appears that the city's muggers, vandals and like aren't interested in paying admission for a chance to get their names on a police blotter.

Watson drives the golf cart by the well-named Sloth bears who seem as excited as a disc jockey on a classical music station. "Hey, there's the Ichthyophagu Ichthyaetus—better known as the fish eagle from the Philippines, as opposed to the ones from Philadelphia."

While paralysis has set in on the nation's plans for its bi-centennial celebration, Watson is already brewing plans for the zoo's one director promises to "Make this town as zoo conscious as never before."

If Watson could grab onto a couple of pandas it might do the trick. Now if Mayor Schaefer goes to Peking, perhaps he could.

NEWSDAY ON DRUG TRAFFICKING

Mr. JAVITS. Mr. President, the President's excellent proposal to create a unified command for drug enforcement is now being considered by the Executive Reorganization Subcommittee. In connection with that inquiry, the subcommittee has had the opportunity to examine carefully the outstanding investigative work of a great New York newspaper—the Long Island daily Newsday—on the subject of international narcotics trafficking.

The production and distribution of opiate narcotics at the international level are complex and too little understood. The trail from the opium fields of the Middle and Far East to the United States heroin market is indeed an extraordinarily difficult and dangerous one. It is this trail that Newsday undertook to follow.

A 100,000 word series of articles climaxed a 9-month investigation by 13 reporters that ranged over 13 countries on 3 continents, tracing the movement of heroin in detail from the poppy fields to the streets of Long Island, N.Y. The investigation was conducted by Newsday's Pulitzer Prize-winning investigative team headed by Senior Editor Robert W. Greene. Washington correspondent Anthony Marro headed up a domestic team of Newsday reporters investigating the heroin business in the United States.

Both Mr. Greene and Mr. Marro appeared before our subcommittee last Thursday. Mr. Greene's prepared statement sets forth the conclusions of their extensive investigation. It is an important and incisive statement, and I ask unanimous consent that it be included in the RECORD. I commend these reporters, their editors and publisher for a superb contribution in the public interest to our understanding of this devastating problem.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ROBERT W. GREENE, SENIOR EDITOR OF NEWSDAY

I am pleased to appear here this morning to assist in your inquiry into the American heroin problem.

I have recently returned from a six-month-long investigation in Europe and Asia. During the course of this investigation, I was assisted by four other members of our staff, Knute Royce, Les Payne, Pucci Meyer and Christopher Cook. The purpose of this investigation was to determine the current status of our war against heroin and the ways in which it is being thwarted. We also made an exhaustive study of the heroin problem from the European end with particular emphasis on Turkey, Bulgaria, Germany and France. Present with me here today is Mr. Anthony Marro from our Washington staff, who under my direction headed the American study. Assisting him were Joseph Demma, James Sullivan and David Behrens, all from Newsday's staff. While we were doing our research in Europe, Mr. Marro's group was studying the problem in the United States and the effectiveness of our law enforcement here.

Our mission was essentially to find facts, not to pose solutions. And, while many of the witnesses who will appear before this committee will have a greater depth of knowledge as far as particular areas of this problem are concerned, we at least have a consecutive knowledge beginning in the plateaus of Anatolia and ending in the arms of America's addicts.

From our research we have extracted certain conclusions which we believe to be accurate.

They are:

1. That the problem of heroin addiction in the United States and particularly in the metropolitan New York area is enormous.

2. That law enforcement *alone* is not an adequate solution.

3. That our current efforts to eliminate America's heroin problem by eliminating the Turkish poppy crop are simplistic and doomed to failure.

4. That as late as last summer the Bulgarian government, in selected instances was still helping to facilitate the transportation of illegal morphine base across its border and on the way to the United States.

5. That joint United States-German law enforcement capabilities are inadequate to deal with the huge quantities of morphine base now transiting Germany.

6. That pronouncements and promises to the contrary, the French government still has not given high priority to the elimination of France as the nerve center of the world's heroin trade.

7. That because of the relaxation of customs restrictions in Europe, due to the emergence of the Common Market, the Customs forces of most European nations are unable to cope with the flow of morphine base and heroin over their borders.

8. That because of its relatively small staff as opposed to the extensive geographical frontier of the United States, the United States Customs Bureau, despite valiant efforts, is unable to make any appreciable dent in the steady flow of heroin into the United States.

9. That despite publicity to the contrary, many members of the organized crime group best known as the Cosa Nostra have continued to provide a vital link between French suppliers and American addicts. And there are implications that the Cosa Nostra is now preparing to enter the heroin supply business on a totally organized basis.

10. That despite dedicated efforts on the part of the U.S. Bureau of Customs, the U.S. Bureau of Narcotics and Dangerous Drugs and other law enforcement agencies, competitive friction occasionally arises between these agencies in the area of narcotics enforcement, to the detriment of the total war against narcotics.

There is a serious question in our minds as to whether all our efforts thus far have merely amounted to the placement of a Bandaid as the cure for a severed artery.

With reference to this last point I would like to note the following: Opium has been raised in Turkey for the past 2,000 years. There is no serious opium problem in Turkey and no heroin problem. And, although morphine base is stored in Germany and heroin is manufactured in France these countries have relatively minor drug addiction problems.

But in America, the problem is critical. More New Yorkers have died from drug-connected deaths than have died in the entire Vietnamese war. Yet little or no money has been poured into the most essential area of research: Why are drugs so attractive to *our* children? Why don't drugs have the same attraction for the youths of Turkey, France, England, Germany, etc.

If we find the answer to this question, we can proceed to cure our drug abuse crisis. But until then, as one of Turkey's leading exporters of heroin told us: "Heroin is the most profitable business in the world." Given this huge profit margin, no matter how vigorous our law enforcement agencies, there will always be people willing to supply the demand. We must find the reasons for the demand. As an aged opium farmer in the tiny Turkish village of Degermenderes asked us last summer: "We grow opium, but we do not use it. Our children do not use it. What is the matter with your children?"

DEDICATION OF NEW HEALTH FACILITIES AT UNIVERSITY OF WASHINGTON

Mr. MAGNUSON. Mr. President, on April 6, I had the pleasure of participating in the dedication ceremonies of the new health sciences facilities at the University of Washington in Seattle.

I do not wish to take any time today to comment about how important those facilities—Schools of Medicine, Dentistry, Nursing, Pharmacy, Public Health, Allied Health, a Regional Medical Library, research laboratories, hospital and clinical facilities—are to the citizen of Washington State, along with Alaska, Idaho, and Montana. It is truly a national resource, in which the State and Federal governments have almost equally invested a tremendous sum.

I do wish to call attention to the remarks that were made that day by John R. Hogness, president of the Institute of Medicine of the National Academy of Sciences.

Dr. Hogness is one of the outstanding young leaders and moulders of opinion in health affairs today in our Nation. He is not just a medical doctor approaching the health problems that face our Nation today with limited understanding or a narrow perspective. I am convinced that we are fortunate that he occupies that important position with the National Academy.

His remarks in Seattle were perhaps too brief, and he only touched a few points that were primarily directed at those in charge of training programs for health personnel. He challenged them to meet the needs of tomorrows, not yesterdays.

There is much wisdom in what Dr. Hogness said for those of us here in the Congress who must also make decisions about new directions in the delivery of health care, the personnel who will deliver that care, and the need for Federal programs in this field that are responsive and reliable in helping to meet these needs.

I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS AT DEDICATION OF NEW HEALTH SCIENCE FACILITIES

(By John R. Hogness, M.D.)

All that we are here to dedicate today began ten years ago. At that time, a brochure was prepared which described the plans for an extensive addition to the Health Sciences Building. It is certainly fortunate that we started when we did and got it under the wire in application for federal funds for construction. Had we been even a year later, the funds would probably not have been available; indeed they are still not available. Needless to say, we have to thank the distinguished senior Senator from this state for his foresight and support of the legislation which made the federal participation in this project possible.

At the time the initial plans were developed, it was anticipated that the facilities would make possible increases of from 67 to 75 percent in the student bodies of the various schools concerned, and it was projected that this increase would be achieved by 1975. Despite some delays in the construction, however, by the fall of 1972 this goal had been exceeded in most instances; a splendid effort which calls for congratulations.

Through the cooperative efforts of the faculties, and the student bodies of the various health sciences schools, this Center has clearly become one of the distinguished academic health sciences centers in the country. All of its component schools have made major strides in the areas of teaching, research and service to the community. All can point to outstanding accomplishments in past and recent years.

But our reason for being here is only partly to celebrate past achievements. More important today are future directions and how the health professions respond to the challenges that are before us.

Philosophers have described the 20th century as that period of history when man, having conquered many of the obstacles nature put in his path, finally was forced to confront the obstacles he had created for himself.

This description could apply to almost any area of human activity in this country. But it seems particularly appropriate to health and medical care.

For our scientific achievements and our technological successes are world renowed. We have found causes and cures for many diseases, won our share of Nobel prizes in medicine, developed a host of machines and techniques that can keep people alive during ing critical periods of illness and restore them to good health so they may live longer and more fruitful lives. And while all this was happening, largely within the last twenty-five years, it is estimated that medical knowledge was increasing by some 400 percent, doubling every ten or twelve years.

All told, it is a record of which we can be justly proud, both as a nation and as health professionals. It is also a record that could not have been achieved without the talent, the imagination, and the energy of those in educational and research institutions such as this one.

But what of the other side of the philosophers' coin, the so-called "soft" side of medicine? How does our record stand up here? Have we done all we might have with regard to providing our citizens with equal access to health care, even the bare minimum of care that none of us would dare to be without, let alone the sophisticated treatment we have developed? What can be said of our efforts to create better forms of organization and delivery of health care, forms that speak more to the 70's and 80's than they do to the 50's and 40's?

Here the record is not as impressive. And though we have tried to comfort ourselves by claiming that the disparity between the scientific and the social was inevitable, and that social institutions, by their very nature, lag behind scientific discovery, we now realize this wasn't really the case.

We are confronted everywhere with calls for change. We are pressed for answers to new problems before we have time to understand and adjust to old ones. And in the midst of all this we wonder: what is the process of change? What are the institutions and agents that offer us the greatest leverage points? What is it that we specifically want to change?

For myself, I am thoroughly convinced that our best hope of changing our health care system, of making it more responsive to present needs and future expectations, rests rights here. It depends upon what happens in institutions such as this one. How we educate our health professionals, both their formal education and the informal messages and attitudes they take from their years of training, will determine, more than any other single factor, the kind of health care the people of this nation shall receive.

Changes in the education of health professionals must be geared to the changes that need to be made in our health care system.

There are two fundamental ways in which our health education system might change—and, in fact, has been changing here at the University of Washington. The first is the relationship between the system itself and the public. The second is the relationship among the various professionals and individual schools themselves. That too concerns the public.

In both instances, it is essential that we understand what has happened and is happening in health in this country. For we have reached a time in our institutional development when what occurs here is no longer of concern only to the academic community, if indeed that was ever the case. The simple truth is that the education of the physicians, the nurses and the dentists, the pharmacists, the public health professionals who will be delivering health care to the American people, the training and the philosophy they take with them, is now very much a public matter.

That is as it should be. Our health professional schools, whether they are called "State" or "Private," are public institutions. A sizeable portion of their annual budgets comes from public sources. Their graduates deal in a commodity that, according to all our aphorisms, is more important to us than wealth: good health. And they are the only people who can provide the services that promote and support good health.

For that reason alone, health care must be viewed as a community concern, and health professionals and institutions must be regarded as community resources.

Of course, neither I nor anyone else, can predict with any certainty that a particular new policy, program or development within any individual health science school, or one pursued jointly by all five or six of them, or any two, will produce an expected result at a precise and predetermined time. Social and institutional change is far too mysterious a process for any of us to seek those kinds of assurances. Besides, there is enough evidence around to show us that many of the changes that occur in health education, and that, theoretically, ought to have dramatic impact throughout our health care systems, often do not. And on the other hand, some changes seem to come about in spite of us.

But I believe some general observations and guidelines for the future, some navigation points (to borrow a phrase from Dr. August Swanson) that our educational institutions can use as constants as we chart our course into the future can be suggested.

The *first* is that our society is in a gradual transition from an illness and sickness oriented society to a health oriented society. More and more, we see emphasis placed on comprehensive health care, care that includes prevention on one end of the spectrum and concern with chronic disease on the other.

Almost our entire emphasis in the past has been on acute illness and hospital-based care. Though we have given some attention, in our educational programs, to ambulatory care and care of the chronically ill, it has not been adequate. Often, even this type of training occurred only within the walls of the teaching hospital.

If we are to respond adequately to the trends of the future, then our system of health education must develop curricula that include more training in various aspects of public health and preventive medicine. We also need to use many other facilities for training our health professionals. One alternative is to add new units to existing academic health centers. Another is to send our students out into the community for a limited part of their training, to send them to smaller community hospitals, to neighborhood health centers, to nursing homes and to alcohol and drug treatment clinics. I am pleased that the University of Washington is one of the leaders in the country on both counts.

This brings me to the *second* reference point.

Providing the comprehensive health care of the future will require a profesional who can work as part of a health care team. And while the physician will, in most but not all cases, be the leader of the health care team, let us remember the difference between leadership and domination. The doctor cannot be the autocratic ruler of the system. And every physician I have known who has worked as a member of a meaningful health care team has come away from the experience convinced that nurses, for example, can do far more than physicians ever realized.

Development of a health care team may mean developing a new type of professional. One thing it is almost certain to mean is the development of some common educational experiences so that the men and women who will work as team members will have some training in this tradition. Educational programs for all health professionals should include some instruction by representatives of other health professions. There is much that nurses and dentists can teach medical students. When physicians accept this pattern, other professions will follow. But this may not be as easy as it sounds.

One of the flaws in our health education system is that the fragmentation patients experience in trying to put together a health care package on their own, has its counterpart inside our educational institutions. We have spent a great deal of time and energy keeping doctors, nurses, dentists, pharmacists, public health professionals and social workers apart from each other. We have isolated them and then trained them in separate and often non-supportive roles. Those practices should end. Let's replace them with a tradition of mutual respect and shared knowledge and experience. Let us define appropriate roles and responsibilities for our professionals that are in accordance with their education and with the composition and the function of the health care teams and not roles that fit models of professional jealousy.

A *third* issue that demands our attention is the need to re-emphasize our concern for the ethical and philosophical aspects of health care.

In recent years, we have been faced with some of the most profound questions any group of professionals have had to face. We are being asked to decide who receives an organ transplant and who does not. We are being asked to decide just how much health care is enough, particularly for patients for whom there is no hope of recovery. Soon we will be faced with artificial hearts and the prospect of genetic engineering. Are we prepared for those developments?

The issues raised are disconcerting and unfamiliar. They are issues that have been thrust upon us by our technological success, by limitations of money and manpower, and by our concern for the rights of the individual. However each issue is faced, however much others are brought into this critical decision-making process, we cannot shrink from our responsibilities as health professionals and our responsibilities as educational institutions.

Our concern for ethical and philosophical issues must be part of the education of every health professional. Not in the form of an isolated seminar tucked away on Thursday afternoons between 3 and 5 p.m., but as an integral part of the actual training and clinical experience. It *must include* not only the ethical issues surrounding the problems I have just raised but some of the older problems as well; such as clinical trials for new drugs, and the role the health professions have played in making our society as drug-oriented as it is.

This seems to be a good place to stop. I have mentioned only three "reference points" that might be used in guiding the development of new curricula. There are many others. I have not emphasized the science base of medicine—only because my theme today was different. It must be clear, however, that continued heavy support of research is essential if we are to improve the public health.

It is certain that the curricula in our various schools must continue to change, that there is no comfortable, stable, time-tested formula for education.

I am pleased that here at the University of Washington we have people who understand this. And now, in addition, handsome and flexible facilities are available to house the faculty and staff—and the many students needed to shape the health delivery system of the future.

THE NIXON ADMINISTRATION AND LIBRARY SERVICES

Mr. HUMPHREY. Mr. President, last week marked the 16th annual observance of National Library Week. In a statement issued on this occasion, President Nixon called upon all Americans "to share generously in the support of our libraries and to make the fullest possible use of the rich treasures they possess." Regretfully, the Nixon administration itself has not followed this advice; instead, its budget request for fiscal 1974 would eliminate all Federal funds for our Nation's libraries.

From the time of enactment of the Library Services Act, Federal funds have brought library services to more than 17-million people for the first time. Today nearly every citizen is in a library service area. In 1956, when this program was established, only six States provided grants-in-aid to localities for the support of public libraries. Today, there are nearly 44 States which provide such funds. Since 1965, the Federal Government has been helping 60,000 public and private elementary and secondary schools buy books, films, and other library materials.

Now the President proposes to wipe out title II of the Elementary and Secondary Education Act, which during fiscal 1972 provided $90 million in school library resources, textbooks, and other materials; title II of the Higher Education Act, which last year provided $15.75 million for college library resources, training and research; and three titles of the Library Services and Construction Act which together last year allocated nearly $60 million to public library services and construction, and interlibrary cooperation—a total 1-year reduction in major Federal library grants from more than $165 million to zero.

The modest investment of Federal funds to library programs has provided rich dividends to this country and to its people. How can we implore the self-help ethic when we take away the basic tools toward self-achievement. This administration has engaged in glowing rhetoric about the importance of our libraries but it has not backed up those words with deeds—and more importantly—with dollars.

Mr. President, I have introduced legislation to aid our libraries in their attempts to keep the public informed and educated. My bill, S. 1404, would insure that the congressional intent of the Postal Reorganization Act of 1970 is carried out with respect to the distribution of educational, cultural and informational materials. It is my hope that my colleagues in the Senate will prove more sincere in their efforts to aid our Nation's libraries than the current Administration.

I wish to share with my colleagues a timely and important article by Colman McCarthy in the April 13 issue of the Washington Post. "It is National Library Week," Mr. McCarthy states, "but instead of taking pride in their work librarians are taking cover. They see themselves and the Nation's 12,000 libraries as harassed targets of budget cuts proposed by the Nixon administration." He goes on to point out that for fiscal year 1974, the budget proposes zero funding for the Library Services and Construction Act. The funding blackout applies as well for library programs under the Elementary and Secondary Education Act and the Higher Education Act.

The American Library Association has begun a program to let the people know that libraries are now on the endangered species list. On May 8, libraries across the country will dim their lights, a symbolic gesture whose theme is "Dimming the Lights on the Public's Right To Know." Libraries may yet be saved by congressional action, Mr. McCarthy points out:

> If rallied by the public, the politicians may fight to reject the proposed cuts. Even then if Congress does restore the money for libraries, the administration may not spend it. If this happens, the lights that are to be dimmed May 8 may well stay dimmed.

Mr. President, I request unanimous consent that the article appear in full at the conclusion of my remarks, and I urge my colleagues to consider as they read it the importance, indeed the necessity today of excellent library and information service freely available to all the American people in all parts of the Nation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 13, 1973]

DIM OUTLOOK FOR LIBRARIES

(By Colman McCarthy)

It is National Library Week but instead of taking pride in their work librarians are taking cover. They see themselves and the nation's 12,000 libraries as harassed targets of budget cuts proposed by the Nixon administration. For 1974, the Library Services and Construction Act is scheduled to receive zero funding. This blackout applies as well for library programs under the Elementary and Secondary Education Act and the Higher Education Act. Like nickels and dimes for overdue books, the Nixon administration is calling this money back, a total last year of $140 million. At the same time he is getting out of the book business, Richard Nixon says—in a message to the librarians at the start of this unhappy week—that "an efficient and readily accessible library system" is essential to the Republic.

The differences between a politician's eloquent talk and his actions are nothing new to Washington, but librarians in the neighborhoods have no way of fighting back. Milton Byam, director of the District of Columbia's public library, reports that "We have felt the proposed cuts in two ways. We have four model cities storefront branches and two bookmobiles that may disappear. These are in poor areas, in the city's northeast section. In addition, the proposed zero funding of the Library Services and Construction Act endangers the whole attempt to give services to the blind, the physically handicapped, the home-bound and the citizens in hospitals and prisons. They'll have no books or services. We've been promised that revenue sharing will take care of this but we see no way that this will be true."

According to administration testimony before the House Education and Labor Committee, libraries will be eligible for money under general and special revenue sharing. "That sounds fine when you hear it out of context," says Eileen Cooke director of the Washington office of the American Library Association. "But put it into context. Under general revenue sharing mayors control the money. This means that libraries must compete for limited funds with other vital services such as police and fire protection, sewage disposal and public transportation. Under the proposed special education revenue sharing, the states could fund school libraries but the money would have come out of programs for school lunches, adult education, vocational training, aid for the handicapped and efforts like that.

The librarians do not disdain getting into the gritty scramble for dollars but they are realists who know that local budget offices put low value on books. "It's ironic" says Miss Cooke. "Go back and read what Mr. Nixon said in his inaugural where he paraphrased John Kennedy and said the citizens should begin asking what they can do for themselves. But what symbolizes this self-help more than a good neighborhood library? If the public is going to make the wise decisions of citizenship that the President asks for, how can they do it without adequate libraries and current information? It is obvious the President has received poor advice about libraries from his budget people."

Oddly, the administration says the library programs have succeeded, and that this success means the libraries can make it without federal money. Thus, in its social programs, the administration is having it both ways: the libraries can be abandoned because they succeed while other programs, like Community Action, can be scrapped because they are said to fail.

Even before the Nixon administration decided to save money by walking away from libraries the situation was strained. For the last six months of 1972, for example, the University of Michigan library was unable to buy any books. Nearly 40 percent of U.S. elementary schools still lack libraries. In some states as many as 95 per cent of the elementary schools have no libraries. In the last budget proposals for school libraries—before zero funding was proposed—the money would have purchased only one-third of a book per school child. As for public libraries, some 20 million citizens live in neighborhoods where none exists. In communities that do have libraries it is clear they are valued. Last May when the "experts" predicted a taxpayer revolt, citizens in four New York counties—Nassau, Suffolk, Westchester and Rockland—voted in favor of most library budgets, not against. In some communities school budgets were rejected while library budgets passed.

Against this background librarians are calling the actions of the Nixon administration "tragic" and "disastrous."

"CAN ANY OTHER WAY OF SILENCING CRITICS BE MORE EFFECTIVE THAN CLOSING DOWN LIBRARIES?

The American Library Association has begun a program to let the public know that libraries are now on the endangered species list. On May 8, libraries across the country will dim their lights, a symbolic gesture whose theme is "Dimming The Lights On The Public's Right To Know."

With no direct federal support for libraries—as such support has been present since 1956—it is clear that in the librarians' cry of wolf, a wolf truly is at the door. The association speaks with precision when it says the public's right to know is at stake. Countless citizens use libraries not only for books, recordings and other services but also for magazines and daily newspapers. How enjoyable it would be for the Nixon administration to see libraries closed that spend money for books and publications critical of administration policies. Can any other way of silencing critics be more effective than closing down libraries?

Until now the phrase "the public's right to know" has had a narrow interpretation used by editors and journalists who refused to be scared off by grand juries and possible jail terms. Now, however, with libraries under seige, individual citizens are no longer passive witnesses to the exchange of fire between the press and the government; they are being fired on too. Some citizens already understand this. Mrs. Lee Leibowitz of Rockville has been blind for 10 years. She has been using her local library for its Talking Books program. "Libraries are crucial," she says. "How much TV and radio can we consume? I feel personally insulted by the Nixon administration in cutting back funds for libraries. I'm blind. And now I'm being told that I may have to get along without a library. Go shift for yourself is the message. It's very frightening."

It is also cause for wonder. Officials of the Nixon administration tell the public that its budget cuts for social programs mean that public money is being saved. Saved for what? The reason people send in their tax money, aside from fear of the IRS, is that they know some part of it, all too small a part, goes for such benefits as libraries. But if libraries disappear, where are the benefits? History has seen governments that have burned books or banned them; the Nixon administration is not trying this but the effect may be the same: the smothering of information.

A chance exists that libraries may be salvaged through action by Congress. If rallied by the public, the politicians may fight to reject the proposed cuts. Even then if Congress does restore the money for libraries, the administration may not spend it. If this happens, the lights that are to be dimmed May 8 may well stay dimmed.

AN ASSESSMENT OF ACDA REPORT

Mr. ROTH. Mr. President, in early February, the Arms Control and Disarmament Agency—ACDA—sent to the Congress its interim report on the International Transfer of Conventional Arms as required by section 302 of the Foreign Relations Authorization Act of 1972. As the author of the amendment which became section 302, I have had a special interest in insuring that ACDA's study fulfill the legislative objections of this section. Accordingly, last November I asked the Foreign Affairs Division of the Congressional Research Service to assist Congress in evaluating the interim and the final reports as they become available. The Division's assessment of the interim report is complete, and I ask unanimous consent that it be inserted in the Record at the conclusion of my remarks. I want to thank the Division's staff for an excellent job; I feel it merits the full attention of ACDA.

The PRESIDING OFFICER. Without objection it is as ordered.

(See exhibit 1.)

Mr. ROTH. My own reaction to the interim report is a mixture of both satisfaction and disappoinment. While I am generally satisfied that a good beginning has been achieved that promises a final product of high caliber, I am keenly disappointed that three of the most challenging chapters are virtually omitted from the interim report. These chapters concern the political and military effects of arms transfers on supplier and recipient countries and on international stability, the impact of arms transfers of the economies of suppliers and recipients, and possibilities and recommendations for limiting conventional arms transfers. While I did not expect ACDA to come to any definitive conclusions in the interim report, I had hoped that ACDA would provide some indication of the way that they intended to approach the problems involved in these chapters. Their absence makes any evaluation by the Congress of these parts of the study's progress impossible, although I had indicated in a letter to the Director of ACDA on November 6 that the purpose of the interim report was to allow for an effective evaluation by the Congress at a point midway through the study.

I hope that the Agency will do everything possible to insure that chapters III, IV, and VII are as comprehensive as possible in the final report. Chapter VII, which discusses the possibilities for limiting transfers and makes recommendations for future U.S. policy, is particularly important, since an important objective of the report is to provide a clear set of policy options in the area of conventional arms restraint.

This objective is clear, not only from the text of the amendment, but also from its legislative history. In introducing the amendment on May 31, 1972, I described a number of the issues that ACDA, with the assistance of other appropriate Government agencies, should grapple with, including which categories of weapons are most susceptible to international restraints, what forums would be most appropriate for negotiations in this area, what possibilities might exist for limiting transfers into particular geographical regions, and what should be done about supplier countries' surplus stockpiles. I then went on to say:

> (W)e must begin to examine these questions and formulate specific policy proposals. This is why I am asking for a report from the Arms Control and Disarmament Agency containing policy recommendations. A vote for this amendment is a request for a thorough evaluation of the policy options on conventional arms transfer open to this country.

A few days later, on June 5, I stated:

> Most of all, I hope the report will facilitate the adoption by this country of a coherent set of policy guidelines toward the supplying of arms to other countries and concrete proposals for mutual and balanced restraint.

It is therefore with some concern that I view the introduction to the interim report, which specifies some general objectives of the interim and projected final reports, but which does not make it unambiguously clear that the report is to include policy recommendations. Let me say most emphatically that this is not a study for its own sake. It is a study so that we can determine what would be a suitable policy leading to international restraints on the arms trade. Though a relatively neglected aspect of the arms race, the transfer of conventional arms is both dangerous and expensive.

It is important that the data and analysis presented in the report be closely integrated with the policy recommendations of the report. Hopefully, the final report will be a well-knit whole, with the analysis proceeding from the data presented and the conclusions, proposals, and recommendations developed logically from the analysis.

In this respect, the statistical data presented as part of chapter I and in an appendix represent a very promising start. I have no doubt that these statistics, which show the broad dimensions of the arms trade, are very valuable, because I had searched for such statistics last year and had found that they were simply not available in any authoritative way. It might be a good idea to make a current updating of such statistics a requirement of ACDA's annual report or of the reporting requirements of the Foreign Military Sales Act.

These statistics, however, are subject to a major limitation which will become more obvious when the control possibilities are discussed in the final report. In the words of the interim report:

> (T)hese data reveal nothing of the qualitative nature of the arms trade, i.e., the composition of the trade in terms of various types of arms. Clearly a dollar spent on highly sophisticated weaponry and a dollar spent on small arms can have a significantly different military, political, or economic impact.

As the Foreign Affairs Division's assessment notes, statistics on transfers of actual weapons are a better indicator of the nature, scope, gravity, and impact of the worldwide trade in conventional arms. In view of this, I think ACDA ought to try to provide data on actual numbers of weapons wherever possible or at least breakdown the figures already presented by particular weapons systems, especially for those which may offer some possibilities for control. These figures should exist as the constituent building blocks of the aggregate numbers available in the report.

Similarly, it would strengthen the statistical basis of the report if the figures for the arms trade by recipient countries in table III of the appendix were broken down into smaller time frames than the cumulative 1961 to 1971 period. During that decade, there were major shifts in supplier-recipient relationships. For example, Indonesia is listed as having received $832 million in weapons from the Soviet Union and $103 million from the United States, but the Soviet deliveries occurred before 1966 and the bulk of U.S. deliveries were after 1966. Such changes would be more apparent if the data were divided into two 5-year periods.

One other statistic that it will be essential to have when considering policy is a breakdown of arms transfer by mode of financing, distinguishing between outright grants, transfers under various credit arrangements, and straight commercial sales. I would be interested in knowing, for example, how much of the $22.8 billion in U.S. arms exports over the past decade was financed by the American taxpayers, how much credit was extended in this period to cover weapons purchases and how much of that has been repaid. This information, of course, should be separately compiled for developed and for developing countries.

Other information provided in the final report should also have a depth and specificity that will strengthen the analysis and conclusions of the report. As the Foreign Affairs Division's evaluation notes, the summaries of supplier countries' policies toward arms transfers lack depth and do not support some of the generalizations made at the beginning of chapter II. For example, the description of U.S. laws and executive branch guidelines contained in this chapter and in an appendix do not even touch on the recent efforts, partly through legislation and partly through executive branch reorganization, to more closely coordinate our military sales and assistance programs with our overall foreign policy objectives. I think the Department of Defense and the Department of State could provide ACDA with further guidance for preparing a more comprehensive analysis of how U.S. arms transfer policy is developed and implemented. Such an analysis might focus on the effectiveness of the office of the Coordinator for Security Assistance and on whether the authority under which transfers are made—which is presently fragmented in several programs, including the food for peace program—should be brought together under unified legislation, as suggested by the administration in 1971.

For other countries, as well, we have little idea of the direction of their policies or the effectiveness with which their laws and rules are actually carried out. Such information is needed if we are going to have an effective evaluation of various control possibilities. For example, if there is a possibility of an international code restricting supplier countries' export subsidies or regulating terms of credit, the study should include more specific information on what subsidies now exist and what the usual credit terms are. The study might also provide more detailed information on the policies of governments which prohibit arms shipments to areas where severe tensions exist, the consistency with which such policies are pursued, and the methods of enforcing them.

Regulations concerning the use by the recipient of the weapons and ensuring that arms are not retransferred merit greater attention. In some cases, such regulations might serve as sources of ideas for strengthening our own regulations, or it might be that by examining the variations in such regulations, greater insights could be gained into what might be acceptable international standards.

In extending the analysis of supplier countries' policies, ACDA might find it helpful to summarize the data in tabular form by listing suppliers vertically and restrictions horizontally and placing checks at the appropriate intersections. The relevant laws or regulations could be cited more completely where germane in the text or listed in an appendix.

There are several references in the interim report to defense production-sharing agreements. By creating interdependencies among countries in defense production, such agreements might strengthen the prospects for peace while at the same time they would presumably increase the transfer of defense materiel. It seems to me that the frequency of such agreements, the article they cover, and their implications might merit further attention.

Chapters V and VI of the interim report represent valuable and cogent discussions of past attempts to achieve international restraints on the arms trade and the obstacles to achieving such restraints. Chapter V is a condensation of an appendix, which I believe will be a chapter of the final report. Though this study is strictly historical, rather than analytical, it contains a wealth of detail that can be integrated into the analysis in other chapters.

The discussion of the difficulties of achieving restraints in chapter VI of the interim report should also be closely integrated with the projected analysis of various control opportunities which will appear as part of the final report. There are a number of proposals, some of which I have already alluded to, that deserve consideration. A full evaluation of these proposals will require, as the Foreign Affairs Division has noted in its assessment, a consideration of both the obstacles to their adoption as well as factors which may facilitate their consideration or may help in overcoming the obstacles.

Opportunities for control may lie indirectly in agreements to limit the overall levels of defense expenditures or directly through agreements on particular weapons systems, on international codes, on credit arrangements or sales promotion activities, and on negotiated limitations on weapons transfers into particular geographical regions.

With respect to this last proposal, the cease-fire agreement for Vietnam deserves some attention as an international accord on conventional armaments. The agreement provides that both sides in South Vietnam may be supplied on a replacement-only basis. While there are obviously special circumstances surrounding this agreement, and there is strong evidence it is being violated by North Vietnam, the arrangement does deserve consideration as a potential model for regions where there are relatively few tensions and where the indigenous countries may have little desire to engage in arms races.

In connection with such control arrangements, the study will have to consider whether international guarantees might be required to make such arrangements acceptable to recipient countries, the form these guarantees might take, and whether they would be consistent with present U.S. policies.

To conclude, I feel that the work so far available to us makes it clear that ACDA is capable of providing the Congress and the public with an insightful analysis of the arms trade and the opportunities for control. The Agency has made a major effort in preparing the report so far, but much work remains to be done, both in terms of strengthening what has already been presented and in terms of providing the other information and policy recommendations required by section 302. The Departments of Defense and State, which are required by this section to assist ACDA, may very well have to give this study much more attention. I remain optimistic, that with the strong and energetic efforts of these agencies, a valuable final product will be available in a few months.

Exhibit 1

The Library of Congress,
Congressional Research Service,
Washington, D.C., March 16, 1973.
Senator William V. Roth, Jr.,
Senate Office Building,
Washington, D.C.

Dear Senator Roth: On November 8, 1972, your office requested the assistance of the Foreign Affairs Division in evaluating the Interim Report on the International Transfer of Conventional Arms prepared by the Arms Control and Disarmament Agency (ACDA). The enclosed comments are the result of a careful examination of the Interim Report by members of the Foreign Affairs Division.

It should be stressed that an important factor precludes a full evaluation of the responsiveness and adequacy of the (ACDA) Report at this time: namely that three of the most pertinent and difficult chapters remain to be completed. Although an overall evaluation is not yet possible, it is hoped that the following comments—discussed in greater detail in the attached memorandum—may be of assistance to your office in any consultations with ACDA concerning the Final Report.

1. The Interim Report includes valuable statistics on the dollar value of the international trade in conventional arms. However, as the Interim Report itself points out, "value data cannot reflect many factors pertinent to a comprehensive analysis of the international arms trade." Statistics on transfers of actual weapons are a better indicator of the nature, gravity, and impact of that trade. The Agency recognizes the importance of data on actual weapons transfers, but the meaning of the statement that such information will be utilized in the Final Report "to the extent possible" is not explained. It is hoped that full and complete disclosure of information available to the U.S. Government on actual weapons transfers will be the criterion for the preparation of the Final Report.

2. As explained in detail in the accompanying memo, the Interim Report tends to be descriptive rather than analytical, general rather than specific. To some extent, this tendency can be explained by the fact that the Report, a public document, discusses a topic traditionally handled by Governments with circumspection. It remains to be seen whether a frank and penetrating discussion of this topic can be expected in a public document from an Executive agency.

Consideration might be given to consulting with the Agency on expectations regarding classification and thoroughness of disclosures in this required report.

I trust that the attached memorandum will prove responsive to your request of November 8. If we can be of any further assistance to you in this matter, please do not hesitate to contact us.

Sincerely,
Warren R. Johnson,
Assistant Chief.
(For Charles R. Gellner,
Chief, Foreign Affairs Division.)

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., March 16, 1973.

To: Senator William V. Roth, Jr.

From: Charles R. Gellner, Chief, Foreign Affairs Division.

Subject: Comment on the Interim Report on the International Transfer of Conventional Arms prepared by the Arms Control and Disarmament Agency pursuant to Section 302 of the Foreign Relations Authorization Act of 1972 (P.L. 92-352).

SIGNIFICANCE OF THE REPORT

Congressional participation in matters relating to United States transfers of conventional armaments has a long history. The solid foundation of Congressional experience with this question offers a basis for further Congressional action suited to the needs of the present. An illuminative ACDA Final Report could be an aid and an occasion for Congress to focus its authority on this problem. This report could be utilized as a springboard for Congress to bring into play its immense powers of the purse, of legislative direction, and of oversight to make a fresh assault on this complex question.

BRIEF DESCRIPTION OF THE REPORT

The Interim Report on the International Transfer of Conventional Arms consists of seven chapters which in outline correspond to the requirements enumerated in Section 302. In addition, it contains three annexes covering: (1) statistics on the value of the world arms trade; (2) regulations and guidelines governing U.S. arms transfers; and (3) a history of efforts to control arms transfers since World War II. The four chapters describing the dimensions of the trade (Chapter I), the policies of supplier and recipient states (Chapter II), past international control efforts (Chapter V), and the obstacles to negotiation (Chapter VI) are preliminary and subject to revision in the final report. It should be noted that Chapter II includes a description of the policies of recipient as well as supplier states, and thus provides information in addition to that required by Section 302.

Only brief descriptions are provided of the three other chapters dealing with the politico-military, as well as economic impact of arms transfers (Chapters III and IV), and possibilities and recommendations for limiting such transfers (Chapter VII). The Interim Report indicates that requirements seven and eight of Section 302—possibilities for limiting arms transfers and recommendations for future U.S. policy—will be consolidated in the last chapter of the Final Report.

EVALUATION

The fact that the Interim Report is only a *partial* report, and that the parts transmitted are preliminary, precludes a full evaluation of the responsiveness and adequacy of the study at this time. It should be stressed that the chapters not yet forwarded are probably the most difficult as well as the most important part of the study. Although an overall evaluation is not yet possible, several observations on the Interim Report may be of assistance to your office in any future consultations with the U.S. Arms Control and Disarmament Agency concerning the Final Report.

PROBLEMS OF STATISTICAL CONTENT

Three major points seem to be in order involving the statistics provided in the Interim Report. First, the compilation of value data on arms transfers in the Interim Report is apparently not available in published form elsewhere, and is therefore a useful contribution by the U.S. Government to basic information on the arms transfer question.

Second, as the Interim Report itself acknowledges, "value data cannot reflect many factors pertinent to a comprehensive analysis of the international arms trade." Statistics on transfers of actual weapons are a better indicator of the nature, scope, gravity and impact of the worldwide trade in conventional arms. Although the Interim Report states that the value data will be supplemented in the Final Report "to the extent possible" by statistics on transfers of types and categories of weapons, the meaning of the phrase "to the extent possible" remains unclear. Does it mean to the extent such data is available within the U.S. Government or to the extent such data can be disclosed publicly by the Arms Control and Disarmament Agency? It is reasonable to expect that full and complete disclosure will be the criterion for the inclusion of such data in the Final Report.

Third, the validity of the value data could be much better appraised if there were explanations of the source used, the assumptions made, and the strengths and weaknesses in the data communicated. This is especially relevant to the figures on the Communist countries which are characterized as "rough approximations."

NEED FOR A MORE ANALYTICAL APPROACH

The completed chapters of the Interim Report tend to be descriptive rather than analytical. Thus, Chapter II contains the general observations that supplier state policies are frequently "a mix of restrictive and promotional measures" and that Government actions "may fall short of representing an internally consistent policy." The individual country summaries do not support these generalizations with specific data or concrete examples. Nor do they provide an appraisal of each country's actual "mix of restrictive and promotional measures" or appraise the "internal consistency" of each country's policy. The summaries leave the impression that each country has a coherent and logical policy on arms transfers and that this policy is effective in controlling the transfer of arms abroad. The national policies of the countries concerned need to be examined more thoroughly and in greater detail. Contradictions should be identified in those cases where actions or objectives are at odds with national policies. The basis on which countries make arms available—grant aid, credit sales, or cash and carry—should be clearly distinguished in each instance. Similarly, the general comments on recipients' policies could be made even more valuable by analyses of the policies and practices of specific recipient countries.

The descriptive character of Chapter II is especially apparent in its discussion of the processes by which the U.S. Government develops and implements its policy on arms transfers. U.S. policy machinery is discussed only briefly and in the broadest terms. It would be helpful if the Final Report included a more detailed explanation of the U.S. decision-making machinery: a step-by-step description of how arms transfer policy is developed and implemented. Of particular value would be details of the mechanisms for interdepartmental coordination and overall policy control employed by the executive branch.

As for the remaining completed chapters, Chapter V can be described as a brief condensation of the longer history of negotiations in Appendix C. It may have some value as a smaller package but otherwise adds little or nothing of substance to the Appendix. The latter is a skillful summary history of governmental negotiations on the public record. It is a factual, "official" history. As such, it does not go much below the surface record for analytical interpretation of reasons, purposes, effects and significance. It is helpful as far as it goes, but there is a serious question as to whether a more penetrating account for public dissemination can be expected from an Executive agency. The practical choice here appears to lie between receiving a not-for-public-distribution history from the Executive Branch or looking elsewhere than the Executive Branch for an interpretive history.

Chapter VI corresponds to the requirement laid down in Section 302(a)(6). But because it concentrates only on obstacles to negotiations, it leaves a lopsided impression. Clearly, a consideration of obstacles needs to be balanced by a consideration of favorable factors as well as of means of overcoming the obstacles. Perhaps this is intended to be incorporated in projected Chapter VII, but the description of this chapter in the Interim Report does not conclusively indicate this. One can make a distinction between, on the one hand, factors favoring negotiations and means of overcoming obstacles, and, on the other hand, "possibilities" of limiting arms transfers. It is suggested that Chapter VI could be further developed with a discussion of favorable factors and an analysis of these in conjunction with obstacles and with methods of offsetting the latter.

In regard to the chapters not yet completed—Chapters III, IV and VII—certain comments may be made. The projected chapters on the politico-military and economic effects of arms transfers on supplier and recipient states will be most meaningful if they go beyond generalizations and center on individual supplier countries (the United States, the Soviet Union, Britain, France, etc.) and on individual recipient countries (for instance, Brazil, Peru, Union of South Africa, India, Pakistan, UAR, Israel, and others). General assessments of impacts on regions—Latin America, Africa south of the Sahara, and the Middle East—could add another illuminating dimension.

The lumping together of possibilities and recommendations in the last chapter of the Final Report, as projected by the authors, would seem to require clarification. It is hoped that the "possibilities" to be discussed will not be confined only to recommendations or proposals placed on the record by governments or groups outside government circles but will include possible arrangements and alternative courses of action that are the products of ACDA's own thinking. It is presumably the intent of Section 302 that "recommendations" be given a broad and comprehensive interpretation. As far as the Executive is concerned, they might include such steps as diplomatic overtures to other governments, proposals in international forums, new forms of organization, and research programs. They might outline measures for Congressional consideration, such as legislation, and subjects for study and investigation. Political, economic and other problems related to arms transfers might be considered within the scope of this requirement.

CONCLUDING COMMENTS

The introduction to the Interim Report states that the objectives of the study are to:

Include to the extent possible, information previously available only within the Executive Branch;

Provide a comprehensive summary of existing information;

Attempt an improved analysis of the causes and effects of arms transfers and to recommend policy alternatives designed to control arms transfers;

Identify aspects of the arms trade that merit further analysis.

Despite the receipt of the Interim Report, it still remains to be seen whether or not the Arms Control and Disarmament Agency will be able to fulfill each of these substantial objectives. Since the advent of the nuclear age, Government inertia has long surrounded efforts to limit conventional arms transfers. If the report is to stimulate efforts by the United States and other countries, the ACDA Report must provide a thorough analysis pointing to fresh and innovative alternatives for dealing with this much neglected area of arms control.

STATEMENT ON JOHN EHRLICHMAN

Mr. BENNETT. Mr. President, toward the end of last week some dozen of my colleagues from the other side of the aisle took to the floor to express thoughts on tax reform. In doing so, five of them chose to direct some fairly harsh criticism at Mr. John Ehrlichman, the Assistant to the President for Domestic Affairs. Curiously, all five cited statements which Mr. Ehrlichman supposedly made during a television appearance last month. Curiously, the citations bear little, if any, relationship to what Mr. Ehrlichman did, in fact, say on "Issues and Answers" on March 11—as a transcript of that broadcast makes abundantly clear.

Typical of the comments were the following:

> President Nixon's chief adviser for domestic affairs said plainly the only way to raise new money through tax reform is to remove two of the most basic deductions for middle income wage earners—the interest payments on home mortgages and the charitable contribution deduction.

Another statement was:

> According to Mr. Ehrlichman tax reform will bring additional revenue only by eliminating the homeowners' deduction for mortgage interest and the deduction for contributions *to* such charities as the Boy Scouts and churches.

Still another said Mr. Ehrlichman asserted that:

> Persons who would, so to speak, reform the tax laws would take away from the middle and the lower income tax persons deductions for such things as charitable contributions and interest on mortgages on homes.

One statement recalled Mr. Ehrlichman's comment with added embellishments:

> The only way to raise more money through tax reform, he claimed, is to increase the tax burden on homeowners, widows, orphans, the Boy Scouts and the Little Sisters of the Poor.

And, finally, there was this observation:

> Mr. Ehrlichman is certainly not naive or uneducated in the intricacies of the Federal tax structure. The statement that there are no tax loopholes to be closed without hurting the average taxpayer is the grossest of misrepresentations.

Indeed, such a statement may well be a gross misrepresentation. But Senators will search in vain for such a statement in the transcript of Mr. Ehrlichman's remarks on "Issues and Answers."

A reading of that transcript shows that, in context, Mr. Ehrlichman simply suggested that homeowners' mortgage interest deductions and charitable deductions would have to be reduced or eliminated—if we have to raise sufficient additional revenue to cover an estimated $15 billion in Federal spending, on a large number of programs, in excess of the administration's budget.

In other words, he cited these deductions only in the context of the need for fiscal restraint—restraint in Federal spending which would permit lower and middle income Americans to continue to benefit by these very deductions. In other words, he cited them only by way of pointing out that the American people undoubtedly prefer limited Federal spending to the kind of continued excessive spending which would inevitably place a huge new tax burden on them.

To construe Mr. Ehrlichman's remarks as they were construed last week would be to make precisely the same kind of gross misrepresentation which we heard last week. Now, I do not suggest that my colleagues consciously made such misrepresentations. I suspect, rather, that they were the victims of some overzealous and undisciplined staff work.

Moreover, a truly representative summary of Mr. Ehrlichman's remarks would have to include his observation that there are undoubtedly many ways in which the tax code could be changed or reformed and his suggestion that rhetoric about so-called loopholes is no panacea for the Nation's fiscal problems and no substitute for serious, substantive discussion.

ENERGY CRISIS AND ITS ULTIMATE RESOLUTION

Mr. HATHAWAY. Mr. President, Senator Thomas J. McIntyre, Democrat, of New Hampshire, recently spoke to the New England State Federations of Business and Professional Women's Clubs Legislative Seminar on the serious implications involved in this country's use and conservation of our energy supplies. In a speech entitled "The Energy Crisis—And Its Ultimate Resolution," Senator McIntyre clearly pointed out that the ultimate resolution of this country's present energy problem is not to be found in simply solving our fuel supply crisis but must ultimately be found in self-restraint.

As was stated in Senator McIntyre's speech, we must realize that there is a limit on our ability to release energy and that we must begin to focus our attention on ways to conserve and make the best use of the world's limited resources.

Mr. President, I ask unanimous consent that the text of Senator McIntyre's speech be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator McIntyre

I am sure you've all seen that reassuring little slogan that reads "Today is the tomorrow you worried about yesterday."

Well, in terms of today's energy crisis, that little slogan really ought to read: "Today is the tomorrow you worried about yesterday—but not enough."

None of us—*in* or *out* of government—worried enough.

So now we've got a crisis—a crisis bad enough to put a frown on every smile button in America . . . a crisis brought on by the complex interaction of countless factors and factions . . . a crisis which can only be resolved by an equally complex sorting out of common interests and compromise agreements.

Ladies, I can tell you right now that we're *not* going to run out of fuel and we're *not* going to run out of energy.

But I can *also* tell you that nobody—*nobody*—is going to be completely happy about what it's going to take to make that prediction come true.

Now when we talk about today's energy crisis what we're really talking about is a crisis in the fuel supply it takes to produce energy.

And when we speak of a fuels crisis, we're really talking about two crises—one immediate, covering perhaps the next decade or so—and the other looking much farther into the future.

For the moment let's concentrate on the first crisis, because—if we get our priorities in line-research and technology will take care of the second. I'll return to that second crisis later, however, because—ironically enough—an endless supply of fuel may well produce an even greater problem in the years to come.

But let's start with a quick rundown on the origin of today's fuels and energy crisis.

It began as recently as the 1950's, for it was then that brown-outs, black-outs and temporary supply shortages first revealed that our insatiable appetite for energy was not only outstripping population growth, but was eating up known fuel reserves at an ever increasing rate.

Our population doubled in the last 50 years, but our use of energy—largely because of the automobile—quadrupled. And in that same span of years the per capita consumption of electrcity alone doubled not once, not twice, but five times—twice in just the last 15 years!

But those ominous signs of the '50's didn't shake us up because nobody really believed them.

After all, the Federal government had not been alarmed enough to establish a national energy policy. The petroleum industry, which is concentrated in a few powerful hands and has its fingers in coal and oil shale and uranium as well as oil, natural gas and gasoline, showed no signs of alarm. And the American public—encouraged by producers—still believed that natural gas and electricity would remain "penny cheap" till the end of time if they used enough of it . . . or at least until nuclear generators made energy even more abundant and cheap.

But today . . . well today we're being told that our proven, recoverable reserves of oil will last just ten more years, our reserves of natural gas just 11 more years, our supply of uranium just 13 more years . . . that we're going to have to wait a while longer for nuclear energy . . . that there is a distinct possibility of gasoline rationing this summer . . . that we can expect to pay a great deal more for fuel and energy in the years to come . . . and that we will grow more and more dependent upon foreign fuel supplies.

A pretty gloomy outlook, right?

And it may be accurate.

I use the word "may" deliberately, and let me tell you why.

The Federal Government does not have a single, central agency to direct research, coordinate information, make accurate assessment of our fuels situation, and develop a comprehensive fuels and energy policy.

Instead, no less than 61 Federal agencies are involved. The Interior Department deals with oil and coal, the Atomic Energy Commission with uranium, and Federal Power Commission with water power and the price of natural gas. The Office of Emergency Preparedness gets into the act as the White House eye on fuels used, and the Office of Science and Technology plays a similar role.

Well, then, in the absence of reliable government information and an overall national energy policy, on whom must we rely for an assessment of how much fuel reserves remain, how such fuel should be priced, where it should come from and how?

You guessed it. From the industry itself.

And so today the Administration's basic data bank and analytical guide to the energy crisis was not prepared by the government, it was prepared by the National Petroleum

Council, the oil industry's advisory board to the Federal Government.

Now the obvious question ought to be, how reliable are the industry's reports on itself? And how impartial is the information it gives the government to help government make crucial energy decisions?

If I sound somewhat cynical, it's only because my own continuing experience with Big Oil and the policies it dictates have made me cynical.

First, let me remind you of something all of us will be forced to keep in mind from now on. The oil we use in this country in a single year took 14 million years to create!

Yet for the past 50 years we've pumped that oil into factories, cars, trucks, tractors, planes, ships and generating plants as if there were, indeed, no tomorrow.

Now we weren't forced to do that. We wanted the kind of life that cheap and abundant energy gave us.

But we weren't discouraged from it, either. And particularly not by those who knew, far more than most, how finite, how limited supplies actually were—the fuel industry itself.

As long as oil and gas reserves were easy and relatively inexpensive to tap, the industry encouraged Americans to use all they could—pushing the sale of appliances, cars, electricity, giving large users special rates to inspire even greater consumption.

Meanwhile, other influences were also at work to increase oil consumption. Growing concern about air pollution all but eliminated coal as a fuel for electric power east of the Mississippi. Indeed, today 96 percent of all East Coast power companies now burn low-sulfur oil to generate electricity.

The result of all this is obvious. American oil fields, now pumping to capacity for the first time since 1948, can't begin to meet demand—and are starting to run dry.

Right now, with rising demand in this country matching rising demand in Europe and Japan, American oil wells running full out are producing less than 10 million barrels a day—which is only one-fourth of what the world produces—and only two-thirds of what America needs.

So now we're beginning to see and hear petroleum industry ads and commercials stressing the need to conserve America's fuel resources.

May I remind you, ladies, that this message is coming to you from the same industry that told you just last September that there was no oil shortage and that there was plenty of heating oil to get America through the winter without lowering the barriers to imported oil.

May I also remind you, ladies, that by midwinter countless homeowners in Iowa, Minnesota and other central states were running out of oil, with no idea when they'd get another delivery; that by midwinter Colorado high schools were on a three-day week to stretch their supply of heating oil; that by midwinter factories were shutting down in Mississippi, Illinois, West Virginia and other states because their fuel tanks had run dry?

Again, if I sound cynical it is only because some of us saw this crisis developing almost a year ago! At that time we began urging the Administration to take action to insure an adequate supply of heating oil for the coming winter.

It didn't take a genius to look at the oil supply figures then and conclude there'd be a shortage this winter.

So I wrote letters, and I held hearings, and I got the entire New England Congressional delegation to join in the appeal for a relaxation of import quotas to get us enough oil.

This isn't new with us New Englanders. We've seen this crisis threaten our own region every winter in recent years. Each time we barely made it through the cold weather.

But this year it was different. This year much of America was affected. This year the oil ran out.

What makes it all the more regrettable is the fact that it need not have happened.

But it did happen. And it happened because through the last four Administrations—Democrat as well as Republican—Big Oil has been able to keep foreign oil out of this country through the Mandatory Oil Import Quota System.

This System was adopted in 1959 on the argument that national security required that we not become dependent on foreign sources of oil.

The fact that keeping lower priced foreign oil out of the country kept American oil prices artificially high—costing consumers some $5 billion to $7 billion more a year—was explained away on the grounds that such prices would keep the petroleum industry healthy and vigorous enough to keep it exploring for new sources of oil.

Time won't permit me to get into the other "favors" government gives Big Oil—the 22 percent depletion allowance, tax breaks on intangible drilling expenses, foreign tax credits applied against U.S. tax obligations, for example—so let me just address myself to the import quota system and how it has worked.

And that could be summed up in just three words. *It hasn't worked!*

Along with the other governmental goodies bestowed on Big Oil, all the Mandatory Oil Import Quota System has done is bleed the American taxpayer and consumer—particularly the consumers of our New England region—while playing a very important role in keeping the industry's rate of return on investment a very handsome and rewarding 15 percent!

How many businesses have a rate of return anywhere near that figure?

All right, you say, so what if the petroleum industry does make a pocketful of extra profits because of the oil import quota system.

Isn't it worth it if it induces the industry to dig more wells, to produce more American oil and keep us safe and strong?

Maybe . . . if that were the case. But the record shows that oil exploration in the United States has fallen off 40 percent in the last 14 years.

So here we are at the crossroads of crisis. The 17 million barrels of oil that America uses every day will probably grow to 30 million in the next ten years.

And where's it going to come from?

Well, we can talk all we want about the 2 million barrels a day we may get from the Alaskan North Slope by 1980, we can talk all we want about offshore exploration in the Gulf of Mexico, off the Florida Peninsula, and off the Atlantic Coast from Maine to Florida, we can talk all we want about joining the rest of the world in a massive search for oil around the globe, but for the next decade, when the pinch will be the greatest, we're going to have to get what we need from that part of the world where 76 percent of the world's recoverable oil lies—the Middle East.

There is irony here as well as risk. Because here we are, a nation whose restrictions on imported oil actually created a "Drain America First" policy, now face to face with the fact that with our own fields running dry we're going to have to lift those restrictions and buy oil from the very countries upon whom we swore never to become dependent.

Even worse, we'll be paying through the nose to get it, because Mideast oil prices have gone up with increasing world demand, and the oil that we could have been buying at bargain prices since 1959—*and preserving our own oil reserves at the same time*—now costs the same—and in some instances even more—than American-produced oil.

How do I feel about all this?

Excuse my language, ladies, *but I don't like it one damned bit!*

I don't like the idea of our pumping billions of dollars a year into Arab shieks' pockets.

I don't like being at the mercy of an oil spigot those shieks can turn on and off at will.

I don't like the idea of that much money concentrated in the hands of people who conceivably could use it as an instrument of foreign policy.

And I don't like the incumbent risk to our long-standing commitment to Israel's national integrity.

But what *I* like or don't like is beside the point, because we simply don't have any other feasible options if we want to maintain a semblance of the standard of living an adequate oil supply can provide.

Mr. Nixon's Secretary of the Interior himself has estimated that by the end of this decade our country will have to rely on foreign sources for over half of our oil needs.

All right, then, how do we make the best of a bad situation brought on by 14 years of misdirected oil policy?

First of all, it seems to me that the issue has become too crucial to national security to allow profit-oriented multi-national oil companies to set our foreign policy in this matter. Historically, these companies have had a free hand in their world dealings with oil producing countries, *and this must be changed immediately!*

So I would suggest that we join hands wtih Western Europe, Japan and other oil consuming countries and take a page from the strategy book of the oil producing countries. Let me explain:

Several years ago, oil producing nations in the Middle East, Africa and Venezuela formed an alliance known as the Organization of Petroleum *Ex*porting Countries. They did this to get the maximum price for their oil.

If, as all signs indicate, we must rely on this foreign oil to meet our needs for the next 15 years, then we must join with other oil consuming countries in a separate alliance—which for want of a better term we might call The Organization of Petroleum Importing Countries.

Thus banded together, we can bargain collectively for reasonable prices and reliable supply.

In a very real sense, such collective action would discourage the hostilities that might well come about if every consumer nation competed on its own and against all others.

Second, I would hope that every recommendation made by the petroleum industry from now on would be subjected to the most intense scrutiny. First to determine its validity. Second to determine its feasibility. Third, and not least, to determine its impartiality.

In this respect, I can tell you right now that if the petrolum industry moves to boost the oil depletion allowance back up to the 27½ percent it was until two years ago, *this* Senator is going to insist, *by legislation*, that that allowance will *not* be granted *unless* the company involved uses the tax money saved to finance exploration and drilling in *this* country . . . *not* in some foreign land.

Third, I would hope that out of today's crisis will come a national energy policy formulated and directed by a National Energy Commission. This would help end the chaos of 61 agencies approaching the issue from 61 directions.

Fourth, and perhaps most important of all, I would hope that Americans everywhere now realize that we can no longer continue to waste—as we do—50 percent of all energy generated.

Consider this please: The automobile shoots 87 percent of its energy intake right out the exhaust pipe. America's 100 million cars average twice the horsepower of European cars—and consume *twice* the fuel.

Electric heating is clean, cheap to install, convenient, yet the pilot light on your gas range burns a *third* of total fuel the range consumes. I've read that it leaves 70 percent of its energy in the fuel burned to generate the electricity and that it is only half as productive as oil or gas heat. Yet 23 percent of all the buildings that went up last year were equipped with electric heat, including half the new office buildings constructed in the Washington area in the last five years.

If such buildings are high rise with glass sides which let heat out in the winter and in during the summer, the waste is compounded. Example: It is reported that New York City's World Trade Center needs 80,000 kilowatts for heating, lighting and cooling. Do you know how much energy that is for just *one* building? More than what is required for the *entire* city of Schenectady and its 100,000 residents!

But—you might say—*if* we can reasonably assume that in time research and technology will develop an endless supply of fuel then *why* should we have to conserve on our use of energy?

Because of an elemental fact. When energy cannot be created. Energy cannot be destroyed. When energy is released, it is merely transformed. And thus it is that no matter how clean a fuel may be, what it is used to generate energy heat is released.

And there is a limit to how much heat man's environment can tolerate and still sustain human life.

Right now, today, Manhattan Island gets two and a half times as much heat from the fuels it burns than it does from the winter sun. In a hundred years, our country will release as much heat from the energy it consumes as it gets from the *year-round* sun.

Some experts foresee a time early in the next century when a combination of booming population and unbridled energy consumption will produce-and trap in our atmosphere—enough heat to melt the Arctic Ocean and the polar ice caps.

An ecological disaster of such proportions would have a devastating effect on the human population of many regions of the earth.

And so you see, the ultimate resolution of the energy crisis is *not* to be found in solving the fuel supply crisis . . . it is to be found in self-restraint . . . and in honoring a truth that is becoming more evident every day of our lives.

We can *humanize* nature. We can *enhance* nature. We can *accommodate* nature. But we *cannot* transgress her immultable laws and escape the consequences.

INFLATION, ENERGY, SECURITY

Mr. FANNIN. Mr. President, it has disturbed me that the American people are generally unaware of the relationship between inflation, the energy crisis, and our future security.

This relationship is being spelled out very dramatically in a series of columns by Joseph Alsop. In a column last Friday, Mr. Alsop said:

> What people so cheerily call the energy crisis is really like a viciously poisoned onion. Peel off the energy layer, and you find the U.S. dollar rapidly losing value, year by year. Peel off the money layer, and you find the end of the U.S. as a great power.
>
> It is a truism, of course, that no bankrupt nation can play the role of a great power in the world. In and of itself, therefore, the threat to the value of the U.S. dollar is also a threat to the U.S. as a world power.

in today's newspapers—that the United States is the pillar of the free world and our decline would endanger democracy everywhere. I commend Mr. Alsop for writing this series and I request unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 9, 1973]

OIL: THE VULNERABLE JUGULAR

(By Joseph Alsop)

This is an invitation to join a voyage of discovery. It has been a strange voyage, always enlightening, but always cruelly and bitterly enlightening. Those who wish to join had better know, too, that the end of the voyage will be unpleasant—although it will tell volumes about the American future.

Hence the start of the voyage will be well to explain. Some weeks ago, the former Israeli ambassador, who was also one of the two chief minds behind Israel's victory in the Six-Day War, went home for good after a long experience in Washington. Itzhak Rabin is not merely a brave man, a good companion and a good friend. He also has one of the most far-thinking yet down-to-earth strategic minds this city has known in many years.

So it was a matter of pride that the house where these words are written was the last in Washington where he came to say goodbye and to have his final meal in America. In the talk at supper, the voyage in question really began with a fairly idle question:

"Now that it's all over, what impression do you take home with you from your embassy here?"

Rabin answered that he had a wonderful time here, and in one way, was going home much encouraged. When he came to Washington, he had found the city wholly preoccupied with Vietnam, and dealing with all the more important matters in the world by a method of fumble, muddle and last minute improvisation. Now, he added, "your policy has a clear, well thought out direction, and is bold and adroit, too. All that is very good."

Why then, he was asked, did he so carefully say, "in one way." Your oil problem, he answered shortly. You mean you think the Arabs will blackmail the United States into an anti-Israeli policy, was the natural reply. Not at all, he came back energetically. Israel can take care of herself "unless the United States joins with other nations to destroy Israel—and the United States will never do that."

"But why the oil problem, then?" was the next question.

"Because of its direct effects on you," he answered, "and because those direct effects will turn into indirect effects on Israel and so many other nations."

Begin with Israel and the other nations, he was asked. Oh, he replied a bit grimly, Israel is lucky. Israel has the will and wits to defend Israel. Besides China and one or two more, there are not many nations friendly to America that you can say so much about today. But neither Israel, nor China, nor any of the other nations now in the circle of America's friends can possibly achieve successful self-defense, in a new kind of world in which America has ceased to be a great power.

"Ceased to be a great power! My God, I thought you were talking about the oil problem," was the fairly horrified comment.

It was a natural comment, too, for how do most of us, as yet, think about the oil problem? In terms of greater costs, of possible fuel shortages, of our current difficulties with the balance of payments, and also of the Arab political blackmail—which the departing ambassador had dismissed. That, surely, is an honest summary of the way we now think about the oil problem. Perhaps sensing all this, Rabin went on, much more sternly and more earnestly:

"You do not think enough about the oil problem. I have been looking into it for months. It is much worse than you suppose—10 times worse. Your jugular, Western Europe's jugular, Japan's jugular, all run through the Persian Gulf nowadays. Yet you have no means to defend your jugular.

"This is why your country must cease to be a great power, unless you can find means to solve this terrible problem, which everyone has overlooked for too long. No nation can remain a great power, that has a wholly undefended jugular, waiting to be cut by anyone with a willing knife. No nation can be a great power, either, that has an ever more worthless currency—unless it is a totalitarian state like Hitler's Germany or the Soviet Union, which the United States will never be.

"Look into the facts that the future will force you to face. Look into what those facts will do to your dollar. Look into the new strategic situation those facts will do to your dollar. Then you will see that I am right."

The evening did not end there, but with affectionate farewells. Yet the terrible words thus spoken, by so wise and warm a friend of our country, could not be forgotten. So "looking into the facts" was the voyage of discovery, to be described in further reports in this space.

[From the Washington Post, Apr. 11, 1973]

THE ENERGY/DOLLAR CRISIS

(By Joseph Alsop)

Everyone talks about the "energy crisis." But that phrase merely sketches the surface of the problem. What threatens us—what has started already, in fact—is a permanent currency crisis, which will also mean a permanent inflation crisis.

In three years, on present projections, our dollars cannot be anything like what they seem today, although, God knows, a dollar is now worth little enough. As for our children's dollars, they may almost resemble the German marks of the 1920s, when people had to carry small change in suitcases.

All this, of course, is *on present projections*. There are many things that can be done to protect the dollar, all of them highly unpalatable. On the other hand, if these things are not done, both promptly and all-out, market forces will ruthlessly reduce our lavish current consumption of energy. This will produce something like an unending recession, but it will also alter the present projections radically.

Let us first examine the present projections, however. To begin with, a crisis situation has so suddenly arisen because of two kinds of past miscalculation. We always overestimated our cushion of unused oil-production capacity, through all the years when production was controlled in states like Texas and Oklahoma. About a year ago, the last controls were removed. The result was only the most minimal increase of production. The cushion was largely a myth, created to beat the rationing system.

On the other hand, the growth of U.S. demand for energy from all sources was even more grossly underestimated. In 1970, to illustrate, President Nixon's Task Force on Oil Imports assured everyone the problem was quite manageable through the year 1980. In 1973, however, our oil imports of 6 million barrels a day are already far above the imports expected by the presidential task force in 1980.

In money terms, we shall have to find $9 billion to send abroad, quite largely to the Persian Gulf, to pay for our 1973 oil imports. Even with the money thereafter repatriated by our international oil companies, this is a huge sum. Such oil imports leave little hope of righting the sadly unbalanced U.S. balance of payments—which means a permanently weak dollar on the world money markets.

But it does not end there, by any means. American energy demand is growing ceaselessly while American production, especially of natural gas, is also beginning to decline.

In 1975—only three years from now—we shall have to find $15 billion to pay for our oil imports. And this assumes that world oil prices do not go up, either because of another dollar devaluation, or simply because of the enormous pressure of demand from Western Europe and Japan as well as the U.S.

A little further down the road, the projections are a bit more uncertain. The more optimistic forecasts for 1980 have us paying out $24 billion for foreign oil in that year. The pessimists raise this sum to $30 billion. As for 1985—when children born last year will just be entering high school—the optimist-pessimist spread is between $30 billion and $70 billion for our foreign oil-costs!

The optimists' figures for the future, it must be added, again make no allowance either for further loss of value of the dollar, or for further increases in world oil prices. They are like weather forecasts, in truth, that make no allowance for storms that any sane weather forecaster ought to allow for.

Furthermore, these are not oil company figures, although they parallel the projections recently made by the Shell Oil Co. Instead, they come from briefings now being given to senators and leading congressmen by the staff of the congressional Joint Committee on Atomic Energy. The sponsors are the committee chairman, Mel Price of Illinois, Rep. Chet Holifield of California and Sen. John Pastore of Rhode Island. All are Democrats; and Sen. Pastore, a strong liberal Democrat, has personally begged all other senators to give ear to the dire facts.

The figures also mean an energy crisis, of course. There will be local fuel shortages this summer. At least in a fair number of states, there may be gasoline rationing in the summer of 1974. The independent oil and gas distributors are due to suffer shockingly, if not to be wiped out. Short supply is the basic reason. Another reason is the greed of the big companies.

Yet inconvenience for many and heavy loss for a few, are mere trifles compared to the national tragedy of a dollar with ever-lessening value. And even this is only the first chapter of the horror story.

[From the Washington Post, Apr. 13, 1973]

A Nation Without Power

(By Joseph Alsop)

What people so cheerily call the "energy crisis" is really like a viciously poisonous onion. Peel off the energy layer, and you find the U.S. dollar rapidly losing value, year by year. Peel off the money layer, and you find the end of the U.S. as a great power.

It is a truism, of course, that no bankrupt can play the role of a great power in the world. In and of itself, therefore, the threat to the value of the U.S. dollar is also a threat to the U.S. as a world power.

As previously reported, present projections show this country using $24 billion of imported oil in 1980, and more than $30 billion of imported oil in 1985. These are the lowest sensible estimates, but they are also nonsense-figures. Bankruptcy, or something very like it, will come before 1980 unless we change our ways. No one is going to give us such huge amounts of credit every year, and year after year, when we cannot possibly pay the money back.

Right here, is the greatest single difficulty of exploring this ghastly, suddenly urgent American problem. Even the most solidly based present projections cannot possibly come true in the end, simply because something will give way somewhere, and with a rending crash, long before the fantastic situations finally arise that even the optimistic analysts now foretell.

There is one thing that cannot and will not give way, however, which also has much to do with the American role as a great power. In brief, the Persian Gulf will be the main place, for a long time to come, where all the world but China and the Soviet Union must go to cover most of the world's enormous and swiftly increasing energy-deficit.

To get a crude measure of what this means, it is only necessary to return to the present projections, which come from the briefings of the congressional Joint Committee on Atomic Energy. By these projections, the Persian Gulf states—Iran, Saudi Arabia, Kuwait, Iraq, Abu Dhabi and other little shiekdoms—will have an oil revenue of at least $16 billion in 1975, and without any further increases in the oil price! On the same highly optimistic assumption, the same states will have an oil revenue in 1980 of about $58 billion!

Once again, these are certain to be nonsense-figures in the end. Except for Iran, none of these oil-rich states has the ghost of a serious national defense. With one or two other exceptions, none of these states has a stable political system. Most have tiny populations in proportion to their vast riches.

History is a harsh process, and history will not permit this lunatic situation to endure indefinitely. The Soviet Union, for example, is already prepared to give history a helping hand. By huge efforts and investments, and by shocking American negligence, the Soviets have established naval predominance in the Indian Ocean. Again by heavy investments, they have also established predominance in the snakepit politics of Iraq.

This means that the Soviets effectively stand astride of both ends of the Persian Gulf. If they move boldly, they can easily cut the oil-jugulars of the United States, and of Western Europe and of Japan. The Soviets are unlikely to do this, to be sure, unless we in the United States continue to neglect our national defense. But the U.S. Senate appears hell bent on just that kind of neglect.

If the Soviets remain passive, moreover, something else will surely happen to change the situation in the Persian Gulf. There are the local Palestinian refugees, for instance, so numerous, so energetic, so bitter against Israel, and such easy targets for the KGB. In any case, such inconceivable wealth cannot pile up indefinitely in such weak hands, without stronger hands reaching out from somewhere to take the wealth away.

Meanwhile, it is another truism that no nation can continue as a great power when its jugular is oversas, and is also at the mercy of anyone who comes along with a sharp knife. When Britain was a great power and oil was first becoming important, Britain therefore moved to establish political control of the Persian Gulf. At the same time, Winston Churchill also made the British government the largest single stockholder of the British Petroleum Co., still second in rank of the huge international oil companies, but now without political protection like all the rest.

All that ended with a whimper, in fact, in the Suez campaign of 1956. Today, it is the great power role of the U.S. that is endangered by an exposed jugular overseas. And today, half the nations of the world conspicuously including Israel—and even Mainland China, in some measure, because of the Soviet threat—live in independence and go their own ways in relative peace precisely because the U.S. is still a great power. But maybe not for long!

Extinction for the Fossil Fuel Age?

(By Joseph Alsop)

"We are in the deepening twilight of the fossil fuel age." Such is the message now going to all senators and representatives from the congressional Joint Committee on Atomic Energy.

It is a ghastly message. From our jobs to our price structure, just about every aspect of every American's daily life squarely depends on lavish expenditures of inexpensive fossil fuels. The immediate sign of this twilight we are entering, because this kind of lavish, cheap expenditure is beginning to be impossible, is what is misleadingly called "the energy crisis."

The phrase is not misleading, because there is no energy crisis. It is misleading only because the crisis involves so much more than mere high gas prices and rationing of automotive gasoline. It involves unending inflation, because of continuous loss of value of the U.S. dollars. It even involves the end of the U.S. as a great power in the world.

These are the unavoidable penalties of vast, annually increasing imports of foreign oil, to cover our vast, annually increasing energy deficit. What, then, can be done about it? The answer, again, is ghastly. Here is a short list of measures that it is now urgent to take.

Item: To increase domestic oil production, open the entire continental shelf to oil production, including the whole of the Atlantic coast, the Gulf of Mexico, and the Santa Barbara Channel. Also double the present use of federal lands for oil production.

Item: To get more natural gas, remove all controls on natural gas prices, especially at the well-head—thereby giving the needed incentives for drilling much deeper and more costly wells.

Item: Invest something like $15 billion dollars to increase output of geothermal and hydroelectric energy by the approximate equivalent of 100 Hoover dams. For this, bite the ugly bullet, too, that the needed big increase in hydroelectric energy will call for big dams in national parks, wilderness areas, and even the Grand Canyon.

Item: Make enormous investments in oil production from our invaluable oil shale reserves. But again, bite the ugly bullet that large scale exploitation of oil shale will make horribly heavy calls upon scarce water resources, and will also necessitate digging up vast areas of western landscape—although some of the possible processes permit the landscape to be put back again later on.

Item: Get the equivalent of 50 Hoover Dams from solar energy exploitation—and require almost all home heating and cooling in the sunny Southwest to be converted to solar energy.

Item: Then build 1,000 nuclear power plants of 100 megawatts each between 1980 and the year 2000—with plants going in at a rate of more than one a week after 1985. As of now, a single 100 megawatt plant costs about $1 billion. Yet we have to go from the baseline of today, when our nuclear power production equals the national output of energy from firewood, to a new stage where a very large share of the total energy we consume will be nuclear in origin.

"Ghastly," then, is a modest word for the kind of steps the joint congressional committee is listing for its horrified audience on Capitol Hill. But just consider the present, quiet natural fury over high prices and inflation. Even food prices would be drastically lower today, if we had not already been forced to devalue our dollar so often. The devaluations were forced upon us, in turn, because we were buying abroad far more than we could sell. In short, our payments were unbalanced.

So consider the following trade-offs. First, if the Alaska pipeline had been promptly built when the great Alaska oil field was found, we should today be saving over $2 billion a year on the balance of payments. Second, if exploitation of the Santa Barbara Channel had been pressed forward despite the famous oil slick, we should again be saving about $2 billion on the balance of payments. Third, removing tetra-ethyl lead from gasoline and otherwise cleaning up automobile exhausts, is already costing about $1.5 billion on the balance of payments.

So there you have some of the price of increasing oil imports. We can have non-stop inflation because of permanently recurring dollar devaluation—which is now the prospect. Or we can stop trying to have our cake and eat it, too, and we can begin to worry about trade-offs. This can mean a lot of other unpalatable things, such as putting refineries and deep water ports where they are unwelcome. Yet we cannot have it both ways.

We are lucky, nonetheless, for the long pull, we have a better chance of getting on top of the energy problem than the western Europeans or the Japanese. But for the moment, this seems a thin consolation.

AN END TO TAX LOSS FARMING

Mr. CHURCH. Mr. President, today marks the beginning of what I hope will be the long awaited reforms on our present tax laws. Across this Nation, laborers, housewives and farmers have joined together in a publicly concerned effort to achieve genuine tax reform. This call for action must not go unheeded. Those of us who have called for tax reform in the past must begin a new campaign to construct more equitable tax structures. Tax Action Day is a grassroots beginning; so is the fact that on this day the House Ways and Means Committee has opened new hearing on tax reform.

In September of 1968, I joined with my distinguished colleague from Montana, Senator LEE METCALF, in cosponsoring legislation which would protect a legitimate farmers from the unfair competition of people who own farms in order to create tax losses to offset nonfarm income. At the time, I stated that—

> Tax provisions primarily developed for the benefit of farmers have, in fact, been misused by others. The effect has been the injury of legitimate farmers by people who are more interested in farming the internal revenue code than the land.

The problem then and now is that tax accounting rules designed for the benefit of the ordinary farmer are easily manipulated by arm-chair farmers for the purpose of creating losses which can be used to offset substantial amounts of their nonfarm income.

The 1968 proposal would have done much to solve the problem 4 years ago, but unfortunately we met with only limited success in getting portions of the legislation adopted. For example, a ceiling, albeit a high one, was placed on the amount of farm losses which could be offset in full against nonfarm income. However, much more needs to be done to protect the family farmer against the predator appetites of huge agribusiness corporations and wealthy, office-bound investors. During those 4 years between 1968–72, 162,000 farms, many of them family-sized farms, shut down operations. Preliminary estimates for 1973 indicate another 39,000 farms will go out of business this year. The simple fact is that tax-loss farmers are squeezing legitimate farmers out of farming operations by bidding up prices on land and other farm resources. As a result of the losses claimed by main street farmers, it has been estimated that the Federal Treasury has lost over $840 million.

In conjunction with Tax Action Day, April 16, 1973, the agribusiness accountability project has issued a background paper on tax loss farming. This research paper, which I encourage my colleagues to review, identifies and explains in detail the ease with which tax-loss farmers reap the benefits of a faulty tax system. The agribusiness accountability project has summarized proposed courses of action which government at all levels might pursue in closing this avenue for wealthy individuals to take tax write-offs. I believe that the suggestions outlined deserve our careful consideration and I ask unanimous consent that the summary of the proposals be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

FROM AN APRIL 16, 1973, NEWS RELEASE ISSUED BY THE AGRIBUSINESS ACCOUNTABILITY PROJECT

1. Congress is urged to devise legislative methods that do not promote unfair competition in farming by giving proportionally more benefits to the wealthier taxpayers. Such possibilities are:

Imposing an outside limit on the amount of farm deductions that can be used to offset non-farm income in any one year, but providing for loss-carry forward and loss-carry back privileges for losses exceeding that amount so that farmers would not lose the ability to make legitimate deductions.

Placing a restriction on the percentage of allowable deductions to be claimed by taxpayers whose effective tax rates exceed a set figure.

Changing the status of certain farm expenses from deductions to tax credits, so that all farmers would receive a straight-across the board percentage of their expenses as a credit.

2. Administrative agencies are asked to take action to correct tax-loss farming abuses:

The Internal Revenue Service is called on to deny partnership status to the limited partnerships in agricultural ventures, which would thus subject the venture to corporation tax and dis-allow the pass-through of gains and losses to investors. This can either be done by IRS rulings that such ventures fulfill two of the four characteristics that are used to define a corporation, or that the operation is not profit-oriented.

The Treasury Department is asked to take administrative action to disallow limited partners, whose liability is theoretically limited to the extent of their investment, from making deductions that exceed their actual cash contributions to the venture. This can be done by amending IRS Regulation 1.752, paragraph (e).

The SEC is urged to tighten disclosure requirements by

(a) Restricting further the regulations on who must file farm offerings,

(b) Requiring agencies offering management services to investors to file for registration and supply information on the number of their clients and the amount of the acreage controlled,

(c) Requiring annual public disclosure of the financial status of limited partnerships

(d) Requiring prospectuses to spell out over-planting dangers.

3. State and local governments should take measure to protect their rural constituencies from the potential deleterious effects of tax loss farming on their communities, for examples:

Requiring permits for any limited partnership, where either, an offer will be made to more than ten individuals, more than five partners will be involved, or the total investment in the venture exceeds $200,000.

The approval of such permits would take into account potential negative impact on the farm community and the stability of the industry or crop planned for development.

An alternative approach would have communities adopt policies that would levy a special tax or require special zoning on land that will be farmed by an absentee owner.

4. The AAP calls for a full-scale public inquiry into the extent and potential impact of tax-loss farming:

The Department of Agriculture should initiate a thorough, public investigation of tax-loss farming, with particular emphasis on the acreage, crops, and commodities affected and the implications of such on farmers and rural communities.

Concurrently, an evaluation should be made of alternative sources of supply of capital that could be provided for farmers, ranchers, and feedlots now dependent on this kind of outside capital.

The Joint Committee on Internal Revenue and Taxation is urged to speed up the release of its current study of the legislative history and economic impact of tax-loss farming.

Studies should be undertaken at the state and local levels and in the land grant colleges to measure the impact of tax-loss farming on various localities in the country.

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

Mr. ALLEN. Mr. President, S. 795 is the authorization bill for the National Foundation on the Arts and the Humanities.

In the short history of the National Foundation on the Arts and the Humanities, we have seen this small agency contribute significantly to the quality of American life, by helping to bring the cultural resources of this country to more of our citizens.

In my own State, the arts are important, not just to a small or elite group of people, but to a wide ranging audience. We have a proud arts tradition in Alabama, and the National Endowment for the Arts has helped to strengthen it and to make it grow.

Birmingham, Ala., is one of the most rapidly growing cities of the Southeast. And an index of the importance of the arts in Birmingham is the annual festival of the arts, which has a history now of more than 20 years. This year, the festival, which took place just last month, saluted France; and we were honored to have the Ambassador to this country from France, His Excellency Jacques Kosciusko-Morizet, in attendance. The mayor of Birmingham opened the 2-week festival which brought exhibits, performances, and participation—to say nothing of great edification and pleasure—to great numbers of our citizens. This year, the artistic presentations included a display and demonstration of crafts by our young citizens too.

And the festival took on special significance this year for the citizens of Birmingham because it brought the opening of their new cultural center.

I believe this is a pattern of activity that can be seen everywhere—this increased awareness and hunger for the beauty and insights that the arts can impart to our lives.

And I want to make the special point that the arts endowment does not come into a community with a handout and blueprint. The endowment, within its very small budget, assists programs for which there are support and plans at the local level—and only those projects which meet high standards of quality. Since all but a few of the endowment's grants are given on a matching basis, this program is far different from a Government handout. The program is a catalyst to local efforts.

I will not take time here to mention all of the many projects in Alabama the Endowment for the Arts has sponsored over the years—only a few, to give you an idea of the range and quality of the assistance we have received.

First. A grant of $2,150 in fiscal 1972 to the Alabama State Council on the Arts and Humanities in Montgomery was for support of the children's theater tours in Alabama's mental, correctional, and rehabilitation institutions for children.

Second. We have been fortunate to have a number of grants through the artists-in-schools programs of the endowment that brings live artists—dancers, filmmakers, poets, visual artists—into our schools to work with children in exciting learning experiences; and we have also been pleased to observe the improvement of reading skills and other basic skills among children who have had this added educational stimulus.

Third. A fiscal 1973 grant just announced of $14,300 to the Birmingham Symphony Association will help to cover the costs of the symphony's concert and workshop series in high schools, colleges, and hospitals.

Fourth. The Department of Architecture at Tuskegee Institute in Tuskegee, Ala., is one of only six black schools of architecture in the country. A fiscal 1972 grant of $12,516 from the arts endowment assisted upper-year architecture students in undertaking a comprehensive planning study on a portion of the inner city in Montgomery.

Fifth. Jazz is a great American musical art form. And the endowment has made a number of grants assisting this area.

For example: A $2,000 grant in fiscal 1972 to the Mobile Jazz Festival to assist an All-American School Stage Band Festival, in which high school winners from the 50 States were invited to compete; a fiscal 1972 grant of $500 to Talladega College in Talladega, for support of a jazz composer in residency; and a fiscal 1972 grant of $500 to the University of South Alabama in Mobile for support of the University's jazz workshop.

Sixth. Of course, the Birmingham Museum of Arts is one of our great cultural institutions, and the National Endowment has helped to strengthen its ability to bring fine exhibits to the public, including a show of the works of Veronese.

Seventh. And the Birmingham Symphony, through the Endowment's grant of $17,500 in fiscal 1972, was able to do more regional touring, and to give concerts in conjunction with opera and ballet, and in fact to extend its orchestra season.

These very brief illustrations give some idea of the range of activities of the National Endowment for the Arts.

The funding that is requested in S. 795 is justified and will help the National Foundation on the Arts and the Humanities to continue and extend the remarkable work it is doing.

CUSTER

Mr. CHURCH. Mr. President, in the Sunday New York Times of April 15 appeared a lengthy story by Michael Parfit of Mackay, Idaho, on the ghost town, Custer, in central Idaho.

It is an intriguing article, made all the more so by the glimpses of past history in a booming mining town of the 19th century, as seen through the eyes of several residents of the area still alive.

I am pleased to note, Mr. President, that the Forest Service would like to preserve Custer and restore it. And even though impossible to reach in winter except on cross-country skis, the Forest Service does maintain a museum there in the summertime.

I ask unanimous consent, Mr. President, that Mr. Parfit's article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Short, Sometimes Happy Life of Custer, Idaho

(By Michael Parfit)

Custer, Idaho.—The empty city is all gray, whites and blacks, and muted browns. A magpie, its iridescent color hidden under folded wings, sits in the lacework of branches of a bare quaking, aspen. The house beyond the tree, the McKenzie residence according to a map, is sagging at the rear under a heavy head of snow, its brick chimneys broken and short poles bracing the lee side as it heels before the slow swell of the earth. West, toward the neighboring town of Bonanza two miles away, ski tracks disappear into a thick gray mist of cottonwoods and aspen, this western limit of the ghost town of Custer.

Custer, Indians used to say, was in the land of deep snows, to be avoided after the leaves flew. In the winters of antiquity few living creatures ventured into this 6,000-foot-high valley, and not many do today. Perhaps a magpie, a few elk on the windblown ridges, squirrels and coyotes. The land is swept by silence, a silence that absorbs even the audacious roar of occasional snowmobiles. It's not a smothering silence, but rather an emptiness, as if sound had been exhausted and there is nothing left to be said.

Skis fit well into the mood of this Idaho ghost town. The soft whoosh, whoosh, of the long wooden blades gliding past the few empty frame buildings does not disturb the peace that has come to this wide flat that was once populated by more than 3,000 people. The winter visitor who skis the 10 miles from the nearest plowed road can try, if that is his bent, to explore, without diversion, the deep, cold silence for a hint of the clamorous past; a memory, an echo, a harmonic, a vibration of life perhaps trapped in this narrow valley by the echoing rocks that rise above it.

THE BEGINNING

Custer and the nearby ghost town of Bonanza, both along the Yankee Fork, a tributary of Idaho's famous Salmon River, were born in the last days of the American frontier, after the westering thrust had burst through to the Pacific and was doubling back into the land it had crossed. The first mine here was worked in the winter of 1843, when 45 men took advantage of the cold to tunnel under a frozen creek bed after gold. In 1876 a rich lode was discovered on a mountainside, and with the memory of Gen. George Armstrong Custer's disaster earlier that year still fresh, the town of Custer had its name. The place boomed in the eighteen-eighties and again in the late nineties, then faded. For a short, intense hour of history it was the epitome of the mining West: urban, thriving, confident; the mood optimistic, but the future precarious.

Custer's history is not unusual, nor is it particularly romantic. Like many mining camps in the Rocky Mountain West, it was built on gold, the glamour mineral. But the work was severe, the chances of real success low and the winters mean. Like most of the other towns that bloomed across the West like wildflowers in an accelerated nature movie, it was peopled by a tough but not flamboyant breed, most of them young.

"There just weren't old people there," says Gladys Smith, who was born in Custer in 1897 and now lives nearby. "Of course we thought of our parents as old people, but they weren't."

In their twenties, thirties and early forties, the miners came from both east and west, bringing what few pioneers had brought before: the city.

Although the miners were often more isolated from the developed East than the East was from Europe, the nature of their work, which demanded singleness of effort in the pursuit of gold, required support from towns. Settlement, instead of spreading slowly, farm by farm, as it had on earlier frontiers, was born in instant cities—just add gold and stir. The farms and ranches came later to feed the miners, and in the end, only they remained.

The last frontier became the urban frontiers, cities as the cutting edge of civilization. In Custer the estimated population ran up to about 3,500 in only 10 years, the gold drawing men like cattle to a salt block. In the rush, all the problems and challenges of orderly development were jumbled into a hurrying chaos. "In those few hectic years the mining camp crowded its entire existence," historian Duane A. Smith wrote in "Rocky Mountain Mining Camps," magnifying the problems of life by the sheer velocity at which it was traveling." About those times a prospector wrote: "The greater portion [of the population] are like bees in a broken comb, rushing about unsettled, flying to wherever [sic] excitement, appearing not to know what the matter is, or where to settle."

RELATIVE ISOLATION

In spite of the confusion, governments were developed, laws were enforced, individuals rose to power or diminished, and class strata jelled out of the initial pure democracy of general poverty—all in relative isolation from the rest of the country. Although supplies had to be brought in by wagon train and sometimes even by pack mule, the miners were quickly offered all the benefits of the modern city: doctors, lawyers, groceries, boarding houses, saloons, bordellos and even pollution. Hogs roamed the streets, there were no sewer systems, drinking water became contaminated, housewives chucked their garbage about indiscriminately and stench filled the air.

Quite apart from the aroma, it must have been a time of great intensity, young men working at the height of their abilities and energy, driven by what historian Smith calls "abject materialism," the smell of raw gold. The enthusiasm, the turmoil and the hardship burned people out, but the turbulence must also have left powerful memories, which made the birth of mining towns the high point in many lives.

To the visitor approaching Custer from the west after his own brief period of exertion, there is little on the wide flat before him to tell of that intensity of purpose that cleared the land, built a city in a decade and for not much longer than that succeeded in driving even the silence of winter back into the farther peaks and canyons. On the west end there is nothing left of Custer's own small ghetto, Chinatown, the separate corner reserved for what many people locally considered an inferior race.

The mining days were not pleasant for the Chinese. Openly villified in camp newspapers, they were segregated from the main town, and since they could often find gold in tailings deserted by white miners, they were sometimes considered harbingers of decline. Custer's record here is unclear, but there is a smudge: a group of Chinese who settled nearby were massacred one night by Indians; Indians who may well have been costumed miners.

The Chinese in Custer built a joss house, a temple of worship for them and an item of curiosity to the whites. In the end it was the only holy place ever built in the city.

Beyond where Chinatown was the flat is spacious, and most of the houses that remain are gathered in the center almost as if clustering for companionship. Just to the west of a little shack in which the Forest Service shows slides for summer tourists a rumple in the snow is all that remains of a store run by "Old Man Jones," a gentleman who sold shoes, chewing tobacco and ginger snaps, if the memory of the children of the time is correct.

In the center of town, back against the hillside, is the schoolhouse, a masterpiece of civic effort, built in 1900 in the middle of Custer's last boom. This square, peaked building held schoolchildren on weekdays, worshipers on the few Sundays that an itinerant preacher visited, and dances on Saturday nights.

"We had quite a few dances," Gladys Smith says. "If it was a big one, why, they'd move the desks outside. We'd have sandwiches and coffee at midnight and we'd dance as long as we wanted to."

Today the schoolhouse is cluttered with relics such as rocking chairs, woodburning stoves, gold pans and rockers, and whittled artifacts, collected by Arthur (Tuff) McGown, who lived with his wife in the town for a number of years after it had virtually died. The collection is now part of a Forest Service museum, but the winter visitor finds the windows boarded and the relics removed for seasonal safekeeping.

A SALOON'S HISTORY

Across the space that must have been main street is the old Empire Saloon, which has had a variety of functions since the days when it was one of the city's leading institutions. Saloons were the apex of masculine society, Duane Smith writes, and the epitome of its culture. The Empire Saloon may not have been the most impressive cultural stronghold, but at least it was durable, surviving at least one move, and later serving as a doctor's office, refreshment stand and home for several different families. Now equipped with a woodburning heater and a gas stove, it is the summer home of the Forest Service museum custodian, the man who has the unenviable job of repeating the more lurid stores of Custer and Bonanza several times an hour in the tourist season.

He has to dig deep for his material. Like most of their mining counterparts, the two towns were placid compared to popular misconception. Leadville, Colo., Deadwood, S.D.; and Tombstone, Ariz., lived up to their names with gunfights, stage robberies and roaring red-light districts, but most of the other towns muddled through an occasional brouhaha with little more than one or two bruised knuckles.

The settlements of the Yankee Fork do have a few legends, however, probably based on the kind of troubles every small town encounters in the course of two or three decades; troubles embellished by time. The most popular legend is known as the Tale of Lizzie King, in which the widowed Mrs. King is adored by Bonanza's founder but marries a newcomer instead, whereupon both she and the hapless new husband are promptly shot down in the street by an unknown hand, and the town father quietly buries his dead, then leaves town to spend the rest of his life in lonely exile and die with a locket portrait of the former Mrs. King clenched in his fist.

Normal mining-town life was relatively free of such sorrow, except, perhaps, when the local talent staged a melodrama in the schoolhouse or union hall. But it certainly didn't lack drudgery, since most of the men had far from glamorous jobs in the mines or the huge General Custer Mill, and most of the women worked as fulltime laborers in the homes. Housework was a constant chore, and the women of Custer rejoiced when progress brought them the convenience of tin washtubs and scrub boards. Wood had to be chopped, fires stoked, water hauled, bread baked, floors scrubbed.

"That's why it was so interesting," says Gladys Smith. "You did things."

Winter, except for freezing out the musty aroma of the mining towns, didn't do much to ease the strain. The visiting skier, chopping through the Yankee Fork ice for water and dusting the little needles of powdered snow out of his sleeping bag, may envy the miners their cast-iron stoves, but over the long stretch winter was harsh indeed. Work in the mines continued whatever the season, and the snow began in October and didn't leave until April or May, so the people of Custer had to put up with raw hands and frosted moustaches for much of the year.

"We were used to it," says Carrie Williams, a tiny woman with a glorious head of curly white hair who lived in Custer until her marriage and today cherishes her collection of photographs of that era. "We didn't expect anything different; that was the way we lived. But my, it would have been grand if we'd had electricity. And hot water. You know, that's what I like now best of all."

OF DAYS GONE BY

There were some pleasures to be wrestled from winter, though. Skiers trudged up slopes carrying their hefty bent boards and plunged down again bearing a great club of a pole, used more as a brake than a balance. Kids slid around on old deerhides, fir boughs and tin lids swiped from the kitchen. Paths in the snow, which was often five feet deep, were narrow one-lane channels, and this sometimes led to grief. One stubborn burro insisted in blocking the trail, forcing passersby to flounder around him. And once, legend says, when a pedestrian going west encountered a large hog going east, the hog propelled by a pursuing dog, gave the gentleman a sudden ride in the wrong direction.

Aside from the constant threat of fire, avalanches were Custer's biggest problem, and remain the skier's worst hazard today. Thaw weather created snowslides so regularly that some had names; the Custer slide hit near the site of the mill; downstream a slide with the ominous name of Whistler hit near the west end of town. Slides took lives far more frequently than the gunslinger's bullet, and one year three children were buried in their beds and died.

The names of those children, like the names of most of the men and women who passed through Custer in its day, are no longer remembered. Only a few of the Yankee Fork's personalities have survived the big eraser of time: Charles Franklin, who loved Lizzie King; Tuff McGown, who, born in Custer, made the care of the ghost town and the collection of its remains his life, and Silas Romer, a snowshoe mailman who, in an episode touched real heroism, died in an avalanche while carrying medicine to a sick child.

Custer began to fade in 1904, and the last permanent residents left around 1910. The town sputtered briefly in later years when gold prices went up, and during the Depression a few placer miners managed to pan a living out of the river bed. The town was barely touched, but the river suffered when, in 1938, a gold dredge began its relentless, grinding march up the valley. The huge dredge still rests just west of town, where it stopped in 1952, several million dollars later. The barren tailings, dug up from as deep as 35 feet below the river bottom, stretch for six miles behind it.

Today the Forest Service has plans to use Custer to mine the rich lode of tourism. If Congress appropriates the funds, the town will be rebuilt to look as it did near the end of the nineteenth century, concessions will be opened and the place will thrive again. The chances for appropriations in the immediate future, however, are slim.

Whatever happens to the old city, the skiing visitor will probably always be able to find that timeless silence in Custer during the heart of her winter of deep snows. And today the only signs of her past that remain in the empty buildings are paper peeling on the walls, rusty gold pans and trinkets carved in bottles when time dragged through winter. A visitor, his view distorted by imagination, begs imagination to take him back.

MOOD OF AN AGE

But there are no ghosts now in Custer, no bearded, transparent men who float in front of the tent at midnight and explain the intricacies of the past. There are only the signs of what was left when Custer no longer held hope and was deserted. The town is valuable for that minor insight, perhaps and if reconstructed, valuable for the generalizations it will portray, generalizations out of the history books, the mood of the age.

In Custer the vital personality has disappeared. It is a city of bits and pieces of imperfect memory. In the throb of the tourists summer one might imagine a counterpoint beat out of the past, but in winter the silence has nothing to say.

Maybe there are no harmonics here, sounds caught between the deeper vibrations of the cliffs that stand over the city. The rocks hum their own tunes, too slow for human ears; they only played with the echoes of the voices that shouted, whispered or cried here. The rock volleyed the sound back and across the valley and then let it escape into the broad sky.

NEED FOR AN UNQUALIFIED NEWS SOURCE PROTECTION BILL

Mr. CRANSTON. Mr. President, the Citizen's Right to News Committee, a nonpartisan and nonprofit association, that is dedicated to protecting the public's right to news and to opposing efforts to force newspapermen to divulge their confidential sources of information, has submitted a statement in support of an unqualified newspapermen's shield law to the Subcommittee on Constitutional Rights of the Senate Judiciary Committee. That subcommittee has been holding hearings on the question of a newspapermen's shield law during the past 2 months.

I think that this statement by the Citizens' Right to News Committee, formed 1 month ago with headquarters in San Francisco and Washington D.C., contains a well-reasoned, thoughtful, and highly persuasive argument for enacting an unqualified shield law of the kind I have introduced in Amendment No. 27 to S. 158.

Mr. President, I ask unanimous consent that this statement, as well as an April 5, 1973, press release describing this new committee, be set forth in the RECORD at this point so that this important statement can be read by other Members of the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Statement of the Citizen's Right to News Committee in Support of Unqualified Newsmen's Shield Legislation, March 1973

The Citizen's Right to News Committee (CRNC) is a non-partisan and non-profit association dedicated to protecting the public's right to news and to opposing efforts to force newsmen to divulge their confidential sources or information. Because this confidentiality is essential to maintain a free flow of independent, penetrating, and critical news to our citizens, CRNC supports a federal shield law which:

Provides an *absolute* shield to newspersons against compulsory disclosure of news sources or content;

Applies to investigative and adjudicative forums in both civil and criminal proceedings and on both state and federal levels.

Our Committee would like to present briefly to this Subcommittee our reasons for supporting an unqualified shield law, and ask permission that the CRNC's lengthier Position Paper on the protection of confidential news stories and information be placed in the printed hearing record.

I. FREEDOM OF SPEECH IN OUR SOCIETY

Freedom of speech is such a fundamental component of any democratic society that its importance needs little elaboration at this hearing. It is enough to recognize that no citizen can begin to exercise meaningfully his right of political participation without adequate debate and information. And in any complex society such as ours, individual citizens have no choice but to rely upon the press as the almost exclusive source of such debate and information.

This special role of the press as the means by which citizens gain enough information to make democracy work was recognized in the First Amendment to our Constitution. The critical, constitutionally-protected mission of the press continues to be recognized in literally hundreds of court decisions; these cases have developed standards to insure the First Amendment's grant of free speech by keeping the press unburdened from outside interference and control. These decisions rest on the premise that the press deserves special treatment only because it serves the ordinary citizen's need to know.

It is important to recognize some of the basic themes that run through these free speech decisions that have a direct bearing on the issue of a newsman's shield law. First, courts have recognized that free speech and a free press are fragile elements in any society. To maintain their vitality, they must be carefully protected from both direct and indirect "chilling" pressures. Second, the courts recognize that such protection is often only possible at the sacrifice of other, competing societal values. The Supreme Court has explicitly held that the use of government investigative and adjudicative proceedings must be limited in many instances in order to maintain free speech, and that under certain circumstances anonymity is a requirement of participation in the debate of a free society that deserves constitutional protection.

II. THE NEED FOR PRESS CONFIDENTIALITY

One of the many areas where the special requirements of the First Amendment and other, competing societal interests conflict is the question of confidentiality of newsmen's sources and the information they collect. Such information is often admittedly useful, and at rare times, is of central importance to government officials as they perform investigatory, prosecutural, and judicatory functions. Access to such information however, would seriously weaken or destroy the press' function as a conveyor of news from the government and our society to our citizens. This is true because much newsgathering in our society now depends upon sources that will not, for various reasons, provide this information if their identity is revealed. Studies of reports' experiences, numerous affidavits of our most prominent journalists, and some of the recent most crucial spectacular news stories of our times support inescapable conclusion that, without the confidential news sources, our citizens will be deprived of much of the most revealing information about their societies and the world.

And it should be recognized that the *best* kind of reporting about the most *important* type of news now depends, heavily and in some cases almost exclusively, upon confidentiality. The relatively recent development of indepth reporting and news analysis, the growth of news coverage of minority, radical, and fringe groups in our society, the attention to new forms of dissent, dispute, and conflict in modern America, and the searching scrutiny of government corruption, distortion, waste, and secrecy all rely, and must continue to rely, upon confidential sources of information.

Government employees that know of hidden corruption or incompetence, radical leaders or groups that may threaten the stability of our society, persons who engage in new forms of protest or illegal behavior will not provide information to newsmen if their names will soon be revealed to their superiors or to the police. Yet, this is the very news that is so vital to the continued functioning of our democratic society. Our citizens must learn about governmental corruption, about dissent and radicals, and about illegal behavior if we are to maintain honest government, if we are to respond to our society's problems, if we are to deal with lawbreaking—in fact, if we are to survive as a democratic society.

The protection of the confidentiality of news sources is thus clearly required for the continued flow of crucial and meaningful news to our citizens. The alternative would be the disappearance of these news sources, cutting off our society's access to information about fringe groups, illegal activity, and government corruption. We would be forced to rely exclusively upon the official, self-serving press release version of government action and the police and district attorney's version of crime and dissent.

The American people would never have read about the Pentagon Papers, the Bobby Baker affair, the Thalidamide horror, the My Lai massacre, and much about the Watergate scandal if confidential news services were not willing to speak to the press. William Fall, news writer for the Los Angeles Times, who spent 46 days in jail rather than reveal a confidential news source, has described how two Pulitzer price-winning stories about city corruption and the Watts riots could never have been written without confidential news sources. From the other testimony before this Committee this list of news stories could be made infinitely longer.

Even more destructive if this confidentiality were lost, would be that the prosecuting attorney, the civil litigant, and the investigating grand jury or legislative committee could, and inexorably would, annex the press, and turn it into an investigative branch of the government. This would occur not from unprincipled design, but rather from the desperate need for information about and insight into some of the most troublesome problems of our time. But such misguided use of press information and sources would destroy the press' relationship with confidential sources, denying the information to both newspaper readers and government agencies. It also would, in the eyes of the informer and in the eyes of the public, undermine much of the independence of the press from government.

The availability of compulsory process against reporters is, obviously, open to easy and devastating abuse. The burden of providing voluminous notes and other material for discovery, the elimination of informants, the revelation of a news agency's most intimate and secret files and methods of operation, and possible incarceration of reporters for failure to cooperate are almost ideal tools for a government to chill or silence the press.

What better method is there for local, state or federal officials to halt investigations of corruption and misfeasance and to silence any subordinates who dare to speak to the press? What more ideal way is there for police or prosecutor to cover up corruption, inaction, or unknown areas of crime that threaten citizens? What better process is there for national leaders to keep hidden dissent and disagreement over its policies that exist both inside government and across the land?

III. THE PRESENT THREAT

If this discussion were to take place 20 or even 10 years ago, it would be considered by all but a few law professors and journalists as arcane and academic. But the events of the past few years have demonstrated that the conflict between subpoena and reporter is very real and increasing and that the threat to citizen's access to news through the press is now seriously threatened.

Other witnesses before this Committee have described this problem in eloquent, dramatic, and tragically-first hand detail; it is enough for us to underscore that there can be no doubt that the scope and frequency of use of compulsory process is burgeoning. Grand juries are increasingly turning to newsmen for confidential information, often spurred into action by the publication of particular articles. Legislative committees are issuing subpoenas. Private litigants, such as the parties to the Watergate cases, have requested sweeping discovery orders. Police have utilized search warrants to seize press notes and photographs; film and videotape of broadcast material and "outtakes" have been sought. Again and again newsmen have been sent to jail.

The underlying cause of this seeming assault upon the press is no doubt multifaceted. In part, it stems from the increased sophistication, depth, and impact of print and electronic news coverage, for the first time making available information and sources relating to sensitive and critical problems and, causing acute discomfort and embarrassment to government officials and private segments in our society. In part, this conflict arises from the deeper divisions and fragmentation of our society that have either grown from recent events or finally surfaced after having been long hidden from the public arena. And in part, the attitudes and practices of government officials have changed. Under increasing strain as divisions and unsolved problems mount, they naturally search out any information that can possibly help them. Once one official has used a subpoena to gain access to this new and potentially rewarding source of information, it is easy for others to follow, and any internal restraints grown from a tradition of constitutional respect of the press are swept aside.

Finally, it cannot be denied that the traditional adversary roles of press and government have become more bitter with some government officials voicing unrestrained antagonism towards the values which underlie the First Amendment, encouraging others to disregard traditional rights associated with the press and to seek to weaken the independence and impact of our "Fourth Branch" of government.

The press reacted strongly to this invasion of what many considered a press right under the First Amendment, and reporters have turned to the courts for protection. A few notable lower court decisions found some measure of constitutional protection under First Amendment precedents against the compulsory disclosure of confidential news sources. However, the Supreme Court in the *Branzburg* v. *Hayes* decision of June, 1972, rejected any press claim to Constitutional protection under the First Amendment.

The majority opinion in *Branzburg* apparently relied heavily upon the assertion that the harm to the ffee flow of news from disclosure of confidential information and sources was highly speculative. We take issue with this approach by the Court's majority. First, never before in First Amendment cases, especially those involving the chilling of free speech rights, was scientific proof and overwhelming documentation of harm a prerequisite of Constitutional protection. Indeed, the very nature of the free speech protection and the requisite absence of fear to exercise that right are necessarily difficult or impossible to quantify and to study.

Second, the undisputed assertions by knowledgeable newsmen that a significant part of news relied upon confidential sources was brushed aside by the Court, in spite of the fact that much of that news was the most significant to our society.

Finally, if the effect of any lack of constitutional protection was speculative at the time of the *Branzburg* decision, it cannot be now, for the reaction to the decision was a practical flood of sweeping subpoenas at all levels of government and more jailings of reporters, interpreting the decision as a signal to end any remnants of self-restraint.

The Reporters' Committee for Freedom of Press has reported:

> "While the current subpoena problem originated with federal grand juries and with state grand juries, the infection is spreading. Joseph Weiler of the Memphis Commercial Appeal and Joseph Pennington of radio station WREC were called before a state legislative investigating committee. Dean Jeniston, Stewart Wilk and Miss Gene Cunningham of the Milwaukee Sentinel and Alfred Balk of the Columbia Journalism Review . . . were asked to disclose confidential sources during civil hearings before federal district courts. William Farr resisted a county judge's personal investigation into violations of his Mason trial publicity order.
>
> "Three St. Louis reporters appeared before the State Ethnic Committee which appears to be some kind of executive committee authorized by state legislature to investigate state judges. Brit Hume of the Jack Anderson column and Denny Walsh of *Life* resisted libel case subpoenas."

And this list does not include the sweeping discovery of all material relating to the Watergate affair attempted by the *New York Times*, the *Washington Post*, *Newsweek*, *Time* Magazine, and the Washington *Star-Daily News* in the Watergate civil case.

Much as the CRNC believes that the First Amendment requires protection of newsmen's confidential sources, and that such constitutionally-sanctioned protection is ultimately necessary to assure to our citizens a free and adequate flow of information, we believe that the present attempts to subpoena information from newsmen, particularly in the aftermath of the *Branzburg* decision, demands immediate statutory protection for the press. In *Branzburg*, the majority of the Court invited Congress to act in this area; we implore Congress to accept this invitation to sustain every citizen's right to news.

IV. THE NEED FOR AN ABSOLUTE SHIELD LAW

The CRNC strongly believes that for any newsmen's shield law to be effective in maintaining a flow of news to citizens, it must grant an absolute right to newsmen to decline to reveal the source and content of the information they have gathered during the course of their work. The Committee takes that position because a qualified shield law will simply not work. As Professor Freund of Harvard Law School has stated:

> "It is impossible to write a qualified newsman's privilege. Any qualification creates loopholes that will destroy the privilege."

We emphatically agree. Whether the qualification relates to the nature of the information such as national security or serious felonies, to the type of proceeding such as criminal trial or grand jury meeting, or to the importance of the information to such a proceeding, such as the "heart of the matter" test, or "crucial to a criminal conviction" test, it still can be expanded and will inevitably be applied to some crucial confidential information. Experience under state shield laws demonstrates the hostility of many courts to such laws and the unlimited resourcefulness of prosecutors and judges in voiding their protection.

But, more important, the focus of a discussion on the merits of a qualified vs. unqualified shield law must rest upon the potential effect on the news source, for he or she is the key to the free flow of news. *The confidential news source must be reasonably assured that his identity will remain unknown or vital information will disappear.* If those sources grow quiet, the cause is lost and no elaborate law or procedure will be of any use.

We feel it is clear that only an absolute shield can offer reasonable assurance to a confidential source. No confidentiality that rests upon a future determination by judge or prosecutor about the relevance, importance and legal forum of a confidential shield will give adequate protection to a news source. Nor can these resources be expected to continue to rely for their protection upon reporters going to prison for long periods of time. And under present circumstances, it is unrealistic to expect these people to be comforted by the self-restraint of officials sensitive to the needs of the First Amendment.

And once one source is revealed, no matter what the circumstances, all other confidential sources will understandably be afraid.

The recent testimony of reporters demonstrating the silencing of confidential sources and the cancellation of news stories depending upon those sources attests to the devastating effect of the sources' eroding confidence in their chances of remaining anonymous.

In this connection, it is important to understand that the overwhelming number of confidential sources relied upon by the press are not radical leaders or professional criminals, but rather they are dedicated and hardworking bureaucrats. They speak to reporters because they disagree with their superior's policies, because they see dishonesty or corruption uncorrected, and because they feel the public should know what is going on. Admittedly, some are acting selfishly; others act as patriots. What is important is that these individuals are *indispensible* to keeping Americans informed about how the state and federal governments are operating—or failing to operate. In many cases, they are the only access to information that is improperly hidden from the public. And they are practically the only effective deterrent to corruption.

These people know that their fellow workers and superiors will act to silence them. They understand that their jobs or careers will vanish if they are discovered. They stand to lose a job that supports a family, children's education, and a mortgage. With such a risk and certain retaliation if they are ever discovered, how many will speak up depending upon an uncertain decision by a judge on the question of materiality or national interest? The answer is plain.

This point is so obvious and compelling that most opponents of an absolute shield law readily concede it; they assert, however, that the costs of such an unqualified shield law to the proper functioning of the criminal justice system are too great. The CRNC believes that a careful examination of these "costs" to society of a shield law are highly exaggerated and, in fact, they do not represent a significant loss to our criminal system at all.

In the setting of an investigatory proceeding, either of a grand jury or a legislative committee, the so-called public costs of an absolute shield law are, upon reflection, insignificant in comparison to the First Amendment values involved. Many confidential news sources, are concerned with matters of bureaucratic policy or social protest that do not involve criminal behavior. Those that do involve criminal behavior often focus upon official corruption The denial of the source of the information that first revealed the existence of this corruption cannot realistically be deemed an insurmountable barrier to a grand jury or legislative committee from using its broad subpoena powers to investigate the principals involved. Of course, it would be easier to force the source to point the finger, but such a saving of effort would merely cut off all future sources and serve to protect corruption in the future. Nor does the denial of such a source inhibit such a body from exonerating individuals from inaccurate accusations.

The fact that confidential informants use the press to expose corruption is, in itself, a great weapon against crime: it deters such behavior, and it forces responsible officials as well as prosecutors to act.

The same analysis applies to information published about serious criminal activity outside the government, either by organized crime groups or radical political groups. The knowledge gained by society and the investigating body far outweighs the *additional* information that would be gained from the appearance of the informant and the cost of losing such informants in the future. In these cases, exposure of the informant can mean a serious threat to him. It is not sensible to sacrifice this potent force for exposing criminal behavior merely to add one witness, much of whose testimony is already revealed, to the evidence that the entire criminal justice system is capable of adducing.

Reports of another type of criminal activity have been sought by subpoenas—new forms of social activity by fringe groups or normal citizens who violate criminal standards of behavior without threatening grave harm to the society. Most of these reports focus upon activity such as drug use by youngsters, new forms of sexual activity, the widespread use of illegal abortions, etc. These reports raise vital questions about our society that should be considered and that citizens should know about. In these cases, the society's need for those investigative bodies to have the names of sources, who are likely to be individual examples of widespread violation of these laws, is not as great as the society's need to know that these activities take place at all.

In addition to the fact that revelation of confidential sources to investigative bodies would clearly cost the society more than it could possibly gain, the news media are particularly susceptible to damage from these investigators. The scope of their inquiries are broad and the limits on their subpoena powers very narrow; they would naturally seek to gain as much information as possible from a reporter, exposing all of his information and sources in a fishing expedition that is certain to destroy any future confidential sources in that entire area.

The cost to society of an absolute shield law in criminal trials is similar to that discussed relative to investigations, except the proximity to actual criminal behavior and its punishment is much greater. But again, an analysis will demonstrate that society loses very little in such a situation.

In the case of government corruption or private criminal acts, it is improbable to the extreme that the confidential source of information will possess the only evidence needed for conviction. Even in cases where individual isolated criminal acts are involved, this is rare. In fact, in all of these cases, the confidential newspaper source plays the precise role that the widely used and accepted police informant does—except the press source also plays a vital function in delivering news to our citizens.

And the plain facts are that the overwhelming number of confidential sources are not discussing criminal activity at all; of those that do, rarely are they themselves criminally involved. Serious criminals simply do not confess to reporters, nor do they invite reporters to witness murders, rapes, burglaries, or espionage. And if reporters do learn of such serious crimes, they are unlikely to agree to keep confidential the names of the perpetrators.

Finally, even under an absolute shield law, in the rare and extraordinary case where a reporter does learn in confidence of the identity of felon, or of a person about to commit a felony, that reporter can weigh the societal interest himself and come forward and break confidentiality when manifest injustice would otherwise occur.

These rare, hypothetical dilemmas exist more in the minds of many who oppose a shield law than in the courthouses of our country. They are clearly outweighed by our citizens' right and need for news. In making this balance between the First Amendment and the criminal justice system, we should compare other evidentiary privileges now existing. The doctor-patient privilege justified to ensure that doctors can effectively treat their patients, and the lawyer-client privilege, justified to ensure the proper functioning of an adversary legal system, protect interests that are clearly no more important in our constitutional system than a key part of the First Amendment. And these privileges are much more likely to prevent crucial evidence of criminal conduct from being revealed.

Thus, in making the balance between the need to protect confidential sources to provide our citizens with a free and adequate flow of information and the benefits that may occasionally accrue to our criminal justice system, CRNC feels that scales lean overwhelmingly to the side of the First Amendment. We would not sacrifice the Pentagon Papers or knowledge about the Watergate affair; we would not give up the repeated exposures or widespread corruption in government at all levels; we would not cut off our few insights into the behavior of fringe radical groups, of the activities of the Mafia, the illegal abortion trade, or the venereal disease epidemic in our youngsters. All this could be lost for the uncertain and unlikely need for a witness in few criminal trials.

Never before have our citizens needed so much the news that is provided by confidential sources. Never before has this news source been so threatened. It must be protected. And it only can be protected by an absolute shield law. We respectfully urge this Committee and Congress to support such a law to vindicate the First Amendment rights of all of our citizens.

National Citizens' Group Asks Congress to Restore Press Freedom

From: Citizens' Right to News Committee. San Francisco, Calif.

For further information: Frederick P. Furth, San Francisco: (415) 433-2070; Theodore H. Pincus, Chicago: (312) 641-2100, New York City: (212) 422-7250.

Washington, D.C., April 2.—A nationwide citizens' organization today asked Congress to enact legislation granting unqualified protection of newsmen's confidential information and sources, stemming from what it termed "a quietly growing threat to America's press freedoms."

In Washington, attorney James F. Fitzpatrick, Vice-Chairman of the newly-formed non-profit Citizens' Right to News Committee, announced that his group made its appeal today in testimony before both the Senate Judiciary Committee's Constitutional Rights Subcommittee and the House Judiciary Committee, entering a 37-page Position Paper. Although professional news media associations have protested the wave of adverse court decisions and subpoenas curtailing news source protection in the past year, this is believed to be the first organized national protest by private citizens, he said.

At the same time, at a news conference in San Francisco today, the CRNC organization's national chairman, attorney Frederick P. Furth, said that the Congressional testimony is "the first step in a nationwide program to show Congress that the general public—as well as the professional newsman—is alarmed over the current trend toward de facto censorship."

Furth said that the opening move will be followed by a major forum on the subject slated for April 13 at the Center for the Study of Democratic Institutions in Santa Barbara, California, at which the CRNC Position Paper will be discused by a number of leading educators and attorneys.

Essentially, Furth said, the CRNC testimony calls for legislation that would guarantee "absolute privilege" (i.e., no qualified loopholes) of news source confidentiality for reporters, preventing the government and courts from forcing them to betray their informants under threat of contempt citations and consequent jail sentences. Further, he said, the proposal asks that the legislation be "preemptive"—applying at both the federal and state levels.

The CRNC action comes in the wake of increasingly frequent developments that have curbed traditional press freedoms, Furth pointed out. In 1969 and 1970, he said, a total of 166 subpoenas were directed to the three national T.V. networks seeking confidential information gathered through reporter investigations, and meanwhile the major newsweeklies and metropolitan newspapers were increasingly asked for similar data by state and federal authorities. The pattern—without widespread public attention—led to a series of cases against uncooperative reporters who claimed press freedom under the First Amendment, he said, and these culminated in June, 1972, with the U.S. Supreme Court's milestone *Branzburg-Caldwell* decision. That judgment rejected pleas by three separate newsmen, in three separate cases, that the First Amendment should back up their assurances of confidentiality to news sources.

Just since that legal reversal last June, Furth said, the Reporters' Committee for Freedom of the Press cites 64 censorship incidents and widespread reports among news media that confidential sources are rapidly drying up. "What has alarmed us most," Furth said, "is how quietly this has all happened, with the full implications scarcely realized by the general public. Considering how vital our nation's confidential news-source process is to an alerted press and hence an informed electorate . . . and considering that this in turn is the cornerstone of a free society . . . the pattern has reached crisis proportions."

Furth stressed the Reporters' Committee contention that major national news—the Pentagon Papers, the Bobby Baker affair, the thalidomide terror, the My Lai Massacre and countless others—would today remain hidden from the public by reluctant informants fearful of disclosure, loss of job, or legal prosecution. "It's chilling to ponder how many similar events may be presently locked from view because government workers, scientists, accountants, soldiers and others are now afraid to blow the whistle," he said.

The U.S. Department of Justice has opposed all recent attempts to create legislation countering this tide, Furth said. Meanwhile, most proposals that have been advanced, he stated, contain qualified forms of newsman protection that may be legally sidestepped by the government, in future cases, in order to force disclosures. But, he said, as the eminent constitutional scholar, Professor Paul Freund of Harvard Law School concludes: "It is impossible to write a qualified newsmen's privilege. Any qualification creates loopholes which will destroy the privilege."

Furth said that the CRNC program this year will also include a drive to gain the support of many more private citizens across the country who can help to underscore the fact that newsman protection, in essence, is public protection rather than any sort of self-serving shield for the Fourth Estate. In addition to Furth and Fitzpatrick, the CRNC organization leadership includes as Vice Chairmen, Phoenix attorney Robert L. Bluemle; Richard L. Gilbert Jr. of Santa Barbara; Indianapolis attorney William C. Barnard; and a National Advisory Board that includes Frank Kelly, Vice President of The Center For the Study of Democratic Institutions; Chicago corporate consultant Theodore H. Pincus; and Gordon B. Sherman of Mill Valley, California, former president of Midas-International Corp.

The Committee is headquartered at Suite 1360, 235 Montgomery Street, San Francisco, with a Washington, D.C. base at 1229 19th Street, N.W.

NOT JUST THE AGRICULTURAL SECTOR OF THE ECONOMY

Mr. CHURCH. Mr. President, the administration's phase 3 program continues to be an unqualified disaster. Inflation is rising at the highest clip in 22 years. Just when it appeared that success was in reach, the administration scuttled phase 2 and abandoned the fight against inflation. Then, faced with rising prices everywhere, the President singled out food and announced that he was imposing a freeze on meat prices. I have said, and I continue to believe, that this policy of selecting out the agricultural sector of the economy to be controlled, while disregarding rising prices across the board, is discriminatory and places the whole burden of restraining inflation directly upon the farmers. I believe that inflation must be coralled, but I also believe that imposing a freeze on meat would not solve the problem. If a freeze must be imposed, then let us make it a general freeze on wages, prices, rents, and interest, so that all sectors of the economy are equally involved. Furthermore, a rollback on agricultural prices would be grossly unfair. After decades of selling their products at much below parity, this is the first year that farmers and ranchers are receiving prices in line with the rest of the economy.

Mr. Howard F. Taylor of Idaho Falls, Idaho, is a potato farmer. He has written some light verse which I would like to share with others and which, I think, reminds us that the farmer and rancher should not be selected out to carry the entire burden. I ask unanimous consent that this poem be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

LETTER FROM AN IDAHO POTATO FARMER

It's hard to explain by line or verse
What made this potato market worse
But I kinda think its gone to pot
Because of that damn meat boycott,
Or maybe because President Nixon has loused things up with his meat price fixin.

Anyway all this hocus pocus
Has pushed our values out of focus.
There is no ceiling price on cars
Or washing machines or long cigars,
Or even trips to Moon or Mars.
They zero in on things like meat
And other things we buy to eat.
People scream about the price of beans
But don't mind tying up their means
On articles with high priced liens,
Like trailers, boats and snow machines.
They don't fret at the prices they pay
For things they don't buy every day.
It's not big hurts they try to soften
But little hurts that hurt so often.
I sure hope that those elective
Have this in the right perspective.
I hope they see through all this fuss.
That price controls are not for us.

THE PENTAGON'S NEW STRATEGY FOR FOREIGN MILITARY ASSISTANCE

Mr. HUMPHREY. Mr. President, the American policy of providing economic and military assistance to friendly countries and international organizations has been in existence for more than a quarter of a century.

Called a "radical innovation" by some, American economic and military assistance was necessitated by a postwar world faced with massive problems of economic reconstruction and the failure of the United Nations to alone provide an adequate system of collective world security.

Beginning with aid to Greece confronting a Communist led military insurrection and Turkey faced with a growing Soviet threat and the specter of economic collapse, the United States launched what came to be its postwar program of military assistance to counter "Communist expansionism." President Truman's program of Greek-Turkish aid established the important political precedent which was to lead to the establishment of programs to provide for the economic recovery and military security of Western Europe with the Marshall plan, NATO and the first foreign military assistance bill presented to Congress in July 1949.

Today, as in the summer of 1949, the issue of providing American military and economic assistance to foreign governments has again created an unfavorable reaction among some Members of Congress. As in 1949, there is dissatisfaction that expenditures for foreign aid create commitments without an end in sight.

However, unlike 1949, there is widespread sentiment in the Congress and in the Nation that the threats to American and free world security which galvanized the country in the late 1940's no longer exist and their absence precludes the necessity for massive amounts of American foreign assistance. And many people are disenchanted with foreign military assistance because it is provided so easily to military regimes which lack any commitment to democratic government.

These sentiments against foreign aid have been growing over the past decade. They have been fueled by a tragic war in Southeast Asia, by stressing military aid over humanitarian assistance and by the frustrations which necessarily come from failures in adequately tackling the problems of poverty, disease and ignorance among the world's almost 3.5 billion souls.

In addition to these factors there is the justifiable feeling that American resources must be spent at home on our own problems of alleviating the poverty and despair in our cities and in rural America. The budgetary squeeze which has made the allocation of Federal and State resources the No. 1 political problem of 1973 has increased public and congressional hospitality to all types of foreign economic and military assistance.

So foreign aid in 1973, as in 1949, is in trouble.

However, today, foreign aid lacks the great constituency it had more than 20 years ago.

It is an outcast, an orphan without many friends or supporters.

This state of affairs is indeed unfortunate. American economic assistance is needed throughout the world. To forget that poverty, disease, and suffering exist beyond our shores and to turn our backs on people in need is to deceive ourselves that the world order and international peace we seek can be achieved through a balance of power alone.

In spite of the hostility to foreign aid, I believe the Congress must not abandon our foreign assistance programs. Instead we must ask what kind of foreign assistance the American taxpayer should support.

Unfortunately, the Nixon administration has already asked that question and answered it with an increase in requests for all categories of foreign military assistance.

One does not have to be a learned student of the American political process to recognize that any increases in foreign assistance—either military or economic—face serious obstacles this year in Congress.

Mr. President, the Department of Defense is very aware of this fact.

I want to take this opportunity to inform my colleagues that the Department of Defense has asked the President to submit legislation which would in effect enable the foreign military assistance efforts of our Government to be easily expanded and placed outside of truly effective control by either the Congress or the Department of State.

At this point in time I do not know whether the President has granted the Defense Department's request. But in disclosing the details of the Department of Defense's proposals, it is my hope that this bald-faced grab of the State Department's responsibility and control over foreign military assistance will be thwarted. It is also important that all Members of Congress realize that what the Department of Defense proposes amounts to little more than an end run around two of the most important committees of the Legislative branch.

Mr. President, on March 27, 1973 the General Counsel of the Department of Defense, Mr. J. Fred Buzhardt, sent a letter to the Director of the Office of Management and Budget, Mr. Roy L. Ash.

The letter from the General Counsel to Mr. Ash was in reply to an OMB request for Defense Department comments on the State Department's fiscal year 1974 foreign assistance legislation.

The Department of Defense has proposed to the President a revolutionary change in the foreign military assistance program in the form of an amendment which would be offered to a defense procurement authorization bill. After 26 years of the State Department's formal control and policy guidance over foreign military assistance, the Defense Department has proposed that the entire military assistance program—MAP—and the foreign military sales program—FMSP—be transferred to its budget. The Defense Department also proposes that the $2.1 billion—fiscal year 1974—military service funded program—MASFP—for Vietnam and Laos currently under the jurisdiction of Defense be consolidated with MAP.

Speaking for his department, the General Counsel also suggests that the authorizations for the combined MAP/MASF programs be recast in terms of a ceiling on deliveries rather than on the basis of new obligational authority—NOA. This would allow the Defense Department to procure all of its military purchases in a single, unitary system. The advantages gained by this new practice would be to make MAP procurement far less visible within the entire DOD procurement budget.

I want to warn my colleagues that if the President should approve the Department of Defense's plan, it will be presented to us and to the public as a "new method to provide greater efficiency and coordination of a vital government program." I am sure that Mr. Nixon will also mention that the plan will save the taxpayer large sums of money and that it fits neatly into his reorganization proposals for the Federal government.

In reality, the proposals discussed in detail by Mr. Buzhardt are not designed as efficiency measures. The Defense Department's rationale is political—not budgetary. Their goal is greater control over programs and funds which the Congress has seen fit to restrict in ever increasing amounts over the past years.

It is important to note that the Defense Department did not only submit a letter to Mr. Ash proposing this plan. Accompanying Mr. Buzhardt's letter was a lengthy amendment designed to change the law which governs the provision of foreign military assistance. I consider the consequences of DOD's plan to be truly alarming.

Through alteration of the law, congressional consideration of the foreign military assistance programs would no longer take place in the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs. Jurisdiction for this legislation would be under the Senate and House Armed Services Committees. This change in committee jurisdiction would follow the change in executive branch jurisdiction from the State to the Defense Department. As Mr. Buzhardt states, such a move in jurisdiction would eliminate any chance that critics of foreign aid in either the Foreign Relations Committee or the Foreign Affairs Committee could alter the legislation in their respective committee. They would be forced to amend this legislation on the floor of either body, thus placing them at a serious disadvantage.

The Secretary of State would lose control of foreign military assistance forcing his department to play a significantly diminished role in the formulation of MAP programs as an essential part of American foreign policy.

Over the years, Congress has placed numerous statutory restrictions on the provision of foreign military assistance. There are regional ceilings on aid, prohibitions on such aid if property is expropriated, limits on the number of foreign troops which can be trained and many more. By revising the law, and transferring the control of the programs to DOD, all of the past restrictions would be eliminated in one fell swoop. The result would be a completely unfettered foreign military assistance program. By altering the law, DOD would be obtaining something it could never obtain if a vote were held on removing each of the restrictions in the foreign military assistance laws.

The Department of Defense has proposed significant alterations in the budgetary process by which military equipment is procured for foreign governments. These changes will enable the DOD to blunt public and congressional criticisms of foreign military assistance by making procurement for foreign governments a small part of the total U.S. procurement budget. It will be more difficult for Congress to stop individual items from being delivered after they have been procured along with equipment for domestic use. There are also gigantic loopholes in the DOD draft amendment which will allow the Government to supply foreign nations with arms above the ceiling which is proposed for yearly deliveries on military equipment.

The Defense Department also asks that the entire program for training foreign troops be taken out of the military assistance program. In doing this, DOD has also expanded the definition of "training" to include paying subsistence and special compensation for foreign trainees. This new definition gives unusual latitude and totally new authority to the Department of Defense in this very important policy area.

The General Counsel's letter is written in the context of commenting on the State Department's proposals for fiscal 1974 foreign assistance. Because of this, it is possible to obtain the Defense Department's candid views of the State Department's efforts on this legislation.

It is clear that the Department of Defense is critical of the State Department's approach to the entire foreign assistance issue. Like the President, DOD does not want to provide any type of aid to North and South Vietnam through an increase in the total Federal budget. Nor does Defense want to increase the foreign aid budget or divert funds from other foreign aid programs to Indochina. DOD believes that the only way to avoid the course which may be forced on the Administation by the State Department's proposal is to adopt its plan for combination of the MAP and MASF programs and move the entire operation into the Defense Department's regular budget.

It is possible to deduce from Mr. Buzhardt's letter that there is no money in the State Department's foreign assistance legislation for reconstruction aid to North Vietnam. However, the State Department has apparently proposed funding reconstruction for South Vietnam, Laos, and Cambodia at the expense of the supporting requirements of those countries for military budget support and worldwide military assistance. DOD suggests that the State Department would propose that MASF funds be used for aid to North Vietnam.

Mr. Buzhardt calls the State Department approach "not politically palatable" since it would mean an increase in the foreign aid budget and a cut in the DOD budget.

On February 21, 1973, I suggested in the Senate that the administration's $2.1 billion MASF program for fiscal year 1974 could be used as a contingency fund in case fighting broke out once again in South Vietnam. Having such a fund on hand would prevent the necessity of obtaining congressional approval to support any renewed hostilities.

Mr. Buzhardt confirms my view and proposes that a "new rationale" for this multibillion-dollar program be found in order to prevent it from being cut. The Defense Department also fears that since the need for MASF has been traditionally linked to ongoing hostilities, the cease-fire in Vietnam will enable the Senate Foreign Relations Committee, with the possible consent of the Armed Services Committee, to put this program back into the foreign assistance budget and deprive the Defense Department of this contingency fund which is approximately four times larger than the entire MAP budget.

Mr. Buzhardt provides Mr. Ash with a list of 12 "benefits" to be realized if the President accepts the Department of Defense proposals.

I am sure that Members of Congress will be interested in these so-called benefits. Some of the points made by the General Counsel do nothing but demonstrate the contempt a powerful executive department holds for the institution of Congress and for those in the legislative branch who may disagree with the wisdom of the Pentagon on certain issues.

Mr. Buzhardt's proposal is only one more sign of how far the Defense Department and the administration may be willing to go to avoid effective congressional control of their favored programs.

As in the past, the Department of Defense has overreacted when facing a political obstacle. Rather than work with the Senate Foreign Relations Committee and the Department of State, they have proposed an outrageous end run around the committees in Congress which will surely result in widespread congressional and public condemnation of their tactics.

I believe that Secretary Richardson should be summoned to explain his department's strategy to the committees he seeks so eagerly to bypass.

Mr. President, the international trade and proliferation of conventional arms has reached such proportions as to pose a threat to world security nearly equivalent to the one created by the presence of vast nuclear arsenals. Although the element of mass destruction is absent with conventional weapons, they have killed more people since the end of World War II than were destroyed by the atomic explosion at Hiroshima. From 1961 to 1971 the U.S. Government transferred $22.7 billion in conventional arms. Over this same period arms imports by developing countries rose from $1.2 billion to $4.5 billion.

A political plan disguised with budgetary imperatives, designed to make it easier to increase American foreign military assistance, cannot increase our own security. Nor can it increase the security of the many nations we seek to aid.

Speaking recently on the subject of foreign military assistance, Secretary of Defense Richardson said:

> The issue of whether we should provide security assistance—and, if so, how much—deserves to be debated by the American people and the Congress. But that debate needs to be carried on in the context of an understanding of the purposes and benefits of the program.

I say today that despite the Secretary's statement that the American people and the Congress should debate this important issue, the Department of Defense is making a proposal which they admit privately will limit debate, blunt criticism, and obscure the tough issues which need to be decided.

Members of Congress should have the opportunity to read Mr. Buzhardt's letter to the President's chief budget officer.

I believe Mr. Richardson and Mr. Ash will have difficulty, when appearing before committees of this Congress, in trying to tell us that the Defense Department's proposals as detailed by Mr. Buzhardt are designed solely to improve the efficiency of the foreign military assistance programs. The grave policy implications of DOD's request to Roy Ash are inescapable. They cannot be explained away. I urge President Nixon to reject these proposals and prevent them from reaching the Congress.

Mr. President, I ask unanimous consent that Mr. Fred J. Buzhardt's letter, the amendments to title 10 of the United States Code drafted by the Defense Department, the section-by-section analysis of this legislation and other DOD enclosures attached to the General Counsel's letter be inserted at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, D.C., March 27, 1973.

Hon. ROY L. ASH,
Director, Office of Management and Budget,
Washington, D.C.

DEAR MR. ASH: Reference is made to your request for the views of the Department of Defense on the proposed FY 1974 Foreign Assistance authorization bill submitted by the Department of State.

Insofar as the text of that bill is concerned, the Department of Defense recommends certain revisions to section 15 and 20 thereof and the addition of a new section 21. Enclosure 3 to this letter sets forth the texts of those sections as revised by the Department of Defense. Enclosure 4 sets forth the reasons for our recommended revisions.

Even as thus revised, however, the Department of Defense does not concur in the Department of State's proposal. The approach taken by the Department of State is to retain the status quo, namely, to keep military assistance for South Vietnam and Laos (MASF) in the Defense budget and military assistance for other countries and foreign military sales credits in the foreign aid budget. We recognize that this approach is consistent with the decision made by the President a few months ago during his consideration of the FY 1974 Budget Message, but that decision was made in the context of a shooting war in Indochina in which the United States was an active participant. In our view, the current factual situation warrants reconsideration of that decision and a different approach to meet the new situation.

As we see it, the legislative option adopted by the Administration should be designed to meet the following goals:

1. Assure Congressional support for a Southeast Asia reconstruction program—including North Vietnam when that becomes timely—in FY 1974 at an adequate funding level without—

(a) Increasing the total federal budget;

(b) Cutting domestic programs to find savings for reconstruction;

(c) Increasing the NOA requested for foreign aid; and

(d) Diverting funds from other foreign aid requirements.

2. Retain the MASF or equivalent authority at least through FY 1974 in order to assure our ability to provide logistic support to the South Vietnamese armed forces (consumables, spare parts, contract support and one-for-one replacement of major items) and the added assistance which would be required if compliance with the cease fire accords collapses and active hositilies resume.

We do not believe that the State Department's proposal will achieve those goals.

Insofar as reconstruction is concerned, the State Department approach does not expressly address the issue of the sources of funds for reconstruction in North Vietnam when that becomes timely, and provides for the funding of reconstruction in South Vietnam, Laos and Cambodia at the expense of the supporting assistance requirements of those countries for military budget support and of supporting assistance requirements worldwide. (Assuming that Congress would, as it has in the past, earmark $50 million of supporting assistance for Israel, only $40 million would remain for supporting assistance requirements worldwide inclusive of Indochina).

Although not articulated in its submission of the proposed bill, presumably the Department of State contemplates that funds for reconstruction in North Vietnam, when that becomes timely, would be made available through a budget amendment transferring funds from the MASF and/or military functions budget for Southeast Asia operations. Any such transfer, however, would mean an increase in the foreign aid budget, and an increase in that budget would not be politically palatable—particularly for reconstruction of North Vietnam—in the face of increasing pressures for reorienting the overall budget in favor of domestic programs. Moreover, those members of Congress who support the Defense budget are unlikely to look with favor on a cut in the Defense budget in order to fund reconstruction in North Vietnam. Finally, that approach takes for granted that Congress will continue MASF in the Defense budget at a reduced level. If, however, Congress rejects the status quo and directs the return of MASF to the foreign aid budget, the result would not only be an increase in the foreign aid budget for reconstruction in North Vietnam but an additional increase to cover military assistance for South Vietnam and Laos. We seriously doubt that the ultimate amount authorized and appropriated for foreign aid would in any way approximate the aggregate of the original NOA request for foreign aid and of the additional amounts which would be needed for reconstruction in North Vietnam and military assistance to South Vietnam and Laos. The consequent impact on the foreign aid program could well be disastrous.

That the Congress will not retain MASF in the Defense budget even at a reduced level is clearly more probable than not. It is certain that the Foreign Relations Committee, for one, will approve an amendment to the FY 1974 Foreign Aid authorization bill—comparable to the one it approved in February to the FY 1973 bill—prohibiting the obligation of funds for military assistance to South Vietnam and Laos except as otherwise provided for in the foreign aid bill. Insofar as the Armed Services and Appropriations Committee are concerned, because the original rationale for the enactment of MASF no longer obtains after the withdrawal of our forces, we anticipate that they will not vigorously oppose such action by the Foreign Relations Committee; indeed, we anticipate that they would favor the shift back to the foreign aid budget unless we can provide a new persuasive justification for keeping MASF in the Defense budget. (The original justification for MASF was that "parallel but separate financial and logistics systems for U.S. forces and for military assistance forces are too cumbersome, time consuming, and inefficient in a combat zone." See Sen. Rep. 992, 89th Cong. 2d Sess., p. 11)

In these circumstances, and in order to achieve the goals outlined above, we recommend an alternative approach to the FY 1974 foreign aid issue, namely:

Transfer MAP and FMS credits to the Defense budget.

Consolidate MAP and MASF.

Recast the authorization for the combined MAP/MASF in terms of a ceiling on deliveries rather than on the NOA program

Absorb the NOA requirement for MAP/MASF and FMS credits within the NOA amount already budgeted for MASF.

The benefits to be gained from this approach are as follows:

1. Makes more money available for reconstruction in Southeast Asia than any other option, namely, the $1.2 billion in the foreign aid budget for MAP and FMS as against what might be realized under State's proposal.

2. Does not increase the existing foreign aid budget NOA request, and enables the funds requested in the foreign aid budget to be used for reconstruction without a budget amendment shifting those funds from the DOD budget.

3. Affords a basis for new rationale to support continuation of military assistance to Southeast Asia in the Defense budget, namely

(a) It would fully integrate the worldwide MAP (which would include what is now MASF) into the PPBS of DOD and facilitate trade-offs under the total force concept;

(b) It would enable Congress for the first time to make an informed judgment as to the validity of MAP since the same committees which handle the military functions items of the Defense budget would concurrently be reviewing the MAP request and hence would be in a position to assess the validity of our trade-offs under the total force concept;

(c) The redefined MAP could be presented to the Congress as a program of specifically limited future duration; e.g., five years, at the end of which time only FMS, training, and quid pro quo would continue as permanent provisions of Title 10 of the United States Code, and

(d) A significant management benefit of transferring MAP into the DOD budget would be to integrate the MAP and DOD supply systems and thereby facilitate cost savings and a meaningful application of supply priorities.

4. A delivery ceiling concept provides greater flexibility for reprogramming to meet emergencies within the ceiling because it can make fuller use of DOD assets than the existing MAP system which is accounted on an NOA basis.

5. A delivery ceiling concept would simplify our congressional relations problem since floor action would be required only during the authorization process and not twice as is the case now under MAP where we are annually faced with a floor debate and vote both on the authorization amount and the appropriation amount

6. Within the context of the overall Defense budget, the delivery ceiling would be a relatively modest amount and the NOA required would be less visible since it would be spread through the various DOD accounts.

7. The probability is good that most of the existing MAP statutory restrictions could be eliminated.

8. The DOD budget would have to absorb the Enhance Plus cost and this option obviates the necessity of explaining and justifying an appropriation to DOD to reimburse the MAP account for Enhance Plus. (We are in dire danger now of losing these reimbursement funds.)

9. The Department of State would still play a significant role in the formulation of the MAP and FMS programs through the normal inter-agency procedures for foreign policy coordination.

10. It is less likely that Senators on the Foreign Relations Committee could make a hostage of the MAP and FMS programs by attaching riders, such as Senator Fulbright's impoundment amendment and the Case bills relating to executive agreements, since the proponents of those riders would have to initiate such action on the floor of the Senate rather than in committee markup.

11. It would obtain the votes of those members of the Congress who are in favor of MAP and FMS but who are unwilling to vote for a foreign aid bill containing economic assistance.

12. It would improve the management of MAP and FMS since historically the authorization and funds for DOD are passed earlier in the fiscal year than foreign aid.

Enclosure 1 to this letter is a draft bill which accords with the foregoing alternative approach, a bill cast in the form of an additional title to the Defense Appropriations Authorization for FY 1974 bill previously transmitted to the Congress. The section-by-section analysis of our draft bill is at enclosure 2.

We urge that our alternative proposal not be dismissed out of hand by OMB because of the prior Presidential decision made in the context of a significantly different factual situation, and that the pros and cons of State's proposal and our alternative be carefully assessed in the context of the goals which we believe the President desires to attain.

Sincerely yours,

J. FRED BUZHARDT.

TITLE VI—AMENDMENTS TO TITLE 10, UNITED STATES CODE, AND MISCELLANEOUS PROVISIONS

SEC. 601. Title 10 of the United States Code is amended as follows:

(a) (1) Subtitle A of title 10, United States Code, is further amended by inserting between chapters 151 and 153:

"Chapter 152.—FOREIGN MILITARY SALES

"Sec.

"2550. Cash sales from inventory.

"2551. Cash sales of property and services procured for sale.

"2552. Credits and guaranties: general authority.

"§ 2550. Cash sales from inventory.

"The Secretary of Defense may sell for United States dollars personal property from the inventory of the Department of Defense and services to any foreign government or international organization designated by the President on terms of payment of not less than the value thereof in advance or, as determined by the Secretary to be in the national period not to exceed one hundred and twenty days after the delivery of the property or the provision of the services. Such property may be sold at the inventory price in effect at the time such property is offered for sale."

"§ 2551. Cash sales of property and services procured for sale.

"(a) The Secretary of Defense may, without requirement for any charge to any appropriation or contract authorization otherwise provided, enter into contracts for the procurement of personal property and services for sale for United States dollars for defense purposes to any foreign government or international organization designated by the President if such foreign government or international organization provides the Department of Defense with a dependable undertaking (i) to pay the full amount of the final contract price and (ii) to make funds available in such amounts and at such times as may be required to meet the payments required by the contract, and for any damages and costs that may accrue from the cancellation of such contract, in advance of the time such payments, damages, or costs are due. When the Secretary determines it to be in the national interest, he may accept a dependable undertaking to make full payment within one hundred and twenty days after delivery of the property or provision of the services, and appropriations available to the Department may be used to meet the payments required by the contracts and shall be reimbursed by the amounts subsequently received from the foreign government or international organization."

"(b) Notwithstanding the first sentence of subsection (a), the Secretary of Defense may, when he determines that the continued production of the personal property being sold is advantageous to the Armed Forces of the United States, enter into sales agreements with foreign governments or international organizations which fix the prices to be paid by the foreign government or international organization for the property and services ordered. To the maximum extent possible, prices fixed under any such sales arrangement shall be sufficient to reimburse the Department of Defense for the estimated cost to the United States Government of the property and services ordered."

"§ 2552. Credits and guarantees: general authority.

"(a) (1) The Secretary of Defense may, within the limits of appropriations available for the purpose of this section, finance purchases for defense purposes by foreign governments or international organizations designated by the President of personal property and services on terms of repayment in United States dollars."

"(2) Interest shall be charged for credit extended under this subsection at a rate not less than the cost of money to the United States Government, except that where the transaction involves a combination of private credit and credit extended under this subsection, the interest rate charged on credit extended under this subsection may be appropriately adjusted so that the effective rate of interest charged the borrower on the combined credits is not less than the cost of money to the United States Government. Interest shall commence not later than the date on which funds are initially disbursed, and payments of interest shall be scheduled to commence not later than one year after such date. Repayments of principal shall be scheduled to be completed not later than ten years after the date on which funds are initially disbursed: *Provided, however,* That the Secretary of Defense may authorize a principal maturity period of up to twenty years after the date on which funds are initially disbursed when he finds that such authorization is important to the national security."

"(b) (1) The Secretary of Defense may issue guaranties to any individual, corporation, partnership, or other juridical entity (excluding United States Government agencies) against political and credit risks of nonpayment arising out of their financing of sales of personal property and services for defense purposes to foreign governments and international organizations designated by the President. Fees shall be charged for such guaranties."

"(2) All guaranties issued pursuant to this subsection shall constitute obligations, in accordance with the terms of such guaranties, of the United States of America and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations. Payments to discharge liabilities under guaranties issued under this subsection may be made out of any unobligated balances of appropriations available to carry out subsection (a) of this section."

"(c) All collections received by the Department of Defense pursuant to this section shall be transferred to the general fund of the Treasury."

"(d) For the purpose of this section, "personal property" means a "United States end product" as defined in the Armed Services Procurement Regulation, except that, whenever the Secretary of Defense determines it to be important to the national security, not to exceed 10 per centum of the aggregate value of any sale financed or guaranteed under this section may be foreign end products."

(2) The chapter analysis of subtitle A and the chapter analysis of part IV of subtitle A title 10, United States Code, are amended by inserting the following new item:

"152. Foreign military sales. . . . . . 2550."

(b) (1) Chapter 153 of title 10, United States Code, is amended by adding after section 2576:

"§ 2577. Obsolete spare parts: negotiated to contractors.

'The Secretary of Defense may sell on a negotiated contract basis at not less than fair market value such spare parts from the inventory of the Department of Defense which—

(i) are no longer required for use by the Armed Forces of the United States or by other Departments or Agencies of the United States;

(ii) are still required by foreign governments or international organizations to support defense items acquired from United States sources; and

(iii) cannot be economically maintained and stored by the Department of Defense.

if the purchasing United States supplier agrees to maintain an inventory of such spare parts, for a period of time satisfactory to the Secretary, to meet the requirement of such foreign governments and international organizations."

(2) Chapter 153 of title 10, United States Code, is further amended by inserting in the analysis:

"2577. Obsolete spare parts: negotiated sale to contractors."

(c) (1) Chapter 151 of title 10, United States Code, is amended by adding after section 2543:

"§ 2544. Equipment furnished to contractors for military export sales.

"The Secretary of a military department may, on a negotiated basis, sell personal property under the jurisdiction of that department at not less than fair market value, or procure and sell personal property at not less than the cost thereof to the United States Government, to any United States prime contractor for incorporation into end items (and for concurrent support) sold commercially by the prime contractor to a foreign government or international organization pursuant to export licenses, if—

(i) personal property would be supplied to the prime contractor as Government Furnished Equipment or Materials if the end item were being procured for the use of the Armed Forces of the United States, and (ii) if such personal property is available only from United States Government sources or is not available from United States commercial sources at such times as may be required to meet the prime contractor's delivery schedule.

(2) Chapter 151 of title 10, United States Code, is further amended by inserting in the analysis:

"2544. Equipment furnished to contractors for military export sales."

(d) (1) Subtitle A of title 10, United States Code, is amended by adding after chapter 103:

"Chapter 104.—FOREIGN MILITARY TRAINING

"Sec.

"2130. Training of foreign military personnel.

"§ 2130. Training of foreign military personnel.

"(a) The Secretary of a military department may, personnel of that department, provide for the training of military and paramilitary personnel of such foreign countries as may be designated by the President, including the expenses of travel, subsistence and special compensation of trainees, and such other expenses as the Secretary deems necessary."

"(b) For the purposes of subsection (a), training excludes the assignment or detail of members of the Armed Forces of the United States to perform duties of a combatant nature *but includes*—

"(1) formal or informal instruction in the United States (other than the Military Academies) of overseas by members of the Armed Forces, employees of the Department of Defense, contract technicians, and contractors;

"(2) technical, education, and informational publications and media of all kinds;

"(3) training aids;

"(4) military advice;

"(5) training exercises; and

"(6) orientation tours.

"(c) Training provided under this section may be furnished without reimbursements. Amounts paid by foreign governments for training provided shall be credited to current applicable appropriations of the Department of Defense."

(2) The chapter analysis of subtitle A and the chapter analysis of part III of subtitle A of title 10, United States Code, are amended by inserting the following new item:

"104. Foreign military training____ 2130."

(e) (1) Chapter 131 of title 10, United States Code, is amended by adding after section 2211:

"§ 2212. International military headquarters.

"(a) The Secretary of Defense may enter into bilateral or multilateral arrangements with any foreign government for sharing the costs of maintaining and operating international military headquarters and organizations in whch the Department of Defense participates."

"(b) The Secretary of Defense may appoint and employ not to exceed 18 persons in or outside the United States in support of, or detailed to, international military headquarters and organizations or otherwise employed by the Department of Defense in the planning and coordination of international security affairs, who may receive compensation at any of the rates provided for the Foreign Service Reserve and Staff by the Foreign Service Act of 1946, as amended, together with allowances and benefits thereunder, of which number not to exceed 8 persons may be employed inside the United States."

(2) Chapter 131 of title 10, United States Code, is further amended by inserting in the analysis:

"2212. International military headquarters."

(f) (1) Chapter 159 of title 10, United States Code, is amended by adding after section 2683:

"§ 2684. Acquisition of land, military facilities, installations or other operating rights: foreign countries.

"The Secretary of Defense may, as reimbursement to a foreign government for making land, military facilities, installations, or other operating rights available for use by the Department of Defense, use appropriations available for military construction for monetary payments, or use appropriations available for procurement and for operation and maintenance for payments in kind through the provision of property (as defined in section 2303(b) of this title) and of services, in such amounts and upon such terms as he considers will promote the national defense."

(2) Chapter 159 of title 10, United States Code, is further amended by inserting in the analysis:

"2684. Acquisition of land, military facilities, installations or other operating rights: foreign countries."

Sec. 602. (a) Not to exceed $——— may be appropriated for the fiscal year 1974 for foreign military sales credits, as authorized by section 2552(a) of title 10, United States Code.

(b) The total principal amount of guaranties issued under section 2552(b) of title 10, United States Code, during the fiscal year 1974 shall not exced $———.

Sec. 603. The Secretary of Defense shall submit quarterly reports to the Congress on the implementation of sections 2130, 2212(a), 2550, 2551, 2552, and 2684 of title 10, United States Code.

Sec. 604. (a) The Secretary of Defense is authorized, until June 30, 1978, to make grants of military assistance through the provision of defense articles and defense services to any foreign government or international organization designated by the President on such terms and conditions, and by such means, as the Secretary of Defense may determine.

(b) (1) The value of military assistance delivered to foreign governments and international organizations during the fiscal year 1974 pursuant to subsection (a) of this section shall not exceed $———.

(2) The Secretary of Defense shall submit to the Congress within thirty days after the end of each quarter of each fiscal year a written report showing on a delivery basis the total amount of military assistance during the preceding quarter under subsection (a) of this section for each recipient of assistance.

(c) (1) No defense articles shall be delivered by the Secretary of Defense to any foreign government under this section unless it shall have agreed that—

(A) it will not, without the consent of the Secretary of Defense—

(i) permit any use of such property by anyone not an officer, employee, or agent of that government;

(ii) transfer, or permit any officer, employee, or agent of that government to transfer such property by gift, sale or otherwise;

(iii) use or permit the use of such property for purposes other than those for which furnished;

(B) it will maintain the security of such property, and will provide substantially the same degree of security protection afforded to such property by the United States Government with regard to the use of such property; and

(C) it will, as the Secretary of Defense may require, permit continuous observation and review by, and furnish necessary information to, representatives of the United States Government with regard to the use of such property; and

(D) unless the Secretary of Defense consents to other disposition, it will return to the United States Government, for such use or disposition as the Secretary of Defense considers in the best interest of the United States, any such property which is no longer needed for the purposes for which it was furnished.

(2) The Secretary of Defense may not give his consent to a foreign government under clause (A) or (D) of this paragraph (c) (1) to the transfer or other disposition of any non-demilitarized significant items on the United States Munitions List until the expiration of fifteen days after written notice has been given to the Speaker of the House of Representatives and the President of the Senate regarding the proposed action of the Secretary of Defense with respect to such property.

(d) As used in this section—

(1) "Defense article" includes—

(A) any weapon, weapons system, munition, aircraft, vessel, boat, or other implement of war;

(B) any other property, installation, commodity, material, equipment, supply, or goods for use by military or para-military forces;

(C) any machinery, facility, tool, material, supply, or other item necessary for the manufacture, production, processing, repair, servicing, storage, construction, transportation, operation, or use of any article listed in this paragraph (d) (1); or

(D) any component or part of any article listed in this paragraph (d) (1); but

shall not include merchant vessels, vessels subject to section 7307 of title 10 of the United States Code, or, as defined by the Atomic Energy Act of 1954, as amended (42 U.S.C. 2011), source material, by-product material, special nuclear material, production facilities, utilization facilities, or atomic weapons or articles involving Restricted Data.

(2) "Defense information" includes any document, writing, sketch, photograph, plan, model, specification, design, prototype, or other recorded or oral information relating to any defense article or defense service, but shall not include Restricted Data as defined by the Atomic Energy Act of 1954, as amended, and data removed from the Restricted Data category under section 142d of that Act.

(3) "Defense service" includes any service, test, inspection, repair, publication, or technical or other assistance, or defense information for use by military or para-military forces.

(4) "Excess defense articles" mean the quantity of defense articles owned by the United States Government, and not procured in anticipation of military assistance requirements, which is in excess of the mobilization reserve at the time such articles are dropped from inventory by the supplying agency for delivery to foreign governments or international organizations under this section.

(5) "Mobilization reserve" means the quantity of defense articles determined to be required under regulations prescribed by the Secretary of Defense, to support mobilization of the Armed Forces of the United States Government in the event of war or national emergency.

(6) "Value" means—

(A) with respect to excess defense articles, one-third of the amount paid by the United States Government at the same the excess defense article was acquired by the United States Government;

(B) with respect to nonexcess defense articles delivered from inventory to foreign governments or international organizations under this section, the standard price in effect at the time such articles are dropped from inventory by the supplying agency. Such standard price shall be the same price (including authorized reduced prices) used for transfers or sales of such articles in or between the Armed Forces of the United States Government, or, where such articles are not transferred or sold in or between the Armed Forces of the United States, the gross cost to the United States Government adjusted as appropriate for condition or market value; and

(C) with respect to nonexcess defense articles delivered from new procurement to foreign governments or international organizations under this section, the contract or production costs of such articles.

Sec. 605. (a) There are hereby repealed—

(1) Part II (excluding section 524 and Chapter 4) and sections 602(c), 605(d), 620 (k) (second sentence), 620(m) (clause 2), 620(v), 620(w), 623, 625(c), 632(d) 633(b), 634(h), 636(g), 644(b), 644(d), 644(e), 644 (f), 644(g), 644(i), 644(j), 644(m), 651, 655, 656, 657, and 658 of the Foreign Assistance Act of 1961 (Public Law 87–195) as amended;

(2) The Foreign Military Sales Act (Public Law 90–629), as amended;

(3) Sections 7, 8, 9, 10, and 11 of Public Law 91–672, as amended;

(4) Section 108 of the Mutual Security Appropriation Act, 1956 (Public Law 84–208), as amended;

(5) Sections 401 (a) (2) and 401 (b) of Public Law 89–367, as amended;

(6) Section 2211 of title 10, United States Code.

(b) Part III of the Foreign Assistance Act of 1961 (Public Law 87–195), as amended, is amended as follows—

(1) Section 605(a) is amended by striking out "and defense articles" and "or defense articles" wherever they appear;

(2) Section 610(b) is amended by striking out "506," and "636(g) (1) and";

(3) Section 614(a) is amended by striking out "and the furnishing of assistance under section 506";

(4) Section 622(c) is amended by striking out "and military assistance" and "including but not limited to determining whether there shall be a military assistance (including civic action) program for a country and the value thereof,";

(5) Section 624(d) (2) (B) is amended by striking out "part II of this Act and" wherever it appears;

(6) Section 624(d)(4) is amended by striking out "and of".

(7) Section 624(d)(5) is amended by striking out "or II";

(8) Section 624(d)(6) is amended by striking out "shall not apply to part II of this Act, and";

(9) Section 624(d)(7) is amended by striking out "or II";

(10) Section 625(b) is amended by striking out "or coordinate part I and part II";

(11) Section 625(f) is amended by striking out "or part II";

(12) Section 631(d) is amended by striking out ", and by the senior military officer of the mission in the case of assistance under part II";

(13) Section 632(a), section 632(b), and section 632(e) are each amended by striking out "defense articles" and "(including defense services)" wherever they appear;

(14) Section 634(d) is amended by striking out "and military grants and sales under this or any other Act" in clause (1) of the fourth sentence thereof, and by striking out "and of any finding, including his reasons therefor, under section 503 or 521(c)" in the final sentence thereof;

(15) Section 635(h) is amended by striking out "and under part II";

(16) Section 650 is amended by striking out ", military,";

(17) Section 652 is amended by striking out "506(a),";

(18) Section 653(a) is amended by striking out "military grant assistance or" in the second sentence; and

(19) Section 654(a) and section 654(d) are each amended by striking out ", the Foreign Military Sales Act," wherever it appears.

(c)(1) Such amounts of unexpended obligated balances, as determined by the Secretary of Defense, of funds heretofore made available for military assistance shall be transferred to any appropriation available to the Department of Defense for military functions (including construction), to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred. Unexpended obligated balances of funds heretofore appropriated for foreign military sales credits (excluding balances of the liquidation account established by section 524(b)(2) of the Foreign Assistance Act of 1961, as amended) shall be transferred to, merged with, and available for the same purposes as the appropriations made pursuant to section 2552(a) of title 10, United States Code: *Provided*, That the balance of funds heretofore obligated for a guaranty reserve pursuant to section 24(c) of the Foreign Military Sales Act, as amended, shall not be so transferred and merged and shall continue to remain available solely to discharge contractual liabilities under guaranties issued heretofore under the Foreign Military Sales Act, as amended, and hereafter under 10 U.S.C. 2552(b).

(2) All determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of any provision of law repealed or amended by subsection (a) or subsection (b) of this section shall continue in full force and effect unless modified by appropriate authority.

ENCLOSURE 2

SECTION-BY-SECTION ANALYSIS OF TITLE VI

AMENDMENTS TO TITLE 10, UNITED STATES CODE, AND MISCELLANEOUS PROVISIONS

Introduction: Title VI consists of five sections which recodify and supersede existing legislation relating to military assistance and sales. Section 601 of this Title would enact into positive law as new sections of Title 10 of the United States Code (the general provisions of law governing the operations of the Department of Defense) the substantive authorities for those aspects of these programs which are anticipated to be required for the indefinite future, e.g., Foreign Military Sales, Foreign Military Sales Credits, Foreign Military Sales Guaranties, and Training. Section 602 of this Title contemplates annual action by the Congress to impose fiscal year limitations on the credit and guaranty programs. Section 603 of this Title provides for quarterly reports on the implementation of the proposed new sections of Title 10 of the United States Code. Section 604 of this Title would reenact for a temporary period, expiring June 30, 1978, substantive authorities for grants of military assistance; in addition, it would provide for annually enacted ceilings on the value of deliveries of grant aid, which would be monitored by quarterly reports on deliveries. Section 605 of this Title contains various repeal and other miscellaneous provisions.

I. Section 601(a) substantially re-enacts the authority for FMS cash sales, for FMS credits, and for guaranties which is now contained in sections 21, 22, 23, and 24 of The Foreign Sales Act as sections 2550, 2551, and 2552 of Title 10, United States Code.

Proposed section 2550 authorizes the Secretary of Defense to make cash sales for dollars of DOD personal property and services to foreign governments or international organizations designated by the President. The price must be not less than the value of the property or services and, with regard to property, may be the inventory price in effect when it is offered for sale. Payment must be received in advance unless the Secretary determines it to be in the U.S. national interest to obtain reimbursement within a reasonable period (not to exceed 120 days) after the delivery of the property or the provision of the services. This section is drawn from section 21 of The Foreign Military Sales Act.

Proposed section 2551 authorizes foreign military sales by the Department of Defense from new procurement.

The purchaser must provide the Department of Defense with a dependable undertaking (i) to pay the full amount of the final contract price and (ii) to make funds available in such amounts and at such times as may be required to meet the payments under the contract (and for any damages and costs that may accrue from contract cancellation). The dependable undertaking is to pay such amounts in advance of the time when such amounts are due under the contract. However, the Secretary of Defense is authorized when he determines it to be in the national interest, to accept a dependable undertaking to make full payment within 120 days after delivery of the property or the provision of the services; in this situation, DOD appropriations are authorized to be used to meet the contract payments prior to reimbursement received from the purchaser. Subsection 2551(b) authorizes, in lieu of the usual dependable undertaking under subsection (a), a fixed-price sales agreement. Such an agreement is authorized only if the Secretary of Defense determines that the continued production of the property being sold is advantageous to the Armed Forces of the United States. This section is drawn from section 22 of The Foreign Military Sales Act.

Proposed section 2552(a) authorizes the Secretary of Defense to provide direct FMS credits to finance purchases for defense purposes by foreign countries or international organizations designated by the President on dollar repayment terms. Interest on such credits, unlike existing law which establishes no interest rate standards, must be at a rate not less than the cost of money to the U.S. Government (with provision for sales transactions involving both private credit and FMS direct credit to the effect that the effective rate on the combined credits may not be less than the cost of money to the U.S. Government). Interest runs from the date on which funds are initially disbursed, and interest payments must be scheduled to commence not later than one year thereafter. Repayments of principal must be scheduled to be completed not later than 10 years after the date on which funds are initially disbursed, a repayment period drawn from section 23 of The Foreign Military Sales Act. Both the Senate and the House of Representatives approved an amendment to his secion (H.R. 16029, 92d Congress) which would have extended this to a 20-year repayment period, and in recognition of the fact that variances from these criteria may be required in certain circumstances, the proviso in paragraph (a)(2) authorizes the Secretary of Defense, when he finds it important to the national security, to authorize a principal maturity period of up to 20 years.

Proposed section 2552(b) authorizes the Secretary of Defense to issue guaranties, backed by the full faith and credit of the United States, to any non-U.S. Government private financing source against the political and credit risks of nonpayment arising out of its financing the sale of property and services for defense purposes to those foreign countries and international organizations designated by the President. Fees must be charged for such guaranties. This section is drawn from section 24 of The Foreign Military Sales Act. It differs from section 24 in that it eliminates the existing requirement for a guaranty reserve of 25% since it has been our experience to date that such a reserve is unnecessary and because the guaranties are backed by the full faith and credit of the United States. In the event of a default, the draft further provides that FMS credit funds may be used, if unobligated, to make good on the guaranty. (See also section 605 (c)(1), second sentence *Proviso*, which provides for continuation of the balances of the existing reserve).

Subsection (c), drawn from section 37 of that Act, requires that collections received under subsections (a) or (b) must be transferred to the Treasury.

Proposed subsection (d) defines, for purposes of proposed section 2552, the term "personal property" to mean a "United States and product" as defined in the ASPR. There is an exception which would permit, if the Secretary of Defense determines it to be important to the national security, up to 10% of the aggregate value of any sale financed or guaranteed under section 2552 to be foreign end products. In contrast, the existing Foreign Military Sales Act does not expressly limit credits and guaranties to U.S. end products, and, by implication, section 42(c) of that Act authorizes credits and guaranties for sales of foreign end products without any percentage limitation.

Sections 601(b) and 601(c) provides for two new minor authorities needed to administer the FMS program more efficiently.

Proposed section 2577 authorizes the Secretary of Defense to sell on a negotiated contract basis at not less than fair market value obsolete spare parts in the DOD inventory to U.S. suppliers, where the parts are still required by foreign countries or international organizations to support defense items acquired from U.S. sources and where the parts cannot be economically maintained and stored by the Department of Defense, if the supplier agrees to maintain an inventory of such spare parts for a satisfactory period of time to meet the requirements of those countries and organizations.

Proposed section 2544 authorizes the Secretary of a military department to sell on a negotiated basis personal property under his jurisdiction at not less than fair market value (or procure and sell personal property at not less than the cost to the U.S. Government) to any U.S. prime contractor for incorporation into end items sold commercially by it to a foreign government or international organization under export license in a situation where such property would be supplied as GFE or GFM if the end item were being procured for U.S. Armed Forces' use.

Section 601(d) codifies the substantive authority for training of foreign military personnel. By reason of this codification and of the omission of training from the definition of "defense services" in section 604, training would no longer be part of military assistance and would accordingly be excluded from the world-wide limitation on deliveries provided for in that section of the draft legislation.

Proposed section 2130 authorizes the Secretary of a military department to provide (on either a reimbursable or nonreimbursable basis) training of foreign military or paramilitary personnel of countries designated by the President. Training is defined in subsection (b) to include CONUS or overseas instruction, by members of the Armed Forces, DOD employees, contract technicians, and contractors, as well as technical publications and media of all kinds, training aids, military advice, training exercises, and orientation tours. This section is drawn from sections 503, 636(g), and 644(f) of the Foreign Assistance Act of 1961, as amended, and Title 10, United States Code, section 7208.

Section 601(e) provides explicit statutory authortiy for funding within the Defense budget the U.S. share of the O&M cost of international miltiary headquarters. These costs have been and are currently funded in that budget. Proposed subsection 2212(b) consolidates in one place the authorities to employ supergrade personnel outside the U.S. in support of, or detailed to, such headquarters (subsection 707(k) of the DOD Appropriation Act, 1973, and section 625(d)(1) of the Foreign Assistance Act of 1961, as amended) and such personnel at the seat of government (section 625(c) of the Foreign Assistance Act of 1961, as amended) or elsewhere in the United States to plan and coordinate International security affairs.

Section 601(f) provides substantive authority for the Secretary of Defense to make payments in kind or in cash as quid pro quo for base rights. As noted above with respect to training, the consequence of enacting this substantive authority in title 10 of the U.S. Code for quid pro quo payments would be to exclude quid pro quo from the scope of military assistance and hence from the world-wide ceiling on deliveries contained in section 604 of this draft legislation.

Proposed section 2684 authorizes the Secretary of Defense to (a) use military construction appropriations for monetary payments, or (b) use procurement or O&M appropriations for provision of property and services, in such amounts and upon such terms as he considers will promote the national defense, to any foreign government as reimbursement for making available for DOD use land, military facilities, installations, or other operating rights.

II. Section 602—This section contains the annual FY limitation on Foreign Military Sales Credits and Guaranties. Since it is contemplated that the NOA for FMS credits would appear as a separate line item in the DOD budget rather than be spread through the military functions accounts, section 602 (a) provides for a limitation on the amount of NOA which may be appropriated for FY 1974 for such credits. It should be noted that since, as pointed out above, the draft legislation does not contemplate a guaranty reserve (except for continuation of existing guaranty reserve balances for new guaranties), no funds are included within this stated amount for the guaranty program.

Section 602(b) places a ceiling on the principal amount of guaranties which may be issued during FY 1974. It thus provides for annual congressional control over the exercise by DOD of the authorization contained in the first section of the draft legislation to issue guaranties.

(Under existing law there is a single combined annual ceiling on credits and guaranties since the NOA for credits may be used either for credits or for the guaranty reserve. In view of the elimination in this draft of the guaranty reserve, separate ceilings on credits and guaranties appear more logical.)

III. Section 603—This Section requires, as does paragraph (b)(2) of section 604 with respect to the grant aid program, quarterly reports to the Congress on FMS cash sales, FMS credits, FMS guaranties, Training, International Military Headquarters Cost-Sharing, and Quid pro Quo.

IV. Section 604—This section comprises the substantive authority for grants of military assistance and specific restrictions on that authority. Section 604(a) authorizes the Secretary of Defense to furnish military assistance until June 30, 1978, thus contemplating the termination of grant aid (other than training and quid pro quo) at that time. It does not separately define military assistance, but provides that military assistance may be furnished through the provision of defense articles and defense services. Assistance may be furnished on such terms and conditions and by such means as the Secretary may determine, thereby providing flexibility as to the ways in which the assistance is furnished.

Section 604(b)(1) prescribes the FY 1974 ceiling on the value of deliveries which may be made during that year under subsection (a). A ceiling on deliveries has as its precedent the Symington Amendment ceiling on MASF deliveries to Laos (section 602 of P.L. 92–436). In view of the annual ceiling on deliveries, no limitation is requested with respect to the amount of NOA to be appropriated for FY 1974 military assistance. Instead, the programs would be presented and justified to the Congress in terms of anticipated deliveries during the FY, and congressional control would be exercised by a ceiling on deliveries. The NOA needed for military assistance would be spread through the military functions accounts. The substantive authority provided in subsection (a) to provide military assistance would constitute, under the rules of the Congress, the legal authorization for the NOA needed, except to the extent that fund authorization might be required for part of the NOA because of section 412(b) of P.L. 86–149, as amended. Excess items would, by virtue of the definition in section 604(d), be counted against this delivery ceiling at one-third of acquisition cost rather than zero cost as is the case under the Foreign Assistance Act of 1961 with respect to the NOA ceiling.

Section 604(b)(2) requires a quarterly report on deliveries. A comparable requirement also appears in the existing MASF legislation (section 737(b) of the DOD Appropriation Act, 1973).

Section 604(c)(1) re-enacts the long standing requirement of military assistance legislation (section 505(a) of the Foreign Assistance Act of 1961, as amended) that a country is not eligible to receive defense articles unless it agrees to the conditions listed therein with respect to the use of such articles. The same requirement was enacted for FY 1971 as to MASF countries at the initiative of the Senate Armed Services Committee (Section 502 of P.L. 91–441).

Subsection (c)(2) of section 604 is taken from the existing MASF legislation, which was enacted at the instance of the Senate Armed Services Committee, and section 9 of Public Law 91–672. It requires advance notice to the Congress before we authorize a country to transfer or dispose of defense articles received under MAP (Section 502 of P.L. 91–441), if such articles are non-demilitarized significant items on the U.S. Munitions List.

Section 604(d) contains the definitions applicable to grant aid. These definitions do not apply to section 601 of the draft legislation. The definitions are taken, with minor modification, from those appearing in section 644 of the Foreign Assistance Act of 1961, as amended. However, the definition of "Defense Services" has been substantially changed by omitting "training" from the scope of the definition, since training is covered separately in section 601 of the draft legislation.

V. Section 605—Section 605(a) repeals the existing provisions of law dealing directly with military assistance and Foreign Military Sales. Part II of the Foreign Assistance Act of 1961, as amended, contains the military assistance substantive authorities which would be repealed, except for section 524 relating to the liquidation account for pre-FY 1969 FMS credits and guaranties. Similarly repealed are those sections of Part III of that Act which relate to military assistance. The Foreign Military Sales Act, as amended, together with all sections of P.L. 91–672, as amended, which relate to military assistance, are repealed, as is the military assistance accounting provisions set forth in section 108 of the Mutual Security Appropriation Act, 1956, as amended. The MASF authority contained in section 401 of P.L. 89–367, as amended, is not required for reenactment, and those provisions of that section which are not limited by fiscal year are repealed, except subsections (c) and (d) pertaining to the execution and wind-up of construction contracts and the waiver of auditing by the General Accounting Office of certain contracts. Section 2211 of Title 10, United States Code, pertaining to the reimbursement of the DOD accounts by our allies in the Korean War for supplies and services then provided to those Allies, is repealed as redundant of the authority contained in section 2210 thereof. Section 605(b) amends those provisions of the Foreign Assistance Act of 1961, as amended, not repealed under subsection (a) to eliminate any reference to these programs.

Section 605(c)(1) merges prior year MAP balances with the FY 1974 appropriation for military assistance and merges prior year FMS credit balances (except for the guaranty reserve account) with the new FMS credit appropriation. Subsection (c)(2) contains a savings clause to preserve the validity of actions previously taken under provisions of law repealed or amended by subsection (a) or subsection (b).

Enclosure 3

"Sec. 541. *Statement of the purpose*. The purpose of this chapter is to establish an international military education and training program which will:

(1) Improve the ability of friendly foreign countries, through effective military education and training programs, to utilize their own resources and security assistance furnished by the United States with maximum effectiveness for the maintenance of their defensive strength and internal security, thereby contributing to greater self-reliance by the armed forces of such countries;

(2) Encourage effective and mutually beneficial relationships in order to promote and coordinate national security goals; and

(3) Promote increased understanding by friendly foreign countries of the policies and objectives of the United States in order to maintain and foster the environment of international peace and security essential to social, economic and political progress.

(4) Maintain an effective military dialogue with military establishments of free world countries.

(5) Encourage free world countries to accept United States military methods, procedures, techniques and other criteria which would lead to more comprehensive collaboration.

(6) Enhance free world and U.S. military understanding and the professional military

competence and capability of free world countries."

* * * * *

AMENDMENTS TO OTHER LAWS

Sec. 20. The Foreign Military Sales Act, as amended, is amended as follows:

(a) In section 23 of chapter 2, relating to credit sales, strike out "ten" and insert in lieu thereof "twenty".

(b) In section 24(a) of chapter 2, relating to guaranties, strike out "doing business in the United States".

(c) In section 24(c) of chapter 2, relating to guaranties:

(1) strike out "pursuant to section 31" and insert in lieu thereof "to carry out this Act"; and

(2) insert "principal amount of" immediately before the words "contractual liability" wherever they appear.

(d) In section 31(a) of chapter 3, relating to authorization, strike out "$400,000,000 for the fiscal year 1972" and insert in lieu thereof "525,000,000 for the fiscal year 1974".

(e) In section 31(b) of chapter 3, relating to authorization, strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)) and of the face amount of guaranties issued pursuant to sections 24(a) and (b) shall not exceed $550,000,000 for the fiscal year 1972, of which amount not less than $300,000,000 shall be available to Israel only" and insert in lieu thereof "and of the principal face amount of guaranties issued pursuant to section 24(a) shall not exceed $760,000,000 for the fiscal year 1974".

(f) in section 33(a) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "of cash sales pursuant to sections 21 and 22,";

(2) strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)), of the face amount of contracts of guaranty issued pursuant to sections 24(a) and (b)" and insert in lieu thereof "of the principal face amount of guaranties issued pursuant to section 24(a)"; and

(3) strike out "$100,000,000" and insert in lieu thereof "$150,000,000".

(g) In section 33(b) of chapter 3, relating to aggregate regional ceilings:

(1) strike out "of cash sales pursuant to sections 21 and 22,";

(2) strike out "(excluding credits covered by guaranties issued pursuant to section 24(b)), of the face amount of contracts of guaranty issued pursuant to sections 24(a) and (b)" and insert in lieu thereof "of the principal face amount of guaranties issued pursuant to section 24(a)"; and

(3) strike out "$40,000,000" and insert in lieu thereof "$60,000,000".

ENCLOSURE 3

EXPLANATION OF DOD CHANGES TO STATE BILL

The amendment to section 15 of the bill reorders the sequence of State's draft of the proposed new section 541 of the Foreign Assistance Act and makes some minor language changes in order to reflect the priorities which the Department of Defense believes the training program should serve.

The amendments to section 20 comprise both substantive and technical changes, which may be summarized as follows:

Subsection (a) is identical to subsection (a) of the State draft.

The purpose of the change proposed in subsection (b) is to enable the Administration to utilize overseas sources of financing military exports when money is tight in the United States and United States banks are unwilling to provide the full amount of financing planned for in the President's budget; it would also facilitate our ability to utilize the resources of the United States financial community by making it possible for American banks to lay off part of their guaranteed loans with affiliated institutions overseas.

The amendments contained in subsection (c)(1), subsection (i), and the deletion in subsections (e), (f)(2), (g)(2), and (h)(3) of the words "(excluding credits covered by guaranties issued pursuant to section 24(b)) and of the face amount of guaranties issued pursuant to sections . . . (b)" are all interrelated and have a common purpose. That purpose is to enable the Treasury to sell promissory notes in our portfolio, generated under the FMS credit program, without charging the guaranty of such notes against current year NOA and current year program ceiling. These changes are designed to facilitate the Treasury's debt management responsibility and would in no way increase the amount of the FMS program.

The purpose of subsection (c)(2) and of the insertion of the word "principal" in subsections (e), (f)(2), (g)(2), and (h)(3) is to clarify the computation of the 25 percent guaranty reserve. Prior to the institution of the current Treasury auction procedure for guaranteed private bank loans, it was our practice to place a limitation on the guaranty which limited our liability to the principal amount of the loan even though the guaranty also covered interest. Under the current Treasury auction procedure, we have found it necessary to increase the amount of that stated limitation by approximately 5 percent in order to make the auction more attractive to the banking community. The effect of this increase on our program has been twofold; (1) it has resulted in a higher charge against the statutory program ceiling, and (2) it has increased the amount required to be placed in the guaranty reserve. The proposed amendments would eliminate both of these deleterious effects and conform our practice to that of the Export-Import Bank.

Subsection (d) is identical to State's subsection (b).

The two differences between our subsection (e) and State's subsection (c) have been explained above.

Subsection (f) (1) and (3) are identical to State's subsection (d)(1) and (2). The two reasons for the changes in subsection (f)(2) have been explained above.

Subsection (g)(1) makes the same change for Africa that State's subsection (d)(1) makes for Latin America.

The reasons for the two changes made in subsection (g)(2) have been explained above.

Subsection (g)(3) increases the Africa ceiling to provide parallel treatment for that geographical region comparable to the increase for Latin America. It reflects the increasing ability of some of the African countries to purchase on an FMS basis, for example, Zaire.

Subsection (h)(1) makes a technical change to section 33(c) of the Foreign Military Sales Act in order to conform the language of that subsection to the language of subsections (a) and (b) of section 33 of that Act.

Subsection (h)(2) is a technical amendment to conform subsection (c) of section 33 of the Foreign Military Sales Act to the changes proposed by both State and Defense to subsections (a) and (b) of section 33 of that Act.

The reasons for the two changes made in subsection (h)(3) have been explained above.

The purpose of subsection (i) has been explained above.

Section 21, which deals with the worldwide ceiling on excess defense articles, is an alternative solution to the proposal made by the Administration last month in its transmittal of the proposed FY 1973 foreign assistance legislation. As proposed last month, the Administration asked for an increase in that ceiling, which increase includes grants to Vietnam. Our alternative is to lower the ceiling and to exclude Vietnam from the ceiling.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1493) to amend title 37, United States Code, relating to promotion of members of the uniformed services who are in a missing status.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution:

H.R. 1975. An act to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes; and

H.J. Res. 303. Joint resolution to authorize and request the President to proclaim April 29, 1973, as a day of observance of the 30th anniversary of the Warsaw ghetto uprising.

The enrolled bill and joint resolution were subsequently signed by the Acting President pro tempore (Mr. JOHNSTON).

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

DISPOSITION OF CERTAIN ITEMS IN THE NATIONAL STOCKPILE—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid before the Senate a message from the President of the United States, which (with the accompanying paper) was referred to the Committee on Armed Services. The message is as follows:

To the Congress of the United States:

In our current fight against rising prices, one weapon which has not yet been effectively employed is our national strategic stockpile. Today I am asking for authority from the Congress to sell those items in the stockpile which we no longer need to keep in reserve in order to protect our national security.

Because the world economy has grown so rapidly, short term demand for many industrial commodities has outpaced short term supplies. As a result, prices for industrial commodities have recently been increasing at unacceptably high rates—in some cases by more than 30 percent in the past 12 months alone.

These increases will eventually be felt in higher prices for the American consumer if we do not act decisively now.

By disposing of unneeded items in the

strategic stockpile, we can strike a critical blow for the American consumer.

The purpose of the American strategic stockpile is to ensure an adequate reserve of vital materials in time of war without imposing undue hardships on our civilian population. The basic concept is an old one, dating back to the Strategic and Critical Materials Stock Piling Act of 1946. Ninety-five percent of the current stockpile was acquired before 1959—the bulk of it during the Korean War.

The present strategic stockpile totals $6.7 billion worth of material, ranging from metals, minerals, rubber and industrial diamonds to unusual items such as iodine.

Because our economy and technology are dynamic, our capability to find substitutes for scarce materials is far greater today than in the past. We are now able to meet defense requirements for materials during possible major conflicts without imposing an excessive burden on the economy or relying on an enormous stockpile, as was once necessary.

After a careful and searching review of the current stockpile, I have approved new guidelines that would tailor the kind and quantity of materials in the stockpile to the national security needs of the 1970's. The new stockpile would be substantially reduced, but it would contain the critical materials that we need in quantities fully adequate for our national security requirements.

Our new guidelines would provide the needed commodities to cover our material requirements for the first year of a major conflict in Europe and Asia. In the event of a longer conflict, these 12 months would give us sufficient time to mobilize so that we could sustain our defense effort as long as necessary without placing an intolerable burden on the economy or the civilian population.

Under existing law, the Administration has the authority to sell approximately $1.9 billion worth of stockpile material, including substantial amounts of zinc, aluminum and lead. However, to dispose of the remaining $4.1 billion in unnecessary items, Congressional authorization is needed.

Historically, the sale of each commodity has been subject to individual legislation, but this procedure is time-consuming and redundant. To improve on it, the authorizing legislation I am recommending to the Congress takes the form of a single omnibus bill for all excess stockpile commodities; it includes individual authorizations for 16 major commodities.

At the same time that they fully provide for our national security and economic health in the event of an emergency, our new stockpile guidelines also enhance national efficiency and thrift. Specifically, they would permit us to sell $6 billion in no longer needed stockpile material over the next several years.

I urge the Congress to take prompt and favorable action on the stockpile legislation I am submitting. By doing so, the Congress will demonstrate its willingness to act in positive cooperation with the executive branch in a way that is in the best interests of all Americans.

RICHARD NIXON.

THE WHITE HOUSE, *April 16, 1973*.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. JOHNSTON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

VOTER REGISTRATION ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 352, which the clerk will report.

The assistant legislative clerk read as follows:

> Calendar No. 92 (S. 352) a bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF RULE OF GERMANENESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to speak out of order notwithstanding the Pastore rule concerning germaneness. I do this to give Senators who are in charge of the bill some additional time for the preparation of their debate on the unfinished business this afternoon, and inasmuch as no other Senators wish to speak at the moment on the unfinished business. It is only for this reason that I ask unanimous consent to speak out of order, and also so that it might save the time of the Senate later today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COAL IS KEY TO THE NATION'S ENERGY PROBLEM

Mr. ROBERT C. BYRD. Mr. President, it is fashionable these days to seek a scapegoat for the fuel and power shortages with which the Nation has become all too familiar. Some blame the fuels industries, notably the oil and gas producers, for the shortages of home heating oil and natural gas; some point an accusing finger at the electric utilities for failing to provide sufficient generating capacity to meet power demands; others assert that the executive and legislative branches of government brought on the energy crisis by failure to provide sensible energy policy guidelines.

I have no interest in trying to find a scapegoat for our troubles. My interest is more in the dimensions of the energy crisis, and the effort we must exert to deal with it. History has not hit us from the blind side in a dramatic moment to bring us where we are today. Rather it has simply caught up with our persistent mistakes in managing and using our native energy resources.

The fact is that we have been consuming our fuel resources from the standpoint of convenience, not conservation, and we have failed to develop our basic reserves for either the sudden demands of an emergency or the sustained demands of normal national growth.

Today's serious energy problem is a delayed indictment of the Nation's long neglect of coal, which is actually the broad base of a pyramid-shaped fuel structure. And the illusion that fuel consumers could go on living extravagantly well on the peak of preferred or more convenient fuels has been shattered. We have been plunged into a deepening shortage of natural gas, we have lost our self-sufficiency in oil and we must hang on far longer than we once expected for substantial help from the atom.

Coal is literally the only energy source that the United States has in available abundance that will assure domestic security. It is a huge national asset, comprising 88 percent of our proven recoverable reserves of all fuels, including uranium. We have more than enough coal to support big increases in electricity generation and the emerging synthetic gas and oil industries. Coal is not threatened by depletion—but it can be lost by default.

The severity of our energy problems logically dictates a sharp expansion in the use of coal, but the industry's ability to produce and market it is being progressively weakened by the pressures for improvement of environmental quality. Coal has its problems with the environment, but they can and are being solved. The danger is that environmental standards, which are already ahead of the complex technology necessary to comply with them, will sap the coal industry's strength for survival. It will be a tragic irony for the Nation if coal is made environmentally acceptable only after the industry's productive capacity is eroded.

Environmental demands have made a profound change not only in coal's outlook for orderly growth but also in the Nation's prospects for energy sufficiency. They have pressed us to the limits of our low-sulfur fuel supplies and exposed us to the hazards of forced buying in the international fuel market. There is no longer an effective choice between coal and more environmentally suitable domestic fuels; the immediate choice is to increase coal use or to increase the Nation's reliance on imported fuels. Energy demands simply will not wait for the lagging development of less accessible oil and gas or the slow buildup of a commercial synthetic fuels industry.

It is high time for us to do some clear, long-range thinking about the effects of fuel imports, not only on the integrity of our energy supply, but on other vital interests. The danger is that a major policy issue may be settled by drift rather than decision. It would not be the first time that national directions have been radically changed by the kind of improvised planning that has plagued U.S. energy development for decades and has finally accumulated enough mistakes to spur demands for a comprehensive national energy policy.

The need for some degree of fuel importation over the short term has been presented to the American public not as an argument but as an accomplished fact. It is true that the domestic oil and gas industries now need foreign aid to keep supplies within range of a demand for clean energy. But it is nonsense to think that we can go on for long making up our shortages with imports. So long as our need for oil and gas grows and domestic production is allowed to shrink, the deficits will get bigger and the imports more indispensable. Imports will not solve our basic fuel shortage problem; they will perpetuate it.

The crucial decision we must make now about fuel imports is how much the Nation can stand without losing its independence. There is a certain reluctance to talk about a so-called peril point, despite a practical consensus that growing reliance on foreign fuel sources is a potential disaster. The Department of the Interior is worried about its possibly traumatic effect on already weakened domestic fuel industries. The State Department sees it complicating if not compromising American diplomatic options. The Commerce Department is concerned about deterioration of the Nation's sagging balance of payments and trade. The Federal Power Commission is wrestling with the problem of steep rises in imported energy prices. Even the Environmental Protection Agency has recently conceded that its rigid sulfur restrictions on coal could drive major areas of the country into becoming captive to fuel imports.

The sad truth is that the power to settle the import problem is diffused in the vacuum of authority and planning that can be filled only by a national energy policy and a unified administration of that policy.

Now that the American public is on warning that it can no longer take its energy supply for granted, it deserves to be reminded of the policy neglect or policy lapses that brought it to its present state. A fuel-by-fuel review is not consoling but it is enlightening.

The present plight of the oil industry is the result of years of high living on declining proved reserves and the extravagant use of oil to displace coal in coal's traditional industrial and electric utility markets. The illusion of continuing oil surpluses disappeared as the Nation lost its margin of safety in oil production and refining capacity.

Crude oil production has peaked—but according to the Department of the Interior the Nation is still short by at least 3 million barrels a day of capacity to produce or refine all the oil we now require, and demand is growing by at least three-quarters of a million barrels a day each year. The lag in U.S. refining capacity compounds the problem of production shortfalls. We could find ourselves in the ambiguous position of importing crude oil that we cannot refine to the finished products that our scheme of life demands. Signs are already showing up in some areas of gasoline supply problems. If that ill wind picks up force, there will be no further need for us to warn the public about a national energy crisis.

The outlook for oil supply is clouded by the ambivalence of current national policies. There is undoubtedly more oil to be found but that will take a sharp upsurge in exploratory drilling, with the risk of finding oil in hard places like Alaska's permafrost or the Outer Continental Shelf. Or the oil industry could improve its recovery technology at known deposits. These, however, will be difficult and expensive means of rebuilding the Nation's oil supply when an equivalent supply can be bought for less—at least for the moment—over the international counter.

Currently, the United States is importing one-quarter of its oil supply and common projections are that the nation will nearly double that dependence on foreign sources by 1985. Considering that the bulk of future oil imports must come from remote Eastern Hemisphere nations that are uniformly asserting their own economic interests in the international oil scramble and are not infrequently following a different political drumbeat from ours, the most realistic prospects for the American oil consumer include rising prices and declining reliability of supply.

Under those conditions, the best we could hope for would be a constant state of temporary stability. But even if the nation could retain its diplomatic options under the pressures of foreign oil dependency, the cumulative effect of rising imports at rising prices would inevitably constrict our economy at home and abroad. The U.S. export trade deficit for oil alone was more than $3 billion in 1971. By 1985 the annual cost of imported oil and gas could amount to $45 billion. This is hardly the way to bolster our international trade position or strengthen our balance of payments or, for that matter, to improve national security.

It is worth remembering that the intent of U.S. oil import controls was to preserve our own oil producing and refining capability as a national security safeguard. That policy has not been outmoded—it makes more urgent sense now than when controls were mandated in 1959—but it has been increasingly frustrated. At the time, oil imports hardly seemed a threat to an oil industry with enough surplus capacity to start a downward trend in exploration for new sources that has not yet leveled out. If the import control policy had a flaw recognizable now, it was in its cyclopean view of the fuel situation—it focused on the threat of imports to the oil industry and potential effects on coal were not even in its peripheral view.

Thus, when it appeared that imports were not really choking off domestic oil supply, the controls were amended and amended until the policy became a kind of tinker toy. All the while, the immediate pains were being felt by the coal industry. The domestic oil industry, which refines crude oil almost down to the bottom of the barrel for premium products, could afford to dump the well-named residual oil fraction on the boiler fuel market to displace coal. Once the residual oil market was established, domestic deficiencies were easily made up and more by residual imports. Venezuela, for example, with less local demand for finished products, had residual oil to spare and it could be brought to our east coast at whatever price was needed to undercut coal prices.

Today the east coast relies on residual oil imports for more than 90 percent of its fuel needs, and the tide of foreign oil is moving inland. Inland plants that formerly burned 343,000 tons of coal annually converted to oil in 1971, and switchovers to oil cost the coal industry nearly 2 million tons in 1972.

Meanwhile, the short-term price allure of oil imports has been replaced by what environmental concern has made a quality appeal—low-sulfur content. For many plants, the only available means of meeting new sulfur dioxide emission limits was—and still is—to import low-sulfur oil. Neither the coal nor the domestic oil readily available to the heavily industrialized Eastern half of the country can satisfy stringent air pollution regulations. With naturally low-sulfur coal, oil and, of course, gas in short supply, and a commercially proved stack-gas desulfurization system still hopefully awaited, many electric utilities have resorted to oil imports as the escape hatch from the energy-environment dilemma.

So the cry now is that we cannot afford oil import controls and expect to keep the industrial machine running. That could be a self-fulfilling prophecy. Having used our old oil profligately and allowed small effort for new replacements, we are certainly left with a Hobson's choice for as long as it will take to change the Nation's direction toward development and use of domestic fuel resources.

If we cannot realistically roll back oil import quotas during an energy crisis, at least we must keep them under the tightest possible rein to have any hope of wining back our energy independence. With uncontrolled access to foreign fuels, can we really expect the domestic oil industry to do its homework—finding and exploiting new continental and offshore oil deposits, accelerating research on producing clean synthetic oil from abundant coal and oil shale, improving its oil recovery rates? These are hard and expensive courses, but they have the simple virtue of ultimate necessity.

The fact that some nations have surplus oil to export is a temporary triumph of the industrially weak over the industrially strong; it does not mean that the world supply of oil is abundant. The United States is only one of many developed countries trying to eat off the same platter, and some of the caterers are already concerned about their ability to keep the platter full.

The natural gas industry shows disturbing parallels with the oil industry, from declining proved reserves to the growing tendency to look abroad for gas to satisfy domestic demands. Government policy and public pressure have created more and bigger markets for gas than the industry can support. Like oil, natural gas has been playing the wrong role as a substitute for coal under boilers and is now hard-pressed to meet its primary obligations to the residential market. Gas system plans to curtail industrial gas service for the duration of supply shortages are a half-step in the right direction, but such plans are too little and too late to compensate for years of extravagant use of a limited resource.

The gas industry, however, still has time to draw back from the major import pit in which the oil industry is now struggling. Gas imports now are only a fraction of oil imports, but our self-inflicted need for emergency supplies of gas could become chronic if rising imports are allowed to diminish the Nation's interest in full development of domestic sources of natural and synthetic gas.

The United States needs all the gas it can get, but national security absolutely requires the Nation to give utmost priority to expanding its own sources. We have an incomparable alternative to gas imports in coal gasification, which will not force us to export our productive capacity, our dollars or our diplomatic initiatives. It is true that development of a commercial coal-to-gas industry will be costly, but we are rapidly approaching the time when gas will be cheap at any price.

What the Nation must guard against is pitting coal gasification against imports of liquefied natural gas in a fight for a limited number of dollars. Imported LNG is by no means a large economy-size solution to the gas shortage problem. It will cost billions of dollars in remote liquefaction plants, cryogenic tankers and domestic receiving and regasification facilities—and the American consumer will have to pay those costs in higher gas prices. After all that, the consumer could find himself locked into a gas source over which he has no final control. If we must pay more for gas, let us at least put our money where our security is—in a synthetic gas industry based on our plentiful and reliable reserves of coal.

Ironically enough, the coal that the Nation has largely rejected in its enthusiasm for gas can give the gas industry a new lease on life by supplementing its dwindling domestic supply. The Nation's proved and economically recoverable reserves of coal represent by an apt FPC comparison the energy equivalent of about an 885-year supply of gas at the current rate of consumption. No one anticipates that all of the coal resource will be converted to gas, but a program to speed coal gasification to the commercial threshold is a practical guarantee that coal will become a significant source of new gas—synthetic but equal to natural gas in cleanliness, heat value and transportability by pipeline.

This is the emergency partnership between coal and gas—with the coal industry supplying the raw materials and the gas industry processing and selling the finished product. This combination offers a self-help solution to the Nation's gas shortage, with a built-in reliability that is vastly more important to our national objectives than the uncertainty of shopping in the international market.

Also, if we are to have all the energy we require—produced reliably at home and not bought at risk abroad—we must take another look at the constricting effects of national environmental policies on our coal resources. Air pollution control policy is very much to the point. As embodied in the Clean Air Act and implemented by the Environmental Protection Agency, that policy is progressively reducing our usable coal base by tightening the limits on sulfur content. With those limits already down to 0.7 percent sulfur and in some cases as little as 0.3 percent, the great bulk of our historical coal supply faces an outright ban. Data from the Bureau of Mines show that only about 8 percent of coal reserves east of the Mississippi could meet the 0.7 percent sulfur standard without additional means of controlling sulfur oxide emissions.

We do have large reserves of low-sulfur coal, but they are predominantly in the distant West, still well beyond the economical transport reach of the heavily industrialized East and Midwest. Even in recent estimates made for it the Environmental Protection Agency acknowledged that if proposed State plans to meet Federal air quality standards go into effect as scheduled in 1975, there may be a shortfall of some 300 million tons of coal with less than 0.7 percent sulfur.

Coal's long term solution to its air pollution problem, of course, rests heavily on the redemption of high-sulfur coal through its conversion to clean synthetic gas and oil and to new products such as solvent-refined coal that can be burned as a solid or a liquid, virtually free of sulfur and ash.

Coal is truly the key to the Nation's fuel security, now and into the foreseeable future, as a redeemed soild fuel and a reformed hydrocarbon reservoir of gas and oil. The coal industry is not only the Nation's balance wheel to keep fuel imports within tolerably safe limits, but it is also the one substantial bridge between current energy shortages and the distant realization of the full promise of the peaceful atom.

The Nation has been forced to shake itself out of the euphoria created by the celebrated birth of nuclear power. Not only has nuclear development proved slower and costlier than originally predicted but, ironically enough, the nuclear energy industry has borrowed far more power from coal to convert uranium ore to usable reactor fuel through the enrichment process than it returned to the national energy supply in the first 25 years of its life.

Coal has been a partner in nuclear development because the existing enrichment plants have been fueled by coal. AEC has consumed over 300 million tons of coal to bring atomic energy this far. Uranium enrichment facilities which have been proposed are, moreover, based on the continuation of coal as the fuel for the enrichment process. Coal has provided, therefore, and will continue to provide for the immediate future a vital basis for nuclear development. Nuclear power eventually will be a major source of energy, but the fact is that nuclear generation so far has managed to support less than 1 percent of the Nation's annual consumption of energy in all forms.

For a quarter century, harnessing the atom has been a top national priority. I submit that there must be an equal priority to give the atom a yokemate, bituminous coal. Now—and only now—have we the opportunity to forge a constructive partnership between coal and the atom in planning our long-term energy supply. Even in the business of generating electric power, which is a fairly small part of the broad range of ways in which we consume energy, there will be a continuing and mounting need for both coal and the atom.

We need nothing less than a national commitment, equal to that given to nuclear development, to improve the production and use of coal, to make it more compatible with a pleasant environment, and to make its energy available in whatever form is desired—solid, liquid, or gas.

There will be need enough in the future for both coal and atomic energy, working as a team. In fact, unless we take foresighted steps now, there may be more work than they can handle.

The first giant step the Nation must take to repair its energy forces is to rededicate itself to the maximum development of domestic sources of energy, making whatever compromise, economic or environmental, is necessary to maintain primary reliance on what we hold in security.

I am convinced that all our domestic fuel industries recognize their interdependence in surviving an energy crisis in which the weakening of any fuel member may put an intolerable strain on the Nation's total energy structure. These industries are as insistent as ever on maintaining individual integrity, but they are ready to accept the idea that finally a comprehensive national energy policy can and must be devised with the assurance that it will help all and harm none.

Certainly we will never return to the state of total fuel self-sufficiency, but with the proved and abundant reserves of coal which underlie the United States, it is the sheerest of folly to place ourselves at the mercy of unstable and sometimes unfriendly foreign governments. Our wealth of coal reserves can assure the United States of a continuing supply of safe and adequate energy without imposing the risks involved in international politics.

The Nation must impose order on the protracted disorder of its energy structure. We cannot expect to muddle through. Even with the rejuvenating help of rational energy policy for the Nation, and the most efficiently controlled administration of that policy, the huge job of expanding our total energy base to meet unparalleled future energy demands will be long, hard, and costly. But without those aids, the job may be impossible.

VOTER REGISTRATION ACT

The Senate continued with the consideration of the bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mr. McGEE. Mr. President, may I inquire as to the parliamentary situation at this time?

The PRESIDING OFFICER (Mr. ABOUREZK). The pending business is S. 352. The Senator from West Virginia (Mr. ROBERT C. BYRD) had just received unanimous consent to speak out of order, and we are back now on S. 352.

Mr. McGEE. Mr. President, I should like to recapitulate for a brief moment why we are here at this moment on the bill (S. 352). For a very long time in our country, we have been concerned about low citizen participation in national elections. While it is satisfying to some that a few more than half of our eligible voters, or at least the voters who meet the age requirements, do manage to cast their ballots, the hard fact is that this is the lowest voter citizen participation in a national election of any of the countries of the free world—certainly of all of the larger nations that call themselves republics.

Either that says the American people are not so good as the citizens of the rest of the world, or it has to say that there is something in our system that discourages or dissuades our citizens from participating in national elections.

I believe it clearly to be the latter. I think there is nothing different about the American people from the English people or the French people or the German people or the Italian people. They are all well motivated or they all have certain elements of indifference in national elections. But, for some reason, a larger number of citizens turn out to vote in all those countries I have just mentioned, in any national election, than turn out here in the United States in a national election.

For example, last November, a very significant Presidential election in our country, 62 million Americans old enough to vote did not go to the polls, for one reason or another. What is even more shameful is that that is almost as many as did go to the polls. That is what I mean when I suggest that our track record in our system of free elections is one of the poorest among the democracies of the world.

It ought to behoove every Member of this body, the Senate of the United States, to get caught trying to do something about that. We know there is no easy cure-all to the problem.

We had the bill up last year. We tried to persuade the Members of this body that it would be wise if we struck a blow in behalf of more people going to the polls. But last year seemed to be a bad year in the minds of some. The administration passed up the word, "Kill the bill." The innuendo was very strong that they were afraid that if we had a lot of new registered voters, they might vote the wrong way. I submit, Mr. President, that if all of them had been registered and voted, it would not have made any difference in the outcome of the last election.

For any responsible official in public life today to suggest that he is afraid that newly registered voters might vote "wrong" demeans the system of free society that we tend to brag about to the rest of the world. We dare never ask how the registrant may vote. We have only the right to ask ourselves, "Are you making it easier that he might register in order to qualify as a voter?"

Every Member of this body, whether he be from Alabama or Wyoming, from Hawaii or California, from West Virginia or New Hampshire, ought to put his shoulder to this wheel of trying to turn out a larger citizen participation in a government that boasts to the rest of the world that ours is the finest system in the world and says to ever so many other nations, "Watch us and see if you don't find that there are elements in our society that you would like to emulate." We are very proud of our system, we tell them. Yet, we turn up with the poorest voter turnout record of any free government.

Why that voter turnout record? Why did 62 million not vote last year? Some of them did not vote, Mr. President, because they did not like either candidate, very frankly. We had a larger percentage of voters the past year who said, "A plague on both your houses. We want no part of it." I respect that. I do not browbeat that kind of person as a poor citizen. That was a conscience act, not to vote.

Likewise, we had the type of person who would not vote, as I have said many times, if you dragged a voting booth beside his TV set in the living room. He still would not vote. He never will vote. But you are always going to have some of that kind of personality.

Then there is the kind of citizen who had other kinds of obstacles thrown in his path. He is mobile. He is moving around. There is a diversity of opportunity to vote among the 50 States when one is not actually in his own State. Thus, many people found it impossible to arrange for an absentee ballot or find other ways to be able to cast a vote for the office of President of the United States.

Finally, the League of Women Voters has reminded us in their study in 47 States; the National League of Municipalities made clear in its studies of who did not vote last November; and George Gallup, in his survey of why there was such a vast nonvoting record, concluded that there was another reason why many did not vote, and that is that there are so many differences among the States, so many barricades in the procedures among the different States, that made it difficult to vote. They do not try to make it impossible to vote; they make it difficult.

The result of that state of circumstances is that there are still some States where registrar offices do not stay open after 5 o'clock in the afternoon, when the workingman might be able to get off and register; where one still has to register in city hall or go all the way downtown or out into the boondocks in order to register; or go to the county courthouse in order to register. Archaic as this may sound, those are regulations that are still on the books. The fact is that some of our citizens have obstacles in terms of getting off to register.

I realize that good citizens ought to be so deeply motivated that they would go through hell or high water to register in order to be able to vote. But human beings being what they are, we cannot know for certain why they will not vote. But as the other republics of the world would tell us, the more the obstacles are multiplied, the less registration is going to take place.

I would call attention to a singularly important fact, and that is the track record, not of the United States, but of the individual States. In the State of the distinguished Senator from Alabama, for example, of individuals who met the age requirements for voting, who were 18 years or older, much less than half, for one reason or another, voted last November.

Or let us take the good State of Hawaii, where the ranking member of the Committee on Post Office and Civil Service lives. The distinguished Senator from Hawaii (Mr. FONG) tells us of everything that Hawaii does to make it possible for persons to register. They have door-to-door registering. They beseech them on the radio and on television. They beseech them in shopping centers. But how did Hawaii vote in the last election? Approximately 50 percent of all those meeting the age requirements for voting failed to vote in Hawaii—failed to vote. There are many States which have worse records than that; but the point is that Hawaii's is bad enough.

Mr. President, God knows it is bad enough. It is nothing to brag about in our country. Therefore, I submit to my colleagues that while everyone contends he is doing the best he can in his State, he has the monkey on his back if his State is not producing a 70 percent, 75 percent, 80 percent voting participation. If Senators do not believe that they better join with McGEE and the committee to make it a little easier for citizens to register. Every Senator in this body should search his soul instead of looking for alibis on why the people of his State did not participate last time. It makes a difference and we are making a difference by dragging our feet, by trying to look the other way, by looking for hobgoblins in the woodpile, as has been suggested. All kinds of mysterious specters, the kind of ghosts that might ride broomsticks on Halloween, have been tossed before this body to excuse what is a rotten track record on the part of many of our States in voter participation.

I know that the good citizens always vote and that the baddies just do not care. But let us find out to our own satisfaction why there is that difference. Why do 70 percent of the British turn out to vote? Why do 80 percent of the Germans turn out to vote? Why do 85 percent of the Canadians turn out to vote? The answer is that the requirements for registering to vote are not as obstructive as the variables among many of our States in the United States. It is for that reason, Mr. President, that I say the time has come for us to "get with it." We do not have a Presidential election this year; we do not have to worry this year if there are those still concerned about how new registrants might vote. That is not the difficulty. The thing to do is to learn what went wrong last year in producing 62 million Americans who did not go to the polls. I say it is imperative that we in this body get caught trying, and the post-card registration provided in S. 352 is a simple measure designed to aid that process.

The post-card registration proposal provides simply that in addition to all the things everybody is doing now—the door-to-door registration, longer hours of registration, weekend hours of registration, to motivating programs, to publicizing with ads in newspapers—in addition to all that which it has been proven are not enough—and not only is it not enough but we have the worst record in the free world—we are saying the very least we can do in addition is to supplement those efforts with another very simple effort. And that is to make it possible, in addition to all the present processes, to register by post card.

Registration by post card should not be overstated. In the first place, it does not give a person a ballot. It simply says that upon filling out a post card, which a person would sign as an affidavit, he attests to the validity of the material on the post card. The post card is then sent to the registrar in the person's State or in his local jurisdiction, whatever the law is in his State, and the State registration officials will determine whether that person is a validly registered citizen of the State. This is an application to register. There are those who continue to drag in the prospect that there might be a lot of collusion at the ballot box. I wish to say that any collusion at the ballot box occurs now under the present system with all the safeguards that are said to be present now. It is at the ballot box that crimes have been committed, such as stuffing, stealing, whatever it may be.

There is nothing that is introduced here that is different from present procedures, except two things: One is that it provides a uniform opportunity in all national elections, and that is for the President, the Senate, and the House of Representatives; and, two, that a person can achieve it by putting a postcard in the mail addressed to the State authority requesting that he be registered. If the registrar validates it then that person is registered. He still has to get himself to the polls, he still has to cast his ballot. That is another big problem. I do not try to cover up that fact. I refer to motivating people to actually vote, which still remains a very big question with us. But, on the hopeful side, some 70 to 90 percent of the citizens in our own States who actually are registered finally do vote. There is a much higher incidence of participation when a person finally becomes registered, and that holds the key to making headway on this dastardly disturbing question of our poor performance in participatory democracy.

Mr. President, that is why I urge the Senate to make its judgment on this question. Of all the times we have been watched, it is now. Of all the moments in history when many people are saying to America, "OK, let us see how you do it," that time is now. The reason for submitting this bill is to permit the Senate to make its judgment.

When I was driving to work this morning I had the car radio turned on. The newscaster was saying that it looked as if voter registration would be the business again today, but that the opponents to voter registration had told that particular newscaster that a full-fledged filibuster was underway. Mr. President, that cannot be true because no Member of this body would want to take the responsibility for procrastinating on the floor of the Senate in a matter so significant, as trying to broaden registration. I certainly hope it does not become a tactic in this body. I hope that whatever else we believe in that we retain majority rule, and respect the collective wisdom of the Members of this body to make a decision. When all the questions have been asked and all the amendments have been submitted we fully expect to seek and receive a straight up and down vote on the merits of this particular registration bill, S. 352. It may take awhile because there are many legitimate questions. But I ask all within hearing, and those who may read it in the RECORD, to ask themselves: When do the questions start repeating themselves and when do the speeches start sounding like the ones that were made day before yesterday? Then, Mr. President, you will know that the inquiries have been exhausted, that the educational process has run its course, and then must be the time for the reckoning for standing up and being counted for or against this process in voter registration.

It may well be that the Senate will decide against it. We all know what that requires—you take your day in court, and if you lose, you lose, but the people demand the right to see what their spokesmen stand for, yes or no, yea or nay, on this matter.

One of the issues that has aroused considerable controversy concerning voter registration is the estimated cost of this legislation. Senator FONG, in his statement and in his minority views, speculated that the bill would cost at least $100 million and that the individual card cost of mailing would be at least 12 cents.

I want to take the time today to analyze his estimates because I have been around here long enough to know that figures bandied about can be all too easily accepted without anyone taking the trouble to determine their validity.

In our hearings on voter registration in 1971 the then Director of the Bureau of the Census, Dr. George Hay Brown, testified on this point very specifically. Dr. Brown said and I quote:

> I would like to stress that the $30 million or so that I precisely outlined would be minimal and depending on a particular type of administration that you visualize, the cost would rise. The reason for introducing this information is that we do have complete cost information, good cost experience, and it is close enough in some respects, but not entirely to some of the elements that you had, but I thought it useful, at least to present it as part of our evidence.

The cost estimates which the General Accounting Office recently made concerning voter registration which have been introduced into the record are not cost estimates of S. 352. It is very nice to say, if you are opposed to voter registration, that this bill will cost $200 million or $500 million or more. It is even nicer to quote figures from the General Accounting Office; but the fact is that the cost estimates submitted by the General Accounting Office did not relate to the simple postcard registration system proposed in S. 352. They related to direct grant costs to State governments which are not, in that context, part of this legislation.

We have had a good bit of colorful debate on the floor concerning the cost and distribution of these cards. The distinguished Senator from Alabama has visualized truck loads of postcards being drop-shipped all over the country to every postal address, vacant lot and empty factory on the streets of America. I am sure that even the Senator from Alabama is aware of the exaggeration in his statement. But for the sake of the agreement let me suggest the kind of paperwork we are dealing with.

Assume that there are about 140 million potential voters. Of that number, approximately 85 million are already registered. Thus the group of potential voters we seek to register numbers about 55 million, something less than 40 percent of the electorate.

The manner by which these people would be registered would be for the Voter Registration Administration to produce a voter registration card. We envision it as being a double-size perforated postal card produced in sufficient quantities to cover the Nation. The administration would enter into an agreement with the U.S. Postal Service for the delivery of this mail. It is unaddressed; that is, in each State it will not matter whether the card is delivered to Mrs. Jones or Mr. Smith because the content of the card in each State will be the same. The suggestion that the cost of the card would include postage to-and-from does not take into account several factors. One of them is the administration and the Postal Service could make an agreement providing for a flat fee for the delivery of all cards to all of the appropriate postal addresses in the country. Since it is unaddressed mail, it could be obviously delivered for minimal postal costs. A post card today costs 6 cents and is first-class mail. I would envision that the quantity delivery of these cards could be made for a fraction of that amount. They would require no sorting, no ZIP coding, no cancellation; only that the letter carrier pick up a batch of them, slip them in his bag, and drop them in the mail boxes along his route.

A similar situation exists with the return delivery of the card to the county clerk or other State official responsible for registering voters. The letter carriers in Cheyenne, Denver, Miami, or Los Angeles or anywhere else know exactly where the cards go. Like the initial delivery, they do not need to be addressed, sorted, coded, or canceled. The cost of redelivery would be no greater than the cost of initial delivery.

Finally, the cost of notifying the applicant that his name has been placed on the rolls does require an address and ordinary postal handling on a local delivery basis. Because the redelivery of the notification forms could easily be within the terms of the basic agreement between the Postal Service and the Voter Registration Administration. The cost of that mailing too could be substantially less than ordinary first-class mail.

The answer I get from adding up those costs, the production of the card which the Postal Service estimates at less than four-tenths of a cent per piece, the initial mailing, the return to the County Clerk, and the return of the notification form to the voter, is about 6 cents, or one-half the cost projected by Senator Fong. That is figuring a penny each for the initial mailing and the return mailing, to cover the actual incremental cost of handling unaddressed mail, and 3.5 cents as an educated guess on the cost of delivering the notification form which does require reading an address and properly sorting the mail.

Now if you mail 140 million registration forms at a penny a piece it will cost $1.4 million. If every single unregistered voter in the United States returns his form to the county clerk, then that is 55 million forms at a cost of $550,000, making a total of $1.95 million; and if the county clerk notifies every new registrant of his status that is another $2.2 million, making a total of $4,150,000 plus a production cost of $525,000. A total of $5,175,000.

There obviously are other costs involved. Employees in the Bureau of the called upon; the cost of paying the States some reasonable fee for processing the forms; the cost of collecting, analyzing, and publishing data. But much of that cost can be absorbed by the present census machinery. That is why we put it there. They already have the know how to do the job. They so testified in both appearances before the committee.

The cost of processing the form by the States will have to be determined by experience with the States. It may be 25 cents, and it may be more or less, according to the ability of each State to handle the business. But at 25 cents per card, for a 100-percent turnout of unregistered voters, that is only about $14 million.

So the total estimate I arrive at, some precise and some educated guessing, is a total processing cost of not more than $19,175,000, assuming a 100-percent. Add another $10 million for administration, and the total cost is less than one-third of the estimate suggested by the opponents of this legislation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HELMS. Mr. President, I oppose the adoption of S. 352 by the Senate. I feel that this legislation is unnecessary and harmful. The bill proposes an unwarranted intrusion into affairs which are properly in the jurisdiction of the States. My distinguished colleague, Senator Fong, the ranking minority member on the Committee on Post Office and Civil Service, has eloquently illustrated in his minority views to this bill, the inherent dangers which this legislation poses. In addition, all the information available leads me to believe that there are no demonstrated benefits that would accrue in terms of increased voter participation through the passage of this legislation.

Certain States which now have the most lenient preregistration requirements for their voters do not experience any greater participation in terms of the number of eligible voters who actually vote than the other States with more stringent registration requirements.

The Constitution and laws of this land insure that every citizen regardless of his economic or social condition will be guaranteed the right to vote. The fact that many do not care enough about their country and about their guaranteed right to participate in the decisions which affect their lives to take the few minutes necessary to the process of registering to vote will not be changed by imposing an elaborate Federal system of voter registration. In addition, this legislation could create one more Federal bureaucracy, politicizing the Bureau of the Census, which would cost in excess of $100 million to begin with, to do a job which is now adequately and rightfully being performed by the States.

I am not ready or willing to see the enormous power contained in S. 352 to control Federal elections vested in Washington under the Voter Registration Administration. This Voter Registration Administration would have an enormous power. At its disposal would be all the statistical and other information on all the different kinds of elections included under this bill. The agency would be empowered to give manpower assistance to State or local voter registration offices or conversely, to deny it. The agency could give assistance and advice to State or local officials on election problems, or refuse that advice. The agency can hire or refuse to hire employees to administer the provisions of S. 352. The kind of leverage that this bureaucracy could exert over state and local administrations is alarming. Our Federal Government was formed through the union of sovereign States. The States are the fundamental units which preserve our democracy. This bill strikes at the heart of our system of freely elected State government. The integrity of the States has been constantly eroded during the course of the 20th century. Many of us, I believe, now realize that it was exactly this bypassing of the States which has so greatly contributed to the problems which now plague our Federal Government—the problems which the Federal Government cannot solve and was never intended to solve.

This bill would just result in one more affiliction by those whose objective is to cripple and eliminate State government as an effective force. I ask my colleagues to defeat this bill.

AMENDMENTS NO. 82

Mr. MATHIAS. Mr. President, I call up my amendments No. 82.

The PRESIDING OFFICER. The clerk will read the amendments.

The legislative clerk proceeded to read the amendments.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendments be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendments No. 82 are as follows:

On page 7, lines 2 through 4, strike language after "agreements" and insert the following: "(1) the Secretary of each military department of the Armed Forces of the United States for the distribution of registration forms at military installations (including foreign military bases and other military installations abroad); (2) the Secretary of State for the distribution of registration forms at United States embassies, consulates, and legations; (3) the Director of the United States Information Agency for the distribution of registration forms at offices of this agency outside the United States; and (4) the heads of other appropriate departments and agencies for the distribution of registration forms at offices of such agencies outside the United States, as determined by the Administration."

On page 8, line 8, insert the following after "offices": "(including any such offices outside the United States)".

Mr. MATHIAS. Mr. President, I ask unanimous consent to modify the amendment. The reference to the page on line 1 should be "8," and on the second line, after the word "agreements" should be inserted the word "with".

The PRESIDING OFFICER. The modification will be made.

Mr. MATHIAS. Mr. President, this amendment is very simple in its thrust. It seeks to make members of the armed services who are performing their official duties full citizens of this country. It endeavors to make the servicemen who may be serving in various farflung parts of the world as required by their duties in the U.S. Armed Forces able to participate in elections within the United States. It authorizes the proposed Voter Registration Administration the authority to enter into agreements to distribute registration forms overseas through the Armed Forces, the State Department, the U.S. Information Agency, and other appropriate agencies of the U.S. Government, in the performance of the duties when the personnel may be required to be away from their usual place of residence and place of voting.

For that reason, I think it is an appropriate addition to the bill, and I urge that the Senate support it.

Mr. McGEE. Mr. President, let me say to my colleague from Maryland that the intention of the committee was precisely that sought by the Senator from Maryland, and I believe we covered it in the bill, both on page 7, beginning with line 6, where it reads:

> The administration is authorized to enter into agreements with the Postal Service, and with State officials for the distribution of registration forms in accordance with the provisions of this section:

And coupled with the paragraph at the top of page 8, the first four lines, the section already referred to by the distinguished senior Senator from Maryland; that is, in particular, that the Voter Registration Administration would be:

Authorized to enter into agreements with the Secretary of each Military Department of the Armed Forces of the United States for the distribution of registration forms at military installations.

We were satisfied that that language was encompassing enough to guard against the failure to carry out this intention.

Mr. MATHIAS. Would the distinguished chairman feel that the language contained in the bill would be adequate to cover the auxiliary personnel, the other people who may be stationed in other parts of the world as a result of their official duties; for example, that the authority to the military, which, as the chairman points out, is specifically spelled out at page 8 of the bill, in subsection (d), would also authorize the distribution of the registration forms to other official personnel——

Mr. McGEE. To dependents and others, nonmilitary, working at a base, such as the Senator has in mind?

Mr. MATHIAS. Yes.

Mr. McGEE. All individuals. The feeling of the committee is that the Voter Registration Administration, by working with the departments of the Federal Government, the State Department, the Defense Department, would make sure that the personnel were covered; and the second paragraph, at the top of page 8, was specifically applied to the military, because they move even more than those stationed at the bases.

Mr. MATHIAS. Does the Senator also believe that the language of the bill is strong enough to give a signal—send them a message, if you like—that the provisions of the bill will be vigorously enforced and that there will be an effort made to reach the people, not merely a pro forma kind of contact which may or may not actually reach the people whom the Congress intends to benefit by this bill?

Mr. McGEE. The intent of joining together those two paragraphs was to leave the Voter Registration Administration no alternative but to proceed vigorously in each department of government where any kind of personnel who were outside the jurisdiction of the United States per se would be reached by this process; and the legislative history that the Senator has permitted us to spell out now would further clarify it if there were any administrator who might not have gotten the message loud and clear.

Mr. MATHIAS. Mr. President, in view of the very strong and positive representations that have been made by the distinguished chairman, which I think would leave no doubt in the mind of anyone who sought the intent of Congress in the record of this colloquy, I will withdraw amendment No. 82.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

AMENDMENTS NO. 83

Mr. MATHIAS. Mr. President, I now call up amendments No. 83.

The PRESIDING OFFICER. The clerk will read the amendments.

The legislative clerk proceeded to read amendments No. 83.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, between lines 2 and 3, insert, in the table of contents, the following new item:

"411. Saving provisions.".

On page 11, line 2, strike out the quotation marks.

On page 11, between lines 2 and 3, insert a new provision as follows:

"§ 411. Saving provisions

"(a) Notwithstanding any other provision of this chapter, any State that adopts the Federal assistance post card form recommended by the Federal Voting Assistance Act of 1955 (50 U.S.C. 1451 et seq.) with respect to any category of its electors (1) shall, insofar as such electors are concerned, be deemed to be in full compliance with the provisions of section 405 and (2) shall be eligible to receive payments of financial assistance from the Administration, as provided in section 409, on account of the simplified and greater voting opportunities thereby granted to such electors.

"(b) Nothing in this chapter shall be construed to prevent any State from granting less restrictive registration or voting practices or more expanded registration or voting opportunities than those prescribed by this chapter.

"(c) Nothing in this chapter shall be construed to limit or repeal any provision of (1) section 202 of the Voting Rights Act Amendments of 1970 (42 U.S.C. 1977aa–1), relating to expanded opportunities of registering to vote and voting for electors for President and Vice President; or (2) the Federal Voting Assistance Act of 1955 (50 U.S.C. 1451 et seq.).".

Mr. MATHIAS. Mr. President, since offering the amendment, it has occurred to me that it might follow more logically at the end of the present bill instead of inserting it in the lines which are indicated.

I therefore ask unanimous consent that line 3 be stricken and that line 11 be modified to read:

On page 12, after line 19, insert a new provision as follows:

That would merely put the amendment at the end of the bill.

The PRESIDING OFFICER. The amendment is accordingly modified.

The amendment, as modified, is as follows:

On page 2, between lines 2 and 3, insert, in the table of contents, the following new item:

"411. Saving provisions.".

On page 12, after line 19, insert a new provision as follows:

"§ 411. Saving provisions

"(a) Notwithstanding any other provision of this chapter, any State that adopts the Federal assistance post card form recommended by the Federal Voting Assistance Act of 1955 (50 U.S.C. 1451 et seq.) with respect to any category of its electors (1) shall, insofar as such electors are concerned, be deemed to be in full compliance with the provisions of section 405 and (2) shall be eligible to receive payments of financial assistance from the Administration, as provided in section 409, on account of the simplified and greater voting opportunities thereby granted to such electors.

"(b) Nothing in this chapter shall be construed to prevent any State from granting less restrictive registration or voting practices or more expanded registration or voting opportunities than those prescribed by this chapter.

"(c) Nothing in this chapter shall be construed to limit or repeal any provision of (1) section 202 of the Voting Rights Act Amendments of 1970 (42 U.S.C. 1973aa–1), relating to expanded opportunities of registering to vote and voting for electors for President and Vice President; or (2) the Federal Voting Assistance Act of 1955 (50 U.S.C. 1451 et seq.).".

Mr. MATHIAS. Mr. President, this amendment would allow overseas Americans to register by using either the registration form developed by the proposed Voter Registration Administration or the form provided in the Federal Voting Assistance Act of 1955. The latter form is known as the Federal post card application—FPCA. Twenty-four States and the District of Columbia currently use this form as an application for both absentee registration and for an absentee ballot.

States electing to continue to use the FPCA for absentee registration will be judged to be in full compliance with section 405—registration form—of this bill and eligible to receive financial assistance from the proposed Voter Registration Administration on the same basis as a registration form developed "in house."

The last paragraphs of the amendment reemphasize the procedural purpose of the amendment—stating that nothing in this chapter shall expand or limit opportunities to register or vote absentee.

Two specific pieces of legislation are referred to in this context. They are the Voting Rights Act Amendments of 1970, section 202, and the Federal Voting Assistance Act of 1955, as amended in 1968.

I would say, Mr. President, broadly speaking, that this amendment is supplemental to the provisions of the earlier enactment. It carries out the thrust of the amendments offered by the Senator from Arizona (Mr. GOLDWATER), and it makes clear that the rules which were established in those enactments are dovetailed into the current bill.

Mr. McGEE. Mr. President, as I understand the Senator's amendment—and we have studied it over the weekend since he first introduced it—it does clarify and makes more specific procedures for absentee voting overseas. I believe that it would be helpful if the amendment were added to the pending bill. We would be willing to accept the amendment as far as the committee is concerned and have it added to the bill at the point that the Senator from Maryland has selected.

I think that it would make good sense. It is a precautionary sort of thing to make sure that the procedures under the Voting Rights Act of 1955 would not disallow the procedures envisioned in the committee approach. Section 406 (a) and (d) would not be affected in any way by adoption of this amendment. Overseas Americans may register by using either the registration form under section 405 or the form provided in the Federal Voting Assistance Act of 1955.

Mr. MATHIAS. The chairman of the committee is exactly correct in his approach. He has described the amendment accurately. Therefore, I move the adoption of the amendment.

The PRESIDING OFFICER (Mr. ABOUREZK). The question is on agreeing to the amendment. [Putting the question.]

The amendment, as modified, was agreed to.

Mr. McGEE. Mr. President, I yield the floor.

The PRESIDING OFFICER. The bill is open to further amendment.

WAIVER OF GERMANENESS RULE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from New York may speak out of order notwithstanding the rule of germaneness for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

WATERGATE

Mr. JAVITS. Mr. President, I thought it would interest the Senate if I reported on reaction encountered by me in my State of New York to the Watergate matter. In my judgment this renders even stronger the points I and others have been making about the Watergate affair.

I spoke last Friday night in Newark, N.J., at a dinner of the Wayne County Republican Organization, attended by several hundred persons. I spoke about various matters which are on the minds of the people of my State.

The comments I made on the Watergate situation had a great impact and evoked a particularly intense reaction. It confirmed what I had felt and what others had been feeling. Therefore, I think it appropriate that my full statement covering several topics be read into the RECORD and I herewith do so.

Mr. President, my statement is as follows:

> The challenge confronting community financing efforts in this era of the New Federalism is how to work out the most effective relationship respecting federal aid to state, county and local governments. I believe that federal-state-local relations must be built on one standard, and that standard should be one of performance—which unit of government can best get the job done.
>
> Every county in the State has a great stake in federal payments. In fact, in fiscal year 1972, Wayne County received $67,269,195 in Federal payments—to government and individuals and over $26 million from the Department of Health, Education and Welfare alone. These funds relate to everything from old age assistance and social security, highways, health, education, manpower and manpower training, welfare, pollution control, veterans benefits and many other specialized activities like lead-based paint poisoning prevention, as well as guarantees and direct Federal works.
>
> Now that general revenue sharing is law, an additional step is available to provide money for states and cities to use on an unrestricted basis. But, it is only half a step when a State such as New York does not get its fair share. I am working to see that the formula for general revenue sharing takes into account adequately first New York's needs, and second the effort New York is making to meet those needs. New York is by nationwide income standards a wealthy state, but that does not mean it should be short-changed when Washington returns some of the monies New Yorkers pay in taxes.
>
> We are the second most populous state in the Nation. That must be considered when the revenue pie is cut. But, what must also be considered is how much we are doing—how much we are taxing ourselves—to pay for the services to the people which must be rendered. New York State, under the administration of Governor Rockefeller, has truly pioneered. Thus, any allocation formula for general revenue sharing must reward states like New York which undertake innovative programs, administer them well and tax themselves heavily to help pay for those programs.
>
> One specific example of the benefits to be derived from coordinated federal-state-local efforts revolves around the funding from the Environmental Protection Agency for water and sewer projects. New York State pressed for approval of 26 key pollution control projects prior to the March 1 deadline legislated under PL 92-500 after which all projects not then approved would have to be redesigned and refinanced. Two of these essential projects are located here in Wayne County. I personally spoke with Administrator Ruckelshaus about these projects prior to the March 1 deadline to urge the most generous distribution of the limited Federal funds available. Of these 26 projects, nine were approved.
>
> Because I was gravely concerned about those projects which were not funded due to the lack of sufficient Federal money, and in order to provide some practical assistance to those communities whose urgently needed projects were not funded, I again contacted Mr. Ruckelshaus and requested information on the criteria used to approve the nine projects and specific comments and recommendations on each of the unfunded projects. Through this concerted and coordinated effort, it is hoped that these urgently needed projects can get the assistance they require.
>
> Another effort in which I am engaged at the moment which will be of interest to you is the establishment of a Farmers Task Force. I have established this Task Force in an effort to gain in-depth knowledge of the problems confronting farmers in New York and to work out with them solutions to those problems. The Task Force is composed of representatives of farm and financial organizations, scholars, agricultural economists and, most importantly, farmers. The first meeting of this Task Force was held in Syrcause on April 2, 1973 and the results of this coordinated attack on the problems confronting agriculture were impressive. I would like to share with you some of the positions and efforts taken as a result of this meeting.
>
> I firmly believe that farmers must have a right to adjust inequities. My assistance in seeing that farmers have access to a means to adjust inequities would in no way influence the outcome of an appeal, but I will always support the right of the farmers—or any other citizen—to have access to an avenue of appeal.
>
> In this connection, I am presently pressing for a meeting between Secretary of Agriculture Earl Butz, New York Commissioner of Agriculture Frank Walkley and New Jersey Secretary of Agriculture Alampi to discuss the downward revision of the level of the farm point pricing of manufacturing class milk, and the petitions to correct the basic price for milk used in the products sold on the national market.
>
> In addition, I am co-sponsoring S. 1371, a bill introduced by Republican Senator Henry Bellmon of Oklahoma which would require the Secretary of Agriculture to call a hearing in a milk market order area upon petition of producers.
>
> Transportation problems are having a most serious effect on the conduct of business in New York—particularly agricultural business. It is my intention to do all I can to avoid strikes that disrupt essential transportation. In addition, I am presently evaluating all major transportation proposals having to do with Penn Central and other bankrupt railroads to determine the effect which these proposals will have on New York State and to protect the interests of New York farmers. In a parallel effort, I am a co-sponsor of the Freight Car Utilization bill which is designed to provide better transportation services throughout the United States.
>
> Agricultural cost of production is an issue which has not received sufficient attention. Although the Department of Agriculture has indicated that there is no need for a Cost of Production Council, such a council may help persuade consumers that the farmers' efforts to provide food at reasonable prices is heavily dependent upon their costs of production. I will continue to try to have such a Council established and am presently looking into an amendment to the pending agriculture legislation as a vehicle to create this Council.
>
> State Agricultural Districts provide a tool for the preservation of farmland. I support efforts to expand these districts, and I am looking into possible Federal assistance to support and expand these districts which are so beneficial to the economical development of rural areas.
>
> Another effort I am engaged in to assist farmers—and make rural life more practical and attractive—is the Family Farm Inheritance Act, of which I am a co-sponsor. This bill would exclude the first $200,000 in value of the family farm from the taxable estate of those farmers who have managed their own farms during their lives and have willed it to relatives who plan to carry on this tradition. Estate tax is usually based on the higher real estate value of land, rather than on its far lower farming value of profitability, and this bill seeks to correct that valuation for family farms.
>
> The Research and Development Budget of the Department of Agriculture supports many efforts at the State level which are critically important to the continued progress of agriculture in the United States. I will do all I can to see that the full amount of the Research and Development Budget is appropriated by Congress and that the Secretary is directed to expend the full amount of such funds.
>
> Other matters in which I have acted as an ombudsman at the Federal level for Wayne County, include efforts to assist farmers with disaster relief loans, continuing efforts in the battle against the forces of nature which threaten from the high water levels in the Great Lakes. Working through the Corps of Engineers, the International Joint Commission, the Office of Emergency Preparedness, every possible effort is being made to assist the victims of this disaster, and prevent such disasters from recurring.
>
> In our State, so admirably administered by Governor Rockefeller and his Administration, and in your Wayne County and local governments which share this same aspiration for excellence, there is a great opportunity for coordination of our efforts to make the New Federalism the most exciting and responsive change in our government.
>
> I would like to discuss with you briefly a situation which I know is of concern to all of us—as citizens and as Republicans—for the future of our country and of the Republican Party.
>
> It should be clear to us all that the Watergate bugging incident was indeed no mere "caper". The astounding and dismaying fact is that this disgraceful and reprehensibe affair reflects adversely on our whole political system and could if allowed to fester seriously hurt the Republican Party; and I am sure all would agree that executive privilege cannot be used to cover up a possible criminal wrongdoing.
>
> Hence I would hope that the President would clear the air by disclosing to the Amer-

> ican people what he has found in his White House investigation of the Watergate incident and by allowing his assistants to testify before the Senate Investigating Committee as he has already allowed them to appear before a Grand Jury. I have no doubt that the Senate Investigating Committee will protect the reputations of individuals in a fair way and will recognize executive privilege in the President's communication with his own staff.

Mr. President, I interpolated at that point that the President is entitled to that, that he is entitled to have executive policy communications between himself and members of his staff protected. I do not think that anyone in the Congress expects anything else. That has nothing to do with acts affecting the public interest or alleged criminal wrong-doing as far as the courts are concerned.

I then said:

> The President has frequently spoken of the "need for a driving dream and a "renewed sense of purpose" in America. In charting a new course for the American future, he has scored some extraordinary achievements. He ought not now to allow those achievements to be marred by the Watergate incident.
>
> To do so would be tragic both for our country and the Republican Party—which has had a long tradition of high purpose and honesty in the conduct of its public responsibility. The American people will not forget our response to this issue in the elections of 1974 and 1976 if we fail to meet the challenge of Watergate.

Mr. President, I felt it proper, as I had spoken out publicly in my State and elsewhere, to read this into the RECORD.

VOTER REGISTRATION ACT

The Senate continued with the consideration of the bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mr. ALLEN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated:

The assistant legislative clerk read as follows:

> On page 10 strike all of lines 10 through 17; and renumber the subsequent subsection (c).

Mr. ALLEN. Mr. President, I yield to the distinguished Senator from West Virginia for a unanimous-consent request.

Mr. ROBERT C. BYRD. Mr. President, I thank the able Senator from Alabama (Mr. ALLEN).

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I have discussed this request with the distinguished manager of the bill, the Senator from Wyoming (Mr. MCGEE), and with the distinguished author of the amendment, the Senator from Alabama (Mr. ALLEN).

I ask unanimous consent that the time on this amendment be equally divided between the manager of the bill, the Senator from Wyoming (Mr. MCGEE), and the author of the amendment, the Senator from Alabama (Mr. ALLEN), and that the vote occur on the amendment no later than 3 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. If the time is equally divided, that would be roughly 70 minutes, 35 minutes each?

Mr. ROBERT C. BYRD. Yes. Mr. President, may I say that this will be a yea-and-nay vote, as I understand from the author of the amendment.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, this amendment would knock out section 409(b), which provides a subsidy to the various States to induce them to go to the voter registration by post card system for State elections.

In that connection, Mr. President, I might ask, how in the world would they operate a system whereby some voters would qualify under the Post Card Registration Act and become voters in Federal elections, while others already registered to vote in State and Federal elections would not, of course, have to comply with the new law providing for voter registration by post cards? How would that operate, to have a voter authorized to vote in a Federal election and not authorized to vote for a State officer? A person having registered under the post card system would come into the polls to vote. He would be qualified to vote in Federal elections, that is, for presidential electors, for a Member of Congress, or for a U.S. Senator. He could not vote for Governor, for secretary of state, for treasurer, for auditor, or for members of the State legislature.

How would they operate it? Nothing but confusion could come from such a system.

Could you say to the voter, as he goes in to the voting machine, "Now, go ahead and vote for the Federal officers, but do not move those keys and vote in the State elections." It is just not practicable; you have to have the same system throughout. That is one of the fallacies of this bill.

I do not like the idea, however, of the Federal Government paying an inducement, a subsidy, something akin to a legalized bribe, as it were, to induce the States to adopt this registration by postcard system. This bill really ought to be called a tombstone registration bill, rather than a voter registration bill, because it does open the way to massive corruption and fraud in the matter of registration.

These cards would be broadcast all over the country, according to the terms of the bill, sent to every postal address and every residence; and postal addresses, of course, would include an offce, a business, a rural mailbox, a post office box, or a plant. It is provided that they shall leave a sufficient number of cards, without saying sufficient unto what. If they went to a plant, the postman would have a right to say, "Well, now, a sufficient number of cards here would be one for every employee and every member of his family," and he might drop off 5,000 or 10,000 cards, when they had each already received one at home.

Also, Mr. President, they would scatter these cards in every Federal office, in every post office, on every rural route, every mail route, and every State and local office. Why send them out through the mail at a cost of some 12 cents apiece? It has been estimated that the cost of running this added echelon of Federal bureaucracy would run anywhere from $50 to $100 million a year. And to what purpose?

Is there any difficulty in getting to register? Not in my State. All you have to be is 18 years of age, and present yourself to the registration office and sign up. You do not have to be able to write; you do not have to be able to read. All you have to be is 18 years of age. So what is so difficult about that? Why broadcast these cards all over the country, at an expense of from $50 to $100 million a year?

It has been estimated that through the mails they would send out some 240 million cards a year, and there is nothing that would prevent them from sending these cards out every month, every week, or every day, for that matter. The only restriction is not a limitation; it is a floor. They have to send them out at least every 2 years, but they can send them as often as they want to.

Mr. President, that opens the way for fraud. Cards would be lying around everywhere. By the way, to make it easier for the recipient, they would have the U.S. Government frank on these cards, to be sent out as two cards, a double card, one card going to the occupant of the mail box—they would not even address them to a given person, so that they could know whether the person was already registered or not. Mr. President, we get enough junk mail without burdening the post office system with 240 million of these cards a year. But every one of them would have a return card for the recipient to mail back. Well, there would be a natural inclination on everyone's part to send something back. A registered voter would be inclined to say, "Well, maybe I am supposed to send this in anyway," and he would go ahead and send it in, and they would come in in bales to the registration office.

Mr. President, I was interested in some figures given by the distinguished Senator from Wyoming. I am sorry he is not here. He was talking about elections over in England, and how big a turnout they always had.

I noticed in the Washington Post on Saturday, April 14, in talking about a labor sweep they had in Britain's county election, it said the turnout was extremely light, about half that of the usual parliamentary election. But even if it has been the custom to have 100 percent turnout in the past, and only half turned out this time, that would mean that 50 percent turned out, and that is below the percentage that turned out in the 1972 Presidential election in this country. So I do not believe you can set England up on the basis of this record as a country that votes a tremendous percentage.

I was also interested in the Senator's use of figures regarding the State of Alabama, and the fact that in 1972 fewer than 50 percent of our people who are of voting age turned out to vote.

That is not hard to explain, as a matter of fact, because our State is a Democratic State. We like to vote Democratic in Alabama where we can. But the people obviously took the position that they did not want to vote Democratic and they were reluctant to vote Republican, so as a result the turnout was small in 1972.

But, Mr. President, I call attention to the fact that the bill does not do anything whatsoever to encourage voting by a registered voter. All it purports to do is to increase the number of registered voters.

At that point we see some interesting figures. According to a table from the Bureau of the Census which I hold in my hand, for 1970, 80 percent of the eligible voters, that is, those of voting age in Alabama are registered to vote, whereas in the State of Wyoming, according to this same table of the Census Bureau for 1970, only 69 percent of the eligible voters in the great State of Wyoming are registered to vote.

If our participation in the election dropped from the 80 percent of those registered down to 44 percent, as the table in the report of the hearings of the Senate committee discloses, that situation would not be cured by the bill because Alabama already has a good record of registration, with 80 percent of its people being registered. So the fallacy in the Senator's argument is that Alabama had 80 percent registered but only 44 percent turned out to vote. So the bill would not cure that situation.

What we need is a campaign of education to get out to vote those people who are, in fact, registered to vote.

Now, Mr. President, let us consider some of the political aspects of the bill and how it could be misused. Not only would the registration blanks or the cards with, I assume, a Government frank on them to allow them to be sent back without expense, not only would there be tens upon tens of millions of those cards spread all over the country but there would be stacks of them in every local government office, in every Federal office, in every post office, so what would there be to prevent anyone—any mischievous child, for that matter—from getting hundreds of them and signing them all and putting them in the mail and sending them off to the registration office?

Also, Mr. President, the mechanics of getting the cards to the proper authorities are, in fact, staggering. They are supposed to be addressed, the return card, back to the registrar in the particular governmental unit where the person would be supposed to register. So it will require that this administrator of this new bureau provide that the cards—there are over 3,000 counties in the country, I believe, and each county has a system of registering voters, so the cards would have to be arranged with over 3,000 different return addresses and they would have to be printed up accordingly, and these would be spread out throughout the country in systems other than by mail and they would have to go back to a certain address of the registrar.

Another thing that seems to be missing from this, on which possibly the Senator from Wyoming can supply the information, I do not see a great deal of testimony by the various boards of registrars throughout the country in favor of the bill, saying that it is necessary for them to have this post card system in order properly to discharge the duties of their office in getting the people in their areas registered to vote.

On the contrary, Mr. President, I have here a strong statement from the head of the Association of Registrars in the State of Florida, giving very strong testimony against the bill.

If it does not take too long and time is not limited, I should like to read that statement and possibly I will be able to come back to it at a later date.

The pending amendment merely removes the subsidy that the Federal Government pays to the States to try to influence the States is going to the post card system.

Already there is provided, and I believe the testimony seeks to set some sort of estimate of 50 cents per registration card that comes in, that they pay the State for the work of the registrar and then they would—in the section of the amendment that I am trying to get knocked out—pay the States an additional 30 percent of that amount, whatever it is, if they would change their laws accordingly.

That is just a little bit more than I care to see done. If the Federal Government wants to put in this system of registration whereby a man can vote in Federal elections but he cannot vote in State elections, well, let it do it. I join the Senator from Wyoming in hoping that this matter will come to a head very soon.

On would think that here in the Senate, with so many great issues before the country, we would have some measure before us that is of greater importance and greater worth than the pending bill, which would set up a useless bureaucracy to impose upon the people of this country to try to make it so easy for a person to go down and register.

I want to commend the State of Utah and the citizens of Utah for their great record. I feel that our record in Alabama, of 80 percent registered, is not a bad record, but the State of Utah outstrips every other State—98.4 percent—98.4 percent of the citizens of voting age in the State of Utah are registered to vote. If we put a bundle of cards on every front porch in Utah, I do not see how we can get that percentage up above 98.4 percent. Yet under this law, if it passes, and I hope that it does not, the administration—that is, the voting by post card registration administration—would send out hundreds of thousands of cards to the State of Utah, trying to get the 1.6 percent of the people who have not yet registered.

Speaking of overkill, this is certainly a case of overkill.

Now why, if a person wants to take part in the operation of his government and wants to discharge the rights and privileges of citizenship, should he not be willing merely to drop by the registration office and register and become a voter, and show a little interest in the operation of his government?

I do not see that that is an unreasonable request to make of a person, that he go down to the courthouse or to where the registration books are and register.

Now the distinguished Senator from Wyoming talks about the great variation that exists in the various States, as to the requirements for registering. Well, I do not know of any variation that could exist, except on the time for registration. That is all covered by Federal law. It knocked out the literacy test and made everybody eligible for registration if they are merely of voting age. These cards would go to every penitentiary and every insane asylum throughout the country, and these people would have an opportunity to send those cards back. But if there be variations, I do not see what variations there could be except in the time for registration. That is a State matter. Handle that at the State level. There is no need to encumber the people of the United States with another agency or bureau. We do not need any more Federal bureaus, that I know of—certainly not to encourage people to go out and register when there is no hardship in going to register.

Mr. President, I cited the State of Utah as an example of what motivated, patriotic, civic-minded citizens can do in the matter of registration. They can get up to a well nigh perfect record of 98.4 percent. Now let us look at some of the other States. Let us look at the State of Texas. They have had registration by mail in Texas for 30 years. How high have they built up in the matter of the registration of their people? The 1970 table of the U.S. Census Bureau, the very people who would run this system, says that in 1970, 63.2 percent of the people of Texas were registered to vote. I do not think it even requires a post card to vote in Texas. They mail in a coupon from a newspaper. If all they can get 63.2 percent by a mail system and Utah can get 98.4 percent without any mail system, that does not show too much for the efficacy of the mail system, it would seem to me.

Throughout the country, the same story would exist. Of course, it is fine to say we are making it easy to register. Get them registered, and what do they do? Eighty percent are registered in Alabama. The distinguished Senator from Wyoming has pointed out that fewer than 50 percent voted in 1972. So it is not a case of registration guaranteeing voting, nor does availability of post cards to register guarantee registration. The contrary is true, and I point to the State of Texas as an example.

Mr. President, I would like our people

in Alabama to be left alone on this post card system. If this system of registration by post card in Federal elections is imposed on us, naturally, we will comply with the law. But do not make us change our State system. Do not throw out this offer to our registration boards to go over to this post card system: "We will pay you some additional money." I resent that. I resent any such offer contained in a bill—to say to our people, "If you will put in the post card system, we will pay you a certain amount of money." It does not smack well to the Senator from Alabama.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 16 minutes remaining.

Mr. ALLEN. I reserve the remainder of my time.

Mr. McGEE. Mr. President, I want to address myself to two points made by the distinguished Senator from Alabama.

The first point has to do with the relevant figures in regard to who did and who did not vote the last time, in 1972. I submit again, as part of the record, and I ask unanimous consent that it be printed in the RECORD, the Census Bureau's breakdown of the vote by States in last November's Presidential election.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

VOTER TURNOUT BY STATE IN THE 1972 U.S. PRESIDENTIAL ELECTION

State	Eligible voters [1]	Actual voters [2]	Turnout of eligible voters (percent)	Registered voters [3]	Turnout of registered voters (percent)
Alabama	2, 274, 000	1, 006, 000	44. 2	1, 764, 000	57. 0
Alaska	200, 000	95, 000	47. 5		
Arizona	1, 239, 000	623, 000	50. 3	862, 000	72. 3
Arkansas	1, 310, 000	612, 000	47. 4	1, 010, 000	61. 5
California	13, 945, 000	7, 765, 000	55. 7	10, 466, 000	74. 2
Colorado	1, 558, 000	949, 000	60. 9	1, 220, 000	77. 8
Connecticut	2, 106, 000	1, 384, 000	65. 7	1, 648, 000	84. 0
Delaware	371, 000	236, 000	63. 6	293, 000	80. 5
District of Columbia	518, 000	164, 000	31. 7	305, 000	53. 8
Florida	5, 105, 000	2, 576, 000	50. 5	3, 487, 000	73. 9
Georgia	3, 104, 000	1, 172, 000	37. 8	2, 403, 000	48. 8
Hawaii	531, 000	270, 000	50. 8	338, 000	79. 9
Idaho	479, 000	310, 000	64. 7	397, 000	78. 1
Illinois	7, 542, 000	4, 704, 000	62. 4	6, 215, 000	75. 7
Indiana	3, 509, 000	2, 128, 000	60. 6		
Iowa	1, 909, 000	1, 225, 000	64. 2		
Kansas	1, 541, 000	916, 000	59. 4		
Kentucky	2, 206, 000	1, 067, 000	48. 4	1, 455, 000	73. 3
Louisiana	2, 339, 000	1, 051, 000	44. 9	1, 785, 000	58. 9
Maine	66, 000	417, 000	62. 6	616, 000	67. 7
Maryland	2, 688, 000	1, 354, 000	50. 4	1, 816, 000	74. 6
Massachusetts	3, 955, 000	2, 458, 000	62. 1	2, 775, 000	88. 5
Michigan	5, 874, 000	3, 487, 000	59. 4	4, 763, 000	73. 2
Minnesota	2, 560, 000	1, 738, 000	67. 9		
Mississippi	1, 403, 000	646, 000	46. 0		
Missouri	3, 266, 000	1, 856, 000	56. 8		
Montana	460, 000	318, 000	69. 1	387, 000	82. 2
Nebraska	1, 022, 000	576, 000	56. 4	712, 000	80. 9
Nevada	348, 000	182, 000	52. 3		
New Hampshire	521, 000	334, 000	64. 1	424, 000	78. 8
New Jersey	5, 025, 000	2, 992, 000	59. 5	3, 673, 000	81. 5
New Mexico	636, 000	386, 000	60. 7		
New York	12, 773, 000	7, 157, 000	56. 0	9, 207, 000	77. 7
North Carolina	3, 463, 000	1, 506, 000	43. 5	2, 358, 000	63. 9
North Dakota	402, 000	281, 000	69. 9		
Ohio	7, 185, 000	4, 087, 000	56. 9		
Oklahoma	1, 812, 000	1, 030, 000	56. 8	1, 247, 000	82. 6
Oregon	1, 500, 000	922, 000	61. 5	1, 198, 000	77. 0
Pennsylvania	8, 161, 000	4, 589, 000	56. 2	5, 872, 000	78. 2
Rhode Island	673, 000	416, 000	61. 8	532, 000	78. 2
South Carolina	1, 706, 000	672, 000	39. 4	1, 029, 000	65. 3
South Dakota	434, 000	307, 000	70. 7	392, 000	78. 3
Tennessee	2, 713, 000	1, 201, 000	44. 3	1, 990, 000	60. 4
Texas	7, 681, 000	3, 461, 000	45. 1		
Utah	689, 000	478, 000	69. 4	621, 000	77. 0
Vermont	309, 000	187, 000	60. 5	273, 000	68. 5
Virginia	3, 197, 000	1, 447, 000	45. 3	2, 107, 000	68. 7
Washington	2, 371, 000	1, 470, 000	62. 0	1, 975, 000	74. 4
West Virginia	1, 182, 000	762, 000	64. 5		
Wisconsin	2, 955, 000	1, 851, 000	62. 6		
Wyoming	225, 000	146, 000	64. 9		
Total	139, 642, 000	77, 684, 000	55. 6		

[1] Bureau of the Census, current population reports, "Projections of the Population of Voting Age for States: November 1972," series P-25 No. 479 (March 1972), table 2.

[2] Certified vote totals in the 1972 election, as published in the New York Times, Dec. 20, 1972, p. 28; Dec. 24, 1972, p. 26. Figures rounded to the nearest thousand.

[3] Official reports of the State secretaries of State, giving registration figures available for the most recent date before election day. Data furnished to the National Republican Congressional Committee and the Library of Congress. Figures rounded to the nearest thousand. In some cases, the number of registered voters will increase as the figures are updated to election day, and the turnout of registered voters will show a corresponding decrease.

Mr. McGEE. As one scans that list, he is struck with the variables among the States: The low voter turnout in Alabama, 44.2 percent among all those who otherwise would have been eligible in the State; the 47 percent turnout in the State of Alaska; 47 percent in Arkansas; 31 percent in the District of Columbia; 37 percent in the State of Georgia; 44 percent in the State of Louisiana; 43 percent in the State of North Carolina, and so forth. As one peruses the whole list, he is struck by the discrepancy between those who voted and those who otherwise would have been eligible to vote had all conditions obtained in the way envisaged by this bill.

The point behind this is that motivation remains a factor. I have stressed again and again in my remarks that we do not contend and would not dare contend that by registering the people by post card, they would all rush out and vote. Many of them still would not. But the track record for registered voters is very much higher than other categories. It ranges in the 75 to 85 percent and in some cases nearly 90-percent range. If they are registered, they are more inclined to vote.

But let us note what the Senator from Alabama leaves out of his interesting figures, when he reminds us that almost 80 percent of his people in the State of Alabama are in fact registered. If I add that up correctly, what does that tell us? It tells us that 510,000 people in Alabama still are not registered. That is more than a half million. Perhaps that does not make any difference in his State. They have to be the judge of that. That is a very considerable number.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. ALLEN. While the Senator is pointing out that only 80 percent of the people of Alabama are registered, it is interesting to note, according to the Census Bureau table, table 598 of the statistical abstract of 1972, that only 69.2 percent of the good people of Wyoming are registered to vote.

Mr. McGEE. I am not running a race between Wyoming and Alabama. I am running a race between the 62 million people who did not vote in this country last year and the poor track record that represents in contrast to Canada, Great Britain, France, Germany, and Italy—the larger republics in the free world, the countries with democratic systems of government. Something has to explain why we have such a bad track record when it comes to a Federal election. I do not believe that the American people have less inspiration and less sense of responsibility. I think they are as great as anybody else, and they still are not showing up. There has to be another explanation, which the Senator does not supply, and I think I come closer to supplying it.

Mr. ALLEN. Mr. President, if the Senator will yield for just a moment, the Senator was out of the Chamber when the Senator from Alabama read an editorial from the New York Times of Saturday, April 14, 1973, commenting on the recent elections in Britain. The editorial refers to the Labor Party sweep in Britain's county election and it says the turnout was extremely light, about one-half of the usual parliamentary elections. So if the usual parliamentary elections have been getting a 100-percent voter turnout, and these elections had a turnout of one-half, it would indicate that it was below the low figure rung up in the United States in the 1972 Presidential election, where the percentage was 55 percent.

Mr. McGEE. I agree. The record spoken of in England was just one election, but year in and year out, election after election, our percentages in the United States have ranked the lowest over the long pull among free countries. We have been having free elections for a great many years. Some elections are better than others, but our elections consistently run below elections the rest of the free world.

The question is, Why do they do better? What do their people have that our people do not have? I submit again that the only thing that looms on our horizon is that we have more obstacles in the way of registering voters, that most voters, if they are registered, are more inclined to vote than those who have to scramble around difficulties just to get to the polls.

If the Senator wishes to take unregistered figures, in the same table, in New York, 3.5 million poeple were not registered. That is a pretty substantial chunk of voters. Four million people were not registered in California. They had a little higher percentage otherwise. Seven hundred thousand were not registered in South Carolina. Over 1 million were not registered in North Carolina. One million were not registered in Virginia. Six hundred thousand were not registered in Louisiana. Three million were not registered in Pennsylvania. One and a half million were not registered in Illinois.

I am not going to take the time of this body to take off on all 50 States because they are there in the Census Bureau report. The real point, Mr. President, is that tens of millions of Americans were not registered in the last election and we worry about why they do not vote when they are registered, but let us get them registered first. That is the first task. The record is so bad that this bill should be debated on the basis of how to get more people registered rather than making excuses for why people do not show up. The one excuse that no Member of this body can cover is the fact that they were not registered. The onus is on every Member of this body, including the Senator from Wyoming, for not doing more to make sure they are registered. I am trying to do whatever small part is possible to bring about the registration of more voters. It is only one of many things that should be done, and that is the registration through the post card system administered by the Bureau of the Census, and ratified and verified by each of the State registrars. I say that because the Senator from Alabama was dwelling on that question as I listened to his present remarks which are focused primarily on the pending amendment.

In the pending amendment the Senator from Alabama seeks to knock out of the bill the 30-percent clause. What is the 30-percent clause? That clause simply provides in the bill that after people are registered for Federal elections by post card so that they will be registered, and thus eligible to vote in elections for the President, Senator, and Representative, in addition, if any State should decide it was more systematic, that it was more effective in a participating democracy to apply the same limitations on residence for State elections as the law already applies for national elections, that the Federal Government would help them to meet the initial cost.

I was asked a moment ago why the Federal Government does not pick up 100 percent of the cost because of the extra charge for registering many more voters. Theoretically, registering 30 to 40 million more voters would be involved and the reason we did not offer 100 percent is that we thought it was the responsibility of the State to share a major part of that cost. This is not a free load for the State. This is not a sock for the State. This is not a buying off of the States or pushing them into something they do not want. That is why 30 percent is in the bill as the percentage the Federal Government would assist with in terms of meeting the additional cost in the event any State would like to apply the same rules for voting to all their State elections at the same time. Even then we are talking about a small amount of money, about 30 percent. If everybody who is not registered were registered under this system, the estimated cost from the data that is run through computers, would be about 25 cents per registrant. About 30 percent of that figure would represent a total cost of about $4 million, or just a little over. If everyone not registered now were covered under the bill, this would be $14 million and the Federal share would be $4 to $4.5 million. So it is still playing penny ante with a very significant responsibility to get voters registered and participating in our system.

Without some small assistance from the Federal level in financing the cost of registration—if we were to wipe out the 30 percent to be specific—it would actually discourage voting in State elections. Perhaps the Senator from Alabama wants fewer voters in the State elections. That is up to the State of Alabama to determine. That is their decision and we do not want the postcard registration process to lead any State to the conclusion that it would be so burdensome they could not afford it. This is an attempt to have sharing of the actual cost in the registration process. It is with that in mind that we added the 30 percent provision. It is not a requirement because they do not get the 30 percent if they do not request it. No State has to do so. The State can ignore it entirely. That would be up to the State, and there would be no bill submitted. But if every State submitted its total bill it would be in the neighborhood of $4 million because of this 30 percent clause.

In regard to my own State of Wyoming; if we were to register all the voters not registered in Wyoming and shared the cost in this way, the total cost of registering some 25,000 of them who are not registered would be in the neighborhood of $8,000 or $10,000, which is pretty small, indeed. This is only if the State chooses to participate in that fashion. If the State of Wyoming decided it wanted no part of it, there would be no Federal input under those circumstances. The State of Wyoming would still remain the judge of the qualifications of its registrants and of the validity of any applicant for registration under those circumstances.

Mr. President, may I ask how much time I have left?

The PRESIDING OFFICER. The Senator has 20 minutes remaining.

Mr. McGEE. Mr. President, I am prepared to yield back the remainder of my time if the Senator from Alabama is agreeable to that.

Mr. ALLEN. Mr. President, I yield back the remainder of my time, and I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama (Mr. ALLEN). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Iowa (Mr. CLARK), the Senator from Nevada (Mr. CANNON), the Senator from Maine (Mr. MUSKIE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), the Senator from Indiana (Mr. HARTKE), and the Senator from California (Mr. TUNNEY) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from Hawaii (Mr. FONG), the Senator from Florida (Mr. GURNEY), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. McCLURE), and the Senator from Vermont (Mr. STAFFORD) are absent on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from Hawaii (Mr. FONG), the Senator from Idaho (Mr. McCLURE) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 27, nays 48, as follows:

[No. 101 Leg.]

YEAS—27

Aiken
Allen
Baker
Bartlett
Bennett
Buckley
Cotton
Dole
Domenici
Ervin
Fannin
Goldwater

Griffin
Hansen
Hatfield
Helms
Hruska
Johnston
McClellan
Nunn
Scott, Pa.
Scott, Va.
Sparkman
Taft
Talmadge
Tower
Young

NAYS—48

Abourezk
Beall
Bible
Biden
Brooke
Byrd, Robert C.
Case
Church
Cook
Cranston
Dominick
Eagleton
Fulbright
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Stevens
Stevenson
Symington
Weicker
Williams

NOT VOTING—25

Bayh
Bellmon
Bentsen
Brock
Burdick
Byrd,
Harry F., Jr.
Cannon
Chiles
Clark
Curtis
Eastland
Fong
Gravel
Gurney
Hart
Hartke
Hollings
Inouye
Long
McClure
Muskie
Stafford
Stennis
Thurmond
Tunney

So Mr. ALLEN's amendment was rejected.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE UNITED STATES AND SWEDEN

Mr. HUMPHREY. Mr. President, I am deeply disturbed over recent reports that the Nixon administration is still refusing to restore our normal friendly relations with Sweden. These reports have just been confirmed in our public hearings on the State Department authorization bill.

Our Swedish friends have recently taken steps to try to improve our normal diplomatic relationship and have been most discourteously rebuffed for their efforts.

The Swedish Government over a long period of time has regarded U.S. military involvement in Southeast Asia as a gravely mistaken policy and has frequently made known its opposition. At the same time, it would be difficult to quarrel with the proposition that the Swedish Government has been faithfully reflecting the views of large numbers of its people. It is no secret that many Scandinavians, as well as citizens of some other Western European countries, have been profoundly disturbed by the continuing war in Southeast Asia. Their unhappiness, however, generally has not derived from any antipathy toward the United States. On the contrary, it has been caused by disappointment—by a belief that our country has not been living up to its traditional high ideals, which have long been respected and admired by Sweden and other European democratic countries.

It is also no secret that successive U.S. administrations have been offended and angered by the sanctuary which Sweden has provided for deserters from the U.S. military forces in Europe and elsewhere. What does not seem generally appreciated is the fact that the numbers of American military men who have been given asylum in Sweden have amounted to only a few hundreds of persons. A good proportion of those who could be classified as deserters have turned themselves in and have been flown back to the United States for trial. The numbers of those remaining in Sweden are a figurative handful. In any event, the Swedish Government in recent weeks has several times made it clear that it will no longer provide political asylum for U.S. military men stationed in Europe who seek to avoid their terms of service.

Far more importantly, the Swedish Foreign Minister, in opening a foreign policy debate in Parliament on March 21, made a special effort to invite the United States to respond to Sweden's desire to restore its normal friendly relations with our country. Yet, according to the same account carried in the New York Times of March 22, State Department spokesmen were quoted as saying:

> We have a frosty "no comment."

Still worse, we have heard rumors of a memorandum circulating in the executive branch which directs our Government officials to maintain a chilly attitude toward Sweden.

Mr. President, the answer to this peculiar and very distressing situation is not difficult to discover—although knowledge of the problem does not lessen our distress. The Swedish Government's position has been clear for a number of years, but we have nevertheless managed to retain normal diplomatic relations for much of that period. The essence of the current problem apparently lies in the remarks made by Swedish Prime Minister Palme concerning the intensive bombing of Hanoi last December.

Although I do not personally subscribe to the views expressed by Mr. Palme, I can make the necessary effort to understand his frustration over U.S. behavior. I believe his remarks were exaggerated in character, but they were not leveled at President Nixon or any individual, and I am sure they were not designed to be taken personally by the President of the United States. We should recognize also that a great many Americans, including members of this body, shared at least some of the sense of outrage expressed by the Swedish Prime Minister. Whether or not the comments and attitudes were justified is really beside the point. What is truly at stake is the right not only of American citizens, but of foreign friends, to express dissenting views when they are deeply held and based on principle.

The fact is that Prime Minister Palme, who received part of his advanced education in one of the best academic institutions in this country, regards himself as a true friend and admirer of the United States. Members of the Foreign Relations Committee, who had an opportunity to extend hospitality to Prime Minister Palme during a visit here in June of 1970, are fully aware of his friendship for our country and understand that he has spoken out—not as a carping critic—but in the belief that he is displaying the truest sort of friendship. That is, he has risked the misunderstanding and hostility which often results from one friend telling another what he believes to be the truth, and what he believes to be in his friend's best interests. Rather than reacting so badly, we should be glad that we have friends who want to see us measure up to our own high standards. In saying this, I do not in the slightest associate myself with all that Prime Minister Palme said last December, but neither do I draw from his statement the implications which have been resented so openly by the Nixon administration.

What in the world is the purpose of diplomatic relations if they are not intended to encourage exchanges of views and to explain the often differing positions of the countries concerned? Under difficult circumstances our last Ambassador to Sweden, Mr. Holland, accomplished precisely that task in a distinguished fashion.

President Nixon many times has said that with the winding down of the war in Southeast Asia we should be seeking to repair the damage done to the fabric of our society, and I assume he intends such a spirit of generosity to apply equally to friends abroad who have criticized us over the Vietnam war. Yet we face a situation in which the United States refuses to send an ambassador to Sweden—where we have been represented by a charge d'affaires for many long months—and compounds the public discourtesy by indicating clearly to that country that its newly appointed Ambassador would not be welcome at this time.

If this is the way we treat our democratic friends abroad, do we not inhibit—if not almost prevent—the necessary exchange of frank and open views among our allies? Will West Germany or Great Britain, for example, do us the real service of telling us the truth if they have to allow for possible punitive diplomatic action?

Mr. President, this is a situation which would be almost ludicrous if it were not so serious and so distressing. President Nixon, quite rightly in my opinion, has been trying with much success to normalize relationships not only with the Soviet Union, but with mainland China. As we all know, the bitterly critical statements of the Soviet Union and China regarding U.S. actions in Southeast Asia over the years would fill a number of thick volumes. And yet we have not disrupted our ambassadorial representation with the Soviet Union, and are in the process of working to formalize diplomatic ties with China. These sorts of actions are those which one would expect from any nation which intends to follow a mature course in the conduct of its foreign policy.

Does it not seem ridiculous, then, for the United States—which now seeks to have friendly relations with China and who has continued diplomatic relations with the Soviet Union, despite years of tirades from them against this country—to be treating Sweden in such an immature and publicly offensive manner? I cannot believe that either the Department of State or the National Security Council staff, headed by Dr. Kissinger, regards this offensive attitude toward Sweden as an appropriate posture for the United States to adopt.

I believe the people of the United States of America feel that Sweden treats us a little bit better than the regime in Peking. They have enough sense to know what the Swedes have treated us a little bit better than some of the comment which has come from the Kremlin, yet we go out of our way—and I surely do not criticize it; on the contrary, I welcome it—to build cordial relationships—sound, sensible relationships—with Moscow and Peking; but we refuse to have anything to do with Stockholm. I think it borders upon being not only ludicrous, but ridiculous and dangerous as well, in terms of any sense of mature policy.

I also find it difficult to believe that President Nixon as an individual could administer the foreign policy of this Nation on such a petty, personal basis. I appeal to the President, as one who has tried to support his foreign policy, to get this situation straightened out, and straightened out promptly.

Therefore, I am forced to conclude that some of the President's close political advisers are responsible for a posture which can only be described as childish. These advisers are doing a great disservice to the President and to those charged with direct execution of our foreign policy by nursing a resentment which normal would hold for only a short transitional period at most.

Mr. President, above all, I resent, on behalf of many American citizens, and especially those large numbers with Swedish friends and ancestors, this continuing indulgence of fancied grievances. I call upon President Nixon to take a personal interest in this deplorable situation and to restore as quickly as possible our usual fine relationship with our Swedish friends.

Finally, Mr. President, I ask unanimous consent to have printed in the Record at this point the above mentioned article, datelined March 21, from the New York Times.

There being no objection, the article was ordered to be printed in the Record, as follows:

Sweden Seeking Warmer U.S. Tie—Rift Over War Is Brought Up but Washington Is Chilly

Stockholm, March 21.—Foreign Minister Krister Wickman said today that it was important to improve Sweden's relations with the United States, frozen since Christmas time when Premier Olof Palme criticized the United States bombing of North Vietnam.

"It is especially important to preserve the means of high-level dialogue," Mr. Wickman said, opening a foreign policy debate in Parliament.

"We believe Swedish-American relations are better served in the long run by making our basic principles clear instead of seeking to hide our feelings," he declared.

The Government is known to be anxious to restore friendly relations with President Nixon, who has refused to welcome Sweden's new Ambassador or to allow the United States Ambassador to take up his post. But leaders here have said that they do not know what reasonable political gesture they can make to propitiate him.

The President is understood to believe that Mr. Palme, by likening the intensive bombing of Hanoi in December to Nazi atrocities, was in effect labeling him a massive murderer.

TWO LEADERS GIVE VIEWS

Thorbjorn Falldin, leader of the Opposition Center party, supported the Foreign Minister's view, saying that criticism of the bombing of North Vietnam "does not imply any inimical attitude toward America."

Gosta Bohman, leader of the small but significant Conservative party, criticized the Government, saying that the majority Social Democrats had damaged relations with Washington.

"It is a dangerous situation," he said. "It affects our interest."

Mr. Palme, who received a bachelor's degree from Kenyon College in Gambier, Ohio, is known to be disappointed by the chill in relations. He told a reporter recently:

"The period I went to school in the States was the most important period of my life. For me and for most of my generation, American democracy—with its shortcomings, but also its great vitality—has been a great inspiration.

"Partly, at least, this explains our disappointment and distress over the Vietnam war, which for me stands as a contradiction to the basic tenets of American democracy."

NO COMMENT FROM UNITED STATES

Washington, March 21.—Asked whether Mr. Wickman's remarks would contribute to the normalization of relations between Sweden and the United States, a State Department spokesman replied today, "we have a frosty 'no comment.'"

QUORUM CALL

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess, subject to the call of the Chair, with the understanding that the recess not extend beyond 4:45 p.m. today.

There being no objection, the Senate took a recess (at 4:16 p.m.) subject to the call of the Chair.

The Senate reassembled at 4:45 p.m. when called to order by the Presiding Officer (Mr. Helms).

QUORUM CALL

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Helms). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS McCLELLAN AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, immediately after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Arkansas (Mr. McClellan) be recognized for not to exceed 15 minutes; and that he be followed by the junior Senator from West Virginia (Mr. Robert C. Byrd) for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the recognition of Senators under the aforementioned orders on tomorrow, there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATIONS UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at the conclusion of the period for the transaction of routine morning business tomorrow, the Senate proceed to the consideration of the urgent supplemental appropriation bill, House Joint Resolution 496, that there be a time limit for debate on that resolution of not to exceed 2 hours, with the time to be equally divided between the able Senator from Arkansas (Mr. McClellan) the chairman of the Appropriations Committee, and the ranking minority member of the committee, the distinguished Senator from North Dakota (Mr. Young); that time on any amendment, debatable motion, or appeal in connection therewith be limited to 30 minutes, to be equally divided in accordance with the usual form; *Provided further*, that time on each of two amendments to be proposed by the distinguished Senator from Rhode Island (Mr. Pell) be limited to 1 hour, the time to be equally divided and controlled in accordance with the usual form; that time on an amendment to be offered by the Senator from North Dakota (Mr. Young) be limited to 1 hour, the time to be equally divided and controlled in accordance with the usual form; ordered further, that the vote on passage of the urgent supplemental appropriation bill occur not later than 4 p.m. tomorrow; provided further, that the unfinished business remain in a temporarily laid aside status until the disposition of the urgent supplemental appropriation bill on tomorrow.

Mr. ALLEN. Mr. President, reserving the right to object, S. 352, then, would continue as the unfinished business?

Mr. ROBERT C. BYRD. It would.

Mr. ALLEN. Mr. President, the Senator from Alabama may, tomorrow, file a motion, and it would be necessary that S. 352 be the pending business or the unfinished business. So the bill would remain in the position of being the unfinished business

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. McGEE. Mr. President, will the Senator yield, so that I might raise a question?

Mr. ALLEN. Yes; I yield.

Mr. McGEE. The Senator speaks of filing a motion.

Mr. ALLEN. There is a possibility that a cloture motion will be filed.

Mr. McGEE. The Senator from Wyoming has no intention of filing such a motion.

Mr. ALLEN. I said the Senator from Alabama might file such a motion.

Mr. McGEE. Oh, the Senator from Alabama is filing one?

Mr. ALLEN. I did not say he would; I said there is a possibility that he would.

Mr. McGEE. I want to be sure that I was clear.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, effective on Tuesday, April 17, 1973, at the conclusion of morning business, the Senate proceed to the consideration of H.J. Res. 496, a joint resolution making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes, and debate on any amendment (except two amendments by the Senator from Rhode Island (Mr. Pell) and one amendment by the Senator from North Dakota (Mr. Young), on which there shall be one hour), debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment, debatable motion or appeal and the manager of the bill, the Senator from Arkansas (Mr. McClellan).

Ordered further, That, on the question of the final passage of the said joint resolution, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Arkansas (Mr. McClellan) and the Senator from North Dakota (Mr. Young): Provided, That the said Senators, or either of them, may, from the time under their control on the passage of the said joint resolution, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Ordered further, That, a vote on final passage of the joint resolution shall occur no later than 4:00 p.m.

ORDER FOR UNFINISHED BUSINESS TO BE LAID ASIDE TEMPORARILY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the unfinished business, S. 352, be temporarily laid aside at the close of business today and that it remains in a temporarily laid aside status until the disposition of the urgent supplemental appropriation bill tomorrow, the vote on the appropriation bill to occur not later than 4 o'clock p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE DEBATE ON VOTER REGISTRATION BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that in the event the distinguished Senator from Alabama or any other Senator presents a motion to invoke cloture on tomorrow, the 1 hour of debate on the motion to invoke cloture on S. 352 began running immediately following the prayer of the day of the reconvening of the Senate following the Easter recess, and that the time for such debate be equally divided and controlled by the distinguished Senator from Wyoming (Mr. McGee) and the distinguished Senator from Alabama (Mr. Allen); provided further, that immediately following the vote on the motion to invoke cloture on that day, if the motion to invoke cloture should fail, the distingiushed Senator from Wyoming (Mr. McGee) be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL 10 A.M. WEDNESDAY, APRIL 18, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until 10 a.m. on Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 11 a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Arkansas (Mr. McClellan) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. Robert C. Byrd) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

At the conclusion of the period for the transaction of routine morning business on tomorrow, the Senate will proceed to take up House Joint Resolution 496, the urgent supplemental appropriation, with a time limitation agreement thereon. The time agreement call for 1 hour of debate on each of the two amendments by Mr. Pell, 1 hour on the amendment to be proposed by Mr. Young, and 30 minutes on any other amendment, with 2 hours of debate on the resolution, and with the proviso that time may be yielded from the time for debate on the resolution, by those Senators in control of such time, to any Senator on any amendment, debatable motion, or appeal. I ask unanimous consent that that be the case.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. With the further proviso in connection with the consent agreement, that a vote occur on the passage of the urgent supplemental appropriation measure no later than 4 p.m. tomorrow.

Following the disposition of the urgent supplemental resolution on tomorrow, the Senate will resume consideration of S. 352, the unfinished business. It is understood among the various parties here that amendments will be called up to that bill and votes will occur thereon tomorrow, following the disposition of the urgent supplemental appropriation measure.

Consequently, Senators are alerted to the fact that not only will several votes be likely on amendments to and on final disposition of the urgent supplemental appropriation, but also yea-and-nay votes will occur on amendments to S. 352, the unfinished business, the voter registration bill, on tomorrow.

Mr. President, on Wednesday, Senators may continue to call up amendments to S. 352, the voter registration bill, and yea-and-nay votes may occur thereon.

When the Senate completes its business on Wednesday, it will stand adjourned until Monday, April 30. I am authorized by the distinguished majority leader to make this statement. Also, the majority leader, I am sure, would want me to state that this adjournment—which will extend a bit longer than was earlier anticipated—results from a number of facts, one being that the other body will not return until Monday, April 30; that, moreover, the Senate calendar is such that it is a bit like Old Mother Hubbard's cupboard—it is pretty bare—and it is thought—and hoped—that by convening the Senate on April 30, rather than Wednesday, April 25, the attendance will be such that there will be a larger vote on the motion to invoke cloture on S. 352; furthermore, that committees can then act expeditiously to report measures for action by the full Senate; and finally, that, keeping in mind the June 30 cutoff date for the reporting of "must" legislation, controversial legislation, major legislation, and so on, the Senate can work hard and complete most of its business by the start of the August recess, which would leave not too many measures for action following the August recess.

Mr. President, there should be, then, much business coming out of committees after the Easter recess, and Senators will expect a speedup in floor activity.

I thank all Senators for their cooperation in connection with the consent agreement which has been arrived at today.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. tomorrow.

The motion was agreed to; and at 5:15 p.m. the Senate adjourned until tomorrow, Tuesday, April 17, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate April 16, 1973:

Inter-American Development Bank

John M. Porges, of New York, to be Executive Director of the Inter-American Development Bank for a term of 3 years, vice Henry J. Costanzo, resigned.

In The Air Force

The following officer under the provisions of Title 10, United States Code, Section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of Section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Joseph G. Wilson, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

In the Navy

The following named officers of the Navy for permanent promotion to the grade of rear admiral:

LINE

William J. Kotsch
Robert G. Mills
Eugene H. Farrell
James O. Mayo
Rowland G. Freeman III
David A. Webster
Rupert S. Miller
Raymond W. Burk
Carl J. Seiberlich
Lloyd W. Moffit
Joseph E. Snyder, Jr.
Samuel M. Cooley, Jr.
Forrest S. Petersen
Merton D. Van Orden
Bernard B. Forbes, Jr.
Wayne S. Nelson
Doniphan B. Shelton
Alan B. Shepard, Jr.
Dewitt L. Freeman
Henry S. Morgan, Jr.
Arthur W. Jrice, Jr.
Edward W. Cooke
Charles H. Griffiths
Denis-James J. Downey
Charles D. Grojean
Chester G. Phillips
John M. Tierney
Alfred J. Whittle, Jr.
Isham W. Linder
James H. Doyle, Jr.
Charles P. Tesh
Harry "E" Gerhard, Jr.
William Thompson
James B. Wilson
Frank D. McMullen, Jr.
Donald B. Whitmire
Leonard A. Snead
William H. Rogers
Tyler F. Dedman
Wesley L. McDonald
Samuel L. Gravely, Jr.
Earl F Rectanus
Charles F. Rauch, Jr.
William F. Clifford, Jr.
Stanley T. Counts
Edward C. Waller III
Harry D. Train II
James D. Watkins
William A. Myers III

MEDICAL CORPS

Oscar Gray, Jr.
Charles L. White
Richard D. Nauman
Willard P. Arentzen

SUPPLY CORPS

Philip Crosby
Kenneth L. Woodfin
Joe G. Schoggen
Edward E. Renfro III
James E. Forrest

CIVIL ENGINEER CORPS

Foster M. Lalor
Donald G. Iselin

DENTAL CORPS

Wade H. Hagerman, Jr.

HOUSE OF REPRESENTATIVES—*Monday, April 16, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He that doeth the will of God abideth forever.—I John 2:17.

O God, our Father, at this high altar of our national life we bow our heads in prayer and lift our hearts unto Thee seeking wisdom and strength from on high. Guide us that we may meet our demanding duties with daring deeds, as with cheerful courage and unwavering faith we make our decisions, carry our burdens and work for the best interests of our country.

"In a world so filled with suspicion and strife—
Create in us the splendor that dawns when hearts are kind,
That knows not race nor station as boundaries of the mind;
That learns to value beauty, in heart, or brain, or soul;
And longs to bind thy children into one perfect whole."

In the spirit of Christ we offer this our morning prayer. Amen.

CALL OF THE HOUSE

Mr. SYMMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 87]

Alexander
Andrews, N.C.
Ashley
Badillo
Biaggi
Blatnik
Boland
Brown, Mich.
Burke, Calif.
Carney, Ohio
Chappell
Chisholm
Clark
Conyers
Davis, Ga.
de la Garza
Dennis
Dent
Diggs
Dingell
Dulski
Eckhardt
Evans, Colo.
Flowers
Frelinghuysen
Gettys
Gilman
Goldwater
Hanna
Harvey
Hawkins
Heinz
Hudnut
Jones, Ala.
Jordan
Karth
Kemp
King
Landgrebe
Lehman
McEwen
Maraziti
Martin, N.C.
Mathias, Calif.
Minshall, Ohio
Mitchell, N.Y.
Mollohan
Morgan
Passman
Pepper
Podell
Price, Tex.
Rangel
Regula
Reuss
Rooney, N.Y.
Ruppe
Ryan
Skubitz
Staggers
Steed
Stephens
Talcott
Teague, Tex.
Udall
Vigorito
Waldie
Wilson, Bob
Young, Fla.
Young, S.C.
Zablocki
Zwach

The SPEAKER. On this rollcall 361 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

Mr. CRANE. Mr. Speaker, I object.

MOTION OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I move that the Journal be approved.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts (Mr. O'Neill).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CRANE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair will advise that unanimous consent requests will be taken later in the day.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 303. Joint resolution to authorize and request the President to proclaim April 29, 1973, as a day of observance of the 30th anniversary of the Warsaw ghetto uprising.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1975) entitled "An act to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes." The message also announced that the Senate agrees to amendment of the House to the amendment of the Senate numbered 4 to the foregoing bill.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 893. An act to authorize appropriations for certain highway safety projects, to extend and improve the Federal highway safety program, and for other purposes;

S. 1315. An act to extend diplomatic privileges and immunities to the Liaison Office of the People's Republic of China and to members thereof, and for other purposes; and

S.J. Res. 45. Joint resolution to provide for the erection of a memorial to those who served in the Armed Forces of the United States in the Vietnam war.

CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar. The clerk will call the first bill on the calendar.

PROMOTIONS OF MEMBERS OF THE UNIFORMED SERVICES WHO ARE IN A MISSING STATUS

The Clerk called the bill (H.R. 4954) to amend title 37, United States Code, relating to promotion of members of the uniformed services who are in a missing status.

There being no objection, the Clerk read the bill as follows:

H.R. 4954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 552(a) of title 37, United States Code, is amended by adding the following sentence at the end thereof: "Notwithstanding section 1523 of title 10 or any other provision of law, the promotion of a member while he is in a missing status is fully effective for all purposes, even though the Secretary concerned determines under section 556(b) of this title that the member died before the promotion was made."

SEC. 2. For the purposes of chapter 13 of title 38, United States Code, this Act becomes effective as of November 24, 1971. For all other purposes this Act becomes effective as of February 28, 1961.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of an identical Senate bill (S. 1493) to amend title 37, United States Code, relating to promotion of members of the uniformed services who are in a missing status.

The Clerk read the title of the Senate bill.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 552(a) of title 37, United States Code, is amended by adding the following sentence at the end thereof: "Notwithstanding section 1523 of title 10 or any other provision of law, the promotion of a member while he is in a missing status is fully effective for all purposes, even though the Secretary concerned determines under section 556(b) of this title that the member died before the promotion was made."

SEC. 2. For the purposes of chapter 13 of title 38, United States Code, this Act becomes effective as of November 24, 1971. For all other purposes this Act becomes effective as of February 28, 1961.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4954) was laid on the table.

MANDATORY CIVIL SERVICE RETIREMENT AT AGE 70 WITH 5 YEARS' SERVICE

The Clerk called the bill (H.R. 3798) to amend subchapter III of chapter 83 of title 5, United States Code, to provide for mandatory retirement of employees upon attainment of 70 years of age and completion of 5 years of service, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 3798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8335(a) of title 5, United States Code, is amended by adding at the end thereof the following new sentence:

"In the case of an employee appointed, or reappointed after a break in service of more than three calendar days, after December 31, 1973, this section applies when he becomes seventy years of age and completes five years of service."

(b) Paragraph (4) of subsection (d) of section 8335 of title 5, United States Code, is amended to read as follows:

"(4) an employee in the judicial branch, other than a referee in bankruptcy, appointed to hold office for a definite term of years.".

SEC. 2. Section 8706(b) of title 5, United States Code, is amended—

(1) by deleting the word "or" after paragraph (1);

(2) by inserting the word "or" after paragraph (2); and

(3) by inserting the following new paragraph after paragraph (2):

"(3) after December 31, 1978, he has completed five years of creditable civilian service as determined by the Commission;".

SEC. 3. Section 8901(3) (A) of title 5, United States Code, is amended by striking out the words "12 or more years of service for disability", and inserting in place thereof "12 or more years of service, or for disability, or after December 31, 1978, after five or more years of creditable civilian service".

With the following committee amendments:

Page 2, line 3, strike out "(b)" and insert in lieu thereof "(c)" and immediately above line 3 insert the following:

(b) Section 8335(b) of title 5, United States Code, is amended by striking out "until 60 days after he is so notified" and inserting in lieu thereof "until the last day of the month in which the 60-day notice expires".

Page 2, strike out lines 18 to 23, inclusive, and insert in lieu thereof the following:

SEC. 3. Section 8901(3) (A) of title 5, United States Code, is amended by striking out "Government, after 12 or more years of service or for disability;" and inserting in lieu thereof the following: "Government—

"(i) after 12 years of creditable service;

"(ii) for disability; or

"(iii) after December 31, 1978, after 5 years of creditable service;"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IMMEDIATE RETIREMENT OF CERTAIN FEDERAL EMPLOYEES

The Clerk called the bill (H.R. 6077) to permit immediate retirement of certain Federal employees.

There being no objection, the Clerk read the bill as follows:

H.R. 6077

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8336(d) of title 5, United States Code, is amended to read as follows:

"(d) An employee who is separated from the service—

"(1) involuntarily, except by removal for cause on charges of misconduct or delinquency; or

"(2) during a period when the agency in which he is employed is undergoing a major reduction in force, as determined by the Commission, and who is serving in such geographic areas as may be designated by the Commission;

after completing twenty-five years of service or after becoming fifty years of age and completing twenty years of service is entitled to a reduced annuity.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The **SPEAKER.** That concludes the call of the eligible bills on the Consent Calendar.

PROVIDING FOR CONSIDERATION OF H.R. 6168, EXTENDING ECONOMIC STABILIZATION ACT OF 1970

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 357 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 357

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6168) to amend and extend the Economic Stabilization Act of 1970. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. Immediately after the reading of the first section of H.R. 6168 under the five-minute rule, it shall be in order to consider without the intervention of any point of order the text of H.R. 6879 as an amendment in the nature of a substitute for the bill. If said amendment in the nature of a substitute is not agreed to in Committee of the Whole, it shall then be in order to consider the amendments recommended by the Committee on Banking and Currency now printed in the bill notwithstanding the provisions of clause 7, rule XVI. At the conclusion of the consideration of H.R. 6168 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 6168, the Committee on Banking and Currency shall be discharged from the further consideration of the bill S. 398, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 6168 as passed by the House.

The SPEAKER. The gentleman from Missouri, Mr. BOLLING, is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN), pending which I yield myself such time as I may consume.

Mr. Speaker, this is a relatively complicated rule, and I would judge from the attention given it when the matter was being read by the Clerk, that everybody understood it, because no one was listening to it being read.

I would like to try to explain entirely accurately to the House what the rule contains. It is understandable if you just read the rule, and I think it is very clear. No. 1, it makes in order the consideration of H.R. 6168, the so-called Patman bill, which is the bill that was reported from the Committee on Banking and Currency. That bill included a rollback to January 10, and certain rather stringent provisions on the control of interest. That bill will be debated, that bill and the ancillary matters will be debated presumably for 2 hours because there are 2 hours of general debate provided.

Immediately after the first section of that bill, the Patman bill, is read, another bill, the so-called Stephens substitute, H.R. 6879, will be in order as an amendment in the nature of a substitute to the Patman bill.

The Stephens substitute provides for a rollback until March 16. It provides for the Hanna amendment which changes the approach to interest, and for a third amendment which deals with certain prices that were a good deal lower on the 16th of March, as I understand it, than they might have been at another time, the so-called Young amendment.

It is important to understand what the parliamentary situation is going to be. As I understand it, an amendment to the Patman bill will be in order, and an amendment to the amendment in the nature of a substitute will be in order—in other words, it will be possible to perfect both bills.

Then at the very end of the proceedings, as I understand it, there will also be an opportunity to offer another substitute, and there will finally be an opportunity for a recommittal motion.

In other words, this is a wide-open rule making in order an amendment in the nature of a substitute, which will be the first item actually discussed and debated because of the nature of the rule. It gives everybody an opportunity to express every view, every point of view, and to work their will in every possible way. It is about as open a rule as we could get.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Ohio.

Mr. WYLIE. Will it be possible, assuming that the Stephens substitute is adopted, to offer an amendment providing for a simple extension, in other words, extending the present Economic Control Act for 1 year?

Mr. BOLLING. Our situation would be this, that that provision would have to come in relation to the Stephens substitute, before its adoption, because there would have to be an amendment to that substitute, as I understand the situation. What I said earlier would still follow, but it would not come as an amendment; it would come as a motion to recommit. If the Stephens substitute is adopted, it would then only be on a motion to recommit that the opportunity for the 1-year extension would occur, but there would be other opportunities prior to that for that amendment to be offered.

Mr. WYLIE. Will the gentleman yield further?

Mr. BOLLING. I yield to the gentleman.

Mr. WYLIE. In other words, if the Stephens substitute is adopted, then the committee would rise, and the only way one could offer an amendment in the form of a 1-year extension would be on a motion to recommit?

Mr. BOLLING. That is correct.

Mr. WYLIE. Before a vote is taken on the Stephens substitute, and after it is offered, is it then in order to offer an amendment to, say, strike the section pertaining to the consumer counselor?

Mr. BOLLING. Any perfecting amendment would be in order at the right time. I mean one could not have it at anytime, but an amendment to the Stephens substitute would be in order.

Mr. WYLIE. If the gentleman will yield further, I think my real question is, at that point in time is the Stephens substitute considered to be open for amendment at any point?

Mr. BOLLING. The Stephens substitute is considered in effect as an original bill and open to amendment at any point after it is offered. The reason that I am being so cautious about answering is that the amendments have to be offered in a certain parliamentary way.

Mr. WYLIE. If the gentleman will yield further, as I understand, the rule which the committee adopted waives points of order insofar as section 7 is concerned, which is a rule relating to germaneness.

Mr. BOLLING. That is correct.

Mr. WYLIE. So that if there is something which is not germane in the Stephens substitute—and I have reason to believe that there is, because I have it in front of me—it would not be in order to offer a point of order on the ground that any portion of it is not germane? Is that a correct understanding of the rule?

Mr. BOLLING. No point of order would lie under the rule against it; that is correct. The amendment to strike would lie. In order to get the substitute up, it would be necessary to waive the points of order; that is correct.

Mr. WYLIE. The point I wish to make here is that the Rules of the House provide that a point of order will lie if a section is not germane. It will not lie in this instance?

Mr. BOLLING. That is correct, but that can, within the procedure that has taken place in the past on many other bills. There is one thing that could be considered unusual about this in relation to the routine practice of the Committee on Rules. When it was possible in the recent past, we have tried to specify those things that would have been otherwise not in order and waive the particular rule on that particular subject.

In this case there were enough different problems involved in the original bill and in the substitute, which is really mostly the original bill, that the only way we could get at it was to have a general waiver. That is the only way we felt it was reasonable to get at it.

Mr. WYLIE. What is the procedure for objecting to a part of the first section by making the point of order that a certain portion of the Stephens substitute is not germane?

Mr. BOLLING. If the rule is adopted, the only way that I would know to get at it would be to offer an amendment to knock it out, but it would not be subject to a point of order.

Mr. WYLIE. In other words, what we have to do is vote down the previous question on the rule?

Mr. BOLLING. As far as the gentleman now speaking, I am not advocating that. I am for adopting the rule so that we can have an open discussion and amend all the different provisions that are before the House. If the gentleman chooses to do something else, that is his privilege.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Georgia.

Mr. LANDRUM. Without advocating or not advocating, I just want to ask this question. Once the Stephens amendment so-called is offered, it is from that moment on until it is adopted subject to amendment.

Mr. BOLLING. That is absolutely correct.

Mr. LANDRUM. But if it is adopted it is not subject to amendment.

Mr. BOLLING. That is correct.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from New York.

Mr. WYDLER. Do I understand this procedure to be that after the Stephens amendment is offered we will be able to amend the Patman bill or any section of the Patman bill, any section of the original Patman bill?

Mr. BOLLING. My understanding of the situation, and I tried to understand it correctly, is that a perfecting amendment to the Patman bill would be in order and an amendment would be in order to the Stephens bill.

Mr. WYLIE. No, that is not correct.

Mr. WYDLER. Yes, but my question is directed to this: Is the Patman bill considered open at any point upon offering of the Stephens amendment?

Mr. WYLIE. Mr. Speaker, that is not correct.

Mr. BOLLING. Only the first section of the Patman bill will have been read.

Mr. WYDLER. That is correct, but I understand the gentleman stated otherwise.

Mr. BOLLING. The gentleman stands corrected. I misled the gentleman. The first section of the Patman bill is read, and then as soon as that is read obviously it is open to amendment, and then the Stephens amendment is offered and made in order and all of it is subject to amendment in the normal fashion, but the gentleman is correct, only the first section of the Patman bill is in order at that stage. If the Stephens amendment is turned down, then the Patman bill is subject to amendment all the way through.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I beg to differ with the gentleman on the Rules Committee. Once H.R. 6879 is adopted, only the Stephens substitute is open to amendment and not the original Patman bill.

Mr. BOLLING. I am informed I am in error again, that section 1 of the Patman bill is not in order for amendment, is not subject to amendment until the Stephens bill is disposed of.

Mr. WYLIE. Mr. Speaker, is the understanding of the Speaker as to the parliamentary procedure with reference to the substitute of the gentleman from Georgia (Mr. STEPHENS) on the rule correct?

The SPEAKER. Will the gentleman yield for a clarification of the parliamentary situation?

Mr. BOLLING. Mr. Speaker, I yield.

The SPEAKER. This is a question for the Chairman of the Committee of the Whole and the Chair would not like to get into the parliamentary situation which would properly be considered in the Committee of the Whole.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Texas.

Mr. POAGE. Mr. Speaker, I simply want to ask for the RECORD and I want the gentleman from Texas to hear me on this, this bill and the Stephens substitute both contain language which amends certain agricultural acts. I understand why it was done. I am not criticizing why it was done because it does fit in with the purpose of the legislation, but I would like to have assurance from the gentleman from the Rules Committee and from the chairman of the committee that this is not to be a precedent nor to set any claim that this is in within the jurisdiction of the Committee on Banking and Currency.

Mr. BOLLING. I will answer the gentleman that on the basis of my experience on the Rules Committee this certainly sets no precedent. The Rules Committee handles each complicated and difficult situation as it comes before the committee. I do not think this is any precedent at all.

Mr. POAGE. I take it this is the very reason that the committee provided for a waiver of the rules, that the committee recognizes this sort of thing.

Mr. BOLLING. That is correct. We faced a very complicated and difficult situation in trying to bring a bill to the floor under reasonable circumstances.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, the gentleman discussed the matter with me and I do not see any reason why our committee would consider this a precedent.

Mr. POAGE. I thank the gentleman from Texas.

Mr. BLACKBURN. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman yielding to me.

I want to make sure I understand.

At the time the Stephens substitute is offered, as I understand, it is to be read entirely. Am I correct in understanding that section 1 of the Stephens substitute at that time, after reading, can be amended?

Mr. BOLLING. That is correct.

Mr. BLACKBURN. After the entire Stephens substitute bill is read, then we can offer amendments to section 1?

Mr. BOLLING. That is my understanding.

Mr. HANNA. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from California (Mr. HANNA).

Mr. HANNA. Mr. Speaker, if I might recapitulate, what the gentleman from Missouri has been trying to say to the Members is that when the rule is concluded, and we go into the Committee of the Whole, the first thing which will be before us will be the committee version of the bill. At that point in time the Stephens amendment in the nature of a substitute will be the first thing in order.

Mr. BOLLING. That is correct.

Mr. HANNA. Assuming that the Stephen's amendment in the nature of a substitute is adopted, then that substitute will be open to amendment at all points and, even in those sections where there is a point of order that has been raised, those sections will be open for amendment to strike or to alter in any way. Is that not correct?

Mr. BOLLING. I do not believe that is correct. I would like to try to recapitulate.

Mr. HANNA. The reason I asked the question is because the gentleman from Missouri had said that even though point of order is waived this does not preclude the possibility of amending a section to which a point of order might be made.

Mr. BOLLING. To that particular point I would have to answer that this is correct. An amendment is in order to a section that otherwise might be subject to a point of order. An amendment will be in order.

Mr. HANNA. It has to be raised at the appropriate time and under the regular rules of the House.

Mr. BOLLING. That is correct.

Mr. HANNA. I think, if we understand that, the matter is fairly clear. If the Stephens amendment is defeated, the Patman bill is open, as any bill is open subject to the points of order.

Mr. BOLLING. That, I believe, is correct.

Mr. BLACKBURN. Mr. Speaker, would the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman yielding to me.

As I understand now, after the Stephens amendment is adopted, and of course it could not be amended, any amendments to the Stephens substitute would have to be adopted prior to its adoption.

Mr. BOLLING. Correct.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. I thank the gentleman for yielding. Mr. Speaker, there was a statement made which I want to be sure is correct.

The gentleman from California stated, I believe, that immediately after the rule is adopted we would take up the Stephens amendment. There will be 2 hours of debate first; is that not correct?

Mr. BOLLING. Correct.

Mr. ROUSSELOT. So we do not go to the amendment process until after the 2 hours of debate is completed.

Mr. BOLLING. That is correct.

Mr. ROUSSELOT. Mr. Speaker, I think the highly complicated nature of this rule has been brought out partially in the previous discussion. The issue of whether we can challenge the germaneness of certain areas of clear conflict in committee jurisdiction with the Committee on Banking and Currency has really not been properly addressed. We will not be able to truly debate or challenge these conflicts after the rule is passed.

Second, I think that even the gentleman from Missouri himself must admit that in his own discussion of this rule he himself has found the parlimentary procedure somewhat confusing. That is why I think it is highly important that we seriously consider voting down this very complicated rule. This is a bad precedent-setting rule.

Mr. BOLLING. I would like to comment briefly.

Mr. Speaker, I certainly did not describe the situation with perfect accuracy on the first occasion. I agree with that. But as I read and reread the rule, I feel that this is not the fault of the rule, but it is my fault.

This rule is quite clear. It is entirely within the rules of the House, and what we propose to do is not unusual.

If those who oppose having this kind of a debate, which opens up everything to amendment, wish to do so, they can make the argument on the question of germaneness, because undeniably it will not be possible to make points of order on questions of germaneness.

I do not believe it would be possible to consider any bill from the Committee on Banking and Currency and this subject except a very simple extension without waiving germaneness, because there are so many different acts involved.

I would frankly admit that the gentleman from Missouri did not do a good job of describing it in the first place, but I do not believe that is the fault of the Rules Committee, nor do I believe it is a criticism of the way in which the matter is being considered.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield further?

Mr. BOLLING. I am glad to yield further.

Mr. ROUSSELOT. I appreciate the gentleman's candor in admitting it is difficult to discuss this rule with any clarity.

I, as did the gentleman from Missouri, sat through much of the debate and discussion before the Rules Committee itself. I believe we have only brought out in part in this discussion the great difficulty that even the Rules Committee had in arriving at a genuine decision as to how to bring this highly complicated and disasterous bill to the floor.

Actually what the Rules Committee has done is it has allowed a Stephens substitute in basic conflict with the House rules. I know the gentleman from Georgia is very sincere in his effort to make this bill (H.R. 6168) less complicated than it already is. It was put together at the last minute in the Rules Committee as to how this substitute would be offered in such an unusual way on the floor.

I believe we should really understand, when we vote for this rule, we are establishing a great number of unusual precedents. We are denying the House Members the right to challenge the germaneness.

The gentleman from Missouri himself has said that this bill does cross into many other areas of jurisdiction. I believe the gentleman should not be so harsh on himself for not understanding totally what this rule does, because of its highly controversial nature, and was only hastily drawn last Thursday.

Mr. BOLLING. The gentleman has now put some words in my mouth. I was not criticizing myself except for inaccuracy, not for a lack of understanding.

The real problem that confronts us and that confronted the Rules Committee is the fact that the act expires on the 30th of April. The Rules Committee was trying to find a vehicle to get this matter before the House in a manner that would be fair to all Members of the House. I believe we have done so. The majority believes we have done so.

The gentleman from California (Mr. Holifield) is seeking recognition?

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I am glad to yield to the gentleman from California.

Mr. HOLIFIELD. The gentleman takes the floor for the purpose of pointing out that section 207 in each one of these bills goes far afield and sets up a consumer counselor and methods of appointment and staff and many other things which I will not go into at this time.

I call to the attention of Members of the House that a bill that would establish a consumer agency was referred to the Committee on Government Operations some 3 or 4 years ago. It was eventually brought to the floor of the House, and it was passed by a vote of 344 to 44.

It was a good bill. It was a well-drafted bill. It stood the test of many, many hearings and many hours of staff work. It was passed in the House with the support of Members on both sides of the aisle.

That bill did not carry in the other body. They proceeded to change it around, and put a lot of amendments on it that were knocked down in the House. As a result, they never got the bill out of the committee.

At the beginning of this year the Speaker announced that one of the items of high priority would be the establishment of a Consumer Protection Agency. Bills were introduced and again referred to our committee. It is the intention of our committee to take up the bill which is identical with the bill that was passed in the House by a vote of 344 to 44.

There will have to be some amendments made to it because the President has taken some executive actions in changing Mrs. Knauer's department and putting it over in HEW. But those will be in the nature of corrections as a result of subsequent action by the President.

Mr. Speaker, it is the intention of the committee, of course, to bring this bill to the floor. I will not discuss at this time the quality of paragraph 207 in Mr. Patman's bill but I will say that there will be an amendment offered to delete that from either the Patman bill or the Stephens substitute whenever the opportunity is proper in the House from a parliamentary standponit.

Mr. Speaker, if the gentleman from Missouri will yield further——

Mr. BOLLING. I yield further to the gentleman from California (Mr. Holifield).

Mr. HOLIFIELD. There have been several confusing statements made. One confusing statement was that as soon as the Patman bill is up for consideration in the House, the first order of business will be the substitute of the Stephens bill.

Now, that is not true. The first order of business under the rule now before us will be 2 hours of debate, and at the conclusion of 2 hours of debate, the first amendment that will be in order will be the Stephens amendment, and at that time, if the Stephens amendment is carried, either in its present form or as an amendment, then that will conclude the matter, when it is finally passed by the House. But it will be subject to amendment.

Mr. BOLLING. That is correct. The gentleman is correct.

The SPEAKER. The gentleman from Missouri (Mr. Bolling) has consumed 25 minutes.

Mr. WAGGONNER. Mr. Speaker, will the gentleman from Missouri (Mr. Bolling) yield?

Mr. BOLLING. I yield to the gentleman from Louisiana (Mr. Waggonner).

Mr. WAGGONNER. Mr. Speaker, I thank the gentleman for yielding.

It would appear to me from the discussion we have had up to this point during the consideration of this rule that unless a Member is opposed to even extending the present legislation, there is little, if any, justification for voting this rule down, because the committee has brought a bill to the floor which obviously is controversial, but the Committee on Rules, with the rule which we are now debating, made an amendment in the form of a substitute in order. That is the so-called Stephens bill.

Mr. Speaker, when during the amendment process, after we start reading the committee bill, that bill is offered as being in order, it then is subject to any amendment that anyone chooses to offer, as I understand it, including an amendment which would provide for a simple extension of the existing legislation. And if such an extension amendment is offered, the vote would occur first on that substitute language, and if the Congress adopts such a proposal to extend the existing legislation, then action would have been completed on the Stephens substitute which is offered in the form of an amendment. If it is not, we will continue to debate for amendment purposes the Stephens substitute, and whenever we have taken final action on the Stephens substitute, if it is adopted, no action is then possible on the committee bill. But if the Stephens substitute is rejected, action then becomes in order on the original committee bill.

Mr. Speaker, it just simply seems to me that as complicated as this is, as controversial as it is, the Committee on Rules has brought a rule here which will allow the House to work its will, and the thing that seems to be in controversy right now is what the will of the House is in this instance.

So I believe that unless a Member is opposed to anything, we ought to go ahead and adopt this rule and get along with the debate.

Mr. BOLLING. Mr. Speaker, I thank the gentleman from Louisiana (Mr. Waggonner) for his contribution. He has made it very clear.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman from Missouri (Mr. Bolling) has consumed 28 minutes.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, after this long discussion which we have had on House Resolution 357 and the explanation by the able gentleman from Missouri, I will not further discuss the resolution making the rule in order. I would like to discuss some of the content of the committee bill and particularly the substitute bill H.R. 6879 which is made in order by this rule, and some of the dangers inherent in this legislation which we are considering today.

First of all, the committee bill would roll back and freeze prices at January 10, 1973, levels. The Stephens bill would roll back prices on all commodities to March 16. However, that is a little bit erroneous. If you go a little further along in the bill, Mr. Speaker, you will find that there is a possibility that prices could be rolled back to levels not lower than those existing on May 25, 1970. Let me quote from the bill:

> Immediately, but not later than 60 days after the enactment of this section, the President shall—

And this is mandatory when you use the word "shall"—

> shall by written order stating in full the considerations for his action, roll back prices—to levels lower than those prevailing on March 16, 1973.

It directs the President to roll them back even from the March 16th date. It does not say to where he should roll them or at what point. It is very ambiguous.

Then you go over on the next page, and I want to quote again from the bill:

> Whenever the Consumer Price Index as compiled by the Bureau of Labor Statistics for a calendar month exceeds (A) an annual rate of 3 per centum for any three consecutive months or (b) an annual rate of 2.5 per centum for any 12 consecutive months, then within 30 calendar days the President is authorized and directed to issue orders and regulations to establish a mandatory program to (1) stabilize prices, wages, and salaries at levels not less than those prevailing on May 25, 1970.

We have control of rents. The Stephens bill, however, restricts some of these rent controls, but it remains that we have rent controls on everything—homes, commercial properties, and investment properties. This we do not need. There is no need for controls, particularly of commercial or industrial properties or residential properties where we have a surplus of housing available.

Then we have the consumer counselor section, which was just debated and was discussed by the distinguished gentleman from California (Mr. HOLIFIELD). It seems strange in this bill no money is authorized for the consumer counselor. He is set up as an arm of the legislative branch of the Government. The appointments and so forth come through the executive branch of the Government. In checking with the counsel on the committee I find that there are no funds authorized to be spent for this office. This is a result of hasty work in the committee in the writing of this legislation.

Another point I want to make is this: This amends the Export Administration Act of 1969, which is not germane to the legislation under consideration. The Rules Committee waived that point of germaneness in the rule.

One of the serious defects in this bill and in the amendment of the Export Administration Act of 1969 is that it repeals the hide export exemption enacted by the Congress last year.

Mr. Speaker, I am sure you are well aware of the great debate that we had and the controversy concerning the exemption of hides that was brought up in the debate last year.

In regard to wages, there is no rollback in wages in this bill, in fact, it adds a new provision in the act that states that a substandard wage is a wage of less than $3.50 an hour. Seventy-five percent of all nonfarm labor in the United States receives less than $3.50; these are all exempted.

In food processing, practically 100 percent of your labor receives less than $3.50 an hour. They are exempted under the provisions of the Economic Stabilization Act, and the bill we are considering here today.

These are very serious defects, Mr. Speaker.

Then there is one more item concerning interest rates. The Stephens bill provisions limit the interest rate ceiling, and rollback five categories of loans of most importance to the individuals, small businessmen and farmers. This provision could be expected to guarantee a serious shortage of credit in these five areas since money flows almost instantaneously to markets where yield is more advantageous, and there is no control over the larger loans.

Then, Mr. Speaker, in closing I would like to quote from a newspaper editorial from the Washington Post on prices and freezes.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I quote from the editorial:

> The only question worth discussing is the nature and terms of the freeze. The House Banking and Currency Committee has provided an example of the kind of solution that ought not be considered. The committee's bill has all of the characteristics of genuinely mischievous legislation: it is willful, ill-considered and reckless. It expresses frustration in its demand for a rollback of prices of Jan. 10, but it contains no evidence of concern for the innumerable injustices that a rollback would cause to the innocent as well as the guilty. If a farmer has had to buy feed for his pigs at the soaring prices of the past three months, it is manifestly unfair to require him to sell ham and bacon at last January's prices. There are doubtless many cases of pure and unconscionable gouging in which a rollback will be fully justified. But the cases need to be judged one by one. Incidentally, the committee's bill also includes the inevitable concession to its single-minded chairman's concern with interest rates. To hold down interest rates by act of Congress, in a period of accelerating inflation, is merely absurd.

Mr. Speaker, when you take away the profit incentive you remove the incentive to produce, and you are going to do that with this type of bill, and you will create shortages and black markets in this Nation.

The SPEAKER. The time of the gentleman from Nebraska has again expired.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I believe it was the distinguished gentleman from Louisiana (Mr. WAGGONNER) who made the comment a few minutes ago that although he was unhappy with the bill reported out originally by the Committee on Banking and Currency, and equally unhappy with what has come to be known as the Stephens substitute, that he thought perhaps it was the better part of wisdom to go on with the adoption of this rule, making that substitute in order so that presumably we could, with the proper amendment at the appropriate point in these proceedings, offer an amendment or a substitute that would do what needs to be done.

I realize that the Members may be divided on that question on both sides of the aisle, and I take this time merely to suggest to the membership of the House that it seems very, very strange to me indeed that after the House Committee on Banking and Currency had been laboring and holding hearings for I do not know how many weeks, and had finally finished with a bill that became known as the Patman bill, or the committee bill, that literally overnight there emerged the substitute offered by the distinguished gentleman from Georgia (Mr. STEPHENS) that was assembled in such haste that when we in the Committee on Rules considered this matter on Thursday last all we had was a very hastily assembled series of Xerox copies of the changes and amendments that had been made in the original committee bill.

I, frankly, for one, did not have the amount of time that I felt I should have as a conscientious member of the Committee on Rules to thoroughly analyze that bill and what the impact would be.

It is true they made what purport to be some simple changes. We are going to change the rollback date from the 10th of January to the 16th of March instead. I had some questions that I did not even have time to ask in the Committee on Rules because of the severe time limitation under which we were operating. I wanted to ask, for example, how great would be the losses to retailers occasioned by the requirement that they sell their inventories, which they acquired at current prices, at the level prevailing on the 16th of March? Would these losses result in any significant number of bankruptcies, and, if so, how many? How much of a drop in farm income would result from passage of the bill on an annual rate basis? How great would be the losses to cattle-feeding operations who have had to pay current high prices for feed grains, but who would be forced to sell the cattle at the March 16 price level? Those are all questions, and I could go on with a long list that I have compiled which simply had to go unanswered in my own mind at the time that the Committee on Rules took final action on this bill.

And I dare say that there are not very many Members on the floor of this House who could answer some of the questions, or indeed any of the questions, I have put.

So in addition to the other points that were raised, I would suggest that the gentleman from Nebraska is quite right in suggesting that when we grant a rule waiving points of order on totally nongermane sections of this bill, when we, for example, set up a Consumer Counselor that is described on pages 46 and 47 of the report, as a new branch of Congress, and then we are going to have an executive agency appoint the head of this new branch of Congress, where are all these people who are concerned about the aggrandizement of executive power at the expense of the legislature? Is not this about as clear an example of the kind of folly that we can fall into when, without proper hearing before the committee of proper jurisdiction—in this case the Committee on Government Operations—we undertake to waive points of order on that particular section of the bill?

I am told that the Export Control Act

is one of the most intricate, involved pieces of legislation that we have on the statute books, and again we simply waive points of order on very material amendments to that important act, without even permitting the appropriate and competent committee to act on that particular measure.

This is a bad rule. It was hastily assembled literally overnight so that the Committee on Rules did not even consider a report on the bill, or anything else.

I would suggest—even though it is possible under the parliamentary procedure that will prevail—to offer the kind of substitute to both the Patman bill and the Stephens substitute that should be offered, that maybe it would be wise to turn down the rule and to offer the kind of rule that would enable this House to promptly work its will on a 1-year extension of the present act.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. ROUSSELOT. In other words, I understand the gentleman to be saying all those who worked so hard to make sure that the congressional reform was enacted into law into 1970 have been rebuffed.

The SPEAKER. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. I yield to the gentleman from Illinois 2 additional minutes.

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

I understand that all those who were very much concerned about the method of procedure for bringing bills to this House floor and being able to raise questions of germaneness, to raise points of order, those member reformers have now been repudiated. The Committee on Rules has in fact given us a rule that totally flaunts all of that effort; reform effect of 1970.

Mr. ANDERSON of Illinois. I think the gentleman is correct, and I would repeat, we are not simply nitpicking when we point these matters out. They are of fundamental importance as far as the ability of this House to work its will in an intelligent way on very, very important substantive questions.

Mr. ROUSSELOT. If I understand the genteman correctly, on the motion for the previous question we should vote it down?

Mr. ANDERSON. It would be my opinion that this would be the way that we could then offer the proper kind of rule.

Mr. ROUSSELOT. I appreciate the gentleman's comment.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman from Nebraska yielding me a few moments to discuss this bill.

I think it is rather obvious that we are facing a highly irregular rule on a highly irregular procedure. If we are going to have orderly processes, we should insist that the House Rules Committee, which is our policeman, which is our watchdog, so to speak, to insure that proper legislative processes have been followed should itself follow those rules. Yet we are seeing ourselves debating here a bill which is admittedly going to be offered as a substitute to the so-called Patman bill because the Patman bill could not get a rule. Yet none of us on the House Banking and Currency Committee has discussed or deliberated one moment the so-called Stephens substitute. How can we expect the other Members of the House who have not been involved in this for the last 6 months to exercise orderly judgment on a bill of this importance?

There is no question that the Stephens substitute does not represent a substantive change from the Patman bill. It has a little window dressing to give some members of the Rules Committee an excuse to vote out a bill, but as far as getting us out of the economic chaos the Patman bill would have created, I submit the Stephens bill would also create economic chaos.

Of primary importance, there is a serious constitutional question as to whether Congress is justified in passing a bill of this sort. The courts have upheld the right of Congress to impose wage and price controls in times of war, when men are being asked to put their lives on the line and when all citizens are being asked to make sacrifices. But we are not at war today and yet we are asking the citizens of our country to face the discomforts and loss of property which will result from the price and interest controls under this legislation.

Let us suppose a man owns a cow which he can now sell for $450, and then we inject the instrument of law into the picture and say he cannot sell that cow for more than $300. We will have taken away from that man the difference between the $300 and the $450 he can get for it on the open market now.

How can we justify injecting the heavy hand of Government into the private economic affairs of our country at this time when we are not facing a national war emergency?

I submit to the Members our difficulties are not of a magnitude to justify the existence or passage of a bill of this sort. Gentlemen, I would suggest we not even allow the rule because of these questions.

There is an unwarranted delegation of authority to the President in this bill. We are proposing in this bill to give the President powers he has never asked for and which no President in history has ever requested.

We are saying there will be a ceiling on interest rates and then we give the President this authority:

> The President shall take all necessary steps to insure a reasonable and adequate flow of loanable funds into the types of loans upon which interest rate controls are imposed under this subsection . . .

What does that mean? Does that mean the President will order the Bureau of Printing and Engraving to crank up the presses and crank out dollar bills when consumers or homeowners are seeking loans? Does it mean the President will call in the Federal Reserve Board and order them to relax monetary policy to insure an adequate flow of financing? What does this mean?

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BLACKBURN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Is it not further the gentleman's understanding that the secondary market operations for both FHA and VA loans are conducted on an auction basis and a rollback of interest rates on home loans would completely disrupt the secondary mortgage loan market for these types of loans?

Mr. BLACKBURN. It would completely destroy that market. We cannot ask the country to go into a deep freeze while we are contemplating these changes in our economic structure.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield to the gentleman from Pennsylvania (Mr. HEINZ)

Mr. HEINZ. Mr. Speaker, I rise in opposition to House Resolution 357, the rule to H.R. 6168, the Economic Stabilization Act.

To date phase III has been a failure. The evidence of this failure is visible everywhere: Soaring meat and food prices, large jumps in rent, rapidly climbing wholesale and industrial prices, and steadily rising interest rates. In retrospect, the President acted hastily in his decision to lift wage and price controls, and to rely on self-administration and voluntary compliance. Most probably, he should have decontrolled only those segments of our economy where increased production was necessary, production that would be possible only through upward price adjustment. Phase III was both unwise and premature.

But now strong, remedial action is demanded if we are to correct the glaring injustices surfacing under phase III. Unfortunately, however, H.R. 6168 fails to provide the flexibility necessary to handle either changing economic conditions or specific inequities which would inevitably arise from the imposition of sweeping price, rent, and interest rollbacks. This bill is completely impractical and unworkable, and if it passes in its present form, rather than stabilizing present dangerous inflationary forces in our economy, it will compound them. The Banking and Currency Committee's approach to these complex economic problems has been both simplistic and shortsighted.

According to the gentleman from Minnesota (Mr. FRENZEL), who is a distinguished member of the committee, the Banking and Currency Committee did not exercise its customary care and caution in writing this legislation. As the gentleman reported in his additional views to the committee report on H.R. 6168, the committee conducted itself in a manner which, "stifled needed debate and helped contribute to the confused nature of the final version." The result is the bill before us today, with its hodgepodge of poorly developed, impractical, and counterproductive provisions.

If we in Congress expect the American worker to exercise restraint in his wage demands in the approaching round of contract negotiations, then we must protect him from current inflationary price increases which pick money from his pockets and erode the real value of his weekly wage. Responsible congressional action would be to immediately clamp a ceiling on all prices and rents for the next 60 days. This ceiling would prevent further irresponsible boosts in prices while permitting downward price adjustments resulting from market pressures. Furthermore, Congress must act now to control profit margins of all banks and other lending institutions, thereby restraining and perhaps reducing, interest rates now in danger of pricing all prospective borrowers, both large and small, out of the credit market. In that 60-day period, the President should be required to devise and bring to Congress a program that would insure stability in our troubled economy. Congress would then approve, amend it or reject the President's proposal.

I believe that because of the President's failure to control current dangerous inflationary pressures, Congress must act swiftly and boldly. By clamping on a 60-day price rent ceiling and controlling the profit margins of financial intermediaries, the President would have adequate time to recommend to Congress a comprehensive approach to current economic difficulties. The Congress would then be able to exercise the calm and thoughtful review of this matter the American people rightfully expect. Only then can we accomplish what is so necessary—that is, restraining inflationary wage/price increases while insuring the production of adequate supplies of food, shelter, and other necessities by a full employment economy.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RONCALLO).

Mr. RONCALLO of New York. Mr. Speaker, I wish to speak in opposition to the adoption of this rule.

I am sure many of my colleagues share my amazement at the way in which this legislation has been handled. It has been one of the most obvious vehicles of blatant partisan politics that we have witnessed in some time. I, for one, am convinced that this Nation's economy is too precarious and too important to be made a political football for the purpose of scoring a few cheap shots. If this legislation is enacted, those cheap shots may cost this country very dearly in the not too distant future.

Specifically, I think it is unconscionable that the rule waives points of order. I know exactly what the purpose of that maneuver is. If we adopt this rule, amendments contained in the bill relating to export and import controls will be invulnerable even though they have no business whatsoever in this bill and were, in fact, lifted from legislation pending before another committee and inserted in the bill during the markup session without adequate consideration.

If we adopt this rule, provisions which impose a responsibility on the Secretary of Agriculture will be invulnerable to objection, even though they were inserted with little discussion by a committee which has no jurisdiction over agricultural matters and which was told by the Secretary of Agriculture that he did not want such powers.

This is only one aspect of the parliamentary tomfoolery which has surrounded the bringing of this rule to the floor today, and I want to register my strong protest that the leadership of this House would see fit to deal with such important legislation in so high-handed and unstatesmanlike a manner.

We deserve better treatment. The American people deserve better treatment. This is no way to run a Congress and it is no way to accomplish good legislation. I will not be a party to so callous a disregard for the spirit of the rules of this House.

I shall vote against the rule.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, the distinguished gentleman from Missouri (Mr. BOLLING) in describing this rule called it "a wide open rule." He also described it as "not unusual."

I would like to offer a contrary point of view; that is, that this rule is exceedingly unusual and hardly wide open. The waivers of points on germaneness on the original bill and all waivers on the substitute are unusual, in my judgment. It is not unusual for us to pursue a substitute under a waiver, but it is unusual for us to waiver a substitute which no one has seen and was, in effect, invented at the last minute.

The waiver of germaneness on that substitute, I think, is insulting not only to the Committee on Banking and Currency, which has already been insulted enough, but also perhaps insulting to other committees who are seeing their jurisdiction invaded by this particular bill coming from the Committee on Rules.

Obviously, this is not the fault of the Committee on Rules. It was handed a bag of snakes in the form of a terrible bill given to it by the Committee on Banking and Currency. It was in a position where it had to do something very unusual.

Mr. Speaker, the problem is not in the Committee on Rules. It is a bad rule and the Committee on Rules should be censured by a vote against the previous question, but the fault is in the Committee on Banking and Currency which produced this awful bill.

The Stephens substitute is not much better. It simply pours a little perfume on a rotten body, but leaves us in about the same kind of situation as we would have if we were obliged to pass the original bill. I do not know how we are going to get to it, but I suspect the gentleman from Louisiana (Mr. WAGGONNER) is right in saying that the key vote is going to be on that simple 1-year extension, which I hope most of the Members of this House are going to support.

Mr. BLACKBURN. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I would like to ask the gentleman if he would not agree that a vote for the rule under these circumstances would not constitute an endorsement of the improper procedures that have brought us the state of confusion which exists here today?

Mr. FRENZEL. Mr. Speaker, the gentleman makes a good point, and one with which I concur wholeheartedly.

Mr. Speaker, finally I would simply say that the original bill is no good, the bill to replace it is no good, and the rule is no good.

What we now need is a simple 1-year extension. I urge the House to vote down the previous question, vote for the amended rule, and vote for the extension.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New York.

Mr. WYDLER. As I understand the situation we are faced with here, the Rules Committee came to the conclusion that the Patman bill was no good, so they arranged to allow a substitute to be offered in place of the Patman bill. I can only say it is hard to imagine anything worse than the Patman bill, but I believe the substitute is worse, because it not only carries all of the mischief of the Patman bill, but also does not do the consumer any good. So I believe there is good reason to throw out the whole kit and caboodle.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 5 minutes to the distinguished minority leader (Mr. GERALD FORD).

Mr. GERALD R. FORD. Let me say, Mr. Speaker, as I have sat and listened to the debate one cannot help but come to the conclusion that this particular problem with which we are faced is not necessarily a partisan one but is one that involves a broad cross section of our economy and a broad cross section of political forces in the United States.

Let me, however, take just a minute to tell the Members what we would hope to do if the previous question is defeated. And I urge Members to vote against ordering the previous question.

The gentleman from Nebraska will be prepared to offer a substitute for or an amendment to the rule which I believe would help to straighten out the dilemma we face.

No. 1, in the amendment that the gentleman from Nebraska would offer is the following: On page 2, line 1 of the resolution from the Rules Committee, he would strike "H.R. 6879" and insert in lieu thereof "H.R. 2099."

H.R. 2099, as I understand it, is a bill that was introduced jointly by the distinguished chairman of the Committee on Banking and Currency and the distinguished ranking Member on our side, the gentleman from New Jersey (Mr. WIDNALL). It has bipartisan support.

Is that not more sensible than a hurriedly drafted proposal such as H.R. 6879?

Mr. PATMAN. Mr. Speaker, will the gentleman yield on that point?

Mr. **GERALD R. FORD**. Of course I yield to the gentleman from Texas.

Mr. **PATMAN**. That bill was introduced before phase 3 was actually formed and it was done as a courtesy so the administration's measure would be before the House.

Mr. **GERALD R. FORD**. I thank the gentleman. I appreciate the gentleman's contribution.

The second proposal in the substitute or the amendment to be offered by the gentleman from Nebraska is as follows: On page 2, lines 2 through 7, strike the words:

> If said amendment in the nature of a substitute is not agreed to in Committee of the Whole, it shall then be in order to consider the amendments recommended by the Committee on Banking and Currency now printed in the bill notwithstanding the provisions of clause 7, rule XVI.

That change would knock out the waiver of points of order in the committee bill. Of course, if we substitute "H.R. 2099" for "H.R. 6879" it would be academic whether or not we have a waiver of points of order for the Stephens substitute.

To summarize, Mr. Speaker, if the previous question is defeated I presume the Speaker would recognize the gentleman from Nebraska. The gentleman from Nebraska (Mr. MARTIN) will offer this as an amendment to or a substitute for the rule now before the House.

Under those circumstances, we would end up, if that prevailed, with the committee bill up for consideration, with the bill that was jointly introduced originally by the gentleman from Texas and the gentleman from New Jersey as germane and in order, which is a 1-year extension. So we would have the opportunity for consideration of the committee bill and the opportunity for consideration of a substitute for a 1-year extension.

Ladies and gentlemen of the House, in my judgment this is the way to get out of this perplexing dilemma, the way to have an orderly consideration of legislation that is vitally important to the country as a whole.

Mr. Speaker, may I conclude by simply reiterating and reemphasizing this: Vote against the previous question, and we can straighten out the mess.

Mr. **MARTIN** of Nebraska. Mr. Speaker, I have no further requests for time.

Mr. **BOLLING**. Mr. Speaker, I would like to speak for 1 minute to this effect:

The committee bill, the Patman bill, is a bill that goes farther in terms of a rollback than the so-called Stephens substitute. The Stephens substitute in fact, really only has three amendments to the Patman bill: A March 16 rollback instead of a January 10 rollback, a different provision on interest, the Hanna amendment, and one other noncontroversial amendment.

Mr. Speaker, what we are really talking about is a bill that has a rollback to January 10, a bill that has a rollback to March 16, and a bill that just leaves it entirely in the hands of the present management of economic affairs for the country.

Now, I would suspect that those of the Members who think on it hard do not want to give another blank check to the administration, and that is what a 1-year extension is. It is this administration that took off phase II and went to phase III.

The Stephens approach is the approach that tries to get right down the middle, and I urge a vote for the previous question, which I now move.

Mr. **SIKES**. Mr. Speaker, this is very probably the most controversial measure which has confronted the House during the present session of Congress. This is one of those situations where we are wrong no matter what we do. There just is not any way to please everybody on the subject of price controls.

Democratic House leaders have proposed a bill for stringent controls and a rollback in prices. Unquestionably, there is a serious threat that prices will get completely out of control and that runaway inflation will disrupt the domestic economic pattern. The administration has been unwilling to take strong action except in the case of meats. Obviously more is required. Congress is closely attuned to the thinking of the people and the Democratic House leadership has shown its willingness to assume responsibility for strong controls. Whether or not the proposed bill becomes law, it may stimulate more vigorous action by the President than he has seen fit to take thus far.

We have just seen the biggest jump in food prices for a single month within a generation. Rents are up, interest rates are up, and the price of lumber is skyrocketing. In just a year's time, the wholesale price of eggs rose more than 75 percent. Flour prices rose more than 32 percent. Wheat prices soared to price levels 66 percent higher than in 1972. Meat prices will not bear discussion.

Coupled with the problem of runaway food prices have been similar increases in the cost of other goods and services. Rents go up. Medical care goes up. Transportation goes up. And the dollar is devalued and devalued again.

There is no logical reason for this to be happening when there are control mechanisms available with which to bring food prices into line. But the machinery has gone largely unused while the housewives of America struggle each day to provide well-rounded meals that will not destroy the family budget. Nearly all prices are following the same pattern. It is beginning to look as if the Nation is beginning a period of accelerated inflation.

My apprehensions about phase III controls appear to be fully borne out. The controls in effect under phase II were not infallible but, while they were in effect, they gave our country the best record of any industrial nation in holding in check the forces of inflation. I felt that the standby controls which were used during phase II were the proper way to deal with the problem. The President then had the option of varying controls as the situation requires. But he gave up phase II controls and the result has been runaway prices.

It is obvious we no longer can afford—literally—to wait for phase III to work or for phase IV or V to come along. Especially hard hit are those on fixed incomes and retirement benefits. While the Congress in recent years has raised social security benefits by a third, the cost of living since 1959 has gone up more than 44 percent. Since 1967 alone, the cost of merely surviving has risen 24.2 percent.

Congress can and must serve notice on the world that the dollar will be protected. To freeze prices and encourage the implementation of more effective controls would be such a signal to the world financial community. More than that it would stop price escalation at home.

It is appalling to note that in 25 years, the cost of living has risen a staggering 77 percent. We are nearing the time when it will cost Americans twice as much to live as it did in 1948. Retirement benefits have not kept pace, nor have the wages of the average worker.

The Congress must do more than wring its collective hands and answer constituent complaints with meaningless verbiage. It is time for decisive action and it is clear it is up to the Congress to act.

I am prepared to vote for the rule and for the best obtainable bill to control prices, hopefully without a rollback. I cannot vote for a bill which rolls prices back to January 10, nor do I feel that the simple extension of standby controls will not be effective. The Stephens substitute with amendments appears to offer the best course of action.

Mr. **BOLLING**. Mr. Speaker, I move the previous question on the resolution.

The **SPEAKER**. The question is on ordering the previous question.

Mr. **GERALD R. FORD**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 147, nays 258, not voting 28, as follows:

[Roll No. 88]

YEAS—147

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Aspin
Barrett
Bevill
Biaggi
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Corman
Cotter
Daniels, Dominick V.
Danielson
Davis, Ga.
Delaney
Dellums
Dent
Diggs
Donohue
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Foley
Ford, William D.
Fraser
Fulton
Gaydos
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Hanley
Hanna
Hansen, Wash.
Harrington
Hawkins
Hays
Hébert
Hechler, W. Va.
Helstoski
Hicks
Holifield
Holtzman
Howard
Jones, N.C.
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Kyros
Leggett
Lehman
Long, La.
McCormack
McFall
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Metcalfe
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Preyer
Price, Ill.
Rees
Reid
Reuss

Riegle
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roybal
St Germain
Sarbanes
Schroeder
Seiberling
Sikes
Slack
Staggers
Stanton, James V.
Stark
Stephens
Stokes
Stratton
Studds
Sullivan
Thompson, N.J.
Tiernan
Van Deerlin
Vanik
Waggonner
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NAYS—258

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bennett
Bergland
Biester
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Fisher
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frenzel
Frey
Froehlich
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Heckler, Mass.
Heinz
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lent
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McKay
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Melcher
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nelsen
Nichols
Obey
O'Brien
Parris
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Roes
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Stuckey
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Veysey
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, S.C.
Zion

NOT VOTING—28

Alexander
Andrews, N.C.
Ashley
Badillo
Clark
Conyers
Dingell
Dulski
Frelinghuysen
Harvey
Jones, Ala.
King
Mathias, Calif.
Mitchell, N.Y.
Morgan
Passman
Podell
Rangel
Regula
Rooney, N.Y.
Ryan
Talcott
Teague, Tex.
Vigorito
Waldie
Wilson, Bob
Young, Fla.
Zwach

So the previous question was not ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Andrews of North Carolina for, with Mr. Talcott against.

Mr. Morgan for, with Mr. Mathias of California against.

Mr. Rooney of New York for, with Mr. Young of Florida against.

Mr. Dingell for, with Mr. Zwach against.

Mr. Conyers for, with Mr. King against.

Mr. Podell for, with Mr. Frelinghuysen against.

Mr. Clark for, with Mr. Regula against.

Mr. Rangel for, with Mr. Mitchell of New York against.

Until further notice:

Mr. Dulski with Mr. Harvey.
Mr. Waldie with Mr. Bob Wilson.
Mr. Vigorito with Mr. Badillo.
Mr. Alexander with Mr. Passman.
Mr. Jones of Alabama with Mr. Ashley.
Mr. Ryan with Mr. Teague of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENT OFFERED BY MR. MARTIN OF NEBRASKA

Mr. MARTIN of Nebraska. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Nebraska: On page 2, line 1, strike "H.R. 6879," and insert in lieu thereof, "H.R. 2099."

On pages 2, lines 2 through 7, strike the words: "If said amendment in the nature of a substitute is not agreed to in Committee of the Whole, it shall then be in order to consider the amendments recommended by the Committee on Banking and Currency now printed in the bill notwithstanding the provisions of clause 7, rule XVI."

Mr. MARTIN of Nebraska. Mr. Speaker, I would like to explain this amendment to the Members. The amendment makes in order the consideration of the committee bill, H.R. 6168. Then it makes in order the offering of H.R. 2099 as a substitute. This strikes out the Stephens bill and substitutes H.R. 2099, which is a bill which was jointly introduced by the chairman of the Banking and Currency Committee and the ranking minority member, and provides for a simple 12 months' extension of the Economic Stabilization Act.

Then in addition it strikes from the original resolution (H.R. Res. 357) the waiving of points of order in regard to germaneness. In other words, those are stricken from the resolution. That is all this amendment does.

Mr. Speaker, I yield to the gentleman from Missouri (Mr. BOLLING).

Mr. BOLLING. Mr. Speaker, I thank the gentleman from Nebraska for yielding, but I see no purpose in debating the matter further. I thank the gentleman again.

Mr. MARTIN of Nebraska. Mr. Speaker, I urge adoption of the amendment, and I move the previous question on the amendment and on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the amendment offered by the gentleman from Nebraska (Mr. MARTIN).

The amendment was agreed to.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

DISPOSAL OF STRATEGIC STOCKPILE ITEMS—MESSAGE FROM PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-84)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Armed Services and ordered to be printed:

To the Congress of the United States:

In our current fight against rising prices, one weapon which has not yet been effectively employed is our national strategic stockpile. Today I am asking for authority from the Congress to sell those items in the stockpile which we no longer need to keep in reserve in order to protect our national security.

Because the world economy has grown so rapidly, short term demand for many industrial commodities has outpaced short term supplies. As a result, prices for industrial commodities have recently been increasing at unacceptably high rates—in some cases by more than 30 percent in the past 12 months alone.

These increases will eventually be felt in higher prices for the American consumer if we do not act decisively now.

By disposing of unneeded items in the strategic stockpile, we can strike a critical blow for the American consumer.

The purpose of the American strategic stockpile is to ensure an adequate reserve of vital materials in time of war without imposing undue hardships on our civilian population. The basic concept is an old one, dating back to the Strategic and Critical Materials Stock Piling Act of 1946. Ninety-five percent of the current stockpile was acquired before 1959—the bulk of it during the Korean War.

The present strategic stockpile totals $6.7 billion worth of material, ranging from metals, minerals, rubber and industrial diamonds to unusual items such as iodine.

Because our economy and technology are dynamic, our capability to find substitutes for scarce materials is far greater today than in the past. We are now able to meet defense requirements for materials during possible major conflicts without imposing an excessive burden on the economy or relying on an enormous stockpile, as was once necessary.

After a careful and searching review of the current stockpile, I have approved new guidelines that would tailor the kind and quantity of materials in the stockpile to the national security needs of the 1970's. The new stockpile would be substantially reduced, but it would contain the critical materials that we need in quantities fully adequate for our national security requirements.

Our new guidelines would provide the needed commodities to cover our material requirements for the first year of a major conflict in Europe and Asia. In the event of a longer conflict, these 12 months would give us sufficient time to mobilize so that we could sustain our defense effort as long as necessary without placing an intolerable burden on the economy or the civilian population.

Under existing law, the Administration has the authority to sell approximately $1.9 billion worth of stockpile material, including substantial amounts of zinc, aluminum and lead. However, to dispose of the remaining $4.1 billion in unnecessary items, congressional authorization is needed.

Historically, the sale of each commodity has been subject to individual legislation, but this procedure is time-consuming and redundant. To improve on it, the authorizing legislation I am recommending to the Congress takes the form of a single omnibus bill for all excess stockpile commodities; it includes individual authorizations for 16 major commodities.

At the same time that they fully provide for our national security and economic health in the event of an emergency, our new stockpile guidelines also enhance national efficiency and thrift. Specifically, they would permit us to sell $6 billion in no longer needed stockpile material over the next several years.

I urge the Congress to take prompt and favorable action on the stockpile legislation I am submitting. By doing so, the Congress will demonstrate its willingness to act in positive cooperation with the executive branch in a way that is in the best interests of all Americans.

RICHARD NIXON.

THE WHITE HOUSE, *April 16, 1973.*

EXTENDING ECONOMIC STABILIZATION ACT OF 1970

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6168) to amend and extend the Economic Stabilization Act of 1970.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6168, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. PATMAN) will be recognized for 1 hour, and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 6168, and the substitute H.R. 6879, are a true test of the ability of this Congress to deal with an economic crisis.

There are some in this House who will counsel us to abandon our responsibility, to hide, to dodge, to be evasive and simply give the President an extension of his authority to impose phase III on the Nation. I sincerely hope that this is a minority because nothing could be more damaging to the economic future of this Nation than a congressional endorsement of the President's phase III policies—policies which have brought us the highest prices in 22 years.

Mr. Chairman, the big business lobbyists have descended on Capitol Hill and this campaign has been developed and orchestrated by the White House in an attempt to block this legislation. Every industry, every special interest has a special problem and many of them are demanding that the Congress take special pains to deal with each and every one of these special problems in the statute. Such a move would destroy this legislation and would make a mockery of economic stabilization. The House must rise above these special pleas.

While many people—many groups—have special problems, all of them will be benefited if we can develop a program to truly stabilize the economy. Surely, this concern—for the general economic health of the Nation—overrides the special problems of any group or individual industry. Surely, there is no manufacturing corporation, no bank, no agricultural organization, no business trade association, no labor union that believes it can benefit in the long run if the Congress weakens and lets inflation overtake and rip apart the economy.

We have already gone much too far down the road to ruinous inflation and it is the height of irresponsibility for any Member of this House to ignore the clear warnings of a Wholesale Price Index which is increasing at an annual rate in excess of 26 percent and a Consumer Price Index moving up at an annual rate of 10 percent and still climbing. And the buffeting of the dollar on the world markets in recent months is another clear signal for the Congress to act, to do the things the President has been unable or unwilling to initiate.

Mr. Chairman, I regret greatly that the President's economic policies have placed us in a situation where we must take such strong action. But, we must face the facts as they are and not as we wish them to be. The economic facts require us to take the hard road, the difficult road; we can no longer afford the luxury of soft easy answers.

Under present economic conditions, there are no easy answers and no soft roads to economic stabilization. In urging adoption of this measure, we do not, for one moment, underestimate the difficulties, the complexities and unpleasantness of economic controls. Controls are not popular, but ravaging inflation that could destroy the economy is even more unpopular.

Despite all the propaganda and lobbying which has erupted around this legislation, this is not a radical measure. It is simply a necessary measure. A few of the calmer voices in the business community—conservative voices—have begun to face the hard facts and endorse the basic thrust of H.R. 6168 and H.R. 6879. Last week, the chairman of the Federated Department Stores, Ralph Lazarus, wrote President Nixon urging an abandonment of phase 3. Mr. Lazarus wrote the President:

> I urge you to take action to restore the sense of confidence and stability which prevailed during Phase 2 of your Economic Stabilization Program.
>
> The reimposition of mandatory controls adapted to the present economic situation would be an important initial step to achieve this goal.

This is no radical voice, but a businessman—the head of the Nation's largest department store chain—who sees the dangers of the President's permissive policies on the economy.

Many have expressed special concern about the problems of the agricultural community and I share their concern that this segment of the economy be treated equitably under any controls program. I have much agriculture in my district and farmers are concerned about the high interest rates they must pay for farm production loans, for cattle feeder operations, and for mortgages. This bill will control these costs and lift a burden from the agricultural community.

Farmers are concerned about rapidly escalating costs for machinery, tractors, combines, trucks; and this bill will stabilize these prices and make it much easier for the farm operator to come out with a profit. In short, the rapid increases in prices farmers must pay will be halted—and in some cases rolled back—under this bill and this will be a big plus for the entire agricultural community, particularly the small family farmer who has been hit the hardest by the price squeezes.

Mr. Chairman, the interest rate section is essential if we are to have equity in this program. Everyone in the economy pays interest, either directly or indirectly, and the high cost of money is reflected in the higher food prices, higher rents, and the higher costs of all goods and services. Unless we control interest rates, we cannot expect to have an effective stabilization program.

The Federal Reserve and the so-called Committee on Interest and Dividends have gone to great lengths to hide the facts about interest rates, and have urged the banks to "cool it" until the Congress completes its consideration of the wage-price legislation. The message from the Federal Reserve to the banks is clear—delude the Congress into ignoring interest rates and then, as soon as the law is signed, you will be free to raise rates. And when this happens it will be too late for the Congress to correct its mistake.

Unless we want a return to the credit crunches of 1969 and 1970—when interest rates rose to their highest levels in 100 years—the time to act is now. And let no one fool you—the trend on all interest rates is up. Mortgage rates are approaching 8 percent in many areas of the Nation, a fact which prices millions of Americans out of decent homes. Farm production loans are up again in the figures released by the Federal Reserve last week and this means more pressure on food prices. Since the legislation was introduced, the Small Business Administration has announced another increase in interest rates to small businessmen to 9¼ percent. The rates are climbing and only the Congress can give the people relief.

The cost of money has been rising more rapidly than anything else in the economy in recent years. Since 1965, yields on high grade municipal bonds have increased 62 percent. Many corporate bonds have seen an increase of at least 65 percent in interest yields and short-term Treasury bills are up more than 60 percent since the mid-1960's. Mortgage rates are up nearly 50 percent.

Mr. Chairman, I cannot overestimate the role these higher interest rates are playing in the higher prices. But, let me quote from a recent statement by Dr. Sidney Weintraub, a respected professor of economics at the University of Pennsylvania:

> Those "buying" money now—borrowers—thus have cause to howl along with the housewife buying meat. The cost of doing business with borrowed money has skyrocketed. The higher business operating costs contribute to the advance in product prices. More significantly, however, to cover the higher financing charges our regulated public utilities have also secured price relief. The cost of borrowed money is thus reflected in our telephone, electric, gas and transport bills.
>
> Higher interest rates thus compel higher prices. Higher mortgage terms also inflate the cost of living. All of us, in many ways, pay more because of higher interest rates.

Unless we have the courage to control interest rates, prices and rents, there is not a chance that we can moderate wage demands the remainder of the year. On the other hand, if we can assure stability, workers and their unions will be in a better position to hold down demands at contract time. We have a great opportunity to break the cycle of price increases, followed by new wage demands, followed by more price increases. It is up to this Congress to halt the cycle.

Mr. Chairman, this legislation can restore the confidence of the American people in the ability of their Government to deal with an economic crisis. And this confidence is at a fantastically low level at this moment. The American people do not believe that President Nixon has the ability to deal with the crisis; they are looking to the Congress.

Just last week, the Louis Harris poll was released and it showed that only 26 percent of the American people had confidence in President Nixon's ability to keep the economy healthy. A whopping 69 percent replied that they lacked confidence in his ability in this area.

More specifically, this poll found that only 12 percent of the people had confidence that the President was doing what was necessary to keep down the cost of living. Eighty-six percent replied in the negative—86 percent have no confidence in the ability of the President to keep down the cost of living.

The President—with only 12 percent of the people reflecting confidence in his actions—is urging that this Congress simply give him more power to continue phase III—to extend the Economic Stabilization Act for another year. Mr. Chairman, I suggest that the House should stick with the great majority of the American people—the 86 percent who the Harris poll says want something more than the President's impossible voluntary program of economic permissiveness.

Mr. Chairman, we have seen a series of disheartening economic indicators released—indicators which tell all of us that inflation is threatening to destroy the entire economy. Shortly after this House votes on these amendments and shortly after we return home for the recess, still another set of indicators will be released—the Consumer Price Index for the month of March. I predict that this CPI will reveal even more shocking figures—more shocking price increases—and it is something that will be on the minds of our constituents when we are in our home districts next week.

The Members of this House have an opportunity today to cast votes against high prices—against inflation—and against the discredited and sadly misguided economic policies of the Nixon administration. These are votes that will be long remembered, long talked about The ring of cash registers in the land will remind the people of our votes for months to come.

Mr. WIDNALL. Mr. Chairman, I rise in opposition to the legislation that is currently before us. I intend to offer an amendment that will be a simple extension of the existing authority for 1 year. No other amendments. Just that.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I rise in support of the Patman-Widnall substitute, H.R. 2099.

Mr. Chairman, we are meeting today in a period of hysteria over price increases, and this Congress is being asked to enact a measure which could well throw this Nation into an economic tailspin and precipitate a depression. We are considering this bill at a time when the economic conditions in this country are at the highest level since World War II.

We are debating this bill without the slightest idea of the disruption that it would cause if enacted. As a matter of fact, the bill applies to all prices, and no one really knows as to what prices will be covered. Is it the price of gold in New York and not London? Is a price the price of stocks on the New York Stock Exchange? Does it cover all professional fees, theater tickets and highway tolls? It seems like the bill should have defined the prices covered.

That is the consummate confusion in the bill and why its enactment would be foolhardy and dangerous. The bill would take away from the President the flexible power to regulate prices for 1 year. In other words, the Nation would be in an economic straitjacket for 1 year. It would mean a complete regimentation of the country for that period.

I do not believe that Congress wants to do this. The statesmanlike and safe thing to do is to extend the act for 1 year and thus retain in the President the power to regulate prices and wages. If it is necessary to reinstate phase II, the President should do it, and I am sure he would do it if the spiraling of prices continues. Controls are a deprivation of freedom. They should be taken off as soon as possible. Only by extending the act for 1 year, through H.R. 2099, will it be possible to have an early end to this denial of economic freedom.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. I appreciate the gentleman's yielding to me.

Mr. Chairman, I should like to tell the Committee that, honestly, H.R. 6768, in my opinion, is the worst legislation that I have ever seen come out of the committee.

Mr. Chairman, it has been my privilege to serve on our Banking and Currency Committee in the House of Representatives for 9 years. We have been most fortunate in our committee over the years to have Representatives on both sides of the political aisle who have shown great dedication to their work. Together, we have written legislation which, with few exceptions, I have been able, in good conscience, to wholeheartedly support.

I regret to have to say that, on this day, I find myself in complete and total disagreement with the bill reported from our committee—H.R. 6168.

Mr. Chairman, there is so much wrong with this bill that I hardly know where to begin. In studying the views of members of the committee contained in the report, I was especially pleased to read the remarks of one of my colleagues on the other side of the political aisle which expressed my thoughts far more eloquently than I can. While I disagree with his finding and his solution, I admire the gentleman from Texas for clearly understanding the dilemma with which we are faced.

Truly, this committee did not have the time nor the resources to create a law that would establish a just and effective stabilization program. It would be impossible for any committee, no matter how well endowed with talent and determination, to fully comprehend all the complexities of our vast economy and impose just control over it in the 2 days of action we were allotted.

At this time, Mr. Chairman, it might be well to point out that, while our Committee knew that this act was to expire on April 30, we made no move to hear witnesses until less than two weeks ago. This was a very serious mistake. Having heard witnesses, both pro and con, no committee could write in two days—the total time of our Executive Session—a bill that would solve the problems of our economy and do justice to a problem that we all readily admit exists.

Congressman GONZALEZ, with whom I wholeheartedly agree, states:

> Only the President has the resources to draw up an effective economic control program. Only administrative regulations are sufficiently flexible to meet the needs of a rapidly changing situation. Only administrative authority is sufficiently broad to overcome the inequities that are endemic to economic controls. In short, there is no way that Congress can legislate in an area that only Executive Authority is equipped to act in.

H.R. 6168 is a hopeless and unmanageable piece of legislation. Although it does contain some good ideas, I am firmly convinced that the bill cannot accomplish its stated goal of controlling inflation. Regrettably, in my opinion, it is so bad that it is beyond repair.

Many of the speakers who will follow me will outline these faults in detail. I hope that the Congress will pay close attention as H.R. 6168 is discussed, section by section, and its unworkable provisions clearly pointed out.

Mr. Chairman, it is regrettable that we find ourselves pressured by time as we are today. I am firmly convinced that this basic legislation has to be continued. All but one witness testified that any other course of action would only further fan the fires of inflation. No one dislikes the high cost of food more than I do. No one is more frustrated by the increases that have crept into the pipeline in all facets of our economy in the last few months. Congress definitely has a responsibility in this regard. We should make it very clear to all manufacturers and services, to all wholesalers and retailers, that any unjustified increases that have taken place since January 10 cannot be allowed. The Cost of Living Council, in my opinion, has failed in this regard. If they have a big stick, they should have been using it.

Mr. BLACKBURN. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I will now yield to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Chairman, I appreciate the gentleman's yielding to me.

Mr. Chairman, the parallel between the problems of the Soviet Union and those of the United States might not be obvious, but they exist.

The parallel I speak of is in the problems of the marketplace. American housewives have been unhappy with food prices, meat prices in particular, and some Members of Congress are screaming for new, tougher price controls on meat, rents, and who knows what else.

In the Soviet Union, where state controlled prices have been a fact of life since the revolution, housewives have been experiencing miseries due to shortages of food and other consumer goods. The Government has traditionally responded with a series of economic reforms. Lately, they responded with yet another economic reform, which, I would guess, will be no more effective in meeting consumer needs than have those of the past.

Needless to say, the Soviet consumers have the worst of it by far, and have had for as long as anyone can remember. But then, Soviet governments started much longer ago to try to repeal the laws of market economics. For all practical purposes, the U.S. Government only joined in this noble cosmetic experiment in August 1971. But, the way things are going, it may not be long before the United States has a nonmarket economy that works as badly as has the Soviet Union's nonmarket economy.

It is not too late to profit from U.S.S.R's bad example, although I would have to admit that the House Banking and Currency Committee has sounded increasingly as if it had been getting its basic research from the inner riches of Soviet Gosplan, the central planning agency. Possibly it comes from those countless toilers who spend their life over wholesale price lists trying to decide, more or less intuitively, whether hairpins, tack hammers, hat racks, and hay forks should be marked up, or down, a kopeck.

It would not be overstating the case to say that a fundamental weakness of the Soviet economic system lies within the mindless effort to manage prices by state fiat. The consequences abound through the land. Residential blocks or perhaps even entire cities sometimes have no services that westerners take for granted—maybe dry cleaning establishments are missing, or eyeglass stores. Aspirin cannot be bought even in exchange for pure gold. Or the constant swings from surfeit to shortage in consumer items—one year there is a surplus of clothespins, the next, none at all to be found. And through it all, the letters to Pravda and Economic Gazette argue the question, "Who is to blame? The farmers? The factory managers? The coal miners?"

If that is the way the letters to the New York Times and the Wall Street Journal are beginning to sound, it is no slight coincidence.

In fact, the ones to blame are the theorists, and those who, in parrot fashion, repeat the empty slogans, who insist that the consumer benefits when the state substitutes its economic management for market forces. It is a beguiling concept. The market forces sometimes are painful when prices of some necessity go up. So the state removes the pain by ordering the prices to stay put. The Soviets decided a long time ago that the idea had such simple beauty that they built their economic system upon it.

It is a little too simple, however. Markets and prices allocate resources—we sometimes wonder why we have to keep repeating this—and do it with far greater efficiency than could a million planners armed with a million computers. A free market is itself an all-encompassing computer, the best ever designed, constantly accepting billions of buying decision inputs, assigning values to the goods bought and thereby allocating a nation's finite productive resources to satisfy those human needs and wants that the buying decisions reflected.

Why do not the Russian Communists try the market approach? A conjectural answer is that while the existing system is maddening for consumers, it is comfortable for the Communist Party apparatus and for the managerial bureaucracy. It does not take much creative thought to respond to an order from Moscow to produce 10 million alarm clocks and sell them at two rubles apiece. Who can be blamed if nobody wants that many alarm clocks? A more profound answer might be that the Soviet authorities fear the long-term consequences of a real decentralization of decision-making power. Economic and political power are certainly not unrelated. So the Soviet Government came up with yet another token decentralization. It set up a group of large government corporations to take over management of groups of industrial plants. Some of the decisionmaking authority over the plants formally exercised by government ministries will be transferred to the corporation. We will not hold our breath awaiting the Renaissance.

But, we might hold our breath while the U.S. Congressmen and officials flirt with the beguiling concept of economic control which has brought Soviet citizens so much grief. You might say that it cannot happen here. But you might also say that it already is happening. Only I am afraid when our population starts to suffer from food and other commodity shortage there will be no capitalistic Uncle Sam around to bail us out as the recent Soviet grain purchase from the United States bailed the Soviets out.

Freezing individual prices and wages, and that is what it is, despite its new name "ceiling," in order to halt inflation is like freezing the rudder of a boat and making it impossible to steer in order to correct a tendency for the boat to drift 1 degree off course. The price ceiling is cosmetic and not therapeutic.

WHAT HATH PRICES AND WAGE CONTROL WROUGHT

A major reduction in the rate of inflation, to judge from much press commentary and economic punditry.

A trivial effect on the rate of inflation, to judge from much cold statistics. Here they are from the Cost-of-Living Index number: Annual rate of rise at the inflationary peak early in 1970, 6.4 percent during 1971, 4.3 percent. The Consumer Price Index turned in a respectable performance in 1972, raising 3.3 percent, a significant improvement over the previous year.

The initial sharp tapering off in the rate of inflation clearly owes nothing to controls, which were introduced in 1971. The further decline—which came to an end in early 1973—may well have occurred despite rather than because of controls. But it is also possible that it understates the effect of controls. Perhaps, in the absence of controls, inflation would have speeded up instead of tapering off a mite further. Our instruments are too crude to enable us to make such judgments accurately. But one thing is crystal clear: whether controls lowered or raised the rate of inflation, the effect was minor in magnitude—it would be a bold man who would assess the effect at more than 1 percentage point.

Why the impotence of price controls? How is it, that, despite all the fuss, the controls had so little effect?

First. Controls were introduced when inflation had already tapered off. Permitted wage and price increases averaged close to those that would have occurred anyway.

Second. After the initial freeze, controls were selective. They covered, in anything more than name, well under half the economy—as measured by value of output, wages paid, or any other broad yardstick. As a result, controls probably had a larger effect on specific sectors of the economy than the economy as a whole.

For example, the controls, in addition to the Soviet grain deal, clearly contributed to the rapid rise in food prices. Insofar as they held down the prices of automobiles or refrigerators, or similar items, they left purchasers of such items with more to spend on other things, and this excess purchasing power naturally flowed to items exempt from controls, such as tools.

But, you may ask, does the past impotence of controls guarantee that their reintroduction in a more stern fashion would be of a greater consequence for the future? The answer is that what happens to inflation from here on out depends upon what happens to total demand and not on controls.

And what happens to total demand in turn depends entirely on monetary and fiscal policy.

Inflation tapered off in 1971 and in 1972 because the rate of monetary growth was reduced sharply from 1968 to 1969. Inflation stopped tapering off in early 1972 because the sharp reduction in the rate of monetary growth in 1970 was followed by a higher rate. Last year's 8-percent rise in the monetary supply, currency, and bank checking accounts, was undoubtedly too rapid, and much of the current demand pressure stems from the Federal system's excessive money creation during the period of 1970–72. Inflation threatens to speed up in 1973 and 1974 because the rate of monetary growth has speeded up sharply in recent months. If recent monetary growth were to continue, no conceivable controls could prevent inflation from accelerating. On the other hand, if the Federal Reserve cuts monetary growth sharply and holds it there, inflation will continue to taper off with or without controls.

Lowered Government spending is important primarily because we are not getting our money's worth for what the Government spends. But it is important also because large deficits tend to raise interest rates which induce people to hold the cash to their income and also puts pressure on the Fed to finance the deficits. If the President succeeds in holding down Federal spending, he will do the most important single thing he can to hold down inflation. If inflation, nonetheless, speeds up, the Fed, and the Fed alone, will be responsible. It will have no excuses, no scapegoat to blame. It will be on the spot.

A major cost of controls has been to divert attention from the basic issues to a minor sideshow.

On the other hand, controls, or the imposition of price ceilings, as some gentlemen in Congress prefer to call it, are certain to produce not only market distortions, but a permanent pattern of expectations, a conditioned response, that will make their removal impossible. In clearer terms, we are facing a step toward a big brother society so well depicted in George Orwell's "1984."

Mr. BARRETT. Mr. Chairman, I rise in strong support of the bill, H.R. 6168, to extend and amend the Economic Stabilization Act of 1970. We are considering this bill at a time in which this country is experiencing the worst inflationary surge since the end of World War II. It is an inflationary surge for which the Nixon administration is principally responsible. There have been so many mistakes in the handling of our economy by the Nixon administration; it is one of repeated failures, general disinterest, and too little and too late responses to economic developments.

Nowhere on the economic front is there bright news. The prices of farm products, processed foods, and feed grain last month alone jumped at an adjusted annual rate of 56.4 percent. For raw farm products alone, the March spurt was at an annual rate of 72.2 percent, the biggest monthly increase since 1947. Industrial commodities rose at a 14.4 percent annual rate, the sharpest climb since January 1951, as prices of lumber, nonferrous metals, metal cans, paperboard, and other basic products climbed sharply. The prices of consumer finished goods increased at an annual rate of 26.4 percent equaling a 25-year-old record. For the entire first quarter of 1973, the wholesale price index rose at an adjusted annual rate of 21.5 percent, the sharpest increase since 1951. Rent increases in some parts of the country have risen by almost 40 percent, particularly hitting the moderate-income families.

It is no secret now that businessmen rushed through a raft of price boosts soon after the administration dropped its phase II controls on January 11 in favor of the no-control policy of phase III. While we can rest much of the blame for current economic crises on the failure of the administration to pursue an adequate economic policy, additional blame can be laid at the administration's doorstep in basic policy mistakes. The Secretary of Agriculture, Earl Butz, in his appearance before the House Banking and Currency Committee, admitted as much in stating that the administration had failed to properly gauge the great increase in foreign and domestic demand for American agriculture products.

Secondly, the administration simply forgot about the domestic grain and soybean demand in arranging its special export deal with the Soviet Union. We have exported a large portion of our grain products this year at a subsidized and beneficial rate to the Soviet Union, which has greatly increased the price of grain products for the American family.

On the international scene, the administration has done little to correct our foreign financial problems and has permitted two devaluations of the American dollar in the last 15 months. It can be argued that the value of the dollar was too high and had to be readjusted. I believe that the first reevaluation of the dollar some 15 months ago was a necessary step, but the second devaluation was caused purely and simply by the failure of the administration to pursue the economic controls of phase II. Foreign financial markets, gold speculators, and foreign governments expressed a vote of no confidence in the Nixon administration's economic policy during the recent mass of speculation on the dollar.

Since Nixon has been in office, the Committee on Banking and Currency has urged President Nixon the authority to exercise controls over the economy. I believe that our colleague, the distinguished gentlelady from Missouri, Leonor Sullivan, best summed up the feeling of those of us on the Banking and Currency Committee regarding the administration's opposition to controls. Mrs. Sullivan addressed her remarks to Dr. Arthur Burns, Chairman of the Federal Reserve Board, when he appeared before the committee a week ago Monday.

Mrs. Sullivan told him:

> Dr. Burns, after four years, I am finding it very difficult to take seriously at face value the warnings which come to us from this Administration about the terrible consequences of the legislation we happen to have under the consideration of this committee, which the majority on this committee feel is a solution to a serious national problem.
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> Now, going back to 1969 when we were working on legislation which became the Interest Rate Control Act, giving the President the authority to have the Federal Reserve Board regulate materials and conditions of all types of credit as a means of combating inflation, the President warned that this was a very bad move on our part and that we shouldn't pass it. And we did pass it under circumstances that the President felt he could not veto the bill on which the bill was attached. And he denounced the Congress for irresponsibility for passing this kind of legislation. And then you came before us just a few months later in February of 1970 and said, in effect, that you were very happy this authority had been enacted by Congress and was on the books and was available to be used in case it should be necessary to use it, although you didn't think it would be necessary.
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> And then to move forward. In 1971, after we had been complaining bitterly that the authority to regulate interest rates had not been used, the Administration came in and asked us to amend the Economic Stabilization Act to include interest rates through the Cost of Living Council rather than the Federal Reserve Board and we provided that authority, too, but it has never been used.

> Now we also have the story about the Economic Stabilization Act itself. When we proposed it in 1970, the Administration accused us of playing politics, of demagoguery, and said that if we got such legislation it would never be used and we were just grandstanding. Exactly a year after the measure became law again on a bill that the President did not feel he could veto, he put it into effect with a great flourish on Aug. 15, 1971, just a year after it had been enacted. . . .
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> So, how can we believe the warnings that we receive from this Administration about the dire consequences of mandatory interest rate control? The Administration track record on such predictions is very bad because it has usually ended up doing exactly what it said it would never do and shouldn't be done.
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> Now, let me tell you why I think the Administration's position on interest rate control rather than the things in the stabilization battle is wrong. I mean the Administration, I am sorry to say, doesn't seem to have any confidence in the economic morals of the American people. We all know about the food price fiasco, and it has taken a position that it cannot control agricultural prices because all of the farmers and all of the consumers are going to turn into black marketeers. And on this interest rate thing, the attitude seems to be if we hold down the interest rate in the United States, American capital is going to flee abroad to get a better return.
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> Well, we are not asking anyone to forego a reasonable rate of return on their capital, and we are not asking anyone to invest money at a loss, but I think there certainly is no lack of investment opportunity in the U.S. and I don't believe that the people who hold the money have absolutely no patriotism. It is something completely divorced from the character of the people who own the money and I don't think those who administer the economy of our country give the American businessman or the investor enough respect insofar as his consideration for his own money over his own country is concerned. And I just wonder what are we going to have as a policy that we can rely upon?

H.R. 6168, Mr. Chairman, gives the President flexible authority in administering the program so that he, on a case-by-case basis, can make adjustments for the purposes for assuring effective control over inflation. This bill imposes a ceiling on all prices and interest rates and provides authority to the President to make adjustments in respect to that ceiling, including authority to roll back prices and make exemptions from the ceiling consistent with the goal of controlling inflation.

Other provisions of the bill would include:

Stabilization of rents to levels prevailing on January 10, 1973, the last day of phase II;

Regulation of credit margins for commodity futures;

Creation of an Office of Consumer Counselor to insure consumer representation in the formulation of stabilization policies and actions;

Authorization of the General Accounting Office to review action of the stabilization program to accomplish congressional oversight;

Special provisions for public carriers and utilities;

Explicit reporting requirements concerning the performance of the stabilization program;

Authorization for the President to allocate petroleum products;

Explicit definition of substandard wages;

Definition of wages and salaries in respect to fringe benefits;

Requirements that, in price and wage adjustments, the President, in granting or not granting such adjustments, reveals the basis for his decision;

Requirements that the President report to the Congress on health costs, including health insurance prices, during the duration of the stabilization program;

Requirement that the General Accounting Office study, evaluate, and report to Congress the relationship between changes in consumer food prices and trading in commodities; and

Authorization of the Secretary of Commerce to exert control over the export of raw materials when needed to control domestic inflation.

Mr. Chairman, the Members of the Committee recognized that inequities may arise in some industries as a result of the price freeze under this bill. Therefore, in subsection (a) of section 204 of the bill, we gave the President ample authority to take corrective action in such cases, to make adjustments, and to correct inequities.

Feeling that the principle of doing equity in all cases was so important, I requested and got unanimous consent—during the markup of the bill—to include language in the report dealing with this Presidential authority, which language is as follows:

> The Committee recognizes that freezing all prices as of January 10, 1973, may cause some inequities among firms in a limited number of industries. The Committee has in mind those industries which under Phase II and Phase III rules and regulations were authorized to apply the so-called "special volatile price rule" to the pricing of their finished products. In such industries, normally, there is a time lag between an increase in the price of the raw material, from which finished products are manufactured, and compensatory adjustments in the price of these finished products. Thus, freezing the prices of both "the volatile" raw material and the finished product as of the same date, i.e., January 10, 1973, may produce inequities. The Committee expects the President to examine situations of this kind and to take appropriate action pursuant to the authority conferred upon him in Section 204(a).

Regrettably, this language was inadvertently left out of the committee report.

I am sure the chairman will confirm that this is what happened.

I would like to include as part of my remarks here, Mr. Chairman, the Cost of Living Council definition of the volatile prices rule:

> (f) *Volatile prices—Special rule.* Subject to paragraphs (g) through (i) of this section, a prenotification firm that has customarily priced an item in a manner immediately responsive to frequent and customary market price fluctuations of the raw materials or partially processed products which it uses in that item, may, when and to the extent authorized by the Price Commission, increase the price of that item to the extent of any significant market price increase of those raw materials or partially processed products, without regard to paragraphs (a) through (d) of this section. However, in the case of a price increase based on an increase in the price of a partially processed product, only that part of the increased cost of the partially processed product that is due to an increase in the market price of the raw materials in that product may be used in computing any allowable increase under this paragraph. For the purposes of this paragraph and paragraphs (h) and (i) of this section "raw materials" include raw agricultural products, raw seafood, and other raw materials used by the prenotification firm in preparing an item for which an authorization is sought under this section.
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> (g) *Limitation.* No firm may increase a price pursuant to an authorization granted under paragraph (f) of this section to the extent that the price as increased would result in an increase of its profit margin over that which prevailed during the base period.
>
> (h) *Notice on invoice.* A firm which increases a price on any partially processed product pursuant to authorization granted under paragraph (f) of this section, shall indicate on each invoice to its manufacturing and processing customers that part of any increase that is due to an increase in the cost of the raw materials used in making the partially processed product.
>
> (i) *Reduction of prices.* Each firm that increases a price on an item pursuant to an authorization granted under paragraph (f) of this section shall reduce that price to the extent of any later decrease in the cost of the raw material or partially processed product upon which the price increase was based, but is not required to decrease the price of the item concerned below its base price.

Finally, Mr. Chairman, it seems apparent to most of us that the administration does not see much hope in the next few months of any of the recent price increases leveling off or even declining. In fact, as Secretary Butz told us prices will be going up until the end of the year. Earlier this week, Dr. Arthur Burns of the Federal Reserve Board expressed concern to the commercial banks of the apparent large volume of loan pledges outstanding and sharp increased use of bank commitments by its corporate clients, which the Federal Reserve feels will cause banks to overextend themselves in the next few months. The Federal Reserve is asking the bankers to reevaluate this situation and to set up appropriate loan policies to monitor any additional commitment loan programs. In other words, Mr. Chairman, monetary authorities are telling the bankers to cut back on their loans for the rest of the year. Unless the provisions of this bill are enacted and approved by the President, this country can expect continued inflation which makes the lives of our citizens uncomfortable, our international financial situation difficult, and economic planning impossible.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Missouri (Mrs. SULLIVAN), a member of the committee.

Mrs. SULLIVAN. Mr. Chairman, from the vote taken a few moments ago on the question—it looks as though the majority of the House Members are satisfied with today's prices and have given a vote of confidence to the President on phase III. Mr. Chairman, for years the urban Members of this House have supported legislation to provide the farmer with what amounts to a minimum wage—floors on agricultural prices, so that the farmer could obtain a reasonable return for his products. These floors raised consumer prices somewhat, but the price supports have helped to assure an abundance of agricultural production, by assuring the farmer that his surplus output would not ruin him. We used those surpluses to feed the hungry all over the world. We passed a food stamp program to make sure the needy in this country could also share in that agricultural abundance.

Most of the Members know that the only way we were able to get a food stamp program enacted was, as part of a package to help the farmer.

But from what we have been hearing the past week or so, in connection with this legislation to stop inflation, the farmer apparently does not want or need our help any more, and does not want to help us stop the skyrocketing cost of food.

The consumers of this country paid taxes for two generations to help the farmer derive a better income than he could have obtained from market forces alone. Apparently, the agricultural community thinks that the millennium has now arrived. Cattle prices have jumped over the moon; fruit and vegetable prices are up in the stratosphere; and the spokesmen for the farmers tell us, that only now—for the first time—are agricultural prices "just right"—just where they should be.

And so they want to keep them there—without any interference by price control. President Nixon has exempted agricultural prices from any controls at all.

In this legislation, we are trying to bring them under control. If we fail, I hope the Members will remember this debate when the inevitable wage increases begin to pile up this summer.

And I hope they will remember it, too, when the inevitable downturn in farm prices occurs in the next recession.

Remember it when the social security pensioners cry out that they cannot survive on the 20-percent increase we voted last year, because their rents are higher than their incomes, and their food dollars will not even buy hamburger.

Remember it when the independent gasoline stations run out of supplies and their pumps are dry.

Remember it when interest rates throw thousands of our small businessmen into bankruptcy.

Remember it when the voters ask: "Why did you let this happen to us?"

Remember it, too, when you pray.

For, unless we stop this outrage—stop this inflation which is eating away the economic health of this Nation—we will have much to pray for, and we will be praying for our country through tears.

There has been more misinformation spread during the past week about H.R. 6168 than about any bill we have had before us in years.

This bill does not force anyone to sell at a loss. It sets ceilings—not only on prices—it sets them at the same time on the costs which have made the higher prices necessary. Prices and costs are controlled in the same way. And it provides for necessary adjustments in both.

Whether the ceiling date is March 16 or January 10, it does not mean that higher costs which occurred after that date are ignored in setting the new price ceilings. I urge the Members to read what the bill says in this respect—not just listen to the erroneous statements of those who like prices the way they are now and who do not want anything to happen to reduce them.

In conclusion, I say to the Members of the House—are you satsified with today's price levels? If so, then you oppose this bill. But, if you are scared or frightened as I am of what has happened to the average family and what inflation is doing to this country, then you will support the committee bill.

Mr. PATMAN. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, I rise in support of what I feel is one of the extension of the Economic Stabilization Act's most important provisions, that of section 11 which amends the Export Administration Act of 1969. This section would direct the Secretary of Commerce to impose controls on exports when there is a threat of domestic inflation or short supply.

I was very happy to see this provision included in the Economic Stabilization Act. Just a few weeks ago on March 22 I testified before the Banking and Currency Subcommittee on International Trade urging adoption of my bill (H.R. 3639) which would allow the President to impose export controls on cattlehides. At that time I detailed the impact of excessive cattle hide exports, contributing to inflation, loss of business and unemployment. Under the pseudo-controls of phase 2, the price of hides rose 200 percent, approximately 60 times the national average which was 3.6 percent. This astronomical price rise has continued during the sham of phase 3. The result of high hide prices has been the closing of shoe factories and tanneries all over the country and in New England especially. In my home State of Massachusetts alone, 68 shoe factories have been shut in the last 5 years throwing approximately 12,000 workers out of their jobs. Just last Tuesday I took the floor to notify my colleagues of another shoe factory closing in Massachusetts and rumors circulate constantly of still more closings.

Export controls on cattle hides would go a long way toward preventing these unnecessary events. The Subcommittee on International Trade and the full Banking and Currency Committee received much testimony indicating that the successive devaluations of the dollar had resulted in a rush on the part of foreign purchasers to obtain materials of all kinds, particularly cattle hides. This sudden increase in foreign demand has accelerated the increase in domestic prices and diminished supply. The committee took intelligent action in including section 11 to provide procedures to diminish and to forestall the inflationary impact on domestic prices and conditions of domestic short supply caused by abnormal foreign demand.

Mr. Chairman, action of this type is long overdue. The sense of this legislation is that Congress is asserting itself in the fight to control inflation and reduce unemployment. Time and time again we on Capitol Hill are attacked as being "fiscally irresponsible." The powers that be in the administration seem to feel they have a monopoly on responsibility brushing off Congress as "beholden to special interests." Well, Mr. Chairman, passage of this amending of the Export Administration Act will help prove that the Congress is not only responsible in fiscal matters, it is intelligent. The irrational tendencies of the administration, shown in their cut, cut and more cuts syndrome, is repudiated by the Congress. We should be working to create jobs, not destroy them. Imposition of controls on cattle hide exports and other commodities will have benefits for all Americans. Jobs will be saved, business prosperity will return, prices to consumers will stabilize and possibly drop, and overall our economy will surely benefit.

I do not ask for favoritism for any particular group in our economy, only equity. The present imbalance in exports is hurting America, at home as well as abroad. Section 11 is a responsible, intelligent step for the good of all Americans. I urge all of my colleagues to resist any efforts to delete or weaken the export control provision in the extension of the Economic Stabilization Act.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. REUSS).

Mr. REUSS. Mr. Chairman, H.R. 6168, the committee bill, while by no means sunk and while a very meritorious bill, as the gentlewoman from Missouri has just pointed out, is in trouble. And the parliamentary procedure with which we shall be confronted in a few moments, when we take the bill up under the 5-minute rule, is that there will be immediately in order an amendment in the nature of a substitute to be offered by the gentleman from New Jersey (Mr. WIDNALL) which will be a simple extension of the present phase III price control, wage control machinery for 1 year.

To that amendment in the nature of a substitute I shall offer an amendment which I shall now describe.

It is very simple. It will freeze all prices except for agricultural prices at the farm level. The date of the freeze shall be today, April 16, and there is no mandatory provision for a rollback.

That amendment is designed to give us an opportunity to be recorded on what seems to me the fundamental issue; is there an inflationary danger in this country, and is phase III as administered by Mr. Nixon adequate to deal with it?

I believe we have only to list the unhappy events of the last few weeks—two and a half devaluations of the dollar; an increase in wholesale prices in the index for March at the annualized rate of 26 percent, the worst increase since Korean war days, a generation ago; cost-push inflation and demand-pull inflation entwined, dragging this country into a hopelessly chaotic and inflationary situation.

In these circumstances the minimum necessary, in my judgment, is to blow the whistle, to declare a freeze as of today. My amendment, which is a brief paragraph, would do just that. I will quote it:

> Ceiling on prices.
>
> Notwithstanding any other provisions of this Act, a ceiling is imposed on all prices except agricultural prices at the farm level at levels no higher than those prevailing on April 16, 1973, except that no price shall be subject to a ceiling at a level lower than any level allowed to prevail for such price under phase II. The President may, by written order stating in full the considerations for his action, make adjustments with respect to prices in order to correct inequities.

There it is: fair, just, suitable for doing the job, far milder than the committee bill, which in my judgment is precisely what is needed—but nevertheless a good instrument to enable Members to record themselves on whether they are satisfied with phase III, or think something more meaningful needs to be done.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

I thought perhaps the gentleman from Wisconsin was rising to offer an amendment to roll back the price of what some call "barbaric gold."

Mr. REUSS. I thank the gentleman.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I am very much interested in the gentleman's amendment. Could the gentleman explain why he would be excluding agricultural prices?

Mr. REUSS. I would be excluding agricultural prices, at the farm level only, although I, myself, believe they are in fact amenable to controls, and were controlled in World War II, simply because of widespread difficulties offered by our colleagues.

Mr. Chairman, I want, in short, to present an amendment which is adept at doing the job, and not one bit tougher than is necessary to do it.

Mr. GIAIMO. Mr. Chairman, may I ask one second question?

Does the gentleman's amendment also provide for a freeze of wages as of today?

Mr. REUSS. No, it does not. That would be palpably unfair, since the wage question is now under agreeable settlement between the administration and organized labor, working out at wage increases of something like 5.5 percent a year, to which labor, incidentally, has adhered. To freeze wages would be automatically to redistribute all the fruits of productivity from the workingman to the stockholder, and that does not make any sense.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. As to the gentleman's response to the question by the gentleman from Connecticut (Mr. GIAIMO), I presume the gentleman would not roll back farm prices because he wants to eat. Is that not about the answer?

Mr. REUSS. I want to eat the fruits of a victory here on the floor today. As far as eating beef is concerned, I could do that even with a rollback.

Mr. WIDNALL. Mr. Chairman, at this time I yield 5 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, it is my judgment, after sitting through 2 weeks of Banking and Currency Committee hearings and hearings before the Rules Committee, that we should pass a simple 1-year extension of the present law and not vary from that.

Earlier, I had thought that a 1-year extension with a temporary ceiling on food prices was preferable. I offered an amendment for ceiling on food prices in committee as of March 16. My amendment went only to food prices. I had thought a ceiling on food prices for 90 days would show our concern to the American housewife and provide a 90-day period for food prices to percolate downward and fortify the President during the period of adjustment.

Now, I feel the ceiling would become the floor and we would have the same problem all over again in 90 days. Right after I made my original statement, the President imposed a ceiling on prices for red meats, so my amendment became academic.

I feel the President needs a flexible program of restraints and that our chances of having an enlarged supply of food products come next year are greater under a simple 1-year extension.

The Economic Stabilization Act was originally introduced as part of the extension of the Defense Production Act on June 2, 1970. The act provided standby authority for wage and price controls. Since that time, the standby authority has been renewed repeatedly—on December 10, 1970; March 29, 1971; May 5, 1971; and December 22, 1971. The last act, Public Law 92–210, amended the law and extended the President's authority until April 30, 1973. This is the authority under which he now operates the stabilization program.

The wage-price law was not used until August 15, 1971, when the President imposed a freeze on wages, prices, rents, and salaries. This freeze remained in effect until October 15, 1971, when it was replaced by phase 2 of the economic stabilization program. Under phase 2, the President appointed a Cost of Living Council, a Price Commission and a Pay Board to administer the stabilization program. On January 11, 1973, phase 2 was replaced by a program of largely voluntary guidelines. Under phase 3, only the Cost of Living Council remained as a central administrative arm of the stabilization program. Health services, construction, and some elements of the food industry remained under mandatory controls, and in the face of rising prices the President imposed a ceiling on the price of beef, lamb, and pork on March 29, 1973.

On the simple question of whether the Economic Stabilization Act should be continued, we found in hearings before the Banking and Currency Committee that the answer is very difficult. We had about as many different solutions as we had witnesses. There was widespread disagreement among committee members as to the type of bill which should be brought to this floor.

For 1 day during committee deliberations—using the word advisedly—all prices were to be rolled back to May 1972. Even the majority members of the committee saw the folly of this too obviously political move and changed the date within 24 hours to January 10, 1973. After a full day of hearings before the Rules Committee on last Wednesday it was evident that this would be unworkable and impractical. Hearings were continued on H.R. 6168 from last Wednesday until today. And they in an emergency hurry-up session on Thursday, it was agreed to adopt a rule making possible a substitute which adopts March 16 as a rollback date for prices.

Yet, I do not believe our problem is all that complicated. The increase in the cost-of-living index was exacerbated by the sharp rise in food prices. And this problem can be isolated when we look at the rise in the cost of red meat, which I have done in my additional views. The President has acted on this score.

After sitting through hearings for 2 weeks, it became obvious that there are areas of government where the executive branch must be given the authority to act quickly. Congress cannot act on a day-to-day basis to meet the complexities of our economic system.

Most everyone agrees that the root cause of our inflation is excessive Federal spending which adds Federal deficit on Federal deficit. If Congress is to act responsibly to control inflation, it must somehow bring spending within its revenues. Yet, here we are imposing a ceiling on prices so that those caught up in our inflation practices cannot recoup their costs forcing them into a deficit situation. I suppose the theory is, what is good for the country is good for bull moose.

The present law states:

> It is hereby determined that in order to stabilize the economy, reduce inflation, minimize unemployment, improve the Nation's competitive position in world trade, and protect the purchasing power of the dollar, it is necessary to stabilize prices, rents, wages, salaries, dividends, and interest. The adjustments necessary to carry out this program require prompt judgments and actions by the executive branch of the Government. The President is in a position to implement promptly and effectively the program authorized by this title.
>
> The President is authorized to issue such orders and regulations as he deems appropriate. Such orders and regulations shall provide for the making of such adjustments as may be necessary to prevent gross inequities.
>
> In carrying out the authority vested in him, the President shall issue standards to serve as a guide.

Then, in this bill, we take it all back on prices and interest, leaving the President to worry with wages. That is a cute political trick.

I feel the only reasoned approach would be a simple, 1-year extension of the Economic Stabilization Act. If and when such controls are needed, and I agree that they may be needed now, this approach will allow the flexibility to apply an economic stabilization program when and where needed for only as long as it is needed and will insure a return to the free markets that we all desire as soon as possible.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. Mr. Chairman, I yield to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Chairman, I favor a 1-year extension of the Economic Stabilization Act without amendments. I am adamantly opposed to any ill-advised attempt to roll back prices, be they to January 10, 1973, or March 16, 1973, levels. The passage of any type of rollback amendment would serve only to cripple our economy by threatening business shutdowns, the disruption of production, the creation of dislocations, more shortages, possible rationing, and the loss of many jobs. The threat of the passage of such an economically damaging amendment has generated a great deal of concern among all segments of our society—and rightly so. In my office alone hundreds of letters, telegrams, and calls protesting the passage of a rollback amendment have been received. I have yet to receive any favorable correspondence on this matter.

We all realize that the cost of living has been increasing steadily for a number of years, but this increase has, on the whole, been taken in stride along with an increase in salaries. If we are to roll back prices at this time and freeze them at March 16 or earlier levels, many businessmen, ranchers, and farmers will find themselves incapable of recovering those costs of production already incurred under existing prices. This is a situation under which not only they, but all Americans, will suffer.

In my 13th Congressional District of Texas alone, which is highly dependent on agriculture, the economic impact of the passage of a rollback amendment would have the disastrous effect of crippling farm and ranch operations. Let us take into consideration the fact that the total cost of producing agricultural goods has increased 109 percent during the last 20 years. During this same period, taxes have gone up 297 percent, the cost of labor has increased by 141 percent and the cost of machinery is up 100 percent. Yet during this time period, the income of the farmer and rancher has only increased an average of 11 percent gross while industrial workers, for instance, have seen a wage increase of 129 percent.

We find today that some grain sorghum farmers have actually made a profit on their grain crop. When we consider that the cost of producing grain sorghum ranged from $2.31 to almost $4 per hundredweight, the recent prices of $2.65 to $3 per hundredweight cannot be considered excessive. This is especially true for those farmers who are still struggling to save their crops due to poor harvesting weather. When feed costs increase we also find that the prices of poultry, beef and pork must increase in order to offset these increases. We complain about meat costs, yet a typical 1,000 lb. steer will consume about 1 ton of grain during his feeding period.

The cost of grain priced at $2 per hundredweight, to feed this steer will be about $40 or if the grain is priced at $3 per hundredweight, $60. The total cost of feed grain per pound of liveweight animal will then be 4 cents or 6 cents, respectively, making a difference of only 2 cents per pound—the amount cattle prices must increase in order to offset the additional cost of the higher priced grain. Still, the consumers in the United States are receiving the best bargain in history when we realize that the average family spends only 15.5 percent of their disposable income on food.

At a time when farmers and ranchers have increased their productivity more than any other industry in order to meet rising consumer demands, we cannot cripple farm and ranch operations by not allowing the farmer and rancher the ability to recover their losses incurred by increases in the cost of production. The result of this action can only be the loss of great sums of money and possible bankruptcy for some, the loss of jobs and decreased production that could lead to even higher prices and perhaps a black market.

By rolling back prices and establishing inflexible price ceilings other segments of our economy will also suffer losses. An interest rate rollback and freeze would bring disaster to the financial market by curbing public and private borrowing, stagnating business, and promoting a massive outflow of dollars abroad. A Federal freeze of all rents would disrupt construction and deny individual communities the right to decide whether or not rent controls are actually needed.

It is my hope that my distinguished colleagues will take an objective look at the overall situation relative to the cost of living prior to casting their votes and that no actions will be taken to further threaten our economy. A price rollback and freeze is not the answer to our highly complicated problems. This measure can only be considered counterproductive, ill considered, and reckless. It can only result, if enacted, in a disjointed and artificially controlled economy.

Mr. WIDNALL. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I rise in opposition to H.R. 6168. I believe that I will be constrained to oppose the basic concept and amendment that the gentleman from Wisconsin (Mr. REUSS) has just suggested. I do not really believe it changes very substantially the basic amendment that the gentleman from Georgia (Mr. STEPHENS) was trying to encourage this House to enact. To me it is not much of a change from the bill (H.R. 6168) which I also opposed in committee.

Mr. Chairman, I would like to ask the gentleman from Wisconsin (Mr. REUSS) if, by establishing the freeze date of April 16, he is not, in effect, establishing a very high price structure for many areas of pricing to which many Members in this House are already objecting? Isn't the gentleman's amendment just encouraging all others in the marketplace to immediately push up their prices to meet the new deadline date of April 16 and cause even more inflationary pressure on prices?

Mr. REUSS. I thank the gentleman for yielding. The answer is clearly "No."

Mr. ROUSSELOT. How would you avoid that problem?

Mr. REUSS. In the same way President Nixon did when he used the word "ceiling." He was very meticulous in the use of that word. Prices can and should fluctuate below the ceiling. This is a ceiling and not a floor.

Let me say in answer to the other question the gentleman asked that my amendment which I will offer is indeed different. I have to concede it is less onerous than the so-called Stephens substitute amendment.

Mr. ROUSSELOT. What do you do about rents in your amendment?

Mr. REUSS. My amendment has nothing to do with rents or with interest rates; it has no rollback. Instead of a March 16 date, it uses an April 16 date. Finally, it excludes agricultural prices at the farm level.

Mr. ROUSSELOT. I will get to the subject of agricultural products in just 1 minute. I have additional questions on the subject of the gentleman's amendment.

I am very much concerned about the gentleman's suggestion that by establishing a ceiling or freeze on April 16 you do, in fact, encourage all of those who have not raised prices immediately to jump into the marketplace and push up their prices. Those who set prices will say "Congress just approved a situation where we can all push our prices way above what those prices are now and move up to what others are receiving on April 16."

Mr. REUSS. I really think that the gentleman should take his verbal difficulty to President Nixon, because Mr. Nixon was at great pains to show the word "ceiling" means a system whereby prices cannot go through the ceiling but may go down, down, and down. The word "freeze" is indeed the kind of word it would have been dangerous to use, because it might have suggested that prices were frozen at the April 16 level. But it is my hope that prices will go down, down, down, and indeed the President is authorized to roll them back, not by this amendment but by the basic law.

Mr. ROUSSELOT. The reason why I find myself in genuine disagreement with the gentleman from Wisconsin is that no matter what you call it, ceiling or freeze—and I know there is a legal difference—you still encourage the marketplace by so-called congressional acts to rush in and move up their prices if they have not done so already on April 16. I think you create more of an inflationary pressure by what you are suggesting in your amendment.

May I ask some additional questions about the area of agricultural products?

By omitting agricultural products, do you mean prices on agriculture all the way to the marketplace; is that correct?

Mr. REUSS. No. I mean precisely the exclusion the President mandated under his meat control program 2 weeks ago Monday.

Mr. ROUSSELOT. But he did not put a ceiling on all agricultural products in the marketplace at the retail store. What does your amendment do to agricultural products at the retail marketplace?

Mr. REUSS. It puts a ceiling on them.

Mr. ROUSSELOT. It does not. You said you have excluded agricultural products, which means food products, at both the farm and retail level.

Let me say I want to make it clear that I oppose—and I did in the committee—all wage and price controls. I do so because I do not think any bureaucracy in this country is smart enough to manage wage and price controls at a central level. That is my position. But I think the gentleman's amendment is mischievous.

Mr. REUSS. Will the gentleman yield further?

Mr. ROUSSELOT. In just one moment. I will yield further after I have made my point.

I believe the gentleman's amendment to exclude agricultural products will do tremendous damage to the very field he is trying to address himself, that is food prices, and which he told us so consistently in the Committee on Banking and Currency, that he is so concerned.

Mr. REUSS. Will the gentleman yield?

Mr. ROUSSELOT. If I can obtain additional time I will be glad to yield to the gentleman. If not, we can discuss his amendment when it is taken up during the reading of the bill.

Mr. WIDNALL. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, a very wise man one time said that one of the few things that Government could do is to wage war, and inflate currency. I would amend that, and say that we have done a very good job in this country of inflating our currency, and I think that H.R. 6168 is like rubbing vaseline on the real cancer of inflation and high-rising prices. It is like mopping the floor without shutting off the faucet—the faucet being the printing press and the central—Federal Reserve banking systems expansion of the money supply.

When my constituents in the State of Idaho go to a local merchant to make a purchase, they are casting a ballot, with their dollars, in favor of the producer of that product. If great numbers of my constituents, and the constituents of my colleagues, vote in this manner in favor of any given item, then that producer is going to prosper. He will be able to grow, to provide new jobs, new and better products, and he will attract others into entering his field of production when they see there are profits to be made. The more producers there are in the field, the greater will be the competition, the more the price will fall, and the more will be the benefit to the citizens we are here to represent. An artificial ceiling, or freeze, on the price that the market determines is going to prevent new competitors from entering the market, as they not only have costs of production to meet, but initial investment as well. It will also prevent present producers from expanding their production as there would be no room in the budget for new facilities. This very simple economic pattern holds true in every field. There is no avoiding the law of supply and demand. If we freeze the price of cattle, we will stifle any increase in the production of cattle, shortages will develop, black markets will develop, and ultimately the consumer will pay exhorbitant prices, or do without, and thus we will have created the very situation we set out to avoid.

Today we are talking about rolling back the prices of food. Nowhere in the world are the prices of food as low, as reasonable in proportion to other prices, as they are in the United States. Farmers and ranchers across this country have worked hard for many years, without much complaint, and have produced food and fiber in unprecedented quantity. Now, when a nominal increase in prices promises to reward these people for their productivity, the Government suggests forcible reduction of food prices. Let us face it, gentlemen and ladies, the real reason that prices have risen is because of the inflation caused by Government spending and the subsequent decline in the value of the dollar. If we punish the producers of this country for the monetary irresponsibility we have engaged in here in Congress, we are asking for serious trouble.

Gentlemen and gentlewomen, people will not work without incentive and reward, and they will not produce if they are punished for hard work—except in a slave society.

We are currently experiencing the birth pangs of an energy crisis. We are much too dependent on the unstable Mideast for our oil supplies, yet the environmentalist goes into shock at the suggestion of a pipeline in Alaska, or the construction of a nuclear powerplant. Our entire economy runs on energy and we are being crippled at every turn in attempts to solve the problem. I have been personally contacted by several small, independent oil dealers in Idaho in this regard. In one case the dealer was suffering severe economic losses because of a price differential imposed on him by his supplier. In the other cases the independent dealers are simply being forced out of business because they can no longer obtain fuel. This is a pattern which now should be familiar to every Member of Congress, because it is happening all over the country and it is a direct result of Government interference with the pricing and supply mechanisms of the free market. If we are going to avert a severe energy crisis, we must move as quickly as possible to remove the environmental regulations, import controls, and price controls that prevent our businessmen from maintaining adequate supplies of an absolutely critical commodity.

The problems developing in this country are not confined to energy, however, for businessmen at all levels—those people who supply our wants, our needs, and the necessities of everyday life—those people in industries, large and small, are becoming disallusioned, discouraged, and angry. In spite of the fact that millions of board feet of timber are destroyed each year by pests and disease, our lumbering industry is being gravely threatened by unreasonable restrictions on harvesting operations. Very few people in this industry are there to "rape the land." They know that sound timber management and reforestation are vital to their survival, and that our forest resources must be cared for responsibly if there is to be any future harvest. Yet they are treated like pillagers and we are faced with enormous rises in the costs of all wood products. And, listen what happens to a producer who does a really good job. I recently received word of a small Idaho lumber dealer who managed to have a rather good year last year and his company made a larger profit than has been deemed allowable under our Government's guidelines. He is therefore subject to severe penalty, and has been informed that if he "disgorges" his profit, he will be allowed "to purify himself" and will be forgiven for his wrongdoing last year.

Gentlemen, I ask you what are we coming to when we punish a producer for producing well, for using hard work, good judgment, and initiative, to make a profit—and I further ask you if the words "disgorge your profit" and "purify yourself" are not straight out of the teachings of Chairman Mao?

There is no well-informed person who would claim that there are never any abuses in business, nor that all participants in the marketplace are all "good guys," but there is no Member of this body that can fail to be aware that every time the Government intervenes in the economy in any given area that the ultimate results worsen the problem that was supposed to be alleviated—or—worse yet, create problems that never even existed before.

The citizen, with his hard-earned dollars in his hand, is the best judge of what prices should be—for if he deems them too high he will not buy, an oversupply will develop, and prices will drop. He does not need us to decide for him what choices he should have. Workers are capable of deciding what wages they are willing to work for and if they deem a wage too low they will work elsewhere and the low wage employers will raise their wages or go out of business for lack of workers. The American citizen should be inviolate in the marketplace, free to make his own decisions, without Government coercion, for Government has proven repeatedly that it is the destroyer of freedom when men allow it to govern every aspect of their lives. Men are not sheep, we are not shepherds. Our responsibility is to protect their freedoms, not take them all away. We are to provide an atmosphere where men can develop responsibility—not take over all this responsibility.

I for one am absolutely opposed to the further destruction of our freedoms and will not participate in this continuous drift toward the totalitarian state. The American experiment in freedom has produced the most dramatic improvement in the condition of mankind in recorded history, and it is time we dedicated ourselves to the preservation of freedom for one and all, instead of the acquisition of power by some men over the lives and work of others.

There are two ways prices are decided—one voluntary and free in the marketplace; the other at gunpoint—I urge you to choose freedom.

(Mr. SYMMS asked and was given permission to revise and extend his remarks.)

Mr. PATMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Rhode Island (Mr. St Germain).

Mr. ST GERMAIN. Mr. Chairman, President Nixon's management of the economy has again placed us in an emergency situation. Phase III has been a disaster. Inflation is once again on a runaway course devouring salaries and savings at an unprecedented rate. The prices of food and rent are completely out of control. Interest rates climb upward. The only response from the White House is high sounding promises and assurances of some distant better day.

In February, the first month of phase III, the consumer price index jumped up sharply at an annual rate of 9.6 percent. That was the largest 1-month increase 22 years. For the past 6 months the increase in grocery prices stands at 14.8 percent. For the first quarter of this year the Wholesale Price Index showed an increase of 21.5 percent on an annual basis.

In Rhode Island, rent increases have moved sharply upward. I have a recent report that the Rhode Island Department of Community Affairs is estimating rent increases average 45 percent since the end of phase II. Some individual increases have been over 50 percent.

In the midst of this galloping inflation President Nixon wants nothing more than a broad extension of his powers to manage wages and prices. But what he has given us in phase III are vague guidelines that have been totally ineffective. He has conveyed to Congress no hint that he has plans for a serious attack on inflation. There is every reason to believe that the future will be only a continuation of the past and present. Prices will go up and up. Corporate profits will continue to bulge. Interest rates will climb higher. Wages alone will be held down. Yes, the average American will be the one who suffers, but not the President's friends in big business.

As I see it, the Congress has no choice, but to act decisively to avert economic disaster. At this moment a freeze on prices is the only constructive alternative. Should the freeze be fixed at March 16? It is certainly true that even this would be an improvement over the President's inaction. However, by March 16, prices had already reached an extraordinary level. In general, they had never been higher. That is why I support a rollback to January 10.

Sitting as I do on the House Banking and Currency Committee, I have heard countless reasons how and why increased costs have pushed up prices. Everyone has his justifications and statistics to support the increase. No one claims to be at fault. The farmers, the wholesalers, the retailers—one and all—maintain that what they have added to the price is justifiable and necessary.

I am not going to point a finger at any group and say, "You are to blame." It may be that no one is to blame. But I do know this. Everyone is being harmed by these higher prices. Retired persons on fixed incomes are seeing the value of their savings and their pension checks move steadily downwards. Lower middle-income families are dropping below the poverty level. The average American is fighting a losing battle to keep his standard of living at the same level. The cost of the basic necessities is outstripping wage increases.

The Congress, as I said before, must act firmly and decisively at this time to bring inflation under control. The situation has deteriorated so far that, in my opinion, a freeze is not enough. A price rollback is necessary; otherwise, in simple equity, the controls on wages will have to be lifted.

I am not blind to the fact that a rollback to January 10 will meet opposition from many groups in our society. In some cases there will be good reason, but for the country as a whole I believe that a price rollback will have a beneficial effect.

Not all objections to a rollback, however, are based on respectable grounds. One Member of Congress who represents one of the wealthiest urbanized districts in the entire country, has been beseiged with phone calls and telegrams over the weekend arguing against a rollback in meat prices. The reason? People who need a tax shelter for their wealth find that investing in cattle is a lucrative tax loophole. They have been filling out their tax forms in recent days and are very much aware that higher cattle prices mean higher capital gains for them.

In today's votes, I, for one, am not going to be swayed by what will be of greatest advantage to the big corporations or agribusiness or wealthy individuals seeking tax loopholes. I am concerned about the average American consumer who cannot afford to buy steak anymore—or even hamburger for that matter. I am concerned about the ordinary worker whose salary is being held down while his expenses for necessities climb ever higher. With that in mind, in spite of all the difficulties involved, I am going to vote for a rollback in prices to January 10.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from from California (Mr. Hanna).

Mr. HANNA. Mr. Chairman, if this body were meeting at the time that Mr. Widnall and Mr. Patman had first introduced a bill to extend the existing powers for 1 year, then all of this would make sense to me. I would think that we were acting as responsible Representatives of the people who elected us. That is not the case.

Since that bill was introduced, we have had phase III, with its all too obvious failures, thrust upon us.

I care not what the politics of Members are or from what section of the country they come, the impact of the change from phase II to phase III has been very, very burdensome upon the people we represent.

We are asked here to come and work our will on some legislation relative to the Economic Stabilization Act, and what do I hear? That we unfortunately are too weak of will to do any more than to say to those who have written us letters and who have come to see us and who have approached us when we were in our districts, if we were brave enough to go there:

> I know you are suffering, I know you are having trouble, but all we can say is that you are in the hands of your President and what he is doing is all that can be done and we have nothing that we can add to those powers which he is now wielding in the fashion which is hurting you so badly.

Is that the will of the Congress? Apparently, from what I hear, that is so.

I can only join the chorus of voices that say how bad the legislation is that came out of our committee. The Members who sit with me on that committee know in what a minimum of high regard I hold the bill that came out. The members of the committee know I tried to offer amendments and some even joined in that, some Members from the Republican side. But that does not mean we should give up, it seems to me, without saying something that is meaningful to show that we hear the cry of the people and we hear the voice of the land and that we will say something to the President other than—"keep on doing what you are doing."

So if we are going to pass only that part of the legislation which gives a 1-year extension and nothing else, I cannot be with that. We must have something in this legislation which says to the President: Stabilize.

But that is what the Economic Stabilization Act is all about. We are not stable. The prices are not only high now, but they will, our Secretary of Agriculture says, continue to climb through September and thereafter the climb is not going to be so bad. How do the Members like to pass that on to the people and tell them we will say to the President:

> Keep on doing what you are doing. Stabilize.

What did he do in phase I? To stabilize, he had a freeze, he had to come to a halt, and then we had something called phase II which we thought was something we could all support. Let me say to the free market: Thank you for standing still.

Let me talk to the Members about the free market and the capital market. I tried to bring in an amendment that would say we have to allocate credit to the little guys and I was told we cannot live in an America that is half free and half slave. Baloney, because we are already half free and half slave. Where is the freedom?

I will tell the Members where the market allocates funds. Because of the tax law and the investment tax credit, the market allocates money to the big corporations. Because of its emphasis on prime rate and because the windows of the Federal Reserve and the windows of the other institutions of this great country give liquidity to the banks and to the savings and loans through the practices that say to the big guy: "Come and get your money. Bring in your paper. We will give you more money," allocations of credit for the big borrower is assured.

But does the little man have a chance to go to any of those windows when the bank money is stiff? Where do they go for a loan? Can they go out and float a loan? Can they go out and get commercial paper sold? Can they go to the Eurodollar markets? They cannot. So I say to the Members we had better say something more than a 1-year extension to the President of the United States. We must force the administration to make a fundamental change in their policies with respect to credit allocations. I am convinced that the mechanisms which the Federal Reserve has used to allocate credit to the large corporate borrower can with some modification be used with equal success to allocate credit to the small borrower. I ask my colleagues, who should the weight and muscle of the Federal Government be behind—ITT and its corporate brethren? No—they have economic muscle enough to take care of themselves. The weight of Federal influence on the credit markets ought to be directed in defense of the small borrower, the consumer, the independent farmer, and the small businessman. But this is not the case, and despite some lipservice we are hearing, I do not see any reason to think that Federal policy will be brought to the aid of the small borrower without a clear and direct mandate from the Congress to do so.

Whenever this country has faced a "tight money market" or "credit crunch" as some call it, who has been the first and longest to suffer, the small borrower. There is always money for the GM's and the like, if not at the banks, then at the other money markets. The credit sources for the consumer are very limited, he has the bank, the savings and loan, the credit union. The Federal Reserve, so far, has done nothing to assure an availability of credit for these borrowers. When the tight money time is here, they take care of the big borrowers. The inequity of this is unacceptable and the continuation of this uneven handed application of Federal authority and power should no longer be tolerated by those of us who are elected by people who are in the main small borrowers.

Mr. PATMAN. Mr. Chairman, I yield to the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. Mr. Chairman, like many of my colleagues, I have recently been receiving a large volume of mail on the extension of wage and price control authority from both consumers and producers of food, goods, and services. Generally the producers, led by farmers and cattle raisers, have been urging a simple extension of economic controls, leaving the President the authority for regulating wages and prices which he has already chosen to relax substantially. These producers, although they sometimes express less than complete satisfaction with phase III and its restraining effect on the inflationary spiral, argue that the free market forces of supply and demand are the only reliable methods for assuring adequate supplies at reasonable and stable prices.

On the other hand, consumers express shock, outrage, and disbelief at the incredibly sharp upward turn in the Cost of Living Index over the past few months. Every time they pass by a cash register they are reminded that consumer prices are rising faster than at any time in the past 22 years. In the first quarter of this year the Wholesale Price Index has risen at the staggering seasonally adjusted rate of 21.5 percent. What makes these figures even worse is the fact that these are not short-term deviations from an otherwise stable economic pattern, but a trend that threatens to continue for months or years to come.

I think the consumer has a right to expect more from the Federal Government than a simple extension of discretionary wage-price control authority for the President. It is time to take the stick out of the closet where it was stored by the administration in January and apply some clout in an effect to stop inflation. The Banking and Currency Committee's original proposals to roll back all prices and interest rates to January 10th levels with further reductions mandated is one possible answer to the need for firm Government action in this inflationary crisis. However, I think it is too extreme a measure. It would create chaotic conditions in several if not all sectors of the economy, especially in food production and processing, which would ultimately result in reduced supplies and/or increased prices. Instead, I will support the proposed rollback in prices, rents and interest rates to March 16, 1973 levels as a more prudent but still effective brake on runaway inflation. This rollback, coupled with provisions which allow the President to make exceptions to this ceiling to correct gross inequities, would provide a powerful and flexible instrument for halting inflation. In view of the complete failure of phase III, this rollback is vitally necessary if we seriously expect to stabilize economy. I am convinced that this is a workable, reasonable response to the present inflationary problem that confronts the Nation, and that it would avoid the variety of disruptions and black markets its opponents predict.

I also support the "trigger" mechanism in this bill, which requires the President to impose mandatory controls on all elements of the economy whenever the annual rate of inflation exceeds 3 percent for any 3 consecutive months. The establishment of detailed, case-by-case controls, such as those used in phase II, are clearly the only effective means for soothing the inflationary fever which seems to infect the economy whenever the rate of inflation edges over 2.3 percent.

These provisions form the basis for a thoughtful, balanced and effective inflation control program. The Congress clearly cannot rely on giving the administration discretionary authority to control prices, rents and interest rates, but must instead mandate a positive program of action to bring the cost of living back into line.

Mr. PATMAN. Mr. Chairman, I yield to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I rise in opposition to the substitute and in support of the committee bill. The substitute guts the bill by removing the price rollback and by exempting interest rates from any limitation. The committee bill is not perfect—no bill ever produced in this very complicated area of economic controls could ever be described as perfect—but I am convinced that it would do the job in protecting the checkbooks of the citizens of this country from being further rifled by this runaway inflation. Those who gut this bill will, I believe, be remembered by the citizens of this country as having allowed this inflation to continue to eat away at our incomes. I urge all my colleagues here to make the control of inflation their overriding concern in considering this issue.

Mr. PATMAN. Mr. Chairman, I yield to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Mr. Chairman, I am pleased to learn that the committee recognized the inequities which may arise in some industries as a result of the proposed price rollback, and intended that the President shall take corrective action in such cases under the authority conferred by the bill. This is particularly important to those industries whose ceiling prices under the stabilization program were determined by the application of the so-called volatile price rule. There is in some industries often a time lag between an increase in the price of raw material and compensatory adjustments in the price of the final product. I commend the committee for recognizing that a freeze of both the raw material price and the finished product price as of the same date may give rise to inequities, and for authorizing corrective action in situations of that kind. I want to be sure, however, that the President has the authority and would be expected to act in all situations where the volatile price rule has been applied under phase 2 and phase 3 rules and regulations, including those provisions applicable to cooperative associations and to certain market risk-sharing arrangements. That is my understanding of what the committee intended and ask the distinguished chairman if I am correct in so understanding.

Mr. PATMAN. The bill does allow for correction of gross inequities. If this situation is grossly inequitous as determined by the President, the gentleman would be correct. The President should certainly consider these cases. On its face the situation which the gentleman described may indeed, be just such a case.

Mr. PATMAN. Mr. Chairman, I yield to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, on January 10, 1973, the President ended mandatory wage and price controls and instituted a new program which, according to the administration, would still control inflation, but at the same time, return the economy to free market conditions. At the time this new inflation control program—commonly referred to as phase 3—was announced, the American people were promised a reduction in the rate of inflation of 2.5 percent by the end of this year. To make good on this pledge, the administration implemented a control plan over wages and salaries, which was self-administering in large part, while at the same time, the President and his delegate, the Cost of Living Council would retain the authority to reimpose mandatory controls on any segment of the economy in which inflation might become a problem.

The program has been in operation just over 3 months, and the question we must consider is whether phase 3 worked. According to the latest economic data available, this program has failed miserably. On March 21, the Labor Department released the Consumer Price Index which showed that consumer prices rose in February at a seasonally adjusted annual rate of 9.6 percent. This is the sharpest 1-month increase in the Consumer Price Index in 22 years. February was also the first full month that the new phase 3 was in operation.

On April 5, the Labor Department released the wholesale price Index for March, and it showed that wholesale prices rose during March at a seasonally adjusted annual rate of 26.4 percent. This, again, was the steepest monthly increase in the wholesale price index in 22 years—a record. And, unfortunately, a record which must cause grave concern. These conditions should be quite disturbing to the Congress because on the one hand we have the sharpest increase in prices in 22 years, and on the other hand the Congress is being urged by the President to pass a simple 1-year extension of the Economic Stabilization Act, and, in effect, ratify phase 3—a program that is designed to reduce the rate of inflation to 2.5 percent. But, if the Congress examines phase 3 in reference to the thing it is supposed to accomplish—lower prices—then, in the judgment of your committee, it would be disastrous for the economy to approve a 1-year extension without also assuring the American people that inflation will be stopped.

Let us examine more closely the nature of the price increases that have occurred as a result of phase 3. Most of the attention has focused on the rapidly rising cost of food. But, the latest wholesale price index showed that all prices, not just foods, are rising at an extremely rapid pace under phase 3.

Wholesale prices of farm products, processed foods and feeds rose at an adjusted annual rate of 56.4 percent. Raw farm products rose at an annual rate of 72.2 percent.

Prices of consumer finished goods rose at an annual rate of 26.4 percent—a 25-year record.

Industrial commodities rose at an annual rate of 14.4 percent—again the highest since 1951.

For the entire first quarter of this year—all but 10 days of which were under phase 3—the wholesale price index has risen at a seasonally adjusted annual rate of 21.5 percent. This, too, is the highest quarterly increase in 22 years.

The latest Consumer Price Index for February reflected sharply rising rents and your committee has received information of rent increases of up to 60 percent since phase 3 was announced. Rent increases of 10 to 15 percent appear to be commonplace in many areas.

Interest rates are on an upward trend throughout the economy. The prime interest rate, despite much-publicized jawboning by the Committee on Interest and Dividends, has risen by 2 full percentage points in the past 12 months—a whopping increase of 44 percent. Mortgage interest rates have been increasing slowly but steadily since last April and this has contributed to new pressures on rents as well as on the prices of existing and new single-family homes.

In many areas, mortgage rates are already approaching 8 percent, a figure which prices many low- and moderate-income families out of the market, and mortgage lending experts are openly predicting new peaks before the year is out.

Farm loans—both production and mortgage—have also been going up steadily and some of these increases are reflected in food prices.

The Banking and Currency Committee closed hearings on H.R. 6168, the Small Business Administration announced another increase in interest rates to 9¼ percent for bank loans guaranteed by the Federal Government. This reflects generally increasing interest rates for small business borrowers throughout the economy.

These figures show conclusively that phase 3 is a dismal failure and will throw the economy into catastrophe unless the Congress acts and acts decisively.

So that prices can be stopped and order restored to the economy, I urge the adoption of H.R. 6168. This bill accomplishes two extremely important objectives. First, it stops inflation. This is something that phase 3 has been unwilling to do. But, if adopted, H.R. 6168 will stop inflation. A second, equally important objective this bill would accomplish, is to give the President sufficient flexibility in administering the controls program to avoid economic disruption and promote orderly expansion of the economy. Your committee recognizes the need for administrative flexibility in administering any kind of economic controls program, and it has carefully provided that flexibility. So, what your Committee on Banking and Currency did was to take a tough stand on prices. This is something that has to be done.

Prices must stop their spiraling increases. People on fixed incomes, wage earners, poor people and even middle income people connot live with prices as they are rising today. Another important facet of the problem in rising costs relates to wage increases. As everyone knows, the President and his economic advisers are very concerned about the so-called wage spiral and its contribution to inflation. But what may not be apparent to the administration is that if increases in wages are to be held at reasonable levels, the price spiral must be stopped. H.R. 6168 stops that price spiral in no uncertain terms. Second, H.R. 6168 gives the President the authority to make adjustments in respect to prices. It only requires that whatever adjustment he makes—be it a rollback or an exemption from the ceiling which is imposed—it be made on rational economic grounds. This requirement is very important because it would prevent unreasonable price increases, but, at the same time, allow price increases which are justified. An additional feature is that it gives the President the authority to examine prices and roll them back when he finds they are at unreasonable, unjustifiable and unacceptable levels.

Among the other provisions of the bill are:

Stabilization of rents to levels prevailing on January 10, 1973, the last day of phase 2;

Regulation of margins for commodity futures;

Creation of an Office of Consumer Counselor to insure consumer representation in the formulation of stabilization policies and actions;

Authorization of the General Accounting Office to review actions of the stabilization program to accomplish general oversight;

Special provisions for public carriers and utilities;

Explicit reporting requirements concerning the performance of the stabilization program;

Authorization for the President to allocate petroleum products;

Definition of wages and salaries in respect to fringe benefits;

Requirements that in price and wage adjustments, the President, in granting or not granting such adjustments, reveals the basis for his decision;

Requirements that the President report to the Congress on health costs, including health insurance prices, during the duration of the stabilization program;

Requirement that the General Accounting Office study, evaluate and report to Congress the relationship between changes in consumer food prices and trading in commodities; and

Authorization of the Secretary of Commerce to exert control over the export of raw materials when needed to control domestic inflation.

Mr. Chairman, my remarks to this point have been general in nature.

In as terse terms as possible, let me say that to merely extend this act will constitute a travesty on just ice and the people.

The people—as consumers and as workers—are appealing to us their elected representatives. We will hear from them at the ballot box if we fail them. This is no threat—this is fact. Yes, we have heard from the lobbies—the manufacturers and the cattle growers lobby. But I suggest we head the people this time—for once let us vote the people's interest and not bow to the vested interests.

Mr. PATMAN. Mr. Chairman, I yield to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, today's shocking action on the floor of this House constitutes a vote against the majority of the American people. Bankers and cattlemen have combined in enough arm twisting to overcome public demand for relief from the soaring cost of living. I for one will not vote to extend the Economic Stabilization Act in its present form, because it has obviously stabilized nothing. To extend the act for another year would be to provide time for the rich to get far richer, the middle-income group to slide into poverty, and the poor to be phased into welfare and desperation. I for one will continue trying to seek legislative relief for the working people whose incomes do not begin to cover the rising cost of such basic needs as food and shelter, and for those on fixed incomes such as pensions or social security who have no other means of subsistence.

I dread to think of the results of what the House is doing today. Already older people are being forced by soaring rents to move from apartments, uprooting their whole lives. Some landlords under the phase III lack of controls have raised rents from 15 to 60 or 70 percent. Younger families must stay in cramped quarters because they cannot buy homes at the new interest rates. Millions of families have had to adjust to less nutritious eating habits. Meat and other food boycotts and rent strikes are likely to be frequent, prolonged, and bitter. We are setting the stage for more hostile expression of already deep divisions in this country.

While the consumer suffers, big business is doing fine. Corporate profits after taxes in 1972 stood at a record high of $53.1 billion—and continue to climb. Dividends during 1972 increased $1 billion.

The gross national product climbed by $101.4 billion, to a new level of $1.152 trillion—an increase of 9.7 percent. But compare the increase in productivity with the increase in real wages. In 1972, output per man-hour for nonfinancial corporations in the private sector rose 4.7 percent; compensation per man-hour rose 6.2 percent. But since prices rose 3.4 percent, the increase in real wages was only 2.8 percent. Unit labor costs increased only 1.4 percent, so that more income went to corporate security holders and less to wage earners.

Meanwhile the person living on fixed income, the person making the minimum wage or less, as millions do, is close to panic—yet forced to cling to such inadequate jobs because unemployment is at an unacceptable 5.1 percent. For the 31 million female members of the labor force, unemployment is now at 6.8 percent, and, for minority-group females, almost 13 percent.

Can anyone in his right mind call this stabilization? Certainly the public is not fooled by such doubletalk; they know when they are hurting, and they are telling us, loud and clear, that they want us to act. It is useless to give further economic control to a President who does not know what to do with it and can only listen when money talks. Better a laissez-faire marketplace than the off-again, on-again parody of "control" that we have had in recent months.

Mr. WIDNALL. Mr. Chairman, I yield to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Chairman, as presently written, there is one plus for H.R. 6168 so far as our economy is concerned. Three industries come to mind that have already benefited. I am thinking of Western Union, telephone companies, and our Postal Corporation. I believe first class postage is paying its way. There probably is not a Member of this body who has not been "snowed under" with communications in opposition to the proposed rollback of prices to the level of January 10, 1973.

It is completely unrealistic to think that we can freeze prices at January levels in the light of present production costs. I can think of no segment of the agricultural field which would not be seriously and adversely affected. Food processors in my area have purchased and processed large quantities of raw products since January. To force this segment of agriculture to roll back selling prices to the January level is completely unrealistic. The same would apply to livestock, dairymen, and poultry producers.

Every company which handles large quantities of food products has purchased inventories at prices higher than those in effect in January. A rollback as suggested in this bill would drive many to the verge of bankruptcy. This plan is not only unworkable but grossly unfair. It would require many items to be sold at a loss.

At the moment I can think of no long range benefit to either producer or consumer or the overall economy. In its present form, this bill should be defeated.

Mr. WIDNALL. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. Mr. Chairman, and Members of the committee, I am not in agreement with H.R. 6168. Neither am I in agreement with a simple 1-year extension of the present Economic Stabilization Act. I do want to associate myself with the remarks of the gentleman from California (Mr. HANNA).

When we first passed the Economic Stabilization Act, the President said that he would never use it. When we reenacted it again in 1971, he said he would never use it. He did use it in August of 1971.

We then reported out amendments to the Economic Stabilization Act which permitted the President to set up the Wage Board and the Price Commission under what was called phase II. Phase II was working very, very well. I was receiving no complaints, and I am sure that no other Member was either.

Yet, for no reason that I have ever been given that will hold any water, the President on January 11 announced phase III. Then, we had a spiraling increase in the cost of food, meat, lumber, and some other products. I say that regardless of which bill is offered here today, H.R. 6168 or the simple 1-year extension, I am going to offer some amendments, because we should keep this in mind: If we are voting for a 1-year extension, we are voting for the status quo.

In my area, there have been boycotts that have decreased the sale of meat by 80 percent. In other words, the people themselves are saying that they do not want the status quo, and there is no reason for having the status quo.

I have heard comments today to the effect that the economy of Russia works a certain way. The economy of Russia functions under the Politbureau. The Politbureau is never elected. We people are.

I have heard comments today about inflated values of our currency. Certainly, our currency values have been inflated because we have been engaging in deficit Federal spending for as long as I can remember, but there is absolutely no reason to permit the present status quo to continue, especially when the Economic Stabilization Act has been used with such poor judgment.

As I said before, one of the amendments I will offer is to make the reestablishment of the Wage Board and the Price Commission mandatory.

I am also going to offer something that will place some reasonable control upon rents. I am not talking about any rollbacks.

All this is nonsense about a free economy. The free enterprise system is just nonsense. We have Government and State controls over every business in this country.

Free enterprise did not make the wheat sale. Free enterprise has not done a lot of things that have forced the Congress into taking action.

For the benefit of the gentleman from Idaho, we do not have any controls on the importation of crude oil now. I agree with the gentleman that we have to have more crude oil. One way we are going to be able to get it seems to be at this time the construction of the Alaska pipeline, to bring oil to the ice-free ports, so that we do not have to depend on the Arab countries for our crude oil, and the insignificant amount of crude oil that comes from Idaho.

So I say this to the Members: Do not maintain the status quo. Do not permit food prices to remain at their highest point in 22 years without reestablishing the wage board and price commission to resolve some of these inequities.

I am not talking about any rollback. Keep in mind that which the gentlewoman from New Jersey (Mrs. SULLIVAN) mentioned. In just a few months our major labor contracts will come up for renegotiation. If we go on the way we are going, inflation will run rampant.

Mr. WIDNALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, every Member knows the issues before us. I believe that the majority and minority and supplemental views in the committee report present the essential arguments well.

The committee bill is a good example of what happens when good intentions outweight good sense, especially when the good intentions are confused by a partisan desire to embarrass the Executive.

In its attempt to force the Executive to satisfy every constituent desire, the committee produced an unmanagable mess which carried little promise of price reductions, but which almost guaranteed irreparable harm to many segments of our country.

The Rules Committee action of rejecting H.R. 6168, and the House action of rejecting the rule, demonstrate current feeling on the matter. Neither H.R. 6168, nor the Stephens substitute will do. An alternative is needed. I believe the Widnall substitute, H.R. 2099, is the best alternative we can pass now.

There was a time when the House could have made constructive changes in the wage/price control authority. The Widnall substitute, H.R. 2099, was introduced January 15. The Banking Committee never even met to organize until 7 weeks later. 12 weeks after Congress convened, on March 26, the committee finally met on stabilization.

Had the stabilization program been given careful study, and careful consideration, in committee, we would not now be faced with these widely divergent alternatives.

Since the committee has not provided a constructive vehicle, we are now obliged to vote for the 1-year extension. I do not disagree with those who thought phase III premature. I thought so, too. Nevertheless, our duty today is clear. We are up against time limits—a situation we created for ourselves—and we must pass the extension.

Such an action would not relieve the Banking Committee from supervisory oversight, nor from the responsibility to act later—more sensibly I hope—if necessary.

Mr. WIDNALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. Sebelius).

Mr. SEBELIUS. Mr. Chairman, the legislation we are discussing would roll back farm prices to January 10, 1973. I realize food prices have increased dramatically during the past months and that farm prices have also increased. What I would like to emphasize is that farmers' costs have gone up too, and in most cases, they have gone up considerably more than any gains the farmer has experienced in increased prices. For instance, if the price of food has increased as much as the farmer's cost of a medium-sized combine, we would be paying $4.05 for a pound of round steak.

For the past week, my telephone has been ringing off the wall and my office has received hundreds of telegrams from concerned farmers who have expressed their opposition to rollback legislation. These folks cannot understand why Congress would propose rollback legislation that is discriminatory. Farm product prices move up and down in response to supply and demand. The farmer's costs have moved in one direction, and that direction is upward.

Several weeks ago, a good friend of mine from Almena, Kans., paid me a visit in my congressional office in Norton. He gave me these three bills as evidence of the increase in costs that the farmer must pay. I ask that my colleagues pay particular attention to this first bill dated in October 1968, for a new governor for a Ford motor on his combine. The bill was $61.95.

In July of 1971, it became necessary to replace this governor on this same Ford motor, only this time the bill was in the amount of $86.90. Some 14 months later, it again became necessary to replace this same governor on this same combine, and the bill was $110. In less than 4 years' time, this farmer had to replace the governor on his combine three times and saw the price nearly double.

Now, if my colleagues cannot surmise what my friend had on his mind, I can assure you his message was simple. If Congress is going to roll back the price he receives for his product, why not be fair and also roll back the price he pays for the governor on his combine, or for that matter, the price of a new combine; or to carry it on logically, the price all farmers pay in order to stay in business?

I have three bills here that a farmer from Almena, Kans., paid that reflects inflation at its worst. We also have legislation before us today that would not roll back any of these costs but would roll back the income that the farmer receives, and the income from which he must pay these bills.

Many of my colleagues appear to believe the American consumer has a right to a plentiful food supply regardless of economic facts, and that the consumer has the right to purchase this good supply at an ever-decreasing share of his take-home pay.

My good friend in Almena, Kans., whose job it is to provide this food supply, cannot do it if the Government arbitrarily puts a ceiling on or rolls back his income—he also cannot stay in business if the consumers of this Nation boycott his product while at the same time his costs double or even triple.

Mr. WIDNALL. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. Crane).

Mr. CRANE. Mr. Chairman, back at the initiation of phase 2 controls the Wall Street Journal had an interesting editorial, wherein they pointed out that one of the great potential perils of the initiation of controls in the first place was that they attacked symptoms rather than causes of the problem, but to the extent that the American public genuinely thought that the controls would be efficacious, if at the end of a year or so of living under controls we still had continuing pressure on prices we might anticipate at that juncture a great hue and cry from the American public to impose even tighter controls.

I believe that clearly has been what activated our committee in reporting out H.R. 6168.

I would certainly agree with my colleague from California, Mr. Hanna, that there are many people writing us expressing concern over rising prices, particularly those we have witnessed early in 1973.

But we must recognize that there is a duty and a responsibility the Members of the House have not to perpetuate error nor to contribute to an aggravation of misunderstanding of basic economic facts of life. The basic economic facts of life have been touched upon already in this debate as to what is the primary cause of the pressure on prices and the consequent damage to wage earners who are striving to keep abreast of the increased prices; that is fundamentally the responsibility we bear here in the Congress of the United States when we continue to run up the kinds of massive deficits that we have contributed to in the many spending programs we have supported over the past several years. Subsequent thereto the Federal Government resorts to a means of covering that indebtedness, that gets us off the hook here in the House. Unlike State legislatures, when they engage in the same practice and are forced to raise taxes, we are not forced to raise taxes in the ordinary way. We buck the problem to the Federal Reserve System which monetizes our indebtedness.

This is an indirect form of taxation, which eats away at the purchasing power of the dollar. In the process we avoid the responsibility for our own actions, and I think it is a deceit to the American public to suggest that one can blame the farmer or one can blame the lumberman or one can blame the retailer or the distributor or what have you.

Mr. Chairman, these are convenient political dodges for our share of responsibility for the problems we face.

President Nixon, back on October 17, 1969, made the observation that on the basis of his experience with wage and price controls under the OPA in World War II they did not work, that they were bad for the businessman, bad for the workingman, bad for the consumer, and that they led to black markets, rationing, and regimentation. It is the regimentation that comes under controls which is perhaps one of the most pernicious aspects, and I do not think a sufficient amount of attention has been put on the question of just exactly what the cost to the taxpayer would be of establishing the machinery necessary for the implementation of a program of such scope as H.R. 6168.

Mr. Chairman, back when we debated this before the committee a year and a half ago, the estimate was at least $2 billion. Because this particular piece of legislation goes beyond what was being discussed at that time, I think we could talk about machinery costing considerably more than $2 billion.

Mr. Chairman, there is an interesting book that was recently published by an author named Oto Sik, who is the man who managed the Czechoslovakian economy, and the title of the book is "Czechoslovakia, the Bureaucratic Economy." Oto Sik in this book—and mark you, he is a Socialist—nevertheless recognized the importance of liberalizing the Czech law regulating their economy; in effect getting the bureaucrats off the backs of the people so as to permit a freer market economy to prevail.

That is what, in fact, triggered the Soviet intervention in 1968.

But in Sik's book one of the main points he makes is that on the basis of their experience in Czechoslovakia he concluded there is absolutely no way that bureaucrats can effectively make the vital determination governing the marketplace as efficiently and as effectively over the long run as they will be made by individual consumers working in a situation essentially dictated by the laws of supply and demand.

We have had some pressure on prices thus far this year which most certainly represent an anticipation of just this kind of legislation. Many people undoubtedly felt they had better increase prices now, because they were confident we would extend further controls.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. CRANE) has expired.

Mr. WIDNALL. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois (Mr. CRANE).

Mr. CRANE. Mr. Chairman, in committee Chairman Burns indicated, when touching upon the question of rent controls and interest controls, that the problems which our economy would suffer would be prodigious.

Paraphrasing President Nixon's 1969 remarks, I asked Dr. Burns if in discussing the question of a freeze or a ceiling on interest rates, in my district it was safe to say that this would be bad for the businessman, the workingman, the consumer, and so forth.

Dr. Burns agreed. I indicated to him then that I had somewhat deceived him, that I was quoting from President Nixon on the broad question of controls.

Mr. Chairman, in conclusion, I would simply like to remind all the Members present that it was Justice Brandeis who perhaps best described our activity when he said:

> Americans should be most on guard against encroachments upon their liberties when government's intentions are beneficient; when its policies are initiated by men of zeal, well-intentioned, but without understanding.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I congratulate the gentleman on his statement and would like to associate myself with his remarks and say that I am for controls, I am for controlling Federal spending and putting controls on the Federal Reserve's ability to expand the dollar supply beyond a four percent increase per year. Our votes in Congress, causing continued deficits and the expansionist monetary policy of the Federal Reserve used to help pay for these deficits have brought about this addictive and high rate of inflation we seek to control today.

Mr. Chairman, I will not vote for another extension of the Economic Stabilization Act. I voted in the past to give the President the authority to impose wage-price controls, but that was when we were operating under a wartime economy, and I do not believe that controls are the answer to controlling inflation in a peacetime economy.

Soaring prices are the results, not the cause of inflation. When Government spends recklessly, runs chronic deficits, expands credit and prints more money, prices begin to soar. The rising of nearly all prices is the result of the monetary policies of the Government itself. Prices do not rise because businessmen suddenly become greedy; it can safely be assumed that producers are already getting what they successfully can for their items.

In a free market the demand and supply of each of thousands of different commodities and services are changing every day. When an increase in the money supply does not falsify the result, the goods and services in most demand rise in price while those in least demand fall. So the profit margin in supplying the goods in greater demand increases while that in supplying the goods in less demand falls. This causes more demand and relatively less to be produced of the goods in less demand.

Thus the thousands of different goods and services produced in the Nation tend constantly to be produced in the changing proportions in which they are most wanted.

Prices are indispensable signals to producers and consumers. They must tell the truth about supply and demand. Voluntary restraints, wage-price controls, and/or Government guidelines falsify the signals and disorganize the unbalanced production.

Monetary inflation is a dreadful thing. But what does considerally more harm than the inflation itself is the attempt to conceal or suppress its consequences through price and wage controls.

Government creates inflation by permitting, encouraging, or forcing an increase in the supply of money when it wants to spend more than it has the courage or ability to collect in taxes. The more dollars that are printed, in relation to the volume of production, the less each dollar can buy, and the higher prices must rise. And as I said earlier in the past year the money supply has been growing at an annual rate of over 8 percent.

Alan Reynolds, in a recent article in the Alternative, proposed a policy of restraint for our Federal Reserve which I feel would achieve monetary stability and help control inflation and I quote from his article:

> Indeed, an up-dated "Keynesian" argument says the rise of interest rates, induced by government bond sales, will not only not reduce private spending, but actually increase it. This is because at higher interest rates it becomes more costly for people to hold money (which earns no interest), so they hold less of it and the rate of spending (velocity) increases. The demand for money is somewhat responsive to interest rates, but the effect on velocity of the comparatively minor interest rate variations associated with financing deficits is far outweighed by other effects: (1) the government's borrowing crowds out a roughly equivalent amount of private borrowing; (2) if reduced money holdings did raise price or output, people would begin holding more money again, because it would take more dollars to satisfy all the reasons why money is held; and (3) higher interest rates reduce demand for investment funds, state and local government borrowing, and mortgages.
>
> The obvious conclusion is that the expansionary impact of deficits mainly depends on whether or not they are financed with new money: i.e., that "fiscal policy" is usually a roundabout type of monetary policy. Specifically, if new government bonds were all sold to the public (rather than to the Federal Reserve or commercial banks), there would be no increase in the money supply, and any expansionary effect would rest on the unlikely effect of deficit spending in increasing velocity. For deficits to be financed by sales of bonds to the public, however, interest rates on government bonds would have to be much more attractive than has been possible under law and Federal Reserve policy (Professor Gordon Tullock has calculated that the real value of federal debt held by the American public has actually fallen from $252 billion in 1948 to $152 billion in 1971—expressed in 1963 dollars). Conversely, if we want to increase the money supply, this can be done without deficits by simply buying outstanding bonds with new money. In 1966 we had a deficit *without* monetary expansion and the result was a mild recession; in 1968 we reduced the deficit with a tax surcharge, but the money supply continued to rise—and so did the rate of inflation.
>
> So much for the theory. A large body of research clearly indicates that:
>
> (1) All significant inflations and deflations have been preceded by sudden changes in the rate of growth of the money supply;
>
> (2) The money supply can be controlled within sufficiently narrow limits if Federal Reserve open market sales and purchases of bonds are directed toward affecting the supply of currency and bank reserves;
>
> (3) The factors that cause velocity to vary are more predictable than the (non-tautological) relationship between investment and income;
>
> (4) Unpredictable lagged responses and the absence of omniscience make *ad hoc* variations in fiscal and monetary policy counterproductive;
>
> (5) Various interest rates move up and down together, and do affect several types of spending.
>
> TOWARD MEANINGFUL REFORM:
>
> It follows that Congress should pass a law instructing the Federal Reserve to keep increases in the money supply within, say, a zero-to-four percent range. Better still replace the Fed's Open Market Committee with a computer programmed to achieve such monetary stability.
>
> Perhaps even more important, the Federal Reserve must be expressly prohibited from its recurring habit of trying to keep interest rates low by making new money plentiful. This policy causes price-inflation and eventually raises nominal interest rates, because lenders demand higher rates to compensate for the expected erosion in purchasing power of the dollars with which they will be repaid. The idea that high interest rates are a sign of "tight money" is the opposite of the truth: High interest rates usually contain an inflation premium, made necessary by an earlier increase in the supply of money.
>
> Artificial controls on rising interest rates must also be avoided, since they simply make more people anxious to borrow and fewer people willing to lend. The first to lose out under interest ceilings are the relatively "poor risks;" namely, small businessmen, innovators, and low-income families. Fairly high interest rates have been a necessary part of all periods of prosperity—they allocate a limited amount of loanable funds to the most productive uses government's inexcusable interest subsidies to the contrary notwithstanding.

Mr. Chairman, I would like to have inserted at this point the best editorial I have read on this misconception that price controls will cure inflation:

TEACHING THE WRONG LESSONS

When Phase 3 was announced last January, we argued that the truly important economic development was the spurt in the money supply during December, pushing the year's growth to 8%. "Ironically, the administration may have relaxed controls just in time to keep them from blowing up in its face," we remarked. "If prices again start to soar, of course, many people will overlook the 8% money growth during 1972 and blame relaxation of controls."

It has perforce come true, but with a vengeance not anticipated even in these curmudgeonly quarters. By the end of last week, the clamor for controls had reached a deafening pitch. Wholesale prices took their biggest jump since the Korean war, and this doleful news lifted the stock market out of its doldrums. The bullish reasoning went, we're told, that things are finally so bad either Mr. Nixon or the Congress will have to reimpose controls.

Now, Wall Street is rumored to act on good economic advice, and it's not clear to what extent it really believes that controls are the answer to inflation. Quite likely investors merely believe that everyone believes this, and that it is belief rather than reality that makes stocks move. This is called sophistication, or mob psychology.

Suddenly, in fact, everyone has become a psychologist, including A. W. Clausen of the Bank of America (see nearby columns). Mr. Clausen wants to resurrect the income tax surcharge, only this time an automatic one, though he suggests and evidently hopes the tax will never be applied. As placebos sometimes do cure headaches, its enactment would solve the inflation problem by changing everyone's expectations.

With this approach any bit of nonsense can be justified provided enough people can be persuaded to believe it, a philosophy that sometimes succeeds in getting you through next week. Over a longer period of time, the fundamentals start to catch up with you. Psychology is about as effective in reversing the law of supply and demand as it is in reversing the law of gravity.

An 8% money growth, for one thing, is going to come out somewhere. If the money can't be spent on controlled items it will be spent somewhere else, on food and imports during Phase 2, for example. Similarly, if you reduce the supply of food by selling a lot of it cheap to Russia, prices of remaining food are likely to go up, whether under Phase 2, 3 or 4.

Nor are controls likely to touch the reason for the especially rapid price spurt we are currently experiencing, which seems to be devaluation of the dollar. Some of our economic seers calculated that since the devaluation would add 10% to the price of imports, and since imports are only 5% of our purchases, the effect on price indexes would be only 0.5%. This ignores the diminished impact of foreign competition in restraining prices of domestic goods, so the inflationary result of devaluation is turning out to be larger than such calculations predicted.

The Nixon administration understands economic fundamentals better than most, and it will be interesting to see how it responds to the current pressure for more controls. For in a very real sense the administration has been caught in its own psychological games. It turns out that price controllers who don't believe in what they're doing are the very worst kind. Because they keep an eye on the economic fundamentals they can keep the game going, and the psychological and political benefits coming, longer than anyone could if he really counted on the controls to work.

Thus, the administration introduced controls when prices were already coming under control; in fact, the consumer price index had already been falling for some 18 months. It relaxed the controls when it saw pressures coming that would leave them a shambles. And now it puts a ceiling on meat prices just when they are peaking. The strategy is to give controls to people who want them, but in a way to cause the least economic disruption. The other result is to teach all the wrong lessons, to persuade people that controls work and make them anxious for more.

The string has run out, for better or worse. With an economic upturn pushing demand rapidly upward, this is absolutely the worst time to impose controls. If we wanted to play psychological games, we would say, fine, let's have the controls and watch them run on the reefs. At least it would teach the right lessons.

It may come to that yet, but we quake at the price. Better the administration should ride out the current clamor, veto the kind of unworkable controls now winding their way through Congress, keep fiscal and monetary policy under some restraint, and teach the lesson that if you can get the fundamentals in hand you don't need the controls at all.

Mr. WIDNALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. HUBER).

Mr. HUBER. Mr. Chairman, we have had considerable discussion today about the pros and cons of the free enterprise system. In my 30 years in industry, I see a minimum amount of enterprise and almost an elimination of freedom. When I entered the business world following my separation from the military service after World War II, I hoped to truly see a stable economy. But two wars and two depressions—or recessions depending on whether you were laid off or working—have convinced me that stabilization is a fine phrase but not very practical. I have watched the economy going up and down like an elevator. I have worked through periods of shortages and surpluses—one following the other with no system or regularity. All this talk about the need for stabilization leaves me a little nauseated when you consider that we are attempting to superimpose stabilization on a full employment budget that does not take into consideration the fact that full employment does not exist. On that quicksand basis there is nothing stable to be built. All of the talk revolves around the question of which comes first, the chicken or the egg. Do we freeze wages and protect prices or do we freeze prices and protect wages? I would vote for either or both if I thought my voting could control the situation. However, my experience indicates that the more government gets involved, the worse things seem to get. We have been involved as a Government in the national economy for almost 200 years and our Federal debt continues to rise in increasing proportions. We did not stabilize anything in 1971 when we were at war and we certainly are not going to stabilize in 1973 when we are at peace. I cannot imagine what is in store for 1974, 1975, 1976, and so forth. When we have balanced economy, when we have a sound dollar, when we have a favorable or balanced foreign trade relationship, when we have full employment and when we have good business conditions, we could then think about stabilization because it would become a reality. But, our economy today is anything but stable and that result has been because of big government trying to superimpose its arbitrary decisions on an economy that by its very nature is constituted to operate with a minimum of government interference. Too many cooks will spoil the broth and we have nothing but cooks in government.

Mr. WIDNALL. Mr. Chairman, I have no further requests for time.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. O'NEILL).

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, H.R. 6168 is perhaps the most important bill to come before the House of Representatives in a long time. It is legislation that is not only needed but demanded by your constituents and my constituents. The high cost of living has generated more mail to the Congress than any other subject in recent months. Most of the letters I have seen are quite simple. The writers simply want to know what Congress is going to do about prices in general and food prices in particular.

Today, in H.R. 6168, we have an opportunity to answer those letters and answer them with action.

Some might say that H.R. 6168 is a gut issue, but I say it is a gutless issue. Is the Congress going to stand up to the President and pass meaningful legislation designed to help people, or are we to continue our gutless way of letting the President steamroll us with the constant threat of a veto.

When this bill is read for amendments, there will be those who will try to gut the bill. I don't know the motives for their actions, but I just wonder how they are going to answer their constituents who write them about high food prices. Perhaps they can tell the housewives who complain that they cannot buy beef for their family that their congressmen were sorry about the situation but they had just voted to raise food prices again. And that is exactly what you will be doing unless you vote for this legislation and vote down any gutting amendments.

Mr. Chairman, when H.R. 6168 was before the Banking and Currency Committee, I was successful initially in securing adoption of an amendment that would have rolled food prices back to May 1, 1972. I selected that figure because it was only a few weeks before that date that I testified before the Price Commission at one of its regional hearings in Chicago and predicted the astronomical rise in food prices. At that time I pleaded with the Price Commission to put a ceiling on food prices, a power which that body held. No action was taken at that time even though it was needed. Had the Price Commission followed my suggestion a year ago, we would not be meeting here today and the American housewives could be planning roast beef for their dinner menu.

It has been argued that wages are responsible for increased food costs. Nothing could be further from the truth. Let us look at the record. Nearly 5½ percent of the labor force is still unemployed, representing close to 5 million Americans. An additional 2.3 million workers are compelled to work part-time, because full time jobs were not available. Surely with such widespread unemployment it cannot be said that wages are too high. But let us look further at the situation. From February 1972, just 3 months before my initial rollback date, through February of 1973, the average yearly earnings of nonsupervisory workers increased 5.6 percent, which, of course, is almost identical to the 5.5-percent control standard set for wages by the Pay Board. However, during that same period consumer prices rose 3.9 percent or more than 50 percent faster than the 2.5-percent standard set by the Cost of Living Council. And the Wholesale Price Index rose 8.2 percent or more than three times faster than the Government's 2.5-price standard. The latest Department of Labor Wholesale Price Index shows that during March the index rose at a seasonally adjusted annual rate of 26.4 percent, the largest monthly increase since 1951. Wholesale prices of farm products, processed foods and feeds rose at an adjusted annual rate of 66.4 percent. Raw farm products rose at an annual rate of 72.2 percent. And what about profits?

The after tax profits of corporations were up 15.7 percent in 1972. This comes on top of a 14-percent increase in 1971 and another record year is expected during 1973. Mr. Chairman, I could go on for a long time quoting figures, but it is clear that those at the top are making the money and those at the bottom, the workers and the consumers, are being shortchanged.

The consumers have already indicated their unhappiness with the recent boycott of meat. I predict that unless action is taken to roll prices back through passage of H.R. 6168 that these boycotts will be continued and will be extended to other products.

And very shortly the worker will have his say. When current labor contracts expire, the unions, unless there are immediate across-the-board controls on all prices, will be seeking tremendous pay increases. These increases will not be justified if prices are rolled back, but will clearly be justified if we fail to take action.

Mr. Chairman, I urge my colleagues to vote for this legislation so that they can tell their constituents that they are not only opposed to high prices but are doing something about lowering them.

Mr. Chairman, I insert as part of my remarks an editorial entitled "Price Controls," which was aired on WBBM–TV in Chicago and expresses strong support for this legislation:

PRICE CONTROLS

We are firm believers in the value of a free market. However, there are times when the free market goes so far out of balance there is obvious need for government intervention. Such a staunch advocate of a free market as President Nixon recognized this when he ordered Phase II economic controls on August 15th, 1971.

With the end of the Viet Nam war and, perhaps with a large measure of wishful thinking, he lifted most controls January 11th of this year—substituting voluntary guidelines backed by the threat of government intervention—or Phase III.

Phase III has been a dismal failure. The prices of farm products, industrial commodities and consumer goods have zoomed upward—with the climb accelerating in March. Raw farm products alone jumped at an annual rate of 72 percent in March. Again the President acted—a little. He placed a ceiling on the price of lamb, beef and pork. But that was not enough. Needed was a rollback of prices and interest rates to the January 10th level, such as now proposed in legislation adopted by the House Banking Committee.

It would be better, we think, for the President to order the rollbacks before the full Congress acts, retaining for himself the option of removing controls. If the President does not act, then we believe the Congress should pass economic stabilization acts as approved by the House Banking Committee.

The alternative—further inflation—steep union wages increases and, perhaps, a reactive recession—in the view of the Management of WBBM–TV—would be disastrous.

Mr. O'NEILL. Mr. Chairman, we have before us today a dramatically significant bill that will contribute to our Nation's economic well-being.

And once again, Congress is taking the initiative to fill the hiatus made by the Nixon administration's inability to provide effective leadership in controlling inflation.

The first time was back in August 1970, when we realized the danger of runaway inflation after we had suffered 2 years of simultaneous inflation and recession under Mr. Nixon, and the unemployment rate had doubled from 3 to 6 percent.

So, Congress decided things had gone far enough.

Despite the President's objection, we enacted legislation giving him the power to institute wage and price controls. For 1 year, Mr. Nixon maintained that he would never lead this Nation down the road to wage and price controls.

Finally, after he had lost all that valuable time, he turned around 180 degrees and with much television fanfare announced phase I and its 90-day freeze.

Now, we all know that controls under phase II were not infallible. But the reluctant imposition of these controls by President Nixon gave this Nation, by far, the best record of any developed industrial nation of holding in check the forces of inflation.

Congress can assume credit for that, just as Congress is now offering an alternate to phase III that has teeth in it.

For, Mr. Nixon, in terminating the mandatory price and wage controls on January 10, took a serious economic gamble. And now he and the Nation have lost. The first substantial reading of the performance of phase III came on March 21, when the Department of Labor released its figures; and we discovered that consumer prices rose in February at a seasonally adjusted rate of 9.6 percent, the sharpest monthly increase in 22 years.

Let us take another look at what phase III has given us—Mr. Nixon's phase III.

Rent increased as much as 60 percent in some of our major cities, a far cry from the 5.5-percent voluntary guidelines of phase III. Housewives all over the country have had to pay 6.5 percent more for their weekly package of groceries than they did in December. Raw farm products increased at an astonishing annual rate of 72 percent. In many areas, mortgage rates are approaching an 8-percent figure, pricing many low- and moderate-income families out of the market.

These figures are by no means conclusive. But they are all illustrative of how much economic chaos phase III has given us. It has been a complete failure, and the American people have already rejected this ineffective game plan.

Mr. Chairman, I am very practical and I can read the feeling of this Chamber. I personally think that the Stephens' bill was good legislation. Everybody, in my opinion, was against the Stephens bill but the people themselves. Everybody has been telling me of the telephone calls they received over the weekend. Now let me tell you that the greatest amount of people in America favor a rollback in prices because it is reasonable and the only effective means of cooling off the inflation triggered by phase III.

You know, so many Members from my own side came to me and said, "We gave Nixon the authority to impose wage and price controls, and, oh, what a tangled mess he made out of it! Let him get out of his own chaos." I do not believe that is the way to operate. Sure, the Nation's economy is in a catastrophic situation, and Nixon's phase III put us there; this is why Congress must assert its responsibilities to end this inflation.

Mr. Shultz has said we are going to have a rise in prices—a rise in prices—a rise in prices until we get to September, and then he expects that the curve will start to level off. If we take Mr. Shultz at his word—that prices will continue to increase until September—then let us stop this increase today and let us start the curve dropping from here.

Well, I am very practical. I know that this substitute is going to pass. But I do hope some of the people on the Republican side have enough courage to vote for some of the amendments that the people of this country want. For example, the amendment to be offered by the gentleman from Wisconsin (Mr. REUSS), which freezes prices today, April 16. If we can do that, and if we can have the amendment to be offered by the gentleman from California on mortgages, then I think we can accomplish something.

This is a challenge we should meet head-on and for which we must stand up.

Mr. Chairman, all regions of this country must work together to curb inflation. The failure of Mr. Nixon's economic game plan which gave us the world's first inflationary recession, followed by a general wage-price freeze, devaluation of the dollar, and phases I, II, and III, leading up to the second devaluation and the worse inflation in 20 years, inspires no confidence in the Nixon economic record.

It is, therefore, imperative that we all vote together in this House to end rampant inflation and to begin to stabilize prices once again.

(Mr. CULVER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CULVER. Mr. Chairman, I share the concern the Members of this body have about the inflationary pressures on our national economy. It is clear the President's economic policies are a bankrupt failure. One needs only to examine the wholesale price index, the condition of the stock market, the value of the dollar abroad, or his own family budget to see that President Nixon's attempts to abate the inflationary spiral have failed.

With this failure of the President's

policies, the necessity for congressional action becomes increasingly apparent. The public expects the Government to take such responsible and appropriate action as is necessary to curb inflation, but with minimal infringement upon traditional economic principles which have served our Nation for almost 200 years.

In my judgment, it would be unwise to pass a bill requiring a mandatory rollback of prices at this time. Such a restrictive provision would have adverse consequences upon many segments of the economy, but would be nearly disastrous to those Americans who depend upon agriculture for their family income. It is not an exaggeration to say that the price rollback proposal could very well mean financial ruin to many farmers in my State of Iowa.

I share the concern that many Americans have about the increased cost of food and other consumer products. A well recognized solution to this problem is to increase agricultural production to meet increased consumer demand. However, a bill rolling back prices will have just the opposite effect. In recent months, livestock feeders in Iowa have been expanding the number of cattle on feed even though the costs of livestock production have gone up sharply. A rollback of prices could make it impossible for them to recover their actual costs. Furthermore, it will discourage the expansion necessary to increase the supply and stabilize the price of food.

In addition, a rollback in prices will force many farmers to sell livestock at a loss and cause livestock producers to send animals to market before full weight to minimize losses. While a rollback might cause a temporary increase in meat at lower prices, the ultimate effect would be to greatly discourage production.

The result could be one of the most serious shortages of meat in our Nation's history. The reduced supply and shortage would create unprecedented price increases as well as pressures for rationing and a meat black market. Bankruptcy could occur for many livestock producers and other small businessmen in food related fields, while banks, who made good faith loans to stimulate supply, suffer losses. It is grossly unfair to ask one economic group to bear such a burden in the fight against inflation.

The time is long overdue for those who blame farmers for high food prices to realize that farmers already are facing runaway production costs and continually must accept substantial risks of economic loss. For example, last week's snowstorm in Iowa caused more than $16 million in livestock loss, and cattle deaths alone may well reach 100,000 head according to some reports. For many farmers, especially those young farmers struggling to make farming their livelihood, such a loss can be ruinous.

The farm losses from this recent blizzard in Iowa are a tragic example of the high risks faced by farmers while providing an adequate food supply for the Nation's consumers. One can imagine the sense of frustration which results when farmers who have spent the day surveying their losses from this natural disaster learn from their evening papers that Congress is considering legislation which jeopardizes their expectation of a reasonable profit on the remaining livestock.

We must avoid governmental actions which greatly increase food costs by destroying the independent family farm and turn the production of food and fiber over to large corporate farm operations.

Inflation is an enemy to all of us, but its effects are particularly severe on the poor, elderly, and others on fixed incomes. Since executive governmental spending is a contributing cause of inflation, both Congress and the President must act to hold down Federal spending. President Nixon has proposed a $19 billion increase in Federal spending during the next fiscal year, including substantial increases for defense and foreign military spending as well as the continuation of unfair tax loopholes. Our objective in Congress ought to be to curtail wasteful spending and make sure that all American's pay fair share of taxes while, at the same time, redirecting spending priorities into sound programs which will help meet human needs.

Mr. Chairman, I strongly urge the defeat of this ill-conceived rollback proposal.

Mr. WIDNALL. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, the Economic Control Act of 1972 is a colossal sham.

The people of this country—housewives, farmers, working men and women, students, businessmen, older Americans, and others on a fixed income and all who have been so cruelly hurt by inflation—have every right to expect Congress to protect the purchasing power of their hard-earned dollars.

H.R. 6168 purports to do so.

It is a fake.

This legislation holds out a promise it cannot possibly fulfill.

But under the guise of quelling inflation, this bill will permit the politicians and bureaucrats to tighten their grip on the Nation's economy and take us another long step down the road to a totally regimented society.

Even if the repressive controls contained in this bill were sure to put a lid on prices, the human cost and risk to our free society would be too high to justify resorting to such controls. But this legislation, this monstrosity which the House is stampeding to enact, after a series of hearings conducted in a circus-like atmosphere, cannot possibly succeed.

When the first wage-price controls ever imposed on Americans in peacetime were applied, on what was termed a temporary basis, a year and a half ago, these controls were bound to fail. And it was predictable the first controls would bring a clamor to regulate previously free segments of the economy, to make voluntary measures mandatory with more stringent guidelines and to make temporary measures permanent with stiffer penalties for infractions. So it has come to pass in a mindless repetition of the past:

Price freezes are nothing new. The Romans tried them as long as 1700 years ago. And in those days they did not fool around with injunctions. Capital punishment was meted out to violators.

In 1304, King Philip the Fair rolled back the price of grain in Paris. Within 2 days there was no grain for sale in Paris. And none was sold until the price freeze thawed.

Here in the United States, it took a half million employees and volunteers to run the OPA—Office of Price Administration—during World War II, plus a rationing system. But the black market thrived.

The United Kingdom has tried three periods of wage-price controls since World War II. None has worked.

For example, last November the Prime Minister declared a total price freeze. The result? Inflation is still above 6 percent, and some commodities are up 20 percent since the freeze.

In our own recent experience, controls—even the most stringent, the so-called phase I and phase II—have also flopped.

From August of 1971 when controls were first applied in peacetime history of the United States, to the end of February, 1973, consumer prices rose 5 percent, more than any 18-month period from 1951 to 1968.

Wholesale prices are up 10.5 percent in the 18 months since the 1971 freeze, the steepest increase since 1951—greater than the entire increase in wholesale prices from 1951 to 1967 and more than the total increase in wholesale prices from 1967 to August 1971.

In other words, wholesale prices increased more in 18 months under controls than in the 4 inflationary years preceding.

Of course it is easy to blame the administration. Or to say that controls are not stiff enough. But maybe we should ask ourselves, "If the Emperors could not make price control work when the penalty was death, how can we expect to succeed in a free country?"

And controls have not worked in any free society in peacetime:

Not in Great Britain, nor Denmark, nor France, nor West Germany, nor Canada.

And definitely not in the United States.

There is no reason to believe the future of wage-price controls will be better than the sorry past. Indeed, repressive measures mandated by H.R. 6168 will make the economic situation worse in at least two important respects:

First, the false hopes raised by this legislation will seem to justify further delay in coming to grips with the main problem—excessive Federal spending and mounting budget deficits.

Congress has been on a spending spree for years. And surely we all know by now that an economic catastrophe is inevitable if Congress fails to restrain spending.

This decision, one which congressmen are loathe to make, has been put off over and over again. Despite lip service to fiscal responsibility, Congress has repeatedly put partisan considerations, squabbling with the President and special interest in appropriations ahead of balancing the budget, which is essential to bank the fires of inflation.

Second, this reckless and ill-considered legislation is bound to make existing shortages worse and create new shortages. So inflationary pressure will explode if controls are ever relaxed.

If prices are held below levels which provide an incentive to producers, manpower and capital will be diverted, and shortages in underpriced commodities will grow worse. Unless of course the sponsors of this legislation are prepared to conscript both labor and capital.

Who can doubt that this is inevitable in view of New York City's prolonged experiment with rent controls which has resulted in abandonment of buildings and a decline in rental units; the lumber shortage; the imminent crisis in natural gas; and shortages developing in other petroleum products, which are tacitly admitted by the gas rationing envisioned by this legislation.

Yes, Mr. Chairman, this bill will make a bad situation worse. But it is not the economic consequences of this legislation, nor the permanent damage already done to our national economy, which trouble me most.

These concerns are serious: but human considerations are paramount.

What this legislation seeks to control is people. Under this legislation, it will be a crime for working men to bargain freely with employers for pay rates exceeding an arbitrary limit; it will be a crime for buyer and seller to freely settle on a mutually acceptable price above the guideline.

It may be tolerable to accept such restrictions in time of war. But to accept such repressions permanently is unworthy of a free nation.

Of course we are told that the present emergency justifies "temporary" controls. But let us not kid ourselves. Who really believes that kicking the wage-price control habit will be any easier a year from now than it is today?

Mr. Chairman, we are seldom presented such a clear choice. This is an unremittingly bad bill. It rests on false economic premises; it promises benefits which cannot be delivered; it seeks to destroy a prominent feature of our economic system which has given Americans prosperity without parallel in human history. It takes the freedom out of free enterprise.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, my amendment to the Widnall substitute is in the nature of a substitute.

I offer this amendment because I believe it is the only way that we can carry out our legislative responsibilities.

Let us recognize one thing: The business of setting up workable economic controls is not easy. It is even less easy to set up economic controls that are fair to everyone. We do not have the time here, even if we took all week, to draw up a fair and workable economic controls program on the floor of the House. If we make mistakes in the heat of emotion or in the face of frustration and impatience, we will be setting into law conditions that might do great harm to the economy, or to huge numbers of innocent people.

Suppose we strike out on the course of rent controls, impelled by the known fact that there are gougers in the market. It is possible that in our haste, in our passion, we will enact a requirement that penalizes large numbers of innocent people who have one or two units, and who could not gouge anybody if they tried. We might end up in failing to keep the big operators from hurting people, and at the same time hurting the little operators who never harmed anybody.

Suppose we set up interest rate controls. We can declare that we want interest rates to be low, but we cannot control the supply of money. We might end up with low interest rates and no money to lend at any price; or we might create a situation where some segments of the market—housing, for instance—might be able to get no credit at all. We might create conditions where equity kickers are reborn. In short, we might be able to say that we want interest rates to be low, but there is very little hope that we could in the haste we are working in create a law that would in fact make the cost of money low, and at the same time keep money available for lending.

Suppose we try to roll back food prices. Nobody wants high food prices, but neither do we want to put the producers and processors out of business. And if we roll back prices, no matter what date we select, we are going to inflict large losses on numerous producers and processors who are in no way responsible for high prices themselves, and who could not control the situation no matter how they tried. We've already had to recall one bill because it was plain that the rollback feature was wildly unrealistic and would have only caused huge losses in the availability of food—we could have had low prices, but not very much to eat.

Now all of this adds up to one thing: the truth that we cannot effectively create in a matter of a few hours a realistic and effective program of economic controls. The likelihood of injustices is too great; the likelihood of gross errors is too great; and the likelihood of a plain failure is also too great.

Yet I do not believe that Congress can discharge its responsibilities merely by giving the President blank check authority. I opposed that in 1971, and believe it would be unwise to do so this year.

I believe that my substitute places responsibility where it belongs. It is the responsibility of the President to develop a workable economic controls program. He has the resources to do this. I believe, too, that only administrative regulations are flexible enough to meet changing needs, and respond to the injustices that inevitably take place under controls programs—no matter how wisely drawn up, no matter how carefully administered.

But to get a sound program, we do not have to legislate it. We do not need to attempt doing that for which we are unprepared and unequipped.

We can simply extend the act for a short period—I suggest 60 days—and instruct the President to bring forward detailed recommendations. He could implement such programs as he sees fit. We could review what he has done, give it our approval or disapprove it.

Thus, we could do what we are equipped to do—legislate wisely, assigning responsibility where it belongs, and maintain our effective control over basic national policy.

It is wise legislative policy for us to extend this act for 60 days, because in so doing we can instruct the President to end phase III and start up *effective* controls at once, And we can also instruct the President to come forward with his estimate of what an effective and workable program is. By acting on that, we could exercise our responsibility of oversight—give him what we think good, add to it what we think necessary, and eliminate the whole package if we deem that warranted, even creating a program of our own if we think that would be wise.

But let us act with good sense, whatever we do.

Good sense requires that we reject a hastily drawn program—one that has never had a day of hearings—and replace it with a program that does allow thought, consideration, and reasonable action. My amendment offers us that chance and that choice.

Mr. MONTGOMERY. Mr. Chairman, we are down to the wire on the extension of the Economic Stabilization Act. As we are all only too well aware, we are recessing in 3 days for the Easter holidays. It is expected that we will not be back at work before the authority for all present controls expires. It is mandatory that we take swift action.

But in acting with dispatch, let us not design inappropriate legislation. The stakes are high. They are the health of our national economy. We must provide the Nation with a program that is workable—with one that is realistic.

I am greatly disturbed about the rollback provisions which some of the proposals currently before us contain. A rollback would be disastrous because it would be extremely difficult—if not impossible—to administer and because it would endanger the production of adequate supplies, the only real solution to spiraling prices.

Most of us can recall only too well our own experiences with wartime rationing. There were both shortages and black markets. There were problems of priorities, allocations, subsidies, embargoes, and passthroughs. Though agencies of enforcement often struggled heroically, they floundered and failed at all levels. As a result, even though we had the ration stamps to buy some meat or gasoline, too often it just was not at the butcher's counter or service station to be bought. And, of course, black markets developed.

Let us do the right thing. Let us extend the current authority so that the President—whom we have charged with responsibility in this area—will have the requisite mandate and flexibility to take whatever steps are necessary to stabilize the economy. In some areas of the economy, clearly, different approaches will be appropriate, by virtue of the inherent variations and complexities of our mighty economy. Let us not divert enforcement resources onto unworkable and unproductive approaches. Nor let us foreclose for the future discriminate efforts or innovative new approaches which those we have charged with the success of stabilization efforts sincerely think are best.

It would be well, I think, not to lose sight of the fact that under current authority, if extended, rollbacks can be selectively ordered and strictly enforced in runaway areas of the economy where such enforcement efforts would be appropriate and—because focused—not unduly expensive or unmanageable. It would also be useful to keep in sight the appreciable compliance activities—including penalties imposed upon violating companies and special restrictions on the troublesome food, health services, and construction segments of the economy—which are possible under the present authority.

Let us provide forthright extension of the current authority. In so doing we will be taking responsible action in an area of our national life that is so important that we must not fail.

Mr. FAUNTROY. Mr. Chairman, as a cosponsor of H.R. 6168, I rise at this time to urge my colleagues to support this bill fully as it has been reported out by the the House Banking and Currency Comcommittee. My chief concern is that, contrary to the situation under phase III, Congress enact legislation which is fair and equitable in its application to every segment of our economy—business and consumer alike. Under phases I and II of President Nixon's new economic policy, there was at least a general belief that business as well as the consumer was sharing the economic burden entailed in fighting inflation. However, in phase III, it became quite apparent that the President had once again humbled himself at the altar of the moneyed interests in our society to the gross detriment of the individual Americans who—in their infinite wisdom—re-elected him. Since inauguration day, under phase III, retail prices for food, the cost of renting or purchasing a place in which to live, and prices for consumer goods have ascended at a dizzing pace. Hourly wage rates, however, did not increase correspondingly or even significantly in that same time period.

H.R. 6168 in its present form represents a wise, sober, and fair effort on the part of Mr. PATMAN's committee to bring the inflationary forces which the President unleashed on January 11 under control once again. In fact, the very reason this bill is so detailed in extending the President's administrative authority to control prices, wages, and interest rates stems from the fact that Executive irresponsibility on January 11 under the present law has caused a cost of living crisis far more pernicious and threatening to our economy than the currency crisis we experienced in February of this year.

For example, rent increases in the District of Columbia in the last four months have ranged as high as 30 percent and have averaged approximately 17 percent. Morover, the cost of purchasing red meat has increased so sharply here in Washington that many of my constituents who formerly regarded meat as a luxury presently find themselves unable to buy meat for more than one or two meals per week. Is this the American dream? Is this indicative of the kind of domestic economy policy our government desires? My colleagues in the House Banking and Currency Committee have in H.R. 6168 firmly indicated that these symptoms of the phase III disease must quickly be ameliorated. To that end, Section 1 of this bill mandates a ceiling on all price at levels no higher than those prevailing on January 10, 1973. The selection of this date should not be interpreted as a partisan insult to a minority President, rather it is merely a frank acknowledgment by my Committee colleagues of the point in time at which retail prices exceeded reasonable levels. In fact, there was considerable minority support, spearheaded by the gentleman from Georgia (Mr. BLAKBURN) for an even more drastic rollback in prices. However, faithful to their obligations to be fair to all Americans, a majority of the committee fixed upon the January 10 date as the standard.

Another vital and commendable feature of the present bill is its exemption from wage controls in section 5 of those individuals who earn less than $3.50 per hour. This provision was included in order to assure that the burden of financial fighting does not fall most heavily on those who can least afford to make the necessary sacrifices. This is particularly needed in the District of Columbia where a recent study by the Washington Center for Metropolitan Studies revealed that fully one-third of the District's working force earns less than a poverty wage. This working poor exemption, therefore, must not be compromised away. In the area of interest rates, I wholeheartedly agree with my colleagues that we must ensure that consumers, farmers, and small businessmen must be protected insofar as business and home mortgage loans are concerned.

Failure to control interest rates in the manner provided in his bill would mean that our goal of noninflationary economic expansion would become reality for the rich, while remaining a mere pipedream for average and low income citizens and businessmen.

This bill, then, represents an honest effort on the part of serious members to achieve a reasonable and beneficial economic climate. That our selected means for achieving this goal has not received the full approval of the White House is well known. However, more than that at any other time in the history of this Nation it is necessary that we in Congress adhere firmly to our constitutional responsibility to represent the people who elected us. That this bill was written to protect the people from being stampeded by higher prices, gouged by landlords, fleeced by money lenders, and exploited by profit hungry corporations is further evidenced in section 207 which would create the Office of Consumer Counselor and vest in such Counselor the right to intervene in all necessary proceedings for enforcement of the Economic Stabilization Act. The Consumer Counselor would receive, investigate, and act upon complaints of unlawful price increases communicated to him by members of the public. For all of these reasons, Mr. Chairman, I urge that the House expeditiously adopt the provisions of H.R. 6168 as they presently appear.

Mr. DERWINSKI. Mr. Chairman, for too long, too many in this country and in this Congress have sought the easy way out of our fiscal problems. Instead of facing the truth on inflation, attempts have been made to delude ourselves that the problem of inflation can be solved through so-called wage and price controls.

Prices will rise and inflation will continue as long as there is fiscal irresponsibility. Inflation is not caused in the United States by consumer purchasing, by industry, or even by the Federal Government's ever increasing expenditures. The answer is not an expansion of Federal Government authority into areas of the private economy. The answer lies in bringing the Federal budget under control. Programs keep multiplying. Expenses of these programs soar. No procedure exists to compare governmental expenditures with governmental revenues.

Rather than telling the American people the truth about inflation, some would raise the panacea of wage and price controls. Controls do not work. Because controls do not perform, some say controls must be tightened and made more stringent. We have seen how stringent controls work in such places as the Soviet Union, China, Cuba, and many other countries. We have sold wheat to both the Soviet Union and China, because their controlled agriculture cannot feed their own people. The route that is marked by controls is also marked by the signposts of less freedom, less prosperity, and more governmental bureaucracy. Let us admit a wrong turn has been made and return to the road that has meant prosperity and freedom to the United States. Let us gain control of the runaway budget. Only by this means will we stop inflation. I have faith in America and my fellow Americans that we can overcome our fiscal problems. We will not do that by the passage of the present resolution. We will succeed in stopping inflation by gaining controls of the budget; not by adding more bureaucracy as would result if this bill is passed.

Mr. Chairman, at this point, I would like to have printed in the RECORD an item which appeared in the Washington Post of January 17, 1973, which tells us how the establishment of more bureacracy cost the United States $95 million for the 14 months phase 2 wage and price controls were in effect:

PHASE II COST UNITED STATES $95 MILLION

The Phase II wage and price controls cost the country about $95 million during the 14 months they were in effect, the government says.

But Treasury Secretary George P. Shultz says the costs of Phase III, which was announced last week, should be less.

The Phase II costs included $62.7 million in expense for the Internal Revenue Service and $3.7 million for the Justice Department. The remaining funds were spent by the Pay Board, the Price Commission and the Cost of Living Council.

Mr. UDALL. Mr. Chairman, after much anguish and thought, I have decided to support a simple 1-year extension of the President's authority to impose wage and price controls. Frankly, I am in some pain lining up with the President on this issue. It is a partisan issue and one can almost sense that public frustration and anger over the President's handling of the economy has reached a point of alienation that could be profitably exploited by this and every other democrat.

The fact is the economy is out of control with inflation running at levels we are used to associating with banana republics. At the heart of the problem has been Mr. Nixon who has been led down the garden path by economic advisers who delayed the imposition of phase I controls until it was too late and then pulled phase II controls off too early. He has been badly advised and the country has been poorly served.

Regrettable though it is, Mr. Nixon has made some decisions that we and the country are going to have to live with. I wish we could return to January 10 or to March 16 or to yesterday, but the fact is we cannot and we are fooling ourselves and the country if we pretend that this is good economic policy.

Perhaps a rollback, as it is called, would send a healthy shockwave across this inflation ridden economy, and is supportable from that standpoint. I certainly do not criticize my colleagues who have proposed such strong medicine.

But before I could support it, I would want to be able to tell my constituents a little bit more about the consequences than we presently can. What happens to prices that have actually gone down this year—are they restored to higher levels? What is the impact on the small businessman who has already granted wage increases based on increased prices? Not the big corporations who can stand it, but the electrical contractor or small merchant who is already living hand to mouth. Perhaps worst of all, by rolling back prices, could we cause a consumer rush which might readily bring on shortages of essential commodities and require rationing? I think we take a real risk and as badly as we want to do something today I am not sure we could live with this result.

Mr. Chairman, as I said, I do not think we can remake the President's decision to abandon controls—we have to live with it and he has to. The only answer is to grant Mr. Nixon the authority to reimpose controls and make it clear that if he chooses once again not to use it, we will be forced to take stronger action later this year.

I can only conclude that he now knows the price of inaction. The longer he delays the greater the risk that we will soon face either a permanently inflated or permanently controlled economy.

Mr. DEL CLAWSON. Mr. Chairman, at a time when we should be pruning the Federal bureaucracy, efforts to freeze prices and establish economic controls would necessitate the addition of an army of employees to administer the prices and enforce the controls. The Office of Price Administration had a tremendous number of people on its payrolls. A similar agency established three decades later, with a vastly increased population, a more affluent society, and numerous increases in Government pay and fringe benefits would probably cost at least a billion dollars per year in salaries, fringe benefits, travel expense, and so forth.

On page 12 of the report accompanying H.R. 6168, the committee expresses its desire to promote our private enterprise system. In the very next breath the committee finds that prices, rents, wages, salaries, dividends, interest, and Federal taxes and expenditures must be stabilized with Government controls. Under the private enterprise system, the law of supply and demand would regulate such matters as prices, rents, wages, salaries, and interest. Dividends would depend upon profits that would be made by industries and businesses operating under private enterprise. As for Federal taxes and expenditures, they have been out of balance almost continuously for over 40 years. No matter how high taxes are raised, they are never sufficient to meet the costs of the numerous programs dreamed up by spendthrift politicians and bureaucrats.

Certainly the suggestion that Federal taxes and expenditures must be stabilized is a good one and it ought to be put into effect as promptly as possible. As soon as we start to cut expenditures, here in the Congress or at the executive level, our ears are assaulted by the screams of those who would be affected by such cuts. The past few months have been difficult for those who would like to practice economy by drastically cutting spending at the Federal level.

The best way to slow down inflation is to bring Government spending under control. This can be done only by elimination of unnecessary spending, consolidation of duplicated programs, shifts of justifiable programs from the national to the State and local levels.

Mr. HANLEY. Mr. Chairman, as a member of the Banking and Currency Committee, I very reluctantly rise to express my opposition to H.R. 6168. I am opposed to the price rollback features of the measure.

I was as anxious as any Member to go on the record in behalf of lower prices, and so I initially supported in committee the initial amendment to authorize and direct a price rollback. Upon long and serious reflection, I am required to exercise my right to change my mind. There are good and valid reasons for my action.

It is not enough simply to go on record, even though it is most attractive to do so, particularly with so volatile an issue as high prices. For every American who may be helped temporarily by a congressionally mandated price rollback, there will be one who will be seriously hurt by such action.

There are many complex factors which have brought the economy to its present state, and attempting to deal with these factors by simply issuing a proclamation that their effects will not be allowed to come to pass is irresponsible and foolhardy. Congress could just as well proclaim that the waters of the Missisippi pouring over the levees shall not flood the land along the river's bank.

When we first proposed and enacted the Economic Stabilization Act in 1970, we were nearly 1 year ahead of the President in realizing that controls on the economy were needed. We exercised wisdom in not trying to impose the controls ourselves. I feel that we should again provide the basic tools for the administration to stabilize the economy. I predict that it will take the President but a very short time to understand that it is time to return to controls once again.

In thinking about it, I am convinced now that a rollback is unconstitutional, because it amounts to the confiscation of property without due process of law. A citizen who purchases an inventory at a certain time for retail sale at a later date is having his property taken away from him. A farmer who pays the currently inflated prices for the materials to produce his crops and livestock will be prevented from building these increases into the price of his product. That is unjust and unfair, and it will not work.

The problem of food prices is coming from what I believe to be bad agricultural policy. It started with the decision to sell to the world the raw agricultural products needed here at home. This is the decision that has to be reversed. The United States cannot cast its basic agricultural production into the world market without any regard to the effect this action is having on domestic food prices. I urge the President to abandon his plan to solve the balance-of-payments problem by sacrificing the American consumer's ability to buy the food we need at reasonable prices.

The administration has to take the blame for high food prices, and it has to act in the area of agricultural policy to develop corrective actions. A rollback of prices will not in itself change agricultural policy, nor will it lower prices. A rollback is sheer wishful thinking.

I am of the opinion that an effort to roll back prices without regard to the real causes of the existing situation will make matters substantially worse.

I believe that the rollback idea is shortsighted, unjust, and irresponsible, and I feel that it will lead to disastrous consequences for the American consumer as well as the American farmer.

Mr. MINISH. Mr. Chairman, I rise in support of H.R. 6168, the Economic Stabilization Act Amendments of 1973. This legislation is the most important measure to come before the 93d Congress thus far and it represents a clear mandate from the Congress for the restoration of stability to our Nation's economy.

As a member of the Banking and Currency Committee, I am proud to have played a role in the development of this much-needed legislation. The majority of my colleagues on the Banking Committee and I believe that passage of this measure is vitally necessary if we are to grant the American people relief from the onerous burden of inflation which has skyrocketed at such an alarming rate in recent months. It is clear that phase III is a failure and that we need strict economic controls, including rollbacks, if we are to restore the confidence of our citizens in our country's economy and in their Government's ability to cope with our economic problems.

Mr. Chairman, on January 10 of this year, the President announced phase III, which lifted controls on the economy and replaced those controls with "self-administered" or voluntary standards for wages and prices that did not require prior approval by the Government. Rent controls were completely abolished.

Since the January 10 announcement,

galloping price inflation has hit the economy and the consumer. Recently released figures, for example, show the biggest monthly increase in the Wholesale Price Index since 1951. Prices in March were up 2.2 percent, food prices were up by an unparalleled 4.6 percent, the sharpest increase since these records have been kept and three times the February increase.

In addition, tenants throughout the country have been subjected to exorbitant rent increases of up to 60 percent in some instances. Rent boosts of 10 to 15 percent have not been unusual.

Tenants have been helpless in the face of these increases. Dr. John T. Dunlop, in a statement to the Banking and Currency Committee, admitted that the administration has "been concerned with the rent increases that have taken place in some metropolitan areas in the past 2 months."

As the author of the section of the economic stabilization bill which deals with rents, I am proud that the committee supported my position that rents should be rolled back to their January 10 level—the day all rents controls were arbitrarily eliminated by the administration. I believe it is most important that this section pass without crippling amendments. One may substitute cheaper food, distasteful as it may be, in order to compensate for higher prices, but housing is a different problem—one can scarcely take it or leave it.

The rent section of the legislation would permit rents to increase above their January 10 level only where there has been a demonstrated increase in taxes imposed by a State or local government upon the landlord, an increase to the landlord in the cost of services or materials, or a capital improvement during the period of occupancy. The freeze would extend for the life of the law—until April of 1974.

In addition to the provisions on rents, the legislation before the House today places a ceiling on all prices and interest rates at the levels prevailing on January 10, 1973—the last day before phase III became effective. Furthermore, the President is directed by the legislation to immediately implement a plan to roll back prices and interest rates below the January 10 ceiling, and to report his progress to the Congress within 60 days, together with justifications for any exemptions he choses to make from the ceiling.

Although I understand that a substitute will be offered to change the rollback date to March 16, it is my belief that the rollback of food prices to January 10 should be maintained. Secretary Shultz, under questioning by me during hearings on the bill, conceded that food prices were the country's biggest inflation headache at the present time. He stated that the administration would be satisfied with its battle against inflation if it had been able to hold food price increases in line with other price boosts. It is clearly not enough to place a ceiling only on meat and only when meat prices are too high. We should promptly respond to the demands by consumers for a return to more reasonable food price levels.

In passing this legislation by an overwhelming majority the Congress will succeed in gaining the confidence of the American people that our Nation is indeed on the road toward sound economic policy and well-being.

Mr. TREEN. Mr. Chairman, if this legislation (H.R. 6168) is defeated, and I hope it will be defeated, we will be in a position to begin to move in the direction of real economic well-being. The stimulation of competition in the free market is the only route to a healthy economy. In a competitive market, prices respond quickly to changes in supply and demand, and prices are the barometer of the economy. For the Government to intervene in the private sector distorts the whole economic picture. In a U.S. News & World Report interview, January 29, 1973, issue, Treasury Secretary Shultz replied to a question about what is going to prevent wages and prices from skyrocketing by stating:

> The basic thing is competition—the free market. That is the fundamental force we rely on over a period of time to keep things under control.

In a U.S. News interview with Dr. C. Jackson Grayson, Jr., published in its March 5, 1973, issue, Dr. Grayson stated in response to a question about what impressed him most about the American business system during his tenure as Chairman of the Price Commission:

> That the operation of our price system—the free-market system—is the best possible allocator of resources. It is far better than any control system ever could be. Controls can work—and they did work—over the short run. But in the long run, they never can substitute for the price mechanism as a way to get goods and services where they are needed.

Mr. COLLINS. Mr. Chairman, I strongly urge my colleagues to defeat this bill which will do irreparable harm to this Nation if it is enacted. As just one example of the misguided nature of this legislation, I should like to cite the proposed section 206—regulation of margin for commodity futures trading.

The committee report on H.R. 6168 says with respect to this section:

> The possibility of achieving such tremendous returns—

And, one might add, tremendous losses:

> On downpayments representing, usually, 5 percent or less of the value of the contracts has attracted numerous new investors in the futures market, creating real concern that excessive speculation in the commodities is unnecessarily increasing consumer prices and industrial costs.

Well, the "concern" may be there, but it is a completely irrational one. Virtually every informed witness who has ever testified regarding this proposal, either as embodied in H.R. 6168 or as it was considered by the Subcommittee on Consumer Affairs of the Committee on Agriculture during the 90th Congress, has said that this proposal is based on a misconception of the nature of commodity futures trading.

It has been pointed out over and over again that transactions involving margins which take place on the futures exchanges are not "credit" transactions analygous to those which occur with respect to stocks, bonds, and real estate. As the National Grain Trade Council has stated, in its testimony of March 30, 1973:

> In transactions covering agreements to sell or buy commodities for future delivery covering agreements to sell or buy commodities for future delivery or receipt, no title passes to the buyer and no title passes from the seller. Each party to such a contract entered into on a commodity exchange deposits with his broker an amount of earnest money to assure compliance with the contract when, in the future, it matures, or until an offsetting contract is entered into. Only if the contract is completed by delivery, when it matures, does a title pass. And then, contrary to the practice in transactions involving securities or goods and chattles or real estate, full payment must be made.

Moreover, it has been repeatedly pointed out that commodity futures speculation has little effect on the cost of commodities to the consumer. Rather, the futures markets represent a convenient and efficient mechanism for enabling producers of products which utilize commodities through the device of "hedging," to shift the risk of holding commodities to others, thus insuring themselves against drastic swings in prices.

The ultimate beneficiary of an orderly commodity process is the consumer, and it is the consumer who would suffer if this bill passes and imposes additional costs of doing business on those who deal in commodities. I know there is a temptation to think that because "speculators" are making and losing large amounts of money there must be something wrong with it, but it just is not so.

The only possible benefit that I can imagine coming from this provision is that some of the Members of this body will be educated in the workings of the commodities markets as a result of its failure. However, the lesson will surely be an expensive one, and I see no sense in imposing the cost of this experience upon the consumers of this country.

Mr. VEYSEY. Mr. Chairman, today we are debating one of the most monumental decisions this Congress will deal with. It is particularly important from the standpoint of the potential damage we could wreak upon the economy and upon our agricultural industry if we make the wrong decision.

We are considering legislation which would extend the Economic Stabilization Act, and with it, the President's authority to set wage and price controls. That in itself, is a major issue, and one which I cannot warmly support. I do not welcome the imposition or the extension of artificial controls on our economy.

However, I have come to the conclusion that such controls, on a temporary basis, may be the only viable solution to some of the severe ills which have beset our economy during the past decade. The proof of this is in the pudding, and President Nixon has succeeded during much of that period in restraining runaway inflation. He may need to exercise his control options with even more vigor in the future.

In light of this, I am supporting a simple extension of this authority for another year's time.

However, on another front, the legislation we are considering here today contains a threat to open the door to economic disaster by rolling back prices.

Anyone who stops to analyze the effect this would have on the system of supply and demand which governs our economy, cannot remotely consider supporting such a step. Furthermore, the impact on agriculture—the element of our economy which is almost totally dependent on supply-demand factors—would be brutal.

As an example, let us look at the effect a price rollback would have on a cattleman.

Feeder cattle prices have been as high as 60 cents a pound much of the past several months. Five hundred-pound steers have been moving into feedlots at $300 per head and beef producers in California have bought hundreds of thousands of such feeders this year.

If we should roll back prices for feeders today to January 10 levels, as some have proposed—it would cost those cattlemen at least $50 for each head of stock they have bought this year. That is a direct cash loss of half a million dollars to a cattleman who has filled a 10,000-head feedlot during that time.

The situation is the same with producers of other livestock and in all parts of the country. Their business depends upon their day-to-day expertise in analyzing the supply-demand situation, and the market prospects for weeks, months, and years in the future.

So much for the immediate loss to the livestock man. Let us look at the long term effect on meat prices which a rollback would have.

When we roll back prices, livestock producers will roll back production. When production is cut—the supply is cut. And when that happens—prices will go higher.

It is a vicious cycle which we are flirting with in any price freeze endeavor—but it is an especially sensitive situation when we apply such restrictions to agricultural production.

One can get a better perspective of the unique situation of the farmer—and the special problems he faces with price controls—if afforded an analysis of the past 20 years in American agriculture.

Because the time and space limitations will not permit that, let me simply make a few observations.

In 1972, the price a farmer received for cattle was almost exactly what it was in 1952. Other agricultural prices have fared similarly during this time period. Meanwhile, the share of the consumers' disposable income which goes for food has dropped steadily to 15 percent—by far the lowest in the world.

By comparison, if the price of beef had gone up as much as wages during the past 20 years—the farmer today would be getting 80 cents a pound instead of 45 cents.

If beef had gone up as much as postage, the farmer would be getting 77 cents per pound.

And if beef had gone up as much as hospital care, the farmer would now be getting $1.76 a pound.

As beef has gotten proportionately cheaper and cheaper, the consumer has eaten more and more. In 1950, the per capita consumption was 63 pounds. Today, it stands at 115 pounds.

Meanwhile, the population has gone from 150 to 210 million.

The result has been a 285-percent increase in beef production in just over 20 years.

Again—the situation for other agricultural products has been similar.

Now, the farmer is finally getting a small share of the general price increase afforded the rest of the economy on a regular basis. The farmer, simply, is sharing the inflation, and like it or not, inflation seems to be a built-in component of our economy as people demand more and more goods and services to match their increasing standards of living.

No, the answer to higher prices for meat and agricultural products does not lie in price rollbacks. The resulting juggling in the production chain would find farmers cutting back on production in great proportion—and sending prices soaring in the future.

The answer lies in providing farmers and ranchers with a fair profit margin over the long stretch, to encourage them to continue increasing production to match our increasing appetites. I urge that we soundly defeat the price rollback proposals.

Mr. DONOHUE. Mr. Chairman, I most earnestly urge and hope that in its traditional nonpartisan action in time of national emergency, this House will resolutely and resoundingly approve this pending bill, designed to extend the Economic Stabilization Act for another year and to authorize the imposition of certain mandatory controls over the major factors involved in the runaway price increases and inflationary spiral that are so seriously disrupting our whole economic system today.

Mr. Chairman, the technical and formal need for the enactment of "containing" legislation is attested to by a multitude of the most respected economists in the country.

The national practical urgency for the adoption of this "hold-up and hold-back" measure is attested to by the tumultuous testimony of the great majority of our American citizens and families who are increasingly being priced out of the marketplace, out of their living quarters, out of the basic nutritional necessities of life and out of their pocketbooks through the unconscionable cost increases and raging inflation which has unfortunately fallen upon them ever since the White House, inequitably and injudiciously, terminated the reasonably effective mandatory restrictions of phase II last January 11. The result of the administration's establishment of a "voluntary" phase III system has been the visitation of near disaster upon our economy which is only too vividly demonstrated by executive agency figures themselves.

Mr. Chairman, the very recent U.S. Labor Department statistics reveal that wholesale prices rose 2.2 percent during March, the biggest increase in 22 years and food prices climbed a record 4.6 percent. According to our knowledgeable economists, these tremendous increases in wholesale prices make it virtually inevitable that retail prices will persist in their continuing upward spiral for at least the next several months. The 2.2-percent wholesale price rise during this past month adds up to a projected annual rate of 26.4 percent, clearly indicating that a year from now prices will be further advanced by 26.4 percent if the March increase rate continues to prevail unchecked.

Mr. Chairman, these distressing and threatening mathematical facts leave no alternative, in the national interest, other than speedy and sensible action to empower and direct the President to halt the still rising living costs and restrain the inflationary scourge that bedevils us. There should be no reluctance on the part of the administration to join in the accomplishment of this common objective, because it would otherwise definitely appear that the administration's pledged goal of reducing the inflationary rate at the consumer's level to 2.5 percent by the end of 1973 would be impossible of achievement.

Mr. Chairman, no matter what, under normal conditions, our feelings may be about the imposition of controls or the precise manner in which we may feel they should be applied, let me suggest and recommend that, in the face of all the most dismal and abnormal economic developments that presently surround us, this is no time to indulge in any partisan namecalling or blameplacing by the Congress or the administration. Rather, let us, each and all, conscientiously concentrate our attention and our diligence upon the *absolute urgency of* stopping the destructive plague of persistently rising inflation that is actually threatening to suffocate our entire economic system and that is actually thrusting intolerable financial hardships and suffering upon the poor, the aged, and the low- and moderate-income workers and families throughout this country. To preserve our national integrity it is imperative that cooperative legislative and administrative action be quickly taken to equitably return the costs of the necessities of modern American life to a level that is within the reasonable reach of the ordinary individual and family unit in this Nation.

Mr. Chairman, let us, therefore, unite the effectiveness of separate governmental powers and resources in approving and applying whatever measures are necessary for whatever time may be required to return our collapsing economic system to its traditional operating realm of right reason and just standards in order to restore the confidence of the American people in the ability of the executive and legislative branches of this Government to work together in service to the common good. Any other course would represent a disastrous retreat from our separate responsibilities and joint duty to our constituents and our country.

Mr. REID. Mr. Chairman, I wish to state for the record that I am reluctantly supporting a simple extension of wage and price control authority for 1 year.

In view of the President's obvious unwillingness to promulgate effective controls under phase III, I believe that Congress should mandate such controls legislatively, taking away the President's discretion to be irresponsible. We simply cannot afford, as a nation, the skyrocketing inflation which has struck since the President terminated phase II last January 11.

If the President permits this inflation to continue as it has in the past 3 months, countless numbers of Americans will literally be unable to purchase adequate food, shelter, and clothing, to say nothing of other less essential items.

In spite of this crisis which the President refuses to address, it seems clear that a majority of the House today, for whatever reasons, will not approve any system of mandatory controls.

Faced with the choice of voting either for or against a single 1-year extension of the President's authority, I am compelled to vote for it. Without such an extension, we are left with no wage-price program whatsoever. As poor as the President's record is on controlling inflation, it is still better that he have the legal authority to do so than that such authority expire on April 30.

Mr. Chairman, I voted "yea" on the previous question, and I would vote "nay" on the 1-year extension if there were any better alternative. Let me also say for the record that I was prepared to offer an amendment to the rent control provisions in the committee's bill had that bill prevailed, the effect of which would have been to insure that Federal rent controls would apply to noncontrolled rental units in local jurisdictions having local rent control laws. This would have prevented exorbitant rent increases on rental units becoming exempt from local controls, such as under the New York State vacancy decontrol law. Some 144,000 units in New York City have been decontrolled since this law took effect nearly 2 years ago.

Let me conclude by saying that it will behoove the President to make effective use of the authority which we are providing him for another year. The American people deserve equity in phase III, and thus far they have not received it.

Mr. BADILLO. Mr. Chairman, the real issue involved in this debate and the forthcoming votes is whether Congress and the administration are going to establish economic policies that will deal effectively with inflation and provide a stability that has been lacking for too long.

In my judgment, the bill brought to us by the Banking and Currency Committee is not perfect, but it is a necessary measure and at least offers some hope of getting our economy under control. The Republican substitute, on the other hand, offers absolutely nothing. It asks Congress and the American people to accept on faith the promise that the Nixon administration will somehow restore order and sanity to the economy, but it establishes no guidelines or standards and it has no accountability whatsoever.

For those who insist that we need only give the President broad discretionary authority to deal with economic problems, we need only point to how such authority has been used in recent years. The Credit Control Act of 1969 has never been used. The Economic Stabilization Act of 1970 was not used for a full year after its enactment. Even then, the 90-day freeze ordered by the President excluded interest rates and basic commodities. When the freeze was lifted, it was succeeded by the so-called phase II program during which prices were allowed to rise under a system of controls. Then, starting with January 15 of this year, we had the disaster of phase III, in which the entire economy was decontrolled and inflation ran rampant. Call it ineptitude, insensitivity, or what you will, phase III gave this country the most alarming surge in prices, rents, and interest rates since the early days of the Korean conflict

It is abundantly clear that this administration, given only discretionary authority, will not act decisively or effectively to control inflation. In view of this, and despite the fact that mandatory controls are bound to create some dislocations, it remains for Congress to enact controls as a matter of law. The meat boycott of March 29 was the outward manifestation of the deepseated frustration and despair of American consumers who feel, and justly so, that their Government has ignored their basic interests and concerns.

H.R. 6168 is a proper response to those concerns. It rolls back rents to levels prevailing on January 10, and provides that rents may not increase unless there has been an increase in State or local taxes, a capital improvement during the period of occupancy, and increases in the costs of services and materials.

It places a ceiling on all prices and interest rates at the levels prevailing on January 10, and requires the President to roll back prices and interest rates below that ceiling within 60 days.

The bill also requires the President to establish a mandatory control program over all elements of the economy whenever the annual rate of inflation exceeds 3 percent for 3 consecutive months, or 2.5 percent for 12 consecutive months. Another important feature is the provision establishing an Office of Consumer Counselor to represent consumer interests. The provision empowering the General Accounting Office to review implementation of the legislation assures effective and timely congressional oversight.

I think it was unfortunate that during committee consideration of this bill a section was deleted which would have required public disclosure of information submitted to the Cost of Living Council. I offered such a provision to the economic stabilization legislation we dealt with in 1971, because it was necessary to assure adequate oversight of the program and public confidence in its fairness. Unfortunately, that provision was not adopted.

I am pleased, however, with two sections of the bill which deal with disclosure. Section 204(2)(b) provides that—

> The public shall have access to all data and other information which is the basis for or is used in any manner to formulate any standards issued by the President under this section.

And section 208 authorizes the General Accounting Office to have access to all reports submitted pursuant to the act, and to transmit information to the Congress. While the bill clearly could go further and be more specific with respect to disclosure, these provisions should prove useful.

I urge support of the committee bill.

Mrs. GRASSO. Mr. Chairman, the simple extention of wage and price control authority for 1 year was the single, sad alternative remaining after strengthening amendments, which I supported, were defeated by the House. The bill is inadequate. Yet, it provided the only viable vehicle for some semblance of price control and a brake on unbridled inflation that has so severely depressed the purchasing power of the American people.

Clearly, phase III has been a disaster for the American consumer. Before our very eyes, salaries are devoured by uncontrolled price increases. For those who live on fixed incomes, such as many of our elderly citizens, a trip to the market place wipes out a major portion of the check on which a month's living depends.

While the President earlier refused to use congressionally imbued authority to establish needed controls, the Congress yesterday refused to avail itself of the opportunity to establish a reasonable framework of economic controls to end the continuing spiral of inflationary price increases. The failure shared now by two branches of Government to exercise responsibility means that the citizens of our Nation will continue to be the unwilling prey of inflation which has now become the American way of life. The victims of this failure are clearly the people.

Mr. DORN. Mr. Chairman, every thinking American is opposed to inflation. Inflation is as dangerous to a nation and its economy as the worst kind of depression and we must be sure today that we do not compound this situation by adding scarcity, unemployment and higher prices. To roll back prices to the January level would be disastrous to the cattlefarmer, and eventually to the consumer. It would bankrupt the little cattleman in the Southeast and West, and also the lender who loaned him the money to feed his cattle during the hard winter.

The average cattleman, in my area, is a small cattle producer with a herd of maybe 10 to 50 head of cattle and there is no doubt in my mind that this legislation would put him out of business. In fact, the feeder cattlemen across the Nation alone would lose $750 million.

Feeder cattlemen, pork, and other meat producers need to be encouraged to stay in business so that they can supply the ever increasing demand. This legislation will lead to scarcity, high prices, which soon would develop into complete price controls and a black market, a black market in meat would undermine not only the farmer, but have such an adverse effect as to undermine the moral fiber of the Nation. Housewives would be helpless and denied choice meat while those able to buy could purchase under the table and through the back door. It would cause inferior meat to be imported and dumped on the American market, thus destroying our high standards and inspection processes—which is the greatest protection the consumer has ever known.

I have seen the black market in England, Europe, and other areas of the world. You could get English horsemeat on Main Street and American steak in back alleys at fabulous prices. This crooked and corrupt practice reflected on the moral character of the people. I never want to see this happen in the United States.

If our meat producers are not hamstrung, they will rise to the occasion and produce which will bring down prices; to roll back prices to the January level would not only be a serious blow to the meat producers, but also, Mr. Chairman, to the textile and timber industries. In the South and West, we were led to put our eroded hills in grass and pine trees, thus accomplishing one of the greatest environmental achievements in modern times. The cattle business in the South is a new industry in its infancy. This proposed legislation would destroy, or retard, this growing industry so essential to the future demand of urban America. Tree farmers have invested years in growing timber and pulpwood and for the first time he is now beginning to get a fair price for his products.

To roll back prices to the January level would be a serious blow to the textile industry and its employees, particularly the small operations with contracts signed a year ago to deliver goods now. The textile industry has already suffered and been hard hit by cheap foreign imports.

Forestry, cattle farming, and textiles, are the backbone of our economy in the Southeast. We must sustain this progress and growth in an area once listed as depressed when many of its people migrated to the overcrowed cities.

This legislation would be a calamity. So, Mr. Chairman, under the circumstances, I urge the House to adopt a simple 1-year extension of the present program which would give the farmer and the textile industry a chance to readjust, produce more, and bring prices down.

Mr. LONG of Maryland. Mr. Chairman, the legislation being debated would impose wage, price, and rent controls on the literally billions of economic transactions taking place every day. With these controls, the Federal Government hopes to slow down inflation. Yet—let us face it—the Federal Government is the chief cause of the current inflation.

Quite aside from the fact that the Federal Government indirectly causes inflation by its spending policies; quite aside from the fact that the last two devaluations—which greatly raised import prices—were a result of scores of billions of dollars of foreign aid giveaways and our tax breaks for U.S. capital invested overseas; the Federal Government directly causes high prices all the while it claims to want to halt inflation.

Present jumps in food prices have their roots in agricultural policies of crop years past. In fiscal 1971, during the phase 1 and 2 periods, the Federal Government paid farmers $3.14 billion not to grow food. An additional $54 million went to potential growers of a single crop—sugar beets—to block production of sugar. The Government withheld 37.2 million farm acres from production. By fiscal 1972, the figure had jumped to 61.2 million acres. Yet in that same fiscal year, the United States sold $1.2 billion worth of grain to the Soviet Union—that same fiscal year in which wheat acreage "retired" was at an all-time high. Little wonder that the high cost of food is with us today, considering that the cattle we are now eating had to spend several years feeding off price-supported grain in artificially limited supply.

Direct price supports have a more obvious impact on consumers' costs. The Federal Government now artificially boosts prices for cotton, wheat, corn, milk, tobacco, rice, grain sorghum, soybeans, peanuts, oats, barley, dry beans, rye, honey, corn, and wheat products, and rolled oats. This program is not new. It has been contributing to inflationary pressure for years.

The United States participates in international agreements jacking up the world prices of cotton, coffee, sugar, and wheat. This boost, too, is passed on to the consumer.

American import quotas unnaturally reduce the supply of foodstuffs coming into this country. We still have quotas on cattle, fish, butter, milk, cheeses, potatoes, cotton, peanuts, wheat, ice cream, animal feeds, wheat products, and sugar. Simple economics shows that this sort of restriction can only act to increase prices.

The Federal program of stockpiling items from aluminum to zinc—including billions of dollars worth of foodstuffs—has added fuel to the fires of inflation. Each time the Federal Government makes a purchase for its stockpile, it reduces supply, which means higher prices for the remaining goods. An inventory of some critical materials is certainly necessary to national defense, but as the President's action today in selling off our stockpiles has shown, the Government did not need most of what it bought.

Mr. Speaker, we cannot expect spending cuts, spending ceilings, tight money, high interest rates, or any combination of freezes and phases to work unless the Federal Government stops boosting price in the face of deep-seated inflation. A noted economist recently observed:

> Much of the departure from a freely functioning competitive economy—in which monetary and fiscal measures would work more effectively than they have—results from the government itself. Frequently, government statutes and regulations have given rise to the problem that faces us.
>
> We need to examine afresh all of the governmental legislation, rules and regulations which interfere with competition, unduly raise prices, or otherwise give the economy an inflationary bias. (Murray L. Weidenbaum, *Review of Economics and Statistics*, August 1972).

The truth is, the Federal Government is acting like an individual who keeps taking pep pills to stimulate himself at the same time he takes tranquilizers to calm himself. Commonsense would argue that if he stopped taking the pep pills, he wouldn't need the tranquilizers.

I propose, Mr. Speaker, that if the Federal Government got out of the business of pushing prices up, it would not need an expensive, almost unworkable system of price-wage-rent controls.

Mr. SHOUP. Mr. Chairman, to rollback beef prices would force undue hardship on the cattlemen of America—hardship that would put many out of business.

The cattleman for too long has suffered from geometric price increases while the market money he receives for his product remained relatively stable. The cost of doing business has gotten to the point that he has saturated his credit limits. Only now is he reaching the point where he can see the light at the end of the tunnel. His hopes of making a reasonable profit and eliminating prolonged indebtedness must endure.

I will not elaborate on the statistics of beef prices, but when medical care has risen 140 percent, public transportation costs have climbed 167 percent, rent has gone up 67 percent and disposable personal income has jumped 275 percent in a period stretching from 1951–72; a mere 12-percent increase in cattle prices is trivial to say the least. For example, if beef had increased as much as a postage stamp since 1950, then it would sell for $2 per pound and if it would have gone up as much as the cost of having a baby has, it would be selling for $3.11 per pound.

As you can see, beef has been an extremely reasonable commodity on the American market and it still is. Cattlemen are not making a fortune from the sale of their cows, but are just now starting to make a decent living. They would go bankrupt if forced to dump their cattle on the market as a result of a rollback just to meet operating expenses. The result may be lower beef prices in the short-run for consumers, but rationing is a distinct possibility in the not-too-distant future.

It is also worth pointing out that the cattle industry is not an assembly-line operation. Ranchers cannot increase or decrease production on a daily or weekly basis to meet demands as can General Motors. They plan years in advance for yearly production. Anyone who believes mother nature can increase the calf quota on Tuesday because there was a meat shortage on Monday, needs a tutoring session from the birds and bees. It takes years to increase the size of cattle herds and I might add with many long and back-breaking hours and with large outputs of capital, of which currently a great portion is borrowed.

The only rollback which seems worth considering is one in which all prices and wages were decreased proportionately to that of beef. Why unload the burden of inflation on just the farmer when it is the concern of all of us? Proponents of a beef price rollback would argue inflation controls must begin somewhere, but it is totally unacceptable to punish those who have been tortured most by increased prices.

It is a well-known fact that agriculture is the heart of America's greatness. Why force the cattlemen, a main ventricle of rural America, out of business? I am confident you will not cause this main artery of our society to collapse by voting for a rollback in beef prices.

Thank you, Mr. Chairman.

Mr. GONZALEZ. Mr. Chairman, this is the only opportunity we are going to have to vote in favor of not abdicating totally to the executive, or to vote hastily and compound the executive errors through congressional folly. This reflects a simple extension of 60 days on our part, but it retains control of the policymaking function of the Congress. It directs the President to do that which he has assumed, and that is to carry out the law and the policy formulated by the Congress.

Nobody debates the fact—even the

minority report reflects this—that the controls by the President have been a total failure. Now we are saying by trying to substitute hasty legislation that we want to take a hand in the total failure.

This amendment merely provides that we extend the Act until June 30, in the meanwhile advising the President to come forth with a specific plan on a specific basis, as recited here in this amendment, by May 15. At that time we will review it. We still hold and keep to ourselves our constitutional responsibility.

The CHAIRMAN. There being no further request for time, the Clerk will read.

The Clerk read as follows:

H.R. 6168

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENTS TO THE ECONOMIC STABILIZATION ACT OF 1970

SECTION 1. The Economic Stabilization Act of 1970 is amended by redesignating sections 204 through 220 as sections 209 through 224, respectively, and by inserting immediately after section 203 the following new sections:

"§ 204. Freeze of prices and interest rates

"(a) Notwithstanding any other provision of this Act, all prices and interest rates are hereby frozen at levels no higher than those prevailing on March 16, 1973. The President may, by written order stating in full the considerations for his action, make adjustments with respect to prices and interest rates in order to correct gross inequities.

"(b) Immediately, but not later than sixty days after the date of enactment of this section, the President shall, by written order stating in full the considerations for his action, roll back prices and interest rates to levels lower than those prevailing on March 16, 1973, in order to reduce inflation and otherwise carry out the purposes of this Act. The President may make specific exemptions from the rollback by written order stating in full the considerations for his action determining that such rollback is unnecessary.

"(c) (1) Whenever the Consumer Price Index (all items—United States city average) as compiled by the Bureau of Labor Statistics, United States Department of Labor, for a calendar month exceeds—

"(A) an annual rate of 3 per centum for any three consecutive months (the first such month of which begins after the sixtieth day after the date of enactment of this section), or

"(B) an annual rate of 2.5 per centum for any twelve consecutive months (the first such month of which begins after the close of December 31, 1972), then within thirty calendar days the President is authorized and directed to issue orders and regulations to establish a mandatory program to—

"(i) stabilize prices, wages, and salaries at levels not less than those prevailing on May 25, 1970, in order to reduce inflation; and

"(ii) stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth.

"(2) (A) Notwithstanding any other provision of this Act, no order or regulation may be issued under this subsection unless it is made on the record after opportunity for a hearing.

"(B) Notwithstanding any other provision of this Act, the public shall have access to all data and other information which is the basis for or is used in any manner to formulate any standards issued by the President under this section.

"§ 205. Stabilization of rents

"(a) Notwithstanding any other provision of this Act, the President is authorized and directed to stabilize rents at levels prevailing on January 10, 1973. Thereafter, the President shall only allow rents to increase by the actual amount of any increase in any tax, fee, or service charge levied by a State or local government and any necessary capital improvement after the beginning of the preceding period of occupancy (and not previously charged to any lessee) and allocable to that residence, and any reasonable increased costs of services and materials.

"(b) The President may roll back rents to levels lower than those prevailing on January 10, 1973, to carry out the purposes of this Act.

"§ 206. Regulation of credit for commodity futures trading

"For the purpose of preventing the excessive speculation in and the excessive use of credit for the creation, carrying, or trading in commodity futures contracts having the effect of inflating consumer prices and industrial costs, the Board of Governors of the Federal Reserve system shall prescribe regulations governing the amount of credit that may be extended or maintained on any such contract. The regulations may define the terms used in this section, may exempt such transactions as the Board may deem unnecessary to regulate in order to carry out the purpose of this section, and may make such differentiations among commodities, transactions, borrowers, and lenders, as the Board may deem appropriate.

"§ 207. Consumer Counselor

"(a) There is established in the legislative branch the Office of Consumer Counselor, which shall be headed by the Consumer Counselor, who shall be appointed for a term of one year by the Temporary Emergency Court of Appeals established by section 216 (b) (1) of this Act. The Consumer Counselor shall be compensated at the rate prescribed for level III of the Executive Schedule.

"(b) The Consumer Counselor may appoint such employees of the Office of the Consumer Counselor at such salaries as are necessary to carry out the provisions of this section.

"(c) Notwithstanding section 210, the Office of the Consumer Counselor, under the direction of the Consumer Counselor, shall have authority to investigate fully, on complaint from a consumer, or otherwise, all official actions of any board, commission, or similar entity charged with the duty to carry out the provisions of this title, and any such board, commission, or similar entity shall promptly upon request make fully available to the Office of the Consumer Counselor all records, information, and testimony relating to any matter which such Office investigates.

"(d) The Consumer Counselor, or his delegate, shall have authority for any purpose related to his official duties, to issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served on any person under this subsection, the Consumer Counselor may apply to the district court for any district in which such person is found for appropriate relief to compel such person to obey such subpena.

"(e) The Consumer Counselor may, as the result of an investigation under subsection (c)—

"(1) intervene by submitting a written statement of his objections and the reasons therefor; or

"(2) require a public hearing and decision on the record as provided in section 556 of title 5 of the United States Code;

in any rulemaking or adjudication or other decision of any board, commission, or similar entity, where the Consumer Counselor determines such intervention or requirement is necessary in order to prevent the making of a rule, the adjudication of a case, or the making of any other decision contrary to law, contrary to the intent of the Congress, contrary to the Constitution, or contrary to the rules of such board, commission, or similar entity.

"(f) If any board, commission, or similar entity makes any rule, adjudication, or other decision notwithstanding the objections of the Consumer Counselor under subsection (e), the Consumer Counselor may apply to the appropriate district court for all appropriate relief to compel such board, commission, or similar entity to act in accordance with law, the intent of the Congress, the Constitution, or the rules of such board, commission, or similar entity.

"(g) The authority conferred upon the Office of Consumer Counselor and upon the Consumer Counselor by this section with respect to any board, commission, or similar entity charged with the duty to carry out the provisions of this title shall also extent to any action of any officer, agency, or entity of the Federal Government which in any manner affects the stabilization of prices, rents, wages, salaries, dividends, or interest.

"(h) The Office of the Consumer Counselor shall take all necessary action to advise consumers of information necessary to make intelligent decisions on the purchase of consumer coods and services and so effect cost-of-living economies.

"§ 208. General Accounting Office

"(a) Notwithstanding any other provision of this Act, the Comptroller General of the United States (hereafter referred to in this section as the 'Comptroller General') shall have authority to review all reports concerning prices, profits, wages, salaries, or interest rates submitted by any person to any officer, department, agency, board, commission, or similar entity established pursuant to authority granted the President by this title.

"(b) The Comptroller General shall promptly inform the Congress whenever the review provided for in subsection (a) reveals that any person has taken or is about to take action which departs substantially from the standards for prices, profits, wages, salaries, or interest rates established under the authority of this title. Neither section 210 of this Act, nor section 1905 of title 18, United States Code, shall in any way limit the information which the Comptroller General may transmit under this section to the Congress."

PUBLIC DISCLOSURE

SEC. 2. Section 210 of the Economic Stabilization Act of 1970, as redesignated by section 1 of this Act, is amended—

(1) by striking out "All" and inserting in lieu thereof "(a) Except as provided in subsection (b), all"; and

(2) by adding at the end thereof the following new subsection:

"(b) (1) (A) Any business enterprise subject to the reporting requirements under section 130.21 (b) of the regulations of the Cost of Living Council in effect on January 11, 1973, shall make public any report (except for matter excluded in accordance with paragraph (2)) so required which covers a period during which that business enterprise charges a price for a substantial product which exceeds by more than 1.5 per centum the price lawfully in effect for such product on January 10, 1973, or on the date twelve months preceding the end of such period, whichever is later. As used in this subsection, the term 'substantial product' means any single product or service which accounted for 5 per centum or more of the gross sales or revenues of a business enterprise in its most recent full fiscal year.

"(B) Any person who raises any interest rate shall make public a report justifying any such raise.

"(2) A business enterprise may exclude

from any report made public pursuant to paragraph (1)(A) any information or data reported to the Cost of Living Council, proprietary in nature, which concerns or relates to the amount or sources of its income, profits, losses, costs, or expenditures but may not exclude from such report, data, or information so reported which concerns or relates to its prices for goods and services.

"(3) Immediately upon enactment of this subsection, the President or his delegate shall issue regulations defining for the purpose of this subsection what information or data are proprietary in nature and therefore excludable under paragraph (2), except that such regulations may not define as excludable any information or data which cannot currently be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a substantial product as defined in paragraph (1)."

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that section 1 be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. WIDNALL. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. WIDNALL: Strike out all after the enacting clause and insert in lieu thereof the following:

That section 218 of the Economic Stabilization Act of 1970 (title II of Public Law 92-210; 85 Stat 743) is amended by striking out "April 30, 1973" and "May 1, 1973" and inserting in lieu thereof "April 30, 1974" and "May 1, 1974," respectively.

The CHAIRMAN. The gentleman from New Jersey is recognized for 5 minutes in support of his amendment.

Mr. ANNUNZIO. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Eighty-one Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 89]

Alexander
Andrews, N.C.
Archer
Arends
Ashley
Blatnik
Carney, Ohio
Clark
Conyers
Diggs
Dingell
Dulski
Foley
Giaimo
Gray
Harvey
Hébert
Horton
Jones, Ala.
King
Kuykendall
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Mollohan
Morgan
Passman
Pepper
Perkins
Podell
Quie
Rangel
Regula
Rooney, N.Y.
Rosenthal
Ryan
Sikes
Talcott
Teague, Tex.
Thompson, N.J.
Ullman
Vigorito
Waldie
Whitten
Wiggins
Wilson, Bob
Young, Fla.
Zwach

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 6168, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 385 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. Before the point of order was made the Chair had recognized the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Thank you.

Mr. Chairman, during the general debate I indicated I would offer during the course of action on the bill an amendment in the nature of a substitute that would limit the extension of the bill to 1 year, from April 30, 1973, to April 30, 1974. That is exactly what has been offered at this time.

It is a very simple amendment and is broad in authority. I believe it will be in the best interests of this country if we can just have this simple extension at this time.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. REUSS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. REUSS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. REUSS to the amendment in the nature of a substitute offered by Mr. WIDNALL: At the end of the substitute insert the following new section:

SEC. 2. The Economic Stabilization Act of 1970 is amended by redesignating sections 204 through 220 as sections 205 through 221, respectively, and by inserting immediately after section 203 the following new section:

"CEILING ON PRICES

"SEC. 204. Notwithstanding any other provisions of this Act, a ceiling is imposed on all prices (except agricultural prices at levels no higher at the farm level) than those prevailing on April 16, 1973, except that no price shall be subject to a ceiling at a level lower than any level allowed to prevail for such price under phase II. The President may, by written order stating in full the considerations for his action, make adjustments with respect to prices in order to correct gross inequities."

Mr. REUSS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. REUSS. Mr. Chairman, I make the point or order that the Clerk inadvertently, I believe, misread the amendment in two particulars: The exception for agricultural prices should be "(except agricultural prices at the farm level)", and in line 6 the correct phrase is "inequities" rather than "gross inequities."

The CHAIRMAN. The Clerk will rereport the amendment.

The Clerk read as follows:

Amendment offered by Mr. REUSS to the amendment in the nature of a substitute offered by Mr. WIDNALL: At the end of the substitute insert the following new section:

SEC. 2. The Economic Stabilization Act of 1970 is amended by redesignating sections 204 through 220 as sections 205 through 221, respectively, and by inserting immediately after section 203 the following new sections:

"§ 204. Ceiling on prices

"Notwithstanding any other provisions of this Act, a ceiling is imposed on all prices except agricultural prices at the farm level at levels no higher than those prevailing on April 16, 1973, except that no price shall be subject to a ceiling at a level lower than any level allowed to prevail for such price under phase II. The President may, by written order stating in full the considerations for his action, make adjustments with respect to prices in order to correct gross inequities."

Mr. REUSS. Mr. Chairman, I ask unanimous consent to strike out the word "gross" in the last line of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. GROSS. Mr. Chairman, reserving the right to object, what is it that the gentleman from Wisconsin now wishes to strike from his amendment?

Mr. REUSS. The word "gross" in the last line.

Mr. GROSS. Just to strike "gross"?

The CHAIRMAN. The Clerk will report the unanimous consent request of the gentleman from Wisconsin (Mr. REUSS).

The Clerk read as follows:

The gentleman from Wisconsin, Mr. REUSS, asks unanimous consent to strike the word "gross" in the last line of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. GROSS. Mr. Chairman, further reserving the right to object, would the gentleman from Wisconsin like to substitute "144"?

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Chairman, there is before us the amendment offered by the gentleman from New Jersey (Mr. WIDNALL), in the nature of a substitute, to simply extend the existing phase 3 price and wage stabilization legislation for 1 year.

If the Members think that two devaluations and the monetary crisis abroad is a good record for phase 3; if the Members think that the most horrendous increase in the wholesale price index, 26 percent, at an annualized rate, the most terrific increase in 22 years, is a good record; if the Members think that alarming increases both in cost-push and demand-pull inflation are a good record; then I am sure the Members will want to vote for a pat on the back for phase 3 by supporting it with the so-called Widnall amendment.

If the Members believe, however, as I do, that we are confronted with a serious inflationary crisis, and that in addition to sound monetary and fiscal policy, responding to the crisis requires clear and pervasive direct controls, then I hope Members will vote for the ceiling embodied by my amendment.

This is a very reasonable ceiling. It does not roll back or crank back prices; it has as the ceiling level prices as of today. It exempts, because of technical difficulties, agricultural prices at the farm level, although, of course, it does impose them at the wholesale and retail distributional levels. There is no rollback. The date is today. It has nothing to do with interest rates and rents, or control of dividends or profits. It relates simply to prices, not to wages. I believe it is in the public interest.

Mr. ICHORD. Mr. Chairman, if the gentleman will yield, what would be the duration of the ceiling placed on prices under the gentleman's amendment?

Mr. REUSS. The duration of the ceiling depends entirely on the President, that is to say, any time that he feels that the ceiling is inequitable he may raise it, reject it, or do whatever he wants to do. In any event, it of course can only last a year, that is the outer limit.

Mr. ICHORD. Does the amendment offered by the gentleman from Wisconsin apply to wages?

Mr. REUSS. My amendment does not apply to wages for the reason, as both the administration and representatives of labor testified that under existing law, there is now an effective arrangement restricting wages to something on the order of 5.5 percent a year. To freeze wages would simply be mandating that the increase in the productivity of labor be transferred to excess profits of the corporation. Nobody wants that. But I would point out that the existing wage controls in the 1970 act which we are amending are plenty strong enough to permit whatever action the President might want to take.

Mr. ICHORD. As a matter of history, how about the price of rents?

Mr. REUSS. Rents are likewise within the purview of the existing act. However, as the gentleman knows, they have been very substantially disbanded under phase 3. I believe that an amendment with respect to rents may be offered later on. I wish to keep my amendment simple.

Mr. ICHORD. Further regarding the matter of legislative history, the gentleman has used the term "agricultural prices at the farm level." Is the gentleman using this term in the same sense that the President used it in his order setting a ceiling on meat prices?

Mr. REUSS. Precisely.

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Is the gentleman suggesting that the existing law does not also give the President the authority to do exactly what his legislation does?

Mr. REUSS. No; I am not. Supporters of this amendment deplore the fact that the President has not taken this action. We, therefore, think the Congress has to step in and act.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from New York.

Mr. WOLFF. The gentleman has indicated because of the possible technical difficulties he is not recommending a freeze on agricultural prices at the farm level?

Mr. REUSS. Because of technical difficulties—there are more technical difficulties on the floor here as well—with which the gentleman is thoroughly familiar.

Mr. WOLFF. I do not see how you can propose with grain prices up almost 200 percent in 1 year, we put a ceiling on prices at the retail or wholesale level and the manufacturing level without putting a ceiling as well on agricultural products at the farm level.

Mr. REUSS. That is precisely, of course, what the President did with respect to meat controls, and while grossly inadequate in their coverage, his ceiling has at least prevented further increases in the price of meat to the consumer. This amendment would extend that principle to other food prices, and to all prices.

Mr. SCHERLE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, my colleagues earlier today mentioned the fact that the cattleman and cattle feeder was taking advantage of high prices. Let me draw to the Members' attention a few facts this afternoon. Simply, for those who had beef today, the meat they consumed this noontime was born 2 years ago. The calf that is born on the range today will not come to market until the fall of 1975.

How in the world can anyone hedge on the market that far in advance? I do not know of a single gambler in the United States who would ever go to the tables of Las Vegas with the odds that a farmer faces each year when he goes to the field. There is not one single item that a farmer sells at the marketplace that carries a price tag. He is at the whim and will of the market—supply and demand prevails. A price is not established until it leaves first hands, the hands of the producer.

We all know that the problems created by a surplus or a shortage are simply the result of supply and demand. The system is no different on meat, automobiles, stereo sets, or anything else. The problem we have today is that beef is in short supply. The farmers are not holding back their livestock, because one thing we want to remember is that the farmer is dealing with a perishable product. When that animal is ready for market, it must be sold, because today's cost of grain makes it prohibitive to keep the animal any longer than the profit that the particular producer might realize in feeding that animal.

We should also remember the disastrous weather conditions we had in the Midwest this year. The normal gain for a 700-pound animal up to about 1,000 pounds would normally cost between 25 and 30 cents a pound. The cost this year, because of adverse weather has ranged as high as 60 to 70 cents a pound. With this in mind, there is no way the cattle feeder can absorb the losses or rollbacks contemplated under this piece of legislation. We all know who brought the prices up. It is very simple. The consumer brought the prices up—the very people who established the boycott or the same people who put the prices where they are today. Do not blame the farmer. He is a businessman just like everybody else is. His product went to market. It is in short supply. Everybody wants it, so the price has increased.

Another thing we ought to remember is that people have discovered a protein diet, not only in the United States but all over the world. They recognize meat and especially what it means to the average diet in Argentina, New Zealand, and all the countries that import into the United States, they have discovered that meat is a really wholesome item.

Let me try to reflect with the Members momentarily if I can when the U.S. Department of Agriculture refers to the "average market basket." That average market basket 20 years ago cost the consumer $860. Today the consumer pays $1,300 for that same basket of groceries. However, 15 percent of that increase is in food costs but 85 percent of that increase is in costs chargeable to labor, such as packaging, transportation, retailing, and so forth, and all the other items over and above the cost of the food alone. The average consumer 20 years ago paid 23 percent of his disposable income for food. Today he pays 15.7 percent. In 20 years because of the efficiency of the American farmer there has been a tremendous reduction in food costs. Because of that savings the people of this Nation have had $53 billion to spend for other items such as campers, recreation, TV sets, cars, and other items.

One year ago the farmers of this country made $7,500 a year. That was the average income. The blue collar workers made $10,500 a year, and the white collar workers made $14,500 a year. The agricultural segment of the economy has always been low.

Out of curiosity I called the Defense Department and asked how much an army colonel received in base pay 20 years ago and I was told it was $8,000. That same colonel today is receiving $21,000 base pay.

I tried to find the cost of an average single dwelling unit in the District 1 year ago. The National Association of Home Builders told me last year the cost was $24,700. This year 1973 the same house was worth $34,400, an increase of 23 percent.

I am opposed to the amendment and will support a simple extension of the present act.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the author of this amendment made some reference to productivity. I want to remind the Members that the productivity increase in the agricultural industry has been greater than in any other industry in this country. It has been at the rate of about 14 percent per year. This amendment would prohibit the agricultural industry, which has been the most productive, from getting any increase in price from the increases in productivity hereafter. In fact they would in addition thereto be required to absorb increases in cost from other industries involved in food manufacturing and if Congress sets a ceiling on the retail prices and meanwhile there is an increase in the cost or profit margin at any level between the retailer and the last man on the totem pole, which on food products is the farmer, the farm producer is going to have to absorb those increases in costs. So in effect the amendment would control the price of raw products, or attempt to.

I believe such controls are unworkable anyway and would be self-defeating by discouraging the needed increases in supply. In our system we have rationed products by price except for very brief periods, such as one in World War II where we had a floor, high enough to encourage production and at the same time set the ceiling just above that. Price is our method of rationing products in this country. This amendment attempts to eliminate the present rationing system and not substitute another one for it. For example, a week ago, there was a storm in Iowa and 76,000 head of cattle and 240,000 turkeys died in 1 night. There have been other large losses of this kind in the last 4 or 5 months. Eliminating the use of DES has the effect of reducing supplies. This is not saying DES should or should not have been outlawed but the effect is the same on supplies.

Devaluation also encouraged temporarily some sales overseas. Although imports are 25 times as much as exports in volume, the supply is changed to some extent. Many things affect supply and whenever the supply is reduced, some way or another, there must be a rationing system which results in the end in somebody or everyone cutting down some on consumption. In World War II, we had ration cards and tried to cut everybody an equal amount, but we do not have a system like that and a whole agency to administer it. The only tool to use to ration is price and the amendment does not substitute another tool when price is eliminated. To put a ceiling on price and do away with that method of rationing without substituting something for it would be unworkable.

The system would have to devise tools of its own. For example, if the supply is not great enough to cover demand, and we're to go to the store to buy something not rationed through price, merchants might sell a limited amount to each customer.

In Syracuse, N.Y., in 1946, I saw two women get into a hair-pulling contest, because they were both after the last piece of meat in a store. That was in 1946, and it could happen again. For example, turkey producers raise more than one crop. If there is price control too low, some will simply not raise anymore or start any more poults. When there is too little turkey meat or red meat, the grocer may say, "There are only so many pieces per customer." The family of two would get the same as the family of 10. The family where the wife does not work or the wife who can stand in the line all afternoon, would receive more than where both husband and wife both work and neither can get there in the morning and stand in line.

We have to have some kind of rationing system, but what this amendment attempts to do, is to do away with our present rationing system, which is pricing, and not substitute anything else for it.

I also think such an amendment would cause us to not look sufficiently at the real problems. I know it has been a long time since the Sherman Act, the Clayton Act, the Robinson-Patman Act, and others, but believe me, the very things which existed at that time which resulted in noncompetitive pricing exist in this country today.

We have administrative pricing in a good many of our industries. That is where the real inflation is coming from. There are monopolies, semimonopolies, and mergers; we have so many industries which just add on any cost or any increase in profit margin they want to and charge that amount without fear that competition will undersell them. This is where the real inflation is coming from.

For us to come in here and vote for a bill like this and think that we are really doing something would tend to cause us to just fool ourselves.

The committees of this Congress ought to look at the mergers, anticompetitive practice, and monopolies. The oil companies now own 25 percent, for example, of the coal reserves. They own 50 percent of the nuclear energy capacity or reserves. The top 20 oil companies own 84 percent of the refineries and control the imports of oil, which is supposed to be their competition, because imports are based upon refinery capacity for the previous year. Many other industries do not have effective incentive to produce more and meet competitive prices.

We cannot possibly have any effective action overall against inflation unless we deal with these problems, instead of deluding ourselves into thinking an amendment like this will take care of the problem.

This kind of amendment and bill also results in continuing inequities. Those articles priced too cheaply in camparison to other products are held down and those which are too high can continue. Competition is reduced for articles which are to high and additional production is not encouraged for articles which are too cheap. Adjustments corresponding to changes in world prices could not be made. I have prepared a list which is available to Members showing what has happened to prices of many commodities compared to wages and profits.

The fact of the matter is that, in the 20 years since 1952, the prices received by farmers for their commodities have not kept pace with the price paid by the housewife.

Since 1952, for example, the price received by farmers for beef cattle has increased about 30 percent. But the retail price for both round steak and chuck roast, during the same period, went up more than 63 percent.

In the last 20 years, the price received by farmers for wheat has gone down about 20 percent. During the same time, the retail price of white bread went up nearly 65 percent.

In the last 20 years, the cost of a new automobile has gone up 17 percent. During the same period, the price of a tractor jumped almost 60 percent.

Since 1952, the cost of a semiprivate hospital room has increased 375 percent.

The cost of auto insurance rates has gone up 157 percent.

The price of a movie ticket has jumped 212 percent.

Corporate profits have gone up 168 percent.

In other words, the farmer has lagged behind other sectors of the economy in the last 20 years.

And while food prices have gone up, they have risen at a more modest rate than most other items.

In order to put the food price controversy in its proper perspective, I have prepared a table showing the rate of increase—or decrease—for certain items from 1952 until 1972.

The table follows:

[In percent]

Item	Increase over 1952	
	1962	1972
Overall cost of living	13.8	57.6
U.S. per capita income before taxes	36.6	158.2
U.S. per capita income after taxes	36.0	150.8
Corporate profits, after taxes	59.2	168.4
Price of common stocks	154.6	345.7
Wages, private selected, nonagricultural industries	41.6	124.0
Welfare payments, family of 4 in Detroit[1]	30.5	111.1
Price paid by farmers for tractors	21.4	59.8
Price paid by farmers for all motor vehicles	20.8	76.4
Price paid by farmers for all types machinery, except tractors	22.1	98.5
Meat:		
Price received by farmer for beef	−12.4	30.7
Retail price for round steak	19.2	63.2
Retail price for chuck roast	19.4	63.5
Price received by farmer for hogs	−8.3	45.0
Retail price for pork chops	9.7	53.3
Grain:		
Price received by farmer for corn	−26.3	−15.1
Price received by farmer for wheat	−2.4	−20.1
Retail price for white bread	28.4	64.7
Retail food prices (average)	5.6	41.2
Furniture and bedding	1.0	31.6
Floor coverings	10.4	19.7
Apparel and upkeep	6.6	43.3
Women's shoes	31.5	90.5
Drycleaning	19.9	67.8
Transportation costs	19.7	55.1
New cars	9.7	17.0
Auto insurance rates	41.7	156.9
General physician office calls	35.1	127.7
Semiprivate hospital room daily rate	78.4	375.1
Movie admissions	57.1	211.7
Cigarettes	28.2	114.6
Beer	9.5	32.3
Buying and renting of housing	16.5	64.2

[1] Increases based on 1955 and 1961, as compared to 1972.

Mr. Chairman, I urge rejection of the pending amendment.

Mrs. SULLIVAN. Mr. Chairman, I rise in opposition to the Reuss amendment.

Mr. Chairman, the biggest complaint today is about the constant increase in the price of food, which is something felt by all individuals in this country, and is the most important failure of the stabilization program.

The constantly rising prices in food are hurting those on fixed incomes and the poor far more than anything else, and placing ceilings on food is more necessary than on automobiles, stoves, refrigerators, or clothing. Our purpose in placing controls over agricultural prices in H.R. 6168, as written, was to give a mandate to the President that inflation must stop and all products must be controlled across the board.

Why write into the law an exemption for agricultural prices? The President himself exempted them. Why should we ratify that action of his by writing such an exemption into the law?

I would rather let the law stand as it is right now and let the onus of the food price failure stay right where it belongs, at the White House, rather than have the House bail out the President's mistaken policy by writing an exemption for agricultural prices into the law.

Mr. ANNUNZIO. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I appreciate the gentlewoman yielding to me.

I want to associate myself with the remarks of the gentlewoman from Missouri. I want to commend her for a very fine statement.

I do not think the Reuss amendment will resolve our problems. Prices are at the highest they have ever been. We are not serving the American people by this action; we are just running away from our responsibilities.

I again associate myself with the gentlewoman from Missouri and will vote against the amendment.

Mr. HANNA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, Members: I was prepared to offer an amendment, but I am long enough a Member of the legislative branch to read the signs, and I do not think any substantive amendment is going to pass this body.

I am just going to give you, the Members, a little prediction about where you will stand after this day on the floor. First, let us talk about the press. The press is going to see our actions as a victory for the President. Many of us on both sides of the aisle seem to be very concerned about the balance of power as between ourselves and the President.

Just remember that this day's work will be read out as a great indication that the will of the Congress has the tensile strength of a wet noodle.

If Members believe that is a bad situation, let me give them their position with the public. Their position with the public is something like the third act of Othello.

Here we are in the third phase of an equalization control program. How is it like the third act of Othello?

We have heard a lot of very intelligent, straightforward, I believe factual material here on the floor, but that is not what counts. It is, what is believed?

Do the Members remember Desdemona? Iago said all those bad things about her, none of which were true, but she was just as dead in the third act as if they were true. Because what killed her was what Othello believed. It mattered not what was true.

Now, the people believe that they brought a message to the Congress to say, "Look, please tell somebody down at 1600 Pennyslvania Avenue to do something about prices and rents." They said that very clearly. They said it to me. They said it to other Members. And they believe we can do something about it.

Now, if we do not say something positive in this extension, about prices or rents, then we have told the press we have no effective will. We have lost another battle for power. We have told the people that their belief in us is ill-founded. Their belief will continue that we could have done something about it if we had wanted to. This is the dangerous and operative fact.

All we have to do—and it is not so strenuous—is simply to tell the President to do something that the present act tells him he can do. We can tell him to freeze prices on agriculture. He can do anything he wants with the prices on agriculture, under this bill. We tell him to freeze rents. He can make any adjustments landlords reasonably demand.

Members had better listen to what the people are saying and had better think about what they believe, because lots of times what people believe is operative, and sometimes it is even imperative. Think about the next election.

Members may be in a bad state with the press, but they are going, like Desdemona, be dead in phase II with the public.

Mr. MAYNE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from Wisconsin has made a very important distinction in his amendment, as I understood it, when he proposes a ceiling to be imposed on all prices except agricultural prices at the farm level.

The reason why that is important is that prices at farm level on raw agricultural commodities would be absolutely unworkable. It is completely impractical to try to enforce them. The American people will never tolerate putting a Federal investigator or enforcer on every one of the family farms of America.

That is what is so completely absurd about the committee bill, in that it does impose a rollback on all prices, including prices on the farm. It would deny our livestock producers any chance of recovering their actual costs incurred in buying expensive replacement feeder cattle. But nothing has yet been said about the fact that the committee's rollback is also extremely unfair to the feed grain farmers of this country.

For example, by no stretch of the imagination can our corn farmers be said to be getting high prices for corn at the present time, and they were not on January 10, March 16, or any other time during the life of the Economic Stabilization Act. Last Friday, the prices at central Iowa markets were only $1.29 to $1.36 for No. 2 yellow corn, which is well below parity. Our corn farmers should be able to look forward to corn rising to a reasonably adequate price as heavy demand continues. Corn should be permitted to go up at least another 40 or 50 cents to be an adequate price, but the committee bill voted by 22 out of 23 Democrats on the Banking and Currency Committee would roll the price of corn back to the even lower prices of Jan. 10.

Similarly, oats were only from 79 to 90 cents, and that ought to go up another 20 cents a bushel for anything like an adequate price.

The important thing is that by rolling back prices, as the committee bill provides, we would be breaking faith with our farmers, who have been urged by everybody—not just the executive and legislative branches of Government, but also by consumer organizations, labor unions and everybody else—to expand production of food. They have been told that the way the farmers can contribute to alleviating the problems of consumers is by increasing supplies. The farmers have, therefore, gone out in good faith to increase supplies. They have bought feeder replacement cattle, at very high prices. If farmers who made such investments were now to be limited to the lower prices for fat cattle, which existed at some time in the past, they could not possibly break even with the cattle they have on those feedlots today.

If we in the Congress are stupid enough to pass the committee bill rolling all prices back to January 10, we will be making the farmer lose at least 15 cents a pound on all of the gain he puts on such feeder cattle, and that is a very substantial loss. It is one which our typical family farmer simply cannot endure.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. MAYNE. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, I wonder if the gentleman can tell us what effect the Soviet wheat deal and the feed grain deals have had upon prices.

Mr. MAYNE. Well, I would hope that the expansion of our foreign markets for wheat and feed grain will be recognized as very beneficial not only to American agriculture but to our entire economy. I know that as far as feed grains are concerned, the Soviet sale brought a very substantial price improvement to Iowa farmers for their corn last summer when such improvement was sorely needed. Corn went up about 15 cents a bushel last summer at a time when it is usually going down. The Russian sale also has contributed mightily to the diminution of our unfavorable balance of trade.

Mr. Chairman, if industry and the rest of the economy were doing one-tenth as good a job at selling our products overseas as American agriculture is doing today, we would not be faced with a $6.4 billion deficit in our balance of trade.

I will say to the gentleman from New York (Mr. WOLFF) that the productivity of the American farmer is one of the real strengths which are keeping us going in this country, and we had better not do anything to penalize and handicap the farmer so as to make it impossible for him to produce food at reasonable prices. He has been doing a magnificent job, a much better job than labor, from the standpoint of productivity.

Mr. WOLFF. Mr. Chairman, will the gentleman yield further?

Mr. MAYNE. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, the point that is involved here is the fact that we took a vast quantity of feed grains out of the limited supply available to Americans at a time when we did not have the productivity to sustain it. As a result, we took feed grains away from the American cattleman and gave it over to the Soviets and to China. This according to all segments of the food industry is the basic reason why feed grain prices and wheat prices and meat prices in this country have gone to the point where they have today because we have taken from a limited supply instead of waiting until such time as we built up our productivity through unused acreage.

Mr. MAYNE. Feed grain prices have not gone up in this country. In central Iowa markets Friday, No. 2 yellow corn was only $1.29 to $1.36. I will say to the gentleman that that is a bargain for the buyer and represents a less than adequate return to the producer.

Mr. WOLFF. How about soybeans? According to the New York Times soybean prices have increased from $3.58 per bushel 1 year ago to $6.18 per bushel today. How about wheat? One year ago, before the Russian wheat deal, wheat sold at $1.63, today it is $2.29.

Mr. MAYNE. Soybeans were not in the sale we are talking about to the Soviet Union. They are not a feed grain.

Mr. O'NEILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I spoke earlier in the day when there were fewer Members on the floor.

This entire bill has been extremely interesting. There are those on our side who have said, "The monkey is on the back of the President. Why do we not just leave it there. He has woven an economic web that has become difficult to entangle. Let him just stay in that web, get himself out of it alone."

Mr. Chairman, I do not think that is the right attitude. There are those who say we ought to go back to January of 1972; there are those who say we ought to back to January of 1973; and then there are those who say we ought to go back to March 15, 1973:

Well, it is obvious to me as I read the will of this Congress that Members do not want to go back to any of these dates.

Mr. Chairman, the amendment offered by the gentleman from Wisconsin (Mr. Reuss) would freeze prices as of today. Now, what is wrong with freezing prices as of today?

Mr. Shultz the Secretary, not too long ago, said to the Nation:

> We will continue to experience rising prices. Prices will ascend at a rate of about 2 percent a month, and we can expect this to persist until about September; then in September there will be a leveling off, and finally prices will stabilize.

He anticipates the rate of increase will be something like 4 or 5 percent for the year.

Now, Mr. Chairman, if the administration predicts a continual upward surge until September, why can we not stop it and cut it off right at this particular moment? That is what the amendment calls for. Let us see if we can get this curve-off now, and see if we can get it down below 4 or 5 percent.

Mr. Chairman, I think the amendment offered by the gentleman from Wisconsin (Mr. Reuss) is a fair amendment for both the consumer and the farmer. With a pessimistic forecast of a substantial increase in food prices for the whole year, freezing prices as of today is the surest way to guarantee that consumers are not priced out of the food market.

And if the farmers' costs for fertilizer, feed grain, and other necessary expenditures continue to increase at the current rate, imagine what future increases will accrue to the farmer when workers who build farm machinery and produce fertilizer demand higher wages because of increased food costs. I believe the farmer should get a fair and reasonable return for his labors, but inflated costs for farm machinery, feed, and fertilizer hurt his family just as much as high food prices hurt urban families.

So I cannot fathom how any Member from the city or from the farm area can be opposed to the amendment offered by Mr. Reuss. All regions of this Nation must work together to curb inflation.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that all debate on the Widnall amendment and all amendments thereto close in 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, do you want to make it 30 minutes?

Mr. PICKLE. Mr. Chairman, reserving the right to object, is it the intention of the gentleman from Texas to preclude the offering of other amendments relating to this?

Mr. PATMAN. No. All amendments within 40 minutes and all amendments thereto, for debate only.

Mr. PICKLE. Are you saying, then, if you have an amendment prepared it has to be offered within that time?

Mr. PATMAN. Yes.

Mr. PICKLE. Mr. Chairman, I object.

Mr. PATMAN. Mr. Chairman, I move that all debate be closed in 40 minutes.

The motion was agreed to.

Mr. HANNA. Mr. Chairman, I would not seek to be on the list. I simply rise to move the previous question on Mr. Reuss' amendment, and I do that——

The CHAIRMAN. The Chair will have to inform the gentleman the previous question is not in order in the Committee of the Whole.

The Chair was going to suggest that those who seek to speak on the Reuss amendment to the Widnall amendment in the nature of a substitute seek recognition first so that we may dispose of that amendment and proceed to other amendments.

Mr. HANNA. Let me just put this in the framework of a question to the Chair:

Is it not true that if we could now vote on the amendment offered by the gentleman from Wisconsin (Mr. Reuss) to the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. Widnall) that this would then give us all of the rest of the time to discuss some of the other amendments that are to be offered?

The CHAIRMAN. The Chair will state that that is exactly correct, and that is the purpose of the Chair.

The question is on the amendment offered by the gentleman from Wisconsin (Mr. Reuss) to the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. Widnall).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. REUSS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 139, noes 263, not voting 31, as follows:

[Roll No. 90]

AYES—139

Adams
Anderson, Calif.
Aspin
Bennett
Bergland
Biester
Blatnik
Boggs
Boland
Brademas
Brasco
Brinkley
Brooks
Burke, Calif.
Burke, Mass.
Burton
Clay
Conte
Corman
Coughlin
Cronin
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Dellums
Dent
Donohue
Downing
Drinan
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flynt
Ford, William D.
Fountain
Fraser
Fulton
Fuqua
Gaydos
Gibbons
Gilman
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gunter
Hanna
Hansen, Wash.
Harrington
Hawkins
Hays
Heckler, Mass.
Hicks
Holifield
Howard
Ichord
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kazen
Kyros
Leggett
Long, La.
Long, Md.
Lujan
McCloskey
McCormack
McDade
McFall
Macdonald
Madden
Mathis, Ga.
Mazzoli
Meeds
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Pepper
Pike
Price, Ill.
Pritchard
Randall
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rostenkowski
Roush
Roybal
Sarbanes
Schroeder
Seiberling
Sikes
Staggers
Stanton, James V.
Stark
Steele
Stokes
Stratton
Stuckey
Studds
Symington
Taylor, N.C.
Tiernan
Van Deerlin
Vanik
Whitehurst
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyman
Yates
Yatron
Young, Ga.
Zablocki

NOES—263

Abdnor
Abzug
Addabbo
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Badillo
Bafalis
Baker
Barrett
Beard
Bell
Bevill
Biaggi
Bingham
Blackburn
Bowen
Bray
Breaux
Breckinridge
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Cotter
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, Wis.
Delaney
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Duncan
du Pont
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fisher
Flowers
Foley
Ford, Gerald R.
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Gettys
Giaimo
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Keating
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Landgrebe
Landrum
Latta
Lehman
Lent
Litton

Lott
McClory
McCollister
McEwen
McKay
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Matsunaga
Mayne
Melcher
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nelsen
Nichols
O'Brien
Parris
Patman
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Railsback
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Roe
Roncallo, N.Y.
Rose
Rosenthal
Rousselot
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Sullivan
Symms
Taylor, Mo.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitten
Widnall
Williams
Winn
Wyatt
Wydler
Wylie
Young, Alaska
Young, S.C.
Young, Tex.
Zion

NOT VOTING—31

Alexander
Ashley
Bolling
Clark
Conyers
Diggs
Dingell
Dulski
Harvey
Hébert
Jones, Ala.
King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Passman
Podell
Rangel
Regula
Rooney, N.Y.
Ryan
Talcott
Teague, Tex.
Vigorito
Waldie
Wiggins
Wilson, Bob
Young, Fla.
Young, Ill.
Zwach

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIR

The CHAIRMAN. The Chair proposes to recognize authors of amendments who were standing in the order of their seniority on the committee and then the Members after that, so that the amendments may be debated.

Mr. ABDNOR. Mr. Chairman, as I have been listening to this debate today over the setting of price ceilings on products, it is very obvious to me that the main concern of my colleagues seems to be over the price of food and its effect on consumers.

I would like to point out to this august body that food never has been as good a buy as it is in America today. I know this is a shocking statement to many persons, but I say the best criterion by which to measure whether food is a good buy or not is by one's wages.

Certainly we have been going through a period of inflation and no one has felt the effect of inflation any more than the farmer.

I heard today a statement that the price of meat never has been higher. What a shame that the price of beef has finally passed the point of what it was 20 years ago. Do you know of any product that sells today for less than it did 20 years ago?

As I said earlier, the best criterion with which to measure the cost of food is by the amount of food one can buy for an hour's work. Today a day's wages will buy over 23 pounds of beef. Back in 1952 that same day's wages bought only 14 pounds.

Sixteen and one-half percent of today's take home pay goes for food—the lowest percentage of any time in history.

Over the past 20 years the farmer has witnessed an 11-percent increase in the price he receives for his produce. But all the costs that the farmer has had to endure have risen much faster than 11 percent. Farm machinery costs over 20 years have risen 100 percent, farm labor costs have gone up 141 percent and taxes have gone up 297 percent. And bear in mind the farmer has to pay costs of living such as clothing, transportation, food and housing as do others. So, in these terms, you can see that food really is cheap.

Now, if we are going to find the culprit for high prices we are going to have to look at the overall picture and what goes into making the cost of food what it is today.

I am not condemning labor for being able to enjoy a substantial wage increase over the last 20 years. But I think when we are talking about trying to hold the price of inflation down, we certainly can not omit labor and the hourly wage.

In the same 20 years of rising costs, it is interesting to note that chain stores in 1952 were paying $1.31 an hour for labor. In 1972, this same chain store paid $3.42 an hour—more than a 150-percent increase. Again, I do not condemn labor for the increase, but I must say that in all fairness, farmers are entitled to an equal return on their investments.

Finally, I would like to point out one other thing—we have got to have a healthy agriculture in this day and age with the demand such as it is for food around the world. One of the underlying causes of today's inflation is America's import-export deficit. Here the farmers are going to play a vital role in helping this country restore its balance of trade. The one product that this country has that the whole world wants is food.

AMENDMENT OFFERED BY MR. ST GERMAIN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. ST GERMAIN. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. St Germain to the amendment in the nature of a substitute offered by Mr. Widnall: at the end of the amendment insert the folllowing:

Sec. 2. Section 207(b) of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting the following in lieu thereof: ": *Provided*, That such agency shall issue no order which has the effect of reducing wages, or salaries in effect, or proposed to be put into effect, in an appropriate employee unit unless such order is made on the record after opportunity for a hearing. Not less than thirty days after issuance of such an order a statement of explanation shall be directed to the affected parties and made available to the public. Such statement shall include a full explanation of the reasons why the existing wage or salary, or proposed wage or salary adjustment, does not meet the requirements of or the standards established by the regulations prescribed by the agency."

The CHAIRMAN. The gentleman from Rhode Island (Mr. St Germain) is recognized in support of his amendment.

(By unanimous consent Mr. Hanley yielded his time to Mr. St Germain.)

Mr. ST GERMAIN. Mr Chairman, the amendment before us was adopted by the full committee without any dissent.

When Mr. Dunlop testified before us. He heads up the Cost of Living Council. I asked him if he did not agree that in instances where an adverse decision were about to be rendered upon a wage contract by the Cost of Living Council, that there should be an opportunity for hearing rather than just a presentation of briefs.

He concurred, and agreed that this would give an opportunity for hearing to those parties who would be aggrieved by an adverse decision as a result of a contract entered into between management and labor. Either party, management or labor, could request this opportunity to be heard. This amendment has nothing to do with the time frame within which a decision would have to be rendered. The 30-day provision refers to the fact that subsequent to the decisions having been made, the reasons for the decision would have to be forwarded to the parties involved.

Mr. Chairman, unless there are questions I yield back the remainder of my time.

Mr. ECKHARDT. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, I believe it is fundamental that the opportunity for a hearing with respect to a negotiated wage agreement be given. It seems to me that any person affected by governmental action should have an opportunity for a hearing and there should be a requirement that the reasons for the action be given by the agency. I have defended exactly the same proposition with respect to business under all the regulatory agency bills I have had anything to do with.

It seems so clear on the face of things that there should be an opportunity to create a body of decision which is uniform and applicable on the basis of reason instead of on the basis of flat that it would be impossible to vote against such an amendment as this without doing a great disservice to the program that is here established.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island (Mr. St Germain) to the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. Widnall).

The question was taken; and on a division (demanded by Mr. St Germain) there were—ayes 91, noes 124.

RECORDED VOTE

Mr. ST GERMAIN. Mr. Chairman, I demand a recorded vote. A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 271, noes 132, not voting 30, as follows:

[Roll No. 91]

AYES—271

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Broyhill, Va.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Chappell
Chisholm
Clancy
Clausen, Don H.
Clay
Cleveland
Cohen
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Dennis
Dent
Diggs
Donohue
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, William D.
Fountain
Fraser
Frenzel
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Griffiths
Gude
Gunter
Haley
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Holtzman
Horton
Howard
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
Long, Md.
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Mann
Maraziti
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price, Ill.
Pritchard
Railsback
Randall
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shoup
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vanik
Wampler
Whalen
White
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOES—132

Abdnor
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Camp
Cederberg
Chamberlain
Clawson, Del
Cochran
Collier
Collins
Conlan
Crane
Daniel, Robert W., Jr.
Daniel, Dan
Davis, Wis.
Denholm
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fisher
Ford, Gerald R.
Forsythe
Frelinghuysen
Frey
Goldwater
Goodling
Gross
Grover
Gubser
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Hébert
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hutchinson
Jarman
Johnson, Colo.
Jones, Tenn.
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lent
Lott
Lujan
McClory
McEwen
Mahon
Mallary
Martin, Nebr.
Martin, N.C.
Mayne
Michel
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Parris
Pettis
Poage
Powell, Ohio
Price, Tex.
Quie
Quillen
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rousselot
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shriver
Shuster
Snyder
Spence
Steed
Steelman
Steiger, Ariz.
Symms
Taylor, Mo.
Teague, Calif.
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Ware
Whitehurst
Whitten
Winn
Young, Alaska
Young, Ill.
Young, S.C.
Zion

NOT VOTING—30

Alexander
Ashley
Bolling
Clark
Conyers
Dingell
Dulski
Green, Pa.
Harvey
Holifield
Jones, Ala.
King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Mosher
Passman
Podell
Rangel
Regula
Rooney, N.Y.
Ryan
Talcott
Vigorito
Waldie
Wiggins
Wilson, Bob
Young, Fla.
Zwach

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

SUBSTITUTE AMENDMENT OFFERED BY MR. GONZALEZ FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. GONZALEZ. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

> Substitute amendment offered by Mr. GONZALEZ for the amendment in the nature of a substitute offered by Mr. WIDNALL: Strike out all after the enacting clause and insert in lieu thereof the following: "That (a) section 218 of the Economic Stabilization Act of 1970 is amended by striking out 'April 30, 1973', and by inserting in lieu thereof 'June 30, 1973', and by striking out 'May 1, 1973' and inserting in lieu thereof 'July 1, 1973'.
>
> "(b) The President is authorized and directed to develop a detailed program to stabilize interest rates, rents, prices, and wages and to transmit such program to Congress on or before May 15, 1973, together with his recommendations for such legislation as he considers necessary to carry out such program."

POINT OF ORDER

Mr. J. WILLIAM STANTON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. J. WILLIAM STANTON. There is a lot of confusion, Mr. Chairman, but the way I understood the amendment, it was an amendment in the form of a substitute and not an amendment to H.R. 2099. I think it should come in order.

The CHAIRMAN. It is the understanding of the Chair that it is an amendment to an amendment in the nature of a substitute, which is thus in order. It is a substitute for an amendment in the nature of a substitute, and this is in order. The Chair overrules the point of order.

Mr. J. WILLIAM STANTON. I thank the Chair.

The CHAIRMAN. The gentleman from Texas (Mr. GONZALEZ) is recognized.

Mr. J. WILLIAM STANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, when this amendment came before the Committee on Banking and Currency it was defeated. Very truthfully, at that time I supported it as the only alternative we had with the parliamentary process we had at that particular time. Since that time and during the hearings on the bill everyone agreed the worst possible thing we could do, regardless of whether we would want the bill or we would not want it was to write a short extension. Both the labor representatives and the National Association of Manufacturers, said the worst thing we could do would be to do something that would only last for 60 days.

Mr. Chairman, I urge defeat of the amendment.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, Secretary Shultz has said in the last week that perhaps the worst thing we could do with economic stabilization is to provide a 60-day extension. This would give us 60 days of uncertainty; it will give us 60 days for the cattle producers to wonder what to do with their herds; it will give us 60 days for our international partners to wonder whether we mean business about changing our international monetary system and extending trade. This will absolutely wreak havoc with the producers and create uncertainty throughout this great country of ours.

If we really think we should have a stabilization program, it has to have more durability than 60 days. There is nothing in the bill we are passing which will prevent the Banking and Currency Committee from going back and writing additional legislation, but to mandate more legislation by putting the Banking Committee in the picture in another 60 days will simply mean the committee will bring in a similar bill to that which we have had before us today.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Texas (Mr. GONZALEZ) for the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. WIDNALL).

RECORDED VOTE

Mr. GONZALEZ. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 151, noes 253, not voting 29, as follows:

[Roll No. 92]

AYES—151

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Armstrong
Aspin
Badillo
Barrett
Bennett
Biaggi
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breaux
Breckinridge
Brooks
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burton
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chisholm
Clay
Corman
Cotter
Cronin
Culver
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Dent
Derwinski
Diggs
Donohue
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Ford, William D.
Fraser
Fulton
Gaydos
Giaimo
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Hanna
Hansen, Wash.
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holtzman
Howard
Johnson, Calif.
Jones, Okla.
Jordan
Karth
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Long, La.
Long, Md.
McCormack
McFall
Macdonald
Madden
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Mezvinsky
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Pickle
Price, Ill.
Rees
Reuss
Riegle
Roberts
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Smith, Iowa
Staggers
Stanton, James V.
Stark
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Van Deerlin
Vanik
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOES—253

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Ashbrook
Bafalis
Baker
Beard
Bell
Bergland
Bevill
Biester
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burlison, Mo.
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Denholm
Dennis
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Fisher
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gettys
Gibbons
Gilman
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lent
Litton
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McKay
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mayne
Melcher
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Natcher
Nelsen
Nichols
Obey
O'Brien
Parris
Perkins
Pettis
Peyser
Pike
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Reid
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rose
Rousselot
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Williams
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, S.C.
Zion

NOT VOTING—29

Alexander
Ashley
Bolling
Clark
Conyers
Dingell
Dulski
Harvey
Holifield
Jones, Ala.
King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Passman
Podell
Rangel
Regula
Rooney, N.Y.
Ryan
Stokes
Talcott
Vigorito
Waldie
Wiggins
Wilson, Bob
Young, Fla.
Zwach

So the substitute amendment for the amendment in the nature of a substitute was rejected.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that, on the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. WIDNALL) and all amendments thereto, the debate close and we vote at 5:45 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SEBELIUS. Mr. Chairman, I object.

AMENDMENTS OFFERED BY MR. WILLIAMS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. WILLIAMS. Mr. Chairman, I have two amendments, and I ask unanimous consent that they be read and considered. I will speak on them separately.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. WILLIAMS to the Amendment in the nature of a substitute offered by Mr. WIDNALL:

SEC. 203. (a) Except as provided by subsection (b) the President or his delegate is authorized and directed to stabilize residential rents at levels prevailing on April 15, 1973. Thereafter, the President shall allow rents to increase by 2.5 per centum thereof with respect to each consecutive twelve-month period beginning at the end of the preceding period of occupancy or April 15, 1973, whichever is the later. In addition, the President shall allow rents to increase by the actual amount of any increase in any tax, fee, or service charge levied by a State or local government and any reasonable capital improvements after the beginning of the preceding period of occupancy (and not previously charged to any lessee) and allocable to that residence, and any reasonable increased costs of services and materials.

"(b) This section shall be applicable only in any incorporated city, town, village or in the unincorporated area of any county upon receipt of a resolution of its governing body adopted for that purpose in accordance with applicable local law and based upon a finding by such governing body, reached as a result of a public hearing held after twenty days' notice, that there exists such a shortage of housing as to require Federal rent stabilization in accordance with subsection (a) in such city, town, village, or unincorporated area in such county."

Section 204 shall be amended as follows:

"There shall be established a Wage Board, to be composed of fifteen members, and Price Commission, to be composed of six commissioners and a chairman, appointed by the President, representative of business, labor and the public, for purposes of administering this Act, to hold the rate of inflation to 2.5 per centum annually.

"Where such boards, commissions and similar entities are composed in part of members who serve on less than a full-time basis, legal authority shall be placed in their chairmen who shall be employees of the United States and who shall act only in accordance with the majority vote of members. Nothing in section 203, 205, 207, 208 or 209 of title 18, United States Code, shall be deemed to apply to any member of any such board, commission, or similar entity who serves on less than a full-time basis because of membership on such boards, commissions or entity.

"The Federal Reserve Board shall be responsible for enforcing controls on any and all interest rates."

The CHAIRMAN. The gentleman from Pennsylvania has requested the Chair to advise him of the amount of time he will have on each amendment. The Chair recognizes him for 45 seconds on his first amendment.

Mr. WILLIAMS. Mr. Chairman, under the present Economic Stabilization Act we leave the discretion entirely to the Executive branch. The first amendment that I am offering says that the President is authorized and directed to stabilize rents at levels prevailing today and would permit only a 2.5 percent annual increase in rents per year after that period of time plus other incidental expenses.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman for 55 additional seconds on his second amendment.

Mr. WILLIAMS. The second amendment simply goes back and uses almost exactly the same language as in the original bill only it mandates that the Wage Board and Price Commission shall be set up to control the rate of inflation. It simply takes the power away from the President.

Mr. Chairman, I urge the adoption of these two amendments and ask that they be voted on separately.

The CHAIRMAN. The question is on the first amendment offered by the gentleman from Pennsylvania to the amendment in the nature of a substitute offered by the gentleman from New Jersey, Mr. Widnall.

The amendment to the amendment in the nature of a substitute was rejected.

The CHAIRMAN. The question is on the second amendment offered by the gentleman from Pennsylvania to the amendment in the nature of a substitute offered by the gentleman from New Jersey, Mr. Widnall.

The amendment to the amendment in the nature of a substitute was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. Pepper).

AMENDMENT OFFERED BY MR. PEPPER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. PEPPER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Pepper to the amendment in the nature of a substitute offered by Mr. Widnall: At the end of the amendment offered by Mr. Widnall, add the following new section 2:

"The President is authorized and directed to stabilize rents at levels prevailing on January 10, 1973. Thereafter, the President shall only allow rents to increase by the actual amount of any increase in any tax, fee, or service charge levied by a State or local government and any reasonable capital improvement after the beginning of the preceding period of occupancy (and not previously charged to any lessee) and allocable to that residence, and any reasonable increased costs of services and materials.

"(b) The President may roll back rents to levels lower than those prevailing on January 10, 1973, to carry out the purposes of this Act."

Mr. PEPPER. Mr. Chairman and members of the Committee, this amendment is exactly the amendment on rent controls that was in the Stephens substitute which appears on page 5 of the Stephens substitute. It simply authorizes and directs the President to stabilize rents at the level prevailing on January 10, 1973, and thereafter the President shall only allow rents to increase by the actual amount of any increase in any tax, fee, or service charge levied by a State or local government, and any reasonable capital improvement after the beginning of the preceding period of occupancy, and not previously charged to any lessee, and allocable to that residence, and any reasonable increased costs of services and materials.

Mr. Chairman, I have had my rent increased twice since January, and most other Members of the House who also rent have had a similar experience. We can afford such increase better than most tenants.

But in my congressional district there have been instances where rent, sometimes on the poor, has been raised as much as 50 percent. My amendment would direct the President to reimpose rent controls as of the level of January 10, with the exception of any increases that may be proper under the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. Pepper) to the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. Widnall).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PEPPER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device;

The vote was taken by electronic device, and there were—ayes 173, noes 225, answered "present" 6, not voting 29, as follows:

[Roll No. 93]

AYES—173

Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Aspin
Badillo
Barrett
Bennett
Bergland
Biester
Bingham
Blatnik
Boland
Brademas
Brasco
Breaux
Brooks
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chappell
Chisholm
Clay
Collier
Corman
Cotter
Coughlin
Daniels, Dominick V.
Danielson
Davis, Ga.
de la Garza
Delaney
Dellums
Dent
Diggs
Donohue
Drinan
Eckhardt
Edwards, Calif.
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flynt
Ford, William D.
Fraser
Frey
Fulton
Gaydos
Giaimo
Gilman
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gubser
Gude
Haley
Hanna
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Hicks
Holifield
Holtzman
Howard
Ichord
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Kyros
Leggett
Lehman
Lent
Long, La.
McCormack
McDade
McKay
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Price, Ill.
Pritchard
Randall
Rees
Reid
Reuss
Riegle
Roberts
Rodino
Roe
Rogers
Rooney, Pa.
Rosenthal
Rostenkowski
Roy
Roybal
St Germain
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Sisk
Snyder
Staggers
Stanton, James V.
Stark
Steed
Steele
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symington
Thompson, N.J.
Tiernan
Van Deerlin
Vanik
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOES—225

Abdnor
Abzug
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bevill
Biaggi
Blackburn
Bowen
Bray
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins
Conable
Conlan
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fisher
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Froehlich
Fuqua
Gettys
Gibbons
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hébert
Heckler, Mass.
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Keating
Kemp
Ketchum
Koch
Kuykendall
Landgrebe
Landrum
Latta
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McEwen
McFall
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
O'Brien
Pettis
Pike
Poage
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Rarick
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Roush
Rousselot
Runnels
Ruppe
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Winn
Wyatt
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, S.C.
Zion

ANSWERED "PRESENT"—6

Conte
Grover
Jones, Okla.
Minshall, Ohio
Railsback
Teague, Calif.

NOT VOTING—29

Alexander
Ashley
Boggs
Bolling
Clark
Conyers
Dingell
Dulski
Eilberg
Harvey
Jones, Ala.
King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Passman
Podell
Rangel
Regula
Rooney, N.Y.
Ryan
Talcott
Vigorito
Waldie
Wiggins
Wilson, Bob
Young, Fla.
Zwach

So the amendment to the amendment in the nature of a substitute was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas (Mr. Sebelius).

Mr. SEBELIUS. Mr. Chairman, I am aware that all Members wish to get this over with. I did intend to offer an amendment. I would like to read it to you:

"ROLLUP OF BOVINE GESTATION

"Sec. —. Notwithstanding any other provision of law, any economic fact, or any principle of animal biology, effective January 10, 1973, all mammals which are members of the genus Bos (ruminant quadrapeds distinguished by a stout body and hollow curved horns standing out laterally from the skull) are authorized and directed to accelerate the gestation period for the production of their progeny by a ratio which bears the same relationship to such gestation period as the number 1 bears to the number 2."

The explanation is that as a response to some currently rampant unenlightened consumerism, this amendment would require cows to produce calves in one-half the time now devoted to such enterprise.

I submit to my colleagues that the Bovine gestation rollup amendment is germane and as a matter of fact is probably more germane than the bill we are considering here today, H.R. 6168 and related amendments.

Now, what we have here is a situation where many of my colleagues in the Congress are attempting to legislate the supply and demand of farm products in behalf of the American consumer; and, I might add, at the expense of the American farmer. The primary focus of this legislative attempt seems to be the so-called high cost of beef.

I am simply going to the source of the problem. This amendment would enable the leadership of the majority party and our urban and consumer-oriented colleagues to get more beef to the marketplace and more meat to the consumer. We have had serious losses in the cattle industry in my congressional district due to one of the worst winters on record. Many calves have perished. This bill would establish a congressional mandate that cows from this point on would "get with the consumer program" and produce calves in one-half of the time now devoted to such enterprise.

Let me point out that if one believes that if prices are too high for any particular product in our urban areas and that in order to solve the problem, all Congress has to do is roll them back; regardless of supply and demand or other economic consideration.

I refer to a case in point where a colleague from New York simply stated in the press that farmers are free to set prices where they wish—that the sky is the limit. I refer again to a case in point where several days ago the Cost of Living Council Director warned cattlemen they had better move their cattle to market or the Government would take appropriate action. I have it on good authority the Cost of Living Council is going to put a ceiling on bad weather to enable the cattleman to move his cattle.

Now if it is germane for my colleagues in this distinguished body to state publicly that boycotting meat will lower the price despite the fact that the boycott can put the cattleman out of business, I think my amendment would have been germane.

If it is germane for my colleagues to claim that "cattle barons" are getting rich off of the consumer when in fact they are experiencing the first reasonable profits in 20 years. I think my amendment would have been germane.

If it is germane for the President to impose a ceiling on meat and endanger our Nation's entire food supply system, back off prices at the farm level, and cause meat shortages, then I think my amendment would have been germane.

If it is germane for the director of the Cost of Living Council to warn cattlemen of Government action if they do not move their cattle to market, despite the fact the cattle are waist deep in mud, I think my amendment would have been germane.

If it is germane for consumer advocates to urge housewives across this Nation to boycott meat in an effort to stop inflation despite the fact that other costs—education, health care, housing, clothing, labor, entertainment—and other consumer goods have increased more than the cost of meat, then I think my amendment would have been germane.

If it is germane for the President, the Congress, the Cost of Living Council, and consumers across this Nation to give the farmer a black eye and single him out for unfair blame and discriminatory treatment, I think my amendment would have been germane.

Since this rollback bill is apparently the "answer" to high food costs that many of my colleagues want to take back to their constituents over the Easter break, let us promptly act. Using this same commonsense approach, we can enable all of us to say we took immediate action to satisfy the demand for meat products in this country. It apparently makes no difference that price rollback legislation will create chaos in the rural economy, cause many individual farmers to declare bankruptcy, and in the long run cause meat shortages. When that occurs, we will have licked the problem. Housewives will not have meat prices to complain about because there will be no meat. It is a matter of will. If the Cost of Living Director states cattlemen can "make a very nice living" with a cutback in cattle prices, despite losses running 200 percent above normal due to adverse weather, it is obviously a matter of will. And, if the executive branch can do this, I think we had better get busy here in the legislative branch.

I might point out I originally thought a good farm bill or making it economically possible for the cattleman to stay in business and increase his production would have answered this food cost and inflation problem. But, after paying close attention to my colleagues during the debate here today, I can see now it is simply a matter of will. That being the case, let us put this distinguished body on record and require cattle to produce calves in one-half of the normal time.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. Abzug).

AMENDMENT OFFERED BY MS. ABZUG TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Ms. ABZUG. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Ms. Abzug to the amendment in the nature of a substitute offered by Mr. Widnall: at the end of the amendment insert the following:

Sec. —. Subsection (h) of section 203 of the Economic Stabilization Act of 1970 is amended to read as follows:

"(h)(1) Notwithstanding any other provision of this Act, the President is authorized and directed to stabilize rents at levels prevailing on January 10, 1973. Thereafter, the President shall only allow rents to increase by the actual amount of any increase in any tax, fee, or service charge levied by a State or local government and any necessary capital improvement after the beginning of the preceding period of occupancy (and not previously charged to any lessee) and allocable to that residence, but no increase permitted under this sentence shall exceed two and one-half per centum in any year for any housing unit.

"(2) The President may roll back rents to levels lower than those prevailing on January 10, 1973, to carry out the purposes of this Act.

"(3) This subsection shall pre-empt the applicability of the provisions of State and local rent control laws with respect to a rental unit only to the extent that such laws operate to permit to be charged for such unit a rent in excess of that permitted by this subsection."

POINT OF ORDER

Mr. FRENZEL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. FRENZEL. I did not hear the amendment completely, Mr. Chairman, but it sounded to me almost exactly like the amendment which the House just voted down. I would make the point of order that we are getting into redundancy.

The CHAIRMAN. The Chair will examine the amendment.

Mr. FRENZEL. It was an amendment offered by the gentleman from Florida (Mr. Pepper), Mr. Chairman.

The CHAIRMAN (Mr. Bolling). The Chair has had an opportunity to examine the amendments in question, and this amendment is different from although similar to the amendment offered by the Gentleman from Florida. Therefore, the Chair overrules the point of order and recognizes the Gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, before somebody moves to abolish the House I thought it might be useful if we got a significant rent control provision, so that we would at least have some place some of us could live in, at a rent we could afford, after abolition.

Like the amendment offered by Mr. Pepper, this amendment would freeze residential rents at the January 10, 1973, levels, and would allow for increases for taxes and necessary capital improvements thereafter, but it would not allow for operating increases and would set an overall ceiling of 2½ percent annually, which is the inflation rate Mr. Nixon has suggested is permissible. Also, it would apply to housing covered by local rent control wherever it would set a lower rent than would the applicable local law.

I believe Members all heard the previous speaker on the subject. Rents have been rising sharply across this country. I do not know whether some of the Members in this House are aware of the fact that of all occupied units in the United States some 37 percent are renter-occupied.

I have seen a lot of votes here today for the less than 1 percent of the U.S. population which raises cattle. I believe it would be very useful indeed if we found it in our hearts, in our legislative efforts and will, to put forth a vote here for the needs that tenants, who represent 37 percent of the American people, have to fight this increase, which is heightened due to the moratorium on federally assisted housing. Vacancy problems have been very serious. There have been increases in major areas throughout the country, in some cases 30 to 60 percent. Among the standard Metropolitan statistical areas whose rent increase rate in the latter half of 1972 exceeded the administration's goal of 2½ percent are Boston, Buffalo, New York, Philadelphia, San Francisco, Washington, Chicago, Detroit, Honolulu, and Atlanta. According to a study recently prepared by the Library of Congress, with the lifting of mandatory rent controls under phase III, "competitive pressures on rents will be especially severe for those groups who can least afford higher rents—namely, the larger, low-income urban family."

Unless economic stabilization strictly controls all prices, rents, profits, and interest rates, allows working people some catch-up pay increases, exempts those who earn less than $3.50 an hour from wage controls, and provides realistic enforcement procedures that will really protect consumers, the major burden will continue to be placed on the wage earner, the middle class and those on fixed incomes. It would be better not to extend the President's stabilization powers at all than to arm him further with the kind of discretionary authority that has allowered prices, rents, and profits to soar.

I urge the adoption of my amendment, and the defeat of the Widnall substitute.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. Abzug) to the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. Widnall).

The question was taken; and on a division—demanded by Ms. Abzug—there were—ayes 114, noes 185.

RECORDED VOTE

Ms. ABZUG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 147, noes 250, answered present 5, not voting 31, as follows:

[Roll No. 94]

AYES—147

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Aspin
Badillo
Barrett
Bennett
Bergland
Biaggi
Bingham
Blatnik
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Collier
Corman
Cotter
Cronin
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Dent
Diggs
Donohue
Drinan
Eckhardt
Edwards, Calif.
Evans, Colo.
Fascell
Fish
Flood
Ford, William D.
Fraser
Gaydos
Giaimo
Gilman
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gubser
Gude
Hansen, Wash.
Harrington
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holifield
Holtzman
Howard
Ichord
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Long, La.
McCormack
McDade
McKay
Macdonald
Madden
Matsunaga
Mazzoli
Melcher
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Hara
O'Neill
Owens
Parris
Patten
Pepper
Perkins
Peyser
Price, Ill.
Randall
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Rooney, Pa.
Rosenthal
Rostenkowski
Roybal
St Germain
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Staggers
Stanton, James V.
Stark
Steele
Stokes
Studds
Sullivan
Symington
Thompson, N.J.
Tiernan
Van Deerlin
Vanik
Wilson, Charles H., Calif.
Wolff
Wright
Yates
Yatron
Young, Ga.

NOES—250

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bevill
Biester
Blackburn
Boland
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins
Conable
Conlan
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Findley
Fisher
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lent
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McEwen
McFall
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Meeds
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Natcher
Nelsen
Nichols
Obey
O'Brien
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Roush
Rousselot
Roy
Runnels
Ruppe
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

ANSWERED PRESENT—5

Conte
Grover
Minshall, Ohio
Railsback
Teague, Calif.

NOT VOTING—31

Alexander
Ashley
Boggs
Bolling
Clark
Conyers
Dingell
Dulski
Eilberg
Hanna
Harvey
Jones, Ala.
King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Passman
Patman
Podell
Rangel
Regula
Rooney, N.Y.
Ruth
Ryan
Talcott
Vigorito
Waldie
Wiggins
Young, Fla.
Zwach

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. PEYSER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. PEYSER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Peyser to the amendment in the nature of a substitute offered by Mr. Widnall: At the end of the amendment insert the following:

Section 1. The Economic Stabilization Act of 1970 is amended by redesignating sections 204 through 220 as sections 206 through 222, respectively, and by inserting immediately after section 203 the following new sections:

"§ 204 Ceiling on prices

"(a) Notwithstanding any other provisions of this Act, a ceiling is imposed on all food prices at levels no higher than those prevailing March 16, 1973. The President may, by written order stating in full the considerations for his actions, make adjustments with respect to prices in order to correct gross inequities.

"(b) Immediately, but not later than sixty days after the date of enactment of this section, the President shall, by written order stating in full the considerations for his action, roll back prices to levels lower than those prevailing on March 16, 1973, in order to reduce inflation and otherwise carry out the purposes of this Act. The President may make specific exemptions from the rollback by written order stating in full the considerations for his action determining that such rollback is unnecessary.

"(c)(1) Whenever the Consumer Price Index (all items—United States city average) as compiled by the Bureau of Labor Statistics, United States Department of Labor, for a calendar month exceeds—

"(A) an annual rate of 3 per centum for any three consecutive months (the first such month of which begins after the sixtieth day after the date of enactment of this section), or

"(B) an annual rate of 2.5 per centum for any twelve consecutive months (the first such month of which begins after the close of February 28, 1973), then within thirty calendar days the President is authorized and directed to issue orders and regulations to establish a mandatory program to stabilize prices, wages, and salaries at levels not less than those prevailing on May 25, 1970, in order to reduce inflation;

"(2)(A) Notwithstanding any other provisions of this Act, no order or regulation may be issued under the subsection unless it is made on the record after opportunity for a hearing.

"(B) Notwithstanding any other provisions of this Act, the public shall have access to all data and other information which is the basis for or is used in any manner to formulate any standards issued by the President under this section.

"§ 205 Stabilization of rents

"(a) Except as provided by subsection (c) and notwithstanding any other provisions of this Act, the President is authorized and directed to stabilize rents at levels prevailing on January 10, 1973. Thereafter, the President shall only allow rents to increase by the actual amount of any increase in any tax, fee, or service charge levied by a State or local government and any reasonable capital improvement after the beginning of the preceding period of occupancy (and not previously charged to any lessee) and allocable to that residence, and any reasonable increased costs of services and materials.

"(b) The President may roll back rents to levels lower than those prevailing on January 10, 1973, to carry out the purposes of this Act.

"(c) Subsections (a) and (b) of this section shall not apply to rents in those State, county, or local jurisdictions where controls on rents are in effect under State, county, or local law and where the President determines that such controls are more stringent than the stabilization and rollback provisions of subsections (a) and (b). In the event that a State, county, or locality institutes controls on rents after this section takes effect, then subsections (a) and (b) shall cease to apply in that jurisdiction if the President determines that such controls are more stringent than the stabilization and rollback provisions of subsections (a) and (b). For the purposes of this section, the term 'State' means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, and the Virgin Islands."

Mr. PEYSER. Mr. Chairman, this is truly a challenge. I have only 100 seconds to speak for all our senior citizens who are living on limited incomes, for our young families who are just getting started, for our middle-income people facing the cost of education for their children and the most of maintaining their homes, and for all people who are struggling to make ends meet.

In the simplest terms, the American people, our constituency can do without many products but they must have food to eat and a place to live. It was said on the floor earlier this afternoon that all amendments were doomed to failure. This has already been disproved. If we can vote to grant labor and management the right to a hearing, certainly we in good conscience must vote to give our people a hearing in the supermarkets and in their homes.

I honestly believe the Members of this Congress are responsive to the needs of the people. If the Congress in its wisdom decides upon what I have suggested, then it will come up with an answer that will truly speak to this frightening national crisis.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I would like to inquire of the gentleman if his amendment applies to raw agricultural prices.

Mr. PEYSER. Yes; this does apply to raw agricultural prices.

Mr. VANIK. I thank the gentleman. I think it is a very good amendment and I hope my colleagues will support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PEYSER) to the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. WIDNALL).

The question was taken; and on a division—demanded by Mr. REUSS—there were—ayes 53, noes 169.

RECORDED VOTE

Mr. JAMES V. STANTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 101, noes 303, not voting 29, as follows:

[Roll No. 95]

AYES—101

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Badillo
Barrett
Bennett
Biaggi
Bingham
Boland
Brademas
Brasco
Brown, Calif.
Burke, Calif.
Burke, Mass.
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Corman
Cotter
Daniels, Dominick V.
Danielson
Delaney
Dellums
Diggs
Donohue
Drinan
Eckhardt
Edwards, Calif.
Fascell
Fish
Flood
Ford, William D.
Fraser
Grasso
Green, Pa.
Griffiths
Gude
Hansen, Wash.
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Howard
Jordan
Karth
Koch
Kyros
Macdonald
Madden
Meeds
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Nedzi
Nix
O'Hara
O'Neill
Patman
Patten
Pepper
Peyser
Pritchard
Rees
Reid
Reuss
Rinaldo
Rodino
Roe
Rooney, Pa.
Rosenthal
Roybal
St Germain
Sarbanes
Schroeder
Seiberling
Snyder
Staggers
Stanton, James V.
Stark
Stokes
Studds
Sullivan
Thompson, N.J.
Tiernan
Van Deerlin
Vanik
Wilson, Charles H., Calif.
Wolff
Wyman
Yates
Yatron
Young, Ga.

NOES—303

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Beard
Bell
Bergland
Bevill
Biester
Blackburn
Blatnik
Boggs
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Findley
Fisher
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Keating
Kemp
Ketchum
Kluczynski
Kuykendall
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Melcher
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Obey
O'Brien
Owens
Parris
Perkins
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—29

Alexander
Ashley
Bolling
Clark
Conyers
Dingell
Dulski
Eilberg
Harvey
Jones, Ala.
King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Passman
Podell
Rangel
Regula
Riegle
Rooney, N.Y.
Ryan
Talcott
Vigorito
Waldie
Whitten
Wiggins
Young, Fla.
Zwach

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, it is my understanding the gentleman from California (Mr. ROUSSELOT) will offer a motion to recommit at the proper time, and under the rules of the House it is his right to do so. I am going to ask for a division vote on that, because I think we ought to have a chance to vote on controls or no controls.

It seems very strange to me today that we have spent 6 or 7 hours of debate, every word of which has been related to whether we should have some kind of controls in phases I, II, or III, or what kind of controls we should extend. We ought to be considering whether we should go ahead with controls or not. I think probably it is better for us to let the economic barometer run its course, as risky and as unpleasant as it might be, than to continue with another year of our present program.

Are we so hooked on controls, whether it is a price- or wage-related matter, that we cannot turn our economy loose in peace time? I think we have reached a point where we ought to let it take its run.

You can vote against the Widnall amendment, which could be considered a vote against the Patman bill, but that might be interpreted as a vote as against the Patman bill.

So, Mr. Chairman, I will ask for a division on the recommittal motion.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, as I have listened to the debate here this afternoon it has occurred to me we ought to set the words to music, and call it "Walking Through an Economic Wonderland." We are indebted to the gentleman from Kansas (Mr. SEBELIUS) for enlivening an otherwise rather dreary debate by reminding us that we cannot legislate the gestation period of a cow but, no more, in the long run, as a matter of fact, can we legislate the level of prices and wages contrary to the thrust and drive of the powerful economic forces, including Government expenditures in excess of income, which in the end will set them.

It has been suggested here that the people think we can prevent inflationary prices, merely by passing a law against them. If it is true that they do think that, since it is not an economic fact and we cannot really do it, I suggest it might be well, since inflation is such a cruel tax, to tell the people the truth.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. ICHORD).

Mr. ICHORD. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, might I ask if there are any amendments still pending?

The CHAIRMAN. The Chair will state that there is an amendment or two at the desk, but the Chair is not clear whether they are going to be offered.

Mr. WYLIE. Then, Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL)

Mr. MICHEL. Mr. Chairman, it is a wonderful thing we are trying to do for the consumer here this afternoon—a truly marvelous thing.

It is not bad enough that retail food prices have shot up in the supermarkets. No, we are going to fix that. We are going to fix it by taking some of that food off of the grocery shelves. I guess if some food items are not there to buy, that ought to stop some of the complaints about high prices.

Now, that is what I call a real service. Whoever dreamed up this idea of a rollback really deserves to be complimented—or something.

You do not think I am serious? You think I am exaggerating? Bluffing? You think maybe I am trying to protect somebody's inflated profits at the housewife's expense?

Well, you are wrong on all counts. You only need two things to prove the validity of what I am saying; a little commonsense, and a copy of this—"Average Prices Received by Farmers, March 15, 1973," published by the U.S. Department of Agriculture.

What is that? You missed what I said? Let me repeat it, then. I said that a price rollback, either to the middle of January or to the middle of March, will mean shortages of some food items at the retail level. In other words, it will mean some bare grocery shelves.

You do not understand how that can be? Let me tell you.

Let us consider a January rollback, for instance, and use turkey as an example. You like turkey? Is it still a bargain, relatively speaking? Well, then, you had better stock up, and here is why.

Two of my constituents, a man and his brother are in the turkey raising business. They raise 30,000 of these birds a year, supplying the retail market with about 450,000 pounds of turkey annually.

They raise them in 3 groups of 10,000 each, and it takes about 18 weeks for each group to grow to marketing weight. They are now about 7 weeks along with their first group this year.

Last year and the year before their feed cost them, per ton, $99.80 and $95.80, respectively, and they received an average market price per pound of 21 cents and 23 cents, respectively.

This year their feed is costing them just about double. That is right, just about double—$195 per ton. And all their other production costs, including the interest on their operating loans, have gone up, too.

In fact, in order just to get their money back on this first group of birds—now listen to this—in order just to break even, without any return for investment and labor, they will have to receive a minimum of 28 cents per pound when they sell those turkeys in 11 weeks. Twenty-eight cents a pound, and if some of these birds, get sick and die, or get killed—which sometimes happens—that 28 cents would not cover their costs.

Now, if you just look at this table—"Average prices received, etc." see that a price rollback to January will present them with a little problem, because the price of turkeys at the farm level on January 15 was 24 cents.

Are you listening? Twenty-four cents. And remember, they will have 28 cents invested in those birds.

So, you say, that is tough. So what? Farming is a gamble, and they knew that when they went into the business. They knew that when they bought those 10,000 turkey poults 7 weeks ago. So, everybody loses once in a while.

Well, I will tell you "so what." If this happens, those brothers are going to cut their losses and forget about turkeys this year. Normally, they would raise two more flocks of 10,000 birds each in 1973, but if a price rollback guarantees them a loss, they would be fools to buy any more poults. And they would not do it.

What does that mean? It means that these brothers will not be supplying the market with the 300,000 pounds of turkeys they would ordinarly raise between now and the end of this year. And other turkey producers all across the country will find themselves in similar circumstances.

So, do not worry about turkey prices. You will not be able to buy any at any price—legally, that is.

Oh, we might have some bootleg turkeys—especially around Thanksgiving. You will be walking down the street watching the pigeons on the sidewalk and thinking vaguely about squab with stuffing if one gets close enough, and this voice will come hissing out of the alley—

> Hey, mister: You interested in a hot turkey?

Sound farfetched? Do not kid yourself.

OK, OK, you say. We have got a compromise. We will just roll back to the middle of March. How is that?

That is just as stupid.

Farmers were getting 28.4 cents for turkeys on March 15. That four-tenths of a cent will barely cover the increased interest these brothers are paying on their operating loans. Sure, that is better than a direct out-of-pocket loss, but it is no incentive to raise any more turkeys. Would you raise them for free? No return on your investment and nothing for your time? Would you?

All right. I have used turkeys as an example. The situation applies as well to other livestock and commodities. A rollback will freeze in out-of-pocket losses to many producers, and create the best doggone disincentive for food production that anybody could dream up if if he spent months working on it.

Well, how about a rollback to March? Surely, farm prices went up between January and March?

Yes, some did. And, some went down. Wheat, rye, corn, oats, barley, sorghum, and dry beans went down. So did grapefruit and temples, and milk and eggs.

But, production costs did not go down. The things that farmers have to buy went up. The official price index of farm costs went up from 458 in January to 472 in March—a record high.

So, what would a March rollback do

for these commodities? The same thing a January rollback would do for turkeys and others—freeze in out-of-pocket losses for many producers and create a disincentive to produce. How long will eggs keep in the refrigerator?

I hope by now I have made my point—that a rollback to any point in time—even to yesterday—will put some food producers in a situation where they will be guaranteed a loss. And if you hold that in effect for a while, it will inevitably mean shortages of some foods, and probably black markets.

So, if we are going to have a rollback, let us at least give a little thought to what foods are preferred by the majority, so that we can plan to have our shortages in other commodities.

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ROUSSELOT. Mr. Chairman, the kind of sweeping controls which we are going to be asked to impose on the American economy, if H.R. 6168 is passed, would necessarily involve limitations on the profits which may be earned by individual people and enterprises. In effect a large portion of American industry will be declared a virtual "public utility" if this bill is enacted. Mr. Allen Nixon, president of the Southern States Industrial Council, has written an excellent analysis of the impact which limitations on profits would have on our free economy. At this time I should like to share with my colleagues the valuable thoughts expressed in Mr. Nixon's statement:

PRICE COMMISSION VERSUS FREE ENTERPRISE

(By Allen Nixon)

NASHVILLE, TENN., January 4, 1973.—When Congress enacted wage and price controls and the administration put them into effect, it was inevitable that economic injustice and downright absurdity would result. The nation's experience with controls during World War II and the Korean War demonstrated that regulation of a free economy leads to a variety of bureaucratic abuses. The regulators' desire for power produces violations of the principles of free enterprise basic to America's prosperity.

A case in point is the Price Commission's "profit margin limitation rule" which threatens to play havoc with the financial stability of countless companies vital to the economic well-being of the communities in which they are based.

Before explaining this rule and how it is being applied, it is worthwhile noting that the real menace of Big Government lies in the rule-making power of the bureaucracy. This capacity of the bureaucracy to create administrative law is a capacity to exercise tyranny over the property of citizens. As a result, when the Congress gave the President power to regulate wages and prices, it prepared the groundwork for a maze of administrative regulations with the force of law—regulations not drafted by members of Congress but by faceless bureaucrats.

Thus it is that companies today must reckon with the "profit margin limitation rule," which, in effect, requires that businessmen devote their best energies to making sure that they don't succeed too well, that the free enterprise system not work to best advantage.

The "profit margin limitation rule" provides that a company's operating profits for 1972 cannot exceed the average of such profits secured during the two best years of the three years ending prior to Aug. 15, 1971 as expressed as a percentage of sales. If a company's profits are in excess of the maximum and if it did not roll back prices before the end of 1972, it must pay triple damages as a penalty. That is, according to the Wall Street Journal, the Price Commission orders the company to reduce prices, or make refunds, equal to three times of either the profit-margin excess or the price overcharges.

This penalty is vicious and vindictive, not to speak of being completely contrary to everything in the free enterprise system. Moreover, it is grossly unfair to what the Price Commission calls Tier III companies, generally those with sales under $50 million a year. These companies, as a rule, don't figure their earnings on a quarterly basis. They usually don't know their percentage of profit until they examine their accounts and take inventory at the end of their fiscal year. But when they do this, they may discover they have violated the "profit margin limitation rule."

The Price Commission, in setting up the averaging procedure, ignores the fact that a company may have had three unprofitable years in a row. Under the administrative rule, however, a company with this experience is restricted to a profit level derived from years of below-normal profitability.

Moreover, the Price Commission ignores the fact that the product mix is a key factor for retailers and wholesalers. In many such businesses, some items produce a good profit while others have very low profitability. A businessman can't tell in advance how much he will sell of the various items. He would need a crystall ball to determine the product mix in advance.

Nevertheless, the penalty can be staggering. A medium-size company, with a profit figure of about 1.5 per cent above the approved level, may be faced with a half million dollar penalty. In short, the "profit margin limitation rule" can be a disaster.

The average small and medium business doesn't have large cash reserves into which it can dip to pay penalties, especially when faced with huge quarterly tax payment demands.

Unless the Price Commission abolishes the "profit margin limitation rule" penalty, it could turn out to be a "business buster." In any case, the businessman, who should be devoting his attention to creating earnings for his stockholders, has to devote much of his time to making sure that the earnings record is not too good. The situation is absurd, fantastic and outrageous!

While the Price Commission works overtime seeing that companies don't enjoy a good margin of profit, the President and various federal agencies keep saying that they want to activate the economy and create healthier economic conditions. But healthier economic conditions mean healthy profits. The higher profits a company earns the better chance there is for wage increases based on productivity, for new hiring, enlargement of trade at home and overseas, and for an improved trickle-down effect in the communities where a company has plants or outlets.

The Price Commission officials don't seem to understand the causes of prosperity or the nature of the trickle-down effect. Their minds seem set on regulating and controlling. *Barron's Financial Weekly* pointed this out in a recent article on the way the government has fouled up the lumber business. The magazine noted that the federal government's action are contradictory. "On the one hand," said the paper, "the federal government, through lavish support of home building and mortgage lending, has pushed housing starts to a record-breaking 2.4 million units. On the other hand, in order to avoid the inflationary consequences, the authorities seek to clamp a lid on such key building materials as lumber and plywood, or, failing that, insist upon their quota of scapegoats."

In the current price situation, the federal government is the real culprit. The government is the single biggest supplier of raw timber. About 22 per cent of the nation's lumber needs are met by the national forests. But while the Price Commission imposes strict controls on the finished products sold by lumber dealers the U.S. Forest Service sells logs to the highest bidder.

Good businessmen, responding to market conditions, attempt to boost sales and reduce operating expenses. But when they are successful in doing that, they run into the danger of federal penalties as a result of the "profit margin limitation rule."

In other words, the government, after encouraging business activity, turns around, through the agency of the Price Commission, and penalizes businessmen who show efficiency and enterprise. This can't be allowed to continue if the government wants to promote the overall growth of the economy.

Businessmen are only doing what energetic, intelligent businessmen are supposed to do—make a good profit for their shareholders. In the current situation, there is no way the businessman can win. If he is inefficient, his company is endangered. If he makes a good profit, he is likely to be faced with a stiff federal penalty because of unreasonable federal rules. Certainly, the federal rules should not be set up in such a way to endanger a competent executive's position with his board and stockholders.

Some bureaucrats, sad to say, most probably delight in trapping the businessman who shows a good profit as a result of efficient operation. In the long run, however, the application of the "profit margin limitation rule" will impose the most drastic penalty not on corporations but on the American people. They will be deprived of the effective working of the free enterprise system which is their greatest economic boon. All this simply underscores the need for scrapping the unwise and unworkable regulatory apparatus.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, during my 9 years in the House of Representatives I have cast many votes, but the "no" vote I am casting today against this legislation is perhaps the strongest that I have cast.

I am voting "no" because this bill in its present form favors those whose interests lies in avoiding any price controls.

A simple extension of the Economic Stabilization Act means that this body is telling the American people that it has absolutely no concern in their economic welfare. In the 3 years that the President has had wage and price controls, he was managed to turn a rather stable economy into an economy that shows the highest food prices in nearly a quarter of a century and an economy that very shortly may find itself without any petroleum or gasoline reserves. Faced with such a record, I find it impossible to vote to give the President another year in which to add to his shameful record.

The Members of this body may well have satisfied the wishes of the lobbyists, but how are they going to answer the complaints of their constituents that food prices are too high. We had an opportunity today to bring food prices down, but we refused to take action. We have turned our backs on the American people, and we have shirked our responsibilities as lawmakers.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. ANNUNZIO. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, before consideration of the amendment offered by Mr. Peyser, the gentleman from New York, I intended to offer the following amendment:

Page 1, immediately after line 7, insert the following new section:

"Sec. 2. Section 203 of the Economic Stabilization Act of 1970 is amended by inserting at the end thereof the following new subsection:

" '(j) Whenever the authority of this title is implemented in any manner, the President shall, by order, stabilize the prices of all raw agricultural products.' "

This amendment would direct the President to order controls on meat and raw agricultural products if he exercised controls.

The escalation of food prices and meat provide the most violent threat to a stable economy. If agricultural prices and meat cannot be controlled—nothing else can be controlled.

If we expect to hold the line on prices of other commodities and labor, we must hold prices across the board. There can be no exceptions.

In my colloquy with Mr. Peyser, he indicated that his amendment would apply to raw agricultural products, which was the thrust of my amendment.

The CHAIRMAN. The Chair recognizes the gentlewoman from Missouri (Mrs. Sullivan).

Mrs. SULLIVAN. Mr. Chairman, I rise in opposition to Mr. Widnall's amendment on the nature of a substitute. If any Member were to take a selective poll of sentiment in his congressional district about the provisions of H.R. 6168, the Member would find that practically every special interest group in the District opposes it. The farmers oppose it, of course, because they like the prices they have been receiving and do not want to be regulated. The stores and their wholesalers oppose it because it would cause a lot of paperwork, and extra work, in marking down the prices they have so busily marked up since phase III began. The gamblers in commodities futures hate the idea of having their margins subject to regulation. The officials of the big oil companies are incensed over the idea of assuring adequate gasoline and oil supplies to small distributors, and independent retailers. The landlords certainly do not want this bill at all. Not at all.

So who likes the idea of stopping inflation? Only the people like it.

And let me warn the Members of this House: If we do not do what the people have been demanding we do—and that is stop this horrible increase in living costs—all of the businessmen you have been hearing from this past week, about the inconveniences created for them by H.R. 6168, are going to be telephoning you in a couple of months pleading with you to stop the union demands for tremendous wage increases.

And what will you tell those businessmen then? Will you say then, that the President made a mistake when he junked the whole fabric of price controls in January? That will not solve anything. The question will be—how did the individual Member vote on the House floor on April 16 when we had the opportunity to stop this inflation?

If President Nixon had removed controls on October 10 instead of January 10, he would not be President today. I think every Republican Member of this House recognizes that fact. President Nixon does not have to face the voters of this country again. Those who do have a different stake from the President's in this legislation to stop inflation.

The President asks for another year of the same free hand he has had up to now, in using controls or junking them as he sees fit. If Congress gives him that free hand, knowing what we know now about the manner in which he turned the inflation of January 10, and thereafter, loose on the American people, I hope the Members who vote for that outcome will level with the American people and say they don't think Congress should do any more than rubber stamp the White House on the most fundamental issues of prices, wages, rents, interest rates, and other aspects of our daily lives.

Unless we mandate effective controls, rather than just a continuation of this galloping inflation, we will be abdicating our responsibility. President Nixon has had more power than any President in our history to stop inflation—his grant of authority is wider than that given Franklin D. Roosevelt in World War II or Harry S Truman in the Korean war. Roosevelt and Truman used their authority to hold inflation in check. President Nixon has not.

So, if we merely extend the present law without requiring that effective steps be taken to stop rising prices, rents, and interest rates, we will be giving President Nixon a vote of confidence in phase III.

That is the issue here. Has President Nixon done a good job in holding inflation in check? Those Members who think he has done a good job will vote merely to extend his present authority. If they prevail, then let them explain to their constituents why they think all of the increases in food costs and in rents and in everything else under phase III are good for the country and good for the people.

Every Member of this House professes to be for the consumer. Most of the Members have bitterly denounced high prices. Now let us see who votes for a continuation of those prices. This is the moment of truth. I cannot vote for a continuation of a program that has been so unfairly administered. The Congress can adopt a better bill and it must.

(By unanimous consent Mr. Patman yielded his time to Mr. Rees.)

AMENDMENT OFFERED BY MR. REES TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIDNALL

Mr. REES. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Rees to the amendment in the nature of a substitute offered by Mr. Widnall: at the end of the amendment insert the following:

"DEFINITION OF WAGES AND SALARIES

"Sec. 3. Section 203(g) of the Economic Stabilization Act of 1970 is amended to read as follows:

" '(g) For the purposes of this title, the term "wages" and "salaries" do not include reasonable contributions by any employer pursuant to a compensation adjustment for—

" '(1) any pension, profit sharing, or annuity and savings plan which meets the requirements of section 401(a), 404(a)(2), or 403(b) of the Internal Revenue Code of 1954;

" '(2) any group insurance plan; or

" '(3) any disability and health plan;

unless the President determines that the contributions for such purposes made by any such employer are unreasonably inconsistent with the standards for wage, salary, and price increases issued under subsection (b) or under any other provision of this title. Contributions necessary to maintain reasonable benefit provisions provided in any plan described in this subsection shall not be considered "unreasonably inconsistent".' "

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from New Jersey.

Mr. WIDNALL. The minority will accept the amendment.

Mr. DENNIS. Mr. Chairman, I would like to know what the amendment says, whether we accept it or not.

Mr. REES. Under the present law as we passed it last year, it says that pension plans, profit sharing, and so forth, contributions to these funds are not under the definition of wages and salaries unless they appear to be unreasonably inconsistent in regard to the standards set by the Pay Board on Wages and Salaries and Price Increases. The problem is that all industries are regulated under the Pay Board except one industry, and that is the building trades. They are regulated under the Construction Industry Stabilization Committee.

All this amendment does is to say that the building trades in terms of the definition of wages and salaries will take the same definition that we mandated last year, and the definition is now accepted by the Pay Board, so that all industry, including the building trades, will be included under the definition set down by the Pay Board. That is all it does.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Rees) to the amendment in the nature of a substitute offered by the gentleman from New Jersey (Mr. Widnall).

The amendment to the amendment in the nature of a substitute was agreed to.

Mr. WYLIE. Mr. Chairman, I yield back the balance of my time.

Mr. BROWN of Michigan. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 6168) to amend and extend the Economic Stabilization Act of 1970, pursuant to House Resolution 357, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ROUSSELOT

Mr. ROUSSELOT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ROUSSELOT. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ROUSSELOT moves to recommit the bill H.R. 6168 to the Committee on Banking and Currency.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 164, nays 243, not voting 26, as follows:

[Roll No. 96]

YEAS—164

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Badillo
Baker
Barrett
Biaggi
Bingham
Blackburn
Blatnik
Boggs
Brademas
Brasco
Bray
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Carney, Ohio
Chappell
Chisholm
Clawson, Del
Clay
Collins
Conlan
Corman
Cotter
Crane
Cronin
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Denholm
Dennis
Dent
Derwinski
Diggs
Donohue
Drinan
Eckhardt
Edwards, Calif.
Fisher
Flood
Ford, William D.
Fraser
Froehlich
Fulton
Gaydos
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Hanley
Hanna
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holifield
Holtzman
Howard
Huber
Hungate
Johnson, Calif.
Johnson, Colo.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
Kluczynski
Koch
Kyros
Landgrebe
Leggett
Lehman
Long, Md.
Lujan
McCormack
McFall
Madden
Mathis, Ga.
Matsunaga
Meeds
Michel
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moss
Murphy, Ill.
Myers
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pettis
Pickle
Powell, Ohio
Price, Ill.
Rangel
Rarick
Reid
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Rousselot
Roybal
Sarbanes
Saylor
Seiberling
Shipley
Sikes
Slack
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Thompson, N.J.
Tiernan
Treen
Van Deerlin
Vanik
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyman
Yates
Yatron
Young, Ga.

NAYS—243

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Bafalis
Beard
Bell
Bennett
Bergland
Bevill
Biester
Boland
Bolling
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Conable
Conte
Coughlin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goodling
Gray
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hébert
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kuykendall
Landrum
Latta
Lent
Litton
Long, La.
Lott
McClory
McCloskey
McCollister
McDade
McEwen
McKay
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mayne
Mazzoli
Melcher
Mezvinsky
Milford
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Murphy, N.Y.
Natcher
Nelsen
Nichols
O'Brien
Pepper
Perkins
Peyser
Pike
Poage
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Reuss
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rose
Roush
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Shoup
Shriver
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Udall
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Winn
Wright
Wyatt
Wydler
Wylie
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—26

Alexander
Ashley
Clark
Conyers
Dingell
Dulski
Eilberg
Harvey
Jones, Ala.
King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Passman
Podell
Regula
Riegle
Rooney, N.Y.
Ryan
Talcott
Vigorito
Waldie
Wiggins
Young, Fla.
Zwach

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Passman against.

Mr. Eilberg for, with Mr. King against.

Mr. Morgan for, with Mr. Mathias of California against.

Mr. Dingell for, with Mr. Mitchell of New York against.

Mr. Podell for, with Mr. Talcott against.

Mr. Vigorito for, with Mr. Young of Florida against.

Mr. Riegle for, with Mr. Regula against.

Mr. Conyers for, with Mr. Zwach against.

Until further notice:

Mr. Dulski with Mr. Harvey.

Mr. Clark with Mr. Wiggins.

Mr. Alexander with Mr. Ashley.

Mr. Jones of Alabama with Mr. Ryan.

Mr. Metcalfe with Mr. Waldie.

The SPEAKER. The question is on the passage of the bill.

Mr. WIDNALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 293, nays 114, not voting 26, as follows:

[Roll No. 97]

YEAS—293

Abdnor
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Arends
Bafalis
Baker
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Conable
Conte
Coughlin
Cronin
Daniel, Robert W., Jr.
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dent
Devine
Dickinson
Donohue
Dorn
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goodling
Grasso
Gray

Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kluczynski
Koch
Kuykendall
Landrum
Latta
Leggett
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madigan

Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Milford
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Nix
O'Brien
Parris
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Reid
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Runnels
Ruppe
Ruth

Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Stephens
Stratton
Stubblefield
Stuckey
Symington
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Udall
Ullman
Vander Jagt
Vanik
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—114

Abzug
Adams
Annunzio
Archer
Armstrong
Ashbrook
Aspin
Badillo
Barrett
Blackburn
Blatnik
Bolling
Brademas
Brasco
Brown, Calif.
Burke, Calif.
Burton
Carney, Ohio
Chisholm
Clawson, Del
Clay
Collins
Conlan
Corman
Cotter
Crane
Culver
Dellums
Denholm
Dennis
Derwinski
Diggs
Eckhardt
Edwards, Calif.
Ford, William D.
Froehlich
Fulton
Goldwater
Gonzalez

Gross
Hanna
Hawkins
Hechler, W. Va.
Helstoski
Hicks
Holtzman
Howard
Huber
Hungate
Johnson, Calif.
Johnson, Colo.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
Kyros
Landgrebe
Lehman
Long, Md.
Macdonald
Madden
Mezvinsky
Michel
Miller
Minish
Mink
Mitchell, Md.
Moss
Nedzi
O'Hara
O'Neill
Obey
Owens
Patman
Patten
Pickle
Powell, Ohio
Price, Ill.

Rangel
Rarick
Reuss
Rodino
Roe
Roncalio, Wyo.
Rosenthal
Rousselot
Roybal
Sarbanes
Schroeder
Shipley
Smith, Iowa
St Germain
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Studds
Sullivan
Symms
Taylor, Mo.
Teague, Tex.
Thompson, N.J.
Tiernan
Treen
Van Deerlin
Whalen
Williams
Wilson, Charles H.,
Wilson, Charles, Tex.
Young, Ga.

NOT VOTING—26

Alexander
Ashley
Clark
Conyers
Dingell
Dulski
Eilberg
Harvey
Jones. Ala.

King
Mathias, Calif.
Metcalfe
Mitchell, N.Y.
Morgan
Passman
Podell
Regula
Riegle

Rooney, N.Y.
Ryan
Talcott
Vigorito
Waldie
Wiggins
Young, Fla.
Zwach

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Eilberg for, with Mr. Waldie against.

Mr. Passman for, with Mr. Metcalfe against.

Mr. Jones of Alabama for, with Mr. Conyers against.

Mr. Dulski for, with Mr. Dingell against.

Mr. Vigorito for, with Mr. Podell against.

Mr. Talcott for, with Mr. Riegle against.

Mr. Young of Florida for, with Mr. Rooney of New York against.

Mr. Morgan for, with Mr. Ashley against.

Until further notice:

Mr. Clark with Mr. Harvey.

Mr. Ryan with Mr. Wiggins.

Mr. Mitchell of New York with Mr. King.

Mr. Alexander with Mr. Mathias of California.

Mr. Regula with Mr. Zwach.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 357, the Committee on Banking and Currency is discharged from the further consideration of the bill, S. 398.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Patman moves to strike out all after the enacting clause in S. 398 and to insert in lieu thereof the provisions of H.R. 6168, as passed, as follows:

That section 218 of the Economic Stabilization Act of 1970 (title II of Public Law 92–210; 85 Stat. 743) is amended by striking out "April 30, 1973" and "May 1, 1973" and inserting in lieu thereof "April 30, 1974" and "May 1, 1974," respectively.

Sec. 2. Section 207(b) of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting the following in lieu thereof: ": *Provided*, That such agency shall issue no order which has the effect of reducing wages, or salaries in effect, or proposed to be put into effect, in an appropriate employee unit unless such order is made on the record after opportunity for a hearing. Not less than thirty days after issuance of such an order a statement of explanation shall be directed to the affected parties and made available to the public. Such statement shall include a full explanation of the reasons why the existing wage or salary, or proposed wage or salary adjustment, does not meet the requirements of or the standards established by the regulations prescribed by the agency."

DEFINITION OF WAGES AND SALARIES

Sec. 3. Section 203(g) of the Economic Stabilization Act of 1970 is amended to read as follows:

"(g) For the purposes of this title, the term 'wages' and 'salaries' do not include reasonable contributions by any employer pursuant to a compensation adjustment for—

"(1) any pension, profit sharing, or annuity and savings plan which meets the requirements of section 401(a), 404(a)(2), or 403(b) of the Internal Revenue Code of 1954;

"(2) any group insurance plan; or

"(3) any disability and health plan;

unless the President determines that the contributions for such purposes made by any such employer are unreasonably inconsistent with the standards for wage, salary, and price increases issued under subsection (b) or under any other provision of this title. Contributions necessary to maintain reasonable benefit provisions provided in any plan described in this subsection shall not be considered 'unreasonably inconsistent'."

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 6168) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the House insist upon its amendment to the bill S. 398 and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Patman, Barrett, Mrs. Sullivan, Messrs. Reuss, St Germain, *Annunzio*, Rees, Cotter, Mitchell of Maryland, Widnall, Johnson of Pennsylvania, J. William Stanton, Blackburn, Brown of Michigan, and Wylie.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ORDER TO PUT OVER ROLLCALL VOTES UNTIL WEDNESDAY

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the vote in the House on any amendment adopted in the Committee of the Whole to the legislative appropriation bill be put over until Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TAX DAY—1973

The SPEAKER pro tempore (Mr. Mazzoli). Under a previous order of the House, the gentleman from California (Mr. Corman) is recognized for 60 minutes.

Mr. CORMAN. Mr. Speaker, by midnight tonight the American taxpayer, who has not already done so, will drop his form 1040 and check for his 1972 income tax into the mail box addressed to his nearest branch of the Internal Revenue Service. The "last-minute-April 15" mailers—this year a day of grace—are usually the average taxpayer who, while taxes are always difficult to pay, has done so with what might be called good-natured grumbling. But this year, something different is abroad in the land. The good-natured grumbling has become serious discontent. A 1972 Harris poll showed that 88 percent of the people demanded "closing loopholes for high-income people," and 68 percent wanted "corporate profits taxed at a higher rate."

Some say there is a taxpayer's revolt throughout the country. Perhaps so. It must be very upsetting to the average taxpayer to learn that we have a tax system so arranged that a wealthy individual often pays no income tax, or perhaps very little; and that giant corporations enjoy great tax advantages which result in a ridiculously low tax burden, given the large profits realized by them. If the average taxpayer believes that the Federal tax structure is terribly unfair and inequitable, I can only agree with him. If he joins a taxpayer's revolt, I cannot blame him.

There is nothing wrong with the concept of a Federal income tax system. Most people agree that the costs which the Federal Government assumes for its citizens should be paid in this way. But, the American people must be able to have confidence in the system. It must be fair; it must produce enough revenue to meet the cost of public needs—not a system replete with tax preferences, shelters or loopholes for only a privileged segment of the taxpaying population.

These loopholes, preferences, or shelters—by whichever name one wishes to call them—have a long history. In the 1920s we worried that we might not have enough gasoline for our model T Fords, so we adopted the oil depletion allowance. After World War II, special tax incentives were initiated to encourage capital to flow into the building industry. All sorts of special tax privileges were provided for real property development. Then it was thought that not enough money was going into plant expansion, so the Congress provided another special tax incentive—the investment credit. I could recite many more. Perhaps the stated objectives of the so-called "tax incentives" were a reasonable national objective. But the methods have proven, ineffective, expensive and unfair.

This is why, Mr. Speaker, a number of my colleagues joined me last year in an initial effort for major tax reform. This year we reintroduced the bill with changes—symbolically numbered H.R. 1040—the Tax Equity Act of 1973.

As Chairman Mills promised in the fall of 1972, general tax reform has been the first order of major business before the Ways and Means Committee in the 93d Congress. For more than 2 months, we have been hearing testimony, and the hearings will continue through this week. Preceding the public witnesses, the committee heard 11 panel discussions on broad areas of the tax code. Specialists in each area discussed their views with the committee members and with each other. It was an enlightening experience. Our tax system was vigorously attacked and defended. But, Mr. Speaker, I must say that no witness defended it as much as did Presidential Aide John Ehrlichman on a recent ABC's "Issues and Answers" program. His basic point was that he could not find any loophole to close, and that the only way to broaden Federal revenues is to tax contributions to churches and the Boy Scouts. His comments were astounding. Let me quote a few:

> You don't raise very much money by making every corporation pay a tax. Where you really can raise money by closing loopholes is if you don't let the average householder deduct the interest on his mortgage any more, and you don't let him deduct charitable contributions to his church or to the Boy Scouts, or you don't let him take personal exemptions. Now that is where you can really raise a lot of money. . . ."

Of course, this is not true and I am sure that Mr. Ehrlichman knows it. His failure to point to the real revenue-raising loopholes serving only the wealthy is obviously a smokescreen to hide the serious inequities in the tax code. These inequities are not a figment of the imagination, but they are the very thoughtful concern of the 51 Members of the House who have cosponsored H.R. 1040, and I hope the serious concern of every other Member and Senator.

Mr. Speaker, referring to my earlier comment that the panelists appearing before the Ways and Means Committee defended and attacked our present tax laws, I think it would be useful to point out the amendments contained in H.R. 1040 which were proposed by some of the specialists. While they did not refer to the language or pertinent section of H.R. 1040, I am pleased to know that our efforts for tax reform are supported by these eminent experts in the tax field.

First. Current taxation of undistributed profits of controlled foreign corporations, section 412 of H.R. 1040: the following panelists recommended that the existing deferral of tax on income of foreign subsidiaries be eliminated:

Dr. Joseph Pechman, Brookings Institution.

Prof. Stanley S. Surrey, Harvard Law School, Cambridge, Mass.

Prof. Peggy Musgrave, Northeastern University, Boston, Mass.

Mr. Stanford G. Ross, law firm of Caplin & Drysdale, Washington, D.C.

Prof. Lawrence M. Stone, University of California School of Law, Berkeley, Calif.

According to the Wall Street Journal of March 21, 1973, Chairman Wilbur D. Mills supports this proposal. The article stated:

> * * * One thing that should be changed, he said, is the provision enabling multinationals to defer U.S. taxes on foreign income until it's brought back to this country. "I thought we can eliminate this shelter by making this income subject to American tax," he said. * * *

Second. Taxing capital gain income as ordinary income, sections 101 and 102 of H.R. 1040. The following panelists supported the taxation of capital gains at ordinary income rates:

Dr. Joseph Pechman, Brookings Institution.

Prof. Harvey D. Brazer, University of Michigan, Ann Arbor, Mich.

Prof. Richard A. Musgrave, Harvard, Cambridge, Mass.

Professor Musgrave supported the proposition that in computing the amount of capital gains to be taxed as ordinary income, some adjustment should be made for the factor of inflation.

Professor Brazer recommended reducing the top rate on individuals to 50 percent—as does H.R. 1040—if capital gains are taxed as ordinary income.

Third. Repeal of ADR and the investment credit, sections 401 and 402 of H.R. 1040: Prof. Robert Eisner, Northwestern University, recommended the repeal of ADR and the investment credit.

Senator Birch Bayh recently introduced a bill (S. 1281) to repeal the asset depreciation range system.

Fourth. Limit depreciation deduction to equity in case of rental real estate. Section 502 of H.R. 1040: Mr. Jerome Kurtz, law firm of Wolf, Block, Shor & Solis-Cohen, Philadelphia, recommended that the depreciation deduction be limited to the taxpayer's equity in the real estate.

Fifth. Development Expenditures of Fruit and Nut Groves and Vineyards, section 504 of H.R. 1040: The following panelists recommended the same treatment of development expenditures for fruit and nut groves and vineyards as is provided in H.R. 1040.

Prof. Charles Davenport, University of California Law School, Davis, Calif.

Prof. Roland L. Hjorth, University of Washington Law School, Seattle, Wash.

Sixth. Use of limited partnership for tax shelters, Section 313 of H.R. 1040:

Prof. Paul R. McDaniel, Boston College Law School, recommended that a limited partners loss from partnership operations cannot exceed his contribution of capital to the partnership.

Seventh. Repeal of Western Hemisphere trade deduction, section 411 of H.R. 1040: The following panelists recommended the repeal of the special deduction now allowed Western Hemisphere trade corporations.

Prof. Peggy Musgrave, Northeastern University, Boston, Mass.

Mr. Stanford G. Ross, Caplin & Drysdale, Washington, D.C.

Eighth. Repeal of exemption for individuals of earned income from foreign sources, section 314 of H.R. 1040: Mr. Stanford G. Ross, Caplin & Drysdale, Washington, D.C., recommended the repeal of this existing exemption.

Ninth. Limitation on foreign tax credit, section 506 of H.R. 1040: Prof. Lawrence M. Stone, School of Law, University of California, Berkeley, recommends that both the per-country and overall limitations be applied in computing the foreign tax credit.

Tenth. Minimum tax amendments, section 501 of H.R. 1040: Mr. Martin D. Ginsburg, law firm of Weil, Gotshal & Manges, New York, recommended that in computing the minimum tax there should be no deduction of the regular income taxes from the items of tax preferences. Mr. Ginsburg also recommended that intangible drilling expenses should be treated as an item of tax preference.

The following panelists recommended that tax-exempt interest should be treated as an item of tax preference.

Prof. Paul R. McDaniel, Boston College Law School, Brighton, Mass.

Mr. Kenneth A. Goldman, Irell & Manella, Los Angeles, Calif.

Eleventh. Carryover of basis at death, section 106 of H.R. 1040: Mr. Bart A. Brown, Jr., Dinsmore, Shohl, Coates & Deupree, Cincinnati, stated that a carryover of basis at death would be preferable to a capital gains tax on unrealized appreciation at death.

Twelfth. Integration of estate tax rate with inter vivors gifts, section 601 of H.R. 1040: Mr. Richard B. Covey, Carter, Ledyard & Milburn, New York, N.Y., stated that he preferred the provisions of H.R. 1040 over all other proposals for integration of the estate and gift taxes.

Thirteenth. Fifty percent limitation on the charitable deduction in the case of the estate tax, section 604 of H.R. 1040: Prof. David Westfall, Harvard Law School, recommended that the estate tax deduction for charitable bequests be limited to 50 percent of the estate, as does H.R. 1040.

Fourteenth. Life insurance included in gross estate, section 603 of H.R. 1040: Prof. David Westfall, Harvard Law School, Cambridge, Mass., recommended that life insurance be included in the decedent's gross estate on the basis of a premium payment test.

Ample support of our efforts has also been evidenced by a number of the public witnesses. Time and space do not permit many examples, but I will comment about the testimony of George H. Deffet, one of the top 50 builders of apartments in the Nation. His testimony speaks directly to several sections of H.R. 1040. Let me quote him in part:

> It seems very strange to me that in order to provide decent shelter for millions of Americans, we must unerringly produce more tax millionaires. This is simply a ludicrous situation and on moral grounds alone should be considered unacceptable.

He mentioned that up to $1 billion in real estate tax write-offs in 1971 alone has been—and again I quote:

> Siphoned into the pockets of high bracket investors, a host of middle men, syndicates and others, all in the cause of creating low and moderate income housing. . . . the system extends tax shelter subsidies, a blank check if you will, to all new residential construction. That includes middle income, semi-luxury and luxury hi-rise apartment developments plus new shopping centers and commercial-industrial properties, but such projects do not require indirect subsidy to generate adequate capital. . . . It is my personal opinion that present real estate tax incentives—I really prefer to call them tax shelter loopholes—perpetuate a totally unfair form of taxation. Indeed, they are perversions of the progressive tax system. . . . Rapid depreciation and favorable capital gains are the major elements of real estate "tax shelters." . . . These elements are not necessary for sustained high levels of construction activity. . . . I am convinced these tax loopholes indirectly aid fragmentation and irrationality in our industry. . . . I contend they stimulate and support artificial competition while inhibiting technological advancement. . . . These effects ultimately deny consumers superior housing products at lowest possible costs.

Mr. Deffet's remarks are sobering and food for thought.

Knowing full well the busy schedule that absorbs the time of every Member, I would still hope, Mr. Speaker, that when the tax reform hearings record is available, my colleagues would take the time to study as much of it as possible, and to study it in relation to what H.R. 1040 proposes. It will be a worthwhile experience and an important one when they are called upon to consider tax reform legislation.

Mr. DRINAN. Mr. Speaker, will the gentleman yield?

Mr. CORMAN. I yield to the distinguished gentleman from Massachusetts (Mr. Drinan).

Mr. DRINAN. Mr. Speaker, today, as the mails are flooded with the Federal income tax returns of millions of Americans, it is particularly appropriate that we, Members of Congress, should speak on the subject of tax reform. For as the Constitution stipulates, it is the House of Representatives that bears the responsibility for originating all tax laws.

It is doubly appropriate that tax reform should be considered today, in light of the recent announcement of the chairman of the Ways and Means Committee, Mr. Mills, that further consideration of tax reform is to be postponed at least until new foreign trade legislation is completed.

THE PROMISE OF TAX REFORM

There are two fundamental reasons why tax reform is an immediate necessity: equity and revenue. First, over the years the tax laws have grown excessively complex, with the piecemeal addition of more and more special-interest breaks and preferences. Partly as a result of these changes, public confidence in the tax system has fallen sharply, and the progressive nature of the Federal income tax structure is open to serious doubt. As a result, there is a compelling need to overhaul the Internal Revenue Code so as to accomplish greater tax equity.

Second, tax reform holds forth the promise of billions of dollars in additional, and badly needed, Federal revenues. In the first 4 years of the present administration budget deficits totaled well over $100 billion, and unfortunately, there is no evidence to suggest that this unfortunate trend is reversing. In fact, the President's proposed 1974 budget anticipates a budget deficit—on a unified basis—of $12.7 billion, and if the experience of past years is any precedent, then the actual deficit will be much higher.

While modern economic theory suggests that deficit spending has its advantages, there can be too much of a good thing, and such is the situation now. There can be no question that the continuing red ink in the Federal budget has contributed to inflation. But while it is clear that more Federal revenues are needed, it is doubly certain that a tax increase is to be avoided if at all possible—and in fact can be avoided, if responsible tax reform legislation is enacted. The tax burden upon the great majority of the American people is already heavy enough, and any tax increase without tax reform would inevitably further aggravate the distortions of the tax code that virtually cry out for reform.

The revenues that could be brought in by tax reform could be put to any number of productive usages. The squeeze on the Federal budget has had the unfortunate result of jeopardizing many existing programs of great domestic benefit while effectively shutting the door on major new initiatives; for example, comprehensive health insurance, or greatly improved transportation programs, or Federal aid in development of advanced technology for civilian purposes. In addition, the revenues to be gained through tax reform could conceivably be put to use in relieving the heavy burden of the most regressive of all Federal taxes—the payroll tax for social security.

For that matter, such revenues could be utilized to reduce the property tax burdens that are robbing millions of our Nation's elderly citizens of any measure of financial security. And, of course, these revenues could help iron out the imbalance between Federal revenues and Federal spending that has fueled inflation.

The bill that is the focus of today's consideration, Congressman Corman's Tax Equity Act of 1973 of which I am a cosponsor, would increase Federal revenues by approximately $20 billion annually, while greatly improving the equity of taxes, and generally assisting the tax plight of the lower- and middle-income citizens of our Nation. In addition, Congressman Corman's bill would have the added advantage of removing many of the existing tax shelters that have caused substantial economic dislocation by providing incentives to base fundamental business decisions not on sound economic criteria but on artificial tax advantages—even though these decisions often provide only minimal productivity. The Tax Equity Act would provide an even-handed treatment of capital investments, and would in all probability result in a more productive utilization of corporate and individual capital.

THE BURDEN OF TAXES

In his recent testimony before the Ways and Means Committee, Leon Schull, national director of Americans for Democratic Action—ADA—commented that the Federal tax system is becoming "progressively less progressive." The evidence of the past decade supports this contention, as the progressive nature of the tax law has been increasingly buried under an avalanche of tax preferences and loopholes, of little if any benefit to the average taxpayer. Perhaps even more significant is the marked growth in the percentage of Federal revenues that are received from the so-called regressive taxes—chiefly the social security payroll tax. These regressive taxes strike hardest at lower- and middle-income taxpayers who derive their income not from stocks and bonds, but from the salaries and wages that accompany their labor.

In the 3 years between 1972 and 1974

the share of personal income taxes as a percentage of total Federal revenues has decreased from 45.4 percent to 43.6 percent. Similarly the corporate income tax share has decreased from 15.9 percent in 1972 to an estimated 14.4 percent in 1974. But during this same period the social security tax has increased from 25.8 percent to 30.5 percent. In terms of dollar receipts, the social security tax revenue has in the last 3 years increased by more than $24 billion, a jump of 45 percent between 1972 and 1974, a rate more than double that of either individual or corporate income taxes. In 1949 the payroll tax was at a 2-percent rate and applied to a maximum of $3,000 of income, with a maximum tax of about $60. In 1973, the maximum rate has risen to 11.7 percent, the maximum taxable earnings to $10,800, and the maximum tax—which is paid by most middle-income families—has jumped to $1,263.60.

The burden upon the individual taxpayer has also risen dramatically, to the point where social security taxes and individual income taxes combined are expected to comprise nearly three-quarters of total Federal revenues for fiscal 1974, while corporate taxes will make up only 14.4 percent of the revenue "pie." The percentage contribution of corporate taxes has fallen sharply in recent years. In *1960* corporate taxes made up 35 percent of total Federal revenues. By 1969, as a result of the many subsidies and tax breaks introduced into the tax laws, this proportion had dropped to 27 percent. Now, primarily as a result of the new tax giveaways engendered by the President's new economic policy (NEP) the corporate share will have fallen by another 13 percent to the 14.4 percent figure. This shrinkage in corporate rate of contributions has, necessarily, been accompanied by an increase in the tax burden upon the average person.

The progressive character of the individual income tax structure has also declined, as the network of tax preferences has virtually made a mockery of the "nominal" tax rates of higher income groups. Preferential tax treatment for capital gains, higher benefit rates for personal deductions in higher income and tax brackets and a host of other preferences and loopholes have managed to reduce the wealthy person's tax share far below the stated maximum rate of 70 percent.

In fact a study by the noted Brookings Institution economists Joseph Pechman and Benjamin Okner demonstrates that taxes take only 32 percent of the income of individuals in high tax brackets. In addition, some wealthy individuals manage to pay no tax at all. While the maze of deductions and preferences result in a total tax reduction of only $651 to an average family in the $10,000 to $15,000 income bracket, these same tax advantages result in an average tax saving—or "tax welfare payment"—of $720,448 per year for each of the 3,000 American families with incomes of more than a million dollars a year. The tax loopholes and preferences clearly help not the average American, but the rich.

To sum up the trends in tax policy over the last decade, reductions in personal income tax have been essentially canceled out by sharp increases in regressive payroll taxes. Corporate taxes have risen slightly in total dollar amount, but comprise an increasingly smaller share of total Federal revenues. The big losers have been the poor- and middle-income Americans, the big gainers corporations and the wealthy. In view of this trend, it is little wonder that millions of Americans demand that the wealthy and corporations pay "their fair share" and that cries of a taxpayer "revolt" continue to be heard. I believe that the trend away from progressive taxation must be reversed.

THE TAX SUBSIDY MESS

Each year the network of tax subsidies that has grown over the years costs the Federal Government in excess of $50 billion in lost revenues, with highly questionable benefits in view of this enormous cost. Prof. Stanley Surrey of Harvard University, formerly the Treasury Department's Assistant Secretary for tax policy, has devised a concept of the tax expenditure budget as a means to measure the cost of the various tax preferences. The tax expenditure budget assumes that the revenue loss due to a tax subsidy is equivalent to a direct government subsidy program, for example, of the grant-in-aid type. The logic used is that a dollar not received by the Treasury is the same as a dollar spent by the Treasury for a direct grant program. The dollar that does not come in from one source—as the result of a subsidy—must be supplied from other groups of taxpayers. The difference is, that unlike ordinary grant programs, tax expenditure programs are virtually immune from criticism. They are spared the yearly debate that accompanies most direct grant programs. They are not subjected to the kind of rigorous cost-benefit analysis that most other programs must endure. They are hidden from the public eye.

And, most important, the benefits of the tax expenditure programs go almost exclusively to big business and the rich, while the great majority of average American taxpayers must make up the difference.

Studying the 1971 subsidy programs, Professor Surrey concluded that the tax expenditure budget was costing the Government $51.5 billion for that year. While some of these tax expenditures—such as charitable deductions and mortgage interest deductions, among others—are justifiable and ought to be continued, if not reinforced, others are highly suspect. Among those that robbed the Federal Treasury of billions of dollars for the benefit of a very few wealthy individuals and corporations: the $6 billion loss due to the special treatment of capital gains, the $2.6 billion for tax-free interest on municipal bonds—which benefit only a very tiny proportion of the population—$1 billion for the oil and mineral depletion allowance, $700 million for the asset depreciation range—$1.7 million for 1972—and $165 million for deferral of income earned by U.S. corporations abroad.

These massive tax subsidies are vulnerable from the standpoints of tax equity, revenue loss for benefit achieved, general economic wisdom, and governmental operation.

THE RICH GET RICH, AND THE POOR GET TAXED

For individuals, the tax subsidy network causes what is called in economic terms "horizontal inequity," in which people with the same income are taxed at widely differing rates due to the source of that income. For example, because of the two preferential tax treatments available to investors for capital gains, income that is unearned through capital gains is taxed at a far lower rate than the same income would be were it actually earned. In fact, the capital gains preference—which costs the Government between $6 and $9 billion each year—gives 85 percent of its benefits to only 5% of the taxpayers. The following table—table 1 shows by income group how much tax savings are realized through the capital gains preference:

Table 1: Savings resulting from capital gains treatment

Income	*Savings (average)*
Under $3,000	$1.66
$5–7,000	7.44
$10–15,000	16.31
$50–100,000	2,616.10
$100,000+	38,126.29

The gross inequity in capital gains treatment is clearly an example of tax favoritism for the wealthy. Unfortunately the capital gains situation is not unique. Figures used by Senator KENNEDY in his statement on tax reform of April 12 reveal that when all of the tax preferences for individuals are totaled, the gulf between the benefits for the rich and the sparcity of benefits for poor and middle-income families is even more startling. While individuals earning over a million dollars receive an annual tax welfare write-off of $720,448 and pay an effective tax rate of only 32.1 percent—compared to the 70% rate in the tax tables—the half of our Nation's population that earns less than $15,000 per year receives less than $700 in tax preference benefits per year.

It is often claimed in defense of the subsidy system that these tax breaks are necessary to provide a stimulus for certain kinds of economic benefit. But the results of many of the subsidies hardly justify their loss in government revenues. A 1969 study revealed that the oil-depletion allowance cost the Government $1.4 billion each year in lost revenues, but generated only $150 million in additional oil reserves.

Two other corporate tax giveaways, particularly beloved by the Nixon administration, are the Investment Tax Credit—ITC—and the Asset Depreciation Range—ADR. The ITC program has cost the Government an average of $2.1 billion per year since 1962. Allegedly this program provides an inducement for corporations to increase employment, but favorable results are sparse, if not nonexistent. In contrast to Federal direct-grant employment programs, which ordinarily have performance goals and incentives, there is nothing in the ITC which ties the availability of this tax break to actual increases in jobs.

It is estimated that the ADR program will cost the Government $30 billion over the next decade, and its benefits are equally nebulous. Eighty percent of the tax benefits of this preference go to the top .002 percent of the Nation's corporations.

In many cases the system of tax subsidies causes substantial economic dislocation, as capital is invested in areas of the economy not for the productivity or growth potential of that particular area but solely for its tax-avoidance features. While under existing law it is entirely understandable that businesses and investors should seek to minimize taxes—so as to avoid the unreasonably and unrealistically high nominal maximum tax rates which thus virtually never actually apply—in the absence of these preferences these artificial pressures upon capital movement would be removed, so that more fundamental economic criteria would be used for investment. Without the subsidy network, increased capital would be available for the more productive areas of the economy. But under present law, treatment of capital gains and estate tax formulations encourage the lock-in phenomenon, in which large amounts of capital are isolated from the free marketplace for excessive periods of time—for reasons owing less to sound economic practice than to tax preference utilization. The tax subsidy system does not hold up to vigorous cost-benefit analysis. A substantial reduction in tax preferences and reform of the capital gains and estate tax provisions of the IRS codes, such as proposed in Congressman CORMAN's bill, would significantly expand the total tax base and would make possible, as is also included in the Corman bill, a reduction in the nominal maximum tax rate from the current 70 percent to a more realistic 50 percent.

THE COSTS OF TAX SUBSIDIES

It is often claimed in defense of the tax subsidy programs that they do not require the substantial administrative costs inherent in direct grant programs. The evidence does not bear this claim out, for the maze of special preferences has made the tax system excessively complex, and as such the costs to the Government of administering these programs are in fact quite substantial. In hearings recently held before the Treasury Subcommittee of the Senate Appropriations Committee, the complexity of the tax code and the administrative costs were brought into sharp focus.

The hearings revealed that in 1971 the Internal Revenue Service issued 33,000 separate rulings on tax questions, of which only 633 were public. Thousands of man-hours and dollars were spent on the private rulings—which more often than not dealt with the at times byzantine complexity of the tax subsidies. These private rulings, I might add, have a most significant effect on Federal revenues, but are effectively removed from public scrutiny.

It is little wonder that the annual budget of the Internal Revenue Service is approximately $1.4 billion. The Senate hearings revealed that between fiscal years 1968 and 1972 the IRS spent a total of 2.3 million man-hours and $18.2 million in administering the oil, mineral, and gas depletion allowances. In addition, it was estimated that $21 million would be saved annually if capital gains were treated as ordinary income. Finally, it was noted that last year $600 million was spent by 40 million taxpayers for commercial tax preparation assistance. These figures are compelling testimony to the fact that there is indeed a substantial administrative cost to the tax subsidy system, and that there is a great need for simplification of the Internal Revenue code.

In 1958 a Joint Economic Committee study of Federal subsidy programs contained the following paragraph:

> Federal programs aimed at supporting or improving the economic position of particular groups or industries should be constantly reevaluated in the light of changing circumstances. Whatever their initial justification, subsidy programs should be so contrived as to eliminate the necessity for their continuation . . .

In the 1972 study on the same subject, the committee staff study states:

> Unfortunately, the necessity for an accounting of Federal subsidy programs appears to have increased in the decade since 1960 . . . The system of Federal subsidies seems to be somewhat out of control in the sense that it continues to grow despite the fact that we know so little about it.

At one point even President Nixon expressed support for a reform of the subsidy and preference system. In 1969 the President said:

> Special preferences in the law permit far too many Americans to pay less than their fair share of taxes. Too many other Americans bear too much of the tax burden. This administration is determined to bring equity to the federal tax system.

Apparently the President has forgotten his pledge, as it can unfortunately be said that the President has been persistently hostile to meaningful tax reform.

The tax subsidy system is in desparate need of overhaul for reasons of both equity and potential revenue gain. I believe that Congressman CORMAN's bill would successfully accomplish both of these goals.

One part of Congressman CORMAN's bill strikes me as being particularly noteworthy. The Tax Equity Act proposes to replace the existing personal deductions scheme with a new system of credits against tax for the personal exemptions and other deductions of an individual. A credit of 24 percent of the total amount of an individual taxpayer's deduction. This provision will reduce the income taxes of those in the lower tax brackets. For example, a married couple with two dependents would pay less under Congressman CORMAN's formulation if their income was less than $15,333.

Reform of the personal deductions system is long overdue. At present the effective benefit of the deduction varies with the tax rate paid—in other words an individual in the 14 percent income tax bracket receives for a $750 dollar deduction the benefit of only 14 percent of $750, or $105. However, a wealthy individual in the 50 percent tax bracket receives a benefit of 50 percent of the same $750 amount, or $375. Congressman CORMAN's bill would assist lower- and middle-class income taxpayers by replacing the current system, which provides tax favoritism for the rich, with an even-handed policy that would give all taxpayers, regardless of income, the same deduction benefit rate. This reform is clearly necessary as a matter of basic equity.

Mr. Speaker, I hope that my colleagues on the Ways and Means Committee are listening to the words spoken here tonight on the subject of tax reform. It is time to put some sense into our tax system. It is time we face up to fiscal realities and utilize the potential revenue to be gained through tax reform.

It is time that we act to restore the faith of the millions of Americans who paid their taxes today knowing that the tax laws are written not for the benefit of the average man, but for the advantage of a select few. Tax reform cannot wait.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. CORMAN. Mr. Speaker, I yield to the distinguished gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to add my commendation to the gentleman from California for his great leadership in connection with closing the loopholes in our tax structure.

I think it is absolutely inaccurate and unfair for a member of the White House staff—I believe it was Mr. Ehrlichman—to state publicly that it would be necessary to wipe out deductions for charitable contributions if we are going to have any tax reform in a meaningful way.

There are some specific, concrete suggestions and proposals contained in the legislation introduced by the gentleman from California I think it is time that the Congress act on these proposals, close these unfair loopholes in the tax system which put the burden too largely on the harried individuals in this Nation; too largely on the middle and lower classes.

It is time that we enacted the type of tax reform which the gentleman from California has advocated. I am very pleased that he has taken this time for this special order and trust that this may bring additional support from throughout the Nation so that the kind of tax reform which he is advocating and which those of us in this Chamber are supporting will be enacted.

I thank the gentleman from California.

Mr. CORMAN. I thank the gentleman from West Virginia (Mr. HECHLER) very much for his support of this legislation.

I would call to the attention of the House, a different sequence of events this year, of the tax reform hearings before the Committee on Ways and Means.

In all of the other bills we have had in that committee since I have been there, it is the practice of the administration to send down its proposals, to explain and defend them, and then to give the public an opportunity to comment on those proposals.

That is apparently the sequence of events with the trade bill which we will soon take up.

This year hearings were called on tax reform; the administration indicated it had no comment to make and no proposals to make.

The public will conclude its portions of the hearing on the 19th of April. After the Easter recess, the administration will give us the benefit of its thinking for 1 day. Apparently, it thinks very little of tax reform.

My point is that in every other case the public has an opportunity to study administration proposals, comment on them, support or oppose them. Certainly they will have that opportunity with the trade legislation.

Regrettably, our committee functions in such a way that it can take up only one matter at a time. As I understand the public releases, we anticipate spending from now until the August recess on trade legislation. I do not think anyone is very serious about substantial, equitable tax reform this year.

I hope the people will remember, not just on April 15th when they pay their tax, but every week when they see that little box on their pay check saying how much is withheld for taxes; I hope they will remember that there are people with tremendous sources of wealth in this country who pay no tax or very little tax.

I appreciate my colleagues who support this legislation.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield further?

Mr. CORMAN. I yield to the gentleman from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Speaker, does the gentleman from California have any figures which would indicate how many people with incomes over $50,000 or $100,000 a year escape without the payment of income taxes?

Mr. CORMAN. No. I am sorry we do not have the figures. We have not received the figures from the Treasury, to see what impact, if any, the 1969 Reform Act had.

Probably the percentage of people who pay no tax at all is diminishing, yet the people who pay a very modest amount of tax—1 or 2 or 3 percent, effective income tax rate on incomes of $100,000 or more —is a tremendous number. We have asked Treasury to supply us with statistics on the 25 highest income people, individuals, not corporations. We asked for that information in August. We are still waiting for it.

We do have the figures on corporations. It is a fact that 10 of the 50 most successful corporations pay a less effective income tax rate than the average laborer pays in social security on the dollars he earns by the sweat of his brow.

Mr. HECHLER of West Virginia. Does the gentleman from California have any summary he can give us of the percentage of taxes paid by some of the major oil corporations in this Nation?

Mr. CORMAN. I have the figures which were supplied to us by the Treasury for the 50 largest corporations in the country. I will ask permission to insert the entire list in the Record.

The gentleman might be interested in this. It is the effective income tax rate on their profits.

Occidental Petroleum apparently had the most successful tax accountants and tax lawyers of the whole lot, because their effective rate was 1.4 percent. Gulf Oil was 1.9 percent. I.T. & T., on profits of roughly a half billion dollars, had a 4.2 percent tax rate.

We hear so often that we siphon off 48 percent of corporate profits for taxes. If we did that would be a substantial sum of money. We have to get down to the seventh largest corporation before we get an effective tax rate as large as the social security rate of 5½ percent.

It is true that some corporations pay a substantial amount of money in taxes. Some get up close to 48 percent, but a substantial number do not, because of the so-called incentives that have been written into the tax code.

Mr. HECHLER of West Virginia. I believe it is outrageous that only when an individual or a corporation can afford the lawyers and the accountants can he take advantage of our tax system, whereas the average taxpayer, who is filing his income tax at the deadline of April 16, obviously cannot afford the accountants and the lawyers necessary in order to take advantage of these many loopholes which the gentleman from California is trying to correct.

I further commend the gentleman from California for his leadership in his area.

Mr. CORMAN. I thank the gentleman.

I must say, having gone through the 1969 Reform Act and having listened for the past 2½ months to the witnesses on this subject, it seems to me the first thing one has to do to get into a tax shelter system is to have enough income over his basic living needs that provides him substantial money to invest. One also has to have good credit to leverage his investments. But if one has a substantial amount of money that he does not need with which to live, really paying taxes is optional.

I was pleased by the candor of Assistant Secretary Ed Cohen in 1969. He said that they had looked over returns of a number of high income tax payers, and he said, "We cannot figure out what makes people pay the taxes they do." It is a fact that some people of tremendous wealth, probably through a feeling of responsibility or patriotism for their Nation, pay large amounts in taxes, yet they do not have to. They could invest their money in shelters so that they would not have to pay much in taxes.

One cannot really blame those who do not pay. We in a sense have to blame ourselves for leaving the tax code in that condition.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield a moment further?

Mr. CORMAN. Yes, I yield to the gentleman from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Speaker, I am glad the gentleman mentioned the leadership which Fred Harris and his Tax Action Committee are taking, and I think perhaps we might distribute a few more of those buttons which say, "Take the rich off welfare."

Mr. CORMAN. Mr. Speaker, I thank the gentleman very much for his contribution, and I do join in commending former Senator Harris' group, because I think, unless the average taxpayer realizes what is happening to him, he is not going to be much concerned. He does not like to have to pay taxes, and he wishes they would go away.

They are not going to go away and he is never going to get tax relief until some type of tax reform is available.

Mr. Speaker, the chart previously referred to is as follows:

Effective Federal income tax rate paid by 50 companies selected from Fortune magazine list of large corporations

Rank (Beginning with lowest rate)—Corporation	*1970 Effective Rate*
1. Occidental Petroleum	1.4
2. Gulf Oil	1.9
3. I.T. & T.	[1]4.2
4. Atlantic Richfield	5.0
5. Continental Oil	5.3
6. Union Oil of California	5.4
7. Boise Cascade	7.2
8. Texaco	8.0
9. Monsanto	9.3
10. Shell Oil	11.2
11. Swift	11.7
12. Tenneco	12.8
13. Standard Oil (Ind.)	13.4
14. Sun Oil	14.3
15. Standard Oil (California)	16.0
16. Mobil Oil	16.3
17. Singer	19.0
18. Greyhound	19.2
19. United Aircraft	20.5
20. Union Carbide	20.6
21. Goodyear Tire and Rubber	21.2
22. General Motors	24.6
23. Phillips Petroleum	25.3
24. Westinghouse Electric	25.9
25. Honeywell	26.0
26. International Harvester	26.1
27. Litton Industries	29.5
28. Dow Chemical	32.2
29. Bordon	32.6
30. Xerox	33.6
31. American Can	34.8
32. Rapid American	35.0
33. General Electric	39.2
34. Firestone Tire and Rubber	39.2
35. Eastman Kodak	39.7
36. Continental Can	40.1
37. Sperry Rand	41.1
38. General Tele and Electronics	41.2
39. Ford Motor	[2]41.6
40. Caterpillar Tractor	41.7
41. DuPont	43.1
42. Procter and Gamble	44.0
43. Kraftco	44.4
44. Western Electric	45.3
45. North American Rockwell	45.6
46. General Foods	45.8
46–A Textron	46.7
47. R. J. Reynolds Industries	47.4
48. Burlington Industries	53.7
49. International Paper	[3]58.1
50. Boeing	[3]95.9

Lockheed Aircraft (Due to huge losses, this company has not been included)

[1] Even though there appears to be some tax paid, the 10-X for ITT indicates that Hartford and ITT failed consolidated tax returns on which no tax was paid.

[2] The Ford Motor figures represent the effects of State and local, as well as Federal Income Taxes. Their reports combine these amounts and thus the percentages are higher.

[3] This high effective rate may have been the result of expenses being taken for book purposes which are not deductible for tax purposes (e.g. Goodwill).

Notes.—These figures were taken from annual 10–K reports filed with the Securities and Exchange Commission. These are the top 50 corporations for which there are figures available. A more detailed report is available in my office.

Mr. EDWARDS of California. Mr. Speaker, I am pleased to have the privilege today to join my colleague from California in calling special attention to the important problem of tax reform which faces the Congress. Congressman CORMAN has for years been a leading spokesman on this important issue. I commend him for his work today and for the future benefits all taxpayers will receive as a result of the enactment of comprehensive tax reform, such as he proposes.

If any of us doubted before the need for genuine tax reform, the latest Harris and Gallup polls should clear away that doubt. Two out of three persons interviewed feel their taxes are too high, and 80 percent feel the tax laws are written to give advantages to the rich.

Our Nation was founded on the premise that all men are equal, but over the years by building up a system of tax preferences, exclusions, exemptions, and deductions, we have devised a tax system which says essentially that earned income is worth less than income from investments; that salaried individuals must give to the government a greater percentage of their earnings than is required of wealthy people whose income is derived from investments.

By enacting H.R. 1040, we will go a long way toward correcting the many injustices built into our tax system. We will also get the government out of the business of acting as an indirect investment counselor, and we will raise much needed revenue for important government services now threatened with termination. Services such as libraries, mental health facilities, manpower training, vocational rehabilitation and others which the majority of the people who pay the major share of the taxes use and most often need.

On this matter the administration simply cannot have it both ways. First it denies that there is any real need for tax reform, any real need to make those with incomes of $100,000 a year or more pay their fair share of the burden, or any real need to shift a greater portion of the tax burden to coroprations the profits of which come out of the earnings of millions of other taxpayers. On the other hand, the administration wants to terminate hundreds of worthwhile and needed programs geared toward the citizens who have for years paid the most taxes.

The majority of American taxpayers have been very patient with us while we wasted money on an immoral and expensive war. However, these people—our employers—have had enough and it is time we started returning their tax dollars to them, first by collecting a greater share of our revenue from other available sources and secondly, by using their tax dollars to provide services which they need.

Mr. FRASER. Mr. Speaker, I want to thank our colleague, Congressman CORMAN, for giving us the opportunity to support this tax reform bill today of all days. I'm sure that there are many sleepy and broke taxpayers who have just completed their tax returns this morning. They too support this bill which is aimed at far-reaching welfare reform. I call this welfare reform because it seeks to get rid of subsidies to the wealthy paid for by the low- and middle-income citizens.

We all know the inequities which exist in our income tax code. One which this bill will eliminate is the personal exemption and nonbusiness deduction which is worth more to the wealthier taxpayer than to the less well-endowed wage earner. The present law with a $750 personal exemption is worth only $107 of tax reduction to the person who pays at the lowest rate, but the taxpayer in the highest tax bracket, and there are not too many of those thanks to loopholes, has his tax reduced by $525 because of the same $750 exemption. H.R. 1040 will provide a tax credit for personal exemptions and nonbusiness reductions which reduces the taxes by the same amount for taxpayers at every level. This one provision will go a long way to eliminating the more obvious inequities.

One of the more famous, or infamous, exemptions in the present tax structure is the depletion allowance for the extraction of minerals, especially the oil depletion allowance. In this time of energy crisis, the supporters of this provision are out in full force. It has been calculated that the allowance pays oilmen 19 times the cost of each well. This year the loss to the treasury from this provision is estimated at $1.4 billion. This money would be better used to provide research and development moneys directly than as a subsidy to the wealthy oil barons. Under the Corman bill this allowance is eliminated.

I could go on extolling the virtues of each section of this tax bill, but we all know their importance to the redistribution of the tax burden from the poor and middle-class citizens to the wealthier ones who can afford to pay. These are just two examples of the needed changes that H.R. 1040 makes.

I do want to make it clear why I regard this as a welfare reform bill. Philip Stern in his excellent testimony before the Subcommittee on Priorities and Government has made some calculations on this subject. The families earning less than $3,000 a year receives $92 million in tax welfare through various exemptions and deductions; those earning over $1 million a year receive $2.2 billion. On a weekly basis per family, this amounts to $14,000 for the millionaires; the tax welfare for the poor wage earner making less than $3,000 is 30 cents per week.

Would any of us be able to get re-elected if our constituents knew that we authorized a welfare program that gave $14,000 per week to wealthly families? Yet this is what we have done. We are guilty both by commission and omission. We have set up such a tax code, and we have made only superficial efforts at getting rid of the monster.

H.R. 1040 goes a long way toward ending this huge Federal giveaway program. John Ehrlichman has said that the only way to raise much money by tax reform is by getting rid of the workingman's exemptions or deductions, like church contributions or mortgage interest. That is a smoke screen the administration has thrown up to scare the public. I do not know what the administration calls a lot of money, but I call the $19 billion that this bill would raise the first year, even before many of its provisions go into full effect, a whole lot of money.

It is time for us to let the public know that Congress is responding to the taxpayers' revolt. We have been waiting for the tax reform program of the President, but he is too busy inventing new tax loopholes like the asset depreciation range. Let us work together to pass this meaningful legislation.

Mr. WILLIAM D. FORD. Mr. Speaker, I rise today to join with my colleagues in expressing my strong support for effective tax reform legislation.

One of the basic principles which supposedly underlies the present tax system in the United States is that individuals should be taxed according to their ability to pay. However, we all know that taxes in this country are not progressive. While the system may look progressive on paper, it is riddled with loopholes and special privileges which permit the wealthy to avoid paying their fair share of taxes.

For example, despite the passage of the Tax Reform Act of 1969, statistics reveal that in 1970, 394 people with incomes of $100,000 a year and 107 people with incomes above $200,000 paid no income tax for that year.

Several of the most powerful corporations are paying taxes at an effective rate ranging from 0 to 6 percent, while a family of four with an annual income of between $11,000 and $14,000 a year is paying taxes at a rate of 20 to 24 percent. Testimony before several congressional committees has revealed that in 1970 and 1971, seven giant corporations, who made dividend payments between $33 and $78 million, paid absolutely no taxes to the Federal Government.

In 1960, the corporate share of the Federal income tax was 35 percent. Recent studies now show that the relative yield of corporation income taxes during the last 12 years has actually dropped and now accounts for only about 25 percent of the Federal income tax.

While these wealthy individuals and corporations are able to reap the advantages of our inequitable tax system, low- and middle-income Americans are forced to bear the burden of an ever-increasing tax load. The working Americans, whose income is chiefly derived from wages and salaries, are the ones most severely affected by rising prices and higher taxes. Yet they have no oil wells or vast amounts of real estate to depreciate. They are taxed for virtually every penny they earn while wealthy individuals and corporations pay only half-tax on their capital gains and no taxes on their income derived from State and local bonds.

Last year, President Nixon campaigned very strongly on the issue of tax reform. In June 1972 he stated that he would submit a comprehensive tax reform proposal to Congress before the end of 1972. It is now well into 1973 and no proposals have emanated from the White House.

However, we have heard from administration spokesman, John Ehrlichman on this issue. During a television interview, Mr. Ehrlichman stated that there is "a lot of misinformation around in this business of tax loopholes." He further stated that he doubted tax reform would be likely to bring about much additional revenue unless "you start digging into the average taxpayer's exemptions, or charitable deductions, or mortgage credits, or something of that kind."

It is quite apparent that the Nixon administration is planning to ignore its campaign promises. Instead, the administration hopes to frighten the average taxpayer into believing that he, not the wealthy individual or corporation, will be the one to feel the pinch from tax reforms.

It is obvious, then, that Congress must take the lead in initiating and supporting meaningful tax reform legislation. President Nixon's actions involving impoundment of legally appropriated funds make tax reform an even more urgent priority.

According to the President, in order to avoid higher taxes, it is necessary for him to impound funds which deprive the country of money needed to rebuild our cities, to provide quality education for our children, and to protect and preserve the environment in which we live.

I question how President Nixon can justify these impoundments while refusing to support tax reforms which would supply billions of dollars of new revenue. The answer must be that the Nixon administration has made a deliberate decision to cut back programs directly benefiting low- and middle-income Americans rather than to support tax reform proposals which would be economically painful to its wealthy supporters.

A recent study by economists at the Brookings Institution concluded that if a comprehensive tax system were put into effect in this country, the Treasury could gain about $55.7 billion in revenue which is now lost through loopholes in the present tax structure.

Mr. Speaker, ever since I have been elected to Congress, I have supported legislation to bring about effective reforms in the tax system. During this session of Congress, I have cosponsored two bills, the Tax Equity Act of 1973 and the Tax Reform Act of 1973, which would eliminate or modify many of the tax exemptions and loopholes of the current system.

The need for reform is obvious. The Federal Government desperately needs the additional revenue which may be gained from enacting tax reform legislation. But perhaps more importantly, enactment of tax reform legislation will do much to combat the increasing feeling among many Americans that the Government is only responsive to the needs of the rich. Passage of effective tax reform legislation can be an important step in helping to renew and strengthen the average taxpayer's confidence in our Government.

Mr. REUSS. Mr. Speaker, today millions of Americans are paying their Federal tax bills indignant that others with the game or more income are avoiding their fair share of taxation through loopholes and preferences. Now, while taxes are fresh in our minds, is the time to take a good look at our Federal income tax system and why it should be improved.

I see three basic reasons, apart from plain fairness, why we need tax reform: revenues, price stability, and a healthy balance of payments.

REVENUES

We are told that our Federal Government cannot do what needs to be done in education, in health, in housing, in the redevelopment of our cities and countryside, in the environment, because it lacks the revenues to do it. This is nonsense. There are billions of dollars lost each year through unjustified tax preferences—tax expenditures—which never appear in the budget. In his bill (H.R. 1040) Congressman CORMAN has suggested plugging some 50 loopholes to raise over $19 billion a year in additional revenues. In H.R. 967, I pointed to only eight loopholes which could be closed to raise an extra $9 billion a year. The money to fund worthy domestic programs is there, if we only have the will to demand it.

PRICE STABILITY

The asset depreciation range system and the 7-percent investment tax credit were enacted during the 1971 recession to stimulate business investment in fixed capital plant and equipment. Now, with industry operating close to capacity, these tax incentives are inducing inflationary shortages in the heavy, durable, sophisticated sectors of industry. The latest wholesale price index showed an increase, annually projected, of 26.4 percent. Skilled manpower is scarce, raw materials are scarce and high priced, order books are filled for a long time to come, and dangerous bottlenecks are developing. The tightened money and increasing interest rates we are currently experiencing also result mainly from excessive investment activity. It is surely high time to repeal or modify these two provisions.

BALANCE OF PAYMENTS

In 1971 and 1972, the United States amassed a total balance-of-payments deficit of $40 billion. The present income tax laws encouraged these staggering deficits by allowing U.S. corporations to defer U.S. tax on income earned by foreign subsidiaries as long as such income is not repatriated in dividends. The Joint Economic Committee estimated that in 1971, subsidiaries of U.S. corporations abroad earned $13 billion before taxes and repatriated only $3 billion in dividends. Billions of dollars were retained and reinvested in Europe, mainly to avoid the 48-percent U.S. corporate income tax. Removing this incentive to keep subsidiaries' earnings abroad is an obvious first step toward improving our balance-of-payments picture.

For these reasons, tax reform must have top priority this year. Some have suggested postponing tax reform until next session. I say that we cannot afford a whole year of mutilated domestic programs, of price increases, of a steadily weakening dollar abroad. We have waited for administration leadership for 2 years; it is useless to wait further. We must exercise fiscal responsibility, get together on tax reform, and present the President with a fait accompli—an equitable, economically sound, and popular bill which even he will not dare to veto.

Mr. BROWN of California. Mr. Speaker, in my State of California, when a group of students, calling themselves, "Project Loophole" tried to repair some of the holes in California's tax laws, Governor Reagan responded that the State needed loopholes, saying they helped make the State run. Personally, I tend to doubt that California would have been irrevocably damaged if Mr. Reagan had not taken advantage of these loopholes, and instead payed his share of State taxes.

Much of the bemoaning by industry at a national level strikes me in the same way. For many years now, the tax laws of our Federal Government have needed a close inspection and overhaul. Thanks to a few individuals, and consumer minded groups, the inspection has taken place. Now it is time for us to do the overhauling.

The reason I am speaking here today is that I believe we can and must begin this repair, and I feel the Tax Equity Act of 1973, authored by Congressman CORMAN of California, goes a long way toward accomplishing this goal.

The taxation of capital gains income at the same rate as ordinary income, and the elimination of the investment tax credit and oil depletion allowances, as provided in this bill, will do much towards equalizing the tax burden.

Also Mr. CORMAN's bill will rechannel home millions in revenue, currently lost because of overseas investment manipulation by American corporations. These companies have changed the line, "the business of America is business," to "the business of America is anywhere but in America."

For tax purposes, a foreign operation by an American company is the best of both worlds. If at first the operation is unprofitable, then it is called a "branch" so that the losses can be deducted from domestic income, and U.S. taxes. But if it becomes profitable, it is acquired by a foreign subsidiary, and again U.S. taxes are avoided.

As William Carley, of the Wall Street Journal pointed out on October 16, 1972:

> Tax havens on remote islands, dummy subsidiaries in Switzerland, loopholes in tax laws, all permit many companies to avoid, more or less legally, large sums in taxes.

I want to impress upon you the word, legally. As unethical as these practices may be, no laws are being broken. All that is being broken are the records for overseas investment. Hopefully the passage of a tax reform bill will put a stop to this tax dollar drain.

But the National Association of Manufacturers has come to us and said if we change these laws and raise the taxes on overseas earnings it will cost American workers more than 200,000 jobs.

These are strong words. I ran for election on the promise that I would fight for more jobs in my district, and not allow any to be lost. Under these circumstances my first thought would be to disapprove of this kind of legislation. But if these consequences really exist, then why has every union spokesman who has come to me, asked me to support this kind of tax reform?

Another question I would like to ask the National Association of Manufacturers is, if, to quote them. "The investment tax credit is about the best way we can take care of the unemployed," then why did George Meany come here a month ago and advocate the elimination of it?

I suspect I will not get an answer to my questions from these people.

This country is in need of tax reform. H.R. 1040, alone, could bring in $20 billion in new revenue by 1974.

This country can also survive tax reform. Despite predictions to the contrary, American industry will not wither away, or grind to a halt, if it is forced to increase its share of the tax burden.

It is our responsibility to see that this tax reform takes place. And it is a responsibility we should not adbicate.

Mr. DELLUMS. Mr. Speaker again we come to income tax deadline day—a day which for all Americans represents a responsibility to our Nation but which for some citizens brings with it a painful moral dilemma.

I am referring to the conscientious objectors to war who at this time each year must grapple anew with the fact that some of their Federal taxes will invariably be spent on instruments of war—in direct violation of their religious and moral beliefs.

It is for these men and women that I, along with 11 of my colleagues, are again introducing the "World Peace Tax Fund Act."

This measure would establish conscientious objector status for taxpayers identical to that presently written into the Military Selective Service Act. Under the act, any person who could not contribute to military expenditures for compelling religious or moral reasons, could choose to have those tax dollars routed instead to peace-related activities.

I would like to read to you one of the thousands of letters received on this issue over the last year, because it articulates better than my words can this crisis of conscience:

> Dear Congressman Dellums: I have recently read the text of the World Peace Tax Fund Act and am very encouraged by it. I have for many years been compelled by the moral law of mankind not to lend my support in any way to war and preparations for war.
>
> In the end, however, the IRS seizes my money, either from my savings account or my paycheck. They have now seized several thousand dollars, which I look upon as the purchase price for half a dozen 500-pound bombs or for a long burst from a Vulcan cannon.
>
> To avoid this I, like many other war tax resistors, resort to tactics by which I hope to increase IRS's office expenditures to get my money, so that in the end what they recover will only pay for their bureaucratic expenses and not for military purposes.
>
> But as a citizen I hate this tactic. I respect the IRS. I would like to see its bureaucratic expenses reduced, not increased, in the interest of smaller government. But until I read your proposal I did not know what else to do, in order to avoid supporting the barbarism of war.
>
> Many thousands of Americans believe that non-contribution to war is essential to their life, happiness and honor.

For this gentleman, and all those who share his convictions, we must remedy the glaring disparity between our first amendment promises of religious freedom and our current tax laws.

Joining me in sponsoring this bill are: Ms. Abzug, Mr. Bingham, Mr. Conyers, Mr. Diggs, Mr. Edwards of California, Mr. Kastenmeier, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Rangel, Mr. Rosenthal, and Mr. Stark.

GENERAL LEAVE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order on tax reform.

BILL INTRODUCED TO DIRECT PRESIDENT TO RATION FUEL TO INSURE ADEQUATE FARM SUPPLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Findley) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, as each day goes by, the energy crisis worsens. Gasoline and diesel fuel supplies continue to dwindle at an alarming rate. Independent fuel dealers and jobbers are curtailing their operations because fuel supplies are not available. Many are going out of business.

While the implications of this situation on our Nation are immense, nowhere are they as alarming as in the agriculture sector. Without fuel, farmers cannot plant their crops. Without a crop, the flow of food to the consumer would come to a halt. And our Nation would go hungry.

Within the next 90 days, farmers in Illinois and most of the Midwest will need 45 percent of the total amount of fuel they use during an entire year.

This year even more fuel than usual will be required. Due to a wet fall and spring, very little plowing has been done.

In addition, Illinois alone will have approximately 4,300,000 more acres in production this year than last because of USDA efforts to increase the Nation's food supply. Nationwide the additional land in production will approximate 40 million acres.

Already some farmers have been shut off from their normal sources of fuel because of insufficient supplies. This has led to stockpiling and hoarding by those fortunate farmers who have storage facilities. But many more have limited storage capacity. And some farmers cannot now buy tanks to store fuel on their farms because of the great demand for the additional storage capacity.

Obviously, immediate action is necessary to insure that farmers have enough fuel and this potential catastrophe is averted. One estimate shows Illinois alone will suffer a 1,500,000 gallon shortage of fuel this year. This shortage cannot be allowed to affect farm operations.

Today I am introducing legislation that would direct the President to establish and implement a plan for rationing gasoline and diesel fuel in States and areas when supplies become insufficient for essential farm operations. The plan could and should be used immediately to head off a potential disaster. The authority would continue for 1 year.

Rationing of fuels in our land of plenty is not a pleasant prospect. But we all must realize that when it comes to fossil fuels, our days of plenty are over. We must make the best use of what is left.

RETIREMENT AND BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. Hogan) is recognized for 15 minutes.

Mr. HOGAN. Mr. Speaker, today we passed two bills which originated in the subcommittee on which I am the ranking minority member. Since these bills were approved under unanimous consent without debate, I requested this special order to explain their provisions.

The first is H.R. 3798, a bill to provide for mandatory retirement of employees upon attainment of 70 years of age and 5 years of service. It would further amend the Federal employees' group life insurance law and the Federal employees' health benefits law, in changing from 12 to 5 years the service provisions for retention of such coverage after retirement effective with respect to separations which occur subsequent to December 31, 1978.

At the present time, the law requires automatic separation of a 15-year employee at the end of the month in which he attains age 70, or whatever later age he completes the minimum 15 years of service. In unusual cases, extension beyond retirement age may be authorized by the President.

The Civil Service Commission recommends a change in the law because the present age 70/15-year service provision in the civil service retirement law is not responsive to the needs of the Government. To support this view, the Civil Service Commission has cited the 1966 report of the Cabinet Committee on Federal Staff Retirement Systems.

This report states:

> The 15-year service minimum in mandatory retirement not only prolongs the employment of some who should retire, but *stands in the way of the hiring of new workers who would not have 15 years of Federal service by the time they reach age 70.* This provision was adopted in 1926, when there were few private pension plans and no Social Security program. There were compelling social and economic reasons for permitting older hirees to stay on the rolls until they could gain a significant CSR benefit, even if this took their Government employment well past age 80. Today, the older person with short Federal service may be presumed to have other public or private pension coverage through Social Security, corporate retirement, State or local government retirement, Veterans' Compensation, military retirement."

Enactment of this legislation will aid the older employee who is inclined to retire, but because of the requirement of 12 years of service to qualify for retention of Federal employees' group life and health benefits does not retire.

Accordingly, the bill which we approved today will open opportunities for younger employees.

In addition, the bill will minimize the reluctance of some agencies to hire employees 55 years of age and older.

For these reasons, I supported passage of this legislation.

Mr. Speaker, the other bill we approved earlier today was H.R. 6077, a bill which I cosponsored, to permit the voluntary retirement of a Federal employee who has completed 25 years of service, or who is age 50 and has completed 20 years of service, during a period while his agency is undergoing a major reduction in force.

This legislation will be of considerable benefit to employees, management, and the community where an agency is located which undergoes a reduction in force.

As many of us who have Federal installations in our districts know, a major reduction in force can result in severe adverse effects. The younger employees of the agency with less service are removed. Management—the Federal Government—which is charged with the successful operation of the agency's mission, is without the services of valued, younger employees, and the "bumping actions" which accompany any reduction in force have a disruptive effect on agency management. In addition to these effects, local communities, both large and small, suffer economically.

The purpose of H.R. 6077, which is recommended by the administration, is to lessen the hardships which accompany any major reduction in force action. It benefits the employee who has the age and/or service requirements and who wishes to retire but cannot do so under the present civil service retirement law. It also benefits the management of the agency which must continue to function effectively after the reduction in force.

It is the understanding of the committee, and my hope, that before any eligible employee exercises his option to retire under the provisions of this legislation that he be informed of his retention rights before or while the reduction procedures are in process. It is also intended that safeguards be implemented by the Civil Service Commission to insure that any separation by a truly voluntary action of the employee, and free of all coercion to retire.

In making a determination as to whether an agency is undergoing a major reduction in force, the Civil Service Commission under the bill will weigh the following factors:

First. Impact of reduction in force on the local economy.

Second. The degree of disruption of the agency or installation's operations.

Third. Effect on future capability of the installation to carry out its mission.

Fourth. Consideration will also be given as to whether employees throughout the agency could exercise the option to retire or whether the option would be restricted to specific geographical areas, and organizational units where the effects of the reduction in force are particularly severe.

Mr. Speaker, I strongly endorse this legislation and urge my colleagues to do likewise.

ENVIRONMENTAL EDUCATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 10 minutes.

Mr. FRENZEL. Mr. Speaker, I rise today to present an amendment to the Environmental Education Act—Public Law 91–516. The purpose of this amendment is to eliminate some of the obstacles which seem to me to hamper this vital program.

The Environmental Education Act was designed as an educational vehicle to help preserve and enhance our environmental quality. The program, and this Congress, have taken some great steps in this direction. But, like all programs, some aspects of it should be improved. Among these are the functions of accountability, efficiency in administration and greater coordination with local, State, and regional groups.

There are many States which have created their own environmental education programs. They recognize the need to educate the public concerning the preservation of our environment. Regional councils have also been established in some cases to provide interstate cooperation on regional problems. These are worthwhile steps and the Federal Government should not duplicate these efforts. We should instead coordinate these programs, encouraging other States and regions to participate, and provide additional funds and technical assistance for their programs.

Accountability is an additional problem in the current act. Grant proposals are submitted to the U.S. Office of Environmental Education, for review, and possible funding. Typically, there is little knowledge on the part of the individuals making the decisions on the environmental needs of that area, or on the effectiveness of the individual programs once they have been funded. What is needed is an administration system which would be responsible for the decisions made, and could then react to the projects which have received grants.

Finally, a general assessment of the entire program must be made before further appropriations are determined. In order to assure that the money available is being used most efficiently, the Office of Environmental Education must carry out a national assessment of the needs and trends in environmental education.

My amendment will attempt to fulfill all of these objectives. Funds would be distributed throughout the United States as well as the regional offices of education. To assist the commissioners in determining guidelines, making recommendations, and evaluating the program, regional and national advisory councils would be established. These councils would be composed of individuals from the various States' areas. This would provide a knowledge of needs of the various areas, coordination with the State programs, and a feedback system to insure the effectiveness of the programs.

The amendment also requires that before any further extensive allocations are made, a national assessment of the program must be carried out by the Office of Environmental Education.

We all recognize the need for a comprehensive program for the education of the general public about the quality of the environment. But this program must be designed so as to assure that the money we spend will be used wisely and effectively to produce the most desirable results.

The text of the bill as amended follows:

H.R. 7056

A bill to amend the Environmental Education Act to improve its effectiveness through increased accountability, regionalization, and assessment procedures

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Environmental Education Act (20 U.S.C. ch. 35) is amended to read as follows:

"That this Act may be cited as the 'Environmental Education Act'.

"STATEMENT OF FINDINGS AND PURPOSE

"SEC. 2. (a) The Congress of the United States finds that arriving at high standards of environmental quality is one of the most necessary but controversial goals facing this country and its governments. It also finds that the educational world characteristically responds to assist in meeting national priorities. P.L. 91–516, establishing the Office of Environmental Education, and the many State environmental education acts have established that environmental quality is best harmonized and/or compromised through educational processes. Underpinning any successes achieved in improving environmental quality, locally, regionally or nationally, is increased citizen awareness and understanding of environmental and ecological interrelationships—the mission of all environmental education programs. Presently adequate resources do not exist to meet an educational obligation to educate and inform all citizens; concerted efforts to develop resources to educate citizens about environmental quality and ecological balance are therefore necessary.

"(b) It is the purpose of this Act to encourage and support the development of new and improved curricula based on local needs to encourage understanding of policies, and support activities designed to enhance environmental quality and maintain ecological balance; to demonstrate the use of such curricula in model educational programs; to disseminate curricular materials and other environmental education information for use in educational programs throughout the Nation; to provide training programs for teachers, other educational personnel, public service personnel, and community, labor, and industrial and business leaders and employees, and government employees of State, Federal, and local levels; to provide for the planning and/or use of environmental study centers; to provide for community education programs on preservation, wise utilization and enhancement of environmental quality and maintenance of ecological balance; to provide for the preparation and distribution of materials and programs by mass media in dealing with the environment and ecology; and to provide for a continuing evaluation process of the foregoing programs.

"ENVIRONMENTAL EDUCATION

"SEC. 3. (a) (1) There is established within the Office of Education an Office of Environmental Education (referred to in this section as the 'Office', which, under the supervision of the Commissioner, through regulations promulgated by the Secretary, shall be responsible for (A) the administration of the program authorized by subsection (b); (B) the coordination of all activities of the Office of Education which are related to environmental education activities of the Office of the Commissioner for Education. The Office shall be headed by a Director who shall be compensated at a rate not to exceed that prescribed for grade GS–17 in section 53322 of title 5, United States Code; (C) there is established in each of the ten United States Office of Education Regions an office of environmental education (referred to in this section as the 'office') which, under the supervision of the Director of the Office of Environmental Education, through regulations promulgated by the Secretary, shall be responsible for (A) the administration of the regional program authorized by subsection (b); and, (B) the coordination of activities of the regional office which are related to environmental education. The office shall be headed by a coordinator who shall be compensated at a rate not to exceed that prescribed for grade GS–15 in section 5332 of title 5, United States Code.

"(2) For the purpose of this Act, the term 'environmenal education' means the educational process dealing with man's relationship with his natural and manmade surroundings, and includes the relation of population, pollution, resource allocation and depletion, conservation, transportation, technology, and urban and rural planning to the total human environment.

"(b) (1) The Commissioner of Education shall carry out a program of making grants to, and contracts with, institutions of higher education, State and local education agencies, and other public and private agencies, organizations, and institutions (including libraries and museums) to support research, demonstrations, and pilot projects designed to educate the public on the problems and alternative solutions related to environmental quality and ecological balance, except that no grant may be made other than to a nonprofit agency, organization, or institution.

"(2) Funds appropriated for grants and contracts under this section shall be distributed as follows:

"(A) Ten per centum of all funds appropriated shall be allocated to the Office for the purpose of supporting and meeting the program criteria described in this section that have overarching national implications.

"(B) Ninety per centum of funds appropriated shall be allocated to the ten regional offices for the purpose of supporting and meeting the program criteria described in this section. Ten per centum of these funds shall be utilized by the ten regional offices for the purpose of supporting and meeting the program criteria described in this section that have overarching regional implications.

"(C) Allocation of funds to the regional offices shall be pro-rated based upon the most recent national population census.

Recognizing that there are three major groups involved in this Act (elementary and secondary education, higher education, and community education), no grant or contract will be awarded unless clear evidence is provided that no less than two of the said groups shall be involved in the program for which funds are sought.

"(3) Fund appropriated for grants and contracts under this section shall be available for such activities as—

"(A) the assessment of environmental education trends and needs on the State, Federal, and local levels;

"(B) the development of interdisciplinary curricula in the preservation, wise utilization and enhancement of environmental quality and ecological balance aimed at meeting local needs;

"(C) preservice and inservice training programs (including fellowship programs, institutes, workshops, symposia and seminars) for educational personnel to prepare them to teach in interdisciplinary and subject matter areas associated with environmental quality and ecological balance, and for public service personnel, government employees, and business, labor and industrial leaders and employees;

"(D) the planning and/or use of environmental study centers;

"(E) community environmental education programs, including special programs for adults;

"(F) exemplary centers that demonstrate programs and disseminate materials and information in environmental education;

"(G) block grants to those state agencies, councils or commissions which include environmental education as a major component of their activities for the purpose of supporting or meeting the program criteria of this section that have overarching state implications; and

"(H) preparation and distribution of materials and programs suitable for use by the mass media in dealing with the environmental and ecology.

"(4) (A) Financial assistance under this subsection may be made available upon application to the Commissioner and in response to requests for proposals (R.F.P.'s) for those programs and research having overarching national implications as identified by the Office of Environmental Education; and,

"(B) upon application to the regional commissioner in response to R.F.P.'s for those programs and research having overarching regional implications as identified by the regional office of environmental education. Additional financial assistance under this subsection may be made available only upon application to the regional commissioner. Applications under this subsection shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

"(i) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

"(ii) describes a program for carrying out one or more of the purposes set forth in the first sentence of paragraph (3) which holds promise of making a substantial contribution toward attaining the purposes of this section;

"(iii) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application;

"(iv) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 3, and in no case supplant such funds.

"(v) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

"(vi) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require and for keeping such records, and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(C) Except for the ten per centum of funds allocated to the national and regional offices for the purpose of meeting and supporting programs with overarching implications as described in paragraphs 3 (A) and (B), all applications submitted for financial assistance under this Act may be approved by the regional commissioner only if the State environmental education council and/or State education agency has been notified of the application and has been given the opportunity to offer recommendations.

"(D) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

"(5) Federal assistance to any program or project under this section shall not exceed 90 per centum of the cost of such program for the first fiscal year of its operation, including costs of administration, unless the Commissioner determines, pursuant to regulations adopted and promulgated by the Secretary establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this section. The Federal share for the second year shall not exceed 75 per centum, and for the third year 60 per centum. Non-Federal contributions may be in cash, or kind, fairly evaluated, including but not limited to plant, equipment and services.

"(c) (1) There are hereby established ten Regional Advisory Councils on Environmental Education. Each Council shall consist of members appointed as follows:

"(a) One member from each State, within the region, appointed by its Governor.

"(b) Five at-large members appointed by the Secretary. Such persons shall be appointed from the public and private sector, of their respective region, with due regard to their fitness, knowledge and experience in matters of, but not limited to, academic, scientific, medical, legal, resource conservation and production, urban and regional planning, and information media activities as they relate to our society and affect our environment, and shall give due consideration to geographical representation in the appointment of such members: *Povided however,* That among the appointees one shall be an ecologist and one a student. The chairman of each Council shall be elected by the members of the Council.

"(2) The Regional Council shall—

"(A) advise the Regional Commissioner and office concerning the administration and operation of programs assisted under this section;

"(B) make recommendations to the office with respect to the allocation of funds appropriated pursuant to the purposes set forth in paragraph 3 of subsection (b) and establish the criteria used in approving applications; and shall consider an appropriate geographical distribution of approved programs and projects throughout the region;

"(C) develop criteria for the review of applications and their disposition;

"(D) assist the office in conducting a continued assessment of trends and needs in environmental education;

"(E) advise the office on those programs or research in environmental education of overarching regional concern that need examination or support;

"(F) transmit to the National Advisory Council an assessment of all programs, needs and trends in environmental education within the region; and

"(G) develop and implement, in cooperation with the regional office of environmental education, a program of information dissemination and communications with the states within each region and between regions.

"(D) (1) There is hereby established a National Advisory Council on Environmental Education. The Council shall consist of seventeen members obtained as follows:

"(A) One member from each of the ten regional councils; each regional council shall elect its representative from among its membership.

"(B) Seven at-large members appointed by the Secretary. Such persons shall be appointed from the public and private sector, of their respective region, with due regard to their fitness, knowledge and experience in matters of, but not limited to, academic, scientific, medical, legal, resource conservation and production, urban and regional planning, and information media activities as they relate to our society and affect our environment, and shall give due consideration to geographical representation in the appointment of such members: *Provided, however*, That among the appointees two shall be ecologists and two students. The chairman of the Council shall be elected by the members of the Council from among its membership.

"(2) The National Council shall—

"(A) advise the Commissioner and the Office concerning the administration of, preparation of general regulations for, and operation of programs assisted under this section;

"(B) make recommendations to the Office with respect to the rise of funds appropriated pursuant to the purposes set forth in paragraph (2) of subsection (b);

"(C) assist the Office in conducting a continual assessment of the trends and needs in environmental education;

"(D) advise the Office on those programs or research in environmental education of overarching national concern that need examination or support;

"(E) develop criteria for the review of applications and their disposition for those programs described in part (A) paragraph (2) subsection (b); and,

"(F) develop and implement, in cooperation with the Office of Environmental Education, a program of information dissemination and communication with the regional offices and other agencies within the Federal Government.

"TECHNICAL ASSISTANCE

"SEC. 5. The Secretary of Health, Education, and Welfare, in cooperation with the heads of other agencies with relevant jurisdiction, shall, insofar as practicable upon request, render technical assistance to local education agencies of local, State and Federal governments and other agencies deemed by the Secretary to play a role in preserving and enhancing environmental quality and maintaining ecological balance. The technical assistance shall be designed to enable the recipient agency to carry on education programs which are related to environmental quality and ecological balance.

"SMALL GRANTS

"SEC. 4. (a) In addition to the grants authorized under section 4, the Regional Commissioners, from the sums appropriated, shall have the authority to make grants, in sums not to exceed $10,000 annually, to nonprofit organizations such as citizens groups, volunteer organizations working in the environmental field, and other public and private nonprofit agencies, institutions, or organizations for conducting courses, workshops, seminars, symposiums, institutes, and conferences, especially for adults and community groups (other than the group funded).

"(b) Priority shall be given those proposals demonstrating innovative approaches to environmental education.

"(c) For the purposes of this section, the Regional Commissioners shall require evidence that the interested organization or group shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report on Federal funds expended.

"(d) Proposals submitted by organizations and groups under this section shall be limited to the essential information required to evaluate them, unless the organization or group shall volunteer additional information.

"ADMINISTRATION

"SEC. 5. In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Commissioner shall publish annually a list and description of projects supported under this Act and shall distribute such list and description to interested educational institutions, citizens' groups, conservation organizations, and other organizations and individuals involved in enhancing environmental quality and maintaining ecological balance.

"AUTHORIZATION

"SEC. 7. There is authorized to be appropriated for the fiscal year ending June 30, 1974, $10,000,000 for carrying out the purpose of this Act."

THE EMPLOYEE BENEFITS PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ERLENBORN) is recognized for 30 minutes.

Mr. ERLENBORN. Mr. Speaker, I was pleased April 12 to join JOHN DENT, the chairman of the general Subcommittee on Labor, and ALBERT QUIE, the ranking minority member of the Committee on Education and Labor, in introducing H.R. 6900, the administration's Employee Benefits Protection Act.

This bill is one of two measures proposed by the administration with the intent of providing greater security to the $160 billion now accumulated for the retirement of 32 million American workers covered by private pension plans, and giving all Americans greater incentives for saving for their retirement. I have not seen the other bill, which I understand will be referred to the Committee on Ways and Means, and so will reserve judgment on it until I have analyzed it and until I can view the recommendations it makes from the perspective our committee hopes to gain by virtue of the study we are presently conducting.

The proposed Employee Benefits Protection Act we are introducing today for the administration is overall a good bill. This is the third time in as many Congresses that I have sponsored such legislation in behalf of the administration. As with previous versions, it presents several changes over its predecessor; and they are constructive changes. I am hopeful the introduction of this measure will spur us into action.

As is demonstrated by the bipartisan sponsorship of this bill, there is no dispute among the members of our committee, nor among the unions, employers, plan administrators, banks, and the many others involved with private pension plans, about the need for strengthening fiduciary standards and requiring more significant reporting and disclosure. We have studied and debated the subject, and there is little reason to defer action any longer.

The fundamental purpose of the proposed amendments to the Welfare and Pension Plans Disclosure Act is the broadening and strengthening of the protection of rights and interests of participants and beneficiaries of employee welfare and pension benefit plans. This aim is accomplished in three ways. First, by the addition of two new sections: One setting forth responsibilities and proscriptions applicable to persons occupying a fiduciary relationship to employee benefit plans, including a "prudent man" standard for evaluating the conduct of all fiduciaries; the other barring from responsible fiduciary positions in such plans for a period of 5 years all persons convicted of certain listed criminal offenses. Second, by additions to and changes in the reporting requirements designed to disclose more significant information about plans and the transactions engaged in by those controlling plan operations and to provide specific data to participants and beneficiaries concerning the rights and the benefits to which they are entitled under their plans and their rights under the law. Third, by providing remedies through either State or Federal courts to insure that the protections provided by the act can be effectively enforced.

I. FIDUCIARY RESPONSIBILITY

A fiduciary is one who occupies a position of confidence or trust. As defined by the amendments, a fiduciary is a person who exercises any power of control, management or disposition with respect to moneys or other property of an employee benefit fund, or who has authority or responsibility to do so. The fiduciary responsibility section, in essence, codifies and makes applicable to these fiduciaries certain principles developed in the evolution of the law of trusts. The section was deemed necessary for several reasons.

First, a number of plans are structured in such a way that it is unclear whether the traditional law of trusts is applicable. Predominantly, these are plans which, although maintaining a fund of assets to finance benefit payments, are not established as trusts. Certain insured plans fall into this category. Administrators and others exercising control functions in such plans under the present act are subject only to minimal restrictions and the applicability of present State trust law is sometimes unclear.

Second, even where the funding mechanism of the plan is clearly in the form of a trust, reliance on conventional trust law often is insufficient to adequately protect the interests of plan participants and beneficiaries. This is because the common law of trusts was developed in the context of testamentary and inter vivos trusts—usually designed to pass designated property to an individual or small group of persons—with an attendant emphasis on the carrying out of the instructions of the settlor. Thus, if the settlor includes in the trust document an exculpatory clause under which the trustee is relieved from liability for certain actions which would otherwise constitute a breach of duty, or if the settlor specifies that the trustee shall be allowed to make investments which might otherwise be considered imprudent, the trust law in many States will be interpreted to allow the deviation. In the absence of a fiduciary responsibility section in the present act, courts applying trust law to employee benefit plans have allowed the same kinds of deviations, even though the typical employee benefit plan, covering hundreds or even thousands of participants, is quite different from the testamentary trust both in purpose and in nature. It is expected that courts will interpret the prudent man rule and other fiduciary standards bearing in mind the special nature and purposes of employee benefit plans intended to be effectuated by the act.

Third, a fiduciary standard embodied in Federal legislation is desirable because it will bring a measure of uniformity in an area where decisions under the same set of facts may differ from State to State. This uniformity of decision will help administrators, fiduciaries and participants to judge the legality and prudence of proposed actions by an established standard and will avoid the necessity of reference to varying State laws.

Finally, taken together, the funds of employee benefit plans constitute an enormous sum of assets and it is evident that the operations of such plans are increasingly interstate. The national public interest in the continued prudent management of these plans and in the integrity of their funds is direct and clearly warrants protective Federal legislation.

Section 14(a), when read in connection with the definition of the term "employee benefit fund," makes it clear that the fiduciary responsibility provisions apply only to those plans which have assets at risk. Thus an unfunded plan, such as one in which the only assets from which benefits are paid are the general assets of the employer, is not covered. However, if the plan does have assets at risk, the form in which those assets are held is deemed to be a trust, whether or not a trust agreement exists, and the trust assets may be used only for the two stated purposes: providing benefits for participants and defraying reasonable administrative expenses.

The next two subsections (14(b) and (c)) incorporate the core principles of fiduciary conduct as adopted from existing trust law, but with modifications appropriate for employee benefit plans. These salient principles place a twofold duty on every fiduciary: to act in his relationship to the plan's fund as a prudent man in a similar situation and under like conditions would act, and to act solely in the interest of the participants and beneficiaries of the plan; that is, to refrain from involving himself in situations or transactions—especially transactions with known parties in interest—where his personal interests might conflict with the interests of the participants and beneficiaries for whom the fund was established. Thus, section 14(b)(1) sets out the prudent man standard and the attendant affirmative duties to discharge responsibilities in conformance with the instructions—as set out in the governing plan documents—and solely in the interest of the plan's participants and beneficiaries.

There follows a list of proscriptions (section 14(b)(2)) which represent the most serious types of fiduciary misconduct which in one way or another have occurred in connection with employee benefit plans. Some of these situations have been found in the administration of the WPPDA. Others have been discovered by congressional investigations, newspaper reporters, audits, and miscellaneous sources. While the magnitude of these improper practices is small in relation to the total number of plans in existence, the seriousness of the improper practices disclosed indicates the need for additional precautions to insure that these specific examples do not become general conditions. The list of proscriptions is intended to provide this essential protection.

The exemption provision which follows the listed proscriptions has been included in recognition of established business practices, particularly of certain institutions such as commercial banks, trust companies, and insurance companies which often perform fiduciary functions in connection with employee benefit plans. The Secretary will, by individual or class exemptions, provide exceptions so that the established practices of these institutions and others are not unduly disrupted, so long as they are consistent with the purposes of the act. For example, the proscription in section 14(b)(2)(G), prohibiting a fiduciary from furnishing service to a party in interest is not intended, in the normal course of events, to bar a fiduciary bank from providing services to the employer whose employees are participants in the plan.

Next, there are listed transactions in which fiduciaries are expressly allowed to engage. This listing is necessary for reasons similar to those which required inclusion of the exemption provision. That is, the breadth of the proscriptions, while considered necessary for the reasons stated above, would operate in some cases to prohibit transactions which are deemed desirable to the sound, efficient functioning of employee benefit plans. It was therefore necessary to specify that certain transactions, likely to be engaged in by fiduciaries of virtually all plans, will be allowed notwithstanding the proscriptions. It is emphasized, however, that even with respect to the transactions expressly allowed, the fiduciary's conduct must be consistent with the prudent man standard.

Especially significant among the expressly allowed transactions is that which permits, in most types of plans, investment of up to ten percent of the fund assets in securities issued by the employer of the employees who are participants in the plan. Since such an employer will often be an administrator of his plan, or will function as a trustee or in some other fiduciary capacity, this provision creates a limited exception to the listed proscription against self-dealing. The exception is made in recognition of the symbiotic relationship existing between the employer and the plan covering his employees. Such investments are commonly made under provisions in a trust agreement expressly allowing them. In recognition of the special purpose of profit sharing plans, the limitation does not apply to such plans if they explicitly provide for greater investment in the employer's securities. Section 14(c) also recognizes the practice of including in trust instruments various authorizations governing the handling of the fund. Many such authorizations have been inserted by legal draftsmen because of questions in their judgment as to authority and are generally recognized as appropriate.

The next two subsections ((d) and (e)) are intended to codify, with respect to employee benefit fund fiduciaries, rules developed under the law of trusts. Thus a fiduciary is made personally liable for his breach of any responsibility, duty or obligation owed to the fund, and must reimburse the fund for any loss resulting from such a breach. He must also pay over to the fund any personal profit realized through use of fund assets. Where two or more fiduciaries manage a fund, each must use care to prevent a cofiduciary from committing a breach or to compel a cofiduciary to redress a breach. Plan business is to be conducted by joint fiduciaries in accordance with the governing instruments of the plan, or in the absence of such provisions, by a majority of fiduciaries, and a fiduciary who objects in writing to a specific action and files a copy of his objection with the Secretary is not liable for the consequences of such action.

The requirement (section 14(f)) that every plan contain specific provisions for the disposition of fund assets upon termination is necessary to avoid confusion on the part of fiduciaries and participants and beneficiaries alike as to the proper disposition of the fund assets upon termination of the plan. It is essential at such a time that the plan administrator—who is still, notwithstanding the termination, a fiduciary subject to the act—know how assets remaining in the plan's fund must be distributed and it is important that the distribution plan be specified so that participants and beneficiaries can assess the propriety of the fiduciary's actions when the plan terminates. The requirement that liabilities to participants and beneficiaries be satisfied before claims on the fund by contributing parties will be heard is inserted to insure that the interests of participants and beneficiaries will be fully protected.

Exculpatory and similar clauses which purport to relieve a fiduciary from any responsibility, obligation, or duty under the act are expressly prohibited and made void as against public policy (section 14(g)). Whatever the validity such provisions might have with respect to testamentary trusts, they are inappropriate in the case of employee benefit plans. The large numbers of people and enormous amounts of money involved in such plans coupled with the public interest in their financial soundness, as expressed in the act, require that no such exculpatory provision be permitted.

The basic 3-year statute of limitations—section 14(h)—for suits to enforce the fiduciary provisions or redress a fiduciary's breach may be extended up to an additional 3 years if the breach is not disclosed in a report required under the act. No action may be brought more than 6 years after the violation occurred, except that if the breach involves a willful misrepresentation or willful concealment of a material fact, a suit may be maintained within 10 years after the violation occurs.

Finally, section 14(i) explicitly provides that a fiduciary is not liable for violations committed before he became or after he ceased to be a fiduciary.

The second, all-new section, section 15, prohibits persons convicted of certain listed crimes from serving, for a period of 5 years after conviction or the end of imprisonment for such conviction, in a responsible position in connection with an employee benefit plan. This prohibition is considered necessary because of the large funds involved and the attendant great risk of a loss affecting a large number of persons. Section 15 is modeled after section 504 of the Labor-Management Reporting and Disclosure Act—LMRDA—which bars persons convicted of certain crimes from serving as union officers. The presence of the LMRDA prohibition is another reason for including a similar provision in the Protection Act. Without such a provision, persons barred from serving as union officers might take positions with employee benefit plans.

The crimes listed have been chosen with reference to three kinds of criminal activity. These are: First, activities which involve a wrongful taking of property; second, activities which are related to and often occur in connection with the efforts of organized crime elements in the labor-management and securities fields; and third, crimes of a nature so vicious that involvement in them casts grave doubt on the individual's responsibility. Thus, in addition to the specifically named crimes, the list includes crimes described in section 9(a) (1) of the Investment Company Act of 1940, involving misconduct in the securities field; violations of section 302 of the Labor-Management Relations—Taft-Hartley—Act; certain violations of the LMRDA; violations of chapter 63 of title 18, United States Code, mail fraud; and violation of section 874, kickbacks from public works employees; 1027, false statements in documents required by the Welfare and Pension Plans Disclosure Act; 1954, offer, acceptance, or solicitation to influence operations of employee benefit plan; 1503, jury tampering: 1505, obstruction of Government agency proceedings; 1506, theft or alteration of court record or process, false bail; 1510, obstruction of criminal investigations; and 1951, interference with commerce by threats or violence of title 18, United States Code. The section contains its own criminal penalty, with a higher fine than that provided for other criminal violations of the act. It is the same penalty as that specified in section 504, LMRDA.

To avoid confusion which has arisen over the similar LMRDA provision, section 15 states clearly that the term of imprisonment does not include the period of parole, if any, and the problem of unequal application of the restoration of citizenship rights clause due to varying State laws has been obviated by removal of the clause.

II. REPORTING AND DISCLOSURE

The underlying theory of the Welfare and Pension Plans Disclosure Act to date has been that reporting of generalized information concerning plan operations to plan participants and beneficiaries and to the public in general would, by subjecting the dealings of persons controlling employee benefit plans to the light of public scrutiny, insure that the plan would be operated according to instructions and in the best interests of the participants and beneficiaries. The Secretary's role in this scheme was minimal. Disclosure has been seen as a device to impart to participants and beneficiaries sufficient information to enable them to know whether the plan was financially sound and being administered as intended. It was expected that the knowledge thus disseminated would enable participants to police their plans.

But experience has shown that the limited data available under the present act is insufficient even though the burden of enforcement has been partly assumed by the Secretary. The amendments, therefore, are designed to increase the data required in the reports, both in scope and in detail. Experience has also demonstrated a need for a more particularized form of reporting, so that the individual participant knows exactly where he stands with respect to his plan—what benefits he is entitled to and what steps he must follow to secure his benefits.

Moreover, the addition of fiduciary responsibility provisions has increased the need for both generalized and particularized data. On one hand, participants will be able to ascertain whether the plan's fiduciaries are observing the rules set out in the fiduciary responsibility section only if they have access to sufficient data about plan transactions. On the other hand, the prophylactic effect of the fiduciary responsibility section will operate efficiently only if fiduciaries are aware that the details of their dealings will be open to inspection, and that individual participants and beneficiaries will be armed with enough information to enforce their own rights as well as the obligations owed by the fiduciary to the plan in general.

The existing exemption from coverage under the Welfare and Pension Plans Disclosure Act for plans of tax-exempt private organizations has been removed. Substantial numbers of persons are now participants in plans established by these organizations and they are entitled to the same assurances and protection as participants in other private plans.

To provide the flexibility necessary to avoid hardship and duplicative reporting, as well as unnecessary paperwork for both plan administrators and the Secretary, the act includes exemption and variation authority which the Secretary may apply on a class basis.

There are four significant changes designed to impart more information about the plan and its operations in general:

First, administrators will no longer be required to include the trust agreement or other instrument governing the plan in the plan description. However, the description must be written in layman's language so that participants and beneficiaries will be able to understand their plan's schedule of benefits and requirements concerning eligibility for benefits, nonforfeitability, and procedures for claims and remedies. Second, the annual report must include the opinion of an independent accountant based upon the results of an annual audit. Such information will allow better assessment of the plan's financial soundness by administrators and participants alike—the exemption for the books of institutions providing investment, insurance and related functions and subject to periodic examination by a government agency will prevent duplicative audit examinations of these institutions.

Third, plans other than those which are unfunded must include in their reports information pertaining to leases, party in interest transactions and investment assets other than securities in addition to information about securities investments and loans. Finally, actuarial information is now required so that participants and beneficiaries can judge the progress of the plan's funding scheme and its overall financial soundness.

Amendments to provide particularized information to individual participants and beneficiaries are found in section 8. In addition to the plan administrator's obligation to make available copies of the plan description and latest annual report, the Secretary may require the administrator to furnish reasonable notification in layman's language to all participants of their rights under the Act, and to furnish to any participant or beneficiary so requesting in writing a fair summary of the annual report and a statement of what benefits—including nonforfeitable benefits, if any—have accrued in his favor or both. This will enable a participant to find out where he stands with respect to the plan at any given time. Administrators must make good faith efforts to supply to a participant—or his survivor—upon his termination of service under a plan, a notice explaining exactly what procedures must be followed to secure benefits due.

Further, the administrator must furnish to participants and beneficiaries upon request complete copies of the plan description, annual report, or bargaining agreement, trust agreement, contract or other instrument under which the plan is established and operated. He may make a reasonable charge to cover the cost of such copies. If a plan is subject to a Federal vesting requirement and is exempted from providing preretirement vesting for benefits earned during a year of financial hardship, participants must be informed of the lack of vesting in that year.

III. ENFORCEMENT

The changes in the enforcement provisions have been made so that the rights given to participants and beneficiaries elsewhere in the act will be enforceable in an appropriate forum. The enforcement section reflects the addition of the fiduciary responsibility provisions and provides remedies of two kinds; those designed to rectify fiduciary breaches and those to insure that participants and beneficiaries, and the Secretary, will receive the information required by the reporting and disclosure provisions. Suits to redress breaches of duty by a fiduciary or to remove persons from plan positions serving in violation of the criminal conviction bar may be brought by the Secretary, or by a participant or beneficiary. The provision for equitable relief would allow, among other things, the imposition of a constructive trust over fund assets transferred to a third person in breach of the fiduciary's duty. Certification by an accountant as a prerequisite to the Secretary's investigation is no longer necessary because the annual audit requirement allows an assumption that the plan report is accurate.

Participants and beneficiaries may sue in any State court of competent jurisdiction. For actions in Federal courts, nationwide service of process is provided in order to remove a possible procedural obstacle to having all proper parties before the court. Federal and State courts are given discretion to award attorney's fees and court costs to any party in actions brought by a participant or a beneficiary. The court also has discretion to require the plaintiff to post security for court costs and reasonable attorney's fees. Suits by a participant or beneficiary to redress a fiduciary breach or remove a fiduciary must be brought as class actions where the jurisdiction permits class actions and the requirements for such an action can be met.

Fiduciary breaches may be rectified through civil suits only. Criminal penalties for such breaches are inconsistent with the principles established under the common law of trusts. However, criminal penalties remain available in cases of reporting violations, and, under title 18, United States Code, in cases of embezzlement, false statement, bribery and kickbacks in connection with employee benefit plans.

IV. EFFECT OF OTHER LAWS

The act provides for a uniform source of law for evaluating the fiduciary conduct of persons acting on behalf of employee benefit plans and a singular reporting and disclosure system in lieu of burdensome multiple reports. However, State law will continue to apply to plans not subject to the Act. This application of State law will include actions brought by participants and beneficiaries to recover benefits due under the plan or to clarify rights to future benefits.

States may require the filing with a State agency of copies of reports required under the act, and actions in State courts for accountings are expressly allowed if certain conditions are met, including adequate notice to participants and the Secretary. Furthermore, the act expressly authorizes cooperative arrangements with State agencies as well as other Federal agencies and provides that State laws regulating banking, insurance, and securities remain unimpaired.

VISIT WITH HON. LEE KUAN YEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. WYATT) is recognized for 10 minutes.

Mr. WYATT. Mr. Speaker, last week the United States was honored by an official visit by the Honorable Lee Kuan Yew, the Prime Minister of the Republic of Singapore. A little over 1 year ago, I had the pleasant experience of visiting the Prime Minister's country, and left with an enormous respect for what he and his countrymen had accomplished. I had some time with his housing minister, and was amazed at the progress made in Singapore to provide its citizens with quality housing.

Prime Minister Lee is a dynamic leader, a forceful man with great vision and courage. His accomplishments for his country are very impressive.

He addressed the National Press Club here in Washington on April 6 and I think a fair description of the Prime Minister and his accomplishments were contained in the introductory remarks of Donald R. Larrabee, the president of the club.

To provide a further insight on the background and accomplishments of one of Asia's truly great statesmen, I am including herewith excerpts from Mr. Larrabee's introduction:

EXCERPTS FROM MR. LARRABEE'S INTRODUCTION

An American political figure, whose respect for the quality of leadership knows no party lines, has said of our speaker today that he heads probably the best-run country in the world. Former U.S. Treasury Secretary John Connally, at an appearance in Houston earlier this year, told fellow Texans that the little city-state of Singapore is going places because it happens to be run by Lee Kuan Yew who, he said, is one of the "really great, smart leaders in this world." And Mr. Connally added: If he had a nation of any size that he could lead, he would be a great force to be reckoned with—because I don't know of anybody that knows of him, or any world leader who has ever dealt with him, that doesn't recognize he's a man of great capacity and great leadership. He's providing a spark for that city-state that's unequaled anywhere else in the world."

This is a strong endorsement for a man who knows where the power lies. But there are few who would disagree. Even his adversaries. One of Singapore's more skeptical intellectuals was quoted recently by Newsweek as saying of our speaker: "Whatever his faults, Lee Kuan Yew will go down in history as a very great man who has galvanized a nation out of nothing."

In Singapore's eight years of independence, the lion city under its Chinese founder has broken with the past and leaped self-assuredly into the future . . . like the mouse that roared. It is something of a global city, a kind of super-efficient, super-technological metropolis with a wildly improbable success story that keeps on building. The United Press reported recently that more than one third of Singapore's two million people live in high standard government housing with rents as low as $20 a month and employment and educational opportunities never seem to stop getting better.

By all accounts, this solid record of achievement is due to the determination of a man who rolled up Singapore's national sleeves and set about creating a rugged society. He acquired the name "Harry" in his student days in Britain and he has all the spunk of a Harry we knew, the late President Truman. He also has the father image of an Eisenhower, the charisma of a Kennedy, the suspicion of the press of a Johnson and the self-disciplined, puritanical approach of a Nixon.

Indeed, the Prime Minister and his Socialist People's Action Party stalwarts have inspired an almost Spartan devotion to hard work and honesty in the people of Singapore. The work ethic about which Mr. Nixon talks is a living reality in Singapore. And, as a result, she is at once the world's newest boom town and, next to Japan, Asia's most prosperous nation.

What's good for business seems to be good for the people. There is a labor shortage and no shortage of foreign investment. Last year, the Republic attained a per capita income in excess of $1,000, several times that of most neighborhood countries.

Little wonder that Singapore's bustling citizenry cannot imagine a future without the Prime Minister who now leads them in his fourth term.

Unlike American politicians, I'm told, his picture is rarely seen, though, I'm also told, his presence is everywhere. Marrying Western intellectualism to Chinese political pragmatism, the Prime Minister is part George Washington, part Eastern autocrat, part 20th century Victorian—and all dynamism. He is brilliant—he won a starred double first degree at Cambridge University—he is tough. He is an organizer.

Newsweek magazine noted that in the 1960's, when he first formed the People's Action Party, the Prime Minister coldly entered into an anti-colonial alliance with Singapore's Communists. But, once he took office, the magazine reported, he proceeded to crush his communist allies, thus becoming one of the few politicians ever to ride the Red Tiger to power and then successfully dismount.

A non-smoker, he has no known vices. And from press reports, he does not tolerate excessiveness in his people. The Lee government recently banned all films depicting extreme violence and it has been known to refuse passports to youths whose hair falls below the collarline. Now that is strict national discipline, almost hair-raising.

In terms of good government and in relation to the corruption and tyranny prevalent in much of the rest of Southeast Asia, the regime of Singapore's Prime Minister stands out like a good deed in a naughty world.

IN DEFENSE OF THE FARMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 10 minutes.

Mr. RAILSBACK. Mr. Speaker, once again the farmer has been made the brunt of anti-inflationary measures. We cannot expect farmers who have worked hard for what profits they are now receiving to sit back and take the bill, H.R. 6168, reported by the House Banking and Currency Committee. There have been many livestock people, who have gone out of business in the last few years, because of losses or low-profit margins. The net return on their investment has been meager. If we enact restrictive legislation at this time, we in the Congress may very well encourage more farmers to go out of business; thereby decreasing production, and eventually raising the prices of beef and pork even more. This will not serve either the farmer or the consumer.

I have received several hundred calls from people in my district and over 1,000 pieces of mail, within the past week, protesting the language approved by the committee. Typical comments in these communications are:

> All my farm purchases have climbed 50% in the past 19 years.

> You might point out to your colleagues that in 1970 many farmers closed out the year in the minus column.
>
> I think supply and demand should set the price of farm commodities.
>
> We certainly hope that Congress will not impose a rollback on cattle feeders. It can only lead to a decreased supply, while consumers really want and need an increased supply.

I have assured such individuals that I am opposed to H.R. 6168 as it is presently written, and I today urge all of my colleagues to also oppose the legislation before us. We would be better off directing our attention to the causes of inflation and not unduly crippling the farmers, who themselves are also hurt by inflation.

Let us take a moment to look at the record. During the past 20 years, the price of food at the retail level—"the supermarket basket"—has risen less than 50 percent. Meanwhile, the overall costs of goods and services—purchased by the farmer and city worker alike—have increased by at least 60 percent.

We in America spend less than one-sixth of our disposable income on food. This is far below the proportion spent by even the newly affluent citizens of Europe. It is also a substantial reduction from our own level in the early fifties.

Also, we eat far better than any other people. Americans' consumption of beef, for example, has more than doubled in the last 20 years, and that of the prime and choice cuts has increased by nearly 300 percent. Few foreigners can even imagine imitating our ordinary eating habits. Sirloin steaks sell for $3 a pound in Rome, and beef loin in Tokyo is a delicacy at $12 a pound.

But, if the U.S. farmer has consistently elevated his countryman's standard of living, he has not always done as well for himself. Because the farmer receives less than half of the dollar spent at the supermarket, his return has not always paralleled movements in retail prices. Indeed, from 1952 to 1972, prices obtained by the farmer for his produce had increased about 11 percent, while the total costs incurred in raising crops and breeding livestock rose by more than 100 percent during the same time period.

I know these figures make dry and forgettable reading for most people—but they are certainly real enough to the men and women who live and work the land. Their meaning is spelled out in the steady flow of those who once tried to make a living at farming into the factories and offices of the cities. Farm population is down more than 12 million since the Korean war, and this decline has left behind only the most efficient strains of farmers. These are the ones who have tripled agricultural productivity over the last two decades. And it is these workers too who boosted our exchange-earning farm exports by nearly a third last year.

And yet, in spite of such great achievements, the average farm family's income is still almost 20 percent below that of its urban and suburban counterpart. Few now in number, farmers have never been able to press for the guaranteed prosperity some Americans have claimed as their right. Farmers' labors are rewarded only as the market sees fit.

Fortunately, for the first time in years, net farm income is nationally about $20 billion. For the farmers who have just been struggling along, this represents a chance to continue their living. It would be ironic indeed if we in the Congress were now to prevent the marketplace from partially correcting the old and continual inequity of poverty on the farm.

Should the American housewife be upset by her rising food bills—even though U.S. food prices have risen far less sharply than those of eight European countries last year? Of course, she should. Cold statistics are not comforting to her when she passes the meat counter. But I think it is important that we try our best in putting food prices in their proper perspective, and be sensitive to the very difficult problems confronting the American farmer.

Most farmers are hoping to be confident about the future. In response to market conditions, they are already increasing their output. Expanding the supply of farm products should moderate grocery bills in the coming months. Agricultural workers are eager to earn a decent living, but not at the expense of the housewife. Instead, they support an expanded volume of production sold at fair and consistent prices. That is what the farmers of America want—surely that is what we all want. Let us permit the marketplace to continue operating as it was intended: as one of supply and demand.

COMMENTS ON H.R. 6168 AND H.R. 2099

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. Heckler), is recognized for 10 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, after participating in today's deliberations, I remain convinced that this body has shown no capability to deal effectively with the problem of inflation.

I support a simple extension of the present authority only as a last resort, because it would be irresponsible above all to leave the President with no power to exert controls in this critical stage of our economic recovery.

Nevertheless, I am not satisfied with this legislation. Adequate measure has not been taken of the heartfelt agony being expressed by housewives, senior citizens, wage earners, and tenants across the Nation, as they witness the erosion of the financial security and well-being they have labored long and hard to achieve. These are the voices of thoughtful, sensible, patriotic Americans, and they are seeking relief from the shrinking real value of their earnings.

I feel that this bill ignores the plight of the consumer, and so I rise to urge the President to use the authority extended by this legislation to relieve the pressures on the wage earner before they result in irrecoverable injury. Government will fail its responsibility to the people if the inflationary spiral is not curbed, especially in those sectors which drain off the largest chunk of an individual's income: Food prices and rents.

For those on fixed incomes, such as our senior citizens, this is an especially harsh time, and we in Government bear a special responsibility for their continued security.

Good intentions alone will not resolve the crisis. Tough decisions must be made—for, regardless of one's philosophy, in the end reality dictates what choices must be made. I again urge our economic policymakers to heed the voice of consumers—of the housewife and the breadwinner—to take the actions which the situation requires and which the people deserve.

SPEECH OF SENATOR HUGH SCOTT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFall) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, the distinguished minority leader of the Senate, Hugh Scott of Pennsylvania, recently addressed an assembly at the Time, Inc.'s 50th anniversary dinner in Washington, D.C. His comments upon the inevitability, and long history of, executive-legislative tension are worth noting, and so I introduce them in the Record:

Speech of Senator Hugh Scott

> Hedley Donovan: It is now my honor to introduce the minority leader of the Senate, Hugh Scott of Pennsylvania, who has shown long a deep concern for the effectiveness of Congress. He has said of the leadership of both Houses: "They will have to say over and over again to Congress that unless you reform yourselves it is inevitable that the erosion of congressional powers will continue."
>
> Senator Scott is a man of many achievements and attainments, including the authorship of a number of books, among them, *How to Go Into Politics, Come to the Party,* and *How to Run For Public Office and Win.* He knows whereof he speaks for he has won eight elections to the House of Representatives and is now in his third term as Senator. And I learned from my charming dinner partner to my right, Mrs. Scott, that he is the only Pennsylvanian ever to be elected to a third term in the Senate. Senator Scott.
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> Sen. Scott: Mr. Donovan, Mr. President, my colleagues and ladies and gentlemen:
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> It is an honor to be here tonight. I was talking to Senator Humphrey before we sat down and we realized that in 1972, in the coverage of that campaign, TIME, I believe presented one cover on Senator McGovern and two on Senator Muskie, and none on Senator Humphrey. Now, I think this is a sad commentary on the fact that TIME must evidently have been slightly deaf and their attention should have been more adequately called to Hubert, but we are willing at a 50% discount to appear jointly on any future cover.
>
> I do not want to sadden the occasion, but I would not want to let the opportunity pass to mention how disturbed all of us are and how unhappy we are at the tragic event of last night which has stricken our beloved colleague, Senator Stennis, and of course if our Chaplain had not asked you to note that occasion by a moment of prayer, I am sure the Speaker and I would have done so. We miss him and we are glad to hear that he is resting more comfortably and we hope for him a very early recovery.

Now, as to the great company of the Congresses, I think it can be said, that every President is known by the company he would rather *not* keep.

It doesn't seem 50 years ago that I, as a young hopeful just out of law school, became a charter subscriber to an experimental publication called Time. But as we have been reminded in stentorian tones so often since, "Time marches on." *Tempus* indeed *fugits*. As we have lately observed, Time is less transitory than Life.

So here we are a half-century after two young men from Yale set up shop in Cleveland to report and explain the news in a more spritely and penetrating way than it had been done before. Now Time has become a habit, but I remember how the habit began with me.

"Backward ran sentences until reeled the mind," as Gibbs of *The New Yorker* wrote years later. And, "Where it all will end, knows God."

Archaic words were rejuvenated and new ones invented. Oriental titles were adapted to modern uses. Leaders of business and finance became tycoons, not just to Time readers but to everybody.

Nobody in the news rated reverence, nor yet does. If a newsworthy character was snaggle-toothed, he was snaggle-toothed in the Time report. If he was egg-bald, he was egg-bald in Time. And if he was Sam Rayburn, he resented it.

All of which may have comported with Matthew Arnold's definition of journalism as "literature in a hurry."

The stylistic eccentricities served their purpose as attention getters without detracting from the more serious plans of Time's founders. It is not too much to say that, for better or worse—and I think for better—Henry Luce and his associates revolutionized American, and to a degree, world journalism. Along the way, what they did to the American language opened new philologic vistas.

I remember one celebrated occasion when Clare Luce was ambassador to Italy and the farewell party was given for her by her staff. She presented a gold charm that night to Henry Luce, that illustrates what I have just said and, as I recall it, it said on it, *"tempus vetus lux"*—time and life and light. Of course, it was the light which attracted the subscribers.

The what-where-when deadpan news story of the past seemed pretty flat compared with Time's account of the same event. Talented writers of a calibre not often attracted to the older journalism were recruited. Opinion incorporated into the account of an event was not regarded as a sin against journalism objectively by Time editors. Indeed, it was encouraged, the rationale being that nobody with eyes, ears and a mind could be totally objective—and shouldn't be.

The ingredients of opinion now spices almost all forms of journalism, particularly our daily papers in Washington, and even television, much as the tycoons of that industry deny it. As Howard Smith recently conceded in a news commentary, all television can supply within the limited time frame of its news shows is animated headlines. If the news is not what they say it is, they keep right on saying it anyway.

Headlines, through selection and emphasis can be more tellingly opinionated than essays, and often are. I don't deplore this as much as do some of my political associates who have found that ink can singe. I recognize that an adversary relationship exists, and should exist, between government and the press.

I am also fairly complacent about bias in public communications because I am convinced that, when exaggerated, it is self-defeating. The outcome of the last presidential election happily strengthened that conviction for some of us.

We might as well face it: both your business and mine are in bad with the people of this country. Neither of us rated very much higher than secondhand car dealers in a recent poll measuring the degree of confidence by various categories of public servants. My own feeling is that neither we politicians nor you journalists deserve the low esteem in which we both seem to be held. Looking back over the last 50 years, it seems to me that we, between us, must have done more than something right.

For our problems, social and political, are not swept under the rug as they were when this century was younger. Government may not be more efficient, but it is more compassionate. Journalism is infinitely better informed and more informative.

But what I have been told to talk about here tonight is not the relationship between government and press but between government and government—between the presidency and the Congress. For example, here we are now told, the relationship is so abrasive that it allegedly threatens a constitutional crisis.

My own feeling is that this overstates the case. Also, that this crisis is not, as many would have us believe, the exclusive fault of a powerful President. I keep reading that he is as haughty as De Gaulle, deliberately offensive to Congress, and a potential tyrant.

If there has been a degree of incivility between the White House and the Capitol, and there has, I submit that it has not all, or even in large part, flowed uphill. The Nixon Administration has been called the most corrupt in history by one of my colleagues; others have accused the President of everything from embracery to hallucination; his policy in Viet Nam has been called warmongering, even while it was visibly leading us out of earlier commitments to belligerence.

The fact is that pulling and hauling between the President and Congress has been going on through all 50 years we are concerned with here and ever so long before that, dating back to George Washington's walkout he staged from the Senate after his appearance there in which he noted with some profanity that he was "never going back to see any of those people again."

The founders arranged for it by establishing a system of checks and balances between theoretically equal branches of government. Nobody likes to be balanced, much less checked. The 535 Members of Congress always think they know better than that single fellow downtown. Yet they keep noticing that he is, by Orwellian measure, more equal than they are. Here again the founders may be to blame, and intentionally. They created a strong Executive, which primarily distinguishes our system from the more usual parliamentary systems.

If the Presidency has become too powerful and Congress too weak—as I concede that in some areas they have in recent times—it is, I believe, because we have dealt with a great Depression and three wars since the 1920s. Congress was happy to turn the Depression over to a strong President. And wars cannot be fought and peace achieved by a committee—certainly not by a committee of 535; or, as Woodrow Wilson said: "I know not how better to describe our form of government by the chairmen of the standing committees."

And I cannot resist the obvious reference to the camel as an animal constructed by committees.

In any event, Congress spends too much time reading the minutes and squandering the hours.

If Congress wishes to regain certain powers, then let it try to do so, submitting the issue to the arbitration of the courts and thereafter abiding by those decisions. Short of that, what we are talking about lies somewhere between fustian and shadowboxing.

Perhaps the peace now in sight will give us a chance to clear the constitutional ambiguity that now enshrouds the war-making power. Perhaps, too, we can define more clearly the authority of the President to impound appropriated funds and to invoke Executive privilege on behalf of his associates—both being practices that are as old as the Republic. And if Congress really believes any of these things, then let them find out and let them establish the powers of the three bodies by the ultimate intervention of that third party, the Judiciary.

To accomplish these clarifications, however, Congress must modernize its own operations and that is what we have been talking about in all these various forums around the country. I have read all of those discussions and throughout everyone seems to make the same point, that it should start with internal reforms. I believe that my party has shown part of the way by limiting our members to one committee apiece under certain circumstances in the House and one major committee in the Senate, and by modifying the seniority system to the extent of voting in caucus, and also in the Senate on committee assignments and seniority.

Now, these are significant but limited reforms.

But there must be more. Congress, of course, needs the aid of computers and retrieval systems and experts to operate them. In many ways, we are still marching to the measured beat of another century's drums. We must pick up the cadence, if we are to march in today's parade. Republicans are not free of blame. Democrats, who have been in power in Congress 90% of the time over the last 40 years, must catch up, too.

Perhaps their determination to put a President of the other party in his place will stimulate them sufficiently. If they don't get overstimulated, something useful may come of the present split personality of our Government.

If a low opinion of Congress pervades much of the academic world, since they know our job much better than we presume to know it, consider what the president of the Senate before the 1800s thought of the academics. This is what John Adams said: "I really began to think that learned academics not under the inspection and control of government have disorganized the world and are incompatible with social order."

So, as we progress toward more efficient and more open behavior, well, Time will tell—and so will its competition.

Pending the resolution of this Executive versus Legislative conflict, I'll therefore count upon Time to keep us and the American people informed, feeling that if anybody knows, knows Time.

Mr. DONOVAN. Thank you very much, Senator Scott.

FREEDOM OF EMIGRATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, it was with a great deal of pride that I joined 275 of my colleagues in the House of Representatives and 76 in the Senate in cosponsoring the Freedom of Emigration Act of 1973, H.R. 3917. It is my strong conviction that this vital legislation is necessitated by actions in the Soviet Union which are an affront to the human dignity and freedom of those within the

Soviet Union who wish solely to exercise the universally recognized right to emigrate freely.

As modern nations have matured, the right to emigrate has been among the basic tenets of their civility. It is clearly affirmed in the Universal Declaration of Human Rights of the United Nations that has been ratified by the United States and the Soviet Union. The Soviet constitution further pays homage to this vital human right, even though in practice its implementation has been considerably diminished.

Of most immediate importance, however, is the desire of the Soviet government to trade on special terms with our Government. In asking for special status in trade, it is only right and proper, in my judgment, that we list our terms for such favors. Among the most important among all of the terms I can list would be the just and equitable treatment of the thousands of people who want only to live elsewhere. If we overlook this opportunity and succumb to economic and commercial interests, elevating them above human rights and dignity, we would make a mockery of our own founding documents and our support and ratification of the Declaration of Human Rights.

Is it right or proper for our Government to raise such an issue with a sovereign state? Are we really, as some have charged, interfering in the internal affairs of another nation? I think not. Given the fact that the Soviets have asked something very special from the American people in trading rights, it is only logical that we as a people should set our terms for trade and commerce. If these terms are unacceptable, then trade becomes impossible and unnecessary.

After all, the Soviets have never been bashful about reminding us as a nation and people of our own deficiencies concerning civil rights for American Negroes and other minorities. The major difference is that we made great progress in improving our own laws and continue to do so. We are not ashamed to recognize our failings and strive to strengthen our national resolve to correct our deficiencies.

Actions such as proposed in this legislation are not without specific precedent in our history. President Theodore Roosevelt unilaterally halted a trade treaty with Russia in 1911 because the Russians were systematically persecuting Russian Jews in a series of calculated and horrible programs. That trade treaty had first been ratified in 1832 and had resulted in over $50 million a year in trade—the equivalent in present day terms of hundreds of millions of dollars. Nevertheless, President Roosevelt suspended the treaty and his action was approved by the Congress in 1911.

It is my hope that the Soviet Union will see the wisdom of changing its emigration policies so that we as a people and nation will not feel that we are left with little chance to open wide the doors of peace through commerce and trade. For there is little disagreement that the cause of peace is well served through endeavors such as trade and cultural and scientific exchanges.

But repressive policies, whether they be against people of another nation or their own, are still repressive and therefore reprehensive. We must therefore continue to press for changes in these policies with whatever mechanism is at hand. I am confident that we will continue in our effort, and that we will not be bought off with tantalizing tales of exemption from the insidious policies the Soviet Union has been pursuing toward Soviet Jews seeking to emigrate. The Soviet Union's fluctuating policies, as in the case of imposition and relaxation of the repellent brain tax gives us good reason to be skeptical. If our proposal is not enacted during the forthcoming consideration of trade legislation, recurrence of such cruel policies could very likely take place, with little chance for us to act to aid these oppressed Soviet citizens.

On the other hand, with our legislation firmly implanted in a trade act, if the Soviets were able to demonstrate that they meet the test of the law, then we could feel free to recommend to the President that he certify as to the Soviet Union's compliance, thus activating most-favored-nations' treatment for that nation.

Mr. Speaker, I am proud to be counted among the strong supporters of this crucial legislation. We all are serious about our intent and our work on its behalf. We cannot and will not be fooled or bought off. We will not participate in the ransom of human life in the name of commerce. Old world politics of this character are not in the traditions and heritage of our Nation.

FESTIVAL OF FREEDOM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Burton) is recognized for 15 minutes.

Mr. BURTON. Mr. Speaker, I am pleased and honored to mark this week of Passover, the Jewish festival of freedom, by including in our proceedings a resolution on Freedom of Emigration for Soviet Jewry, authored by the Honorable Henry A. Waxman, distinguished representative of the 61st assembly district of the California State Legislature.

I believe the vast majority of Members of this House, as well as the majority of freedom-loving Americans throughout our land share the conviction so eloquently expressed in Assemblyman Waxman's resolution of Soviet Jewry, which supports the Jackson-Mills-Vanik Freedom of Emigration amendment to the upcoming trade legislation. I hope we will soon pass the legislation pending before us which would make full freedom of emigration a central concern of American trade policy.

The resolution follows:

Assembly Joint Resolution No. 15—Relative to East-West Trade Relations

AJR 15, as amended, Waxman (Rls.). East-West trade relations.

Memoralizes the President to support, and Congress to enact legislation to amend the federal East-West Trade Relations Act of 1971 to deny most-favored-nation status to countries which prevent their citizens from emigrating freely by requiring the payment of ransom taxes.

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memoralizes the President to support, and the Congress of the United States to enact, legislation to amend the East-West Trade Relations Act of 1971 so as to deny most-favored-nation status to countries which prevent their citizens from emigrating freely by requiring the payment of ransom taxes; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to Senator Henry M. Jackson and Congressmen Charles Vanik and Wilbur Mills, and to each Senator and Representative from California in the Congress of the United States.

THE CUYAHOGA NATIONAL PARK AND RECREATION AREA ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Vanik) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, today, I rise to speak in support of legislation introduced by my distinguished colleagues, Mr. Seiberling and Mr. Regula, members of the Ohio delegation, and other Members of Congress to establish the 15,000-acre Cuyahoga Valley National Historical Park and Recreation Area.

This bill represents the culmination of a process which began over a decade ago. As early as 1961, residents in and around Peninsula, Ohio, formed the Peninsula Valley Heritage Association to encourage, in part, the preservation of the natural, scenic, and historical features of the valley. In June 1966, the Secretary of the Interior, Stewart Udall, toured the valley. At that time Mr. Udall pointed to the possibility of the Federal Government applying its expertise in planning, development, and management to saving one of America's priceless undeveloped valleys. Two years ago, legislation was first introduced to preserve the valley. Our efforts today represent a continuation of these efforts.

The legislation we introduce today is an outgrowth of President Nixon's mandate outlined in 1971 "to put the parks where the people are." Last Congress, an important step in the establishment of urban area parks was taken with the creation of the Gateway National Recreation Area in New York Harbor and the Golden Gate National Recreation Area near San Francisco. Similar Federal assistance is necessary in Ohio—the sixth most populous State in the Union—to preserve a great natural and historic area for the enjoyment of the people. It is even more desperately needed in the highly urbanized Cleveland-Akron area—an area which contains more than one-third of the State's population, but which is over 200 miles away from the nearest national park.

THE NATURAL BEAUTY OF THE CUYAHOGA RIVER VALLEY

To anyone who has recently visited

the Cuyahoga River Valley between Cleveland and Akron, the reason for our concern is obvious. The natural beauty of the river is being choked between the sprawling expansion of Cleveland and Akron. Shopping centers, quick food chains, filling stations, and automobiles threaten to devour the irreplaceable richness of the valley floor.

In contrast to the overly publicized picture of the Cuyahoga as "the river that burned," only a few miles outside the city limits of Cleveland the character of the river changes dramatically. Above Akron and Kent, the river is nearly a wild stream with picturesque brooks flowing gently into its waters.

The valley itself with its significant natural and historical features and recreation potential is one of the most promising natural resources in mid-America. The valley lies adjacent to the Portage escarpment, which cut diagonally across Ohio from northeast to southwest. This jagged divide marks the flow of rivers in the State—those north of the divide flow into Lake Erie, while those south of the divide flow into the Ohio River.

The escarpment roughly marks the edge of the great glacial ice sheets that once covered large areas of the North American continent. As a result of its close proximity to this geological landmark, the Cuyahoga is a river of extraordinary contrasts. Within the surrounding valley and uplands there lies one of the most varied examples of botanical life on the continent. Vegetation representative of the Appalachian range to the east and the flat prairie land to the west converge dramatically within the region of the river.

RIVER VALLEY OF MAJOR HISTORICAL SIGNIFICANCE

Located between the Great Lakes and the Ohio-Mississippi Valley, the Cuyahoga River has long served as a conduit between these two great inland water systems. The Erie Indian Nation long ago established an important commercial and communications link from the Cuyahoga southward to the Tuscarawas, Muskinghum and Ohio Rivers. With the annihilation of the Eries in the 18th century, many displaced tribes came to inhabit the area: Shawnees, Delawares, Mohicans, Miamis, Ottawas, and Hurons. However, this strong Indian heritage and their numerous archaeological sites in the Cuyahoga Valley is today threatened by careless commercial expansion.

In the last decade of the 19th century, white settlement began to blossom in Ohio. The turning point came with the signing of the Greenville Treaty in 1795.

With Indian title extinguished in the area, northeastern Ohio became secure for survey and settlement. William Ellis in his book on the Cuyahoga describes this exciting period with these words:

> When the Cuyahoga was the republic's northwest boundary, settlement was working its way too slowly north from the Ohio River, leaving America's northwest corner nervously unpeopled and unpossessed. This corner of the land wore a defense of roadless forests and so the Cuyahoga became the only means of opening the area which General Washington called the "invaluable backland."

Moses Cleaveland, who lent his name to the great city along the lake, pioneered efforts to chart the region—the Western Reserve of the State of Connecticut. But it was another man, Lorenzo Carter, who spirited the effort to settle this portion of Ohio. Carter built the first frame house in Cleveland, where only log cabins had stood before. In 1820, Carter opened the first school, and during the years before the Civil War it was Carter who helped slaves escape North to freedom along the Cuyahoga.

THE CUYAHOGA VALLEY: HISTORIC KEY IN AMERICA'S INDUSTRIAL REVOLUTION

Carter and another great pioneer of the time, Levi Johnson, laid the foundations for the great industrial center that Cleveland is today. Carter's ship *Zephyr*, a vessel of 30 tons, initiated Cleveland's shipbuilding industry. Not long after, Johnson started the area's first contract construction business which spurred development in the area. Schools, houses, shops, a courthouse, all contributed to the dynamic growth of northeastern Ohio.

In the industrial development of the area of Cuyahoga played a vital role. The gateway opening the industrial age in Ohio was the construction of the Ohio and Erie Canal. In 1825, a visionary Irishman, Alfred Kelley, began the construction of the canal along the shallow and twisting Cuyahoga in Cleveland. By June of 1827, 36 miles had been constructed to Akron. Finally in 1832, the entire 309 miles to Portsmouth on the Ohio River had been completed.

The construction of the canal instantly opened up the economy of the midcontinent. New towns and communities sprouted into existence: Massillon, Canal Fulton, Dover, and others became thriving commercial centers. The small communities of Boston Mills and Peninsula established during the construction of the canal still retain a rural charm of the early Western Reserve settlement days that help make the Cuyahoga Valley the historic keystone of the midwest.

With the expansion of commerce, the development of local industry was not far behind. Soon, the manufacture of clay products, farm machinery, and leather goods all thrived with easy access to the canal. With the growth of industry, immigration into the area accelerated. The population of Cleveland grew from 1,075 in 1830 to 92,829 in 1870. The population of Akron grew tenfold during the same 40-year period.

In 1863, a young Cleveland businessman, John D. Rockefeller entered the oil business. Convinced of the potential of kerosene as a lamp fuel, Rockefeller wanted to organize a company to manufacture the product. The Atlantic and Great Western Railroad completed its western line to Cleveland and supplied Rockefeller with a direct route to the East coast markets.

In this early period Rockefeller saw his involvement in oil as merely "a sideline." In less than a decade, however, the situation had changed dramatically. The industry that had begun with Drake's first well in Titusville, Pa., was rapidly developing into a business of major dimensions. And J. D. Rockefeller made sure Cleveland was leading the way.

On January 10, 1870, Rockefeller and four partners, including his brother William, incorporated the Standard Oil Co. Grace Goulder's early account of Rockefeller in Cleveland describes the impressive beginnings of the company.

> In Cleveland . . . the holdings included two refineries in excellent condition, sixty acres of land, up-to-date cooperage shop, lakeside dockage, and railroad tank cars . . . The Standard Oil Company of Ohio at the time of its inception was not only the biggest oil operation in Cleveland, it also represented one-tenth of the petroleum business in the country.

Nobody, except perhaps Rockefeller himself, foresaw the phenomenal growth that was ahead for the industry.

In the same year of 1870, another industrial development was occurring 36 miles to the south in Akron. That was the year Dr. Benjamin Franklin Goodrich, a physician turned manufacturer, organized the first rubber factory west of the Alleghenies. The plant turned out fire hoses, billiard cushions, wringer rolls, and fruit jar rings.

It was not until the dawning of the automotive era that the real implications of the early work of Rockefeller and Goodrich were felt. The advent of the automobile thrust northeastern Ohio into a vitally strategic position in the Nation's economy.

But the legacies of the past—indeed, the entire history of the region—will be jeopardized if not enough care is taken to preserve it. Under the provisions of our legislation a concerted effort will be made to recapture the unique history of the valley from its origins as an Indian trading route to its central role in the industrial expansion of our country. A national park in the valley will be a "living museum" of the history and cultures of the area. But the park will be much more.

PROVISIONS OF THE PARK BILL

The creation of the Cuyahoga Valley National Park and Recreation Area will preserve this extraordinary land for the enjoyment of this and future generations. As President Nixon stated in his recent message to Congress on natural resources and the environment:

> Americans not only need, but also very much want to preserve diverse and beautiful landscape, to maintain essential farm lands, to save wetlands and wildlife habitats, to keep open recreational space near crowded population centers, and to protect our shorelines and beaches. Our goal is to harmonize development with environmental quality and to add creatively to the beauty and long-term worth of land already being used.

LOCAL PLANNING AND MANAGEMENT

The key feature of our proposal is the extent of local involvement in the planning and management of the park. Too often, decisions of vital importance to the public interest are made in the remote, air-conditioned corridors of Washington. This legislation takes important precautions to insure that the interests of the people of the region are not stampeded by remote control planning.

First of all, the park will be managed by a 13-member Cuyahoga National Park and Recreation Commission. The members of the commission will all be representative of the region:

Two members to be appointed from recommendations submitted by the Board of Park Commissioners of the Akron Metropolitan Park District.

Two members to be appointed from recommendations submitted by the Board of Park Commissioners of the Cleveland Metropolitan Park District.

Two members to be appointed from recommendations submitted by the Governor of the State.

One from the membership of an Ohio conservation organization.

One from the membership of an Ohio historical society.

Five members representing the general public, from among permanent residents and electors of the park area.

LIMITS ON LAND ACQUISITION

Under the provisions of this legislation, the Secretary of the Interior may not acquire any land as long as the owner is in compliance with zoning provisions established to promote the character of the park. This is but one device to protect the rights of landowners in the area.

If an individual within the boundaries of the park decides to sell his land, he may retain possession of his holding for a period of 25 years. This right is contingent only on the landowner's consent to use his land in a manner which is in harmony with the purposes of the park.

But suppose a landowner does not want to sell his holdings? Under this bill the Secretary of the Interior may negotiate with the owner to purchase a right of "scenic easement" to the land. With this arrangement the Federal Government will pay a landowner not to develop his land in ways that would erode the character of the park.

With regard to the communities of the area, their land will not be included within the boundaries of the park. This exclusion represents only one of a number of safeguards for these communities.

To compensate for the erosion of the local tax base that may accompany the establishment of a park in the valley, the Secretary of the Interior is authorized to assist these local governments in the development of a plan to minimize the impact of any shrinkage of the tax base. Primarily this assistance would be relief for these governments of the fiscal responsibility for road maintenance and firefighting and law enforcement services.

Finally, an extensive effort has been made in this legislation to encourage public participation in the process by which decisions are made concerning the park. Public hearings must be held before the boundaries of the park are initially established and before they are subsequently altered. Further, the individual landowner has opportunity to redress any grievances through the Federal adjudication procedure established under the Administrative Procedure Act.

This legislation presents a tremendous opportunity, Mr. Speaker, for Congress to continue onward with the work we began 2 years ago in the creation of two great urban recreation areas: Gateway and Golden Gate. We cannot afford the luxury of time. Every legislative effort must be made to conserve the natural beauty and historic importance of one of the greatest small rivers in America, the Cuyahoga.

JOINT COMMITTEE ON NATIONAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, on February 20, 1973, I spoke in this body of the constitutional crisis which arises from the imbalance between the legislative and executive branches of government in the formulation of U.S. foreign policy.

Despite the Constitution's clear mandate for a sharing of power between the Congress and the President in foreign affairs, we have drifted dangerously close to one-man rule in crucial foreign policy decisions. This is neither necessary nor tolerable in a free society. Indeed, it is an anomaly in a democracy.

In my February 20 statement, I suggested several steps to strengthen the role of the Congress in foreign affairs. Among those suggestions was the establishment of a Joint Committee on National Security. I am introducing legislation today to create such a committee. Senator HUMPHREY has introduced identical legislation in the Senate.

While a permanent committee on national security will not by itself correct the imbalance, it will constitute a mechanism for the Congress to express its collective view or views on national security issues. It has been estimated that over half of the standing committees of the Congress are in some way involved in U.S. foreign policy. There is consequently no way of determining who speaks for the Congress on foreign policy issues or where the Congress stands on any particular issue. We need coherence to voice the congressional view and the joint committee I propose would fulfill that need.

Its main responsibilities would be—

First, to study and make recommendations on all issues concerning national security.

Second, to review and evaluate the activities, goals, and strategies of the National Security Council.

Third, to study and make recommendations on Government practices with respect to the classification and declassification of documents.

Fourth, to make reports on its findings.

The committee's membership of 25 would include the Speaker of the House, the majority and minority leaders of the Senate and the House, the chairmen and ranking minority members of the Committees on Appropriations, Foreign Relations and Foreign Affairs, Armed Services, and the Joint Committee on Atomic Energy, plus three Members of each body, two from the majority party and one from the minority, chosen by the Speaker and the President of the Senate.

There naturally will be some problems in working out the relationships between the new joint committee and the standing committees, but the Congress must resolve these problems and improve its capacity for handling national security issues or there is no hope for its dealing with foreign policy as a coequal of the executive branch.

By addressing itself to the broader issues that go beyond the jurisdictions of individual committees, the joint committee could speak as a unified voice for the Congress and thereby facilitate the congressional foreign policy role. It would serve as a convenient forum for consultation with the Executive in emergency situations, neutralizing to some extent the argument that national emergencies do not allow time for the President to consult the Congress before committing the Nation to a particular course of action.

If we cannot arrive at our own conclusions independent of the Executive and make our own judgments concerning vital issues of national security, then we are not meeting our constitutional responsibility to act as a check on and balance to the executive branch. The Joint Committee on National Security will help the Congress fulfill that responsibility by providing greater expertise, a broader perspective, and a device for meaningful and speedy consultation on foreign affairs issues.

INTRODUCTION OF BILLS TO IMPROVE COMMUNICATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut (Mrs. GRASSO) is recognized for 10 minutes.

Mrs. GRASSO. Mr. Speaker, today I am introducing three bills to improve communication between citizens, their elected officials and Government agencies.

The first bill would encourage Congressmen to provide toll-free telephone service for constituents to their district offices by allowing each Representative funds to pay the base cost of such service. The second bill would allow citizens to write postage-free letters to the President, Vice President, executive agencies and departments as well as to their own Senators and Representative. The third bill would initiate a GSA study to determine the feasibility of establishing an incoming toll-free telephone system for the regional offices of executive agencies.

The need for toll-free telephone service and postage-free letters is daily evident to elected representatives and agency officials alike. Clearly, it is imperative for Members of Congress to know the views, concerns, and needs of their constituents. It is also important to give citizens the opportunity to have free and direct contact with Federal agencies in order to obtain information and resolve problems concerning social security and veterans' benefits, student assistance and a vast array of concerns related to hundreds of other Federal programs. These new services would be of special benefit to people who live on limited incomes, such as many of our elderly citizens.

Upon becoming a Member of Congress, I installed 24-hour toll-free telephone service for my constituents. Each week, between 150 and 200 telephone calls are received on this line. The Ella-Phone links the residents of northwest Connecticut, their concerns and problems directly with my district office for action in Washington. My bill would encourage other Congressmen to make the same valuable service available to their constituents.

The important legislative package I am introducing today is designed to help bring government closer to people. It is my hope that these bills will receive early consideration by the Congress.

HERBERT ROBACK, GOVERNMENT OPERATIONS COMMITTEE STAFF DIRECTOR, WINS CAREER AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOLIFIELD) is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, I am greatly pleased to inform the Members of the House that Herbert Roback, staff director of the Committee on Government Operations, has been selected to receive the Career Service Award for Sustained Excellence given by the National Civil Service League. The League has made such awards annually since 1955, each year honoring 10 Federal Government employees. The awards are divided into two categories—the Career Service Award for Sustained Excellence and the Career Service Award for Special Achievement. The purpose of these awards is not only to honor the recipients, but to draw public attention to the value, diversity, and challenge of careers in the Federal service.

The awards for 1973 will be presented at the National Civil Service League's 19th Career Service Awards Banquet, to be held Friday, May 4, 1973, at the Washington Hilton Hotel. The presentation to each recipient is made by the head of his agency. I will be making the presentation to Mr. Roback, and I hope that many of his friends will want to attend. Further information on the banquet ceremony may be obtained from the National Civil Service League Office in Washington, D.C., or from our committee office.

At the banquet ceremony on May 4, I will see some good friends, in addition to Herb Roback, who are recipients of awards this year. These include Paul G. Dembling, General Counsel of the U.S. General Accounting Office, and Robert E. Hollingsworth, General Manager of the U.S. Atomic Energy Commission, both of whom I have worked with closely in my capacities as chairman of the Committee on Government Operations and former chairman of the Joint Committee on Atomic Energy. Another award recipient with whom I am well acquainted is George M. Low, Deputy Administrator of the National Aeronautics and Space Administration.

Mr. Speaker, the National Civil Service League is to be commended for including legislative employees in its consideration of awards. Although such employees are not in the classified civil service, they include many who are careerists and professional persons in the spirit and intent of the Legislative Reorganization Act of 1946. Members of this House know how valuable and, indeed, indispensable are their services. I understand that Herb Roback is the second staff member of the Congress to be honored with this award. The first award to a congressional staff member was made last year to Dr. Laurence Woodworth of the Joint Committee on Internal Revenue Taxation.

Herb Roback's extensive experience in government includes work for agencies in the executive branch and for committees in both the House and Senate. His congressional committee work dates back to 1940, when he was a professional staff member of the Select Committee Investigating Interstate Migration.

During World War II he served in the European theater and was awarded the Combat Infantry Badge and the Purple Heart, having been wounded in action in Italy. He was captured by the Germans in the Vosges Mountains of France and escaped 6½ months later, returning safely to the United States. For a time thereafter, he was assigned to the Army War College and detailed to a Subcommittee of the Senate Committee on Military Affairs. He also served as a Special Assistant to the Housing Expediter in the Office of War Mobilization

His association with the House Committee on Government Operations, as a professional staff member, commenced in June 1949. During 1953–55, he served as my assistant on the Commission on Organization of the Executive Branch of the Government—second Hoover Commission. Since 1955 he has been staff director of the Subcommittee on Military Operations—now the Subcommittee on Legislation and Military Operations—and since 1970, he also has the important responsibility of being staff director of the Full Committee on Government Operations.

The National Civil Service League, in selecting Herb Roback for an award this year, emphasized his legislative work in Government reorganization and in the creation of the Commission on Government Procurement. I could cite, in addition, numerous other contributions that Herb has made to the betterment of the public service. He has conducted many important investigations for the committee, has prepared reports of enduring value, and has developed recommendations which have helped to improve Government performance in many ways. His fairness and objectivity and his knowledge and insight concerning public policies and Government affairs, are widely recognized, not only in the Congress but in academic and professional circles.

I may also note, Mr. Speaker, that Herb has received many letters of congratulations for this award. They speak words of praise, a praise fully deserved by the recipient, whose work exemplifies the highest standards of congressional service.

Mr. HORTON. Mr. Speaker, all too often, the important and brilliant work that is done by congressional staff professionals goes unheralded. By the very nature of our system, public credit for legislative accomplishments is normally given only to the Members of Congress and Senators who participate in hearings, investigations, markup sessions and other phases of legislative work. As all of us know, much of what is done by the legislative branch of our Government could not be done as well, without staff expertise and assistance, and particularly without the work of those men and women who are career staff professionals on Capitol Hill.

Thus, I am especially pleased to join this afternoon in the remarks of my distinguished colleague, Mr. HOLIFIELD, the chairman of the House Committee on Government Operations, and to join in his fine tribute to the staff director of our committee, Herbert Roback, who is to receive the very highest honor that the National Civil Service League can bestow upon a professional public servant.

The National Civil Service League is honoring Herb Roback for sustained excellence, and Chairman HOLIFIELD has described better than I could, the tremendous record that Herb has compiled in substantive terms during his career of legislative staff work that stretches over more than 30 years. I think it would be well to call attention to the style of Herb's work on the Government Operations Committee, particularly as viewed by a minority member of the committee.

I have served on the Government Operations Committee since coming to Congress in 1963. I have worked with Herb Roback first as a member and later as ranking minority member of the Subcommittee on Military Operations, as a member of the Commission on Government Procurement, and beginning this years, as ranking minority member of the full committee. Throughout each of these 11 years, and in each of these capacities, I have marveled at the quality of Herb's work, at his thoroughness and at his mastery of the workings of the Federal Government in all of its complexity. Most of all, however, I have respected Herb for his objectivity, both substantive and political, in his approach to legislative staff work.

Even before I was well acquainted with Herb as staff director of the Military Operations Subcommittee in the early 1960's, I was tremendously impressed with his willingness to fully cooperate with and assist Members with committee matters regardless of their party or persuasion on any given issue. Throughout my years on the Government Operations Committee, and my membership on the Commission on Government Procurement, I have been able to rely on Herb's research, advice, and assistance as strongly as has Chairman HOLIFIELD and other majority members of the committee. As a subcommittee staff director, and now as staff director of the full committee, Herb, along with Chairman HOLIFIELD, have set a high standard of objectivity and cooperation which is being felt throughout the full committee and subcommittee staffs. This has enabled minority members and minority staff to participate to a greater degree than ever before in the planning and execution of work on matters before the committee, and has resulted in an overall high standard of work output by the committee itself.

To Herb Roback must go much of the credit for the happy situation I have described. He represents a standard of excellence which well deserves public recognition, as well as the admiration of all the Members of the House of Representatives.

Thus, I delight in calling attention to the award Herb will receive on May 4 from the National Civil Service League, just as I look forward to many more years of cooperation and work with Herb on the myriad of subjects which fall within his expertise.

REVENUE SHARING WITH THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, I include in the RECORD at this time a news release my Washington office put out on April 14, 1973, and also a "dear colleague" letter that deals with "revenue sharing with the people":

BURKE ANNOUNCES REVENUE SHARING PLAN WITH THE PEOPLE

Congressman James A. Burke (D-Milton) urged reduction of the regressive social security tax and an increase in benefits to social security recipients in a letter to his colleagues in the House of Representatives today.

Billing his proposal as a revenue sharing plan for all the people, Burke stated that the present social security taxes are regressive and should be changed to correspond with the social security system used in other nations who only assess one-third of the employee and one-third of the employer with the other one-third usually financed out of the general revenue. Burke stated that young citizens entering the work force today are faced with forty years of regressive taxes by paying 50 percent of the social security taxes, and small business and industry is suffering under this tax by making up the other 50 percent. During the past ten years the social security tax has been called upon to bear the burdens formally borne by local and State and Federal Governments. By increasing social security benefits we can reduce the burden of old age assistance, Burke stated.

Approximately 50 percent of social security recipients live almost entirely on social security benefits. As a result of inflation, rising costs of food, rent, clothing and housing, etc., these people suffer undue hardship. This can be easily rectified by changing the tax formula on social security and give the needed increase in benefits to the elderly. Burke believes that a 50% increase is justified at this time. In a letter to his 434 colleagues in the House Burke urged them to co-sponsor H.R. 48. Burke says there are plently of funds available to finance this as a result of freezing and withholding of funds by the federal government. These funds combined with the closing of a few tax loopholes would be more than sufficient to take care of the revenue problems.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 15, 1973.

DEAR COLLEAGUE: Will you support a revenue sharing plan for *all* the people?

We seem to be living in the age of revenue sharing. In addition to the revenue sharing measures already on the books, the President seems intent on having additional revenue sharing measures. By the time he is finished the Federal Government looks as though it will be out of the business of governing. The people will be dependent upon local government for whatever services they need; all we in Washington will have to do is to turn over the taxes we collect to local units of government for which we have no responsibility and over which we have no control.

Before we get out of the business of governing and while we are examining ways to share revenues I though we ought to try to come up with a proposal to share revenues with the greatest number of people directly. These funds will not be passing through a middleman but go directly to those who are burdened with heavy taxes, or totally dependent upon the government for their livelihood in old age.

The measure I am asking you to cosponsor with me today is one of those rare measures which will accomplish two things: provide relief for the overburdened tax payer—the most overburdened tax payer in our economy, the wage earner—while at the same time substantially improve the standard of living of the elderly in our society who have suffered most at the hands of inflation in recent years.

I don't have to remind you of the current crisis confronting the American consumer on every front—with rising rents, rising food prices, rising fuel costs, rising taxes, rising health costs and rising interest rates. While in a real sense no one in our society can escape this crisis I don't think I am wrong in my hunch that the ones who suffer the most are the millions of elderly confined to live on fixed incomes. For more than fifty per cent of these elderly, social security benefits have come to be their principal source of income. Thus social security is no longer to be viewed as that little bit of extra pin money for the non-essentials to make old age that little bit more pleasant. It's time we faced up to the fact that for many it is their sole means of support.

Despite recent benefit increases you would be surprised to know that social security income now purchases a smaller proportion of goods and services than it did in earlier years. When the average couple started to collect Social Security benefits at the end of 1950, they received about 50% of what the Department of Labor considered necessary for reasonable comfort and safety. Today the average elderly couple's Social Security benefit is equivalent to only about 40% of the Department of Labor's figures necessary for reasonable comfort and safety. An average couple today receives $271 per month in Social Security benefits. When compared to the White House Conference on Aging's determination of $412 per month necessary for reasonable comfort and safety, the plight of our senior citizens becomes clear.

But perhaps all of this is already clear to you and you support my concept that what is needed to put the fiscal houses of the elderly in this country in order is a fifty per cent increase in social security benefits to bring them to a level commensurate with the dignity old age should be entitled to.

But another segment of the population is suffering because of the personal state of the social security system and that is the working man of America. Beginning the first week in January, a worker making $10,800 (the statutory ceiling on Social Security taxable income) began noticing a $3.15 a week increase in his Social Security deduction. A wage earner with a $12,000 income will see his Social Security tax increase from $468 in 1972, to $631.80 in 1973, to $702 in 1974, in other words a 50% increase.

The obligation of financing the Social Security system falls too heavily on the lower and middle income people of the working force. The regressive features of the present Social Security tax actually penalized their working and it is a long time before they reap the benefits of their labor. Under the present level of benefits and taxation, a man who enters the working force at age 25 and retires at age 65 and made an average of $10,000 a year must wait until he is 72 before he receives the money back he has paid in. He will be 78 before all the money contributed to his benefits will be received. The prospect can hardly excite the youger members of our working force and is a heavy burden made heavier in these days of inflation, unemployment and soaring cost of living. It's almost as if we have deliberately set out to set one generation against another, the young against the old.

I have been impressed by the injustice of this state of affairs for quite some time now and in January reintroduced H.R. 48, "Burke's Revenue Sharing Plan with the People." My bill recognizes the inequities and inadequacies of the present elderly insurance system and provides a fresh, new approach to Social Security funding, benefits and taxation. Adoption of my refinancing proposal would mean for 83 million people a pay raise and provide further incentive to work. How? The tax structure would be changed from its present one-half employee, one-half employer to one-third employee, one-third employer, and one-third general revenues. Right now the Social Security tax rate is 5.8% on earned income up to $10,800. If my plan were adopted and nothing else were done, the tax would drop to 3.8% tomorrow. For every $100, the taxpayer would pay $3.80 instead of $5.80. This represents a $2.00 savings for each worker and releases that money for his own use.

In addition, the ceiling on earned income without a loss in benefits would be raised from $2,100 to $3,000. This increases the incentive for the elderly to keep working recognizing, the fact that people who feel useful and wanted, are often healthier and happier for it.

H.R. 48 should have great appeal for the business community also. Employers' share of Social Security tax is decreased giving them a tax break and releasing a considerable amount of money for utilization in investment or whatever way the employer wishes.

What's holding it up? I fail to see what is so radical about a proposal for use of general revenues and social security funding. The facts are that since Social Security's inception using general revenues has been recommended at regular intervals by various advisory groups beginning with the very first committee on Economic Security in 1935 to the Advisory Council on Social Security in later years.

The more I think about the way the Administration is beating the bushes for ways to share revenue I am amazed how a proposal such as the above could be ignored. It would stimulate the economy, it would give assistance to those who need it the most and who can do the least for themselves, it would do much to redress a feature of our tax system which has become more regressive with each passing year, it would help the employer, especially the small business man and above all it would benefit the people involved directly. No middleman! No expensive surveys to see how benefits have been diffused and taxes indirectly reduced. The impact would be at once clear and immediate. As for the general revenue contributions it seems to me that there are enough funds currently being impounded that the Administration would be hard pressed not to support a program as popular as this.

Social Security is this Government's major spending program affecting more people directly than any other Government program. It is, in short, this nation's major expression of social concern for its citizens. It is high time the burdens of the program were spread more evenly throughout the population and the benefits were more commensurate with a decent standard of living. My proposal would do just that.

If you would like to cosponsor H.R. 48 in whole or in part, please contact Debbie Swartz at 5-3215.

Sincerely,

James A. Burke,
Member of Congress.

CONGRATULATIONS TO THE CITIZENS OF GREATER JOHNSTOWN

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, it is with great pleasure and pride that I rise to salute the hard-working people of Greater Johnstown, Pa., for molding my hometown into an All-American city as defined by the Saturday Evening Post and the National Municipal League.

The recent announcement of this award is more than a means of praise for our public officials and civic leadership. Above all, it is a tribute to all the citizens of the area who made Johnstown truly worthy of national recognition. This honor will prove to be a selling point for the area, but the people must not become complacent. They must continue to prove Johnstown is a good place to live and work.

A period of economic stagnation in the fifties made the inhabitants realize they must turn the city proper and its surrounding suburbs in a new direction. At that time, many critics stated Greater Johnstown was dying—little did they know the people were merely regrouping for a mass assault on the problems that had to be eradicated.

The citizens of Johnstown wanted to live in a modern, progressive city so they pooled their resources and skills. With the help of Federal, State, and local funds, and the sweat of hundreds of dedicated people, the city began to forge a brighter future. The Greater Johnstown area has made major advancements in improving its educational facilities. It has initiated large-scale urban renewal projects; fostered industrial advancement; improved health and hospital care; and expanded assistance and housing programs for the low income and elderly. With this renovation, the business community became an integral part of a rejuvenation process.

No single person can take credit for the award, nor can any one citizen individually carry on the pride of advancement. Just as many, many people built the new Greater Johnstown, they must now sustain and nurture it. I have the utmost confidence in the ability of the residents of Greater Johnstown to utilize all available resources to maintain their "model city" status and grow and grow.

VOICE OF WISDOM ON THE WEST FRONT ISSUE

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, tomorrow, Tuesday, the House will vote on the perennial issue of spending $60 million at a time of budget crisis for the extension of the west front of the Capitol. The purpose of this plan is primarily to provide hideaway office space in the Capitol; the Architect admitted it himself in his testimony before the House Appropriations Committee—though he later deleted his admission from the printed record.

Can we really vote these sums for such an obvious, narrow purpose,

Mr. Speaker, the Nation's No. 1 newspaper, the New York Times, continues to oppose this boondoggle project, designed to destroy the Capitol's most famous visage on the eve of the Nation's 200th birthday.

Under leave to extend my remarks I include the following editorial from today's New York Times:

An Essential Saving

> Now that Congress is going ahead with a large new Senate Office Building, there is less reason than ever to mutilate the Capitol. While this does not solve the problem of master-planning Congressional space, it does take off some of the pressure and obviate the need for immediate violence to the Capitol's West Front. Approval of this beleaguered and misguided plan to extend the West Front, which is to raise its weary head again this week, would now be an act of purely gratuitous destruction.
>
> Dismissal of the scheme can be looked at as a way of carrying out a splendid economy, of establishing overdue respect for the nation's leading landmark, or just of restoring a breach of faith with the American people. But with the decision to proceed with the new office building, there is now no urgent necessity to carry out so gross and irreparable an error of judgment. Sense and sensibility should finally prevail.

INTRODUCTION OF BILL TO ESTABLISH THE CUYAHOGA VALLEY NATIONAL HISTORICAL PARK AND RECREATION AREA

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, it is a pleasure to be joining today with my distinguished colleagues from Ohio (Mr. Vanik and Mr. Regula), other members of the Ohio delegation and other Members of Congress in introducing a bill to create the Cuyahoga Valley National Historical Park and Recreation Area. I am particularly pleased with the unanimous support this proposal has received from the northeast Ohio delegation, and the broad support from the rest of our State and from members of the House Interior Committee.

Following introduction of a similar bill 2 years ago, the National Park Service sent a study team out to the valley to explore the feasibility of creating a national park and recreation area there. The preliminary report of that first study group called the Cuyahoga Valley "a crucial and needed addition to the Federal parks—a unique opportunity which cannot be ignored."

Since then, a more extensive study of the valley has been conducted by the Park Service, and their draft report—recommending creation of a national historical park and recreation area in the Cuyahoga Valley—is awaiting final approval by the Secretary of Interior.

Along with the introduction of this bill today, we are releasing a map outlining suggested boundaries for the proposed park. The map was developed with the assistance of the National Park Service and reflects current thinking about appropriate boundaries for the park. But I want to emphasize that these boundaries are only suggestions; if our bill is passed, the final boundaries will be fixed only after full public hearings.

The bill we are introducing today would establish a 15,000-acre urban park and recreation area in the Cuyahoga Valley—along the Cuyahoga River and old Ohio Canal—between Akron, Ohio, and Cleveland, Ohio.

Some substantive changes have been made in the bill since its introduction 2 years ago. The original bill provided for the establishment of a recreation corridor along the Ohio Canal extending south of Akron through Summit, Stark, and Tuscarawas Counties. Although that section is not in the new bill, it is planned to cover this concept in a separate bill. The provision to create a National Recreation River in that portion of the Cuyahoga River upstream from Cuyahoga Falls to its headwaters in Geauga County has also been eliminated. It was the view of the Park Service that while both proposals have important park and recreation potential, they are sufficiently different from the Cuyahoga Valley project that they should be made the subject of a separate study.

The primary purpose of the bill we are introducing today is to preserve—for the present generation and all future generations—this magnificent scenic and historic open green space that is the Cuyahoga Valley—the only major open space remaining between the highly industrialized cities of Cleveland and Akron.

The critical need for open space and recreation facilities in urban areas is well known. On a national level, over 73 percent of the total population now lives in urban areas—and that figure is expected to reach 85 percent by the year 2000. But a mere 8 percent of all Federal recreation lands are located in urban areas.

In certain sections of the country—particularly the middle west—this imbalance between population density and recreation resources is more critical. The east north-central region of the country—consisting of Ohio, Indiana, Illinois, Michigan, and Wisconsin—makes up one-fifth of the total population of the country, yet only 1 percent of all federally administered recreation areas are located within this five-State region.

Ohio, the sixth most populous State in the Nation, has no national parks or recreation areas. From the Cleveland-Akron area, where more than one-third of the entire State population is located, the nearest national park is over 200 miles away.

President Nixon addressed himself to this crisis when he outlined a new national policy in February, 1971 to "bring parks to where the people are so that everyone has access to nearby recreational areas."

And last year, as the Nation celebrated the 100th anniversary of the National Park System, Secretary of the Interior Morton spoke about the Second Century of National Parks. He said:

> One of the great social needs of America in the years ahead will be to provide refreshing recreational opportunities to the city dweller. We can no longer accept the premise that parks are where you find them; we must identify—and create—parks where people need them.

The magnificent thing about the Cuyahoga Valley is that it has all the scenic, historic, and recreational potential to qualify as a park in its own right—and it is located right in the center of one of the Nation's most populous and industrialized regions. Over 4 million people already live within a half-hour's drive of the proposed park.

If we act now, before development destroys the beauty of the Valley and pushes land prices beyond our reach, we can preserve, for a relatively small sum, this magnificant valley and relieve the critical shortage of open space and outdoor recreational resources for the millions of people in the area.

In the last Congress, we took a significant step forward toward meeting our national goal of putting parks where the people are with the creation of two great urban parks—one on the east coast, the Gateway National Recreation Area, and one on the west coast, the Golden Gate National Recreation Area.

Passage of this bill, to create the Cuyahoga Valley National Park—the first major national urban park in the middle west—would be a fitting follow-up to our action in the last session.

But time is running out.

Because the valley floor is a flood plain and its wooded slopes are too steep for low-cost development, the Cuyahoga Valley has been one of the few large land areas in the region to retain its rural character. But it is now threatened on all sides by prospective commercial and high density residential development, and the pressures are mounting daily. In the 2 years since our bill was first introduced, several priceless parcels of land have been lost to urbanization despite the activities of local park boards and the State of Ohio to acquire threatened lands in the valley. Because local funds are limited and local zoning has up to now been unable to block mounting urban pressures, immediate Federal intervention is essential to prevent further encroachment in the valley.

The Cuyahoga Valley has played a long and significant role in American history—and many historical landmarks remain which would be preserved for all time with creation of the park. An Indian tribe of the mound-building culture occupied the valley from 600 B.C. to 800 A.D., and over 300 sites of archeological interest have been identified in the valley. Because of the short 8-mile portage from the Cuyahoga to the Tuscarawas River, the Cuyahoga River was a vital link for the Indians between the Great Lakes, and the Ohio, and Mississippi Valleys. In fact, the Cuyahoga was so important to the Indians as a trading route that they declared it "sacred ground" to assure that it remain open, free from warfare, at all times.

George Washington, in his travels in the wilderness as a young man recorded in his letters the importance of the Cuyahoga River and portage trail and recognized its potential for future commercial development. In the treaty of Fort McIntosh, entered into between the United States and the Chippewa, Ottawa, Delaware, and Wyandot Indian tribes in 1785, the portage trail and the Cuyahoga River north to Lake Erie were established as the boundary between lands open to white settlers and lands to the west reserved to the Indians. But the "boundary line" soon became a major gateway to the Northwest Territory, and the flood of settlers streamed across the "Indian lands" to the west.

With the construction of the Ohio Canal in 1827 connecting the Cuyahoga, Cleveland, and Akron with the Tuscarawas and Ohio Valley and the subsequent opening up of the entire Ohio territory to development, the Cuyahoga Valley entered the best known and most colorful period in its history.

Much of the early history of the valley has been preserved. In addition to a portion of the historic canal, with its locks and millhouses, there is the Western Reserve Village which has been reassembled in the valley and the Jonathan Hale Farm—a preservation project honoring one of the valley's first settlers. Also, many of the structures in the historic village of Peninsula have been restored, and the village has an aura of the 19th century when the works of man in America were still modest and close to nature.

Besides its history, the Cuyahoga Valley possesses a wealth of beautiful vistas, impressive landscapes, pastoral lands, deep wooded and picturesque ravines, streams, and lakes and hills. Over four-fifths of the valley is steeply sloped, heavily wooded, rugged terrain.

Tinkers Creek Gorge, already recognized as a national landmark, is located in the valley along with the Stumpy Basin Nature Conservancy area, a unique primitive area containing a remarkable aggregation of flora. In fact the entire valley boasts a particularly wide variety of vegetation and wildlife, because it is, in a sense, a botanical crossroads—the meeting place for plantlife of the East, West, North, and South. The western edge of the Appalachian plateau crosses the Cuyahoga River near the town of Independence, and turns south just west of the Valley. This makes the Cuyahoga a dividing line between eastern mountain and western prairie botanical provinces.

As one botanist has pointed out:

> Northeastern Ohio is one of the richest, if not the richest, natural history area on the North American continent.

A few miles upstream from the Port of Cleveland, the Cuyahoga River becomes a lovely, narrow, wandering, scenic, and nearly wild stream—ideal for canoeing and water recreation.

The idea of preserving the Cuyahoga Valley is not new. It is the product of years of study and hard work on the part of many dedicated citizens. As long ago as 1925, the famous landscape architect firm founded by Frederick Law Olmstead, in a report prepared for the Akron Metropolitan Park Board, declared that the valley was the most important scenic asset in the Akron area and recommended that it be preserved in its entirety as a rural park.

In the mid-1960's, the Ohio State Department of Natural Resources commissioned a study of the Cuyahoga Valley to determine its potential for recreational uses and to develop a plan to realize this potential.

The study, completed in 1968, reached the "indisputable conclusion that the valley must be preserved as open space land." Five major recommendations were made in the report:

First. Preserve the natural landscape of the entire valley and its tributary valleys and ravines.

Second. Provide for public benefits, leisure time recreational facilities for camping, hiking, horseback riding, fishing, nature study, and outdoor recreation.

Third. Take immediate action to arrest damaging effects of both water and air pollution.

Fourth. Establish extensions and additions to existing park lands to be owned and maintained by the agencies already operating in the valley; namely the Cleveland Metropolitan Park District and the Akron Metropolitan Park District.

Fifth. Restore and preserve, for public enjoyment, the rich historical features of the valley.

Following publication of the study, the Akron and Cleveland Metropolitan Park Districts joined in an effort to create a 20,000 acre park in the valley region. Both have done a superb job, under difficult financial conditions, and are to be commended. Together, they have purchased 1,625 acres of land in the valley for preservation.

More recently, the State of Ohio has named preservation of the Cuyahoga Valley the State's No. 1 recreation goal, and has joined with the two park districts in a cooperative effort to preserve an additional 14,500 acres. To date, the State has appropriated $1 million of its own funds for land acquisition in the valley, and has spent $1 million of Federal LAWCON funds for the same purpose.

The State-local effort has broad support in the area. The plan has been endorsed by the Northeast Ohio Area Coordinating Agency—the official A–95 regional planning and review agency for the Cleveland-Akron area—and by both the Tri-County and Cuyahoga Regional Planning Commissions. The State plan is consistent with the Corps of Engineers Cuyahoga River Restoration project, the State Comprehensive Outdoor Recreation plan and the Northeast Ohio Water Development plan—all of which recognize the invaluable scenic and recreational potential of the area.

Community support is equally strong. The two major newspapers in the area—the Akron Beacon Journal and the Cleveland Plain Dealer—have both repeatedly editorialized in favor of preserving the valley. I ask unanimous consent to have their two most recent editorials printed in the RECORD at the conclusion of my remarks.

In addition to the public lands preserved through the efforts of the local park districts and the State, considerable private investment has also been made in the valley area which contributes enormously to its value as an open space and recreational resource. The magnificent Blossom Music Center—summer home of the famed Cleveland Orchestra and one of the major outdoor music pavilions in the country—is located on the rim of the valley. It is adjoined by Kent State University's performing arts center. Numerous summer camps for children, golf courses, historic sites and parks as well as the Boston Mill and Brandywine Ski areas are also included.

Despite the substantial efforts already made by local and State governments and private individuals to preserve the valley, Federal assistance is clearly essential if this magnificent resource and the considerable investment already made in it are to be protected and enhanced for the benefit of everyone.

With only the funds available to the State and the metropolitan park districts, it is estimated that acquisition of the entire proposed park will take upward of 20 years. Given the enormous development pressures on the valley today, we simply do not have that kind of time. Within the next 5 years, in all probability, large and key sections of the valley will be lost to development if we do not act immediately. And, of course, the price of land, which is still relatively reasonable, will escalate sharply in the time period outlined by the State plan.

It is difficult to predict in advance the "mix" of land ownership that the park would consist of when the acquisition process is completed. As I will outline further on, the bill provides for several different types of ownership, including continuation of present private ownership, in the park area. For this reason it is difficult to forecast the average cost per acre of the proposed park. However, it would be reasonable to estimate an average cost of $1,000 per acre if the park were to be created in the immediate future. Based on past experience, the cost could easily escalate fivefold 10 years from now, such are the mounting pressures for urban development in the Cleveland-Akron area.

As the Bureau of Outdoor Recreation pointed out in their environmental impact statement on the State's land acquisition plan, only national park status will permit acquisition at a faster pace than the State could achieve, thus saving more of the valley from development and at less inflated prices.

This bill is designed to preserve the land as scenic open space with a minimum of interference with the rights of landowners to continue to use their land as they are now doing, at a minimal cost to the Federal Government and minimal loss of taxes to the local authorities.

After introduction of the bill 2 years ago, there was extensive discussion in the press, in regional planning agencies and in public hearings in the area. While support for the project was overwhelming, there was some apprehension and misunderstanding among some residents of the valley about the impact of the proposed park on their land—and among some of the local officials about the impact the bill would have on the local tax base and their ability to provide adequate services. In redrafting the bill, special attention was given to meeting these concerns. I want to explain in some detail precisely how the bill would do this.

First, the Secretary of the Interior is prohibited from acquiring any land without the consent of the owner so long as that land is subject to a zoning law or ordinance which has been approved by the Secretary as insuring that the land will not be used in a manner incompatible with the character of the park. Under the bill, Federal assistance will be made available to local units of government, if requested, to write such zoning regulations. In addition to protecting the rights of landowners, this provision will allow local governments to minimize the amount of real estate removed from their tax rolls by the proposed park.

Second, the Secretary may negotiate with landowners to purchase "scenic easement" rights on their land so that he does not have to acquire the land outright. Much of the land in the valley will be preserved in this manner. Under a scenic easement, the landowner and the Government reach an agreement under which the Government agrees to pay the owner for a binding covenant that the land will not be developed in the future in specific ways which would not be harmonious with the park plan. By this means, the landowner is able to continue to use his land as, for example, a farm or a family residence, while the open character of the land is preserved for the benefit of the public.

Third, the bill provides that in cases where the landowner agrees to sell his land outright to the Secretary, the landowner may retain, for a term of 25 years or for life, the right to continue to use and occupy the land in a manner harmonious with the purposes of the bill.

Fourth, within the suggested boundaries of the proposed park as shown on the map, areas of concentrated development such as Brecksville, Peninsula, and Boston Mills, as well as other isolated areas of development would be excluded from the park proper.

Fifth, to meet the problem of diminishing the tax base, the bill directs the Secretary of the Interior to develop a cooperative plan with the State and local governments to minimize and offset the impact of the park on local property taxes, to provide adequate road maintenance, rescue, firefighting and law enforcement services in the park area and to relieve the local governments of the cost of these services.

Sixth, public participation in every phase of the development and maintenance of the park is assured by this bill. The Secretary of the Interior would be required to hold a public hearing, in the valley, prior to any decisions about the boundaries of the park. In addition, a Cuyahoga Valley National Park and Recreation Area Commission will be created to meet with the Secretary periodically on matters concerning the administration and development of the park. Of the 13 Commission members, five are to be named from among permanent residents of the valley region.

Mr. Speaker, we are offering this bill as an outstanding opportunity for the Congress and the administration, on a bipartisan basis, to take the next great step in establishing a system of national urban recreation areas. We cannot afford to lose the momentum begun so well last year with the Gateway and Golden Gate National Recreation Areas. If we act now, the Cuyahoga Valley can become a magnificent "Central Park" for one of the Nation's largest metropolitan areas.

Mr. Speaker, I include editorial and the text of the bill in the RECORD at this point:

[From the Akron Beacon Journal,
May 17, 1971]

CHANCE TO SAVE THE VALLEY

(By John S. Knight, President and Editor)

Several thousand acres of unspoiled, undeveloped woods and meadows are in the Cuyahoga River valley between Akron and Cleveland.

The fact that there is still so much natural beauty so close to heavily-populated areas is almost a miracle.

With greater awareness in the last few years of the importance of having open spaces near the cities, there has come a realization that the Cuyahoga Valley is worth preserving.

In addition, this particular locality is rich in historic lore. Early settlers from New England built their homes here and then the Ohio Canal, a waterway into the wilderness, paralleled the river.

In 1968, the Ohio Department of Natural Resources made a study which reached the conclusion that "the valley must be preserved as open space."

Now Congressman John F. Seiberling and some of his colleagues have introduced a bill which would create the Ohio Canal and Cuyahoga Valley National Historical Park and Recreational Area.

Fortunately, many hundreds of acres are already owned by Akron and Cleveland Metropolitan park districts and by quasi-public groups such as Boy and Girl Scouts and the Blossom Music Center. This land will remain as it is.

Unfortunately, there has been misapprehension on the part of some owners of private property. Few, if any, will be asked to give up their land and move away. For the most part, the value of their properties will be enhanced.

The prime objective will be to preserve the area as it is now and to prevent the encroachment of commerce and industry or the spawning of large housing developments.

What happens in the Cuyahoga Valley in the years ahead is of concern to many millions of people in Ohio—not just to the few thousand who now live there.

Whether under local, state or national auspices, the preservation of this oasis near the cities is an opportunity that must be grasped.

[From the Cleveland Plain Dealer,
April 6, 1971]

FEDERAL FUNDS FOR NATIONAL PARK

For at least five years, there has been serious discussion of creating a national park in the Cuyahoga River Valley. Whether it will actually come to fruition seems to depend on the fate of a bill being prepared by U.S. Reps. Charles A. Vanik, D-22, and John F. Sieberling Jr., D-14, of Akron.

The legislation would provide $40 million in federal funds for the park.

This newspaper is already on record as favoring the establishment of the park. It would be a center for scenic, educational, historic and recreational purposes for some 3.9 million Ohioans living within 30 miles of the 20-mile long valley from Granger Road in Garfield Heights to the Akron city limits.

Time is running out on the proposed park. It should be clear by now that its creation cannot wait for the availability of sufficient local and state money. Federal funding is essential.

Cleveland and Akron metropolitan park districts are acquiring land that would be part of the park. But it would cost an estimated $20 million more to purchase just half of the acreage included in the federal proposal. If there are more delays the land will grow costlier and the project will become more expensive.

The creation of the Cuyahoga River Valley National Park would mean the preservation in its natural state of an area that has figured prominently in Ohio history. As a park, it would continue to benefit the lives of Ohioans.

H.R. 7076

To provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND PURPOSE

SECTION. 1. (a) Congress finds and declares that it is a policy of this Nation to put parks where the people are, so that everyone has access to nearby recreational areas; that the Cuyahoga Valley is the last major unurbanized and undeveloped open land between Cleveland and Akron, Ohio, serving interstate travelers and four million residents in adjoining standard metropolitan statistical areas; that the Cuyahoga Valley, south of Cleveland and north of Akron, is a large, green area of some forty thousand acres, of which over four-fifths is steeply sloped, heavily wooded, rugged terrain, located in the center of a rapidly spreading supermetropolis; that the Cuyahoga lies in an area which is rich in Indian history and artifacts and early Northwest Territory history as the shortest portage point between the Great Lakes and the Ohio and Mississippi Valleys, thus making the Cuyahoga River one of the most important of the small rivers of America; and that the Ohio-Erie Canal, which connected the Great Lakes with the Ohio-Mississippi River system between 1830 and 1913 ran through the Cuyahoga River Valley, where much of the canal is still intact, with portions capable of reconstruction, preservation, and operation for recreational and educational purposes.

(b) It is, therefore, the purpose of this Act to develop the Cuyahoga Valley for the recreational enjoyment of the American people in an area where there is a pressing and critical shortage of Federal and State recreation facilities.

DEFINITIONS

SEC. 2. As used in this Act—

(1) "park" means the Cuyahoga Valley National Historical Park and Recreation Area as provided in this Act;

(2) "canal" means the Ohio-Erie Canal, including its towpath;

(3) "recreation development" means the development of the park for scenic, educational, historic, and recreational purposes, including but not limited to walking, hiking, horseback riding, boating, bicycling, swimming, picnicking, camping, forest management, fish and wildlife management, fishing, water sports, and scenic and historic site preservation and viewing, including development and reconstruction of portions of the canal as a working canal with operating canalboats;

(4) "Secretary" means the Secretary of the Interior;

(5) "State" means the State of Ohio;

(6) "local government" means any political subdivision of the State, including but not limited to a county, city, village, township, park district, school district, or other special district created pursuant to State law;

(7) "Commission" means the Cuyahoga Valley National Park and Recreation Area Commission established pursuant to section 11 of this Act;

(8) "person" means any individual, partnership, corporation, private nonprofit organization, or club; and

(9) "landowner" means any person, local government, or State owning real property or interests in real property in, adjacent to, or in the vicinity of the park area.

SEC. 3. In order to preserve and interpret the historic and scenic features of the Cuyahoga Valley, and to enhance the potential of the area for recreation development, the Secretary is authorized to establish as provided in this Act the Cuyahoga Valley National Historical Park and Recreation Area in the State of Ohio and is directed to complete such action within three years from the date of enactment of this Act. The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he determines that lands, waters, and interests therein sufficient to constitute an efficiently administrable park area have been acquired for administration in accordance with the purposes of this Act, and the park shall consist of such lands, waters, and interests therein and any thereafter acquired pursuant to this Act. The total area included within such acquisition shall not exceed twenty thousand acres and shall, at the time of establishment of the park by the Secretary, as provided herein, be not less than ten thousand acres. The Secretary may revise the boundaries of the park from time to time by publication in the Federal Register: *Provided,* That such revision does not reduce or expand the total acreage beyond the minimum and maximum limits specified in this section. The park shall be located within the eastern and western rims of the Cuyahoga Valley, north of Bath Road, in Summit County, and south of Rockside Road in Cuyahoga County, all of which area shall hereinafter be referred to as the "study area".

SEC. 4. (a) As soon as practicable, but not later than one year after the effective date of this Act, the Secretary, after notice of a public hearing published at least fifteen days prior to the date thereof in at least one newspaper of general circulation in Akron and one in Cleveland, Ohio, shall hold a public hearing in the study area on the proposed park and shall at least fifteen days prior to the hearing publish in the Federal Register a map and other description of the proposed park placing each parcel of real property therein in either one or the other of the following categories:

Categry I, public ownership areas.

Category II, scenic protection areas.

(b) Commencing fifteen days before the hearing referred to in subsection (a), the map and description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and in the offices of the General Services Administration in the Federal Office Building in Cleveland, Ohio and Akron, Ohio. Following such hearing the Secretary may, from time to time, alter or amend such map or other description, but no such alteration or amendment shall take effect until after a corresponding notice and public hearing in the study area and publication of such alteration or amendment in the Federal Register.

(c) Subsequently to the hearing required by this section, and in conformity with the other provisions of this Act, the Secretary may acquire—

(1) in the case of real property placed in category I, any interest therein, including fee simple title thereto;

(2) in the case of real property placed in category II, lesser interests therein than fee simple title, to prevent future development which would be inharmonious with the character of the park: *Provided, however,* That the Secretary may acquire the fee simple title in such property if the Secretary finds that the estimated cost of acquiring the lesser interest would exceed 50 percent of the estimated cost of acquiring the fee simple title.

SEC. 5. (a) Subject to the limitations set forth in this Act, the Secretary is authorized to acquire real property and interests therein for the purposes of this Act. When a tract of land is only partly within the park, the Secretary may acquire the entire tract to avoid the payment of severance costs. Real property so acquired outside the park may be included within the park or exchanged by the Secretary for non-Federal real property within the park, and any portion of the real property not utilized for such exchanges may be disposed of in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377) as amended (40 U.S.C. et seq.).

(b) No real property or interest therein may be acquired under this Act without the consent of the landowner as long as there is in force and applicable thereto a duly adopted, valid zoning law or ordinance approved by the Secretary in accordance with subsection (b) of section 6 and the use of such property is in compliance therewith.

(c) In exercising his authority to acquire property under this Act, the Secretary shall give immediate and careful consideration to any offer made by an individual owning property within the park to sell such property to the Secretary. An individual owning property within the park may notify the Secretary that the continued ownership by such individual of that property would result in hardship to him, and the Secretary shall immediately consider such evidence and shall within one year following the submission of such notice, subject to the availability of funds, purchase such property offered for a price which does not exceed its fair market value.

(d) No real property, or interests therein, owned by the State or any local government may be acquired under this Act by condemnation. Notwithstanding any other provision of law, any property owned by the United States and located within the study area may, with the concurrence of the head of the Federal agency, department, or instrumentality having custody thereof, be transferred without consideration to the Secretary for use by him in carrying out the provisions of this Act.

SEC. 6. (a) The Secretary shall, at the request of any local government in or adjacent to the park, assist and consult with the appropriate officers and employees of such local government in establishing zoning laws or ordinances for the purpose of this Act. Such assistance may include payments to the local government for technical aid.

(b) Any zoning law, ordinance, or amendment thereto, submitted to the Secretary for approval for the purposes of this Act, shall be approved by him if such law, ordinance, or amendment contains provisions which—

(1) have the effect of prohibiting the commercial and industrial use (other than a use for commercial farms and orchards) of all real property within the boundaries of the park within the jurisdiction of the local government adopting such law, ordinance, or amendment;

(2) are consistent with the objectives and purposes of this Act, so that, to the extent possible under State law, the scenic and historic values of the park will be protected;

(3) aid in preserving the character of the park by appropriate restrictions, including but not limited to restrictions upon building, signs and billboards, the burning of cover, cutting of timber (except tracts managed for sustained yield), removal of topsoil, sand or gravel, dumping, storage, or piling of refuse, and other uses which would detract from the esthetic character of the park; and

(4) have the effect of providing that the Secretary shall receive notice of any variance granted under, and of any exception made to the application of such law or ordinance.

(c) If the Secretary determines that any real property which the Secretary was prevented from acquiring by the operation of subsection (b) of section 5 is being used in a way which is not in substantial compliance with the applicable zoning law or ordinance, he shall so notify the owner or owners of such property and the local government which enacted such law or ordinance. In any case in which such use is not discontinued within sixty days after the date of service of such notification, the Secretary, in addition to any other remedies to which he is entitled, may, after notice to the landowner and a hearing conducted in accordance with section 554 of title 5 of the United States Code, acquire such property without regard to subsection (b) of section 5.

SEC. 7. (a) Any individual owning real property situated within the park may, as a condition of acquisition by the Secretary elect to retain, for a term not to exceed twenty-five years, or for a term ending at the death of such owner or owners, the right of use and occupancy of such property for any residential or other purpose not incompatible with the purposes of this Act. The Secretary shall pay to the owner the value of the property on the date of such acquisition, less the value on such date of the right retained by the owner. Where any such owner retains the right of use and occupancy as provided in this section, such right may be conveyed or leased.

(b) A right retained pursuant to this section shall be subject to termination by the Secretary upon his finding, after notice and hearing conducted in accordance with section 554 of title 5 of the United States Code, that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount equal to the fair market value of that portion of the right which remains unexpired.

SEC. 8. The Secretary shall develop a cooperative plan with the State and any affected local government to minimize and mitigate the impact of the park on local property taxes and to provide adequate road maintenance, rescue, firefight and law enforcement services in the park and relieve local governments of the cost thereof.

SEC. 9. The Secretary shall take into account comprehensive regional or State development, land use, or recreational plans affecting or relating to the study area, and shall, wherever practicable, consistent with the purposes of this Act, exercise the authority granted by this Act in a manner which he finds will not conflict with such regional or State plans.

SEC. 10. Nothing in this Act shall prohibit the State or any local government from taxing any interest of a landowner in any real property.

ADVISORY COMMISSION

SEC. 11. (a) There is hereby established a Cuyahoga Valley National Park and Recreation Commission (hereafter in this section referred to as the "Commission").

(b) The Commission shall be composed of thirteen members to be appointed by the Secretary for terms of five years as follows:

(1) Two members to be appointed from recommendations submitted by the Board of Park Commissioners of the Akron Metropolitan Park District;

(2) Two members to be appointed from recommendations submitted by the Board of Park Commissioners of the Cleveland Metropolitan Park District;

(3) Two members to be appointed from recommendations submitted by the Governor of the State;

(4) One from the membership of an Ohio conservation organization;

(5) One from the membership of an Ohio historical society;

(6) Five members representing the general public, from among permanent residents and electors of the study area.

(7) The Secretary shall designate one member of the Commission as Chairman of the Commission.

(c) Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) Members of the Commission shall serve without compensation as such, but the Secretary is authorized to reimburse the members for expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this Act.

(e) The Secretary, or his designee, shall from time to time, but at least semiannually, meet and consult with the Commission on matters related to the administration and development of the park.

SEC. 12. (a) The Secretary shall administer the park in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2–4), as amended and supplemented.

(b) The authority of the Secretary of the Army to undertake or contribute to water resource development, including erosion control and flood control, on land or waters within the park shall be exercised in accordance with plans which are mutually acceptable to the Secretary of the Interior and the Secretary of the Army and which are consistent with both the purposes of this Act and the purpose of existing statutes dealing with water and related land resource development.

(c) The Secretary shall inventory and evaluate all sites and structures in the park having present and potential historical, cultural, or architectural significance and shall provide for appropriate programs for the preservation, restoration, intepretation, and utilization of them.

(d) Nothwithstanding any other provision of law, the Secretary is authorized to accept donations of funds from individuals, foundations, or corporations for the purpose of providing services and facilities which he deems consistent with the purposes of this Act.

SEC. 13. There are authorized to be appropriated sums necessary to carry out the purposes of this Act.

COMPARATIVE ANALYSIS OF THREE BILLS DEALING WITH SURFACE MINE RECLAMATION INCLUDING H.R. 5988

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, the requests for additional information concerning my bill, H.R. 5988, the Surface Mining Reclamation Act of 1973, is a small indication of the growing interest in this comprehensive legislation designed to realistically regulate the surface mining of all minerals in the United States in such a manner as to provide for the continuation of our basic mining industry and at the same time, reclaim the lands so affected by such mining.

The subcommittee on Environment and the Subcommittee on Mines and Mining of the House Interior and Insular Affairs Committee are conducting joint hearings at the present time on the subjects covered by 11 bills dealing with surface mining. Knowing of the interest of our colleagues in this vital matter, I have appended to my statement, a "major provision comparison" of three of the key bills being considered by the two subcommittees: H.R. 3, H.R. 5988, and S. 923.

The comparison follows:

COMPARATIVE ANALYSIS OF THREE BILLS DEALING WITH SURFACE MINE RECLAMATION INCLUDING H.R. 5988

H.R. 3	H.R. BILL 5988—SAYLOR BILL	ADMINISTRATION BILL
	Coverage	
Coal Surface Mining.	All minerals surface mined.	All minerals surface or deep mined.
	Primary enforcement	
Federal Government.	States, except on Federal and Indian Lands.	States—except on lands over which Fed. Gov. has jurisdiction.
	Control	
Interior.	Office of Surface Mining & Reclamation Enforcement within Interior. No existing legal authority in Dept. of Interior which has as its purpose promoting the development or use of coal or other minerals shall be transferred to this office.	Interior.
	Permit requirements begin	
Upon enactment for all *existing, new, and expanded* coal surface mines.	(1) With the period after enactment and 12 months after the promulgation of Fed. Regs. (a period of 24 months) all *new coal surface mines* must get an interim permit	(1) No permits required from the date of enactment until an acceptable state program has been adopted or a Federal program for that state has been adopted.

H.R. 3—Continued	H.R. 5988, SAYLOR BILL—Continued	ADMINISTRATION BILL—Continued
	from the State Reg. Authority under the requirement of the Federal Act; *existing coal surface mines* can continue to mine until the end of the period so long as they don't expand the area of land affected by more than 10%; if they expand by more than 10%, then they must get an interim permit.	(a) States have two years in which to submit program; Sec'y. has six months to review the program; thus, 30 months before a permit can be required during which time existing mines can expand and new mines can start without getting a permit.
	(2) If an acceptable state program is not in effect at the end of the 24 month period, then all existing, expanded or new surface mining operations of coal must cease until an acceptable state program is adopted or a Federal Program for that state is implemented and these operations can obtain the necessary permit under either of these two programs.	(b) 30 months need not be the first time an operator must get a permit, i.e., under an accepted state program, if he was in existence before the end of the 30 month period he has one year in which to apply for a permit—thus, he can expand his operation for 42 months before getting a permit. In addition, he has 2 years from the Sec'y. approval of the State Program to comply with the performance standards. Thus he has 4¼ years after enactment to comply.
	(3) *Other minerals besides coal*—existing surface mining for all minerals other than coal can continue and expand, and new ones can be started until 4 years after the date of enactment; then surface mining of all minerals other than coal must cease until an acceptable state program has been adopted for those minerals other than coal. (The purpose of the moratorium at the end of 2 years for coal and 4 years for all other minerals is to force the State Governments to assume primary enforcement of the Act and to insure that the legislatures don't delay implementation of control over surface mines.)	(c) If he is an operation in existence before the end of the 30th month after enactment, and he is producing less than 10,000 tons of mine run material per year, he has *5 years* from the 30th month to meet the requirements of the Act. Thus, the Act *for small operators* does not take effect for *7½ years* after enactment.
	Permits	
Coal surface mining permit required covering land to be affected; Life of permit is 1 year; No prospecting or exploration permit required.	Permit required for *surface exploration* of coal and other minerals, requires reclamation of land disturbed in exploration; Permit required for surface mining of coal and other minerals; covers entire area of land to be affected; Life of permit is 5 years.	Permit required for prospecting and mining. Life of permit is life of the operation. Area covered is the area of the "mining operation."
	Permit application requirements	
Required detailed information on the formation on the operator, the area affected, the coal, and the results of test borings; also, topo maps $500 fee, $100,000 liability insurance, copies of letters sent to local gov. agencies; local newspaper advertisement of the ownership, location and boundaries of the operation is required; reclamation plan is required.	Requires very detailed but meaningful information on the operator, the people and the area affected, the mineral to be mined, and the results of test borings that have relevance such as strike and dip of mineral beds, and chemical analysis of the overburden and the stratum beneath the mineral to be mined; also sampling integrity must be maintained; also required is a topo map showing pertinent information about the surface to be affected; cross section maps showing subsurface to be affected; a proposed mining map showing location of pits, spoil piles, haul roads, water impoundments, and the various surface elevations to show original contour; $100,000 public liability insurance; local newspaper advertisement of application; reclamation plan is required.	No specific application requirements; merely requires that the operator file "a mining and reclamation plan describing the manner in which his reclamation activity will be conducted showing that such activity will be conducted in a manner consistent with the regulations" and that he has the "physical and financial capacity" to conduct mining and reclamation activity.
	Federal regulations and advisory committees	
"Publish" guidelines within 60 days of enactment; public comment invited.—No EPA or other Fed. agency concurrence.—Advisory Committee on "Coal Research."	*For Coal:* "Publish" Regs. within 180 days of enactment. 45 days for comment and objections. within 15 days of the end of the 45 day period, publication of the specific regulation objected to is required. Within 30 days of the date of publication of the objections, a public hearing must be held. Within 60 days after hearings are held, report must be issued by the Sec'y setting forth findings and modification of regs. Regs. then become effective 30 days after publication in Fed. Register. Total time: 12 months. *For other minerals:* Publish regs. within 24 months of enactment then follow same procedure as to public notice, public hearing, etc. as for coal regs. Total time: 30 months. No EPA concurrence, but *consultation* with other federal *and state* agencies having expertise in the control and reclamation of surface mining operations is required. Two Advisory Committees set up; one for coal and one for other minerals;—Balanced representation including Federal and State officials, consumers, operators, and conserva-	(a) Criteria of Sec. 201(a) "elaborated" upon through "guidelines" within 90 days of enactment. (b) Within 180 days of enactment, Sec'y shall "adopt" regs. for "performance standards" for reclamation of surface mined areas. (c) Within 180 days of enactment, Sec'y shall "adopt" regs. for "performance standards" for reclamation of open pit mined areas. (d) Within 1 year of enactment, Sec'y shall "adopt" regs. for performance standards for reclamation of areas affected by underground mining. (e) EPA must concur in guidelines and regulations. (f) Advisory Committee is established; appointees made to assist Sec'y in developing guidelines and regs.; no representatives of State government, surface operators, or conservationists need be appointed.

COMPARATIVE ANALYSIS OF THREE BILLS DEALING WITH SURFACE MINE RECLAMATION INCLUDING H.R. 5988—Continued

H.R. 3—Continued	H.R. 5988, SAYLOR BILL—Continued	ADMINISTRATION BILL—Continued
	tionists is required. Advise on programs and policies.	
	State programs	
State "may" submit a program containing laws, administrative structure and regs. in conformity with or more stringent than this Act. Secretary must find the state had sufficient admin., & technical personnel and financial resources. Public notice and public hearing required in each state on the state program before approval. Public notice and public hearing required in each state on the state program before approval. Secretary must conduct a continuing evaluation of the approved state program. Hold public hearing every two years to review effectiveness of State Program; If state submits a program within 2 years of enactment of Fed. law, Sec'y "is authorized" to make grants for up to 80% of development costs. No EPA concurrence.	In order to receive financial assistance and to assume full control over surface mining, *State must submit* a program acceptable to to the Sec'y which contains (1) a regulatory law consistent with this Act or stronger. (2) The Reg. law shall include strong enforcement sanctions such as civil and criminal penalties, permit suspension and revocation and cease and desist orders. (3) State must have a regulatory authority with admin. and technical expertise and sufficient financial resources. (4) State must have a "mining lands review" process *started* which would declare certain lands in the state unsuitable to strip. Secretary shall not approve the State Program until EPA, Agriculture, et al, have given *public comment* on it and public notice and hearing held. Unless the state submits an acceptable State Program for coal within two years of enactment and within 4½ years of enactment *for other minerals*, all surface mining ceases. (This creates a strong incentive for the State to assume primary enforcement of the Act.) If State fails to submit an acceptable State Program, within the time limits, Then the Sec'y "may prepare, promulgate and implement" a federal program for that state provided that, (1) The public hearing is held in the State, and (2) The State has *completed and implemented* its mining lands review process *by designating* certain land within the State as unsuitable to strip. (Since this process obviously will take many years and be public, there is no incentive for a state to quickly request a federal takeover.)	State "may submit" within two years of enactment a program for regulation of surface mining. The State program must be acceptable to the Sec'y, and must meet the requirements of 201 (a) (1) through (19). The State Program must have Regs. which balance the relative degrees of environmental protection against the relative costs of reclamation. If State failed to submit an acceptable State program within 2 years Then the Sec'y shall "promptly" issue environmental regs. for mining operations within such state.
	Performance standards	
No mining within 100 feet of any road, body of water to which the public has use or access, or other private property; No removal of overburden from slopes over 20 degrees unless the operator can demonstrate that sedimentation, landslides, or acid or mineralized water pollution can be feasibly prevented and that the area can be reclaimed. On slopes greater than 14 degrees, the operator "shall conduct terrace backfilling." On slopes under 14 degrees, approximate original contour backfilling must be done. All backfilling to be concurrent as mining progresses Save and replace topsoil. Revegetate with stable and diverse vegetation. Control surface water and treat pit discharge.	No mining within 300 feet of occupied dwelling, public building, school, church, park, or cemetery; nor within 100 feet of a public road, except where interests of public and affected landowners will be protected. No lake, stream or watercourse will be interrupted, moved, or destroyed, except that a watercourse may be relocated where consistent with the operator's Reclamation Plan. No mining within 100 feet of a lake, stream or creek, except that "reclamation activities" may be permitted within 100 feet where it will improve a water pollution problem. Detailed and comprehensive Reclamation Plan required so that land shall be returned to approximate original contour, with all highwalls and spoil piles eliminated; water impoundments permitted if slope to the water is not greater than 19 degrees; terracing permitted on slopes under 14 degrees; on slopes *over* 14 degrees, no debris or spoil may be placed on the natural downslope below the cut unless the operator demonstrates and the regulatory authority finds that the method of mining and Reclamation Plan will effectively prevent sedimentation, landslides, erosion, or acid, toxic, or mineralized water pollution. Backfilling to be concurrent as mining progresses Save and replace topsoil or best available subsoil. Control and treat both surface and pit water during *and after* mining. Plant native vegetation where possible, otherwise plant stable and self regenerative vegetation. Short term planting allowed; plantings must be maintained for five years after operation terminates.	4 Standards Only: (1) Land to be returned to original or similarly appropriate contour considering future use and surrounding topography. (2) There is to be no permanent spoil deposition on undisturbed lands other than the original cut. (3) Soil conditions must be stabilized and water management be conducted so that landslides are prevented, erosion is minimized, and water pollution is minimized. (4) The original type or similarly appropriate type of vegetation must be reestablished. Backfilling to be concurrent if feasible. Topsoil segregation "may" be required. A Reclamation Plan consistent with this Act is required. NOTE.—"Relative costs" of reclamation must be balanced against "relative degrees of environmental protection."

H.R. 3—Continued	H.R. 5988, SAYLOR BILL—Continued	ADMINISTRATION BILL—Continued
	Blasting requirements	
Secretary "may" prohibit blasting in specific areas where the safety of the public or private property is endangered or where an underground mine will be adversely affected.	Requires that advance written notice of blasting be given to local governments and residents affected. Requires that regulations be promulgated which provide procedures for protection of dwellings, and for limitation on the type of explosive, the size, timing and frequency of the blasts so that injury and damage to persons or property off the site can be prevented.	None.
	Bonds	
Requires performance bonds to be posted after the permit is approved but before it is issued; bond is to insure that the operator will perform all the requirements of the Act; amount set must be not less than $5,000 or $500 per acre; liability is for duration of operation and five years thereafter; bond release may be had in stages as the reclamation is completed. Area to be covered by bond is not specified.	Detailed bond requirements similar to H.R. 3 except that bond amount shall not be less than $10,000. Two stage bond release procedure: Bond release upon application made detailing work performed; 60 percent of bond may be released when backfilling and grading is done. Remaining 40 percent may be released when revegetation and all other reclamation work is successfully completed. Bond is to cover only the area to be excavated at any one time within the permit are.	General requirement that the bond be sufficient to insure reclamation of mined area. Bond to cover all of *"mixed area"*, that is, excavation, haul roads, spoil piles, refuse banks and areas where structures and equipment which are used in mining are located.
	Open pits	
Applies only to coal operations "active" on the date of enactment; Defines open pit in terms of thickness of ore body and where the overburden, and the average depth exceeds 100 feet; No performance standards set for reclamation of open pits.	Applies to existing and future open pit mines for coal and other minerals. Defines open pit in terms of four specific criteria including thickness of ore and overburden, and no practicable alternative method of mining the material. Sets specific standards as to reclamation of open pits; it permits terracing and step-terracing (as defined).	Applies to existing and future mining; Sets same performance standards for open pits as for surface mining, "to the extent feasible."
	Designation of lands unsuitable for surface mining	
Sets specific standards where the Secretary "may" designate an area as unsuitable, i.e., not economically or physically possible to reclaim the land, or if mining will cause irrevocable injury to the environment of the area. Public notice and public hearing required.	State must conduct a mining lands review to gather competent data to determine if any lands in the state are unsuitable for surface mining. Area "shall" be designated as unsuitable. If reclamation under the Act is not physically or economically possible. If surface mining is incompatible with governmental plans to achieve essential governmental objectives. If the area is of critical concern. Grants available to the States specifically for this purpose. Public notice and public hearing required. Citizen has the right to petition. Decision as to unsuitability is to be related to land use programs and plans. Secretary is directed to conduct a similar review of federal lands.	State agency must identify areas which cannot be reclaimed under the Act; when the technology becomes available to satisfy the performance standards of the Act, then a permit may be issued for these areas. No grants available to the States specifically for this purpose. No requirement that the Federal Government review its own lands to see if any are unsuitable to strip.
	Written consent of the surface owner to mining of subsurface mineral	
Requires that the operator attach to his application—the written consent of the surface owner *to entry* upon his land by the operator or state or federal officers or employees for the purpose of reclamation and inspection *within a period of five years after* the operation is completed or abandoned.	Requires the written consent of, or waiver by, the surface owner to *entry and surface mining* on his land by the operator. Where the federal government owns the minerals but not the surface, no federal agency shall sell, lease, assign, mine or otherwise dispose of such minerals unless the agency has first obtained the written consent of the appropriate surface landowner to the present or future extraction of such minerals by means of surface mining. No federal agency shall purchase or otherwise obtain any coal from any supplier, which coal has been extracted by means of surface mining on lands owned by any person who has not given his written consent to the extraction of such coal by surface mining.	No provisions dealing with written consent.
	Written consent of the surface owner to mining of subsurface mineral	
Secretary monitors state programs by spot inspections and public review every two years of the state enforcement program. Civil penalties may be imposed on the operator according to the Coal Mine Health and Safety Act. Bond may be forfeited. Permit may be revoked. The Attorney General may apply for an injunction. Cease and desist orders may be issued only	Secretary monitors state enforcement by inspections; Secretary takes action only if state fails to act after it is notified of the operator's violation. Federal inspector can issue a cease and desist order for a violation of the Act or of any permit condition; if the operator does not comply, then civil or criminal actions may be started. Civil penalties of not more than $1,000 per day may be imposed.	Secretary monitors state enforcement by inspections. Attorney General may seek an injunction. Failure to comply with a regulation after 15 days notice, renders the person liable to a *cessation* order from the Secretary and a civil penalty of not more than $1,000 per day after the said 15 days. Any person who knowingly violates these regulations may be fined $10,000, get one year in prison, or both.

COMPARATIVE ANALYSIS OF THREE BILLS DEALING WITH SURFACE MINE RECLAMATION INCLUDING H.R. 5988—Continued

H.R. 3—Continued	H.R. 5988, SAYLOR BILL—Continued	ADMINISTRATION BILL—Continued
for serious violations endangering health or safety of the public or the employees involved.	Injunctions can be sought by the Attorney General. Criminal penalty of $10,000 or 6 months in prison, or both if any person violates this Act or any permit condition, or makes any false statement or who tampers with any monitoring device. Permit can be suspended or revoked.	
	Citizen suits	
Citizen can bring a mandamus action against officials under certain limited conditions. Citizen can also sue for damage to his property if the operator does not comply with the Act.	Citizen suits authorized; detailed provisions taken from the Federal Clean Air Act of 1970.	No citizen suit provisions.
	Public participation	
Public notice and public hearings required on the—State Program. Permit application. Bond release. Designation of lands unsuitable to strip. Applies only to "bona fide resident with valid legal interest."	Public notice and public hearings required, for— Federal regulations. State Program. Permit application. Bond Release. Permit revisions and renewals. Designation of lands unsuitable to strip. Applies to "any interested citizen" or officer or head of any governmental agency.	Regulations to be developed with full participation of all interested federal departments, state and local government, and "other interested bodies and groups." Regulations must provide for public notice *and an opportunity for public participation in their revision.* No public notice or public hearings are required with respect to any particular permit or operation.
	Unreclaimed and abandoned mines	
Authorizes appropriation of $100 million for the acquisition and reclamation by the Federal Government of unreclaimed mined land. Authorizes Secretary to sell the land. Each permit applicant submits $100 as a special reclamation fee to the fund.	Sets up a fund similar to H.R. 3 and authorizes $100 million for acquisition and reclamation of these unreclaimed mines; In addition, it sets forth specific criteria as to how, when and for what purpose the money is to be spent. Secretary can make grants to the States to assist them in requiring unreclaimed and abandoned mines.	No provisions for abandoned and unreclaimed mines except that the regulations may allow the operator "to depart from" the performance standards set forth in the regulations where the cost of reclamation of a previously mined area is impracticable under the performance standards.

ENERGY POLICY

(Mr. BROYHILL of North Carolina asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROYHILL of North Carolina. Mr. Speaker, the United States is fast coming to the realization that it is approaching a serious shortage of energy. Note that I say a serious shortage of energy—not just a shortage of low cost energy sources—but a shortage of energy at any price.

According to any number of informed sources, America will be able to overcome these shortages in 15 to 25 years as new technologies emerge. However, their projections are of little comfort to an America that is dependent on energy to sustain its style of life and rate of growth over the next 15 to 25 years.

Nearly every Member of Congress has attended hearings and briefings or read reports concerning the so-called energy crisis. In these reports and briefings, there have been many policy initiatives suggested. But there is one area in which nearly all authorities agree: the need for better energy management at the national level, starting with the development of a national energy policy.

The Senate Interior and Insular Affairs Committee has pinpointed some 64 agencies and departments in the Federal Government whose daily decisions have inpact on the energy market. Yet there is no cohesive sense of a national energy policy to guide the directives of their decisions.

In January, Mr. VAN DEERLIN and I, along with 23 of our colleagues introduced H.R. 2920 which would establish a Council on Energy Policy in the Executive Office of the President. In the nearly 3 months since the introduction of that legislation, I have become increasingly convinced that such legislation is becoming more vital every day.

We are all familiar with the statistics and analysis that inescapably lead to the conclusion that the energy crisis is looming in our very near future. But I feel we need to fully understand the impact of pronounced shortages on our economy and our society.

It is certain that attempts to fill our energy demands by doubling or even tripling of our reliance on imported fuel sources, will profoundly unsettle the already unstable international dollar. This, coupled with the price effects of fuel shortages, would exert a very heavy inflationary pressure on the economy.

To understand the effects of this, look for a moment at predicted higher prices for imported crude oil. Oftentimes, we simply translate crude oil to mean the gas Americans buy to run their automobiles. Yet in 1970, 29 percent of all energy used by industry was oil and in 1985, 46 percent of their energy demands will be satisfied by oil. This means either higher prices—or if shortages become more pronounced, industrial shutdowns and slowdowns and the loss of employment for many of our Nation's workers and consumers.

Quite simply, an energy crisis means much more than higher prices at the gasoline station. It can mean, if we let it, a radical disrupton of the economic fabric of this country. We need energy to provide jobs, to fulfill the Nation's social and defense obligations, and to maintain economic stability.

Our bill to provide a Council on Energy Policy is a necessary first step if the United States is to overcome the critical shortages of the next 15 to 25 years. It can begin to pull together the present diverse and confusing maze of energy jurisdictions under the umbrella of a sound and consistent national energy policy. It can present the energy policy options to Congress and the President and most important, effectively administer the mandates that are set forth over the next few years by Congress and the President in energy policy.

In the past decade, we have all been made aware of the dangers implicit in fragmented program management. I do not feel we can afford the luxury of such an inefficient approach to a problem of the magnitude of energy policy. But we can, at this time, set down our differences in energy policy and get started with the first step in evolving a national approach to energy management.

The text of the bill follows:

H.R. 2920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there shall be created in the Executive Office of the President a Council on Energy Policy (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President, by and with the advice and consent of the Senate. The members of the Council shall serve for five-year terms, except that of the three such members first appointed one shall be appointed for a two-year term and one for a four-year term, as designated by the

President at the time of appointment. The President shall designate one of the members of the Council to serve as Chairman. Each member shall be a person who, as a result of his training, experience, and attainment, is well qualified to analyze and interpret energy trends and information of all kinds; to appraise programs and activities of the Federal Government in the light of the energy needs of the Nation; to be conscious of and responsive to the scientific, economic, social, esthetic, and cultural needs and interests of the Nation; and to formulate and recommend national policies with respect to energy. Not more than two members of the Council shall be appointed from the same political party.

(b) (1) The Council shall serve as the principal adviser to the President and Congress on energy policy, exercising leadership in formulating Government policy concerning domestic and international energy issues, and shall assist in developing plans and programs which take full advantage of the Nation's technological capabilities in developing clean energy and in conserving energy resources. In addition the Council shall help formulate policies for, and coordinate operations of, energy resources and facilities owned or controlled by the Federal Government. The Council shall prepare for the President in cooperation with the Council on Environmental Quality and with the assistance of other interested departments and agencies the annual Energy Report required by subsection (f).

(2) (A) All legislative recommendations and reports to Congress of Federal agencies, to the extent such recommendations and reports deal with energy matters, shall be subject to the approval of the Council.

(B) The Council shall make recommendations to the President and Congress for resolving conflicting policies of Federal agencies.

(C) The Council shall recommend policies to Federal and State agencies respecting power emergencies.

(3) The Council shall develop a long-range comprehensive plan for energy utilization in the United States, and shall provide assistance to any executive agency concerned with energy and power in the United States.

(4) All agencies of the Federal Government shall include in every recommendation or report on proposals for legislation and other major Federal actions having a significant effect on energy availability or use a detailed statement by the responsible official on whether such proposal or action is consistent with the long-range plan formulated under paragraph (3). If such proposal or action is not consistent with such plan, the statement shall also contain a detailed justification for the proposal or action.

(5) Neither the Council nor its members may refuse to testify before or submit information to either House of Congress or any duly authorized committee thereof.

(c) In exercising its powers, functions, and duties under this section, the Council shall—

(1) consult with representatives of science, industry, agriculture, labor, conservation organizations, State and local governments and other groups, as it deems advisable; and

(2) utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

(d) Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for Level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for Level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

(e) The Council may employ such officers and employees as may be necessary to carry out its functions under this section. In addition, the Council may employ and fix the compensation of such experts and consultants as may be necessary for the carrying out of its functions under this section, in accordance with section 3109 of title 5, United States Code (but without regard to the last seentence thereof).

(f) The President shall cause to be prepared and submitted to the Congress on or before January 1, 1974, and annually thereafter, an Energy Report. The report shall include—

(1) an estimate of energy needs for the ensuing ten-year period to meet the requirements of the national defense, the commercial and industrial life of the country, and the general welfare of the people of the United States;

(2) an estimate of the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economical manner with due regard for the protection of national security, and the environment and the conservation of natural resources;

(3) current and foreseeable trends in the quality, management and utilization of energy resources and the effects of those trends on the social, economic, and other requirements of the Nation;

(4) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices, including regulatory practices, employed to achieve the foregoing objectives;

(5) recommendations for the development and application of new technologies procedures, and practices which he may determine to be required to achieve such objectives; and

(6) recommendations for legislation.

(g) There are authorized to be appropriated to carry out the provisions of this section not to exceed $300,000 for fiscal year 1974, $750,000 for fiscal year 1975, and $1,000,000 for each fiscal year thereafter.

GENERAL LEAVE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the special order given today by the gentleman from California (Mr. HOLIFIELD).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MORGAN (at the request of Mr. O'NEILL), for today and April 17, on account of illness.

Mr. ANDREWS of North Carolina (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. CLARK (at the request of Mr. O'NEILL), for today through April 19, on account of official business.

Mr. EILBERG, from 5:45 p.m April 16 through April 17, on account of religious reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COCHRAN) and to revise and extend their remarks and include extraneous matter:)

Mr. FINDLEY, for 5 minutes, today.

Mr. HOGAN, for 15 minutes, today.

Mr. FRENZEL, for 10 minutes, today.

Mr. ERLENBORN, for 30 minutes, today.

Mr. WYATT, for 10 minutes, today.

Mr. RAILSBACK, for 10 minutes, today.

Mrs. HECKLER of Massachusetts, for 10 minutes, today.

(The following Members (at the request of Mr. MEZVINSKY) and to revise and extend their remarks and include extraneous matter):

Mr. McFALL, for 5 minutes today.

Mr. RODINO, for 10 minutes, today.

Mr. BURTON, for 5 minutes today.

Mr. VANIK, for 10 minutes, today.

Mr. HAMILTON, for 5 minutes, today.

Mrs. GRASSO, for 10 minutes, today.

Mr. HOLIFIELD, for 30 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes, today.

Mr. HARRINGTON, for 15 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. MATSUNAGA, for 15 minutes, on April 17.

Mr. FRASER, for 5 minutes, on April 17.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SIKES to extend his remarks during debate preceding the vote on the previous question on House Resolution 357.

Mr. SAYLOR and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $552.50.

(The following Members (at the request of Mr. COCHRAN) and to include extraneous material:)

Mr. PRICE of Texas.

Mr. HASTINGS.

Mr. ZWACH.

Mr. YOUNG of Alaska in three instances.

Mr. COUGHLIN.

Mr. WYMAN in two instances.

Mr. HOSMER in three instances.

Mr. QUIE in two instances.

Mr. HUNT in two instances.

Mr. HORTON.

Mr. VANDER JAGT.

Mr. HEINZ in three instances.

Mr. HOGAN.

Mr. WHITEHURST.

Mr. STEIGER of Arizona.

Mr. ABDNOR.

Mr. McCLORY.

Mr. WHALEN.

Mr. RAILSBACK.

Mr. KEATING.

Mr. SHOUP.

Mr. ASHBROOK in three instances.

Mr. ANDERSON of Illinois in two instances.

Mr. BUCHANAN in two instances.

Mr. CRANE in five instances.

Mr. COLLIER.

(The following Members (at the request of Mr. MEZVINSKY) and to include extraneous material:)

Mrs. BURKE of California in 10 instances.

Mr. MANN in five instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. SIKES in five instances.

Mr. ANNUNZIO in 10 instances.

Mr. RODINO.

Mr. WON PAT.

Mr. FRASER in five instances.

Mr. WALDIE in four instances.

Mr. EDWARDS of California.

Mr. BOLLING.

Mr. MCKAY.

Mr. HÉBERT in two instances.

Mr. ANDERSON of California in three instances.

Mr. HARRINGTON.

Mrs. GRASSO in 10 instances.

Mr. O'HARA.

Mr. FASCELL in two instances.

Mr. WILLIAM D. FORD.

Mr. BADILLO.

Mr. DAN DANIEL.

Mr. KOCH in three instances.

Mr. CHAPPELL.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 45. Joint resolution to provide for the erection of a memorial to those who served in the Armed Forces of the United States in the Vietnam war; to the Committee on House Administration.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1975. An act to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes; and

H.J. Res. 303. Joint resolution to authorize and request the President to proclaim April 29, 1973 as a day of observance of the thirtieth anniversary of the Warsaw ghetto uprising.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on April 12, 1973, present to the President, for his approval joint resolutions of the House of the following titles:

H.J. Res. 210. A joint resolution asking the President of the United States to declare the fourth Saturday of September, 1973, "National Hunting and Fishing Day";

H.J. Res. 275. A joint resolution to authorize the President to issue a proclamation designating the month of May, 1973, as "National Arthritis Month"; and

H.J. Res. 437. A joint resolution to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week."

ADJOURNMENT

Mr. CORMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 52 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 17, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

759. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting plans for various works of improvement prepared under the Watershed Protection and Flood Prevention Act, as amended, none of which involves a structure which provides more than 4,000 acre-feet of total capacity, pursuant to 16 U.S.C. 1005; to the Committee on Agriculture.

760. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1964, as amended, for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1973; to the Committee on Agriculture.

761. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that various appropriations have been apportioned on a basis which indicates a necessity for supplemental estimates of appropriations for fiscal year 1973, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

762. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on property acquisitions of emergency supplies and equipment for the quarter ended March 31, 1973, pursuant to section 201(h) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

763. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July 1972, through January 1973, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

764. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to provide for the appointment of alternates and hearing examiners by the Zoning Commission of the District of Columbia, to change the composition of the Board of Zoning Adjustment, and for other purposes; to the Committee on the District of Columbia.

765. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report on country allocations of grant military assistance for fiscal year 1973, pursuant to section 653 of the Foreign Assistance Act of 1971; to the Committee on Foreign Affairs.

766. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to extend diplomatic privileges and immunities to the Liaison Office of the People's Republic of China and to members thereof, and for other purposes; to the Committee on Foreign Affairs.

767. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of various international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92–403; to the Committee on Foreign Affairs.

768. A letter from the Deputy Assistant Secretary of the Interior, transmitting descriptions of three projects selected for funding through grants, contracts, and matching or other arrangements with educational institutions, private foundations or other institutions, and with private firms, under the Water Resources Research Act of 1964, pursuant to section 200(b) of the act; to the Committee on Interior and Insular Affairs.

769. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

770. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting plans for various works of improvement prepared under the Watershed Protection and Flood Prevention Act, as amended, each of which involves at least one structure which provides more than 4,000 acre-feet of total capacity, pursuant to 16 U.S.C. 1005; to the Committee on Public Works.

771. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the impact of pesticides on the aquatic environment, pursuant to section 104(L)(2) of Public Law 92–500; to the Committee on Public Works.

RECEIVED FROM THE COMPTROLLER GENERAL

772. A letter from the Comptroller General of the United States, transmitting a report on military assistance and commitments in the Philippines; to the Committee on Government Operations.

773. A letter from the Comptroller General of the United States, transmitting a report that the need intensifies to amend legislation to reduce Government losses on the peanut price-support program administered by the Agricultural Stabilization and Conservation Service, Department of Agriculture, for the Department's Commodity Credit Corporation; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. H.R. 6370. A bill to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes; with amendment (Rept. No. 93–140). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 6452. A bill to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for other purposes; with amendment (Rept. No. 93–141). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 4204. A bill to provide for funding the Emergency Employment Act of 1971 for 2 additional years, and for other purposes: with amendment (Rept. No. 93–142). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE of Massachusetts (for himself, Mr. Ashley, Mr. Brasco, Mr. Brown of California, Mr. Carney of Ohio, Ms. Chisholm, Mr. Cleveland, Mr. Conyers, Mr. Davis of Georgia, Mr. Delaney, Mr. Diggs, Mr. Fisher, Mr. Fraser, Mr. Goldwater, Ms. Grasso, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Kyros, Mr. Lehman, Mr. McKinney, Mr. Metcalfe, Mr. Mitchell of Maryland, and Mr. Moakley):

H.R. 6980. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself, Mr. Murphy of New York, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rarick, Mr. Rosenthal, Mr. Stark, Mr. Steed, Mr. Steele, Mr. Steiger of Arizona, Mr. Studds, and Mr. Won Pat):

H.R. 6981. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. CONABLE:

H.R. 6982. A bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development, and management by small nonindustrial private and non-Federal public forest landowners, and for other purposes; to the Committee on Agriculture.

By Mr. CONTE (for himself and Mr. Robison of New York):

H.R. 6983. A bill to amend the State Technical Services Act of 1966 to make municipal governments eligible for technical services under the act, to extend the act through fiscal year 1976, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN:

H.R. 6984. A bill to extend unemployment insurance coverage to employers employing four or more agricultural workers for each of 20 or more weeks; to the Committee on Ways and Means.

By Mr. FREY (for himself and Mr. Young of Florida):

H.R. 6985. A bill to assure the imposition of appropriate penalties for persons convicted of offenses involving heroin or morphine, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving heroin or morphine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself and Mr. Winn):

H.R. 6986. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRASSO:

H.R. 6897. A bill to provide for an investigation by the General Services Administration of various problems involved in providing toll-free telephone numbers for incoming calls at each regional office of most executive agencies; to the Committee on Government Operations.

H.R. 6988. A bill to amend title 39, United States Code, to authorize the transmission without cost to the sender, of letter mail to the President or Vice President of the United States, to Federal executive departments and agencies, or to Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HAMILTON:

H.R. 6989. A bill to establish a Joint Committee on National Security; to the Committee on Rules.

By Mr. HARRINGTON (for himself and Mr. Mitchell of New York):

H.R. 6990. A bill to amend the Export Administration Act of 1969 with respect to the exclusion of agricultural commodities from export controls; to the Committee on Banking and Currency.

By Mr. HARRINGTON (for himself and Ms. Abzug):

H.R. 6991. A bill to authorize the Secretary of Labor to provide financial and other assistance to certain workers and small business firms to assist compliance with State or Federal pollution abatement requirements; to the Committee on Banking and Currency.

By Mr. HARRINGTON (for himself, Mr. Stokes, and Mr. Owens):

H.R. 6992. A bill to provide for the transfer of authorizations for military assistance programs for Laos and Vietnam to the Foreign Assistance Act of 1961, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself, Mr. Brown of California, Mr. Stark, and Mr. Stokes):

H.R. 6993. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for the use of excess property by certain grantees; to the Committee on Government Operations.

By Mr. HARRINGTON (for himself and Mr. Drinan):

H.R. 6994. A bill to provide compensation to U.S. commercial fishing vessel owners for damages incurred by them as a result of an action of a vessel operated by a foreign government or a citizen of a foreign government; to the Committee on Merchant Marine and Fisheries.

By Mr. HILLIS:

H.R. 6995. A bill to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit; to the Committee on Banking and Currency.

By Mr. PARRIS:

H.R. 6996. A bill to direct the Secretary of Labor to study the feasibility of and need for a Cost of Existence Index; to the Committee on Education and Labor.

H.R. 6997. A bill to amend the Internal Revenue Code of 1954 to liberalize the retirement income credit; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 6998. A bill to provide for the development of a uniform system of quality grades for consumer food products; to the Committee on Agriculture.

H.R. 6999. A bill to authorize equalization of the retired or retainer pay of certain members and former members of the uniformed services; to the Committee on Armed Services.

H.R. 7000. A bill to provide that, in the selection of persons to participate in federally assisted manpower training programs, Vietnam veterans shall be afforded a priority; to the Committee on Education and Labor.

H.R. 7001. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve intergovernmental relationships between the United States and the States and municipalities, and the economy and efficiency of government, by providing Federal cooperation and assistance in the establishment and strengthening of State and local offices of consumer protection; to the Committee on Government Operations.

H.R. 7002. A bill to require that certain processed or packaged consumer products be labeled with certain information, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7003. A bill to require that durable consumer products be labeled as to durability and performance life; to the Committee on Interstate and Foreign Commerce.

H.R. 7004. A bill to require that certain durable products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7005. A bill to amend the Fair Packaging and Labeling Act to require the disclosure by retail distributors of unit retail prices of packaged consumer commodities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7006. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on certain package goods to contain the name and place of business of the manufacturer, packer, and distributor; to the Committee on Interstate and Foreign Commerce.

H.R. 7007. A bill to amend the Federal Food, Drug, and Cosmetic Act to require labels on all foods to disclose each of their ingredients; to the Committee on Interstate and Foreign Commerce.

H.R. 7008. A bill to amend the Fair Packaging and Labeling Act to require a packaged perishable food to bear a label specifying the date after which it is not to be sold for consumption as food; to the Committee on Interstate and Foreign Commerce.

H.R. 7009. A bill to amend the Immigration and Nationality Act to increase immigration from Western Hemisphere nations; to the Committee on the Judiciary.

H.R. 7010. A bill to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery; to the Committee on Veterans' Affairs.

H.R. 7011. A bill to expand the authority of the Veterans' Administration to make direct loans to veterans where private capital is unavailable at the statutory interest rate; to the Committee on Veterans' Affairs.

H.R. 7012. A bill to amend title II of the Social Security Act to provide for the job counseling and employment services for veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 7013. A bill to amend title 38 of the United States Code to make the children of certain veterans having a service-connected disability rated at not less than 50 percent eligible for benefits under the war orphans' educational assistance program; to the Committee on Veterans' Affairs.

H.R. 7014. A bill to amend chapter 17 of title 38, United States Code, so as to authorize reimbursements for hospital care or medical service for any disability of a veteran who has a total service-connected disability permanent in nature; to the Committee on Veterans' Affairs.

H.R. 7015. A bill to amend title 38, United

States Code, to stabilize and "freeze" as of January 1, 1973, the Veterans' Administration Schedule for Rating Disabilities, 1945 edition, and the extensions thereto; to the Committee on Veterans' Affairs.

H.R 7016. A bill to amend title 38, United States Code, to provide that veterans with disabilities rated 10 through 100 percent shall receive additional compensation for dependents; to the Committee on Veterans' Affairs.

H.R. 7017. A bill to amend title 38 of the United States Code to provide that certain veterans who were prisoners of war shall be deemed to have a service-connected disability of 50 percent; to the Committee on Veterans' Affairs.

H.R. 7018. A bill to amend title 38, United States Code, to extend wartime benefits to veterans who served between February 1, 1955, and August 5, 1964; to the Committee on Veterans' Affairs.

H.R. 7019. A bill to amend section 110 of title 38, United States Code, to liberalize the standard for preservation of disability ratings; to the Committee on Veterans' Affairs.

H.R. 7020. A bill to amend title 38 of the United States Code to provide that hypertension developing a 10 percent or more degree of disability within 2 years after separation from active service during a period of war shall be presumed to be service-connected; to the Committee on Veterans' Affairs.

H.R. 7021. A bill to amend section 312 of title 38, United States Code, by providing a 2-year presumptive period of service connection for the psychoses which develop within 2 years from the date of separation from active service; to the Committee on Veterans' Affairs.

H.R. 7022. A bill to amend title 38, United States Code, to provide that amyotrophic lateral sclerosis developing a 10 percent or more degree of disability within 7 years after separation from active service during a period of war shall be presumed to be service-connected; to the Committee on Veterans' Affairs.

H.R. 7023. A bill to amend section 312 of title 38, United States Code by providing a 3-year presumptive period of service connecnection for malignant tumors (cancer) which develop within 3 years from the date of separation from active service; to the Committee on Veterans' Affairs.

H.R. 7024. A bill to amend title 38 of the United States Code so as to increase the period of presumption of service connection for certain cases of multiple sclerosis from 7 to 10 years; to the Committee on Veterans' Affairs.

H.R. 7025. A bill to amend subsection (b) (1) of section 415 of title 38, United States Code, to increase the maximum annual income limitation governing payment of dependency and indemnity compensation to certain parents; to the Committee on Veterans' Affairs.

H.R. 7026. A bill to amend section 410(a) of title 38, United States Code, to provide for the payment of dependency and indemnity compensation to certain survivors of deceased verterans who were rated 100 percent disabled by reason of service-connected disabilities for 20 or more years; to the Committee on Veterans' Affairs.

H.R. 7027. A bill to amend title 38 United States Code, to provide that the Administrator of Veterans' Affairs may furnish medical services for a nonservice-connected disability to any war veteran who has a disability rated at 50 percent or more resulting from a service-connected disability; to the Commitee on Veterans' Affairs.

H.R. 7028. A bill to amend chapter 31, section 1502 (a) of title 38, United States Code, to provide that Vietnam-era veterans shall have the same basic entitlement to vocational rehabilitation as that available to veterans of World War II and the Korean conflict; to the Committee on Veterans' Affairs.

H.R. 7029. A bill to amend title 38, United States Code, to authorize the Administrator to reimburse employers for unusual cost incurred in providing on-job training for certain veterans; to the Committee on Veterans' Affairs.

H.R. 7030. A bill to amend chapter 31 of title 38, United States Code, to authorize additional training or education for certain veterans who are no longer eligible for training, in order to restore employability lost due to technological changes; to the Committee on Veterans' Affairs.

H.R. 7031. A bill to amend title 38, United States Code, to amend the maximum educational benefits for chapter 35 trainees to 48 months and to allow additional educational benefits for certain wives and widows; to the Committee on Veterans' Affairs.

H.R. 7032. A bill to repeal the meat quota provisions of Public Law 88-482; to the Committee on Ways and Means.

H.R. 7033. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period which is presently a prerequisite of eligibility for disability insurance benefits or the disability freeze; to the Committee on Ways and Means.

By Mr. ROY:

H.R. 7034. A bill to provide equity in the feed grain set-aside program by allowing participants in plan B to switch to plan A; to the Committee on Agriculture.

By Mr. ROYBAL (for himself, Ms. ABZUG, Ms. CHISHOLM, Mr. HARRINGTON, and Mr. MOAKLEY):

H.R. 7035. A bill to amend the Public Health Service Act to provide assistance and development for improvement in delivery of health services to the critically ill; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL (for himself and Mr. WOLFF):

H.R. 7036. A bill to assure the right to vote to citizens whose primary language is other than English; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself and Mr. STARK):

H.R. 7037. A bill to amend the Immigration and Nationality Act to increase immigration from Western Hemisphere nations; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. BROWN of California, Mr. CORMAN, and Mr. MOSS):

H.R. 7038. A bill to provide that certain aliens illegally in the United States may have their status adjusted to that of permanent residents; to the Committee on the Judiciary.

By Mr. THONE:

H.R. 7039. A bill to provide equity in the feed grain set-aside program by allowing participants in plan B to switch to plan A; to the Committee on Agriculture.

By Mr. WALDIE:

H.R. 7040. A bill authorizing the Secretary of the Army to establish a national cemetery at Camp Parks or Port Chicago, Calif., for northern California; to the Committee on Veterans' Affairs.

By Mr. WALDIE (for himself and Mr. HILLIS):

H.R. 7041. A bill to increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7042. A bill to increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI:

H.R. 7043. A bill to provide for continual application of current basic pay scales to Federal civil service annuities; to the Committee on Post Office and Civil Service.

H.R. 7044. A bill to amend chapter 83 of title 5, United States Code, to eliminate the survivorship reduction during periods of nonmarriage of certain annuitants; to the Committee on Post Office and Civil Service.

H.R. 7045. A bill to increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7046. A bill to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7047. A bill to amend the Internal Revenue Code of 1954 to permit an exemption, in an amount not exceeding the maximum social security benefit payable in the taxable year involved, for retirement income received by a taxpayer under a public retirement system or under any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 7048. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 7049. A bill to authorize and direct the Administrator of General Services to acquire leasehold interests in certain land located in Los Angeles, Calif., in order to provide parking for persons who have business in the U.S. Federal Courthouse and for Federal employees working in the courthouse; to the Committee on Public Works.

By Mr. CORMAN (for himself and Mr. YOUNG of Georgia):

H.R. 7050. A bill to broaden the income tax base, provide equity among taxpayers, and to otherwise reform the income and estate tax provisions; to the Committee on Ways and Means.

By Mr. DELLUMS:

H.R. 7051. A bill to amend section 620 of the Foreign Assistance Act of 1961 to prohibit foreign assistance from being provided to foreign countries which do not act to prevent narcotic drugs from unlawfully entering the United States; to the Committee on Foreign Affairs.

H.R. 7052. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. DELLUMS (for himself, Mr. ROSENTHAL, Mr. KASTENMEIER, Mr. RANGEL, Ms. ABZUG, Mr. MITCHELL of Maryland, Mr. DIGGS, Mr. BINGHAM, Mr. CONYERS, Mr. EDWARDS of California, Mr. MOAKLEY, and Mr. STARK):

H.R. 7053. A bill to amend the Internal Revenue Code of 1954 to provide that a taxpayer conscientiously opposed to participation in war may elect to have his income, estate, or gift tax payments spent for nonmilitary purposes; to create a trust fund (the World Peace Tax Fund) to receive these tax payments; to establish a World Peace Tax Fund Board of Trustees; and for other purposes; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 7054. A bill to establish a system to retain gasoline and diesel fuel among civilian users in order to provide for sufficient fuel for farm use in areas of shortage; to the Committee on Banking and Currency.

By Mr. FOLEY:

H.R. 7055. A bill to amend the Food Stamp Act of 1964, as amended, for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30 1973; to the Committee on Agriculture.

By Mr. FRENZEL:

H.R. 7056. A bill to amend the Environmental Education Act to improve its effectiveness through increased accountability, regionalization, and assessment procedures; to the Committee on Education and Labor.

By Mr. GIBBONS:

H.R. 7057. A bill to establish in the State of Florida the Egmont Key National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

H.R. 7058. A bill to amend the Internal Revenue Code of 1954, to provide that the designation of payments to the Presidential Election Campaign Fund be made on the front page of the taxpayer's income tax return form, and for other purposes; to the Committee on Ways and Means.

By Mr. GROVER:

H.R. 7059. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. HUTCHINSON (for himself, Mr. McClory, Mr. Sandman, Mr. Railsback, Mr. Hogan, Mr. Moorhead of California, Mr. Lott, and Mr. Beard):

H.R. 7060. A bill to promote the foreign policy of the United States by prohibiting travel in a restricted area; to the Committee on the Judiciary.

Mr. KASTENMEIER (for himself, Mr. Brown of California, Ms. Holtzman, and Mr. Andrews of North Dakota):

H.R. 7061. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the agriculture industry; to the Committee on the Judiciary.

By Mr. McCLOSKEY:

H.R. 7062. A bill to permit injured Federal employees to receive benefits of the Federal employees compensation program notwithstanding they are in receipt of military retired pay, and for other purposes; to the Committee on Education and Labor.

By Mr. McKINNEY:

H.R. 7063. A bill to amend the Internal Revenue Code of 1954 to reduce the rates of the excise tax on telephone and teletypewriter exchange service for 1974 through 1976 and to eliminate such tax for periods after December 31, 1976; to the Committee on Ways and Means.

By Mr. MILLS of Arkansas (for himself, and Mr. Schneebeli):

H.R. 7064. A bill to amend the Internal Revenue Code of 1954 to provide that preparers of income tax returns shall report certain information to the Internal Revenue Service, and to prohibit preparation of returns by a person convicted of preparing a fraudulent return; to the Committee on Ways and Means.

By Mrs. MINK (for herself, Mr. Matsunaga and Mr. Won Pat):

H.R. 7065. A bill to provide for uniform expiration dates for agreements in the longshore and maritime industries in the States of Washington, Oregon and California; to the Committee on Education and Labor.

By Mrs. MINK (for herself, Mr. Steiger of Wisconsin, and Mr. Hawkins):

H.R. 7066. A bill to provide for operation of all domestic volunteer service programs by the ACTION Agency, to establish certain new such programs, and for other purposes; to the Committee on Ways and Means.

By Mr. O'NEILL (for himself, Mr. Tiernan, Mr. Boland, Mr. Burke of Massachusetts, Mr. Conte, Mr. Cronin, Mr. Donohue, Mr. Drinan, Mrs. Grasso, Mrs. Heckler of Massachusetts, Mr. McKinney, Mr. MacDonald, Mr. Moakley, Mr. St Germain, Mr. Sarasin, Mr. Steele, and Mr. Studds):

H.R. 7067. A bill to establish a Commission to review the proposed closing of any military installation; to the Committee on Armed Services.

By Mr. PATMAN:

H.R. 7068. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTEN:

H.R. 7069. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on the Judiciary.

H.R. 7070. A bill to amend the Immigration and Nationality Act to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

H.R. 7071. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance or benefits under the veterans' pension and compensation programs and certain other Federal and federally assisted programs) will not have the amount of such aid, assistance, or benefits reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. PETTIS:

H.R. 7072. A bill to allow advance payment of subscription charges for publications for official use prepared for auditory as well as visual usage; to the Committee on Government Operations.

By Mr. RODINO (by request):

H.R. 7073. A bill to amend the act of May 11, 1954 (ch. 199, sec. 1, 68 Stat. 81; 41 U.S.C. 321), to provide for full adjudication of rights of Government contractors in courts of law; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 7074. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 7075. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. Regula, Mr. Vanik, Mr. Hays, Mr. Ashbrook, Mr. Ashley, Mr. Brown of Ohio, Mr. Carney of Ohio, Mr. Guyer, Mr. Keating, Mr. Minshall of Ohio, Mr. Miller, Mr. Mosher, Mr. J. William Stanton, Mr. James V. Stanton, Mr. Stokes, Mr. Whalen, Mr. Moorhead of California, Mr. Dent, Ms. Abzug, Mr. Hechler of West Virginia, and Mr. Waldie):

H.R. 7076. A bill to provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. SEIBERLING (for himself, Mr. Regula, Mr. Vanik, Mr. Haley, Mr. Saylor, Mrs. Hansen of Washington, Mr. Johnson of California, Mr. Don H. Clausen, Mr. Udall, Mr. Young of Alaska, Mr. Burton, Mr. O'Hara, Mrs. Mink, Mr. Stephens, Mr. Vigorito, Mr. Roncalio of Wyoming, Mr. Bingham, Mr. Runnels, Mrs. Burke of California, Mr. Won Pat, Mr. Owens, Mr. de Lugo, and Mr. Jones of Oklahoma):

H.R. 7077. A bill to provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. SHOUP:

H.R. 7078. A bill to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes; to the Committee on Education and Labor.

By Mr. JAMES V. STANTON (for himself, Mr. Green of Pennsylvania, Mr. Moakley, Mr. Ryan, and Mr. Studds):

H.R. 7079. A bill to amend the Public Works and Economic Development Act of 1965 to establish a program to assist municipalities and businesses in urban industrial development, and for other purposes; to the Committee on Public Works.

By Mr. ULLMAN (for himself, Mr. Perkins, Mrs. Green of Oregon, Mr. Quie, Mr. O'Hara, Mr. Wyatt, and Mr. Dellenback):

H.R. 7080. A bill to provide for the deferral or cancellation of repayment of certain student loans for persons held as prisoners of war; to the Committee on Education and Labor.

By Mr. WAGGONNER:

H.R. 7081. A bill to amend the Occupational Safety and Health Act of 1970 to provide that where violations are corrected within the prescribed abatement period no penalty shall be assessed; to the Committee on Education and Labor.

By Mr. ZWACH:

H.R. 7082. A bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule to ratings for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospital and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

By Mr. BADILLO (for himself, Mr. Benitez, Mr. Moakley, Mr. Sarbanes, Mr. Mitchell of Maryland, Mr. Leggett, Mr. Rangel, Mr. Rooney of Pennsylvania, Mr. Dellums, Mr. Meeds, Ms. Chisholm, Mr. Bingham, Mr. Madden, Mr. Burton, Mr. Rosenthal, Mr. Roe, Mr. Brasco, and Mr. de Lugo):

H.R. 7083. A bill to provide Federal assistance to the Roberto Clemente Memorial Foundation to enable the Foundation to construct a youth recreational center in Puerto Rico, and for other purposes; to the Committee on Government Operations.

By Mr. DOWNING:

H.R. 7084. A bill to amend section 2254 of title 28, United States Code, with respect to Federal habeas corpus; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. Blatnik, Mrs. Boggs, Mr. Breckinridge, Mr. Burgener, Ms. Chisholm, Mr. Conyers, Mr. Davis of South Carolina, Mr. Flood, Mr. J. William Stanton, Mrs. Green of Oregon, Mr. Gude, Mr. Hosmer, Mr. Koch, Mr. Lehman, Mr. Meeds, Mr. Morgan, Mr. Pritchard, Mr. Railsback, Mr. Rangel, Mr. Roncallo of New York, and Mr. Rosenthal):

H.R. 7085. A bill to amend section 1130 of the Social Security Act to make inapplicable to the aged, blind, and disabled the existing provision limiting to 10 percent the portion of the total amounts paid to a State as grants for social services which may be paid with respect to individuals who are not actually recipients of or applicants for aid or assistance; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. THOMSON of Wisconsin, Mr. WALSH, Mr. WILLIAMS, Mr. WYDLER, Mr. YOUNG of Alaska, Mr. YOUNG of Illinois, Mr. ROYBAL, Mr. ESHELMAN, Mr. DEL CLAWSON, Mr. DEVINE, Mr. HASTINGS, Mr. HOGAN, Mr. WYMAN, Mr. MCKINNEY, and Mr. BELL):

H.R. 7086. A bill to amend section 1130 of the Social Security Act to make inapplicable to the aged, blind, and disabled the existing provision limiting to 10 percent the portion of the total amounts paid to a State as grants for social services which may be paid with respect to individuals who are not actually recipients of or applicants for aid or assistance; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.J. Res. 509. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right to life to the unborn, the ill, the aged, or the incapacitated; to the Committee on the Judiciary.

By Mr. PATTEN:

H.J. Res. 510. Joint resolution designating the song "Keep America Free" the bicentennial song for 1976; to the Committee on the Judiciary.

By Mr. SIKES:

H.J. Res. 511. Joint resolution proposing an amendment to the Constitution of the United States to provide that appointments of Supreme Court and other Federal judges be required to be reconfirmed every 10 years, to require 5 years' prior judicial experience as a qualification for appointment to the Supreme Court, and to require retirement of Federal judges at the age of 70 years; to the Committee on the Judiciary.

By Mrs. GRASSO:

H. Res. 358. Resolution providing monetary allowances for toll-free telephone service for telephone calls to the district offices of Members of the House, and for other purposes; to the Committee on House Administration.

By Mr. HARRINGTON (for himself, Mr. REES, Mr. HEINZ, Mr. GINN, and Mr. BRECKINRIDGE):

H. Res. 359. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each Delegate to the House, and for other purposes; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

143. By the SPEAKER: A memorial of the Legislature of the State of Delaware, relative to the Soil Conservation Service; to the Committee on Appropriations.

144. Also, memorial of the Legislature of the State of Oklahoma, relative to Federal poverty programs; to the Committee on Education and Labor.

145. Also, memorial of the Legislature of the State of Washington, relative to the Kontum hospital in Vietnam; to the Committee on Foreign Affairs.

146. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to the demands of the American Indian Movement; to the Committee on Interior and Insular Affairs.

147. Also, memorial of the Legislature of the State of Nevada, relative to the transfer of Red Rock Recreation lands to the Nevada park system; to the Committee on Interior and Insular Affairs.

148. Also, memorial of the Legislature of the State of Oklahoma, relative to the renewal of broadcast licenses by the Federal Communications Commission; to the Committee on Interstate and Foreign Commerce.

149. Also, memorial of the Legislature of the State of Connecticut, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

150. Also, memorial of the Legislature of the State of North Dakota, requesting Congress to propose an amendment to the Constitution of the United States relative to abortion; to the Committee on the Judiciary.

151. Also, memorial of the Legislature of the State of North Dakota, relative to changing the observance of Veterans Day to November 11; to the Committee on the Judiciary.

152. Also, memorial of the Legislature of the State of North Dakota, relative to absenteeism in Congress; to the Committee on the Judiciary.

153. Also, memorial of the Legislature of the State of Washington, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

154. Also, memorial of the Legislature of the State of Washington, relative to creation of a wildlife refuge in the Nisqually Delta; to the Committee on Merchant Marine and Fisheries.

155. Also, memorial of the Legislature of the State of Washington, relative to the use of the franking privilege for federally related public assistance mail; to the Committee on Post Office and Civil Service.

156. Also, memorial of the Legislature of the State of North Dakota, relative to adoption of the metric system; to the Committee on Science and Astronautics.

157. Also, memorial of the Legislature of the State of North Dakota, relative to tax reform; to the Committee on Ways and Means.

158. Also, memorial of the Legislature of the State of Washington, relative to the earnings test limitation in social security payments; to the Committee on Ways and Means.

159. Also, memorial of the Senate of the State of Washington, relative to the proposed elimination of Longview and Astoria, Wash., of U.S. Customs ports of entry for cargo vessels on the Columbia River; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURLISON of Missouri:

H.R. 7087. A bill to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Missouri to Grace F. Sisler, the record owner of the surface thereof; to the Committee on the Interior and Insular Affairs.

By Mr. GRAY:

H.R. 7088. A bill for the relief of Cheong I Ryoo; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.R. 7089. A bill for the relief of Michael A. Korhonen; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

171. By the SPEAKER: Petition of the City Council, Philadelphia, Pa., relative to funding the Opportunities Industrialization Center in Philadelphia; to the Committee on Education and Labor.

172. Also, petition of Frank R. Hackel, Chicago, Ill., and others relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

173. Also, petition of Arnold Van Dam, Muskegon, Mich., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

174. Also, petition of Dale Collie, Aberdeen, S.D., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

175. Also, petition of the council, city and county of Honolulu, Hawaii, relative to the definition of "secondary treatment" in waste disposal; to the Committee on Public Works.

EXTENSIONS OF REMARKS

NATIONAL LIBRARY WEEK

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Monday, April 16, 1973

Mr. SCOTT of Pennsylvania. Mr. President, now that the 16th annual observance of National Library Week has come to a close, I wish to share with my colleagues President Nixon's statement stressing the importance of efficient and readily available library systems throughout our Nation. Accordingly, I ask unanimous consent that the President's White House statement launching National Library Week be printed at this point in the RECORD:

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington.

PRESIDENT NIXON'S STATEMENT LAUNCHING NATIONAL LIBRARY WEEK (APRIL 8–14, 1973)

The strength of our nation resides in the knowledge, wisdom and spirit of our people. As we approach the two hundredth anniversary of our national independence, it is imperative that we intensify our efforts to hasten the day when every American will have a truly equal opportunity to realize the full potential of his abilities. Nothing is more essential toward the achievement of this goal than an efficient and readily accessible library system.

National Library Week gives appropriate focus to the great array of resources offered by our libraries to people of every age. It calls on all Americans to broaden their vision, enhance their skills and achieve their rightful places as dignified, self-reliant citizens. It calls upon every community to improve its library and thereby to promote the well-being of its people.

I ask all Americans during this special observance to share generously in the support of our libraries and to make the fullest possible use of the rich treasures they possess.

RICHARD NIXON.

Mr. SCOTT of Pennsylvania. Mr. President, this year the dual themes of National Library Week, "Get Ahead—Read" and "Widen Your World," call attention to the fundamental role that libraries play in helping Americans fulfill their cultural, educational and recreational needs. I am well aware of the many efforts to expand library services which have been accomplished throughout the country as a result of legislation passed by Congress.

In the Commonwealth of Pennsylvania alone, Federal funds have made available, through the Library Services and Construction Act, a total of 70 new or renovated library buildings which today serve a population of 2,056,500 persons. Sixteen of the forty new buildings built with LSCA funds have provided library services to almost 400,000 people who previously were without libraries. In addition, a communications network among key libraries in Pennsylvania now speeds the exchange of materials and information between libraries to better meet individual reader needs, while mail order library service has enriched the lives of rural readers and shut-ins who do not have direct access to libraries.

Finally, Federal funds have made it possible to reach out to help the handicapped, the disadvantaged, the illiterate and the institutionalized, as well as to provide books, audiovisual aids and other materials to students and teachers to create improved learning situations.

All of these services and the dedicated library staffs who provide them serve to light the way to the President's goal of achievement by all Americans of their rightful places as dignified, self-reliant citizens.

WHAT COURSE FOR AMERICA?

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. BOLLING. Mr. Speaker, Dr. Henry A. Kissinger's timely warning that "If a society loses the capacity for great conception, it can be administered but not governed," is the essence of his recent remarks. Excerpts printed in the Washington Post of April 15, follow:

[From the Washington Post, Apr. 15, 1973]

HENRY A. KISSINGER—WHAT COURSE FOR AMERICA?

The following is an excerpt from remarks by Dr. Kissinger, the Assistant to the President for National Security Affairs, on receiving the Federal City Club's Award for Very Distinguished Public Service at the club's annual dinner April 13

For years, one of the shibboleths of our political debate has been that with the end of the war in Vietnam we could restore our priorities and recover our unity. It is true that during the war debate dissolved increasingly into a sterile chant of competing liturgies. But the end of the war has produced a strange lassitude and uncertainty. Combatants have been reluctant to leave the trenches. The habits of confrontation have proved hard to overcome. We had clung to our divisions so stubbornly that we seem anchorless without them. And we have grown more conscious of what we seek to prevent than of what we should strive to achieve.

Someday—I suspect sooner than we think—the tactical debates will be forgotten or seem irrelevant. But some of the deeper scars linger. We have been shaken by the realization of our fallibility. It has been painful to grasp that we are no longer pristine—if we ever were. Later than any nation, we have come to the recognition of our limits.

In coming to a recognition of our limits, we have achieved one of the definitions of maturity. But the danger is that we will learn that lesson too well—that instead of a mature recognition that we cannot do everything, we will fall into the dangerous and destructive illusion that we cannot do anything. Nothing is more urgent than a serious, dare I say compassionate, debate as to where we are going at home and abroad. Technicians cannot master revolutions; every great achievement was an idea before it became a reality. Cathedrals cannot be built by those who are paralyzed by doubt or consumed by cynicism. If a society loses the capacity for great conception, it can be administered but not governed.

I first saw government at a high level in the early 1960s—at a time which is now occasionally debunked as overly brash, excessively optimistic, even somewhat arrogant. Some of these criticisms are justified. But a spirit prevailed then which was quintessentially American: that problems are a challenge, not an alibi; that men are measured not only by their success but also by their striving, that it is better to aim grandly than to wallow in mediocre comfort. Above all, government and opponents thought of themselves in a common enterprise—not in a permanent, irreconcilable contest.

The world needs our idealism, our faith and our purpose. In this respect the spirit of the early 1960s was more nearly right and some of the present attitudes are dangerous. In the 1920s we were isolationists because we thought we were too good for this world. We are now in danger of withdrawing from the world because we believe we are not good enough for it. The result is the same and the disastrous consequences would be similar.

So it is time to end our civil war.

To be sure, we should leave our optimism with a sense of tragedy and temper our idealism with humility and realism. But only as we regain a sense of direction can we heal our nation's spirit and recover our unity—the unity which is the prerequisite for mastering the future and overcoming the wounds and divisions of the recent past.

"DELTA QUEEN"

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. KEATING. Mr. Speaker, I have joined the chairwoman of the House Merchant Marine and Fisheries Committee in cosponsoring legislation to continue the exemption for the *Delta Queen* under the safety at sea law.

Cincinnati is proud to be the home port of the *Queen* and we can now look forward to a new riverboat which will be constructed starting this summer.

I would like to insert into the RECORD an article that appeared in the Washington Post and tell some of the joys of cruising the inland rivers of America on the *Delta Queen*:

THE TURN-OF-THE-CENTURY DELIGHTS OF PADDLING DOWN "BIG MUDDY"

(By Sabin Robbins, Jr.)

(NOTE.—Robbins is assistant director for public affairs, National Trust for Historic Preservation. He lives in Washington.)

"Daddy, do they really make you go through the paddlewheel if you're bad?" asked my 10-year-old son when he first boarded the Delta Queen. Robbie's questions continued at near flood tide—like the Mississippi River we traveled for five days recently from New Orleans to Memphis.

When it came time to sip the last "Huck Finn" (ginger ale liberally laced with grenadine), Robbie was a confirmed steamboater. He was an expert on shipboard nomenclature, a certified calliope player, and had even helped the pilot steer for a few Walter Mittyish moments. He had gained four pounds from eating too much food, played the role of a tree in an all-student production of a riverboat melodrama, and wore his Delta Queen captain's hat as if born with it.

And, of course, he had learned that the job of the paddlewheel was not for discipline but to push us along at a stately (if not speedy) seven miles an hour. In short, Robbie had a super time—just like the other 30 youngsters and 90 adults who had sampled life on the Mississippi during the annual spring cruise chartered by The National Trust for Historic Preservation.

Charter cruises usually offer extra attractions tailored to the group's interest—in our case special tours and receptions at antebellum homes, gardens, and Civil War sites at St. Francisville (La.), Natchez, Vicksburg, and Greenville (Miss.). We also had on-board classes, tours, and films for the young people conducted by a historian from Colonial Williamsburg.

Charters are on the upswing, reports Betty Blake, vice president of Greene Line Steamers, Inc., owner-operator of the Delta Queen, A dozen organizations from symphony societies to preservation groups like the National Trust run charters every year. Some use the steamboat for fund-raising events, banquets, and floating board meetings. One couple even had their wedding and reception aboard. ("Here Comes the Bride" was tooted out on the steam calliope.) The public can choose from 50 regular cruises that range from 19-day voyages between Cincinnati and New Orleans to one-day excursions out of St. Paul. Cost per day runs $30 and up, depending on accommodation.

Charter or regular, the special pleasures of steamboating remain pretty much the same. Although unlikely to be taken for the Queen Mary, the 285-foot Delta Queen dramatically dwarfs anything else that plies the Mississippi. Her bright red paddles churn up 40-foot plumes of the Big Muddy. The gold-plated whistles of the calliope echo five miles away. She may not have a swimming pool or sauna, but she does have lounges, reading room, library, two bars, gift shop, auditorium-dining room and plenty of deck space for strolling and snoozing.

Her 95 state rooms run from medium to minuscule. Getting dressed can sometimes count as early morning calisthenics! But in the end what really matters is the old-fashioned charm and ambience of America's last overnight steamboat. Far from the din of television, radios, telephones, and honking cars, you live in a world of churning water, gleaming brass, stained glass windows, fancy woodwork and strummin' banjos.

Each of our five days was different—yet the same. Up early for a walk around the deck—11 times equals a mile. We were surprised to see that the close-by bank was wilderness—forests of willow and rolling pastures. Not a sign of houses or people. We had forgotten that this was flood plain shoreline—chancy land for any development. Out of sight behind the levee were the farms, cities, and crowded superhighways. We heard only the twitter of invisible birds, the swish of brown water spun endlessly by the paddlewheel.

Appetites whetted, it was down to the Orleans Room for juice, melon, cereal, eggs, bacon, sausage, pancakes, French toast, grits (of course) and lots of coffee.

Classes and tours of the engine room and pilot house filled mornings for the young. Adults had their own slide lectures and films on Southern architecture, crafts, and history. Many just watched America slide by from their deck chairs. We paddled along just fast enough to get where we were going, but slow enough to savor the journey.

Each day there were shore tours of antebellum plantations and gardens ablaze with azaleas, dogwood and wisteria.

The cry "Steamboat's a comin'!" brought townsfolk to the levees just as it did a century ago. Sometimes we pulled into the main landing. Often we just tied up to a big tree along the bank. Returning from a shore excursion, we were always welcomed "home" by rollicking tunes on the calliope, played by Vic Tooker, the sternwheeler's interlocutor and master musician.

By depature time, half the town seemed to have lined the bank. Feeling like touring royalty, Robbie would wave back to envious children on shore.

After a bountiful buffet lunch, some read, wrote postcards or played cards. Others napped, watched birds, attended lectures or just chatted on the sun deck. Some flew kites over the paddlewheel. Later, passengers gathered in the Texas Lounge for a cocktail before dinner. Afterward there were old-time movies, horse-races, or musical shows by versatile Vic Tooker.

Darkness cast a special spell aboard the Delta Queen. Lights winked from passing tugboats. Crickets chirped from the bank. One night Robbie and I sat in the pilot house with veteran Howard Tate. Reading the faint riffles of Old Man River with 42 years of practice, Tate nudged the bow closer to the shadows of the bank. When he consented to speak, his voice came out in a rusty growl.

"Mark Twain never done no piloting to amount to anything," he barked. "He never stood a pilot's watch more than six months in his life." After a studied pause, he added charitably, "But I guess he could write all right."

Although our voyage hailed straight back to the days of Twain, the Delta Queen was actually built in 1926 and designed for California rivers, not the Mississippi. Decommissioned as a World War II troop carrier in 1947, she was bought by the Greene Line of Cincinnati and revamped for Mississippi trade. Every year since then she has carried passengers some 35,000 miles, calling on 110 river towns in 17 states.

When legislators passed a Safety-at-Sea Law in 1966 to protect Americans from unsafe ocean voyages, the stern-wheeler was unexpectedly condemned because her superstructure was wood not steel. Since then, Congress has voted three times to exempt the antique riverboat. They felt she did not face the same hazards as ocean-going vessels. "To knock off the Delta Queen because of a law designed for oceanliners would be like pulling down the Tower of London because it doesn't meet city fire escape regulations for public places," wrote one columnist.

In a modernization program, the owners installed more than $1 million worth of safety and fire prevention equipment.

Her current reprieve is due to expire on Nov. 1. Rep. Leonor Sullivan (D-Mo.), chairwoman of the House Merchant Marine and Fisheries Committee, introduced a bill last month calling for another five-year exemption.

At the same time, Greene Line unveiled a model of a $15.5 million riverboat scheduled for service in 1975. The new boat will carry 400 and boast such modern touches as pool, elevators, and airconditioning. But she'll still have a steam-powered paddlewheel.

"We considered propellers, gas turbines, even jet engines, but we finally decided on a paddlewheeler. It's still the most efficient, practical, and comfortable for the Mississippi," says William Muster, President of Greene Line.

Whether the old Delta Queen will be able to compete with the new boat is anyone's guess. The Greene Line thinks there are plenty of passengers for both, assuming the Congress continues to grant reprieve for the old boat. Either way, riverboat fans are assured there will be at least one overnight steamboat in their future.

Sooner than we wished, our own steamboat experience ended beneath the bluffs of Memphis. The "whish" of the paddles slowed, then stopped, to be replaced by the honk and roar of the city. As Robbie and I said goodbye to the Delta Queen and raced to the airport, we wondered whether we had entered the real world—or left it.

BILL TO INCREASE CIVIL SERVICE ANNUITIES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. WALDIE. Mr. Speaker, as chairman of the Subcommittee on Retirement and Employee Benefits, I recently had the pleasure of receiving testimony from representatives of the National Association of Retired Federal Employees on the need for immediate action on H.R. 1262, a bill to increase annuities.

I have seldom been so impressed by the clear, logical, and dignified presentation of testimony as I was at this hearing.

Mr. Arthur L. Sparks, president of the association, led the witnesses in providing the subcommittee with examples of the real hardship and dignity in these times of spiraling inflation.

As chairman of the Subcommittee on Retirement and Employee Benefits, I pledge that swift action will be taken on this bill at the earliest possible date.

Mr. Speaker, I am including in the Record the testimony of Mr. Arthur Sparks, Mr. James Cox, and Ms. Minnie Gould so that other Members of the House may be made aware of the urgent need for this legislation.

STATEMENT OF ARTHUR L. SPARKS

Mr. Chairman and distinguished members of this Subcommittee, I am Arthur L. Sparks, President of the 170,000 member National Association of Retired Federal Employees. I am proud to have with me here at the table this morning: Miss Judy Park, Legislative Assistant; Mr. James Cox, President of NARFE Chapter 3, Los Angeles, California; Miss Minnie Gould, NARFE Chapter 80, Albuquerque, New Mexico; Mr. Willard Wretman, Secretary, Illinois Federation of NARFE Chapters; Mr. Thomas Ward, President, NARFE Chapter 23, Manhattan, New York; and Mr. James Johnson, President, NARFE Chapter 751, Tuskegee Institute, Alabama; and many of our members in the audience from all over the United States who are vitally interested in the legislation we are here to discuss today.

The entire NARFE membership is indebted to you, Mr. Chairman, for the introduction of H.R. 1262 on the opening day of the 93rd Congress. We are appreciative of the courtesies extended to our organization by all members of this very important Subcommittee.

We realize, Mr. Chairman, that H.R. 1262 is not going to bring our earlier retirees up to the same level they would be if they had retired after October 20, 1969 with the salary levels and computation benefits used after that date, but it will alleviate some of the strain in which these retirees now find themselves.

The average annuitant on a fixed, limited income has had to bear the brunt of ever-increasing rents, consumer prices and services without the benefit of any substantial annuity increase. The cost-of-living increases provided by law since December 1, 1965, have been helpful, but a 4 or 5 percent increase on a base annuity of $100 or $200 a month, does not bring about enough increase to realistically aid in meeting such cost-of-living increases as a $25 rent increase, or soaring food prices.

An annuity that at one time might have allowed a retiree to maintain a decent standard of living has been eaten away to the point that he now finds himself in dire financial need, unable to afford even the basic necessities of life. Wage increases that have aided active employees in coping with the inflation have not been reflected in the pensions and annuities of retirees, and resulting price increases have simply pushed the elderly closer to or further below a poverty level existence. To put it bluntly, Mr. Chairman, these retirees are scared! They worry from month to month how they will make ends meet.

We have quoted statistics on income level before this Subcommittee in the past, and such figures can still be made available, but in the interest of time and in order to let our other witnesses speak, I shall forego reviewing these figures again this morning.

Many programs have been initiated to benefit the elderly. Only a very small portion of the vast sums appropriated for this purpose, however, has reached the people who need the help. Under H.R. 1262 every dollar voted for these elderly retirees will go directly to those who need it, without a great portion being siphoned off to "study groups", staffs, and operating overhead.

This bill carries an effective date of July 1, 1973. There will be hundreds of retirees who qualify today, but will not be here in 2 months, to receive provided benefits. The death rate in this group is extremely high due to age, and for this reason, as well as others, we urge *immediate* action on this bill.

President Nixon in one of his talks prior to the election stated that he would like to see every American able to hold his head up with pride. Mr. Chairman, our people whose annuities are so small that they have to go to the welfare boards to ask for help cannot hold their heads up very high. They need help, and they are looking to the Members of Congress for this help.

I thank you for the opportunity to appear before the Subcommittee this morning on behalf of the Federal retiree. I respectfully urge the Committee to expedite their action as much as possible in order that the relief provided in H.R. 1262 can reach the Federal retirees at an early date. We appreciate the Members of this Subcommittee hearing us today.

STATEMENT OF JAMES F. COX

Mr. Chairman, for the record, my name is James F. Cox, a retired letter carrier and post office supervisor with 37 years service from 1929 to 1966. I have been a committeeman or legislative chairman for at least 25 years. I am now President of Chapter 3 of the National Association of Retired Federal Employees in Los Angeles, California with a membership of about 1,000.

Your bill, H.R. 1262 and the Senate companion bill, S. 626, as they now read will provide a minimum annuity equal to the minimum paid under Social Security, currently $84.50 per month. It would also increase by $300 per year ($25 per month) the annuities of those who retired before October 20, 1969. It would also increase a survivor's annuity by $165 per year ($13.75 per month), the effective date to be July 1, 1973.

This bill is an equalizer for those who retired before October 20, 1969, to bring them up to a standard corresponding to present day retirees. I retired with the loss of 2200 hours sick leave. The high or best five years instead of the best three years was used as my base, and I lost 1 percent per year for each year

I was under 60. Unused sick leave, high-3 years of pay and more liberal age qualifications are all included in the retirement laws being used for those retiring since October 20, 1969.

The increase in wages since 1969 now allow the present day employee to retiree on nearly as much as we received as base pay before 1969.

One of the primary purposes of the Older Americans Act of 1965, P.L. 89–73, is "Provide for an adequate income in retirement to correspond with the American Way of Living." The "American Way of Living" today can be wonderful, especially in retirement with more leisure time. There is much to see and do in this wonderful country of ours; so much to learn; and so many people who need help which we have the time to give. Yet thousands of Federal Retirees are financially being forced to live as second class citizens, and for financial reasons alone being forced into the ranks of those who need help. We should realize that more than 400,000 of our retirees who receive under $200 per month would be better off to refuse their checks and go on the welfare rolls. It is a desperate situation, and while we get a lot of good sympathetic talk, we see no action to change the facts that now prevail.

Property taxes in the United States have more than doubled in the past 10 years. Medical bills for retirees are at their highest due to the age factor, yet the retiree now finds he is least able to pay for them. Of course, we all know now that the Consumer Price Index for the month of February 1973 went up higher than it had since 1951—22 years ago. While speaking of these ever increasing costs, I should like to thank you, Mr. Chairman, and this Committee for the help you did give us in successfully investigating Blue Cross-Blue Shield, finally resulting in the $7.35 per month reduction for those with self and family coverage. I hope that the $9.92 per month increase in Kaisers coverage can be reduced in the near future.

Why do we keep finding ourselves, as Federal retirees, the man in the middle? We in the National Association of Retired Federal Employees were pleased when Congress saw fit to increase Social Security benefits and Railroad Retirement benefits, but we were very disappointed that the same Congress did not see fit to take care of the Federal Retiree. President Nixon has submitted legislation to recompute the military retirement pay on the basis of January 1, 1971 pay scales, thus greatly liberalizing annuities of current military retirees. This money is provided for in his current budget—no such thought for Federal retirees. It was interesting to note that Senator Byrd of Virginia reports that 47 percent of the 4-star Generals who left the service in 1971 went out on "disability" even though 70 percent of them passed physicals six months before their retirement, enabling them to collect flight pay. This disability retirement is, by the way, tax free. Social Security and Railroad Retirement benefits are also tax free. Last year's 20 percent increases in Social Security and Railroad Retirement amounted to $30 on $150—nontaxable. The provisions of H.R. 1262 will provide $25 on $150—taxable.

How can we feel that we are anything but the "forgotten retirees"? Everyone, Congress and the Administration, made a big shout about the benefits of H.R. 1 in the last Congress, yet when that bill came out of the Conference Committee, everything for the Federal retiree had been deleted.

We now feel that it is time our Representatives and Senators in Congress give us a fighting chance by considering bills pending in our behalf, as you are doing today. We must have lots of friends in Congress when a total of 248 sponsor bills on our behalf, but unless we can get these bills out of the Subcommittees and Committees many Members of Congress will never have a chance to vote on them. What we want now is to get these bills before Congress and the President, so they can decide on the facts and let their true feelings be known.

Mr. Chairman, in asking for favorable action on H.R. 1262 and other bills, we do not feel we are asking for anything that is not justified by facts. The retiree has nothing to do with the rising cost of living. If everything had been frozen 8 years ago we wouldn't be paying the prices we are today. Phases I–II–III do not mean anything to the low incomed annuitant other than greater financial burden.

We realize the tremendous job you and your Committee are doing, and we especially appreciate the efforts put forth by this Subcommittee today. We are thankful to all those who have sponsored bills in our behalf and hope that they will soon have an opportunity to vote on them in the House and Senate chambers. We also realize that we have 86 new members of Congress to voice our needs and opinions to, and today and tomorrow we hope to be able to do just that.

Thank you, Chairman Waldie, and Subcommittee members for allowing me to appear before you today and for hearing what we have to say. It is indeed an honor and a privilege.

Statement of Minnie E. Gould

Chairman Waldie and Members of this Subcommittee, for the record I am Minnie E. Gould, a member of NARFE Chapter 80 in Albuquerque, New Mexico and former President of Chapter 80. I am delighted to be able to appear before you this morning and add my voice to our Association's urging for immediate action on H.R. 1262.

We appreciate the fact that this Subcommittee has made a thorough study of the facts available through the Civil Service Commission on the status of Civil Service annuitants. In an effort to bring you the personal interest factor that we see day by day among the retirees in our immediate localities, I have held interviews with 138 annuitants who requested them. Since time was limited, I concentrated on securing information relative to the provision of H.R. 1262, which would provide a minimum annuity of $84.50 per month.

Of those interviewed, I found 22 persons received annuities ranging from $12 to $77 per month, with years of service ranging from 6 to 17 (a matter of 24 to 68 quarters). Ironically, the $12 a month annuity was being received by a lady with 11 years of service, and a gentleman receiving $47 per month had served 17 years. Aside from these two, the remainder ranged from $25 to $77 per month with years of service ranging from 6 to 16 years. The CSA numbers and monthly annuities were voluntarily given to us from official records and are available for rechecking if you so desire.

We heard some very interesting and pertinent statements from the annuitants interviewed, both those who were below the $84.50 per month figure and the others. I should like to summarize for you some observations I made from these talks with annuitants.

1. Retirees interviewed, as a whole, were definitely not "gripers". The greater number of them came from hardy pioneer stock who were taught to make the best use of what they have, regardless of the amount. They have been extremely patient and are doing their best to look at all facets of a very real problem in this time of unparalleled spiraling costs of even the barest necessities of life.

2. It was a privilege to note that our Federal retirees have a very generous dose of hope and faith; i.e. hope for their own future and that of our country as a whole, and faith, not only in themselves, but in you as a Committee considering their needs, and in all elected representatives at all levels of government. They believe that you will do your very best to correct the glaring inequities in annuities.

3. One kind old gentleman laughingly quoted Bruce Barton, and it went something like this, "When you get to the end of your rope, tie a knot in its tail and hang on!" That, my friends, is what I feel that the overwhelming majority of our low income annuitants are doing. I am confident that you join with me in the hope that their rope doesn't become so frayed that it will no longer hold a knot.

Thank you gentlemen, for this opportunity to appear before you. I trust that you will soon see fit to favorably report H.R. 1262.

CONGRESS IS THE CULPRIT

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. PRICE of Texas. Mr. Speaker, there is little that I can add except my wholehearted endorsement to the commonsense spelled out in an editorial written by Tom Conner as appearing in the Seymour, Ind., Daily Tribune of March 30, 1973.

If the Members who assemble in this Chamber really are ready to face up to the truth about who is to blame for inflation in this Nation today, I suggest that we each read this editorial, and, if that is possible, let us be guided by its wisdom. Profligate Government spending has led this Nation to the brink of financial disaster—the time has come for this Congress to resolve that we shall bequeath to our grandchildren more than the debt which has accumulated from a binge of red ink spending. The article follows:

The President's Message

Thursday night the President of the United States delivered a most unique message to the people. It dealt with the Vietnam situation, food prices and the importance of the United States in the world today. Following the talk the TV people were interested in only the Vietnam position and how this message would affect the U.S. in the world today.

In our opinion the TV critics missed the most important political first in our nation's history. Mr. Nixon's reference to increased prices directly placed the responsibility upon the federal government. He stated that the United States citizens had to make a decision of whether they wanted more services with more taxes or more inflation.

The President made it clear there was no choice. In our memory this has been the first time any political leader has stated this. Normally political figures find other scapegoats upon which to lay the blame—either business or labor—depending upon their political dependency.

Mr. Nixon, for the first time of any major political office holder, laid it on the line. What does the public want—increased taxes or increased inflation. He offered the correct alternative—sensible government spending. He has advocated this and incurred the ire of the Congress by vetoing major spending bills which will add to inflation. He has challenged Congress on this point and made it perfectly clear that the irresponsible spending of the Congress will not be tolerated.

Congress, mostly, has not seemed to have received the message. They still seem to think that we can spend, spend, spend, inflate, inflate, inflate ourselves out of any problem. They seem to refuse to accept President Nixon's idea that programs which have at least 75 cents out of every tax dollar going to administrative costs and salaries, should be eliminated.

We are proud that the United States has achieved peace with honor and did not abandon our POW's and the free people of

South Vietnam as the liberal doves of Congress urged. But we are more proud that President Nixon has called a spade a spade and has said that inflation is permanently caused by the government spending more than the government takes in. In our recollection this is the first time a President of the United States has ever correctly blamed the federal government for inflation.

With a stable dollar, high prices by manufacturers and high rates by labor will soon be eliminated by competition. We urge you to write your Congressman and Senators very demanding letters asking that a sensible federal spending program be adopted—a program which will not add to taxes or inflation. There is no other solution.

It is your choice—you, the voters of the United States. Don't scream about the price of meat, the price of homes, the price of cars to each other—scream to the men who cause it. And the men who cause and can control it are those men you elect to the House and Senate of the United States. They are the ones who overspend and are the real villians of inflation—not the carpenter, not the auto worker, not the steelworker, not the farmer, not the manufacturer, but those in Washington who still think they can buy votes for re-election by spending more than they earn. Can you do it? Ask the collection bureaus.

WORTHWHILE EXPENDITURE

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. STEIGER of Arizona. Mr. Speaker, quite frequently Members of Congress are accused of being overpaid and of being the recipients of a number of unnecessary fringe benefits. I would like to take this occasion to call to my colleagues attention an opposite view—a view expressed by Mr. Bert Freireich of Sun City, Ariz., who is the editor and publisher of the News-Sun. Mr. Freireich's editorial follows:

WORTHWHILE EXPENDITURE

The Associated Press did some research on what we might call "the care and feeding of a congressional delegation."

The AP reported it costs an average of $188,000 a year to keep a representative in Washington and $390,000 for a senator. These figures include salaries for the elected officials and for his staff members.

At first glance the figures seem somewhat shocking. If anyone who saw them blinked with amazement and declared, "That's a lot of money," he wasn't alone, we're sure.

And then we think of all the stereotypes and old jokes about members of Congress, including the one that goes, "I don't know why everybody's angry at Senator Jones; he ain't done nothing'." At that point it's apparent that we taxpayers have been "had" again.

But what seems apparent ain't necessarily so.

We may poke fun at our congressmen and we may become disappointed and even irate when they vote for this thing or against that. But really they get a considerable amount done and the demands we place upon them are great.

If we ask for a seed catalogue or tips on how to run a hot dog stand or a pamphlet on installing garage doors or a position paper by the State Department on fishing rights within Ecuador's proclaimed 200-mile limit, we expect it and expect it promptly. "After all," we tell ourselves "they have big staffs and we're paying for it."

Well, certainly we're paying for it, and that's why that help is available.

But even beyond the small personal favors which we—legitimately—seek, it is necessary that our representatives in Washington have staffs available to do research on vital issues. Above all, we do want our members of Congress to become fully informed on these vital issues and to cast intelligent votes. What we pay to assure that they have this backup assistance is well worth the money.

VEYSEY APPEALS FOR FARM LABOR ACTION BY CONGRESS

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. VEYSEY. Mr. Speaker, California is again facing a major economic and social crisis due to turbulence in farm labor relations.

During the past several days, another "law of the jungle" settlement threatens to gut any semblance of farm labor peace which farmworkers and farmers have longed for and worked for while weathering the past 12 years of violence and disruption.

Today, we are on the brink of the 1973 grape harvest in the Coachella Valley where some 4,000 to 5,000 farmworkers are counting on this crop for their livelihood.

Meanwhile, the farmers there are counting on those same farmworkers to harvest this crop, and in so doing, sustain a major part of the economic base of our 43d Congressional District.

Sadly, we are in danger of losing a great part of this agricultural production—and with it, the jobs and livelihoods of thousands of residents. The threat of another grape boycott casts a dismal spectre and flashes bitter memories of the recent past, when boycotters forced thousands of acres of grapes back into barren desertlands.

The most recent turmoil comes because the contracts which growers signed with Cesar Chevez and his United Farm Workers Union to stop their boycott 3 years ago have now expired in the Coachella Valley.

And with these contract expirations, other union interests are seeking to bargain with the growers and workers for contracts on the same ranches and in the same vineyards.

The Teamsters Union, which for years has represented farmworkers of many kinds, especially those in packing and assembly line operations, now represents most of California's lettuce industry workers as well. With more experience in labor relations, the Teamsters have been better able to handle the job of supplying competent workers on a professional basis, than has the UFWU. The grape industry has watched this development while often wrestling with their own UFWU contracts. Because of this, many grape growers who previously held UFWU contracts, as well as many workers, are now opting for Teamster affiliation.

Accordingly, Chavez is faced with the loss of many, of not most of his grape contracts in the Coachella Valley—and almost as certainly, in the San Joaquin Valley. And with that, he has promised another strike and boycott.

Mr. Speaker, I submit that it is unthinkable that we, the Nation's legislative arm, allow this "rule by ruin" situation to prevail any longer. There is no law to govern farm labor relations—no law to guide those seeking to represent farmworkers—no law to protect workers from exploitation—and no law to assure farmers that their crops and livelihoods will not be destroyed by labor warfare.

National legislation is critically necessary to bring order to farm labor relations. I appeal to my colleagues to give this matter immediate and serious attention, before it is too late for worker and farmer alike. It is a matter for each of us to take seriously, for the consumer stands to be the ultimate loser.

EXTEND THE WEST FRONT NOW

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. WYMAN. Mr. Speaker, extension of the west front of the Capitol is a must. Congress should make the necessary appropriations without further delay. Restoration would be a pure waste of millions of dollars.

The Capitol is a national historical shrine. It is also Congress' workshop as the following editorial from the Washington Sunday Star of yesterday well points out:

[From the Sunday Star, April 15, 1973]

THE WEST FRONT BATTLE

Ten days ago, the House Appropriations Commitee voted to free $58 million to finance an immediate extension of the Capitol's west front. In a crucial action this week, the full House will have the opportunity to affirm that decision, and it should not hesitate to do so.

While the House cannot alone settle this controversy, its approval is vital to a final showdown this year in the Senate. A substantial vote, furthermore, assuredly could help end, once and for all, a war of words that has dragged on for well over a decade.

The merits of the extension project are clear. The old sandstone walls of the west front are by now so severely eroded that quick corrective action is vital, and if that were the only factor involved, perhaps a patch-up job of renovation would be acceptable. But it isn't the only factor. Besides meeting this need, an extension of the building that will reproduce precisely the architectural features of the worn-out west front also affords the rare chance to provide a lot of space for facilities the Capitol lacks.

The uses of new space are not, as some critics have charged, frivolous. They will serve purposes largely related to the legislative chambers of the House and Senate, and for that reason ought to be near them. These are not merely our conclusions, nor, indeed, only those of the House and Senate leaders who unanimously support the project. They are the firm conclusions as well of the Capitol's distinguished architect, George M. White, who maintained an open mind on the issue until he was sure of the best approach.

One other point deserves emphasis. The Capitol is not, as our lovely memorials are, a fixed, unchanging monument. It is Congress's workshop, and as such it has undergone constant, radical change and growth from its original design. The controversial extension of the east front a decade ago, which assuredly did no violence to the familiar beauty of that facade, was the most recent change. The west front extension is similar in concept, and the result can and should be equally as good.

LEGAL SERVICES

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HUNT. Mr. Speaker, today a letter written to the N.J. Law Journal came into my possession. The insight that the author, Mr. Saul M. Mann, shows in this letter, about the workings of OEO indicates to me that he has a better perception of the problems encountered with this agency than do many members of this body. And, I might add, more than Federal Judge William B. Jones, who yesterday ordered the halt to the dismemberment of the Office of Economic Opportunity.

I will not get into that ruling Mr. Speaker at this time but do want to share Mr. Mann's letter with my colleagues, and Judge Jones, should he happen to scan today's RECORD:

N.J. LAW JOURNAL,
March 8, 1972.

Editor, New Jersey Law Journal:

You pushed the panic button hysterically in your editorial of February 22nd, pertaining to free legal services.

This O.E.O. project, like other panacea projects, has created a tremendous bureaucracy throughout the State, of great benefit to its professionals, and yet, at the same time, of almost equal harm to the public.

There was a time when a debtor, or defaulting tenant, upon receipt of a summons, recognized his default and either permitted a default judgment or came in person to Court asking for indulgence. Judges were (and certainly still are), decent and most often leaned backward in favor of the unrepresented litigant. Today, the O.E.O. stamps on the summons a legend telling the defendant to come enjoy the free services of a lawyer, and right or wrong, make a stand in Court. The O.E.O. attorney is often afraid of his job holding if he tells the litigant that he has no defense and that he pay or suffer the consequences. He is also apprehensive that if he justifies the opposing litigant, the volume of work of his agency will be reduced and the numbers of lawyers and agents employed may be decreased.

The result is a tremendous amount of "make litigation" in the Courts. On the other hand, your hysterical editorial is an indictment against the judiciary. From your tone, one would assume that the litigant responding to a summons in Court, without counsel, is denied a hearing, or denied the faithful attention of the Judge. Before there ever was an O.E.O., unrepresented litigants came to Court and invariably gained the ear of the Court. The wheat was separated from the chaff then and there in Court without undue delays and unnecessary expenditure of millions of dollars.

As for the other billions spent in O.E.O., Model Cities Planned Variations and Anti-Poverty projects, etc., results speak for themselves. Very little, if anything, was accomplished for the poor. A powerful bureaucracy was created with $10,000–$20,000 per annum jobs held by mostly untrained, unnecessary personnel.

Don't blame President Nixon. Get your legislative branch to come up with some sensible, practical, workable projects which will be of real help in rehabilitation needs, not in creating a plethora of "cushy jobs".

There is an old American farmers maxim: "The wheel that squeaks the loudest, gets the grease." All these new agencies have well paid public relations and press departments. The barrage is on. Most of the condemnation of the President's new policy will come from well-paid propagandists. But ask the average poor man and he will tell you that he has been untouched by all the waste of billions.

Respecting your limited space allotment I shall say no more, and catch the return flak.

Respectfully yours,

SAUL M. MANN.

EDWARDS BRINGS CONSTITUENT PROBLEMS TO SUBCOMMITTEE ON POSTAL SERVICE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. EDWARDS of California. Mr. Speaker, I have cataloged complaints about the postal system that my constituents have raised and have forwarded them to officials of the U.S. Postal Service. I realize it is difficult for them to respond to individual problems or to answer complaints except in very general terms of the improvements planned to bring about better mail service.

I am very pleased that the House Subcommittee on Postal Service of the Post Office and Civil Service Committee has taken action to hold public hearings on the status of the postal "service" as a part of their oversight responsibility in this area.

The committee is to be commended for taking their hearings into the field to allow public comment from various geographical locations as well as from Postal Service management, employees, and consumers. I would like to submit for the RECORD my statement before this committee:

STATEMENT BY HON. DON EDWARDS OF CALIFORNIA

Mr. Chairman, and Members of the Committee, I first want to commend you on holding these hearings into the efficiency of the Postal Service and the quality of mail delivery. I believe that this oversight action by Congress is necessary to study the serious deterioration of service that has been experienced by our constituents and to determine whether, in fact, the new organization of the Postal Service is workable.

The question of "service" in the title United States Postal Service is a consumer issue that is just now gaining momentum. We have all received numerous complaints, some more serious than others, and the Postal Service is beginning to receive "bad press." I suggest that this is simply the advent of consumer reaction, and if we can help to correct the problems now we may be able to avert further dissatisfaction and disillusionment that services designed for people never quite serve the people.

In response to the need to restore quality service I have taken a number of actions. In addition to urging hearings by this Committee, I have written the General Accounting Office in support of Chairman Paul Rogers' request for an investigation of the operations and efficiency of the Postal Service. I have also written to Postmaster General Elmer Klassen, raising specific complaints of constituents over a two-week period in some detail, and have asked for his response to these problems.

I believe I am now on every mailing list for press releases and comprehensive reports that the Postal Service has. I have received notice that there was a Conference for District Managers in February. In March, a "condensed report" advised me of recent, significant developments in the Postal Service: 1) negotiation for air transportation for first class mail, 2) alcoholic recovery program for employees, 3) availability of Golden Age and Golden Eagle Passports. In April, a press release advised me of the procurement of 550 letter sorting machines, with a list of cities designated to receive this new equipment.

There are some hopeful signs here, but I fail to see any suggestion that there will be immediate improvement in mail service for our constituents which should be available on the basis of the financial base of the Postal Service.

I have some specific concerns that I believe are foremost to this Committee's consideration of postal service, and I will attach an appendix detailing the range of problems that have been brought to my attention. The effect of bad service, or lack of any service, reaches across all distinctions in our society. Business persons and individuals are affected; career postal employees and recipients are raising objections; urban and rural delivery are subject to review.

I have met personally with postal employees in my district who are disturbed about conditions within the Postal Service and are calling on me to help them straighten out the problems. Let me share some of their first-hand concerns with you.

The postal employees themselves say that morale is at an all-time low. In the grievance procedure, no precedents are permitted and successive grievances must be tried again. There is a lack of good faith on complaints on contracts. I was told that the postal workers would strike if ordered, even though it is illegal, and that morale is so low it is questionable if the Postal Service can survive.

The employees describe a Big Brother atmosphere, citing the use of stop watches, restrictions on breaks, and the telling of lies. These employees cited occasions when they were forced to work overtime even though family situations made it almost impossible.

Special delivery, they tell me, is no longer in existence. Routes are being lengthened, in violation of union contracts. Clerks used to have two days off; now, on the night shift they work split days, getting off on Tuesday morning and coming back to work on Wednesday evening.

There are shortages in personnel, among carriers and clerks. In Hayward, California, they went from 214 carriers to 191, and no replacements are being hired. Mail stays in the Fremont office many days, they say, without being postmarked, and then it is sent to Oakland to be postmarked in the central office, 15 miles away. By their own experience, it now takes a week to get mail from Berkeley to Fremont, a distance of 14 miles. One letter was postmarked Dec. 13 from Michigan and was received in Fremont on Jan. 26.

Then, of course, there is the form letter that is signed by "Your Concerned Postal Employee" decrying the deterioration of service and asking the public for help, and the many letters to editors that have appeared by postal employees who are ashamed of the "service" that isn't provided. A copy of this letter is attached.

I am also attaching a list of complaints I have received in the past two months, illustrating the variety of postal problems experienced by my constituents.

Thank you for giving us this forum, here in Washington and in the many cities where you are holding hearings, to help bring about healthy and necessary changes in the postal system.

POSTAL CENTRAL COUNCIL,
Richmond, Calif., March 17, 1973.
Hon. DON EDWARDS,
Ninth Congressional District, House Office Building, Washington, D.C.

DEAR SIR: Enclosed is a brochure which was prepared by the Alameda-Contra Costa Postal Central Council, explaining how we, the letter carriers, feel about the deterioration of the postal service. As we asked the public to contact you, giving their views and opinions we felt we should make you aware of the material we have published.

Much thought and gathering if ideas from our members has gone into the preparation of this brochure. Everything said can be documented by our membership if necessary. We have always been proud of delivering the mail to our patrons and to be an integral part of our community. It is difficult now to see the service deteriorate daily and feel that the public should be made aware of the situation as their letter carrier sees it.

We feel it is going to be up to Congress to step in and investigate why the postal service has taken such a downward trend since it became a quasi-public corporation. Therefore we hope that the information sent in by our patrons will aid in the investigations and will soon lead to the betterment of the service.

We would appreciate your taking the time to read how your constituents feel about the United States Postal Service. Thank you for aiding us in any way possible to provide better service to our patrons.

Yours very truly,
MARGARET BERDAN,
Secretary.

DEAR PATRON: Are you getting what you are paying for today in the postal service? As your letter carrier, I wonder! For years our dependable postal service has been a "way of life" for everyone. The downward trend in the postal service is affecting everyone in their business as well as private life. Below are some of the reasons behind the deterioration of the service.

A. Elimination of collection boxes in the residential areas and cutbacks in collection services to existing boxes.

B. Elimination of Saturday window service in some cities, while other areas are suffering cutbacks.

C. Cutting back on the number of times a day special deliveries are made. On some days, particularly Sundays and Holidays, many areas have no special delivery service whatsoever!

D. Managing or controlling the mail flow by:

1. Starting carriers later in some cities forcing later delivery.

2. Starting earlier in some cities, (particularly business areas) delaying the mail to you since many dispatches reach the post office after the carrier has left the office for his route. This mail will not reach you until the next day.

3. Cut back in business deliveries from three to two and now to one a day, causing hardships in many cases.

4. Not meeting the time dates on some publications.

5. Having *ALL* mail from most cities sent to one sectional center for distribution and then returning it to the city for delivery thus causing a day or more delay in most instances right within a city.

6. Undue delay of third class mail (Special sales brochures).

7. Faulty postmarks which are unreadable to the public.

8. Elimination of all city and time identification on postmarks.

E. Exploitation of employees by:

1. Eliminating replacement of carriers retiring or leaving the service, causing reductions in work force.

2 Carriers absorbing work loads of absentee carriers forcing late delivery of mail.

3. Excessive pressures on carriers, injurious to health.

The National Association of Letter Carriers, and other postal unions have done all they can by law to prevent further deterioration of the postal service. Now we feel we must turn to you, and ask your help. I'm asking that you take a few minutes of your time to write to one or all of the following people, telling them how you feel about the deterioration of the postal service and how it has affected you.

Postmaster General E. T. Klassen, U. S. Postal Service, Washington, D.C. 20260.

Senator Alan Cranston and Senator John Tunney, Senate Office Building, Washington, D.C. 20510.

Congressman Robert Leggett, 4th Congr. Dist., House Office Bldg., Washington, D.C. 20515.

Congressman Ron Dellums, 7th Congr. Dist., House Office Bldg., Washington, D.C. 20515.

Congressman Pete Stark, 8th Congr. Dist., House Office Bldg., Washington, D.C. 20515.

Congressman Don Edwards, 9th Cong. Dist., House Office Bldg., Washington, D.C. 20515.

Congressman Jerome Waldie, 14th Cong. Dist., House Office Bldg., Washington, D.C. 20515.

Thank you for aiding us in helping to give you the kind of service you deserve—and pay for. Please write! Now!

YOUR CONCERNED POSTAL EMPLOYEE.

COMPLAINTS ABOUT DELIVERY

Inquiry by Water Company whether they needed to make other arrangements than the postal system to send out bills and notices; Airline tickets sent by Travel Agency not delivered reliably even as Special Delivery; Invitations sent in same town not received by date of event; Delivery of magazines and newspapers sent through mail which are later than the next issue or are torn beyond legibility or have parts missing, and some issues never are delivered; Delivery to businesses reduced to one per day without notice or switched from morning to afternoon in law office, making requirement of legal notice useless; unless pickups or irregular pickups, differing from hours posted on boxes; poor service from mailboxes with stars which are supposed to have more pickups; Complaints regarding all classes of mail that are routed out of the area for postmarking at a central office, as much as 30 miles out of the way, before being delivered to a nearby address; business persons saying that the inordinate delays will have businesses in chaos; reliable delivery of junk mail such as advertisements when first class mail takes four days within a city's limits; hesitancy to put anything important in the mail; parceling out of a postal route to other carriers with their own routes when a carrier is injured and off the job; first class mail taking seven days to go 25 miles; tax refunds taking 26 days to go 670 miles; difficulties imposed on banking by mail; mail received faster from Germany than from cities in a 20-mile radius, causing adverse financial effects for a land development company involved with bids; packages directed 18 miles away that were not received two weeks later; first class invitations mailed within the same city were not received by any of the 43 addressees 12 days later; two weeks for a check to be delivered three miles away; package delivery from 18–28 days to go from Fremont to Moraga, California, when Fremont post office confirmed it should have taken only one day; a woman who went to the local post office to complain about a water bill that was mailed Jan. 23 and delivered Mar. 13 was shown a "super-huge stack of mail accumulated in the back room" and told by the clerk that they were so far behind they couldn't deliver it and would "probably just junk it."

OTHER COMPLAINTS

Persons inquiring about service are directed to the local Postmaster, but the postmaster is often inaccessible in spite of frequent attempts to contact him; postmasters have reportedly been discourteous and have attempted to put the blame on others by twisting around what the person says; lack of effort or attention to tracing first class deliveries; services to buy stamps and pick up packages not available outside of hours when people are working; receipt of mail in post office in early morning hours four hours before employees come in to process it; first day cover sales are too slow and too expensive as handled by individual postmasters; feeling by stamp collectors too many issues, plate numbers, and frivolous subjects are portrayed.

RALPH NADER HAS HIS WAY—ALMOST—AS BUREAU OF RECLAMATION PROJECTS ARE CUT BACK AND REDUCED

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. EVINS of Tennessee. Mr. Speaker, my committee recently concluded a series of hearings with the Bureau of Reclamation, and in a recent study and announcement, Ralph Nader has proposed the abolition of the Bureau of Reclamation on the false basis that the Bureau had outlived its usefulness.

As chairman of the Subcommittee on Public Works and Atomic Energy Commission Appropriations, I have been made aware of the great accomplishments, achievements and much progress and benefits brought about by the great work of the Bureau of Reclamation. However, the proposed budget indicates that the Bureau is being subjected to slowdown, stretchout treatment that regrettably indicates that Ralph Nader is having his way to some extent.

It is interesting to note that the proposed budget for 1974 provides for only three small loan projects for irrigation throughout the 17 Reclamation States of the West.

These projects were previously funded by the Congress and were simply delayed and added by OMB this year to the proposed budget for 1974—a year's delay on these loans.

Although a $5.9 billion backlog of needed projects exists, there are no new construction projects proposed by the administration in the budget for the Bureau for 1974.

It is also interesting to note that the budget request reflects a cut and reduction of more than $133 million—$133,474,000, to be exact—below the 1973 budget.

In this connection a breakdown of the Bureau of Reclamation budget for fiscal year 1974 follows:

BUREAU OF RECLAMATION

COMPARISON OF FISCAL YEAR 1974 BUDGET REQUEST TO FISCAL YEAR 1973 APPROPRIATION

	Fiscal year 1973 appropriation	Fiscal year 1974 appropriation request	General investigations	Advance engineering and design	Advance land acquisition	Construction	Major rehabilitation	Operation and maintenance	Total
Pacific Northwest region	$111, 278, 000	$72, 758, 000	−$760, 000	+$475, 000		−$38, 076, 000	−$300, 000	+$141, 000	+$38, 520, 000
Mid-Pacific region	145, 569, 000	86, 513, 000	−494, 000	−300, 000		−61, 143, 000	+500, 000	+2, 381, 000	−59, 056, 000
Lower Colorado region	90, 911, 000	76, 263, 000	−358, 000	−200, 000		−14, 311, 000	+21, 000	+200, 000	−14, 648, 000
Upper Colorado region	50, 760, 000	28, 249, 000	−304, 000	−1, 775, 000	−750, 000	−19, 573, 000	−80, 000	−29, 000	−22, 511, 000
Southwest region	24, 762, 000	23, 690, 000	−54, 000			−1, 280, 000	+190, 000	+72, 000	−1, 072, 000
Upper Missouri region	40, 555, 000	40, 918, 000	−187, 000			−411, 000	−25, 000	+936, 000	+363, 000
Lower Missouri region	55, 525, 000	46, 620, 000	+42, 000	−100, 000	−250, 000	−9, 375, 000		+778, 000	−8, 905, 000
Subtotal	519, 360, 000	375, 011, 000	−2, 115, 000	−1, 900, 000	−1, 000, 000	−144, 169, 000	+356, 000	+4, 479, 000	−144, 349, 000
Remaining items (not by regions)	29, 617, 000	26, 298, 000	−4, 695, 000					+21, 000	[1] −3, 319, 000
Difference in savings and slippage	−28, 160, 000	−13, 966, 000	−1, 717, 000			+15, 911, 000			+14, 194, 000
Total	520, 817, 000	387, 343, 000	−8, 527, 000	−1, 900, 000	−1, 000, 000	−128, 258, 000	+356, 000	+4, 500, 000	−133, 474, 000

[1] Includes an increase of $1,000,000 for Emergency Funds and $355,000 for General Administration Expenses.

Note: Total appropriation fiscal year 1973, $520,817,000; total request, fiscal year 1974, $387,343,000.

TAX REFORM IS NEEDED NOW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. RANGEL. Mr. Speaker, it is fairly common knowledge that in 1971 the Shell Oil Co. made $300 million in profits, but was taxed only 15 percent, despite the fact that the corporate income tax rate is 48 percent.

This type of situation is not unique nor is it unknown to the general public. On the contrary, I doubt if there is a taxpaying citizen in this country who is unaware of the fact that there are numerous tax loopholes in our present tax structure and that these loopholes are taken advantage of by virtually every giant corporation and wealthy businessman in America. This same hard working citizen also knows that he is not eligible for these tax breaks.

Since big business and wealthy individuals are permitted to avoid paying their fair share of taxes, the lower- and middle-class American is forced to carry the burden. With the high taxes that the average American now pays, it is of little wonder that there is an attitude of cynicism toward our supposedly progressive tax structure.

However, I know from my conversations with lower- and middle-income Americans that they do not object to paying taxes—they merely object to paying more than their fair share.

This country though, is not just losing the respect of the average American by not closing these loopholes. It is also losing some $20 billion of desperately needed revenue every year.

With the problems that have been encountered with this year's budget, I do not feel it is necessary for me to list the benefits of having the added revenue that tax reform legislation would bring.

There will be extreme opposition from corporate interests and the wealthy to this needed tax reform, but Congress can no longer shirk its responsibility. The present conditions are well known to this body and to the American public. Significant reform of our Federal tax structure should be one of the most important goals of this Congress.

SMITHS CREEK, MICH., MAN SUGGESTS A NEW LOOK FOR THE PRESIDENCY

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. O'HARA. Mr. Speaker, a great deal of concern has been expressed—in this body and elsewhere—in recent years about the heavy burdens and responsibilities that rest on the shoulders of the man we elect to the office of President of the United States.

The Pulitzer Prize-winning historian, Barbara W. Tuchman, recently proposed that the Presidency be abolished, and that it be replaced by a directorate of six individuals, to be nominated as a slate by each party and elected as a slate for a single 6-year term. Under this arrangement, the chairmanship would rotate each year, so that each of the six directors would serve in that key position.

A resident of the 12th Congressional District of Michigan, Mr. Joseph J. Machcinski of Smiths Creek, Mich., has a different proposal—for the election of three men to share the burdens of the Nation's highest office. At the suggestion of the distinguished minority leader (Mr. GERALD R. FORD), Mr. Machcinski has submitted the outlines of his proposal to me, with the request that they be inserted in the RECORD and I am taking this opportunity to share his views with my colleagues:

QUEST FOR THREE PRESIDENTS

(By Joseph J. Machcinski)

What one President should do he has not the time to do. For we, the people, are not living in ancient history where the problems were not as big and the programs were easier to handle, but in an age where the peoples lives are in the hands of a President.

To have three Presidents, this country would need the three very best candidates it could produce. For three heads are better than one. No one man on record has the knowledge to solve all the problems correctly in this nuclear age. Having three Presidents will not change the Constitution, the Senate, nor Congress. It will only put an amendment to the Constitution for three Presidents.

For three Presidents could intelligently discuss all the programs and laws that have been written and programs and laws yet to be written. And insure that this nation always have a Bill of Rights to insure freedom of religion, speech, freedom of press, and the right to petition and assembly. The freedom that this country has will live with us always only if the people want freedom for themselves and everyone in this nation.

DRAMATIC EVIDENCE OF SOARING PRICES

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. CHAPPELL. Mr. Speaker, concerned men and women in my district have provided me with dramatic evidence of the limits to which the cost of living has soared.

I have received a cardboard carton filled with peanut butter sandwiches mailed to me by a group of people in DeLand, Fla., who are protesting the high cost of a single item. The real culprit—as my constituents realize—is unchecked inflation.

There is no question that the price of meat has risen sharply. Every housewife who goes to the store know this.

But the arrival of a box containing 121 peanut butter sandwiches on my desk has shown me also that the other food staples and other services have risen to new heights.

For example, the cost of mailing those sandwiches has risen, not to mention the fact that it took 5 days for them to arrive. There was a time when one could mail a peanut butter sandwich for about 24 cents first class; it now costs 32 cents—a one-third increase in price for inferior service.

There was a time when one could buy a large jar of peanut butter for 65 cents. It now costs 71 cents for that same jar.

There was a time when it cost 30 cents for bread. A loaf now costs about 37 cents.

Thus, Mr. Speaker, where once it cost only 28 cents to prepare and mail a peanut butter sandwich, it now costs almost 40 cents to do it.

Any Member of this House who needs dramatic evidence of what is happening to prices need only meet with my constituents as I have done, to learn what happened not only to meat, but to peanut butter sandwiches.

The people I serve know how to make a point.

HUD CORRESPONDENCE

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HEINZ. Mr. Speaker, in January of this year, the Department of Housing and Urban Development suspended all federally subsidized housing programs, and issued strict new guidelines for urban renewal programs. In this one action, HUD stopped most urban renewal construction and clamped down on badly needed housing commitments.

Because of my concern for the housing problems of many of my constituents, on January 31, 1973, I wrote a long and detailed letter to HUD concerning cuts in housing programs, particularly those for the elderly. At that time, I requested an early indication of HUD's approach to and plans for housing and housing assistance for the elderly. Though I quickly received a brief acknowledgement that my letter had indeed been received, I received no substantive response. On March 21, 7 weeks later, and only after a telephoned inquiry from my office as to the status of my earlier request, a short letter was rushed to me indicating only that HUD was studying the matter and asking me to be assured the Department of Housing and Urban Development, too, was concerned about these problems.

Mr. Speaker, this administration has been managing HUD for 4 years now. After 4 years, however, it was apparently too much to ask that it reasonably, thoroughly, and quickly respond to an inquiry by a Member of Congress. Members may wish to read this exchange of correspondence, which is printed below.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 31, 1973.

Hon. JAMES T. LYNN,
Secretary, Department of Housing and Urban Development, Washington, D.C.

DEAR SECRETARY LYNN: The President's budget for fiscal 1974 confirms earlier reports that the Administration is suspending several housing programs, including those which have provided assistance to the elderly. Even though you have only today been confirmed as Secretary of Housing and Urban Development, I write to request an early indication of your views and plans regarding housing and housing assistance for the elderly.

As a member of the House Special Studies Subcommittee in the 92nd Congress, I have been deeply involved in studying and evaluating the problems of the elderly and the federal response to these problems. Our committee activity included numerous field hearings and on-site inspections throughout the United States. For example, in conjunction with the hearings held in my own 18th Congressional District in Pennsylvania, the subcommittee toured several of the facilities available for senior citizens in Allegheny County. This tour included the incorporated Corbett House Apartments for the elderly in Ross Township, and Rachel Carson Hall Apartments in Tarentum, both just recently constructed.

In our investigations, my committee colleagues and I unanimously found proud and self-sufficient older citizens living in accommodations that were both of good quality and well-maintained. On the other hand, our hearings proved housing available to our elderly citizens was totally insufficient to meet even a small portion of the heavy demand. For example, of the 175,530 senior citizens residing in Allegheny County, approximately 55,000, or nearly one-third, are poor according to Labor Department standards. Yet, the Executive Director of Allegheny County Public Housing Authority, James Knox, testified that the county had only 838 units of low-rent public housing exclusively for senior citizens. The county has pending with HUD, applications for 2,000 more units of low-rent housing, 1,810 units of which would be housing for the elderly. These applications were not approved prior to the January 5, 1973 suspensions of HUD housing programs.

Mr. Knox further states that the number of active applications for such housing for the elderly exceeded 7,000. He concluded that the situation has reached a near-crisis: "Even in an emergency there are no units available . . . That is why I believe the situation today borders on being a crisis . . ."

Because of this crisis in housing for the elderly, I am particularly concerned about the impact of the announced housing program cuts and suspensions. No one can deny the responsibility of the Department of Housing and Urban Development to propose changes in existing programs or to suggest new directions for public policy when these programs can be improved. But it is not in the public interest for the executive branch to unilaterally kill those programs providing better housing and a dignified environment for low- and moderate-income elderly. Moreover, this action is not in the public interest because it is shutting down major programs without offering alternatives to them. It entails taking negative steps in a situation which requires bold, affirmative actions.

I believe that our domestic policy on housing for the elderly must enjoy a high national priority. Availability of housing in great variety is imperative. Such housing should respond to the health and income needs and provide a choice of living arrangements. It must provide not only shelter for our elderly citizens in need but also services that insure their retirement years will be lived in decency, dignity and safety. And this should become an actuality at the earliest possible time.

I look forward to working with you and the Department of Housing and Urban Development in the months ahead in attacking housing problems, particularly the housing problems of the elderly. I am hopeful that we in Congress can work in a spirit of harmony and cooperation with the Administration.

Let me take this opportunity to express my congratulations on the unanimous approval by the Senate of your nomination as Secretary of Housing and Urban Development. I think the President has made a wise choice. Undoubtedly you welcome the challenge, and I wish you every success as you discharge the important and increased responsibilities that now rest with you.

Sincerely,

H. JOHN HEINZ III,
Member of Congress.

THE SECRETARY OF HOUSING
AND URBAN DEVELOPMENT,
Washington, D.C., March 21, 1973.

Hon. H. JOHN HEINZ III,
House of Representatives,
Washington, D.C.

DEAR MR. HEINZ: This is in further reply to your letter of January 31, 1973, concerning the hold on federally subsidized elderly housing programs.

We are currently giving special consideration to the elderly housing programs and other program commitment categories.

Please be assured that we are aware of the importance of these housing needs and will move as expeditiously as possible in our study effort.

Thank you for your good wishes on my appointment as Secretary for Housing and Urban Development.

Sincerely yours,

JAMES T. LYNN.

To compound this frustration with the HUD bureaucracy, today I read in the New York Times of the widespread, disastrous effects of HUD's January cutbacks. This article, also printed below, details some of the ramifications of the HUD cuts, including innocent and unsuspecting citizens victimized by now suspended HUD programs which have left their neighborhoods desolate and decaying.

If the slow and totally inadequate response to my January 31 letter is any indication of what we can expect from HUD, then America's current serious housing problems may indeed become a disastrous crisis.

In view of the current shortage of housing for not only the elderly but for the entire population, I recommend this article to my colleagues.

The article follows:

[From the New York Times, Apr. 16, 1973]

MORATORIUM ON HOUSING SUBSIDY SPELLS HARDSHIP FOR THOUSANDS

(By Agis Salpukas)

DETROIT, April 15.—James Nicholson and his wife Katie stood on the porch of their two-story frame house surrounded by a neat lawn and cyclone fence and looked across to a row of houses wrecked by vandals and fires.

"Just two, three years ago," he said, "this was a beautiful, beautiful neighborhood. But they've torn the place up. We'd like to sell our house and move out of Detroit."

But he can't. No private buyers are interested because of the surrounding deterioration. And his last hope of having the city buy the house to clear the site for urban renewal has been held up by new guidelines issued by the Department of Housing and Urban Development.

Thousands of poor urban householders like the Nicholsons are the unintended victims of successive Federal attempts to deal with the nation's housing crisis. The Government's first efforts to improve their neighborhoods led to greater desolation: now the Government's efforts to reform its first efforts are again aggravating their problems.

Last January and in the following two months, citing widespread waste and corruption, HUD suspended all subsidized housing programs and issued strict new guidelines for urban renewal. The effect was to slow programs in many cities.

The Administration and HUD maintain Administration's position that the suspensions and the new guidelines will be temporary. The moratorium, they argue, is needed to draft new housing programs and to shift the funding and decisionmaking process from Washington bureaucrats to local governments through the special revenue sharing program which is due to go into effect in July, 1974.

They also argue that there is enough money already committed for housing to enable construction of subsidized housing to continue at the rate of about 250,000 units a year, a rate slightly down from a year ago.

And President Nixon pledged last March 8 that new policy recommendations on subsidized housing would be submitted to Congress within six months and that under his plan to place urban renewal projects under the revenue sharing program no city would receive less money.

Under the Administration's plan, therefore, the transition should be smooth and have no major adverse effects.

But interviews with local officials in eight major cities indicate that the new policies are already having adverse effects in some of them. And many of the officials feared that the period of transition would interrupt housing programs now geared up for rapid expansion.

Robert C. Embroy, Jr., the young commissioner of Baltimore's Department of Housing and Community Development said that his agency was ready to undertake major construction when the new policies went into effect.

ABOUT 10,000 MAY HAVE TO WAIT

"We bought the land and cleared it," he said. "People moved out expecting new housing. Now we have to say there is no money."

He estimated that about 10,000 people, many of whom live in substandard housing, would have to wait longer for housing because of the new policies.

The effect of the new policies varies from city to city. Local officials in New York, Detroit, Baltimore and Los Angeles said that there was an immediate impact while in Washington, Houston, Chicago and Philadelphia officials were worried about the future.

In Philadelphia, for example, there is enough money already committed for the effect on housing and urban renewal not to be felt for about a year.

David Anderson, assistant director of housing for the planning commission said, however, that the moratorium "has scared off some investors."

"There is going to be a two-to three-year gap between the new programs and the end of the old ones," he said. "It will take a year or so after 1974—if the new money actually comes then—to get plans into action. After all, the 1968 Housing Act didn't produce housing until 1971."

MAIN LOCAL CONCERNS

But other officials said that it was hard to estimate how long the gap might be. Larry Dale, assistant to the director of the HUD office in Washington, said that generally the freeze on subsidized programs would not have an impact for a year or so.

"We won't see any effect for quite some period of time," he explained. "If the Administration comes through with an alternate housing proposal in a timely manner, then there should be no real setback."

The main concerns of local officials who were not so optimistic can be summed up as follows:

While funding for urban renewal is being continued, many cities are unwilling to risk putting up the money for further land acquisition and clearance. If local city agencies do not meet the new deadlines under the new HUD guidelines they will not be reimbursed by the Federal Government.

Although part of the impact of the sussension of the Federal housing programs will be offset by projects already approved, there is great concern that the momentum in building low-income housing will be lost just as many housing agencies are preparing to expand construction.

There is also concern that special revenue sharing may be a mixed blessing. Although most officials favor more local control, some said that the best organized local pressure groups would get most of the money for their areas and that the poorer areas that needed it the most might not have the political clout to get their share.

The Administration's decision last Jan. 5 to halt Federal subsidies for housing affected three main programs:

The public housing programs started in 1937, under which the Federal Government paid all the development costs and subsidized the rents and deficits to projects run by local housing authorities.

Section 235 of the Federal Housing Act of 1968, under which low-income families could buy individual houses through Government-subsidized mortgages that brought interest rates of about 7 per cent down to as low as 1 per cent.

Section 236 of the same act, under which builders could put up multiple dwelling units getting a similar subsidy on the interest of the mortgage.

In the four years since the 1968 housing law went into effect, the three subsidy programs accounted for the start of about 1.5-million housing units, including 300,000 last year.

The goal of the act was to build 6-million housing units for low-income people by 1978, but various factors slowed down the programs.

Congress and the Administration often cut severely into the money requests. High interest rates limited the amount of mortgage money that was available. Court decisions and guidelines by H.U.D. required that new housing not be concentrated in black inner city areas but be dispersed into suburbs as well, delaying many projects.

STRICTER HUD GUIDELINES

Scandals in some of the programs, particularly the Federal Housing Administration program under which the urban poor could purchase houses with low downpayments and interest rates, led to stricter guidelines from H.U.D.

The agency issued regulations, for example, stating that it would not insure housing in neighborhoods for any more than the property values prevailing in each neighborhood. This led to a decline in construction in the inner cities because of the bigger risks to developers.

"Actually, the moratorium on housing has been going on for over a year," a local housing official said in Philadelphia.

So when the programs were suspended last January, there had already been a general slowing down of construction nationally.

In Chicago, Judge Richard B. Austin of the Federal District Court, ordered in 1969 that 1,300 of the first 1,500 units of family housing had to be built in white neighborhoods that did not want them. The effect of the order was to slow construction from 513 units in 1969 to none in 1972.

The slowing down of the programs and the tendency among local officials to take the most optimistic estimate of the housing they planned to construct in the coming year, makes it difficult to assess the impact of the Administration's moratorium with any precision.

In New York, Andrew Kerr, the city's Housing Development Administrator, estimated that the city could lose up to 23,000 units because of the Administration's freeze.

About 6,000 of these units are already in various stages of construction under a state program designed in anticipation of Federal subsidies that would bring down the rents so that low-income people could afford the housing.

H.U.D. has reviewed the project and recently decided that the subsidies would be available if the housing met criteria for soundness, economy and nondiscrimination.

Mr. Kerr also estimated that there were 17,000 more units of new and rehabilitated housing scheduled for the coming year whose future was now uncertain.

"The freeze," Mr. Kerr said recently, "quite simply is a massive breach of faith."

Joseph Monticciolo, deputy director of H.U.D. for the New York area, said that there was a good chance that 2,000 units scheduled for rehabilitation would be funded despite the freeze and that 3,500 more units of housing under other programs would be built.

But despite the relaxation of the moratorium for some projects, many local housing officials said that the new policies would mean that the poor and the elderly would have to wait longer for housing.

Dave Griffin, who works at the custodial staff for City College in Manhattan, has been on a waiting list for a long time for new housing to be constructed by the Upper Park Avenue Community Association. The project may now be delayed.

He lives at 114 East 112th Street, where the hall is strewn with plaster and a burner from the stove provides heat for a three-room apartment that he shares with another adult and four children.

"I think it's wrong for people to have to live like this," he said. "I don't know what can be done. I guess we just have to wait."

Mrs. Mary Lemma, head of the association, a community agency that in four years has built 375 units, says that it is now uncertain whether the agency can meet its goal of providing housing for 12,000 people.

EFFECTS IN DETROIT

"We must have subsidies," she said. "Because the only place the money could come from is the Government. The advisers to the President know this, especially the black ones, and I'm sure they have told him."

The effects of the suspensions and the new guidelines on urban renewal can already be seen in Detroit, a city that bore the brunt of the recent F.H.A. housing scandal.

Both its Urban Renewal and Neighborhood Development Program have been affected by the guidelines set down Jan. 11 by H.U.D. The guidelines held that cities must now put up the money to acquire land and must complete within one year the whole process of buying the properties, relocating the people there, clearing the site, making public improvements and selling the land to a developer or not be reimbursed by the Federal Government.

The rationale of the guidelines is to prevent local governments from committing themselves to major projects in the period of transition to July, 1974.

As a result in Detroit, three major urban renewal areas—Virginia Park, Jefferson Chalmers and Forest Park—will probably be unable to spend $4.7-million in already appropriated Federal funds for acquiring property. The city does not think that the guidelines can be met and it has good reasons.

In Jefferson Chalmers, for example, the rate of acquisition has been very slow. Since June, 1971, the city had hoped to acquire 208 properties in two years. But it has acquired only 35 so far because of problems in relocating people and challenges in the courts by absentee landlords.

Sam Smith, administrator of the Citizens District Council, which runs the urban renewal program, said that even considering the slow rate in the past the new guidelines would have a severe effect.

The Jefferson Chalmers area on the Detroit River just outside affluent Grosse Pointe has 23,000 residents who live in homes that range from small mansions through large two-story brick homes to old crumbling wooden frame houses built for the auto workers in the nineteen-thirties.

HARD HIT BY SCANDAL

Like many other neighborhoods in Detroit, the area was hard hit by the F.H.A. housing scandal in which speculators ruined a Federal program under which the inner city poor were given the opportunity through Federal subsidies to buy private, single-family houses.

Often speculators made only cosmetic repairs, and soon the houses began to fall apart. The buyers, unable to afford repairs, abandoned them.

In Jefferson Chalmers, which has 4,500 dwelling units, 296 F.H.A.-subsidized homes have reverted back to H.U.D. Many of these were vandalized so quickly that H.U.D. had to bulldoze them down. About 93 have been bulldozed so far with 120 more scheduled for demolition.

MANAGES A LAUNDROMAT

The bulldozing has left large debris-filled gaps in the neighborhood, and this has led to the deterioration of nearby housing, increasing the need for urban renewal.

Mr. Nicolson, who is 76 years old, and his wife Katie, 73, live in the midst of such an area. In the last year, he said, his house has been broken into three times. Now they keep a loaded shotgun ready for intruders.

Despite his age he still has a regular job managing a laundromat and proudly says: "We've never had to take nothing from nobody."

Mr. Nicolson's neighborhood has been devastated by a combination of failed Government programs, landlords who did not keep up houses because they used them as tax shelters, and local vandals. Now, the Administration's policies are hastening the process.

The freeze, for example, has cut off a program under which home owners could apply for grants and loans to repair their homes, a key program for a community where the aim is to preserve existing housing.

Mr. Nicolson has no alternative but to wait or to abandon his house.

In some cities, community leaders are preparing protests. C. Alex Morrissey, the head of a tenants rights organization in Philadelphia, and that his group had been meeting to develop tactics.

"We're talking about squatting," he said. "Just moving onto the construction sites and into the projects until some of the things the poor deserve are taken care of."

From the Administration's point of view, it is the poor who have so far been the chief victims of the abuses and failures of the programs it wants to revamp.

Kenneth R. Cole Jr., the director of the Domestic Council of the President, in a recent letter to Senator John Sparkman, Democrat of Alabama, wrote: "This is the cruelest aspect of the present system—it does not serve the intended beneficiaries, the poor."

THE WEST FRONT

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. KOCH. Mr. Speaker, today I received a notice from you, and the majority and minority leaders urging my support for the extension of the west front of the Capitol.

As you know, this extension is opposed by the American Institute of Architects and by the National Trust for Historic Preservation. I do support the restoration of the west front, since it is the only remaining exterior portion of the original Capitol, and, furthermore, the restoration could be completed for half the cost of the proposed extension.

The mistake of the proposed extension would be the desecration of a building that is a keystone in our history. The Historic Site Act of 1935 in fact states that:

> It is a national policy to preserve for public use historic sites, buildings and objects of national significance for the inspiration and benefit of the people of the United States.

Mr. Speaker, I also feel that it would be appropriate if the leaders of the House would stop forcing the hand of the House Members by constantly including in the appropriations bills funds for the extension of the west front when the Members repeatedly vote against it.

From an economic, esthetic and pragmatic point of view, the proposal for an extension should be voted down.

THE TRANS-ALASKA PIPELINE

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. YOUNG of Alaska. Mr. Speaker, today Secretary of the Interior Rogers Morton addressed a letter to the editor of the Washington Post in response to Joseph Kraft's recent column on the trans-Alaska pipeline. In my mind the Secretary's letter clarifies many of the misleading arguments which have been used by a few proponents of the trans-Canada route. In an effort to bring a better perspective of this issue to my colleagues I respectfully call their attention to this letter:

INTERIOR SECRETARY MORTON ON THE TRANS-ALASKAN PIPELINE

In his April 5 column ("Political Route of Alaska Pipeline") Joseph Kraft makes some appalling misstatements of fact about the possibility of a trans-Canada alternative to the proposed trans-Alaska pipeline.

A trans-Canada route would not "avoid the ecological problem of oil spill;" at best it would merely move the problem of controlling such avoidable damage from coastal waters to Canada's river systems. In addition, because of its greater length, the Canadian line would cause more unavoidable ecological damage by affecting four times as much land—and thus damage more wilderness, permafrost, and fish and wildlife habitat than the Alaskan route.

The U.S. West Coast is not "practically self-sufficient" for oil. In 1972 its demand was 2.3 million barrels per day, of which 800,000 barrels per day (more than one-third) was imported; best available projections show that by 1980 it will need more oil than is available from Alaska to meet the gap between its demand and the combined amount of U.S. and Canadian oil deliverable there.

A trans-Canada route would not "provide a richer source of supply since it will tap vast new Canadian fields as well as North Slope (Alaska) deposits." There are, unfortunately, no vast new Canadian fields, and Canada rerecently imposed control on its oil exports because of its own tightening supply-demand squeeze.

Canada has not as Mr. Kraft implies offered to cooperate on oil matters on terms acceptable to the U.S. Canada's stated national interests hardly coincide with our own. Canadian officials have insisted on Canadian majority equity ownership of a pipeline crossing Canada (and the definition clearly does not include Canadian subsidiaries of U.S. companies); Canadian management of such a line; reservation of at least 50 per cent of pipeline capacity to move Canadian-owned oil which may go to Canadian rather than U.S. markets; and preference to Canadian-owned and controlled groups in construction and purchase of materials for the line. All this deserves serious thought at a time when our balance of payments is causing grave concern in the U.S., and when we need the jobs that would be created by the Alaska route.

It is true that the Alaskan pipeline proposal faces legal delays. But it is also true that these same problems will confront any pipeline carrying North Slope oil to the U.S. since even a Canadian route would have to cross hundreds of miles of U.S. public lands in Alaska.

A Canadian pipeline would face many more practical delays. No one has even offered to build an oil pipeline across Canada. Canadian officials do not have an application before them, and even the precise routing is still conjectural. There are no engineering plans. No one knows where the capital will come from to build a pipeline estimated conservatively to cost $5 billion. Environmental and engineering studies, including the drilling of thousands of core holes, are not yet complete. Compensation for the aboriginal land claims of native peoples along the route remains an unresolved Canadian issue, which the U.S. settled in Alaska by legislation in 1971 and U.S.-Canadian negotiations on building and operating a pipeline certainly would be complex and time-consuming.

Furthermore, we would receive no practical advantage from a trans-Canada line because the existing pipeline system linking our two countries will carry all the oil that Canada is able and willing to export to us.

And in the meantime the U.S. faces an ever-increasing need to import oil. Last year we imported 1.7 billion barrels at a balance of payments outflow of about $6 billion. By 1980, without North Slope oil, it most probably will be 4 billion barrels and $16 billion, every year, and headed further upward. The North Slope discovery was announced more than five years ago, and has proved far and away the biggest in the history of North America, yet the oil *remains* in the ground for lack of a system to bring it to market, while economists predict 50-cent and dollar-a-gallon gasoline.

Mr. Kraft sees the issue in terms of U.S. regional political pressures. But the problem is national, not regional. All our country needs oil. All our lives are affected by potential shortages, by the threat of excessive dependence on Middle East sources, by inexorable worldwide economic pressures.

Few things could be more tragic than sectional infighting over how to bring Alaskan oil into the U.S. market. Maximum possible delivery of this oil to the Midwest—after long and costly delays involved in a trans-Canada route—still would not reduce the price, or substantially alleviate the need of the Midwest and the East for imported oil. Our national economy, our trading position in world markets, the options open to our policy makers as they seek to meet American commitments at home and abroad—these are the key issues, and they are national issues in every sense of the word.

ROGERS C. B. MORTON,
Secretary of the Interior.

WASHINGTON.

DEFENSE SPENDING

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. CRANE. Mr. Speaker, in recent days there have been many critics of our defense budget who argue that we are spending far too much money for defense, that we are already the most powerful nation in the world, and that the SALT agreements make unnecessary continued expenditures in this area.

These critics have, somehow, misunderstood the reality of our current situation.

Shortly after the conclusion of the first round of the SALT talks, for example, the Soviet Union tested a submarine-launched ballistic missile with a range of approximately 4,500 miles. The range of this new missile exceeds by around 1,000 miles the maximum that had been considered possible by American scientific analysts. The first strategic limitation agreement was based on the predictions of those analysts—predictions which have now proven to be inaccurate.

This recent test also is evidence of the lack of veracity on the part of Soviet negotiators. They argued that their submarine-launched ballistic missiles had a much shorter range than comparable American weapons and stressed the complex operational factors that make an increase of range almost exactly equivalent to an increase of number in the case of strategic missiles launched from submarines.

In other words, the Russians claimed that they had a right to more submarine-launched missiles than the United States. This unusual claim, made in the name of "parity," was recognized. Under the first-round agreement, the Russians are allowed to build a total of 950 submarine-launched missiles while the United States is held to a level of approximately 600. Now, the latest test indicates a coming change in the strategic balance—placing the Soviet Union dramatically ahead.

Recently, Gen. Lewis Walt, former Assistant Commandant of the Marine Corps, declared that:

> The U.S.S.R. is decisively surpassing the U.S. in virtually all aspects of military strength. Four years ago, Russia had 550 ICBMS—today they have over 1600 including over 300 monstrous SS–9s, with 25 million ton TNT equivalent warhead explosive capability. Four years ago, the U.S. had 1054 ICBMS—today we have 1054, the largest having less than one tenth the SS–9 power.

General Walt concludes that at the present time—

> Our Nation or our Armed Forces are not prepared . . . to defend our freedom. Apathy, wishful thinking, and downright carelessness have put our Nation in the most precarious position of its existence. There is no enemy who will attack us if we are strong—none will fail to attack us if we are not. Our future is not bright.

In light of our current deteriorating defense posture it is unusual to hear from critics that we are spending "too much" on defense.

The fact is that this year's proposed defense budget is at 6.2 percent of our gross national product, the lowest since pre-Korean war days and drastically below the 8.8 percent defense spending took from the gross national product in 1964, or the 9.4 percent it took in 1961.

In fiscal 1968, defense spending consumed 43.95 percent of the Federal budget. In fiscal 1974 it would take only 29.2 percent of the budget. Compare this to the 64 percent which defense took from the fiscal 1953 budget.

Critics of military spending seem not to realize that while the fiscal 1974 defense budget is only $600 million more than it was 6 years ago—that is, due to inflation, the same—Federal spending for social and economic programs has more than doubled, from $72.8 billion to $153.4 billion. In fact, the national defense share of total public spending—Federal, State, and local—is at the lowest level since 1940.

In terms of constant buying power, there has been a 31-percent cutback in the national defense budget since fiscal year 1968, and military and related civil service manpower has been reduced by 1,588,000, or 32 percent, in the last 6 years.

The fact is that our defense budget may be too small, rather than too large. Any further cuts in what is, in reality, a barebones defense budget would weaken the United States still further as it enters the second round of SALT talks and the upcoming mutual balanced force reduction talks.

Those who call for further cuts in defense spending seem not to understand the realities of the world power balance and the steadily deteriorating position of our own Nation in that balance. Hopefully, the truth of our current situation will be made known before any potentially dangerous cuts are made. That course is one which our country can ill afford at this time.

A REPUBLICAN PLEA FOR VOTER REGISTRATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. RANGEL. Mr. Speaker, it is a somewhat misguided view, which I have heard stated often, that a reformation of our voter registration system will strictly benefit the Democratic Party cause. I do not believe this to be true.

Mr. William F. Larkin, former Commissioner of the New York City Board of Elections, presented his views on voter registration through the use of the mail in a letter to the New York Daily News. I submit for your attention and the attention of my colleagues, the text of Mr. Larkin's letter. Notice his party affiliation:

BOARD OF ELECTIONS,
New York, N.Y., February 7, 1973.

Editorial, Daily News,
New York City.

GENTLEMEN: In response to the editorial in your February 6th edition, as a Republican Commissioner I wish to record my wholehearted agreement with our President, David N. Dinkins, in his endorsement of mail registration.

This system would vastly improve the effectiveness, efficiency and integrity of the registration process. It would eliminate mistakes and incompleteness in forms now resulting from human error in transcription of information by inspectors and registrars, since the individual registrant would then be responsible for and attest to the sufficiency of his own form. Direct mail by registrants would not only exclude tampering but would also avoid the possibility of lost forms and delays in transmittal which are presently too often our experience.

The existing use of registrars and inspectors in this operation is needless, expensive and frequently counter-productive. Such witnesses to a voter's registration in this transcient city have long since outlived their usefulness of verifying facts and the identity of the registrant. The bi-partisan, experienced staff of the Board of Elections can much more proficiently perform this function by the utilization of the checking procedures provided in the Election Law and in general business use. Contrary to your editorial thinking, the proposed system will eliminate, rather than encourage fraud. In addition, prompt and early receipt of the completed registration forms will facilitate efficient processing and eliminate irregularities on Election Day which arise out of present community and local registration operations.

Since the new registration form will have no validity until it is completed and received by mail at the Board of Elections, blank forms can be given the very widest dissemination without fear of impropriety being caused thereby. Accordingly, the Board intends, if this proposal is enacted into law, to utilize every conceivable media of distribution of such blank forms to make them universally accessible to every citizen.

My fellow Commissioners are in accord that mail registration has most promising potential. Our primary responsibility is to exert every effort to afford the very broadest opportunity for voter participation by our citizenry. Simplicity and ease in exercising the franchise, rather than restricting participation with useless ritual and encumbrances, is our goal. "Mail registration" makes possible that end and gives us efficient machinery to achieve.

I hope that the Daily News in its responsible position of influence reflecting public opinion in our City will consider these comments and, hopefully, re-evaluate its editorial concepts on this subject.

Sincererly,

WILLIAM F. LARKIN,
Commissioner.

RISING FOOD PRICES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HARRINGTON. Mr. Speaker, last week consumers across this country rebelled against rising food prices with a massive boycott. The President has refused to take any action to deal effectively with inflating food prices and he has said that housewife power is the cause and can be the cure for the inflation.

From one point of view, the boycott was a great success. Sales dropped from 20 to 40 percent in last week's boycott, and I believe this clearly shows the state of indignation among the American people. At the same time, meat prices have not fallen. There are a few selected instances of minor price falls, but nothing more. Consumers are not to blame for the inflation—the mistaken policies of the Government are to blame. And the consumer should not and cannot bear the burden of correcting the situation—it is the responsibility of the Government, and only the Government can reverse recent trends in meat prices.

I would like at this time to insert in the RECORD an article that appeared in the Boston Globe clearly showing the extent of the meat boycott in the Greater Boston area:

MEAT BOYCOTT SALES DIPPED 20 TO 40 PERCENT

(By Ann-Mary Currier)

Meat sales were generally 20 to 40 percent below normal during last week's meat boycott and they are still lower than normal in some stores.

Some consumers are continuing to exert pressure through decreased purchase, but the price of meat remains high and the prices of several meat substitutes inch upwards.

Leo Kahn, president of Purity Supreme, who openly urged his customers to buy less meat, reported his sales were down about 40 percent during the formal boycott.

Harold Slawsby president of Capitol Supermarkets, Inc., reported his sales last week were off 20 percent. He also said meat sales were below normal so far this week, but "nowhere near as much" as last week.

An A & P spokesman who wished to remain unidentified, said he was "not at liberty" to release figures, but meat sales "last week were off as much as the industry."

Peter Quinn, vice president of public relations for First National Stores, said he could report only that "meat sales were significantly off" last week.

Meanwhile, a survey of three Greater Boston supermarkets showed that meat prices remained firm, while prices of eggs and cottage cheese have increased in some stores.

Lean hamburg has generally cost $1.25 per pound according to spokesman William McCarthy. About 10 days ago, the price dropped to $1.19. It is back to $1.25.

Stop & Shop increased its price of a dozen extra large eggs from 73 to 75 cents on Monday, as a result of a three cent wholesale price increase between April 3 and 5, McCarthy said.

Star Market raised the price of a pound of Hood cottage cheese from 45 to 47 cents. First National increased the price of a pound of fresh green beans from 49 to 50 cents.

Alvin Del Rossi of Woburn, a cooking teacher at Boston Trade High for Girls, pointed to another factor which nearly doubles the cost of beef—shrinkage.

Most beef shrinks 35 percent in the preparation, he said. Therefore, to eat a pound of lean hamburg, one must pay about $1.69.

Corned beef shrinks about 45 to 50 percent and turkey and roasting chickens shrink about two-thirds, Del Rossi said.

In Westbrook, Conn., shoppers have coped with the rising cost of meat and meat substitutes by buying nearly 12 sides of horsemeat from Kent Carlson's shop since Monday. Horsemeat, which costs about half as much as beef, is a common dish in Europe.

Internal Revenue investigators generally found that large Massachusetts supermarkets have complied with President Nixon's order to post ceiling prices on beef, pork and lamb, according to John Forrestal, acting IRS director for Massachusetts.

Forrestal said yesterday was the first day investigators were in the field. Basically, they find people are largely in compliance in larger stores, where information is readily available due to good accounting procedures," Forrestal said.

The IRS is working with some smaller stores with less adequate accounting methods, he continued, but "I haven't noticed anything but a positive approach.

DEFENSE SPENDING AND THE AIR FORCE BUDGET

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HÉBERT. Mr. Speaker, the defense budget is a constant topic of conversation in Congress, and my committee is presently holding hearings on the military procurement bill.

In this connection, I was fortunate to be in attendance at the luncheon of the Nation's Capital Chapter of the Air Force Association on April 5 where Lt. Gen. Duward L. Crow, Comptroller of the Air Force, was the principal speaker.

His comments on defense spending in general and the Air Force budget in particular are indeed enlightening and should be read by every Member of Congress. General Crow is most qualified to speak on this subject and his presentation certainly puts the matter in proper perspective. His remarks follow:

DEFENSE SPENDING AND THE AIR FORCE BUDGET

I would very briefly cover three things today: Defense spending in perspective, trends in the Air Force budget, and cost control of Air Force contracts.

First, let's get some perspective on defense spending. The public image is that it's gone up and up—when in fact—in real terms—in constant dollars and in relation to other parts of the budget—it's gone down and down. In the past ten years, total federal spending has doubled and within that spending:

Aid to education has quintupled;

Public assistance has tripled;

Social security has tripled; and

Health care increased from less than one-half billion to over $18 billion—a more than fortyfold increase.

Defense spending increased by only 58%, and in constant 74 dollars dropped from about 88 billion in '64 to 79 billion in '74.

If we take an even longer view and compare today's defense budget with that of 20 years ago, we see that in the 1954, defense spending was 60% of the federal budget. For FY 74, defense spending is estimated at 30% of the budget. We've gone from two-thirds of the budget to one-third. Twenty years ago about one-half of all taxes (federal, state and local) went for defense. Today, only one-fifth of total tax dollars are for defense.

Another popular yardstick for measuring defense spending is percentage of the gross national product. During the cold war decade prior to 1964, defense accounted for about 9% of the GNP. During the Vietnam war the percentage remained about the same—9%. In FY 74, the per cent of GNP for defense will be 6%. In other words, only 6¢ out of every dollar spent for new goods or services will be for national defense.

No matter what yardstick you use, per cent of federal budget or per cent of gross national product, defense spending is at its lowest point in real terms—people and hardware—since before Korea (FY 51).

The cuts in budget have also meant cuts in our force structure since '64. For example:

Army and marine divisions have decreased from 19⅓ divisions to 16 divisions.

Navy attack wings from 15 to 14.

Navy carriers from 24 to 15.

Stategic bombers from over 1200 to less than 450.

Fighter interceptors from over 1400 to less than 500.

The only significant increases in our forces have been in fleet ballistic missile and attack submarines, which have doubled in number, and our strategic land and sea missiles, which have increased from about 1200 to 1700.

With fewer men, ships and aircraft than a decade ago, why is the budget higher? The answer to that question is still not fully understood by man—and there are many who don't want to understand. The answer is pay increases and price increases—in short, inflation.

We spent $51 billion in pre-Vietnam 1964 and are forecasting $79 billion for FY 1974. We have a $28 billion increase in the past decade in spite of an 11% reduction in manpower—from 3.7 million to 3.3 million. You would expect that manpower cuts and the phasedown of the Vietnam war would have produced a budget cut. However, as we've been reducing our Vietnam involvement, we've had major pay increases for our military and civilian personnel plus general price inflation, which have effectively "offset any peace dividend." Of the $28 billion increase since 1964, pay raises have been about $22 billion and price increases about $6 billion. If we deduct these pay and price increases, we find that the 1974 military budget of $79 billion is less than that of a decade ago. Put another way, the budget of ten years ago computed at FY 74 pay rates and prices would be $9 billion more than next year's budget of $79 billion.

If we take an even broader look at defense manpower—that is, military and defense-related industry—and compare it to total U.S. employment, we find a significant trend in the past 20 years. In 1954, after the Korean war phasedown, we had about 7 million employed to support defense needs, or 11% of the total labor force of 67 million. For 1974, we estimate that only 5.1 million will be supporting defense, or 5½% of the total U.S. labor force of 92 million. Clearly, we are in more of a peacetime economy today than at any time since pre-Korea.

Now let's look at the Air Force portion of the DOD budget. The Air Force budget for 1964 was about $20.5 billion and 40% of the DOD budget. For next year it is $24.3 billion and only 30% of the DOD budget. So, in ten years the Air Force budget has increased about 20%. But, because of inflation, the 1964 budget actually bought more. The $20 billion of 1964 is equal to $33 billion in FY 74 prices. So, in the past decade the Air Force budget has been cut by 25% in terms of the people, goods and services that it buys. As with the DOD budget, the principal reason that Air Force's 1974 dollars will buy less is that the cost of people has gone up. Since 1964, military pay costs have increased by almost two-thirds, even though end strength decreased from 856,000 to 666,000—a 22% reduction. Civilian pay costs increased about as much, with end strength cut by 14%.

Now, let's review the major differences in the makeup of the Air Force budget since 1964. At that time there was greater emphasis on strategic forces. Bombers and ICBMs accounted for a third of the budget. For FY 74, only one-sixth of our funds go for strategic forces. General purpose forces—TAC Air—now take a larger portion—increasing from less than one-sixth in 1964 to over one-fourth during the height of the Vietnam war, and for FY 74 will account for a fifth of the budget.

The most significant changes in the makeup of the Air Force budget in the past decade have resulted from:

(1) The Nixon doctrine, which increases the role that our allies assume for their own defense, and

(2) The total force concept, wherein the national guard and reserve forces are being modernized and more fully integrated with the active forces. This shows up dramatically in comparing our 1964 budget with the 1974 budget.

"Support of other nations" was a relatively minor program a decade ago—it amounted to $11 million. For FY 74, it is $1.1 billion.

A similar comparison exists for the guard and reserve portion of the budget. That program has more than doubled in the past 10 years, from $500 million to $1.2 billion.

The new emphasis on the guard and reserve program, which has averaged a billion dollars a year since FY 72, has resulted in a significantly more modern force at bargain prices. Guard aircraft now include F-4s, F-105s, F-106s, C-130s—and, for FY 74, some units will convert to A-7s. The story is the same for the reserves, which now have F-105s, A-37s and C-130s in their inventory and are flying regular Air Force C-9s and C-141s as part of the "associate" program. In FY 74, the C-5 aircraft will be flown by reservists in the associate program.

Now let's take a look at the investment side of the Air Force budget. In '74, approximately $10 billion, or 40% of the budget, is allocated to what we call investment programs—procurement, research and development, and military construction—programs for modernization. This is less than 1964 when more than half of the budget was for investment. If we compare the investment budget of 1964 to that of 1974 in constant dollars, the figures are over $15 billion in 1964 and $10 billion in 1974. That means that Air Force investment in real terms is down about a third in the past decade—and, consequently, we are modernizing much more slowly.

Let's look now at the hardware we'll be buying—First, aircraft. We're buying only 676 of all types. This is not a large number, but the number the Air Force is buying for its own use is much lower. Half of the 676 aircraft are for paying back the Army for helicopters we borrowed from them to turn over to the Vietnamese Air Force. Another 190 aircraft are for our allies. That leaves a net of 154 aircraft we are buying for Air Force use in the FY '74 budget. A decade ago we bought about five times that number. The number of aircraft we are now buying annually for Air Force use is the lowest since before World War II.

Specific aircraft we'll be buying are 24 F-4s and 36 C-130s, which are a partial replacement for Southeast Asia 1972 attrition and aircraft provided to the Vietnamese Air Force. If we subtract these from the total of 154, we find we will actually purchase less than 100 aircraft for modernization. Of these, 77 are the new F-15; one is an advanced airborne command post; and 16 are the CX-X for use in supporting our diplomatic missions overseas.

I'd like to say a few words about the F-15. It is looking good. We are having normal break-in problems with the engine. Five aircraft are flying, and the pilots think it is great.

For strategic missiles, we are spending far less than a decade ago when we were in the rapid buildup of our missile forces. They reached their present numbers in 1967. Since then we have been modernizing—not increasing numbers. In 1974, we have three major update actions. We will complete our procurement of the Minuteman III program and reach the currently approved level of 550 operational in FY 75. We will continue to upgrade the silos to give them more survivability, and continue to install a command data buffer to give us a rapid retargeting capability.

Now I would like to talk about a third topic, improving cost management of weapons systems development. Ten years ago the Air Force started working on a reporting and control system which would give us a better measure of how a contractor's program was coming along relative to time schedules and predicted costs. We wanted a single data collecting and reporting system which would provide both the DOD and the contractor with an accurate appraisal of cost status—early enough to avoid large cost overruns. We wanted to avoid a contractor using one set of cost/schedule data and the services using a separate set. The concept which the Air Force developed and which was finally adopted was the cost schedule control systems criteria, or CSCSC. In simple terms, CSCSC are criteria, or "specs," which a contractor's cost/schedule reporting system must meet—much like a cockpit checklist.

There was a lot of opposition to the system, and it was not until 1969 that the first contractor was validated under CSCSC. Today there are 60 contractors whose cost/schedule reporting systems have been validated as meeting DOD "specs." The Air Force, which innovated the criteria, is the lead service with 46 of the 60. All Air Force major weapons systems contractors, such as those which have the F-15 and the B-1 airframe, engines and avionics contracts, have been validated. This is a highly significant step in increasing management effectiveness. The services and the contractors are using a single set of data for tracking development and procurement programs—and collectively we are doing a far better job than we've ever done before.

Another area where improvement and enlightenment are needed is dealing with "cost growth." Most of you know that OSD submits quarterly progress reports to Congress on 45 major weapons systems procurements. These reports are called selected acquisition reports, or more commonly, "SARs." The Air Force provides these reports on a dozen systems such as the F-15, B-1, A-10, and Minuteman III. The SARs have resulted in much improved communication between the services and the Congress; and, in my opinion, no one single thing has done as much to avoid cost overruns as the SAR system. It keeps program totals before the contractor, the system program office (SPO), the air staff, DOD and the Congress. However, the SAR financial section is too simplistic. We provide two program cost figures—the development estimate and the current estimate. It is a simple exercise for critics of defense spending to take the difference and label it "Cost Growth" or "Cost Overrun." This so-called "Cost Growth" is an inaccurate and meaningless figure; it is comparing apples and oranges in many cases with no allowance for inflation. A better system would be one where the difference between the development estimate and the current estimate would be adequately identified. For example, weapons cost increases can be traced to one of three major categories: (1) either program changes, meaning changes in quantities, changes in the capability of the system, or changes in scheduling; or (2) inflation, which has been abnormally high in recent years; or (3) those costs which can be rightfully attributed to management effectiveness. The present system automatically attributes any increase to bad management.

We hope to develop a new SAR format which will provide this breakout. Such a system would be advantageous to both the services and the Congress and should help eliminate some of the confusion about so-called "Cost Growth."

In summary, our defense forces today, both DOD in general and the Air Force specifically, cost less than a decade ago in terms of the people, goods and services taken from the economy. Over-all, our forces are leaner, tougher and more experienced than they have ever been. Further budget cuts will mean reducing force structure—fewer army divisions, fewer carrier forces and fewer Air Force Wings.

If further cuts are made, we may well be in a position of being "Penny-Wise and Pound-Foolish." It costs far less to maintain our strength than it would cost to fall behind and have to catch up, even if that could be done.

TEMPLE CITY HIGH SCHOOL FOOTBALL TEAM SETS NEW CIF RECORD

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. ROUSSELOT. Mr. Speaker, I would like my colleagues in the House of Representatives to join with me and my constituents in paying tribute to Temple City's outstanding high school varsity football team and coaches who have set a record in southern California's Interscholastic Federation competition of 43 consecutive victories to continue a winning streak which began in 1969.

The community of Temple City is extremely proud of the coaches and teams who have brought them acclaim and recognition through their extraordinary achievements in the sport of football. In honor of the records and accomplishments of Temple City High School's brilliant varsity football coaches and the hard-driving players who have defended this championship, I include in the RECORD a resolution adopted by the board of education of the Temple City Unified School District to commend the 1972/ Rams team and coaches; and, I also include for the RECORD the names of the players and coaches in each of the preceding Rams varsity teams who participated in this spectacular winning streak to set a new CIF record.

The material follows:

TEMPLE CITY UNIFIED SCHOOL DISTRICT—RESOLUTION NO. 5

A Resolution by the Board of Education of the Temple City Unified School District commending the varsity football coaches and team of Temple City High School.

Whereas, the 1972 Temple City High School varsity football team has completed the season with 13 wins, no losses or ties; and

Whereas, this accomplishment extended the record of team victories to 43 without a defeat, a record for Southern California CIF competition; and

Whereas, the team won the Southern California Interscholastic Federation AA Division championship; and

Whereas, the team won the third consecutive CIF football championship, another record for Southern California CIF competition; and

Whereas, the records and accomplishments of the coaches and team have brought acclaim to the community and School District of Temple City;

Therefore, BE IT RESOLVED, that coaches Robert Hitchcock, Edward Mohr, Donald Swanson, Brian Beveridge and Norm Parker—Managers Herb Cole, Bob Eley, Mike Ferrari, and others who assisted, be commended for their efforts and achievements:

And, be it further resolved that team members Kevin George, Mike Bernal, Don Sterling, Jeff Edwards, Roger Brooks, Rich Mueller, Ross Malinowski, Mitch Slagle, Dan

Hanzel, Chuck Martin, Ron Blankenbaker, John Rodriguez, Steve Wallen, Eric Armburst, Jeff Cimmarusti, Dennis Bennallack, Steven Froyum, Arthur Miyashita, Mike Moore, Curtis Williams, Brad Rounds, Steve Grubb, Dave McLaren, Len Strelitz, Bill Gallagher, Marty Cloherty, Bob Callas, Richie Johnston, Marc Biro, Mike Kokayko, Rick Brown, Bob Zamarripa, Rick Munyon, Mike Nanko, Bill Noble, Tim Abeyta, Alan Nielsen, Bob Teel, and be commended for their skill, sportsmanship, and accomplishments;

And, be it still further resolved that a copy of this Resolution be sent to each coach and team member.

TEMPLE CITY RAMS ROSTER, 1971

No.	Name	Position	Weight
11	Bob Callas	B	150
12	Bill Wilson	B	185
20	Craig Brown	B	165
21	Bob Zamarripa	B	160
22	Andy Roundtree	B	155
23	Jerry Cimmarusti	B	150
30	Mike Moore	B	190
32	Mike Nanko	B	165
33	Rick Brown	B	160
40	Bill Noble	B	160
41	Robbie Jones	B	145
42	Stan Waller	B	165
43	Bob Teel	B	145
50	Ron Lakey	C	200
51	Dave MacLaren	C	160
52	Jim Talbot	C	160
60	Mike Evans	G	170
61	Gary Lineback	G	165
62	Fred Hitchman	G	160
63	Ted Moreno	G	155
64	Mark Morimoto	G	170
65	Curtis Williams	G	160
70	Dennis O'Toole	T	180
71	John Cambianica	T	210
72	Dan Hanzel	T	155
73	Mark Pizzorno	T	160
74	Frank McInnes	T	195
75	John Rodriquez	T	195
80	Aurelio Molina	E	155
81	Kevin Bushey	E	165
82	Don Sterling	E	170
83	Bob Johnson	E	155
84	Paul Peterson	E	175
85	Jeff Wood	E	175
86	Roger Brooks	E	160

Coaches· Bob Hitchcock, Ed Mohr, Don Swanson, Brian Beveridge.

TEMPLE CITY RAMS VARSITY ROSTER, 1970

No	Name	Position	Yr	Weight
11	Jim Callas	B	12	155
12	Bill Wilson	B	11	175
20	Craig Brown	B	11	155
21	Craig Hunt	B	12	150
22	Andy Roundtree	B	11	155
23	Jerry Cimmarusti	B	11	145
30	Larry Mushinskie	B	12	200
31	Steve Weddle	B	12	160
33	Dean Bennett	B	12	165
40	Joe Westfall	B	12	160
41	Robbie Jones	B	11	145
42	Stan Waller	B	11	165
43	Robert Fastlaben	B	12	145
50	Ron Lakey	C	11	195
51	Joe Gamm	C	12	180
52	LJim Talbot	C	11	140
53	Jack Thomson	C	12	150
60	Darrell Hammer	G	12	140
61	Richard Dion	G	12	150
62	Fred Hitchman	G	11	150
63	Craig Potter	G	12	175
65	Dale Shaffer	G	12	170
66	William Hurley	G	12	165
70	Dennis O'Toole	T	11	170
72	Kirk Kolar	T	12	165
73	Morris Baumgarten	T	12	200
74	Jim MacLaren	T	12	160
75	Scott Powell	T	12	165
76	Nick Torres	T	12	210
80	Aurelio Molina	E	11	150
81	Bob Vargo	E	12	180
82	Randy Carucci	E	12	170
83	Bob Johnston	E	11	150
84	Paul Peterson	E	11	160
85	Larry Franklin	E	12	155
86	Andre Flammang	E	12	160
87	Richard Cuen	E	12	170

Managers: Ken Glick, Bobby Ely, Ed Sheets.

Coaches: Bob Hitchcock, Ed Mohr, Don Swanson, Brian Beveridge.

1st string offensive:		1st string defensive:	
81	Vargo, B.	82	Carucci, R.
66	Hurley, W.	86	Flammang, O.
31	Weddle, S.	75	Powell, S.
63	Potter, C.	22	Roundtree, A.
11	Callas, J.	50	Lakey, R.
51	Gamm, J.	40	Westfall, J.
30	Mushinski, L.	73	Baumgarten, M.
61	Dion, R.	33	Bennett, D.
20	Brown, C.	74	MacLaren, J.
72	Kolar, K.	21	Hunt, C.
83	Johnston, Bob	80	Molina, A.

ELIGIBILITY LIST, CALIFORNIA INTERSCHOLASTIC FEDERATION, SOUTHERN SECTION—TEMPLE CITY HIGH SCHOOL VARSITY FOOTBALL, SEPTEMBER 1969

Names of contestants	Grade	Birth record	Number of semesters in attendance in secondary schools including this one
Alden, Henry	12	Sept. 10, 1952	7
Arthur, Paul	11	May 23, 1953	5
Baumgarten, Morris	11	Feb. 28, 1953	5
Bennett, Dean	11	June 1, 1953	5
Berger, Clint	12	Jan. 5, 1952	7
Brigham, Mark	12	Dec. 15, 1951	7
Callas, Jim	11	Dec. 31, 1952	5
Carucci, Randy	11	Jan. 20, 1953	5
Cude, Larry	12	Nov. 10, 1952	7
Cuen, Richard	11	Apr. 19, 1953	5
Dion, Richard	11	July 11, 1953	5
Fastlaben, Robert	11	Mar. 14, 1953	5
Flamang, Andre	11	Feb. 7, 1953	5
Fradella, Rick	11	Dec. 19, 1952	5
Gamm, Joseph	11	May 31, 1953	5
Goetz, Leo	12	June 16, 1952	7
Hart, Tom	11	Aug. 18, 1953	5
Higbie, Paul	12	Apr. 25, 1952	7
Horst, Philip	11	Sept. 13, 1952	5
Hunt, Craig M	11	July 6, 1952	5
Hurley, Bill	11	July 12, 1953	5
Kennedy, Ken	12	Sept. 24, 1952	7
Kolar, Kirk	11	Aug. 17, 1953	5
Leja, Robert	11	July 30, 1953	5
MacLaren, Jim	11	July 7, 1953	5
McDaniel, Louie	12	Dec. 10, 1951	7
McInnes, Frank	10	May 22, 1954	3
Moreno, David	12	Dec. 4, 1951	7
Mushinskie, Larry	11	Sept. 1, 1953	5
Nicassio, Sam	12	Nov. 11, 1952	7
Norman, Charles	12	June 5, 1952	7
Peterson, Gregg	12	Apr. 24, 1952	7
Potter, Craig	11	May 6, 1953	5
Powell, Peter (Scot)	11	Sept. 30, 1953	5
Sherick, Todd	11	Feb. 21, 1953	5
Skelly, Peter	12	Jan. 30, 1952	7
Tolmachoff, Wayne	12	Apr. 20, 1952	7
Van DeVere, John	12	Apr. 7, 1952	7
Vargo, Bob	11	Jan. 31, 1954	5
Weddle, Steve	11	July 13, 1952	5
Wehrly, Craig	12	May 27, 1952	7
Westfall, Joe	11	Oct. 11, 1953	5
Wilkerson, Dale	12	June 17, 1952	7
Brown, Craig	10	Feb. 26, 1954	3

Note: Contestants passed in 4 subjects in last 2 semesters.

UPGRADING ZOOS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. WHITEHURST. Mr. Speaker, I was startled recently to read in the April 9, 1973, edition of the Washington Post charges regarding the conditions animals must live in at the National Zoo in Washington, D.C. It was charged that the animals are not getting proper treatment, morale among zoo staff is low, animals suffer unnecessary deaths, and the public is being cheated because the animals are not representative physically and mentally of their wild counterparts.

Charges of animal deaths due to foreign material in their food were denied by the chief veterinarian at the National Zoo, but he did admit some animals have died in recent years because of mineral and vitamin deficiencies, and because they refused to eat. Action is currently being taken, it is reported, to end the vitamin and mineral deficiencies, but the veterinarian says it may be 2 or 3 years before it is determined how important these two items are in causing animal deaths.

What a catastrophe to force animals into such an existence and what an even greater tragedy to restrict and confine the endeavors of those responsible for their keep to inadequate budgets and facilities.

Unfortunately the conditions at the National Zoo are generally representative of zoo conditions across the country. An outstanding zoo in this country is a rarity, and they can be counted on the fingers of one hand. Administrators of zoos are strapped with totally insufficient funds to properly maintain facilities, let alone provide the proper living conditions for the wide variety of animal and birdlife under their care.

Zoo management and keepers, by and large, are much more enlightened regarding animal treatment than their budgets permit. Even the National Zoo director agreed with criticism of cramped cages. The lion house was termed "pitiful," and an "1890 style menagerie house."

One of the alleged values of a zoo is its use as an educational tool for children. I wonder if such conditions are creating the positive attitude toward animals, and life, that we blithely think they are.

Zoos all across the Nation need to be redesigned, revamped, changed, or expanded. Zookeepers, technicians, veterinarians, and management personnel need to be trained in the latest techniques of efficient zoo operation. All this takes money and personnel. Properly operated and carried out it could be the genesis of a revolution in zoos, and we could eliminate the terrible conditions prevalent in so many zoos across this Nation.

I have introduced a bill, H.R. 1266, which would provide assistance in improving zoos and aquariums by creating a National Zoological and Aquarium Corporation.

The Corporation is authorized to set standards for the accreditation of zoos and aquariums, and is further authorized to provide technical assistance and grants to meet those standards.

The funds can be used to train a professional staff, establish a pilot project for a model zoo or aquarium, insure mortgages during construction projects, carry out needed construction or modernization of the zoo or aquarium, and similar upgrading and expansion projects.

The bill provides a legislative vehicle to achieve the improvement of our zoos, and through the revolving fund established by the bill, without undue drain on the Treasury.

News items regarding zoo conditions are not infrequent. The increasing regularity of such stories in nearly all papers reflects the increased awareness of the American public concerning the conditions captive animals are enforced to endure. That is a good sign. For if man has respect for animal life, how much more for the life of his fellow man?

H.R. 1266 has been referred to the Committee on House Administration. I urge those favoring the bill to voice their support to the committee at H326 Capitol, Washington, D.C. 20515. Anyone wanting further information or a copy of the bill can write to me at 424 Cannon House Office Building, Washington, D.C. 20515.

HOUSEWIVES ON HIGH COSTS

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. ABDNOR. Mr. Speaker, Mitchell, S. Dak., is a city of less than 15,000 people. It is the home of the world's only corn palace and owes its livelihood almost entirely to the residents of the smaller farming communities for many miles around. Mitchell is understandably more aware of the situation of the farmer than the average American city, and yet a group of farm housewives from Menno and Olivet, S. Dak., two of the farming communities near Mitchell, felt compelled to once again tell the story of the farmer. Their story is told in a letter to the editor of the Mitchell Daily Republic.

The letter follows:

> THE OTHER SIDE
>
> To the Editor:
>
> We are a group of young farm wives who are not opposed to fighting inflation. We have to live with inflation just as much as anyone else. We feel that FIT (Fight Inflation Together) is fighting in the wrong direction. Farm prices are no higher than they were 20 years ago, while most other prices have doubled and tripled in that time.
>
> Fresh meat is still one of our best nutritional buys, even at today's prices. Some convenience meats are sky high, but that is due to the wages paid to people who work in factories and processing plants. Meat prices "on the hoof" are about the same as they were 20 years ago. Why then are across-the-counter prices higher? It is due to high wages. Corn, wheat and other grains are priced lower than 20 years ago. Why then are bread and cereals much higher? The answer again, high wages. The farmer has sat by and watched prices paid to him go down or stay the same while prices he paid for seed, feed, machinery and everything else go up and up. How would the factory worker, businessman or teacher like to live on what he made 20 years ago and pay today's prices?
>
> The farmer couldn't do it so all he could do was try to expand. While he didn't get as much per bushel of corn or pound of beef, if his volume was greater he could survive.
>
> Why is FIT focusing on meat? Many other food prices have gone up more than meat. Why don't they boycott the garment industry or the automobile industry. It costs us almost twice as much to clothe our youngest children as it did to clothe our older children when they were young.
>
> The family farm is the backbone of America, and if it is allowed or forced to die, the land will be taken over by large corporations. If this happens, food prices will be controlled by a few who will have the power to price their product. If the FIT group thinks they have high prices now, beware, they haven't seen anything yet, if this is allowed to happen.
>
> We believe if the women protesting the high cost of meat would have an understanding of how much it costs to produce a bushel of corn or a pound of meat, they would feel differently.
>
> We are sending you this letter in the sincere hope that you will print our side of the story.
>
> FARM WIVES OF MENNO & OLIVET, S. DAK.

South Dakota is the most agricultural State in the United States. Still even in South Dakota only one in five persons is directly involved in farming as a farm manager or laborer. If the farmer's story must be told in Mitchell, S. Dak., it is obvious that it must be told across the country so that the 95 percent who have no direct involvement in farming may come to understand why they are so well fed on such a small percentage of their income while those who feed them must live on an average income which is a great deal less than their own.

Those who think that the farmer is getting rich on today's prices do not know the story.

A COMMUNITY EFFORT WORTH COPYING

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HORTON. Mr. Speaker, in the 4 short years since the first Earth Day observance, America has redirected its national goals to include a healthy environment for future generations. We have not yet agreed on the best way to accomplish this goal but we have committed our energies to its achievement. Since 1970, we have witnessed the growth of the environment as a viable political issue both at home and internationally.

Much of the credit for the new national awareness must go to those citizens who have recognized the urgency of the environmental issue and have made their own personal commitment to the solution of these problems. Their efforts are reflected in the passage of major legislation and landmark court decisions protecting the environment.

I am especially proud that citizens from my 34th Congressional District in New York have been particularly active in the fight against pollution. Their leadership in environmental affairs has been recognized nationally and has made the entire Rochester community vitally aware of pollution problems and their consequences.

This past Sunday, the Nation's biggest Earth Week observance was held in Rochester when area citizens "Walk for Water." An estimated 15,000 people spent their Sunday afternoons walking a 16-mile course around the city with sponsors paying anywhere from $2 to $50 for every mile they complete. The walk, sponsored by the Monroe County Conservation Council grossed $74,000 in 1971 with 5,000 participants despite a spring snowstorm. Last year, over 10,000 walkers netted pledges of $185,000 from their community sponsors.

The degree of community involvement is not the only unique characteristic of the walk. All of the funds raised go to only one organization, Delta Laboratories, a nonprofit environmental research and testing center in Rochester. Delta was established 2 years ago with the funds raised by the first Walk for Water and organized through the efforts of the conservation council. The laboratory scientifically documents suspected pollution cases, providing the proof necessary for individuals and citizens' groups to urge abatement action and institute legal proceedings if necessary.

Recent programs have included a study of metal contamination in fish from the Great Lakes; analyses for radioactivity of water, plant, and animal life surrounding 12 nuclear power plants in New York and adjacent States, and a continuing "Atom's Garden" project, where vegetables are grown with water taken downstream from a nuclear reprocessing plant in an attempt to determine if there is significant accumulation of radioactive elements.

Although it has only a small full-time staff, Delta has made good use of the wealth of professional talent, scientific and nonscientific, in Monroe County. Medical doctors, attorneys, Ph. D.'s in many fields, engineers, geologists, limnologists, and chemists actively participate in a variety of laboratory's programs.

Tests are performed free of charge for the more than 20 member organizations of the Monroe County Conservation Council and for most county residents and citizen's groups seeking documentation of an area environmental problem. Once positive identification of a pollution source is made, pressure can be applied by citizen's organizations and legal action can be taken.

Wayne Harris, a Rochester attorney and president of Delta Labs, has directed much of Delta's efforts at obtaining protective legislation on the local, State, and Federal level. As we in this Chamber well know, reliable test results, samples, photos, statistics, and expert testimony, are absolutely necessary before legislative action can be taken at any level of government.

William Hutchinson, an officer of Delta and an area insurance executive, points out that Delta is totally independent from government or industry support and can, therefore, as a free agent in their search for evidence of pollution.

It is community commitment of the variety exhibited by the sponsors and participants in the Walk for Water and by the volunteers who direct the activities of Delta Labs who have helped make possible much of the progress that has been made in environmental improvements.

To the officers and board of directors must go an immense amount of credit, as each holds down a full-time job and yet takes many hours each week to work with the lab and prepare for the Walk for Water. Wayne Harris, Grant Pike, William Hutchinson, and Raymond Huther serve as officers of Delta with Jack Bennett, Cornelius Murphy, Richard Parent, and Jack Battaglia as members of the board. They have made their personal commitment to the preservation of the environment and the people of Monroe County.

The story of Delta Laboratory and the citizens who run it and finance it is spreading. Just a week ago, Albany citizens sponsored their own "Walk" to raise money for Delta. A small college in Tennessee, hearing of Delta's work has organized its own fund drive for the benefit of the lab.

This citizen effort on behalf of a healthy environment is one of many instances of citizen involvement throughout the Nation. But it is unique in its size, its professional thoroughness, and the imaginative leadership which has given area residents the opportunity for a full voice in the environmental affairs of their community.

It is a community effort which deserves the scrutiny of other areas.

COALITION FOR HEALTH FUNDING FIGHTS BACK

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. WON PAT. Mr. Speaker, it is comforting to know that we in Congress who oppose the cutbacks in health programs and medical research do not carry on our fight alone. Throughout the Nation, concerned citizens rally to this cause which may mean the difference between life and death, sickness or well-being for thousands unless Congress acts now to force the Department of Health, Education, and Welfare to rollback the proposed slashes in funding.

One of the most influential and successful proponents of a well-balanced health and research budget is the Coalition for Health Funding. The coalition, which is comprised of a number of national organizations interested in adequate health care for our citizens, is chaired by Constance Holleran of the American Nurses Association and often represented on Capitol Hill by Mr. Franklin R. Silbey, an able and articulate spokesman. A quick review of their membership list indicates the depth of their concern by groups which include the American Academy of Cerebral Palsy, the American Association of College of Nursing, the American Association of Dental Schools, the National Council of Senior Citizens, the United Steelworkers of America, and other worthy organizations.

During the controversy which has raged in recent months over the question of health spending, the Coalition for Health Funding has played an invaluable role by providing Congress with the facts we need to make proper decisions on matters which could affect the health of an entire country. We need to know exactly what programs are being cut, how much is going to be impounded, and, most importantly, what effect will this action have on our districts and the Nation as a whole. The coalition has not only been able to provide the answers, but has also our attention to the potential danger which cuts in research funding might have on future generations.

An example of the coalition's efforts to keep the facts correct is contained in a recent letter from Ms. Holleran to the Washington Post. So my colleagues may judge for themselves, I include the text of Ms. Holleran's letter in the RECORD at this point:

THE REAL MESSAGE FROM HEW: "HEALTH IS NOT A MAJOR CONCERN"

(By Connie Holleran)

On Feb. 20, Marquis Childs did an excellent column entitled "Cutbacks in the War Against Disease" detailing how the President's fiscal year 1974 budget does severe, long-term harm to health programs and health research. HEW Secretary Weinberger responded to that column (Letters, March 17) with several claims that cannot go unrefuted.

Mr. Weinberger indicates that total health expenditures will increase by some $3 billion in FY '74. He neglects, however, to clearly point out that virtually all such increases will take the form of expansion of Medicare and Medicaid benefits enacted by Congress last year. These are, for the most part, separately financed from trust funds rather than general revenues.

Mr. Weinberger claims that the federal government is acting correctly by ending support for Community Mental Health Centers. $636,000,000 is added into the FY '74 budget, although that amount would be spent in the years 1975–80—not for 1974 spending for phaseout of this successful program which has cut admissions to state mental institutions. Without federal aid, few localities will be able to maintain these facilities. Unfortunately, few health insurers pay yet for out-of-hospital mental health care.

It is true, as the Secretary says, the funding for heart and cancer research has been increased, but simultaneously, vitally-needed research budgets for nine of our National Institutes of Health have either been cut or barely maintained at previous levels. Inflation's bite is making existing stationary NIH research budgets meaningless in terms of real additional progress. Exciting new developments and potential breakthroughs in such areas as diabetes, blindness, tooth decay and arthritis may be indefinitely delayed because of such perniciousness.

Damage done by such short-sighted policies will affect all of us for generations. The Secretary does not seem to grasp what the President's budget cuts will do to our supply of health professionals. Our pharmacy, optometry, nursing and other health professional schools expanded enrollments to meet the severe shortages pointed out by the President himself. Support for Allied Health and Public Health Training is to be wiped out. Expecting federal aid to defray the increased costs in terms of equipment, salary and student aid, they now find the ground cut out from under them by the President's proposed ending of such assistance.

There is no money to recruit low-income students and the new student aid programs being proposed come nowhere near providing realistic scholarship aid. Instead, we shall have to continue to raid foreign nations with serious health manpower needs of their own for health professionals for this country.

All across the board, except in programs where statutory controls limit the administration's ability to control funding, federal health programs—through fund cuts—are turning into disaster areas, as Mr. Childs aptly pointed out. Alcoholism programs will not be funded. Regional Medical Programs are being rapidly phased out. Family Planning Programs appear to be getting an increase in the budget, yet that too is the result of budget maneuvering resulting from a program transfer. Promising new experiments in emergency care and medical research are to be snubbed out and in each category we are on the verge of significant advances.

What emerges is what appears to be a lack of understanding by the Office of Management and Budget of the health needs of this country. Medical research and health programs often do not yield instant tangible dividends, yet this seems to be the criterion being applied to them. Underneath the bookkeeping ledger domain claiming a "better than ever health program" from Washington is the real message: health is not a major concern.

TAX DAY AND AN OUTRAGED PUBLIC

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HEINZ. Mr. Speaker, on this, the deadline day for filing Federal income tax returns in the United States, I would like to take the opportunity to share with my colleagues in the House, at least one writer's view of the frustration and hostility many taxpayers feel, not only at this time of year but generally.

Of primary importance to me is that this writer, whose work is published in the Pittsburgh Press, directly reflects the feelings of many of my own constituents in the 18th District, but none of us should be deluded into thinking these expressions are limited only to western Pennsylvania.

I am certain my colleagues share my concern about the outrage our constituents feel, both on tax day and throughout the year. With that in mind, I would again remind my colleagues that I have proposed legislation, H.R. 636, the Tax Review Policy Act of 1973, which would assure careful congressional assessment of each tax preference by providing for their termination over a 3-year period.

I have long believed that tax policy can and should be used as a selective instrument of Government policy providing incentives or disincentives for various activities in the private sector. However, past congressional actions on tax bills have slowly eroded the income tax base by providing and maintaining numerous tax preferences, many of which demand critical reexamination. The time for such a reexamination has now come and my bill would provide the machinery for the determination as to which can be justified and which cannot.

These preferences serve only to escalate the tax bills of millions of hard-working Americans, already hard-put to meet the financial demands our inflated economy puts on them.

The following article, I believe, is a true reflection of how many of our constituents feel on tax day and throughout the year. It is by Henry J. Taylor, and appeared in the April 16 issue of the Pittsburgh Press. The article follows:

TAX BURDEN CREATING PUBLIC BACKLASH

(By Henry J. Taylor)

Tax day is gloom day. It's an invitation to a self-beheading.

All administrations in the history of our country since George Washington through World War II—which means including two world wars—taxed the people $248 billion.

The U.S. Treasury Department officially estimates that in this single year, 1973 alone, federal taxes will approach that $248 billion!

Every working man wants to pay his proper taxes. But he does not want to support a lot of things he has no business paying for.

For taxes can be sound, but they also can be robbery. And the Washington Robin Hoods of the red ink are robbing us deaf, dumb and blind through their boobland decisions, pork-barrel politics and other incredible wastes.

They spend, we pay. Their favorite charity is themselves.

No wonder we taxpaying peasants have a feeling of anxiety, impatience, resentment—a nagging, gnawing feeling that, after all, our sacrifices really get us nowhere.

Don't thank the politicians for anything they say they are giving us. A government is a spender, not an earner. Anything the Robin Hoods of the red ink say they are giving the people they must first take away from the people.

Thank, instead, productive America and the conscientious taxpayers who meet their personal taxes, passed-on taxes, hidden taxes, etc. Any man who can meet these and meet his family's living bills as well is a miracle man, indeed.

Taxes today are the biggest single item in the cost of living. Nothing else—food, clothes, rent or anything—is even a close second.

A Gallup Poll reports that 69 percent (seven persons in every 10) say taxes are "too high." This is 17 points higher than ever before—an all-time high in tax protesters. Gallup finds that the threat of "a taxpayers' revolt is very real."

Citizens are banding together at local and state levels to stop the slick tricks and incredible waste.

One Pennsylvania community, for example, started a short time ago with a few outraged people in its Concerned Taxpayers' League, and today has more than a thousand. The Pennsylvania Association of Tax Leagues now has 140,000 members.

A New Jersey group now has many Washington overspenders climbing up the wall.

Wisconsin tax expert Arch Ely tells me "the tax fat is in the fire out here." And so it is going—and spreading.

More power to all this. In their outrage these good folks are doing something about the great tax robbery.

Yet a nationwide Urban Coalition Council survey reveals that 65 per cent of the eligible voters do not vote regularly. Failure to vote is a cop-out on responsibility. It is, moreover, an inexcusable cop-out when you realize that our representatives vote our taxes and that our apathy is their most effective tool.

The nationwide survey shows that only 65 per cent can name both their U.S. senators. Half of them cannot name their U.S. representative. About 86 per cent cannot name any policy, including taxes, that their congressmen stand for—the very men who vote the taxes onto us.

We taxpayers are the Atlas on whose shoulders the Washington Robins perch in their lush, comfortable place on high. We are the largest single bloc in the country. It's high time this Atlas shrugged its shoulders.

If every other interest can be heard in Washington, why can't ours? It will be—if enough messages from an outraged public—loud and clear—reach Washington.

We have only this hope—an outraged public opinion. And tax day is a perfect day to show it.

INDIVIDUAL WORKS TO SAVE ENVIRONMENT

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. WALDIE. Mr. Speaker, I would like to draw attention to an article that appeared a short time ago in the Los Angeles Times. This article dealt with Mrs. Joseph Le Conte and her efforts against rampant land development in the beautiful Palos Verdes Peninsula in California.

No one need be told today of the importance of preserving our natural resources. In this case Mrs. Le Conte, as cochairman of Save Our Coast—SOC—directed an action against the regional planning commission and a master plan of apartment developers. She states that their plan would have so drastically changed the peninsula that it would have completely destroyed the pastoral community.

Mrs. Le Conte's community efforts span 18 years and involve many issues. In this particular environment cause her lengthy efforts were eventually vindicated by the California Supreme Court's decision of last year holding that the principle of one man, one vote in effect barred large land developers from dominating land use patterns. Today, she is pursuing a plan to incorporate the peninsula area into a city, thus consolidating the court victory.

Mr. Speaker, I do not have enough words to praise private citizens, such as Mrs. Le Conte, who through their personal initiative, tireless perserverance, and fine work are helping to save America's environment.

Mr. Speaker, the full text of the article follows:

INDIVIDUAL WORKS TO SAVE ENVIRONMENT

(By Robert J. Allan)

ROLLING HILLS.—When Alan Lerner wrote, "On a clear day, you can see forever," he probably wasn't thinking of the view from the Joseph LeConte home—but he could have been.

The view and what it represents is the single most important part of the life of Dorothy (Mrs. Joseph) LeConte.

Standing in her expansive living room she sees a coastline panorama reaching from Malibu and the Santa Monica Bay on one side to the Orange County coast near Laguna Beach on the other. Mt. Wilson and Mt. Baldy loom on the horizon to the rear.

The slopes below the home, which is perched on a three-acre hilltop, are dotted with white-fenced corrals and trees.

AT WAR WITH DEVELOPERS

And while she doesn't spend much of her day drinking in the view, she does use it therapeutically—she says her home is a rest and recuperation break in her running war with developers she says are seeking to destroy the pastoral atmosphere of her Palos Verdes Peninsula.

Mrs. LeConte says her efforts against rampant development of the peninsula stem from two factors: her love of her community and an abiding interest in the political process

Her community involvement began shortly after she moved to Rolling Hills with her husband and two sons 18 years ago.

In those days the tiny walled enclave was much smaller than its current 2,100 population. Mrs. LeConte, who served as president of the Rolling Hills Women's Community Club in the mid-1950s, could know everybody in town then. Of course, there were only about 1,200 residents and street parties usually welcomed new residents.

I LIKE ROOTS

She describes Rolling Hills as a stable community and it is that stability that she likes.

"I like roots, I'm old-fashioned that way," she says

But even a stable community changes and about two-thirds of the old-timers have since moved away.

Mrs. LeConte's next major involvement in her community came in the early 1960s when she served on a steering committee for school unification. Before that high school students attended schools in Redondo Beach, El Segundo and Harbor City.

Students, however, wanted to attend school near their homes and eventually the Palos Verdes Unified School District was formed with its first high school taken over from the Los Angeles district.

A Democrat, Mrs. LeConte describes herself as liberal in sentiment but moderate in politics. She admits to supporting Republicans for nonpartisan offices.

Graduated from UC Berkeley with a degree in economics, Mrs. Lee Conte returned to school after moving here. She obtained a degree in political science from UCLA and eventually taught political science at both UCLA and Cal State U Long Beach while studying for a doctrate.

Her next effort, one that is still going on, came in 1969 when she became co-chairman of SOC (Save Our Coastline).

SOC is an outgrowth of a former community planning committee which included members from the three independent peninsula cities, the library and school districts, county representatives, the League of Women Voters, developers and the Peninsula Advisory Council, an amalgamation of homeowners' associations.

Then, in late 1969 the county Regional Planning Commission made public its master plan for the unincorporated portion of the peninsula.

At that time the peninsula was 90% single-family residential and 10% apartments but the plan envisioned 90% apartment development and 10% for single-family use, a situation that she claims would have destroyed the natural coastline, overcrowded the schools and caused traffic problems on small peninsular roads.

Mrs. LeConte talked to Fred Hesse, then mayor of Rolling Hills and a peninsula leader, about her concern. Hesse subsequently asked her if she would serve as co-chairman of SOC along with Mrs. Helene Drown.

Many community organizations are nonpartisan but SOC, from its inception, was bipartisan. Mrs. LeConte represented the more liberal side and Mrs. Drown, a Republican, the conservative.

And SOC capitalized on the reservoir of talented people living on the peninsula and attracted those persons who could use their expertise to further the group's goals: preservation of the rural environment and protecting the coastline from uncontrolled development.

RESERVOIR OF TALENT

Prior to the formation of SOC, the advisory council in mid-1969 commissioned a feasibility study on creation of a fourth city out of the unincorporated county territory, a city which could control its own destiny rather than having decision made by county supervisors 30 miles away in downtown Los Angeles.

With its forces marshalled, SOC began to make its displeasure over county plans known. And shortly after SOC was formed, the late Supervisor Burton Chace announced in January, 1970, that the master plan for the peninsula was "dead."

But fearing that it could be brought back to life, SOC persisted with its campaign to incorporate the fourth peninsula city, Rancho Palos Verdes.

In September of 1970, the organization suffered a setback when supervisors ruled that protests from large landowners were sufficient to block incorporation proceedings.

SOC, however, turned to the courts and last year the California Supreme Court ruled that one-man, one-vote doctrine should prevail in incorporation moves.

The Board of Supervisors had held that protests based on assessed valuation could be considered in deciding cityhood bids but SOC maintained, and the courts agreed, that the number of registered voters should be the deciding factor.

Now that the legalities are over the county is expected to call a cityhood election on the Rancho Palos Verdes incorporation this spring.

If cityhood wins the new municipality probably will adopt a SOC land use plan. If it loses "all our efforts will go down the tubes," says Mrs. LeConte. "Our main accomplishment will be that we have fought a delaying action."

But even if defeat is to come Mrs. LeConte sees some benefits in the fourth city campaign. "We have earned the respect of our antagonists and we have convinced a lot of people that our cause is just," she declared.

But she is optimistic that the residents of the peninsula will approve cityhood.

What will happen to SOC when the fourth city is formed? Mrs. LeConte sees the organization remaining alive to work on problems affecting all the peninsula cities.

POLICE AGENCY SEEN

Among those considerations would be formation of a police department to serve all four cities instead of the current independent department in Palos Verdes Estates and county sheriff and fire services contracts for the rest of the area.

In the months that the fourth city case was in the courts Mrs. LeConte did not remain idle. One of her recent interests is serving on the county's Beach Advisory Committee and she points with pride to her successful campaign to block development of condominiums and townhouses in Portuguese Bend.

Instead part of the former slide area and the neighboring Abalone Cove beach club have been purchased and will be developed as a county park.

In the future, Mrs. LeConte is looking to the day when she will step down from her SOC post. She describes her three years as cochairman as "an enjoyable opportunity that should be shared." She advocates using the pool of talent on the peninsula and letting someone else carry on SOC's work.

For herself, she plans on writing her doctoral dissertation. "I owe that to myself and all the people who have had confidence in me," she says.

She also would like to devote some time to the one son who still lives at home and to her consulting geologist husband. And she would like to take time to do some cooking. "I really am a good cook," she says.

STRESSES OPTIMISM

She describes herself as possessing political know-how, being able to understand the nature of problems, being tenacious and optimistic, "especially optimistic."

Her shortcomings, she says, are being too blunt, too assertive, insensitive to other people's feelings "although I don't mean to" and arbitrary in some of her attitudes and actions. Opponents have termed her "rough, ruthless and tactless."

Not oblivious to these failings, she attempts to overcome them whenever she thinks about them.

And when she isn't devoting time to her family or her outside endeavors Mrs. LeConte would like to take some time for simply enjoying the tranquility of her hillside environment.

She says she feels renewed when she returns to the peninsula from carrying on her battles.

The openness and quietness of the hills make all the fighting worthwhile she says.

HOSPITAL SELF-HELP

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. McKAY. Mr. Speaker, there a few Members of Congress who have not been approached at one time or another about additional funds for hospitals in their districts. To indicate that perhaps Federal funding is not always the only answer to health-care problems, I am including in today's RECORD an account from the Ogden Standard-Examiner. The people of Bear River Valley in northern Utah were able to completely restore their hospital, using locally raised money and over 4,000 hours of volunteer labor. This clearly is an alternative to the pleas for Federal funds, and I strongly recommend this account to my colleagues.

The article follows:

[From the Ogden (Utah) Standard-Examiner, Apr. 9, 1973]

STANDARD'S EXAMINER

(By Murray M. Moler)

TREMONTON.—If prizes are given in Utah this year for community cooperation, the top award should go to the folks of Bear River Valley.

Using good old American ingenuity with liberal applications of elbow grease—they have reopened the Bear River Valley Hospital.

It's a warm story, how they did it, one that restores our faith in the ability of people to do things for themselves without a lot of red tape. And, most important of all, without government aid.

Tremonton's hospital story goes back 45 years to 1928 when Dr. Edgar H. White built the three-story, brick structure on the bluff overlooking the Malad River on the eastern edge of town.

Dr. White, now 85, lived in an apartment in the building and was always on call to handle the needs of his neighbors.

But time took its toll.

Dr. White retired last year. And inspections by federal and state representatives showed the Valley Hospital wasn't quite up to modern standards.

So it was closed last June while city and county officials deliberated about plans—still being drawn—to build a new hospital.

Tremonton and Garland residents requiring hospitalization had to go to Brigham City, Ogden or Logan.

They didn't like it. And they did something about it, instead—as many people do—of just sitting around, wringing their hands and moaning.

A group of local residents was organized, headed by Deloris Stokes, Jay Dee Harris and Dr. George Ficklin.

They called upon authorities of the Health Services Corp., the arm of the Church of Jesus Christ of Latter-day Saints that operates hospitals throughout our region.

HSC agreed—for a token fee of $1 a year—to operate the Bear River Valley Hospital on an interim basis until the new hospital could be built.

The Bear River Valley Leasing Corp. arranged a lease-purchase agreement with Dr. White, promising to pay the elderly physician $85,000 for the facility, plus $5,000 for its inventory of medical supplies.

In a single weekend in February, a 16-man committee collected $36,670 to provide funds for the hospital's operation until expenses can be met from patient fees.

Chairman Stokes had an offer from one individual to underwrite the entire fund.

"But I woke up at 4 a.m. one morning and got to thinking about it," he recalls, "and decided the whole community should be involved."

It was. Most of the donations were under $250 as residents of Tremonton, Garland and vicinity met the challenge.

That took care of the financing.

Now came the remodeling to meet requirements of health, fire safety and Medicare codes.

Fire resistant doors had to be hung in halls and on stairway openings. Old transoms above the patient rooms had to be closed with plasterboard.

A dumb waiter shaft had to be sealed. The boiler room had to have old windows bricked up. Wiring and light fixtures had to be modernized and the elevator brought up to date. A fire alarm system was needed.

And everywhere there was painting to be done and carpets to be laid.

If this was a governrment-operated facility there would have been feasibility studies, environmental reports, impact statements, committee reports, architect's drawings and construction contracts.

This would have taken months.

But not in Tremonton.

More than 4,000 hours of volunteer labor were donated to the cause! Rex Adams, for example, painted and carpentered from 7 a.m. until 7 p.m. for 31 consecutive days "just to help."

Chairman Stokes' wife said her family didn't see him for five straight days as he worked at the hospital, hustled more help and kept up with his regular duties as chairman of the Box Elder Board of Education, director of the Bear River State Bank, a member of the LDS stake presidency and the operator of a grain and turkey farm.

Jay Dee Harris sent trucks and materials. Others on—and off—the committee did the same.

Result: First patients were received in the reopened hospital last Tuesday, following a Sunday open house attended by hundreds!

Kenneth Knapp, associate commissioner of LDS health services, is intrigued by the new Tremonton setup as a pilot demonstration of what can be done in rural health care.

Under the program worked out for Bear River, the Tremonton hospital is administered by Theron J. Godfrey, administrator of the LDS Hospital in Logan. Miss Mary Ann McArthur is director of nursing for both Logan and Bear River Valley.

R. N. Rachel Anderson was detached from the Logan LDS Hospital staff to serve as administrative nurse here. The McKay-Dee Hospital Center in Ogden provided all-electric patient beds and other specialty furniture from its reserve.

The Logan hospital does Tremonton's laundry. It also prepares the food. Meals are taken from the regular patient tray line at Logan, flash-frozen and trucked over the hill to be thawed out and served. Kathryn Eldridge, Logan's chief dietician, wasn't sure this could be done—but it's worked, great. For everything but soft boiled eggs.

Women of the area helped in many ways—even doing much of the painting and stocking of the shelves.

They were all on this wonderful team that in two busy months refurbished Bear River Valley Hospital and got it reopened as a pride of the entire community.

IF YOU'RE BOYCOTTING BEEF, EAT POSSUM

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. ALEXANDER. Mr. Speaker, although I personally have not participated in the boycott of beef and pork, I would like to share with my colleagues some alternatives to these dishes.

The following article by Bob Lancaster, who may have missed his calling in not writing a cooking column, discusses the pros and cons of possum, fish, blackbird, and horse meat:

[From the Arkansas Gazette, Apr. 5, 1973]

THE POSSUM AS ALTERNATIVE

(By Bob Lancaster)

Some notes on alternatives to high-priced meats.

POSSUM

"You see," writes the self-described leader of the Eat More Possum movement in Arkansas County, "we had the answer to high meat prices all along. Just think what a tremendous effect it would have on beef and pork prices if everybody in Arkansas would eat possum for just a week."

Yeah. And it wouldn't hurt the highway beautification program any, either.

FISH

There was an editorial in the paper the other day that said: "Bring down the price of meat by going fishing!" It went on enthusiastically to recommend Lake Conway as the logical site to start this crusade.

Well, that's not a bad idea, but in all candor it's not a very practical one, either. That kind of romanticism can be costlier than roast beef. I know, because for years I inaugurated every fishing season with a trip to Lake Conway, and I finally had to give it up for economic reasons.

Just to see what it would cost me to join this crusade, though, I was just out pricing some equipment.

I'd have to have a new fly rod to replace the one that the kid used all winter as a practice javelin. That's $15.98. And that's $6.95 more. And since a new fly reel (automatic) the old tackle box was appropriated for the kids' rock collection. I'd have to have a new one, and a small one runs about $4.98.

The fishing license is $3.50. A life jacket (now mandatory in a boat) would be around $4.98. Boat rental would be $2 and a couple of boxes of bait would be $2 more. For hooks, lines, sinkers and corks, I could get by for no more than $1.70.

All that comes to $42.09.

All right, now, the last time I went to Lake Conway, I went with a certain Steinmetz, and the two of us managed to catch, in a day's time, two fish. I estimated the total weight of the two fish at ½ ounces, and I figured that if we had dressed them out and taken them home, instead of throwing them back in embarrassment and disgust, we might have brought home 4 ounces of edible meat. A quarter of a pound. Half of that—2 ounces—would have been my portion.

Suppose, now, that I sally forth to the lake tomorrow, having spent my $42.09 in the name of fighting high meat prices, and have the same luck I had on my last trip. Two ounces of meat for $42.09.

That is $336.72 a pound.

And I doubt if even Earl Butz would consider that a bargain, although you can never tell about that guy.

I could dispense with all the fancy gear, of course—cut my own pole, hitchhike to the lake, and fish from the bank. Figuring expenses that way, my 2 ounces of fish would cost only $3.70—or about $30 a pound.

It wouldn't cost me much more than that to stay home and eat beef.

BLACKBIRD

Jessie Lanphere of Bull Shoals offers this alternative. "Fried Blackbird: Kill and dress bird. Split dressed bird down the center. Salt and pepper and roll in flour. Fry in fat until brown. Add water and cover. Let simmer until tender."

According to Miz Jessie's recipe, one blackbird makes two servings, which means that Pine Bluff could raid its one big downtown roost for enough meat to serve the entire population of Arkansas, with enough left over for Louisiana, Mississippi, Alabama, and much of Georgia.

HORSES?

In the mail is this note from Hot Springs: "For what it's worth, the same day your paper had the story about the soaring popularity of horse meat, the longshots started coming in at Oaklawn for the first time."

PUBLIC LAW 480

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. ZWACH. Mr. Speaker, just last week the House Agriculture Committee held hearings on Public Law 480, the food-for-peace program.

Under Public Law 480, farmers throughout the country have been aided in their fight for stable and fair farm income through exportation of farm commodities.

But the main purpose of this program is to aid the undeveloped nations of the world; namely, Bangladesh, India, Korea, Indonesia, Pakistan, and South Vietnam.

Public Law 480 has been a big plus in our foreign relations. I have always felt that food is the key to our foreign relations and trade abroad. Not guns, or ships, or planes; but food.

Mr. Speaker, I would like to insert in the RECORD the testimony of Mr. Robert N. Hampton, director of marketing and international trade for the National Council of Farm Cooperatives before the House Agriculture Committee on April 5, 1973. Mr. Hampton explains the program beautifully, and I recommend all my colleagues to read his statements.

The statement follows:

STATEMENT OF NATIONAL COUNCIL OF FARM COOPERATIVES

I am Robert N. Hampton, Director of Marketing and International Trade of the National Council of Farmer Cooperatives. The National Council is a nation-wide federation of farmer-owned businesses engaged in the marketing of agricultural commodities or the purchasing of farm production supplies, and of 32 state cooperative councils. The cooperatives making up the Council are owned and controlled by farmers as their off-farm business operations.

The National Council of Farmer Cooperatives firmly supports extension of the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480), as proposed in HR 3866. Our current policy statement "Public Law 480" includes the following recommendation.

"1. That Public Law 480 (Agricultural Trade Development and Assistance Act of 1954) be continued as a mechanism for aiding exports of farm commodities and that sufficient funds be provided to implement effectively the objectives of the Act;

"2. That expansion of P.L. 480 funds be based upon activities designed to expand long-run commercial sales and to aid sound economic growth of developing foreign countries. Many developing areas of the world today may be important future markets for U.S. farm products."

The National Council and its members, many of whom are involved in the commodity market development activities funded in part by P.L. 480 funds, have consistently favored this program's objectives of assisting hungry nations while encouraging long-term development of markets abroad for U.S. agricultural products.

Our need to develop and expand markets for U.S. agricultural products is as urgent today as ever before—perhaps even more so, in view of our recently growing trade balance deficit. Even though commercial sales have shown commendable growth in recent years, in many areas these markets were opened up through P.L. 480 concessional sales. There are many countries yet which must buy on attractive terms if their economies are to develop to the point where they can become long-term commercial customers.

P.L. 480 is only one of our foreign sales tools which can serve the long-term goal of more stable and fair farm incomes. Even more important, however, increased farm exports are a vital national policy issue of urgent concern because of our increasing dependence on foreign supplies of fuel and other key materials. In the issue of March 15, Forbes Magazine has presented a dramatic story of the vital role of our farmland and our farmers in maintaining national prosperity. Asking the question "Can Agriculture Save the Dollar?", the Forbes feature article says:

"The U.S. has lost, probably forever, its edge over Western Europe and Japan in manufacturing efficiency and technology. At the same time, it is burning imported oil at an evermounting rate. Question: How do you pay for the oil if you can't export enough manufactured goods?

"That's where farming comes in. The U.S. is fast exhausting its once-plentiful natural resources. But there is one natural resource that, if cared for, never becomes exhausted: farmland. The U.S. has the acreage, the climate and the potential surplus over its own needs to become the granary of the world . . .

"The Nixon Administration is betting on agriculture to save the dollar. For if oil is essential for industrial civilization, food is necessary for life itself. Food is, potentially at least, the most priceless of all natural resources.

"The U.S. last year ran a balance-of-trade deficit of $6.8 billion. On top of the current woeful situation, the future seems impossibly bleak: By 1980, under not overly pessimistic projections, the U.S. could be laying out $18 billion to pay for imported oil, compared with a $4.2 billion payout in 1972. If things were to stay the same, this would imply a potential trade deficit of $20 billion and international bankruptcy for the U.S.

"Agricultural exports already are one of the few bright spots in the U.S. trade picture. In fiscal 1973 (the year that ends June 30), the U.S. will export $11.1 billion worth of agricultural products. It will import, estimates the Department of Agriculture, $6.8 billion. After subtracting $1 billion of foreign-aid-type foodstuffs from the export total, that still leaves a healthy $3.3 billion cash trade surplus in agriculture—largely balancing the deficit in oil. . . .

"The Japanese can manufacture as well as we can. They cannot farm as well as we can. The American farmer is not a lone man standing in the field. It would be more accurate to describe him as the human operative of a system of industry, technology, and capital that has taken the natural resource of the abundant land and made it yield a hundredfold. 'Our advantages go back 100 years,' says Carroll Brunthaver, Assistant Secretary of Agriculture for International Affairs. 'They center in our educational system. Our farmers are educated. The infrastructure—the roads, railroads, irrigation systems—all are there. We have an organized market and an industrial complex that supports the farmer.'

"These investments may now be at the payoff stage. Growing income over seas means meat in the diet: That is the bright hope of the U.S. balance of payments.

"Meat, that is, shipped as grain. Just as the U.S. raises more meat animals than anyone else, it also raises more of the feed grains that fatten these animals. Who can raise corn like the U.S.? For the protein supplement soybeans, the U.S. soil and climate are ideally suited, and the U.S. grows 70% of the world's supply. Wheat, which we think of as a food grain, is also a feed grain around the world, and the U.S stands ready even now to export up to 1 billion bushels a year of it. In short, it is foodstuffs for meat animals that is the U.S.' long suit in international trade. Remember, it takes eight pounds of feed to produce one pound of beef, seven to produce one pound of pork."

Our superiority in farm production, especially of feed grains, is an advantage which we are likely to mainatain for a long time. Not only do we have the outsanding farming skills and the distribution-transportation system which is so essential, but we enjoy a unique combination of large areas of fertile land with a favorable reliable combination of climate and water supply. In the world population centers, (where population is rapidly increasing) Europe and Russia are too far north, while much of Asia suffers from frequent drouth, monsoons or other unpredictable weather hazards which give them frequent farm production problems.

Under these circumstances, the likelihood is that we can be exporting $15 billion, or even $20 billion, of farm products within a very few years. To service these markets, however, we will need not only to make concessional deals temporarily but also to show how our products should be handled and used. This and other market promotion and development supported by funds authorized by Section 104(b) (1) of P.L. 480 has and will continue to be of major assistance to farmer cooperatives and other private firms in building foreign markets for U.S. farm products. We encourage your firm support for strong continued funding of these activities.

In addition to our economic need to maintain this program, our foreign policy interests often have and can yet be served by use of P.L. 480 provisions to meet emergency and other food shortages in various parts of the world. Food is increasingly a vital instrument of policy, and we need to be prepared to assist nations in dire need but without adequate dollar reserves, as P.L. 480 will permit us to do.

I appreciate the opportunity to express our views before this committee.

TAX DEDUCTION FOR EXPENSES OF CHILD ADOPTION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. RARICK. Mr. Speaker, I had the opportunity today to present oral testimony before the Committee on Ways and Means in support of H.R. 1858, legislation I have introduced to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer.

I urge our colleagues to join with me in support of this worthwhile legislation designed to combat one of the great problems confronting our society today while at the same time reaffirming our commitment to fulfill our moral duty to care for the orphan and homeless child.

I am delighted with the broad range of support for this bill. To date, 57 Members from both sides of the aisle and representing every aspect of the political philosophy within the House have joined in authoring this legislation. I am particularly pleased that the gentlemen from Tennessee (Mr. FULTON and Mr. DUNCAN) and the gentleman from Ohio (Mr. CLANCY), members of the Committee on Ways and Means, are cosponsors of this legislation.

Mr. Speaker, I include a complete list of coauthors of this bill in my remarks at this point:

LIST OF COAUTHORS

LaMar Baker, Alphonzo Bell, Tom Bevill, John Breaux, George Brown, Mrs. Yvonne Burke, Goodloe Byron, Donald Clancy, Del Clawson, James Cleveland.

James Collins, Paul Cronin, George Danielson, Frank Denholm, Robert Drinan, Thaddeus Dulski, John Duncan, Joe Evins, Hamilton Fish.

Daniel Flood, Tom Foley, Richard Fulton, Tennyson Guyer, Ken Hechler, Henry Helstoski, Frank Horton, Robert Huber, William Hudnut, John Hunt.

Jack Kemp, William Ketchum, William Lehman, Gillis Long, Spark Matsunaga, John Melcher, Robert Michel, Carlos Moorhead, Morgan Murphy.

Otis Pike, Bert Podell, Walter Powell, Melvin Price, James Quillen, Tom Railsback, Charles Rangel, Don Reigle, Kenneth Robinson, Angelo Roncallo.

Charles Rose, Charles Thone, David Towell, John Ware, Lawrence Williams, Larry Winn, Lester Wolff, Antonio Won Pat, John Zwach.

Mr. Speaker, I ask that the text of my statement be inserted in the RECORD at this point.

PURPOSES OF THIS LEGISLATION

Mr. Chairman, as you know, existing law provides that a taxpayer may deduct medical expenses in excess of 3 percent of his adjusted gross income; therefore, under existing law, medical expenses related to natural birth may be itemized and deducted. My bill would extend this treatment to those couples who, for one reason or other, seek to provide a home and family for our orphans and otherwise homeless young; furthermore, inasmuch as expenses connected with adoption are true out-of-pocket costs and not covered by insurance, these costs, within reason, should be completely deductible.

By taking this positive action, the Congress will be making a definite step toward solving one of the major social problems that confront our society. Furthermore, approval of this legislation can only reaffirm the faith that each of us has in the value of the family unit in our way of life. I can think of nothing more valuable to the development of the child in society than to be blessed with a home and parents. It is the family unit that has provided us all with the basis for our value systems. We should take action to insure that all Americans be afforded such an opportunity.

NEED FOR THIS LEGISLATION

According to the Department of Health, Education, and Welfare, the number of children adopted in America continues to rise. The Department provided the following figures indicating the number of children adopted in each year from 1966 through 1970. Mr. Chairman, I include these figures at this time:

Year	*Number of Children adopted*
1966	152,000
1967	158,000
1968	166,000
1969	171,000
1970	175,000

Furthermore, as Mr. Harry Freeman pointed out to you in his testimony on March 14, 1973, in behalf of Adopt a Child Today of Ohio, Inc., the Child Welfare League of America believes that there are perhaps 190,000 children in foster homes and institutions who have not been placed in permanent homes. These children do not have the benefit of a true home and family and cannot, therefore, establish any sense of roots or belonging that is so essential to life in our modern world. In addition to this, they represent a large drain on public sources of support that would be rendered unnecessary by adoption.

Finally, according to HEW figures, 88 percent of the children adopted by nonrelatives in the year 1970 were born of unwed mothers. With the increase in population and the changing mores of our youth, we can expect more and more of these children to be born and placed for adoption.

COST

The need, then, in terms of the child is evident. We should consider, however, the actual cost of adoption, which is the problem to which this legislation is addressed. The Children's Bureau of the Department of Health, Education, and Welfare estimated that in 1971 the average cost of adoption was $580. The Bureau pointed out, however, in a bulletin dated December 1971, that the prospective adoptive parent might expect to pay $1,000 for an adoption arranged by a private agency, $800 for an independent adoption, and $450 in attorney fees for an adoption arranged by a public agency that does not charge fees. I would point out, however, that these figures are estimated averages and that the actual cost of an adoption may vary from $100 to $3,000. This is, of course, somewhat similar to the range of expense associated with the birth of a natural child, depending on the amount of complications involved.

These figures which I have cited represent actual costs not covered by insurance. This is, therefore, a primary consideration and stumbling block for American couples with average income to proceed with adoption. Enactment of the legislation I propose would contribute to an environment conducive to adoption by encouraging these middle-class Americans to provide home and families for our unfortunate children who, for one reason or other, do not have the benefit of natural parents.

For your information, adoption expenses consist of legal costs—attorney fees—social agency costs which may include medical care for the natural mother and infant, court costs, and the costs of making the necessary social studies to insure that the child is placed in the correct home.

BENEFITS OF THIS LEGISLATION

Congressional enactment of this legislation would prove beneficial in every aspect. The value of the homeless child is clear, in that by encouraging adoption, the Congress would be reaffirming the value of home and family to the healthy growth of an individual in America. There is nothing more valuable to a child than parents who love him and will help him establish roots and a sense of belonging. The Congress should make every effort to see that each child in America is given a home. Enactment of this legislation would be a positive step toward this goal.

Society as a whole would also benefit from this legislation. First, and perhaps foremost, the value of this legislation lies in the fact that by giving the children of America homes and families, the Congress would be aiding in their development and assisting them in becoming valuable and useful citizens of tomorrow. I do not think it necessary to review here the innumberable statements by psychologists and psychiatrists concerning the value of home and family and a sense of belonging to a viable outlook on life.

Finally, society will actually benefit financially from this legislation. At the present time, those children who are in institutions or in foster homes represent a drain on society in that they must be supported through public funds or charity. Adoption would, of course, ease this burden from taxpayers, while at the same time giving inestimable value to the child and to the home in which he is placed.

CONCLUSION

In conclusion, Mr. Chairman, I would urge you and the members of the committee to give favorable consideration to this legislation for the benefit of those unfortunate children who, for some reason or other, do not have a home or family to love them and assist them in establishing roots and developing a meaningful way of life in the true American tradition. In doing this, Mr. Chairman, we will in realty be aiding ourselves and our society.

I would point out that H.R. 1858, the legislation which I have introduced, does not provide a limitation on the amount that can be deducted. I realize that our colleague (Mr. CORMAN) has introduced legislation which would establish a maximum deduction of $1,250. I recognize there may be merit in setting a limitation on this deduction. I would point out, however, that generally speaking adoption expenses do not cover agency costs. I do not have available information concerning these costs, but I would urge the committee to accept either my proposal of total deduction allowance or set a reasonable limitation in the light of actual agency cost and related expenses. If the committee accepts the figure used by the Children's Bureau of Health, Education, and Welfare for cost of adoption in 1971, which was $580 per child, then Mr. CORMAN's figure would be reasonable. It is, however, my understanding that this cost has risen over the past 2 years, as has virtually everything else.

The final argument that I would like to advance in support of my proposal is that the general range of adoption expenses parallels the cost of the birth of a natural child, and while medical expenses incurred in natural childbirth are generally covered by insurance, adoption expenses are not. In light of this, I believe it reasonable to adopt a position that all expenses connected with adoption should be deductible.

Mr. Chairman, we all recognize the great moral duty to care for the orphan. This legislation would be a reaffirmation of our commitment to fulfill this responsibility to the homeless child in America.

Mr. Chairman, information which was not available to me when I prepared my statement indicates that 23 States have laws providing subsidies to low income families who other than for financial reasons would qualify as an adoptive home. I include a list of these States:

LIST OF STATES

California, Connecticut, Delaware, Illinois, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Jersey.

New York, Nebraska, North Dakota, Ohio, Oregon, Rhode Island, South Dakota, Texas, Tennessee, Washington, Vermont.

The Congress can contribute to the creation of an environment favorable to adoption by allowing the taxpayer to deduct the initial costs of adoption.

OF COURSE YOU ARE BROKE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. BROWN of California. Mr. Speaker, the March 23 issue of the Los Angeles Citizen offered an excellent summation of the Nixon attitude toward the American public and the economic problems which confront us after 4 years of Nixonomics. From Nixon's own statement that the American people are like children who must be guided by all-knowing Papa Nixon, obeying his instructions without question; to a recent statement by an administration spokesman who advocated eating less as the solution to rising food prices; it is the administration view that a little discipline is all that is necessary to make things rosy again.

Jane Goodsell, in her regular "Soup to Nonsense" column in the Citizen, points out the absurdity of this view. I highly recommend her column to each of our colleagues, and I wish to enter it in the RECORD at this point for their convenience:

BUT OF COURSE YOU'RE BROKE IF YOU SPENT ALL YOUR MONEY

(By Jane Goodsell)

If you are so unimaginative that you can't construct a delicious main-dish casserole out of two leftover hotdogs, a cup of pickled beets, a handful of shredded cabbages, a jar of maraschino cherries and a can of mushroom soup.

And if you are so unresourceful that you can't make yourself a stunning winter coat out of an old Indian blanket.

Or a pair of palazzo pajamas from some kitchen curtains you picked up at the Salvation Army thrift shop.

And if you are so self-indulgent that you can't get along with such fripperies as heat, electricity and running water.

And you lack the initiative to give up the family car and use roller skates for transportation.

And you are emotionally dependent on a telephone and a weekly garbage pick-up.

And you are so deficient in inner resources that, after sitting home quietly for 14 nights in a row, you become depressed and succumb to a drunken-sailor impulse to go out to dinner and a movie.

And if you have so mismanaged your heredity as to have produced children whose teeth need not only filling but straightening.

And who irresponsibly outgrow their shoes every few months.

And squander their allowances on rock records and double-dip fudge-mint-pecan ice cream cones instead of saving their money for warm winter coats and college educations.

And if you haven't acquired a few basic skills such as watch repairing, glass blowing, mechanical engineering and piano tuning but must depend on others to do it for you.

And if you throw your money away on postage when you could deliver your mail door-to-door yourself.

And if you insist on running to the doctor for every little thing like a broken arm or a ruptured appendix.

Then it's no wonder that you're having trouble making ends meet financially.

STEEL VALLEY COUNCIL OF GOVERNMENTS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. GAYDOS. Mr. Speaker, it has become extremely difficult for many communities in the country to meet the high cost of providing services to their citizens without adding to the already heavy tax burden placed upon those residents. This is particularly true of small municipalities and the old, industrial community where the opportunities for expanding and strengthening their tax base is severely restricted.

Consequently, officials of such communities are constantly on the alert for other means of providing these necessary services at the lowest possible cost.

In the 20th Congressional District of Pennsylvania, several communities have joined together to form a Steel Valley "Council of Governments"—COG—which is designed to provide a realistic approach to solving mutual problems of the member municipalities.

Mr. Raymond Siniawski, the first president of this organization, explains COG represents some 87,000 people in nine communities which cannot carry on necessary programs on an individual basis, but could meet the challenges of today as a collective, cohesive body. For example, he feels COG will be of tremendous help in establishing programs dealing with solid waste disposal, recreation and street improvements.

Although less than a month old, COG already has scheduled a meeting where the groundwork will be laid for drawing a master plan involving the nine communities. It is not inconceivable, Mr. Siniawski believes, that sometime in the future the Steel Valley area will be able to carry on its own water purification system or generate its own electrical power. He is dedicated toward attracting, and keeping young people to the area and to motivate local businesses to compete with suburban shopping centers. Shopping centers, Mr. Siniawski observes, did not just happen but were planned. "That is exactly what we must do," he emphasizes.

Mr. Speaker, I commend the communities of Clairton, Duquesne, Dravosburg, Homestead, Munhall, Whitaker, West Elizabeth, West Homestead and West Mifflin for undertaking this cooperative effort and I wish the officers of COG—Mr. Siniawski, President; Mr. Regis Ruffing, Vice President; and Mr. Michael Ivanovich, Secretary—the greatest of success in their undertaking to help the people of their communities and the Steel Valley.

PEYSER BRINGS SANITY TO SPORTS COMPETITION

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, my colleague from New York (Mr. Peyser) is to be commended on his leadership in attempting to bring sanity to international amateur athletic competition. For too many years, the dispute between the AAU and the NCAA has hampered the ability of the United States to field the best possible teams in international competition.

A recent example of this was the March 16 track and field meet between the United States and the Soviet Union held in Richmond, Va. For the first time in history, the American team lost to the Soviets on U.S. soil. Most sports observers agree that the loss could have been avoided if NCAA players and coaches had been allowed to participate.

I am proud to be a cosponsor of H.R. 6525 as introduced by Congressman Peyser, the "Federal Scholastic and Amateur Sports Act of 1973." This legislation is designed to remedy the type of situation I have just described. It would establish within the Department of Health, Education and Welfare a Federal Scholastic and Amateur Sports Commission to promulgate rules and regulations for improving the coordination of various amateur athletic organizations as they affect the ability of American amateur athletes to compete in international sporting events. Hearings have already been held on this legislation before the House Education and Labor Subcommittee on Special Education, and I am hopeful a bill will be reported out in the near future.

The gentleman from New York has received praise and recognition for his legislative and personal efforts and initiative from across the country. Closer to home, the Yonkers Herald Statesman in his district has recently taken editorial note of his role in forcing a compromise that will permit ULCA star Bill Walton to participate in the upcoming basketball series with the Soviet Union. At this point in the Record, Mr. Speaker, I include in full the editorial from the April 11 Yonkers Herald Statesman:

Peyser Scores

One might say Congressman Peter Peyser came through with a driving layup to win a big one for basketball fans all over America.

Our 23rd district representative was instrumental in forcing a compromise that will allow UCLA's Bill Walton to play for the United States in a series of basketball games against the Russians.

And those who watched the Soviet Union beat the U.S.A. by one point in the last Olympics should especially be happy to hear the news.

Walton, UCLA's great six-foot-eleven center, was destined to miss the six-game series because of the running feud between the National Collegiate Athletic Association and the Amateur Athletic Union.

But thanks to the persistence of Rep. Peyser and others, the two warring organizations have agreed to waive certain restrictions, allowing Walton to play in at least two of the games.

Since Walton is acclaimed as one of the best college basketball players in history, it's easy to see why he will be so important to the U.S. cause.

And Rep. Peyser deserves a hand, not only from his constituents, but from sports fans all over the nation.

PHILOSOPHY OF GEORGE FOREMAN, HEAVYWEIGHT BOXING CHAMPION OF THE WORLD—HOW THE FEDERAL GOVERNMENT HELPED HIM GET A NEW START

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mrs. BURKE of California. Mr. Speaker, for many years the Government of the United States has seen fit to its great credit to take up various roles in offering educational and employment opportunities to help those in need of specialized attention. There was a Civilian Conservation Corps in the 1930's, the GI bill in the 1940's and 1950's, and the late President Lyndon B. Johnson set up an Office of Economic Opportunity to deal with the whole spectrum of problems associated with the disadvantaged, one major portion of that being the Job Corps to confront the problem of the high school dropout.

All these programs have had their critics, and much of the publicity given them has covered the shortcomings rather than the successes. But they have had successes, some large, some incredible and some small, but in a success-oriented society we should applaud the successes in whatever degree we find them.

For this reason, I would like to bring to your attention the cover story in the April issue of Nation's Business. The title is "Don't Knock the American System to Me," and it is by George Foreman, boxing's current heavyweight champion of the world.

He gives full credit to an American business and the businessmen within it—Litton Industries, Inc., based in Los Angeles, Calif.—and to a program of President Johnson—the Job Corps—for being the difference between a disastrous course heading he was on, and where he stands today at the pinnacle of his profession.

He is the big success story, of course, but I happen to know that in Litton Industries, operation of the Parks Job Corps Center in northern California from April 30, 1965, to June 19, 1969, about 14,000 young men went through or started through its training programs. More than 9,000 of them were graduated into jobs in the skills for which they were trained. Some of the others got jobs before they finished, and some, sadly, were dropouts again. Mr. Speaker, I insert the article in the Record as the expert testimony of a young man who not only knows what was done was right for himself and others like him, but who also can speak from the heart and from knowledge of the difference the Job Corps can make.

The article follows:

Don't Knock the American System to Me!

(By George Foreman)

In my business, boxing, I know a lot about giving hard knocks, and getting them, too. That's the kind of business it is. I accept it for being that. But knocking the American system, that I can't take.

If there is give and take in life, and I know for sure there is, and some of it rough stuff, a man has to find out early in his life how much of each he has capacity for.

I found out early, though, that you don't get much of anywhere by knocking success. The really smart guy tries to find out why it works, and how he can get in that kind of action, and then tries to make it work for him.

They call me a flag-waver, and it's true. Not just that time in Mexico City in the Arena Mexicana on the night of Oct. 27, 1968. That was when I had beaten the Soviet heavyweight, Ionnis Chepulis. The referee called it a TKO, and the Olympic gold medal was mine.

There were more than 2,000 black athletes in those Olympic Games in all sports. I was afraid—even with the USA on my jersey—they might not know I was an American. And I wanted everybody to know, and to know that at that moment I was one of the happiest Americans who ever lived. So, I took the little American flag from the pocket of my robe, and waved it as I took a bow to each of the ring's four corners.

What never occurred to me then was that this little thing I did would be translated into an opposing view to the "black power" fever which was so much a part of that Olympics. It wasn't that at all. If that other way was how John Carlos and Tommy Smith felt—well, the America I came from is a free country, and they were entitled to do or say what they felt or thought. I was so proud, I was just doing what came naturally to me. It was my "thing," and thank God, it is still my "thing."

Casting about for places to put blame for the troubles a person has is an old human trait. "They" is an easier word to use than "I," when things don't go right. But in getting by an obstacle, or a trouble, or a problem, the key—and I know this because I've had them all, and still have some—is to take after it, all alone if that's the only way.

More times than not, battles have to be taken on alone. The messes a man gets into, they're the same. They didn't hunt him up; he went looking for them, whether he always knew it or not. He has to get into them himself, even if he has company at the time.

Nobody got me down in the street, for example, held my nose, and poured cheap wine down my throat when I was a kid. Not at all. I got the bottle, tipped it up, and drank it. Who would believe me if I said somebody forced me to drink that stuff? I don't force that easy. The memory of that wine is so clear to me yet that the smell of it now makes me sick to my stomach.

And when I was going about my first record-setting—which was how many windows I could break in a row without getting caught—I can't lay that idea on anybody else's doorstep. It was all my own, and I got all the way up to 200 before the Houston police thought it just might be me and looked me up to talk about it. It was quite a record, if one just wanted to look at the size of it, but it wasn't sensible or respectable to do it.

These were things that happened when I thought I had nothing going for me, but it was mostly my own attitude toward life that made it so. There was the high school there in the bloody Fifth Ward of Houston, and I dropped out of it in the ninth grade. It was my decision, not the school's. That and the other things caused my mother—bless her for all the suffering she endured for me—to have a nervous breakdown. That was my decision, being a bad guy and causing it, not hers. I had about lost faith in everything before I was even started, I guess, but she never lost faith in me.

SEEING THE LIGHT

Then, like Paul on the way to Damascus in the Bible story, my vision cleared up and the time came to make a right decision. I did it.

It was in an unlikely place, a Houston pool hall, and the TV set was on.

The man on the tube was doing one of those public service spots. It's a part of America that when a man gets famous, is a celebrity, they ask him to do these commercials about all kinds of things. Some are for causes, like fighting cancer, or helping retarded kids. This guy was recruiting, and he was saying he was once a down-and-outer himself.

Boy, was he on my wavelength, talking my language! I listened to him, half-like at first, and then he said he had this one skill, and finally got a chance to use it, and made it big. To anybody listening who needed a skill to get a job, he said, why not give the Job Corps a try?

So, I laid down that pool cue, and picked up hope That's for me, I told myself, and they took me. There was some money in it, $30 a month, and $50 to go in the bank, and they'd send some home to my mother. Did she ever need it then!

It wasn't until then that it began to come to me what America was really all about, how there were things being done to really try to help people such as me find some way out. I was first in a Job Corps Center in Oregon, and then went to a big one, the Parks Job Corps Center, near Pleasanton in California.

It had a big company running it, Litton Industries. How come? Well, they were used to bringing people in through their employment offices and then teaching them whatever skill was needed for them to make or manufacture something. People just don't come off the street ready-made to do such work, they have to be taught. At Parks, they had courses in business machine repair, in electronics, auto mechanics, building maintenance and custodial services and how to cook. They put me in electronics, and had me putting transistor radios together.

But I was a rambunctious teenager, full of vinegar, and thought I was a pretty tough guy. Liked to fight, anywhere, anybody, the whole thing But that wasn't the kind of place it was; it wasn't any western copy of my old Fifth Ward slum back in Houston. R. Sargent Shriver, the head of this war on poverty agency—Office of Economic Opportunity—he was telling the centers to throw the troublemakers out. I was headed out, no question about that, and to be honest about it, I didn't care all that much.

Litton Industries had put a man in there as the center director, Dr. Stephen Uslan, a fine man. When he was getting all this advice from his staff to send me packing, he said No. He said I was the kind of material the center had been set up to deal with. It wouldn't solve anything, he told them, just throwing George Foreman out. I had been thrown out of a lot of things by then, and it hadn't impressed or improved me much, was the way he put it. And then, he said the words which really turned George Foreman around.

"If he likes to fight so much," he told those staff guys, "put him in the ring down in the rec hall, and let him get it out of his system that way."

In business, you see, they can't really stand it when something won't work. They try one way, and then another, and they keep trying until they find the combination. Litton was especially good about things never tried before, and they had the guts to give it another try, and they took another swing at the George Foreman problem.

And then I found out what a long way it is from just an idea to a real, accomplished dream. I hit a lot of people, and I was awkward. I found out if I could connect, I could jolt them. I knew that, but also that I needed a lot of honing. I must have been the dullest knife in town.

But there are professionals in everything who know how to mold people, and Litton had one of them in that rec hall. His name was, and is, Charles R. "Doc" Broadus. They hadn't just hired a man and sent him down there to work in the rec hall when they got Doc. He had been in this boxing thing for 35 years or more. If I would listen to him and follow his instructions, he said, he'd get me into Golden Gloves, and maybe on the Olympic team, and then I could turn pro. He said that he thought I could be champion one day, but that I would have to make up my mind to work for it.

Now down there in Houston in the slum I came from, there wasn't too much talk about working for anything. People got money a lot of the time from being what was called smart—or from taking advantage of somebody. People walked on both sides of the line, as far as the law was concerned. But Doc said I could get it all, everything that went with it, if I was willing to work for it.

A BIG FOUR-LETTER WORD

Work is such a big four-letter word. I'd known a lot of the other four-letter words and they couldn't help anybody. This one meant sweat. It meant getting banged around. It meant being more tired than I had ever been in my life. And sore in more places, too. But when I went into Golden Gloves, I found it paid off, and I won. Then there were the Olympic trials in Toledo, Ohio, and by a hair, I made the Olympic team. Litton sent Doc Broadus and one of its executives, a onetime Air Force colonel, Barney Oldfield, down to Mexico City with me.

What I didn't know then was that as early as June, 1968 (the Olympics were in October), Barney had written to several friends of his, sportswriters, people like that, telling them to interview me in Mexico City because, he said: "George Foreman will win the gold medal, and go on to be heavyweight champion of the world."

It meant a lot to me, finding out such things, and that work was getting me closer and closer to where I wanted to be in life, and that other people were believing in me, other than my mother. And because I like kids, I found the ones who lived in slums as I had, and others too, were beginning to hang around me. They wanted to talk to me and they were paying attention to what I said. The more I won, the more they tuned me in. What a difference it makes when you first have that feeling that people are looking up to you, and not down on you!

That night, after winning in Mexico City, I couldn't bear to take the gold medal from around my neck. It was my badge, my reminder. The ones around me now had been telling me the truth: Work and get with it, and you can have it all.

I had put a phone call in to my mother in Houston. She was always worrying about me getting hurt. Not the other guy, just me, her little boy, all 220 pounds of him. But I felt a desperate need to talk to her, to tell her that finally all those young boy kitchen conversations and dreams we used to have were starting to come true.

While I was talking with her, Barney waited, and when I came back to the table, he said that if it was all right with me, he was going to call the White House in Washington. He was going to remind them that this George Foreman who won in Mexico City was a Job Corpsman.

It was a program President Lyndon B. Johnson had brought about himself, and now he would surely want to see me and tell me himself how proud he was. Imagine! "Man, you're too much," I told Barney.

On Nov. 18 1968—just three weeks later—Charles B. "Tex" Thornton, Litton's board chairman; Eugene Allen, of the Parks Job Corps Center; Barney and myself, we were walking up to the White House on our way to visit the President of the United States!

A GIFT TO THE PRESIDENT

I was carrying a little plaque I wanted to give him. I didn't know whether it was the right thing to be doing or not, but almost every time I saw pictures of him, he was giving something to somebody. I felt I owed him something. I was about to learn that whatever your hearts tells you to do is always right, never wrong.

When I gave it to President Johnson, he looked so tired. The whole country kind of had him on the ropes then. To bring it back together, he'd made the big decision not to be their punching bag any more. I told him the plaque was to thank him for making the Job Corps possible—giving young Americans such as me a chance for hope, and dignity and self-respect. I saw a tear start down his cheek from his left eye. But he was sharp, too. Recovering himself, and waving the plaque at the press who were there in his Oval Office with us, he told them he was going to keep it there where they could see it everytime they came in, to let 'em know there was one person in the world who thought he had done something right!

I learned a lot about America that day: That when you're right, and do right in a big way, even the President of the United States will have you in to tell about it, and encourage you to keep on, now that you've found out what it's like. And I was standing there with him, and he had once been poor, too, and was a not-too-well-educated Texas boy who had refused many times along the way to be licked. He was going out of that White House, a man who had championed the cause of a lot of people, including me, and however bad he may have felt, I knew he could live with himself for all he had done.

Tex Thornton said he was proud of me, the way it had gone there in the White House, and he said he would always be available to me for any advice I might need, that I had only to ask. He even said he and some of his friends would put together a kind of syndicate, or association, which would back me and keep me from having to take any offers which might not be good for me in the long run. When I told him I wanted to try it alone, he respected that, and understood it, and accepted it.

Somewhere, I kept telling myself, I have to begin making my own decisions, and it might as well be now. The professional thing was on my mind, and I talked with Dick Sadler about being my manager-trainer. He had had a long string of champions, the last being Sonny Liston. I had a strong feeling, an admiration, for Sonny. He had had so far to come back when he started, from the hole he was in, and he did it. He came to a sad end, but in what he did, he showed all things were possible.

[Sonny Liston, who had many scrapes with the law during his life, was found dead in his Las Vegas, Nev., home in January, 1971. He had been dead for about a week. Drugs were at the scene, but the death was attributed officially to natural causes.]

Work! That word again. Dick Sadler told me about how much of it I had to take on now. He said the road ahead was bumpy, and had turns in it, lots of them. There were some places we fought in where we almost had to borrow money, or hock something, to get out of town. We had trouble getting opponents. Boxing writers were saying I fought Joe Namelesses and Bill Whozitses, and that I had to get more experience, when I couldn't get most of the ones I forgot to stand up long enough to give me any. All this was what Dick Sadler had meant by work, that it could include frustration and hopelessness and fighting off giving in to them. There was wood to split. And at 6:30 in the morning, running those three-mile exercises when other people were still all asleep. Then the gym, the bag—the little one and the big one—over and over.

A FINANCIAL CRISIS

I was hurting for money. I wanted to get married to Adrienne, a pretty girl I knew. A guy can't be smart enough to dodge everything. I signed some papers with some people, and I got married early in 1972 and we were very happy. Then the big chance came, and I signed for the fight with Joe Frazier for the championship in Jamaica. Right then, everything went sour in my mouth. I found that in the fight business, it's not just yourself, the guy you're fighting, and the referee in there with you—in spite of everything you try to do, you pick up partners, people who share in you, who know how to play you and your desires, and they have more to say about you than they should. When you have been living from day to day all your life, the implications of what you sign today don't look as big as they will tomorrow.

I got caught up in one of these things, not the first fighter to have it happen to him nor probably the last. But it upset me so, the only think I could think of was quitting the ring. I meant it. The lawyers all gathered around me and begged me to go ahead; suits were filed, and finally, in a kind of desperation, they asked me if I had a friend somewhere that I trusted. They wanted to explain it all to him, they said, and then he could advise me. I remembered Litton Industries, and told them to call Barney Oldfield. It was 3 o'clock in the morning in California when he got the call from New York, and after bringing him up out of a deep sleep, they talked with him for a half hour or more.

The next day, he called me.

I told him I didn't want to fight Joe Frazier, even if I know I could beat him. So many people had gotten their hands into my money, I didn't want to be another sad story in boxing for people to write about. I said I might as well forget the whole thing.

But Barney told me: "George, the only thing I figure you can do is go knock Joe Frazier out, and then come back and show people you can take all this. If you don't go ahead with the fight, they'll all be writing you're scared or something." He said it was a legal contract, and the important thing was to win the title and then argue.

Suddenly, it all cleared up for me. I was really fighting everybody but Joe Frazier, and he was the one to beat. "They" didn't mean anything. It was just the same old "they" to blame things on again, and I was beyond that. I had to be. What I was in was a business, and I had to treat it like a business, where contracts were contracts, and if I didn't have integrity about a contract, however bad it might be, what would I have left?

It was off to Jamaica, even though my wife, Adrienne, was pregnant, and the baby was due. On Jan. 6, there in Kingston, I heard that my baby girl, Michi Helene, had been born in far off Minneapolis. On Jan. 10, I became 24 years old. On Jan. 22, after a minute and a half of the second round and when he had been knocked down six times by me, Joe Frazier—the favorite of almost every boxing writer and odds-maker in the world—had lost his heavyweight crown, and it was mine! Bad as I had felt about not being able to be with my wife when our baby came, it was one of the things life asks of you in keeping things in focus, and I could now get home to them—a champion.

GIVING THANKS

In the delirium of the ring, I guess I thought of everyone—the ones who believed in me and had done things for me.

Among them was Johnny Unitas, the famous pro football quarterback, the one who had done the public service TV spot about the Job Corps which sent me off in this new direction.

I didn't know until after the fight that President Johnson had died while I was on the way to the stadium. They kept it from me. It gave me a chill to think back to that day in 1968 when, there in the White House, he had asked me when I thought I'd be heavyweight champion, and I said I didn't know. It made me sad to think he couldn't have lived one more day and read about what had happened in Jamaica that night. Without his Job Corps, I wouldn't have been there.

So, don't talk down the American system to me. I know what men go through to make it run. I also know that some of its rewards can be there for anybody, if he will make up his mind, bend his back, lean hard into his chores and refuse to allow anything to defeat him.

The first thing I did in my dressing room that night after the fight in Jamaica was close the door, with Doc Broadus and Barney Oldfield in there with me. I went down to the foot of the old training table, got down on my knees, and thanked my God—for everything, for everybody, and for the determination He gave me to see it through. Perhaps there are several who deserve as much as I do to be champion, and perhaps they, too, will have their chance, but none can feel any more fortunate than I do to hold the title while I can.

I can truly say I worked for it. I say, worship the opportunity this country grants to those who will really try, don't knock it.

I'll wave that flag in every public place I can.

SENATOR THOMAS F. EAGLETON HONORED AT CANISIUS COLLEGE

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. DULSKI. Mr. Speaker, since 1957 the Canisius College Alumni Association in Buffalo, N.Y., has periodically presented the Peter Canisius Medal to outstanding individuals who have been an inspiration to the youth of America.

At a convocation for alumni, students, faculty, and guests April 10, 1973, the Very Reverend James M. Demske, S.J., president of Canisius College, made the 10th presentation of the gold medal to our distinguished colleague, Senator THOMAS F. EAGLETON of Missouri.

Senator EAGLETON was cited for his legislative leadership in attacking the problems of the environment, our cities, the aged, special education needs, civil liberties, labor, and the sick. The Alumni Association is to be commended for their selection of this year's recipient, as stated in the following citation:

CANISIUS COLLEGE CITATION FOR THE CONFERRAL OF THE PETER CANISIUS MEDAL FOR 1973 UPON THOMAS F. EAGLETON

Thomas Eagleton, we welcome you to the Canisius College Family. We welcome and honor you as the tenth recipient of the Alumni Association's Peter Canisius Medal.

You were born September 4, 1929, in St. Louis, Missouri.

You received your Bachelor of Arts Degree, cum laude, from Amherst College in 1950 and your Bachelor of Laws Degree, cum laude, from Harvard Law School in 1953.

But you were willing to interrupt your education to enlist and serve in the United States Navy in 1948 and 1949.

After completing your education, you returned to your native Missouri. In 1956, you married the former Barbara Ann Smith of St. Louis, and now the Eagleton family includes a son, Terence, and a daughter, Christin.

In 1956, at the age of 27, you also started your career of public service by being elected Circuit Attorney for St. Louis, Missouri. You were the youngest person to ever hold that office.

You were elected the youngest Attorney General in Missouri's history in 1960. You were 31 years old.

You were elected the youngest Lieutenant Governor of your home state in 1964.

In 1968, you were elected to the United States Senate. During four years as a freshman senator, you have innovated and advocated legislation on our nation's domestic problems. Labor, the environment, our cities, the aged, victims of drug abuse and the sick have all felt the beneficial effect of your role.

You have given progressive leadership as Chairman of the Senate Committee on the District of Columbia, advocating home rule for the citizens of our nation's capital.

You have served on the Senate Labor and Public Welfare Committee, where you are Chairman of the Sub-Committee on Aging and the Sub-Committee on Education. You have dedicated many hours to the special education problems of the young and are primarily responsible for the proposed National Reading Improvement Act.

You are on the Senate Public Works Committee where you are Chairman of the Sub-Committee on Environmental Science and Technology and Vice-Chairman of the Sub-Committee on Air and Water Pollution. You have contributed significantly to the preservation of our environment by co-sponsoring the Clean Air Act of 1970, the Noise Control Act of 1972 and the Federal Water Pollution Control Act Amendments of 1972.

You have been deeply concerned with the civil liberties of Americans and have authored and introduced the News Source Protection Act.

The list of your achievements and commitments to causes for the betterment of humanity could go on almost endlessly.

Certainly, Thomas Eagleton, you are one of those rare and inspired human beings who manage to live their lives to the fullest limits of their God-given energy and talents. Your energy and your redoubtable talents are given totally to the service of your fellow man. Your accomplishments are legion, your devotion to public service unsurpassed, your patriotism unexcelled, your private and public life beyond reproach. The excellence you have shown throughout your career in government stands as a challenge and an inspiration to the American youth of today, who will be the leaders of tomorrow.

It is with pride and joy, therefore, that Canisius College and its Alumni Association present the 1973 Peter Canisius Medal to you, Senator Thomas F. Eagleton.

Presented this tenth day of April, 1973 at Buffalo, New York.

VERY REVEREND JAMES M. DEMSKE, S.J.,
President of Canisius College.
R. CARLOS CARBALLADA '56,
President of Alumni Association.

Following the ceremony, the Senator addressed the gathering. His remarks are thought-provoking and timely, and it is a pleasure to share them with you at this time.

SENATOR EAGLETON'S SPEECH

Some have called America a throw-away society, and there is considerable evidence to back up that claim. Automobiles grow obsolete in too few years, the lifetime of products hardly outlasts the commercials that loudly proclaim their virtues, and even politicians quickly fade into anonymity when they fail to keep up with the changing times.

Yesterday's greatest issues—the ABM . . . Haynesworth and Carswell . . . the Lockheed loan—now seem distant history.

I can't predict how long they will last, but at least today's issues appear, at first blush, to be equally diverse—American bombing in Cambodia . . . the impoundments of funds appropriated by Congress . . . the protection of White House staff members accused of illegal activity by something called "executive privilege." But despite the appearance of diversity, each of these issues really is just a facet of one of the greatest single issues ever to face our nation—the balance of power between Congress and the President.

Let me reflect for a moment on the origins of the document that gives us our fundamental law—the Constitution of the United States.

It is important to remember that the men who wrote our Constitution were victims of a strong executive. They mistrusted the kind of authoritative power exercised by English kings and colonial governors. And they eventually revolted against that power.

The somewhat radical notion that people have an inalienable right to be governed by their own consent formed the basis of the American Revolution.

And when the Founders later wrote a constitution, they institutionalized that principle by distributing the powers of government among three separate-but-equal branches.

"It is not by the consolidation, or concentration of powers, but by their distribution that good government is effected," Thomas Jefferson said.

What has happened to that Jeffersonian concept today? Let me try to examine that question by considering current points of conflict between Congress and the President.

1. *Does the President have legal authority to continue without Congressional authorization an air war over Cambodia now that all American troops have been withdrawn from Vietnam?*

The Founding Fathers gave to Congress the power to "declare war." Fresh from the experience of an omnipotent ruler George III, Madison and Hamilton were especially careful that the decision to wage war would not be made by one man alone.

No more fundamental decision can be made in a free society than the decision to commit forces to battle. And in our society that decision should be made by Congress acting with the President—not by the President acting alone.

I submit the current American air bombardment in Cambodia is without a legal or constitutional basis.

When we first took military action in Cambodia in 1970, the President justified it as being part of his Commander-in-Chief authority to protect American troops in South Vietnam. Those troops, he said, were in the process of withdrawal.

By March 30, 1973, all American troops had been withdrawn from Indochina, prompting the President to tell us on national television that the war was "ended."

With that final withdrawal, any pretext of authority to bomb in Cambodia without the authorization of Congress evaporated.

The Gulf of Tonkin Resolution has long since been repealed. The SEATO Treaty, in the State Department's own words, is inapplicable. There is no statute authorizing American military activity in Cambodia. On the contrary, such statutes as are on the books prohibit military activity in Cambodia. Even the broadest interpretation of the President's Commander-in-Chief authority will not support the President's unilateral action.

In short, if the President wishes legally to commit America to another Indochina war, he must come to Congress. I believe Congress would join the American people in saying "no" to that request.

2. *Can the President legally impound funds appropriated by Congress?*

The Founding Fathers were greatly concerned that what Madison called the "enterprising ambition of the Executive" could encroach upon the legitimate functions of the legislative branch. He felt, however, that Congress's power of the purse would, in itself, offer a strong resistance to this threat. In Federalist Paper # 68 Madison said:

"As the legislative department alone has access to the pockets of the people . . . and, in all, a prevailing influence over the pecuniary rewards of those who fill the other departments; a dependence is thus created in the latter, which gives still greater facility to encroachments of the former."

It is a measure of the constitutional crisis we are now experiencing that even Congress's power of the purse is under attack by the "enterprising ambition" of a President who feels he has, in his words, "a clear constitutional right" to impound appropriated funds.

The President has attempted to justify his unprecedented impoundments by charging that Congress is incapable of controlling government expenditures. Perhaps it should be pointed out that Congress appropriated $20.2 billion *less* than President Nixon requested in the first four years of his Administration.

A number of pending court cases will help decide the impoundment question. In one case, a U.S. District Court judge in Kansas City ruled last year that highway trust funds appropriated for use in Missouri were being withheld improperly by the President. I joined with 21 other Senators in filing an amicus curiae brief urging that the District Court decision be upheld—which it was, in a ruling by the Eighth Circuit Court of Appeals.

In a 1969 advisory memorandum to the White House, Assistant Attorney General William H. Rhenquist wrote the following about impoundment:

"With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that existence of such a broad power is supported neither by reason nor precedent."

I believe that the "strict constructionist" advice given by Mr. Rhenquist in 1969 is absolutely correct. I would hope that Mr. Justice Rhenquist will still have the appreciation for precedent he had in 1969 when the impoundment issue comes before the Supreme Court.

3. *Can the President shield his staff assistants from responding to subpenas to testify before committees of Congress?*

There is some dispute as to whether anything called "executive privilege" exists at all. Constitutional purists say that nowhere in the Constitution is there a peg upon which to hang a privilege that allows the President and his associates to withhold information from Congress or to refuse to appear before Congressional committees. Congress, of course, has never authorized a privilege of this kind by statute.

I personally hold a somewhat more pragmatic view of Executive Privilege, as do many of my colleagues in the Senate. I believe there is an important interest to be served in stimulating the free exchange of ideas between the President and his advisors—an exchange that will flourish only if the substance of these advisory discussions can be shielded from public scrutiny.

But to say that advisory communications between the President and his staff should be immune from Congressional scrutiny is a far cry from holding that past and present associates of Presidents enjoy a blanket immunity from testifying before Congressional committees on any subject. That, regrettably, is apparently the position taken by President Nixon, who said recently:

"A member or former member of the President's staff shall follow well-established precedent and decline a request for a formal appearance before a committee of the Congress."

On that basis, President Nixon refused to allow John Dean, a White House counsel, to testify before the Congressional committee investigating the Watergate affair.

Surely it takes a certain flight of fantasy to insist that "executive privilege"—if it exists—extends to shielding wrongdoers from testifying about their part in unethical or illegal activities simply because they are (or were) White House employees. News accounts of the Watergate episode indicate that no investigation of these events will be complete until Congress has heard from ex-Attorney General John Mitchell, ex-White House aide Dwight Chapin, White House counsel Dean, and others with close connections to the White House. Congress cannot sit idly by while the Executive boldly attempts to sabotage its investigatory function under the guise of a contorted and abused "privilege."

It is my sincere hope that President Nixon will reconsider his ill-conceived refusal to allow his associates and former associates to testify before Congress. But if he does not, I believe that Congress will move forward in the way Senator Ervin has outlined—pursuing through the courts the question of whether a President can shield his staff assistants from responding to Congressional subpoenas where the information being sought does not relate to advisory communications with the President.

* * * * *

The Congress of the United States can rarely be as swift and decisive as the one man to whom the great powers of the Presidency are assigned. But the framers of our Constitution understood that the line between speedy action and arrogance, between decisiveness and tyranny, is a precariously thin one. They devised a deliberate, diverse, and accessible body that would subject the most important questions facing our nation to the careful scrutiny of collective judgment.

As long as we continue to hold that free persons can be governed only by their own consent . . . as long as we believe that government must derive its power from the people . . . as long as we believe in a representative form of government . . . then Congress will continue to be both necessary and useful in fulfilling the intent of our Constitution.

MYCODA

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. GAYDOS. Mr. Speaker, it was not too long ago that Congress recognized a new approach was needed to combat the widespread use of dangerous drugs and narcotics among the Nation's youth. It was decided this could best be accomplished through a comprehensive educational program; however, it also was soon apparent that one of the first steps to be taken was the training and equipping of qualified personnel if such a program was to be effective.

I am pleased to report that in a section of my 20th Congressional District of Pennsylvania, this first step has been taken with great success through the concerted efforts of the Mon-Yough Council on Drug Abuse Inc.—MYCODA.

MYCODA, conceived by a group of area civic leaders in 1970, organized and chartered in 1971, now serves 18 communities in the area, including seven school districts with an enrollment of approximately 36,000 students. Its program has been cited by Gov. Milton Shapp's Justice Commission on Drug and Alcoholic Abuse as the potential model for drug education programs throughout the State.

Recently an evaluation of MYCODA's professional development seminars, inservice workshops to train teachers and its progress was given by a number of people closely connected with the program, including Dr. Harry R. Faulk, superintendent of McKeesport area schools; Arthur Hennings, executive director of McKeesport Hospital; and Dr. Thomas Terrill, professor of public health and administration at the University of Pittsburgh. Each of these gentlemen were high in their praise of what MYCODA has accomplished in such a brief period and were optimistic in their hopes for the future.

MYCODA also conducts regular briefings for school administrators, presentations to home/school associations and has initiated parent seminars. Its staff maintains a close contact with churches, police, social service agencies and other community organizations.

Although credit for MYCODA's success is due primarily to the interest and efforts of its members and leaders: Mr. Donald Henninger, president; Dr. Herbert McGibbeny, vice president; Mr. Charles Mikell, treasurer; and Mr. Lynn Lotecka, executive director, it took all segments of the community to make MYCODA work.

Mr. Speaker, I am pleased to call MYCODA's achievements to the attention of my colleagues for they, too, share in its success since the organization's primary source of funding is Federal money distributed under the Safe Streets Act. I believe my colleagues will join me in extending to the officers and members of MYCODA their best wishes for continued success in the future.

FACTS ABOUT NEW ORLEANS PUBLIC HEALTH SERVICE HOSPITAL

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HÉBERT. Mr. Speaker, as you know, the Department of Health, Education, and Welfare has notified Members of Congress of its intention to close down in-patient care at its Public Health Service hospitals as of July 1, 1973.

I will strenuously oppose this proposal and will work with other Members of Congress who share my feeings in this matter.

Because of the import of this issue, I want to enclose at this point in the Record a letter and fact sheet which I received from Rear Adm. Arthur A. de la Houssaye, U.S. Naval Reserve, retired, which he sent to Secretary Caspar Weinberger. It is most informative.

The letter follows:

New Orleans, La., *April 6, 1973.*

Hon. Caspar Weinberger,
Secretary of Health, Education, and Welfare,
Parklawn Building, Rockville, Md.

Dear Mr. Secretary: I am writing you as one vitally interested in the welfare of my country and concerned with the proposed closing of the U.S. Public Health Hospital at New Orleans. The New Orleans press carried an article with statements allegedly made by your Under Secretary Frank C. Carlucci, in which he was reportedly to have said "the closure would achieve improved care at greater convenience to those served" and that "fewer and fewer patients have been served by Public Health Hospitals". I respectfully take exception to those statements and cite my reasons therefore in the enclosed exhibit.

I am also sending a copy of this letter with enclosures to several others concerned, as I have gone to quite some length in attempting to secure accurate information which does not seem to jibe with some other statements allegedly made by the department.

In my humble estimation, you would work a terrific hardship on this community and on Maritime Service personnel, the U.S. Navy, the U.S. Coast Guard, retired personnel of both services and their dependents who have selected New Orleans as a place to live and retire as they have been assured adequate medical care in their retirement.

This hospital is staffed with excellent and capable doctors and dedicated technicians and to destroy this facility, which is so badly needed should not be permitted to occur.

I cannot urge you too strongly to re-evaluate the situation here at New Orleans as you would create havoc were you to close this hospital, as I feel certain the present hospital facilities here could not adequately serve those personnel and civilians entitled to public health hopsital care in this area.

Very Sincerely,

Arthur A. de la Houssaye,
Rear Adm. U.S.N.R., retired.

U.S. Public Health Hospital at New Orleans

1. For the fiscal year 1958 there were 74,208 out-patient visits; 1969—138,500; 1970—150,118; 1971—142,543 and 1972—135,684.

The average number of daily patients in the hospital for 1958 was 314, 1969—312; 1970—302; 1971—297 and 1972—299. You will note that the average number of patients in the hospital has slightly decreased, whereas the total number of admissions to the facilities has increased inasmuch as there were 7,637 admissions to the hospital in 1972 and in 1958 there were only 4,918, with subsequent increases each year.

2. I believe it also important to emphasize that a scrutiny of the records will show that the load has not dropped for American seamen served in 1972 as it was 41,924; Coast Guard—3,002, immigration cases—563, dependents, uniformed service—60,251, military including retired—15,711 and others not detailed herein would bring this total to 135,634. *The above summary statement certainly does not support the news releases that the hospital is not being utilized.*

3. The average daily in-patient load for January—1973 was 313; February—326 and March 1st to 26, 1973—was 302.

4. The American Hospital Association report of September 1971 indicated an average cost per day for hospitalization throughout the United States was $92.31, at which time the New Orleans Public Hospital cost was $61.00 to $68.00. The Community cost does not include physicians fees whereas the cost for Public Health Hospitalization does include physicians salaries, etc. The average cost, in 1973, for twelve hospitals in the Metropolitan Area of New Orleans indicates an average daily rate of $104.09 per day—which does not include physician fees, whereas the average cost per day for the entire Public Health Service Hospital System is $87.20. It is my understanding that the cost per day including everything at the U.S. Public Health Hospital of New Orleans is $68.20.

5. A cost analysis for fiscal year 1970 at the New Orleans Public Health Hospital indicated the cost per out-patient prescription (including personal services) was $1.41. The cost for the pharmacy per in-patient day for the same period was $1.93, compared with $8.01 in two local community hospitals. This represents a savings to the Federal Government of $1,024,403.

6. The pathology department realized a savings of $865,430 over contract costs. The X-ray department realized a similar savings of $694,018 and the dental department, $400.00.

7. The Clinical Laboratory of the Public Health Hospital at New Orleans supports hospitals at Carville, clinics in Mobile, St. Louis, Memphis, Miami, Tampa, Jacksonville, U.S. Naval Air Station at New Orleans, Naval Support Activity in Algiers, Coast Guard Dispensary in New Orleans, as well as the Coast Guard Air Station in St. Petersburg and the three Indian Hospitals in Claremore, Lawton and Talihina. The funding to take care of these items would be considerable.

8. It is interesting to note that Rear Admiral Robert MacPherson, U.S.N., who was Commandant of the Eighth Naval District, testified in 1971 that if the Public Health Hospital in New Orleans were to close the United States Navy would have to increase its budget by over $1,000,000.

9. Since the above statement was made, the Navy has seen fit to transfer the following commands to New Orleans:

Armed Forces Recruiting Headquarters
Administration Space for Various Departments of Defense Agencies
Chief of Naval Reserve Headquarters
Fourth Marine Air Wing Headquarters
Naval Personnel Admission and Computer Center
Armed Forces Entrance and Examination Center which will aggregate approximately 1,703 active personnel and several thousand dependents; and there are on active duty in this area over 1,025 in the U.S. Navy, with personnel of the active Coast Guard numbering 600, plus dependents and retired personnel of 3,500, plus Marine Corps, Navy Air and others, again with many thousands of dependents, with no Navy Hospital or Public Health Hospital within several hundred miles of New Orleans.

In examining the above brochure, it should be obvious to anyone that closing the U.S. Public Health Hospital in New Orleans would be false economy and very unwise action which would affect all of our military establishments, all of the retired and reserve personnel who have given many years of their lives to the service of their country. I again reiterate that this hospital should not be closed.

SALUTE TO A WORKHORSE

HON. JOHN W. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. DAVIS of Georgia. Mr. Speaker, I would like to call to the attention of my colleagues an editorial which appeared this week in Aviation Week and Space Technology regarding the Lockheed C–130 airplane. For years, we in Georgia, where the C–130 is produced, have known firsthand the outstanding qualities of this plane. It is rightfully called the workhorse of our air transport fleet and has for some 20 years responded to emergencies throughout the world in a manner unexcelled by any other aircraft. I am pleased to see that the C–130 is receiving the sort of recognition it has long deserved, and I commend the article "Salute to a Workhorse" to my colleagues as follows:

SALUTE TO A WORKHORSE

The importance and scope of aerial logistics are expanding rapidly in both military and commercial operations. No transport has played a more versatile, rugged and dependable role in this expansion than the Lockheed C–130 Hercules series. During its 20 years of production and operations it has compiled a unique and fantastic record in the annals of air transport and is still writing new chapters every month.

More than 1,200 of these turboprops have been built on Lockheed's Marietta, Ga., production line, and they are still rolling out at the rate of three a month with no end in sight. They are in service with 29 national air forces and a dozen airlines and have contributed $1 billion in export sales as part of the $2.8 billion they have poured into Lockheed coffers.

They have flown more than 8 million hr. and are currently logging flying time at a rate of from 75,000 to 100,000 hr. a month all around the globe.

The C–130 began during 1951 in a tough competition with Douglas and Boeing for prototype construction to meet a General Operational Requirement (GOR) of the Air Force generated by the experience of the Korean war, where air logistics played such a key role.

The basic requirement was for an aircraft that could transport a railroad box car equivalent in cubage and tonnage to almost any part of the world where improved airfields were not available. A touch of C. L. "Kelly" Johnson's genius went into the original design work at Burbank along with the efforts of co-designers Willis Hawkins and E. C. Frank. Two prototypes were built at Burbank, but production shifted to Marietta, which has been the home of the Hercules for the past 20 years, and became one of the most substantial and lucrative achievements of Lockheed's Georgia division.

The Hercules design, despite its conventional look today, pushed the state of the art at its inception with 3,000 psi. hydraulic system, high-voltage ac. electrical system, high-pressure and high-temperature pneumatic systems for de-icing and energy transfer, machined wing skins for integral fuel tanks, single-point refueling system and externally housed landing gear to provide untrammeled cargo space inside the fuselage.

The powerplants were Allison T56 turboprops originally developed by the Navy. In the Hercules, the P–3 Orion and the airlines' Electra, they fulfilled the prediction of Adm. A. M. Pride, then chief of the Navy's Bureau of Aeronautics, that the turboprop would become the workhorse of the jet age. As the Hercules design grew in size, gross weight and payload, the Allison engine development kept apace until the current models deliver 4,910 eshp. for the latest model Hercules.

The C–130 evolved through 45 different versions, and the key engineers and program managers changed with the models. Among them were E. A. Peterson on the prototypes, C. H. Dallas on the production C–130A and C–130E, J. A. Jaeger on the C–130B, J. W. Curtis on the commercial version and F. E. Gifford on the HC–130H air rescue version capable of picking up a man from the ground.

The Hercules has outstripped all its original requirements in a fantastic manner. It delivered full loads on ice in both the Arctic for DEW line support and the Antarctic where it is the standard Navy support transport. It has landed on dirt strips, grass, desert sands, aircraft carrier decks, and picked up and delivered cargo by aerial systems without ever landing at all. Because of its ability to land heavy cargo and supplies almost anywhere, it quickly became an emergency system to respond to natural disaster in all parts of the world.

Begun initially with the famed 322nd Air Div. based at Dreux and Evereux in France, the Hercules rescue work has included ice island breakups in the Arctic, tidal waves in Chile and Japan, earthquakes in Italy, Peru and Nicaragua, cholera epidemic in the Congo, polio in Japan, famine in Central Africa, locust plagues in North Africa, revolution in Santo Domingo, war refugees in the Congo, Jordan and Pakistan, blizzards in Arizona, hurricanes on the Gulf Coast and the floods of Agnes last summer in Virginia, Maryland and Pennsylvania.

The Hercules began early to expand beyond its transport role as an aerial mapping platform that discovered Cuba was misplaced by 1,200 ft. on then standard charts, as a mid-air recovery system for early USAF reconnaissance satellite data capsules and as a tanker.

But it was in the Southeast Asia war that the Hercules really played an incredible number of roles. As a transport, it provided the key air mobility and logistics that thwarted so many of Hanoi's offensive plans climaxing with the siege of Khe Sanh. These C–130 aerial supply missions kept the bisieged Marines going until the North Vietnamese regulars were decimated by air strikes.

The pounding that the C–130s took in Vietnam would have shattered a less rugged aircraft. In supplying combat troops, the number of over-gross takeoffs, heavy weight landings and grueling short-haul climb-cruise segments each day placed an unprecedented burden on the Hercules airframe and systems. Toward the end, even this rugged workhorse was being pounded to bits and required structural beef-up modifications.

But the Hercules also played an offensive role as a gunship, pounding the Ho Chi Minh trail at night, launching reconnaissance and ECM drones in North Vietnam and refueling rescue helicopters deep in enemy territory. It also flew ECM and Elint missions and served as an aerial command post for tactical commanders.

The Hercules also blossomed as a commercial cargo transport and is now doing such diverse jobs as supplying Arctic oil fields and hauling wall-to-wall carpeting direct from Carolina mills to Pacific Coast sales centers. Delta Air Lines, which pioneered the airline Hercules six years ago, soon found it was running out of cubage before tonnage and stimulated Lockheed to add a 12-ft. fuselage plug. This has produced the L–100–30 with a payload of over 50,000 lb., which is opening a new market segment not only for airline cargo operations but also for smaller nations that need a dual role civil-military freight carrier.

Lockheed is now negotiating with a score of countries on potential Hercules sales involving over a hundred aircraft. The Air Force is already designing a replacement for the Hercules military role in the AMST prototype competition. But by the time AMST goes into service, the C–130 will have recorded at least three decades of the toughest service. Meanwhile, its commercial future will continue with the steady expansion of air cargo demand.

DAYTON'S OIC

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. WHALEN. Mr. Speaker, often in recent years we have been told of the problems in manpower programs. Therefore, I am pleased that today I can bring to my colleagues' attention a report on a job training program that is being implemented successfully—Dayton's OIC program.

In operation since 1967, this project for the unemployed and underemployed focuses on minority groups but it is open to all regardless of race, creed, color, or previous background. Its motto is "We help ourselves."

I am sure that my colleagues and the readers of the RECORD will find the following account of Dayton's OIC efforts of interest:

[From the Dayton Daily News, Feb. 11, 1973]

TURNING DREAMS INTO JOBS—OIC "RESEARCH LAB" POLISHES SKILLS, OPENS DOORS

(By Bette Owens)

It's lunch time at the Dayton Youth Opportunities center at 1818 W. Third St. Fifteen students are sitting around, chatting about soap operas, a recent suicide, problems at home, drugs and prostitution.

Jessebelle, a welfare mother with two illegitimate children, dominates the conversation. She laughs about the suicide victim.

"When I die," she says, "I will have a vodka in one hand and some blue tips (narcotics) in my mouth. I'd never jump off a bridge."

Jabo shakes his head and mutters, "These women don't have a thing on their minds. They talk about soap operas like they lived in Peyton Place. Who cares about getting high. I want a job."

Jabo has problems. He is a former dope peddler. He can't get a job working with money because he's on parole for "hanging paper" (bad checks) and can't get a security bond, though he has a college education and is qualified to operate accounting machines.

He blames his troubles on the system. "I want to work, but they won't let me," he complains. "I'm here to get a new skill I can use without hangups.

"In high school, nobody ever took the time to prepare me for the working world. What's the sense in going to high school if you are just as dumb when you come out as when you went in?"

Jessebelle and Jabo are fictitious names, but they are real people—typical of the job-anxious residents in Dayton's black ghetto. In their desperation for jobs they enroll in job training programs around the city.

Jabo describes what has been called "systemic discrimination": "I got tired of knocking my head against the wall when employer after employer wouldn't hire me for anything but janitorial work. So I went to the streets, started pimping, pushing dope and forging checks. Got to eat somehow.

"Then I went to college in prison, came out and still can't get a job. OIC is my last hope. Something must be wrong with me. I hope this place can fix it. If not, I'll probably go back in the streets.

I was there listening to Jabo and Jessebelle because I was also a student of the OIC training program for several days. No one there knew I was a reporter. As far as they knew, I was just another person trying to learn a skill so I could get a job.

OIC stands for Opportunities Industrialization center, a self-help program started by the Rev. Leon H. Sullivan in Philadelphia in 1964 after leading a boycott against 29 big firms for not hiring blacks for skilled work and finding that few blacks were equipped to fill skilled jobs when they opened up.

The idea for the OIC program developed, Mr. Sullivan said later, because: "I could not request something from business if I could not produce. Integration without preparation is frustration, and protest without progress is empty."

The Dayton chapter of OIC and its training program for the unemployed and underemployed has been in operation since 1967. The main focus is on minority groups, but the program is open to all regardless of race, creed, color or previous background. A sign outside the building, a renovated warehouse in the heart of Dayton's black ghetto, says, "We help ourselves."

Inside, I found the atmosphere quite different from the depressing surroundings outside. The halls and walls are clean, the classrooms spacious. Almost like a college.

The receptionist was pleasant and the application form was simple. As soon as I had enrolled, I was interviewed by counselor Roy Kenion.

"Here is our student handbook," said Kenion. "Take it home, look it over and think about the skill you wish to develop. Your three-day orientation sessions begin Monday.

"On Wednesday you will take achievement tests and then your classes will begin the following Monday and last for about six months or longer. It depends on you."

"Is it that simple?" I asked.

"Sure is," he said. "But if you don't show up Monday, I will be calling you at home. If you have problems getting to the center, let us know so we can make arrangements for you.'

That's a switch, I thought. At most programs you have to take a physical, go on a waiting list, scratch and fight to get in.

OIC has a thorough orientation program that a lot of colleges would envy. The first day consisted of information on OIC's history, rap sessions and details on courses and job opportunities. Instructors later make use of attitudes revealed in the rap sessions when they give individual counseling.

There were about 15 in my orientation class. Some were jobless and untrained, others had menial jobs and wanted to acquire a skill.

Kenion, a 25-year-old college student, encouraged us to take the accounting machine course. OIC has placed several of its graduates in jobs with such machines at local banks.

The machines for the course were donated by businesses. "It is beneficial to industry to have us use their machines for training," said Kenion.

The second day in orientation was for job development and detailed description of courses. A job development counselor described the "feeder program" that prepares enrollees for job training by improving work attitudes and motivation.

It also gets into such general job-connected skills as preparing for a civil service exam, personal habits and appearance, communication, job-finding techniques, consumer education, image development and reading.

The student handbook describes orientation as "the most significant part of the OIC commitment in reaching the new trainee. The trainee is motivated to realize it is possible for him to become a productive person in the work world."

I thought the feeder program very effective. I could sense changes in the attitudes of my fellow students. But it is still only part of the program, and I could understand why OIC balked in 1967 when the vice president of McCall Corp. wanted to support only that phase of the program.

Asked why OIC devotes three days to orientation, Kenion replied, "To prepare and retrain the body, change habits to a working climate and give an in-depth explanation of how OIC functions."

OIC offers 10 courses—clerical skills, office machines, telephone training, communication skills, key punch operation, computational skills, data processing, community development, accounting machines and auto mechanics.

I signed up for key punch operation, which I was to take along with feeder program courses.

The key punch curriculum includes typing, filing, computation and communication skills. Students work at their own pace. The instructors and counselors were very alert.

I tried to keep it from showing that I already knew how to type, but the typing teacher wasn't fooled. She alerted the job developer and, bingo! I got a job offer for $6,500 a year from a local law firm.

That kind of thing really turns on the students. The power of positive thinking could be felt throughout the center.

The job developer told me I could continue my OIC courses and work in the job, too, but I declined the offer. He didn't even get upset when I told him I would rather work for $8,500 a year. He tried to find me a job in that pay range.

After six days in the program, I was convinced that it is effective and has a good impact on the students and the community. I revealed my true identity as a reporter to the executive director, Thomas L. Gaston.

Gaston is clearly enthusiastic and proud of what OIC is doing. "The school system has a lot to learn from us," he said. "We get the products of the high school system. We know better than they the failings and weaknesses of high schools."

Gaston hopes OIC never becomes used as an institution. "OIC should be a research lab," he said. "Schools should use us as a center where they can test techniques we have developed."

Gaston likes to quote OIC statistics: 87 per cent have completed school through grades 10, 11 or 12, 41 per cent are 21 to 25 year old, 75 per cent have incomes below the poverty level.

What kind of people go to OIC? Ex-offenders determined to "go straight" after release from prison or jail, laid-off workers, high school dropouts, housewives bored with staying home, divorcees who need job security, Army veterans, and many others in need of knowing more about how to get and keep a good job.

"OIC paves a future," said Gaston, "for people with minority group frustrations, feelings of inadequacy and little motivations—sensitive people who have lived by 'mother wit' in a degraded environment of slums, illegitimacy, welfare, poverty and exploitations by landlords and merchants."

More than 2,000 Daytonians have taken OIC training so far. Of those placed in jobs, 86 per cent stayed there six months or longer. Current enrollment is 182.

The current unemployment rate among Dayton blacks is 25 per cent. Gaston believes OIC can keep cutting into this and keep reducing "systematic discrimination" if it can get enough money to continue operating.

OIC depends on donations of money, equipment and services from private industry and business. It gets some federal funds, but only on a matching basis, so that it much first get private donations in order to qualify for federal funds.

This makes cash donations more valuable, since donations of equipment and services do not produce equivalent federal funds. However, recent cutbacks in federal government spending indicates there will be even less from that source from now on.

Right now according to Gaston, OIC has enough funds for operation only through July. To assure another year of life, Gaston figures OIC needs about $350,000 in cash and $50,000 in services—not counting plans to set up a branch in East Dayton or the $75,000 needed to set up and run an NCR computer that was donated by a local firm.

Gaston said the computer could be used to expand OIC's program into computer programming, data processing and computer operations. But OIC has not been able to afford to install it and use it, and so it sits idle under a plastic cover.

SEWAGE TREATMENT FARMS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. VANDER JAGT. Mr. Speaker, during the course of the debate on the 1972 Water Pollution Control Act Amendments in March last year, I had the opportunity to offer an amendment to the legislation which provided for the encouragement of sewage treatment systems that recycle nutrients in sewage through agriculture, aquaculture and/or silviculture. It was gratifying when the House responded favorably to the amendment by a 250-to-130 vote.

In the intervening year progress in the development of recycling systems has been substantial, and a considerable amount of research has turned up many more systems throughout the world that utilize recycling as a means to control the threat of water pollution.

Some of the more notable examples include a 7,500-acre sewage farm in Paris, France, that since 1883 has produced and continues to produce substantial quantities of fresh vegetables for direct human consumption, a 26,000-acre sewage farm in Melbourne, Australia, that flood irrigates raw sewage on 10,000 acres of pasture from which 270,000 head of beef cattle and 1,500,000 sheep have been marketed since 1910, and innumerable smaller systems in the United States including Tallahassee, Fla.; Lubbock, Tex.; Bakersfield and Fresno, Calif.; and Belding and Ravenna, Mich.

Many of these systems are very primative, spreading raw sewage on the land, although public health service requirements in the United States have led to pretreatment of the sewage with the result that only treated effluent has been flood irrigated or spray irrigated on soil and crops in this country.

The Muskegon, Mich., system in my congressional district will be the largest land treatment system in the United States and will begin operations this week. It will treat raw sewage to secondary treatment standards in aerated lagoons, and then after chlorination irrigate 6,000 acres of cropland by means of center pivot spray irrigation rigs. Muskegon County is anticipating substantial income from corn and forage crops grown on its farm which will help reduce the overall cost of sewage treatment already relatively low in a land treatment system with its simple construction and operations.

During the course of my investigations relative to recycling systems for sewage, many questions have been raised about such systems and I suppose that I have been required to dig out the answers to as many questions on the subject as anyone. Most of them have related to agriculture recycling of the nutrients in sewage because that is the approach most advanced in development and it is the approach of the Muskegon system with which I am best acquainted. Because many areas of the Nation are carefully exploring sewage treatment processes in order to construct systems to meet requirements of the 1972 Water Pollution Control Act Amendments, and because many Members become directly involved with their constituents at some point in the selection process, the following questions and answers relating to the land treatment process may be helpful.

Where can enough land be found for such a system?

Land treatment systems do require substantial amounts of land, the exact amount depending on soil type, climate—length of growing season and rainfall—topography and nutrient concentrations in the *effluent*. Land is needed for treatment and storage lagoons—if the ground freezes in the winter unless forest land is irrigated—as well as for irrigated cropland. On the average, about 200 acres per million gallons of sewage per day is required. Muskegon will use 10,000 acres for its 43 million gallons per day system. It is important to keep in mind that much of the land in such systems will continue to be used for agriculture and that agriculture production will not be lost in the process; rather, substantially increased crop production is most likely. Agriculture land is generally found within reasonable distances from urban areas. The important problem is how the use of land for irrigation of treated sewage effluent is acquired. Several options are available to local government, including fee ownership, leasing and easements. Payment for the right to irrigate nutrient rich effluent on a farmer's land may well be the least socially disruptive system for land use in contrast to fee ownership requiring the farmer to give up his land.

Will not land treatment systems pollute groundwater?

A properly designed land treatment system will irrigate at rates allowing maximum removal of potential pollutants by crops. Chemical reactions in the soil and other natural processes in the soil will also help preclude movement of pollutants to the ground water. In addition, one of the more serious problems associated with prolonged irrigation is the buildup of the water table to the land surface. This potential problem will not be encountered by a properly designed land treatment system because such a system includes complete underdrainage for the irrigated land.

Will not land treatment systems smell?

The odors generally associated with sewage are the result of decomposition of the sewage under anaerobic conditions—the swamp gas effect. A properly designed land treatment system will include processes for the aerated breakdown of organic matter thus eliminating odors in this phase of the system. It is possible that treated effluent in storage lagoons may emit minimal odors during spring turnover of the water.

While 90 percent of the organic matter has been decomposed in the secondary treatment process, stratification of stored water in the winter may result in some anerobic decomposition of the remaining organic matter. This possibility can be eliminated by aeration or the integration of powerplants or other industries into the complex that will use the stored water as an industrial water supply thereby keeping the water in circulation. However, even if such actions were not taken, such odors would occur for only a few hours, they should be quite nominal, and the buffering effect of the agriculture lands in such systems should prevent any significant problem. It is interesting to note that Paris and Melbourne have not experienced objectionable odors and they irrigate raw sewage. The treated effluent irrigated on cropland in a properly designed land treatment system will have less than 10 percent of the organic matter of raw sewage to decompose and the aerating effects of irrigation will eliminate any potential odor problems from that source.

Are not land treatment systems too expensive?

Total construction costs at Muskegon, including land, are less than $1 per gallon of treatment capacity. Costs of a comparable size physical-chemical treatment system in Chicago are about $1.40 and the Corps of Engineers has estimated installed costs for treatment of all of the wastewater from Chicago and the south end of Lake Michigan at 84 cents per gallon of treatment capacity for a land treatment system, $1.26 for a physical-chemical treatment system to handle such wastes, and $1.57 for an advanced biological treatment system. Operating costs of land treatment are conceded to be significantly less than the costs for alternative processes in addition land treatment system provide agriculture income to further reduce operating costs.

Do land treatment systems perform as well as alternatives in treating sewage?

Evidence accumulated to date indicates that the land treatment process performs better than any other sewage treatment process except distillation of water, according to the Council on Environmental Quality in its 1971 first annual report to the President. It is interesting to note that a modified form of land treatment is used in standard drinking water purification processes.

It would also be of interest to Members to note several facts related to the nutrients in sewage that are utilized for crop production in the land treatment process versus attempts to "dispose" of such nutrients in other systems. Nutrients in the 40 billion gallons of sewage produced in the Nation each day are worth about $1,732,000 or annually $632,000,000 at last year's fertilizer prices. Physical-chemical and advanced biological treatment systems waste this fertilizer through incineration of the sludges they produce or the volatilization of fertilizers such as nitrogen through denitrification or breakpoint chlorination and consequent loss of that fertilizer to the atmosphere. In this day of growing scarcity of natural resources including fertilizers we can no longer view with equinimity such ostentatious waste.

As further developments occur in the field of sewage treatment processes I will attempt to provide additional information to the House of Representatives and will be pleased to answer other questions Members may wish to pose.

CITIZENS BAND WAS ONLY VOICE DURING AGNES FLOOD

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HASTINGS. Mr. Speaker, when tropical storm Agnes swept through my district in southwestern New York last June causing catastrophic flooding, the voice of the Citizen Band operators provided the only communication link in the devastated area.

These people typified public stewardship at its highest level. Serving long hours and many times at great physical risk, they performed outstandingly sending and receiving messages during those critical days and nights in the wake of the storm. Their efforts are deserving of the highest praise.

A recent story in the Erwin Progress tells in detail the superb job done by these citizens in time of community disaster. I am inserting excerpts in the RECORD.

The excerpts follow:

CB COMMUNICATIONS WAS VOICE DURING DISASTER

Sometime around five in the morning, Friday, June 23, 1972, Al Rigby looked out his living room window high on Hillcrest Drive, and watched generators start to blow throughout the water logged valley.

At that point, he knew the area was without power, and that meant without communication, so he ran his trailer camper generator upstairs to his Citizens Band radio set.

That was the beginning of Corning-Painted Post's radio base control station; an operation that linked the Agnes disaster area to the outside world for the worst period of the flood.

Earlier, on Thursday night, Mr. Rigby had been talking with CB operators in the Campbell area and had received some reports that the dam at Bradford had broken. He had gone to Campbell to bring his daughter, Mrs. Judy Kennedy, into Painted Post and out of, what was then believed to be, the danger area.

(It was later determined that the Bradford Dam had not burst. According to Mr. Rigby, a caretaker ordinarily opens the gates at certain intervals. Evidently the caretaker had opened the gates, met a torrent of water and fled, leaving the gates open.)

Mr. Rigby had tried to go to sleep late Thursday night but awoke at four and went to the window to see what was happening. He didn't have his glasses, so at first he thought the valley was covered with fog.

"But what I thought was fog," he said, "was really water." And then things started happening fast. Hillcrest Drive is one of the highest elevations in the area and evacuees began arriving in droves. Mr. Rigby started directing traffic and clearing the road so people could get through to high ground.

HOME BASE BEGINS

Then he began calling and picking up every available mobile CB set in the area. The state police, he said, had lost their set and their emergency generator was under water so a set was installed with the police. He also went to the Painted Post Fire Department and gerry-rigged an antenna for their mobile unit.

Mobile units were quickly established at Corning Hospital, West High School, the Holiday Inn, Frank Pierce School, Watson Homestead, the Winfield Street School, the Smith School, Sullivan Park, CFA School, Corning City Hall, and Corning Community College.

And then the round-robin communication relay began.

There is a big difference between Citizen's Band and Ham Radio operators. Ham radio means shortwave; each ham operator is assigned a call name and only ham units have the range to broadcast out of the immediate area.

CB operators, on the other hand, operate only in a short range, depending on the geographical layout, of about 20 miles. Ordinarily, people take up CB radio as something of a hobby. They chat with other CB units in their neighborhoods, or use their equipment as a traveling phone in the car, or to help coordinate camping and outdoor activities.

But last June, over 25 CB operators became involved in a life and death operation that was hardly recreational.

SEVERAL ADVANTAGES

The Rigby household had several sound prerequisites to becoming a base control station. First, the house is situated high on Hillcrest Drive, protecting it from flood damage and freeing the station from the interference of hills. Second, the Rigby CB set is equipped with an electronic device that allows the operator, by remote-control, to position the radio antenna in seconds.

And finally, Mr. Rigby, as his daughter put it, is "something of a tinkerer." The radio tubes in CB sets are designed to last about 20 hours and at the time of the flood, needed constant attention. Eventually, Emmery Meyers was able to set up a repair shop in the Rigby living room, supplied with electronic paraphernalia from the Rigby basement.

At first, only two Ham operators were available to relay messages to the outside; they were Jack Shammer of Elmira and Larry Carpenter.

The system worked this way: mobile units would call requests for personnel or supplies into the base station. The base station would either contact the next appropriate mobile unit, or pass the call on through a ham operator.

SPECIAL AMPLIFIER

Captain Halm of the National Guard had authorized the use of a linear amplifier at home base. Under ordinary circumstances, the use of such a device is prohibited by the Federal Communications Commission. Mr. Rigby said people as far away as Texas and California were picking up base control broadcasts, but when they found out what was going on, they quickly and polite cleared the channel.

The first call the base station picked up was a rescue mission. Two Corning Glass Workers were stranded on the Erwin Valley plant roof.

From then on, the calls poured in and the base station set was never left vacant. Judy Kennedy, who did relief on the radio set and also took down messages in shorthand, said that doctor's orders and prescriptions were the most difficult messages, since one misspelled word could be fatal.

ADDISON CONTACT

The Hillcrest Drive station also served as Addison's only outlet to the outside world. After the first week of operation, a meeting for all communication workers was held at West High School and, according to Mr. Rigby, the Addison group stressed the necessity of contact with home base.

Since the home base had the clearest idea of what was going on, and what supplies were needed where, Mr. Rigby found himself assuming an authority that, actually, no one had given him. As an example, it was learned that the Addison community had no drinking water. A group of trucks had come into Corning with fresh drinking water, and Mr. Rigby asked that one of those trucks be diverted to Addison.

Someone asked him whose authority the truck was to be rerouted under, and Mr. Rigby answered promptly, "It will have to be mine."

VOLUNTEER CENTER

Besides the radio base control operations, the Rigby home also became the volunteer center. Anyone who could vounteer work first came to the Rigby house, and was then placed where he could do the most good.

Literally hundreds of evacuees and volunteers passed through the Hillcrest home each day following the flood.

After the second week, the Corning Glass Works began paying personnel to keep the home base operation going. Dr. Wakeman of CGW, gave permission for Glass Works personnel to maintain their relief work, rather than returning to their jobs, Mr. Rigby said.

The Glass Works also contributed some equipment, including three typewriters, to the home base operation.

The dedication and effort of the mobile unit operators, Mr. Rigby said, was superhuman. He cited one case of a couple who manned a mobile unit in their car for well over 36 hours.

CB WORKERS

Although a complete list may be impossible to compile at this point, Mr. Rigby has gathered the following names of CB operators who worked in the flood relief effort.

They are: Sam and Ann Cooper, Richard Savey, Arthur Pierpont, Ernest Lewis, Arnold Brooks, Lavern Brooks, Stewart Plumbly, Robert Blencowe, Raymond Baker, Jess Faulkner, Richard Herrick, Raymond Schwartz, Ernest Marsh, Waldo Preston, Richard Prins and Harry Surner.

Those assisting with nontechnical help were: Judy and Neil Kennedy, Burt and Ann Nolla, Laura Bruce, Edward Bush, Vern Anderson and Norman Woodhouse.

The ham operators who worked in this operation are listed separately in this paper.

Mr. Rigby submitted a detailed report of the home base activities to the Federal Communications Commission in Washington, D.C., but to date has received no acknowledgment of this report.

He was told that the FCC monitored home base operations during one 24 hour period. Someone recently cited him a statistic that, at the most hectic period, home base was receiving a message every 20 seconds during one 24 hour period; but this statement has not been verified.

NEW SLANT SUGGESTED ON AMNESTY QUESTION

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. SHOUP. Mr. Speaker, the Wescolite, the student newspaper at Western Montana College in Dillon, Mont., carried an article suggesting a new slant concerning the question of amnesty. It suggests an interesting approach to the problem which I think merits publication in the RECORD. I urge its printing:

NEW SLANT SUGGESTED ON AMNESTY QUESTION

(By Dean Van De Hey)

(NOTE.—The question of "amnesty" for those young men renouncing their citizenship and leaving the United States to escape military duty, brought this suggestion from a returned veteran. It appeared in The Wescolite, Western Montana College student newspaper in Dillon, Montana. The author is a sophomore student from Missoula and a three-year veteran who served 27 months in Viet Nam with a 13-man Construction Battalion team in the Navy.)

A very important problem now is facing the nation. The question of amnesty for the men who left the United States instead of bearing arms for their nation is very controversial.

The views that I'm putting forward are my own. I think I have as much right to voice my opinion as the President or any other citizen of the United States, for I served my country and bore arms in her defense.

I, like many of the young people, did not agree fully with the war in Vietnam. But, unlike many, I fulfilled my obligation in the Armed Services.

Those who decided to leave our country to go to Canada, Sweden or Switzerland now want the United States to take them back, without any reprimand. However, Americans who have lost sons or who served in the Armed Services won't sit back and let this happen, and they should not.

Look back a few years when we, the young people, asked for the right to govern our lives. We were given the right to vote. With this we were also considered of the legal age, so now we make our own decisions. In other words, those who chose to leave this country must now live with those decisions. They made their decisions; they considered themselves adults; so now let them live with those decisions.

I also think that we can not keep these people out of the United States. Many left just because it was the thing to do. These persons have grown up now and realize what an important decision they made. But, I believe they now must prove themselves.

One way for these people to prove themselves is for us to treat them as aliens. In other words, if these people want to come back into the United States, then they must obtain their citizenship, just like anyone coming into our country to live. This is not as easy as it sounds. In fact, we take a lot for granted when we are born in this country and are given this honor of citizenship, just because we were born here. The men coming back to the United States should have to re-earn their citizenship because they denounced it once. I think they should realize how difficult it is to obtain.

For example, a man must appear before a Naturalization Court and file a petition for citizenship. At this time a preliminary examination of his character and his sincerity is made. Then after five years' residence the applicant must reappear for a final hearing. Two American citizens must also appear with the applicant to swear to his loyalty to the United States and certify his character and residence. The applicant must then take an oath to uphold the laws of the United States and to bear arms in defense of this nation. This may be one of the reasons why he left this country, but after earning his citizenship instead of having it given to him, it will mean a little more to him than before. The applicant must also swear not to engage in any subversive activities. Then a 90 day waiting period is enforced. In these 90 days the applicant's character and actions are investigated. After which he will receive his certificate of citizenship.

I believe that after an applicant has done this, no one should hold his previous actions against him. All men make mistakes, and I believe that after regaining his citizenship, a man would have proven his loyalty to this country, for regaining citizenship is not an easy task.

This is one way by which I believe the problem of amnesty can be solved. These men can not expect to be given citizenship but if they earn it, their past records should not be held against them.

NEWARK'S ATTUCKS-KING MEMORIAL PARADE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. RODINO. Mr. Speaker, on Sunday, April 15, in my hometown of Newark, N.J., our eighth annual Attucks-King Parade was celebrated. This year our gathering took on added significance, for "Character Building Through Sportsmanship" was selected as our theme and in addition to recalling the lives, achievements, hopes, and dreams of Crispus Attucks and Dr. Martin Luther King. We also set aside this time to reflect upon another man—the late Jackie Robinson.

Jackie Robinson—No. 42, second baseman for the Brooklyn Dodgers, Rookie of the Year in 1947, Most Valuable Player in 1949, and in 1962, the first black member elected to Baseball's Hall of Fame. And all the time, through his skill, his intelligence, his belief in himself, his determination to prove he was not only good, but the very best, he was saying, "Judge me, look at me, for my ability and my achievements, judge me for what I can do and for what I hope to attain." Jackie Robinson, who cracked the crust of bigotry in the baseball world, achieved a breakthrough which had an incalculable effect on the texture of all American life. Jackie Robinson, succeeded in breaking down the barriers that for 70 years made baseball a solely exclusive sport and made it possible for an unbroken string of black stars to enter the big leagues. Jackie Robinson—a man who remained throughout his life a tireless crusader for social and racial justice.

For this first step which Jackie Robinson took on the field of competition in 1947 demonstrated not only that the National League had room for one outstanding black man but that American society was open for all men, regardless of color or creed.

So too did Crispus Attucks, by his presence among the early American revolutionaries, demonstrate that freedom and self-determination were to be the inherent rights of all participants in American life. Crispus Attucks, tall and heavily built, carrying only a large wooden stick, stood forth as the leader for the courageous gathering of Boston citizens who defended the sentinel at the King Street Custom's House against the British that March night in 1770. Little is really known of his background and historians have been known to quibble over conflicting accounts. What is to be remembered, however, is that Crispus Attucks just seemed to arise and act upon the feelings pounding in his heart and the hearts of all our early colonists to become one of the first martyrs to stand forth for the cause of American liberty. What is to be remembered is that in fighting for justice and freedom, all men work together as a team and are judged by their ability, their accomplishments and their success.

John Boyle O'Reilly, in dedicating a poem to Crispus Attucks, called upon all of us and asked:

> Have we learned through affliction's teaching what our Crispus Attucks knew,
> When right is stricken, the white and the black are counted as one, not two?
> And so we must come to the learning of Boston's lesson today,
> The moral that Crispus Attucks taught in the old heroic way,
> God made mankind to be one in blood, and one in spirit and thought;
> And so great a boon, by a brave man's death, is never dearly bought.

And Dr. Martin Luther King, could not he have easily stated these words, almost two centuries later—

> When right is stricken, the white and black, are counted as one, not two?

Martin Luther King stood as a symbol above color for the imperishable rights of us all. He held a dream for the black, and this same dream for the poor and the disadvantaged, and this same dream still for peace for his country for men at home and abroad.

He said—

> It is the need for men, to ovecome oppression and violence without resorting to violence and oppression.

Martin Luther King—whose militant nonviolence accomplished more in his short lifetime in bridging the gap of fear and misunderstanding than all the violence of the racists, black, or white. He made us aware that the better angels of our nature can dominate the struggle of the United States and her people. And the dream of true equality of rights and opportunity for all men is nearer today because in our lifetime there lived a Martin Luther King.

Thus, we can take that baseball field in which Jackie Robinson played and we can do many things to it. We can fence it in. We can build the highest of walls around it and cut if off from the outside world. We can forget to cut its grass and clean its stands and let it remain neglected in years to come. Or, we can open up its doors and build the very best of teams, with the most qualified and the most skillful of players, let us all join together and take the latter course. For I believe, in so doing, we can accomplish a great deal.

COMMONWEALTH AGAINST BRUNELLE

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HOGAN. Mr. Speaker, earlier I inserted excerpts from the testimony in the criminal abortion trial Commonwealth against Brunelle held in the State of Massachusetts. Today, I would like to begin inserting a commentary on this testimony previously printed in the RECORD by Dr. Herbert Ratner, M.D., public health director of Oak Park, Ill. and editor of Child and Family Quarterly. The commentary was printed in Child and Family Quarterly, volume 9, No. 2, page 159:

COMMONWEALTH AGAINST BRUNELLE

II. COMMENTARY

(By Herbert Ratner)

Whether the act of abortion constitutes homicide—the killing of a man—is critical to any legal conclusion concerning abortion. Since "who is man" and "what is fetus" are first and foremost biological questions, they must be resolved in our times, as they have been throughout the history of civil and canon law, by relying upon the best scientific knowledge of the day.

To the question, then, of "what is a fetus?" (or an embryo or a zygote), a question that pertains directly to the constitutionality of the Massachusetts law, it is understandable why the Court in *Commonwealth* v. *Brunelle* restricted witnesses to specialists from the fields of medicine and biology. The biologist's studies include the life cycle of the species, *Homo sapiens*. The physician, whose patients are human beings, should be able to identify the recipient of his art. Definitive answers from these specialists, were they forthcoming, would at least establish the existence or nonexistence of a victim.

The Court's restriction had an additional benefit. Medicine and biology are sciences which base their conclusions upon observation and sensory data about which there can be much agreement. They contrast to other disciplines—sociology, politics, ethics and theology—in which agreements are fewer and where hypotheses, conjecture, speculation and value judgments are multiple.

The testimony of the witnesses for the defense, because of its arbitrary deviation from standard medical and biological truths, is analyzed at length. The testimony of the Witnesses for the State of Massachusetts, because it conforms to established medical and biological knowledge, is not analyzed.

In science, even more so than in any other discourse, the function of words is to communicate concepts that correspond to objective reality. As one reads and reflects on the testimony of the defense witnesses, however, as they attempt to characterize the nature of that within the pregnant woman which establishes the pregnant state, the impression arises that these extensively educated physicians and biologists are manipulating words to confuse, and to further a desired end, rather than using words to clarify an objective reality. For instance, the repeated labelling of the fetus as a "potential human being" sounds like a previously agreed upon party-line, like a calculated ambiguity intended to obscure, instead of the precise language of the dispassionate scientist delineating an actuality. Such labelling is adroit. While not denying that the fetus is related to a human being, it denies that is *is* a human being.

The defense witnesses seem to be ignorant of, or to have forgotten, the admonishment of William Harvey who, in 1651, in his great classic on *Anatomical Exercises on the Generation of Animals*, stated that—

"To have recourse to new and unusual terms were less to bring a torch to lighten, than to darken things still more with a cloud: it were to attempt an explanation . . .

"By [an] unknown, and to impose a greater toil to the reader to understand the meaning of words than to comprehend the things themselves."

Here, Harvey insists that the true scientist is one who exposits reality by clarifying it, not one who muddles it by camouflaging it with new and fuzzy terms. Recourse to the lexicon makes evident that the defense witnesses avoided standard medical terminology to circumvent established medical knowledge by using the metaphysical term, *potential,* which they misunderstand and misapply. In so doing, they ignored what even the high school student is taught from the most widely used, contemporary high school textbook on sex education: "Human life begins when the head of the sperm cell, which carries the nucleus, unites with the nucleus of the ovum, or egg cell." (Interestingly, Alan Guttmacher, President of Planned Parenthood-World Population and a foremost crusader for "abortion-on-demand," is credited as a consultant for this book.) It is as if the goal of the defense were to confuse the Court about the biological facts in the hope that the Court could be fooled or intimidated and robbed of its common sense by a chorus of witnesses harmonizing a leitmotif.

An analysis of their testimony, however, reveals discord rather than concord. The defense witnesses testified to two contrary positions neither of which, curiously, derived from their competencies as experts in the disciplines of biology or medicine. One set of witnesses (Hall and Tietze) espoused the position that the fetus does not have "the nature of a human being" but is only a "*potential* human being." The other set of witness (Lieberman, Hardin and Notman) took the contrary position that it is beyond the competency of the natural scientist or physician to determine who is a human being or whether the fetus is a human being, since *human being* is not a medical concept or even a scientific issue. In other words, they insisted that *human being* is a relative, variable, or arbitrary designation superimposed from outside their specialties. In effect then, the former set of witnesses claimed on medical grounds to be able to distinguish between a *potential* and an *actual* human being, whereas the latter set denied that it was within the competency of the biological and medical sciences to determine who is or is not a human being. These discordant positions deserve further analysis.

THE FIRST SET OF DEFENSE WITNESSES

For the former to define the fetus as a potenial human being is a misleading, unscientific, and erroneous use of the term and concept, *potential*. It is misleading because it artificially separates one stage in the life of an individual, a stage that is part of the progressive sequence of stages leading to maturity, from all other stages. Thus, the fetus is arbitrarily singled out, labelled *potenial* and robbed of the status it shares with *actual* human beings in all other stages of life. It is unscientific because it does not tell us what the fetus *is* only what it may become. It is erroneous because it imposes a philosophic concept where it does not apply. Nowhere in the medical literature, or in the science of embryology which deals specifically with the fetus, is the metaphysical concept, *potential,* ever used in this manner. In embryology, the accurate and technical terms for the process implied by the erroneously applied term, *potential,* are *growth,* and *development,* terms which equally apply to zygote, embyro, fetus, infant, child, pubescent and adolescent.

In the natural order, the phrase, *potential human being,* can only have meaning when applied to egg and sperm, which are specialized parts ordained to a new whole. Separately, each shed egg and sperm has a chromosomal number half that characteristic of the human species. Separately, each has an extremely limited life span: the egg, less than a day; the sperm, less than a week. Biologically, each has only two possible futures: death with its matter returning to the nonliving world; or transformation into a new, living, biologic whole, the zygote, through a unitive process of the two germinal cells. This zygote—a new whole, a new individual—is no longer part of the mother's body any more than a tapeworm would be considered part of the mother, since neither is organically related.

This new whole has its own distinct, separate biological destiny—the destiny of a new human being with a life span now measured in scores of years rather than days. It not only possesses the full complement of chromosomes characteristic of a human being; but more uniquely it possesses an intrinsic, autonomous, automatic, self-activating radical power of growth and development. It has the capacity to convert *itself* into a fully developed individual, from an immature whole of one cell into a mature whole—adult man—consisting of myriad cells and numerous organic parts. Though growth and development is coninuous, for convenience's sake we delineate temporal-spatial stages such as zygote, embryo, fetus, infant, child, pubescent and adolescent. To apply the phrase, *potential human being*, to any one of these stages has no scientific meaning because, whatever the stage, it is a stage of a human being already in existence. Neither in embryology in reference to zygote, embryo and fetus, nor in pediatrics in reference to infant, child, pubescent and adolescent, does one talk of a potential human being; one only talks of the growth and development of an actual human being.

That this is what biology teaches is accepted knowledge and is best explicated by Prof. J. H. Woodger of the University of London, in his modern classic, *Biological Principles*.

As preliminary and fundamental, Woodger emphasizes the distinction between cell and organism—between part and whole.

"A protozoon, a fertilized ovum, an unstrained muscle fiber, and a spermatozoon all exhibit this mode of organization [that of the cell] but they are very different entities and to confuse them is disastrous . . . . By a cell therefore I shall understand *a certain type of biological organization* not a concrete entity. A protozoon is a *whole* organism which is characterized throughout its history by the cell-type of organization. A fertilized ovum is a *temporal* part of an organism which latter is *not* characterized by the cell-type of organization *throughout* its history. An unstriated muscle fiber is a *spatial* part of an organism and this part is characterized by the cell-type of organization. And the spermatozoon is a special part, characterized by the same type of organization, which has been separated 'for the purposes' of reproduction. It is as we shall see, a serious misdemeanor . . . to confuse a part with a whole." (pp. 295–6)

Woodger makes clear—

"That the notion of organization should also embrace this fact of intrinsic serial change. It should be noted that it is incorrect to speak of an ovum developing into a frog, it *is* a *temporal* part of the history which *is* the frog. . . ." (p. 302).

Woodger, finally distinguishes embryology from genetics:

"The difference between a man and a monkey is one topic of study and belongs to genetics, but the difference between a man when he is an egg and the same man when he is twenty-one years of age is quite another topic of study and belongs to embryology." (p. 338)

* * * * *

"What exactly is it that develops—what persists, and what changes?

The individual living organism is an event—a spatio-temporal happening. For human experience it is *known as* a certain perceptual object, namely a given animal or plant of every day life. And this perceptual object is a character of an event. We *know* such an event *as* a persisting thing, that is to say we know the event which constitutes the organism as having a certain permanence of characterization of a certain type. It is of the type which requires time in which to display itself, since successive temporal parts of the event are differently characterized—it is a non-uniform object of . . . historical route . . . and we are concerned with the earlier parts during which, as it is commonly expressed, the organism exhibits a progressive increase in complexity of form, and the term development is usually only applied to this period." (p. 339)

In summary, then, following Woodger, it can be stated that when the unfertilized egg, which is a separated *part* of the mother, becomes fertilized by the sperm, which is a separated *part* of the father, a new individual, a new unique *whole,* comes into existence. In the species, *Homo sapiens,* it is a new human being. As Woodger states "to confuse a part with a whole" is "disastrous" and a "serious misdemeanor." One can argue about the rights of a human being at different stages of life, but that it is a human being throughout its intrauterine and extrauterine existence is an established fact of biology, the *science* of life, from which we derive physical proof of the presence or absence of man.

THE MASTERS REMAINS LILY WHITE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. BADILLO. Mr. Speaker, last month I called to our colleagues' attention the fact that the prestigious Masters Golf Tournament was callously observing a subtle form of discrimination and that in the 37 years of the tournament's history a black American golf professional has never been invited to participate.

In a letter to the tournament director, 17 of our colleagues and I urged that the color barrier finally be broken and suggested that Mr. Lee Elder be extended an invitation. Regrettably, Mr. Clifford Roberts, the tournament director, rejected our petition and, once again, a black contestant was absent.

In recent days two articles have appeared in the Washington Post about the Masters' exclusion of blacks. These well-written and very perceptive articles—by sports writer George Solomon and columnist Colman McCarthy—go to the very core of the problem and discuss some of those issues which prompted me to initiate an effort, for the second time in as many years, to overcome the barrier thrown up against black professionals such as Elder, Charlie Sifford, Pete Brown and others.

I believe these two articles warrant full and careful consideration not only by our colleagues but by those who seek to achieve full equality and equal rights in athletics and other endeavors as well. I commend these articles to our colleagues' attention and present them herewith for inclusion in the RECORD:

[From the Washington Post, Apr. 7, 1973]

SNOBBISHNESS OF THE MASTERS TOURNAMENT

(By Colman McCarthy)

The unemployment rate for blacks is a little higher this week, due to the policies of the Augusta National Golf Club. The Masters golf tournament began Thursday and such black professionals as Lee Elder, Charlie Sifford, Jim Dent, Pete Brown, George Johnson and Chuck Thorpe were not competing. They play in most other tournaments on the tour, from the U.S. Open—the most important event—to the Westchester Open, the richest. But unlike these tournaments and most others, entry to the Masters is not based solely on skill but on other qualifications, set out like guy wires by the captains of the Augusta ship. Attention was given the situation, when two weeks ago, 18 congressmen asked that Lee Elder, a black pro from Washington, be given special invitation.

The controversy over the Masters is not new, though the congressional interest is. An Augusta official, Clifford Roberts, a 77-year-old investment banker, rejected the petition from Congress, saying it would be "discrimination in reverse" to invite Elder because of his blackness. Thirteen categories exist for a Masters invitation. These include winning a regular tour event, being a Ryder Cup team member, being among the first 16 in the previous U.S. Open or the first eight in the PGA championship. Elder himself has said he wanted "no favors" and would either make it under the Masters rules or not at all.

That would seem to be the final putt on the issue. Yet, like the greens at Augusta, it is trickier on the second reading. Although the Masters may have ducked the charge of racism a stronger case can be made that the black professionals are victims of Masters snobbery. A racist irrationally believes somebody else is lower than he, while the snob's delusion is that he is higher than others. The snobbery of Clifford Roberts and his all-white golf club is that they play their tournament above the ruck who play in the regular PGA tournaments held 46 times in 1972. In those events, the 60 leading money winners from the previous year automatically qualify. Lee Elder is 32nd on the list, with 1972 earnings of $70,000. Yet, this qualification, good enough to open other gates, meets only a closed door in Augusta.

Actually, the term Masters—suggesting a field of masterful players—is puffery. An argument can be made that the Masters is actually one of the weakest tournaments of the year. Besides Elder, 13 other professionals in 1972's leading money winners are not playing this week. Yet Gardner Dickinson, Don January and Bob Shaw are competing, even though none finished better than 90th in 1972 winnings; their combined earnings are less than Elder's alone. In addition to professionals of questionable mastery, the Masters sees a number of lack-luster amateurs also chopping around the course in aching futility. Then again, along with American has-beens and never-will-bes, a foreign contingent is annually invited to Augusta. Brian Barnes, an Englishman, hacked the turf 79 times in this year's first round and had an 85 in last year's. Hsieh Yung-yo had a feeble 79 in last year's first round. The irony is not lost on Elder that foreign players of limited talent compete in a tournament that bars many Americans of proven talent. About not playing last year, he said: "Yes, you could say I'm pretty disappointed. They invited the winner of the French Open and the Dutch Open. I won the Nigerian Open last fall, and it carried more money than those other two. I honestly thought this (1972) was the year I would be invited." One invitation Elder did receive, and accepted, was to play on South African courses—ones, like Augusta, where no blacks had ever played. Elder was more at home in apartheid Johannesburg than magnolia Augusta.

A second reason the Masters is an unmasterly tournament is that only about 80 players are in the field. The U.S. Open and other championships are tests with 140 or 150 entries. For most PGA events, along with the top 60 money winners, who are exempt, a qualifying round of 18 holes is held on Mondays to give the rabble a crack at the big money. In 1969, Orville Moody, an Army sergeant of 14 years came from such ranks to win the U.S. Open; that was in June, but he had no chance to compete in the Masters two months before.

The snobbery of the Masters will not be eliminated until a democracy of skill prevails, the way it prevails in other tournaments. Black golfers like Sifford, Brown and Johnson have won PGA tour events, where there is no stopping them from competing. What is really needed to democratize Augusta is not change of attitude in the club's membership but a change in the thinking among the white pros who play in the Masters. Why can't they band together and announce that they won't play until new qualifications are used, ones similar to the regular PGA events that blacks play in. This kind of pressure amounts to a boycott, a messiness not at home in a country club sport like golf. It apparently is too daring a social protest for a sport traditionally removed from the grime of reality. Yet something is unjust when qualified athletes like Elder are kept from their livelihood; one reason the injustice continues is because so many white players at this weeks' Masters look the other way.

It is hard to imagine that Jack Nicklaus, Arnold Palmer and the others are unaware of the snob priorities in Augusta. Years from now, when public pressure—small chance of player pressure—finally does open up the Masters to all comers, they may look back with regret that they did not speak out. Such regrets have been expressed by athletes in other sports. We see it in "The Boys of Summer," Roger Kahn's baseball book about the Brooklyn Dodgers; Carl Erskine, long retired from his pitching days and now back in Indiana, talks of his team when Jackie Robinson first joins it. "Now here's what bothers me. He (Robinson) wins a game. We go to the next town. We're all on the train, a team. But leaving the station, he doesn't ride on the team bus. He has to go off by himself. He can't stay in the same hotel. But I didn't say anything about it. Why? Why didn't I say, 'Something's wrong here. I'm not going to let this happen. Wherever he's going, I'm going with him.' I never did. I sat like everybody else, and I thought, 'Good. He's getting a chance to play major league ball. Isn't that great?' And that's as far as I was at that time." Apparently, that's how far are the white fellow professionals of Elder, Sifford, Brown and other black players.

The Masters is hardly a national issue, yet it illustrates—for the millionth time—a basic social reality of the civil rights movement: that snobbery or racism is often less the problem than those of broader vision who can stop it but don't. It is to allow Clifford Roberts to keep black players from his exclusive fairways while continuing to say: "The sooner a black plays in the Masters, the happier I will be . . . Some of the more dark complected boys are not only extremely capable but also extremely popular."

And also extremely disappointed are these "dark complected boys," especially when Masters week comes around. It needs to be wondered, though, at whom the disappointment should be directed: the Masters officials for their snobbish rules or the white competitors who go along with them.

[From the Washington Post, Apr. 6, 1973]

The Masters: It's Time for Blacks or a Boycott

(By George Solomon)

It was no surprise Clifford Roberts, chairman of the Masters Tournament Committee, chose to ignore congressional pressures and allow the holier-than-thou golf tournament to begin play in Augusta, Ga., yesterday without the presence of Lee Elder, or any other black contestant.

For years, Roberts and his fellow committeemen who oversee America's super prestigious golf event have ignored pleas from editorialists, sports writers and many citizens who want the tournament integrated.

That the Masters remains a segregated golf tournament in the year 1973 is as ridiculous as baseball excluding blacks from the World Series or the NBA excluding whites from its playoffs.

It's wrong.

Roberts languishes in his green Masters coat, behind the green hedges of Augusta National, telling how Elder or any other black man will be welcome on the first tee as soon as he meets one of the 13 Masters qualifying requirements. These requirements have been overlooked and revamped often through the years.

But when pressed this week that perhaps the Masters should reevaluate "its system," Roberts replied: "Any further conversation on the subject is like flogging a dead horse."

One need not be a sociologist to see the times have bypassed Clifford Roberts. He is plodding through life with his eyes shut. If his eyes were open, he would have invited blacks into his tournament many years ago. It would have been the right thing to do. But Roberts hasn't done the right thing, which is why in such matters no one expects more from him.

What is puzzling is the continued acceptance and participation in the Masters by the touring golf professionals. Roberts could care less about the desires of a sports columnist to correct an injustice. But if Jack Nicklaus, Arnold Palmer, Lee Trevino and Billy Casper descended en masse on Roberts and told him that unless blacks were invited to play, they would not, he would listen. He would listen hard.

Without Nicklaus, Palmer, et al, the Masters would not be as interesting this week.

Without them, CBS would not be so eager to fill the Masters' coffers with all that television money.

Without those "names," the Masters would not be a name tournament. Yesterday would have been just another day at Augusta National, where rich men play golf surrounded by azaleas and dogwoods and never worry about starting times.

Roberts might well tell the "Big Four" to scram. And if they did, another 30 or 40 big names might follow. Which means instead of spending the week at Augusta, they would be playing for a $300,000 pot at a course in Miami Beach or Nashville or Louisville or some place.

A boycott of the Masters would not hurt the pros. But it would hurt Clifford Roberts.

Now comes the question of whether Nicklaus, Palmer, Trevino and Casper are willing to do something that must be done. The issue at hand is bigger than Clifford Roberts or The Green Coat or Lee Elder. Can we, as citizens of this country—and that includes the Big Four—allow an event as prestigious as the Masters to remain segregated?

Do these players have an obligation to the country whose people have done much to make them rich? Or does their obligation begin with Roberts, who runs a tournament sanctioned by the PGA, but not approved of by the Congress of the United States?

Possibly Nicklaus is content to spend the rest of his life smiling in an $18 Hathaway golf shirt; maybe Palmer feels he is making a contribution to society designing golf clubs. One cannot look into their heads. Hopefully, these men go beyond their three-woods and golf shirts.

Some people believe athletes should not involve themselves in politics or anything else not directly connected with hitting a ball. Not so. The athlete is a part of society and therefore expected to react to its workings.

Nicklaus, Palmer, Trevino, Casper and all the other big names of golf have done well from this country. The time has come for them to put something back.

Either blacks play in the Masters, or boycott the tournament.

ANDERSON AMENDMENT OFFERS REALISTIC APPROACH TOWARD BALANCED TRANSPORTATION

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. COUGHLIN. Mr. Speaker, with consideration of the Federal Aid Highway Act of 1973 scheduled for floor action this week, I think it is important to clear up some of the misunderstandings that have arisen over the Anderson amendment to that bill.

As a Congressman from an urban area, I wholeheartedly support the Anderson provision which would allow flexibility in the use of urban system funds from the highway trust fund for either bus or rail mass transit or for highway-related purposes. However, I also realize the anxieties of many of my colleagues from more rural regions who fear that this amendment would result in a decrease of highway funding for their districts.

This is not the case. The Anderson amendment is not intended to be a raid on the highway trust fund. It is simply a realistic and responsible approach toward bringing about a more balanced transportation system in this country. It focuses attention on the areas where the need for balance is most apparent—the urban areas. It does not disturb the allocation of funds to rural areas or in any way endanger their ongoing highway programs.

For the record, I would like to submit a listing of the major points which should be emphasized when considering the Anderson amendment. I hope that this listing will help to set the record straight and to point out that the Anderson amendment is not intended to be an antihighway measure. It is intended to be a protransportation measure—one which would allow all segments of our Nation to profit by allowing them to decide their own mobility priorities.

First. No States would get less money if the Anderson amendment passes. The apportionment formulas by which the highway trust fund moneys are distributed to the States are not affected. The amendment is concerned exclusively with the uses to which the money can be directed in urban areas.

Second. The Anderson amendment merely allows flexibility in the use of urban funds. It does not mandate an urban area to use its revenues for mass transit; it simply provides local officials with the option to choose between highway or mass transit, depending upon their most compelling local needs.

Third. The highway funds available for transit are supplemental to those available through the Urban Mass Transportation Administration. UMTA money still remains as the primary source of mass transit funding; the highway money which would be provided is inintended primarily as supplemental revenue.

Fourth. The level of highway funding to rural areas would not be disturbed. The Anderson amendment would allow flexibility only in the use of urban system funds. Funds apportioned to rural regions would continue to be used exclusively for highways and would not be available for mass transit.

Fifth. The Anderson amendment would not disrupt plans for completion of the interstate system or reduce the amount of interstate financing.

Sixth. The Anderson amendment is a separate issue from pass-through of highway funds to local governments. The two are not related.

In closing, I again would like to state that the Anderson amendment is not parochial legislation. It does not dictate transportation policy. Rather, it allows urban areas the freedom to determine important issues affecting the lives of their citizens.

Rather than continuing the haphazard and piecemeal transportation pattern which has evolved in this country since colonial days, we should respond to the times and recognize that new directions and new priorities are needed. The Anderson amendment, I believe, offers the vehicle through which this change could be initiated. It is progressive and meaningful legislation, and its adoption would be a significant advancement in providing all Americans with a balanced transportation system of the future.

DESPERATE NEED FOR VETERANS' BURIAL FACILITIES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. WALDIE. Mr. Speaker, another year has passed since I introduced legislation to create a new national cemetery in Port Chicago, Calif. Since that time, the President has vetoed the National Cemeteries Act of 1972, an Act which would have taken steps to alleviate the overcrowding which is facing many of our national cemeteries.

I am again introducing the legislation which will authorize the Secretary of the Army to establish a national cemetery in Port Chicago or at Camp Parks, Calif.

Mr. Speaker, at the present time, all the national cemeteries in California are filled to capacity and have been designated as inactive. It is disgraceful that California, with its large veteran population, is without a single, active, national cemetery.

In the past, efforts were made to bury deceased veterans in cemeteries as close to the places where they lived and where their families continued to live. This is becoming increasingly difficult. Veterans from northern California must be buried as far away as Portland, Oreg. This is a hardship on the families of veterans both monetarily and emotionally.

One of the proposed sites, Port Chicago, is located in the eastern section of Contra Costa County. This town, acquired by the Navy in 1969, is being used as a safety buffer zone for the Naval Weapons Depot Station in Concord. According to Rear Admiral, USN Commander, Mark Woods of the Naval Ordnance System Command—

> The concurrent use of this land as a cemetery and as a safety buffer zone is feasible.

As an alternative site, my legislation proposes the consideration of Camp Parks, an inactive military facility which borders the Eighth and Ninth Congressional Districts in California.

In view of the desperate need for burial facilities for veterans in California, I would hope that the Veterans' Affairs Committee will take favorable action on this legislation.

MASS TRANSIT NEEDED TO HELP ALLEVIATE GASOLINE SHORTAGE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. ANDERSON of California. Mr. Speaker, all over the country gasoline service stations are being forced to close because of the lack of gasoline. This shortage is particularly acute in the Middle West, where distances to the supplies are greatest.

Yet, while we face an energy crisis, we continue to waste gasoline, especially in the urban areas, where automobiles—backed up for miles bumper-to-bumper—effectively utilize only 5 percent of the potential energy of this precious resource.

Studies have shown that a 25-percent reduction in automobile usage would save half a millon barrels of oil per day. Thus, if we could divert the marginal highway user—the commuter—to a form of rapid transit, our savings in gasoline would be significant and perhaps we would not be witnessing the shortages that we are today.

Mr. Speaker, in the future, this crisis will become even worse unless immediate action is taken to conserve oil by utilizing it in a manner—such as mass transit—where passenger miles per gallon of gasoline are more efficient. According to the American Petroleum Institute, we will be importing over 58 percent of our oil in 1985—over twice as much as we currently import. As a result, we will be forced to rely even more on the oil-rich, but politically volatile Middle East.

To conserve gasoline so that those who really need gasoline—those in the rural areas—can have an adequate supply of gasoline at reasonable cost, I urge all of my colleagues to support our amendment to S. 502 which would permit urban areas with a population of at least 50,000 to use $700 million of highway trust funds—funds they presently receive but may only use for urban highway construction—for mass transit purchase or construction as well as for highways.

This amendment does not affect the Interstate System nor does it affect the primary or secondary system. It merely permits a city receiving urban system funds to use those funds to buy or construct a bus or rail transit system, as well as highway construction.

If adopted, our amendment would conserve gasoline and, thus, help relieve the shortages that are currently appearing in rural America.

At this point, Mr. Speaker, I ask unanimous consent to place an article which appeared in the Washington Post of April 16 entitled "Gasoline Runs Short Throughout the United States" in the RECORD:

Gasoline Runs Short Throughout the United States

(By Thomas O'Toole)

What began 10 days ago as spot scarcities of gasoline in a handful of states has now blossomed into a coast-to-coast shortage.

It is not so bad that motorists can't buy gasoline but it is serious enough to have forced the closing of hundreds of discount and off-brand gas stations whose supplies have been cut off by the major oil companies. It is also bad enough to have closed major-brand stations in states like Minnesota and Florida that are at the end of the gasoline distribution network.

"These are the states that are on the drag end of the pipeline system," said an official of Gulf Oil Corp. "Things are very tight right now in Florida, where there isn't even a refinery to help things out."

The Middle West has been hit hardest by the shortage. Metro 500 of Minneapolis has closed 21 of its 22 stations. All last week, gas stations in northern Illinois found themselves out of either regular or premium gasoline. Gas stations throughout Iowa were being rationed to between 70 and 90 per cent of what they got last year, even though demand was running 10 per cent ahead of last year's pace.

Oil jobbers (wholesale distributors) insisted it would get worse in the Middle West. Over the weekend, a refining subsidiary of Kerr-McGee Oil Co. named Triangle Petroleum closed its storage terminals in Des Moines, Kansas City, Chicago and Madison, Wis., a move that cut off independent distributors in a four-state region from a 25 million gallon gasoline supply.

"There's no question it's going to close a lot of independents," said William Deutsch, who represents all the independent marketers in Illinois. "It will even put some of the branded stations in trouble."

Things were almost as bad in New England, where an average of five stations were closed in both Connecticut and Massachusetts each day of last week.

Sure Oil Co. was forced to close 12 of the 50 stations it runs in Massachusetts and Connecticut. Sure said it had been getting 40 tank-loads of gasoline per week, was cut back to 20 two weeks ago and has been told it will be down to 10 in another two weeks.

Rural Connecticut has been hit especially hard. Sure closed three Save-Way stations selling the only discount gas in the farm country of eastern Connecticut. Several distributors of bulk gasoline in the same region of the state have been told they will get no gas next month, which means that the farmers they serve exclusively will have trouble getting gas for their tractors.

Further south, things aren't that bad but neither are they very good. The Greenbelt Consumer Services, Inc., which runs a chain of 10 stations that discount BP gasoline in the Washington area, has just been told that the 9 million gallons that BP supplies it with every year will not be forthcoming after July 9.

"They've cut us off from the only supply of gasoline we've had for the last 10 years," said Eric Waldbaum, president of Greenbelt Consumer Services. "We've gone to other suppliers, who have all told us they don't have enough to service us or any other new customer that might come along."

One of the ironies of the sudden shortage of discount gas is that the major oil companies are getting into the discount business at the same time that the independents are being forced out of it.

Exxon is now marketing discount gas under the brand name Alert at 16 stations in four states. Gulf discounts gas under two labels, Economy and Bulko. Shell markets it under the brand name Ride, Mobil under the name Cello. Phillips Petroleum discounts Blue Goose and Red Dot gas.

The emergence of the big discounters come at a time when major oil companies are closing their unprofitable brand name stations all over the U.S.—stations that are more than 300 miles from a refinery, have only a few pumps and do auto repair.

Exxon is in the process of closing 150 of its 400 retail stations in Illinois, Michigan, Wisconsin and Indiana. Gulf has put up for sale 3,500 stations in 21 states, from Illinois across the country to California and Washington State. BP has already pulled out of the Northeast, and Sun Oil Co has withdrawn from Tennessee and most of the upper Midwest. Cities Services, Atlantic Richfield and Phillips Petroleum are also closing stations.

The oil companies insist that the big reasons for the gas shortage are a worldwide shortage of "sweet" (low sulfur) crude oil and a nationwide shortage of refinery capacity. They claim they need five new refineries a year to keep up with demand. They point out that not one new refinery is being built in the U.S. today.

The refinery shortage is so acute that the independent refineries find themselves being courted with more fervor than at any time in memory. An aide to Rep. Robert H. Steele (R-Conn.) claims that the competition for refined products like gasoline is one reason Sure Oil has had to close some of its Connecticut stations.

"The company was about to negotiate a contract with a Canadian refinery," the aide said, "when a major oil company offered to buy the refinery product at the same prices Sure offered but won the contract when it guaranteed to supply the refinery with crude oil."

The head-to-head combat between the major oil suppliers and the independent distributors is bound to get worse as the gasoline shortage gets worse.

Greenbelt Consumer Services has filed a formal complaint with the Federal Trade Commission protesting the move by BP that will cut them off from gasoline, and in the only known court action so far a federal judge in Phoenix ordered Phillips Petroleum to restore gasoline sales to a discount chain it tried to cut off.

Meanwhile, the gasoline shortage itself promises to get worse as motorists take advantage of the improving weather. Last week, Detroit, Indianapolis and Boston reported that they did not receive a single bid for contracts to fuel city vehicles. For the first time in history, they faced the prospect of being unable to run police cars and fire trucks because of the gasoline shortage.

GENERAL MOTORS GOES METRIC

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. McCLORY. Mr. Speaker, the national interest in an orderly conversion of our industrial, social, and educational systems to the metric system of weights and measures has gained great momentum since the release of the Bureau of Standards Metric Study report on July 19, 1971.

Perhaps the greatest impetus to the metric conversion program has come through the announcement on Friday, April 13, that General Motors Corp., the Nation's largest automobile manufacturer, has decided to switch to the metric system for all of its new products.

Mr. Speaker, this announcement follows by a few weeks the decision of International Harvester Co. to produce all of its Hough Co. production at Libertyville, Ill., according to metric standards.

Mr. Speaker, this voluntary action by General Motors Corp., followed by similar decisions of many American industries, should encourage the Congress to establish an official federally coordinated program of metric conversion targeted for January 1, 1984.

Mr. Speaker, this is consistent with the recommendation of the metric study report, and in accordance with H.R. 2351, which some 25 other Members of the House and I have cosponsored. It is my hope that the Committee on Science and Astronautics will recommend this or a similar measure for early action by the House of Representatives.

I am attaching the article which appeared in Friday's Wall Street Journal:

GM Decides To Switch to the Metric System for All New Products

DETROIT.—General Motors Corp., the nation's largest manufacturer, said it has decided to switch to the metric system for all new products, including the Wankel rotary engine it is developing.

The giant auto maker said it will leave service parts in production unchanged. The rate of total change-over to metric measurement "will be governed by the release of new parts, metrically dimensioned, and by the normal phasing out of in-production parts," GM said.

General Motors, which buys parts, components equipment and services from nearly 40,000 other companies, said it will implement "supplier coordination" as required. It added that, during the gradual switch to total metrification, it will need to buy some capital equipment capable of measurement in both English and metric units.

The move is likely to have an especially important impact on the machine tool industry, because GM, either directly or through suppliers, commands a substantial volume of purchases from that industry.

A MATTER OF YEARS

A GM spokesman said a long time will be required for the total change-over, explaining "It's a matter of years; there's no way of saying how many." But the very fact that GM, which last year spent $14 billion at outside suppliers, is moving to metric measures may well have a prodding effect on U.S. industry as a whole.

Ford Motor Co., the No. 2 U.S. auto maker, has made no formal commitments such as GM's, but sources said Ford's next new U.S.-built engine, a four-cylinder unit to be produced in Lima, Ohio, will be metric.

Ford's U.S. car-making operations have had to adjust somewhat to metric measures in recent years, because the engine and transmission on the subcompact Pinto, introduced in 1970, are imported from Europe and are metrically measured. The rest of the car is built in the U.S.

EFFECT ON OTHERS

Chrysler Corp. also hasn't made any such sweeping public statement, and wouldn't comment on GM's move. But Ford, Chrysler and American Motors Corp. all may be affected by GM's move, because the giant auto-maker supplies some parts to each of its competitors; and as new versions of these items are developed by GM, they will, under the new policy, presumably be metrically measured.

In Cincinnati, Robert C. Bevis, vice president for machine tool marketing at Cincinnati Milacron Inc., said GM's switch to metric will pose few problems for his company, a supplier.

A Cincinnati Milacron spokesman added that the concern supplies GM's foreign plants from facilities both in the U.S. and abroad.

IN MEMORY OF FRANK D. REEVES

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mrs. BURKE of California. Mr. Speaker, on Sunday, April 8, 1973, the District of Columbia and the Nation suffered the loss of an outstanding lawyer, educator, and civil rights leader. Mr. Frank D. Reeves was one of the first blacks at the forefront of the integration movement during three decades and advanced the cause of blacks in the field of politics.

My sadness over this great loss is shared by many of my colleagues and his death will truly leave a void in the leadership of this country.

In memory of Mr. Reeves, I am, today, inserting into the Record an article from the Washington Post which gives a little insight into the life of this distinguished man:

Rights Lawyer Frank D. Reeves Dies

(By Alice Bonner)

Frank D. Reeves, 57, a Washington lawyer, educator, civil rights activist and Democratic Party official, died Sunday night at Freedmen's Hospital.

Mr. Reeves, long a leader in the black community here, had been admitted to Freedmen's six weeks ago after suffering a stroke.

On Sunday afternoon, more than 200 of his friends and associates had gathered in Rankin Chapel at Howard University, where he had been associated with the law school for more than 30 years, to offer prayers.

Mr. Reeves, who once called Negro leaders of the generation before his "beneficiaries of segregation because they owe their status to the suffrance of whites," was himself both a beneficiary and an originator of the integration movement during three decades.

In an era that produced many "first blacks" in areas that previously had been exclusively white, he captured seven such "firsts."

He was the first black man to be appointed to the three-man Board of Commissioners that headed the District of Columbia until 1967, although he never took office.

He was the first black man to be elected as a Democratic national committeeman from the District of Columbia or any state.

He was the first black man to be a presidential administrative assistant, to represent a president at an inaugural, to be a presidential elector, to second the nomination of a presidential candidate and to serve as a presidential appointee to an emergency labor board.

Mr. Reeves was elected a Democratic national committeeman in May, 1960. He seconded the nomination of John F. Kennedy at the Democratic convention in Los Angeles in July of that year.

After Mr. Kennedy took office as President in January, 1961, he appointed Mr. Reeves, who had traveled with him as a minorities adviser in his campaign, to a position of special assistant. In that capacity, Mr. Reeves represented Mr. Kennedy at the inaugural of the governor of the Virgin Islands.

That same year, Mr. Kennedy nominated Mr. Reeves to fill a vacancy on the D.C. Board of Commissioners. It was a move that had been long predicted by both the press and the public.

Within seven days after the appointment, however, Mr. Reeves withdrew his name from the nomination. A Senate District Committee investigation had found information in his tax record of belated filing of federal income tax returns and several tax liens against him.

In his withdrawal statement, Mr. Reeves said: "I know the attacks upon me have been politically inspired . . . The effort to embarrass me and the administration is the handiwork of long time political foes . . ."

Mr. Kennedy's second choice, John B. Duncan, a former District recorder of deeds, because the city's first black commissioner.

Mr. Reeves continued as a Democratic national committeeman until 1964 but did not return to his White House position. His disqualification for the commissioner's office marked the beginning of the decline of a political career that began in 1948 when he headed the Citizens Committee to Re-elect Truman here.

He later supported and worked for Democratic Party presidential hopefuls Averell Harriman in 1952, Adlai Stevenson who won the nomination that year, Estes Kefauver in 1956 and Hubert Humphrey in 1960, before Mr. Kennedy won the nomination. In 1968, he was a presidential elector.

Mr. Reeves' long and brilliant legal career began when he finished law school at Howard University in 1939. A year later, he joined Thurgood Marshall as an assistant counsel to the National Association for the Advancement of Colored People.

Mr. Reeves later was one of the attorneys involved in the cases which led to the historic school desegregation order of the Supreme Court in 1954.

As Washington representative of the NAACP Legal Defense and Educational Fund from 1946 to 1961, he was involved in most of the civil rights cases handled by the NAACP and the National Conference of Black Lawyers.

In 1967, Mr. Reeves was one of the attorneys for Adam Clayton Powell when the former congressman fought for reinstatement in the House of Representatives. Mr. Reeves also helped to settle the multimillion dollar estate of the religious leader, Sweet Daddy Grace, founder of the House of Prayer for All People.

He represented the Southern Christian Leadership Conference here and its Poor Peoples Campaign in 1968. He handled many cases for Youth Pride, Inc., from 1968 to 1970 and served as personal counsel to its director, Marion Barry Jr.

"The best attorney I ever met," Barry said of him. "He was committed beyond a doubt to the advancement of black people. This city has lost a great person."

Mr. Reeves had served as Mayor Walter E. Washington's coordinator for the election, setting up a citizens board for the pilot police project in the third police district in 1970. They had been close friends for many years. Mayor Washington said:

"The passing of a long time friend and colleague leaves me with a sense of deep personal loss. He was throughout his distinguished career a dedicated and effective public servant, always willing to take on additional responsibilities to serve his city and his nation.

"His distinguished legal and academic careers and his ability to provide thoughtful intervention in complicated situations will long be remembered by those who worked with him.

"His friendship and support throughout our years in school and the years afterward in public service have been a source of strength to me. The residents of this city and his many friends were served by his untiring efforts to better the community."

Mr. Reeves had participated fully in the field of education. Last year he was appointed to the D.C. board of higher education, which is responsible for the administration of Federal City College and D.C. Teachers College. He subsequently was elected chairman of the board.

He had taught at the Howard University Law School on a full or part-time basis since 1939 and became a full professor in 1965. He was on sabbatical leave at the time of his death.

Herbert O. Reid, acting dean of the law school, said he remembered Mr. Reeves as "a dear friend and exceptional lawyer." There was "no call to public service when Frank did not respond."

As a 1969 fellow at the Metropolitan Applied Research Center, Mr. Reeves helped to establish the Joint Center for Political Studies, a Cooperative between Howard University and the Research Center. He was executive director of the Joint Center for two years, resigning last year to become a senior fellow at the Research Center.

Charles Duncan, former D.C. corporation counsel and a partner with Mr. Reeves in a private law firm from 1954 to 1961, called him "a very capable and dedicated person who had the community and the little man at heart. People who knew him loved him very much."

Born in Montreal, Canada, Mr. Reeves grew up there and in New York. After coming to Washington with his family as a youth, he attended Shaw Junior High School and graduated from Dunbar High School in 1932.

After he received his law degree from Howard, he was admitted to practice before the Supreme Court, the Federal and local courts here, the U.S. Court of Military Appeals, the U.S. Tax Court and the U.S. Court of Claims.

He was a member of the National and Federal Bar Associations, the National Legal Aid and Defenders Association and the National Lawyers Club.

He was a member of the board of the United Givers Fund, the board of directors of the International African Chamber of Commerce and the board of the Continental Society of Washington.

His first marriage to Elizabeth Walker ended in divorce. They had two children, Daniel R. and Deborah E., of Washington.

He married the former Senora W. Wood in 1967. The home is at 2330 Good Hope Rd. SE.

Also surviving are his mother, Sarah Murphy, his father, Fred B. Reeves, and two stepchildren, Linda and Stephen Wood, all of Washington.

AFTER 27 YEARS BUFFALO WAR HERO FINALLY GETS AWARD

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. DULSKI. Mr. Speaker, 27 years ago, while serving with the Army in the Philippines, Michael J. Lombardo, 102 Lindwood Avenue, Buffalo, N.Y., was injured when he went to the assistance of a seriously wounded companion soldier.

When he arrived at the hospital for treatment, the sergeant in charge of the battalion aid station immediately initiated the paperwork recommending him for a Purple Heart Award.

Since Mr. Lombardo was aware that his mother already was extremely distressed at notification of his brother's death in service and the information that another brother was missing in action, he refused to permit the paperwork to continue on his award for fear that it would further upset her.

Last week, at a ceremony in Federal Court House in Buffalo, Sgt. Michael Lombardo belatedly received the Purple Heart as a result of a search of military records initiated by the Disabled American Veterans and by my office.

The search located the records substantiating the injuries suffered by Sergeant Lombardo at Mindanao during the Philippine liberation. He was wounded by shrapnel fragments while attempting to aid another soldier and not only refused the Purple Heart, but I was informed also refused the Bronze Star Award.

At the aid station where he was taken for treatment he discovered that the papers routinely being prepared by the sergeant in charge to award him the Purple Heart would result in notification to his mother of his bravery. The sergeant asked for the papers and proceeded to tear them up so that word of his own injury would not get back home.

Now, after 27 years, Sergeant Lombardo finally has received the Purple Heart Award to which he is justly entitled.

I had planned to be present at the ceremony in Buffalo but was confined to the hospital for a recurring back ailment. However, I was able to talk to Sergeant Lombardo by telephone immediately after the presentation of the award.

I was interested to learn that Sergeant Lombardo's mother only recently was told of his bravery and said she was "very much surprised," but not upset after all these years.

One of Buffalo's American Legion posts is named for his brother, Francis, who was killed in action. His missing brother, Joseph, later turned up safe and sound and now also is living in Buffalo.

Mr. Speaker, Sergeant Lombardo not only was a brave soldier but also was a most considerate son. It was only through the insistence of the Disabled American Veterans that the search of military records was initiated with the help of the Military Order of the Purple Heart. I was happy to be helpful in locating key medical reports for documentation.

PRESIDENT PLANS FOR "GRAND TOUR" OF EUROPE IN FALL

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HEINZ. Mr. Speaker, once again I rise to congratulate President Nixon on his admirable performance in the area of foreign policy. As reported in the New York Times article below, the President announced on Sunday, April 15, that he intends to make a comprehensive diplomatic tour of Europe this fall, in an effort to solidify relations with our allies there.

President Nixon demonstrated his concern for a sound foreign policy throughout his first term and labored intelligently and forcefully to construct a strong foundation for a generation of peace. His visits to the People's Republic of China and the Soviet Union were bold initiatives in normalizing relations with those two nations, and the successful negotiation of the arms limitation agreements with the Soviet Union was a major step toward a sane policy of nuclear disarmament. And whats more, early this year, the President concluded American involvement in the long, arduous war in Southeast Asia.

The President indicated earlier this year that 1973 would be "The Year of Europe," a year of redirecting our attention toward our Atlantic neighbors. He is now fulfilling that pledge to concentrate on improving relations with Europe, and I heartily support his efforts.

For too long now, we have neglected Europe in our preoccupation with the internal affairs of Southeast Asia. But President Nixon wisely recognizes that our historical and cultural roots lie in Europe. Even today, much of our foreign trade is with the nations of Europe, and we are indebted to them for their support of the U.S. dollar. And most importantly, America's post-World War II security has been based upon a policy of rebuilding an economically and militarily strong Europe through the instruments of the Marshall plan and the North Atlantic Treaty Organization.

Immediately following the negotiated settlement of the Vietnam conflict, I expressed hope that the President would move to build durable and equitable relations among all nations. President Nixon's announced plans for a European tour indicate that he is indeed working energetically toward his goal of a generation of peace.

In achieving this goal, the President requires the support of the Congress and the Nation as a whole. Though some may disagree with the President's domestic policies, I believe the President's daring initiatives to rebuild relations with our European neighbors are vital to a stable world and a lasting peace. The President deserves our wholehearted support.

I recommend this article to my colleagues as a source of information on the President's efforts to achieve a sound foreign policy:

President Plans for "Grand Tour" of Europe in Fall—His Itinerary Is Expected To Include Germany, Italy, France and Britain

(By Bernard Gwertzman)

WASHINGTON, April 15.—President Nixon said today that he planned to make "a grand tour" of Europe—the first foreign trip of his second term—this fall.

Speaking with newsmen after the Sunday morning worship service at the White House, Mr. Nixon also said that he intended to meet with President Pompidou before going to Europe, but that a time and place had not yet been decided upon.

Gerald L. Warren, deputy White House press secretary, said later that Mr. Nixon would probably visit Britain, France, Italy and West Germany, all of whose leaders would have met with Mr. Nixon before then.

[Premier Giulio Andreotti of Italy, on the eve of his arrival in Washington for talks with President Nixon, says that Italy and the United States are linked by "a friendship of peoples that no event can jeopardize."

TRIP MENTIONED BEFORE

The exact itinerary of Mr. Nixon's European tour has not been worked out, and it was presumed that other countries other than those mentioned would be included.

Mr. Nixon said at a news conference on March 15 that he had been urged by the National Security Council to make a trip to Europe "because of our interest in NATO" as well as to visit other places such as Latin America, Africa, and Japan. He said then that there was a possibility of a trip this summer or late spring, but his conversation with newsmen today seemed to rule out foreign travel until the fall.

Administration officials have said that they expected that Leonid M. Brezhnev, the Soviet Communist party leader, to visit in June, in return for Mr. Nixon's Soviet trip last May. Details for the Brezhnev visit have not been worked out, and no announcement has been made.

Mr. Nixon, who traveled widely during the first term in office—including two trips to Western Europe—had reportedly planned to visit Europe soon after his second term began on Jan. 20, to dramatize his intention to make 1973 "The Year of Europe."

But according to Administration officials, the President changed his mind about an early visit to Europe as the result of the strong criticism from many European capitals of the American bombing of Hanoi last December.

Mr. Nixon—according to his aides—was angered at what he regarded as a lack of understanding by his allies and decided to let considerable time elapse before going to Europe.

He did decide, however, to maintain his dialogue with European leaders by inviting them, one by one, to visit him.

In February, he received Prime Minister Heath of Britain. On Tuesday and Wednesday he will meet with Premier Andreotti at the White House, and on May 1 and 2, with Chancellor Willy Brandt of West Germany.

On his European trip, Mr. Nixon can be expected to devote considerable attention to trade and monetary problems and to the need for the North Atlantic Treaty Organization to remain united and strong in a period of improved relations with the Soviet bloc.

On Friday Mr. Nixon disclosed that he was sending Secretary of State William P. Rogers on a trip to South America soon—possibly next month.

OEO—AN END TO ABSURDITY

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1973

Mr. HUNT. Mr. Speaker, the Office of Economic Opportunity has existed since 1964 and after nearly 9 years in operation, there have been few achievements in relation to the tax dollars expended.

Unlike the dreams of the men who began OEO, the poverty program has failed to help the poor rise out of poverty. There has been little social mobility as a result of OEO funding.

The program has done little but frustrate the poor and subsidize the poor to remain poor. It has not helped the impoverished, but rather has frustrated them, and worst of all kept them caught in the quagmire of poverty.

I submit the following article from the San Francisco Examiner to the attention of my colleagues:

A Social Failure—The Disintegration of the War on Poverty and Why It Happened

(By Joel Tlumak)

Whatever happened to America's highly touted native genius—down-to-earth common sense?

What happened to this genius when this country decided a decade ago to try to eliminate poverty?

The answer is that America got carried away—and, in the process, also got theatrical.

America's War on Poverty, as a result, became in large part a living theater of the absurd.

A few years ago, someone in Governor Reagan's State Office of Economic Opportunity came up with a brainstorm. Unfortunately, he was living in the past, when common sense prevailed.

He proposed training young men in the poverty bracket as handymen, who then could do minor home repairs for homeowners who cannot afford the high prices plumbers and electricians charge for work not requiring highly specialized expertise.

The handymen, he argued, would have no trouble getting work. They would also become entrepreneurs—self-employed capitalists.

Of course, the idea never got out of the State Office of Economic Opportunity. While very practical in one sense, it was highly impractical politically.

Who could imagine unionized plumbers and electricians permitting such an idea to materialize?

Jobs were almost an afterthought in the conceptual foundation of the War on Poverty. When the high level anti-poverty thinkers in Washington finally focused on getting the poor jobs, they started manpower training programs. Rather than fill a definite need, they trained men and women for jobs that didn't exist.

A few manpower directors across the country later got practical. First they found the jobs—then they trained people. But such a practical idea was a very late innovation in a ten-year anti-poverty program that is now on its death bed.

When the war on Poverty was first proposed and initiated, goals were put off into the near future, until the country could learn more about poverty.

Early on there was the War on Poverty's "maximum feasible participation."

With MFP, you could say that the most expensive living theater of the absurd was born.

Maximum feasible participation meant giving the poor the means (money) to map out and control their own destinies. In other words, it was left to the poor to decide how to eliminate poverty, in the absence of anything better.

MFP actually meant (as the San Francisco experience proved) giving poverty politicians the means to build their own power bases and provide them with a guaranteed annual income.

As time went by and money kept flowing from Washington, a War on Poverty was in full gear without any specific idea on how to eliminate poverty.

Politicians finally got wind of the obvious, that War on Poverty money was being used or was about to be used to overthrow them or overthrow the system. So MFP started to lose its financial backing.

The poor, however, knew what they were lacking. And their leaders, together with their poverty councils, had no trouble coming up with schemes to help the poor.

Into being came the art of program writing.

The War on Poverty proved there is a difference—quite a difference—between helping the poor and helping the poor rise up in the world.

Ten times as much money could have been spent on services for the poor—and the number of people in the poverty bracket would still be the same.

For example, you could spend money in San Francisco to help orient Chinese and Filipino immigrants into American life. But the immigrants, without jobs, would still be poor, for all the help they would get.

Millions were spent here and elsewhere on youth programs that produced few permanent jobs—but left the youth as poor and as restless (though older) as ever.

After a while, so-called poverty fighters stopped thinking about eliminating poverty. They started saying that was an impractical goal. A more proper goal was to "alleviate" poverty.

The distinctions began to be made between economic poverty and psychological poverty.

Under this concept, allowing every poor child in San Francisco a daily bubble gum allowance would, in fact, alleviate a child's economic and psychological poverty—if you want to carry the concepts to an extreme.

In this context, the idea of training poor young men to become handymen turned out to be absurd.

What makes all this even more tragic are the statements of protests against Nixon Administration cuts by big city mayors. They begin their protests by acknowledging that there has been waste in the poverty program; but, they quickly add, that's no reason for throwing the baby out with the water.

But was the baby ever put in the water? Was a baby even conceived?

More likely, you could compare the War on Poverty to a married couple who tried for ten years to have a child and then learned the pill was to prevent babies not to produce them.

For the past five years, poverty fighters have been saying you cannot eliminate poverty. President Nixon took them seriously and put an end to the absurdity.

SENATE—*Tuesday, April 17, 1973*

The Senate met at 11 a.m. and was called to order by Hon. Dick Clark, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, before whom the generations rise and pass away, may this week be Holy Week not only in the memory of ancient events but in this present world. Take from us all that stains our personal lives or in any way separates us from Thee. May we experience a Passover deliverance from captivity to evil forces. May the cross remind us of the cost of sin and of the power of redemptive love. Lead us to a fresh dedication to the way of service to this Nation and all mankind.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., April 17, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Dick Clark, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. CLARK thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

WITHDRAWAL OF A NOMINATION—MESSAGE FROM THE PRESIDENT

As in executive session, the Acting President pro tempore (Mr. Clark) laid before the Senate a message in writing from the President of the United States, withdrawing the nomination of Louis Patrick Gray III, of Connecticut, to be Director of the Federal Bureau of Investigation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill and asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Patman, Mr. Barrett, Mrs. Sullivan, Mr. Reuss, Mr. St Germain, Mr. Annunzio, Mr. Rees, Mr. Cotter, Mr. Mitchell of Maryland, Mr. Widnall, Mr. Johnson of Pennsylvania, Mr. J. William Stanton, Mr. Blackburn, Mr. Brown of Michigan, and Mr. Wylie were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 3798. An act to amend subchapter III of chapter 83 of title 5, United States Code, to provide for mandatory retirement of employees upon attainment of 70 years of age and completion of 5 years of service, and for other purposes; and

H.R. 6077. An act to permit immediate retirement of certain Federal employees.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1493) to amend title 37, United States Code, relating to promotion of members of the uniformed services who are in a missing status.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Post Office and Civil Service:

H.R. 3798. An act to amend subchapter III of chapter 83 of title 5, United States Code, to provide for mandatory retirement of employees upon attainment of 70 years of age and completion of 5 years of service, and for other purposes; and

H.R. 6077. An act to permit immediate retirement of certain Federal employees.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, April 16, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider two nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The two nominations on the Executive Calendar will be stated.

DEPARTMENT OF THE INTERIOR

The second assistant legislative clerk read the nominations in the Department of the Interior as follows:

Dale Kent Frizzell, of Kansas, to be Solicitor of the Department of the Interior.

Laurence E. Lynn, Jr., of California, to be an Assistant Secretary of the Interior.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

DEATH OF BARNET NOVER, WASHINGTON NEWSMAN

Mr. MANSFIELD. Mr. President, an old friend, Barnet Nover, passed away in Boston the day before yesterday.

"Barney" Nover was a man of many talents. He was a one-time member of the faculty at the University of Buffalo. He was an associate editor and columnist for the Buffalo Evening News. He was chief of the bureau, until he retired 2 or 3 years ago, for the Denver Post.

His field in Washington was both Houses of Congress, the White House, the agencies downtown. His capacity for accurate reporting was exceeded by very few reporters—if any at all.

Barney Nover was known to many of us as a good, decent, and kindly man. Some of us had an idea of what he went through during the past several years. All of us were aware of the devotion, love, and dedication of his wife, Naomi. They worked together as a team.

I just want to take this occasion to express to Mrs. Nover the deepest sympathy of the Mansfield family, and to ask unanimous consent that an obituary which was published in the New York Times today be printed in the Record.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

Barnet Nover, 74, Columnist, Dies

Boston, April 16.—Barnet Nover, a leading editor and syndicated columnist based in Washington, died yesterday in Massachusetts General Hospital. He was 74 years old and had lived in Washington.

A SCHOLARLY NEWSMAN

Mr. Nover, a scholarly newspaperman, was chief of the Washington bureau of The Denver Post from 1947 until his retirement two years ago. He covered the White House, the Congress, the Supreme Court and major Government departments and agencies.

From 1936 to 1947 he was a columnist and an editorial writer for The Washington Post. In that capacity, he became known as a foreign affairs specialist and his column was syndicated in a number of newspapers.

Since his retirement from The Denver Post two years ago, he and his wife, Naomi Nover, operated the Nover News Bureau in the National Press Building in Washington.

Mr. Nover traveled widely in Europe and the Far East and received honorable mention for a Pulitzer Prize in 1930 for his correspondence from the Far East.

He was born in New York City on Feb. 11, 1899, was graduated from Cornell University in 1919 and received a Masters of Art degree there in 1920. He was in the Student Army Training Corps in 1918.

Mr. Nover began in 1920 as a reporter on The Buffalo Evening News, where he remained 16 years, rising to associate editor and columnist. From 1923 to 1936 he was also a professional lecturer on history and international relations at the University of Buffalo.

Mr. Nover recorded a national radio program, "Washington Views and Interviews," from 1944 to 1947. He wrote a weekly article for the Office of War Information for shortwave broadcast overseas and also translated many languages for publication in world newspapers in World War II. He was a consultant to the President's air policy commission in 1947.

REPORTED NAPALM SOURCE

He was said to have been the first to disclose that the napalm used in the United States air raid that almost burned down Tokyo had been made in Denver. He also disclosed that nerve gas was manufactured at the Rocky Mountain Arsenal.

Mr. Nover predicted with remarkable accuracy, 36 hours before the document was officially released, details of the censure of the late Senator Joseph McCarthy that had been agreed upon by the Watkins Committee.

In 1948, Mr. Nover traveled with President Harry S Truman on his "whistle stop" campaign and was sufficiently impressed by the campaign not to join the overwhelming majority of his colleagues in predicting the defeat of Mr. Truman and the election of his Republican rival, Gov. Thomas E. Dewey, as President.

Earlier Mr. Nover received what Time magazine called "a dream assignment"—the first exclusive interview given by President Truman to any journalist, which disclosed for the first time that Mr. Truman had invited Joseph Stalin to come to the United States and, like Sir Winston Churchill, to make a speech in Missouri. Stalin declined, citing reasons of health.

As a newspaper reporter Mr. Nover's assignments included the San Francisco Conference setting up the United Nations and the Paris Peace Conference of 1946.

Mr. Nover received an award of distinction as an outstanding former resident of Buffalo in 1955.

A former president of the Overseas Writers Club and onetime chairman of the correspondents committee for the Congressional Press Galleries, he was a member of the American Historical Association, Council on Foreign Relations, White House Correspondents Association and National Press Club.

His widow survives.

The funeral will be private.

Mr. SCOTT of Pennsylvania. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SCOTT of Pennsylvania. Mr. President, we are all going to miss Barney Nover. We have known him, as the distinguished Senator from Montana has said, as an able journalist, a dedicated man, faithful to his duties, who, as we have heard, worked as a team with his wife, Naomi.

Barney has had a long and difficult illness, and during all this time Naomi has spent most of her time in Boston at his bedside. There has been great tragedy and great suffering in the family because of his long, long illness. On one occasion, I did what I could to see if it would be possible to transfer Barney back to Washington, so as to make things a little easier on the family. Regrettably, that was not possible. But I do join with the distinguished majority leader in extending, on behalf of the entire Senate, our sincere condolences to Naomi and her family.

HOLY WEEK AND EASTER

Mr. SCOTT of Pennsylvania. Mr. President, the Senate this year has worked very hard. It has taken up a great many matters of importance, has acted upon them, and has sent them to the executive department.

The distinguished majority leader and the distinguished deputy majority leader have both been not only zealous in the performance of their duties on behalf of the Senate, but they have been very thoughtful, kind, and cooperative toward the minority leader and deputy minority leader, and we appreciate that.

I think the Senate has earned this very brief respite which it will begin later this week. As we go away to observe Maundy

Thursday, Good Friday, Easter Sunday, and Easter Monday, and as we end our restraint upon ourselves from the Lenten fast and Lenten observances, I hope we will use this brief period not only for rest but also as an opportunity to find out what our constituents are thinking, or to have a little relaxation, and that we will also use the time to contemplate what sacrifice means, because we celebrate in this holy season the sacrifice of the paschal lamb, His ascent upon the cross, and the descent from the cross of the Man of Love who has guided the destinies of those who have professed His faith.

I hope that we will remember not only the sacrifices of the prisoners of war, but also the sacrifices of those who have served their Nation in war and in peace.

I think our brief absence from this Chamber will be an enlightening and uplifting experience, an experience in which we shall devote some time and some thought to all those who have gone before and all those who have maintained the strength of the Union, the pride of the Nation, the respect of their fellow men, the love of those who honor sacrifice, and those who believe that love of country leads, will follow.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Arkansas (Mr. McCLELLAN) is recognized for not to exceed 15 minutes.

APPROPRIATIONS CEILING FOR FISCAL 1974

Mr. McCLELLAN. Mr. President, in my remarks to the Senate on February 6, I proposed that the Appropriations Committee set a tentative appropriations ceiling—a spending ceilng—that it would undertake to observe in the processing of appropriations bills for fiscal 1974. In an effort to establish such an overall ceiling for the full Appropriations Committee, I requested—by letter—that each subcommittee chairman review his respective portion of the Federal budget and recommend the minimum amount which his subcommittee felt would be required to economically carry out for fiscal year 1974 the essential programs and functions of Government over which his subcommittee has jurisdiction.

Mr. President, I am pleased to report that each appropriations subcommittee chairman has responded to my request, and I wish to express to each my appreciation for his helpful cooperation. I am now glad to present to the Senate the results of this undertaking.

Five subcommittees projected cuts in administration appropriation requests by $5.4 billion. They are:

Military Construction, $151 million;

Housing and Urban Development, Space, Science, and Veterans, $1 billion;

Foreign Operations, $1.3 billion;

Legislative, $12 million; and

Defense, $3 billion.

Six subcommittees advised that they would endeavor to hold their appropriations within the budget—that they would not exceed budget requests. They are:

Treasury, U.S. Postal Service, and General Government;

State, Justice, Commerce, and the Judiciary;

Public Works, Atomic Energy Commission;

Transportation;

Interior; and

District of Columbia.

Two subcommittees anticipate making increases over and above budgetary requests by some $3 billion. They are:

Agriculture, Environmental and Consumer Protection by $801 million; and

Labor; Health, Education, and Welfare by $2.2 billion.

Mr. President, the aggregate of these goals set by each respective subcommittee chairman establishes an overall ceiling for appropriations for fiscal 1974 that would result in a cut of new obligational authority from the budget request of $288 to $285.6 billion—a decrease of $2.4 billion, or 0.8 percent. In terms of actual budget outlays, these reductions would cut Federal spending in fiscal 1974 from the budget request of $268.7 to $267.1 billion—a decrease of approximately $1.6 billion, or 0.6 percent.

I realize that these reductions appear to be minimal—and they are—but if achieved, we will at least, in slight measure, be "holding the line" on spending.

Incidentally, it may be of some interest to note that the $267.1 billion spending ceiling fixed by the subcommittee chairmen of the Appropriations Committee is $9 million less than the $268 billion ceiling fixed by the Senate in the amendment which it adopted on April 5 to S. 929—the Par Value Modification Act.

Mr. President, it is my hope—particularly in the two instances where the proposed subcommittee ceilings considerably exceed the budget estimates—that after more thorough examination and consideration, substantial reductions can be made in these areas. I am also hopeful that the Appropriations Committee will find it feasible to make some reductions in other areas where subcommittee chairmen have reported a ceiling at budget level.

It must be kept in mind, however, that the Appropriations Committee will have under consideration only $171.7 billion, or about 60 percent of the total budget submitted by the President for fiscal 1974. The remaining $116 billion, or about 40 percent of budget authority requested by the President, requires no current action by Congress—no appropriation this year—since this amount is comprised of permanent appropriations and trust fund authorizations.

As Members of this body know, not all the money is spent in the same year that it is appropriated. Some of the money that Congress appropriates this year will be spent in subsequent years. For example, only $167 billion of the $171.7 billion that the Appropriations Committee will consider is earmarked for expenditure in fiscal 1974. Thus, the budget recommendations of the 13 appropriation subcommittees, translated into actual 1974 spending authority, would mean a spending decrease of $1.6 billion—1 percent—below the President's budget.

Mr. President, as we know, this tentative ceiling that we have established is neither binding nor final. However, it does set an overall limitation goal which we shall faithfully undertake to observe and not exceed. And, Mr. President, I personally believe that the distressing inflationary pressures on our economy and the deplorable state of our fiscal affairs dictate that we should make even further reductions wherever possible and practical in Federal expenditures for fiscal 1974.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a chart prepared by staff members of the Appropriations Committee, showing estimates of the new budget authority proposed by the administration, together with subcommittee budget recommendations for fiscal 1974.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS, U.S. SENATE—BUDGET ESTIMATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY, BUDGET OUTLAYS, AND SUBCOMMITTEE CHAIRMEN RECOMMENDATIONS, FISCAL YEAR 1974, APR. 16, 1973

[In millions of dollars]

Source (1)	Budget estimates of new (obligational) authority, fiscal year 1974 (2)	Fiscal year 1974 budget outlays resulting from fiscal year 1974 new (obligational) authority (3)	Fiscal year 1974 budget outlays resulting from prior year (obligational) authority (4)	Total budget outlays, fiscal year 1974 (sums of cols. 3 and 4) (5)	Tentative ceiling, or goal of subcommittee chairmen, new (obligational) authority, fiscal year 1974 (6)	Comparison of new (obligational) authority, fiscal year 1974, recommended by subcommittee chairmen with budget estimates (col. 6 compared with col. 2) (7)	Comparison of 1974 budget outlays with recommendations of subcommittee chairmen (8)
A. Appropriation bills:							
1. Agriculture, Environmental and Consumer Protection	$9, 503	$8, 739	$2, 547	$11, 286	$10, 304	+$801	+$341
2. Defense	77, 124	54, 754	16, 861	71, 615	74, 124	−3, 000	−1, 550
3. District of Columbia	433	424	------	424	433	------	------
4. Foreign Operations	4, 425	1, 126	2, 316	3, 442	3, 113	−1, 311	−161
5. HUD, Space, Science, Veterans	18, 617	14, 805	5, 046	19, 851	17, 617	−1, 000	−1, 000

Source (1)	Budget estimates of new (obligational) authority, fiscal year 1974 (2	Fiscal year 1974 budget outlays resulting from fiscal year 1974 new (obligational) authority (3)	Fiscal year 1974 budget outlays resulting from prior year (obligational) authority (4)	Total budget outlays, fiscal year 1974 (sums of cols. 3 and 4) (5)	Tentative ceiling, or goal of subcommittee chairmen, new (obligational) authority, fiscal year 1974 (6)	Comparison of new (obligational) authority, fiscal year 1974, recommended by subcommittee chairmen with budget estimates (col. 6 compared with col. 2) (7)	Comparison of 1974 Budget outlays with recommendations of subcommittee chairmen (8)
6. Interior	$2,356	$1,732	$502	$2,234	$2,356		
7. Labor-HEW	33,657	22,052	10,327	32,379	35,900	+$2,243	+$771
8. Legislative	600	524	90	614	588	−12	−12
9. Military Construction	2,938	666	1,518	2,184	2,787	−151	−6
10. Public Works—AEC	4,602	2,185	2,734	4,919	4,602		
11. State, Justice, Commerce, and the Judiciary	4,268	2,650	1,449	4,099	4,268		
12. Transportation	3,087	2,232	959	3,191	3,087		
13. Treasury, Postal Service, and General Government	4,810	4,523	749	5,272	4,810		
14. Supplementals and Contingencies	4,976	4,256	1,101	5,357	4,976		
15. Under Proposed Legislation	296	217	−75	142	296		
16. Subtotal, Appropriation Bills (A)	171,694	120,886	46,123	167,009	169,261	−2,430	−1,617
B. Availability from other than appropriation bills:							
1. New Budget Authority Requiring Current Action	1,126	−265	4,943	4,678	1,126		
2. Trust Funds	108,533	38,125	52,932	91,057	108,533		
3. Interest on the Public Debt	26,100	26,100		26,100	26,100		
4. Other	11,843	9,939	1,150	11,089	11,843		
5. Subtotal, other than Appropriation Bills (B)	147,602	73,899	59,025	132,924	147,602		
6. Gross Total, Budget Estimates (A+B)	319,296	194,785	105,148	299,933	316,863	−2,430	−1,617
C. Deduct Interfund and Intragovernmental transactions and proprietary receipts handled as offsets for Budget summary purposes only	−31,268	−20,797	−10,471	−31,268	−31,268		
D. Grand total (net)	288,029	173,989	94,676	268,665	285,595	−2,430	−1,617

Note: Columns may not add to totals shown due to rounding.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged against my time.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited therein to 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. CLARK) laid before the Senate the following letters, which were referred as indicated:

APPROVAL OF LOAN TO UNITED POWER ASSOCIATION

A letter from the Acting Administrator, Rural Electrification Administration, Department of Agriculture, transmitting, pursuant to law, information relating to approval of loan to United Power Association of Elk River, Minn. (with an accompanying paper). Referred to the Committee on Appropriations.

APPROVAL OF LOAN TO BASIN ELECTRIC POWER COOPERATIVE

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, transmitting, pursuant to law, information relating to approval of loan to Basin Electric Power Cooperative, Bismarck, North Dakota (with an accompanying paper). Referred to Committee on Appropriations.

REPORTS CONCERNING NAVY'S SHORE ESTABLISHMENT REALINEMENT ACTIONS

A letter from the Under Secretary of the Navy, transmitting pursuant to law, congressional reports of the facts concerning the Department of the Navy's Shore establishment realignment actions (with accompanying reports). Referred to the Committee on Armed Services.

REPORT ON PROPOSED CLOSURES OF CERTAIN MILITARY INSTALLATIONS

A letter from the Secretary of the Army, transmitting, pursuant to law, a report of the facts, and the justification for the proposed closure of certain military installations in the United States (with an accompanying report). Referred to the Committee on Armed Services.

SEMIANNUAL REPORT OF DIRECTOR OF SELECTIVE SERVICE

A letter from the Director of Selective Service, transmitting, pursuant to law, his report for the period July–December 31, 1972 (with an accompanying report). Referred to the Committee on Armed Services.

REPORT OF DEFENSE CIVIL PREPAREDNESS AGENCY

A letter from the Director, Defense Civil Preparedness Agency, reporting, pursuant to law, on property acquisitions of emergency supplies and equipment for the quarter ending March 31, 1973. Referred to the Committee on Armed Services.

REPORT ON PROPOSED CLOSURE OF CERTAIN AIR FORCE BASES

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report of the facts, and the justification for the proposed closure of Hamilton Air Force Base, Calif., McCoy Air Force Base, Fla.; Forbes Air Force Base, Kans., Westover Air Force Base, Mass., Ramey Air Force Base, P.R., and Laredo Air Force Base, Tex. (with an accompanying report). Referred to the Committee on Armed Services.

SIXTH REPORT ON HIGH SPEED GROUND TRANSPORTATION

A letter from the Secretary, Department of Transportation, transmitting, pursuant to law, the sixth report on activities carried out in the year ending September 30, 1972, under the High Speed Ground Transportation Act of 1965, as amended in 1972 (with an accompanying report). Referred to the Committee on Commerce.

PROPOSED LEGISLATION BY GOVERNMENT OF DISTRICT OF COLUMBIA

A letter from the Commissioner, Government of the District of Columbia, transmitting a draft of proposed legislation to provide for the appointment of alternates and hearing examiners by the Zoning Commission of the District of Columbia, to change the composition of the Board of Zoning Adjustment, and for other purposes (with an accompanying paper). Referred to the Committee on the District of Columbia.

INTERNATIONAL AGREEMENTS

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a series of international agreements entered into by the United States (with accompanying papers). Referred to the Committee on Foreign Relations.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, according to law, a report on need intensifies to amend legislation to reduce government losses on the peanut price-support program, Agricultural Stabilization and Conservation Service, Commodity Credit Corporation and Department of Agriculture, dated April 13, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT ON PROJECTS SELECTED FOR FUNDING UNDER WATER RESOURCES RESEARCH ACT OF 1964

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the descriptions of three projects selected for funding through grants, contracts, and matching or other arrangements with educational institutions, private foundations or other institutions, and with private firms under the Water Resources Research Act of 1964, for fiscal year 1973 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATION FOR CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports concerning third preference and sixth preference classification to certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. CLARK):

A joint resolution of the Legislature of the State of Connecticut. Referred to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION NO. 1

"Resolution ratifying the proposed amendment to the Constitution of the United States relating to equal rights for men and women

"Resolved by this Assembly:

"Whereas, the Ninety-second Congress of the United States of America at its Second Session, in both houses, by a Constitutional majority of two-thirds thereof, has made the following proposition to amend the Constitution of the United States in the following words, to wit:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

" 'ARTICLE —

" 'SECTION 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

" 'SEC. 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

" 'SEC. 3. This amendment shall take effect two years after the date of ratification.'

"Be it further resolved by the General Assembly of the State of Connecticut, That the said proposed Amendment to the Constitution of the United States be and the same is hereby ratified; and

"Be it further resolved, That certified copies of this resolution be forwarded by the Governor of the State of Connecticut to the President of the United States, the President Pro Tempore of the Senate and the Speaker of the House of Representatives of the United States and the Administrator of General Services of the United States."

A concurrent resolution of the Legislature of the State of Delaware. Referred to the Committee on Agriculture and Forestry:

"HOUSE CONCURRENT RESOLUTION NO. 7

"Memorializing and urging the Congress of the United States to make an appropriation to the Soil Conservation Service in the 1974 fiscal year budget in an amount at least equal to the appropriation in the 1973 fiscal year budget and urging the Delaware Congressional Delegation to give their support to the appropriation of funds to the Soil Conservation Service at the 1973 fiscal year level

"Whereas, the preservation of the soil, water, forests, and wildlife of Delaware and of this nation is necessary; and

"Whereas, we believe the preservation of these resources is the responsibility of all people; and

"Whereas, farmers and other landowners, through conservation practices, have made Delaware a more beautiful State for both rural and urban people to enjoy; and

"Whereas, soil loss, previously recognized as detrimental to the production of agricultural crops, is now recognized as a major pollutant of rivers, lakes, and streams; and

"Whereas, control of erosion, sediment production, and runoff containing fertilizer and pesticide residues are of such significance that greater control is in the public interest; and

"Whereas, the Agricultural Conservation Program, providing incentives to landowners for rural environmental improvement of private lands, has been eliminated; and

"Whereas, the technical services program, providing services to farmers and other landowners through the local Soil and Water Conservation Districts, have been curtailed by impoundment of funds appropriated to the Soil Conservation Service; and

"Whereas, further reductions in both funds and services for programs affecting whole communities and watersheds are proposed in the 1974 fiscal year budget of the Soil Conservation Service; and

"Whereas, major reductions are proposed for both the Watershed Program and the Resource Conservation and Development Program, two programs having areawide impacts on resource protection and development in Delaware; and

"Whereas, the Department of Natural Resources and Environmental Control has budgeted its activities to meet its obligations toward planning, staffing, and funding based on mutual efforts of local, county, state, and federal areas of cooperation as stated in work plans and other articles of agreement, now, therefore,

"Be it resolved by the House of Representatives of the 127th General Assembly of the State of Delaware, the Senate concurring therein, that the Congress of the United States is respectfully urged to make an appropriation to the Soil Conservation Service in the 1974 fiscal year budget in an amount at least equal to the appropriation in the 1973 fiscal year budget; and

"Be it further resolved that Delaware Senators William V. Roth, Jr. and Joseph R. Biden, Jr., and the State Representative in Congress, Pierre S. duPont, IV, are urged to give their wholehearted support to the appropriation of funds at the 1973 fiscal year level to the Soil Conservation Services; and

"Be it further resolved that the Secretary of State be directed to transmit duly attested copies of this Resolution to the President of the United States; to the Vice President of the United States; to the Speaker of the House of Representatives; to the Chairmen of the Senate and House Committees on Agriculture; to the Chairmen of the Senate and House Committees on Appropriations; to the Secretary of Agriculture; and to the Delaware Congressional Delegation."

Resolutions of the Massachusetts State Senate. Referred to the Committee on Interior and Insular Affairs:

"RESOLUTIONS URGING THE UNITED STATES TO MEET DEMANDS REQUESTED BY THE AMERICAN INDIAN MOVEMENT

"Whereas, The Massachusetts Senate has watched with dismay the lengthy impasse between the militant Indians who have occupied the historic community of Wounded Knee, South Dakota and the federal officials who have surrounded them; and

"Whereas, The United States government, through its Bureau of Indian Affairs, has been hesitant in solving the many problems and grievances of the American Indians resulting from years of mistreatment and a lack of understanding on the part of federal officials responsible for their care; therefore be it

"*Resolved*, That the Massachusetts Senate respectfully urges all agencies and officials of the United States government involved with the plight of the American Indians to agree to the demands of the American Indian Movement by conducting an investigation of the Bureau of Indian Affairs and of breached treaties and agreements and by granting the American Indians the self-determination and sovereignty which is rightfully and legally theirs; and be it further.

"*Resolved*, That copies of these resolutions be transmitted forthwith by the Clerk and Parliamentarian of the Senate to the President of the United States, to the presiding officer of each branch of Congress and to the members of Congress thereof from the Commonwealth.

"Senate, adopted, April 5, 1973."

Resolutions of the General Court of Massachusetts. Referred to the Committee on Labor and Public Welfare:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT THE PRIVATE PENSION SYSTEMS REFORM LEGISLATION KNOWN AS THE WILLIAMS-JAVITS BILL

"Whereas, Individuals change employment during their working lives; and

"Whereas, The employment of many individuals is terminated after long years of work but prior to retirement; and

"Whereas, Such conditions leave a sizeable segment of older persons without adequate income; now, therefore, be it

"*Resolved*, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact the (private pension systems reform legislation) known as the William-Javits Bill; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from the Commonwealth.

"House of Representatives, adopted, April 9, 1973.

"Senate, adopted in concurrence, April 11, 1973."

A concurrent resolution of the Legislature of the State of North Dakota. Referred to the Committee on Commerce:

"HOUSE CONCURRENT RESOLUTION NO. 3016

"A concurrent resolution urging Congress to adopt the metric system for weights and measurements in the United States

"Whereas, a three-year study of the feasibility of increased use of the metric system in the United States was conducted by the Department of Commerce as authorized by Congress in 1968; and

"Whereas, a report issued in July 1971 relative to this study recommended that "the United States change to the International Metric System through a coordinated national program over a period of ten years, at the end of which the nation would be predominantly metric"; and

"Whereas, consumers would benefit from a planned system of metrication which would eliminate the confusing units currently used for price comparisons of foods; and

"Whereas, adoption of the metric system would be a benefit to all of North Dakota's population, and in particular to the farmer and businessman, as the State of North Dakota is an exporter of agricultural products, and an importer of finished products from foreign manufacturers; and

"Whereas, the United States as a nation is a major exporter as well as a major importer, and the metric system would be extremely beneficial in the international trade area, as it would offer a unifying factor between American and foreign manufacturers, many of whom must make special adjustments in production and shipping procedures to do business under different systems of weights and measures;

"Now, therefore, be it resolved by the House of Representatives of the State of North Dakota, the Senate concurring therein: That the Forty-third Legislative Assembly strongly urge the United States Congress to adopt the metric system for weights and measurements in the United States; and

"Be it further resolved, that copies of this resolution be forwarded by the Secretary of State to the President of the Senate and the Speaker of the House of Representatives of the United States, and to the North Dakota Congressional Delegation."

A concurrent resolution of the Legislature of the State of North Dakota. Referred to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION No. 4070

"A concurrent resolution urging the Congress of the United States to further examine, study and review the Internal Revenue Code of the United States and as a matter of priority enact the necessary amendments and changes thereto inasmuch as continued progress on tax reform is of vital importance and an economic necessity for the well-being of the taxpayers of the United States

"Whereas, the Congress of the United States in enacting the Tax Reform Act of 1969 made great strides in tax reform through its many liberal provisions; and

"Whereas, the Congress of the United States in enacting the Revenue Act of 1971 continued this same progress and at the same time enacted some economy priming provisions; and

"Whereas, studies have shown that the complexities in our federal tax laws continue to hide many gross inequities;

"Now, therefore, be it resolved by the Senate of the State of North Dakota, the House of Representatives concurring therein: That the Congress of the United States further examine, study and review the Internal Revenue Code of the United States and as priority legislation enact the necessary amendments and changes to the Internal Revenue Code of the United States that will equalize the tax burden of the taxpayers of the United States; and

"Be it further resolved, that the Congress of the United States explore new methods of taxation that will be fair and equal in their application to the taxpayers, such study encompassing areas other than the value added tax, which tends to be hidden and regressive; and

"Be it further resolved, that copies of this resolution be forwarded by the Secretary of State to the President of the United States; to the Speaker of the House of Representatives of the United States; to the President of the Senate of the United States; to Senators Milton R. Young and Quentin N. Burdick; and to Congressman Mark Andrews.

Two concurrent resolutions of the Legislature of the State of North Dakota. Referred to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION No. 3008

"A concurrent resolution urging that the United States Congress change Veterans Day back to November 11

"Whereas, Veterans Day has traditionally been observed on November 11; and

"Whereas, November 11 commemorates a specific historical event—namely, Armistice Day of 1918; and

"Whereas, Veterans and citizen groups in North Dakota and across the country have requested that Veterans Day be returned to its original date;

"Now, therefore, be it resolved by the House of representatives of the State of North Dakota, the Senate concurring therein: That the Congress of the United States be urged to pass the necessary amendment to provide that Veterans Day be returned to its original date, November 11; and

"Be it further resolved, that the Secretary of State be directed to forward a copy of this resolution to the President of the Senate and the Speaker of the House of Representatives of the United States, and to each member of the North Dakota Congressional Delegation."

"HOUSE CONCURRENT RESOLUTION No. 3073

"A concurrent resolution relating to absenteeism in the Congress of the United States

"Whereas, the North Dakota Congressional Delegation has set an enviable record of diligence and attention to their congressional duties; and

"Whereas, the attendance record of the Congress as a whole is deplorable with usual absences ranging from thirty to forty percent of the members; and

"Whereas, the Congress has found itself unequal to its responsibilities of being an efficient, responsive, and deliberative policy-making body for our Nation and of providing a check and balance upon the executive branch of government; and

"Whereas, lack of attention to duty and attendance to the business of the Congress has been a major factor in the inability of Congress to develop or pass upon well-conceived programs affecting the future of our Nation, and has also resulted in an abdication of its responsibilities to a mammoth federal bureaucracy which in effect substitutes its judgment for that of Congress in creating policies affecting the states and their citizens through administrative regulations and administrative policies; and

"Whereas, the failure of the Congress to adequately research, define, and project the results of legislation passed by it, has frequently resulted in costly program failures, a misdirection of national, state, and local governmental efforts and energies, and economic and social costs that the Nation can ill afford to bear; and

"Whereas, only the Congress itself and the electorate at the polls can provide the necessary self-discipline to members in the performance of their duties and thereby restore the Congress to its constitutional place as the policymaking branch of government and as equal to the executive and judicial branches in all respects; and

"Whereas, the state legislative assemblies of this Nation, including the Legislature of the State of North Dakota, in spite of many constitutional, financial, and other impediments to the proper performance of their duties, have excellent records of attendance and application by their respective members that can and should be matched by our Nation's legislative body;

"Now, therefore, be it resolved by the House of Representatives of the State of North Dakota, the Senate concurring therein: That the Congressional Delegation of the State of North Dakota be commended for their attendance at sessions of the Congress and their diligence in carrying out their duties; and

"Be it further resolved, that the Congress of the United States adopt the policy of rendering a monthly report upon the absences of members of the body from its sessions and meetings of its committees together with a statement for the reason, if any, for the member's absence; and

"Be it further resolved, that copies of this resolution be forwarded by the Secretary of State to the President of the United States Senate, the Speaker of the United States House of Representatives, and each member of the North Dakota Congressional Delegation."

A joint memorial of the Legislature of the State of Washington. Referred to the Committee on Finance:

"HOUSE JOINT MEMORIAL No. 6

"To the Honorable Richard M. Nixon, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives, to the Senate and House of Representatives of the United States, in Congress assembled:

"We, your Memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, The White House Conference on Aging, and our state's Governor's Task Force on Aging, have both recommended that the elimination of the earnings test limitation in social security payments be accomplished; and

"Whereas, That limitation was recently raised to $2,100; and

"Whereas, The ultimate goal should be the complete removal of this limitation;

"Now, therefore, We, your Memorialists, respectfully pray that you in your legislative capacity, move promptly to raise the earnings limitation to not less than $3,000.

"And be it further resolved, That the Secretary of State shall cause copies of this memorial to be transmitted to the President of the United States and to the President of the Senate and Speaker of the House of Representatives."

A resolution of the Senate of the State of Washington. Referred to the Committee on Finance:

"SENATE RESOLUTION 60

"Whereas, The Port of Longview is a vital and integral segment of the economy of the State of Washington; conducting some seventy million dollars of business each year; and

"Whereas, The proposed elimination of Longview and Astoria as United States Customs Ports of entry for cargo vessels on the Columbia River would seriously restrict and decrease the level of business at these ports; and

"Whereas, Such proposed status change would leave Portland, Oregon, as the sole port of entry for freighters on the Columbia River; and

"Whereas, Such action would confuse and discourage shippers wishing to dock at Longview; and

"Whereas, There exists a substantial public investment in port facilities and equipment at Longview;

"Now, therefore, be it resolved, By the Senate, That such proposed change of status of Columbia River ports be firmly protested and opposed, and that the United States Commissioner of Customs be urged to reconsider such proposal.

"Be it further resolved, That copies of this Resolution be transmitted by the Secretary of the Senate to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Congressional Delegation from the State of Washington."

A joint memorial of the Legislature of the State of Washington. Referred to the Committee on Foreign Relations:

"HOUSE JOINT MEMORIAL No. 9

"To the Honorable Richard M. Nixon, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives, and to the Senate and House of Representatives of the United

States, in Congress assembled, and to the Secretary of State of the United States:

"We, your Memorialists, the Senate and House of Representatives of the State of Washintgon, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, The Montagnard tribe of Vietnam has suffered greatly due to the war and its related devastation; and

"Whereas, Dr. Pat Smith has through fourteen years of courageous effort made it her life's ambition to improve the living conditions of the Montagnards; and

"Whereas, Through her support and aid there has been instituted a highly successful medical aid program at the Kontum hospital where she carries on her duties; and

"Whereas, The humanitarian efforts by Dr. Smith are now in jeopardy due to lack of funds for the continuation of the hospital;

"Now, therefore, Your Memorialists respectfully pray that the administration recognize the importance of Dr. Pat Smith's efforts, both to the people of Southeast Asia and as an ambassador of good will for the United States, and take whatever steps necessary and possible to insure the continued success of her fine program.

"Be it resolved, That copies of this memorial be immediately transmitted to the Honorable Richard M. Nixon, President of the United States, to the President of the United States Senate, and the Speaker of the House of Representatives, to both the Senate and the House of Representatives of the United States, to the Secretary of State of the United States, and to each member of Congress from the State of Washington."

A joint memorial of the Legislature of the State of Washington. Referred to the Committee on the Judiciary:

"House Joint Resolution No. 10

"Be it resolved by the Senate and House of Representatives of the State of Washington in legislative session assembled:

"Whereas, both Houses at the second session of the Ninety-second Congress of the United States of America by a constitutional majority of two-thirds thereof proposed an amendment to the Constitution of the United States which is in words and figures as follows, to-wit:

" 'JOINT RESOLUTION —

" 'Proposing an amendment to the Constitution of the United States relative to equal rights for men and women

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

" 'ARTICLE —

" 'Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

" 'Sec. 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

" 'Sec. 3. This amendment shall take effect two years after the date of ratification.'

"Now, therefore, be it resolved, That said proposed amendment to the Constitution of the United States of America be, and the same is hereby ratified by the legislature of the State of Washington.

"And be it further resolved, That certified copies of this joint resolution be forwarded by the Governor of the State of Washington to the Administrator of General Services, Washington, D.C., and the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States."

A resolution adopted by the Board of Supervisors, County of Mendocino, Calif., in support of Assembly Joint Resolution No. 9. Referred to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the Webster Parish Police Jury, Minden, La., expressing objection the proposed rebuilding of North Vietnam. Referred to the Committee on Foreign Relations.

A resolution adopted by the Lassen Community College District, Lassen County, Calif., relating to certain Health, Education and Welfare appointments. Referred to the Committee on Labor and Public Welfare.

A resolution adopted by the Council of the City and County of Honolulu, Hawaii, relating to the activities of the Environmental Protection Agency. Referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ERVIN, from the Committee on Government Operations, with amendments:

S. 373. A bill to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the Senate and House of Representatives may approve the President's action or require the President to cease such action (Rept. No. 93–121), together with minority and supplemental views; and

S. 755. A bill to provide four-year terms for the heads of the executive departments (Rept. No. 93–122).

By Mr. PASTORE, from the Committee on Commerce, with amendments:

S. 1090. A bill to amend the Communications Act of 1934 with respect to recess appointments to the Board of Directors authorizations for such Corporation and for certain construction grants for noncommercial educational television and radio broadcasting facilities (Rept. No. 93–123), together with individual views.

By Mr. JOHNSTON, from the Committee on Banking, Housing and Urban Affairs:

S.J. Res. 93. An original joint resolution to provide a temporary extension of the authorization for the President's National Commission on Productivity (Rept. No. 93–124).

REPORT ENTITLED "THE FEDERAL PAPERWORK BURDEN"—REPORT OF A COMMITTEE (S. REPT. NO. 93–125)

Mr. McINTYRE. Mr. President, I submit on behalf of the chairman of the Select Committee on Small Business, Mr. Bible, a report entitled "The Federal Paperwork Burden—The Effect on Small Business." I ask unanimous consent that the report be printed together with individual statements of the Senator from Georgia (Mr. Nunn), the Senator from South Dakota (Mr. Abourezk), the Senator from Colorado (Mr. Haskell), the Senator from Maryland (Mr. Beall), and the Senator from New York (Mr. Buckley).

The PRESIDING OFFICER. The report will be received and printed.

Mr. McINTYRE. Mr. President, this report is based on a series of hearings held last year by the Senate Small Business Committee's Subcommittee on Government Regulation, which I serve as chairman. This report documents one of the most serious problems affecting some 8½ to 12 million small businessmen in America—the federally imposed paperwork and redtape burden. This report is the culmination of a long overdue examination by a congressional committee of a problem which threatens to destroy the economic ability of the small businessman to compete in the marketplace.

During this particular time of year—namely income tax time—I am sure all Americans are vividly aware of the trials and tribulations associated with complying with mandatory Federal reporting. If one thinks that the IRS Form 1040 which most citizens must file only annually is complicated, confusing, and burdensome, then try to imagine the problems a small independent businessman faces in filing approximately 64 different forms with the Internal Revenue Service, each equally as complex as the 1040 and due much more frequently than just once a year.

Coupled with these 64-tax forms, the Federal establishment requires the small businessman to file hundreds more forms, reports, questionnaires, samplings, and other such types of paperwork. These include the census of business forms, social security forms, equal opportunity forms, unemployment compensation forms, pension forms, et cetera, and ad infinitum. In fact, there are over 5,298 different types of public use forms excluding those of the IRS.

The number and complexity of these federally imposed reporting and paperwork requirements are growing, probably faster than the Federal budget. And the net result on the 8½ to 12 million small business firms in America is that they are drowning in a sea of red ink imposed by a mountain of redtape. The cost to small firms to comply with mandatory Federal paperwork is but one part of this problem. More importantly, the small entrepeneur feels that his government has no faith or trust in him.

During our field hearings in May of 1972, a Chicago businessman stated:

> That the tone of the forms, the information that is requested does very definitely indicate that the government has a deep and abiding distrust of citizens generally and businessmen in particular. Understandably, he considers this attitude an unfair burden to impose on the businessman.

Even those individuals who derive a financial advantage from Federal paperwork question the necessity of the multitude of government forms. An account in Boston expressed the consensus of many of these professionals by stating:

> I am an accountant—I want to work as an accountant—I want to service my clients, but I don't want to go down and fill out the Commerce Department reports— I don't want to charge my client for time which is a waste. . . . I think most of these government reports are a waste, especially for small companies.

Mr. President, admittedly this report itself is lengthy but we believe responsive to the massive size of the paperwork problem and our in-depth examination of it by our hearings. The report and the investigatory work detail the size and scope of the problem from the standpoint of the small businessman and its impact on his economic viability. It also examines into the causes of this paper crisis, which I have denominated "Federal form pollution."

One major finding is that the Federal Reports Act of 1942, the Government's primary "paperwork controls law," is largely ineffective. We believe this is due to lack of effective enforcement and application by the White House Office of Management and Budget. This Office has complete responsibility for administering this law, but it refuses to carry out all of the provisions of the act. The agency has never held hearings or implemented the collection and consolidation of information-gathering procedures as it is "directed" to do under section 3(b) of the act. OMB officials state that they rely solely on the review procedures outlined in section 5 of the law to fulfill statutory demands. The agency, however, for many reasons, has not successfully met the requirements of section 5.

One reason cited by the report is that top officials at the White House Office of Management and Budget have consistently refused to adequately staff the Statistical Policy Division which reviews forms for clearance. Other congressional committees over the years have repeatedly urged an upgrading of the forms clearance procedure at OMB, but no productive action has been forthcoming. Our committee report thus concludes that it is questionable whether OMB will ever administer the Federal Reports Act so as to effectively control the proliferation of Federal paperwork.

Another major factor contributing to the paperwork-redtape crisis named by the report is that imposed by the Internal Revenue Service which generates approximately 35 percent of all Federal forms. Since IRS is exempt from the Federal Reports Act, no other office can exercise supervision or control over the number or complexity of the forms issued by IRS. Nor is it apparent that the agency's internal review procedures offer restraint. Consequently, the growth of IRS forms has been steady over the years. IRS forms applicable to small businesses have more than doubled in the past 3 years, advancing from 30 forms in 1970 to 64 in 1972.

Because IRS is responsible for such a large portion of Government paperwork, the committee report finds it impossible for the Federal Reports Act to function properly without improved supervision over IRS's contribution to the paperwork burden.

The report makes numerous recommendations which deserve thoughtful consideration by the Congress and others if paperwork is ever, first, to be brought to a realistic and manageable level, second, able to satisfy those needs of the Federal Government which are valid and necessary to the orderly governing of this Nation, and third, not impose unmanageable hardship on American small business.

Major recommendations of the report are:

First, congressional consideration of legislation to remove authority for administration of the Federal Reports Act of 1942 from the Director of the White House Office of Management and Budget and transfer this responsibility to the Comptroller General of the United States;

Second, that legislation be considered to bring the Internal Revenue Service under the authority of the Federal Reports Act;

Third, that legislation be considered to provide technical assistance to small business firms in obtaining, understanding and preparing necessary forms, tax returns, reports, and other documents required by Federal law.

Obviously, we know that legislation alone cannot provide the sole answer to the Federal paperwork problem. The committee report calls for a sustained effort by all branches of government to control the growth of Federal paperwork.

Likewise, the report makes numerous specific suggestions to control specific paperwork problems with respect to those Federal agencies examined by these hearings.

Mr. President, I commend this report to all Senators and urge that all of us remain mindful of this problem as we fulfill our senatorial responsibilities by examining the information needs of the various agencies coming within our purview and thereby assist in reducing excessive Federal paperwork, imposed by these agencies.

In conclusion, Mr. President, I ask unanimous consent that a synopsis of the report's findings and the committee recommendations be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FINDINGS

The following items present a synopsis of the specific findings of your committee:

(1) The phenomenal growth rate of the Federal reporting system and the paperwork it generates is creating dissatisfaction with Government by the small business community.

(2) The Federal Reports Act of 1942 is ineffective in controlling the proliferation of Federal paperwork due to lack of authority over IRS and the inept administration of the Act by OMB.

(3) OMB has demonstrated little initiative in reducing Federal reporting requirements. It has never held hearings under Section 3(b), relying solely on Section 5, the clearance procedure authority, to fulfill all the provisions of the Act. The language of the law does not allow such substitution.

(4) The Statistical Policy Division of OMB is inadequately staffed thereby rendering the clearance procedure virtually meaningless. Repeatedly admonished to upgrade this staff, top officials at OMB have consistently refused to do so.

(5) If the paperwork burden is to be brought under control, Congress must look elsewhere than to OMB for any real and effective improvement.

(6) Witnesses severely criticized IRS as unsympathetic toward small businesses, indicating IRS's loss of credibility among these Americans.

(7) The proliferation of IRS forms, the complexity of the forms and the increased frequency of filing requirements necessitate extensive outside assistance for small businesses which is inconsistent with the American tax system.

(8) The paperwork burden of small businesses is increased by Federal-State duplication of tax reporting. Additional hardship is imposed by the lack of information-sharing between IRS and other Federal agencies.

(9) The forms review procedure at IRS does not reflect the needs of small business. Inclusion under a strengthened Federal Reports Act would allow more productive outside review of IRS forms.

(10) The Social Security Administration's determination to maintain the quarterly wage reporting system is imposing an undue hardship on small business. The social security system would not be adversely affected by the abandonment of the quarterly Form 941A and the institution of an annual reporting system.

(11) With respect to its paperwork and record-keeping requirements, the Occupational Safety and Health Act has created confusion and distress among small businessmen. The Department of Labor should reexamine the record-keeping and inspection procedures of OSHA so that the intent of the legislation is carried out with minimal burden to small business.

(12) Congress must also face its responsibility to insure that well-intended legislation does not become ensnared in administrative red tape.

RECOMMENDATIONS

A. Legislation

Based on the information developed in your subcommittee's hearings on the Federal paperwork burden, your committee accordingly recommends the following proposals which require Congressional action:

(1) Legislation be enacted to amend the Legislative Reorganization Act of 1970 to consider the impact of Federal reporting requirements on small business by providing affirmative disclosures in committee reports of paperwork requirements relative to legislation reported for action by a committee of the Senate. Your subcommittee urges support of S. 200, a bill designed to accomplish the legislative goals outlined above.

(2) Statutory authorization be granted by the Congress to remove authority for the administration of the Federal Reports Act of 1942 from the Director of the Office of Management and Budget and that this responsibility be vested in the Comptroller General of the United States, and that Congress consider the advisability of bringing the Internal Revenue Service under the authority of the Federal Reports Act.

(3) Legislation be considered to provide technical assistance to small business firms in obtaining, understanding and preparing the forms, tax returns, reports and other documents required by Federal statute.

B. EXECUTIVE AGENCIES

It is recommended that until such time as the Congress shall make a judgment on the proposed legislative changes to alleviate the burden of Federal paperwork, the Executive agencies should take the following actions:

(1) The Social Security Administration should undertake measures to implement a change in the requirement for filing Form 941-A from a quarterly basis to an annual basis.

(2) The Internal Revenue Service should actively pursue the development of a single annual business report to replace the current system of multiple wage reporting.

(3) All Federal agencies should undertake an immediate review of their reporting procedures in order to reduce as many man-hours of reporting time as possible.

(4) The Office of Management and Budget should increase the staff size of its Statistical Policy Division so that review procedures can be adequately maintained. An investigation into the duplication of information-gathering by Federal agencies should be started immediately with subsequent hearings held as soon as possible in order to comply with the statutory directives of Section 3(b) of the Federal Reports Act. OMB should also require greater proof of need from all

Federal agencies applying for clearance of public use forms.

(5) OMB should actively seek the input of small businesses in an advisory capacity on report forms. This process should be implemented in addition to the work of the BACFR now advising OMB.

(6) IRS should increase its assistance to state agencies with the objective of combining many of the present requirements for tax reporting. The duplication of Federal and state unemployment taxes might be eliminated under such a program.

(7) A review of all tax forms should be undertaken in order to reduce duplication of efforts within IRS.

(8) Simplification of IRS tax forms should be undertaken with subsequent simplification of the instructional materials accompanying them.

(9) IRS should expand its Tax Forms Coordinating Committee to include representation from the general public.

(10) A review of the penalties procedures and fines assessment incident to tax form complexities should receive top priority.

(11) A review should be made by IRS of its reports pertaining to pension and profit-sharing plans with the objective of simplification and reduction of duplication.

(12) A program of cooperation between IRS and the Department of Labor should be undertaken to share information on pension and profit-sharing plans, thereby information on pension and profit-sharing plans, thereby reducing the duplication of reporting required for businesses.

(13) The Department of Labor should review OSHA regulatory standards and reporting requirements in order to clarify regulations and to simplify compliance procedures incident to forms and record-keeping.

(14) The Small Business Administration should review its loan application procedures relative to excessive paperwork requirements.

C. OTHER RECOMMENDATIONS

Actions other than legislative, which can be taken by Congress or its designees, are recommended as follows:

(1) Regardless of whether or not Congress grants authority to the General Accounting Office to administer the Federal Reports Act of 1942, amended, the Comptroller General under his existing authority should conduct an examination of the Office of Statistical Policy of OMB and report to the Congress on the efficacy of OMB administration of this act with recommendations where necessary to upgrade OMB actvities in this area. Further study and examination should be conducted by GAO during the course of its auditing and examinations of Federal agencies to insure better management practices on the part of such agencies, thereby eliminating unnecessary paperwork and achieving consolidation of reporting systems where possible.

(2) Congress should continue monitoring the efforts of Executive agencies to reduce paperwork. The Congressional committees exercising oversight over specific Executive agencies should, during the course of hearings, question such agencies as to their efforts to reduce paperwork and redtape.

(3) The House and Senate Appropriations Committees should insist upon justification by each agency for that part of their budget which supports paperwork and reporting systems collecting data from the private sector. Where, in the wisdom of these committees, reductions can be achieved in funding for reporting systems without jeopardizing the national interest, they should be made.

COMMITTEE PAPERWORK REPORT

Mr. BIBLE. Mr. President, as chairman of the Small Business Committee, I am pleased to associate myself with the remarks on the Federal paperwork burden made by the distinguished chairman of the Subcommittee on Government Regulation of the Senate Select Committee on Small Business, (Mr. McINTYRE).

Certainly, other Senators receive mail from small businessmen in their States complaining about the growing appetite of the Federal Government for ever more data, information, reporting, recordkeeping, and so forth, some duplicative of others to the disgust of the intended respondent. It is obvious that Federal paperwork affects the economic viability of small business concerns. A small businessman plainly cannot afford to hire nonproductive personnel just to comply with questionable Federal reporting. However, large businesses can spread costs of such nonproductive employees, possibly enhancing their competitive ability over small business, on the one hand but inflating product prices to consumers on the other.

The timeliness of the committee report is further strengthened by a countrywide survey taken by the National Small Business Association recently which ranked government paperwork as one of the five major issues of topmost concern for 1973.

If the Federal Government does not deal more sensibly and effectively with its voracious demand for data, irrelevant or duplicative in many cases, we question whether government itself may be a factor in causing many businessmen to disregard government reporting laws. I am aware that one witness told Senator McINTYRE's subcommittee:

> We have reached the saturation level and each new law and each new agency at every level of government providing forms is forcing decent citizens into involuntary noncompliance with the law. Now this is tragic when upstanding, honest citizens just can't comply with the laws, and the result is obviously intolerable.

If this statement is indicative of a growing feeling around the country, I agree that it is tragic when the Federal establishment contributes to undermining our basic system of government by imposing what appears to be unrealistic and probably unnecessary burdens on the small businessman particularly and the general public who are affected by questionable governmental form requirements.

May I commend my good friend from New Hampshire and his Subcommittee on Government Regulation for their efforts in offering worthwhile recommendations on a subject which heretofore has not received the attention it deserves and on which affirmative action is necessary; the Federal paperwork burden and its impact on the taxpaying citizens of our country.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

David Packard, of California, Lt. Gen. Leonard D. Heaton, U.S. Army, retired; Malcolm C. Todd, of California, Anthony R. Curreri, of Wisconsin, H. Ashton Thomas, of Louisiana, and Durward G. Hall, of Missouri, to be members of the Board of Regents of the Uniformed Services University of the Health Sciences.

By Mr. NUNN, from the Committee on Armed Services:

Lt. Gen. George J. Eade (major general, Regular Air Force) U.S. Air Force, to be assigned to a position of importance and responsibility designated by the President, to be general.

By Mr. MAGNUSON, from the Committee on Commerce:

Kenneth R. Anderson, and sundry other persons, for permanent appointment in the National Oceanic and Atmospheric Administration.

By Mr. EAGLETON, from the Committee on the District of Columbia:

David Luke Norman, of the District of Columbia, to be an associate judge, Superior Court of the District of Columbia.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced or reported, read the first time and, by unanimous consent, the second time, and referred or passed as indicated:

By Mr. DOMINICK:

S. 1597. A bill to amend chapter 17 of title 38, United States Code, to provide for the treatment of a spinal cord injury or disease of a veteran in a non-Veterans' Administration facility under certain circumstances. Referred to the Committee on Veterans' Affairs.

By Mr. RIBICOFF:

S. 1598. A bill to provide a deduction for income tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer or spouse who is disabled. Referred to the Committee on Finance.

By Mr. SAXBE:

S. 1599. A bill to provide for the continued sale of gasoline to independent gasoline retailers. Referred to the Committee on Commerce.

By Mr. HUGHES:

S. 1600. A bill to require annual authorization prescribing the maximum number of members of the Armed Forces of the United States that may be deployed in major geographic regions of the world outside the United States. Referred to the Committee on Armed Services.

By Mr. MATHIAS:

S. 1601. A bill for the relief of Antonio Passalaqua; and

S. 1602. A bill for the relief of Guadalupe Antonia Cruz. Referred to the Committee on the Judiciary.

By Mr. BROCK:

S. 1603. A bill for the relief of Elisabetta Foglia. Referred to the Committee on the Judiciary.

S. 1604. A bill to prevent discrimination on the basis of sex in housing. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 1605. A bill to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. COOK:

S. 1606. A bill to create a Federal vehicle reparations law applicable to owners and operators of highway vehicles being operated on the public ways, to establish standards for State vehicle reparations systems and to govern the applicability of State or Federal law, in order to promote and regulate interstate commerce. Referred to the Committee on Commerce.

By Mr. DOLE (for himself and Mr. GOLDWATER):

S. 1607. A bill to authorize the Commandant of the U.S. Army Command and General Staff College to award the degree of master of military art and science. Referred to the Committee on Armed Services.

By Mr. CLARK (for himself, Mr. HUMPHREY, Mr. MONDALE, Mr. HUGHES, Mr. ABOUREZK, Mr. MCGOVERN, and Mr. BURDICK):

S. 1608. A bill relating to payments to producers for participation in the 1973 feed grain program. Referred to the Committee on Agriculture and Forestry.

By Mr. MOSS:

S. 1609. A bill to authorize the Secretary of the Interior to convey certain property to Carbon Water Conservancy District, a public corporation of the State of Utah. Referred to the Committee on Interior and Insular Affairs.

S. 1610. A bill to amend the Federal Aviation Act of 1958 to require the installation of air-borne, cooperative collision avoidance systems on certain civil and military aircraft, and for other purposes. Referred to the Committee on Commerce.

By Mr. MONDALE (for himself, Mr. BURDICK, Mr. CLARK, Mr. HART, Mr. HATFIELD, Mr. HOLLINGS, Mr. HUMPHREY, Mr. MCGOVERN, Mr. METCALF, Mr. NELSON, Mr. THURMOND, and Mr. YOUNG):

S. 1611. A bill to amend the Federal Crop Insurance Act to extend insurance coverage under such Act to all areas of the United States and to all agricultural commodities. Referred to the Committee on Agriculture and Forestry.

By Mr. METCALF:

S. 1612. A bill to provide for the regulation of surface mining operators in the United States, to authorize the Secretary of the Interior to make grants to States to encourage State regulation of surface mining, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 1613. A bill to modify the restrictions contained in Section 170(e) of the Internal Revenue Code in the case of certain contributions of literary, musical, or artistic composition, or similar property. Referred to the Committee on Finance.

By Mr. PERCY:

S. 1614. A bill to require the Secretary of Housing and Urban Development to furnish additional consumer protection services, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. ROTH:

S. 1615. A bill for the relief of August F. Walz. Referred to the Committee on the Judiciary.

By Mr. BURDICK (for himself and Mr. YOUNG):

S. 1616. A bill authorizing the construction of certain bank stabilization works on the Missouri River below Garrison Dam. Referred to the Committee on Public Works.

By Mr. MATHIAS (for himself and Mr. BEALL):

S. 1617. A bill to reimburse the city of Frederick, Md., for money paid saving harmless valuable military and hospital supplies owed by the U.S. Government. Referred to the Committee on the Judiciary.

By Mr. SCOTT of Virginia (for himself and Mr. HARRY F. BYRD, JR.):

S. 1618. A bill to name the headquarters building in the Geological Survey National Center under construction in Reston, Va., as the "John Wesley Powell Federal Building." Referred to the Committee on Public Works.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 1619. A bill to revise and modernize the statutes relating to the coinage and the Bureau of the Mint. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. STEVENS:

S. 1620. A bill to amend the Anadromous Fish Conservation Act in order to increase the Federal share of costs and the authorization under such act. Referred to the Committee on Commerce.

S. 1621. A bill to amend title XVI of the Social Security Act (relating to supplemental income for the aged, blind, and disabled) to provide for the disregarding of certain payments, made by a State to elderly residents thereof without regard to the need of the recipient thereof, in determining eligibility for or amount of the supplementary income payable to individuals in such State under such title. Referred to the Committee on Finance.

By Mr. STEVENS (for himself, Mr. GRAVEL, Mr. JACKSON, and Mr. MAGNUSON):

S. 1622. A bill to authorize the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park in the States of Alaska and Washington, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND:

S. 1623. A bill for the relief of John Alleyne. Referred to the Committee on the Judiciary.

S. 1624. A bill to amend title XIX of the Social Security Act to clarify the standards which apply in determining the basis on which Federal matching will be accorded toward State expenditures for skilled and intermediate care facility services provided under State plans approved under such title. Referred to the Committee on Finance.

By Mr. BEALL (for himself and Mr. MATHIAS):

S.J. Res. 92. Joint resolution to authorize and request the President to designate the week beginning August 19, 1973, and ending August 25, 1973, as "National Logistics Week." Referred to the Committee on the Judiciary.

By Mr. JOHNSTON:

S.J. Res. 93. Joint resolution to provide a temporary extension of the authorization for the President's National Commission on Productivity. Considered and passed.

By Mr. GURNEY:

S.J. Res. 94. Joint resolution to redesignate the area in the State of Florida known as Cape Kennedy as Cape Canaveral. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S.J. Res. 95. A joint resolution relating to the taking of the 1974 Census of Agriculture. Referred to the Committee on Post Office and Civil Service.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMINICK:

S. 1597. A bill to amend chapter 17 of title 38, United States Code, to provide for the treatment of a spinal cord injury or disease of a veteran in a non-Veterans' Administration facility under certain circumstances. Referred to the Committee on Veterans' Affairs.

Mr. DOMINICK. Mr. President, I am introducing for appropriate reference a bill to permit veterans with spinal cord injury or disease to be treated in non-Veterans' Administration facilities, at VA expense, under certain circumstances.

Our Vietnam veterans, and all other veterans who have incurred spinal cord injury, require specialized care and facilities. Since VA regulations prohibit payment of hospitalization costs incurred by veterans in private or public hospitals when VA facilities are available, veterans with spinal cord injury must receive treatment in one of the VA's 14 Spinal Cord Injury Centers. While these centers provide excellent care, their geographical location sometimes makes it necessary to send a veteran to a VA center as far as 1,000 miles from his home and family, even when treatment is available at a private or public hospital in his own hometown.

This practice of sending veterans to Spinal Cord Injury Centers outside reasonable commuting distance for their families can be detrimental to mental health and may actually impede rehabilitation. My bill would prevent this by providing veterans with an alternative when the center to whch the VA plans to send them is not located within reasonable commuting distance for their families. In such instances, the veteran would have the option of going to the VA center or to a private or public hospital, at VA expense, which is capable of providing the required specialized treatment and is located within a reasonable commuting distance.

I am sure the VA will contend that it already has a regulation which authorizes the admission of a veteran to a private or public hospital at VA expense if a VA hospital is not feasibly available, and that the term "not feasibly available" includes situations where the relative distance of the travel involved makes it necessary or economically advisable to use public or private facilities. However, this regulation does not define "relative distance of the travel involved." I do not know how far the VA would send a veteran before it invoked the "relative distance" provision, but it must be more than 1,000 miles. I say this, because I have personal knowledge of a situation where a veteran from Denver, Colo., was sent to a VA center at Long Beach, Calif., when the Craig Rehabilitation Center, in Denver, was willing and able to provide the required treatment on a reimbursable basis.

The situation to which I refer involved a veteran from Cotopaxi, Colo. He was injured in a car accident, treated, including back surgery, in Penrose Hospital in Colorado Springs, and sent to the VA hospital in Denver. The VA hospital director advised the veteran's family that the facilities needed for rehabilitation were not available in the Denver VA hospital, and made arrangements to send the veteran to the VA Spinal Cord Injury Center in Long Beach, Calif.

Both the veteran's physician and his family, which was on the brink of financial disaster as a result of the accident, wanted to have the veteran admitted to the Craig Rehabilitation Hospital in Denver, which specializes in brain and spinal cord injuries, because of their knowledge of and faith in this hospital. They considered it psychologically preferable, from a medical standpoint, to have the veteran in the Denver area near family and friends.

The Denver VA hospital director was sympathetic to the family's wishes, but could not accommodate the request. He said that VA regulations prohibited payment of hospitalization costs in a private or public hospital when VA facilities were available.

At about this same time, there was a similar situation occurring involving a veteran who had received injuries to his arm, ribs, lungs, and spinal cord in Vietnam in 1971. He had been sent to Walter Reed Hospital, and then to the VA hospital in Memphis, Tenn. His physician and family felt that continued treatment in the VA hospital would be very detrimental to the veterans' mental health, particularly since the veteran had just been separated from his wife, who had been taking him to and from the hospital. The physician requested that the veteran be admitted to Craig Rehabilitation Hospital. Senator GURNEY, my distinguished colleague from Florida, brought this matter to my attention.

Upon learning of these two cases, I contacted the Chief Medical Director of the VA Central Office in Washington, D.C., regarding the VA policy which precluded the use of facilities such as Craig Rehabilitation Hospital, and to inquire about the possibility of a waiver of this regulation. He advised me that under existing law, no waivers could be given to permit treatment of the two veterans, or other veterans, at the Craig Hospital. He said that any change in the present program would require amendatory legislation.

In view of the Medical Director's reply, I am offering this legislation. I offer it with the knowledge that there will be some people who will oppose it on the general principle that veterans should be treated in VA hospitals rather than in private or public hospitals at VA expense. To them I would say that I am in complete agreement with this general principle. It is obvious that the VA hospital system could not continue to operate if it tried to support its own hospitals while indiscriminately permitting veterans to receive treatment at private or public hospitals at VA expense. It is possible, however, to have exceptions to this general principle under certain circumstances, and I am certain that the number of veterans who would receive treatment outside the VA hospital system under the provisions of my bill would not adversely affect the system.

This bill applies only to veterans who are to be furnished hospital care or medical services by the VA for a spinal cord injury or disease—which represents a small percentage of the veterans requiring hospitalization. Furthermore, before the bill's provisions could come into effect, it would have to be established that there was no VA Spinal Cord Injury Center within reasonable commuting distance for the members of the veteran's family, and that there was a private or public medical facility within such distance which could provide the extremely specialized treatment required. Only in these instances would the veteran have the option to receive his treatment at the center or at the private or public facility at VA expense.

Mr. President, I am sure my Senate colleagues will agree that veterans with spinal cord injuries or disease cannot enter a VA hospital near their home and family as easily as veterans with other medical needs can, since they are presently limited to 14 centers. I think my colleagues will also agree that there should be no need to send a veteran 1,000 miles or more from home to receive treatment when there is facility providing the same treatment located nearby. It is just good commonsense in such cases to send the veteran to the nearby facility, and it is up to us to put this commonsense into the VA regulations by enacting this bill into law.

I hope my colleagues on the Veterans' Affairs Committee will give speedy and favorable consideration to this legislation.

By Mr. RIBICOFF:

S. 1598. A bill to provide a deduction for income tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer or spouse who is disabled. Referred to the Committee on Finance.

DEDUCTION OF TRANSPORTATION EXPENSES FOR THE HANDICAPPED

Mr. RIBICOFF. Mr. President, today I am introducing legislation to aid handicapped Americans who face increased daily transportation costs, because of their handicaps. My proposal would allow severely disabled Americans a $750 exemption from their taxable income to help defray their extra transportation costs to and from work.

Disabled American workers face obstacles and problems far in excess of those faced by the nondisabled. They are forced to incur extra expenses for special transportation to and from work. Costs in many urban areas for special transportation can amount to as much as $80 per week for those who are severely handicapped, as against only $5 to $10 for the nondisabled who can use buses and subways. Disabled persons incur other extra expenses such as wear and tear on clothing caused by the friction of appliances such as crutches. Often they must have clothes specially tailored to their needs. Clearly, there is an established financial need to help these unfortunate citizens, many of whom are discouraged from working, because of the high cost of transportation.

In order to produce an income—and pay taxes into the Treasury—the handicapped must use special and expensive private transportation. Extra expenses such as a car with special hand controls for special taxicab service should be considered an ordinary and necessary expense for the production of income for these handicapped.

The Federal Government allows ordinary businessmen and salesmen to deduct transportation expenses. It also recognizes the special burdens of the blind and aged by granting them an extra exemption. But the handicapped are not allowed such deductions.

According to "Transportation Needs of the Handicapped," a report prepared for the Department of Transportation by Arthur D. Little, a proposal such as mine which allows the handicapped to work would save Federal money in the long run. As the survey stated:

> The number of employable transportation handicapped persons was estimated to be 1,493,000. 103,000 were estimated to be transportation sensitive unemployed because of the high cost of transportation to work. If each of these were encouraged to work, incomes of $452,692,000 would be generated each year. Income taxes would increase by $39,697,000. Welfare payments would decline by $49,582,000.

Recently the President vetoed legislation to provide programs for the handicapped, because of its cost to the taxpayer. This proposal would aid the handicapped without necessitating large Federal expenditures.

It is long past time for Congress to enact this proposal. A similar measure passed the Senate in 1964 and 1969. Unfortunately, the proposal was deleted in conference both times. This year Ways and Means Chairman WILBUR MILLS has introduced a similar measure in the House of Representatives. I am hopeful that with his support this legislation can be enacted into law.

By Mr. SAXBE:

S. 1599. A bill to provide for the continued sale of gasoline to independent gasoline retailers. Referred to the Committee on Commerce.

THE OIL SHORTAGE AND ITS REPERCUSSIONS ON THE INDEPENDENT BRAND GASOLINE MARKETER

Mr. SAXBE. Mr. President, motorists will not have to shelve their summer vacation plans because of a lack of gasoline, but they may have to make a few extra stops before they find a service station that is open. Independent brand service stations have been hardest hit by the petroleum shortage, and many have been forced to curtail operations, because they cannot obtain gasoline to sell. Independent brand marketers usually buy on a spot basis rather than on contract, the way dealers selling major brands do. Thus, the independents are the first customers to be dropped when the major oil companies run into a supply shortage. Virtually the only source of gasoline for unbranded marketers are the major integrated oil refineries. There are only a few independent refineries left today, and they can only take care of their own.

The petroleum industry's supply problem is essentially the result of a limited amount of "sweet" low-sulfur crude and the limited capacities of our refineries. Heavy strains were put on oil supplies over the winter as refiners scrambled to meet the need for home heating oil. Additionally, the record number of cars on the road—some equipped with gas—devouring antipollution devices—has aggravated the situation. The Office of Emergency Preparedness now estimates that the 1973 gasoline demand may rise almost 7 percent from last year, rather than the 5.5 percent previously calculated.

Long-term remedies such as removal of the oil import quotas, incentives for exploratory drilling and pipeline construction, are undoubtedly forthcoming. However, such remedies will not alleviate the present crunch in time to save the independent marketer. Additionally, the administration seems disinclined to impose rationing.

Therefore, I am proposing legislation which would insure the independent brand marketers of a supply equal to their historic market share. This legislation would make it a prima facie violation of the Federal Trade Commission Act for a refiner to refuse to sell to independents a percentage of his total sales to all retail outlets during any given month. The amount the refiner must sell to the independent is based on the percentage he sold to the independent during the base period. It would also constitute a prima facie violation of the Federal Trade Commission Act for a refiner to sell to independents at a price in excess of the base period price increased by the percentage amount that the refiner is presently charging his own retail outlets or his franchisees.

I believe that this proposal is the only viable means of preventing the demise of the independent brand gasoline marketer, a segment of the national economy which provides employment to thousands of people and exerts a beneficial influence upon competition that is disproportionate to its actual representation in the petroleum industry.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1599

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no person engaged in commerce in the business of refining petroleum into gasoline and furnishing gasoline to retail distributors of gasoline for sale to the public shall fail to furnish gasoline to independent retail distributors of gasoline, whether or not franchised by such person, at wholesale prices in reasonable quantities as long as he continues to furnish gasoline to retail distributors of gasoline which are wholly owned by him or operated under a franchise granted by him.

(b) It shall constitute, prima facie, a violation of the provisions of subsection (a) for any such person—

(1) to fail, during any calendar month beginning after the date of enactment of this Act, to deliver to independent retail distributors of gasoline a percentage of the total gallons of gasoline delivered by him to all retail distributors of gasoline during that month which is lower than the percentage of the total gallons of gasoline delivered by him to all retail distributors of gasoline during the period of July 1, 1971, to June 30, 1972, which was delivered by him to independent retail distributors of gasoline during that period, or

(2) to sell gasoline to independent retail distributors of gasoline at a price during any such month which is greater than—

(A) the average price at which he sold gasoline to such distributors during the period of July 1, 1971, to June 30, 1972, increased by

(B) a percentage equal to the percentage by which the average price for gasoline sold during that month to retail distributors of gasoline which are wholly owned by, or operated under a franchise granted by, that person exceeds the average price for gasoline sold to such distributors during the period of July 1, 1971, to June 30, 1972.

SEC. 2. Violation of the provisions of subsection (a) of the first section of this Act constitutes an unfair practice in commerce in violation of the provisions of section 5 (a) (1) of the Federal Trade Commission Act.

By Mr. HUGHES:

S. 1600. A bill to require annual authorization prescribing the maximum number of members of the Armed Forces of the United States that may be deployed in major geographic regions of the world outside the United States. Referred to the Committee on Armed Services.

OVERSEAS DEPLOYMENT BILL

Mr. HUGHES. Mr. President, the rising costs and consequences of our forward deployment strategy are becoming clearer every day. The time has come, I believe, for the Congress to reexamine this strategy and take a hand in its modification.

For over two decades we have had over half a million men scattered in bases around the globe, providing overwhelming proof of our intentions to aid in the defense of over 40 nations in the event of war.

Despite changes in military technology which have reduced the need for forward deployments, we continue to keep these forces abroad.

Despite reduced world tensions and arms control agreements, this administration still argues that now is not the time to make prudent adjustments in these force levels.

Despite the $5 billion annual drain which maintenance of these forces puts on our balance of payments, military planners resist proposals to cut costs abroad.

How ironic it is that this administration will readily throw 42,000 Americans out of work by closing bases at home while not taking steps to obtain equivalent budget savings by reducing forces overseas.

The $400 million which the Pentagon hopes to save by these domestic cutbacks is about equal to the increased defense costs abroad caused by the two dollar devaluations.

The full costs of this forward strategy are hard to determine. Our NATO commitment alone is officially estimated to cost $17 billion per year, while analysts at the Brookings Institution put the figure at close to $30 billion.

What do we get with these huge expenditures to sustain 600,000 military personnel in 322 major bases and 3,000 minor facilities throughout the world? In many cases, of course, we get battle-ready units, welcomed by their host countries. In many other cases, however, we find troops bored and debilitated, and subject to increasing abuse from local people.

The political consequences of our current strategy are mixed. For every gallant, democratic country whose people we reassure with our presence, there is at least one autocratic country which uses its U.S.-supported Army to carry out political repression. And we have learned from our tragic experience in Indochina that helpful advisers can lead all to easily to the introduction of ground troops to protect existing American installations.

In return for these political and economic costs, we gain relatively few military benefits. Our forces may have deterred a major war in Europe, but who knows whether half as many or one-tenth as many troops would have accomplished the same goal? The same can be asked of U.S. forces in Northeast Asia. And in Southeast Asia, we see that SEATO had no effect in preventing domestic insurgencies.

Looking to the future, we can respond to military contingencies with our strategic mobility forces—provided, of course, that such a reaction is congressionally approved.

And in the case of our major allies, attacks are deterred by the unacceptable risk of triggering a nuclear exchange.

My own preference for substantially reduced forward deployments should be clear, Mr. President. But I do not know to what extent my colleagues share my views.

What I propose is that the Congress examine this policy in an orderly and systematic way through yearly authorizations of maximum deployments to the major geographical regions of the world.

I am today introducing legislation, which I would hope to add to the military authorization bill, which would require the Congress each year in peacetime to establish such maximum deployment levels for the next fiscal year. This is a logical outgrowth of the current law requiring annual manpower authorizations for each service.

Congress has imposed restrictions in the past, such as in the requirement that draftees be given at least 4 months training before being sent abroad and in the 1941 prohibition against the deployment of forces outside the Western Hemisphere. This is fully within our constitutional power to raise and support an Army and Navy and provide for the construction and maintenance of U.S. military facilities.

The legislation which I propose would apply in the absence of armed hostilities in which the United States may become involved pursuant to international agreements. The President, as Commander in Chief, would retain power to act in emergencies in accordance with our constitutional processes.

But in the long run, assuming that we are indeed moving into an era of peace, the Congress would be able to consider overseas deployments in the same orderly way we now consider total force levels. We can raise or lower these figures as may be deemed necessary to meet our commitments abroad as well as our commitments to our own people.

By Mr. BROCK:

S. 1604. A bill to prevent discrimination on the basis of sex in housing. Referred to the Committee on Banking, Housing and Urban Affairs.

FAIR HOUSING OPPORTUNITY ACT

Mr. BROCK. Mr. President, I am today introducing a bill, the "Fair Housing Opportunity Act" to prevent discrimination on the basis of sex in housing by amending the 1968 Fair Housing Act.

A number of cases have come to my attention in which a wife's income has not counted toward purchase of a home. In other cases, a woman's income has not been counted toward home improvement loans. I have even seen examples where a family could not rent a suitable dwelling, because the wife was the chief wage earner, for example, and the husband was in school.

In reviewing the question of equal access to mortgage lending and to housing, it has been brought to my attention that the several Federal agencies responsible for enforcement of the Fair Housing Amendments of 1968 have not been clear about their authority to extend the coverage of these provisions to prohibit discrimination in the basis of sex. The Fair

Housing Amendments of 1968 prohibit discrimination in the sale and mortgage lending on the basis of race, color, religion, or national origin, but not on the basis of sex.

While it is my view that sufficient legal authority is probably available to the agenices to prohibit discrimination on the basis of sex, the amendment I offer here should remove any remaining doubt on this question. In testimony before hearings on this issue held by the FDIC in December 1972, Mathew Hale, general counsel for the American Bankers Association, argued convincingly that if Congress wished to insure that discrimination based on sex in these areas were prohibited, that Congress should legislate specifically in these areas. I seek here to remedy this legislative oversight by the proposed amendment which adds prohibition against discrimination on the basis of sex to the provisions of the 1968 Fair Housing Amendments.

Mr. Presdent, I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Housing Opportunity Act."

SEC. 2. (a) Subsections (a), (b), (c), (d), and (e) of section 804 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" approved April 11, 1968 (42 U.S.C. 3604), are amended by inserting a comma and the word "sex" immediately after the word "religion" each time it appears in such subsections.

(b) Section 805 of such Act is amended by inserting a common and the word "sex" immediately after the word "religion".

(c) Section 806 of such Act is amended by inserting a comma and the word "sex" immediately after the word "religion."

(d) Subsection (a), paragraph (1) of subsection (b), and subsection (c) of section 901 of such Act are amended by inserting a comma and the word "sex" immediately after the word "religion" each time it appears.

By Mr. BROCK:

S. 1605. A bill to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit. Referred to the Committee on Banking, Housing and Urban Affairs.

EQUAL CONSUMER CREDIT ACT

Mr. BROCK. Mr. President, I am today introducing a bill, the Equal Consumer Credit Act, to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit.

Credit discrimination against women was amply demonstrated and documented in hearings held last summer by the Commission on Consumer Finance, of which I was a member.

Four areas of inequitable treatment have clearly been identified through these hearings, letters, and other research: retail credit, mortgages, bank loans, and credit cards. Through the two bills introduced today I propose remedies in these four areas. The first, the Equal Consumer Credit Act, addresses itself to the broad problem of discrimination in the credit industry. The second bill, the Fair Housing Opportunity Act, introduced today, amends the Fair Housing Act of 1968, which prohibits discrimination in sales and mortgage lending in housing on the basis of race, religion, color or national origin. My bill extends this coverage to prohibit discrimination on the basis of sex.

I would be the first to argue that credit should only be granted to creditworthy individuals. But the definition of creditworthiness for women has too often been obscurred by irrelevant questions and outmoded customs and beliefs. Credit is the lifeblood of our economic system. If women are denied credit solely on the basis of their sex, they are denied full participation in the free enterprise system; and if their earnings are not considered together with the husbands', the family can be denied access to adequate housing. Access to credit is not a right, but equality of access is, and should certainly be guaranteed. The Commission on on Consumer Finance found that women experience discrimination in five general areas:

First, single women have more trouble obtaining credit, especially mortgage credit, than single men;

Second, creditors generally require a woman who has credit to reapply for credit when she marries, usually in her husband's name. Similar reapplication is not asked of men when they marry;

Third, creditors are often unwilling to extend credit to a married woman in her own name;

Fourth, women who are divorced or widowed have trouble reestablishing credit. Women who are separated have a particularly difficult time, since the accounts may still be in the husband's name; and

Fifth, creditors are often unwilling to count the wife's income when a married couple applies for credit.

The difficulty in these five areas is based on prejudice rather than compelling business or economic principles. The fact is that in many cases the credit industry has failed to adjust its practices to the times.

Working women have become an essential sector of our national economy—not just a peripheral part of the labor force. No longer is the working woman a small minority of women: the 1970 census shows that 44 percent of all women of working age are in the labor force. Women now represent almost 40 percent of the total labor force—that is, four out of every 10 workers are female.

We must insure that as women work, they are guaranteed equal access to the credit economy. No disenfranchise such a large portion of working people cannot be justified and this exclusion has a negative effect on the growth of our economy. No matter how we may personally feel about the growth of a credit society, some move in the direction of a "cashless" economy seems almost inevitable. The effect of excluding from or limiting participation in the credit arena of such a large segment of our work force could potentially be devastating to the economy. As the control of the credit industry is largely concentrated in national companies, we need to insure that women are not written out of the economy.

This inclusion is more than an economic luxury. Economic reality belies the notion that women do not have to work, a belief that often underlies some discriminatory credit practices. A considerable portion of working women are the main supporters, not just of themselves, but of their families. In March, 1971, 6 million families, or 11.5 percent of the families in the United States, were headed by women. Of these women-family heads, 54 percent were in the labor force. Well over 60 percent of these women were the sole support of their families.

Another large proportion of women who work are in families where the woman's income is necessary to give the family a decent standard of living. In 1972, 42 percent of married women with husbands present were in the labor force. Increasingly, the working wife's income represents a family's main hedge against inflation. The very real need for the wife's income in many families argues against treating the woman's income as a appendage in the credit area.

Nine out of 10 women will be in the work force at some time during their adult lives. While they are participants in the economy, we must make certain that they have full access to the economy. One woman stated simply enough,

> My income is counted 100% by the State of Delaware and the United States Government for income taxes, and it should be counted for credit.

Women's work patterns—whether wives, mothers, single, divorced, separated or widowed—are changing, and it is time our credit industry recognizes these changes. In the National Commission on Consumer Finance hearings, no evidence was introduced to suggest that women were worse credit risks than men. In fact, one of the best statistical studies available suggests just the opposite. Some banks have even admitted that they have no satisfactory statistics concerning the default rate by sex, yet some banks continue to assume that women are bad credit risks.

Operation of the basis of presumption rather than on the basis of adequate evidence cannot be tolerated. This prejudice represents a transgression of the personal rights of individuals and it is potentially detrimental to our economy. Let me emphasize that not all members of the credit community are at fault in this area, and many are now moving to change their practices. But, we must act to assure the stability of the economy and ensure the individual rights of an important segment of our working population. This legislation will prohibit discrimination on the basis of sex or marital status in the granting of credit. These provisions will protect not only women, but will serve to better the situation of husbands and families which have been adversely affected by this discrimination as well.

This issue is an important one and there has been an increasing amount of public concern in the area. I would urge that Senate hearings on the subject of women and credit discrimination be scheduled at an early date.

In order to understand the magnitude of this problem, we may look in greater detail at those findings of the national commission and other research on the question of credit discrimination.

Single women have more trouble obtaining credit than single men. According to testimony before the commission and additional research by my own staff, single women have the fewest problems in opening credit accounts at retail stores. However, they are often held to higher standards than men of any marital status when applying for bank-sponsored credit cards or travel and expense cards. These standards include length of current employment, length of time at current address, and minimum income. Also, single men, even male students, often have less trouble than single women in obtaining personal loans.

The Commission particularly noted that single women have trouble obtaining mortgage credit. A variety of lender prejudices has resulted in single women traditionally being unable to obtain mortgages to buy real estate. Lenders have gone to such lengths as to worry that single women could not perform the necessary repairs to maintain a property. Yet, how many otherwise creditworthy single men, when applying for a home loan, have ever been questioned about their carpentry, plumbing or electrical ability? The assumption that men could perform these tasks while women could not is just the sort of discrimination based on sex that we are talking about. A judgment based on the ability of the applicant of either sex to pay for necessary maintenance would be much more to the point, but women are frequently denied even the most cursory examination of their means. The exchange between a bank and potential customer inserted here is typical.

> Saturday morning, August 28, I spoke to a loan officer, Mr. Frank Cash, about obtaining a home mortgage loan. He gave me the current interest rate along with closing costs, etc. and then inquired about my husband. I told Mr. Cash that I had no husband. He then informed me that home loans were not granted to single persons without a co-signer. I told him that a co-signer was not necessary as my income was sufficient to cover the loan I was asking for. He told me this was a requirement of the "loan committee" and there was no loan available to me as a single person without a co-signer.
>
> I find it very difficult to believe that I was denied a loan with absolutely no information about my ability to pay. Mr. Cash didn't ask me my age, about my work record, my salary—nothing at all pertinent to the credit information needed to obtain a loan. I was turned down solely because I am a single woman. This is an assumption on my part. I am now asking you, formally to supply me with the reason I was denied credit by your bank.

After sending this letter to the bank, the woman received a form letter from the bank's president which said:

> In conducting any well-organized business today, situations may arise due to the possible absence of complete information.
>
> Please feel free to visit my office personally, at your convenience, should you feel further discussion is in order.

When this woman called the president for an appointment, he told her that a personal visit really was not necessary as it was a "policy" of the loan committee and there "really wasn't anything more he could tell her." As far as I can determine, single males have not encountered any such refusals at least to determine whether or not they might be eligible for credit.

On the other hand, mortgages may be granted if a male cosignature is obtainable no matter what the financial status of the male may be. The Wall Street Journal reported that a woman in her forties who, as head of her household, wanted to buy a house for herself and her children could not get a mortgage without the signature of her 70-year-old father, who was living on a pension. There is no evidence that single men in like situations have been required to obtain cosigners.

Creditors generally require a woman upon marriage to reapply for credit, and often she may receive it only in her husband's name, similar reapplication is not asked of men when they marry. If a newly married woman notifies a creditor of a change in her last name, she is generally asked to reapply for credit and to supply information about her husband. The new applications have traditionally resulted in issuance or offer of issuance of an account or credit card to her husband. A letter from a major credit card company to a newly married woman dated March 6, 1973, indicates quite clearly that this practice shows no signs of changing:

> We are in receipt of notice of your recent marriage and wish to congratulate you and your husband. We regret that we must therefore delete your Bankamericard account number ——— —— ——— ——— which is in your maiden name. However, you will continue to be billed for any previous balance on this account, until such time as this balance has been paid in full. If you have not already done so, please return these cards as they are of no further use to you.
>
> If you and your husband would be interested in opening a Bankamericard account in the name of your husband, we would be happy to service you. We are enclosing an application for this purpose. Please fill it out completely and return it to us at your convenience.
>
> If we can be of any further assistance, please feel free to contact us.

This situation does not occur when a man marries. Usually creditors issue cards for the new wife on the husband's previously existing accounts without any information whatsoever concerning the wife's credit standing.

Creditors are often unwilling to extend credit to a married woman in her own name. Credit cards are customarily issued in the husband's name with signature privileges extended to an anonymous wife. Needless to say, once again the reverse situation will not occur. The lawyer of an employed Chattanooga woman categorized the practice in its major details:

> My client Mary Doe applied in her own name for a Bankamericard. Instead of issuing a card to Mrs. Doe you issued a card to her husband.
>
> Mrs. Doe has an excellent credit reputation; she is employed. She gave you all the information required to secure a Bankamericard. I know of no reason why her credit will not warrant the issuance of such a card, particularly since you sent Bankamericard out with very little credit check to almost every man in Chattanooga.
>
> We take the position that Mrs. Doe is discriminated against because she is a woman and this is a violation of the law. I feel sure that this matter has not really been brought to your attention in the proper way or you would not have refused to issue a card to Mrs. Doe.
>
> I would appreciate this matter being resolved as promptly as possible. If you do not intend to issue Mrs. Doe a Bankamericard, I would appreciate your sending me a letter and giving the reasons for your failure to do so.

Despite notions to the contrary, issuance of a credit card in the name of the husband—John Doe—does not mean that a woman has obtained credit in her own name. The wife who uses her husband's first name has no identity of her own in the credit community. As a woman may learn during a crisis period, such as immediately after a change in marital status or during a period of extraordinary expenses. It is during these crisis periods that a woman is least likely to be able to obtain credit as a new applicant.

She will probably be classified as such regardless of whether or not she may have managed the family credit accounts for years. I have letters from many women who have been separated, deserted, divorced, or widowed who have found that bereavement or separation is compounded by a loss of identity in the financial community. I am talking about women whose work or other reliable sources of income have sufficed to secure their families' credit in the past, and who suddenly find that the same means do not now count. One woman even had to have a face-to-face interview to receive an oil credit card.

Another woman who had been divorced and enjoyed credit for several years was asked by a department store to reapply for credit, and her account was closed when she notified the store of a court order restoring her maiden name, again, the reverse situation does not necessarily occur with men, who normally are able to continue to enjoy the benefits of a joint family credit rating built up over the years, even if a wife's income contributed to that rating, and even if a wife who works has departed with her earnings.

Here is one of many letters describing this type of situation, sometimes annoying and frustrating, sometimes devastating for a woman in these circumstances:

> I separated four years ago. My income from my job and child support was not great, but was certainly well above the poverty level. I was immediately turned down for credit by Sears & Roebuck, Mastercharge and Bankamericard. So I then lied in order to maintain the charge account we had had for years at Lansburghs. I merely changed it to my name without giving my status. The others gave me no reason, just a form letter. Last year, with a much better income, I again applied at Sears & Roebuck and also at Esso and Bankamericard and received a letter requesting an interview from Sears. I had always paid my bills promptly and resented having to go for a personal interview. I went and after some hasseling with the credit manager, got my credit card.
>
> I had to laugh when, two weeks ago, I received a letter from Sears bemoaning the fact that I haven't used my charge account

in a long time and giving me a $5 gift certificate if I would only come in and charge $25 worth of goods.

Thank you for your interest and keep up the good work.

In addition to the difficulty married women encounter when attempting to obtain credit in their own name, creditors are often unwilling to count the wife's income when a married couple applies for credit. A woman with a husband in school was a hospital employee. They applied for an automobile loan through a bank-financed credit union at the hospital where the woman worked. The bank stated that the woman was of child-bearing age, and their request was denied. The automobile dealer proposed that he try to obtain credit—from the same bank directly. He was able to obtain the credit—but at a higher rate.

For medium-income couples seeking mortgages, the failure to count the wife's income means that many couples who would otherwise qualify are denied the benefits of homeownership. Mortgage lenders tend to discount the income of married women who are regularly employed.

In testimony before the Commission and in press reports, a lender's "rule of thumb" has been outlined. In recent marriages—less than 5 years—or when the wife has been working only a short time, no recognition is given to the wife's income. With young married couples, no matter what their background, the wife's income is not recognized. If the wife is classified as a "professional" and is between the ages of 26 and 35, a lender may give half credit to her income. If she is over 35 years of age, it is customary to give full credit. If the wife is in a nonprofessional occupation, usually no allowance is made for her income up to age 35, half allowance between ages 35 and 42, and full credit beyond that age.

These customs in relation to wives' incomes seem to be motivated by the presumption that women are likely to become pregnant, and if they do, that they will necessarily terminate employment. The specter of pregnancy has governed much of the reactions of the banking industry in connection with counting a wife's income. In testimony before the Commission on Consumer Finance, Sharyn Campbell, an attorney representing the Women's Legal Defense Fund, presented evidence that banks have required letters from doctors or affidavits concerning birth control methods employed, or doctors' letters attesting to sterility, worse yet, in one case a couple was asked to assure that the wife would have an abortion before her income would be able to be counted.

I regard inquiries along these lines a serious invasion of personal privacy, and yet, in the past, couples needing loans have had little choice. On the other hand, I have heard no evidence presented showing that married couples tend to default on their loans when the wife bears children.

Family planning is a wifely recognized concept in our modern society, and even when women do become pregnant there are many to whom motherhood and employment are not mutually exclusive. As a matter of fact, the lower and middle income families most need to count the wife's income in order to enjoy the tax advantages and benefits in community stability and community identification associated with home ownership. In this sector of the society, according to Labor Department statistics, married women are much more likely to continue working, yet it is these families that are hurt most by the idea that motherhood will terminate employment. Moreover, increasingly many women are working out of preference after the birth of their children. Today, more than 30 percent of the married women with children under 6 work.

Although in the past, pregnancy was often a reason women dropped out of the labor force, indications are that increasing numbers of women are choosing to combine motherhood with outside employment. In recognition of this fact, the EEOC guidelines issued under the equal employment opportunity law required that childbirth be treated as any other temporary disability, from the employer's standpoint. Thus women will not necessarily be faced with loss of job due to pregnancy should they need or wish to continue working.

Of course many women will choose the role of homemaker and mother to the exclusion of working outside the home. No one would wish to deny them that choice. My point is exactly that to select this role increasingly represents a choice for a family, a choice that the family is likely to make with some thought. Let us give people credit for having the sense to determine what their family plans are and the period that the wife intends to work or not work. Let us not treat a woman, just because she is a woman, as necessarily a bad credit risk.

It had been the hope of some that the hearings of the Commission on Consumer Finance and the attendant publicity on credit discrimination against women last spring would help produce voluntary changes in the credit industry. It is true that many credit-granting institutions are moving to reexamine inappropriate policies. Nevertheless, evidence of continuing widespread discrimination makes it clear that legislation is absolutely necessary. For one thing, many of these practices are based upon inaccuracies concerning the current status of State laws.

Married women's property acts in force in most States give a woman the right to acquire, own, and transfer all kinds of property just as if she were unmarried. She may make contracts, and she may sue and be sued. Why then should not a married woman be able to obtain credit in her own name, on the basis of her own earnings, just as do other adults?

In theory, the legal doctrine of necessaries permits a wife to purchase what she needs and charge it to her husband. But in practice, the doctrine is almost useless. A Prof. Homer Clark has observed the doctrine of necessaries "is hedged about with so many limitations that few merchants would wish to rely on it."

Because of the common practice that has evolved requiring husbands' signatures when women have sought to obtain credit, many creditors assume that this common practice carries the weight of law. But it does not, and, although a wife's signature for her husband's loans would be required if such a law were the case, married men have been able to obtain credit without their wives' signatures. If a banker is seeking to maintain a clear right to collect by binding both marital partners, then the policy should apply equally to both husbands and wives. This consistent application would not be prohibited under the terms of the proposed law—in fact, exactly the opposite would be the result. Wherever this type of guarantee is thought to be necessary, the banking community can, under the proposed law, exercise that option of having both husband and wife sign.

What I am seeking to insure is that situations of unequal application of practice do not exist. A study conducted by the St. Paul, Minn., Department of Human Rights was directed at precisely this question. A man and a woman with identical qualifications applied for a $600 loan to finance a used car without the signature of the other spouse. Each applicant was 24 years old, earning $12,000 as a research analyst, and the spouse was in school. Eleven of the 23 banks visited by the woman "either strictly required the husband's signature or stated that it was their preference, although they would accept an application and possibly make an exception to the general policy." When the same 11 banks who—plus two additional banks that would make no commitment to the female applicant—were visited by the male interviewer, six said they would prefer both signatures but would make an exception for him; only one insisted on both signatures; *and* six "told the male interviewer that he, as a married man, *could* obtain the loan without his wife's signature."

Based on these responses, the St. Paul Department of Human Rights estimated overall that approximately 39 percent of the banks interviewed revealed discrepancies in the loan policies stated to males and females. It is this kind of discrepancy, not the right of banks to insure their loans, that we are trying to overcome through the introduction of the proposed legislation.

And while Congress has made its intentions clear with regard to the general question of ending discrimination on the basis of sex, it is just as important that specific enabling legislation of this type be passed.

There is no absolute right to credit for men or women. However, men assume the privilege of credit as an ordinary convenience for engaging in financial transactions. There is no valid reason why women should not enjoy the privileges and conveniences afforded to men; there is no valid reason why women of equal means should not have equal access to credit. The bills I am proposing would not mean that women ought to be granted credit because they are women. They would insure that women must not be denied credit because they are women. It must also be emphasized that it is not important that women obtain credit in order to spend more money. Simply, creditworthy women must be assured the opportunity to establish themselves as adult individuals in the credit community.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Equal Consumer Credit Act".

SEC. 2. Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by adding at the end thereof the following new section:

SEC. 135. PROHIBITION OF DISCRIMINATION ON ACCOUNT OF SEX OR MARITAL STATUS.

"(a) It shall be unlawful for any creditor or card issuer to discriminate on account of sex or marital status against any individual with respect to the approval or denial of terms of credit in connection with any consumer credit sale whether or not under an open end credit plan, any consumer loan, or any other extension of consumer credit, or with respect to the issuance, renewal, denial, or terms of any credit card.

"(b)(1) Any creditor or card issuer who discriminates against any individual in a manner prohibited by subsection (a) is liable to such individual in an amount equal to the sum of—

"(A) in the case of an individual action, not less than $100 nor more than $1,000; or

"(B) in the case of a class action, not more than $100,000 and

"(C) in the case of any successful action to enforce the foregoing liability, the costs of the action together with a reasonable attorney's fee as determined by the court.

"(2) Any action under this section may be brought in any court of competent jurisdiction during the one year period commencing on the date of occurence of the violation."

SEC. 3. The amendment made by section 2 of this Act shall take effect on the sixtieth day after the date of enactment of this Act.

By Mr. DOLE (for himself and Mr. GOLDWATER):

S. 1607. A bill to authorize the Commandant of the U.S. Army Command and General Staff College to award the degree of master of military art and science. Referred to the Committee on Armed Services.

MASTERS DEGREE FOR ARMY COMMAND AND GENERAL STAFF COLLEGE

Mr. DOLE. Mr. President, the U.S. Army Command and General Staff College at Fort Leavenworth, Kans., has a distinguished record in the preparation of Army officers to assume the responsibilities and burdens of career leadership. Since 1964 the college has graduated 154 officers in its program, but at present a graduate receives no degree for his efforts in completing the course with recognition limited to a notation on his personnel records.

The purpose of the college is to prepare selected officers for duty as commanders and as principal staff officers with the Army in the field, from division through Army group and at field Army support command and theater Army support command levels; to provide these officers with an understanding of the functions of the Army general staff and of major Army, joint and combined commands; and to develop their intellectual depth and analytical ability.

The college is widely known and highly regarded for the quality and rigor of its curriculum, and the 10-month course of instruction is considered academically equivalent to a collegiate masters program. Each candidate for admission must demonstrate academic achievement and suitability for entrance into the program, including a satisfactory score on the graduate record examination, which is employed by most civilian colleges and universities as an admissions measuring device. In addition to regular course work, officer students must undertake independent research and submit a thesis by the completion of the year.

A special review committee from the U.S. Office of Education has thoroughly examined the college's entrance procedures, curriculum offerings, and graduation criteria and has concluded the command and general staff college meets the high standards set for the granting of degrees by Federal Agencies and institutions. The North Central Association of Colleges and Secondary Schools has indicated its willingness to accredit the college's program should it be given authority to issue degrees, and I am today introducing legislation to establish this authority.

Specific degree requirements as set forth in the bill provide:

A minimum of 30 semester hours of graduate credit, including a masters thesis of 6 to 8 semester hours, and a demonstration of competence in the discipline of military art and science as evidenced by satisfactory performance on a general comprehensive examination. The bill also provides that requirements may be altered only with the approval of a nationally recognized civilian accrediting association approved by the United States commissioner of education.

Enactment of the bill will recognize the academic endeavor of those graduates who fulfill the specific requirements for the degree, and encourage the further development of the discipline of military arts and science and provide a stimulating incentive to the entire officer corps. I feel this proposal is meritorious and appropriately grants recognition to the high professional standards of the U.S. Army.

I am pleased that my distinguished colleague, the junior Senator from Arizona, has joined me in the sponsorship of this bill.

Mr. President, I ask unanimous consent that the text of this legislation be inserted at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 401 of title 10, United States Code, is amended—

(1) by adding the following new section at the end thereof:

"§ 4314. United States Army Command and General Staff College degree

"Under regulations prescribed by the Secretary of the Army, the Commandant of the United States Army Command and General Staff College may, upon recommendation by the faculty, confer the degree of master of military art and science upon graduates of the college who have fulfilled the following degree requirements: a minimum of thirty semester hours of graduate credit, including a masters thesis of six to eight semester hours, and a demonstration of competence in the discipline of military art and science as evidenced by satisfactory performance on a general comprehensive examination. These requirements may be altered only with the approval of a nationally recognized civilian accrediting association approved by the United States Commissioner of Education. The Secretary of the Army shall report annually to the Committees on Armed Services: the criteria which must be met to entitle a student to award of the degree, whether such criteria have changed in any respect during the reporting year, the number of students in the most recent resident course graduating class, the number of such students who were enrolled in the Master of Military Art and Science program, and the number of students successfully completing the Master of Military Art and Science program."; and

(2) by adding the following new item at the end of the analysis of such chapter:

"4314. United States Army Command and General Staff College: degree."

SEC. 2. The Commandant of the United States Army Command and General Staff College may confer the degree of master of military art and science upon the following named graduates of the college who have completed the requirements for that degree in the year indicated below, but prior to the date of enactment of this Act:

1964

Deluca, Anthony P.
Hardesty, George D.
Hetz, Robert A., Junior
Hurst, John E., Junior
Ianni, Francis A.
Kenney, John Francis, Junior
Kurtz, Maurice K., Junior
Mills, Neil B.
Pierce, Edward M.
Pugh, Hilton E.
Randolph, James G.
Sawyer, Richard H.
Scheider, Max B.
Schopper, Jared B.
Shelton, Henry R.
Simko, Andrew M.
Smith, Gorman C.
Youree, Charles D., Junior
Tudor, Alfred T., Junior

1965

Cash,William G.
Craig, Robert B.
Dooley, Michael J.
Gast, Philip C.
Glisson, William C.
Heitzke, Kenneth S.
Henson, Virgil A., Junior
Kark, John S.
Lammie, James L.
Leach, Charles R.
Merrill, Frank, J.
Munnelly, John E.
Murane, David M.
Obach, Ronald M.
Otis, Glenn K.
Price, Robert E.
Rogers, Ronald J.
Skaer, Kenneth L.
Snyder, Howard W.
Walter, Francis J.
Wang, Jesse
Weathersby, Russell A.

1966

Anson, Richard W.
Bieri, Leon D.
Bole, Albert C.
Brudvig, Dale K.
Canham, Charles D. W.
Cooley, Andrew L.
Doyle, David K.
Ellis, Alvin C.
Fosmire, William L.

Galvin, John R.
Holman, Jonathan L.
Laudati, Roger C.
McGurl, Peter W.
Peterson, Leonard R.
Quinn, Paul D.
Schweitzer, Robert L.
Suplizio, Paul E.
Wilson, Dwight V.
Wilson, Franklin L.
Hampton, Wade

1967

Applegate, Walter V.
Balzhiser, Robert M.
Brain, Tom H.
Cummings, Eldon L.
Dyke, Charles W.
Gunter, Gurnie C.
Handwork, Bertrand A.
Heinlein, Joseph J.
Mullen, Raymond C.
Nolde, William B.
Platt, Richard L.
Rogers, Clare R. J.
Smith, Frank L.
Sevilla, Exequiel R.
Vavra, George R.
Watts, Bobbie M.

1968

Bremer, James H.
Cannon, Morris C.
Chaney, Otto P., Junior
Charles, William M., Junior
Curl, Richard L.
Debelius, Charles A.
Donohue, Edward J.
Durbin, James J.
Eitel, John C.
Ennis, Harry F.
Evrard, James A.
Galloway, Gerald E.
Hartman, Donald F.
Hausman, Conrad K.
Hyman, Stanley H.
Johnstone, Homer
O'Brien, John E.
O'Shei, Donald M.
Price, Oscar G.
Saling, Neil E.
Summers, Harry G.
Winkler, William P.
Withers, George K.

1969

Brown, John P.
Downen, Robert E.
Goodwin, Willard C., Junior
Hokanson, William A.
Humphries, Smith C.
Kerver, Thomas J.
Klose, John A.
McCall, James F.
Mussells, John D.
Rapp, Edward G.
Reed, Jean D.
Reynard, Richard L.
Schow, Robert A., Junior
Shalala, Samuel R.
Smith, Vernard J.
Sweetwood, Dale R.

1970

Momersheim, Phil K.
Longhofer, James E.
McCaffrey, William J.
O'Meara, Andrew P., Junior

1971

Arbogast, William R.
Backus, Richard J.
Conrad, Hawkins M.
Cothran, James M.
Daley, John M.
Dilworth, Robert L.
Gamino, John M.
Griffiths, William R.
Hines, Charles A.
Hocker, John R.
Ingman, John F.
Jones, Julius E.
Malmberg, James E.
Mauk, Gerald F.
Mills, Frank L.
Ramsden, James H.
Siegal, David L.
Snowden, Edgar
Starsman, Raymond E.
Thiede, Alfred J.
Wilhelm, Edmund A.
Wilson, Bruce E.

1972

Alexander, Franklin D.
Allred, Raymond S.
Blume, Geoffrey E.
Howard, Robert T.
Ikeda, Moss M.
Ladehoff, Harold L.
Lenti, John M.
Leuty, Ray S.
Mallion, Richard J.
Potter, Allen R.
Reynolds, Robert H.
Runey, Dennis I.

By Mr. CLARK (for himself, Mr. Humphrey, Mr. Mondale, Mr. Hughes, Mr. Abourezk, Mr. McGovern, and Mr. Burdick):

S. 1608. A bill relating to payments to producers for participation in the 1973 feed grain program. Referred to the Committee on Agriculture and Forestry.

EXTENSION OF PRICE SUPPORT GUARANTEES TO OPTION (B) COOPERATORS UNDER THE 1973 FEED GRAIN PROGRAM

Mr. CLARK. Mr. President, in my continuing efforts to get a fair deal for option (B) feed grain cooperators, I am today introducing a bill on behalf of myself and Senator Hubert H. Humphrey of Minnesota and others to require the Secretary of Agriculture to extend the same price support guarantees to option (B) cooperators as option (A) cooperators now have.

Mr. President, I have supported other Members of Congress and farm leaders in their attempts to persuade the administration to make adjustments in the option (B) regulations in the 1973 feed grain set-aside program comparable to those announced for the option (A) cooperators on March 26.

Thus far we have been unable to get the administration to take positive action to eliminate the inequities to option (B) cooperators resulting from the March 26 announcement.

My bill, while not requiring any reopening of enrollment in the program or permitting a shifting from one option to another does remove the greatest inequity for the option (B) cooperators.

Let me review briefly the history of the 1973 feed grain program set-aside announcements.

The first announcement of program provisions was made in December and those provisions were revised January 31 and were in effect until the deadline for signup March 16. The program offered farmers two options: (A) to set aside 25 percent of their feed grain base and receive a payment of 32 cents per bushel, or (B) to set aside 0 percent—or no acres—and receive 15 cents per bushel payment.

As provided in title V of the Agricultural Act of 1970, option (A) cooperators were assured that if market prices in the first 5 months of the marketing year were more than 32 cents a bushel below 70 percent of parity, supplemental payments would be made equal to this difference. At the time of the announcement, however, the administration labeled option (B) as partial compliance and ruled that they would be ineligible for further price support payments.

Mr. President, I am one of those who doubt that the legal requirements were complied with when option (B) was announced.

On March 26 the administration announced that the (A) option acreage set-aside requirement was reduced from 25 percent to 10 percent, the payment remaining the same. It also announced that no changes would be allowed from option (B) to option (A) following the announcement.

Mr. President, this change in option (A) created two serious inequities for option (B) cooperators. First and most important it assured that more feed grains and soybeans would be planted. It thereby increased the probability of sharp price declines at harvest time.

Second, it prevented option (B) cooperators from taking advantage of the better alternative granted option (A) cooperators, that of receiving payments over twice as large for setting aside only 10 percent of their production bases.

My bill does not require reopening enrollment in the 1973 feed grain program, which I can understand would create serious administrative problems.

It would not result in idling additional acres as would occur if option (B) cooperators were allowed to change to option (A).

It would not result in any increase in government payments if feed grain prices averaged $1.39 a bushel for corn, that they would get additional supplemental payments.

The parity price for corn in March 1973 was $2.16 a bushel, 7 cents a bushel higher than in January. By October 1, it is highly probable that the parity price of corn will be at least $2.20 a bushel. In that case, 70 percent of parity would be $1.54 a bushel.

If because of the increased plantings, market prices in the first 5 months of the marketing year averaged only $1.20 a bushel, under my bill, option (B) cooperators would be entitled to total payments equal to the difference between $1.54 and $1.20 or 34 cents a bushel. Since they would have received the 15 cents a bushel promised earlier, immediately after July 1, they would receive an additional payment of 19 cents a bushel after the prices in the first 5 months of the marketing year had been determined.

If the administration is correct in its estimates and market prices are favorable, my bill will not cost the Government anything in extra payments. If, however, their March 26 announcement does result in excessive supplies and prices fall, option (B) cooperators incomes also would be protected. It's what my Senate colleague, Mr. Humphrey calls, "sharing the risks between farmers and their Government."

Mr. President, I agree with others who on this floor have said we must maintain equality in the administration of Federal programs. The recent change in the feed grain program is not equitable. Option (B) cooperators have been discriminated against and have not been given an opportunity to redress their inequities.

Latest reports indicate that 344,507 farmers have signed up under option (B) of the 1973 feed grain program, including about 22 million feed grain base acres. Under option (A) 1,507,767 farmers have signed-up, involving over 91 million feed grain base acres.

Planting will commence as soon as weather permits, so passage of this legislation is needed immediately and I ask my colleagues to give it prompt and favorable consideration.

Mr. HUMPHREY subsequently said:

Mr. President, today the Senator from Iowa (Mr. CLARK) introduced a bill, on his behalf and mine, to require the Secretary of Agriculture to extend the same price support guarantees to feed grain producers, which are known as option B cooperators, to option A cooperators.

Without going into the details of this bill, quite simply, it merely removes the discrimination which has come about due to a change of rules and a change of regulations by the Department of Agriculture after the feed grain farmers had already signed up under the feed grain program.

Once again, the administration, in midstream, without any forewarning whatsoever, after farmers in good faith, with trust in their Government, had signed up under the terms of the feed grain program, decided to change the rules and thereby place a number of our feed grain farmers throughout this Nation—not merely in the Midwest—in a second-class category.

The Senator from Iowa (Mr. CLARK) and I have studied this matter very carefully. The matter will be brought to the attention of the Committee on Agriculture and Forestry, and I am hopeful that we will act very promptly. I might note that other Senators on both sides of the aisle, including the distinguished Senator from Kansas (Mr. DOLE), have also shown their concern about the discriminatory regulations and rulings of the Department of Agriculture relating to feed grain producers. The Senator from Kansas (Mr. DOLE) has introduced, for example, a bill which would permit these feed grain producers to sort of re-sign or sign up once again under the terms of the new rulings. That is S. 1572.

The bill which Senator CLARK and I are introducing today, however, would not require any extension of time, would not require the reopening of signup. It would simply mean that the administration would keep its word, on the basis of its original request, to the farmers of America.

In the name of commonsense, I do not know how the Government of the United States can expect people to have faith and trust in this Government when, time after time, the rules or the regulations are changed in the middle of the program, without any consultation with committees of Congress, without any forewarning to the participants in the program.

I compliment the distinguished Senator from Iowa (Mr. CLARK) on his initiative. I trust that the measure he has introduced on his behalf and mine will have the prompt consideration of the Committee on Agriculture and Forestry, and I hope it will have the overwhelming support of the Members of Congress.

Mr. President, I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1608

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 105(b) of the Agricultural Act of 1949, as amended by section 501 of the Agricultural Act of 1970, is amended by adding at the end thereof a new paragraph as follows:

"(4) Notwithstanding any other provision of law, the payment rate for corn to producers participating in the 1973 feed grain program under the so-called option B part of the program (for partial compliance) shall be increased to such rate as, together with the national average market price received by farmers for corn during the first five months of the marketing year for the crop, the Secretary determines will be equal to (A) $1.35 per bushel, or (B) 70 per centum of the parity price of corn as of the beginning of the marketing year, whichever is the greater. The payment rates for grain sorghums and barley shall be such rates, respectively, as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. Such payments shall be made available on 50 per centum of the feed grain base for the farm as provided in paragraph (2) of this subsection."

SEC. 2. The last sentence of such section 105(b)(1) is repealed.

By Mr. MOSS:

S. 1610. A bill to amend the Federal Aviation Act of 1958 to require the installation of airborne, cooperative collision avoidance systems on certain civil and military aircraft, and for other purposes. Referred to the Committee on Commerce.

MID-AIR COLLISION AVOIDANCE ACT OF 1973

Mr. MOSS. Mr. President, last Friday I informed my colleagues in the Senate of the tragic loss of life that occurred when a flying laboratory of the National Aeronautics and Space Administration collided in mid-air with a Navy antisubmarine warfare plane, Thursday, near Moffett Field in California. Today, I rise to inform my colleagues of some facts that make this most recent mid-air collision incident not only tragic, but also ironic and symbolic of a situation that now demands the immediate attention and action of the Congress. Today, I am introducing legislation that will serve as a vehicle for that congressional action.

The NASA-Navy mid-air collision is ironic in that both NASA and the Navy, along with the Army, Air Force, and the Federal Aviation Administration, are members of the Interdepartmental Group on Collision Avoidance and Pilot Warning. This group has been in existence since October of 1971 and its most significant recent decision has been to concede that—

> The full responsibility for developing collision avoidance systems . . . rests solely with the FAA.

And that—

> The FAA must be prepared to carry the lion's share of the (funding) burden in fiscal year 1974 and fiscal year 1975 and perhaps all of it in succeeding years.

In fact, NASA has terminated all financial support for collision avoidance work; the military retains only token amounts in their budgets; and the Federal Aviation Administration has cut back their funding from $3.7 million in fiscal year 1973 to only $2.1 million for fiscal year 1974.

But last week's collision is also highly symbolic of a pervasive danger that has taken a tragic toll in life and property and will grow to frightening proportions as our airways become increasingly congested. Against this current background, we must be cognizant of the serious menace mid-air collisions have become to the Nation's air transportation.

The headlines that have drawn our attention constantly to mid-air collisions add up to a disturbing record with ominous implications for the future safety of the flying public; 178 mid-air collisions took 966 lives between 1956 and 1970. In the short time between 1968 and 1970, 196 fatalities resulted from 102 incidents. Even more shocking is that in 1968 alone there were 1,128 near misses that could have killed literally thousands of people.

The trend is clear and alarming. As our aircraft fleets have increased in numbers, as our airways have increasingly grown congested, so too has the danger of mid-air collisions increased. In the 10-year period from 1971 to 1981, the airline fleet is projected to grow over 40 percent. The general aviation fleet will grow over 73 percent. And the air traffic generated by these aircraft will grow over 400 percent the next two decades. One has only to look at these figures to realize what this portends for the future. The National Transportation Safety Board, in 1970, warned that, based on the past record, we should expect to suffer 972 fatalities from 335 mid-air collisions between 1970 and 1979.

To date, aircraft have not been equipped with airborne cooperative collision avoidance systems that could alert pilots automatically to a potential collision and direct them to take the proper evasive actions. In addition to its dire predictions, NTSB analysis of the collisions in the 1968–70 time period revealed that better than four out of five mid-air collisions—82 percent—could have been prevented if the involved aircraft had been equipped with collision avoidance systems.

This brings us to question what the Government has done and is planning to do in order to bring about the benefits of having collision avoidance systems aboard aircraft as a backup to Air Traffic Control. But here, too, the facts give cause for deep concern.

Even more disturbing than the record of mid-air collisions themselves is the Government's record of coping with them. That record is one of inertial procrastination. And even more disturbing than the future outlook for mid-air collisions themselves is the Government's plan for preventing them through the installation of collision avoidance systems.

In June 1958, President Eisenhower submitted a message to Congress recommending utmost priority be given to preventing mid-air collisions. He stated:

> Recent mid-air collisions of aircraft, occasioning the tragic loss of human life, have instituted the need for a system of air traffic management which will present them, within the limits of human ingenuity.

Throughout the years since then, the Government and the FAA, in particular, have shown a remarkable ability to either avoid or fragment action to rectify the midair collision situation. A good example was the response to the collision between an Air West airliner and Marine Corps F-4 on June 6, 1971, in which 49 persons lost their lives, 13 of them residents of my home State of Utah—among them some of our most promising young business and professional men. As a result of this midair collision, the NTSB urged the FAA merely to hang pictures on the walls of airports so that "appropriate graphical depictions of airspace utilization and typical flow patterns are prominently displayed."

In the face of continued strong demands from the public and aviation industry for accelerated efforts, during the past 15 years the FAA has funded collision avoidance efforts only $11.6 million. In-house and contracted collision research and development has been remarkably small in comparison to the total FAA R. & D. effort, amounting to only $2.1 million of the $124 million fiscal year 1974 budget. At this pace, the Administrator of the FAA informed me in a letter that completion of tests on currently competing collision avoidance systems is yet another 2 years away, but that is not the end of the waiting period. The FAA now suggests that a collision avoidance approach based on ground control "should be considerably more attractive to users in terms of avionics costs than an airborne collision system." Unfortunately, the FAA also notes these ground-dependent systems are another 2 years behind the airborne systems.

Two years ago, I introduced S. 2264, a bill to require installation of collision avoidance systems on civil and military aircraft. During the course of hearings on my bill before the Senate Aviation Subcommittee, the Deputy Administrator stated that—

> The FAA is firmly committed to the premise that the ground-based Air Traffic Control system is, and will be for system for U.S. domestic aviation.

I do not dispute that premise. But the FAA's persistent procrastination in developing a national standard for airborne collision avoidance systems bear witness that that commitment is ill founded without a cooperative and independent airborne collision avoidance system as a secondary backup. In four collisions between 1964 and 1971, ground-based radar did not even pick up the uncontrolled aircraft that collided with controlled airline. And yet, the alarming fact is that approximately 80 percent of all aircraft flying in this country is of the small general aviation category, flying under visual flight rules, outside the control of radar and air controllers on the ground. It should also be noted that in last week's collision, both aircraft were under positive ground control. This ranks, therefore, as a prime example of a case where an independent airborne collision avoidance system would have compensated for the inherent safety deficiencies as a purely ground-based system.

A prominent excuse for delaying the development and introduction of an airborne collision avoidance system has been "excessive economic penalties" that would be imposed on the owners and operators of the Nation's aircraft. As for the airlines, we need only compare the "economic burdens" they now bear from modernizing the interior decor of their airliners. These cosmetic niceties improve neither the performance nor safety of the aircraft yet the cost is on the order of 10 times what a collision avoidance system would cost based on current industry capabilities. We also should consider the "economic burdens" of not installing collision avoidance systems abroad airliners. Single collisions have resulted in damage claims of some $70 million; payment of some $29 million; and, based on qualified estimates, could result in a cost to the airlines of some $180 million in a collision involving two wide-body airliners.

As for other segments of the aviation community, even current predictions of unit costs make it apparent that the insurance is more than worth the expense, which will be moderate when compared to the value of even small general aviation aircraft, not to mention the incalculable value of their occupants. Also, the bill I am introducing today calls for phasing the introduction of these systems according to classes of aircraft so that the general aviation sector will have the full benefit of design and production economies as increasing numbers of collision avoidance systems are built and installed.

All this history of bureaucratic maneuvering has continued while the losses from mid-air collisions have mounted. The latest word and the situation we have today was summarized in the Administrator's March letter to me:

> In summary, while investigations and test of airborne CAS continue at an expedited pace, the current augmentation and procedural use of the existing and planned ground-based system and the future promise of IPC and Synchro-DABS have created an alternative course of action with cost-effective possibilities. The FAA does not believe that a firm decision between the airborne or ground-based options should or could be made at this time and before more data is available.

Hence, we are asked to wait for more data that can come, at best, 4 years from now before even any planning begins for implementing a collision avoidance system. We are asked to wait until a new approach, tied to an imperfect ground-based system, matures to the point where it can be evaluated. How much longer must we wait for the FAA to introduce any supplementary collision avoidance system? Must we wait until 160 tons of aircraft wreckage falls on a residential community instead of a California golf course as it did last week? Must we wait until two airliners collide and consume hundreds of lives instead of the 16 lost last week? Must we wait for such an incident to impress an indelible apprehension in the minds of the public over the safety of commercial air transportation?

As chairman of the Senate Committee on Aeronautical and Space Sciences, I have heard the call time and again for turning our technology to meet pressing human problems, to make technology pay direct dividends in terms of saving and preserving human life. I can think of no more graphic a case than midair collisions where the application of demonstrated technological tools can be equated to preventing the loss of hundreds of lives. What we lack is neither the technological know-how nor economic justification. What we lack is the will to overcome the bureaucratic inertia that has stifled the prerequisite Government actions needed to make collision avoidance systems an integral part of our air transportation system. The time has come for the Government to relieve a grave and growing danger to the public. For those men and women who will lose their lives in the years to come, this action is already tragically overdue.

Unless we recognize once and for all the inherent fallibility of a purely ground-based system and demand a concerted effort to make independent airborne collision avoidance systems an integral part of air traffic control, it is only a matter of time before we witness a tragedy of unbearable proportions. I urge my colleagues to join with me in strong and prompt support for the measure I am introducing today. It provides a realistic program for completing the evaluation of collision avoidance systems, selecting a national standard, and bringing them into the Nation's aircraft fleets on an orderly basis. Unless we take this action now, future losses of life in midair collisions will be not only tragic, ironic and symbolic. They will be inexcusable.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mid-Air Collision Avoidance Act of 1973".

FINDINGS AND PURPOSE

SEC. 2. (a) Whereas mid-air collisions have already caused and will continue to cause a tragic loss of human and economic resources, inasmuch as—

(1) mid-air collisions between air carrier, general aviation and military aircraft have caused a tragic loss of human life totaling 966 fatalities from 178 reported mid-air collisions between 1956 and 1970;

(2) the National Transportation Safety Board projects that, based on past levels of collisions and fatalities, the nation can expect to witness the loss of 972 lives from 335 collisions between 1970 and 1979;

(3) single collisions have resulted in damage claims of some $70 million; payments of some $29 million; and, based on qualified estimates, could result in a cost to the airlines of some $180 million if involving two wide-body airliners;

(4) the nation will experience a dramatic rise in airspace congestion as the airline aircraft fleet is expected to grow over 40 percent and the general aviation fleet by over 73 percent between 1971 and 1981.

(b) Whereas studies, analysis and tests have already demonstrated that economical and effective collision avoidance systems can be made available to reduce markedly the incidence of mid-air collisions that cannot be prevented with the nation's ground-based air traffic control system alone, inasmuch as—

(1) the National Transportation Safety Board reported in 1971 that "an estimated 82 percent of the accidents studied may have been avoided if collision avoidance systems (CAS) and pilot warning indicators (PWI) had been installed aboard the involved aircraft";

(2) in four collisions between air carriers and uncontrolled aircraft, the uncontrolled aircraft was not even seen on the ground-based radar; and

(3) the Administrator of the Federal Aviation Administration has stated that efforts to evaluate three advanced designs proposed by industry, in versions suitable for all classes of aircraft, can be completed by March 1975.

(c) Therefore, the purpose of this Act is to require the Administrator of the Federal Aviation Administration to expedite the evaluation and selection of a national standard for a collision avoidance system; proceed to develop plans for operating rules and regulations integrating this system into the ground-based air traffic control system; and require the installation of a collision avoidance system on all classes of aircraft by certain dates.

EVALUATION, SELECTION AND IMPLEMENTATIONS OF COLLISION AVOIDANCE SYSTEMS

Sec. 3. (a) Not later than March 30, 1974, the Administrator of the Federal Aviation Administration, in cooperation with the National Aeronautics and Space Administration and the Secretary of Defense acting through the Interdepartmental Group on Collision Avoidance and Pilot Warning, shall complete the flight test and evaluation of currently competing airborne collision avoidance systems, as defined in section 101 (37) of the Federal Aviation Act of 1958, and not later than June 30, 1974 shall select a national standard for such systems.

(b) The selected standard shall be technically and economically suitable for all classes of civil aircraft, as defined in section 101 (14) of the Federal Aviation Act of 1948.

(c) Not later than December 30, 1974, the Administrator of the Federal Aviation Administration shall publish implementation rules and regulations to describe compatible use and operating procedures between CAS systems and the existing air traffic control system.

AMENDMENTS TO THE FEDERAL AVIATION ACT OF 1958

Sec. 4. (a) Section 101 of the Federal Aviation Act of 1958 is amended by inserting at the end thereof the following:

"(37) 'Collision avoidance system' means an all weather cooperative system on an aircraft which is compatible with but independent of ground based air traffic control systems and can detect all other aircraft representing a potential collision threat and, if necessary, indicate to the pilot a safe evasion maneuver."

(b) Section 601 of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following new subsection:

"Collision Avoidance Systems

"(d) (1) Minimum standards pursuant to this section shall include the requirement that—

"(A) not later than June 30, 1976, a collision avoidance system shall be installed on any aircraft which is operated by an air carrier or a supplemental air carrier, and has a maximum certificated takeoff weight in excess of 60,000 pounds;

"(B) not later than June 30, 1976, a collision avoidance system shall be installed on all public aircraft;

"(C) not later than June 30, 1977, a collision avoidance system shall be installed on any civil aircraft which has a maximum certificated gross weight in excess of 12,500 pounds;

"(D) not later than June 30, 1978, a collision avoidance system shall be installed on all civil aircraft not covered by clauses (A) and (C) above.

"(2) Specialized sport, experimental, and agricultural aircraft, and gliders as defined by the Administrator, shall be excepted from the provisions of this subsection when operating outside congested terminal airspace."

By Mr. MONDALE (for himself, Mr. Burdick, Mr. Clark, Mr. Hart, Mr. Hatfield, Mr. Hollings, Mr. Humphrey, Mr. McGovern, Mr. Metcalf, Mr. Nelson, Mr. Thurmond, and Mr. Young):

S. 1611. A bill to amend the Federal Crop Insurance Act to extend insurance coverage under such act to all areas of the United States and to all agricultural commodities. Referred to the Committee on Agriculture and Forestry.

Mr. MONDALE. Mr. President, I introduce for myself and Senators Burdick, Clark, Hart, Hatfield, Hollings, Humphrey, McGovern, Metcalf, Nelson, Thurmond, and Young a bill to amend the Federal Crop Insurance Act.

Over the past 35 years, Federal Crop Insurance has offered protection to farmers from losses caused by natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. Coverage has gradually been extended so that it now includes 26 different crops. Yet fewer than half the counties in the country are able to take part in the program, and not all crops are insured in all locations.

High production costs, mounting difficulties in securing credit at reasonable interest rates, and the termination of other major farm programs all greatly magnify the need for expanded all-risk crop insurance.

However, coverage cannot presently be extended to include all crops in all counties because there is a statutory limitation on administrative costs. In 1938, when the Federal Crop Insurance Corporation was first established, a limit of $12 million for administrative expenses to be paid out of appropriations was adequate. Now, three decades later, it is unreasonable to leave the ceiling unchanged.

The program was intended to be, and has been, essentially self-supporting, that is, indemnities have normally been fully covered by premiums. The problem is that administrative costs are now coming out of the premiums paid, depleting the capital stock of the Corporation and preventing an expansion of coverage. During fiscal 1973 it is estimated that $3.5 million in administrative expenses were charged to premium income, compared with $2.8 million the year before. For fiscal 1974 it is estimated that more than $3.6 million in administrative costs will be charged against premiums. It is no small wonder that the program has not been able to expand to meet the current needs of farmers.

The bill we are introducing today will strike the outdated $12 million limit on administrative costs. In addition, the Corporation will be directed to expand coverage on an economically sound basis to all counties and to all agricultural commodities.

It has been proposed by some that appropriations for administrative expenses be abolished rather than raised. They would have all the administrative expenses paid out of premiums. This year, such action could result in an increase in premium costs of 29 percent, making it financially difficult, if not impossible, for many farmers to participate in the program.

Particularly at this time, farmers are facing more hazards than the traditional problems of weather, insects, and disease. One of the biggest risks farmers face is in the money market where it is terrible difficult to obtain cash for operating expenses at a rate of interest comparable to other commercial enterprises. Loans for farm operating costs are traditionally made at higher rates than loans for other businesses. One of the major roles of Federal Crop Insurance today is to provide a guaranteed value upon which short term operating loans can be made at a reduced risk.

Many farm related programs have been drastically reduced or abandoned by the administration in recent months, and it has been proposed that acreage adjustment and price support machinery be eliminated over the next few years. As it is, the need for all-risk crop insurance is rapidly growing. But if our farm programs were eliminated—a step I strongly oppose—the need for crop insurance would be many times greater.

It is therefore apparent that a sound, economic program of crop protection through the Federal Crop Insurance Corporation is more needed today than it was 35 years ago. I am hopeful that the Congress will approve essential legislation to extend protection against crop failures which seriously threaten the economic stability of producing areas.

Mr. President, I ask unanimous consent that the full text of my bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 508(a) of the Federal Crop Insurance Act, as amended (7 U.S.C. 1508(a)) is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Subject to the other provisions of this section, beginning with crops planted for harvest in 1974, crop insurance shall be extended on an economically sound basis to all counties and to all agricultural commodities."

(b) The sixth and ninth sentences of section 508(a) of such Act are repealed.

Sec. 2. The first sentence of section 516 (a) of the Federal Crop Insurance Act, as amended (7 U.S.C. 1516(a)), is amended by striking out "not in excess of $12,000,000".

By Mr. METCALF:

S. 1612. A bill to provide for the regulation of surface mining operators in the United States, to authorize the Secretary of the Interior to make grants to

States to encourage State regulation of surface mining, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

A BILL TO PROVIDE FOR THE REGULATION OF SURFACE MINING

Mr. METCALF. Mr. President, I introduce for appropriate reference a bill "To provide for the regulation of surface mining operators in the United States, to authorize the Secretary of the Interior to make grants to States to encourage State regulation of surface mining, and for other purposes."

Enactment of legislation to regulate surface mining is one of the highest priorities of this Congress. The Committee on Interior and Insular Affairs in March held 4 days of hearings on several pending bills. The bill I am introducing today is designed to resolve a number of issues raised at these hearings.

The bill is designed to encourage the States to continue to regulate surface mining, rather than to turn regulation over to the Federal Government. The States are better able to deal with the diversity of climate, terrain, social, and economic conditions in our Nation.

At the same time, the bill would authorize stringent Federal regulations of surface mining of federally owned mineral resources. Almost all these resources, particularly coal, are located in the arid Western States where there is considerable doubt that the lands can be adequately reclaimed. For this reason, my bill would require that strong Federal regulations be promulgated prior to any new surface mining or any significant expansion of an existing operation on Federal lands.

The bill sets out fairly detailed criteria for surface mining and reclamation. The burden of proof is put on the operator to demonstrate in his permit application that the proposed operation can and will be conducted in accordance with the requirements of the act.

The bill requires the States to review potential surface mining areas and to designate areas found unsuitable for surface mining prior to approval of State programs or eligibility for a Federal program for a State. The Federal Government would have to undertake the same review on Federal lands.

The Committee on Interior and Insular Affairs will begin to mark up surface mining legislation within the next few weeks. As chairman of the Subcommittee on Minerals, Materials and Fuels, I will urge the committee to adopt the concepts embodied in this bill.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 1613. A bill to modify the restrictions contained in section 170(e) of the Internal Revenue Code in the case of certain contributions of literary, musical, or artistic composition, or similar property. Referred to the Committee on Finance.

Mr. METCALF. Mr. President, on behalf of Senator MANSFIELD and myself I introduce for appropriate reference an amendment to the Tax Reform Act of 1969 which would remove a serious inequity to artists wishing to donate their works to bona fide museums and public collections.

Such donations were commonplace before the passage of the 1969 act. But misinterpretation of a section banning tax deductions to politicians donating their public papers to nonprofit institutions had the effect of drying up artistic donations as well.

We have many small, but excellent, museums in Montana which depend on the generosity of native artists for expanding their collections. Budgets are tight, and new acquisitions have almost dried up. I understand this is the problem nationwide, and several Members of Congress have introduced legislation on the subject.

My bill would have the effect of restoring to the artists the right to deduct for tax purposes 100 percent of the market value of their donations. Other bills vary the percentage. I would prefer the entire amount, but the important thing is that significant relief be given in this area.

Mr. President, I ask unanimous consent that the text of my proposed changes be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 170(e) of the Internal Revenue Code is amended by adding at the end thereof the following new paragraph:

"(3) (A) Notwithstanding the provisions of subdivision (1) (A) and (1) (B) of this section and the provisions of section 1221(3) as amended, any literary, musical, or artistic composition, or similar property, which was created by the personal efforts of the taxpayer shall not be reduced by the amount of appreciation of such property, and the whole amount of such a charitable contribution shall be taken into account under this section and shall be treated as if the property contributed had been sold at its fair market value.

"(B) This amendment shall also apply to contributions made during the taxable year in which this act is enacted."

By Mr. PERCY:

S. 1614. A bill to require the Secretary of Housing and Urban Development to furnish additional consumer protection services, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

HOME BUYERS AND HOMEOWNERS PROTECTION ACT OF 1973

Mr. PERCY. Mr. President, I am introducing today a bill which I call the Home Buyers and Homeowners Protection Act of 1973. The purpose of this legislation is simple: It is designed to place the interests and needs of the housing consumer as paramount in the operation of the Department of Housing and Urban Development.

This bill incorporates three pieces of legislation which I introduced late in the 92d Congress. I have made several changes in these bills and added some new provisions based on the findings and recommendations of the studies of Federal housing programs which have been published recently.

The Home Buyers and Homeowners Protection Act is based on three premises: First, all available evidence suggests that our present housing programs are conceptually strong and sound. Second, these programs, particularly the interest subsidy programs, have suffered from bad management and administration. Third, the way to improve these programs is to give the Secretary the necessary tools to run them for the benefit of the housing consumer.

The twin goals of the Department must be to assure the home buyer or renter that he is obtaining a quality product and to assist the homeowner or tenant in maintaining the product.

One way to achieve this goal is to establish an Office of Consumer Affairs within HUD to act as an advocate of consumer interests at the highest level of the Department.

It is my intention that this Office act as an ombudsman for the consumer as well as the focal point for developing and managing the Department's consumer programs. The Office, as well as its units in area and insuring offices, should also act as a mediator between builders and buyers in disputes over builder warranties.

My bill also authorizes the Secretary to establish neighborhood offices in areas of potentially high mortgage insurance activity to provide information and assistance to home buyers in locating and acquiring a property and to homeowners in maintaining the property. These offices will provide homeownership counseling services which HUD is directed to have in operation across the country within a year after the bill is enacted.

My bill rewrites section 518 of the National Housing Act to promote greater HUD and FHA involvement in protecting the legitimate interests of the housing consumer. The authority to compensate both subsidized and unsubsidized homeowners for defects need never be used if FHA sees to it that a quality product meeting all State and local code requirements is the only product ever to reach the consumer.

I provide for a 3-year instead of 1-year builder warranty on new housing. In addition, I authorize the Secretary to correct or to compensate the homeowner for correcting any substantial structural defects or nonconformities with building plans which show up in new or existing houses for up to 5 years after a mortgage on the property is insured by FHA.

My bill also provides a grace period of 6 months for owners of housing purchased more than 4½ years ago to apply for compensation under the terms of this legislation. The Secretary shall pay claims under section 518 if the owner requests assistance and if a proper inspection could have identified the defect or nonconformity when the mortgage was insured.

I want to make special note of another provision which has its origins in a controversy about which I have commented several times before. HUD initially approved—or seemed to approve—a program developed by Laurence August to protect home buyers from losing their homes due to temporary involuntary unemployment, a program similar to one authorized in the Housing Act of 1968. Approval was later withdrawn on grounds I consider to be based on an unnecessarily strict interpretation of the law, an interpretation probably not intended by those who drafted the legislation.

My intention in adding a new section 244 to title II of the National Housing Act is to remove any roadblocks to future approval of private sector consumer protection plans similar to Mr. August's Economic Security plan which may now be found in this act and which work against the best interests of the consumer.

The legislation also includes the following provisions:

To direct the Secretary to issue regulations requiring the seller or his agent to disclose all information about a property and requiring agents to show all similar properties available in the area;

To require annual reinspections of FHA insured homes for 5 years after the issuance of the insurance;

To require the Secretary to recommend to the Congress a mechanism to provide for some repairs, including repair of latent defects undetected at the time of purchase, for low- and moderate-income homeowners.

Mr. President, to implement the provisions of my bill will require a certain amount of qualified manpower in HUD. But an investment in manpower will be returned several-fold in the form of reduction in defaults, foreclosures, abandoned homes, and, ultimately, property acquisitions by HUD. I consider this expenditure an investment not only in helping to arrest the cycle of urban decay but also in keeping faith with the low- and moderate-income families who have taken new hope from our housing programs.

The doctrine of caveat emptor—let the buyer beware—has prevailed for too long in the operation of the Department of Housing and Urban Development. It is time for HUD to put the consumer's interest first. I believe my bill will help accomplish this objective.

I ask unanimous consent to have the text of Home Buyers and Homeowners Protection Act and an analysis of the bill printed in the RECORD at this point, together with an article by Thomas J. Dolan of the Chicago Sun-Times which illustrates well the sort of consumer problems toward which this legislation is aimed.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

ANALYSIS OF HOME BUYER AND HOMEOWNER PROTECTION ACT OF 1973

I. CONGRESSIONAL FINDINGS

HUD/FHA administers programs designed to promote homeownership among low- and moderate-income individuals and families.

The doctrine of *caveat emptor* has too often prevailed in the operations of HUD/FHA.

The hardships which many individuals and families have experienced in purchasing badly constructed, unsafe, or otherwise defective homes could have been prevented in numerous cases if the FHA had effectively carried out all its responsibilities.

Defaults, abandonments and foreclosures occurring in some Federal homeownership programs could be prevented by a greater involvement with and concern for the home purchaser in the administration of such programs by HUD.

II. PURPOSES

To make HUD/FHA concerned primarily with the housing consumer.

To accelerate HUD/FHA's movement toward an activist consumer orientation.

To supply the Secretary with the power and the authority he may now lack.

To act on behalf of the home buyer, the home owner, the tenant, and all other groups of housing consumers.

III. MAJOR PROVISIONS

A. Amend Section 518 of the National Housing Act.

To require a three-year builder warranty on new construction.

To extend the coverage of Section 518 to all FHA mortgage insurance programs.

To authorize the Secretary to correct defects, to pay claims, or to acquire title to properties if the owner requests assistance within five years after the insurance of the mortgage.

To provide the same benefits as above to the purchasers of existing houses if the defects should have been evident on inspection at the time of closing.

To allow purchasers not covered by Section 518 as rewritten six months to request assistance for housing defects.

B. Establish an Office of Consumer Assistance in HUD, with units in each FHA Area and Insuring Office.

To represent and advocate the interests of the housing consumer.

To develop and administer or coordinate all departmental programs designed to aid consumers.

To mediate disputes between builders and buyers.

C. Authorize neighborhood FHA housing assistance offices.

To provide information about Federal homeownership programs.

To collect and disseminate information about the real estate market in the community.

To assist home buyers in locating and acquiring suitable properties.

To provide pre- and post-purchase homeownership counseling to home buyers.

To assist the home owners in identifying home repair needs.

To process and act on complaints about the operation of Federal programs from housing consumers.

To provide legal counsel to home buyers at closing.

D. Require the Secretary to issue "fair-dealing" requirements applying to the sellers of real property.

To require the seller or his agent to disclose all information about the property and its history which is known to him.

To require a broker or his agent to show all similar properties available in the area.

E. Other major provisions.

To require a HUD-administered homeownership counseling program within one year after enactment.

To require annual reinspections of FHA-insured homes for five years after the issuance of the insurance.

To require the Secretary to recommend to the Congress a mechanism to provide for home repairs for low- and moderate-income home owners.

To remove any roadblocks in the law to the approval of privately-developed and administered consumer protection programs for the housing consumer.

[From the Chicago Sun-Times, Apr. 1, 1973]

HOW HUD-APPROVED HOME BECAME A NIGHTMARE

(By Thomas J. Dolan)

Mrs. Lula Mae Clay's contract for a new, federally insured home called for four bedrooms. She ended up with only three—but was charged for four.

There are other troubles. During heavy rains, storm water erupts through a basement toilet. And she says wrong colored brick was used on a front section of the house.

Her contract called for the house to be built at 360 W. 102d Pl. But that address turned out to be smack in the middle of an Illinois Central Gulf R.R. right-of-way. So, while her contract still shows the 360 address, the house actually was built at 354 W. 102d Pl.—a few feet east of the railroad tracks.

In short, Mrs. Clay's dream house has turned out to be a nightmare.

There may be as many as 100 families in the same fix, The Sun-Times has learned. They are in trouble because the federal houing rules permit a builder to construct homes with bedrooms in the basement, but Chicago city ordinances do not. And Mrs. Clay's "fourth bedroom" is in the basement.

"She can't sell that house as a four bedroom," a spokesman for the city buildings department said.

The telling of Mrs. Clay's troubles is timely because Friday and Saturday the Senate Housing subcommittee held hearings here.

Sen. Adlai E. Stevenson III (D-Ill.), a subcommittee member, said the hearings will help the Senate group determine whether shortcomings in federally backed housing programs result from defective legislation or faulty administration by the Department of Housing and Urban Development.

Whether or not her troubles come under official scrutiny, it appears clear that Mrs. Clay's faulty house represents a classic example of a well-intentioned government program that went awry.

Mrs. Clay's house was built under the Department of Housing and Urban Development's 235 Program. The program, now suspended because of massive problems, called for HUD to make subsidy payments on housing for low-income families. The program also required HUD to approve all plans and specifications for the housing it insures.

Mrs. Clay, 35, a divorcee with five children, said she signed a contract in 1971 that called for the contractor, Byron M. Marcus & Co., to erect a HUD-approved home with four bedrooms.

She said it wasn't until the house was built that she learned it had only three bedrooms, yet the $24,200 contract she had signed specifically called for four.

Mrs. Clay said she stopped making $134.50 monthly mortgage payments last July. Instead, she said, she has been putting the cash into a special bank account.

She said she phoned William Nyden, of HUD's area management office, last year to complain about the house.

Mrs. Clay said Nyden told her that if she defaulted on the mortgage, the federal government could sell the house only as a three-bedroom type for about $19,000 and that she would be sued for the balance owed.

Nyden couldn't be reached for comment.

However, a city buildings department spokesman said "anything two feet below ground level is not permitted to be a bedroom."

The spokesman said any such room—like Mrs. Clay's—cannot be advertised or sold as a bedroom under the rules of the City of Chicago.

Mrs. Clay is employed as a clerk in the records section of the Chicago Police Department. But she has been so distraught over her housing problems that she has missed some work lately.

Her catalog of complaints seems almost endless.

For example, she contends she was promised storm windows and doors but received none. "And there is no vent over the kitchen stove. . . . The back door is hard to open."

Marcus said a basement room of the split-level that is marked "den" on the blueprints represents the fourth bedroom. He said many plans for his houses specify a den instead of a fourth bedroom.

Marcus said his company "built 100 of them" in Chicago. "She's got a four-bedroom house," he insisted. However, a spokesman for the buildings department noted "the plans submitted here call it a den; if he'd put "bedroom" on the plans he'd never have gotten a permit."

As for the bricks on the front of the house that Mrs. Clay complained about, Marcus said they were merely discolored because they had not been tuckpointed. He said the tuckpointing wasn't completed because Mrs. Clay still owes him $16 for a broken window.

Marcus also contended that the address of Mrs. Clay's home had been corrected in HUD's records even though it had not been changed in Mrs. Clay's contract.

He said of Mrs. Clay, "She has been a pain"

Edward Barry, head of the complaints section of HUD here, said he wasn't concerned about the den-bedroom matter

He said if the den meets all the requirements for a bedroom—such as proper ventilation, floor space and closet space—"then it's acceptable to us."

On the mixup in addresses, Barry said addresses on contracts have been incorrect in some cases because the builder frequently doesn't know how the city will number a new house until the builder receives a building permit.

He said the contract in such cases should carry a legal description of the property to make the contract authentic.

But a study of Mrs. Clay's contract showed no legal description.

S. 1614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Home Buyer and Home Owner Protection Act of 1973".

SEC. 2. The Congress finds that—

(1) the Federal Housing Administration of the Department of Housing and Urban Development administers programs designed to promote homeownership among low- and middle-income individuals and families;

(2) the doctrine of caveat emptor has too often prevailed in the operations of the Department, particularly the Federal Housing Administration;

(3) the hardships which many individuals and families have experienced in purchasing badly constructed, unsafe, or otherwise defective homes could have been prevented in numerous cases if the Federal Housing Administration had effectively carried out its responsibility; and

(4) many of the defaults, abandonments, and foreclosures occurring in some Federal homeownership programs could be prevented by a greater involvement with and concern for the home purchaser in the administration of such programs by the Department of Housing and Urban Development.

SEC. 3. It is the purpose of this Act to accelerate the movement of the Department of Housing and Urban Development toward an activist consumer orientation, to encourage the Secretary of Housing and Urban Development to use fully the power and authority he now possesses to act on behalf of the home buyer, the homeowner, the tenant, and all other groups of housing consumers with which the Department deals, and to provide the Department of Housing and Urban Development with such additional personnel as may be necessary to accomplish these objectives.

SEC. 4. (a) Section 518 of the National Housing Act is amended to read as follows:

"REQUIREMENTS OF SELLER'S WARRANTY; EXPENDITURES TO CORRECT OR COMPENSATE FOR SUBSTANTIAL DEFECTS IN MORTGAGED HOMES

"SEC. 518. (a)(1) In any case where a mortgage covering property improved by a one- to four-family dwelling is insured under any provision of this Act and the mortgage is approved for such insurance prior to the beginning of construction, the seller or such other person as may be required by the Secretary shall deliver to the mortgagor a warranty that the dwelling (A) is constructed in substantial conformity with the plans and specifications (including any amendments thereof, or changes or variations therein, approved in writing by the Secretary) on which the Secretary based his valuation of the dwelling, and (B) has no structural or other defects which could seriously affect the use and livability of the dwelling. This warranty shall apply only with respect to those instances of substantial nonconformity or defects as to which the mortgagor has not given written notice to the warrantor within three years from the date of conveyance of title to, or initial occupancy of, the dwelling, whichever first occurs. The Secretary shall require the seller or other person required to deliver a warranty to furnish to the Secretary and to the mortgagor a copy of the final plans and specifications of the dwelling as completed, and each such copy shall be certified by the seller or other person.

"(2) The warranty required by paragraph (1) shall be in addition to, and not in derogation of, all other rights and privileges which the mortgagor may have under any other law or instrument. The Secretary is directed to permit copies of the plans and specifications (including any amendments or variations approved in writing by the Secretary) for dwellings covered by warranties under this subsection to be made available in the appropriate local offices for inspection or for copying by any mortgagor or warrantor during such periods of time as the Secretary deems reasonable.

"(b) If the owner of any property which is improved by a one- to four-family dwelling covered by a mortgage insured under any provision of this Act requests assistance from the Secretary within five years after the insurance of the mortgage, the Secretary is authorized—

"(1) to correct structural defects in any such property or any other defects in such property which seriously affect the use and livability of the dwelling;

"(2) to pay the claims of such owners arising from any such defect or from any substantial nonconformity with any plans and specifications (including any amendments thereof, or changes or variations therein, approved in writing by the Secretary) on which the Secretary based his valuation of the dwelling; or

"(3) to acquire title to property in which any such defect or nonconformity exists.

"(c) The Secretary shall, with all reasonable promptness, make expenditures, for any of the purposes specified in subsection (b), with respect to structural or other defects which seriously affect the use and livability of any single-family dwelling which is covered by a mortgage insured under any section of this Act and is more than one year old on the date of the issuance of the insurance commitment, or with respect to any substantial nonconformity with the plans and specifications on which the Secretary based his valuation of any such dwelling, if (A) the owner requests assistance from the Secretary not later than five years after the insurance of the mortgage, and (B) the defect or nonconformity is one that existed on the date of the issuance of the insurance commitment and is one that a proper inspection could reasonably be expected to disclose. The Secretary may require from the seller of any dwelling an agreement to reimburse him for any payments made pursuant to this subsection with respect to such dwelling.

"(d) The Secretary shall by regulation prescribe the terms and conditions upon which expenditures and payments may be made under the provisions of this section. The determinations of the Secretary regarding such expenditures or payments, and the terms and conditions under which the expenditures and payments are approved or disapproved, shall be final and conclusive and shall not be subject to judicial review.

"(e) The Secretary shall prescribe regulations providing for the annual reinspection of any dwelling during any period when the dwelling is subject to a warranty under subsection (a) or the owner of the dwelling is eligible for assistance in accordance with subsection (b)."

(b) In the case of a mortgage which is insured under any provision of the National Housing Act more than four and one-half years prior to the date of enactment of this Act, the Secretary may furnish assistance under section 518 of the National Housing Act, as amended by subsection (a), if the owner of property eligible for assistance under such section 518 requests such assistance within six months after the date of enactment of this Act.

SEC. 5. (a) Title V of the National Housing Act is amended by adding at the end thereof the following new sections:

"COUNSELING AND RELATED SERVICES FOR HOME BUYERS

"SEC. 525. (a) The Secretary is authorized to provide, in connection with the operation of the Federal Housing Administration, neighborhood counseling services in areas in which he determines that there is a special interest in and need for Federally-assisted homeownership programs. Such services shall be provided at readily accessible locations and shall include—

"(1) the provision of information to prospective home buyers concerning Federally assisted homeownership programs;

"(2) the collection of information concerning properties which are available for homeownership in the neighborhood, together with the names of persons handling or otherwise involved in the sale of such properties, and the furnishing of such information to prospective home buyers;

"(3) the provision of assistance to home buyers in locating and acquiring suitable properties and in dealing with the various parties having an interest in such properties;

"(4) the provision of pre- and post-purchase homeownership counseling to home buyers;

"(5) the handling of consumer complaints concerning the conduct of the parties in a Federally-related real estate transaction, structural or other defects in a dwelling subject to a mortgage which is insured under this Act or under any other Federal program designed to furnish assistance or services to the homeowner;

"(6) the provision of such other similar or related services or facilities as the Secretary determines to be necessary or desirable; and

"(7) the provision of legal assistance to home buyers at the time of closing.

"(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"OBSERVANCE OF CERTAIN STANDARDS OF CONDUCT IN THE SALE OF FEDERALLY ASSISTED HOUSING

"SEC. 526. The Secretary shall by regulation prescribe 'fair-dealing requirements' which must be observed by any person selling real property, if (1) the property is to be occupied by the purchaser or his family as a residence, and (2) the sale is to be financed with assistance under this Act. Such requirements shall include, but are not limited to, the following:

"(A) The seller shall apprise the buyer of any information known to him with respect to the condition or previous sales history of the property which could reasonably affect the buyer's decision to purchase.

"(B) Any person acting as a real estate agent or broker in connection with the sale of the property shall, upon request, identify and show to a prospective purchaser any other similar properties which are known to him to be available in the area.

Any person who violates any fair-dealing requirement may, in accordance with regulations prescribed by the Secretary, be prohibited from participation in any program administered by the Secretary for a period of not to exceed five years. The Secretary shall give written notice of his intention to impose such a prohibition to such person, and such person may request a hearing within 20 days after receipt of such notice. If a hearing is requested, the Secretary shall hold the hearing not later than 20 days after receipt of the request. Any determination of the Secretary under this section shall be subject to review in accordance with section 1411 of the Housing and Urban Development Act of 1968."

(b) The first sentence of section 512 of such Act is amended by inserting after "or of any regulation issued by the Secretary under" the following: "section 526 or any other section of".

Sec. 6. Section 101(e) of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new sentence: "The Secretary shall establish the program authorized under this subsection not later than one year after the enactment of the Home Buyer and Home Owner Protection Act of 1973.".

Sec. 7. There is hereby established in the Department of Housing and Urban Development an Office of Consumer Affairs (hereinafter referred to as the "Office") which shall represent and be an advocate in behalf of the interests of housing consumers in proceedings within the Department. The Office shall represent interest of the Secretary of Housing and Urban Development in disputes under warranties under section 518 (a) of the National Housing Act, and is hereby authorized to act as a mediator in any such dispute. It shall also be the function of the Office to develop and operate or coordinate programs of the Department relating to homeowner, home purchasers, tenants, home inspection and repair, consumer complaints, and neighborhood counseling and complaint centers. Each area and insuring office of the Department shall have a representative of the Office.

Sec. 8. (a) Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"Sec. 244. Nothing in this title may be construed to prevent the Secretary from approving any privately developed or promoted plan or program for the protection of homeowners including maintenance and repair, counseling, and protection against involuntary unemployment."

(b) Not later than one year following the date of enactment of this Act, the Secretary of Housing and Urban Development shall transmit to the Congress a report on the need for and the feasibility of (1) a program to provide, by insurance or otherwise, home repair assistance for low- and moderate-income homeowners; and (2) a program whereby mortgagors under mortgages insured by the Secretary pay a monthly fee or premium (or part of currently charged premiums for insurance) into an escrow account to be utilized for repairs resulting from latent defects.

By Mr. MATHIAS (for himself and Mr. Beall):

S. 1617. A bill to reimburse the city of Frederick, Md., for money paid saving harmless valuable military and hospital supplies owned by the U.S. Government. Referred to the Committee on the Judiciary.

PAYMENT OF AN HONORABLE DEBT

Mr. MATHIAS. Mr. President, I rise to introduce legislation to provide for the payment of a long-standing debt of the American people—a debt owed because of the heroism and sacrifice of the citizens of Frederick, Md.

Mr. President, most of us are aware of the Civil War's Battle of the Monocacy outside the city of Frederick, Md., where Federal troops spoiled Confederate attempts to overrun Washington D.C. Few of us, however, know of the valiant efforts of the city and citizens of Frederick. Frederick functioned as one of the key command headquarters for Union forces during the Civil War. It was a strategic point for supply and reinforcements for the east coast. In the city was located a sizable government supply depot and hospital. Federal troops were stationed in the city for deployment along the Maryland shores of the Potomac. Here troops were used as a defense against invasion by Confederate troops across the Potomac and from attack upon Washington.

July 9, 1864, the day of the Battle of the Monocacy, was an eventful day for Frederick. On the morning of that day, the city officials received a message from Lt. Gen. Jubal Early, commanding general of the Confederate armed forces, who was on his way to the Monocacy and the expectant battle. The message demanded of Frederick and its citizens $200,000 or in the alternative, medical commissary, ordnance and quarter master supplies valued at $50,000 each and equal in value to $200,000. The general surrounded the city with his approximately 20,000 troops and there were rumored threats that all property in the city would be destroyed unless the demand was met.

If the city officials gave the Confederates the Government supplies, it would strengthen their forces for the ensuing battle and thus contribute to a possible Confederate victory. These were the considerations—all of them weighed and balanced under the imminent threat of total destruction to their city. The best to be expected was accomplished; the city officials delayed payment and collected $200,000 from local banks under the promise that the citizens of Frederick would be taxed over the years to reimburse the banks. The debt was finally liquidated in 1951 through a series of bond issues. The stubborn resistance of the city of Frederick cost the Confederate armed forces a day in the march upon Washington, thus giving the Union Army additional time to successfully defend the Capital City. In addition, their efforts prevented the destruction of Government property.

Mr. President, today, along with my colleague, Senator Beall, I introduce legislation which would finally, after all these years, repay the citizens of Frederick for their expenditure of $200,000 which during economically harsh days was a particular sacrifice. The bill authorizes and directs the Treasury to pay the city of Frederick the sum of $200,000 with interest at the rate of 4 percent per year from July 9, 1864, until the date of payment of such sum or within 30 days after the date of enactment of this act, whichever occurs first.

As a proud son of Frederick, I am particularly honored to introduce this legislation. This is not a ransom bill, but a bill to reimburse the city of Frederick for its out-of-pocket loss. The citizens of Frederick for 87 years have been paying the insurance premiums on the benefits incurred by the Federal Government. It is time to repay this debt. Not one cent for ransom, but what is due in payment for value received by the Union.

Mr. President, the city of Frederick has been patient. They have waited over 100 years. It is important to show those who are disenfranchised that the Government can be responsive to valid claims when taken through established channels.

By Mr. STEVENS:

S. 1620. A bill to amend the Anadromous Fish Conservation Act in order to increase the Federal share of costs and the authorization under such act. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, today I am introducing a bill to amend the Anadromous Fish Conservation Act (16 U.S.C. 757a et seq.)

This legislation will first permit the Federal Government to pay up to 75 percent of the cost of projects administered by single States. Presently, the Federal Government is limited to providing 50 percent of the costs.

Second, the amendment will permit the Federal Government to pay up to 80 percent of the cost, of programs administered jointly by several States. Presently, the Federal Government is limited to a 60-percent share.

Third, the bill increases the annual authorization to $20 million for fiscal year 1974.

This legislation was suggested by the Pacific Marine Fisheries Commission, an interstate compact of five Western States—Alaska, California, Idaho, Oregon, and Washington. Resolution No. 6, adopted at their November 16, 1972, annual meeting, urged this amendment because of growing pressures upon anadromous fisheries from continuing human encroachment on the environment. The member States have continuing difficulties in raising the 50-percent matching funds presently required under Public Law 91–249.

I request unanimous consent that the bill itself be printed in its entirety in the Congressional Record at this point, along with Resolution No. 6.

There being no objection, the bill and resolution were ordered to be printed in the RECORD, as follows:

S. 1620

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, The Anadromous Fish Conservation Act (16 U.S.C. 757a et. seq.) is amended—

(1) in subsection (a) of the first section by striking out "shall not exceed 50 per centum" and inserting in lieu thereof "shall not exceed 75 per centum";

(2) in subsection (c) of the first section by striking out "60 per centum" and inserting in lieu thereof "80 per centum"; and

(3) in subsection (a) of section 4 by striking out "$10,000,000 for the fiscal year ending June 30, 1974" and inserting in lieu thereof "$20,000,000 for the fiscal year ending June 30, 1974".

Pacific Marine Fisheries Commission Resolution No. 6

AMENDMENT OF ANADROMOUS FISH CONSERVATION ACT

Whereas, the Anadromous Fish Conservation Act (P.L. 89–304 as amended by P.L. 91–249) provides that federal costs for projects administered by a single State shall not exceed 50%; and

Whereas, man's encroachment into the environment continues to negatively affect anadromous resources; and

Whereas, there are insufficient state funds to accomplish all the programs necessary to properly maintain and enhance the anadromous fisheries; and

Whereas, several States have difficulty in providing enough matching funds to meet half the cost of some of the many needed projects; and

Whereas, by paying 75% of the costs of the Federal Government could enable the States to match funds for many additional, severely needed projects;

Now be it therefore resolved, that the Pacific Marine Fisheries Commission request Congress to amend the Act to provide that the federal share for such projects be increased to 75%; and

Be it further resolved, that in order to more fully meet the needs of the resource, the Pacific Marine Fisheries Commission further request Congress to increase the annual expenditure authorization for the Act to $20,000,000 and to increase the appropriation up to the amount authorized; and

Be it further resolved, that copies of this resolution be sent to the Congressional Delegation of member States of the Pacific Marine Fisheries Commission and to members of appropriate Congressional Committees.

Adopted unanimously by the five Compact States of Alaska, California, Idaho, Oregon and Washington at the Annual Meeting November 16, 1972, Portland, Oregon.

By Mr. STEVENS:

S. 1621. A bill to amend title XVI of the Social Security Act—relating to supplemental income for the aged, blind, and disabled—to provide for the disregarding of certain payments, made by a State to elderly residents thereof without regard to the need of the recipient thereof, in determining eligibility for or amount of the supplementary income payable to individuals in such State under such title. Referred to the Committee on Finance.

Mr. STEVENS. Mr. President, last year the Legislature of the State of Alaska enacted legislation designed to benefit the senior citizens of our State. This legislation, which is unique in the country, authorized a longevity bonus to residents of Alaska who are 65 years of age and have lived in the State for at least 25 years. This payment of $100 per month is given to all residents who meet those two criterion without regard to need.

Because of the harsh climate and high cost of living, many Alaskans found their retirement income insufficient to meet their needs in Alaska and were forced to move to the lower 48. The State recognized that we need the experience and guidance of these citizens to develop our State to its fullest potential.

With the federalization of the assistance programs to the aged, blind, and disabled, Alaska now finds itself in a position where the longevity bonus payments will result in an equal decrease of assistance payments.

The bill I am introducing today would make it possible for the senior citizens of Alaska and of any other State where a program such as the longevity bonus is in effect to realize the benefits of such program without losing or reducing their entitlements to public assistance programs.

By Mr. STEVENS (for himself and Mr. GRAVEL, Mr. JACKSON, and Mr. MAGNUSON):

S. 1622. A bill to authorize the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park in the States of Alaska and Washington, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, on behalf of myself, my colleague from Alaska (Mr. GRAVEL), and the distinguished Senators from Washington (Mr. MAGNUSON, and Mr. JACKSON), I am introducing today legislation to create a Klondike Gold Rush National Historical Park. This is a unique concept. Portions of the park will be in Alaska and other portions will be in the State of Washington. It is eventually hoped that portions of the park will become international and will cross into Canada from Alaska.

This bill is a joint effort by the Alaska and Washington delegations in the Senate and the House. It will mean a great deal to both States and will also affect British Columbia and the Yukon Territory in Canada. Hopefully, it will provide a much needed influx of tourists into the Pacific Northwest. It will provide an on-the-spot education to people from all over the world who are interested in the Klondike gold rush of 1893.

I request unanimous consent that a summary of the legislation be printed in the CONGRESSIONAL RECORD at this point and followed by the bill itself.

There being no objection, the summary and bill were ordered to be printed in the RECORD, as follows:

Summary of Proposed Klondike Gold Rush National Historical Park

The proposed Klondike Gold Rush National Historical Park will consist of a Seattle Unit, located in the Pioneer Square Historic District in Seattle, Washington; a Skagway Unit, located in Skagway, Alaska; a White Pass Trail Unit, located near Skagway on the upper reaches of the Skagway River; and a Chilkoot Trail Unit, located near Skagway in the Taiya River Valley. The total area of the four units combined is less than 12,000 acres.

SEATTLE UNIT

The Seattle Unit will consist of a site located in the Pioneer Square Historic District. The square is entered on the National Register of Historic Places and is specially zoned as a historic district under a municipal ordinance. The site will be selected by the Secretary of the Interior after the proposed park is authorized by Congress. The site will be in leased space within one of the historical buildings in the district. It will have approximately 3,000 square feet and contain an exhibit room, a small theater, and administrative quarters. The exhibits will consist of photographic murals and other photographic displays, artifacts, models, and other materials illustrating the effect of the gold rush on Seattle and the outside and illustrating the story of transportation to and from the North. The theater will be used for films and slide shows about the gold rush and about the historical park. It will also be used from time to time for live performances of the historic period.

The Park Service plans to enter into a lease agreement for five years, renewable for another five. Under the lease, the lessor will rehabilitate the leased space for occupancy and recover his costs over the period of the lease. In this way, no substantial Federal investment is required to initiate the project. Costs will be handled out of annual operating programs.

SKAGWAY UNIT

The Skagway Unit is located in Skagway, Alaska, and includes 55 wooden, one- and two-story houses and residences, some partially vacated, which are the remaining evidence of the goldrush town of Skagway. The unit is located along Broadway and its side streets between First and Seventh Avenues, largely coinciding with the Skagway Historical District (city ordinance adopted in October 1972). The unit is the focal point of the Skagway business district, is a major tourist attraction, and is listed in the National Register of Historic Places.

The purpose of the Skagway Unit is to preserve and, where necessary, restore historic structures and to provide interpretation and interpretive displays therein so as to provide a comprehensive living history program. To achieve this purpose, up to 22 structures would be acquired for renovation and adaptive restoration. Insofar as private capital is utilized for the same purpose, the Federal program would be reduced proportionately. Most of the refurbished structures will be sold or leased back for private businesses, which will serve resident and visitor uses. For interpretive programs, up to eight of the structures would be retained by the government. However, if cooperative agreements can be reached with private parties to achieve the same purpose, several of these structures would also be sold or leased back. At least one structure, and perhaps two, would have to be retained to provide a visitor center, museum, and theater.

Restoration work undertaken at Skagway will be accomplished by Park Service employees. It is not feasible to contract for this work. It will be done over a period of years and will not require large appropriations in any single year for acquisition and development. The construction of modest maintenance and shop facilities will probably be by contract.

CHILKOOT TRAIL UNIT

The Chilkoot Trail Unit consists of a corridor of park land approximately one mile in width and 16 miles in length paralleling the entire length of the Chilkoot Trail within the United States. It lies principally in a north-south direction, with the south boundary including the historic townsite of Dyea about three miles (eight, by road) northwest of Skagway. The park unit includes the "slide" cemetery, the Chilkoot Trail, and all related historic sites and artifacts found along the trail. The north boundary of the corridor is Chilkoot Pass on the international boundary.

The National Park Service intends to restore the Chilkoot Trail to its most representative location, protect structural ruins along the trail, record and protect all artifacts in the corridor, and provide modest camping facilities for the public hiking the trail. Interpretation of this portion of the gold rush story will primarily be through graphics. A trail and two log shelters already exist in the corridor.

Almost all of the work to be undertaken in the Chilkoot Trail Unit will be accomplished by Park Service employees. Full development of modest camping and attendant facilities in the Dyea vicinity in the future will be by contract. The costs in any single year should be relatively small.

WHITE PASS TRAIL UNIT

The White Pass Trail Unit consists of a corridor of park land approximately one mile in width and five miles in length paralleling important remnants of the White Pass Trail. The unit lies in a north-south direction, the south boundary beginning eight miles northeast of Skagway. It includes remnants of the White Pass Trail and the ruins of White Pass City. The north boundary of the unit is White Pass on the international boundary. The National Park Service intends to restore a portion of the White Pass Trail, stabilize ruins, record and protect all artifacts within the park, and provide modest camping facilities for the public as needed. Interpretation of the White Pass Trail will be accomplished through means of signs along the trail, overlooks beside the Skagway-Carcross Highway, and interpretive talks on the White Pass and Yukon Route. The White Pass is listed in the National Register of Historic Places.

All of the work to be undertaken in the White Pass Trail Unit during the first five to ten years will be by Park Service employees. The annual costs should be modest. At some time in the future, an overnight facility in the vicinity of the White Pass could be developed if demand warrants. Such a facility would require contracting.

INTERNATIONAL HISTORIC PARK

In British Columbia and the Yukon, the National and Historic Parks Branch of Canada is planning park units based on the Klondike Gold Rush similar to the proposed American park. Preliminary arrangements have been made for the two proposed parks to be designated as the Klondike Gold Rush International Historic Park. Because the respective Chilkoot Trail Units join together and hikers will travel through both countries, preliminary arrangements have been made for integrated management of the Chilkoot Trail. Preliminary arrangements have also been made for developing an integrated interpretive program so that interpretation at the units in each country will complement that in the other.

Canadian preservation and restoration work is already underway. Substantial funds have already been invested in restoration of historic buildings in Dawson and additional work is underway and programmed at Dawson, on the Klondike, and on the Chilkoot Trail.

INTERGOVERNMENTAL COOPERATION

The National Park Service and the National and Historic Parks Branch have developed the park plans in cooperation with the State, Provincial, Territorial, and municipal governments involved. An international working committee composed of officials from the United States, Canada, Alaska, British Columbia, and the Yukon Territory oversees the planning and develops arrangements for international and intergovernmental cooperation. Additionally, the National Park Service has made preliminary arrangements for cooperative management agreements with Skagway, the State of Alaska, and the Forest Service in relation to the park units in and near Skagway.

S. 1622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to preserve in public ownership for the benefit and inspiration of the people of the United States, historic structures and trails associated with the Klondike Gold Rush of 1898, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Klondike Gold Rush National Historic Park (hereinafter referred to as the "park"), consisting of a Seattle Unit, a Skagway Unit, a Chilkoot Trail Unit, and a White Pass Trail Unit. The boundaries of the Skagway Unit, the Chilkoot Trail Unit, and the White Pass Trail Unit shall be as generally depicted on a drawing consisting of two sheets entitled "Boundary Map Klondike Gold Rush National Historical Park," numbered NHP–KGR–20, 002B, dated October 1971, and NHP–KGR . . . (to be supplied, dated . . . 1972), which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Within the Pioneer Square Historic District in Seattle as depicted on a drawing entitled "Pioneer Square Historic District," numbered NHP–KGR– (to be supplied), the Secretary will select a suitable site for the Seattle Unit and publish a description of the site in the Federal Register. So long as the Federal Government has not acquired the fee, the Secretary may relocate the site of the Seattle Unit, provided that it shall be within the Pioneer Square Historic District. The Secretary may revise the boundaries of the park from time to time, by publication of a revised map or other boundary description in the Federal Register, but the total area of the park may not exceed 12,000 acres. Upon final location of the Skagway-Carcross highway, the Secretary shall revise the boundary of the White Pass Trail Unit so that the unit's boundary in the vicinity of the highway will be the easterly right-of-way line of the highway.

(b) (1) The Secretary may acquire lands, waters, and interests therein within the park by donation, purchase, lease, exchange, or transfer from another Federal agency. Lands or interests in lands owned by the State of Alaska or any political subdivision thereof may be acquired only by donation. Lands under the jurisdiction of any Federal agency may, with the concurrence of the head thereof, be transferred without consideration to the Secretary for the purposes of the park.

(2) The Secretary is authorized to acquire, by any of the above methods, not to exceed fifteen acres of land or interests therein located in, or in the vicinity of, the City of Skagway, Alaska, for an administrative site; and to acquire by any of the above methods, up to ten historic structures or interests in such structures located in the City of Skagway but outside the Skagway Unit for relocation within such Unit as the Secretary deems essential for adequate preservation and interpretation of the National Historical Park. Lands or interests in lands owned by the State of Alaska or any political subdivision thereof may be acquired only by donation. Lands under the jurisdiction of any Federal agency may, with the concurrence of the head thereof, be transferred without consideration to the Secretary for the purposes of the park.

SEC. 2. (a) The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he deems sufficient lands, waters, and interests therein have been acquired for administration in accordance with the purposes of this Act. Pending such establishment and thereafter, the Secretary shall administer lands, waters, and interests therein acquired for the park in accordance with the provisions of the Act approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act approved August 21, 1935 (49 Stat. 666), as amended.

(b) The Secretary is authorized to cooperate and enter into agreements with other Federal agencies, State and local public bodies, and private interests, relating to planning, development, use, acquisition, or disposal (including as provided in section 5 of the Act of July 15, 1968 (82 Stat. 356) (16 U.S.C. 460 1–22)) of lands, structures and waters in or adjacent to the park or otherwise affecting the administration, use, and enjoyment thereof, in order to contribute to the development and management of such lands in a manner compatible with the purposes of the park. Such agreements, acquisitions, dispositions, development or use and land-use plans shall provide for the preservation of historical sites and scenic areas, recreation and visitor enjoyment to the fullest extent that is compatible with the development of the Yukon-Taiya Power Project and facilities necessary to retain the area as a major port.

(c) Notwithstanding any other provision of this Act, the Congress may authorize the construction of the Yukon-Taiya Power Project and the use of such lands and waters within the park as may be required for construction and operation of the project, including the transmission of power.

SEC. 3. (a) The Secretary, in cooperation with the Secretary of State, is authorized to consult and cooperate with appropriate officials of the Government of Canada and Provincial or Territorial officials regarding planning and development of the park, and an international historical park. At such time as the Secretary shall advise the President of the United States that planning, development, and protection of the adjacent or related historic and scenic resources in Canada have been accomplished by the Government of Canada in a manner consistent with the purposes for which the park was established, and upon enactment of a provision similar to this section by the proper authority of the Canadian Government, the President is authorized to issue a proclamation designating and including the park as part of an international historical park to be known as Klondike Gold Rush International Historic Park.

(b) For purposes of administration, promotion, development, and support by appropriations, that part of the Klondike Gold Rush International Historic Park within the territory of the United States shall continue to be designated as the Klondike Gold Rush National Historical Park.

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

By Mr. THURMOND:

S. 1624. A bill to amend title XIX of the Social Security Act to clarify the standards which apply in determining the basis on which Federal matching will be accorded toward State expenditures for skilled and intermediate care facility services provided under State plans approved under such title. Referred to the Committee on Finance.

Mr. THURMOND. Mr. President, today I offer a bill to clarify legislative intent with respect to what might be regarded as an inconsistency between sections 225 and 249 of H.R. 1, Public Law 92–603. This bill is a technical amendment designed to avoid any possible misinterpretation.

When the Senate Finance Committee considered H.R. 1 last year, it deleted section 225 in the House version of H.R. 1 because it appeared inconsistent with an upgrading of care in facilities which may result in additional costs for the facility and because they believed it unadministrable. This section provided that the average per diem costs for skilled nursing homes and intermediate care facilities, which can be counted for Federal financial participation, would be limited to 105 percent of such costs for the same quarter of the preceding year.

In explaining its objections to this section the committee stated:

> The provision would be difficult to administer and inequitable in that it does not take into account many uncontrollable expenses and places an arbitrary limit, unrelated to services rendered, on payments to a facility.

The accuracy of this observation is evidenced by the fact that the Department of Health, Education, and Welfare has not, as yet, been able to formulate the necessary regulations for the administration of this provision.

Mr. President, this requirement may have been arguable before wage-price controls were imposed, but today it is unreasonable. As phase III was initiated, cost controls were eliminated on the suppliers of goods and services to the Health Care Industry, yet they were retained on payments in this industry. In South Carolina the State department of public welfare has a detailed cost analysis system for nursing homes. These analyses indicate a cost increase in excess of 10 percent for the period October 1, 1970—September 30, 1971, and in excess of 6 percent for the period October 1, 1971—September 30, 1972. With this rate of inflation, it is unreasonable to expect cost to remain at a level which is actually less than that allowed under phase III guidelines. It is certain that an inflexible administration of the existing section 225 will cause patient care in South Carolina and other States to seriously deteriorate.

The flexibility needed in this field is provided in section 249. This section requires that each State pay for skilled nursing and intermediate care on a reasonable cost-related basis by 1976. Although the present law makes the State plan mandatory by 1976, my amendment would allow States, which meet the requirements of section 249 on or before 1976, to operate on a cost-related reimbursement basis without regard to the arbitrary 105-percent ceiling. In point of fact, the 105-percent ceiling would apply only where a State does not have an acceptable cost-related program.

By connecting section 225 to 249, my bill would have the effect of relieving States which develop approved cost-related programs of reimbursement from artificial and unworkable restriction. It would also create incentives for States which are not on a cost-related system to move more rapidly toward such a system prior to 1976.

By Mr. GURNEY:

S.J. Res. 94. Joint resolution to redesignate the area in the State of Florida known as Cape Kennedy as Cape Canaveral. Referred to the Committee on Interior and Insular Affairs.

Mr. GURNEY. Mr. President, today I am reintroducing a joint resolution which would rightfully restore the historic name to Florida's oldest landmark—Cape Canaveral.

I would like to take this opportunity to recall the historical significance of this area and perhaps show why this name has become so dear to all Floridians—among them the late Senator Spessard Holland, who joined with me on July 10, 1969, in first introducing this measure.

Florida was first discovered by Ponce de Leon in the spring of 1513. During that epic voyage, Ponce camped upon a spit of land jutting markedly out into the Atlantic from the Florida peninsula. He appears to have named it Punta de Arracifes, but a later explorer, probably Lucas Vasques de Ayllon, renamed it Cape Canaveral sometime before 1536. The name Cape Canaveral appears on a map dated 1536 and on most every map thereafter. The Cape, for good reason, had become a significant navigational landmark. The importance of Cape Canaveral to early Spanish sailors and merchants was considerable. As early as 1526 the Spanish organized a convoy system for shipping the products of the new world back to Spain. These convoys would leave Havana and proceed north along the east coast of the Florida peninsula. They would turn east for Spain only when they knew they had cleared the dangerous Bahama shoals. The point which became the marker for making that eastward turn was Cape Canaveral and so it remained throughout the entire colonial period. Even after the Americans took over, it remained a navigational guidepost; in 1847, a lighthouse was built there.

Until the coming of the space age, Cape Canaveral was never much inhabited. The French established a port there in 1564 or 1565 only to be driven out by the famous Spanish Adelantado Pedro Mendenez de Aviles. The Spanish subsequently built a fort in the general area, but never developed it. Neither did the British or the Americans, except for an occasional settler, until 1949 when the joint long range proving ground was opened on the cape. A year later, the first missile was launched and by 1956 the area became a major launch facility as the Vanguard, Atlas, and Jupiter missile programs were moved in, in preparation for launching our first orbiting satellite. By the time that came—in January 1958—the name Cape Canaveral had become a household word to many Americans.

On May 25, 1961, President John F. Kennedy appeared before Congress to ask the Nation to make landing on the Moon a goal to be reached by the end of the decade. But unlike most Americans, the President realized, as did many Floridians, that the limited acreage and facilities available on the cape were inadequate for the purposes of a lunar landing mission.

So, after detailed consideration of other areas, NASA announced in August of 1961, its decision to launch lunar flights from expanded facilities north and west of the cape and, concurrently, announced its intention to purchase some 80,000 acres of land for that purpose. These actions set in motion the chain of events which culminated in the move of NASA facilities from Cape Canaveral to Meritt Island—a move that was substantially completed by mid-1967. Two years later, two courageous astronauts were launched from the Merritt Island facility and on July 20, 1969, they made President Kennedy's dream come true by landing on the moon. Since then, all our lunar explorations have been launched from the Kennedy Space Center on Merritt Island rather than the cape. Perhaps, it was with a bit of nostalgia that many Americans recently read about the obtaining of bids to tear down two of the launch complexes on the cape itself. Perhaps this, better than anything else, underscores the fact that the Kennedy Space Center has been moved from Cape Canaveral to Merritt Island, thus eliminating whatever justification there was for renaming the cape and the facilities there after the late President. As I noted, President Kennedy realized that this move was both necessary and inevitable. In view of the fact that President Kennedy was a historian of some note, I think he would fully support such a change on historic grounds; and I also feel that his memory is best honored by continuing to name the NASA space facilities after him wherever they might move.

Mr. President, let me emphasize that this action in no way detracts from the memory of the late President, nor is it the intention of the Floridians that it should. Those of us in Florida hope that the Kennedy Space Center will forever remain a part of Florida and occupy a prominent place, along with Cape Canaveral, in the State's history. Now, since there is no geographical conflict between the name of the space center and the name of the Cape, all the people of Florida want is the restoration of the historic name—Canaveral—to the State's oldest geographical landmark.

Mr. President, the Senate on July 21, 1972, realizing the importance of the name to the citizens of Florida, passed this measure unanimously. Thus, awaiting action from the House to effect this change. However, the House failed to take action on this measure, leaving it to die in the 92d Congress.

I was pleased to see that on April 11, 1973, Congressmen FREY, SIKES, HALEY, PEPPER, CHAPPELL, BAFALIS, GIBBONS, GUNTER, YOUNG and BENNETT, reintroduced this measure in the House where it was referred to the Committee on Science and Astronautics. Mr. President, there has been some concern among my colleagues that if the Senate was to act again on this measure, perhaps the House would again receive it with mixed emotions. I can certainly understand their thinking in this matter, and appreciate their desire to see some action first taken on this measure in the House. This action and support I think will be forthcoming from the House and I urge the Senate, when such action is taken, to immediately consider favorable passage of this measure.

By Mr. HUMPHREY:

S.J. Res. 95. A joint resolution relating to the taking of the 1974 Census of Agriculture. Referred to the Committee on Post Office and Civil Service.

IMPORTANCE OF PROCEEDING WITH 1974 CENSUS OF AGRICULTURE

Mr. HUMPHREY. Mr. President, I am today introducing a Senate Joint Resolution to require the U.S. Commerce Department to conduct the Census of Agriculture in 1974, which already is a requirement of law. My resolution would direct the Secretary of Commerce to prepare an estimate of the funds needed to carry out this statutory mandate and to submit such estimate to the Congress not more than 30 days following enactment of the resolution.

The need for passage of my resolution is based upon the fact that the President, in submitting his budget request for fiscal year 1974, requested no funds to conduct the census of agriculture in 1974. The President's 1974 budget request contained the following reference to the census of agriculture:

> The 1977 Census of Agriculture—A Census of Agriculture is required to be taken every 5th year covering years ending 4 and 9 by Title 13 USC 142. The Census provided measures concerning the agricultural economy of each State and County. Data are obtained from the Census on the number of farms, value of farm land, cropland harvested, production statistics for major crops, and number and kind of livestock, equipment, farm practices and the use of fertilizer and pesticides. Funds were appropriated in 1973 to begin planning on a 1974 Census of Agriculture. However, the 1974 request proposes the postponement of the Census until 1977 and its combination with the 1977 Economic Census. The 1973 appropriation will be used to plan the transition. A legislative proposal will be submitted to change the timing of the census.

Mr. President, here again, we see an example of where the law is specific and requires the President to seek the funds from Congress for the purpose of conducting an agricultural census. That law, once again, is being set aside at executive will and with a sense of disdain for the law which to me is alarming.

A census of agriculture has been taken on a regular basis since 1840. Nearly a half a century ago, the Congress wisely determined that changes were then occurring so rapidly that a census was needed every 5 years. The rapidity of those changes has increased, not lessened, since that time. Therefore, I find no overriding merit in the administration's proposal to delay next year's regularly scheduled census of agriculture until 1977.

Mr. President, I am not alone in my opposition to this administration proposal. Earlier this year, following release of the President's budget request for fiscal 1974, Mr. John H. Aiken, Executive Director of the Federal Statistical Users of Census sent out a report to his members outlining the positions of various Members of Congress and others concerning this administration proposal. In that report, Mr. Aiken made the following observation:

> As I understand it, the decision to postpone the 1974 Census of Agriculture was a unilateral decision made by the Department of Commerce. Statistics users were not consulted in advance to determine their views or their needs. I do not know to what extent if any, other government agencies were consulted prior to the decision. The Bureau of the Census has an Advisory Committee on Agriculture Statistics. That Committee was not consulted in advance of the decision. The fact that the recommendation is contained in the 1974 budget request of the Department of Commerce indicates that it is supported by the Office of Management and Budget.

Mr. President, I ask unanimous consent to have Mr. Aiken's entire report to FSUC members printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SPECIAL REPORT TO FSCU MEMBERS ON 1974 CENSUS OF AGRICULTURE—COMMERCE DEPARTMENT PROPOSES POSTPONEMENT UNTIL 1977

A census of agriculture is required by Title 13, United States Code, Section 142, to be taken every 5th year covering those years ending in 4 and 9. In fiscal 1973, funds totaling $1,360,000 were appropriated to initiate planning for the 1974 Census of Agriculture. However, the current 1974 budget request proposes the postponement of this census until 1977 and further proposes that it be combined with the 1977 economic censuses. The 1973 appropriation will be used to plan the transition. Legislation must be submitted to change the timing of the census of agriculture.

Special Analysis F covering "Principal Federal Statistics Programs," contained in the *Budget of the United States Government, 1974*, makes the following statement regarding the proposal:

"1977 Census of Agriculture—As the distinctions between agricultural and nonagricultural business have become more difficult to make, both because of enterprise diversification and the increasingly industrial nature of agricultural production, the rationale for integration between the census of agriculture and the other economic censuses has become more compelling. Although the degree of integration desirables has not yet been determined, the advantages of a common year for the censuses of manufacturing, business services, trade and agriculture seem clearly desirable in order to have a common benchmark year useful in production indexes and in the construction of the national accounts. Postponement of the census of agriculture until 1977 will have the added advantage of allowing for a careful review of several aspects of the agricultural statistics program, including the definition of a farm and the methodology for providing current estimates of farm income and production. No additional appropriation is requested for 1974, but unobligated funds available from 1973 will enable the Census Bureau to begin work on the transition to the new system and scheduling. The Department of Agriculture, within allocations provided for the Economic Research Service and Statistical Reporting Service, will participate in the review process."

FSUC ACTION

On January 25, 1973, prior to the issuance of the Budget on January 29, 1973, the Executive Director of FSUC wrote identical letters to each of the following: Gale W. McGee, Chairman, Senate Appropriations Subcommittee on Agriculture, Environmental and Consumer Protection; John O. Pastore, Chairman, Senate Appropriations Subcommittee on State, Justice, Commerce, the Judiciary; Jamie L. Whitten, Chairman, House Appropriations Subcommittee on Agriculture, Environmental and Consumer Protection; John J. Rooney, Chairman, House Appropriations Subcommittee on State, Justice, Commerce and the Judiciary; W. R. Poage, Chairman, House Committee on Agriculture; Herman E. Talmadge, Chairman, Senate Committee on Agriculture and Forestry; Charles H. Wilson, Chairman, House Subcommittee on Census and Statistics; Earl L. Butz, Secretary of Agriculture; and Frederick Dent, Secretary of Commerce. The text of these letters read:

"An increasing number of members of the Federal Statistics Users' Conference have been expressing their deep concern to me about rumors they have heard that there will be a serious curtailment of the 1974 Census of Agriculture that is conducted by the Bureau of the Census.

"As of now, I do not have any facts to substantiate these rumors. Undoubtedly, when the President's Budget is released next week we will know more about the situation. If serious curtailments are made in the Census of Agriculture, then we believe the situation deserves an intensive review to determine the effect it would have on the various programs designed to aid the agricultural community and on the wide range of users of agricultural data for research, planning and business decision-making.

"The FSUC membership will, of course, be apprised of the 1974 budget proposals for agricultural statistical programs and will be asked for their views regarding the impact of any curtailments and their needs for such data. We will be pleased to make these views available to you."

As of this date, we have received the following responses to our letters:

Don Paarlberg, Director, Agricultural Economics, responded on behalf of Secretary Butz, saying: "We can see some advantages in having all economic census data relating to the same year. However, we do have certain urgent data needs that would normally be met in a 1974 agricultural census program. One of the primary concerns in our statistical work is the need for improvement in our farm income series. An important aspect of this problem concerns the need for a revision in the economic classification of farms. There have been dynamic changes in the size, type, and control of agricultural operations that cannot adequately be described using the present classification system. We have a small task force that is giving consideration to this subject. We are also considering alternative arrangements for obtaining additional data that would be necessary. If funds are not available for a 1974 Census of Agriculture, we would hope resources may be made available for expansion of our enumerative survey program to satisfy the most urgent data needs described."

Joseph R. Wright, Jr., Acting Director, Bureau of the Census, responded on behalf of Secretary Dent, saying: "In the preparation of the 1974 Budget the President directed all agencies to review all their current and proposed programs with the objective of reducing government expenditure. Following this review, the Department of Commerce recommended that the 1974 Census of Agriculture be postponed and taken along with the other economic censuses covering the year 1977. It is my understanding that a request for legislation encompassing this recommended change in scheduling for the census of agriculture is being submitted to the Congress.

"Although there are many valid needs for information to be collected in the 1974 Census of Agriculture, there would be some gains in the analysis and planning of the country's economic programs if data from a census of agriculture are available for the same year as those from the other economic censuses which will next be taken for the year 1977. Moreover, there are a number of areas in which savings can be made by taking these censuses at the same time.

"We greatly appreciate the continuing interest and concern of the Federal Statistics Users' Conference in the statistical programs for which this agency has responsibility. We will welcome the views of the FSUC membership regarding the impact of the postponement of the 1974 Census of Agriculture and their needs for such data."

Jamie L. Whitten, Chairman, House Appropriations Subcommittee on Agriculture wrote as follows "Your letter of January 25th has been received; and I can certainly understand your concern. It is going to be virtually impossible to get anything through above and beyond the Budget; and if we do, unless we can get this business of impounding funds stopped there is little hope of having the money used.

"I will be glad to have the views of your membership at such time as they are presented, and appreciate your suggestion."

With regard to the proposed postponement, Senator Talmadge said: "I personally feel this would be detrimental for a number of reasons and have already indicated my concern to the Department of Agriculture and to other interested parties. I will do what I can to see that it is not postponed."

The Chief Clerk of the House Committee on Agriculture acknowledged our letter on behalf of Chairman Poage saying that the Chairman was "interested in this matter" and would appreciate having FSUC's views.

FSUC VIEWS

In my letters of January 25th, I said that FSUC members would be apprised of the 1974 budget proposals relating to the postponement of the 1974 Census of Agriculture and would be asked for their specific views regarding the impact of any curtailments and their needs for such data. With such a limited amount of information available at this time, I am hesitant to send a ballot to the membership asking for their approval or disapproval of the postponement of the 1974 Census of Agriculture. However, it would be helpful to FSUC if you could send me a letter, as soon as possible, expressing your views on the basis of the facts at hand, and also your recommendations for the mailing of a ballot. Certainly, we want to know how such a postponement would affect your planning needs and demands for current data. I would also appreciate your comments on any other actions you think FSUC should take at this time.

FSUC's Conference on the Economic Report and the Budget, will be held on March 6, 1973. The first session, beginning at 9:30 a.m., will deal with "The Federal Statistical Budget, 1974." Speakers will include Julius Shiskin, Chief Statistician, OMB, and Robert L. Hagan, Deputy Director, Bureau of the Census. Members will have an opportunity at this session to obtain more details about the proposed postponement and plans for the 1977 Census of Agriculture.

The FSUL Board of Trustees will be meeting in the afternoon and evening of March 6th to review the budget for statistical programs for 1974. It will give serious consideration to this proposed postponement.

MEETING OF CENSUS ADVISORY COMMITTEE ON AGRICULTURE STATISTICS

A meeting of the Census Bureau's Advisory Committee on Agriculture Statistics will be held at the Census Bureau on February 23, 1973, beginning at 10:00 a.m. FSUC has a representative on that Committee and the Executive Director of FSUC will also attend.

Under the provisions of the new Federal Advisory Committee Act, passed on October 6, 1972, "each advisory committee meeting shall be open to the public." The Act also says that "Interested persons shall be permitted to attend, appear before, or file statements with any advisory committee, subject to such reasonable rules or regulations as the Director may prescribe." A notice of the meeting will be published in the Federal Register.

Those of you who wish to attend this meeting, or to file statements, should write to: Mr. J. Thomas Breen, Chief, Agriculture Division, Bureau of the Census, 2067 F.O.B. No. 3, Suitland, Maryland 20233. Time, of course, is a pertinent factor.

The agenda for the meeting will include discussions of: (1) Recommendations for postponement of the 1974 Census of Agriculture to be taken next as part of the 1977 Economic Censuses, (2) Interim needs and requirements for planning a 1977 Census of Agriculture, and (3) Department of Agriculture's recommendations for change in classification of establishments associated with agriculture and desired data collection and tabulations. This relates to Farm Definition.

OBSERVATIONS AND CONCLUSIONS

I regret that we do not have detailed information regarding the pros and cons of the Commerce Department's recommended postponement of the 1974 Census of Agriculture. The fact is, no information could be obtained prior to the release of the *Budget of the United States Government* on January 29, 1973. Although further information will be forthcoming. I feel it is imperative that FSUC members be informed as soon as possible of the facts as we know them. Hence, this Special Report to Members.

As I understand it, the decision to postpone the 1974 Census of Agriculture was a unilateral decision made by the Department of Commerce. Statistics users were not consulted in advance to determine their views or their needs. I do not know to what extent, if any, other government agencies were consulted prior to the decision. The Bureau of the Census has an Advisory Committee on Agriculture Statistics. That Committee was not consulted in advance of this decision. The fact that the recommendation is contained in the 1974 budget request of the Department of Commerce indicates that it is supported by the Office of Management and Budget.

Cost was obviously a major factor in this decision as is indicated in the letter quoted on page two from Joseph Wright, Acting Director, Bureau of the Census. He said the President "directed all agencies to review all their current and proposed programs with the objective of reducing government expenditures." As a result of its review, the Commerce Department recommended that the 1974 Census be postponed. The 1974 Census of Agriculture is estimated to cost $28 million, spread out over a five-year period. It is possible that there is also some concern in government circles about the cost of the 1974 Census of Agriculture relative to the total cost of the other economic censuses. The estimated cost of the 1972 economic censuses amounts to $32.1 million, spread out over a five-year period. The 1974 request of $12.7 million for the 1972 economic censues represents the fourth of a five-stage request for these censuses. Total funds appropriated for these censuses in fiscal years 1971, 1972, and 1973 amounted to $16.3 million.

What are some of the unanswered questions? Although the decision has been made for integration of the census of agriculture with the other economic censuses, *Special Analysis F* says "the degree of integration desirable has not yet been determined." Personally, it would seem to me that this should have been a factor to be considered in making a decision to postpone the census.

The Agriculture Department says it has "certain urgent data needs that would normally be met in a 1974 agricultural census program," and that it is "considering alternative arrangements for obtaining additional data that would be necessary." Statistics users need to know more about the Department's needs and alternative arrangements under consideration. To what extent will the needs of the Agriculture Department satisfy the needs of other users? If data are collected in this interim period, will they provide information at the county level as well as at the National and State levels? Users should have an opportunity to provide some input regarding any alternative arrangements for providing interim data if the 1974 Census is postponed.

The Commerce Department said there are a number of areas in which savings can be made by taking the agriculture census and the economic censuses at the same time. What are these areas and what will the savings amount to? If the agriculture census is conducted in 1977, is there a possibility that there will be a serious curtailment of the coverage of that census as compared to what it would have been if taken *in 1974?* If these censuses are combined, the peak periods for budgets, in the five-stage request, would be fiscal years 1978 and 1979—much higher than they would be if the agriculture census were conducted in 1974. At that time, will the Office of Management and Budget and the Congress go along with this level of expenditures? If curtailments are recommended, which censuses will be affected?

In serving the FSUC membership, one of my responsibilities is that of reporting member views to the various agencies of the Federal government, including the Congress, as those views are determined through the various means available to us. My responsibilities also include the close observation of the various activities and operations of the Federal statistical agencies. Where appropriate, I pass along my observations and comments for the guidance of our members, and ask for their views. In this respect, I have the following opinions with which you may agree or disagree. I would greatly appreciate having your comments and/or recommendations.

The 1974 Census of Agriculture is a major statistical program and the decision to postpone it until 1977 is of such importance that it could have a serious impact on the many users of these data. Undoubtedly, the decision was not made in a vacuum; there was some consultation. However, it represents another instance of a Federal agency decision regarding a major statistical program where other governmental agencies and statistics users are informed of the decision "after the fact." This type of action puts all interested persons and organizations at an extreme disadvantage with few, if any, opportunities for review and possible reversal of the decision. I am becoming increasingly concerned about this type of action. In my opinion, this is an inadequate procedure for making decisions of this magnitude. It would seem that some guidelines or criteria should be established to permit extensive consultation with government agencies and other interested persons and organizations prior to making major changes in these vital statistical programs. The rationale for changes should be explained and certainly a broad cross-section of views should be obtained. If a logical and reasonable rationale for making changes in major statistical programs is explained, understood, and generally agreed to, in advance, by a wide range of interested parties, this would strengthen the position of the recommending agency in obtaining approval. If differences of opinion occur, perhaps reasonable compromises or alternatives might be agreed upon. In any case, there would undoubtedly be a better informed public, and the grey area of doubt would, in most cases, be eliminated.

I feel very strongly about the need for broader consultation with interested parties *prior* to decision-making regarding major changes in Federal statistical programs. This subject will be included on the agenda for the meeting of the Board of Trustees at its meeting on March 6th.

Since its inception, in 1956, FSUC, as most of you know, has been faced with, and responded to, many crises affecting the Federal statistical ssytem. If there ever was a time when the voice of FSUC needed to be heard, it is now! We must be as strong and as forceful as we can in expressing our views. The Department of Commerce obviously feels that there is merit to the postponement of the 1974 Census of Agriculture until 1977, otherwise it would not have made this recommendation in the 1974 budget proposal. The only information we have regarding this decision is contained in *Special Analysis F* prepared by the Office of Management and Budget and in the letter from the Acting Director of the Bureau of the Census. In summary, they tell us this:

As the distinctions between agricultural and nonagricultural business have become more difficult to make, both because of enterprise diversifications and the increasingly industrial nature of agricultural production, the rationale for integration between the censuses of agriculture and the other economic censuses has become more compelling.

The advantages of a common year for the censuses of manufacturing, business services, trade and agriculture seem clearly desirable in order to have a common benchmark year useful in production indexes and in the construction of the national accounts.

Postponement of the census of agriculture until 1977 will have the added advantage of allowing for a careful review of several aspects of the agricultural statistics program, including the definition of a farm and the methodology for proving current estimates of farm income and production.

There are a number of areas in which savings can be made by taking the census of agriculture at the same time as other economic censuses.

At this time, we have not seen any clear-cut statements as to the disadvantages of postponing the 1974 Census of Agriculture until 1977. I expect members of FSUC to provide me with their views on the advantages and/or disadvantages of postponement, as they see them.

Undoubtedly, some FSUC members will wish to write to their Senators and the Representative for their Congressional district. If you need addresses, please call on us. If you wish to write to other key officials in the Congress and the Administration to express your individual views, a list is attached showing the names and addresses of suggested officials interested in this proposal. Please be sure that I receive a copy of any correspondence you might write on this subject.

JOHN H. AIKEN,
Executive Director.

Mr. HUMPHREY. Mr. President, in reading Mr. AIKEN's report, note is made of a meeting of the Census Bureau's Advisory Committee on Agriculture Statistics on February 23, 1973.

Mr. President, a meeting of that committee was held on that date and I request unanimous consent to have printed at this point in the RECORD a complete list of that committee's membership, plus a series of comments made at that particular meeting by a number of the committee members.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CENSUS ADVISORY COMMITTEE ON AGRICULTURE STATISTICS

NAME AND ORGANIZATION

Mr. W. E. Hamilton, Chairman, Director, Research Division, American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Illinois 60068, American Farm Bureau Federation.

Dr. James T. Bonnen, Department of Agricultural Economics, Michigan State University, East Lansing, Michigan 48823, American Agricultural Economic Association.

Dr. L. S. Fife, Agricultural Economist, International Harvester Company, 401 North Michigan Avenue, Chicago, Illinois 60611, Farm Equipment Institute.

Mr. Gordon Shafer, Chief Negotiator, National Farmers Organization, Corning, Iowa 50841, National Farmers Organization.

Mr. Bernard A. Everett, Deere and Company, John Deere Road, Moline, Illinois 61265, Federal Statistics Users' Conference.

Mr. Clyde Jarvis, Montana Farmers Union, P.O. Box 2447, Great Falls, Montana 59401, National Farmers Union.

Dr. Louis M. Thompson, Associate Dean, College of Agriculture, Iowa State University, Ames, Iowa 50010, National Association of State Universities and Land-Grant Colleges.

Dr. Allen Johnson, Associate Director of Marketing, American Meat Institute, 59 East Van Buren Street, Chicago, Illinois 60605, American Meat Institute.

Mr. R. J. Pommrehn, Director of Research, Wallaces Farmer, 1912 Grand Avenue, Des Moines, Iowa 50305, Agriculture Publishers Association.

Mr. Richard Kennedy, Market Research, The Upjohn Company, Kalamazoo, Michigan 49000, National Agricultural Chemicals Association, National Plant Food Institute, Animal Health Institute.

Mr. Edward Eurich, Commissiner, State Department of Agriculture, Montpelier, Vermont 05602, National Association of State Departments of Agriculture.

Mr. Orville M. Thompson, Northrup, King and Company, 1500 Jackson Street NE., Minneapolis, Minnesota 55413, National Agricultural Advertising and Marketing Association.

Dr. W. Kennedy Upham, Department of Sociology, Texas A and M, College Station, Texas 77840, Rural Sociological Society.

Mr. Paul Weller, Secretary, National Council of Farmer Cooperatives, 1129 Twentieth Street, Washington, D.C. 20036, National Council of Farmer Cooperatives.

Dr. Lawrence Van Meir, Division of Economics, National Canners Asociation, 1133 20th Street NW., Washington, D.C. 20036, National Canners Association.

Mr. Oakley M. Ray, American Feed Manufacturers, Inc., 1701 N. Ft. Myers Drive, Arlington, Virginia 22009, American Feed Manufacturers Association.

Mr. Joseph Buder, American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006, American Petroleum Institute.

Mr. Robert Frederick, National Grange, 1616 H Street NW., Washington, D.C. 20006, National Grange.

Dr. Harry C. Trelogan, Administrator, Statistical Reporting Service, U.S. Department of Agriculture, Washington, D.C. 20250, U.S. Department of Agriculture.

Mr. Quentin M. West, Administrator, Economic Research Service, U.S. Department of Agriculture, Washington, D.C. 20250, U.S. Department of Agriculture.

Mrs. Haven Smith, American Farm Bureau Women's Committee, Chappell, Nebraska 69129, American Farm Bureau Women's Committee.

INDIVIDUAL COMMENTS BY EACH MEMBER OF THE CENSUS ADVISORY COMMITTEE ON AGRICULTURE STATISTICS REGARDING THE PROPOSED POSTPONEMENT OF THE 1974 CENSUS OF AGRICULTURE

These comments were made on behalf of the organizations each member represented and were made in the February 23, 1973 meeting of the Advisory Committee on Agriculture Statistics.

Comments regarding the postponement of the 1974 Census of Agriculture as given by the Census Advisory Committee on Agriculture Statistics were as follows:

Dr. Trelogan (SRS, USDA): I have no comment at this time except to say that the proposal for a study group has not reached me yet.

Mr. Bernard Everett (Federal Statistics Users' Conference): We have tried to find out what data users feel regarding the postponement of the Census. The reaction received so far has been largely negative. The users have indicated that they need county data on agriculture in 1974.

Dr. L. S. Fife (Farm Equipment Institute): I am very much in favor of retaining the 1974 Census with county data. In fact, I am certain everyone here will insist that county data is an absolute necessity and, if we need to make some adjustments why can't you continue with 1974 by scaling down some of the previous plans by changing the "farm definition" and starting with $5,000 earnings and up for the economic stratum.

Mr. Pommrehn (Agriculture Publishers Association): First, the basic recommendation for the change seems to have come from the Department of Commerce rather than from the Budget Bureau and it appears that someone has said that agriculture is the area where we can save money, have I assumed correctly?

Mr. Hagan (Deputy Director, Bureau of the Census): The Department of Commerce did not include funds for the 1974 Agriculture Census when it went to OMB.

Mr. Pommrehn: Second, there is merit in a study of all agricultural statistics but I believe that it is very unwise to dismantle the 1974 Census of Agriculture and third, I have not heard one valid reason for postponing the census.

Dr. Van Meir (National Canners Association): I have really never received an answer to an earlier question. It seems disastrous to me to form a pyramid in manpower and costs which would be needed to conduct the two censuses at the same time. I would think it would be more advantageous to spread the work out and have the 1974 which will not compete with any other census.

Mr. Turbitt (Associate Director for Economic Operations, Bureau of the Census): As far as combining the 1974 Census of Agricultural with the 1977 Economic Census there would be additional workload, however, when you are dealing the same sources or the same lists then there are advantages of working them at the same time.

Mr. Jarvis (National Farmers Union and the National Farmers Organization): Because of the changes occurring in agriculture, I think it should be mandatory that a 1974 Census be conducted.

Mr. Krueger (Office of Management and Budget): I have a couple of comments. First is there any advantage to having a Census of Agriculture taken at the same time as the other Economic Censuses? Second, does that mean that we are going to forego a 1974 Census of Agriculture? The answers, not necessarily. There are many other considerations which have to be determined in the decision to postpone. The question to me is can you afford the eight year span before the time agriculture data is available. Now, if the time is too long and legislation requires it to be taken with the Economic Censuses, then the only wise route is to take an interim 1974 Census and again a Census of Agriculture in 1977. Now in relation with the complete review of agricultural statistics, if Congress says there will be a Census of Agriculture in 1974 then we will have a Census regardless of the decision on a complete review of agricultural statistics.

Dr. Louis Thompson (National Association of State Universities and Land-Grant Colleges): I would like to ask Dr. Trelogan this question. Isn't the data used by SRS, such as on crop yields, updated based on census data?

Dr. Trelogan: Yes. The Census Bureau is the only place that complete data at the county level is available.

Dr. Louis Thompson (still addressing Dr. Trelogan): It would seem to me that there are real benefits to having a summarization of data with other economic censuses. Do you see any disadvantage in having the delay prior to summarization?

Dr. Trelogan: Yes, I do.

Mr. KRUEGER: We have another option available which I did not mention earlier and that is that we collect data on a sample basis prior to 1977.

Mr. Weller (National Council of Farmer Cooperatives): It is pitiful the out-of-date statistics that we are now using for agriculture and it is even more pitiful to be thinking of an eight or nine year data span, in fact, it is disastrous. I wonder if the Bureau and OMB have looked at the possible consequences and effects on the farm program if we do not have agriculture data. In fact, I would assume rural development is in need of data and if it is not collected by the Federal Government then it will have to be collected by others. We feel that there must be a Census in 1974 and if not conducted by the Census Bureau then by the Department of Agriculture. I think you are making a serious mistake in proposing a delay.

Mr. Orville Thompson (National Agricultural Advertising and Marketing Association): Our views are identical with Mr. Weller's. I have just a couple of additional comments. Budget limitations I can understand but if we are going to spend the money authorized for 1973 then we are going to be spending money anyhow. The Miller Publishing Company made a survey and there are copies here for your review. Of those people interviewed, 78% are in favor of a 1974 Census of Agriculture. The majority of marketing people in the agriculture business are using the Census of Agriculture on a regular basis. I would like to share the synopsis of our findings—

The majority of marketers feel strongly about conducting the Agriculture Census in 1974 as previously scheduled. The census is important to them because of the rapid changes taking place in the agricultural field. There is concern that it will be difficult to project data that is five or more years old if the Census is not taken again until 1977.

Most respondents indicated that they preferred to have the Bureau of the Census, Agriculture Division, continue to be responsible for the Census of Agriculture.

Our conclusions are that we can not afford an eight year delay and really this is more like a 12 year lapse from 1969 (last year Agriculture Census was taken) to 1980 (the year when all the data would be published). We can not live with this and since there is no other source of complete county data, I don't believe that we can forego the 1974 Census.

Mr. Coats (American Feed Manufacturers Association): I have three points. First, on the delay—we can't afford to have a 12 year delay in agriculture data at a period when we have seen the most rapid changes in agriculture. We must keep tabs on these changes and this can be done only with a Census, especially at county level in 1974.

Second, as far as the cost of obtaining data, if the private sector was to obtain this data because it was needed, it would be a tremendous duplication and the cost would far exceed the cost of the Census Bureau taking it.

Third, I represent one the largest agriculture corporations and I do not see any advantage, to combining the Agriculture Census with the Economic Census. I do not feel it wise to delay the Census, both from the need for the data and from the point of cost.

Dr. Kennedy Upham (Rural Sociological Society): I am concerned that with the eight year gap we will not be able to observe the changes that are occurring and for this reason I think we need a 1974 Census as usual and then go ahead with the 1977 Census. It seems unacceptable to me to talk about a delay at the same time we are talking about a change in concept. I have one more comment, it has been said that if the Bureau can't take the Census then USDA should and if this is purely a budgetary problem then it would seem to me that they could not obtain the funds to do it either.

Mrs. Smith (American Farm Bureau Women's Federation): The organization I represent has an overriding concern and we can see the need to balance the Federal budget. This is not the only cut that has been proposed in Agriculture. We realize that if the budget is to be balanced then cuts must be made. Our feeling is that we must think how we can effect a transition in line with the postponement.

Mr. Eurich (National Association of State Departments of Agriculture): With the demand for agriculture data not only at the National but International level as well, I think it is important to obtain information about agriculture. I just heard Mr. Trelogan say and I agree, that data on the farmer's production and his needs are very essential in relation to the total economic picture of the Nation. We need this information in 1974 not three years later.

Mr. Frederick (National Grange): Representing one of the largest farm organizations, I would like to say to Mrs. Smith—"being a horticulturist, I believe in pruning a tree and I believe in pruning the budget, but, that does not mean that I approve of using a meat ax to cut the tree down."

Our environmental problems are very intense and I understand that we are now going back to 1969 data to make decisions about the environmental aspect of agriculture associated with EPA and other programs which use environmental data as related to the public. I do not think it is wise to impose a delay in collecting agriculture data.

Mr. Richard Kennedy (National Agricultural Chemicals Association, National Plant Institute and Animal Health Institute): We feel that there are several things important to the agriculture industries. County level data is an absolute must for us and we also need benchmark data on a five year level. In other words let me conclude by saying that we need data based on 1974 so that we can tell where we are going and we can verify what is happening in agriculture. We dare not invest millions in research without knowing what the needs are.

Dr. Bonnen (American Agricultural Economic Association): I concur with the remarks of the other Committee members in that we do need the 1974 data. I would like to defer now to a discussion relating to the combination of the agriculture census with the economic census. These are the views of the American Agricultural Economic Association. Our Committee was greatly concerned with the proposed delay which reflects a downgrading by the Department of Commence on the Census of Agriculture.

We have not really addressed ourselves to the location of the Agriculture Census. We believe that there is merit in combining the various data for agriculture statistics in one location. As I understand it, the Census of Agriculture has no real competitive relation to the other censuses. I think it would be more desirable to have and integrate the Census of Agriculture with the other agricultural data systems that is in USDA. In the economic census, the steel industry for instance which is located in such a manner that they are able to do their own planning and generate uniquely pertinent data for its own manufacturers. This is not possible in agriculture. It is not possible for agriculture to provide its own data from the private sector.

Mr. Hamilton (Chairman of the Advisory Committee and representing the American Farm Bureau Federation): Does someone want to respond to Dr. Bonnen's comment that he felt that the Agriculture Census was independent of the other censuses?

Mr. Turbitt: The other economic censuses are quite similar to the agriculture economic unit and the Census of Agriculture is being handled similar to the other economic censuses.

Mr. Bond (American Meat Institute): We do use and need the county data. One reason is in locating new plants. I do not believe the legislation to change the census law will pass. We need county level data on the changes occurring in agriculture now, I mean in 1974, not three years later. If everyone will make the same comments to his Congressman as he made here this morning, then there will definitely be a 1974 Census of Agriculture. We need it.

Mr. Hamilton: I concur with what the members of this Committee have said in that we do need the 1974 Census of Agriculture.

Mr. HUMPHREY. Mr. President, it is obvious from reviewing the comments of these Advisory Committee members, that they do not support the administration's proposal to delay conducting next year's Census of Agriculture until 1977. Quite the contrary, practically every member attending this particular meeting—administration participants notwithstanding—strongly support proceeding with next year's Census of Agriculture as now required by law.

Mr. President, I not only join these distinguished citizens and many others in insisting that the administration proceed with next year's Census of Agriculture as required but urge that the resolution I am introducing today be given prompt consideration by Congress. My note of urgency with respect to enactment of my resolution is based upon reports that I have received recently that the Bureau of Census already is proceeding administratively on the basis that there will be no Census of Agriculture conducted next year. Reports reaching me these past several weeks indicate that the Bureau already is cutting personnel in its Census of Agriculture Division.

Unless Congress acts promptly concerning this matter, the administration will have all but completely dismantled the professional staff required to conduct next year's Census of Agriculture. Even in those cases where such personnel are still on the payroll, many of them are now actively seeking other employment, because their superiors have made it clear to them that their services will no longer be needed beyond June 30, 1973.

Therefore, Mr. President, I not only want to urge my Senate colleagues to join me in cosponsoring this resolution, but also wish to urge Congress to give prompt action to its passage.

I ask unanimous consent to have the joint resolution printed in the Record, and I ask that it be appropriately referred.

There being no objection, the joint resolution ordered to be printed in the Record, as follows:

S.J. Res. 95

Whereas the President has not requested any funds in the budget for fiscal year 1974 for taking the 1974 Census of Agriculture, required by section 142, title 13, United States Code, to be taken every five years, and has proposed that the taking of such census be postponed until 1977; and

Whereas the President has proposed that funds appropriated for fiscal year 1973 for the purpose of planning the 1974 Census of Agriculture be used instead to plan a transition from a 1974 census to a 1977 census; and

Whereas the information from the Census of Agriculture provides the only complete agricultural data available at the county level for rural America, and

Whereas the agricultural industry and rural America are changing at such a rapid rate that data compiled even at five-year intervals do not fully reflect the actual conditions that exist many months later when the data are published; and

Whereas many Federal, State, and local programs are provided on the basis of agricultural census information; and

Whereas many major corporations and trade associations use the data from such census to determine plant sites, allocate research funds, and forecast production needs; and

Whereas the Census of Agriculture provides the benchmark for interim forecasting of animal and crop production and land use; and

Whereas farmers, ranchers, farm organizations and businesses serving agriculture base their economic decisions on such interim forecasts; and

Whereas statistical errors in such interim forecasts can be corrected only through comparison with census benchmark data; and

Whereas decisions based on faulty crop forecasts adversely affect the agricultural sector; and

Whereas the agriculture industry is the largest single industry in the Nation, accounting for a gross income of over $66 billion in 1972; and

Whereas the export of such industry exceeded $11 billion in 1972, contributing materially to a reduction in this country's balance of trade deficit; and

Whereas this gigantic industry is made up of more than 2.7 million individual units, each making its own independent decisions affecting the whole; and

Whereas more information is needed, and is needed on a more frequent basis than now provided rather than on a less frequent basis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce is authorized and directed to prepare an estimate of the funds needed to carry out the statutory mandate for conducting a Census of Agriculture in 1974 and to submit such estimate to the Congress not more than 30 days after the date of enactment of this joint resolution. Funds heretofore or hereafter appropriated for planning for the 1974 Census of Agriculture shall be utilized for such purpose.

Sec. 2. The Secretary of Commerce shall take such action as he deems necessary to insure that the data acquired from the 1974 Census of Agriculture be made available to the public through appropriate publication as soon as practicable following the taking of the census, and in all events in a shorter period than data was made available to the public following the 1964 and 1969 Censuses of Agriculture.

CHANGE OF REFERENCE—S. 1244

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Committee on the District of Columbia be discharged from the further consideration of the bill (S. 1244) to authorize the conveyance of certain lands from the District of Columbia to the Greater Southeast Community Hospital Foundation, Inc., which I introduced on March 15 for myself and Senator Beall, and that the bill be referred to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 40

At the request of Mr. Brock, the Senator from Kentucky (Mr. Cook) and the Senator from North Carolina (Mr. Helms) were added as cosponsors of S. 40, to improve and implement procedures for fiscal controls in the U.S. Government, and for other purposes.

S. 159

At the request of Mr. Dole, the Senator from Indiana (Mr. Bayh) was added as a cosponsor of S. 159, to provide for reimbursement of extraordinary transportation expenses incurred by certain disabled individuals in the production of their income.

S. 263

At the request of Mr. Moss, the Senator from Minnesota (Mr. Mondale), the Senator from Nevada (Mr. Bible), the Senator from Utah (Mr. Bennett), and the Senator from West Virginia (Mr. Randolph) were added as cosponsors of S. 263, to establish mining and mineral research centers, to promote a more adequate national program of mining and minerals research, to supplement the act of December 31, 1970, and for other purposes.

S. 268

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Jackson I ask unanimous consent that at the next printing of the bill, S. 268, to establish a national land use policy, to authorize the Secretary of the Interior to make grants to assist the States to develop and implement State land use programs, to coordinate Federal programs and policies which have a land use impact, to coordinate planning and management of Federal lands and planning and management of adjacent non-Federal lands, and to establish an Office of Land Use Policy Administration in the Department of the Interior, the name of the Senator from Minnesota (Mr. Mondale) be added as cosponsor.

S. 397

At the request of Mr. Mathias, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 397, to require financial disclosure.

S. 504

At the request of Mr. Cranston, the Senator from Wisconsin (Mr. Nelson), and the Senator from Maine (Mr. Hathaway) were added as cosponsors of S. 504, a bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive emergency medical services systems.

S. 726

At the request of Mr. Bentsen, the Senator from Georgia (Mr. Talmadge) was added as a cosponsor of S. 726, concerning the allocation of water pollution funds among the States in fiscal 1973 and fiscal 1974.

S. 871

At the request of Mr. Cotton, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 871, to correct certain inequities in the crediting of National Guard Technician Service in connection with civil service retirement.

S. 905

At the request of Mr. Stevenson, the Senator from New York (Mr. Javits) was added as a cosponsor of S. 905, the Congressional Budgetary Review Reform Act of 1973.

S. 932

At the request of Mr. Abourezk, the Senator from Alaska (Mr. Gravel), the Senator from Kansas (Mr. Dole), and the Senator from California (Mr. Cranston) were added as cosponsors of S. 932, to discourage experimentation on animals by elementary and secondary schoolchildren.

S. 1064

At the request of Mr. Burdick, the Senator from Indiana (Mr. Hartke), the Senator from Minnesota (Mr. Humphrey), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of S. 1064, the judicial disqualification bill.

S. 1076

At the request of Mr. Hartke, the Senator from South Carolina (Mr. Hollings), was added as a cosponsor of S. 1076, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospitals and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administration of Veterans' Affairs.

S. 1094

At the request of Mr. Mathias, the Senator from California (Mr. Cranston), the Senator from New York (Mr. Javits), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 1094, to improve the regulation of Federal election campaign activities.

S. 1095

At the request of Mr. Mathias, the Senator from California (Mr. Cranston), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 1095, to amend the Communications Act of 1943 with respect to the application of the equal time provisions of section 315 to candidates for Federal elective office.

S. 1096

At the request of Mr. Mathias, the Senator from California (Mr. Cranston), the Senator from New York (Mr. Javits), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 1096, to provide for a campaign mail privilege for qualified candidates for Federal office.

S. 1097

At the request of Mr. Mathias, the Senator from California (Mr. Cranston), the Senator from New York (Mr. Javits), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 1097, to amend the Internal Revenue Code of 1954 to provide that political contributions are not subject to the gift tax.

S. 1105

At the request of Mr. Percy, the Senator from Tennessee (Mr. Baker), the Senator from Kentucky (Mr. Cook), the Senator from New Mexico (Mr. Domenici), the Senator from Michigan (Mr. Hart), the Senator from Minnesota (Mr. Humphrey), the Senator from Rhode Island (Mr. Pastore), the Senator from Ohio (Mr. Taft), and the Senator from North Dakota (Mr. Young) were added as cosponsors of S. 1105, the antienvironmental barriers bill.

S. 1105

At the request of Mr. Dole, the Senator from Alaska (Mr. Stevens) was added as a cosponsor of S. 1105, to provide income tax incentives for the modification of certain buildings so as to remove architectural and transportational barriers to the handicapped and elderly.

S. 1123

At the request of Mr. Moss, the Senator from New York (Mr. Javits) and the Senator from Wyoming (Mr. McGee) were added as cosponsors of S. 1123, to amend title 5, United States Code, to provide for the reclassification of positions of deputy U.S. marshal, and for other purposes.

S. 1407

At the request of Mr. Burdick, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of S. 1407, to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission certain authority over railroad car service when an emergency is or may be imminent.

S. 1415

At the request of Mr. Buckley, the Senator from Delaware (Mr. Roth), the Senator from Oklahoma (Mr. Bartlett), the Senator from Ohio (Mr. Taft), and the Senator from Oregon (Mr. Hatfield) were added as cosponsors of S. 1415, to assist in the financing of small business concerns which are disadvantaged because of certain social or economic considerations not generally applicable to other business enterprises.

S. 1463

At the request of Mr. Burdick, the Senator from New Jersey (Mr. Williams), was added as a cosponsor of S. 1463, a bill to establish a Parole Commission and for other purposes.

S. 1544

At the request of Mr. Mondale, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 1544 to prohibit the further expenditure of funds to finance the involvement of the Armed Forces of the United States in armed hostilities in Cambodia.

SENATE JOINT RESOLUTION 84

At the request of Mr. Schweiker, the Senator from Kentucky (Mr. Cook), the Senator from Montana (Mr. Mansfield), the Senator from Idaho (Mr. McClure), the Senator from Florida (Mr. Chiles), the Senator from Georgia (Mr. Talmadge), the Senator from Utah (Mr. Bennett), the Senator from Arkansas (Mr. McClellan), the Senator from Alabama (Mr. Sparkman), the Senator from Nebraska (Mr. Curtis), and the Senator from Arizona (Mr. Fannin) were added as cosponsors of Senate Joint Resolution 84, the school prayer amendment.

SENATE RESOLUTION 100—SUBMISSION OF A RESOLUTION RELATING TO ACQUISITION OF A STATUE COMMEMORATING U.S. SERVICEMEN WHO SERVED IN THE VIETNAM WAR

(Referred to the Committee on Veterans' Affairs.)

Mr. HARTKE submitted the following resolution:

S. Res. 100

Resolved, That, in order to honor appropriately United States servicemen who served in the Vietnam war, the Committee on Veterans' Affairs is authorized and directed to procure by purchase, gift, or otherwise a suitable statue and to cause such statue to be placed in the Russell Office Building.

Sec. 2. The expenses of carrying out the first section of this resolution, which shall not exceed $10,000, shall be paid out of the contingent fund of the Senate upon vouchers signed by the chairman of the committee.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 94

At the request of Mr. Stevens, the Senator from Ohio (Mr. Taft) was added as a cosponsor of Senate Resolution 94, requesting the President to enter into negotiations with major oil-importing countries to establish an international organization of oil-importing countries.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. Thurmond, the Senator from Colorado (Mr. Dominick), the Senator from Wyoming (Mr. Hansen) and the Senator from Alaska (Mr. Stevens) were added as cosponsors of Senate Concurrent Resolution 20, commending the President for terminating the involvement of the United States in hostilities in Vietnam.

VOTER REGISTRATION ACT—AMENDMENTS

AMENDMENT NO. 89

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted an amendment, intended to be proposed by him, to the bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

AMENDMENT NO. 90

(Ordered to be printed.)

Mr. GURNEY proposed an amendment to Senate bill 352, supra.

DEPARTMENT OF STATE AUTHORIZATION ACT—AMENDMENT

AMENDMENT NO. 91

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

Mr. FULBRIGHT. Mr. President, I submit an amendment to the Department of State authorization bill (S. 1248). It would extend from June 30, 1973 to June 30, 1974 the authority of the Secretary of State to transfer to the U.S. Postal Service the $2 executive fee for each passport application accepted by the Secretary.

The proposal was submitted as a separate bill by the State Department but seems to me to be the sort of small item that can be handled in the State Department bill.

I ask unanimous consent that the letter from the State Department dated April 4 be printed in the Record in full explanation of the amendment.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of State,
Washington, D.C., April 4, 1973.

Hon. Spiro T. Agnew,
President of the U.S. Senate.

Dear Mr. President: Enclosed is a draft bill to amend the time limit provisions of Section 2 of P.L. 92–14. This law authorized the Secretary of State to transfer to the U.S. Postal Service the $2.00 execution fee for each passport application accepted by that Service until June 30, 1973. The enclosed bill would extend this authority until June 30, 1974.

Section 2 of the law limited its applicability to a two-year period on the thesis, expressed in House Committee Report No. 92–123, that by that date the Department of State and the Postal Service would have sufficient experience to determine whether the procedures for reimbursement are satisfactory.

We have been informed by the Postal Service that the cost survey which they have underway may reflect expenses in excess of $2 for performing this service. Thus, the Postal Service finds it unrealistic to commit itself to a permanent program at a fixed reimbursement fee of $2. As that Service does not anticipate the results of the survey being available before June, we believe that we could not justifiably wait until those results are known before seeking an extension or other amendment of the present legislation. During the period of proposed extension, however, the results of the survey could be analyzed and further legislation to eliminate the time limit and specify a more permanent arrangement for the reimburesment to the Postal Service could be introduced in a timely fashion.

P.L. 92–14 has permitted the expansion of the passport application acceptance program to an increasing number of Post Offices. The program has grown to the point that approximately 27% of all passport applications are being executed before postal officials.

Inasmuch as the enclosed draft bill is an essential element in the continuance of this program, which provides more efficient and convenient passport services to the American public, the Postal Service and the Department of State urge early and favorable consideration of this proposed legislation.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this proposed legislation.

Sincerely,

Marshall Wright,
Acting Assistant Secretary for Congressional Relations.

NOTICE OF HEARINGS ON THE PRESIDENT'S ENERGY MESSAGE

Mr. JACKSON. Mr. President, I wish to announce for the benefit of the Senate that the Senate Interior Committee will hold hearings on Tuesday, May 1 on the

President's 1973 Energy Message which will be made public later this week.

This hearing will provide an opportunity to review the effectiveness of the existing energy policies as well as the potential impact of specific proposals set forth in the President's message. The committee has invited the following administration officials to testify at this hearing:

Secretary of State William P. Rogers;

Secretary of the Treasury George P. Shultz;

Secretary of the Interior Rogers C. B. Morton;

John N. Nassikas, Chairman of the Federal Power Commission; and

Dr. Dixy Lee Ray, Chairman of the Atomic Energy Commission.

The committee on this occasion will also receive testimony on S. 1570, the Emergency Fuels and Energy Allocations Act of 1973, which I introduced last week. This legislation would give the President temporary authority to allocate scarce fuels. In view of what appears to be a deteriorating supply picture, I believe it is urgent that this legislation receive priority immediately after the Easter recess.

ANNOUNCEMENT OF HEARINGS ON IMPROVING CONGRESSIONAL CONTROL OF THE BUDGET

Mr. METCALF. Mr. President, the Government Operations Subcommittee on Budgeting, Management and Expenditures will conduct hearings on Tuesday, May 1, and Monday, May 7, on bills to improve congressional control over the Federal budget.

The hearings will be held in room 3302, the Government Operations Committee hearing room, beginning at 9:30 a.m.

We will consider, as we have during the four previous days of hearings, the recommendations of the Joint Study Committee on Budget Control, whose members plan to introduce a bill tomorrow. The following bills are also under consideration: S. 40, S. 565, S. 703, S. 758, S. 846, S. 905, S. 1030, S. 1213, S. 1215, S. 1392, S. 1414, S. 1516, S. 1541, and Senate Concurrent Resolution 19.

The hearings will conclude on May 7. The subcommittee will proceed to mark up the following week.

COAL SURFACE MINING STUDY AVAILABLE—NOTICE OF HEARING

Mr. METCALF. Mr. President, I wish to inform the Senate that the study done for the Committee on Interior and Insular Affairs by the Council on Environmental Quality on "Coal Surface Mining and Reclamation—an Environmental and Economic Assessment of Alternatives" is now available as a committee print. I believe that this report will be extremely useful to the Congress as it considers legislation to regulate surface mining.

I would also like to remind the Senate that the Subcommittee on Minerals, Materials and Fuels which I chair has asked a distinguished panel of expert witnesses to discuss the CEQ study at a public hearing on April 30. The hearing will begin at 10 a.m. in room 3110, Dirksen Senate Office Building.

ANNOUNCEMENT OF HEARINGS ON PROPERTY TAX RELIEF AND REFORM BILL

Mr. MUSKIE. Mr. President, beginning May 2, 3 and 4, the Subcommittee on Intergovernmental Relations will hold hearings on S. 1255, the property tax relief and reform bill. These hearings are a continuation of hearings begun by the subcommittee during the 92d Congress. The hearings will be held in room 3302, Dirksen Senate Office Building, beginning at 9:30 a.m. Any person wishing additional information should contact Mrs. Lucinda T. Dennis, chief clerk of the subcommittee at 225-4718.

NOTICE OF HEARING ON A NOMINATION

Mr. HRUSKA. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, April 26, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nomination:

Albert G. Schatz, of Nebraska, to be U.S. district judge for the district of Nebraska, vice Richard A. Dier, deceased.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi (Mr. EASTLAND) as chairman, the Senator from Arkansas (Mr. McCLELLAN); and myself.

NOTICE OF HEARINGS ON REQUESTED JUDGESHIPS

Mr. BURDICK. Mr. President, I wish to announce public hearings before the Subcommittee on Improvements in Judicial Machinery on S. 1505 and S. 1524.

On May 2, 1973 a hearing will be held, commencing at 10 a.m. in room 1318, Dirksen Office Building on S. 1505, requesting an additional permanent judgeship in each of the eastern and western districts of Michigan and on S. 1524, requesting an additional judgeship for the district of South Carolina. The chief judges of these three districts will appear.

Communications relative to this hearing should be directed to the subcommittee staff, 6306 Dirksen Office Building, extension 5-3618.

ANNOUNCEMENT OF HEARINGS ON INTERNATIONAL COURT OF JUSTICE

Mr. FULBRIGHT. Mr. President, on behalf of the Committee on Foreign Relations, I wish to announce that there will be 2 days of public hearings on May 10 and 11, 1973, on Senate Resolutions 74, 75, 76, 77, and 78, introduced by Senators CRANSTON and TAFT, which pertain to the International Court of Justice. The hearings will be held in room 4221 at 10 a.m.

Persons interested in testifying should write to Mr. Arthur M. Kuhl, chief clerk of the committee, as soon as possible.

ANNOUNCEMENT OF HEARING RELATING TO OLDER AMERICANS

Mr. MUSKIE. Mr. President, the Subcommittee on Health of the Elderly of the Special Committee on Aging will continue its hearings on "Barriers to Health Care for Older Americans" on April 23 at 1:30 p.m., in the Livermore Falls High School, Livermore Falls, Maine.

This hearing will be of special interest because, first, it will include discussion of an Administration on Aging areawide model program, Project Independence, which is developing and coordinating health and health-related services in a three-county area; second, it will place special emphasis upon transportation as a factor in the organization of health services; and third, it will include testimony on other projects in Maine and their relationship to Federal programs meant to improve health care for older Americans.

ADDITIONAL STATEMENTS

LAW DAY U.S.A.

Mr. BURDICK. Mr. President, once again our Nation prepares to observe May 1 as Law Day U.S.A. This annual occurrence is not just another perfunctory observance of an event or an occasion. Rather it is a recognition of, and a tribute to, a unique attribute of our American form of government. While all nations have executive and legislative branches of government, and while most nations have, in one form or another, a system of courts, there is no country in the world which has a system of government which is as dedicated as ours to a principle of protecting the legal rights of the individual.

This principle was carefully woven into the Constitution by our Founding Fathers. It has been reaffirmed by legislative action both in the Congress and in the State houses across our land. It has been zealously protected by our courts, both Federal and State.

The judicial system of this country has been designed to be one which has procedures intended to protect and preserve the rights of individuals. Our courts are open to all our people, and more importantly, the access to them is free. Our system of imposing minimal fees and costs is one which gives both poor and rich equal access to the courts. We have recently reinforced this equality by recognizing the necessity of providing legal services at Government expense for those who otherwise would be denied the services of counsel in assertion of some legal claim. We must continue to provide such services.

As thus fashioned, our judicial system is one which is calculated to furnish justice to all. Whether arising between an individual and another individual, between an individual and a corporation, or between an individual and the State, each grievance, no matter how small, can be contested in our courts and a final adjudication made to determine the relative rights of the parties.

Our Nation has enjoyed a stability unprecedented in the history of the world. The growth of this Nation from a few colonies on the Atlantic seaboard to a vast federation of 50 States, has not been without the problems caused by depression, by war, and by social and economic change. But through all our trials and tribulations, with but one exception, we have resolved these problems in a peaceful and orderly fashion by reliance upon the declaration and protection of the individual rights of our citizens.

So, it is most appropriate that on May 1 in my State of North Dakota, and in 49 others, many people will pause to take note that America is what it is today because ours is a government of law and not of men.

THE ENERGY CRISIS

Mr. BEALL. Mr. President, this Nation is becoming increasingly aware of the growing "energy crisis" that is facing our people today. This week, for instance, we have seen wholesale shutdowns of many fuel-related industries and fuel suppliers throughout the country, because adequate amounts of energy cannot be found. We as a nation are clearly not very far from the time, if action is not taken now, when we will grind to a halt, for lack of energy.

On April 12, 1973, the Wingfoot Clan, the newsletter published by the Goodyear Tire & Rubber Co., included an article which discussed the effects that the "energy crisis" is having on one firm. I ask unanimous consent that this article be printed in the RECORD, so that my colleagues might read of the problems facing such businesses throughout the United States.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMPANY FEELING PINCH CREATED BY FUEL SHORTAGE

(By C. Edward Ford)

Kelly-Springfield's Cumberland, Md., tire plant is located in an area that is rich in a natural energy resource—coal.

The U.S. Geological Survey estimates that in Maryland and other states where coal deposits abound, America has enough coal reserves to last 500 years.

Seemingly, this Goodyear subsidiary should have sufficient fuel reserves to avoid any national energy crisis.

The fuel most accessible to Cumberland, however, cannot be used because it is too high in sulfur content and cannot meet air pollution control standards. As a result, Cumberland must use an alternate fuel.

Because gas is not available to industry in that area, the plant must use oil for fuel and power purposes. Recently, when oil was in short supply from U.S. sources, imported oil from Saudi Arabia was purchased. Before being delivered to Cumberland, the oil was taken to Venezuela where it was desulfurized so it would meet environmental emission standards. It then was delivered to Cumberland by way of the Port of Baltimore.

Because it was imported, had to be shipped over a great distance and required special processing, the oil cost nearly twice the usual amount.

An unusual situation? Not necessarily. According to Charles Hiss, Goodyear's manager of corporate engineering, fuel shortages and higher costs for available fuels are headaches that all Goodyear domestic and subsidiary plants will have to overcome.

"During the next 12 years, we are going to face a number of fuel and raw material shortages because of the nation's energy crisis," Hiss said. "Around 1985, the situation should start to improve as nuclear power is expected to become more plentiful. But until then, we're faced with fuel supplies that can't be used because they create pollution problems, fuels—such as natural gas—that are either in short supply or are not available, and a scramble for the fuels that are available—such as oil—that must be purchased at inflated prices."

Hiss noted that some Goodyear plants already have felt the pinch created by fuel shortages.

At Topeka, for example, gas shortages have forced the plant to increase its use of oil as a fuel and power source. The plant cannot be assured more than a six-month annual supply of gas in the future. Previously, Topeka was assured an annual natural gas supply of at least 10 months.

"What hurts is that several years ago we converted many of our plants from coal-fired to gas- and oil-fired boilers to avoid any possible violations of state and federal environmental control standards," Hiss explained. "Now, we can't get the gas and oil supplies we need."

Fuel shortages are only part of the energy problem for the rubber industry. Rubber and plastic products are manufactured from raw materials that are oil derivatives. Therefore, what is a fuel shortage to the rest of the nation also is a major raw material crisis to the rubber and petrochemical companies.

"While the rest of the nation can use substitute sources of energy in times of oil and gas shortages, petrochemical companies such as Goodyear cannot substitute other forms of hydrocarbons for raw materials," Hiss said.

Goodyear already has experienced such a raw material shortage at its Niagara Falls chemical plant. An industry-wide shortage of vinyl chloride monomer—a petrochemical used in the production of polyvinyl chloride (PVC) resin—forced a production cutback and a layoff of 50 employes in early March.

Eighteen major companies, to whom oil and gas are vital as process raw materials, recently formed a Petrochemical Energy Group (PEG). Among the larger companies involved are Goodyear, Firestone, Goodrich, DuPont, Dow and Monsanto.

INTENDS TO EXPLAIN NEEDS

The group intends to explain to those who formulate U.S. energy policy the special needs of petrochemical companies. It also will seek to assist the government in developing a sound national energy policy.

Goodyear has been involved in an energy conservation program for several years. Hiss and members of the corporate engineering staff have been conducting studies and compiling energy consumption data for each manufacturing facility.

As part of a continuing program, Erwin Moats, manager of mechanical engineering, issues a quarterly report that compares energy consumption to output at each plant location. The report, which is issued to each plant, contains data on the consumption of steam, compressed air, condensate recovery and water. Along with the report, suggestions are made on how to handle particular energy consumption problems.

SIMILAR ELECTRICAL PROGRAM

Wayne Bebb, manager of electrical engineering, has initiated a similar program concerning electrical energy consumption.

Through these programs, corporate engineering is able to review utility situations and discover existing and potential energy consumption problems.

In addition to these energy conservation programs, Goodyear is making plans to provide more fuel storage for manufacturing facilities. Already on order are oil storage tanks for Danville, Point Pleasant, Topeka, Scottsboro, Marysville and Union City and for Kelly-Springfield's Fayetteville, Freeport and Tyler facilities. The tanks, which range in size from 500,000 to 800,000 gallons, are expected to be installed by late summer, Hiss said.

Gasoline shortages, which have occurred in Florida, Massachusetts, Minnesota and Oregon, have resulted in Akron wholesalers limited supplies to area service stations. So far, Goodyear has been able to meet its requirements, but every company facility has been warned to maintain a full supply of gasoline and diesel fuel.

Goodyear probably will experience its most demanding energy problems next winter, Hiss predicted.

"It will be tougher during the winter when everyone will be scrambling for available oil," he said. "As the temperature drops and residential customers' needs increase, some industrial users could find their fuel supplies temporarily shut off. This would mean production shutdowns and temporary employe layoffs.

"It will take a lot of hard work to head off the problems that can result from the energy crisis. We're going to need the cooperation of all employes to weather the storm," he concluded.

Next week, in the final article in this series, The Clan will examine other methods Goodyear will use to conserve energy and what employees can do to help.

TERRORISM AND THE INTELLECTUALS

Mr. McGEE. Mr. President, in the April 15, 1973, edition of the Sunday Star and Daily News, there appeared an article by Edmund Demaitre entitled "Terrorism and the Intellectuals."

The article is a very articulate analysis of the increasing incidence of intellectual terrorism in the world today. It is an excellent analysis in that it provides us with an insight *into a* regression to a 19th century phenomenon.

Mr. Demaitre's article is a tragic thesis on the resurgence of this form of barbarism and well worth our consideration in this body.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TERRORISM AND THE INTELLECTUALS

(By Edmund Demaitre)

One day a little more than a year ago, the mutilated body of Giangiacomo Feltrinelli, a leftist-multimillionaire and owner of one of the largest publishing houses in Italy, was found at the foot of a dynamite-damaged power-line pylon near Milan. According to police, Feltrinelli met his death while trying to blow up the power-line that provides electricity for Milan and the adjoining region.

The death of the 45-year-old Feltrinelli was one of the recent highlights of a disconcerting story that has attracted increasing attention in *the Western* world since the late 1960s. It is the story of highly educated, occasionally highly gifted, middle class and upper-middle-class intellectuals slowly succumbing to a revolutionary mystique that incites them not only to condone violence as a means of political struggle but also to participate personally in terrorist actions—including sabotage, armed robbery and murder.

One of the most striking aspects of that phenomenon is its universality. For what we are witnessing now is not a series of unconnected cases exhibiting some common characteristics but a clearly discernible trend appearing in politically, socially and culturally different environments.

The figure of the hooded intellectual wielding a submachine gun or a bundle of dynamite sticks casts an ominous shadow on all continents. In the United States, a bomb factory set up by students was blown up in Greenwich Village. In West Germany, a brilliant young lawyer, Horst Mahler, was recently sentenced to 12 years for participating in armed robberies and other revolutionary "happenings." Another leader of the same terrorist gang, Ulrike Meinhof, once a highly successful woman journalist, is now awaiting trial on charges of robbery, arson and the murder of a policeman.

In Japan, college drop-outs formed the nucleus of a terrorist organization that murdered scores of its own members before being liquidated by the police in Khartoum. It was a well-known radio commentator who reportedly masterminded the recent assault on the Saudi embassy and the subsequent murder of three foreign diplomats. In Latin America, most terrorist organizations, including the notorious Tupamaros of Uruguay, are led or supported by former students, lawyers and other professional men.

The proliferation of intellectual-terrorists is rather surprising since it occurs in an era characterized by an almost universally sustained quest for social progress, justice and a more equitable distribution of wealth. No less perplexing is the fact that the participation of intellectuals in terrorist movements is most pronounced in countries whose political institutions provide ample opportunities for critical debate and progressive reforms.

In trying to identify the nature of those strange phenomena, one should begin by noting that what we are facing now is not an entirely new development but rather the recurrence of a process that began around the close of the industrial revolution and ebbed out in the twilight of the *belle epoque*.

This was the era in which Russian nihilists and social revolutionaries carried on a relentless and increasingly bloody warfare against the authorities, in which French, Italian and Spanish anarchists used spectacular acts of terrorism in trying to overthrow the existing order. In all those movements, young intellectuals, particularly students of both sexes, played an important role even though the most dramatic assaults on the Establishment—the assassination of the Empress Elisabeth of Austria, King Umberto of Italy, President Sadi Carnot of France and President McKinley of the United States—were carried out by men of very limited education.

One of the main reasons so many young students and ex-students were attracted to movements preaching and using extreme forms of violence was the working out of a consistent theory that made terrorism intellectually acceptable. That theory not only rationalized violence, including murder, by seemingly logical arguments but also justified it by investing terrorism with a historical significance.

According to the principles propounded by the best known theoreticians of terrorism—the czarist ex-officer Mikhail Bakunin, Prince Peter Kropotkin, a geographer of world repute, the Frenchmen Auguste Blanqui and Pierre-Joseph Proudhon—individual acts of terrorism are an integral part of revolutionary movements. Assassination or sabotage are not isolated acts that begin and end with the firing of a gun or the explosion of a bomb. In addition to expressing individual anger or protest, they are what the theoreticians of anarchism and nihilism described as "Propaganda by The Deed." In conveying the revolutionary message, "The Deed" thus becomes a vital link in the chain of events that are to culminate in the destruction of bourgeois society.

To perform The Deed required not only personal courage but also fanatical dedication to the cause. In his famous "Catechism of the Revolutionist," often attributed, erroneously, to Sergei Nekhaiev, one of the most sinister figures of the nihilist underground, Barunin drew an awe-inspiring portrait of the terrorist:

"The revolutionist is a doomed man. He has no personal interests, no affairs, sentiments, attachments, property, not even a name of his own. . . . He has broken every connection with the social order and with the whole educated world, with all the laws, appearances and generally accepted conventions and moralities of the world. . . . All tender, softening sentiments of kinship, friendship, love, gratitude, and even honor itself must be snuffed out in him by the one cold passion for the revolutionary cause. . . . He knows only one science—the science of destruction. . . ."

A startling document, the "Cathechism of the Revolutionary" embodies all the principles and attitudes that were to pervade the terrorist tradition. And that tradition provides some of the most important clues to the murky psychological and other riddles that obscure the personality of the intellectual-terrorist of our time.

There is, first of all, the insistence on the primacy of action over rational thought. The yearning for action, as many psychologists noted, is deeply embedded in the subconcious of most intellectuals—especially if they are young. That yearning might, and often does, produce a guilt-feeling or a proclivity for self-disparagement, particularly if the intellectual happens to be dedicated to a revolutionary cause. In such a case. The Deed becomes an act of self-liberation and, ultimately, of self-aggrandizement.

A psychological process of that kind is greatly stimulated by a radical reevaluation of ethical norms, as outlined in the "Catechism." No means are cruel or immoral if they serve the revolutionary end. In that respect too, the modern intellectual-terriorist acts in accord with tradition. "Our goal," Andreas Baader, the West-German terrorist told an interviewer, "is to destroy present society by whatever means." This was a modern variation on a famous remark by the French anarchist writer Laurent Tailhade, who asked to comment on an attempt to assassinate French parliamentarians, said "what do the victims matter if the gesture is beautiful." (Two months later Tailhade lost an eye when an anarchist threw a bomb in the elegant restaurant where he was dining.)

In projecting the sinister figure of the performer of The Deed on the canvas of history, the "Catechism" also added a touch of romantic heroism to its myth of doom and destruction. It stimulated an egotism that can be best described as the cult of perverted personalities. Significantly, that cult too is very much alive among young intellectuals attracted to contemporary terrorist movements.

The egotism inherent in that cult might explain the paradoxical fact that intellectual terrorists seem to be particularly active in countries where there is a steady movement toward social improvements and reforms. The explanation is that the intellectual-terrorist is not interested in constructive debate, evolutionary processes or even social changes.

His quest is not for a *better* society but a *perfect* society of which he is the self-appointed herald, champion and architect. His aim is to recover the Lost Paradise by removing the stigma of Original Sin which he identifies, according to his background and ideological make-up, with capitalism, bureaucracy, the state, imperialism, racism, technology or overall bourgeois decadence.

These, then, are the most important elements of the tradition that continues to fascinate and inspire the intellectual-terrorists of our time. In many other respects, however, there are important differences between 19th-century intellectual terrorists and their modern counterparts.

In whatever era he appears, the terrorist is always an alienated person. But most 19th-century terrorists engaged in acts of violence not only because they were alienated, bitter or seeking vengeance but also because their stomachs were empty. Nekhaiev eked out a miserable existence by sponging on, or blackmailing, his fellow terrorists. Auguste Vaillant, who threw a bomb, fashioned from a saucepan, into the Chamber of Deputies, wore a pair of discarded galoshes he picked up in the street because he could not afford to buy shoes. And the anarchist Ravachol, who blew up several buildings in Paris and claimed to be something of an intellectual, said at his trial: "To die of hunger is cowardly and degrading. I preferred to turn thief, counterfeiter, murderer." He also robbed several graves.

The background of most intellectual-terrorists moving across the contemporary scene is entirely different. Feltrinelli was a multi-millionaire with wide-ranging financial interests in many countries. Horst Mahler was a prosperous lawyer in West Berlin. One of his associates, the notorious Gudrun Ensslin, is the daughter of a respected Protestant minister. The members of the Baader-Meinhof group liked to patronize the more expensive Paris fleshpots. The Arab terrorists who captured and destroyed the Lufthansa planes lived in luxury hotels. The vast majority of French, German and Italian students indicted for terrorist activities, including murder, come from well-to-do, middle-class families. If digestive malfunctions ever contributed to their alienation they were brought on by over-eating rather than under-nourishment.

There are other differences between 19th-century terrorists and the Tupamaros, Black Septembrists and other terrorists who assassinated scores of people at the Lodi airport and, more recently, in a Milan bank. Except in a few cases, such as the bombing of a Paris cafe and a theater in Madrid, the anarchists and nihilists showed some discrimination in choosing their targets. In most cases their attacks were directed against people whom they regarded as symbols or instruments of oppression. They tried, as best they could, to avoid hurting innocent bystanders.

A typical case was that of the Russian anarchist, Boris Voinarovski who was killed when trying to assassinate Admiral Dubassov, one of the pillars of the Czarist regime. Voinarovski left a note saying "I will not throw the bomb if Dubassov is accompanied by his wife." The ethical problem inherent in the incident provided the theme for Albert Camus' moving play "The Just Assassins."

Since they tried to be just in their own way, neither anarchists nor nihilists resorted to taking hostages. That particular means of terrorism, a ghastly remnant of remote centuries, was re-introduced in the modern world by the Germans in World War I, practiced on a large scale in the Russian Civil War and finally institutionalized by the Nazis in Germany and its occupied territories.

It fell to a terrorist of our time to integrate the taking and killing of hostages into non-institutionalized terrorist strategy. He was Carlos Marighella, a Brazilian ex-Communist, who died in 1969 in a shoot-out with the Brazilian police. Five months before his death, Marighella wrote a handbook, entitled "Minimanual of the Urban Guerrilla" which has become the Holy Writ of modern terrorism.

The "Minimanual" provides detailed guidance for ambushes, assassinations, robberies, strikes and the taking and execution of hostages. According to Marighella, hostages should be taken by what he calls "firing teams." These are small groups of terrorists acting in isolation and without awaiting orders. The purpose of the kidnappings is to demoralize the government and the population and, at the same time, to draw attention to the revolutionary cause. The execution of hostages should be carried out by solitary terrorists acting in absolute secrecy.

Marighella was an intellectual; he wrote several books and political pamphlets before turning terrorist. Significantly, his "Minimanual" stresses again and again the importance of the role which students, intellectuals and, surprisingly enough priests are called to play in the terrorist movement.

Before and after Marighella the same point was made by Che Guevara and his friend, the French sociologist Regis Debray. And this raises again the question; why are intellectuals expected to be drawn to terrorism? In fact, why do so many intellectuals living in contemporary societies succumb to the terrorist mystique?

Alienation and the survival of the anarchist-nihilist tradition do not provide a fully satisfactory answer. There are other factors contributing to the revival of a trend that seemed to have run its course around the turn of the century.

One of those factors is the intellectual refinement of the theory of terrorism. Bakunin and the other founding fathers of anarchism and nihilism approved of terrorism on emotional or pseudo-ethical grounds without trying to place their doctrine on a scientific foundation. Contemporary theoreticians of terrorism have broadened considerably the intellectual bases of their doctrine by linking terrorism—which they call "extra-parliamentary opposition," "direct action," "urban guerrilla warfare" or even "Maoism"—with some of the predominant psychological and sociological theories of our age.

One of the most prominent apologetists of "direct action," Herbert Marcuse, used Freudian concepts of psychoanalysis in support of his revolutionary theories. In his famous book, "The Wretched of the Earth," Franz Fanon offered a revolutionary program based on modern socio-anthropological speculations on colonialism and imperialism. Regis Debray who accompanied Che Guevara on his fateful expedition to Bolivia, was inspired by the Castroite brand of Marxism in working out his theory of urban guerrilla warfare.

While differing on many points, all those theories use allegedly scientific methods in advocating the use of violence as the most effective means of political action.

The scientific trappings of those theories are likely to increase their credibility in the eyes of many young intellectuals. So does the status and position which the theoreticians of violence occupy in contemporary societies.

Bakunin was for many years an inmate of numerous prisons in numerous countries. Kropotkin was exiled to Siberia. Nekhaiev ended his days by hanging himself in the dread Peter and Paul fortress. Auguste Blanqui, who coined the phrase "he who has iron has bread," spent more than 30 years in jail. They were outlaws even if their followers revered them as martyrs.

The situation of modern theoreticians of "direct action" is entirely different. While writing his books on the inevitable collapse of burgeois civilization, and calling for its destruction, Herbert Marcuse taught at the University of California in La Jolla. Regis Debray, scion of a prominent French family, is a well-known habitue of elegant French salons. The economist Ernest Mandel, a self-styled Trotskyist who advocates the violent overthrow of capitalism, teaches at a Belgian university. And there is the rich and influential Nobel prize winning French writer-philosopher Jean-Paul Sartre who reached a nadir of moral and intellectual degradation by recently telling the West German magazine Der Spiegel "I would just rub my hands if somebody would assassinate President Nixon."

Sartre's appalling remark highlighted another factor that contributes to the shaping of modern intellectual-terrorists—the barbarization of language, thought and manners. The barbarization manifests itself in an infantilism whose main characteristics, as Daniel Bell noted, is its stress on feelings, pain and the ecstasies of the young. It is that regression to barbarism that produces what Lionel Trilling calls an "adversary culture" and the sociologist Robert Nisbet compares with the 18th century cult of the Noble Savage.

Reliance on crude force, opposition to all forms of authority and a perversely reasoned rejection of reason are the distinctive features of the barbarism that seems to inspire the intellectual-terrorist. Markedly romantic in its stress on unlimited spontaneity, that barbarism also provides the nostrum which is to rid the intellectual-terrorist of the spiritual hangover left by the unfulfilled promises of 19th century rationalism, positivism and 20th century Marxism.

For the intellectual-terrorist is disillusioned not only with capitalism and technology but also with communism. In the social and ideological turmoils of the 1930s, he would have joined a Communist cell in order to find an outlet for his revolutionary and messianic instincts. Today he turns to Bakunin and his followers for, in the light of what happened in Eastern Europe in the last 50 years, he feels that in the epic battle of revolutionary giants Bakunin, and not Marx, was right.

Terrorism, whether practiced individually or in groups, has never yielded positive results. The Czarist regime collapsed because Russia lost the war and not because Czar Alexander II or the Grand Duke Sergei were assassinated. Eighty years after President Sadi Carnot was stabbed to death in Lyon, the French system remains essentially the same as it was at the turn of the century. And no revolutionary changes have taken place in the United States as the result of the assassination of the two Kennedys and Martin Luther King. In the vast majority of cases, the assassination of a political figure damages rather than promotes the cause it is intended to serve.

Bakunin, Kropotkin and Enrico Malatesta, a flamboyant figure of 19th-century anarchism recognized that truth—even if belatedly. At the end of their revolutionary careers they either repudiated individual terrorism or at least questioned its effectiveness as an instrument of revolutionary strategy and tactics.

They were not alone in reaching that conclusion. In 1939, on the 25th anniversary of the assassination of Archduke Francis Ferdinand and his wife, I went to Sarajevo to interview the last surviving member of the terrorist group that plotted the murder of the Austrian crown prince. He was Ivo Kranjcevic, a frail, modest man who worked for the Yugoslav railway system after spending several years in Austrian jails. I spent several hours with Mr. Kranjcevic, who had many interesting things to say on the conspiracy and its members, the printer Cabrinovic who threw the bomb and the student Gavrilo Princip who fired the fatal shots.

The storm clouds were once again gathering over Europe. Saying goodby to my host, I stopped on the threshold and said. "A last question, Mr. Kranjcevic. Knowing what happened in the world since 1914, and seeing the situation as it is today, what would you do if somebody approached you suggesting you take part in a political assassination plot?"

He looked at me with his sad eyes and said; "I would tell him to go to hell."

STEVE ALLEN OF OXFORD, ALA.

Mr. ALLEN. Mr. President, every once in a while our attention is drawn to the accomplishments of bright young men and women whose educations, abilities, and accomplishments are far beyond their ages.

Just such a young man has been brought to my attention through an article written for the Associated Press and published by a number of Alabama newspapers. The story concerns 16-year-old Steve Allen who will graduate this spring from Jacksonville State University in Jacksonville, Ala. The son of Mr. and Mrs. D. R. Allen of Oxford, Ala., Steve could well be the only college graduate in Alabama too young to vote.

This young man's interests and activities are broad and varied, and he exhibits a mature view of the future. I read his story with great interest and ask unanimous consent that it be printed in the RECORD so that I may share it with all.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALABAMIAN TO GET COLLEGE DEGREE BUT IS TOO YOUNG TO VOTE

(By Carlton Proctor)

JACKSONVILLE, Ala.—When Steve Allen receives his degree in December, he could become the only college graduate in Alabama too young to vote.

And, ironically, voting and politics are what interest him the most. Already behind him is the experience of two political campaigns—his own for editorship of the Jacksonville State University newspaper, which he won, and the Republican campaign last fall.

At 16, Allen is Jacksonville's youngest upper classman. He is the son of Mr. and Mrs. D. R. Allen of Oxford, Ala.

He said that politics in his life: "I can't imagine myself doing anything else.

"I think one of the most important things a student can do while in school is run for an elective office," Allen said. "Or if they don't run, then at least help someone else run. It's an education in itself.

"I plan to run for office as soon as I am eligible. Political power doesn't interest me; it's just that when I see people misusing power it makes me want to do something about it.

"It's frustrating," Allen added, "to be so interested in politics and not be able to vote. But I try to make up for it by convincing 30 or 40 other voters to change to my side."

At 14 he entered Jacksonville without graduating from high school. He actually had taken his first college course, algebra, when he was 13.

"It was strange to hear people in that math class say they couldn't do homework assignments because their children were too noisy," he recalled.

Allen began leapfrogging through school when he entered the first grade at age five. He skipped the third and sixth grades after finishing fifth grade work at nine.

After the fifth grade his parents sent him to a psychologist to determine what level he should try next.

"He recommended ninth grade work," Allen said, "but my parents decided on the seventh grade."

Grades seven through 11 were spent at Anniston Academy. In 1971 he began taking freshman courses at Jacksonville. He skipped his senior year at the academy to start college but finished one English course last year to graduate officially from high school.

So, at age 14, Allen entered college and immediately jumped into politics, both on and off campus. Last month he used some of this experience to win election as editor of The Chanticleer, the student newspaper.

Then Allen was elected president of Phi Kappa Mu, a national honorary society for students interested in social sciences.

He reads as a pastime, "He seems to be interested in most everything, especially controversial issues," one professor said.

Allen has a 2.5 average out of a possible 3 and plans to enter Cumberland Law School in Birmingham on graduation.

Then he plans to practice law and enter state politics.

"I'm in the right state for my political views, which are conservative," he said. "I believe the South will lead this national swing back to a more conservative stand."

At 16, Allen just barely misses working restrictions under the Child Labor laws in connection with a job this summer writing for a radio station.

One reason he chose Jacksonville, he said, is that "I couldn't go too far away from home. I just got my driver's license a few weeks ago."

CHARLES A. QUATTLEBAUM

Mr. THURMOND. Mr. President, I rise *today to* honor a man who has spent his entire adult life in service to Congress and the country in the field of education. In May of last year, Charles A. Quattlebaum retired after 35 years as an education specialist in the Congressional Research Service of the Library of Congress. During this time, we have seen many important and innovative ideas put into practice in schools across the Nation and Mr. Quattlebaum was often the man behind the scenes in these changes.

Charles Albert Quattlebaum was born in the sleepy town of Ridge Spring, S.C., May 6, 1902. From there, his education took him to the University of Georgia, George Washington University, and Northwestern. Before he began his distinguished career with the Federal Government, he served as a public school instructor and administrator. The experience he gained in the practical applications of education prepared him for the intellectual strides he was to make in Washington.

Mr. President, those of us fortunate enough to serve our people in Washington know full well the necessity of having capable men of high integrity advising us on matters of utmost importance. Mr. Quattlebaum is this kind of man. At the requests of Members of the U.S. Congress, he undertook massive assignments with one purpose in mind: to improve the system of educating our children.

In 1951, the Quattlebaum report emerged. This was the first complete study ever made which covered the broad scope of educational issues before Congress. This report later became a House document and was widely read throughout the United States. This report was considered vital reading for those involved in the field of education.

At the request of the Committee on Education and Labor in 1960 and 1968, Mr. Quattlebaum made comprehensive studies of "Federal education policies, programs, and proposals." Once again, these works examined the core of our educational system in a concise, scholarly fashion. They remain even today valuable references.

Mr. President, these are 21 of more than 30 congressional prints and documents written by Mr. Quattlebaum during his service in Washington. Unfortunately, time will not permit me to give them the attention they deserve. Suffice it to say, however, that his extensive research on education has been studied by scholars and academicians throughout the world and its impact on education cannot be overstated.

The importance of Mr. Quattlebaum's work, however, does not begin and end here. Their true value can be seen in the thousands of schools across the country. They can be seen in the best educational system in the world. The real importance in Charles Quattlebaum's work can best be felt in an educational system which teaches a child to be as ambitious and progressive as his talents will permit.

Mr. President, the future of our country rests with our children. Although an education is not an end in itself, it is still an invaluable tool with which to mold our children and teach them to be responsible adults. Without a viable educational system, we could not hope to succeed. Without men such as Charles Quattlebaum, we would not know how to succeed.

MISSOURI HIGHWAY TRUST FUND IMPOUNDMENT DECISION

Mr. ERVIN. Mr. President, as many Senators are aware, the U.S. Court of Appeals for the eighth circuit last week rendered a decision in the case brought by the State of Missouri challenging the right of the executive branch to impound moneys in the highway trust fund.

In that decision, a three-judge panel of the court held that the Secretary of Transportation and the Director of the Office of Management and Budget had acted unlawfully in impounding highway trust funds for reasons unrelated to the merits of the program, specifically to control inflation and for other economic reasons.

The decision was based on the panel's interpretation of section 101(c) of the Federal Air Highway Act of 1956, as amended (23 U.S.C. 101 et seq.), which specifically provides:

> (c) It is the sense of Congress that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-aid system which has been apportioned pursuant to the provisions of this title shall be impounded or withheld from obligation.

The court did not touch on the constitutional aspects of the impoundment issue.

Mr. President, the question of impoundment of funds by the Executive is one of the great issues now facing the Nation. Just last week the Senate voiced its opinion on this question when it passed an amendment I offered to the dollar devaluation bill that provides stringent controls on the impoundment practice coupled with a ceiling on Federal expenditures for fiscal year 1974.

That amendment was the product of extensive study and hearings over the past 2½ years by the Judiciary Subcommittee on Separation of Powers and the Committee on Government Operations.

It was virtually identical to the language of S. 373, as amended, which was reported by the Government Operations Committee on April 3.

To my mind, S. 373 as reported by the committee represents a reasonable solution to the impoundment problem, for it permits the President enough leeway to manage Federal expenditures, while retaining for the Congress its constitutional power of the purse.

While it is limited in scope, the eighth circuit's ruling in the Missouri case is an important development in the impoundment battle. It is the most advanced of several lawsuits challenging the Executive's power to impound, and it may result in the first Supreme Court ruling on the issue.

For this reason, I ask unanimous consent that the eighth circuit's opinion in the case of *State Highway Commission of Missouri* v. *Volpe* (No. 72–1512) be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[U.S. Court of Appeals for the Eighth Circuit, No. 72–1512]

(Appeal from the U.S. District Court for the Western District of Missouri)

THE STATE HIGHWAY COMMISSION OF MISSOURI,[1] APPELLEE, V. JOHN A. VOLPE, SECRETARY OF TRANSPORTATION OF THE UNITED STATES, AND CASPAR W. WEINBERGER, DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET OF THE UNITED STATES, APPELLANTS

Submitted: January 10, 1973.

Filed: April 2, 1973.

Before Lay, Heaney, and Stephenson, Circuit Judges.

Lay, Circuit Judge.

The legal issue before us is whether the Secretary of Transportation may defer authority to obligate highway funds previously apportioned to the State of Missouri under the Federal-Aid Highway Act of 1956[2] when the reasons given for the deferment by the Secretary and the Director of the Budget are the status of the economy and the need to control inflationary pressures. It is conceded that the balance of more than five billion dollars in the highway trust fund is adequate to meet all current requirements and that Missouri is qualified in every respect for its apportionment.[3]

On June 30, 1971, the State of Missouri filed an amended complaint against the Secretary and the Director of the Office of Management and Budget. The complaint alleged that the Secretary had apportioned 115.7 million dollars in highway funds to Missouri in fiscal 1972, but that he imposed contract controls on (impounded) 21.9 million dollars of that sum. Missouri also complained that funds had been impounded in fiscal 1971 for the same reasons.[4]

The district court held that the contract controls were beyond the authority conferred on the Secretary by the Federal-Aid Highway Act. It enjoined further withholdings for Missouri for fiscal year 1973; issued a writ of mandamus ordering that the Secretary revoke any contract controls prohibiting Missouri from obligating its full apportionment for fiscal 1973; and entered a judgment declaring that it was not within the discretion of the Secretary to withhold or to defer obligation of highway funds previously apportioned to the State of Missouri for the reasons advanced by the Secretary.

We hold that the action for mandamus was mooted by the Secretary's removal of the contract controls during the pendency of the action[5] but that the court properly granted plaintiff's declaratory judgment.

On appeal, the Secretary argues: (1) that

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there is no subject matter jurisdiction, (2) that there is no justiciable issue since the case involves only a political question, and (3) that the Secretary possessses discretion under the statute to withhold funds for the stated reasons.

JURISDICTION

Missouri alleged and the district court so held that it had jurisdiction by virtue of the mandamus statute, 28 U.S.C. § 1361, and by Section 10 of the Administrative Procedure Act, 5 U.S.C. § 701 *et seq.*

The Secretary urges that mandamus is not a proper basis for jurisdiction since the Highway Act is non-mandatory in nature and that mandamus is only applicable where the duty owed is specific, unequivocal and plainly prescribed.[6] The Secretary further contends that the Administrative Procedure Act is not an independent source of jurisdiction[7] but is only applicable when other grounds of statutory jurisdiction exist. Regardless of these contentions we find an ample jurisdictional basis for adjudication under 28 U.S.C. § 1331 (a).

Although § 1331(a) was not specifically pleaded in the complaint, a review of the entire complaint demonstrates that a federal question exists. The plaintiffs sought a judicial construction of the Federal-Aid Highway Act and the amount in controversy obviously exceeded $10,000. In *Sikora* v. *Brenner*, 379 F. 2d 134 (D.C. Cir. 1967), the plaintiff alleged jurisdiction under 35 U.S.C. 145. The district court dismissed for lack of subject matter jurisdiction. However, on appeal, the appellate court found that jurisdiction existed under 5 U.S.C. § 704. The court stated:

> "The District Court's jurisdiction was established by the allegations of operative facts bringing the controversy within the scope of the statute conferring jurisdiction on the court. The court's jurisdiction was neither dependent upon nor removable by any reference to or recitation of a statute in the allegations." 379 F. 2d at 136.

Moreover, since the complaint clearly establishes that federal question jurisdiction did exist, there is no need for this court to remand in order to amend the pleadings to specifically allege 1331(a) as a basis of jurisdiction. See *Norton* v. *Larney*, 266 U.S. 511, 516 (1925). We can assume that the complaint has been amended to conform to this fact and proceed to review the district court's judgment on the merits. See also *National Farmers Union Property & Casualty Co.* v. *Fisher*, 284 F. 2d 421, 423 (8 Cir. 1960); *Parker* v. *Gordon*, 178 F. 2d 888, 890 n. 2 (1 Cir. 1949).

JUSTICIABILITY

In view of our finding as to mootness under the mandamus action, we raise the question of whether the declaratory judgment is likewise moot for purposes of this appeal. We decide it is not. It is recognized that "[w]here one of the several issues presented becomes moot, the remaining live issues supply the constitutional requirement of a case or controversy." *Powell* v. *McCormack*, 395 U.S. 486, 497 (1969). Moreover, a court may grant a declaratory judgment even though it declines to issue an injunction or writ of mandamus. *Id.* at 499. An action for declaratory relief satisfies the requirements of a "case or controversy" when it would have significant consequences in determining the extent of any further relief" deemed necessary if the illegal conduct should be expected to resume in the future. *Gautreaux* v. *Romney*, 448 F. 2d 731, 736 (7 Cir. 1971).

It is generally held that the voluntary cessation of allegedly illegal conduct does not make a case moot if there is a "reasonable expectation" that the wrong will be repeated. *United States* v. *W. T. Grant Co.*, 345 U.S. 629, 633 (1953). See also *United States* v. *Concentrated Phosphate Export Ass'n., Inc.*, 393 U.S. 199, 203 (1968). However, when the actions questioned are those of the government, the mere probability of recurrence must be coupled with a certainty that the impact will fall on the same objecting litigants. *Committee to Free the Fort Dix 38* v. *Collins*, 429 F. 2d 807, 812 (3 Cir. 1970); see generally *Mootness on Appeal in the Supreme Court*, 83 Harv. L. Rev. 1672 (1970). In the instant case, it is conceded by the Secretary that further contract controls will be imposed and that Missouri will most certainly be affected. We therefore find sufficient basis to justify appellate review of the district court's declaratory judgment.

The Secretary asserts the lack of justiciability on the ground that the case presents political questions not appropriate for judicial resolution. Counsel suggests that what is involved is the "[e]xecutive's power to control the rate of expenditure of funds" and that this is a political question. We disagree. The only issue before the district court and this court is the question of statutory construction, i.e., whether the Secretary of Transportation, pursuant to his delegated duties under the Federal-Aid Highway Act, can withhold from the State of Missouri, for the reasons he stated, the authority to obligate funds duly apportioned to the state under the Act. Surely such a determination is within the competence of the courts. Cf. *Barlow v. Collins*, 397 U.S. 159, 166 (1970).

As was recently observed, "[i]n our overall pattern of government the judicial branch has the function of requiring the executive (or administrative) branch to stay within the limits prescribed by the legislative branch." *National Automatic Laundry and Cleaning Council v. Shultz*, 443 F. 2d 689, 695 (D.C. Cir. 1971). Resolution of the issue before us does not involve analysis of the Executive's constitutional powers. Nothing in the present record demonstrates that the Secretary of Transportation will continue to exercise controls beyond that which judicial construction finds permissible within the statute. To the contrary, at oral argument counsel for the government stated, "I suppose our brief comes as close as it can to conceding that were Congress to make this manadatory, that would be the end of the case . . . I would say almost certainly that without tending to give away what the White House might decide in any particular statute, that where it is mandated clearly, the Executive would have to spend that money or would spend the money. The issue before us is not whether the Secretary abused this discretion in imposing contract controls but whether the Secretary has been delegated any discretion to so act in the first place. Cf. *Constructores Civiles de Centroamerica, S.A. v. Hannah*, 459 F. 2d 1183, 1192 (D.C. Cir. 1972). It is difficult to frame the Article III duty of the judicial branch of government under these circumstances in any more meaningful terms than did Mr. Justice Reed in *Stark v. Wickard*, 321 U.S. 288, 309–310 (1944):

> "When Congress passes an Act empowering administrative agencies to carry on governmental activities, the power of those agencies is circumscribed by the authority granted. This permits the courts to participate in law enforcement entrusted to administrative bodies only to the extent necessary to protect justiciable individual rights against administrative action fairly beyond the granted powers. The responsibility of determining the limits of statutory grants of authority in such instances is a judicial function entrusted to the courts by Congress by the statutes establishing courts and marking their jurisdiction. Cf. *United States v. Morgan*, 307 U.S. 183, 190–91. This is very far from assuming that the courts are charged more than administrators or legislators with the protection of the rights of the people. Congress and the Executive supervise the acts of administrative agents. The powers of departments, boards and administrative agencies are subject to expansion, contraction or abolition at the will of the legislative and executive branches of the government. These branches have the resources and personnel to examine into the working of the various establishments to determine the necessary changes of function or management. But under Article III, Congress established courts to adjudicate cases and controversies as to claims of infringement of individual rights whether by unlawful action of private persons or by the exertion of unauthorized administrative power."

Thus, we conclude that the present case presents a justiciable issue capable of judicial resolution.

THE FEDERAL-AID HIGHWAY ACT

This then brings us to the merits of the controversy—the construction of the Federal-Aid Highway Act as it relates to defining the Secretary's delegated authority. A threshold requirement is a rudimentary understanding of the Act.

Congress deemed it within the "national interest to accelerate the *construction* of the Federal-aid highway systems" to serve local and interstate commerce and to enhance national and civil defense. 23 U.S.C. § 101(b) (1970). The objective of the Act was the creation of a National System of Interstate and Defense Highways. The system was to be completed "as nearly as practicable" over the period of twenty years on an expedited construction basis. *Id.*

Based upon specific formulas set forth within the Act, the Secretary is required to apportion among the several states certain sums authorized to be appropriated for expenditure.[8] 23 U.S.C. § 104(b). After the apportionment, the states, through their respective highway departments, are to submit programs of proposed projects based upon the apportioned funds. The Secretary is instructed in Section 105(a) to "act upon programs submitted to him as soon as practicable after the same have been submitted." Section 106(a) then provides that "as soon as practicable after program approval." specific "surveys, plans, specifications, and estimates for each proposed project" will be submitted to the Secretary for his approval. In this regard, Section 106(a) specifically states that in approving the project plans "the Secretary shall be guided by the provisions of section 109 of this title."[9] It is at this stage that the contract controls are imposed, for once a project is approved by the Secretary it "shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto." 23 U.S.C. § 106(a). On the basis of this approval, states are permitted to obligate the apportioned funds through the letting of construction contracts, etc. Section 118(b) provides that the sums "available for expenditure"[10] shall remain available for expenditure in that state for a period of two years after the close of the fiscal year for which the sums are authorized, and any funds not expended after that time shall lapse, except that unexpended funds apportioned for the Interstate System shall "immediately be reapportioned among the other States . . ." The final stage of the Act is the appropriation by Congress of money from the Highway Trust Fund to pay the state the proportional federal share of construction costs incurred in the partial or total completion of the highway projects.

In 1966 President Johnson, in transmitting his proposals to Congress, announced that there would be a deferral of lower priority federal expenditures by approximately $3 billion in order to curb inflation and assure the stability of the economy (H.R. Doc. No. 492, 89th Cong., 2d Sess. (1966)). Thereafter, on November 23, 1966, the Director of the Bureau of the Budget advised the Department of Treasury that the federal highway program would have to bear its

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share of such deferrals. Accordingly, the program was limited to $3 billion in total project obligations during fiscal year 1967.[11] This was done notwithstanding provisions in the Highway Act authorizing over $4 billion to be apportioned to the states for highway costruction.

In light of this, the Secretary of Transportation sought the opinion of the Attorney General of the United States as to the Secretary's authority to defer obligations under the Highway Act. The opinion of Ramsey Clark, Acting Attorney General of the United States, was issued on February 25, 1967. Attorney General Clark concluded that "the Secretary has the power to defer the availability to the States of those funds authorized and apportioned for highway construction which have not, by the approval of a project, become the subject of a contractual obligation on the part of the Federal Government in favor of a State." 42 Op. Att'y Gen. No. 32 (1967).

The essential theses upon which the Secretary defends his authority to impose contract controls under the Federal-Aid Highway Act turns on three arguments: (1) that appropriation acts are permissive in nature and do not provide a specific mandate that the funds authorized to be apportioned must be expended;[12] (2) that there exists no vested right by the states in the appropriated funds until such time that the Secretary gives his approval; and (3) that the language of Section 101(c) is precatory and although expressing Congress' "desire" and "policy" that highway funds not be impounded, the terms of the statute are not mandatory.

We find these arguments unavailing. The claim that a general appropriation act is deemed permissive in nature as far as it constitutes a mandate to expend funds has not escaped criticism.[13] Nevertheless, assuming the proposition to be true, it still does not provide a bottom on which to premise either a direct or implied authorization within the Federal-Aid Highway Act to administer contract controls. For although a general appropriation act may be viewed as not providing a specific mandate to expend *all* of the funds appropriated, this does not *a fortiori* endow the Secretary with the authority to use unfettered discretion as to when and how the monies may be used. The Act circumscribes that discretion and only an analysis of the statute itself can dictate the latitude of the questioned discretion. *Civil Aeronautics Board v. Delta Air Lines, Inc.*, 367 U.S. 316, 322 (1961); *Federal Trade Commission v. National Lead Co.*, 352 U.S. 419, 428 (1957); *Stark v. Wickard*, 321 U.S. 288, 309 (1944); *Pentheny, Ltd. v. Government of the Virgin Islands*, 360 F.2d 786, 790 (3 Cir. 1966).

The second contention raised by the Secretary is that the states have no vested interest in the funds at the time the Secretary exercises his contract control. This argument is premised on Section 106(a) of the Act which states that approval of the Secretary is a prerequisite to the contractual obligation of the United States. It is, therefore, urged that the statute is not mandatory and that the Secretary has the authority to withhold his approval up to two years time[14] Assuming arguendo that the states have no vested right in the funds until such time as the Secretary approves the specific projects we fail to see that this provides a basis for finding that the Secretary has lawful discretion to *withhold his approval of* projects for reasons not contemplated within the Act.[15]

The remaining argument of the Secretary is that Section 101(c) of the Act demonstrates that Congress deems impoundment of funds permissive. Section 101(c) specifically provides:

"(c) It is the sense of Congress that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-aid system which has been apportioned pursuant to the provisions of this title shall be impounded or withheld from obligation . . ."

The Secretary urges that "the sense of Congress" language is precatory and simply expresses the wishes of Congress rather than a specific mandate of proscription. Assuming for the moment that this be correct, we find the argument still not controlling the issue before us. The fundamental issue is whether the Secretary possesses direct or implied authority to exercise contract controls for the reasons advanced here. Such authority, if it exists at all, must be gleaned from the language of the Act itself.

We turn then to an analysis of the statute. At the outset we note that in legislating the Federal-Aid Highway Act, Congress was acting under Article I, § 8 wherein it is given its express constitutional authority to establish "post Roads." After granting several additional powers to Congress, Article I, § 8 concludes by setting forth that Congress may "make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Office thereof." It seems reasonable to say that until and unless Congress acted under Article I, neither the Secretary nor anyone else within the Executive branch of the government could build a federally aided highway system. The only branch of government which has the constitutional power to build roads is the only one which has the authority to dictate the terms under which the construction can be carried out. It should require no citation of authority to reaffirm the proposition that the Secretary's authority is limited to carrying out the law according to its terms.

In construing the statute, we adhere to the basic canon of construction observed in *Richards* v. *United States:*

"We believe it fundamental that a section of a statute should not be read in isolation from the context of the whole Act, and that in fulfilling our responsibility in interpreting legislation, 'we must not be guided by a single sentence or member of a sentence, but [should] look to the provisions of the whole law, and to its object and policy.'" 369 U.S. 1, 11 (1962).

And as stated in 2 Sutherland, Statutory Construction § 2802, at 215 (3d ed. 1943), "[t]he statute should be construed according to its subject matter and the purpose for which it was enacted." Over a century ago, Lord Campbell noted, "[i]t is the duty of the Courts of Justice to try to get at the real intention of the Legislature by carefully attending to the *whole scope* of the statute to be construed." (Emphasis ours.) *Liverpool Borough Bank* v. *T'urner*, 45 Eng. Repr. 715, 718 (1860), aff'd, 70 Eng. Repr. 703. See generally *Thompson* v. *Clifford*, 408 F. 2d 154, 158 (D.C. Cir. 1968): *United States* v. *St. Regis Paper Co.*, 355 F. 2d 688, 692 (2 Cir. 1966): *Joanna Western Mills Co.* v. *United States* 311 *F. Supp.* 1328, 1335 (Cust. Ct. 1970).

Under the Federal-Aid Highway Act Congress has provided for a coherent scheme of statutory duties relating to the Secretary of Transportation. While the Secretary is given the discretion to approve or disapprove a state highway program under the statute, nevertheless he must act within *specific* directions relating to efficienffcy, safety and overall compliance with the Act itself. Within Sections 105(a) and 106(a), the Secretary is given the discretion to approve a state's programs and projects, respectively. However, in both instances the statute sets out detailed considerations designed to guide the Secretary's approval.[16] In this regard, it is clear that Congress did contemplate that the Secretary exercise administrative expertise to see that the apportioned funds are not expended on projects which fail to meet *reasonable* standards of cost. Such administrative stewardship is implicit within Section 106(d) of the Act which reads:

"(d) In such cases as the Secretary determines advisable, plans, specifications, and estimates for proposed projects on any Federal-aid system shall be accompanied by a value engineering or other cost reduction analysis."

Moreover, the Secretary is authorized to oversee the letting of contracts (23 U.S.C. § 112) and to insure that prevailing wage rates are maintained (23 U.S.C. § 113). We find nothing within these provisions of the Act which explicitly or impliedly allows the Secretary to withhold approval of construction projects for reasons remote and unrelated to the Act. The statute specifically sets out when the Secretary is justified in withholding funds from the states. This authority generally relates to guarding against the depletion of the Highway Trust Fund. The Secretary is given the express power to withhold obligational authority for a given fiscal year if the Secretary of Treasury determines that "the amounts which will be available in such fund . . . will be insufficient to defray the expenditures which will be required as a result of the apportionment of the States of the amounts authorized. . . ." Section 209(g) of the Federal-Aid Highway Act of 1956, 70 Stat. 400, 23 U.S.C. § 120 note. See also 23 U.S.C. § 101(c).

As has cogently been observed, "[w]here Congress has consistently made express its delegation of a particular power, its silence is strong evidence that it did not intend to grant the power." *Alcoa Steamship Co.* v. *Federal Maritime Commission*, 348 F. 2d 756, 758 (D.C. Cir. 1965). Cf. *Zuber* v. *Holly Hill* U.S. 168, 183 (1969); *Addison* v. *Holly Hill Fruit Products, Inc.*, 322 U.S. 607, 617 (1944). To reason that there is implicit authority within the Act to defer approval for reasons totally collateral and remote to the Act itself requires a strained construction which we refuse to make. It is impossible to find from these specific grants of authority discretion in the Secretary to withhold approval on projects Congress has specifically directed because of a system of priorities the Executive chooses to impose on all expenditures. The Congressional intent is that the Secretary may exercise his discretion to insure that the roads are well constructed and safely built at the lowest possible cost, all in furtherance of the Act, but when the impoundment of funds impedes the orderly progress of the federal highway program, this hardly can be said to be favorable to such a program. In fact, it is in derogation of it. It is difficult to perceive that Congress intended such a result.

SECTION 118(B)

The Secretary additionally urges that since Section 118(b) provides that the sums are to be available for expenditure for a period of two years before they lapse, it is perfectly legal for him to withhold obligational authority so long as the states receive their full obligational authority within the two-year period. This is not only contradictory of the government's position that the states have no vested interest in the monies authorized, but this misconstrues the intent of Section 118(b) as well. That section provides: "Such sums shall continue available for expenditure *in that state* . . . for a period of two years. . . ." (Our emphasis.) This simply means that the money is to be available for an individual state to use, and if any state does not obligate all their money within the two-year period, then the money will lapse. The statute is not directed at permitting the federal government to withhold the money as it sees fit so long as the states are allowed to obligate the funds within two years. This construction finds support in the legislative history. In the Senate Report to the Federal Aid in the Construction of Rural Post Roads Act, which was the initial federal legislation supporting highway construction, the following appears:

"Section 3 also provides that the unexpended portions of the appropriations at the close of any fiscal year shall be available for expenditure until the close of the succeeding fiscal year. This will prevent both undue haste in the expenditure of the appropriation *to prevent its being turned back into the Federal Treasury and the defeating of the purpose of the act by failure to adequately and wisely expnd it for the purpose of road improvement.* In order that *the States* having no highway departments may not be penalized pending the meeting of their State legislatures, *this section allows them until the close of the third fiscal year succeeding the year for which appropriation was made [in order to arrange for expenditure.]*" (Emphasis ours.) S. Rep. No. 250, 64th Cong., 1st Sess. (1916).

The bracketed language clearly indicates that any expenditures are to be arranged by the states within the two years. Furthermore, in the Conference Report to the Federal-Aid Highway Act of 1956, it is noted that the funds *available* for *expenditure* will lapse if unexpended at the end of the two-year period. In discussing the availability for expenditure, the Committee observed:

"(f) Availability for expenditure.—The language of the House bill (sec. 108(h)) and the conference agreement (sec. 108(f)) are identical in this respect. The conferees took note of the fact that *some States have not yet obligated* all of the funds previously apportioned to them under the authorizations contained in the Federal-Aid Highway Act of 1954, wherein the matching ratio is 60–40 instead of the more liberal 90–10 ratio provided in the conference agreement. It is intended by the conferees that the Secretary of Commrce will take such steps as may be necessary to insure that *each State shall utilize all 60–40 funds apportioned to it before the lapse period and that no State will be permitted to deliberately lapse* any of the 60–40 funds in order to substitute therefor the more favorable 90–10 funds and thereby increase the total Federal funds going into any State for the Interstate System." (Emphasis ours.) H.R. Rep. No. 2436, 84th Cong., 2d Sess. (1956); U.S. CODE, CONG. & ADM. NEWS at 2896 (1956).

Thus, there is a clear indication that Congress intended that the obligation of funds within the lapse period be a continuing duty of the states. Once this premise is recognized, it is not persuasive for the Secretary to argue that the lapse period of 118(a) was intended for the benefit of the Secretary. The government position is similarly weakened by reference to Section 101(b) of the Act where it is declared to be in the national interest to accelerate the construction of the highway system. As noted earlier, this same theme appears throughout the Act wherein Congress directs the states and the Secretary to act "as soon as practicable."

SECTION 101(C)

When the provisions of the Federal-Aid Highway Act are considered as a whole, it is apparent that the Secretary does not have the authority to withhold funds for anti-inflationary purposes. This construction is supported by Section 101(c). After the Attorney General's opinion [17] in 1967 ruled that impoundment of highway funds was permissible under the Highway Act, Congress passed Section 101(c) specifically saying that it "was the sense of Congress that under existing law" the Secretary was not to impound funds under the Federal-Aid Highway Act. Upon subsequent amendment to the Act in 1970, the House Report significantly stated:

"It has been clearly demonstrated that the Federal-aid highway program can operate successfully and efficiently only so long as its planning and programming can be based on an assured comparatively long-term level of financing.

"*The withholding of highway trust funds as an anti-inflationary measure is a clear violation of the intent of the Congress as expressed in section 15 of the Federal-Aid Highway Act of 1968. We again wish to emphasize the clear legislative intent that funds apportioned shall not be impounded or withheld from obligation. . . .*" (Emphasis ours.) H.R. Rep. No. 91–1554, 91st Cong., 2d Sess. (1970); U.S. CODE, CONG. & ADM. NEWS at 5401 (1970).

However, assuming, as the Secretary contends, that the "sense of Congress" language is precatory and merely reflects a policy statement, nevertheless, such language can be useful in resolving ambiguities in statutory construction. See *Connecticut Light & Power Co. v. Federal Power Commission*, 324 U.S. 515, 527 (1945); 2 Sutherland, Statutory Construction § 4820 (3d ed. 1943). Moreover, Section 101(c) takes on an added significance since it is a Congressional interpretation of prior law—for the words used are "it is the sense of Congress that under existing law." And as the most recent pronouncement of the Supreme Court observes: "Subsequent legislation declaring the intent of an earlier statute is entitled to great weight in statutory construction." *Red Lion Broadcasting Co. v. FCC*, 395 U.S. 367, 380–381 (1969). Accord, *Federal Housing Administration v. The Darlington, Inc.*, 358 U.S. 84, 90 (1958); *Banco Nacional de Cuba v. Farr*, 383 F. 2d 166, 175 (2 Cir. 1967), cert. denied, 390 U.S. 956 (1968). But see *Waterman Steamship Corp. v. United States*, 381 U.S. 252 (1965).

Thus, we find Section 101(c) merely *corroborates* what, as was pointed out earlier, the statute as a whole already provides—that apportioned funds are not to be withheld from obligation for purposes totally unrelated to the highway program.[18]

Finally, the Secretary urges that it is significant that Congress has failed to pass subsequent legislation specifically prohibiting the Secretary from withholding obligational authority. We deem this another straw in the wind.

When attempting to determine the meaning and intent of a particular statute, it is generally held that the rejection by Congress of amendments or other legislation relating to the statute in question is "not conclusive as to the meaning of the bill in the unamended form. . . . It is, however, a circumstance to be weighed along with others when choice is nicely balanced." *Fox* v. *Standard Oil Co.*, 294 U.S. 87, 96 (1935). However, under the facts of the instant case, these rejections by Congress are of even lesser consequence, for the necessary balance is missing. In *Fox* the amendment was debated and rejected by a vote of the entire Senate. In the present case, there were four principal bills introduced which would have prohibited the Secretary from impounding any highway funds—S. 4049, 90th Cong., 2d Sess. (1968); H.R. 1214, 91st Cong., 1st Sess. (1969); S. 3877, 92d Cong., 2d Sess. (1972); and S. 3939, 92d Cong., 2d Sess. (1972). Of these four bills, the first three have never even been reported out of committee.[19] There have been no committee hearings, reports, floor debates, or floor votes on these measures. They simply died in committee for no explained reason. The last bill, S. 3939, contained an alternative procedure which would have precluded the Secretary from withholding obligational authority. Only the Senate Report contained this procedure—it was not part of the House Report.[20] When the Conference Report was submitted the alternative procedure was dropped altogether, with no concomitant explanation. H.R. Rep. No. 92–1619, 92d Cong., 2d Sess (1972).[21]

Under such circumstances, there is no way of ascertaining why these various bills were not enacted. The Secretary argues that Congress did not want to proscribe the Secretary's alleged authority to withhold obligational authority. But it is equally plausible that Congress felt that the bills were unnecessary—that it was their understanding that the Federal-Aid Highway Act as then existing already precluded any deferral of obligational authority. When the rejection of these bills is viewed in this light, this legislative history is of no assistance in construing the Act. As the Supreme Court noted in *Order of Railway Conductors of America* v. *Swan*, 329 U.S. 520, 529 (1947):

"Finally, petitioners point out that Congress has failed to amend § 3, First (h), so as specifically to exclude 'yardmasters and other subordinate officers' from the jurisdiction of the First Division, despite the introduction of two bills to that effect in the Senate in 1940 and 1941. *These bills were sent to an appropriate committee, but were never reported out. It does not appear whether the bills died because they were thought to be unnecessary or undesirable. No hearings were held; no committee reports were made. Under such circumstances, the failure of Congress to amend the statute is without meaning for purposes of statutory interpretation.*" [22]

See also *Arnold Tours, Inc. v. Camp*, Nos. 72–1142, 1143 (1 Cir. Dec. 13, 1972); *Miller v. United States*, 180 Ct.Cl. 782, 877 (1967); *Brannan v. Stark*, 185 F.2d 871, 883 (D.C. Cir. 1950), aff'd, 342 U.S. 451 (1952); see generally Hart, *Comment on Courts and Lawmaking*, in Paulsen, ed. *Legal Institutions Today And Tomorrow* 45–47 (The Centennial Conference Volume of the Columbia Law School, 1959); Folsom, *Legislative History* 38 (1972).

ANTI-DEFICIENCY ACT

Although the applicability of the Anti-Deficiency Act, 34 Stat. 49, as amended, 64 Stat. 765, 31 U.S.C. § 665(c), was not argued on this appeal, the conclusion we reach is not at variance with the provisions of that Act. Section 665(c)(2) allows the Bureau of the Budget (now OMB), when apportioning appropriation fund, to set up reserves (i.e., withhold the fund) in order "to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available." However, the Act goes on to point out that the reserves may only be established when the funds "*will not be required to carry out the purposes of the appropriation concerned. . . .*" (Emphasis ours.) The legislative history is emphatic in noting that this power to withhold funds cannot be used if it would jeopardize the policy of the statute.

"It is perfectly justifiable and proper for all possible economies to be effected and savings to be made, *but there is no warrant or justification for the thwarting of a major policy of Congress by the impounding of funds.* If this principle of thwarting the will of Congress by the impounding of funds should be accepted as correct, then Congress would be totally incapable of carrying out its constitutional mandate of providing for the defense of the Nation." (Emphasis ours.) H.R. Rep. No. 1797, 81st Cong., 2d Sess. 311 (1950).

It is thus apparent that any withholding in order to "effect savings" or due to "subsequent events," etc., must be considered in context of not violating the purposes and objectives of the particular appropriation statute. Such purposes and objectives are necessarily violated when one charged with implementing the statute acts beyond his delegated authority.

Footnotes at end of article.

CONCLUSION

We conclude that the statutory provisions of the Federal-Aid Highway Act of 1956, as amended, 23 U.S.C. § 101 *et seq.* (1970), do not expressly or impliedly authorize the Secretary to withhold the authority to obligate apportioned funds where the only reasons are those advanced by the Secretary in this case.

As earlier indicated the issuance of the writ of mandamus is now moot and is hereby ordered vacated. The judgment granting declaratory relief in favor of the plaintiff is affirmed. The defendants are hereby enjoined from withholding from the State of Missouri, now and in the future, the authority to obligate its apportioned funds under the Federal-Aid Highway Act for reasons allegedly related to the status of the economy and the need to control inflationary pressures.

Judgment affirmed, as modified.

FOOTNOTES

[1] In addition to several states, the following also submitted an amicus curiae brief on behalf of the appellee: Senator Samuel J. Ervin, Jr., Chairman, Government Operations Committee; Senator James O. Eastland, President *Pro Tempore,* Chairman, Judiciary Committee; Senator Michael J. Mansfield, Majority Leader; Senator Robert C. Byrd, Assistant Majority Leader; Senator Jennings Randolph, Chairman, Public Works Committee; Senator John L. McClellan, Chairman, Appropriations Committee; Senator Howard W. Cannon, Chairman, Aeronautical & Space Sciences Committee; Senator Thomas F. Eagleton, Chairman, District of Columbia Committee; Senator J. W. Fulbright, Chairman, Foreign Relations Committee; Senator Vance Hartke, Chairman, Veterans' Affairs Committee; Senator Henry M. Jackson, Chairman, Interior & Insular Affairs Committee; Senator Gale W. McGee, Chairman, Post Office & Civil Service Committee; Senator Warren G. Magnuson, Chairman, Commerce Committee; Senator Lee Metcalf, Chairman, Joint Committee on Congressional Organization; Senator John Sparkman, Chairman, Banking, Housing & Urban Affairs Committee; Senator Stuart Symington; Senator Harrison A. Williams, Jr., Chairman, Labor & Public Welfare Committee; Representative J. J. Pickle; Representative Benjamin Rosenthal; Representative Morris K. Udall; Senator John A. Stennis, Chairman, Armed Services Committee; Senator Herman E. Talmadge, Chairman, Agriculture & Forestry Committee; Senator Frank E. Moss, Chairman, Aeronautical & Space Sciences Committee; Senator Hubert H. Humphrey; Senator John V. Tunney; Representative William V. Alexander, Jr.; Representative Robert F. Drinan; and Public Citizen, Inc.

[2] As amended, 23 U.S.C. § 101 et seq. (1970). The act of deferring authority to obligate funds is generally referred to as "contract controls."

[3] Under Section 209 of the Federal-Aid Highway Act of 1956, 23 U.S.C. § 120 note, there is established a Highway Trust Fund. Appropriated into that fund are specified percentages of certain highway user taxes, such as taxes on diesel fuel, gasoline, trucks, tires, etc., which are received into the Treasury. These funds are then used to reimburse the states for expenditures under the Federal-Aid Highway Act.

[4] The district court restricted its issuance of mandamus to fiscal year 1973. The date of the district court's hearing was June 19, 1972, and the record shows that on June 15, 1972, Missouri was informed that it would be entitled to obligate all of the funds originally apportioned for the fiscal year 1973. Thus, on the date of judgment, August 7, 1972, there was no specific duty breached and nothing remained to be ordered for the Secretary to carry out.

[5] The original action was commenced on August 14, 1970, and related to highway funds impounded for the fiscal year ending June 30, 1971. This was dismissed as moot since the court found that at the time of trial the contract controls had been removed and that Missouri had been allowed to obligate all funds which had originally been apportioned for that fiscal year and previous years. However, the court permitted Missouri to file an amended complaint to pursue its claims for the years after the fiscal year ending June 30, 1972.

[6] The possible difficulty with mandamus is the judicial gloss requiring that the duty sought must be a positive command so plainly defined as to be free from doubt. *Prairie Band of Pottawatomie Tribe of Indians v. Udall,* 355 F. 2d 364 (8 Cir. 1966), cert. denied, 385 U.S. 831. As the Supreme Court has stated, "where the duty . . . depends upon a statute or statutes the construction or application of which is not free from doubt, it is regarded as involving the character of judgment or discretion which cannot be controlled by mandamus." *Wilbur v. United States ex rel. Kadrie,* 281 U.S. 206, 219 (1930). Nevertheless, if the Secretary was not delegated any discretionary power to withhold obligational authority for anti-inflationary purposes, the Secretary would be acting outside the scope of his power and it would appear that mandamus was intended to provide a basis for such relief. See *Peoples v. United States Department of Agriculture,* 427 F. 2d 561, 565 (D.C. Cir. 1970)—"While the statute [1361] is couched in terms of mandamus action, its liberalizing purpose . . . was intended to permit District Courts generally to issue appropriate corrective orders where Federal officials are not acting within the zone of their permissible discretion but are abusing their discretion or otherwise acting contrary to law. . . ." See also *Udall v. Wisconsin, Colorado and Minnesota,* 306 F. 2d 790, 793 (D.C. Cir. 1962), cert. denied, 371 U.S. 969 (1963). See generally Byse and Fiocca, *Section 1361 of The Mandamus And Venue Act Of 1962 And "Nonstatutory" Judicial Review Of Federal Administrative Action,* 81 Harv. L. Rev. 308 (1967). However, it is apparent that any issue concerning a writ of mandamus is moot as far as this appeal is concerned. See note 4 supra.

[7] Federal courts are apparently divided as to whether Section 10 of the APA confers independent jurisdiction (Section 10 generally provides that "[a] person suffering legal wrong because of agency action . . . is entitled to judicial review thereof," and that "final agency action for which there is no other adequate remedy in a court [is] subject to judicial review."). Compare *Brennan* v. *Udall,* 251 F. Supp. 12 (D. Colo. 1966), aff'd, 379 F. 2d 803 (10 Cir. 1967), cert. denied, 389 U.S. 975, with *Arizona State Department of Public Welfare* v. *Department of HEW,* 449 F. 2d 456, 464 (9 Cir. 1971), cert. denied, 405 U.S. 919 (1972). For a general review of the problem, see Cramton, *Nonstatutory Review of Federal Administrative Action: The Need For Statutory Reform Of Sovereign Immunity, Subject Matter Jurisdiction, And Parties Defendant,* 68 Mich. L. Rev. 387, 444 (1970). This court has held that the APA does not confer independent jurisdiction. *Twin Cities Chippewa Tribal Council* v. *Minnesota Chippewa Tribe,* 370 F. 2d 529, 532 (8 Cir. 1967). Although the Supreme Court has not spoken directly to the issue, its recent cases tend to look favorably upon construing Section 10 as an affirmative grant of jurisdiction. See, e.g., *Rusk* v. *Cort,* 369 U.S. 367, 371–372 (1962); *Abbott Laboratories* v. *Gardner,* 387 U.S. 136, 141 (1967); *Gardner* v. *Toilet Goods Ass'n.,* 387 U.S. 167, 177 (1967) (opinion of Fortas, J.); *Citizens to Preserve Overton Park* v. *Volpe,* 401 U.S. 402 (1971). See generally Byse and Fiocca, supra note 6, at 330–331.

[8] In referring to the above-mentioned formula, former Federal Highway Administrator, F. C. Turner, has observed: "There is absolutely no discretion of any kind in our office with respect to how much any State gets in any of these categories of funds [pursuant to the formula]. The apportionment is specified in the law and we distribute it right to the dollar." Testimony reported in Hearings on Executive Impoundment of Appropriated Funds Before the Subcommittee on Separation of Powers of the Committee on the Judiciary, 92nd Cong., 1st Sess. at 80 (1971) [hereinafter cited as Senate Hearings].

[9] In Section 109 Congress sets forth some ten detailed standards which are to guide the Secretary's approval under § 106(a). These standards relate to construction and safety considerations. See note 16 infra.

[10] Under Section 118(b), "expenditure" is defined:

". . . . Such sums for any fiscal year shall be deemed to be expended if a sum equal to the total of the sums apportioned to the State for such fiscal year and previous fiscal years is covered by formal project agreements providing for the expenditure of funds authorized by each Act which contains provisions authorizing the appropriation of funds for Federal-aid highways."

[11] See testimony of F. C. Turner, Senate Hearings, supra note 8, 59.

[12] Although we are not dealing with a general appropriation act, for purposes of discussion we assume that there is no essential difference between a general appropriation and the grant of authority to apportion funds to the respective states under the Federal-Aid Highway Act. The actual appropriation of money under the statute is ministerial. It does not occur until monies are appropriated to be paid from the trust fund to reimburse the states for construction already completed under the Act. See Section 209(f) of the Federal-Aid Highway Act of 1956, 70 Stat. 397, 23 U.S.C. § 120 note.

[13] See generally Stassen, *Separation of Powers And The Uncommon Defense: The Case Against Impounding Of Weapons System Appropriations,* 57 Geo. L. J. 1159, 1181 n 117 (1969); Ramsey, *Impoundment By The Executive Department Of Funds Which Congress Has Authorized It To Spend Or Obligate,* Legislative Research Service (Library of Congress) at 15 (1968); Davis, *Congressional Power To Require Defense Expenditures,* 33 Ford. L. Rev. 39, 55 (1964).

[14] In this connection, it should be stated that the Secretary urges that his controls ordinarily involve only five months deferral and that impact on the federal highway program is not substantial. The latter fact is disputed. For example, the House Public Works Committee has observed:

"Cutbacks and freezes on the availability of highway trust fund money have been invoked by the executive branch on various occasions during the past few years, allegedly as an anti-inflationary measure, even though funds were and are available in the trust fund to meet expenditure resulting from the obligation of such funds. This curb-against-inflation argument is without merit. The resulting delays in construction inevitably mean that the costs will be greater. This stop-start manipulation of the highway program, with the uncertain position into which contractors, laborers, and State highway programers are put, cannot but help to boost the ultimate cost of the program." H.R. Rep. No. 91–1554, 91st Cong., 2d Sess. (1970); U. S. CODE, CONG. & ADM. NEWS at 5401 (1970).

Whether it does or does not clearly falls outside our judicial duty here—we look to the statute and not to the result of the Secretary's action in order to determine his lawful authority.

[15] Although we find it unnecessary to decide, a reasonable construction of Section

118(a) is contrary to the Secretary's argument that the states have no inchoate interest whatsoever in the funds so apportioned. Section 118(a) provides:

The Conference Committee Report explained the purpose of Section 601:

"AVAILABILITY OF APPROPRIATIONS

"The Senate amendment would have provided that funds appropriated for any fiscal year to carry out any program under the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, certain acts relating to Indian health programs, the Vocational Rehabilitation Act, the Clean Air Act, the Solid Waste Disposal Act, and title V of the Social Security Act would remain available for obligation and expenditure until the end of the fiscal year for which appropriated.

"The conference substitute is the same as the Senate amendment, except that it is limited to funds appropriated for fiscal years ending before July 1, 1973, and applies only to funds appropriated to carry out programs under the Public Health Service Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. *The purpose of this amendment is to prevent administratively imposed freezes, reductions, and rollbacks from applying to health programs authorized under these acts.* Where a program authorizes availability of appropriations for more than one fiscal year, and funds are appropriated to cover more than one fiscal year, the conferees intend that the amendment shall apply to the entire period covered by the appropriations." (Our emphasis.) H.R. Rep. No. 91–1167, 91st Cong., 2d Sess. (1970), U.S. CODE, CONG. & ADM. NEWS at 3369 (1970).

President Nixon vetoed this bill and in his message to Congress he recognized that the "shall be available for obligation and expenditure" language of Section 601 was mandatory in nature. His veto message stated in pertinent part:

"One of the most unacceptable provisions of the bill is in section 601. Here, the Congress insists that funds appropriated for any fiscal year through 1973 to carry out the program involved must be spent. In addition to restricting flexibility in management of Federal expenditures, this provision would interfere with my ability to comply with the limitation on total 1971 spending that has already passed the House of Representatives and has been reported by the Senate Appropriations Committee." Public Papers of the President, Richard Nixon, 1970 at 513–514. Congress subsequently passed this bill over the President's veto. See 42 U.S.C. § 201 note (1970).

In 1968, Congress enacted the Vocational Education Amendments bill. Included in that legislation was the following provision:

"AVAILABILITY OF APPROPRIATIONS

"SEC. 406. Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this title, funds appropriated for any fiscal year to carry out any of the programs to which this title is applicable shall remain available for obligation until the end of such fiscal year." Section 406 of the Vocational Education Amendments of 1968, 82 Stat. 1094, 20 U.S.C. § 1226 (1970).

"§ 118. Availability of sum apportioned.

"(a) On and after the date that the Secretary has certified to each State highway department the sums apportioned to each Federal-aid system or part thereof pursuant to an authorization under this title, or under prior Acts, such sums *shall be available for expenditure under the provisions of this title.*" (Italic ours.)

The phrase "shall be available for expenditure" is indicative of a Congressional intent that the money so apportioned may be fully obligated by the states. This can perhaps best be demonstrated by analogizing to other cats which contain somewhat similar language. For instance, in the Medical Facilities Construction and Modernization Amendments of 1970 (Hill-Burton Act), Congress stated in Section 601:

"TITLE VI—AVAILABILITY OF APPROPRIATIONS

"Sec. 601. Notwithstanding any other provision of law, unless enacted after the enactment of this Act expressly in limitation of the provisions of this section, *funds appropriated for any fiscal year* ending prior to July 1, 1973, to carry out any program for which appropriations are authorized by the Public Health Service Act (Public Law 410, Seventy-eighth Congress, as amended) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (Public Law 88–164, as amended) *shall remain available for obligation and expenditure until the end of such fiscal year.*" (Italic ours.) H.R. 11102, 91st Cong., 2d Sess. (1970).

Although the committee reports do not satisfactorily explain this section, comments during debate on the floor indicate that the language of Section 406 was intended to prevent the withholding of any funds. For example, Senator Morse, the second ranking member of the Committee on Labor and Public Welfare which reported out the bill, stated:

"The language of section 406 simply requires that appropriations for any fiscal year for education programs which constitute a new obligational authority shall remain available for obligation until the end of the fiscal year for which they are appropriated. *This section would override any statutory authority the President might have to prevent by affirmative act the obligation of fiscal year 1969 appropriations.*" 114 Cong. Rec. 29014 (1968). (Italic ours.)

See also the remarks of Representatives Mahon and Perkins, Chairmen of the House Appropriations Committee and the Education and Labor Committee, respectively, at 114 Con. Rec. 29480–29481 (1968). Thus, other instances where language similar to Section 118(a)'s "shall be available for expenditure" lend support to the conclusion that once authorization for apportionment was given, Congress intended to mandate that a state's interest in the apportioned funds was at least sufficient to preclude the imposition of any contract controls.

[10] Section 105 provides in pertinent part:

"(b) In approving programs for projects on the Federal-aid secondary system, the Secretary shall require, except in States where all public roads and highways are under the control and supervision of the State highway department, that such project be selected by the State highway department and the appropriate local officials in cooperation with each other.

"(c) In approving programs for projects on the Federal-aid primary system, the Secretary shall give preference to such projects as will expedite the completion of an adequate and connected system of highways interstate in character.

"(d) In approving for projects on the Federal-aid urban system, the Secretary shall require that such projects be selected by the appropriate local officials and the State highway department in cooperation with each other.

"(e) In approving programs for projects under this chapter, the Secretary may give priority of approval to, and expedite the construction of, projects that are recommended as important to the national defense by the Secretary of Defense, or other official authorized by the President to make such recommendation.

"(f) In approving programs for projects on the Federal aid systems pursuant to chapter 1 of this title, the Secretary shall give priority to those projects which incorporate improved standards and features with safety benefits.

"(g) In preparing programs to submit in accordance with subsection (a) of this section, the State highway departments shall give consideration to projects providing direct and convenient public access to public airports and public ports for water transportation, and in approving such programs the Secretary shall give consideration to such projects."

Section 109 provides:

"(a) The Secretary shall not approve plans and specifications for proposed projects on any Federal-aid system if they fail to provide for a facility (1) that will adequately meet the existing and probable future traffic needs and conditions in a manner conducive to safety, durability, and economy of maintenance; (2) that will be designed and constructed in accordance with standards best suited to accomplish the foregoing objectives and to conform to the particular needs of each locality.

"(b) The geometric and construction standards to be adopted for the Interstate System shall be those approved by the Secretary in cooperation with the State Highway departments. Such standards, as applied to each actual construction project, shall be adequate to enable such project to accommodate the types and volumes of traffic anticipated for such project for the twenty-year period commencing on the date of approval by the Secretary, under section 106 of this title, of the plans, specifications, and estimates for actual construction of such project. The right-of-way width of the Interstate System shall be adequate to permit construction of projects on the Interstate System to such standards. Such standards shall in all cases provide for at least four lanes of traffic. The Secretary shall apply such standards uniformly throughout all the States.

"(c) Projects on the Federal-aid secondary system in which Federal funds participate shall be constructed according to specifications that will provide all-weather service and permit maintenance at a reasonable cost.

"(d) On any highway project in which Federal funds hereafter participate, or on any such project constructed since December 20, 1944, the location, form and character of informational, regulatory and warning signs, curb and pavement or other markings, and traffic signals installed or placed by any public authority or other agency, shall be subject to the approval of the State highway department with the concurrence of the Secretary, who is directed to concur only in such installations as will promote the safe and efficient utilization of the highways.

"(e) No funds shall be approved for expenditure on any Federal-aid highway, or highway affected under chapter 2 of this title, unless proper safety protective devices complying with safety standards determined by the Secretary at that time as being adequate shall be installed or be in operation at any highway and railroad grade crossing or drawbridge on that portion of the highway with respect to which such expenditures are to be made.

"(f) The Secretary shall not, as a condition precedent to his approval under section 106 of this title, require any State to acquire title to, or control of, any marginal land along the proposed highway in addition to that reasonably necessary for road surfaces, median strips, gutters, ditches, and side slopes, and of sufficient width to provide service roads for adjacent property to permit safe access at controlled locations in order to expedite traffic, promote safety, and minimize roadside parking.

"(g) The Secretary shall issue within 30 days after the day of enactment of the Federal-Aid Highway Act of 1970 guidelines for minimizing possible soil erosion from highway construction. Such guidelines shall apply to all proposed projects with respect to which plans, specifications, and estimates are approved by the Secretary after the issuance of such guidelines.

"(h) Not later than July 1, 1972, the Secretary, after consultation with appropriate Federal and State officials, shall submit to Congress, and not later than 90 days after such submission, promulgate guidelines designed to assure that possible adverse economic, social, and environmental effects relating to any proposed project on any Federal-aid system have been fully considered in developing such project, and that the final decisions on the project are made in the best overall public interest, taking into consideration the need for fast, safe and efficient transportation, public services, and the costs of eliminating or minimizing such adverse effects and the following:

"(1) air, noise, and water pollution;

"(2) destruction or disruption of man-made and natural resources, aesthetic values, community cohesion and the availability of public facilities and services;

"(3) adverse employment effects, and tax and property values losses;

"(4) injurious displacement of people, businesses and farms; and

"(5) disruption of desirable community and regional growth.

Such guidelines shall apply to all proposed projects with respect to which plans, specifications, and estimates are approved by the Secretary after the issuance of such guidelines.

"(i) The Secretary, after consultation with appropriate Federal, State, and local officials, shall develop and promulgate standards for highway noise levels compatible with different land uses and after July 1, 1972, shall not approve plans and specifications for any proposed project on any Federal-aid system for which location approval has not yet been secured unless he determines that such plans and specifications include adequate noise level standards.

"(j) The Secretary, after consultation with the Administrator of the Environmental Protection Agency, shall develop and promulgate guidelines to assure that highways constructed pursuant to this title are consistent with any approved plan for the implementation of any ambient air quality standard for any air quality control region designated pursuant to the Clean Air Act, as amended."

See also 23 C.F.R. §§ 1.15–1.30 (1972).

[17] 42 Op. Att'y Gen. No. 32 (1967). The Secretary has to a large extent incorporated the reasoning of the Attorney General's opinion in its brief in this court.

[18] The Secretary also urges that the right to defer funds is implicit in the precatory language of Section 101(c) since Section 101(d), relating to other expenditures under the Act, uses mandatory language and Section 101(c) does not. Section 101(d) provides:

"No funds authorized to be apportioned from the Highway Trust Fund shall be expended by or on behalf of any Federal department, agency, or instrumentality other than the Federal Highway Administration unless funds for such expenditure are identified and included as a line item in an appropriation Act and are to meet obligations of the United States heretofore or hereafter incurred under this title attributable to the construction of Federal-aid highways or highway planning, research, or development, or as otherwise specifically authorized to be appropriated from the Highway Trust Fund by Federal-aid highway legislation."

The simple explanation for the difference in language is that subsection (c) refers to "existing law" whereas subsection (d) does not. No significance was intended by the conferees. See H.R. Rep. No. 91–1780, 91st Cong., 2d Sess. (1970); U.S. CODE, CONG. & ADM. NEWS at 5459 (1970). H.R. Rep. No. 91–1554, 91st Cong., 2d Sess. (1970); U.S. CODE, CONG. & ADM. NEWS at 5401–5402 (1970).

[19] See CCH, *Congressional Index*, for years 1968, 1969 and 1972.

[20] See S. Rep. No. 92–1081, 92d Cong., 2d Sess. (1972); H.R. Rep. No. 92–1443, 92d Cong., 2d Sess. (1972).

[21] The floor debate on the Conference Report indicates that the most controversial provision of S. 3939 concerned using funds from the Highway Trust Fund for purposes of funding a mass transit program. It is apparent that the inability of the conferees to agree on this point also prevented several other provisions of the bill from being considered on their merits. See 118 Cong. Rec. S 18351 *et seq.* (1972); 118 Cong. Rec. S 18636 *et seq.* (1972); 118 Cong. Rec. H 10341 *et seq.* (1972). Although the Conference Report was reported out, Congress adjourned before completing final action on this bill.

[22] In accord is Chief Justice Warren's observation in *United States* v. *Wise,* 370 U.S. 405, 411 (1962):

"The appellee seeks succor in the subsequent legislative history accompanying attempts to amend the Sherman Act between 1890 and 1914. He particularly relies upon H.R. 10539, 56th Cong., 1st Sess. (1900). This bill would have expressly included corporate officers and agents in the definition of 'persons' found in § 8. The report accompanying that bill stated that the existing law did not subject agents, officers, and attorneys to penalites. H.R. Rep. No. 1506, 56th Cong., 1st Sess. However, statutes are construed by the courts with reference to the circumstances existing at the time of the passage. *The interpretation placed upon an existing statute by a subsequent group of Congressmen who are promoting legislation and who are unsuccessful has no persuasive significance here. . . . Logically, several equally tenable inferences could be drawn from the failure of the Congress to adopt an amendment in the light of the interpretation placed upon the existing law by some of its members, including the inference that the existing legislation already incorporated the offered change.*" (Italic ours.)

No. 72–1512. The State Highway Commission of Missouri v. John A. Volpe, Secretary of Transportation of the United States, et al.

Stephenson, Circuit Judge, dissenting.

I respectfully dissent. It is my view that the district court erred in holding that the Executive Branch has no discretion to control the rate of obligation of funds apportioned under the Federal-Aid Highway Act. The language of the statute and its historical interpretation clearly demonstrate a deliberate choice by Congress to grant to the Executive discretion in determining the extent to which apportioned funds will be made available for obligation.

The expenditure of funds pursuant to the Federal-Aid Highway Act of 1956 (23 U.S.C. § 101 et seq.) is a step-by-step process. The program involves successive, and distinct, stages of authorizations, apportionments, programs, projects and appropriations. The basic *authorization* for appropriations for the Interstate Highway system is found in section 108(b) of the Federal-Aid Highway Act of 1956. The funds expected to be available with respect to each fiscal year included in these authorizations are then *apportioned* among the states on or before the first day of January preceding the fiscal year for which they are authorized to be appropriated. 23 U.S.C. § 104(a). Funds so apportioned remain available for obligation at any time prior to the close of the second fiscal year after the fiscal year for which they are authorized. 23 U.S.C. § 118(a), (b). After apportionment, however, the states must submit programs for proposed highway projects for approval by the Secretary of Transportation (appellant here) before they may obligate apportioned funds. 23 U.S.C. § 105.[1] Approval of a specific program by the Secretary results in a contractual obligation of the Federal Government. 23 U.S.C. § 106(a). Payments to the states are made pursuant to appropriation acts for reimbursement for work performed. The amount appropriated each year may not exceed the amounts provided for in the authorization act, nor may it exceed the funds available in the Highway Trust Fund.

In the instant case, the Secretary has withheld its approval of proposed projects after authorization and apportionment but before any appropriation has been made by Congress.

While an appropriation act, as contrasted to authorization acts, would seem to be mandatory in its effect, the courts have held that even appropriation acts are permissive in nature and do not in themselves impose an affirmative duty to expend the funds. *McKay* v. *Central Electric Power Cooperative,* 223 F. 2d 623, 625 (C.A.D.C. 1955). Historically, there has been considerable support for this construction. For instance, then Senator Truman said in 1943,

"When the Congress appropriates funds it gives the executive branch an *authority* to incur obligations. Certainly none of us hold that we give a mandate to expend the funds appropriated. We expect the funds to be used only where needed, and not in excess of the amount appropriated, to carry out some phase of the law." 89 Cong. Rec. 10362 (emphasis added).

The legislative branch itself pointed out in a Committee Report concerning the 1951 Appropriations Bill, an "appropriation of a given amount for a particular activity constitutes only a ceiling upon the amount which should be expended for that activity." H. Rep. 1797, 81st Cong., 2d Sess., p. 9. As early as 1943 Congress recognized that *authorizing* legislation does not compel the executive branch to obligate or expend highway funds. *See* House Conf. Rep. 677, 78th Cong., 1st Sess., p. 4 (1943) in regard to § 9 of the Rural Post Roads Act of 1943. The fact is that the presidential practice of withholding authorized and appropriated funds runs at least as far back as 1942. Presidents Roosevelt, Truman, Eisenhower, Kennedy, Johnson, and now Nixon have all practiced it to varying degrees. Miller, *Presidential Power to Impound Appropriated Funds: An Exercise in Constitutional Decision Making,* 43 North Carolina Law Rev. 502, 513 (1965). Although this practice is not without its critics,[2] it appears to be an established practice, *Id.,* and as Judge Cardozo once stated, "not lightly to be vacated is the verdict of quiescent years." *Coler* v. *Corn Exchange Bk.,* 250 N.Y. 136, 164 N.E. 882/884 (1928). *Cf. Contractors Ass'n of Eastern Pa.* v. *Secretary of Labor,* 442 F.2d 159, 171 (CA3 1971). By implication the practice has received frequent statutory recognition. An example is the Anti-Deficiency Act, 31 U.S.C. § 665(c)(1) which provides that "authorizations to create obligations by contract in advance of appropriations shall be so apportioned as to achieve the most effective and *economical* use thereof." (Emphasis added). And 31 U.S.C. § 701(a)(2) of the same Act provides for reversion of unobligated appropriated funds to the fund from which they originally were derived. If Congress expected full expenditure of funds, it obviously would appear unnecessary to include such a provision. It is, therefore, my view that in the absence of specific statutory language to the contrary, Congress has given the Executive branch the power to withhold authorized but unobligated funds from expenditure.[3]

I now turn to the specific statutory language of the Federal-Aid Highway Act to determine whether Congress has provided a specific mandate to spend authorized but unobligated funds. 23 U.S.C. § 101(c) provides:

"*It is the sense of Congress* that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-Aid system . . . shall be impounded or withheld from obligation, for purposes and projects as provided in this title, by any officer or employee in the executive branch of the Federal Government, ..." (Emphasis added.)

23 U.S.C. § 101(d) provides in clear mandatory terms:

"*No funds* authorized to be appropriated from the Highway trust fund *shall* be expended by or on behalf of any Federal department, agency, or instrumentality other than the Federal Highway Administration unless . . . specifically authorized . . . from the Highway Trust Fund by Federal-aid highway legislation." (Emphasis added.)

Sections (c) and (d) were added to the Federal-Aid Highway Act in 1968. Pub. L. 90–495, § 15.[4] It is interesting to note that section (d) as originally enacted in 1968 started with the "It is the sense of Congress" phrase also found in section (c). However, when 23 U.S.C. § 101 was amended to its present form in 1970, the phrase "No funds authorized to be appropriated" was substitued for the "sense of Congress" phrase in section (d) but not in section (c). Pub. L. 91–605, § 107. By reenacting § 101(c) without pertinent modification but amending 101(d) Congress implicitly accepted the nonmandatory construction placed on § 101(c) by the Secretary after receiving Atorney General Clark's opinion[5] in 1967.

Cf. National Labor Relations Board v. Gullett Gin Co., 340 U.S. 361, 366 (1951). In a similar vein the Circuit Court of Appeals for the District of Columbia said in 1961:

"Approval of an administrative interpretation is not lightly to be laid at the door of Congress; but the evidence of awareness by Congress of the . . . interpretation over a very considerable period, during which Congress considered the legislation several times with no change . . . as administratively interpreted cannot be altogether ignored."

Empire State Highway Transp. Ass'n v. Federal Maritime Bd., 291 F.2d 336, 341 (C.A.D.C. 1961). *Accord, Norwegian Nitrogen Products Co. v. United States,* 288 U.S. 294, 313 (1933).

If Congress intends to mandate to the Executive branch, this should be unambiguously stated in the legislation so the President understands clearly when he has been directed and when he has been given discretionary powers. In this regard, I submit that the phrase "sense of Congress" is only precatory in its effect. The phrase has been the subject of interpretation in two opinions of the United States Attorney General, both construing 15 U.S.C. § 616A. The latest, 42 Op. Att'y Gen. 20 (1965) stated:

"This section, by expressing the 'sense of Congress' that government agencies 'shall' require the exports to be carried exclusively in United States vessels, is not mandatory and does not preclude the Maritime Administration from permitting 50 per cent of the cargoes to be carried in vessels of the recipient country . . . ."

In 1934 the Attorney General found that the "sense of Congress" language indicated that the statutory requirement of 15 U.S.C. 616A was to be carried out "only if feasible to do so." 37 Op. Att'y Gen. 546 (1934).

In view of the legislative history of this and other statutes and because the expression "sense of Congress" connotates a *policy* rather than a *directory* statement, it is my view that the Secretary of Transportation has the power to defer the availability to the states of those funds authorized and apportioned for highway construction which have not become the subject of a contractual obligation on the part of the Federal Government in favor of a state.

I must therefore dissent.

FOOTNOTES

[1] In an attempt to curtail the Executive's practice of withholding apportioned funds under the Federal-Aid Highway Act, the Senate in 1972 approved a bill S. 3939, 92nd Cong., 2d. Sess. (1972), which would eliminate the project-by-project review of the Secretary. It would, in effect, have created a contractual obligation on the Government immediately after funds were apportioned. The Secretary would not then be able to withhold funds by simply not approving proposed projects. *See* H. Rep. 92–1081, 92nd Cong., 2d Sess. The corresponding House bill contained no such provision. H. Rep. 92–1443, 92nd Cong., 2d Sess. The Conference Committee accepted the House version without the proposed Senate provision. Congress then adjourned prior to final action on the 1972 Federal-Aid Highway Act.

[2] *See generally* Boggs, *Executive Impoundment of Congressionally appropriated Funds,* 24 U. Fla. L. Rev. 221 (1972); Church, *Impoundment of Appropriated Funds: The Decline of Congressional Control over Executive Discretion,* 22 Stanford L. Rev. 1240 (1970).

[3] Other legislative history supports this conclusion. On several occasions Bills have been introduced into Congress which would have made it unlawful to withhold moneys appropriated by Congress from being promptly applied for the purpose designated in the Federal-Aid Highway Act. H.R. 11441, 85th Cong. 2d Sess. (1958), H.R. 11541, 85th Cong., 2d Sess. (1958), H.R. 11682, 85th Cong. 2d Sess. (1958), S. 3578, 85th Cong. 2d Sess. (1958), H.R. 1254, 86th Cong., 1st Sess. (1960), S. 4049, 90th Cong. 2d Sess. (1968) (an attempt to exempt the Federal-Aid Highway Act from the 1968 inflationary cuts imposed by Congress), H.R. 1214, 91st Cong., 1st Sess. (1969), S. 3877, 92nd Cong., 2d Sess. (1972). *See* footnote 1 supra for the most recent action by Congress in this respect.

[4] An examination of the legislative history of §§ (c) and (d) reveals a concern by Congress over the practice of the Executive of impounding or withholding apportioned funds. Apparently in response to a 1967 Attorney General opinion, 42 Op. Att'y Gen. 32 (1967), the House passed a bill which would have amended 23 U.S.C. § 104 to include a mandatory spending provision. H. Rept. No. 1584, 90th Cong., 2nd Sess., p. 11–12. Conf. Rep. No. 1799, 90th Cong., 2nd Sess., (1968), U.S. Code Cong. & Admin. News at 3537. The Senate did not recommend a specific amendment but did state its opposition to reductions in funds made available for obligation under the Federal-aid highway program which relate directly to the "planning and design of highway projects, the acquisition of rights-of-way necessary for such projects, and the assistance to those who are dislocated or displaced by highway construction projects." S. Rep. No. 1340, 90th Cong., 2nd Sess., (1968), U.S. Code Cong. & Admin. News at 3501. The Conference Committee failed to accept the mandatory House language and instead adopted the Senate bill which included the "sense of Congress" phrase. H. Rep. 1799, 90th Cong., 2nd Sess., (1968), U.S. Code Cong. & Admin. News at 3537. This resulted in amendments (c) and (d) to 23 U.S.C. § 101. The Conference Report, *Id.* describes 23 U.S.C. § 101 as the "general *declaration of policy*" (emphasis added) applicable to Title 23. It is now well established that statements of policy do not add to or alter specific operative provisions of a statute. *Sinclair Refining Co. v. Atkinson,* 370 U.S. 195, 202 (1962); 42 Op. Att'y Gen. 32 (1967). Since no provision of the Act gives any state a vested right to the apportioned funds prior to approval by the Secretary, and there is no express mandate to the Secretary to approve proposed projects, it is reasonable to conclude that the Secretary has, in his discretion, the authority to withhold unobligated funds.

[5] "DEAR MR. SECRETARY: This is in reply to your letter of February 21, 1967, requesting my opinion as to the legality of a reduction in the amonut of Federal aid highway funds which may be obligated during the Fiscal Year ending June 30, 1967.

An appropriation act thus places an upper and not a lower limit on expenditures. The duty of the President to see that the laws are faithfully executed, under Article II, section 3 of the Constitution, does not require that funds made available must be fully expended. This principle has received statutory recognition in the Anti-Deficiency Act, February 27, 1906, c. 510, sec. 3, 34 Stat. 49 (31 U.S.C. 665(c)), which authorizes the executive branch to effectuate savings of appropriated funds, and in 31 U.S.C. 701, which provides that unexpended appropriated funds shall revert to the Treasury.

Many factors must be weighed by the Executive in determining the extent to which funds should be expended. Consideration must be given not only to legislative authorizations and appropriations but also to such factors as the effect of the authorized expenditures on the national economy and their relation to other programs important to the national welfare.

A situation analogous to the present one arose in the early 1940's when the economy of the United States shifted first to defense and later to war production. At that time President Franklin Delano Roosevelt directed that projects having a lower *priority* would have to be postponed or even cancelled in spite of the availability of appropriated funds. In response to complaints about the curtailment by the Bureau of the Budget of certain programs of the Agricultural Marketing Administration, President Roosevelt set forth the powers and responsibilities of the executive branch in this area:

'It should, of course, be clearly understood that what you refer to as "the practice of the Bureau [of the Budget] of impounding funds duly appropriated by the Congress" is in fact action by the Chief Executive, and has two purposes. The first purpose is compliance with the Anti-Deficiency Act, which requires that appropriated funds be so apportioned over the fiscal year as to insure against deficincy spending. * * * Secondly, the apportionment procedure is used as a positive means of reducing expenditures and saving money wherever and whenever such savings appear possible.

'While our statutory system of fund apportionment is not a substitute for item or blanket veto power, and should not be used to set aside or nullify the expressed will of Congress, I cannot believe that you or Congress as a whole would take exception to either of these purposes which are common to sound business management everywhere. In other words, the mere fact that Congress, by the appropriation process, has made available specified sums for the various programs and functions of the Government is not a mandate that such funds must be fully expended. Such a premise would take from the Chief Executive every incentive for good management and the practice of commonsense economy. This is particularly true in times of rapid change in general economic conditions and with respect to programs and activities in which exact standards or levels of operation are not and cannot well be prescribed by statute.'" 42 Op. Att'y Gen. 32 (1967).

PURSUIT OF THE TRUTH

Mr. MATHIAS. Mr. President, on March 29, of this year, I addressed the Senate on the responsibility of public officials to place their greatest loyalty in the Constitution and laws of our Nation, and to devote their talents and energies to the steadfast pursuit of truth. Mr. Gerald W. Johnson, of Baltimore, Md., has suggested a wise addendum for my remarks. Mr. Johnson will be remembered by newspaper readers for his thoughtful and incisive columns that for many years originated in the Baltimore Sun and were reprinted, quoted, paraphrased, and plagarized all over the Nation. In a letter to his colleagues at the Sun, Mr. Johnson states:

> Public officials . . . who do not pursue the truth are going to be pursued by the truth, which is a slow runner, but tireless.

Mr. Johnson also quotes from a wiser source that:

> "Men loved the darkness rather than the light because their deeds were evil."

I ask unanimous consent that his letter be printed in the Record.

There being no objection, the letter to the editor was ordered to be printed in the Record, as follows:

Truth in Pursuit

Sir: Senator Mathias is quoted as having said in the Senate recently that for public officials "pursuit of the truth" is the best way of being loyal to the Constitution.

There is no doubt about that, but the Senator might have added that public officials, from the courthouse to the White House, who do not pursue the truth are going to be pursued by the truth, which is a slow runner, but tireless. When they are tempted to adopt the hush-up-and-cover-up policy they should remember a truth that is still going strong after nearly 2,000 years: "Men loved the darkness rather than the light because their deeds were evil."

Gerald W. Johnson.

Baltimore.

DAVID BRODER ON SUBURBIA

Mr. MUSKIE. Mr. President, in this morning's Washington Post David Broder has written an intriguing column, "Suburbia: Vitality, Selfishness," in which he casts aside some frequent misconceptions about metropolitan growth in recent years and points out the competing trends of suburban vitality on the one hand and suburban insularity on the other. As Mr. Broder argues, the political decisions we make in the next few years will go a long way toward determining finally whether we are doomed to a pattern of chronically sick inner cities that are surrounded by vital, self-contained suburbs or whether we can develop "healthy communities within a healthy metropolitan area—not the systematic sacrifice of the whole for the sake of the most privileged of the parts."

I commend Mr. Broder's column to my colleagues and ask unanimous consent that it appear in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Suburbia: Vitality, Selfishness

(By David S. Broder)

Philadelphia.—Until I listened to the discussion last week at "the Temple University conference on the suburban reshaping of American politics," I had—as you may have—a rather distorted picture of the pattern of population growth in the last two decades.

As Daniel J. Elazar, director of Temple's Center for the Study of Federalism told us, "the contemporary image of American urbanization is one of masses of people living is very large cities, in unprecedently large local political jurisdictions far removed from the decision-making process, with no real chance to participate in the governance of their communities."

The facts, he pointed out, are just about exactly opposite: "The major beneficiaries of metropolitanization in our generation have been cities in the 10,000-100,000 range."

Cities of this size have grown more rapidly in number, in absolute population and in percentage of the United States population than any other category. We all know that the proportion of Americans living in rural areas has declined in the last half century. Fewer of us realize that the proportion living in cities over 1 million was lower in 1970 than in 1920, while the proportion living in small and medium-sized cities went up almost 50 per cent.

Much of this growth, Elazar demonstrated has come from the incorporation of new and independent political jurisdictions within the growing metropolitan areas.

"The political meaning of suburbanization lies in just this phenomenon," he said. "People sought suburbanization for essentially private purposes, revolving around better living conditions. The same people sought suburbs with independent local governments of their own . . . (in order to) preserve those life styles . . ."

The politics of these communities focuses on zoning, police and schools. The politicians they produce—including Richard Nixon of Whittier, Calif. (pop. 72,683) and Spiro Agnew of Towson, Md. (pop. 77,799)—are sympathetic to the passion of these suburban citizens for protecting their way of life against any threat of alteration from "outsiders."

Most of the political scientists at the conference accepted Elazar's description of "suburbanization," but there was stiff argument about the implications of this process for the future of American society and politics.

In Elazar's lyrical vision, these small suburban cities offer opportunities for developing a variety of life styles and "avenues of local self-government" that may revive, in our metropolitan civilization, "the kind of local liberty characteristic of the American town of an earlier (frontier) age."

Others are a lot less sanguine about the situation. Robert C. Wood, president of the University of Massachusetts and the last Democratic Secretary of Housing and Urban Development, said the suburban communities are "a source of institutional weakness in our urban society," because they "insulate a minority in a position of privilege in the metropolitan region" and "promote conflict in areas such as housing and education, rather than facilitating solutions."

Many others at the conference argued that as the suburban communities become ever more self-contained, depending less on the central cities for new migrants, for jobs, entertainment, recreation facilities or newspapers, they will grow ever more selfishly independent and less willing to shoulder a portion of the responsibility for those left behind in the older cities.

This argument defines what is probably the central issue in our domestic policy debate—the course of the metropolitan areas for the balance of the century. I came away from the Temple conference convinced of the profound merits of both sides of the argument, and concerned that the Nixon administration seems to enjoy only one of them.

There is a strong sense of political vitality and citizen participation in the small-city suburbs, a feeling shared by thousands of "new activist" housewives and houseowners that they do have a voice in the decision-making of local institutions. Mr. Nixon has recognized the importance of this demand for "community control" and has moved to meet it through revenue-sharing and other "New Federalism" programs.

But it is also true that the existence of 20,000 units of local government within our 225 metropolitan areas constitutes an enormous barrier to the equitable distribution of jobs and education of taxes and amenities among our people.

And this is a problem the administration has not really addressed in its policies. In the next year, there will be a whole new national debate, and important new legislation, on housing, education and taxes, and the goal, this time, must be development of healthy communities within a healthy metropolitan area—not the systematic sacrifice of the whole for the sake of the most privileged of the parts.

BUDGET CEILING REPORT

Mr. SCHWEIKER. Mr. President, I was pleased to note that the joint study committee on budget control yesterday recommended creation of special budget committees in both the Senate and the House. These committees would be charged with setting a congressional spending ceiling at the beginning of each year.

I have long felt there is a need for such a budget ceiling mechanism, so that Congress can keep Federal spending under control. Already this year the Senate has voted to impose a $268 billion limit on Federal spending for fiscal year 1974, a move I strongly supported. Now I feel it is imperative that we create a means to impose such a ceiling at the beginning of each fiscal year. In this way we can establish a firm limitation on the huge increase in Federal spending, yet preserve Congress' constiutional authority to determine priorities within that limitation.

Earlier this year I proposed legislation which embodies many of the provisions recommended yesterday by the joint study committee. S. 1213, introduced March 14, would require Congress to set a clearly defined spending ceiling at the beginning of each year. Total appropriations for a fiscal year could exceed this ceiling only after a specific two-thirds vote of the House and Senate.

My legislation would create a Joint Committee on Federal Spending comprised of members of the Senate and House Appropriations Committees, the Senate Finance Committee, and the House Ways and Means Committee. By March 1 each year it would make a report to the Congress on the President's budget proposal. The committee would also report a concurrent resolution to each House of Congress recommending a limit on the total amount of outlays made during the ensuing fiscal year. Appropriations bills could not be taken up until the resolution was adopted by both the House and Senate.

Mr. President, I am encouraged by the joint study committee's willingness to come to grips with the spending ceiling issue. Their recommendations are a step toward fiscal responsibility, a step away from wasteful government spending.

Mr. President, I request unanimous consent that a news account of yesterday's joint study committee action be printed in the Record.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Hill Acts To Set Up Budget Ceiling Units

(By Spencer Rich)

Spurred by its budget battle with President Nixon, Congress took a major step yesterday toward creating the machinery for clamping its own annual ceiling on federal spending.

By unanimous vote, the 32-member Senate-House study committee on budget control approved a report recommending creation of special budget committees in each chamber. Their mission: To set ceilings for spending and appropriations at the beginning of each session, then follow up to see that the ceilings weren't breached.

If outlays exceeded the target figures, a surcharge on personal and business income taxes would be voted at the end of the session to cover the excess.

"We voted out unanimously procedures for implementing a congressional budget—and staying within the limit," said Rep. Al Ullman (D-Ore.), co-chairman of the study committee, which was set up last year. Ullman is second-ranking Democrat on the House Ways and Means Committee.

Rep. Jamie L. Whitten (D-Miss.), the other co-chairman and second-ranking Democrat on the House Appropriations Committee, said the study committee's recommendations will be introduced in the House before departure Thursday for the Easter recess. Similar action is expected in the Senate.

Because the proposals involve the establishment of new committees in each chamber, they must first be referred to the House Rules and Senate Government Operations committees before going to the floor for approval.

Whitten said he hopes all such action can be completed by June 30, the last day of the fiscal year, so that the new budget-setting mechanism can be put in place as quickly as possible.

Whitten, Ullman and Rep. John J. Rhodes (R-Ariz.), another study committee member, all expressed doubt that the new mechanism could be fully applicable to the already pending budget for fiscal 1974. However, it would go into effect in full for subsequent budgets.

Creation of a mechanism for Congress to set and police its own budget ceilings would fill one of the great gaps in the congressional structure for consideration of economic policy.

White House spokesmen have repeatedly argued that because each appropriations bill is voted separately, while tax matters are handled without relation to spending levels, Congress has no way of reasonably balancing federal income against outgo—and therefore the President must impound funds or see the federal deficit mount.

The new structure would give Congress the means to balance income against outgo, reducing the justification for unilateral presidential action. Here is how it would work:

1. Budget committees would be set up in the House (with 21 members) and in the Senate (15 members). In each case, one-third of the members would be from the Appropriations Committee, one-third from the Taxation Committee (House Ways and Means and Senate Finance) and one-third from other committees. (This method of appointment would give the budget committees a preponderantly conservative cast, which might not sit too well with liberal Democrats.)

2. Each spring, the committees would report out resolutions setting overall spending and appropriations target ceilings, estimating a permissible level of federal deficit, and dividing up the overall spending pie among the various subcommittees of the appropriations comimttees. After approval by each chamber and conference to iron out differences, the two chambers would agree by concurrent resolution on final target figures, ideally by May 1. Anyone offering a floor amendment to increase any of the levels for a department in the resolution would also have to propose a compensatory cut elsewhere or a tax or debt ceiling increase to cover the added costs.

3. A similar concurrent resolution to readjust the levels would be passed in September, taking into account new economic developments and new tax revenue estimates, etc.

4. At the end of the year, a final "wrap-up" bill would be passed, imposing a tax surcharge (applicable throughout the next calendar year) if needed to prevent the federal deficit from exceeding the limits imposed earlier. Details of the surcharge would be based on recommendations of the tax-writing committees.

WHO SPEAKS FOR CONSUMERS?

Mr. RIBICOFF. Mr. President, a recent article in the New York Times profiled Mr. Robert Timm, the new Chairman of the Civil Aeronautics Board. The article quotes from an opinion of Mr. Timm in the Travel Group charter case in which he said,

> The primary responsibility of the Civil Aeronautics Board is to encourage and promote a sound scheduled air transportation system domestically and internationally.

Mr. President, of course the CAB has a responsibility to maintain a reliable air transportation industry, but it also has a duty to provide good service to consumers at reasonable fares. Who represents the interests of consumers in the proceedings and activities of the CAB? No one, because there is no Consumer Protection Agency.

Mr. President, the airlines are well represented before the CAB. For fairness and balance consumers should also be represented.

Mr. President, I ask unanimous consent that the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, April 8, 1973]

CAB's New Captain; A Brighter Horizon Is Foreseen by Airlines

(By Robert Lindsey)

In the rolling yellow fields of eastern Washington, where political conservatism runs almost as deep as the wells that irrigate the wheat farms, women to this day use thimbles given to them more than 20 years ago by a local farmer running for the Board of Education.

The thimbles read: "Sew You'll Vote for Bob Timm."

Whether the thimbles were a factor in the election is impossible to say, but Robert Dale Timm won by one vote. The victory set in motion a career that took him from the farm into state politics, national Republican Party affairs and a job on a major regulatory agency in Washington, D.C.

In January, 1971, he was appointed to the Civil Aeronautics Board, and five weeks ago, President Nixon named the 51-year-old, silver-haired former marine chairman of the five-man agency that regulates United States airlines.

Friends back home joke that it is just as well that he gave up farming.

"Everybody said he had to get off the farm or he'd kill himself," one of his best friends in Harrington, Wash., said recently. Harrington is a community of 500 where Mr. Timm's brother, Duane, operates the family's 5,000-acre wheat farm.

Many executives of the nation's scheduled airlines these days are saying that Mr. Timm may be one of the best things to have happened to their industry since the jet engine.

In its almost 40 years of existence, the Civil Aeronautics Board has had to live with a split personality.

On the one hand, it is responsible for regulating a $10-billion-a-year industry and safeguarding the interests of more than 170 million passengers who fly annually.

On the other hand, it is charged by Federal statute to encourage the growth of commercial air transportation and to serve as a kind of advocate of its best interests. To many C.A.B. members, this dual role has posed a perplexing problem.

The C.A.B.'s principal regulatory clout is in its authority to set domestic fares and determine the domestic routes that airlines may serve.

Because of his opinions on regulatory cases since joining the board, Mr. Timm is expected by many airline executives to stress the Board's role as economic guardian of the industry much more than did his predecessor, Secor D. Browne.

Mr. Browne, saying that he had become bored with the job and wanted new challenges, resigned in February to rejoin the Massachusetts Institute of Technology faculty and to serve as a transportation consultant.

During his tenure, Mr. Browne led the board in establishing a freeze on the awarding of new routes, supported a number of fare increases, and backed a controversial plan by which several airlines, by advance agreement, reciprocally cut back flights on several routes to reduce excess capacity.

Because of his position on such issues, Mr. Browne was generally well-liked by industry leaders during the early part of his four-year tenure. But his relations with the industry cooled during the last year or so.

This was due largely to his role in helping to shape a new travel concept called "Travel Group Charters," or "T.G.C.'s," as they are commonly known.

Because of a widening gap between the cost of a trans-Atlantic ticket on a scheduled flight and the bargain rates that members of clubs, organizations and other so-called "affinity" groups were paying on charter flights, the board moved to narrow the gap.

Last September, after almost two years of debate, it promulgated a plan allowing anyone to fly on a budget-priced charter flight. The main prerequisite was that he had to sign up for the trip 90 days before departure.

The goal was to give the general public the benefits of "bulk buying" heretofore limited to affinity organizations. Generally, fares were about half as much on charter flights as on conventional scheduled flights.

So far, consumers have not rushed to sign up for "T.G.C." flights. But Mr. Browne was widely assailed by the scheduled airline industry for developing the plan because for the first time it gave nonscheduled charter airlines a chance to carry members of the general public.

Mr. Timm sided with the scheduled airlines in the dispute. In an outspoken 110-page dissent, Mr. Timm criticized the board majority that had approved the T.G.C. plan.

Borrowing verbatim many objections to the plan raised by the Air Transport Association, the scheduled airlines' Washington lobbying group, he called T.G.C's illegal and said they could lead to economic ruin for many scheduled lines. Instead of introducing the concept on an across-the-board basis, he said, it should have been carefully experimented with first.

In his dissent, Mr. Timm made clear one of the guiding principles of his thinking:

"The primary responsibility of the Civil Aeronautics Board is to encourage and promote a sound scheduled air transportation system domestically and internationally."

According to acquaintances, there is a consistency to his conservative outlook regarding the relationship of business and Government going back many years.

Although his convictions have not deterred him from accepting Federal wheat subsidy payments for the family farm, Mr. Timm has frequently criticized Government "handouts" programs and maintained that Government should not interfere with commerce and with life generally.

"He's what you might call a rugged individualist when it comes to business," one acquaintance said. "He believes in an honest day's pay for an honest day's work."

Mr. Timm holds a degree in economics from the University of Washington. He is married and has two daughters. His principal hobbies are golf and collecting mechanical gadgets. Friends describe him as warm, modest, gregarious and conscientious.

After his experience as a school trustee, Mr. Timm was elected to the State Legislature and served there between 1951 and 1959. While he has become reasonably well off from farming and business investments, politics has played an increasingly large role in his life.

He became a Republican National Committeeman from the State of Washington in 1959, participated in many state and national Republican activities, and was chairman of the program planning committee of the 1968 Republican Convention in Miami that nominated Mr. Nixon.

Between 1966 and his appointment to the C.A.B., he was chairman of the Washington Utilities and Transportation Commission, where he was generally—but not always—regarded as sympathetic to the interests of regulated carriers.

Mr. Timm had no prior experience in the air-transport industry before being appointed to the C.A.B. by the Nixon Administration. Traditionally, membership on the board is a patronage job.

Mr. Timm, whose salary is $40,000 a year, has only one of five votes on the board.

The most controversial issue now confronting the board is an effort by Trans World, American and United to continue their controversial agreement to limit on a prearranged formula the number of seats they fly on four long-haul routes. These routes are New York to Los Angeles, New York to San Francisco, Washington to Los Angeles and Chicago to San Francisco.

The airlines assert that such an agreement is the only way to prevent each line from flying many unneeded seats. The agreement, first approved in 1971, reduced seats flown on the routes an average of 28 per cent on the four routes. The plan was scheduled to expire last fall because the recession-inspired traffic slump had ended.

Under Mr. Browne, the board voted last summer to permit extension of the plan through April 28 to give the airlines time to make an orderly transition. But the board majority said at that time that the agreement touched sensitive antitrust matters and that it should not be extended beyond April 28.

The Justice Department opposed the agreement. But the C.A.B. has authority to permit such industry agreements exempt from standard antitrust barriers.

In approving last summer's short-term extension of the plan, Mr. Timm filed a separate commentary saying that airlines should be able to reach such capacity-reduction agreements over long terms.

There are two vacancies on the board that are yet to be filled. Therefore, many airline executives and C.A.B. insiders are cautious about predicting what direction the agency will take now. However, one Wall Street airlines analyst last week summed up a widely held view:

"I don't think there's any doubt about it, he's going to be good for airline earnings."

SENATOR MATHIAS ADDRESSES JUDICIAL CONFERENCE

Mr. SCOTT of Pennsylvania. Mr. President, the Senate Judiciary Committee is considering legislation which could have profound consequences for the legal institutions of our Nation. This legislation includes revision of our criminal code, the issuance of new rules of evidence for the Federal courts, renewing the authority of the Law Enforcement Assistance Administration, and consideration of the structure of our Federal court system. As we examine each of these areas, and the many others that will concern the Judiciary Committee and the Senate, it is of utmost importance that we realize the pressures, stresses, and strains which our legal system must overcome.

Senator Mathias, a member of the Judiciary Committee and my distinguished colleague in the Senate, addressed himself to the challenges facing our legal institutions in a speech Monday before the 34th annual Judicial Conference of the District of Columbia Circuit. He summarized the importance of his subject very well:

> We must start with a fundamental concept. Ours is a government of laws and a society of laws. Laws determine the status, rights, and privileges of individuals and institutions at one particular moment, and laws guide the development of our society by channeling the forces of change in certain directions for certain ends.
>
> If our laws and the legal institutions which translate them into living elements do not fulfill their roles adequately, the fundamental stability, values, and direction of our society are seriously endangered.

Senator Mathias then went on to examine four severe strains which are endangering the viability of our legal institutions. These strains are: First, the failure of legislators to perform their constitutional role; second, the tremendous rate of change that characterizes modern society; third, the triumph of new technology that must be considered by our legal institutions in making the great decisions assigned to them by our Constitution; and fourth, the changing values and attitudes of our society toward the law.

Mr. President, because of the timeliness and the wisdom of the remarks of the Senator from Maryland, I commend his address to the attention of my colleagues, and I ask unanimous consent that the full text of his address be printed at this point in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks of Senator Charles McC. Mathias, Jr.

I have come here this morning to expand on the Chief Justice's theme—CHANGE—and to express my concerns about the ability of our institutions—and particularly our legal institutions—to stay abreast of, and to channel, the tremendous forces of change which so dominate modern society.

I hope that my remarks might spark a constructive dialogue on the problems which will confront us over the years ahead, and so I will welcome and solicit your advice and judgment.

Over a hundred years ago, De Tocqueville wrote that a striking fact about Americans was the number of small social committees and community groups they form—their bridge clubs, church groups, political debating societies, farm groups, and so forth. Americans, he said, found self-identity and self-fulfillment through these organizations. Over the years, however, these groups have become huge institutions—giant corporations and unions, enormous educational institutions, large religious and social bureaucracies, and perhaps most of all, an ever-growing government. Growth itself, of course, is not concerning—but recently these large public and private institutions have become and are viewed by the public as having become, unresponsive to the needs of the common individual. A recent Harris survey shows the trend: Since 1966, public confidence in our major institutions—public and private—and their leaders has fallen more than 40 percentage points.

Each of us, I believe, feels that ours is a good country and Americans are good people. And we are right. We set high goals; we pursue noble ventures; we provide a generally high standard of living; we do address, over time, our most fundamental problems. But as our country grows and becomes more complex, our social, economic, political and governmental institutions must undergo continual reform and renewal. And wise reform requires widespread participation.

In many of the recent years, too many of us have sought the easy way out—by turning from the hard task of carefully sculpting new forms of interaction and instead trying to salve our consciences and release our frustrations by blaming our problems on someone else—the omnipresent "them."

Now, I believe, we can detect a new willingness in Americans to turn back to the harder tasks—to seek the considered, careful, thorough reform of our institutions which is demanded by the continual growth and change of our society.

And so, I hope structural reform will characterize efforts throughout our system. Toward this end, in the Congress, I am chairing an Ad Hoc Committee on Congressional Reform. As a new member of the Appropriations Committee, I am working to help lay the foundation for a fiscally responsible—as well as socially responsible—federal budget.

As a former member of the Government Operations Committee, I have steadfastly supported President Nixon's decision to concentrate on structural reforms of the Executive Branch, and I am pleased that he has announced that his reorganization efforts are aimed—not at halting change—but at reshaping our massive Federal bureaucracy so that it will better perform more effectively and efficiently with fewer burdens on the average individual. I hope that this same spirit of structural initiatives to make the American system work—or, to let each of us make the American system work for himself—will be carried through each of our major government programs, and into the private sector as well.

The need for reform of our institutions is perhaps greatest in our legal institutions, particularly the Congress which makes the laws and the Courts which interpret them.

As a member of the Senate Judiciary Committee, I am urging that we undertake some very basic reforms in our criminal justice system, particularly as it relates to juveniles. But today, I want to look at our legal institutions in a larger context.

We must start with a fundamental concept. Ours is a government of law and a society of laws. Laws determine the status, rights and privileges of individuals and institutions at one particular moment, and laws guide the development of our society by channeling the forces of change in certain directions for certain ends.

If our laws and the legal institutions that translate them into living elements do not fulfill their roles adequately, the fundamental stability, values, and direction of our society are seriously endangered.

There are now, I believe, severe strains being placed on our legal institutions which threaten their viability. Let me suggest four sources of these strains.

The first is the failure of legislators, including those of us in Congress, to fulfill our Constitutional role. The Congress today is severely antiquated and in danger of becoming totally obsolete. I do not envision that the Capitol will be closed and business terminated. It will always be a tourist attraction. But it is not necessary to abolish Congress to emasculate it. The House of Lords still meets regularly in Westminster, but its effect on British government is less and less discernible. But today Congress is not wisely or efficiently organized or adequately staffed. As a result of this fact and others, its members are torn and tugged among competing demands within the Congress—between conflicting responsibilities to various committees and subcommittees—and between loyalty to their duties as public servants and loyalty to their Party, to other outside organizations, or to individuals within and without the government.

In this atmosphere, it becomes difficult for members to look ahead to discover the great issues which are coming down the track, or to marshal the facts necessary to make the great decisions. Consequently, crucial questions such as quality education, environmental protection, and society's responsibilities toward the poor and handicapped, are muddied, emotionalized and dealt with in half measures if they are dealt with at all. Moreover, the failure of legislators to pass carefully sculpted legislation merely leads to prolonged judicial battles over intent and execution which often place the courts in unfair and uncomfortable positions. In this regard, I am thinking of current questions such as the President's impoundment of funds, the legitimacy of the War in Vietnam, the current bombing of Cambodia, or the proper scope of privilege that should attach to newsmen, Presidential staff, or to members of Congress and their staff.

Each of these cases suggests both the need for clear statutory guidelines and the failure of the Congress to provide such guidelines.

The second cause of strain on our legal institutions is the tremendous rate of change that characterizes modern society, coupled with the fact that the United States is on the frontier of such change—a frontier populated with wars, famines, nuclear weapons and population explosions. Under the pressures inherent in this situation, we have become accustomed to operating in a state of virtually unrelieved crisis. We know, for example, that since 1933 the President and the Congress have felt it necessary to keep the United States in a formal, legal "State of National Emergency", and to renew this declaration in 1950 and 1971 just to make sure. An emergency status, of course, gives the President a vast array of extraordinary, and unchecked powers. And we have grown so accustomed to this State of National Emergency that we are told that our society could not function without it. But perhaps more disturbing than the fact of the emergency status is the thought that it is merely symbolic of the manner in which we seek to deal with change. We are too often unable to bring the genius of America to bear on a problem until we deem it a crisis or an emergency. In this regard, I am thinking of the crisis that precipitated the hasty adoption of the Gulf of Tonkin Resolution—the economic crisis marked by Phase I, Phase II, and the continuing unprecedented government regulation of our economy—or the ongoing environmental crisis and the energy crisis that is just rising. In each case, there was a real problem which was foreseeable, but it is disturbing that despite the great intellectual and technological resources at our disposal, our laws and legal institutions apparently could not cope with the problem without the emotion and haste associated with the crisis mentality. We know that neither the courts nor the Congress are designed to work best in emergencies. But laws which are supposed to guide the forces of development—such as laws regulating warfare or anti-trust laws—have been allowed to become obsolete. Often they are a burden to wise action rather than an aid. And so our continuing failure to adjust our laws and institutions to external change invites continuation of government by permanent emergencies—emergencies which threaten the values and procedures which we, as lawyers and judges sworn to uphold the Constitution, should hold most dear.

The third strain confronting our legal institutions, I believe, is the triumph of new technology which must be considered in making the decisions confronting us as legislators or jurists. Individually we are not, nor could we be, trained as experts in this technology. And yet we know that we must be its master or become its slave—not only in cases involving intricate corporate accounts or satellite communications, but in the rush of court cases and legislative problems concerning environmental impact, or the establishment and implementation of safety standards in such matters as nuclear power plants. The Congress is finally establishing its own Office of Technology Assessment to provide independent, professional, thorough evaluations of new technology. But the courts are being called upon to make many of the same findings of facts and judgmental decisions as is the Congress, and without similar help. And so I would like to ask your advice on whether the resources at your disposal will be adequate for the task in the years ahead, and, if not, what we can do to help.

The last source of strain on our legal institutions which I want to mention is our society's changing values and attitudes toward the law.

We see evidence of these changes in the increase in the number of students who wish to be lawyers, and the number and variety of new types of cases which are being brought before our courts. We are also aware of the growing popular belief that the courts are the best hope for constructive change which has been stifled in, or by, our more political institutions. Thus the courts have been asked by citizens to take a leading role in guiding change in the areas of civil rights, sex mores, quality education, school financing, legislative reapportionment, right to counsel, and prison reform. And now, once in the thicket, the courts are being asked, and expected, to go deeper and deeper into the murkiest corners of the forest. Yet, without help from the other branches, it is unlikely that the courts can meet such expectations.

The remedies for coping with these strains are not beyond our capacity. Within the Congress, Senators of both parties are coming forth with specific plans. I have sponsored a dozen separate bills, ranging from improved staffing to reforming the seniority system to simplifying our committee structure and modernizing our approach to the Federal budget. Last December, I formed an Ad Hoc Committee on Congressional Reform, and with the cooperation of Senator Adlai Stevenson, held a series of public hearings on the urgency of reforms. The response from the public was overwhelming, and I believe demonstrated that Americans really do want a more responsive, representative, and accountable Congress. And we are clearly moving in that direction.

The reform of Congress can significantly advance the opportunities of providing the courts with the general support and specific aid they need:

Carefully sculpted laws which address the major issues and guide the forces of change.

Programs which address the criminal caseload problem, for example, not only by increasing the number of judges but by dealing with juveniles before they become firmly entrapped in a criminal career.

Programs to ensure that courts have the means to deal with the new technologies and to ensure that they are not asked to make decisions that the political branches should make if they were not blatantly shirking their duty.

But in this effort, we will continue to need your advice, counsel, cooperation and support. The reform of our institutions will demand the lubricant of good will. Our leaders must reawaken the spirit of mutual respect and tolerance among our institutions. Lesser loyalties to individuals or organizations must be put aside when they conflict with our greater responsibility to uphold the Constitution and obey the law. And we must perceive that a general confidence in the competence and integrity of government is the necessary first condition for meeting the challenges which threaten the very existence of our society.

MARGARET CHASE SMITH

Mr. MUSKIE. Mr. President, on March 22 I placed in the Record several items relating to the present activities of Senator Margaret Chase Smith. In the Maine Sunday Telegram of April 8, 1973, Bill Caldwell reprinted a letter which he had received from Senator Smith's former administrative assistant, Maj. Gen. William G. Lewis, Jr. For the benefit of my colleagues who have expressed an interest in Mrs. Smith's active schedule, I ask unanimous consent that Mr. Caldwell's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

What's Margaret Doing?

(By Bill Caldwell)

Not a week goes by without half a dozen people or more asking me "What is Senator Smith up to these days? When is she coming home to Maine again?"

Well, for openers, there was a fine spread about Maine former's senior senator in the Congressional Record of March 22. It covered more than six pages, and included a number of articles from this newspaper.

Perhaps the nicest part of this spread in the Congressional Record—which is the daily bible in Washington—is that the whole thing was inserted by Sen. Edmund S. Muskie, the man who is now the senior senator from Maine.

On the more personal side of what Margaret Smith is doing these days, I recently received a letter *from* Major General William G. Lewis Jr., the man who has long been the senior assistant to Sen. Smith. It tells what Margaret Smith has been doing of late—and will be doing in the near future. (She plans to be in Maine at the end of May).

Here is Bill Lewis' letter:

Dear Bill: As one of Senator Smith's friends interested in her doings, I think you would have enjoyed her past ten days. We left Washington early the morning of March 3rd on what turned out to be a 2600-mile trip through Tennessee, Alabama, Georgia, Florida, North Carolina, South Carolina and Virginia. That night we arrived in Kimball, Tennessee at about 6:00 p.m. after a 600-mile drive.

Kimball is 27 miles west of Chattanooga on the way to Tuscaloosa, Alabama, where Senator Smith was scheduled for a three-day residency at the University of Alabama Law School. We stopped there because it is my mother's birthplace and I had never been there before. It is a very small village and after having driven throughout it and walked through the cemetery we left the next morning and drove to Birmingham, where we had lunch with Doctor and Mrs. Abraham Russakoff. His family comes from Skowhegan and the entire family is an amazing success story (his parents having come to Skowhegan from Russia). He is one of the leading doctors of Birmingham and Mrs. Russakoff an outstanding leader in social welfare work.

After lunch we drove on to Tuscaloosa and had dinner that night with the Dean of the Alabama Law School and Mrs. Thomas Christopher. The next two days were spent in a series of rap sessions with the law students and meetings with the law faculty. It was truly a most rewarding experience and thoroughly enjoyed by the Senator. As for the students, Dean Christopher told me that she was a smash hit, that she has far exceeded her predecessors which include a Supreme Court Justice and a former Supreme Court Justice and that they are anxious to have her back for a long period.

On Wednesday March 7th, we drove to Florida and on the way Senator Smith talked to Governor George Wallace as we went through Montgomery. She thanked him for his very warm telegram to her last November. We had car trouble early that morning (break in water hose) and early that evening (a mini-hurricane on the Florida Expressway drowned the motor). We drove to Palm Beach where we were the guests of former Representative Frances Bolton Thursday through Saturday at her beautiful home on the Atlantic. We left there Sunday morning for Jacksonville and on the way stopped at New Smyrna Beach to see the glamorous condominium that Laura and Spike Bernier (Senator's sister and brother-in-law) recently bought. Then on to the Bill Mills' in Jacksonville that late afternoon (he is Peter's brother, former member of the Federal Reserve Board, DuPont executive and MCS Library Trustee). The next morning we left for Washington.

Among the interesting experiences were the reactions of the students at Alabama. Some told Senator Smith that they wished she would visit as many universities and colleges as she could and let a little of herself rub off on the students. Several students and members of the law faculty expressed great surprise at her physical condition and mental attitude. They referred to Mike Shanahan's AP story reporting that she was a bitter recluse who had spent the past two years in a wheelchair—they were almost incredulous at seeing her walk fast without a limp and be so outgoing and cheerful. It illustrated what a false image erroneous news media reports can create.

Next month we have two trips scheduled—in the early part to northern New York for an address in one place and for induction into a Hall of Fame at another place—and on April 23rd to Washington and Lee University at Lexington, Virginia for a lecture and rap session with the students there that day and the 24th and then on to Columbus, Ohio on April 25th to address the Ohio Federation of Women's Clubs.

In May we will probably be driving to Michigan and Indiana where Senator Smith will give commencement addresses and receive her 73rd and 74th honorary degrees. In June she will give commencement addresses at the high schools in Winslow and Harrington (she has been unable to accept other Maine school invitations during this period because of previous commitments). She has regretted an invitation to give a commencement address to a California college because of Maine commitments. On May 31st she will give the commencement address to the graduating nurses at the Eastern Maine Medical Center in Bangor and on June 2nd be at Westbrook College in Portland to receive an award.

Thus far, she has refrained from accepting overtures of lecture bureaus, book publishers, and television. However, she is seriously considering purchasing an interest in a major television enterprise.

Frankly, I can't keep up with her although I am in good health (and not dying of cancer as was rumored in the October days of the campaign) having been given a clean bill of health by the Air Force after the exhaustive so-called "executive physical examination" given to Generals.

Our best to you.

Sincerely,

William C. Lewis, Jr.

And that's the kind of "retirement" that Margaret Chase Smith is enjoying these days.

CAPITAL PUNISHMENT

Mr. BUCKLEY. Mr. President, Dan McMahon, sheriff of Westchester County, N.Y., has written a timely analysis of the issue of capital punishment. The article, titled "Capital Punishment," appears in the February 1973 issue of the FBI Law Enforcement Bulletin.

Sheriff McMahon's outstanding career in law enforcement is well known in New York State. I am pleased to have this opportunity of introducing his article into the Congressional Record, and I commend it to the attention of the Members of the Senate; and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Capital Punishment

(By Daniel F. McMahon)

The issue of capital punishment has been one of the most continuous and fiercely debated in our history. Since 1846, several States, some 15 in number, have completely abolished capital punishment, and of these, 11 have reinstated the death penalty. Of these 11, 3 have reabolished capital punishment. At the moment, there are only 10 States of the 50 that have totally abolished the death penalty. As evidence of the strong support for capital punishment, the House of Representatives, on October 2, 1972, by a majority of 354 to 2, voted the death penalty for aircraft hijackers.

In 1965, New York State abolished the death penalty, with certain exceptions. On June 29 of this year, the U.S. Supreme Court, by a five to four decision, held unconstitutional the laws of Georgia and Texas, which authorized the death penalty. Two of the three cases before the Supreme Court were rape cases, not involving homicide. The decision has been widely misconstrued to hold that capital punishment was abolished for all purposes. This is not a fact, as a reading of the decision will clearly show. Each of the nine Justices had a written opinion, and only two of the nine clearly support complete abolition. In any event, this is an unfortunate decision, because it has left confusion and uncertainty in its wake. There was no legal precedent for this decision, even though the issue had been before the Supreme Court on previous occasions. Also, it is noted that the framers of our Constitution explicitly authorized capital punishment. The fifth amendment of the U.S. Constitution makes this abundantly clear.[1]

Since the abolition of the death penalty in our State, we have had a continuous increase in the homicide rate. As a matter of fact, over the past 2 years, we have had one record after another broken with the number of murders. New York City had 1,466 murders in 1971, an increase of 31 percent over the previous year. During the first 5 months of 1972, New York City had a record of 614 homicides and an unprecedented number of 57 homicides for the first week in July of this year. It is noteworthy that this 1-week record came immediately following the announcement of the U.S. Supreme Court decision.

The greatest significance of these homicide figures for 1972 is the fact that during the same period of time the total of serious crime in the city was decreasing by 21 percent. The trend of soaring homicides is similar throughout the entire State of New York. The total recorded in the State for 1971 was 1,817, in contrast with 1,439 the previous year, representing a 26 percent increase. The circumstance of soaring homicide rates, with the aggregate of other serious crime leveling or dropping, is also true outside New York City.

It is interesting to note England abolished capital punishment in 1965. Their experience has shown a marked increase in homicides, even through their homicide rate is substantially below ours in this country. Nevertheless, responsible groups are banning together, urging the reestablishment of capital punishment.

I recognize very well that the statistics that I have set forth do not *prove*, with absolute certitude, that capital punishment is a deterrent to murder. Likewise, I would dispute the claim of the abolitionist that statistics *prove* their position. This word seems to be very loosely used in this debate. But, I do submit the statistics above stated do serve as a basis for a sound, commonsense conclusion that the nonexistence of the death penalty has direct relationship with homicides, which are now reaching epidemic proportions. Nowhere was this dramatized more than the Brooklyn Chase Manhattan holdup this past August. The holdup man, while holding eight hostages in the bank for many, many hours, told a reporter that if the cops stormed the bank, "I could kill. I will shoot everyone in the bank. The Supreme Court will let me get away with this. There's no death penalty. It is ridiculous. I can shoot everyone here, then throw my gun down, and you can't put me in the electric chair."

This is positive proof that the penalty, or lack thereof, was very much on the mind of one armed criminal, a potential killer. It is unreasonable to contend that the death penalty does not enter the minds of some other killers. Such being the case commonsense dictates that at least some will be deterred. To suggest otherwise is to contend that individuals do not fear death. *I strongly urge, if one potential murderer is deterred annually and one innocent life spared, it justifies capital punishment*. This is particularly so for homicides involving premeditation.

On March 17, 1971, J. Edgar Hoover testified before the congressional subcommittee that 19 of the killers of police officers during the 1960's had previously been convicted of murder. In 1971, when we had no executions, there were an estimated total of 17,630 murders in our country, as compared with approximately 9,000 in 1960—a 96 percent increase.

One of the unfairest arguments used by abolitionists is: In recent years the executions have dropped to zero, proving the disfavor of the penalty. This is not true. The very same abolitionists are the ones who have started massive legal attacks on capital punishment across our country, dating back 5 or 6 years. This has caused the sentencing authorities to pause, and appropriately so, pending the final word from our highest authority, the Supreme Court. It does not follow that capital punishment is in disfavor—as the polls and referendums have clearly shown. Unfortunately, the Supreme Court has not given a final word, rather a very indecisive decision.

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[1] The pertinent portion reads as follows: "No person shall be held to answer for a *capital*, or otherwise infamous crime, unless. . . ." (Emphasis added.)

Those in State government in the executive branch and in the legislature, in the area of criminal justice, have been motivated by an overriding concern for rehabilitation of the criminal. I acknowledge their sincerity and high purpose. I fully support efforts to rehabilitate the criminal, but not at a cost of sacrificing the rights of society. A proper balance can be and must be struck. But the authorities have achieved little in accomplishing their purpose, and, worst of all, they have created an imbalance which has neglected the average citizen. Our citizens in cities and suburbs live in greater fear than at any time in modern history. It can only end when the legislature returns to the fundamental and basic principle: We must have swift and certain punishment for wrongdoing. We must show greater concern for our citizens and the victims of crime than for the criminal. The first and imperative step is to reestablish capital punishment.

SENATOR WILLIAM BENTON OF CONNECTICUT SERVED HIS NATION WELL

Mr. McINTYRE. Mr. President, the untimely passing of Senator William Benton of Connecticut was a shock to all of us who had the privilege of knowing and admiring this dedicated and able leader. He will be missed.

My heartfelt condolences go to his lovely wife, Helen, and his son, Charles.

My colleague, Senator Percy, has recently read into the Record William Benton's witty and good-humored remarks at the University of Chicago when he was awarded the first William Benton Medal (Apr. 3, 1973, p. 10690). Bill Benton spoke of "the real story of Bill Benton, a tactless, not too likeable fellow who all his life has worked much harder than necessary trying to make ends meet."

Mr. President, I am pleased to recall that a distinguished institution of higher education in my own State of New Hampshire and my own alma mater, Dartmouth, took up Senator Benton's good-hearted spoof of himself in the course of awarding him the honorary degree of doctor of laws in the same year, 1968.

As President Dickey draped the hood over his shoulders, he recited:

> It is not merely your having been born on April 1 or even your editorship of Humor at Yale that makes you slightly suspect as the author of "The Real Story of Bill Benton," a character who in your words, "all his life has worked much harder than necessary to make ends meet." First it was cash registers peddled from a truck, then "Certo" sold by radio until ends were so well met that at 36 you retired to be vice president of the University of Chicago whose ends also had need to meet. Purchasing what the university declined to be given, you became the publisher of the Encyclopaedia Britannica and thereby the master peddler of all man's knowledge. And there were other ends yet to be met as assistant secretary of state, United States senator, and as ambassador to UNESCO. Along the way you became a notable patron of America art and an equally notable critic of Khrushchev's communism, the first McCarthy's anti-communism, and of De Gaulle's grandeur. Today as Britannica celebrates 200 years of sustained effort to tell all, Dartmouth salutes you as a Doctor of Laws whose service to man's need to know has transcended both reward and duty.

The "cash registers" cited by Dr. Dickey refers to the fact that young Benton was, briefly, a salesman for National Cash Register, and the "Certo" to a product advertised from rags to riches during the great depression by the advertising agency of Benton & Bowles. Throughout his varied careers after he retired from advertising at 36, a self-made millionaire, Bill Benton was a relentless public servant, and a missionary for education and culture. His career in the Senate was brief, but unforgettable, as my distinguished colleagues from Arkansas and others have observed. And indeed that career has not been forgotten.

Mr. President, I ask unanimous consent that a few of the messages of condolence that Mrs. Benton has received from former Members of both Houses be printed in the Record.

There being no objection, the messages were ordered to be printed in the Record, as follows:

Washington, D.C.
March 21, 1973.

Mrs. William Benton,
Waldorf Astoria Hotel,
New York, N.Y.

Dear Mrs. Benton: Mrs. Morse and I want you to know how sad we are as a result of the loss of Bill.

He not only over the years was a generous benefactor of mine, but he was one of my cherished, biased friends. As I have often said, there isn't anything more precious than a biased friend, because such a friend stays with you through thick and thin. Bill Benton was such a friend of mine.

Mrs. Morse and I extend to you and your family our deepest sympathy.

Cordially,

Wayne Morse.

Washington, D.C.,
March 24, 1973.

Mrs. Helen Benton,
Mr. Charles Benton,
Care of *Encyclopaedia Britannica,*
New York, N.Y.

Dear Helen and Charles: The news of Bill's death has placed a pall over all of the landscape both mental and physical. Emily and I feel for you deeply. Bill was not only a good personal friend, but a marvelously useful citizen.

In the 1930's when he was Vice President for the University of Chicago charged with raising money, he defended me against the establishment who wanted me fired. He did so without knowing me nor under any personal obligation. He and [Robert M.] Hutchins saved my job and I have never ceased to remember it. Then when we came to the Senate he made his Arizona home available to us twice when I needed it badly to recuperate from the strain of conflict. Later on he put his apartment in the Waldorf and, I think, the Sherry Netherland at our disposal and made our New York stay more worthwhile. In my final and fatal campaign in 1966 he gave me money at an early stage and helped me very much.

He would not accept thanks for any of this and he seemed embarrassed when we tried to thank him, but he was a crucial supporter and a stalwart friend through thick and thin.

On the side he did a large number of useful acts. His gifts to the University of Chicago out of the profits of the Encyclopaedia Britannica were the largest of any except for John D. Rockefeller and Bill did it quietly. He raised the level of publishing by his purchase and use of Praeger and he made not only several million dollars by developing Muzak, but he raised the level of popular programs of music. He befriended Hubert Humphrey by putting him on the Encyclopaedia board and made him really financially independent. More than anyone else he was responsible for the downfall of Joseph McCarthy.

He was my friend. We shall miss him in many ways, but the world is better for his living. He was very fond of you both—proud of Charles and loving toward Helen and your loss is by far the greatest of anyone. God bless you both.

Faithfully yours,

Paul H. Douglas.

Paris,
March 24, 1973.

Dear Mrs. Benton: I just wanted to let you know my personal feeling of loss on learning of Senator Benton's death.

My admiration for him was unlimited, as was my affection. He helped me so many times and in so many ways. All of use who had the opportunity to come into contact with him will miss him.

Sincerely yours,

Pierre Salinger.

Boston, Mass.,
March 24, 1973.

Dear Mrs. Benton: It is with deep regret that I have learned of the death of your beloved and distinguished husband, who was my close and valued friend for years; a great American and outstanding legislator, and by his nobility of character was truly "one of God's Noblemen."

My friendship and respect for your dear husband was deep and profound.

I convey and express to you and your daughters and sons, and other loved ones, my deep sympathy in your bereavement.

I feel most keenly for you and your loved ones in your great loss and sorrow.

Very sincerely yours,

John M. McCormack.

Washington, D.C.,
March 25, 1973.

Dear Mrs. Benton. This is to let you know of my deepest sympathy in the passing of my dear friend and greatly admired friend, your beloved husband. As one of his colleagues in the Congress, I regarded him as one of our most courageous and useful members. I also appreciated the fact that in private life he continued to serve nobly the many causes in which he believed.

Sincerely

Brooks Hays.

Tribute to the Late Senator William B. Benton

Washington, D.C.,
April 10, 1973.

Bill Benton will be long remembered for his many innovations in business and publishing affairs.

But the greatest tribute that any Senator, past or present, can pay to Senator Benton, is of his courage to protect the Senate as a place where truth could counteract the forces of falsehood and slander could be put down by facts.

Senator Benton demonstrated this strong sense of courage as he rapidly attacked those who would use the communist smear to destroy freedom of expression on the floor of the Senate.

He was unafraid of those who would try to use the tar brush of communism to block progressive and patriotic proposals advocated in the Senate.

Bill Benton strongly deserves recognition as a man who had the dedication, fortitude and ability to communicate with the millions of Americans who were anxious to preserve our Democratic form of government.

I am happy to add my personal tribute to Senator Benton to those of his widespread acquaintances throughout the United States as a result of his courageous work in the Senate.

A. S. MIKE MONRONEY,
U.S. Senate, Retired.

THE BUDGETARY PROCESS IN CONGRESS

Mr. **FANNIN**. Mr. President, rampant inflation has proven once again that overzealous government is an enemy rather than a benefactor of the people.

It is the Government which initiated and perpetuated the inflationary conditions that cause consternation for the housewife, anguish for the workingman and despair for the retired.

Most Americans are too busy to consider how our economy got into our current precarious condition.

Everyone should be reminded that the Federal Government began it all in the mid-1960's with the effort to carry on a major war and at the same time launch massive and ill-conceived social programs without adequate revenue. Union leaders were swept along in the euphoria as they demanded more and more wages for less and less work.

High labor costs in America, combined with unfair trade barriers abroad, meant that our exports would suffer and imports would soar.

As our balance of payments and trade worsened, foreign traders watching the inflation develop in America caused pressures for devaluation of the dollar.

Devaluation means that Americans must spend more dollars abroad to purchase products we need—such as oil to meet the energy crisis—and that American prices look better to foreigners who want to buy our goods. This latter point should be an advantage, and would be if foreigners wanted to buy our manufactured goods. Unfortunately, our trading partners have no desire for goods produced by high-cost U.S. labor; instead, they have their eye on our raw materials—such as agricultural and timber products—which puts even more inflationary pressure on the American consumer.

The chain reaction goes on and on.

Fortunately, President Nixon has stepped into the vacuum and has acted boldly to trim Federal spending and hold down inflation. His actions, however, are only stopgap in nature.

The long-term solution must come from a reform of the budget-making system in Congress itself.

There is some good news in this respect.

The program worked out by the Joint Study Committee on Budget Control could return sanity to the budgetary process in Congress and thus eliminate the prime cause of inflation.

The plan calls for the establishment of new House and Senate committees to propose an overall spending limit each year. Amounts would be allocated to each budget purpose.

If the spending limit set by Congress would cause a budget deficit, an income surcharge would be imposed the following year to make up the deficit.

Any Member of Congress proposing a breach of the spending ceiling to expand his pet program would be required to either specify another area of the budget where he would cut a like amount, or he would have to provide an increase in taxes or a higher debt limit. This would make the cost of the program expansion evident, and it would put the spotlight on the big spenders.

Congress simply must put an end to chronic deficits if we are to stop inflation, solve the energy crisis and maintain our strategic and economic integrity. We have a good blueprint to work from, and we must build this new budget-control system in all haste so that we can bring inflation under control.

THE DANGER OF U.S. MILITARY REINVOLVEMENT IN INDOCHINA

Mr. **MUSKIE**. Mr. President, when a Vietnam cease-fire agreement was signed on January 27 in Paris and a Laotian cease-fire was concluded some 2½ weeks later, all Americans were relieved that our involvement in the Indochina conflict was finally coming to an end and that U.S. prisoners of war were coming home. Since 1965, the United States has spent more than $109 billion in Indochina; 45,000 Americans have been killed; 303,000 have been wounded. This has been an exorbitant toll for the American people to pay for a "peace with honor" in Indochina, to say nothing of the enormous costs of this war to the peoples of Southeast Asia.

Yet today—despite White House statements that the war is over—the United States continues to engage in major military operations in Indochina. For the last several weeks, we have been massively bombing in Cambodia. In recent days, we have given encouragement to South Vietnamese military activities in Cambodia. Now, incredibly, we have resumed the bombing of Laos.

I believe these policies are extremely dangerous. Our bombing in Cambodia and Laos, our encouragement of South Vietnamese military activities in Cambodia, our threats to retaliate for violations of the cease-fire in Vietnam, the reported active recruitment of 20,000 civilian experts to replace the U.S. military advisers in South Vietnam, and our continuing force of 50,000 combat-ready American servicemen in Thailand—these could be the precursors of a large-scale reinvolvement of U.S. military forces in the Vietnam war.

There is no legal or constitutional basis for such a reinvolvement. The Congress wants no such reinvolvement. The American people want no such reinvolvement. If there is one lesson that we should have learned from our long and tragic involvement in Indochina, it is that we cannot settle the political differences between the people of Vietnam. Laos, and Cambodia by our own force of arms.

We all know—including the administration—that the Vietnam settlement was a fragile one that might not survive. We all know that violations of the agreement have occurred. The question for the United States is whether or not we really believe—as the President has said—that we have fulfilled our military responsibilities to South Vietnam and have really quit this war.

After more than 10 years of suffering in this war, it is a cruel thing to tell the American people that there is another tunnel at the end of the tunnel.

THE TRAGEDY OF ALCOHOLISM

Mr. **THURMOND**. Mr. President, one of the many serious problems this country is facing is the tragedy of drug abuse. Many of our young people are ruining their lives, and the lives of others, by turning on and turning in to the drug culture. Of course, they will ultimately find that drugs do not lead to a placid haven but to the depths of despair. By this time, however, it is usually too late.

This is why the news media have a great responsibility to factually document the effects of drugs. In a recent edition of "Washington," the Washington Star-News devoted an indepth article to the Nation's most widely used drug, alcohol. This story vividly depicts the tragedy of alcoholism.

Mr. President, I ask unanimous consent that the article entitled "The Young Drunks," which appeared in the Washington Star-News on April 8, 1973, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE YOUNG DRUNKS

(By Vernon Pizer)

By prearrangement, I met Little Willie and Big Willie in a borrowed office on neutral territory near Dupont Circle—far enough from the halfway house where Little Willie awaits official determination of his future so that he could speak uninhibitedly. Big Willie's reputation among the authorities, and his assumption of responsibility for getting the youth to our nighttime meeting and back again, had been sufficient to get him out of the half-way house. While Little Willie rubbed a finger reflectively over the acne on his check and pondered my question, I thought idly that their nicknames ought to be reversed—At six feet, Little Willie is the taller of the two by a half-foot.

Corrugating his forehead in concentration, Little Willie answered me. "I can't rightly explain it. Somewhere up here"—he tapped the side of his head—"I didn't really want to do it. But, man, I couldn't not do it. It was like I had to have it even if it killed me." He paused and then added wryly, "And I guess it come close enough to doing that."

"It" is alcohol, and American stomachs are aslosh with it as never before. About nine million Americans are recurrent alcohol abusers at best, confirmed alcoholics at worst. On a national average the annual, legal purchase of alcoholic beverages works out to about 30 gallons for every man, woman, and child 15 or older. (Ten years ago it was approximately 25 gallons.) But per capita sales in the District of Columbia, inflated by suburbanites lured across the District line by D.C.'s generally lower liquor prices, soars to an astounding 47 gallons annually, making the Nation's Capital the wettest place in the country.

According to Dr. Morris E. Chafetz, director of HEW's National Institute on Alcohol Abuse and Alcoholism and a long-time specialist in the field, "Alcohol is the drug of greatest abuse today, both nationally and locally. Abusers are not only more numerous than ever, they also seem to be younger than ever. All of our research indicates that some 85 percent of all youngsters have some drinking experience before they reach 18, a surprisingly large segment of them before they even reach their teens. The prime drug problem of youth today is not pot or pills or heroin, it is alcohol."

Father George Dennis agrees with the Chafetz assessment. Hair curling to his shoulders and dressed in his usual baggy sweater and flared trousers, Father Dennis doesn't look like a man of the cloth, which makes it easier for him to get next to the students at Wilson High where, as chairman of Neighborhood Planning Council Number 3, he rates office space. "The kids in this area are really into alcohol, no question about it," he says. "When we put on a rock concert for them in one of the parks, we know that a good half of them, some only 12, will be drinking beer, wine, or hard stuff. Before the concert ends, at least a half-dozen—that is, a half-dozen that I know about—will pass out."

At a recent hearing in Annapolis, David G. Hartlow, chairman of the Prince Georges Liquor Board, testified that the county's major alcohol problem is drinking among the 14-to-17-year age group. "Visit our Friday and Saturday night teen clubs, and you'll find more beer and whiskey served there than there is in the taverns," he reports.

It is only by calendar reckoning that Little Willie, at age 17, can be counted among the young. For the last 11 years, ever since he was 6 and an older brother—himself an alcoholic—started him off on beer, he has been swirling in a sea of alcohol. Somewhere along the way it became an insatiable, irresistible compulsion and he was hooked, no longer simply a frequent abuser but now a full-fledged juvenile alcoholic. And somewhere along the way he lost his childhood. "I never played or nothing like kids supposed to," he says in his sad, soft, velvety voice. "Other kids played ball, but me and my friends be in front of the liquor store looking for someone to go in and buy us a bottle. We could always find someone, maybe because it made them laugh to see kids guzzling the stuff. We looked like kids to them, but inside we was all old men."

Little Willie's story differs only in peripheral factors, not in essentials, from that of most young alcoholics. Son of an inner-city minister, he managed for a long time to keep his addiction hidden from his father. ("Drink is cunning," he says. "You learn to hide that you hooked. Like you go around sucking peppermint to kill the smell, or you sit looking at a book like you reading it, but your head is off somewhere else on a buzz.") To get money for drink, Little Willie ran errands for housebound neighbors, cut grass in summer, shoveled snow in winter. But he drank faster than he earned, so he became adept at petty theft—rifling pocketbooks and wallets, shoplifting. He thinks he was 10 or 11 before his father caught him with a bottle and with a buzz he could not disguise. "My father tried every way he knew to straighten me out, but I was too far gone," he recalls. "I made a lot of promises and broke every one of them. I just tried to hide it better."

By the time Little Willie was 15, "I was killing maybe two fifths a day—wine, gin, vodka, it didn't matter what—and I had the DTs. Then one day, loaded to the gills, I went to a girl's house and busted her mother in the nose. Don't ask me why. I was still swinging when the cops took me away. I got a year at Cedar Knoll." (Cedar Knoll is a D.C. correctional institution near Laurel, Md.) "I stayed juiced up at Cedar Knoll on whiskey smuggled in on the kitchen truck when it went to Laurel to pick up supplies. When my year was over, I went on a two-week drunk that I don't remember nothing about except somehow I ended up all cut and bloody. This time the judge sent me to St. Elizabeths for 60 days."

Margaret C. Spencer, alcoholism program director of the Washington Area Council on Alcoholism and Drug Abuse, shakes her head in anger of frustration. "Society has blinders on when it comes to liquor. People think you have to be a middle-aged skid-row bum to be an alcoholic. That's nonsense. Little Willie was an alcoholic in desperate need of help long before he could shave, and there are thousands like him. But when these kids come to the attention of the authorities, all efforts seem to be directed toward the symptoms of the disease—the drunken transgressions that brought them before the authorities—instead of directing them toward eliminating the disease that is destroying them. That's the way it was with Little Willie—10 years of non-stop drinking and recurring scrapes with school and police officials, but it wasn't until he was 16 that he was referred to specialists trying to deal with the disease itself."

Big Willie is deeply devoted to Little Willie, spending all of his free time with him to serve as mentor, confidant, and prod. It is a relationship that began when Margaret Spencer discovered the youth undergoing psychiatric evaluation and counseling at St. Elizabeths and alerted the older man to his plight. "I look at him and I see me," Big Willie says. "At his age I was a boozehound shuttling between the gutter and the jail. I finally admitted to myself that I was a hopeless alcoholic and taking a drink was like putting a gun to my head. That admission of addiction is the crucial first step in fighting your way out of the bottle. While I was still in jail, I started studying to try to make up for all the lost years, and when I got out, I joined Alcoholics Anonymous. It was those A.A. people—black and white, old and young, male and female, rich and poor—who gave me the strength to battle booze. With their help, I developed the backbone and self-respect I had never had. Now I have a decent job, a wonderful wife, and a fine daughter in college; I haven't had a drop in 20 years, and I never will. I'm trying to do for Little Willie what the folks at A.A. did for me."

What causes a youngster to grow into an alcohol abuser? All of the experts seem agreed that the seeds are usually planted at home. According to Dr. Chafetz, "Peer group pressure, youthful showing off, and the hard sell of manufacturers flooding the market with pop wines sweetened and flavored to seduce youthful taste buds all play a role, but most often the child's family is the chief offender. With few exceptions, a child adopts the drinking habits of those who play a significant role in his life at the time he first becomes aware of alcohol. If there is heavy drinking in the home, you can make book that the child will become a heavy drinker."

Margaret Spencer makes the startling assertion that almost all alcoholics have become wedded to the bottle by the time they reach 13 or 14. "I don't mean that they are necessarily falling-down drunks who have reached the point of addiction," she says, "but I do mean that by that age, most of them have already established the pattern of drinking and the psychological attitude toward drink that have them headed toward disaster. Nine times out of 10 they got started by imitating a member of the family or a friend to whom they were attached."

Michael McBride, D.C. Department of Human Resources alcoholism suppression specialist, says, "There is no doubt in my mind that home influences play a major role in determining whether or not a youngster will become an alcohol abuser. I see confirmation of that every day in my work. But I don't need to look to others for confirmation—I became a teenage alcoholic by following the example set for me by my parents, both of whom were lushes."

Somewhat surprisingly, the experts also point an accusing finger at the medical profession. Dr. Chafetz explains that medicine's culpability begins at medical school: "The schools give little or no time in their curricula to alcohol abuse, so they turn out doctors who know next to nothing about the disease. If the schools do expose their students to any education on alcoholism, it is almost exclusively in the treatment of organic problems that arise from it. So we face the irony of doctors who may cure their patients of liquor-triggered ailments but leave them to be ravaged by the alcoholism itself."

Mike McBride relates another aspect of the charge that many doctors exacerbate the alcohol problem: "One of the worst things that ever happened was the invention of Librium and the other tranquilizers. Instead of facing the alcoholism squarely and trying to come to grips with it, the doctor simply takes the easy way out, prescribing Librium to relieve the shakes. If the patient is young, and particularly if he comes from a so-called good background, the doctor may not even realize that the problem is booze because of the popular fiction that kids, especially 'nice' kids, are not alcoholics; he clucks his tongue because the youngster is 'high-strung' and hands out the Librium to ease his 'emotional stress.' So the patient gets tranquilized enough to go out and get loaded all over again. The doctor who prescribes Librium and lets it go at that is only keeping the guzzler hung up in a revolving door."

Big Willie adds his criticism of the medical profession: "Too many doctors advise a patient to relax with a drink when he gets up-tight. Too many patients figure if the doctor prescribes liquor, it must be good medicine, and they start to medicate themselves into alcoholism. And too many kids figure if the bottle is good for the old man, it's good for them as well."

The incongruity of the situation is striking. The very influences that should reasonably be expected to provide our young people a bulwark against alcohol addiction—the family, the medical profession, society generally—stand accused of greasing their descent into the bottle. That the grease may have been applied unwittingly is beside the point.

"If we are to come to grips meaningfully with the challenge, and if we are to set about conquering it, we have to begin by adopting an honest approach that has been too frequently lacking in the past," Dr. Chafetz says firmly, waggling his pipe for emphasis. "To start with, we must recognize that there is no inherent harm in *responsible* drinking"—Dr. Chafetz is a scotch-and-soda man, with a quota of two—"but we have to agree on what the limits of responsible drinking are and abide by them. At the same time, we have to face the fact that for some that limit is a zero intake, because—for reasons we don't yet fully understand—they simply cannot stop themselves at a self-imposed limit. We also have to alter our attiude toward the alcohol abuser. Society is ambivalent, generally conceding that alcoholism is a disease, but persisting in stigmatizing the abuser with an aura of criminality. And we need to erase once and for all the myth that alcoholism is a phenomenon confined to skid-row derelicts. It can and does strike anyone, adolescent as well as adult."

Dr. Chafetz does not shrink from castigating many who are officially charged with alleviating alcoholism. "Save us," he implores, "from the smug alcoholism-program administrator who thinks he has all the answers and all that's needed is for more people to listen to him. Many of those administrators are the very ones who misuse available resources, fragmenting the various community health and social services instead of melding them into a coordinated, mutually supportive system. Even worse are inadequacies in preventing alcohol abuse from taking root in the first place. We need to initiate concerted efforts to reach kids during their school years, starting down in the elementary grades, to head off trouble before it arrives. That requires an energetic, innovative program of alcohol education, substituting enlightened realism for the mythology and scare tactics of the past. In other words, we have to level with them. Above all, we need to get off our tails and seek out those kids who are particularly vulnerable to alcohol—the emotionally maladjusted, those from homes where heavy drinking is the norm, those who tend toward delinquent behavior—and work with them and their families, both clinically and through visiting caseworkers, to prevent alcoholism from taking hold."

In the meantime—while waiting for the medical profession to reform itself, for public and private attitudes to change, for treatment resources to be brought to bear in a coordinated, productive manner, and for preventive measures to be initiated—what does Little Willie (and the others like him) do? He leans on Big Willie and on such private agencies as Alcoholics Anonymous. In Big Willie's words, uttered with conviction born of experience, "The one individual who really understands the misery of alcoholism, who really *relates to* the youngster who is hooked and knows how to help him fight free of the bottle, is another alcoholic who has been through that battle himself. Nobody knows better than he does what it takes to win and what it costs to lose." Mike McBride agrees. "The public agencies are well intentioned, but at present the best possible vehicle for helping the alcoholic is A.A.," he asserts.

Will Little Willie make his way back up out of the bottle? Big Willie is confident he will: "Look at his eyes—they have whites now. They were like two stop lights when I first met him. He's been dry now since September and he's going to stay that way. I won't let him *not* make it."

Little Willie himself says in that soft, sad voice of his, "I'm trying, really trying. But, man, it's hard. It's hard."

FOOD PRICE ROLLBACKS

Mr. RIBICOFF. Mr. President, there is still no relief in sight for the beleaguered American shopper. As each day passes he or she finds it tougher to stretch the food dollar to provide adequate meals.

Governments at all levels are showing their concern. Today I received from the city of New Britain a resolution adopted by the city council on April 4 and approved by Mayor Stanley Pac on April 6. The resolution calls on Congress to rollback food prices to January 1, 1972. My proposals to rollback prices would accomplish much of what New Britain is seeking—a halt to the skyrocketing cost of food.

I commend the mayor of New Britain and the city council for their deep concern over the runaway inflation in food prices and ask unanimous consent that the resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Legislation To Roll Back Food Prices

Whereas, with the expiration of Phase 2 of President Nixon's Economic Program the price of food soared to astronomical heights, and

Whereas, the action of the President to freeze some food prices at their current level, affords little or no relief to the people who have to put food on their tables, and

Whereas, the least that could be expected in the way of relief from soaring food prices would be a rollback of prices to the expiration date of Phase 2, but more equitable would be a rollback to food prices of January, 1972, now, therefore, be it

Resolved, by the Common Council of the City of New Britain that the Senate of the United States and the House of Representatives of the United States in Congress assembled, be and they are hereby requested to enact the necessary legislation to roll back food prices to January 1, 1972, and be it further

Resolved, that the President of the United States be and he is hereby requested to lend the influence of his office in support of such legislation, and to approve the same when enacted, and be it further

Resolved, that the City Clerk transmit a copy of this resolution to the necessary parties.

LOYALTY TO OUR CONSTITUTION

Mr. BROCK. Mr. President, recently, the senior Senator from Maryland (Mr. Mathias) reminded each of us in this Chamber that our highest loyalty belonged to the Constitution and laws of our great Nation. The Senator's remarks were very eloquent, very moving, and true. His remarks were noted by the distinguished Columnist James Reston in a column which appeared in the New York Times, the Baltimore Evening Sun, and many other papers. As the headline in the Sun stated:

> Mathias raised the fundamental point: loyalty to the Constitution.

I ask unanimous consent that the column by Mr. Reston be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Mathias Raised the Fundamental Point—Loyalty to the Constitution

(By James Reston)

Washington, March 31—Every once in a while somebody gets up in the House or Senate of the United States, usually when nobody is listening, and raises a fundamental question about the integrity of American political life.

In the last few days, Senator Charles Mathias of Maryland has done precisely that. He has raised the question of "what is loyalty?" Is the primary loyalty of a public servant to the people who finance his campaign, to the constituency or party he represents, or is it to the Constitution of the United States? Senator Mathias is raising a fundamental question: should they not get their "conflict of loyalties" straight?

Mathias didn't name any names or identify any specific political problems, but when he raised the question of the "conflict of loyalties" in Washington, most people here had an idea of what he meant.

When men like former Secretary of Defense Robert McNamara or Undersecretary of State George Ball, or McGeorge Bundy of the White House staff had serious doubts about President Johnson's Vietnam policy, was their primary responsibility to the President they served or was it to their own convictions or to the Constitution of the United States?

When President Nixon was confronted by charges of burglary, espionage, and sabotage against the people, was his primary responsibility one of loyalty to his political assistants or to the laws and principles of the Constitution?

When Senators and Congressmen have to choose between raising funds illegally for re-election, or doing without those funds, will they give their primary loyalty to the law or pretend that taking funds outside the law is a "loyal" duty to their party?

When White House spokesmen are caught in a jam between telling the truth about the Watergate conspiracy or being "loyal" to the President, should they be loyal to the Constitution and the laws, or "loyal" to their party and their chief?

"I have raised this pervasive problem of conflict of loyalties," Senator Mathias said, "because I think it has poisoned our ethical behavior and lies at the heart of public mistrust of our government and its leaders. . . .

"There have been actions over the past few years," Mathias said, "that have caused some in positions of power and responsibility to forget that the highest loyalty of an American public servant is not to any personality whether he be a President or a general or a Senator; nor is it to any organization, such as a department, agency or party; his first loyalty is to the law of the land built upon the constitutional foundations laid by Thomas Jefferson, George Washington, Alexander Hamilton, and George Mason, and the other great men of our revolutionary past."

Senator Mathias raised the issue, defined the problem, but really didn't get down in the end to the realities. In the most courteous way, he suggested that Senators, Representatives, and executive officials were serving their own interests and the interests of their bosses rather than the interests of the nation, but he didn't really get to the main point which is that many more people are cheating in American life than we dare admit, and that the political corruption is much more widespread than Senator Mathias was prepared to concede.

Senator Mathias has at least raised a fundamental question; what in the face of these ambiguous political and even ethical questions, are we to be loyal to? He says: not to the party, not to the President, but to the Constitution. We have to get our loyalties straight, he insists, and they should go not to Mr. Nixon or to Mr. Nixon's ambitious successors: Connally and Agnew, Kennedy, Jackson, or Mondale, but to the Constitution, which Mathias thinks most of us have forgotten.

BRING THE BASES HOME

Mr. HUGHES. Mr. President, the Defense Department's announcement today of planned base closings in the United States reveals a grossly distorted sense of our national priorities.

I have no doubt that some costs could be saved by some base closings and consolidations, but this is not the best way to do it.

Instead, we should act first to close our costly and unnecessary facilities overseas. We should bring these bases home before we put 42,000 more Americans out of work.

Right now, more than one U.S. soldier in every four is still stationed overseas. Over 600,000 men and women of the Armed Forces, plus about 450,000 of their dependents, are scattered among 322 major bases, and over 3,000 minor facilities around the globe.

Yet while the Pentagon slashes at domestic troop levels, it plans to bring home only 4,000 of the 500,000 troops in areas excluding Southeast Asia.

Allegedly, these domestic base reductions are being made to save about $400 million per year. If that is the goal, then why do not we bring home and deactivate just one of our divisions in Europe and save $580 million per year?

According to official Defense Department figures, the two recent dollar devaluations alone have increased U.S. operating costs by more than the $400 million projected savings from domestic base closings. In other words, to keep the same number of forces abroad will cost us more than we will save by these newly announced reductions.

The Pentagon announcement thus gives us the worst of two worlds—increased unemployment at home and increased costs and balance-of-payments deficits abroad. We could help both problems if we brought some of these bases home.

A close examination of our current overseas deployments will show that they are a costly remnant of an outdated forward strategy.

Many of these people are battle ready, powerful proof of our ability to defend our allies in case of outside aggression. They stand guard at the Berlin Wall, protect the Panama Canal, and keep open the vital sealanes to the Middle East.

But countless others just put in their time, shuffling papers during the day and itching for a chance to get onto the base golf course. According to a report in the Washington Post, many get caught in an endless round of "booze, babes, and boredom."

Parade magazine reported on March 25 that the American people no longer want to play policeman to the world. An opinion poll found that the only countries which over half the people would send troops to in order to prevent a Communist-supported invasion were Canada, Mexico, Britain, the Philippines, and West Germany. This is a small fraction of the 43 nations with which we have defense commitments at the present time.

I do not believe that our people are becoming isolationist. Rather, they have learned from our tragic involvement in Indochina that there are limits to our ability to control or shape political developments in other countries. War-weary and cynical about "great patriots" who crush their own democratic constitutions overnight, our people want to substitute economic internationalism for military involvement.

Anti-American incidents in places like Germany and Japan also convince them that important segments of these populations no longer view the U.S. presence as an unmixed blessing. Where once we were loved and welcomed, now we are merely tolerated.

The cold war which brought most of these bases and commitments into being in the 1940's and 1950's is now behind us. Hardly anyone anymore accepts the kind of massive attack which our forces were deployed to resist. Even a small attack runs the unacceptable risk of triggering an escalation which might lead to nuclear war.

Perhaps we should call the policies of the last quarter century a success. Whether or not fewer U.S. forces would have also deterred any major aggression, none took place. Now even our closest allies in Europe are beginning to relax and to build their own bridges to the East.

Proof that our NATO allies view today's threat differently can be found in the fact that they have never met their assigned quotas for NATO and that they continue to spend only about half as much of their gross national product on defense as does the United States. Some of these countries are even reported to be reducing their own force levels, because of rising costs.

Costs are a major factor for the United States as well. The direct costs of maintaining 300,000-plus U.S. troops in Europe is over $4 billion per year. Counting the forces kept in the United States to meet NATO contingencies, the yearly cost of the NATO commitment ranges from an officially estimated $17 billion to nearly $30 billion, according to analysts at the Brookings Institution.

Put another way, this $30 billion for the NATO commitment is almost as much as the Federal Government will spend this year on health, education, and manpower. Even the $17 billion official estimate is more than the President has budgeted for all Federal programs in natural resources and the environment, agriculture and rural development, and community development housing.

These huge expenditures no doubt help to deter war, but the same job could be done at a far lower cost. Meanwhile, our taxpayers empty their pockets and our factories produce weapons rather than goods which our people might buy.

We cannot get our own house in order at home until we control excessive Government spending, particularly in costly and unnecessary defense projects. And the dollar will never be sound abroad if we continue to run a balance-of-payments deficit for military expenditures of almost $5 billion per year.

Is it not time we brought our bases home? Not all of them of course, but a substantial number, in keeping with the current threat and our increased domestic needs.

Instead of putting thousands of people, civilian and military, out of work by closing bases around the United States, we should give our taxpayers a break by closing the bases overseas first.

Our improved rapid deployment capability now enables us to transport substantial forces abroad in the event of war in a very short time. Just four of our 82 giant C–5 planes can carry as much as our entire military airlift command flew to Korea to respond to the outbreak of war there in 1950.

With the extended range Trident missile, our nuclear submarines will be able to hit their targets without ever leaving their U.S. bases. We will not need Holy Loch when we can use Charleston.

In other words, we can meet all our defense objectives and commitments without such heavy reliance on overseas bases.

Why should we bear such a heavy burden in Europe when our allies themselves want to ease up? Why do we still need 60,000 troops in strong and self-reliant Japan, or 40,000 in quiet Korea, or 9,000 on Taiwan, a thorn in the side of China? Why should we keep 43,000 troops in Thailand or 15,000 in the Philippines, unless we are willing to be drawn into "another Vietnam" as the insurgencies in those countries grow?

America cannot afford such large standing forces any more—unless we want to neglect our decaying cities, our overcrowded schools, and our inadequate hospitals. We do not need such large forces in this era of negotiations, arms control agreements, and Presidential visits to Peking and Moscow.

Some people will say, as they have said every year for two decades, that now is not the time to make substantial reductions in our forces overseas. I say there has never been a better time. There is no weakness in our determination to help our allies if the need should arise, only an insistence that America tailor its commitments to its resources, balancing the needs abroad with our needs at home.

The Democratic Members of the U.S. Senate have already voted overwhelmingly in favor of substantial reductions in our overseas forces. For my part, believing that the Congress has a right to set limits on our peacetime deployments, I shall introduce legislation requiring the Congress to vote each year on the maximum number of forces to be assigned to each major region of the world. In this way, our country can decide each year on what forces are necessary to defend our vital interests at home and abroad.

DEATH OF HAROLD C. GISS, OF ARIZONA

Mr. FANNIN. Mr. President, one of the most outstanding State legislators in America died Sunday night in Yuma, Ariz.

Harold C. Giss indeed was a legend in his own time. During a quarter of a century in the Arizona Legislature he earned well-deserved respect as a man of enormous talent and energy.

He was a strong and effective majority leader for the Democrats when they controlled the Arizona Senate; he was a constructive minority leader when his party slipped from power in our State.

It was my privilege to work with him when I was Governor of Arizona and he was the senate majority leader. He had a great passion for perfecting legislation, and he had a marvelous grasp of legal and legislative processes. He was a man who dealt in facts and realities—not in personalities or partisan politics.

Mr. President, Arizona has lost one of its great leaders. I join with my fellow Arizonans in expressing my sorrow and in extending condolences to Mrs. Giss and the rest of the family. I ask that three newspaper articles and an editorial regarding the death of Senator Giss be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Yuma Daily Sun, Apr. 16, 1973]

Heart Attack Is Fatal to Senator Harold C. Giss

Sen. Harold C. Giss, 67, a legend in his time in Yuma County and Arizona politics, collapsed and died here last night.

Just after the Miss Yuma County Pageant, which he attended, Sen. Giss walked out across the fairgrounds. He was reportedly headed for the Indian Village. He collapsed next to the roadway north of the Rotary Club booth.

A Yuma couple saw the popular legislator collapse and rushed to his aid. Closed chest massage and mouth-to-mouth resuscitation was used and the first aid team from the emergency station at the fair was called. Oxygen was administered but Sen. Giss was dead on arrival at Yuma Regional Medical Center.

The suddenness of Giss' death stunned fair officials as they prepared to close up the fair. There was a great outpouring of tributes to the man who had served 25 years in the State Legislature.

Funeral arrangements show the esteem he was held throughout the state. The body will be taken from Dixon's Yuma Mortuary this afternoon to Phoenix. Sen. Giss will lie in state in the State Capitol Tuesday from 11 a.m. to 2 p.m. There will be an honor guard of Arizona National Guardsmen. At 10 a.m. Wednesday, there will be a memorial service in front of the Senate Wing of the State Capitol. At the request of the family, Gov. Jack Williams will deliver the eulogy.

Born Feb. 5, 1906 in Minneapolis, Minn., Giss came to Yuma in 1937. He and his wife, Goldie, have raised three sons in Yuma: Maurice, now of Phoenix; Kenneth of Manhattan Beach, Calif, and Gerald, a professor at Arizona Western College. Mrs. Giss and Gerry were with the senator at the fair last night but he was alone when he collapsed.

For years, Giss ran the Emporium Department Store on Main Street. In his first try at politics in the 1940's, he ran for mayor of Yuma and lost. He was never to lose again. He was elected to the Arizona House from Yuma in 1948 and served one term. Then he ran and was elected to the Senate.

Almost from the start Sen. Giss became a powerful legislator. His ability to digest a piece of legislation and dig out its flaws made him the number one voice in the Senate. He was soon to become the Senate Democratic majority leader and held that post until the Republican wave of several years ago. He merely stepped over to the post of Senate minority leader.

An outstanding parliamentarian, Sen. Giss was once the subject of headlines that screamed, "Giss Kidnaps Bill." Later the senator was to explain that he merely put the bill in his pocket and stepped out of the late night session until his fellow senators saw things his way.

Sen. Giss was often called "The Great Amender." He was happier to be remembered as the father of the state junior college system legislation. He was also known as a powerful defender of individual constitutional rights.

Over the years Sen. Giss served his county and state in innumerable capacities. He was on the Arizona Legislative Council, headed the Advisory Board for the Lower Colorado River Land Use Plan, he chaired the Judiciary Committee in the Senate and was a longtime member of the powerful Rules Committee.

All of his service to the community first had a telling effect on his department store, than his health. When the store was on the verge of bankruptcy, friends of the senator organized a "Thank You Harold" program that featured then Gov. Sam Goodard and over 1,000 well-wishers. But the store finally failed and he took bankruptcy. He never faltered in his political life, however, and opposition to Giss at the polls was hardly ever considered by anybody.

Here in Yuma, the editors of The Yuma Daily Sun chose him as Yuma County Man of the Year in 1955. He could have made it most any other year, too.

The body will be returned to Yuma Wednesday and friends may call that day at Dixon's Yuma Mortuary from 5 to 9 p.m. Services will be at 10 a.m. Wednesday in the largest church auditorium in town, the Immaculate Conception Church, 501 Avenue B. Rabbi Albert Plotkin will officiate. Entombment will be in the Garden of Faith Mausoleum in Desert Lawn Memorial Park. In lieu of remembrances, the family asks for memorials to the Harold C. Giss Fund in care of Dixon's Yuma Mortuary. At the funeral, pallbearers and honor guard will be provided by the Department of Public Safety and the Arizona Army National Guard.

Other survivors besides his immediate family are a brother, Monroe Giss of Santa Monica, Calif., and a granddaughter, Rebecca of Yuma.

[From the Yuma Daily Sun, Apr. 16, 1973]

Leaders Express Sorrow on Death of Harold Giss

State and local leaders this morning expressed both personal sorrow and Arizona's loss at the death last night of Senator Giss.

Gov. Jack Williams: "As a seasoned solon, wise beyond measure, he was a faithful servant for all the people. His service in the Arizona Legislature will never be equaled, either in time or in wise council."

Yuma County Rep. Jones Osborn: "Yuma County has lost its most faithful, most tireless and most effective public servant. At great personal sacrifice, Sen. Giss devoted a quarter-century of his life to service in the Legislature, where his ability and knowledge were unmatched. His foresight, his leadership, his wisdom and his devotion have placed us all in his debt. And I am personally indebted to him for the time he found to act as friend and counselor to me in the demanding game of politics, which he loved so dearly and played to such perfection."

U.S. Rep. Morris K. Udall: "Sen. Giss was one of the most remarkable men I ever knew. His impact on Arizona history is immense. He always remembered that he was elected to serve the people, and he worked overtime in a non-partisan way to advance the state he loved. He studied the legislative process and became a master. When he spoke, he spoke from solid ground. And people listened. The Arizona Legislature simply will never be the same without him. We have all suffered a great loss."

Glen Strohm, Yuma County Board of Supervisors: "We have lost the most knowledgeable man who has ever stepped inside the State Senate. It's a great loss for the people of Yuma County, the Legislature and the state of Arizona. I express my condolences to Mrs. Giss and the family."

Marion Beaver, Board of Supervisors: "Harold Giss was one of the greatest leaders that Yuma County ever had. He lived his life for Yuma County and the state of Arizona."

Ray Avila, chairman of the Board of Supervisors: "I personally extend my condolences to Mrs. Giss and the family. It's really unfortunate that we've lost him at this time, while the Legislature is in session and while he was working so hard for Yuma County. He was sincere, dedicated and knowledgeable in looking out for the interests of the people of Yuma County at the state level."

U.S. Sen. Paul Fannin: "The state has lost one of its abled leaders and I, a good friend. He was the state's leading expert in the legislative process, and Republicans and Democrats alike respected him for 25 years of selfless service to Yuma County and Arizona."

Sen. William Jacquin, president of the State Senate: "It is a great loss to the legislature and to the state of Arizona. We'll break for whatever arrangements are made for the senator's funeral."

Yuma Mayor Tom Allt: "The senator was a diligent public servant. He did what he honestly thought was best for all concerned, and did many good things for Yuma County and the city of Yuma. The city extends its deepest sympathy to the family."

T.O. Beach, president of the Yuma County Fair Board: "Senator Giss left us doing the kinds of things he enjoyed most—working with and helping people. It is a great loss to Yuma County; he was the best friend Yuma County has had."

U.S. Rep. John Conlan, former state senator: "He was a stern taskmaster and an excellent tutor. I learned a great deal from him."

John Underhill, president of the Yuma County Chamber of Commerce: "I feel a deep sorrow at the passing of Sen. Giss, a man who has devoted his life to public service—a loss that will be felt for many years by the community and the state of Arizona. We owe a great debt to the man who has given so much to his community for so many years. His wise counsel will be missed by all of us.

Col. Hugh H. Pattillo, Yuma Proving Ground's commander said, "It seems as though I had always known Sen. Giss when actually it was less than a year. He was that type of man. The news of his death came as a tremendous shock, not only to me but to the entire YPG military and civilian workforce. Sen. Giss served as a member of YPG's Army Civilian Advisory Committee, I am well aware of the personal interest that he had in the proving ground. He will be sorely missed by all."

Yuma Proving Grounds Technical Director Floyd Watts said, "He was a personal friend of mine and a dedicated friend of the proving ground for many years. Senator Giss was instrumental in obtaining many of the essential resources that have immensely contributed to YPG's growth from a test station to a major proving ground."

[From the Arizona Republic, Apr. 17, 1973]

Giss Leaves Lasting Mark on Arizona

(By John J. Harrigan)

YUMA.—Few men have had as much a hand in shaping Arizona's and Yuma County's destiny as state Sen. Harold C. Giss, who died here Sunday at 67. Typically, his fatal heart seizure occurred at the sort of function the popular senator never missed, the Yuma County Fair.

Locally, the senator will best be remembered as a man dedicated to education, and as a key figure in the establishment of Arizona Western College. Farmers recall his help in setting up Welton-Mohawk Irrigation District, Yuma Mesa Irrigation District and Yuma Valley Water Users.

He also chaired the influential Lower Colorado River Land Use Committee, whose recommendations will guide development of the river from Davis Dam to the international border.

He was born the son of David and Katherine Giss on Feb. 5, 1906, in Minneapolis. His father supported the family, which included three sons—Harold, Jerome and Monroe—with a small grocery in St. Paul, before being forced to move to California with crippling arthritis.

By age 14, Harold Giss was working to keep the family together. His mother brought in a few dollars as a seamstress.

He worked an ice route, sold used cars and eventually became a process server, where he was exposed to law and lawyers. Always a scholar, he attended Southwestern University of Law in Los Angeles.

He married the former Goldie Stool of Del Rio, Tex., and they moved to Yuma Jan. 12, 1933, where they raised three sons. Shortly after arriving here, he purchased a department store, the Emporium, which ran into financial difficulty along with other stores in downtown Yuma in the early 1960's.

A testimonial dinner held for him in 1965, in part to help ward off financial disaster for his store, raised more than $50,000. But the store failed two years later in spite of the effort, as did many downtown businesses before the mall project went in.

Although the governor could call an election to fill the vacancy, the governor's office yesterday said he would not. Alternatively, state law provides for the county supervisors in the elected official's district to appoint someone within 12 days after death.

Supervisors here yesterday said they had no one in mind, but would hold a special board meeting sometime in the next week to discuss the matter.

In a formal statement, supervisors extended their concern and sympathies to Mrs. Giss and the family.

Yuma Mayor Thomas F. Alli observed that he had "great respect" for Giss' talents as a legislator, and noted his accomplishments, among them his help in bringing the Marines to the air station when Vincent Air Base closed, and expanding Yuma Proving Ground.

The senator is survived by his wife, three sons, Maurice of Phoenix, Kenneth of Manhattan Beach, Calif., and Gerald of Yuma, and a brother, Monroe of Santa Monica, Calif.

[From the Arizona Republic, Apr. 17, 1973]

Dedicated to Arizona

Harold Giss was to the Arizona Senate what Carl Hayden was to the U.S. Senate—a wise, sensible, soft-spoken expert on the matter of legislative machinery who read the bills, knew strengths and weaknesses, and supported the good ones.

Both were Democrats but each put state and nation ahead of party.

Sen. Giss was a member of the legislature for 25 years, 23 of those years as a member of the Senate. He soon won the hearty respect of his fellow legislators because he knew what was in every important bill under consideration.

Most legislators get a handle on the bills before their own committees; Sen. Giss studied them all. When information was needed, he had it.

His influence stemmed largely from this fact.

The senator represented Yuma, which probably was the reason he never ran for statewide office. A small county, offering a limited political base. Yuma is solidly Democratic. Both facts worked against any chance Giss may have had of becoming governor. A small county doesn't have many votes; a one-party county has little leverage in political nominations.

Probably Sen. Giss was just as well staisfied. He brought Yuma a fine community college, which he always hoped to raise from a two-year to a four-year institution.

He collapsed at the Yuma County Fair, of which he was a devoted supporter. Death followed a few hours later.

There is no doubt but what Giss sacrificed himself for the public good. He had heart surgery several years ago and knew he had to slow down. His small business in Yuma suffered because he had to spend so much time in Phoenix. His grateful fellow townsmen gave a testimonial dinner to help him meet his financial obligations.

Through all his troubles, and despite his switch from majority to minority leader of the state Senate, Harold Giss was a perfect gentleman. Unruffled in floor debate, sure of himself in parliamentary maneuvering, dedicated to the voters who put him in office, Sen. Giss was in a class by himself. Arizona is poorer for his death.

SENATOR EAGLETON ANSWERS I. F. STONE ON WAR POWERS ACT

Mr. JAVITS. Mr. President, Mr. Stone's letter, inserted in the Congressional Record on April 9, 1973, by Hon. Clement J. Zablocki, of Wisconsin, author of the House bill on the subject of war powers, is answered by Senator Eagleton in the following letter:

U.S. Senate,
Washington, D.C., April 17, 1973.

The Editor,
The New York Review,
New York, N.Y.

To The Editor: I. F. Stone has given his usual captivating and comprehensive treatment to the war powers question in his article entitled "Can Congress Stop the President?" in your April 19 issue. As should be obvious to those who read Mr. Stone's piece, legislating a delineation of the war powers of Congress and the President is no easy task.

Some feel that to concede any unilateral war-making power whatsoever to the President is unacceptable. Others feel the same way about attempts to subjugate the President or interfere in any way with his current broad interpretation of the Commander-in-Chief clause of the Constitution. The War Powers Act, sponsored by Senators Javits, Stennis and me, falls somewhere between these extremes, not because of a particular ideological bias, but because we tried as best we could to institutionalize the original intent of the Founders.

The records of the Constitutional Convention show that the Founders had a very restrictive view of the President's right to conduct war without Congressional authorization. He would be able to "repel sudden attacks." But the idea that he could somehow read that narrow delegation of power as authority to involve the United States in civil wars thousands of miles from our shores was completely alien to those who wrote the Constitution.

On these points Mr. Stone and I agree. We seem to go our separate ways, however, over the legislative formula by which we can return our system to its intended form.

The War Powers Act (S. 440) describes three emergency conditions under which the President may use American Forces in the absence of Congressional authorization: 1) to repel an attack on the United States; 2) to repel an attack on American Forces; and 3) to protect while evacuating Americans endangered in foreign countries. The first two of these provisions are simply a reiteration of powers the President now possesses under the Commander-in-Chief clause. Legislation that attempted to interfere with that power would be clearly unconstitutional.

The third emergency provision—the avacuation of American citizens abroad—is, in effect, a statutory recognition of an historically accepted practice. While the practice was admittedly not considered at the Constitutional Convention, it has, over the years, been considered a reasonable delegation of Congress's power. Problems have arisen, of course, when Presidents have expanded the rescue mission to encompass policy considerations far afield of the announced intention. We have carefully circumscribed the conditions of this delegated power in S. 440 by restricting the President to the rescue function.

Mr. Stone then takes issue with S. 440's recognition of the President's power to "forestall" an attack on the U.S. or our Forces abroad. We have again simply reiterated what clearly is an extension of the President's right to repel attacks. While the word "forestall" does permit a degree of discretion, it seems incongruous to recognize the President's power to repel attacks and yet force him to wait until the first gun is fired before implementing adequate countermeasures. As Justice Storey pointed out in *Martin v. Mott:* "The power to provide for repelling invasions includes the power to provide against the attempt and danger of invasion as the necessary and proper means to effectuate the object."

S. 440 carefully circumscribes the President's discretion to "forestall" by placing the burden on him to prove that an attack is "direct and imminent." If the President fails to demonstrate that his actions are in accordance with the provisions of our bill, his authority can be taken away by action of the Congress prior to 30 days, or, if Congress refuses to act, automatically, after 30 days.

I would also like to clarify my remarks before the House Foreign Affairs Committee concerning the 1965 Dominican Republic incident. As Mr. Stone correctly reported, I referred to President Johnson's expansion of what he claimed to be a rescue operation as an "invasion"—hardly a word that would be used by one who supported the action. Mr. Stone has interpreted my statement that "the policy considerations that motivated President Johnson *may* have been correct" as a de facto endorsement of the action. I was, in reality, attempting to stress to a group of Congressmen (some of whom supported the 1965 action), that *any* policy consideration beyond the rescue action itself, is a matter for both Congress and the President to decide—not for the President to decide alone.

In addition, Mr. Stone alleges that the "doves" in the Senate split over the question of reinvolvement in Indochina and alleges that Senator Javits and I attempted to draw off support from the measure introduced by Senators Church and Case which attempts to force the President to seek Congressional authorization for a reinvolvement of American forces in Indochina. This is an unfortunate distortion of the colloquy Senator Javits and I had on February 20.

After the January 27 signing of the Paris Agreement, numerous colleagues and members of the press had asked Senator Javits and me for an explanation of Section 9 of the War Powers Act. This section states that hostilities in which the United States is engaged as of the date of enactment will not be affected by the provisions of the bill.

The position that Senator Stennis took on Section 9, which he has since reaffirmed, was extremely important to our 60 cosponsors since he indicated that, even in the case of Indochina, the Senate should insist on its right to authorize a reinvolvement of American Forces (after the cease-fire).

Mr. Stone's assertions that we were attempting to draw off support from Church-Case are therefore totally unfounded. I support the Church-Case amendment and deem that, under current conditions in Southeast Asia, its passage is imperative. I find nothing in Church-Case incompatible with the War Powers Act.

Sincerely,

Thomas F. Eagleton,
U.S. Senator.

PROGRESS REPORT ON SOCIAL INDICATORS

Mr. MONDALE. Mr. President, there has been a continuing need for a comprehensive review within one volume of our social ills and achievements. This need has been made even more timely and pertinent by our current discussions concerning the proper ordering of our national priorities within the restricting confines of the present national budget.

I was, therefore, pleased to introduce for myself and the Senator from New York (Mr. JAVITS) a bill which meets this need, entitled "The Full Opportunity and National Goals and Priorities Act." This bill has had wide cosponsorship of more than 20 Senators from both parties during the last three Congresses, and has twice been approved in committee and passed by the Senate.

The Johnson and Nixon administrations have both endorsed the purposes of this bill, but raised objections to the establishment of a new Council of Social Advisers, provided for in title I of the bill. Following the publication in the last days of President Johnson's administration, of what is described in a recent paper as that much criticized yet highly praised pathfinder, "Toward a Social Report," there was at first no social indicator work under President Nixon. Our hopes were, however, kindled by the setting up of the national goals research staff in the White House. They were going to produce annual reports, using social indicators. But, after the very first report in 1970, the group was disbanded. Soon after, the Office of Management and Budget embarked on a major review of already-available social statistical series, in order to establish which statistics were now useful as social indicators. We have been frequently informed at irregular intervals since 1970 that this statistical project will be published in 6 months' time. This report has yet to appear.

The concern for the quality of life embodied in this bill is shared by many groups of people both in this country and elsewhere. An excellent and timely paper by Dr. Pamela Haddy Kacser provides us with a useful description of the work on social indicators currently being carried out in national governments around the world, and in international organizations.

Pamela Kacser is advisor on socioeconomic research in the Bureau of Labor Statistics of the U.S. Department of Labor. Her duties have included work on social indicators for the last 6 years and she is an acknowledged expert in this field.

Dr. Kacser's stimulating paper, "A Progress Report on Social Indicators—in the United States and Internationally," was delivered in December 1972, at a session of the Industrial Relations Research Association, which meets jointly each year with the American Economic Association, and other professional associations in the social sciences.

The paper analyzes some of the different approaches being used by the multiplicity of organizations working on this important subject. Besides governments, these include banks, private corporations and research organizations, as well as universities. In spite of this widespread interest, and "in spite of the considerable body of work going on concerning social indicators," the paper suggests that the "state of social indicators is undeveloped, experimental, disorganized, and still full of potential." Why is the work of all these distinguished scholars at sixes and sevens? Because the subject of social indicators has lacked the official support, the impetus and focusing of efforts around the Nation which would be the immediate effect of the formal establishment of an official body with the obligation to produce an annual social report on the social state of the Nation. This is precisely what my bill would do.

Mr. President, I ask unanimous consent that this excellent article be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

A PROGRESS REPORT ON SOCIAL INDICATORS—IN THE UNITED STATES AND INTERNATIONALLY

(By Pamela Haddy Kacser)

The proposal that there should be an annual Social Report, comparable in some ways to the Economic Report, has three times been placed on the agenda of the Senate, by Senator Walter Mondale of Minnesota. The Bill, now called the Full Opportunity and National Goals and Priorities Act (S. 5), has three times been the subject of extensive and useful hearings. The Bill has twice been approved in committee and by the Senate, by not by the House. It has had two successive administrations of opposite parties praise the idea and reject the Bill, with some of the main discussants changing sides as well as office between debates, opposing the Bill while in office and supporting it when out. Freed from the constraints of office, they readily expressed the need for comprehensive national social reporting, perceived while carrying the burdens of office. Nevertheless, we must all be aware that the state of the subject of social indicators is undeveloped, experimental, disorganized, still full of potential.

In spite of this lack of legislative favor and this conceptual underdevelopment, some work on social indicators has persisted in the U.S. Federal Government through two administrations since 1967 to this day. The focus of this work has remained remarkably consistent and represents one of the three main intellectual threads discernible in the multiplicity of work carried out on the subject of social indicators. It is shared to a large degree by most of the governmental work going on elsewhere, both in national governments and in international governmental units, and by only a few of the private groups.

The work of the French Government (in the Commissariat du Plan) actually predates the work in the Department of Health, Education, and Welfare (HEW). A draft which I have seen is unique in including consideration of how much aid a rich nation should contribute to poorer nations.

After our work in HEW, which culminated in that now much-criticized yet high-praised path-finder, *Toward a Social Report*, had died down, social indicator work appeared to be doubly reborn in the White House in *Toward Balanced Growth: Quantity with Quality* in a single volume in 1970, and in the statistical work still under way in the Office of Management and Budget.

Social indicator work is also being carried out by the British, who have published three successive volumes of *Social Trends;* by the German Government; by the Japanese, who became forcefully aware of the social costs of their economic miracle, and who probably realized the desirability of making the rest of us aware of them, and, as we can read in the adjoining paper, by the Canadians.

The Japanese plans are unusual in that the general category of Justice or Public Order and Safety has been interpreted in terms of industrial safety, safety on the highways and in manufactured products in the home. American government work has been unique among the nations with the interpretation of justice, law and order in terms of concern for personal safety. In other words, each country has developed a slightly different set of indicators to reflect its own problems and its own efforts to solve them.

There is, however, considerably similarity in the areas of concern, or the chapters into which social indicator work is divided by the several governments, if not in the indicators themselves, nor in the capacity of each country's statistical system to develop the desired indicators. All governments working in social indicators include (though not necessarily with these exact terms): (a) health, (b) learning, science and culture, (c) income and poverty (or command over goods and services), (d) justice, public order and safety, (e) the physical environment, a mammoth topic including housing, and transportation, and pollution, and resource management. (f) Later work tends nowadays to include social aspects of employment, though no-one has satisfactorily determined how to have national social indicators of job satisfaction. As a result of this "new" topic, leisure is now contrasted with work, instead of with income, and so the general discussion of allocation of time is now discussed in the employment context.

Most of these groups have expressed an interest in, but have found well-nigh intractable, the wide general area of inter-relations between groups in society, including class and race relations, alienation, unrest, participation, and social opportunity. Officials of several latin countries indicated that they regarded these topics as the most important in the whole field of social indicators. Crucial though they are, these areas are the weakest not only in the development of indicators, but in the formulation of areas of goal concern, and in the formulation of exactly what the problems are. This general subject was also the weakest in the preparation of *Toward A Social Report*. The diversity of views was so great among the panelists working on the subject of alienation and participation that, it will be recalled, all discussion of goals was abandoned in that chapter in favor of a discussion merely touching on problems.

This common approach of governments to the subject of social indicators is not confined to the industrialized countries. In the last year, the United Nation's Economic Commission for Asia and the Far East held two conferences for its members on the subject of social indicators. The topics were similar, the only difference was that discussion of them was couched in terms of the social problems which accompany the major goal of economic development.

Within the United States, there has been some shift in emphasis. The two early governmental studies, both published in the waning days of an administration (both the *Commission on National Goals*, and *Toward a Social Report* were, I believe, published between election and inauguration days) have discussed social indicators as closely related to goals, the achievement of which would improve the quality of our lives, usually by means of the diminution of the severity of the problems measured by the social indicators. Examples would be: days of healthy life free of bed disability, and reduction in the urban citizen's risk of being mugged.

Among the stated virtues of this approach to social indicators was that a comprehensive survey of our social ills and achievements was to be summarized in one report, drawing attention to problem areas which had been previously overlooked. With its implicit policy implications, there is some analogy between a Social Report and the Economic Report of the Council of Economic Advisers. The analogy is limited, however, since the Council's report tends to emphasize certain problems and to indicate a possible policy choice. The mood of the country has changed as we have found the social problems much harder to solve, and there are enough of them visible without drawing attention to those unnoticed. The very comprehensiveness of a social report is a hazard, since its implicitly raises hopes that the right policies could remedy the problems, without emphasizing the fundamental points of economics that resources are limited, choices have to be made from the array, and among them there may well be harsh trade-off terms, as we have come to appreciate them among the possible goals of economic policy. These reasons explain, I believe, why it has been wholly natural to shift to a much more neutral approach to social indicators.

U.S. Government work on social indicators has now shifted to the very useful purpose of examining presently available statistical series to see how far they can function as social indicators, and to see what are the important omissions. This work is being undertaken in the Office of Management and Budget and is expected to be published in mid-1973. The chapter with which I have been associated, that on employment—related social indicators, has a vast array of indicators on conditions of work, risk of unemployment to different population groups, and accident rates, but shows that we do not have adequate measures of the degree of opportunity for advancement, nor suitable social indicators of job satisfaction.

In place of goals, relatively simply stated, we have collections of statistical series grouped into "areas of goal concern." There is still a concern with improving the quality of life, and with the implicit relation to policy. But by the very quantity of the series we would not expect to be able to improve performance in all of them, and so by implication a selection has to be made from the abundant menu of choices. Thus, this statistical approach is both more neutral toward policy and more realistic. If the analogy was to be the Economic Report, the analogy has now shifted to the research arms of Commerce and Labor, such as the Bureau of Economic Analysis and the Bureau of Labor Statistics.

This policy-neutral approach has also been adopted by two of the international organizations. The Organisation for Economic Cooperation and Development hopes to complete the first stage of its work on social indicators shortly. It has concentrated on the development of a detailed listing of social concerns grouped into major areas, which could be used in the development of national systems of social indicators by any of the member countries, and for international comparisons.

For the U.N. Conference of European Statisticians in Geneva a very elaborate system of detailed indicators was developed, entitled "A System of Demographic, Manpower, and Social Statistics: Series, Classifications, and Social Indicators." Member countries were then called upon to complete the system, and fill in the empty boxes, by providing the necessary data. My office was brought in mainly for one section of this response. U.S. manpower and demographic data are relatively plentiful, nevertheless, there were a number of areas which we were unable to complete. Assuming other sections and member countries shared similar problems, I question whether such a degree of fine elaboration serves a useful purpose at the international level, other than as an intellectual exercise.

So far my discussion has been confined to governmental work on social indicators. Some private social indicator research groups share the same concern for the development of problem and policy-related indicators expressed as statistical time series. At the other extreme from the complex elaboration of the U.N. Statisticians lies the work of the Urban Institute. The Institute's work uses what I would term the "proxy approach." For each of 14 areas they have selected one available statistical measure, which acts as a proxy for all the rest, for example, one education measure, and one crime measure, and have calculated these for 18 large metropolitan areas. They are thus able to produce rapidly, inexpensively and understandably, a simple comparative measure of the "quality of life" in these 18 cities. This interesting development of local social indicators has also been the task of the Midwest Research Institute for 9 areas for 50 States, and by several individual States, notably the State of Michigan.

In spite of slight shifts over time and between groups, all of the work described so far relates social indicators to goals or goal concerns, to problems, to policy for the solution of some of them, and to the development of measurements of aspects of goals, or of problems. It thus represents one of the three, main, conceptual approaches to social indicators. Both of the other approaches have emanated from the Russell Sage Foundation, and one of them is closely associated with one of the authors, Dr. Eleanor Sheldon, of the paper following this one. Since I have discussed these views elsewhere at some length, they will be treated somewhat briefly here. In the major work, *Indicators of Social Change*, which Sheldon and Moore edited, social indicators are treated as measures of social change, and a great deal of valuable material is presented. This work thus fits into the body of sociological, statistical work. It would not, to my mind, provide adequate guidance to the would-be follower as to what social change should and what should not be included as a social indicator.

The third, important, approach to social indicators research is embodied in the work of Kenneth Land, also of Russell Sage. In his work, a social indicator must form a part of a system in which there is theoretical understanding of the operation of the indicator over time.

This places social indicators firmly back in the body of sociological theory, with the consequence that all the weaknesses and lacunae of present-day sociological theory are shared by social indicators. If the social change view of social indicators were so wide as to give no guidance for the next step, this theoretical model view of social indicators is so restricting that it would leave the cupboard almost entirely bare of social indicators. It seems to me that this represents one of the ideal goals of social indicators of the future, and also of sociological theory in the future.

Having been programmed by the title of this paper to emphasize the social indicator work of governments at home and abroad, I am unable here to do more than mention the salutory wealth of different studies funded by private foundations, by the National Science Foundation, and by commercial firms in the course of other work, and, for example, by some banks, for their communities. I am forced to omit discussion of the social accounting approaches of the National Planning Association's work, and of the National Bureau of Economic Research, and prevented from discussing the importance of the study of the values of people in work as disparate as that of the University of Michigan, and the Gallup Institute.

From the earlier remarks above, it will be clear that if the reader is concerned with social indicators as providing a menu of possible policy alternatives now, he will find that another economic analogy is appropriate, namely that of the early development of economic indicators. The highly empirical work of the National Bureau proceeded quite independently of the theoretical work on national income, with which it subsequently meshed. The development of social indicators will be still more difficult, because all the major areas of concern will, presumably, develop their own theoretical frameworks. As a consequence it seems reasonable to conclude that in spite of the considerable volume of work going on concerning social indicators we still have a very long way to go yet to the development of satisfactory social indicators.

BUSING IN THE PUBLIC SCHOOLS—STATEMENT BY SENATOR SCOTT OF VIRGINIA

Mr. BARTLETT. Mr. President, I ask unanimous consent that a fine statement made by my distinguished colleague, the junior Senator from Virginia (Mr. Scott) before the Senate Judiciary Committee on the proposed constitutional amendment to ban busing in the public schools be printed in full in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement of Senator William L. Scott of Virginia Before the Senate Judiciary Committee on Proposed Constitutional Amendment To Ban Busing in the Public Schools, April 10, 1973

Mr. Chairman and Members of the Committee: First, let me thank you for holding these hearings. The question of busing of children to achieve a racial balance is one of the most serious domestic problems we have had in recent years.

A poll was taken last year in my Congressional District and the question was asked: "Do you favor busing of school children to obtain racial balance under any circumstances?" This was sent to every home in the district in March of 1972 and of the more than fifty thousand families who responded, only 7% favored busing, 91% indicated their opposition, and 2% expressed no opinion. This opposition, however, is not confined to Virginia. Every poll I have seen in recent years indicates that the people of the country are overwhelmingly opposed to racial busing. The general assembly of Virginia this year adopted a joint resolution petitioning the Congress to call a convention for the purpose of amending the Constitution to eliminate racial busing, which, with your permission, I would like to insert in the record at this point. While I do not press the convention course in proposing a constitutional amendment, this issue must be resolved one way or another. If we believe that ultimate sovereignty resides in the people of our country collectively, I feel we are obligated to respond to this collective will and to eliminate racial busing. Therefore, I commend the committee for holding these hearings and would hope that a resolution to amend the Constitution will be favorably reported so that all Senators will have an opportunity to vote on this most important matter.

Mr. Chairman, when young people are considering the purchase of a home to raise their families, they consider the location of the schools, churches and shopping centers as well as the general neighborhood. Children make friends within this neighborhood, and it seems reasonable for them to attend school with the friends they develop. We might say that parents purchase an environment within which to raise their families. In the event they are taken from this neighborhood into strange areas, emotional problems may develop and hostility. They also may be less alert on arriving at their destination and have less time during the day to devote to the learning process. It certainly seems in the interests of children to concentrate on quality education rather than attempt to use children as pawns to solve social problems for which they have no degree of responsibility.

I know there are a number of anti-busing bills pending before the Committee on Labor and Public Welfare, but it's impossible for us to judge what reception they might receive by our Federal courts if enacted, and, therefore, it does seem that the only practical solution to the busing problem is through an amendment to the Constitution. I have sponsored S.J. Res. 35 which would amend the Constitution to provide that no public school student shall, because of his race, color, or creed, be assigned to, or required to attend a particular school. A second proposal, S.J. Res. 36 contains an identical provision but adds a second section prohibiting the assignment of teachers or other public employees on the basis of race, color, or creed. The wording of these resolutions was taken from measures previously introduced in the House, but it may be that we should concentrate on racial busing of children rather than include teachers and other public employees. Both versions, however, are before the committee and I know you have a variety of other proposals.

In Virginia we have had a number of court cases regarding busing. The most widely publicized one involved children in the Richmond area, and was heard by Judge Merhige. The Federal judge ordered the cross busing of children from the independent city of Richmond into the adjoining counties of Chesterfield and Henrico, and the busing of children from the two counties into the city of Richmond. He directed that a new school board be constituted from the three political subdivisions to administer a joint school system. Frankly, I am unaware of any bias in law for a court attempting to eliminate political subdivision lines established by the State legislature. The Fourth Circuit Court of Appeals apparently agreed in reversing the trial court. However, certiorari was granted in the case with arguments scheduled before the Supreme Court later this month.

As the Committee knows, a similar situation developed in the Detroit, Michigan, area and coming as these cases did after the Swan case in North Carolina, school districts throughout the country will not be able to manage their affairs unless the Congress does act in this field.

While I am wholeheartedly in favor of a constitutional amendment to prevent the busing of children to obtain a racial balance, it may be difficult to obtain the necessary two-thirds vote in each body of the Congress and this Committee may want to consider alternative proposals.

As you know, the Constitution provides that judicial power "shall be vested . . . in such inferior courts as the Congress may from time to time ordain and establish." This is the concept included in S. 287 introduced on January 11, 1973, and referred to your Committee. I am presently seeking cosponsors to this bill. Its intention is to clarify the jurisdiction of Federal courts with regard to cases and controversies involving the public schools, and provide that neither the Federal district courts nor the circuit courts of appeals shall have any jurisdiction to hear or decide cases and controversies involving the public schools, but that jurisdiction with respect to such cases and controversies shall be vested in the courts of the respective States and territories, with the additional proviso that the Supreme Court of the United States shall retain appellate jurisdiction by writ of certiorari to the highest State or territorial court exercising jurisdiction.

The purpose of the bill, Mr. Chairman, is to insure that cases dealing with such a vital local issue as neighborhood schools be heard by judges attuned to the problems and the needs of our communities.

Protection of the constitutional rights of the parties to disputes over schools would still be available on appeal to the Supreme Court, and Federal supremacy would still be maintained.

There is no doubt of the power of the Congress to enact such legislation, and to not only set up a Federal judicial system below the Supreme Court, but also to fix the jurisdiction of such courts.

The first Congress exercised the power created in the Constitution when it enacted the Judiciary Act of 1789 (1 Stat. 73). Congress did not grant to the Federal courts the full judicial power of the United States. Jurisdictional amount requirements kept many litigants from Federal courts and sent them instead to State courts to adjudicate Federal claims. The 1789 Act contained no grant of "Federal question" jurisdiction, so that suits arising, in the words of Article III, Section 2, "under the Constitution, the laws of the United States, and treaties * * *," except where otherwise specifically and narrowly provided for, were required to be brought in the State courts until 1876 (18 Stat. 470). And a clause barring diversity jurisdiction where diversity had been created by the assignment of choses in action, kept in State courts cases which the Constitution would have permitted Congress to assign to Federal courts.

In a case involving the "assignee clause," the court first announced the doctrine that Congress controlled much of its jurisdiction and all of that of the lower Federal courts. In the words of Justice Chase: "The notion has frequently been entertained, that the Federal courts derive their judicial power immediately from the Constitution; but the political truth is, that the disposal of the judicial power, except in a few specified instances, belongs to Congress. If Congress has given the power to this court, we possess it, not otherwise; and if Congress has not given the power to us, or to any other court, it still remains at the legislative disposal. Besides, Congress is not bound, and it would, perhaps, be inexpedient to enlarge the jurisdiction of the Federal courts to every subject, in every form, which the Constitution might warrant." *Turner* v. *Bank of North America*, 4 Dall. (4 U.S.) 8, 10 (1799). And in *Cary* v. *Curtis*, 3 How. (44 U.S. 236, 245 (1845), it was said that—

"The judicial power of the United States, although it has its origins in the Constitution, is (except in enumerated instances, applicable exclusively to this court) dependent for its distribution and organization, and for the modes of its exercise, entirely upon the action of Congress, who possess the sole power of creating the tribunals (inferior to the Supreme Court), for the exercise of the judicial power, and of investing them with jurisdiction either limited, concurrent, or exclusive, and of withholding jurisdiction from them in the exact degrees and character which to Congress may seem proper for the public good."

For similar expressions, see, for instance, Sheldon v. Sill, 8 How. (49 U.S.) 441 (1850); Plaquemines Tropical Fruit Co. v. Henderson, 170 U.S. 511 (1898); Kline v. Burke Const. Co., 260 U.S. 226 (1922); Lockerty v. Phillips, 319 U.S. 182 (1943); South Carolina v. Katzenbach, 383 U.S. 301, 331–332 (1960).

State judges under the Supremacy Clause, Article VI, Clause 2, are bound by oath to uphold the supremacy of the Constitution, as well as constitutional federal laws and treaties. Today, all cases which might be brought under "federal question" and diversity jurisdiction in federal courts which do not involve the requisite jurisdictional amount must be brought in state courts. Litigants may on their own bring most cases in state courts which could be brought in federal courts, excepting only a few classes of cases in which Congress has made federal jurisdiction exclusive.

Mr. Chairman, my bill does not go to the question of the restriction of the appellate jurisdiction of the Supreme Court, which may be the subject of a difference of opinion because the U.S. Supreme Court would still be the court of last resort, even though cases or controversies involving the public schools would be decided initially in state courts.

The reason for emphasizing S. 287, Mr. Chairman, is because other witnesses undoubtedly have testified with regard to the amending process. Transferring jurisdiction over issues and controversies involving the public schools from the federal to the state courts can be accomplished by a simple majority of the Congress rather than through a convention or obtaining the ⅔ majority of each body required to amend the constitution. However, regardless of the vehicle used for its accomplishment, there is no doubt that the people of the country want the neighborhood schools to be preserved.

If we are interested in the welfare of children, and I am sure each member of the committee is, and if we want them to receive the highest quality education, again, I know that this is the desire of each member of this committee. Then we must find a solution to this problem. Therefore, I urge that the committee bring a constitutional amendment or an alternative proposal to the floor for consideration while we have sufficient time for Congress to work its will and enact the necessary legislation during this Congress to resolve this most important domestic problem.

Again, Mr. Chairman and Members of the Committee, I appreciate the opportunity of appearing before you.

QUESTIONABLE QUESTIONNAIRE OF THE DEPARTMENT OF AGRICULTURE

Mr. ABOUREZK. Mr. President, today, in the Washington Post, I came across an item that, frankly, left me flabbergasted. A column in "The Federal Diary" by Mike Causey reports that the Department of Agriculture has told its workers to fill out new forms for computers that would include, among other things, their voting residence and congressional district.

The implications of this, Mr. President, are clear. There is fear, and understandably so, that this information can be used for the purpose of political headhunting. Advancement and even employment itself may now become dependent on one's political party. With this information in the computer it would be extremely simple to check out a person's political affilation. From there it is a short step to directing the rise of his career according to his political activities.

Further, the instructions to the workers in filling out this form state that the information is required by the Civil Service Commission. Mr. Causey, however, states that the Civil Service Commission did not ask for this information. Even if they did, I would have to question the propriety of even the Civil Service Commission in requesting such data.

Finally, I would point out that activities in the Department of Agriculture have frequently foreshadowed what is about to happen in other agencies. When Presidential impoundments started to cut back and even terminate many programs, it was USDA that first felt the ax.

Mr. President, I hope that my colleagues will join me in protesting this action. Our democratic society and our basic freedom cannot afford this kind of interference. I ask unanimous consent that this column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD,

The Federal Diary: Employees' Voting Residence Asked

(By Mike Causey)

Agriculture Department's 100,000-plus workers have been told to fill out new forms for the computer, giving selected data such as name, social security number, voting residence and congressional district. Deadline is Friday.

Instructions to workers say the information is required by the Civil Service Commission, Uncle Sam's personnel office, which must have the items for its central computer. Civil Service Commission says it has never asked agencies to report where their employees are registered to vote, or in which congressional district they live.

Nervous employees fear that the "computer" may be a political head-hunter team which will use the name and voting address information to check on political party registration of key civil service personnel or to play games with promotions.

The form itself, called AD-349, has 38 blanks for information. But employees are told to fill in only 14 of them. They ask for such items as name and social security number and military status, but not for local address. Workers are also told to skip over questions of citizenship and pick up with "legal voting reisdence." In other words, the form doesn't ask people where they live, only where they are registered to vote.

Employees who vote in Washington, D.C., are told to enter the number "01" to identify their congressional district. Workers who vote away from Washington are told to put down the number of their district, and to look it up in the Congressional Directory if they don't know the designation.

Agriculture officials say the form has been used since 1963, and that the new request for information is to "update information" which may have changed, or which employees failed to supply before. But Civil Service Commission brass say they have not asked Agriculture, or any other agency, to supply voter registration information.

An employee worried about the questionnaire, said "with such information, it would be easy to check out a person's party affiliation in those states where voting registration requires divulging it. It would then be a short step to match vacant supervisory positions with desired political preference." In a nutshell, he thinks a political pedigree might be the way to promotion. At least the data would be available.

The worker may be overly suspicious. It seems only right that a federal agency should ask an employee his name, age, local address, social security number, military status and even blood type. But if they aren't going to use it, why ask specifics about where he or she is registered to vote?

GEORGE BEALL, U.S. ATTORNEY

Mr. MATHIAS. Mr. President, the Senate must make a judgment about the wisdom of the choices made by the President when he nominates men and women for high public office. Thus the President has the satisfaction of knowing that his opinions are confirmed as well as his nominees.

The Senate must wait a little longer for its judgments in this matter to be confirmed, because it must wait until the officials appointed with its advice and consent are actually proved to be as good as originally thought. In other words, the Senate must wait and look at the record.

In the case of the U.S. attorney for Maryland, the record is outstanding. It is a record that should bring a sense of satisfaction to both the President and the Senate. An article on the performance in that office of George Beall appeared in the Evening Star on April 16, 1973, and speaks for itself. It will be of particular interest to Senators who know Mr. Beall as the son of our late colleague, J. Glenn Beall, Sr., and the brother of our colleague J. GLENN BEALL, JR.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

George Beall: Prosecutor: Making His Own Mark

(By John C. White)

BALTIMORE.—After graduating cum laude from Princeton in 1959, George Beall, the U.S. attorney for Maryland, got his first glimpse of law enforcement as a deputy U.S. marshal for the District of Columbia.

It made an indelible impression upon him.

"I was seized almost immediately by the tremendous public importance of what goes on in the U.S. Attorney's Office and thought from that day on that I would like to be involved in law enforcement," he said in 1970, after being named by President Nixon to head the federal prosecutor's office in Baltimore.

Now, after two years of cleaning up major cases initiated by his predecessor, most observers feel that Beall is making his own mark upon the office in the antiquated federal court building in downtown Baltimore.

The recent headline-making indictments of a state legislator on drug charges and indictments of several Baltimore City policemen on corruption charges all represent the priorities that Beall said he set when he took office.

In addition to increased pressure on suspected drug dealers through the use of a federal strike force and special drug unit, Beall has successfully brought several cases to court involving industrial pollution.

The indictment last week of state Sen. Clarence Mitchell III on income tax charges brought to the surface once again some talk of Beall as a candidate for elective office. A few years ago, several key Republicans were urging him to run for mayor of Baltimore.

But the 35-year-old son of a former congressman and the brother of Republican U.S. Sen. J. Glenn Beall, Jr. denies any suggestions that he will one day seek elective office.

"I am not pleased by the media suggestions that George Beall is in any way interested in elective office or that somehow the activities of the U.S. Attorney's Office is related to political aspirations," Beall said during an interview in his spacious office.

Beall said that he has "no aspirations" for elected office and in fact thinks the U.S. Attorney's Office should be "as far removed from elective politics as possible."

Although it seems hard to find anyone who seriously considers him as a candidate for governor in 1974, as one former assistant pointed out, "his name is Beall and how can you not think of him in a political sense?"

All of his former and present assistants who were interviewed agreed that Beall runs his office with no consideration of political affiliations. His deputy, Paul Kramer, was hired by the former Sen. Joseph Tydings Jr., they point out. Another of his assistants was granted a leave of absence to work in the presidential campaign of Sen. Edmund Muskie.

Of the 14 assistants that he has hired since 1970, Beall said that to his knowledge only one is a Republican.

Beall is seldom in the courtroom, but is considered a strong administrator of this, the 14th largest U.S. Attorney's Office in the country.

Before his appointment, he has little criminal experience as a member of a large Baltimore law firm but local lawyers consider him a fine legal writer.

Through his connections in Washington, Beall has also been able to make intangible improvements in the office such as securing money for a Dictaphone for each of his assistants. The legal library also has been updated and improved.

Beall has been able to attract several promising young attorneys, including three from the Justice Department in Washington. He is proud of the fact that several of his assistants who graduated in the top of their class in law school passed up offers from large private firms to join him.

Beall is a 1963 graduate of the University of Virginia. He was born and reared in Frostburg, Md., and now lives with his wife, the former Nancy Roche, and a daughter in a upper-middle-class section of North Baltimore.

The Bealls suffered a personal tragedy in 1971, when another child, his two-year-old daughter, died following heart surgery.

THE BOXCAR SHORTAGE: A CRISIS SITUATION

Mr. HUMPHREY. Mr. President, the Nation's boxcar shortage has now reached a crisis stage. It means extreme hardship to farmers and operators of grain elevators in farm States such as the State of Minnesota. The Commodity Credit Corporation and the big grain dealers, mainly supplying wheat to the Soviet Union, are tying up the available freight cars. Because of this, the small elevator operator and the farmers are being left with no available method for transporting the grain, and are being squeezed out of the market.

But farmers are not the only people who are suffering. The freight car shortage has tightened up the Nation's supply of grain. This has been a major factor in pushing up the price of food. As was evident during testimony by members of consumer groups to the Subcommittee on Consumer Economics of the Joint Economic Committee, rising food prices have meant considerable hardship to all American families. Experts are now forecasting a shocking 10-percent rise in retail prices during 1973, unless quick and effective action is taken against rising prices.

Mr. President, I feel that, as Members of Congress, we must evaluate the Nation's trade policies in light of these conditions. We must not let family farmers be forced out of business and the rest of the Nation suffer through continued inflation because of an inadequate transportation policy and the immediate shortage of boxcars and hopper cars.

And we must give due consideration to legislation which would alleviate the problems incurred by the railroad industry in maintaining sufficient rolling stock to move our grain.

Mr. President, I am a cosponsor of legislation introduced by the distinguished Senator from Washington (Mr. MAGNUSON) that would increase the supply of railroad rolling stock and improve its utilization to meet the needs of users, shippers, and the public.

This legislation, S. 1149, would help meet the needs of rural America, help meet the needs of farmers throughout the Nation as they try to move their goods to market, and help meet the needs of a public that is growing more concerned each day over the high cost of food.

I think that the freight car problem is well documented in an article appearing in the current issue of Business Week. I ask unanimous consent that the full text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IMPACT OF THE HUGE FREIGHT CAR SHORTAGE: ROTTING GRAIN, POOR DISTRIBUTION—AND MORE INFLATIONARY PRESSURE

Last week, the Brenner elevator at Worthing, S.D., was loading 63,000 bushels of government-owned corn in open-top hopper cars normally used for coal and ore. But the elevator manager, Francis McDermott, was happy to get anything in which to move the grain. "We've got an awful work load here," he exclaimed, "and five care were all we could get."

At least McDermott had some cars. And he had cars that, when loaded, would not destroy the track alongside which his elevator was located. Other elevators throughout the Midwest are packed with grain and no way to move it. Most operators are being financially squeezed, and some are on the verge of bankruptcy.

The nation is suffering one of its most serious freight car shortages, with more things to be carried by rail than there are cars available. Aside from inconveniencing thousands of shippers, the car shortage is adding serious inflationary pressures and putting new force behind proposals for government intervention. In fact, this week agricultural officials from 14 states met in Chicago in a crisis atmosphere to draw up a plan of action.

U.S. railroads are struggling to get huge amounts of wheat to Eastern and Gulf ports as a result of the massive export deal with the Soviet Union. This has caused a major shortage of railroad covered hopper and box cars, the two types normally used in hauling grain. And because so many standard box cars are now used to move grain, large quantities of general commodities that would normally travel in this equipment are waiting at shippers' docks. Compounding the problem, record floods and unusually severe spring snow storms have crippled much of the nation's bulk transportation capability (page 30). Particular concern about the inflationary impact of shipping delays is emanating from the Council on Economic Policy and the Cost of Living Council. Says a CLC source: "The three critical areas right now are: moving grain, the ability to move lumber, and the ability to move fertilizer."

There is the problem of completing grain export shipments by May 31. After that date, contract holders could become eligible for penalties unless their grain is in "exportable" condition.

Farmers must receive shipments of fertilizer to complete spring planting. Because more acreage is being planted this year, fertilizer requirements are much higher. The next eight weeks are crucial, and farmers are concerned that the current heavy grain shipments will prevent freight cars from hauling adequate fertilizer supplies in time.

Finally, skyrocketing lumber prices spur the fear that supply lags will further increase prices. "If you can't find freight cars to move commodities, whatever they may be," says the CLC sources, "then you tighten up the supply and the price goes up."

And other problems loom. The wheat harvest in Texas begins late next month and extends through early June. If the wheat for Russia has not cleared by then, the spillover may cause new problems, both in shipping fertilizer and moving the backlogs that have piled up at smaller elevators. Many elevators have defaulted on contracts to deliver grain at a specified time because they cannot find transportation for it. Even the Commodity Credit Corp., which is selling most of the grain it has in storage at elevators—even small ones such as at Worthing—cannot deliver its grain on time. In many cases, late penalties are piling up. Interest charges on loans financing elevator operations are mounting, too.

Dissatisfaction over the Russian grain sale is spreading rapidly. Says an Interstate Commerce Commission spokesman: "We won't have a wheat crop for ourselves next year if we don't move fertilizer out to our farmers. We can't destroy our own economy to have the large grain companies move Russian wheat just because some people got greedy and contracted for more than could be handled."

And that's where the current crunch comes. "If transportation were available, grain prices wouldn't be so high," says Robert Scheve, Omaha-based grain dealer for Farmarco, a large Midwest cooperative. Scheve, who is responsible for shipments from five of the company's terminal elevators, says he has more than 2,000 cars back-ordered since September from the Burlington Northern. At the current rate the BN is filling his car orders, he estimates it will take him until May, 1974, just to move the grain he has already sold. Because he can't move his grain, he is not buying more.

Other shippers agree that the Nebraska situation is bad. But the Burlington Northern, with dense trackage in the state, says proudly that it handled 54.7-million bushels of grain, or 21,895 cars, from Nebraska alone in the first three months of 1973, a 63% increase from the same period in 1972.

NOT ENOUGH

For the shippers, this is not enough. Many farmers have simply been locked out of brimfull elevators. To compound their problems, farmers have been unable to get enough fuel—much of it hauled by rail—to dry their grain after an unusually wet fall. A good deal of that grain is rotting in the open.

Farms across the Midwest are dotted with "snow-fence silos," piles of corn encircled by snow fences. This grain is deteriorating and last week was bringing only 60¢ to 75¢ a bushel at Worthing. Undamaged corn was worth about $1.20. Jack Carpenter, who farms 500 acres near Worthing says: "Some people around here were getting as little as 40¢ for their damaged corn." When corn gets moldy or begins to ferment, it is risky to feed it to livestock. And the price drops.

At a time of phenomenally high prices, farmers scattered throughout Iowa, Nebraska, Illinois, and South Dakota are nevertheless hurting. "Sure they're quoting good prices in Chicago, but we ain't in Chicago," a South Dakota farmer complains. "But the price don't matter if you can't sell it or it's going bad on you."

Even shipping in open cars can be a chancy thing, although the railroads attempt to cover the grain with canvas or plastic. Cargill, Inc., the Minneapolis-based international grain company that sold 2-million tons of wheat to Russia for export by May 31, experimented with moving wheat in open hopper cars—to its regret. The cars frequently arrived at Gulf ports coverless with the soaked contents solidified and unmanageable and the quality obviously impaired. "We have stopped that," Cargill vice-president James V. Springrose says ruefully.

Farmarco's Scheve also complains that open hoppers and boxcars seem to have lower priority than covered hoppers and get lost more easily, particularly in busy switching points. His company-owned cars have been taking as much as 45 days to make the round trip from Omaha to the Gulf, he says. This situation has been improving considerably, the railroads contend. "Turnaround time had been as much as three weeks," a BN man says. "Now it is down to nine days." An early opening of Great Lakes ports may also help out.

PROPHET

David Henderson, grain marketing manager for the Illinois Central RR, an early prophet of the coming car shortage, says that things have not been quite so bad for the ICG as he had expected. "We're moving more grain in a shorter period of time than we've ever moved before." And he adds: "I think we'll be operating at capacity right up to 1974."

RENT-A-TRAIN

Cargill's Springrose stresses that the problem is not just a shortage of cars. It is the way in which the existing capacity is used. He would like to see more use of unit trains and the ICG rent-a-train concept. But smaller dealers, who cannot ship in big, efficient volumes, oppose this. They claim the big ones like Cargill would then end up with all the current capacity and they already have major competitive problems.

A substantial number of country elevators are situated on old branch lines, many dating from the last century. The tracks cannot safely accommodate the bigger, heavier cars. So these elevators must depend either on box cars or trucks. And the number of lighter 40-ft. box cars has fallen by two-thirds since 1960. And looming on the horizon is wholesale abandonment of railroad branches.

Even though Washington and many railroads feel that the worst of the export grain rush is over, no one thinks the long-term problem will disappear. "Essentially, it is a regulatory problem," says John W. Ingram, the Federal Railroad Administrator. "You don't hear of any barge shortages or any truck shortages," he says. "The reason is they raise their rates when they have to and lower them when they have to. I wonder if we can ever expect the railroads to move grain just in peak harvest seasons. The stuff is grown all year long so why can't you store it where you need it and not where you grow it? Why can't you move it all year long? And why can't railroads have lower rates in off seasons like other carriers? What we're really talking about is changes in economic regulation."

The Transportation Dept. wants to ease regulatory constraints on all carriers to give them more flexibility with rates and will seek legislative authority for this. "The main thrust will be to set railroad regulation in tune with the 1970s instead of the 1940s," Ingram says. The Administration will also push for legislation to increase car utilization by creating a $35-million national car control system.

Such plans will certainly help, but, as *Railway Age* notes in its forthcoming issue: "Perhaps there has been too much reliance on off-track hardware and software. There has to be a certain supply of cars for the computer to control." *Railway Age* expects the car shortage to continue for at least 50 to 60 days.

W. H. Van Slyke of the Assn. of American Railroads reports that AAR expediter teams are in the field trying to ease bottlenecks and that car embargoes are being issued to congested areas to prevent massive tieups. "We have purchased about 7,000 more grain cars and have moved 73.6% of the export grain as of Feb. 23," he says.

By dint of enormous effort, the U.S. railroad industry has turned in a record first quarter this year of 204-billion ton miles, more than 9% ahead of the first quarter a year ago. In grain alone, the railroads have carried 40% more. Agriculture Dept. officials expect the total grain export to all countries for the fiscal year ending June 30 to reach a record 2.85-billion bushels. Grain exports in fiscal 1972 totalled approximately 1.9-billion bushels.

GOOD THING

For the railroads, a little car shortage is generally considered a good thing, since it means they are operating at close to capacity. And it is hard to argue with railroad economists who insist there is no way that railroads can afford to build enough cars to meet every peak demand. Nevertheless, there is strong pressure on Congress and the Administration to bring the current car shortage down to manageable size and keep it that way.

Representative Brock Adams (D.-Wash.), who brought together a coalition of shippers, suppliers, and carriers last year to support his surface transportation bill, feels that sweeping regulatory revisions will be necessary to deal with the car shortage. Adams' bill, which has been reintroduced, calls for $3-billion in federally insured loans to allow financially ailing roads to buy new rolling stock. "This is a cyclical problem," he says, "but temporary solutions like the issuance of Interstate Commerce Commission service orders can't cope with a massive change in the pattern, like the Russian grain deal."

Adams insist that the U.S. needs an overall freight car utilization plan. "Whenever the grain harvest comes in, there is a freight car shortage," he says. "The same goes for lumber. It's a chronic condition. . . . The problem will only be solved when we get all of the special interests—shippers, operators, the Administration—to cooperate. We've got to get a solution or we'll face the alternative of a collapse of some part of the transportation system, with all the discomfort that entails, or the government stepping in . . . by nationalizing the entire rail net."

CAN THE BUSINESSMAN MEET OUR SOCIAL NEEDS?

Mr. PERCY. Mr. President, the role of free enterprise and voluntarism is basic to the American economy. I am a firm believer in the valuable benefits for Americans that can result from a partnership between the public and private sectors. Certainly an increasing utilization of this partnership in the delivery of social services can mean improved and more efficient social programs for our citizens without draining Federal resources.

The April issue of the Saturday Review features a section on the role of private industry in meeting our Nation's social needs. At this time when our budgetary resources are limited and when the need for social programs for our citizens is growing, such a discussion is particularly timely. I ask that the text of the debate between Peter F. Drucker and Edward K. Hamilton on the question, "Can the Businessman Meet Our Social Needs?" be printed in the Record.

There being no objection, the text was ordered to be printed in the Record, as follows:

Can the Businessman Meet Our Social Needs?

(By Peter F. Drucker)

Businessmen have been arguing for 40 years, since the early days of the New Deal, that the United States should employ private enterprise, rather than government, to satisfy the country's social and economic needs. They are likely to get their wish soon—with a vengeance.

Every survey of voters, including that massive "public opinion poll," last November's election, shows that the taxpayer—and especially the employed middle-class taxpayer—is increasingly restive and rebellious. The politicians are getting the message. Last year President Nixon proposed a ceiling on federal expenditures of $250 billion, roughly a quarter of the nation's total personal income. And there is little doubt that he will keep on pressing some such self-imposed limit on federal spending and that he will have broad taxpayers' support in the effort. In California, Governor Ronald Reagan, perhaps the most politically astute of all our governors, has just proposed an amendment to the state constitution that would similarly freeze state and local government expenditures at their present level of about 15 per cent of personal income in the state. Other states and cities are bound to follow.

There are good reasons for this incipient taxpayers' revolt. In the last 20 years the tax bite has roughly doubled as a percentage of personal income—with state and local government taxes going up the fastest. And this veritable explosion in the expenditures of government has occurred even though defense spending, as a percentage of the nation's total income, has been going down steadily. The American people today hand over to their governments $1.15 out of every $3.00 they earn.

Actually, the burden shouldered by the American public is quite a bit higher than is normally understood, for we do not include in the standard calculation of the tax burden of roughly 35 per cent of personal income, a number of expenditures financed out of taxes, but that are still being carried in this country outside of the tax system and are considered "private"—though by no means "voluntary"—expenditures. For example, two-thirds of the health-care services financed by nongovernment health insurance (whether through Blue Cross or private insurance companies) and a substantial part of the money for education that goes to parochial schools and private colleges and universities should, by Western European standards, be included in the so-called public sector tax burden. If these sums are added, our total tax burden is well above 40 per cent of personal income. And in rich states it is much higher. In California, for instance, the tax burden combined with nongovernment health-care and private education expenses amounts to a phenomenal one-half of the income of every man, woman, and child in the state.

There are still, of course, quite a few people who believe that we could finance even larger public expenditures by redistributing incomes or by reforming the tax system. Unfortunately, they are whistling in the dark. The only way to get additional money for government expenditures is to take it from those who have the bulk of the incomes—the employed middle class earning between $7,000 and $15,000 a year per family. The taxpayer, apparently, senses this fact and is not willing to put up with any such increased burden.

At the same time a number of recent public opinion surveys have revealed an increasing disenchantment with government programs, and especially with government programs designed to cure social ills. No one really quite believes anymore that spending more money on these programs will produce results. And indeed there is little in the record to substantiate the bright beliefs of the early 1960s that government spending is a magic wand with which to cure social problems. Foreign aid and public housing, the War on Poverty and massive spending on education—all the bright hopes of Camelot have turned to ashes.

The results of some programs have actually not been nearly so dismal as our public breast-beating would have us believe. Foreign aid, while no glaring triumph, has had considerable effect—even though the "population explosion" has made massive increases in production and productivity a holding operation at best in many developing countries. And one should not gloss over the fact that today two-thirds of America's 20 million blacks have risen above the poverty line and hold "middle-income" jobs, which is about twice what the most extreme optimist (such as this writer) dared hope for in the early years of the Kennedy administration. In 1950 only one-third of our black population had done so well, and in the early 1960s less than one-half had achieved that level. The number of black families earning $10,000 or more a year almost tripled during the Sixties; that group now stands at a quarter of the black population. And the same proportion of young blacks was enrolled in college in 1970—quite a bit more, relatively, than some white "ethnic" groups, such as young Americans of Italian or Polish origin.

These are great achievements, unique in human annals. Yet statistics do not prevail against an all but pervasive belief in the futility of the massive government program. The people of this country appear to be increasingly convinced that about all their government can do is spend billions and create massive bureaucracies. The problems themselves only get worse, however.

Yet, paradoxically, every survey of the American public also shows that nearly everyone, regardless of age, sex, race, or education, wants more public services. No one wants less. Indeed, we have been adding public needs at an accelerating rate. Where we talked of civil rights, poverty, and education a decade ago, we have now added the environment, mass transportation, the energy crisis, and a few others. No one wants to pay. But everybody wants results.

In addition, we face a major new need to create additional jobs. Today's birth rate is at zero-population-growth level. But the babies born in the high-birth-rate years, from 1948 to 1951, are now entering the work force in increasing numbers. They themselves may want few or no children. But they marry and form *families*. And they do need jobs. In every year during the Seventies the United States will have to create some 40 to 50 per cent more new jobs each year than we had to find in the Fifties and Sixties. The number of people who reach retirement age and thus vacate jobs will not, however, grow very much—we are at or past that peak period. Moreover, some major job categories that absorbed large numbers—especially of the educated people—will inevitably shrink. Because the birth rate began to fall sharply in 1961 and remains at a very low level, the number of children in school is already declining fairly sharply and will continue to drop—at least for the rest of this decade. Job opportunities for teachers will, therefore, shrink rather than expand. And if government expenditures are going to be limited, government jobs—the fastest-growing job category in the Sixties—will also contract rather than grow.

Most people, when they think of the need to find jobs, think of black teenagers without schooling or experience. But the largest group for whom this society will have to find jobs in the next decade will be white, middle-class, and highly educated; that is, those with schooling beyond high school. Clearly, the first *economic* priority we face is employment.

If indeed we impose a ceiling on government expenses—or if we only slow down the rapid expansion of government expenditures—people will blame President Nixon or Governor Reagan or other politicians—or will give them credit. But the politicians only react to the realities: to the growing resistance of the taxpayer and to the disenchantment with the cure-all of massive government programs. But these realities also mean that the continuing appetite for services, the continuing demand to do something about our social problems, and the need for rapid growth in jobs can hardly be met, except by mobilizing the private, nongovernment sector and making it serve social needs. "Free enterprise" may be invoked as the sanction for this shift. But the threat of government bankruptcy, fiscal and, even more so, moral, is the real reason.

What form could such "reprivatization" take? What approaches and policies are available? Where might new approaches be applied? And what are some of the land mines, pitfalls, risks, and dangers?

Perhaps the only way to make sense out of a bewildering proliferation of policies, programs, and needs is to list the main ways in which government can try to make the "private sector," which is to say, business enterprise, take on and perform social tasks.

There are essentially four such main approaches, none of them new. For, of course, we have had a "mixed economy" for decades and do have some idea of what might work and what will not.

LET THE MARKET DO IT

First, there is the simplest way: to withdraw the government, or its activity, and let the market do it. That is, we may count on profit opportunities to attract businesses into new areas of social need.

One old public service, the Postal Service, is actually in the process of being "privatized" in this way. United Parcel Service, a private company, though fully owned by its employees, already carries more parcels than does the Postal Service. Private mail services are springing up, are doing an impressive volume of business, and apparently they give satisfaction to their users. Even the Post Office's monopoly on delivering first-class mail to the home may soon be breached. One private mail carrier is currently suing in an effort to be permitted to deliver mail to the householder's mailbox, which only the Postal Service may use today; the private services have to tie their bundles to the doorknob. Yet the case of mail delivery also illustrates some of the problems we face. In sparsely settled rural areas, mail can be delivered only at a substantial loss. The same applies to Aunt Jane's Christmas gift parcels. In terms of both service and cost, the optimal solution to mail delivery would be to let private businesses take over those services when they can make a profit, and still operate more cheaply and do a better job than the Postal Service—while calling upon the taxpayer to support those inherently unprofitable services that still have to be maintained in the public interest. But on philosophical grounds it is difficult to justify a system in which the private investor "skims the cream," while the taxpayer is left with the "lemons."

Another area, an even more difficult one, in which the market could play an important role and supply most, although not all, of a public need, is housing. Public housing programs are among the oldest of our government programs. They are also among the least effective. Government has been able, fairly successfully, to subsidize housing for those who need little subsidy—that is, for persons with middle- to upper-level incomes. This is where the subsidies, tax breaks, fast write-offs, and mortgage guarantees, have helped finance the bulk of our office buildings and our moderately priced and luxury apartments and condominiums. But the government has made a botch of aid for low-income housing. In addition, high-rise public housing has run into especially great resistance, if not rejection, on the part of the poor. In this country, as in Great Britain, apparently only the very well-to-do—or, for temporary periods, the young unmarried—really want to live in high-rise apartments in the city. It may be fashionable on the part of the young to talk down suburbia. But when it comes to picking a place to live, suburbia is where they go. And the blacks, in that respect, behave no differently from the whites. Indeed, spurred by the very rapid rise of the black middle-income groups, the black exodus to the suburbs has been proceeding at a much faster rate than that of the whites and is likely to continue this way. Every survey shows around 85 percent of the respondents, whether white, black, well-off, or poor, *not* wanting to live in the city; and every census projection shows a continuation of the population drop in the city and the move to suburbia and exurbia. Thus, the main housing problem for the United States to solve over the next ten years will not be that of the "black ghetto," as horrible as its housing conditions are, but that of the suburb, both white and black.

At the same time, outside of any governmental system—in fact, until recently, hardly noticed by housing economists—this country has developed the first truly low-cost housing in history: the mobile home. Nine out of ten lower-priced homes—which together constitute a full third of the total market—are now "mobile homes," which of course are no more "mobile" than conventionally built houses once they have been erected on a concrete slab. Though far from being "good housing"—and though the esthetics and environment of the typical mobile-home industry would require much more than a major effort on the part of big business. In the process, it is safe to predict that the mobile-home industry, while totally fragmented today, would rapidly coalesce into a fairly small number of giant companies since they alone could make the tremendous investment in research and capital that would be necessary, especially in the development of communities of such houses. A multitude of governments—from the federal down to those at town and village level—would have to wrestle with zoning, environmental regulations, neighborhood opposition, and so forth. Yet the mobile home, despite its all too visible shortcomings at present, is the best solution so far to the problem of low-cost housing for low-income groups, as well as for middle-income families that are just starting out.

CONTRACTING OUT

The second policy tool for mobilizing the energies and resources of business for social tasks is to "contract out." For example, city governments may hire (or contract) private firms on the basis of competitive bids to take over any of a number of municipal services, such as garbage collection. In some American cities this is already being done, with substantial benefits in the form of lower costs and better service. Even firefighting might conceivably become "private enterprise." Again, there are some experiments already going on—in some Texas communities, for instance. We are experimenting with "voucher systems" in education that, in effect, create competition—both among educational philosophies and among different educational efficiencies. We have been experimenting, with mixed results, with "performance contracts" in a number of school systems that turn over some activities, such as the teaching of reading, to outside private contractors whose fee is based on how well the children do on standard tests.

One area in which "contracting out" is likely to be tried on a large scale is the training of the young "hard-core" unemployed. Nobody has done very well in this area, but business has done less poorly than most. In some such training programs, a full one-third "make it"; few government programs are even half as successful. If we should decide to employ the private sector to tackle this fundamental problem in our society, what incentives would be needed? What standards should be set? Is training enough, or should we also "contract out" the creation of jobs for the graduates of the training programs?

"Contracting out" has been around for a long time. Large parts of the American health-care system, Blue Cross, Medicare and Medicaid, are in effect "contracting out" programs in which an independent contractor, physician, or hospital is being paid on a fee-for-service basis.

These examples show, however, that "contracting out" is by no means a panacea. This policy requires clear standards and controls; their lack is probably the greatest weakness in Medicare and Medicaid programs. It also requires that there be actual competition between contractors, on price as well as on performance. But it provides choice and competition and thereby holds out the promise of efficiency. Above all the contractor is paid only if he performs at the minimum standard, whereas a government service, as all experience shows, tends to double its budget if it fails to deliver.

GRADUATED PUNISHMENT AND INCENTIVES

Where "contracting out" pays for services performed, graduated punishment and incentives work best if the need is to prevent the wrong thing from being done. These, too, are tools to stimulate competitive business performance.

The environment is the area in which this third basic approach to "reprivatizing" public and social tasks is most likely to be applied. The reason is that there are numerous environmental areas where the main job is to get business, as well as local governments and private persons, *not* to do damage, *not* to pollute, *not* to discharge effluents and raw sewage, and so on. And there the most effective tool by far is to have the damager or polluter pay on a steeply graduated basis for his wrongs to the environment. This policy is likely to be far more effective than outright bans, since prohibitions are hard—if not impossible—to police and since they provide no incentive whatever for doing the job efficiently and economically. A graduated penalty is a tremendous incentive for technological effort and for capital investment, at no cost to the taxpayer.

One interesting area for the application of this principle might be the control of automobile pollution. Government regulation may succeed in cutting down the emissions from *new* cars, but only the individual motorists can maintain decent emission controls on older cars—which always outnumber the new ones on the road. A steeply graduated license fee for cars based on the level of emissions might be the answer. At least it might force the worst offenders off the road.

Purists have always argued that this practice amounts to "selling a license to pollute." But what matters is whether or not the technique works. Altogether, carrots work better than sticks—and for a business (but also for a local government) there is no more effective carrot than the avoidance of loss. Rather than threaten a university with a cut-off of all its federal grants, we might, for instance, adjust grants—on a steeply graduated basis—to the number and proportion of minorities, whether women or blacks, the university puts on its faculty. It is amazing how much one can get out of a dean for a buck, especially in these days of short rations for higher education.

THE PUBLIC SERVICE CORPORATION

Finally, there is the autonomous "public service corporation," which may be employed for specific tasks. Such a corporation may be privately owned, privately run, and run for "profit," and still be "semigovernmental." One example is Comsat, which was created by an act of Congress in order to run satellite telecommunications, but whose shares are quoted on the stock exchange. Or, such a corporation may be "private," but still have its debts guaranteed by the government, which enables it to be provided for above and beyond the figures reported in the federal budget—a characteristic that has always made these corporations particularly attractive when government deficits are running high. Or, such a public-service corporation may be totally governmental like the Tennessee Valley Authority. Or, finally, it may have mixed ownership. In fact, this latter "interface" institution, which is neither completely governmental nor completely private, but a true hybrid, has been developing rapidly in all industrial countries. One can predict that such interface institutions will play an even bigger role in this country in the next few years.

Unless we shift to complete nationalization as Senator Edward Kennedy has been proposing, a public-service corporation is almost certain to be central to health care. The main burden will then be carried by private institutions, whether insurance companies or cooperatives such as Blue Cross, yet there will also be a need for a "reinsurer of last resort," and that will have to be a public service corporation, whether set up and run by the federal government or, as in the case of Workmen's Compensation Insurance today, by the individual states.

But, and the "but" should be emphasized, there are many of society's tasks that cannot be "privatized" in any form. Mass transportation is one of them. And, even in areas where we expect private business to do the main job, government policy is needed. Energy is an example. We are not, in other words, going to go into a period in which government "shrinks." At the most, we are going to enter a period in which government mobilizes the resources of nongovernment institutions, especially of business, to help carry what is rapidly proving to be an unbearably heavy load for the taxpayer.

There Is No Substitute

(By Edward K. Hamilton)

The Chinese tell us that this is the Year of the Ox. In Washington it is clear that they are right, at least to the extent that this is the year we will determine whose ox is gored in the most elemental clash of social philosophy since the late 1920s. For in 1973 it will become inescapably evident that the cumulative cost of what we Americans have asked our government to do on the domestic front is substantially greater than the resources the President is willing to make available to accomplish the job. Unlike the relatively inexpensive formative years of the Greaty Society, or the years from 1969 to 1971 when massive federal deficits made sense as stimulants to a stagnant economy, we now face a year of decisions that should provide a basic test of the priorities of a society full of fiendishly difficult problems.

Such a fundamental test presents great dangers to those in power. A President who forces the people to choose among their security (as defined by a defense community ravenous for long-delayed weapons programs), their tax rates (invariably defined as too high), and their domestic well-being (as redefined in the 180 new federal domestic programs enacted in the middle Sixties) had better have a considerable reserve of popular goodwill—and a firm hold on his stomach lining besides. If presented with such a choice, the natural instinct of most politicians is to find some way, *any* way, to persuade the public—and perhaps themselves—that the issues are basically matters of how best to achieve all good ends, not whether to subordinate some to others.

Presented with this challenge, President Nixon has stayed well within the usual rules of the game. Along with lectures on the value of thrift, he has offered us variations on the grand old American public-private hustle. In his Second Inaugural Address, he asserted that "a new era of progress at home requires turning away from old policies that have failed . . . [and] for individuals . . . to do more for themselves." In his recent budget message, heralding a financial plan which would increase defense spending, hold taxes firm, and decimate domestic social programs, he suggested that "as government takes more from people, people can do less for themselves." In short, said the President, the choice is not among weaponry, taxes, and domestic improvement—all of which he duly promised in abundance—but between doing all these things through public or private instruments. In effect, the President and his advisers seem to have decided that, rather than address the hard questions posed by very genuine shortcomings in both public and private services, they would prefer for us to view our problems as the inevitable consequence of a reckless abandonment of free enterprise.

Of course, every savvy politician is aware that this argument builds on hallowed ground. The traditional American suspicion of the public sector has less the character of economics than theology. The private sector is usually depicted as efficient, sophisticated, professional resourceful, honest, brave, reverent, and clean. The public sector is presented as wasteful, inept, insensitive, devious, slothful, and corrupt. These are among the cultural biases handed down from generation to generation. Warren G. Harding has never been accused of creativity. As a purveyor of convention wisdom, he was comfortably in the mainstream in proclaiming the sanctity of the God-fearing profitseeker. It was integral to his "return to normalcy" that the nation had to erase from memory the innovations which such radicals as the young Herbert Hoover had helped to fashion and operate during the economic emergency caused by World War I.

As the national commitment to activist government and corporate responsibility gained strength in the following 50 years, the traditional public-private distinction lapsed into deserved oblivion, with occasional revivals when the less discriminating members of our political elite were strapped for speech material. However, in a time of deep self-doubt and general malaise it has been resuscitated, sometimes with the seductive addition of what might be termed a right-wing revisionist theory of history. Conservative revisionists argue that the nation strayed from Harding's sage counsel under the shock of the Depression, that it placed its faith in the false gods of government activism and swelled the public share of the national product out of all proportion, that it compounded the error during the mid-Sixties with a national commitment to attack the causes of poverty, and finally that it must now root out the festering bureacucracies this philosophy has sprawned and harness the efficient engines of private enterprise to whatever modest social tasks are within the scope of man's legitimate aspiration.

This morality play has sold quantities of books and newspapers, and apparently furthered the fortunes of several prominent and successful politicians. But these dubious achievements must be weighed against the serious damage that can result from diverting the attention of a frustrated public greatly dissatisfied with the return on its tax investment. In these circumstances few tactics are more dangerous than equipping the citizen only with the capacity to ask irrelevant questions. Relevance in these matters requires recognition of a few basic truths, which one might have hoped were self-evident. They can be put very simply: 1) in modern "mixed" economies the distinction between public and private sectors is meaningless; 2) our present problems in delivering social services arise from the sheer difficulty of the task rather than the question of who should tackle it; and 3) this is no substitute for massive federal funds as a solution to our domestic ills, and the knee-jerk arguments about public vs. private enterprise are major distractions from the very real dilemmas we face. What follows will provide some of the necessary flesh on these basic theses.

THE HYBRID ECONOMY

Fifty years of lively innovation have produced an economy so integrated and replete with public/private hybrids, government-sponsored corporations, and controlled markets that the old definitions of public and private organizations are no longer helpful in analyzing existing operations or planning new ones.

What actually occurred under the pressure of the Depression was the beginning of a blending of the public and private sectors that has now progressed to the point where even the bravest scholars have difficulty drawing a valid distinction. The Tennessee Valley Authority was the best-known symbol of early attempts to create self-contained, self-financing, efficiency-conscious, quasi-private entities to perform those public services that lent themselves to such treatment. The TVA and its successors combined the characteristics of a corporation—a separate board of directors; internal managerial coherence; special powers over budget, personnel, and administration; the right to set prices and spend revenues, and general insulation from political pressures—with the social mission and the abhorrence of profit of a public agency.

The blend was enriched over the years at the federal level by public corporations of many kinds—the Federal Deposit Insurance Corporation, the Export-Import Bank, the Commodity Credit Corporation, the Overseas Private Investment Corporation, and finally, long after dozens of favorable experiences had made the transformation a necessity obvious to everyone except to Congress, the Post Office. Even where fully public agencies were created, a preference developed, soundly based on experience, to operate primarily through contracts with private firms, limiting the number of direct federal employees to those required to administer the contracts. The contractual activities of the Defense Department have become legendary, and two of the newest giants among federal agencies—the National Aeronautics and Space Administration and the Atomic Energy Commission—are really only super-staffs assembled to administer contracts with private firms, rather than direct administrative mechanisms. (This most recent development owed much to the widespread fear in government circles of the late Senator Harry F. Byrd, whose favorite hobby was to publish monthly federal employment figures. Contract employees did not appear in his summaries, whereas direct employees did.) It was this movement toward dependence on private instruments for public purposes that largely explained the fact that direct federal civilian employment rose by only 11 per cent between 1965 and 1972, while federal spending rose by 93 per cent.

This trend was not weakened but reinforced by the explosion of federal domestic activity in the mid-Sixties. Most of the social programs now under attack by critics of the public sector—the poverty program, model cities, housing subsidies, manpower training, and the rest—are carried out largely by private contractors. All of the methods of private management—program and performance budgeting, cost accounting, critical path analysis and planning, corporate accountability, etc.—are present and operating. There is not a scintilla of evidence that any private incentives or disciplines have been overlooked. Ways have been found to make the middle-level public manager at least as sensitive to budget consideration as his counterpart in private corporations—sometimes much more so because he must operate in the goldfish bowl of public scrutiny. Managing the public sector's work force continues to present efficiency problems, but they are not much different in degree or kind than those in the corporate executive suite, the Vega plant, or the average company typing pool.

The same pattern of "privatization" is increasingly true on the state and local level. In New York City, for example, many key services are administered by public corporations: the 19 municipal hospitals by the $800-million Hospital Corporation, the subways and buses by the huge corporate Metropolitan Transportation Authority, the harbor and the airports by the Port Authority, while much new housing is financed by a $700-million Housing Development Corporation. Most recently a vibrant new public corporation has made the city's off-track horse betting system a financial success. Each of these bodies has the same business-type structure and operational style as the federal counterparts. The imagination applied to create such entities, with proper but not restrictive lines to elective authority, has been unbounded. No one who surveys the fantastic array of these quasi-public, quasi-private, corporate-style instruments, along with the pervasive use of contracts, can conclude that our service problems are the result of a failure to make use of the private sector.

Thus, the revisionists must look beyond the traditional antigovernment arguments to explain their distemper at the quality of service. The truth is that the nation has made a series of decisions over the past four decades that has increased the scope of public activities, but it has not done so through any slavish insistence upon classic civil service rules. The public instruments chosen to administer these activities have been increasingly private. It means precisely nothing, *therefore*, to prate about a return to "private" enterprise when the full spectrum of organizational forms and incentives is already available and in use. The question of form only becomes relevant when a choice must be made between the various gradations of private-type structure for a specific new or reorganized program. In almost all other cases, the argument is a diversionary tactic. If federal funds are forthcoming for domestic purposes, they will be spent through private or quasi-private mechanisms. If they are withheld, that decision cannot be validly based on any hope that the private sector will spontaneously solve our social ills, nor on the premise that the right mechanisms have not yet been devised.

THE DIFFICULTY FACTOR

The problems that do exist in all large enterprises, public and private, are generally a result of ignorance rather than ideology, and where public activities are demonstrably behind private ones in certain areas, the cause is often the greater order of difficulty of the public task.

We have only begun to learn how to manage a society in which technology is constantly changing the role of human labor. We have only recently begun to address the imbalances in the skilled labor force created by such changes. And the rigidities in our political and economic structure, which sometimes keep us from adjusting to new technologies and labor needs, are giving way slowly and with great friction.

All of us, when locked in combat with some conglomerate's computer over an incorrect credit billing, tend to forget what we are asking the big new automatic service systems to do and how rapidly our expectations have multiplied. The computer systems that rent cars and make airline reservations are technological marvels of very recent vintage, just as Super-Sleuth, the computer that processes two million parking tickets a year in New York City, has the same relation to the gaggle of criminal court clerks it replaced as the Saturn rocket has to the Model T. It is only very recently that any of our complicated social processes have been subjected to the kind of rigorous analysis that treats them as interdependent phenomena and seeks to develop sensitive, effective systems to deal with them. In the financial world only the most advanced banks have moved from straight lending to the full range of services—project initiation, management counseling, macroeconomic analysis, etc.—necessary to ensure the viability of the mammoth projects they are financing. In government the long-established links between criminal habits and inadequate food, shelter, and education are only beginning to be matched by glimmerings of understanding of equally interdisciplinary solutions. The necessary computer hardware is available, but the knowledge of how to use it lags behind.

This is not to say that all the world should be run by computers and systems analysts. Mankind preceded them, and it could survive without them. However, we must understand the importance of developing greater expertise in this area: inadequacies in public services are not so much a result of poor organization as of our ignorance of basic solutions to brutally complex problems and of the means to carry out the solutions we do have.

It should not be surprising that the tasks assigned to the public sector are the hardest to accomplish. It is simply a difficulty of a lesser order to develop a system to dispense gasoline credit than to develop one that balances all the considerations and meshes all the steps required to move from a dilapidated inner-city tenement through urban renewal financing, tenant relocation, demolition, and construction to fully occupied new apartment housing for tenants who have been selected in an equitable order of preference. In New York City we can manage the physical process of preparing and transmitting welfare checks to more than 1¼ million recipients at least as efficiently as a private pension plan can handle its payments, but we find it vastly more difficult to orchestrate job training, counseling, day care availability, and other services than can make welfare payments unnecessary. The plain truth is that the welfare cycle is composed of a whole series of problems of exquisite complexity which, experience has demonstrated, will never be addressed by fully private organizations in the normal course of profit-seeking.

THE NEED FOR GREATER INVESTMENT

There is no substitute for a national investment of money and manpower on a scale commensurate with the difficulty of our domestic problems—a level of investment that has not yet been approached.

The United States spends less than 30 per cent of its Gross National Product directly for public purposes. By way of comparison, Sweden spends 43 per cent, Great Britain 36.6 per cent, France 36.3 per cent, and almost all other industrialized countries exceed the United States. Moreover, none of these countries has a defense budget approaching the proportion of the national product that defense consumes here. Despite the myth—which some politicians find oddly comforting—that our approach to domestic problems has been to "throw money at them," we have actually invested much less in them than we have for decades in the formidable but still much simpler problems of defense. It has been proved that a steady investment averaging $5 billion per year for a decade can put a man on the moon and return him safely. Yet we seem surprised that it has been demonstrated just as conclusively that an average outlay of slightly over $4 billion per year for seven years cannot, particularly during an inflationary recession, eliminate the causes of poverty throughout the nation. Our surprise is absurd—nearly as absurd as the premise, widely accepted in this country, that the United States can meet its defense obligations and at the same time launch a major attack on domestic problems while making so relatively modest an investment of its national product in public purposes.

This is doubtless the truth from which the public/private claptrap is designed to divert attention. As a recent Brookings analysis shows, there is no way to balance the federal budget and finance even the uncontrollable increases in the costs of existing governmental programs for the fiscal year ending in June 1974. If tax rates stay constant, the President must cut back sharply on expenditures. He has pledged not to raise taxes. He has also made it clear that he will not make substantial cuts in defense. In short, he must either cut domestic programs on the scale that his 1974 budget proposes or risk another bout of runaway inflation. His political conundrum is how to accomplish the cuts with maximum protection from the slings and arrows certain to be aimed at him by a Congress that has consistenly defied him on the full range of domestic issues.

The President is correct to be concerned about popular and congressional reaction, for, despite the conservative tone of the last election, there is absolutely no sign of any slackening of the public's desire for active government. That desire, fueled by the hopes and guilts aroused by such works as *The Other America* and *The Affluent Society*, produced an upward revaluation of the public sector in the 1960s, which accounted for the flood of new federal programs, a 12–15 per cent annual increase in state and local government expenditures, a tax hike in 40 states at the deepest point in the 1969–71 recession, and an upward spiraling in government salaries that has now spread to universities, foundations, and the whole of the nonprofit community. The evidence is quite strong that, whatever their views of political personalities, foreign policy, and even taxes, the American people simply do not wish to give up the social goals they set out so recently and so boldly to achieve.

In the end, of course, more money is necessary if we are to have better domestic social programs, but it is not the whole answer. When the public-private hustle is exposed, perhaps the better minds among our leadership will move on to the more substantive questions that really do, bedevil the creation of effective incentives to promote the general welfare. These problems break into two main categories: what to do about this year's budgetary dilemma, and what to do about the critical management problems afflicting public services.

The best response to this year's budget squeeze must, in my view, lie in a major cut in the defense allocation (painful, but possibly), some trimming in lower priority domestic programs such as farm price supports, and a greater willingness to risk the effects of a substantial federal deficit in a year of general economic recovery. These will not be easy steps. Their justification flows in large part from the horrors inherent in the only acceptable alternative—a substantial increase in federal taxes. The economics of a tax increase so early in the recovery cycle are dubious at best. The politics are simply impossible—as the President's sensitive political nose rightly informs him. Given these restraints, the only hope for tolerable domestic programs is to provide our home-front effort with a somewhat larger slice of a somewhat larger pie.

Assuming that we are equal to this choice and, more doubtfully, that we set in motion a new pattern of long-term national investment necessary to any substantial attack upon our major ills, we must still cope with the basic intellectual and systematic difficulties that have become apparent in the past few years of activist government. The fact that they have nothing to do with the public/private charade does not make them any simpler. I have already alluded to the remaining mysteries in basic and applied research. But even where we have an essentially workable mousetrap, we must develop effective means to manage it and to relate its performance to the will and understanding of the electorate. We have a long way to go in both respects. In most of the "judgmental" social services (health, education, police protection, manpower training, etc.) we have no reliable definition of what we should expect from government nor any sure test to gauge whether we are getting it.

We are only beginning to define what productivity means in public operations. Nor have we found really effective means of building the hidden costs of "free" resources—clean air and water, for example—into the scale of raw-material prices that determines industrial decisions concerning plant expansion and antipollution technology. And we have yet to come to grips with the basic contradiction between energy demand and the growing public distaste for energy-producing facilities.

These are, on the surface, less glamorous riddles than the chimerical issues addressed in the public-private debate. It is hard to work up a heavy sweat about a productivity report. However, I submit that these kinds of questions, no less thorny for being mundane, will largely determine the capacity of government, working through any combination of public and private instruments, to accomplish the ambitious tasks we have set for it. Alexis de Tocqueville long ago observed that the most difficult challenge to democracies is "to persevere in a fixed design." The steadfastness of our commitment to a high level of national investment in domestic social programs and to coping with the hard operational questions created by an affirmative response will largely determine whether we meet his test. The public-private hustle should not distract us from dealing with these genuine issues.

REJOINDERS

(By Peter F. Drucker)

Mr. Hamilton's article appears to me to have two themes that have only the loosest connection with one another; in fact they are barely compatible.

First Mr. Hamilton seems to me to say: The American taxpayer isn't going to accept higher taxes. With federal expenditures skyrocketing, there is thus no alternative to cutting back. But the taxpayer's appetite for services continues unabated. Hence politicians try to hide the reality of cuts in services behind a smoke screen of "reprivatization" rhetoric.

My only question about this argument is that I see no evidence of such rhetoric anywhere. President Nixon in the statement quoted by Mr. Hamilton did not say "a new era of progress at home" will require *businesses* to do more. He said that it will require *"individuals* to do more for themselves," which is something quite different, whether sound or not.

Likewise, Governor Reagan, in his recent proposal to amend the California State Constitution by setting a ceiling on state expenditures, did not say one word about "free enterprise" or about "turning tasks over to business." But then Mr. Hamilton knows more politicians than I do, and, for all I know, there is some "free-enterprise" rhetoric around—but I haven't heard any lately. But even if there were some around, though, it would not change the painful reality that Mr. Hamilton describes.

His second theme is quite different in this he argues that taxpayers could easily pay more taxes. He compares the tax burden of the American taxpayer to those shouldered in other countries. The disenchantment of the taxpayer with social programs he then explains as the result of our not having spent enough. "We seem surprised," he says, "that spending $4 billion per year for seven years did not eliminate the causes of poverty throughout the nation." If only we had spent much more. Mr. Hamilton implies, these programs would have had the promised results.

The argument that the American tax burden is comparatively low is, I am afraid, pure red herring. In the first place, I very much doubt whether statistics that purport to show that the American tax burden is low compared with that in Sweden or France are likely to make much impression on the taxpayer's resistance to higher taxes, which Mr. Hamilton himself cites as the central problem. But the statistics are also misleading. The tax figures for European countries include substantial expenditures that are not part of our tax load but are nevertheless "public-sector expenditures" and considered as such by the taxpayer—primarily the still substantial costs of non-tax-supported schools (private schools and colleges) and the two-thirds of the health-care bill that is borne not by governments but by various nongovernmental health - insurance schemes—a total of 7 to 9 percent of gross personal income in the country. If, for example, as a good many economists would recommend, the cost of private pension plans—more prevalent in this country than in most nations of Europe—were included, that is, if we compared "disposable income after taxes and deductions" as a percentage of gross income, this country might turn out to withhold a larger share of income than any in Western Europe (and more than twice as much as Japan, by the way).

But the real problem is not determining whether spending more money on welfare or on the schools would have results—something no one could prove. The problem is that the money we have spent seems to so many taxpayers—and especially to middle-income employed workers—to have so little result that they do not believe anyone who says, in effect, "because you have gotten so little for your money, you ought to spend more." I tend to agree with Mr. Hamilton's point that the results have not been nearly as dismal as the disenchanted public believes (I say so in my article). But we were not promised moderate results. Beginning with the Alliance for Progress, we have been promised again and again that a fairly modest program would "solve" a mammoth problem and in no time at all. The result of this has been that virtually every program immediately "escalated" in costs well beyond even the most excessive "defense overrun" and that even real, though modest, results look so picayune next to the promises that the program appears a total failure. The result may well be that we will abandon efforts just when they are beginning to show results (though that is hard to argue for low-income public housing, which has been around a long time, or for the present welfare system for families with dependent children). But the only protection I know against this danger is to start programs small and modestly, to test them before expanding them, to concentrate efforts on well-defined goals and priorities, and to postpone making promises until results are in—I first argued this point in connection with the Alliance for Progress all of 13 years ago! For what Mr. Hamilton is fighting is not "free-enterprise" rhetoric; it is deep disenchantment with the "liberal" rhetoric of government activism. I am just as appalled by the danger inherent in this as he is, but more "liberal" rhetoric is not going to avert it.

(By Edward K. Hamilton)

Essentially, Mr. Drucker argues that 1) people are demanding more and better public services; 2) they believe that "massive governmental programs" have failed to provide such services; 3) this widespread belief ignores the "great achievements, unique in modern annals," which were the result of the social programs of the 1960s; 4) nevertheless, public disillusionment with government is so great that the equally great demand for more services must be met through "reprivatization." Some of Mr. Drucker's figures, particularly those concerned with the proportion of national income devoted to public purposes, will come as a considerable shock to the United Nations and other authoritative keepers of such data. However, such technical quarrels aside, we can agree on propositions 1, 2, and 3—with the caveat that those "massive governmental programs" which people are so disillusioned with are in fact largely carried out through contracts with private firms.

Our disagreement with respect to "reprivatization" is not a doctrinal difference; I suspect that I am as favorable as he *is to* the use of private instruments for a great many public purposes. We part company at the point where he suggests that accelerating the 40-year-old trend toward greater use of private structures and incentives will *somehow* make possible that mind-boggling plan to freeze expenditures at all levels of government.

So far as I am aware, Mr. Drucker is alone among management analysts in making this suggestion. To those of us charged with increasing the rigor of public management, the proposition is absurd because the maximum savings achievable through managerial improvement are dwarfed by the uncontrollable factors that drive costs upward. The best that governments can hope to do, through introduction of private-type techniques at every possible juncture, as well as a host of other efficiency-increasing measures, is to shave off the peaks of spending patterns. To promise more is to mislead the public in exactly the way the President seeks.

The President's own 1974 budget, which even the conservatives in Congress are now finding too painful to swallow, calls for an 8 per cent increase in expenditure, or about $19 billion over last year. Similarly, we in New York City have been *able to keep* annual increases in expenditures in the 8 to 9 per cent range for the past two years only by surviving the loss of nearly 15,000 city employees, including 4,000 teachers, 2,000 policemen, 700 firemen, 1,000 parks maintainers, and similar numbers in every other vital city service. We have offset these losses as much as possible through productivity improvements of unprecedented scale, but there is no question here, as in the federal and state systems, that at least a 10 per cent annual increase in expenditures is necessary simply to stand still with respect to services. Thus the average for all states and localities across the country is a 12 per cent increase per year—and few if any of them feel they are keeping up with public demand.

The major factors behind these cost increases are 1) inflation; 2) high interest rates; 3) the need for rapid replacement of physical structures and equipment that were almost totally neglected in the years 1940–1960; 4) skyrocketing demands for services, particularly in large cities where the influx of problem-prone families is pronounced; 5) a see change in the public attitude toward receipt of public assistance; 6) a revolution in public salaries, which began a decade ago with congressional acceptance of the principle that public salaries should be comparable to private salaries for jobs of comparable responsibility; and 7) the fringe-benefit costs, particularly for pensions, associated with the salary increases.

I am in substantial sympathy with some of Mr. Drucker's specific examples of areas where private incentives can be useful—e.g., fines for polluted effluence—while others—e.g., mobile homes as a solution to the housing crisis (which largely occurs in land-poor cities)—demonstrate the intellectual distance between problems and sensible solutions. In summary, his article is an object lesson in the discrepancy between image

> and reality in these matters. As he remarks, "No one wants to pay. But everybody wants results." The next move is up to Congress.

SOBRIETY IN THE SENATE

Mr. DOMENICI. Mr. President, the Pittsburgh Press recently published an editorial praising the 36 Senators who supported President Nixon's first veto of this session. The article said the Senators are to be commended for acting to give the President the leverage he needs to curb inflationary Federal spending. And the editorial rightly pointed to the impact that the distinguished Senator, Hugh Scott, from Pennsylvania, had in our upholding the veto.

Less than a month ago, Senator Scott released the names of 33 Republican Senators who had signed a resolution in support of a Federal spending ceiling in a move toward fiscal prudence—this in hopes of getting Congress and the entire Federal Government to put its financial house in order.

The bill in question—which would have provided more aid for vocational rehabilitation for the handicapped—had tremendous emotional appeal—so much so that only two Senators originally voted against it.

I think that the showing of unified strength, displayed by the Senators who voted in a spirit of fiscal responsibility to uphold the President's veto, deserves the praise the Pittsburgh Press has given. Although almost all of us support vocational rehabilitation, we had to take a long-range view of the Federal budget and the strains upon it; and for this reason—because of our desire to hold down Federal spending and its consequent inflationary pressures—36 Senators voted to support the President's veto.

Mr. President, I ask that the text of the April 6, 1973, editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Sobriety in the Senate

> The 36 senators who supported President Nixon's first 1973 veto may have given him the leverage he needs to hold the line on inflationary federal spending this year.
>
> The issue was whether to pass over the President's veto a two-year, $2.6-billion job-training-for-the-handicapped bill so popular that only two senators voted against it in February.
>
> Yet the vote on the same bill this week was 60 to 36, four votes short of the two-thirds margin necessary to override the presidential veto.
>
> Credit should go to senators like Hugh Scott of Pennsylvania, and Robert Taft Jr. and William Saxbe of Ohio for casting responsible votes.
>
> Had the veto been overriden, more than a dozen bills might have skipped merrily through Congress this spring offering nonexistent federal money to farmers, veterans, old people and other worthy groups in defiance of the President's $268.7 billion budget ceiling for the year starting in July.
>
> The result, as Sen. Scott ably pointed out, would have been another spending binge, an economic hangover, more inflation or higher taxes.
>
> "It is not going to be any easier to stop on the second, third or fourth drink," he warned, "than it is to stop right now."
>
> In a sense, of course, the President is a sitting duck for criticism every time he votoes a bill that promises to help the sick, the crippled or the retarded.
>
> Sen. Hubert H. Humphrey, D-Minn., called his latest veto "the worst, the most cruel, the most inhumane ever handed down."
>
> What the senator failed to mention is that federal aid to the handicapped will have increased 75 per cent, and the number of persons served 50 per cent, to 1,225,000, since Mr. Nixon took office in 1969.
>
> Spending is running at the rate of about $650 million a year.
>
> The issue, then, is not whether the President is a fool or a miser.
>
> The issue is whether Congress has the courage—and good sense—to say no to well-intentioned but lavish spending schemes.

UNITED STATES-ISRAEL RELATIONS

Mr. FULBRIGHT. Mr. President, today's New York Times contains an article from the Reuters News Service concerning statements made by Premier Golda Meir of Israel in an interview with an Israeli newspaper.

According to the news reports, Mrs. Meir stated that I have never said a good word about Israel.

The Times reports:

> Mrs. Meir said: "Can you remember when Senator Fulbright has said anything positive" about Israel?

I greatly regret that Mrs. Meir has made such a statement and I do not believe her claim can be borne out by the record. I am afraid that Mrs. Meir confuses a lack of complete and total support for every action taken by the Israeli Government or every request that it makes with a lack of respect or friendship for Israel.

I will state once more, as I have on many previous occasions, that I have a profound regard for the State of Israel and for its people. The nation and many of its citizens have an outstanding record of accomplishments and the 25th anniversary of the Republic of Israel is an appropriate occasion to note this.

Although I differ with some of the policies of the Government of Israel and, indeed, with some of the actions taken by this body with regard to Israel, I do not believe it is fair or accurate to categorize my position as anti-Israel. What I have advocated is what I see as a more balanced policy in the Middle East, aimed at achieving lasting peace in the area. I do not believe that it is in our best interest or in the best interest of Israel for the United States to give unquestioned support to every action and every desire of the Government of Israel.

I have gone to great lengths to spell out my position in detail, in speeches in the Senate and elsewhere, in articles and books. I am convinced that an objective reading of my views will not support the view that I have no concern for Israel. In fact, my position does not differ greatly from that of some leading Israelis, including the Nation's first Prime Minister, David Ben-Gurion.

In the New York Times article about Mrs. Meir's statement, she refers to a recent appearance before the Committee on Foreign Relations by Mr. Joseph J. Sisco, Assistant Secretary of State for Near Eastern and South Asian Affairs.

Since Mrs. Meir has referred to Mr. Sisco's testimony before the committee and my comments on that occasion, I think it is appropriate to refer to certain of my remarks that she apparently overlooked. I would like to quote from my remarks to Mr. Sisco from the transcript of the hearing on April 3, just 2 weeks ago:

> But the Israelis are among the most energetic, brightest, most capable people in the world. They have proved it for two millenia, I do not deny it, and they are very great people, but when you give them that kind of military power they tend to use it just like other people do, and I think you create a dangerous situation. They are almost tempted to attack their neighbors because they know they can beat them all. They have got more arms than all their neighbors put together as you know, and there is not a one of them that they could not run over tomorrow if they wished to do it. Now they are restrained in the situation, I agree, but we contribute to a dangerous situation. . . . That is the way it looks to me.

Mr. President, I would like to submit for the Record, just a few more of the many examples I could cite where I have made comments which I do not believe could be fairly construed as "anti-Israel." I cite these remarks from some of my appearances on network interview programs, because these are spontaneous answers to questions posed to me.

From "Face The Nation," CBS, July 6, 1970:

> Mr. MacNeil. Senator, back in the Middle East, do you think the United States has a commitment or should have a commitment to Israel—to its territorial integrity?
>
> Senator Fulbright. We have no formal commitment—no treaty or otherwise. The commitment is the tremendous respect that the people of this country have for the Israeli and the Jewish people in general . . . if you say, will we go to great lengths to assist and protect Israel, we will, but without any formal commitment.
>
> That's in the nature of our country and the people who live in it and the respect that they have for the Israelis.

From "Face the Nation," CBS, October 31, 1971:

> Mr. Kalb. Will you support a continuing resolution to make sure that money gets to Israel?
>
> Senator Fulbright. Well, Israel is a very special case, and I have acknowledged that we should support it.
>
> Ms. Berger. Senator, may I catch you on another point? Do you still favor a mutual security treaty with Israel, and do you think that in the given mood of the United States today Israel could put any faith in it?
>
> Senator Fulbright. I don't know about Israel but I still favor that. I think—when I reflect on the speech or proposal I made a year ago August (1970), I think it was a good one. I still think it is a good one. I still think it would be very wise. I agreed, as I did then and now with Mr. Ben-Gurion, that this is the safest way for Israel's future.

From "Meet the Press," NBC, August 23, 1970:

> Senator Fulbright. Now, the Middle East, I have stated that we have very long association with the Israelis . . . This country played a major role in the creation of the State of Israel. . . . it so happens the Russians did too. The Russians agreed, approved, or voted for the resolution of partition, back in 1947, I believe it was, and this was very much on the conscience of the West because of what happened in Western Europe, in Germany. I don't know that you want to recall

all of those instances, but there has been a long history of association, of sharing of cultural background, and I would say, a political background, with Israel.

Mr. President, I could cite other examples, but I hope these few will have made my point. I do not expect Mrs. Meir to agree with everything I say, nor do I believe she should expect me to agree with everything she says. If she wants to view me and my views as misguided then that is certainly understandable. However, if she construes my position as one of a lack of concern and respect for Israel, then I believe she is being unfair to me and not seriously trying to understand my position. I ask unanimous consent to print the statement of Prime Minister Meir as reported in the New York Times in the Record.

Further, Mr. President, I wish to state once again that I believe a political settlement in the Middle East, consistent with the proposals made by Secretary Rogers in 1969, is in the interest of the United States, of Israel, and of peace. I urge President Nixon to insist upon such a settlement in order that we may proceed to make arrangements with the countries of the Persian Gulf for an adequate supply of oil for our country. A political settlement is essential to the establishment of stability in the area and to the economic health of the United States during the next 10 years.

There being no objection, the article was ordered to be printed in the Record, as follows:

Mrs. Meir Says That Fulbright Has Never Shown Friendship

Tel Aviv, April 16 (Reuters).—Premier Golda Meir said in an interview published here today that Senator J. W. Fulbright, Chairman of the United States Senate Foreign Relations Committee, had never said a good word about Israel.

In an interview with the left-wing Mapam party newspaper, Al Hamishmar, Mrs. Meir said that Senator Fulbright should not be quoted as an example of American thinking toward Israel.

Mr. Fulbright, in an interview on the Columbia Broadcasting System program "Face the Nation" in the United States yesterday, asserted that the Nixon Administration was unable to put pressure on Israel for a Middle Eastern peace settlement because the Senate was "subservient" to Israel.

Mrs. Meir said, "Can you remember when Senator Fulbright has said anything positive" about Israel?

"This is a man who hasn't slept nights for years," she said, because under American law part of the United Jewish Appeal funds are free of income tax. "Charity contributions are free of tax. Fulbright knows the law. He has been searching for years. Maybe one day he'll find something."

The Premier said that when Joseph J. Sisco, the Assistant Secretary of State for Near Eastern and South Asian affairs gave evidence before the Senator's committee, Mr. Fulbright asked, "'It doesn't worry you that so much money flows to Israel?' Money is flowing in, but it is mainly from Jewish contributors, apart from Government loans under American law. So why is he so worried."

In his appearance yesterday, Mr. Fulbright said that the United States possessed leverage over Israel because "we supply all the wherewithal—or a major part of the wherewithal—to finance or pay for everything Israel does." But he said that this leverage could not be used because "Israel controls the Senate."

THE GASOLINE SHORTAGE

Mr. ABOUREZK. Mr. President, yesterday morning's Washington Post bore the grim news that spot shortages of gasoline have now blossomed into a coast-to-coast shortage.

The Middle West, the article says, has been the hardest hit.

I did not need the Washington Post to tell me that. I have been hearing from independent distributors who have been getting the ax for more than a month.

It is unbelievable that the administration still maintains quotas on the importation of foreign oil at the exact same time when gasoline shortages and rationing are blossoming from coast to coast.

It is high time we had a coordinated energy policy.

If you were to remove the quotas at high noon tomorrow, it would still take several months for supply to catch up with demand.

We should lift the oil import quota immediately. Unless immediate moves are made to increase the supply of oil in this country, we will see further rationing, higher prices, and a cold winter next year.

We should take immediate steps to insure a continued flow of oil from foreign sources.

To meet national security questions, we should require that anyone who brings in foreign oil put 25 percent of his imports in storage. Such a policy would insure continuity of supply and get us away from our present "drain America first" policy.

Such reserves are common practice in Europe, a part of the world far more dependent than we are when it comes to oil imports.

It comes as no surprise that the gasoline shortage will be particularly hard on rural areas. They tend to be on the end of distribution systems. They are more dependent upon independent jobbers, the ones who are being driven out of business as this speech is made.

When the day comes when farmers find that they cannot get fuel for their tractors, the administration's plan for increasing farm production to combat food price increases will be defeated.

This so-called shortage has enabled hundreds of independent businessmen to be driven under while giant chains strengthen their hold on the market.

We need a policy which assures that the small independents will get a share of the supply instead of a policy which assures that the giants will just get bigger.

Mr. President, at this point I ask unanimous consent to have printed in the Record the article from this morning's Post and an editorial from the April 16 issue of Oil Week.

There being no objection, the article and editorial were ordered to be printed in the Record, as follows:

Gasoline Runs Short Throughout the United States

(By Thomas O'Toole)

What began 10 days ago as spot scarcities of gasoline in a handful of states has now blossomed into a coast-to-coast shortage.

It is not so bad that motorists can't buy gasoline, but it is serious enough to have forced the closing of hundreds of discount and off-brand gas stations whose supplies have been cut off by the major oil companies. It is also bad enough to have closed major-brand stations in states like Minnesota and Florida that are at the end of the gasoline distribution network.

"These are the states that are on the drag end of the pipeline system," said an official of Gulf Oil Corp. "Things are very tight right now in Florida, where there isn't even a refinery to help things out."

The Middle West has been hit hardest by the shortage. Metro 500 of Minneapolis has closed 21 of its 22 stations. All last week, gas stations in northern Illinois found themselves out of either regular or premium gasoline. Gas stations throughout Iowa were being rationed to between 70 and 90 per cent of what they got last year, even though demand was running 10 per cent ahead of last year's pace.

Oil jobbers (wholesale distributors) insisted it would get worse in the Middle West. Over the weekend, a refining subsidiary of Kerr-McGee Oil Co. named Triangle Petroleum closed its storage terminals in Des Moines, Kansas City, Chicago and Madison, Wis., a move that cut off independent distributors in a four-state region from a 25 million gallon gasoline supply.

"There's no question it's going to close a lot of independents," said William Deutsch, who represents all the independent marketers in Illinois. "It will even put some of the branded stations in trouble."

Things were almost as bad in New England where an average of five stations were closed in both Connecticut and Massachusetts each day of last week.

Sure Oil Co. was forced to close 12 of the 50 stations it runs in Massachusetts and Connecticut. Sure said it had been getting 40 tank-loads of gasoline per week, was cut back to 20 two weeks ago and has been told it will be down to 10 in another two weeks.

Rural Connecticut has been *hit* especially hard. Sure closed three Save-Way stations selling the only discount gas in the farm country of eastern Connecticut. Several distributors of bulk gasoline in the same region of the state have been told they will get no gas next month, which means that the farmers they serve exclusively will have trouble getting gas for their tractors.

Further south, things aren't that bad but neither are they very good. The Greenbelt Consumer Services, Inc., which runs a chain of 10 stations that discount BP gasoline in the Washington area, has just been told that the 9 million gallons that BP supplies it with every year will not be forthcoming after July 9.

"They've cut us off from the only supply of gasoline we've had for the last 10 years," said Eric Waldbaum, president of Greenbelt Consumer Services. "We've gone to other suppliers, who have all told us they don't have enough to service us or any other new customer that might come along."

One of the ironies of the sudden shortage of discount gas is that the major oil companies are getting into the discount business at the same time that the independents are being forced out of it.

Exxon is now marketing discount gas under the brand name Alert at 16 stations in four states. Gulf discounts gas under two labels, Economy and Bulko, Shell markets it under the brand name Ride, Mobil under the name Cello. Phillips Petroleum discounts Blue Goose and Red Dot gas.

The emergence of the big discounters come at a time when major oil companies are closing their unprofitable brand name stations all over the U.S.—stations that are more than 300 miles from a refinery, have only a few pumps and do auto repair.

Exxon is in the process of closing 150 of its 400 retail stations in Illinois, Michigan, Wisconsin and Indiana. Gulf has put up for sale 3,500 stations in 21 states, from Illinois across the country to California and Washington State. BP has already pulled out of the Northeast, and Sun Oil Co. has withdrawn from Tennessee and most of the upper Midwest. Cities Services, Atlantic Richfield and Phillips Petroleum are also closing station.

The oil companies insist that the big reasons for the gas shortage are a worldwide shortage of "sweet" (low sulfur) crude oil and a nationwide shortage of refinery capacity. They claim they need five new refineries a year to keep up with demand. They point out that not one new refinery is being built in the U.S. today.

The refinery shortage is so acute that the independent refineries find themselves being courted with more fervor than at any time in memory. An aide to Rep. Robert H. Steele (R-Conn.) claims that the competition for refined products like gasoline is one reason Sure Oil has had to close some of its Connecticut stations.

"The company was about to negotiate a contract with a Canadian refinery," the aide said, "when a major oil company offered to buy the refinery's product at the same prices Sure offered but won the contract when it guaranteed to supply the refinery with crude oil."

The head-to-head combat between the major oil suppliers and the independent distributors is bound to get worse as the gasoline shortage gets worse.

Greenbelt Consumer Services has filed a formal complaint with the Federal Trade Commission protesting the move by BP that will cut them off from gasoline, and in the only known court action so far a federal judge in Phoenix ordered Phillips Petroleum to restore gasoline sales to a discount chain it tried to cut off.

Meanwhile, the gasoline shortage itself promises to get worse as motorists take advantage of the improving weather. Last week, Detroit, Indianapolis and Boston reported that they did not reecive a single bid for contracts to fuel city vehicles. For the first time in history, they faced the prospect of being unable to run police cars and fire trucks because of the gasoline shortage.

HOW TO HELP NATIONAL SECURITY AND ASSURE SUPPLIES

How about this for a cheap way to preserve national security while producing adequate oil supplies at reasonable costs:

Junk the quota system as method of draining America's supplies first at highest cost.

Do away with tariffs because of the beneficial effect on our trade with other nations.

But require anyone who brings in foreign oil to put 25% in storage here in the U.S.

While it would be too expensive to store the oil in tanks above ground, the oil could be stored in the most natural place . . . within wells depleted by the Drain America First policies of the 1960's.

Independent drilling and exploring companies now owning partially depleted wells would be able to import oil from abroad, store some and sell the rest to inland refiners.

A study is being made now by a leading foundation of how much space is available in underground salt domes for oil storage.

The domes occur in nature along the eastern seaboard up into Massachusetts.

Domes have more regular surfaces than depleted wells and would return more of the stored oil.

Some land-locked refiners might not be able to benefit directly from the plan, but the general availability of crude oil would ease the demand for domestic crude generally making it easier and more economical for them to bargain for supplies.

The only serious argument against free imports from abroad is the alleged threat to national security of relying on Arabs and Venezuelans.

Of course Japan and Europe have prospered by relying on those cheap sources of oil for the past 10 years while Americans had to make it on $3.50 a barrel crude.

Yet what could offer the U.S. more security than adding to our national reserves that have now fallen to a 6-year supply.

You can imagine that the domestic oil producer wouldn't like this plan because he would have to face competition from low priced foreign oil.

If it's true, as some majors allege, that foreign oil is now more expensive than domestic, there wouldn't be a need for import controls.

High prices would keep foreign oil out. Quotas or tariffs are needed, as Interior Secretary Rogers Morton testified earlier this year, so long as foreign oil is cheaper than domestic . . . or at least that's the producer's viewpoint.

HOW WOULD MARKETER GAIN?

But what effect would it have on marketers?

Since the fuel oil and gasoline crisis—now threatening most all marketers—is a characteristically American phenomenon not shared by other countries, the effect of lifting import curbs would be to provide abundant oil at better prices.

With more oil available at wholesale the marketer would take on a new attractiveness to refiner-producers trying to move gasoline and oil.

Free trade in oil would quickly end the "who needs you" attitude of so many refiners today.

Independent terminal operators would be able to integrate backward into refining being assured a supply of foreign oil.

Meanwhile the U.S. would be adding to its reserves by 25% of imported oil a year instead of draining known reserves by about 13% a year.

Operation of the program would be far less troublesome than the current mess with importers registering their imports and the location of the stored 25%. Spot checks by inspectors would cut administration costs from the present bureaucracy.

An outstanding idea from Worth Rowley, the prominent Washington antitrust attorney.

But the storage plan is worthless if your goal is to keep out low-priced oil and destroy competition.

We asked American Petroleum Institute's marketing vice president what he thought of the idea.

Ray Wright had just given a speech in Philadelphia to the National Carwash Council.

"I think it's going to have to come to something like that," Wright said.

Wright was, of course, giving his own view rather than official API policy.

MARKETERS VIEW OF SUPPLY

[In thousands of barrels]

	Stocks for week ended Apr. 6	Week ago	Year ago
Gasoline:			
East coast	48, 868	+1, 516	−6, 041
District 1	54, 492	+1, 643	−5, 909
Indiana-Illinois-Kentucky	40, 060	−676	−727
Minnesota-Wisconsin-Dakota	8, 571	−8, 509	−223
Oklahoma-Kansas-Missouri	18, 255	−853	−6, 556
District 2	70, 285	−1, 353	−7, 461
Inland Texas	9, 252	+298	−937
Texas Gulf	23, 052	−1, 309	−5, 712
Louisiana Gulf	11, 719	−2, 097	−3, 063
North Louisiana and Arkansas	8, 832	+813	+2, 048
New Mexico	867	−64	+188
District 3	53, 722	−2, 359	−7, 476
District 4	7, 314	−290	−1, 068
West coast	23, 654	−557	−3, 035
Total, United States	209, 467	−2, 916	−24, 949
Distillate:			
East coast	38, 077	−3, 360	+7, 001
District 1	40, 416	−3, 179	+7, 623
Indiana-Illinois-Kentucky	16, 458	+465	+715
Minnesota-Wisconsin-Dakota	6, 323	−124	+979
Distillate—Continued			
Oklahoma-Kansas-Missouri	10, 035	+11	+1, 110
District 2	34, 519	+332	+2, 514
Inland Texas	1, 936	−250	+210
Texas Gulf	8, 689	+475	+44
Louisiana Gulf	6, 373	+1, 917	+851
North Louisiana and Arkansas	2, 843	−1, 630	−2, 186
New Mexico	172	+23	−91
District 3	20, 013	+535	−1, 172
District 4	2, 764	+166	+75
West coast	10, 552	....	−2, 391
Total, United States	108, 264	....	+6, 649
Refinery output:			
Motor gas	43, 558	+981	+2, 253
Distillate	17, 741	−52	−59
Cap. in operation (percent)	90. 3	+1. 6	+5. 0

PROUD TO BE A HUMAN BEING

Mr. YOUNG. Mr. President, one of North Dakota's best newspaper columnists recently wrote a very good story about Mr. Patrick Gourneau, chairman for several years of the Tribal Council at the Turtle Mountain Indian Reservation, Belcourt, N. Dak. This is an interesting story about one of the finest men I ever knew, my longtime Ojibway friend, Pat Gourneau.

Mr. President, this is an article I believe would help most people to better understand and appreciate Indian people and I ask unanimous consent that it be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAT PROUD OF BEING HUMAN BEING

(By Wayne Lubenow)

ROLLA, N.D.—Patrick Gourneau sat quietly and rubbed a leather covered prayer bone which he had made himself. He pondered the burning and the rioting in Custer and the barbusting in Rapid City, South Dakota, and then he said:

"I am strongly opposed to the radical and militant actions of the American Indian Movement. I wish all Indians would be friendly and peaceful and well-behaved instead of greedy and disorderly."

His face was deadly serious and sort of sad and he leaned forward and in a very soft voice he said, "The AIM is hurting our cause. If I was still a security officer I would prosecute them all."

That is the way of Pat Gourneau, a Chippewa here on the Turtle Mountain Reservation and a strong, quiet man who was tribal chairman for six years. He learned, he says, that Indians can get more respect and honor and equality with honey than they can with vinegar.

Pat Gourneau is a self-made man who has pulled himself and his Chippewa tribe up by his own mocassin tops.

He is a gentle man—but not so gentle that, as tribal chairman, he didn't spank the Bureau of Indian Affairs often. The difference is that he spanked them in such a diplomatic and nice way that they didn't know they were being chastised.

Pat is either 68 or 69 years old, take your choice. He was born on the Turtle Mountain Reservation and the tribal rolls put his birth date as February 11, 1904. But his baptism certificate says he was born February 11, 1905.

Observes Pat, "I prefer 1905 because it makes me one year younger and I could stay employed one year longer." The Social Security people accepted the 1905 birthdate.

He was born on his father's place on the reservation, spent his early years in Indian schools before wandering around the country looking for work to help out the family.

Pat started school in 1911, a reservation day school named after his grandfather. In 1912 he went to the Wahpeton Indian School and stayed until 1914. Then back up to Fort Totten and the Haskell Institute in Kansas and back to Wahpeton until 1923.

That's 12 years of school—and when he finished in 1923 nothing much had changed. He started roaming several states in search of farm work.

"Indians," Pat says slowly, "couldn't get much else in those days."

Pat kept working on farms until 1928 when he met and married the daughter of a truck farmer near East Grand Forks, Minnesota. He learned the business and in 1930 moved back to the Turtle Mountain Reservation and bought the land which he still owns. It is a 120-acre tract which he added to in 1947 by purchasing an additional 80 acres.

And Pat Gourneau started his truck farm that they are still talking about around here—at least the oldtimers are.

Man, back in the late 1930's, during the depression, he was growing hybred vegetables—20-pound squashes, lettuce that you could just squeeze eight heads of into a bushel basket, giant tomatoes, things like that.

"We didn't starve," Pat says, "but I had to sell onions for 60 cents a bushel and potatoes at one-half cent a pound."

He has old pictures of his commercial enterprise which he shows with great pride, pictures that show a baby with a mammoth squash, a child with a super head of lettuce, vegetables as big as the kids.

Pat was a truck farmer for 23 years, until 1953 when Turtle Mountain Indians drafted him into tribal politics. He had stayed out until then, content to work hard and mind his own business.

Tribal affairs were in a sorry state when Pat became chairman in 1953. Nobody trusted anybody else and the Bureau of Indian Affairs considered Turtle Mountain one of their most complicated reservations, even took stern steps against those Indians.

The tribe was heavily in debt—and in just five years Pat Gourneau had cleaned up that debt. Just before he resigned, he deposited $30,000 in the U.S. Treasury for the tribe.

Yeah, he used a lot of his own personal money—but that wasn't the only thing. Pat tells it this way: "I went to the white merchants of Rolla and all around and I asked for cooperation in putting on Pow-Wows and things. I have never had such cooperation as I have gotten from the white men around here."

When the jewel bearing plant started operations in Rolla in 1953, Pat went to work there as a security guard, was elevated in 1966 to supervisor of maintenance and guards, held the position until 1970 when mandatory rules put him into retirement.

So he's retired now, has a wife and four boys and four girls, loves to fish and dance at Pow-Wows.

Pow-Wows are his big love because they are his chance to express his Indian heritage. He goes to the Yakima Reservation near Spokane, the Red Lake Reservation in Red Lake Falls, Minnesota, and to Fort Totten near here—and he dances at them all in full Indian regalia. He attended a national Pow-Wow in Oklahoma, the only Chippewa there.

He is a Christian, has a fervent belief in the Almighty, has Indian symbols for God and the Holy Spirit and Christ and the Cross. Inside his prayer bone are "all the things of the earth"—seeds of all fruits and vegetables, bone particles from deer and other animals—"all things needed by Mankind."

He is the author of an historical account of his tribe titled: "History of the Turtle Mountain Band of Chippewa Indians." So authoritative is it that he is about to begin the revised 5th edition.

He is a homespun lecturer, not a speechmaker, and he talks to school classes and others who want to know about his people.

Years ago he gave up drinking and his one big passion, snuff-chewing, to pay penance to the one Big God he believes in.

But he is no prude. At the big Pow-Wow in Oklahoma he was called to perform but had no more Chippewa with him. But there were Fort Berthold Indians there and he called on them to beat the drum and sing while he danced.

Pat danced to the outer edge of the arena where all the people were jammed around. He approached a group of ladies and cut loose with his "high and fancy."

One lady took a look, then screamed, "Boy, that Chippeway is really a jitterbug."

Pat grins when he tells that story. Because he is a marvelous mix of humor, pride and dignity.

He is proud he is an Indian, all right, but he's even prouder of being a human being.

NATIONALIZATION—CONCERN FOR THE AIR TRANSPORT INDUSTRY

Mr. CANNON. Mr. President, the health of the airline industry is a matter of great concern to the transportation needs of our country and to the economic health of U.S. industry. For these reasons, I have watched closely the efforts of leaders of the domestic airline industry to bring aviation out of the economic doldrums which have afflicted the airlines in recent years.

A great deal of progress has been made and the efforts of the president of United Airlines, Edward Carlson, have been particularly impressive. I believe that his remarks in a recent address to the National Association of Manufacturers in New York City will provide food for thought for all those who have a concern with the challenges confronting the air transportation industry and ask unanimous consent that this statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONALIZATION—A CONCERN FOR THE AIR TRANSPORT INDUSTRY

(Remarks of Edward E. Carlson)

I'm honored to join you and privileged to express my views to the distinguished members of the 77th Congress of American Industry. I am sure we are in full agreement that our economic system is crucial to the continued eminence of this great country. My remarks today will center on the role of private enterprise in air transportation.

By way of background, it's appropriate to recall that at this time in 1970 the nation's airlines were winding up the most disappointing year in their history, with trunkline losses of more than $100 million. This year the trunkline industry should show total profits after taxes of about $225 million. This is indeed an impressive turnaround. However, the industry picture is by no means a rosy one, and solution of the serious and complex problems we face will require strong efforts.

As a result of helping to cope with such problems, I've gained some insights that may be of general interest. I would like to share these thoughts with you, and in doing so, highlight threads of change that decision-makers in government, business and labor should be aware of—and hopefully to draw their attention to forces that threaten the private enterprise concept in America's air transport system. I'm not referring to any sinister plot—but merely to historical trends and the clear influence of profit and loss.

In 1972 the domestic scheduled *airlines* will carry some 168 million passengers and that total represents about three-fourths of all common carrier, intercity passenger traffic in the United States. The industry has assets of more than $13 billion, including flight equipment valued at $11.5 billion. It provides employment for approximately 300,000 and they command an annual payroll of approximately $4 billion.

The airlines have attained their present importance both because, and at times in spite of government regulation. In 1938, the Congress, in passing the Civil Aeronautics Act, established the Civil Aeronautics Authority, known since 1940 as the Civil Aeronautics Board.

The authority of the Civil Aeronautics Board extends to six major areas, two of which I'll specifically mention because of their primary effects on the industry's economic health. First, the Board regulates airline fares and rates. Pricing of service is not an independent prerogative of airline management, and timely adjustmnets to reflect changes in cost levels cannot be accomplished as readily as in most other industries. Second, the Board decides how many and which airlines can operate over every route in the United Staes. To put this another way, the Board determines the *amount of* airline competition on any given route. The amount of competition influences load factors, and load factors influence profit margins.

That's a complicated relationship to discuss at a luncheon and I'll clarify it with an actual example. Up until the latter part of 1969, Hawaii was served by three U.S. carriers, including United Air Lines which inaugurated commercial schedules between the Mainland and Honolulu in 1947, 25 years ago. In the years between 1947 and 1969, load factors were generally favorable, fares were among the lowest in the world, and our Hawaiian service made substantial contributions to United's profits.

Beginning in September, 1969, five additional U.S. airlines were added to the Hawaiian market by the Civil Aeronautics Board in the Transpacific Route Case. In a short time, a profitable market became a financial wasteland. Consider these results: For the 12 months ended September 30, 1969, United's operating profit on Hawaiian service totaled $31 million. For the 12 months ended September, 1970, profit dropped to $1,600,000. This year for a 12-month comparable period our pretax loss exceeded $16 million. In this three-year period there was a swing of $47 million—profit of $31 million in 1969—loss of $16 million in 1972.

The fact is, none of the U.S. carriers is making a profit on Hawaiian service. Fares are too low, discount travel is heavy, and erosion of yield is excessive. The airlines themselves cannot wear the white cloak of purity and blame all woes on the CAB. We must confess to our own inadequacies at times. But to demonstrate the seriousness of the financial problem, last August, United's Mainland-Hawaii flights attained a 72.2 per cent load factor, which ordinarily would be profitable. Instead, we had a pretax loss for the month of August of $730,000.

In reviewing the Hawaiian situation, it's fair to point out that the Civil Aeronautics Board didn't use persuasion or force to bring five additional competitors into the market. The carriers acted on their own in applying for the new route authorities. But many believe this did not relieve the Board of its responsibility to use restraint in responding to route applications. The Board by Congressional act is the watchdog of the airline industry's economic condition.

Competition has benefits with which we are familiar, but in our industry excess competition wastes resources without producing any significant advantage for consumers. Indeed, the Hawaiian situation demonstrates that excessive competition works against consumers by contributing to the economic pressures which prompt the carriers to seek higher fares, and I would add that the Hawaiian episode also demonstrates that the Board has economic power of tremendous impact, requiring delicate use with careful consideration of long-range consequences.

Today, many in the industry and financial community believe that the present membership of the Board is exercising power wisely and they are to be commended for the healthy regulatory climate which prevails generally. A de facto moratorium on new competitive route awards has been in effect for several years. In the spring of 1971 the Board authorized a 6 per cent fare increase, following several months ago by an increase of 2.7 per cent. These adjustments have been of great benefit in the industry's financial recovery.

Two years ago when distress signals began going up on all sides, the Board initiated an investigation of passenger fares. This resulted in determination of a 12 per cent rate of return as fair and reasonable. We hope the Board will use its economic power in such way that well-managed, efficiently operated airlines will be able to achieve the 12 per cent rate of return hopefully soon—making it a realistic financial fact, rather than an elusive target.

Airline economic problemswhich surfaced in 1970 have been of great intensity. The airlines have been caught between the pincers of government regulation and the extreme effects of cost inflation. In the last five years, the industry's inflation rate has been higher than the general level, averaging 6.7 per cent annually, compared with the national average of 4.4 per cent. The items that go into the production of air service have moved up strongly year after year, whether manpower, food or fuel, engine parts, landing fees, media advertising—in fact everything we buy.

Labor costs are the largest single component of airline operating expenses, and salary increases can be correctly described as substantial and sobering. In the four years from 1966 through 1970, the average salary per airline employee rose 43 per cent. Over the same period, in comparison, the average salary per employee for industry in general increased 27 per cent. Last year the average earnings of U.S. airline employee were $13,156—a rise of almost 7 per cent over 1970, and some $5,400 higher than the average of $7,800 earned by workers in all of private industry in 1971. These figures explain why almost half of our total annual cash expenditures are claimed by salaries and benefits.

About 60 per cent of United's employees are represented by labor organizations, principally the Air Line Pilots Association and the International Association of Mechanics and Aerospace Workers. Now I've said many times that I believe in the labor movement and I do not intend to reverse that opinion. Historically, unions have helped to create a standard of living for American workers far superior to that which exists anywhere else in the world.

Yet, labor must recognize that its welfare is linked with the financial health of the airlines, and government must recognize that the financial condition of the industry influences the national economy.

While airline employees have been receiving sizable increases in salaries and benefits, what about investors? Have traffic gains, service impovements, and the efficiencies of new technology brought them an increased return? Unhappily, the answer is no. For a time in the 1960's airline stocks advanced steadily, as justified by profits and prospects, but subsequently they faltered and began a long slide. Between 1966 and 1970, the average price of many airline stocks declined some 75 per cent. The rebound has been less than spectacular.

The airlines have enormous capital requirements and they sorely need investor confidence. Obtaining capital has become increasingly difficult and expensive in recent years. More and more, the carriers have been obliged to raise funds through various forms of leasing and debt financing, with consequent impairment of debt/equity ratios and closure of capital sources formerly wide open.

By 1980, only 7 years from now, according to present forecasts, the U.S. scheduled airlines will carry 302 million passengers, an increase of 80 per cent over the estimated total for 1972. Capital requirements to meet anticipated growth in the current decade are placed at almost $28 billion.

Many thoughtful people are concerned about what will happen, if airlines continue to follow a roller-coaster pattern of profit and loss, inconsistent with the uptrend in traffic. Such a pattern would result in additional financing difficulties, and conceivably some might propose nationalizing the air transport industry—a horrible thought for those of us who believe in the strengths of the free enterprise system—but the point deserves serious consideration while there's time to develop constructive action programs.

It's clear that in years to come, the airlines will need large additional sums for flight and ground equipment. Reasonable profits would eliminate financing problems, but the record of the past indicates that reasonable profits up to a 12 per cent return on investment will be exceedingly hard to achieve. Equipment modernization and expansion will have to be financed both through internal sources—depreciation and retained earnings—plus large amounts of outside capital. Raising outside capital, especially new equity capital, becomes tough when profits are thin or non-existent. The industry may already be near the practical limit for equipment leasing and debt financing, if improved earnings are not forthcoming. When an essential industry such as air transportation reaches the point where it cannot obtain its capital requirements, the remaining step is nationalization in one form or other—either outright or by de facto government control of management actions.

Now, some may say I'm seeing things—that the politics and traditions of our country are solidly opposed to nationalization. True enough, but the needs of commerce, national defense and the public interest require air transportation, along with surface transport, regardless of economic considerations. If a critical situation occurs, the government simply cannot permit airlines and other common carriers to close the doors as they were ordinary business establishments. In such an emergency it is reasonable to assume that nationalization would be proposed as the answer.

It's generally believed that nationalization of the British Railway System was due primarily to the philosophy of a Socialist government, but according to Mr. Robert Marsh, chairman of British Rail, another important factor was involved. One of the main reasons, to quote him, was this: "The railways found it extremely difficult to raise the new capital which they required for modernization." In other words, they had reached the fatal time when the rolling stock was worn out, and government was the last resort for financing.

I heard a railroad executive say recently that outside of the United States, the only major railroad still privately owned is the Canadian Pacific. And in this connection, you know that most of the foreign-flag air carriers are either government-owned or government supported, which leads to this question:

Would nationalization of the airlines provide advantages for customers . . . employees . . . labor organizations? All the information I have on the subject adds up to a resounding no. Fares charged by the nationalized airlines in Europe are higher than for equivalent distances flown domestically by U.S. carriers. Far more people travel by air in this country than on European scheduled airlines, due in part to our better standard of living. But, most important, the high volume of U.S. air travel also testifies to bargain fares, frequent schedules, the modern equipment and quality service offered by the competitive, privately owned airlines.

As for advantages to employees and labor organizations, it's significant that union leaders have never promoted a drive for nationalization. The fact is that nationalized airlines have low wage scales which tend to stay that way.

I'm sure you in this audience don't have to be told of ill effects associated with nationalization. The immediate question is, how can we solve airline problems which, if ignored, can lead to government financing and control?

I have these recommendations:

In making them I want to initially state that observers both within and out of government agree that the Civil Aeronautics Board does subscribe to the need of carriers maintaining strong balance sheets and adequate earnings on a continuous basis, if this country is to maintain a strong air transportation system. The industry has not maintained strong continuous adequate earnings and this affects a strong air transportation system and that becomes a matter of national interest.

We have never had a national air transportation plan for guidance, stability and purposeful growth. We need such a plan without further delay. The group to develop this plan should include representatives of the carriers, airport management and the public, working in partnership with the department of transportation, the Federal Aviation Administration and the Civil Aeronautics Board which already has established guidelines in some important areas.

The domestic route structure is foremost among the areas to which planning should be addressed. We need a logical basis for an air transport route network that will fulfill, but not exceed, the nation's requirements. The present excess sprawl of overly-competitive service stands in need of pruning and reform to avoid future economic degeneration, and to spare the airlines from the incredibly tedious process of route consolidation the railroads have been going through. To implement the plan, we need workable procedures to permit route transfers when mutually agreeable. We need procedures that will make it possible to undo mistakes, such as the one I mentioned in talking about the Hawaiian market. We need procedures that will enable the airlines to move rapidly in correcting loss situations.

Where two airlines are operating on a route without responding to the need for service improvement and expansion to meet growth, there should be ways to stimulate a change in short order. Often in the past, the Board's reaction to cases of inadequate service has been simply to add another carrier. I suggest use by the Board of its authority to require adequate service, or to replace service with another carrier, as a more appropriate remedy.

The optimum number of carriers for any given route should be determined in relation to proper levels of service and the need to maintain reasonable earnings. I'm not suggesting the industry should be sterilized of competition—that would be counter to the public interest—but I believe competition in a regulatory framework should not be so excessive and wasteful as to bleed off resources which could be applied elsewhere in serving the public.

The planning group might also focus on the industry's future requirements for new technology aircraft. Historically, military research and development contributed to improvements in commercial aircraft, but this is no longer true because of changes in the military requirements and budget. Who will conceive and build the aircraft of tomorrow? Development costs will be too great for any one manufacturer to bear.

Secor Browne, chairman of the Civil Aeronautics Board, is deeply concerned with the problem. Based on technological leadership, this country has supplied more than 80 per cent of the Free World's commercial aircraft, but that leadership is being seriously challenged overseas. How will the challenge be met? Mr. Browne's solution is to establish an aerospace reconstruction finance corporation that would provide loan guarantees to support the development and production of new aircraft. And here, I point out, not only are airlines involved—the problem affects the aircraft industry, thousands of jobs, the nation's balance of payments and the national economy, and I might add, a little pride. We have always had a great "can do" attitude in this country. Are we losing it?

Airline managements, individually and collectively, fully recognize and actively assume responsibility for the future of the industry. Neither the government nor the financial community will ever replace effective managerial skills and energies as the first-line defense of free enterprise in air transportation. It is and it will be the job of airline management to preserve and to protect its present and future business independence. It can do this only by continuing to achieve profitable results from its operations; by maintaining efficiency, along with safety and dependability; by avoiding excess in schedule capacities and in service features; and by sticking to the business principle of giving the customer what he wants at the lowest price that will permit a reasonable profit.

Our privately owned and operated air transport system has distinguished itself by its efficiency and low cost to the consumer; its development of new markets and classes of service; its improvements, innovations and technological advances; its safety and dependability record; and its ceaseless efforts to provide satisfaction for millions of customers.

Despite its accomplishments, the system is vulnerable and its survival will depend on the collective wisdom of airline management, our regulators and others in government who share responsibility for what is now the finest air transport system in the world.

The threads of possible change are there—they should be recognized and action initiated while there is still time.

Thank you.

THE PROBLEM OF PRIVACY

Mr. MATHIAS. Mr. President, as our society becomes increasingly impersonal and technological, the ever present dangers to the privacy of the individual multiply. I am pleased to note, however, that attention to the problem of privacy has resulted in a fine symposium in the Columbia Human Rights Law Review. Included in the symposium is an article by my distinguished colleague from North Carolina, Senator Ervin, entitled "The First Amendment: A Living Thought in the Computer Age." The privacy symposium has now been reprinted in hardback so that its essays and articles will reach a much wider audience. I think that this book, "Surveillance, Dataveillance and Personal Freedoms: Use and Abuse of Information Technology," should be on the reading list of all thoughtful Americans.

THE CRIPPLING EFFECTS OF MALNUTRITION ON INFANTS

Mr. MONDALE. Mr. President, an outstanding article appeared in the April issue of Redbook magazine, one which describes the crippling effects of malnutrition on infants. This article, entitled "How to Save Babies for Two Dimes a Day," was written by Virginia M. Hardman. It highlights the dramatic results achieved by a nutrition program in Memphis, Tenn., undertaken jointly by the Memphis Area Project South—MAP-South—and the St. Jude Children's Research Hospital.

In the 4 years MAP-South has been working with St. Jude's, the program has restored some 4,000 children from Memphis to health. In one area of the city, the yearly infant death rate has been reduced from 84 per 1,000 births to 20 per 1,000—the national average.

Malnutrition can permanently disable children, both physically and intellectually. The cure for hunger is food, but it must be provided to infants in critical early months—before it is too late.

That is why last fall the Congress approved the proposal introduced by my colleague from Minnesota, Senator Humphrey, to enable local health or welfare agencies and nonprofit private groups to provide food to pregnant women and to infants endangered by malnutrition.

This measure, which I was privileged to cosponsor in the Senate, recognizes that special high quality foods designed specifically for infants ought to be made available as part of the Federal effort to combat hunger.

Congress made available $20 million each year for fiscal 1973 and 1974 to serve as the beginning of a nationwide effort to eliminate malnutrition among the very young. However, the administration has refused to spend any funds for the new program, and the Department of Agriculture has failed to move forward on its implementation.

This is another clear indication of lawlessness by the executive branch.

Mr. President, I urge my colleagues in the Senate to carefully consider Virginia Hardman's article in Redbook, and I ask unanimous consent that it be printed in full in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

How To Save Babies for Two Dimes a Day

(By Virginia M. Hardman)

December. A raw day. I am in Tennessee, walking through the South Memphis slum neighborhood. My companion, Mrs. Johnnie Mae Jones, is a member of Memphis Area Project South (MAP-South), a community self-help organization. Working jointly with the St. Jude Children's Research Hospital, of Memphis, women like Mrs. Jones have brought large numbers of undernourished children into a special nutrition program. I have joined her to learn how the program operates.

Mrs. Jones seems to know almost every person, street and house in the area. We wait ten minutes at an unguarded intersection for a freight train to pass. She tells me that a child was killed here. In a half hour's walk, not a bus passes. Finally we reach our destination, a dilapidated frame house. It looks abandoned. Mrs. Jones knocks on the door.

"Come in," says the housewife, Mrs. Henry Trainer, who knows my companion well.

Inside, two little old men are sitting on a broken-down couch; the one sucking on a bottle is Bobby, aged three. He and his four-year-old brother, Ralphy, stare straight ahead. They have the glazed look sometimes seen in the eyes of the aged who have lost interest in life, who expect nothing good ever to happen to them again.

Usually I get along better with children than with adults. Not this time. All my overtures meet with no response, and the children finally retreat to the kitchen, leaning motionless against a table while I talk with their mother.

She tells me that Bobby and Ralphy were born in Memphis, the youngest of nine children, and she tells me a little about her struggle against poverty and despair. Although her husband works, the pay is so low and the family so large that it qualifies for food stamps, which are issued by the Tennessee Department of Public Welfare and bought at special branch offices in slum neighborhoods. Mrs. Trainer spends $49 for food stamps a month. Most months. With the stamps she can buy about $160 worth of food, which works out to less than 50 cents a day per family member.

As we sit there talking the wind blows through the flimsy walls of the five-room house. Mrs. Trainer explains that the family uses only three of the rooms in winter to save on heating. She ignores my next query, on the logistics of bedding down 11 people in three rooms. She has the strength of a countrywoman in imposing her silences. Then she opens a new subject, telling me what I already know—that Bobby and Ralphy are in the nutrition program.

"They much better than they used to be. Been on it 'most three years. They started giving me extra food for the five youngest all at the same time. Then coupla weeks later they took the older ones too for a while. The older ones don't get it any more. They over six years old and get school lunches instead—'cept these two."

Bobby was three months old and Ralphy 16 months when they came into the program. In Ralphy's case the underdevelopment of his brain, caused by malnutrition, may be permanent.

Only when we are at the door and I call out to the children, "We're going now—come say good-by," do they venture out of the kitchen. Bobby, in a hoarse kind of whisper, seems to be trying to say good-by.

Out in the street with Mrs. Jones, I think about what I have learned so far about the effects of child malnutrition and about this nutrition program in Memphis, which has already decreased the yearly infant death rate in one area of the slum from 84 per 1,000 live births to 20 per 1,000, the same as the over-all infant death rate in the United States.

Malnutrition can kill. That is terrible enough. But malnutrition in children who survive it can disable them for life. It not only stunts physical growth and makes its victims sickly, but also its effect in brain-cell development in the first six months of life can be disastrous.

These facts had been given me by Dr. Donald P. Pinkel, medical director of St. Jude Hospital, and his associate, Dr. Paulus Zee, the hospital's nutrition director. It is their concepts in relation to nutrition that are being tested in the remarkable program operated jointly with MAP-South in the effort to save the lives and intelligence of preschool children in this Memphis slum.

The MAP-South project has a history dating back to 1964, when the people of the area formed a community organization to find ways of breaking the poverty cycle in their neighborhood. This group evolved, with the support of the U.S. Office of Economic Opportunity, into a highly effective institution that today includes full-time specialists, part-time neighborhood aides (recruited from impoverished families and counseled by professional social workers), as well as VISTA and citizen volunteers from the community at large. In the four years MAP-South has been working with St. Jude's, the program has restored some 4,000 children to health. And it was done by "prescription"—prescription for the only cure and prevention there is for malnutrition: food.

Special "prescriptions," signed by St. Jude physicians or specially trained nurse practitioners, are taken by poor mothers to a warehouse filled with surplus and donated foods and run by MAP-South personnel. There the mothers are given evaporated milk, enriched farina, a corn-syrup blend, canned juice, canned meat or poultry, canned vegetables, milk-beverage mix and instant nonfat dry milk.

And for infants there is Similac, a special formula reinforced with iron and containing protein, lactose, calcium, phosphorus and all the vitamins a baby needs, from A through E. Cost of the proper dosage for a baby? Twenty-one cents a day—$37.80 for each child in the crucial first six months of life—$37.80 to support the brain during its most critical growth period, to assure good physical growth, to prevent anemia and vitamin deficiency. This immensely valuable St. Jude-MAP-South nutrition program is a pilot project, and it may pattern a pioneering new approach to the care and well-being of the infants of this nation.

Mrs. Jones and I continue on our way. Our next stop is the warehouse. I watch as the mothers hand in slips for their month's supplies and sign receipts. Sometimes the process is slow as a name is laboriously printed, or quick when an *X* is the signature; only a few seem to write with ease. The women wait on a bench while their orders are packed into cartons by two friendly and businesslike men.

"How do they get those heavy cartons home?" I ask.

"We're all apples off the same tree," says one of the men cheerfully. "We help each other manage."

In an adjacent office two women—employees of MAP-South—maintain the records of families with children on the nutrition program. They tell me that about 140 people a day come in for prescribed food. I leaf through a few case histories. I find that in a surprising number of families the husband is employed, but his wages are pitifully low.

There are the Fishers, for example. Mr. Fisher is a day laborer for a large barge company. He earns $2.26 an hour. Mr. and Mrs. Fisher and their eight children occupy a four-room apartment. The eight-year-old twins each are blind in one eye. Both have been hospitalized for pneumonia at St. Jude. The other children have been treated there for an assortment of illnesses, including malnutrition.

Winter is especially hard for the Fishers because it is the off season in Mr. Fisher's work and he gets only two or three days of work a week. Sometimes he's laid off for a week or more. At such times, says Mr. Fisher, the family would starve if St. Jude and MAP-South did not help with emergency food.

Mrs. Jones and I leave the warehouse and pay a visit to Mrs. Daisy Leonard. Daisy has worked hard most of her life. Her smile and slim body are girlish, but her eyes and hands belong to a woman of 50. In fact, Daisy is 26, and the head of a household of four small children. She has what she calls an "income" of $1,740 a year—just $33.46 a week to house, feed and clothe a family of five.

Daisy's schooling ended with the sixth grade, when she went into the fields and picked cotton with other members of her family, sharecroppers in Arkansas, who worked from dawn to dusk like beasts of burden. Seven years ago an older sister broke away and moved to Memphis, a distance of 150 miles. A year later she sent for Daisy, who was then 20 and the mother of two babies.

"It was another world. We stayed on because we have a better chance in the city. Everything's better here, especially for the kids. I did day work—cleaning houses and going out to chop cotton just over the border, in Mississippi. Me and my sister lived together, took care of each other's kids. But she got married and moved out, so now I can't work. Don't have anyone to mind my little ones."

There are four children now, Letty, Danny, Frankie and Ginny.

What does Daisy want for her children?

"The first thing, I want them to have a good education and stay out of trouble. That's why I scrimped and saved to get this TV; children gotta have something to do. Then I want them to be able to get good jobs and keep them. I want them to be happy. Strong too.

"My two youngest was real sick awhile back. If it wasn't for the hospital, I don't know if Ginny'd be here today. They took care of Frankie too—operated twice for his eyes. They still feeding both children."

The two youngest children seem lively and healthy enough now. But Ginny was an undersized, irritable three-month-old with a swollen belly and spindly legs when a St. Jude nurse first visited the household, three years ago last summer. She was promptly hospitalized for treatment for severe malnutrition. Frankie's malnutrition was less critical. A nourishing high-protein diet with plenty of minerals and vitamins was prescribed for him.

"I knew something was wrong with the baby—she never acted right. Same with Frankie. But I didn't know what to do. Then that hospital came and found us like we were lost. They kept Ginny in St. Jude's awhile. I was scared just thinking about that tiny little baby of mine without her mother. I knew they were good to her. But I missed her. So I used to walk there every day to see her."

Isn't there a bus?

"Costs thirty-five cents. Each way."

So Daisy walked six miles in the blazing heat of a Memphis July to be with her baby. Every day for ten days.

The room in which we are sitting is the only warm one in the ramshackle house. A gas heater is going, and on top of it is a skillet of rice "because the kitchen is too cold to cook in." The stuffing is coming out of the couch, but the bed is carefully made up. The only other furniture in the room are a chair and a TV set.

Mrs. Leonard's monthly income of $145 comes from the Aid to Dependent Children welfare program. She pays $40 a month for rent. Gas and electricity run between $30 and $40 in this unheated place. After rent and utilities are paid, $70 is left. Thirty-six dollars goes for food stamps, with which Mrs. Leonard buys some $115 worth of food each month. With today's high prices, the food is insufficient to feed the family of five. If it were not for the nutrition program. Mrs. Leonard couldn't manage.

While we talk, Ginny and Frankie play cowboys. Daisy interrupts them to give Ginny a spoonful of peanut butter. Frankie claims and gets a spoonful too.

"They eat it like candy," Daisy tells me. "For a while, when we couldn't get it from the warehouse, I had to scrape up the money to buy it because the nurse said the children need it. It makes them grow."

I look at this young mother trying so hard —and alone—to bring up her children and at the roaches boldly crawling along the walls. Suddenly the vermin and the dilapidation sicken me. I want out. Instead I ask, "Wouldn't you like to move?"

"Into what? This here is the best place I ever had. We got our own toilet and running water—they're indoors and just for us. I'm happy here. I'm treated good, especially the children."

Danny Thomas Boulevard connects two worlds, the South Memphis slum and St. Jude, which is at the opposite end of town. The hospital was built in fulfillment of a vow to the patron saint of the hopeless made in 1940 by a young man desperately struggling to break into show business. Many people helped entertainer Danny Thomas build the hospital that is the fulfillment of that vow.

St. Jude Children's Research Hospital opened its doors nearly 11 years ago as a research center for catastrophic childhood diseases, including leukemia and other forms of dystrophy. No fees are charged. Patients come from all over the country, but only on referral by their own doctors. To Danny Thomas, "St. Jude Hospital is what democracy is all about—caring for each other regardless of race or creed, not thinking of pay."

On my second day in Memphis, late in the afternoon, I am in the office of the hospital director, Dr. Pinkel. He is a barrel-chested man in his mid-40s, with blue eyes as inquisitive as a small boy's. He seems like an athlete eager to get back to the game. Despite his courtesy, it's clear that he doesn't enjoy talking to visiting journalists, just as it was clear in the clinic where we've already met that he very much enjoys children. He has nine of his own. After this one item of personal information is elicited from him, Dr. Pinkel takes over the interview, plunging into the subject of our meeting.

"Malnutrition is unconstitutional. It's also unethical and immoral.

"Every American child has a constitutional right to be adequately nourished. Life, liberty and the pursuit of happiness are impossible if you're stunted in infancy, physically and mentally. I don't understand why the American Civil Liberties Union doesn't take this up."

This is no radical firebrand talking, as I already know, but a rather conservative, churchgoing pillar of society with impeccable scientific credentials. Everything about Dr. Pinkel seems conventional except his rage against malnutrition and his battle to save the children.

"Adequate diet is more important than compulsory education. For if the brain cells don't develop in the first six months of life, they never will. And without enough brain cells you can't learn. If you're anemic, as almost all malnourished children are, you don't even have the energy to try. Some folks opposed free schools a hundred and fifty years ago. Today some folks oppose free food for children. Yet an infant's diet determines his life. Poor diet makes for poor people."

How widespread is malnutrition among preschool children?

"Nobody's ever taken a census. But if you consider the number of working poor and welfare families and add to that the unemployed, and allow a margin for poor eating habits in the middle class, you'd get a high estimate."

As high as a million?

"I'd say many millions. There's probably no community in America in which some children are not suffering from malnutrition. It's a disease, a widespread disease. We need state laws guaranteeing every child's nutrition. There's enough inborn, genetic retardation about which nothing *can* be done. But the brain damage caused by poverty is preventable. All it takes is food. There are Federal standards for animal care, none for child care."

How did St. Jude get started on its nutrition program?

"We started by asking the community what was needed and then did a study. Once the facts were clear, we devised a method—food by prescription. We left initiative and control to the MAP-South people. They receive the food and distribute it and they maintain a constant alert for malnourished children. We provide the expertise—medical personnel, nurse practitioners, hospital facilities, medicine, vitamins, infant formula."

Can the Memphis program be duplicated elsewhere?

"Yes. And it should be. We've proved that nutritional needs of a low-income population can be defined and met—and at very low cost—if the community itself is enlisted from the start. Memphis isn't unique. Nor are the affluent immune to the effects of malnutrition, here or anywhere. Many middle-class people don't know the facts about good nutrition. Besides, no matter how far away you move from the source of infection, the economically comfortable family in East Memphis gets sick too, and often from a disease that began in the South Memphis slum. Poverty anywhere is a threat to everybody's children. The point is to go out into the community and do something there, where the trouble starts.

"We're dealing with a catastrophic disease. And as we've proved, it costs very little to save the body and mind of a child. Why, it's the bargain of the century! In human terms the social costs of malnutrition are devastating. They're cumulative. If nothing is done, your kids and mine will have to pay the bill."

Dr. Zee, whom I meet next, looks like a Dutchman—the lean, intense sort often seen in student cafés near the University of Amsterdam, from which Zee himself was graduated with an M.D. degree in 1954. He then came to the United States, acquired a Ph.D. in biochemistry, specialized in pediatrics and in 1963 became St. Jude's chief of nutrition.

Dr. Zee says that the big push for the nutrition program came after the assassination of the Reverend Dr. Martin Luther King, in 1968.

"We'd been working on the nutrition problem since 1964. But Dr. King's murder right here in our town was a kind of catalyst. People were in a state of shock. Then they said, 'Let's do something.' Med students volunteered. We went into the homes of the people—we were appalled by what we saw. And we started a clinic for poor families.

"Almost half the kids—forty-four percent—had vitamin A deficiency. That can be corrected—we *are* correcting it—for pennies a day. We began in a small way with whatever donated foods we could get. Then in 1969 the U.S. Department of Agriculture supplemental-food program enabled us to start a program for preschool children and for mothers who were nursing their babies. We still get donated food from time to time from private companies.

"Pregnant women began to concern us too, since brain damage can start before birth. We now have an arrangement with St. Joseph Hospital, about two hundred yards from here; they provide the facilities and we provide prenatal care, delivery of the babies and postnatal care.

"Children treated in early infancy do best," Dr. Zee continues. "Two- and three-year-olds, already stunted and debilitated by malnutrition, are difficult to treat and must often be hospitalized for a month or more. Half the indigent babies in the South Memphis area get Similac with iron, which means that anemia could be virtually eradicated in Memphis. It's ironic to be spending sometimes up to a hundred and fifty dollars a day on hospital care for a baby that has been damaged by a disease that can be prevented for a dollar fifty a week.

"It has been proved that with early treatment, two years' catch-up growth can be achieved in one year. But all indications are that if the children are not reached until after infancy, they will require help for five years or more to correct damage often caused by only brief periods of malnutrition. Infants respond rapidly to food; children over three do not.

"Let me show you some slides. You'll see what food can do."

I see and am condemned by what I see. Some of the slides could have been made in Biafra. Through some curious transposition, we who eat three meals a day have convinced the hungry that it's shameful to be poor in rich America. Now it's I who am ashamed.

Dr. Zee, misreading my silence, tries to explain to me how it feels to go hungry day after day.

"Believe me, malnutrition is an affliction. I know. It happened to me when I was twelve, in the Second World War, just before the Allied breakthrough at the Ardennes. We lived in Hoorn, north of Amsterdam. My father was a physician, the family well off. We had books, records—Shakespeare, Beethoven, all the classics. But none of us read or listened to music. We sat in gloom, apathy. All we could think of was food, how to steal or beg something to eat."

Dr. Zee abruptly changes the subject. Two years after the event, he is still incensed at the Department of Agriculture for removing peanut butter, scrambled-egg mix and dehydrated potatoes from the supplementary-food program. "That one act took out one third of the proteins and calories."

Peanut butter and scrambled-egg mix have since been restored, but from time to time other crucial foods, such as canned meat, canned vegetables and instant dry milk, disappear from the list.

The regional office of the USDA holds that such items can be purchased with food stamps.

Dr. Zee points out that many mothers can't buy the stamps because their husbands may earn a fraction more than is permitted to qualify for the program, or because they cannot afford to spend for the stamps the minimum number of cash dollars per member of the family required under the program. Many who *can* buy stamps don't know enough about nutrition to buy high-protein foods.

The doctor's argument for education in nutrition as well as for more free, nourishing food for the poor is persuasive, but unfortunately the U.S. Department of Agriculture food program was designed primarily not to feed the hungry but to remove farm surpluses and support farm prices.

The Administration itself has bluntly observed: "Their ['surplus foods'] primary thrust is to help balance the agricultural economy. . . ."

In contrast the U.S. Congress has given priority to nutritious food for infants, regardless of farm interests, and there is hope today that at least a beginning can be made to eliminate malnutrition in the children of the poor through projects similar to the St. Jude–MAP-South nutrition, experiment. This hope is contingent on new legislation, enacted last fall, which enables local health or welfare agencies and private nonprofit groups to provide food to needy pregnant and lactating women and to infants who are "nutritional risks."

The Department of Agriculture is in charge of the operation, but the new program is not limited to surplus foods. The emphasis rather is on *special* foods that, as defined by the Congressional act, contain "high-quality protein, iron, calcium, vitamin A and vitamin C." Perhaps with reference to such products as Similac, the bill also specifies that at the discretion of the Secretary of Agriculture the program will also include any commercially formulated preparation designed specifically for the nourishment of infants.

Twenty million dollars is authorized for this purpose for each of two years—the fiscal year ending June 30, 1973, and the one ending June 30, 1974. This clearly is insufficient to solve the national problem of malnutrition, which affects millions of our children, but it could be a beginning—the start of what might be a great experiment.

The Department of Agricultures lack of enthusiasm for this experiment, however, was made evident when by late January of 1973 it had failed to set up the necessary machinery for the special infant-feeling projects.

The success of the program authorized by Congress thus depends heavily on efforts by Americans to bring pressure on the Department of Agriculture; letters should be addressed to Secretary of Agriculture Earl L. Butz, urging an end to delays in feeding hungry children. Americans can also write to the President, their congressmen and senators in support of this special $20-million infant-food legislation, which has bipartisan support. Women can help directly by stimulating the creation of projects similar to the St. Jude–MAP-South effort in their own cities and towns.

If you want to help, send to your congressman for a copy of *Public Law 92–433*. Read Section 17, entitled "Special Supplemental Food Program." Contact your local health or welfare department or hospital, or other social agency, and urge it to help you begin a community rescue operation in your own town.

The legislative go-ahead from Congress is clear; citizen initiative and support can move that act into action. Successful feeding programs this year and next could be the basis *for an ongoing national effort* to give every baby in the nation a healthful diet.

What a way to celebrate America's upcoming 200th anniversary!

(Editors' Note: Names of families on the nutrition program have been changed to protect their privacy.)

A MESSAGE FROM DANNY THOMAS

Malnutrition is not confined to any one section of the country or to any particular group of people. It is a national problem and a common one. The St. Jude-MAP-South nutrition program is a working model that can be adopted by any community in the country willing to use existing facilities to save its children from the disability and death caused by malnutrition. Requests for information on setting up such a program may be sent to St. Jude Children's Research Hospital, Dept. RB, P.O. Box 318, Memphis, Tennessee 38101. Contributions to St. Jude for its battle aaginst malnutrition and other catastrophic childhood diseases may be sent to the same address, checks made payable to St. Jude Children's Research Hospital.

RESOLUTIONS ADOPTED BY THE PACIFIC NORTHWEST WATERWAYS ASSOCIATION BOARD OF DIRECTORS

Mr. STEVENS. Mr. President, at its meeting on March 29, 1973, the Pacific Northwest Waterways Association board of directors adopted two resolutions which I would like to call to the attention of my colleagues and the general public. The first stressed the need for the immediate building of the trans-

Alaska pipeline and requested Congress to pass legislation soon.

The second urged the study of timber resources in the Pacific Northwest including the use, harvesting, and marketing thereof. It also indicated the undesirability of a total ban on log exports in the Pacific Northwest.

Both of these resolutions mirror the feelings of Alaska. Both of these issues are of extreme importance to our State.

I request unanimous consent that both resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

BOARD RESOLUTION NO. I

TRANS-ALASKA PIPELINE

The United States of America is confronted with a grave energy shortage which theatens the security and economic well-being of its citizens.

The reserves of oil and gas on the North Slope of Alaska, those already proven and those which remain to be discovered, can most substantially alleviate the Nation's energy shortage.

Those reserves can most quickly and economically be brought to productive use for the Nation by the proposed Trans-Alaska Pipeline which, after intense and thorough study, has been approved by the United States Secretary of the Interior as environmentally acceptable and superior to other alternative means of transporting those reserves to domestic markets.

The Trans-Alaska Pipeline System will materially stimulate the economy of the Pacific Northwest and will provide needed economic benefits to the entire Nation in the form of reduction of balance of payments deficits, improvement in our Nation's merchant fleet and otherwise.

The Pacific Northwest Waterways Association urges the Government of the United States, and all of its branches, to take all steps necessary to immediately authorize construction and operation of the Trans-Alaska Pipeline System as approved by the Secretary of Interior, including enactment by the Congress of the United States of such legislation as may be needed to enable the System to be efficiently and expeditiously constructed, operated and maintained.

BOARD RESOLUTION NO. II

USE OF PACIFIC NORTHWEST TIMBER RESOURCES

The Pacific Northwest Waterways Association is fully cognizant of the diverse economic and environmental factors involved in the harvesting, marketing and use of the timber resources of the region.

These resources play a significant role in both domestic and export markets.

The Association believes that decision which involves a long-range commitment for the use of this, or any other, resource should be made only after careful study and consideration of all factors and alternatives.

The Pacific Northwest Waterways Association does not feel that a total ban on log exports is in the best interests of the region at this time.

The Association urges the Administration and Congress to authorize Federal agencies to conduct necessary studies and institute necessary management practices to resolve this problem and to make available funds to achieve these ends as expeditiously as possible.

TRIBUTE TO A. PHILIP RANDOLPH

Mr. JACKSON. Mr. President, on April 15, A. Philip Randolph, one of the great figures of the 20th century, celebrated his 84th birthday. This is not only an occasion to honor him, but also an opportunity to reflect on the meaning of his accomplishments.

The six decades that he has dedicated to bettering America should teach us that social change cannot come in a single stroke, but must grow out of hard work and constant struggle. Indeed, it took Mr. Randolph almost a dozen years to organize the Brotherhood of Sleeping Car Porters. There were many times that he might have quit, but he refused to give up. There were many times that he might have abandoned his faith in democracy, but he remained steadfast. And once this great union was organized, he might have sat back and let others carry on the struggle for social justice, but he persisted.

He led the campaign to integrate the defense plants during World War II; he led the successful struggle to integrate the Armed Forces—in close alliance with another fighter, Harry S Truman. Fifteen years later, he was still in the forefront—as the leader of the historic "March on Washington" in 1963. Since then, he has continued the fight to remove the last vestiges of discrimination from the labor movement.

Mr. Randolph has done much for America, for he has moved us to the fulfillment of our highest ideals. But his career also teaches us that true humanitarian concern cannot be confined merely to one's own people or society. His leadership in obtaining racial justice in America did not blind him to the threat of fascism in Europe for he spoke out forcefully against the isolationism of the 1930's. His leadership in obtaining economic justice in America has not blinded him to the threat of totalitarianism of the left, for he has not been swayed by the winds of fad and fashion.

A. Philip Randolph has found the proper balance between concern for one's own people and concern for people around the world. He once said—

> Salvation for a race, nation, or class must come from within. Freedom is never granted; it is won. Justice is never given; it is exacted. Freedom and justice must be struggled for by the oppressed of all lands and races, and the struggle must be continuous. . . .

Mr. President, even today we still hear voices which preach racial division at home while other voices urge us to turn our back on those struggling for individual liberty abroad. But the career of A. Philip Randolph is the most eloquent of rebuttals. And he has inspired a whole new generation to press on toward a free and just world.

All Americans should be grateful for his long career of service to mankind, and I know that they join me in paying tribute on the occasion of his birthday.

PROPOSED SELECT COMMITTEE TO STUDY JURISDICTION OF COMMITTEES

Mr. MATHIAS. Mr. President, I am pleased to sponsor, with my colleague Senator BROCK, a resolution for a temporary select committee to conduct a comprehensive study of the jurisdiction of committees in the Senate.

The House of Representatives has recently authorized a similar committee with Congressmen RICHARD BOLLING and DAVE MARTIN serving as cochairmen. Our committee would be patterned after theirs, with authority to examine a whole range of committee matters—the number of committees and subcommittees, their rules and procedures, their size, the breadth of their jurisdiction, whether they are open to media coverage, the staffing, space, equipment, and even the appointment of Senate conferees. Ten Members of the Senate would sit on the committee, five from the majority and five from the minority party. A budget of $1,500,000 would match the House appropriation and would be shared equally by the members of both parties. The committee's duration would be limited to the remainder of this Congress.

Just as the prestige of the Congress is inextricably linked to how effective an institution it is, so, when public support for the legislative branch falls to a low of 26 percent, the preeminence accorded Congress in the Constitution is clearly diminished as well. No concern of mine is greater than restoring this body to its constitutional equality. Perhaps the biggest stumbling block to achieving a Government capable of winning the respect and faith of the people is our inability to establish wise policy priorities and see that they are carried out.

The committee structure no longer matches congressional needs, and we all feel the frustration of the present system in different ways. When William Ruckelshaus, the Administrator of the Environmental Protection Agency, comes to Congress to talk about the environment, it is not a simple matter. Depending upon the subject at hand, he could appear before as many as three committees. If the subject is solid wastes and how they are generated, it is handled by a subcommittee of Commerce; if the subject is the disposition of solid wastes, it is handled by a Public Works Subcommittee; and still other matters are handled by the Interior Committee.

If Henry Kissinger is invited to the Hill, the situation is similar. His remarks might be appropriate for the Senate Foreign Relations Committee but they might also be suitable for Armed Services or Appropriations. We have no committee which considers our national security policy as a whole.

While we have a Joint Committee on Atomic Energy, there is no single committee to consider all our energy needs. There are no committees to match President Nixon's proposed Departments of Human Resources, Natural Resources, or Community Development. No wonder that Presidential assistants, executive officials, and the public as a whole view Congress as an unending maze of separate and isolated fiefdoms. While a few of us delight in accepting the challenge of finding a path through the maze, most Americans have decided they have better things to do than pay attention to such games.

The dominant message of the ad hoc reform hearings which I held along with Senator Stevenson last December is that the public is fed up with an ineffective, archaic government which cannot respond efficiently to the will of the electorate. Among the laundry list of reform proposals that were offered, none was more important than the proposal that we examine our own ability to determine sound national policy and oversee the executive branch.

The healthy reform spirit I sensed at the start of this Congress has begun to be dissipated as we have all become enmeshed in our individual responsibilities. Our resolution would refocus the Senate upon its most important collective task—restoring the effectiveness of our branch of Government.

As Abraham Lincoln said more than a hundred years ago about another Congress—

> Fellow-citizens, we cannot escape history. We of this Congress and this administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The fiery trial through which we pass will light us down, in honor or dishonor, to the last generation.

Our proposal for a select committee to review the structure of committees represents something of a "fiery trial" through which this Congress must pass in order to reclaim the honor of the legislative branch. I have confidence that this path will reaffirm the wisdom of our Founding Fathers in writing a Constitution that sets forth three equally powerful branch within our democracy.

THE PROPOSED CLOSING OF NAVAL FACILITIES IN RHODE ISLAND

Mr. PELL. Mr. President, I am absolutely outraged at the decision announced by the Secretary of Defense today to close two major naval facilities in Rhode Island.

This move will have a brutal effect on many, many citizens of my State. According to the Pentagon figures, there will be more than 4,500 civilians—men and women who have given years of their lives to hard and conscientious work for the Navy—who will be put out of work. This is shameful.

The closing of the Quonset Point Naval Air Station and Naval Air Rework Facility and the departure of the Cruiser-Destroyer Force-Atlantic from the Newport Navy Base will not only hurt the people of Rhode Island. These moves will also weaken our national security and cost our taxpayers money.

I say this, Mr. President, on the basis of detailed studies which I have had prepared by the General Accounting Office. On several occasions I have called these figures to the attention of Department of Defense officials, including the Secretary of Defense, and never once have they refuted the figures.

The lack of a refutation indicates to me that neither strategic nor economic considerations played a role in the decision to close these facilities.

From a strategic standpoint, these figures show that the round trip from Norfolk to Gibraltar, at an average steaming speed of 16 knots, takes 26 more hours than the round trip from Newport to Gibraltar. The round trip from Charleston to Gibraltar takes 50 more hours than the round trip from Newport and the round trip from Mayport takes 76 more hours than that from Newport.

Similarly, when the destination is the Norwegian Sea, it takes 32 more hours from Norfolk, 58 more hours from Charleston and 82 more hours from Mayport—all in comparison with the round trip from Newport.

From an economic standpoint, the increased costs of moving our ships from these other ports to the duty stations is substantial. Not counting the salaries of the crews or the depreciation of the vessels, the actual operating costs of fuel and maintenance for a CVS–11 ASW aircraft carrier is $2,070 per steaming hour and for a destroyer—DD Fram 1—is $61 per steaming hour.

This means that a round trip from Norfolk to Gibraltar for an aircraft carrier costs $53,820 more than such a trip from Newport. A round trip from Charleston to Gibraltar costs $120,060 more than from Newport and a round trip from Mayport to Gibraltar costs $157,320 more than from Newport.

When the destination is the Norwegian Sea, the round trip from Norfolk costs $66,240 more than from Newport; the round trip from Charleston costs $120,060 more than from Newport; and the round trip from Mayport costs $169,740 more than from Newport.

For the destroyer sailing to Gibraltar, the round trip from Norfolk costs $1,586 more than from Newport; the round trip from Charleston costs $3,538 more than from Newport; and the round trip from Mayport costs $4,636 more than from Newport.

When the destroyer's destination is the Norwegian Sea, the round trip from Norfolk costs $1,952 more than from Newport; the round trip from Charleston costs $3,538 more than from Newport; and the round trip from Mayport costs $5,002 more than from Newport.

I have also had a special study done by the General Accounting Office on the performance of the Naval Air Rework Facility, another vital facility that the Defense Department plans to close. This closing would result in the loss of almost 4,000 civilian jobs in Rhode Island.

The GAO study confirms my long-held belief that the traditions of efficiency and quality at the Quonset NARF are of the highest order.

The GAO figures indicate that, among all the NARFs on the east coast, Quonset has the best ratio of actual man hours and production man hours in contrast to DOD allocated hours for work assignments.

These figures demonstrate that neither strategy nor economy guided the administration in its decision to close these facilities. Therefore I must conclude that either prejudice against our section of the country or whim must have guided this decision.

This decision was just plain wrong and the manner in which it was arrived at is also wrong. I simply do not see how it can be justified.

Another frustrating aspect of this wrong decision is that our more than 2,000 bases and facilities abroad, each of them a potential hostage in case of hostilities and a further prod to military involvement in other nations, are left untouched and unscathed by these base closings.

I believe it is far better that the resources of these bases and facilities benefit our own people and not the foreign countries around the world.

JOHN F. STEVENS: ENGINEERING GIANT AND CREATIVE GENIUS OF THE PANAMA CANAL

Mr. THURMOND. Mr. President, one of the truly towering figures in the history of the Panama Canal was John Frank Stevens—1853–1943—of West Gardiner, Me., who was Chief Engineer—1905–1907—of the Isthmian Canal Commission that supervised the construction of the Canal. For his creative work in its design and in organizing the forces for its construction, and bringing the project to the point where success was assured, President Theodore Roosevelt in 1907, in spite of the resignation of Stevens, appointed him as the first official to hold the combined positions of Chairman and Chief Engineer of that commission.

The 1972 annual meeting of the Panama Canal Society of Washington, D.C., held on October 21 at the highly respected Cosmos Club in the capital city of our country, was in honor of former Chairman and Chief Engineer Stevens and in recognition of the 102d birthday of the late Governor of the Canal Zone—1910–1913—and Congressman—1923–1933—Maurice H. Thatcher who, for many years until his death on January 6, 1973, was the sole surviving member of the Isthmian Canal Commission—1910–1913.

In a very real sense Governor Thatcher after leaving Canal service never lost his interest in the Isthmian land and its people, but constantly labored for their well-being. In so doing he served as the connecting link between the builders of the Canal and those who will modernize it. In recognition of his many services, the Congress in 1961 designated the great bridge across the Pacific entrance of the Canal at Balboa as the Thatcher Ferry Bridge.

Featured on the Society's October 21 program was an eloquent tribute in verse by Governor Thatcher to Stevens, which I now quote:

Amongst all those whose labors cleft the land
To blend, as one, the seas at Panama—
There was none greater than John Stevens; and
The passing years bear witness. He foresaw—
More clearly than the others had foreseen—
The value of the plan for lock and lake,
And let Authority—in doubt between
Diverse designs—the wiser choice to make.
Possessed of genius rare, with skills supreme
And ripened knowledge gained from ventures vast—
He shaped the molds to vitalize the Dream
Which has so long persisted in the Past.
His all he gave to serve the Isthmian task;
What more could men demand, or duty ask?

The meeting was truly of superior character—expertly planned and effectively executed. The principal speakers were Neal Fitzsimons, C.E., historian of the American Society of Civil Engineers, and Vice Adm. T. G. W. Settle, a distinguished naval officer and student of canal problems. The invocation was by Capt. Gerald H. Sargent, Chaplain Corps, U.S. Navy, personnel officer, Chaplain's Division, Navy Department.

Interesting features of the program were a fine musical prelude by the U.S. Air Force Ceremonial Band with Lt. James M. Danielsen conducting, a series of still pictures of the canal shown by Vice Admiral Settle in the course of his response to the principal speaker, films showing a rapid transit of the canal and the transit of the *Tokyo Bay*, the largest vessel ever to cross the isthmus—950 feet long and 105 feet 10 inches wide—and the introduction of two senior members of the society who had participated in the canal's construction.

Among the distinguished guests were the following:

Hon. John H. Reed, former Governor of Maine, and Mrs. Reed:

John F. Stevens III and his son, Donald H. Stevens, grandson and great grandson, respectively, of former Chief Engineer Stevens;

Rear Adm. Calvin B. Galloway (M.C.), U.S. Navy, Retired, president of the Gorgas Memorial Institute of Tropical and Preventive Medicine, and Mrs. Galloway;

Herman H. Dinsmore, former foreign affairs editor, New York Times;

Maj. Gen. Thomas A. Lane, U.S. Army, Retired, eminent military strategist and author;

Jon P. Speller, author of the recent book, "The Panama Canal: Heart of America's Security."

The society, largely composed of persons knowledgeable of Canal history and problems, adopted at this meeting a resolution summarizing the contributions of Stevens for the Panama Canal and supporting his election to the Hall of Fame for Great Americans at New York University.

The officers of the Society are: Capt. Miles P. DuVal, Jr., U.S. Navy, retired, president; Maj. Gen. Charles G. Holle, U.S. Army, retired, vice president; and Prof. Richard B. O'Keeffe of George Mason University, secretary and treasurer.

In order that a suitable account of the proceedings of the 1972 meeting of the Panama Canal Society of Washington, D.C., may be available to the Congress and the Nation at large, I ask unanimous consent for its principal parts, including the previously indicated resolution, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Invocation by Capt. Gerald H. Sargent

Eternal God, who has given us this great land as our heritage, grant us Your blessings as we gather for this annual meeting of the Panama Canal Society of Washington, D.C. Increase our gratitude, O Lord, for John F. Stevens whom we honor today—for his service to mankind and his great influences for good that have made this world richer because of his presence. We thank Thee, Our Father, for the visions of all the farsighted men whom we remember and recognize in our meeting this day. We are grateful for the courage and strength of these heroic men who dared to set aside the concepts of the past and who boldly took daring and noble steps into the future. Awaken anew our spirit of thanksgiving for the devotion to duty, the valor and the sacrifice demonstrated by their accomplishment. We pray that from the inspiration of the past and of this present hour, we may go forth this day with renewed zeal, to ever greater service to the world, to our nation and to Thee.

And now, O Lord, we ask that You will bless this food to our use and each one of us to Your service. This we ask in Your name. Amen.

Prolog

(By Capt. Miles P. DuVal, Jr.)

Fellow Members of the Panama Canal Society, Distinguished Guests, Ladies and Gentlemen:

The program today is the third in a series of our revitalized society. The first, on August 15, 1970, was on the occasion of the 56th anniversary of the opening of the Panama Canal and the 100th birthday of the Honorable Maurice H. Thatcher when our society paid its highest tribute to its most venerable member, the sole survivor of the Isthmian Canal Commission that supervised the construction of the great waterway. That day was also the date of completion of the widening of Gaillard Cut from 300 feet to 500 feet, an important part of canal modernization started in 1959 and costing about $95,000,000.

In the second of the series, on October 16, 1971, our society honored all the builders, operators and defenders of the Canal and recognized the 101st birthday of Governor Thatcher in another notable program dealing with the crucial questions of the future canal.

The significant parts of these two programs were published in the Congressional Records September 9, 1970, and October 27, 1971, respectively, and are thus available in the principal libraries of the nation.

Our program today honors the memory of one of the towering figures in Panama Canal history—John F. Stevens, the first Chairman and Chief Engineer of the Isthmian Canal Commission. It also recognizes the 102nd birthday of Governor Thatcher, which was spent quietly at his residence in Washington.

Although unable to attend this gathering, he did dictate a message that he wished to be read. I now call upon our Secretary, Professor Richard B. O'Keeffe to read it.

Remarks of Hon. Maurice H. Thatcher

(Read by Professor O'Keeffe)

Mr. President, Fellow Members of the Society and Distinguished Guests:

I hardly feel equal to the effort of attending this meeting of the society. Notwithstanding which I would like to write a few words in behalf of its purpose to honor the late John F. Stevens by supporting his election to the Hall of Fame for Great Americans. This is an honor for which he is eminently worthy.

As to the future of the society, I wish to commend its enduring existence under its revitalized constitution. It is discharging a great duty with respect to the most outstanding waterway of the world.

I assure you that I deeply appreciate the honors that the society has bestowed upon me in the course of the years.

Remarks of Brig. Gen. Vogel Introducing Neal Fitzsimons

Mr. President, Fellow Members of the Society, Ladies and Gentlemen:

The subject of our program today is indeed a challenging one. Because of that it is only natural to ask what are the qualifications of our speaker to address us on this special occasion.

After serving in the Army during World War II, he, like many other veterans whose education had been interrupted, returned to Cornell University and graduated in 1950 in civil engineering shortly before the outbreak of the Korean War.

Commissioned in the Corps of Engineers as a lieutenant, he specialized in technical intelligence which involved studies of enemy transportation networks, power systems and terrain analysis.

After demobilization, he resumed his civil engineering profession, first in teaching and then in the fields of planning, design and construction on projects in the United States, Africa and Southeast Asia. Later he joined the Department of Defense where he was concerned with protection from nuclear weapons effects. He is now the Director of that Department's System Evaluation Division in the Defense Civil Preparedness Agency.

In addition to his regular duties, which have included extensive travel in various parts of the world affording an opportunity to observe land, sea and air transportation systems, he has developed a deep interest in the study of engineering history; written and edited many articles and books on that subject; and has lectured extensively before professional groups here and abroad.

At present, he is chairman of the Committee on History of the American Society of Civil Engineers and of the Committee on the Bi-Centennial of the Engineers' Joint Council, consultant for the *Encyclopedia Britannica* and contributor to the *Dictionary of American Biography*.

For the last, he is the author in its *Supplement Three* of the first biographical sketch in a general reference work of the great civil engineer whom we honor today.

Because of this background, when the John F. Stevens Hall of Fame Committee was organized, our speaker was a natural choice for appointment as one of its historical consultants and is eminently qualified for his present task.

It is my privilege to present Mr. Neal Fitz-Simons, who will address us on the subject of "John F. Stevens: Engineering and Leadership."

Address by Neal FitzSimons, F.A.S.C.E., John Frank Stevens: Engineering and Leadership

Mr. President, Members of the Panama Canal Society and Distinguished Guests:

A few days ago, the Board of Direction of The American Society of Civil Engineers passed the following resolution:

Whereas, John Frank Stevens, Past President of the American Society of Civil Engineers achieved eminence in the profession of Civil Engineering through his life-long devotion to the planning, design, construction and operation of American railroads and,

Whereas, through his courageous explorations, the first major rail link to the Northwest became a reality and,

Whereas, through his dynamic leadership and engineering skill, the unsuccessful methods to build the Panama Canal were changed into efficient engineering construction procedures thus saving the Canal project from failure and,

Whereas, through his strength of character and managerial skill, he created order from the chaos of the Far Eastern Railroad system; accomplishing this at the request of the United States government although it required great personal sacrifice;

Now be it therefore resolved, that the American Society of Civil Engineers wholeheartedly support the election of John Frank Stevens to the Hall of Fame for Great Americans.

It is my privilege today to talk to you about him.

John Frank Stevens was a Classical American Hero. The kind of man that other men were proud to know. The kind of man that younger men aspired to be. The kind of man that needed America and the kind of a man that America needed.

His early years were spent in a small town in Maine. Too young to serve in the Civil War, he was only about ten years old at the time, Stevens received only a "common school" education and began a teaching career. But restless in mind and body he quit the school house to work on local engineering projects.

The bottom rung of a professional ladder can be the top rung of a man's career if he allows himself to become intellectually drowsy. Stevens did not. "Work and study has always been my unromantic slogan . . . the man who continually strives to make himself more capable [makes it] difficult for opportunity to ignore him." So said John Stevens in 1925.

But opportunity did not seek out Stevens. In 1872 he had decided that Civil Engineering was to be his profession and he entered it as a "stake pounder". Despite hard work and assiduous study, he remained at this level for seven tedious years. His first break occurred when he was hired by the Denver and Rio Grande Railroad and given the opportunity to learn the art of railway location. He practiced this art in New Mexico and Iowa and learned it well.

The Canadian Pacific Railroad hired Stevens in 1882. This was a private venture which had obligated itself to the Canadian Government to complete the linkage to the Pacific before the end of 1890 or lose its contract. With men like Stevens, they blasted their way through the Rockies in record time and finished the job in 1885, five years ahead of schedule. Stevens himself was everywhere; at the railhead supervising construction or 50 miles ahead in the wilderness deciding on location, with an ax in one hand and his other focusing his transit.

His big opportunity did not come until he was 36 years old; this was his meeting with the aggressively enterprising James J. Hill. The business world had scoffed at Hill's plan to cross the Rockies *and* the Cascades by a railroad which would open up the Pacific Northwest to the East. Encouraged by the Canadian Pacific success, but without federal subsidy he launched the project. Stevens became a key man on Hill's staff and he received the rail mogul's lifelong gratitude by his courageous exploration for the route's location. Today a hero-size statue of Stevens at Marias Pass in the Rockies commemorates his services to the Great Northern Railroad, in particular, his discovery of the Pass for the location of the rail line on December 11, 1889.

Although always an engineer first, Stevens' ability as an executive raised him to high levels of management in several major railroad companies. By 1905 his reputation was world-wide and he had agreed to take over the responsibilities for developing the railroad network of the recently acquired Philippines. Fate decided otherwise.

President Theodore Roosevelt, through the "silver-tongued" go-between William Nelson Cromwell, approached Stevens and persuaded him to undertake the technical stewardship of America's greatest construction project, the Panama Canal. On June 28, 1905 Stevens agreed to accept the responsibility, and after receiving personal assurances from the President that he would be unfettered by Washington red tape, he set out for the Isthmus. Arriving there on July 26th Stevens found that "nobody was working but the ants and the typists." He also observed that "there are three diseases in Panama, yellow fever, malaria and cold feet; and the greatest of these is cold feet!" With the able Gorgas taking care of the first two diseases, Stevens took care of the "cold feet."

Instead of yielding to the public clamor to "get the dirt flying", he realized that much more preparation was necessary so his energies were first directed to providing better living conditions for the workers, repairing the decrepit Panama Railroad, then over fifty years old and in reorganizing the enervated operations. This did not take long and soon an inspired army of workers were removing earth from jungle floor at the rate of a million cubic yards (1.2 million tons) a month. Later the system that Stevens designed and built was excavating and disposing four times this amount. Using his great skill in railroad construction and operation he developed a 24-hour a day scheme to have the huge steam shovels food the soil from the slopes into a never ending stream of hopper cars which carried away the spoil, dumped it and returned for more. This required perfect operational planning and precise timing, but "Big Smoke" Stevens achieved his goal of putting the canal construction on a solid schedule. But he did even more. At the time he joined the work, the final plans were not complete and most engineers, including Stevens thought a sea level canal would be the best solution. However, after reconsidering the matter he confidently joined the minority that were persuaded a canal with locks would be superior. Assuming leadership in the controversy, he soon convinced the President and then the Congress. On June 29, 1906 the lock alternative was approved by Congress. The greatest obstacles to the canal's successful completion were overcome and Stevens began making his plans to return to the United States. Roosevelt appointed him chairman of the Isthmian Canal Commission on March 4, 1907, but "Big Smoke" had made up his mind to leave—his resignation was accepted on April 1st. He turned over the job to the great army engineer, Major George W. Goethals who was to complete the project and officially open the canal on August 15, 1914. And so it was Goethals whose name is so closely associated with the Panama Canal. It was also Goethals who "insisted that two men, Theodore Roosevelt and John F. Stevens, had far more to do with the successful building of the canal than he."

Stevens returned to private enterprise and later rejoined his early benefactor Hill on a new railroad in the Northwest. He established himself as a consulting engineer in 1911, but in 1917 President Wilson called upon him to chair the United States Railway Commission to Russia. During the next turbulent six years he became the symbol of stability in the chaos of revolution and until 1923 managed a network of railroads that extend from the Pacific to the heart of Russia.

Although then 70 years old the indefatigable Stevens was to continue his consulting services for many years, but his last major project was a study of the New Cascade Tunnel at Stevens Pass which was completed in 1928.

The great engineer and leader of men passed away at his home in Southern Pines, North Carolina at the age of ninety.

Throughout his long and eventful life, he was constantly striving to improve himself until his technical abilities were unsurpassed. But he always maintained a strong human bond with his engineers and "construction stiffs"; and his leadership was strictly by example—no facade, no public relations man was ever needed by "Big Smoke". Never bound to the office, he went into the field or onto the construction site as often as possible, because he had to see for himself and talk to the men to find out what was happening. He inspired them and they knew they would always get a square deal from him.

The great works of John Frank Stevens still serve us today; the Panama Canal and mile after mile of railroads with their magnificent bridges and tunnels. But perhaps his life itself is another great work which should be recognized for the rich legacy it has left us in American Engineering and Leadership.

Response by Vice Admiral Settle—John F. Stevens: Creative Genius of the Panama Canal

Mr. President, members of the Panama Canal Society and guests:

In the course of a long naval career, it has been my privilege to have crossed certain paths trod by John F. Stevens many times and to have observed some of the notable contributions of this great engineering leader. The address that you have just heard is superb. There is little that can be added but I do wish to stress that with the passage of the years the major achievements of Stevens have now come into historical focus. This is particularly true as to his work for the Panama Canal, which is increasingly regarded as his greatest monument.

At this point I shall show a few slides that will enable a better understanding of what will be said later in my remarks.

As those of you who attended the society's annual meeting in 1971 may recall, the Congress of the United States now has under consideration the weighty question of the future Panama Canal. However, few know about the vital role that Stevens played in 1905 and 1906 in laying the foundation for much of the current debate on canal modernization.

Being an operationally minded railroad official as well as an experienced engineer, Stevens thought in terms of the vessels that would transit the canal and sought the canal plan that would be best for operations as well as for engineering. Recognizing the navigational superiority of a canal formed largely by fair sized lakes in preference to that provided in plans that he had inherited from his predecessors.

He interpreted the topography of the isthmus from the viewpoint of the Mariner and relocated the Atlantic locks at Gatun as close to the seas as configuration of the land permitted. Because of the more complicated terrain on the Pacific side of the Continental Divide, the problem there was more difficult. The full plan of Stevens called for placing all the Pacific locks in consolidated structures just south of Maraflores near a hill called Aqula Dulce duplicating the layout at Gatun instead of separating those locks as was called for in the approved plans; and he so recommended in January 1906 in testimony to the Congress. This plan, had it been carried out, would have created a summit-level terminal lake in the Pacific end of the canal to match the arrangement at Gatun. Moreover, he recognized that such plan would have provided not only the best canal for engineering but also best for navigation.

In mid summer of 1906 he prepared a draft report making formal recommendations for the necessary changes in the approved plans for the Pacific locks. Unfortunately, that was at a time when opponents of any canal at all the advocates of a canal of sea level design were poised ready to seize upon any change in the approved plans as evidence of weakness in the plans developed by Stevens.

Though the plan for consolidating the Pacific locks was approved by Chief Engineer Stevens on August 3, 1906, his foundation explorations for the locks proved unsatisfactory and he feared to jeopardize the project by further delay. Twenty days later, on August 23, still confident that the Pacific lock subject would come up again, he marked the draft "void," wrote on it "not to be destroyed but kept in this office," and started construction under the previously approved plan that divided the Pacific locks into two sets separated by a small intermediate level Miraflores lake, which plan he did not personally favor.

As foreseen by Stevens, the Pacific lock location plan did come up again. In 1908, Colonel William L. Sibert endeavored to bring about a change in the approved plans that would have consolidated all Pacific locks to conform to the Stevens plan. Because such modification would have caused a delay in opening the canal, Sibert was not successful and the canal was built with two sets of Pacific locks. In 1943, as the result of World War II experience, there was developed in the Panama Canal Organization the first comprehensive plan for the major increase of capacity and operational improvement of the canal as derived from marine requirements. As stated last year by Senator Strom Thurmond and Representative Daniel J. Flood, who are authorities on the canal subject, they introduced legislation for major canal modernization in both the Senate and House. The plan contemplated in the pending measures is almost identical with that recommended in 1906 by Stevens. It is known as the Terminal Lake-Third Locks Plan and has strong professional support as offering the best solution when the canal problem is evaluated from all consequential angles.

It is historically significant to a unique degree that, on February 19, 1906, in his message to the Congress recommending the construction of the lock type of canal at Panama, President Theodore Roosevelt described Chief Engineer Stevens as the one "who will be mainly responsible for the success of this mighty engineering feat." More than 50 years of efficient operation of the Panama Canal constructed according to the Stevens plan establish not only the wisdom of the original decision but also marks Stevens as an engineering giant whose work at Panama has been of immeasurable benefit to mankind and has won him great fame as the *creative* genius of the Panama Canal.

CONCLUDING REMARKS

(By Captain DuVal)

Members of the Society and Guests:

The films that you have just seen of the Panama Canal and the *Tokyo Bay*, dramatize better than any words of mine the magnitude of the vision of Theodore Roosevelt, John F. Stevens and of those who followed them, completed the great waterway and have kept it operating.

Two eminent leaders in Panama Canal history have been elected to the Hall of Fame for *Great Americans*: Theodore Roosevelt and William Crawford Gorgas. The time has come to choose the third—former Chief Engineer Stevens.

To sponsor his election in 1973, the John F. Stevens Hall of Fame Committee of which the National Chairman is John M. Budd, former President of the Great Northern and now Chairman of Finance of the Burlington Northern, is already campaigning for the enshrinement of Stevens with other American greats.

For those seeking information on Stevens, attention is invited to the major article in the June 1971 issue of *American Heritage* by David G. McCullough under this striking title, "A Man, A Plan, A Canal, Panama!"

PANAMA CANAL SOCIETY OF WASHNGTON,
Fairfax, Va.

RESOLUTION ADOPTED BY THE PANAMA CANAL SOCIETY OF WASHINGTON, D.C., AT ITS ANNUAL MEETING IN THE JOHN WESLEY POWELL AUDITORIUM OF THE COSMOS CLUB OCTOBER 21, 1972—JOHN FRANK STEVENS: BASIC ARCHITECT OF THE PANAMA CANAL

Whereas, the Panama Canal Society of Washington, D.C., is composed of persons in the metropolitan area of the District of Columbia with special knowledge of the construction, maintenance, operation, sanitation civil protection and military defense of the Panama Canal; and

Whereas, the late John Frank Stevens of West Gardiner, Maine (1853–1943), renowned railroad builder, served with great distinction as Chief Engineer of the Isthmian Canal Commission during the planning and organizational period of the Panama Canal (1905–1907); and

Whereas, the history of the project shows that Chief Engineer Stevens made the following contributions:

(1) Rescued the project in 1905 from chaos and defeat;

(2) Supported Colonel William Crawford Gorgas in the vital work of health and sanitation on the Isthmus;

(3) Planned the railroad transportation system for disposal of excavated earth and rock;

(4) Purchased the major part of the plant necessary for canal construction;

(5) Planned the existing high level lake and lock type canal with Atlantic locks at Gatun and was mainly responsible for the great decision by President Theodore Roosevelt and the Congress for its adoption;

(6) Organized the engineering forces for the design and construction of the Panama Canal and led the work until success was demonstrated, with full acceptance of both canal plan and organization; and

Whereas, President Theodore Roosevelt in 1907, after the resignation of Stevens, in recognition of his tremendous contributions to the Canal Zone and Canal, appointed him as the first official to hold the combined offices of Chairman and Chief Engineer of the Isthmian Canal Commission; and

Whereas, Chief Engineer Stevens was recognized by President Roosevelt in his February 19, 1906, message to the Congress as the one "mainly responsible for the success of this mighty engineering feat" and has been subsequently acclaimed by authoritative scholars and recognized in the Canal Zone as the "basic architect of the Panama Canal;" and

Whereas, Stevens' contributions at Panama have been accurately memorialized in a mural painting by William Andrew Mackay in the Roosevelt Memorial Hall of the American Museum of Natural History of New York showing Stevens giving the plans for the Panama Canal to President Roosevelt; and

Whereas, in 1962 the United States Government named the principal traffic circle in Balboa as the Stevens Circle and erected thereon a monument with the following inscription that includes a tribute by the successor of Stevens under whom construction was completed and the great waterway launched into the era of operations:

John F. Stevens 1853–1943, Isthmian Canal Commission, Chairman, Chief Engineer 1905–1907, "The Canal Is His Monument"—Goethals

Be it, therefore, Resolved, That the Panama Canal Society of Washington, D.C., because of the fundamental nature of the contributions of John Frank Stevens in the design of the Panama Canal, the procurement of the necessary plant, the organization of the forces for construction, and its later successful completion and operation, recommends him as eminently worthy for memorialization in the Hall of Fame for Great Americans at New York University and respectfully urges that he receive that great distinction.

RICHARD B. O'KEEFFE, *Secretary.*

AN INSPIRING SPEECH BY A GREAT AMERICAN — CAPT. JEREMIAH DENTON

Mr. HELMS. Mr. President, recently a great American made a most inspiring speech in my State. Capt. Jeremiah A. Denton, Jr., U.S. Navy, a returning prisoner of war, addressed a Founder's Day audience of more than 5,000 people at Elon College.

Mr. President, this patriot on this occasion again said some things worthy of note by every American.

As evidenced by his moving remarks when he was the first POW to step from the plane at Clark Air Force Base, Captain Denton's gift of expression is exceeded only by his dedication to God and to his country.

He was a prisoner for 7 years and 7 months. Four of these years he spent in solitary confinement.

Through all these years of suffering, Captain Denton's faith never faltered. "Prayer," he said, "is the firmest anchor to windward." He maintained a steadfast belief in God and an unswerving trust in his country.

Mr. President, it makes me very proud to know our country produces men of such high caliber and such strong moral standards as Captain Denton. Truly, he and his fellow POW's personify the most desirable traits of great citizenship.

They now belong to the brotherhood that binds the brave of this earth. And surely, Captain Denton, by his expressions and his example, is a valued member of an even more august assemblage—the Christian brotherhood of man.

Mr. President, I ask unanimous consent that this speech by Captain Denton be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY CAPT. JEREMIAH A. DENTON, JR.

It is an honor and a pleasure to be associated with the commemoration of the founding of Elon College. I am aware that the general assembly of the State of North Carolina chartered Elon College in March 1889 for the purpose of offering Christian training and instruction in the liberal arts and sciences. I am also aware that Elon considers itself primarily a liberal arts college, but recognizes that the teaching of science can help liberate students in their thinking.

Certainly the success of the development of liberal thinking here is shown by the fact that you chose for a speaker on such an occasion—not a State Governor—not a national vice president, not a prominent editor—but an ex-jailbird!

I have evidence of the quality of this institution through my close association and friendship with two of its graduates: Rear Admiral Jim Ferris and Commander Red McDaniel, two of our Navy's finest officers. After seven years separation from my son, Jim, I am pleased with the obviously favorable influence this college has exerted on his development. He seems to keep himself quite busy, but I retain hopes he will find the time to merit graduation this May.

So I am not entirely a stranger to Elon's purposes nor to its products. Let me offer a few rather personal remarks, from an admittedly unusual perspective, but remarks which will at least tend to express a great appreciation for those who work and sacrifice to preserve and to proliferate the spirit of morally oriented education. Hopefully my words will even serve to stimulate those who are studying here.

A man does a lot of thinking during seven years and seven months in enemy prisons . . . particularly when more than four of those years are in solitary confinement with extreme pain an all too frequent companion. In solitude and without books, a man develops a terrible thirst for facts. Mental exercise, in terms of review and extrapolation of previously acquired knowledge, helps the mind escape the confines of tiny cells. Such escape will also be desirable and possible in many normal life situations in which freedom from boring environmental conditions can be achieved through exhilarating intellectual excursions.

Students, from my own intense experiences, I say you would all do well to value your present opportunity to learn philosophy the arts, the sciences; to learn about and, more importantly, to participate in sports . . . not just for the sake of future professional advantage or to fill in a blank on a social check list . . . but primarily to endow yourself with the broadest possible scope of freedom in which to experience the fullest intellectual joys which God has made available to His noblest creation—mankind.

But, even more than thinking . . . a man does a lot of praying in an enemy prison. Prayer, even more than sheer thought, is the firmest anchor to windward . . . as my good friend Major Norm McDaniel, seated there, so well knows. Prayer brings the prisoner to God who cares for him and helps him to do his duty. Unusually intense prayer may also help him think with more than usual clarity. I like to believe that my own sense of values has sharpened.

For example . . . at the time I was shot down in 1965 . . . I had some ideas about the strengths and weaknesses of our society. Then . . . as now . . . I was convinced of the glorious validity of the political philosophy of our founding fathers. Then . . . as now . . . did I believe that the United States of America is the greatest nation in the history of the world. I had seen an ecumenical movement begin among our churches. I've been edified to find that the spirit of this movement has grown by leaps and bounds. I see a deepened sincerity of worshippers in church and improved racial relations . . . though further improvement is possible and necessary.

In 1965 . . . I could see the awakening of the awareness of the dangers of pollution to our physical environment. Now I find that this has become a major national concern . . . and our young people are in the forefront of the ecological movement.

Our citizens . . . and our students . . . are increasingly interested in political and international affairs. They are searching from broadened perspectives for the right answers as true democracy requires.

The spectacular developments in science are understandably noticeable . . . and I have been amazed at the tremendous surge in the availability of refined educational aids . . . such as a planetarium in a public junior high school.

But then . . . in 1965 . . . I had noticed unfavorable trends which have since accelerated and now I perceive a new set of social conditions, some of which I find deeply regrettable.

Our literature, movies, news media, popular music and other cultural manifestations sometimes reflect a dangerous pollution of our spiritual environment and, for a large segment of our population, the words, "One Nation, Under God," seem sadly less deserved than perviously.

Too many of us no longer even feel it necessary to try to conform to the basic Ten Commandments of Almighty God. These commandments are thrown back in His face by the apparent denial of their application extant in so much of our culture. Man seems to have developed the misconception that the Ten Commandments are an outmoded set of arbitrary restrictions imposed on his natural desires. What arrogant folly! The truth is that God's commandments are the channels within which man must behave not only for heavenly reward but for successful coexistence as a species on this earth.

For example . . . sexual promiscuity may be called natural in that it is natural for any male animal to be attracted to many female animals. But, man is *more* than an animal. The magnificent pleasure of sex is God's invention . . . not the devil's. Sex it should have full play only in matrimony. It should be a joyfully recognized but carefully restrained factor in courtship. The preservation of a marriage is a fragile difficult task; for marriages are beset by many distractions . . . by the monotonous duties of housekeeping, child rearing and breadwinning . . . by partial clashes of personality; by inevitably associating the marriage partner with unpleasant obligations. God knows not only that sex is the natural appetite ensuring procreation, but that the exclusivity sharing of sex between the two marriage partners can naturally compensate for the forces tending to break up the marriage. Take away the exclusivity of sex in the marital bond . . . and you destroy the cement required to preserve the bond. Rear a youth to regard unmarried sexual intercourse as a casual act and you've reared a prospect likely to contribute to raising our already distressingly high divorce rate. Destroy respect for the laws of God pertaining to the family . . . and you destroy the family . . . which is the building block of the Nation . . . and you destroy the Nation.

Sexual permissiveness . . . as it is so mildly called . . . is not to be calmly noted as an interesting phase of our constantly changing mores, but as a total failure of man to be true to the very nature of the species. Too many of us have lost our orientation: We are men . . . higher than animals . . . and subservient to God. God's laws don't fight nature—they are nature, and man must be true to his full nature, not overly distracted by one part of his nature.

Such loss of orientation has come to nations before . . . always with disastrous results . . . either in the form of an obviously divinely imposed calamity such as the flood or the punishment of Sodom and Gomorrah, or in the form of a so-called natural result such as the fall of a once great but finally undisciplined and weakened nation.

Such disorientation and weakening usually follows great prosperity—too much wealth. Christ said it is more difficult for the rich man to reach Heaven than it is for a camel to pass through the eye of a needle. An old cliche says, "powers corrupts . . . absolute powers corrupts absolutely." This tends to be true in both a personal and a national sense.

Some of you are old enough to remember the World War II expression, "There are no atheists in foxholes." I have seen that men's active faith in God increases proportionately with the degree to which man is faced with the more absolute pressures of life and death.

But our Nation, like ancient Persia, Greece and Rome which have fallen before us, is and has been a rich nation with most of its citizens recently unbeset by such vital pressures. If our citizen discount subservience to God, they will also discount respect for other forms of authority, national, parental, and civic. There seem some sickening signs even among our leader class that the opportunity afforded us to dissent is disproportionately stressed over the responsibility to respect appropriate and conscientious authority. And I not a right winger.

Is there no way out? I think there is. Some rich and powerful men retain virtue. I believe the proper use of intellect and conscience can provide the substitute for the physical pressure which ordinarily provides the moral stimulus men require to achieve nobility of character. If enough Americans thus use their intellects and consciences, this Nation can retain her strength, share and increase her wealth, and expand her greatness.

If the application of intellect and conscience is the solution . . . then we are saying that religious oriented education is the most crucially needed influence in our Nation today. Thus . . . the mission of Elon and its students is not only educational . . . but is the roll-back of the forces of evil for the preservation of national and spiritual survival.

Elon produces and influences leaders. We need national leaders who have both good minds and a full consciousness that they have souls. In my opinion we have had such men in all the Presidents in office during my adult life. I am sure we have such a President now. While I recognize the right of and need for dissent, I think there is room for trust in his good will and superior perspective, especially in the poker game of international affairs.

We need citizens who recognize that there must be a self-subordination of man to God . . . of citizen to State. Render unto Caesar what is Caesar's and unto God what is God's. Without that belief or its equivalent, nations simply cannot survive. A culture without a cult is not viable. I think Elon, and other schools similarly dedicated, are the hope of this Nation.

I have not presumed to speak as a man clothed in righteousness. I do not smugly regard myself as a good man. But I am a man who wants to be good . . . who wants his country to be good. I am a man who cherishes the value of this college . . . who regards its mission as urgent.

In conclusion, let me exhort those here who generally agree with me not to be intimidated into not speaking out against evil simply because self-dedicated evildoers can jibe that we are unqualified to speak since we ourselves are not perfect. The determination of our general level of personal behavior and the infinite issue involved in Divine judgment lies not in the distinction between perfect and imperfect behavior, but in the difference between trying and not trying to be good.

I heartily join this assemblage in saluting the occasion on which this prestigious institution of Christian learning was founded. May God continue to grant it and you his blessings, through continuing to bless America.

THE EFFECT OF THE HOUSING MORATORIUM ON EVANSVILLE, IND.

Mr. HARTKE. Mr. President, the housing moratorium announced by the President victimizes the poor and the ill-housed for the shortcomings of Federal housing administrators. On the one hand, the administration states that more progress in constructing housing for low- and moderate-income people has been made over the past 4 years than at any other time in the Nation's history; but on the other hand, the administration declares that we must stop all programs indiscriminately for a period of evaluation.

To be sure, we must have evaluation of all Federal housing programs. Some have not performed as promised. Others have experienced outright fraud. But evaluation should be an ongoing task carried out by both the administration and Congress.

Mr. President, I am convinced that the proposed moratorium will do more harm than good. Writing of the effect which the moratorium will have on Evansville, Ind., Ms. Barbara Jackson, president of the League of Women Voters of Southwest Indiana states:

> The moratorium works an unjust penalty on the Evansville realtors and contractors who have provided decent housing under the FHA 235 and 236 programs without the kind of cheating which has gone on in other cities. It tragically penalizes hard working but low-income people who live in our city. As the supply of older housing decreases, inner city rental prices increase. Without a program in the nature of FHA 235 and 236 to provide modest priced housing we will lack any effective means of relieving the pressure on the too few units available.

Mr. President, I ask unanimous consent that a newspaper article and materials from the Evansville Coalition to End the Moratorium on Housing be printed in the RECORD. I also ask unanimous consent that a representative survey on the impact of the housing moratorium prepared by the League of Women Voters of the United States be printed in the RECORD.

There being no objection, the material

was ordered printed in the Record, as follows:

Few in Subsidy Program Have Come Back: FHA Foreclosures Are Behind Nation, State

(By Janice Perkins)

More than 500 homes of the Federal Housing Administration (FHA) 235 variety for low-income families have been built to date in the Evansville area, and only seven have gone into foreclosure.

This is far different from the national picture, in which scandals in the federally-subsidized housing programs have led to President Richard Nixon calling an 18-month moratorium, pending a study.

"Evansville presently has no great problem, compared with the nation and particularly the state, which is the common denominator," says Ray Becker, the local foreclosure agent and president of Hahn & Becker Agency Inc.

He makes the comparison that Evansville had two new foreclosures on FHA's February list of repossessed homes, while Indianapolis had 56 and Fort Wayne, 34. The list included 23 Indiana communities, with the rest having 9 or fewer listings each.

Becker indicated the other large cities in Indiana have had consistently larger listings than Evansville, particularly Indianapolis.

He has handled FHA foreclosures in a 13-county Southwest Indiana area for about 13 years, starting out when Evansville was the trouble spot in the state as major industries closed here or moved out.

"I'd get 80 (homes) at a time in those early years," he said recently.

Now, state officials "can't understand why we don't have more," he said. "They keep telling me it's got to come. For two years, they've been saying it's got to come."

He recognizes that maybe it is starting here, since the last four on his list—two added in December, two in February—are 235s.

NONSUBSIDIZED

There are 17 foreclosures on the list, one dating to August, 1971, 14 spread over 1972 and the two in February. All but the seven 235s are from FHA's 203 program of nonsubsidized mortgaging, however.

Becker said he'd handled few repossessions in the area outside of Evansville, until 235 was started. He recalls now having had 10 foreclosures in Tell City, two or three in Vincenes, two at Huntingburg, one at Jasper, others in Rockport, Washington, Cannelton and Shoals.

Becker suggests Evansville was slower to start on the 235 program and is perhaps slower in picking up repossessions.

He credits local contractors with doing a better job, with being more responsible in their sales of the subsidized homes. No falsified mortgage papers have turned up here, as in other areas, he said.

And the Sixth Ward City Council member, always quick to promote his West Side area, points out he's had only three FHA foreclosures in the West Side in all the years he's handled the work here.

He said 75 per cent of the foreclosures have been in the Southeast Side, where the bulk of FHA homes have been built in Evansville. Values range from $10,000 to $20,000, he said, but he received no foreclosures on a home worth more than $15,000 until the 235 program came along.

Becker notes in the 235 program, repossession in the one place FHA still has money. He explained that one-half of one per cent in interest paid is put in reserve to cover foreclosure costs.

With an estimated $500 million worth of FHA-financed homes in the Evansville area, he said, the reserve so far has handled all expenses.

The foreclosures process involves checking the condition of a repossessed home, getting bids on repair if feasible, demolition if not, and carrying it through to resale of the home or vacant lot.

Becker's list of 17 includes five either sold or in the process, one torn down and a second to be torn down, three repaired and ready for sale and seven now being repaired.

REQUIRE MAINTENANCE

He said the homes generally require routine maintenance, rather than major repair.

He's had one home where the maintenance crew had to wear gas masks to walk into the filth and other homes where the owners had gone as far as waxing floors in cleaning up to move out.

The list includes only one home that "shouldn't have been sold in the first place," said Becker, because of the substandard condition.

Bids showed repair would run nearly $9,000, while market value would have been only $6,000. The home was torn down for $500 and Becker has an outmoded 25-foot lot to dispose of on Harriet Street.

He said he is reluctant to tear down such homes in the black community, because of the critical need for housing. It is one area where more than the market value of a home will be spent to make it livable, generally requiring redoing all heating, plumbing and electrical facilities, he said.

FORECLOSURE AGENT

Becker became the local foreclosure agent by request and has been the successful bidder to retain the work on each three-year contract since. He notes, however, that an office secretary, Mrs. Vaneta Felstead, has done 95 per cent of the work for the past six years.

He's used the FHA foreclosures as a barometer of the Evansville area economy, and thinks the current status shows it "is pretty economically sound. This has been a good indicator over the years."

He added he wouldn't be as concerned over foreclosures on 235 housing as on 203. "When that man starts losing his home, it's a good indicator of problems," he said.

Evansville Coalition To End the Moratorium on Housing for Low- and Moderate-Income Families and Individuals

On January 5, 1973, Secretary Romney of the Department of Housing and Urban Development on behalf of the Nixon Administration announced an eighteen (18) month moratorium on the approval of any new rental or sales housing for low and moderate income families and individuals.

As a result of this moratorium, there are currently no single family sales homes available for sale to moderate income families under the FHA Section 235 Mortgage Insurance Program in Vanderburgh County and there will not be any for 18 months. Based on previous experience, a total of 368 units would have been made available during this period of time.

As a result of the moratorium, 860 units of rental or cooperative sales housing under the FHA Section 236 Mortgage Insurance Program will not be built in Vanderburgh County. Eighty (80) percent of these units would have been available for moderate income families and elderly individuals and twenty (20) percent for low income families and elderly persons.

As a result of the moratorium, 365 units of housing for low income families and the elderly promised to the City of Evansville as a part of our agreement with HUD will not be built.

During the same 18 month period, additional units of low cost housing will continue to be removed from the housing supply due to public acquisition programs; code enforcement; and, the ordinary operations of private enterprise.

The lack of construction during the next 18 months of 1,593 units of sales and rental housing for low and moderate income families coupled with the removal of existing units, due to age and obsolescence, will place an extreme hardship upon that segment of our community that are most poorly housed at the present time.

In addition, the economic impact of the moratorium will be considerable. Based upon a conservative estimate of $15,000 per unit, the moratorium means that $23,895,000 in construction will not take place. Since each $1 million in construction generates 115 jobs, the moratorium will affect the lives of an estimated 2,760 persons in the construction trades, building supply firms, building supply manufacturers and related business and industry in Vanderburgh County.

The undersigned, individually or on behalf of their organizations, respectfully requests President Nixon to reconsider the moratorium in light of its economic and social impact and to take prompt steps to end the moratorium and begin funding sound proposals for housing low and moderate income families and the elderly.

We urgently request the citizens of our community to write President Nixon and urge him to end the moratorium on housing:

Rev. Kenneth Knapp, Commissioner of Community Affairs, Catholic Diocese of Evansville.

Michael Malone, Executive Director, CAPE.

Mrs. Myrtle Scales, Executive Director, Evansville Housing Authority.

Mrs. Nae Broerman, Executive Director, HOPE of Evansville, Inc.

Rev. Francis Frellick, Executive Director, Evansville Council of Churches.

Mrs. Larry Jackson, President, League of Women Voters, Evansville Chapter.

Donald McNary, Executive Director, Human Relations Commission.

Raymond A. Andersen, Executive Director, Department of Redevelopment, City of Evansville.

Rudy T. Steiler, President, Metropolitan Evansville Home Builders Association, Inc.

John Cable, President, Evansville Chapter, NAACP.

Fact Sheet on the Effect of the Moratorium on the Construction of Low- and Moderate-Income Housing in Vanderburgh County—Housing Units Planned for Jan. 1, 1973, Through June 30, 1974

FHA SECTION 235—SINGLE FAMILY SALES

Builders and number of units

Roger Klassy	72
Holtzman and Silverman	64
Beverly Heights	61
Guthrie May	51
R. H. Meyers	45
F. D. Railey	30
W. Corbett	20
Other builders	25
Total	368

FHA SECTION 236—MULTIFAMILY RENTAL OR COOPERATIVE

Builders and number of units

Guthrie May	254
Justus	250
Beverly Heights	150
Holtzman and Silverman	148
Liberty Baptist	58
Total	860

PUBLIC HOUSING—RENTAL AND HOME OWNERSHIP

Type and number of units

Family	250
Elderly	115
Total	365

Total units affected: 1,593.

Estimated cost per unit: $15,000.

Economic impact $23,895,000 and 2,760 jobs.

IMPACT OF HOUSING MORATORIUM

Sample reports from state and local Leagues of Women Voters about the social and economic impact in their communities of the Presidential moratorium halting new contracts for low- and moderate-income housing subsidy programs and the need for federally subsidized housing programs.

Alaska. LWV of Anchorage, P.O. Box 1345, Anchorage 95901:

Reports that cuts in water and sewer grants mean no on-site water and sewer facilities for planned housing. "All FHA 235 monies have been stopped. There has been an overwhelming demand for 235 housing in Anchorage because the cost of housing (materials, labor, maintenance) is astronomically high. In the last 6 months 400 families have qualified for 235 housing. . . . All 235 monies have been stopped. Presently 2000 families are eligible. Existing units total 900, with 840 proposed units lost due to loss of funding. . . ."

"Rent supplement money cut. Anchorage has over 50% rental units. Considering unemployment figures already cited, these supplements are needed.

"We have a month to month waiting list for low-rent public housing for over 400 families. All monies for such housing have been cut."

(From a special memo to Mrs. Bruce Benson, President of LWV of U.S., by Joan L. Hayes, Chairman Human Resources Committee, Anchorage League.)

California. LWV of Pasadena Area, 1321 North Lake Avenue, Pasadena 91104:

"Although the League is aware that there has been some corruption and mis-management in the housing program in certain localities of the country, federally assisted housing in the Pasadena community has made a significant contribution towards alleviating the housing needs of the low-moderate income population.

"Your moratorium calling for an eighteen month suspension of federal housing subsidy programs seems an unwise approach to the problem. These funds will be withheld from many proposals which have received city and county approval. Our non-profit housing development corporations and other citizen housing groups have spent many years developing expertise and educating the community as to the housing needs of low-moderate income persons. In our own community unemployment due to cut-backs in the Space program, a constant rate of unemployment of minorities—about double the national average—and the general rise in living costs have created a greater financial demand than can be overcome locally.

"Since much of the problem of inefficiency seems to be an administrative one, we wish to recommend that federal programs which assist in the development and rehabilitation of housing for low-moderate income persons be continued and adequately funded until alternatives can be deveolped and refined. We suggest that in the meantime, the Department of Housing and Urban Development be directed to make every effort to formulate methods of increasing the housing supply, so that the national goal of a decent home in a suitable living environment for all Americans can be achieved."

(From a letter to President Nixon, from Marguerite Ernstone, President and Helen L. Burr, Housing Consultant, Pasadena Area League.)

California. LWV of Fresno, 977 Pierce Drive, Clovis 93612:

"The League of Women Voters of Fresno is very concerned about the effect of the housing moratorium on our city and county. The voters of Fresno passed a measure in November to build 800 low-rent housing units. With a waiting list of 1,918 families, these units are desperately needed. It is highly unlikely that state and local governments will be able to provide funds for these housing units.

"Another consideration is that Fresno is an area with severe unemployment problems. Building this housing would provide hundreds of badly-needed jobs. . . ."

(From a letter to HUD Secretary James T. Lynn, from Mrs. Gilbert Rodriguez, President, Fresno League.)

Colorado. LWV of Arapahoe County, 142 Woodlawn Center, Littleton 80120:

"Since the announcement of the housing moratorium this region has received more than its share of program cuts—many to previously allocated and funded projects.

"The Arapahoe County League is concerned, in particular, with one housing program: the Littleton Housing Authority. Although awarded a $3.5 million grant for development and construction of 150 low income housing units, actual construction has not begun and the program is in serious jeopardy.

"Littleton, Colorado was one of the first suburban communities in the state to adopt a policy and program for housing its low and moderate income residents. Creation of the Authority culminated a year's work spearheaded by members of the Arapahoe County League. . . . We cannot let this program die.

"The Littleton Housing Authority has under contract land for the elderly housing (70 units) and options for 13 family sites. If the program is canceled or held in abeyance, the possibility of keeping this land or purchasing similar properties at present market rate is impossible."

A letter to Senator Dominick relates how, after three years work, Littleton became the first suburb in Colorado to take positive action in the area of low-income housing and was one of the few communities in the Denver Metro area to be ready to implement its fair share of providing low- and moderate-income housing.

(To Senator Peter Dominick and Representative William Armstrong, from Mrs. T. Ross Bignell, 1st Vice President and Housing Chairwoman, Arapahoe County League.)

Illinois. LWV of Forest Park, 301 Springfield, Forest Park 60130:

"The League developed a resolution to the President and U.S. Congressmen, sent it to Village President and Council asking that the Council send the resolution from the Council. The resolution was adopted and sent on March 12. The resolution asked the President and Congress to agree speedily on means for restoring funds to provide "an adequate supply of housing for persons of low and moderate income." The resolution said, among other things, "The goals set by the federal government for new housing and subsidized housing have not been met and cannot be met unless governmental action is taken; and Whereas, the freezing of the federal share of funds to the Illinois Housing Development Authority and Section 23 Public Housing Act has seriously curtailed the options of the Village at a time when we are considering methods to increase the supply of housing for low and moderate income families; . . ."

Illinois. LWV of Chicago, 6723 South Euclid, Chicago 60659:

The Chicago and Cook County Leagues and the League of the U.S. filed amici curiate briefs in the Gautreaux V Chicago Housing Authority, Romney case—a demonstration of League commitment to the goal of equal opportunity in housing and an end to the practice of racially discriminatory housing in Chicago, and a "remedy for the effects of past discrimination through the placement of low-income or public housing on scattered sites, both in Chicago and in suburban communities.

"Full relief to fulfill the requirements of the Gautreaux decision will be 40,000 units in the city and 20,000 units in the suburbs.

"The moratorium would permit the use of federal funds to construct only 267 units of public housing, because that is the number of units which the Chicago City Council has approved and for which there was a HUD Area V Office approved plan (at the time of the moratorium cut-off date)."

"Unless federal funds are made available for housing in Chicago, the remainder of HUD-approved reservation for 2958 family-type units will not be honored."

Mayor Daley's office reported to the League that Chicago would lose more than $20 million in model cities over the next 17 months; 3,100 units of low and moderate income housing; and 13,000 elderly citizens would be unable to get adequate housing.

(To Congressman Ralph Metcalfe, from Eleanor Elam, President and Andrea Rozran, Housing Chairwoman, Chicago League.)

Maryland LWV of Calvert County, Silver Rock Circle, Box 148, Lusby 20657:

"Talk of planned housing in the pipeline is no consolation to communities such as ours, because we were caught before our housing plans reached the pipeline. In rural areas the shortage of housing available to poor people is particularly severe. In Calvert County, about one dwelling out of four has some or all of the following deficiencies: utter lack of plumbing, dilapidated condition, incredible overcrowding, or serious fire hazard.

"The vast majority of ill-housed people in Calvert County are children, oldsters on pitifully meager annuities, or people who are disabled or incapacitated. These bitter facts are not minimized by citing scandals and mistakes of other regions.

"Real people, not statistics or averages, are really being hurt by the housing moratorium and impoundments now in effect. Experience has shown that poor communities, the same as most poor people, can do little to help themselves. . . ."

(To Representative William Mills, from Mrs. Walter T. Wilson, Human Resources Chairwoman, Calvert County League.)

Massachusetts. LWV of Cambridge, 15 Brattle Street, Cambridge 02138:

"The Administration's decision to suspend immediately for an eighteen month period the operation of our federal subsidized housing programs without consultation of Congress represents a curtailment of government-assisted housing programs which in human and economic terms can only be described as catastrophic. The results of this action will work a severe hardship on the people who need housing the most and who are the least able to afford it.

"No dollar figure has been projected for Massachusetts, but housing and finance officials say the freeze could wipe out as many as 14,000 units of new and rehabilitated housing, including 1,200 units in Boston . . .; the freeze on 235 housing alone would result in the loss of 7 million dollars to Massachusetts. . . ."

"Several private mixed-housing projects already planned for Cambridge have had to be totally cancelled."

(From "League Items," the Cambridge LWV bulletin, President, Dorothy Altman.)

Minnesota. LWV of Minnetonka-Eden Prairie Area, 3606 Croftview, Minnetonka 55343:

"Eden Prairie citizens, for the past few years have worked with their council to plan for a housing mix which would provide shelter for people of all incomes. Now just when plans were to become a reality, funds have been cut off. Two 236 proposals were accepted by the Eden Prairie Council in August 1972. The moratorium prevents local citizens from carrying out their plan.

"Minnetonka has a Housing and Redevelopment Authority and recommended 200 units of public housing (170 elderly, 30 family units). The City Council authorized an application for 200 units of elderly housing, which has recently been turned down. Even more recently, a 236 proposal had received HUD approval—only to find two months later that it had been taken away.

"Our discouragement and despair is beyond words. Just when our suburban communities were making headway in helping to solve the problems of core cities by making housing available for our own low income persons, funding has been removed. . . ."

(To Senator Hubert Humphrey; Senator Walter Mondale; Representative Bill Frenzel; and press, from Gwen Luhta, President, Minnetonka-Eden Prairie League.)

New Jersey. LWV of Ewing Township, State Police Department, West Trenton 08628:

"We feel that the putting of a moratorium on the housing program because of possible abuses and problems is a form of cynical discrimination against programs which are very meaningful to a large number of people in our state and community. Ewing Township, like most New Jersey communities in the most thickly populated state in the United States, has a severe housing shortage in all areas but has *no* housing available at all for people with moderate or low income. . . . As League members we cannot sit by and watch the Executive Branch of our government subvert the will of Congress and the will of the majority of people who elected that Congress by refusing to spend funds appropriated and desperately needed."

(To President Nixon and HUD Secretary Lynn, from Marcia Felcone, President, Ewing Township League.)

New York. LWV of Rochester Metropolitan Area, 75 College Avenue, Rochester 14607:

Participating in the NY State Emergency Committee Opposed to the Housing Moratorium.

The estimated loss to Monroe County includes 200 new single family section 235 units, 55 rehabilitations-235-J, 5798 multi-family section 236 units, and 484 public housing units. Total housing units that would have entered the housing pipeline after January 5, 1973 is 6,537; the direct construction cost, not counting land—$132,251,000; associated community development—$17,133,000. Using a multiplier effect of $3.00 per $1.00 of the total estimated dollar loss of $149,384,000, the total impact loss reaches $481,200.000 in Monroe County alone—a significant loss in time of high unemployment.

(Data gathered for state meeting of Emergency Coalition, submitted by Gloria Samson, Housing Chairman, Rochester Metro League.)

Ohio. LWV of Greater Dayton Area. 120 West 2nd Street, Dayton 45402:

"The housing moratorium in the Dayton area will have the effect of punishing the poor and those with a moderate income for the inadequacies of administrators or those who gain financially from the programs. . . . Several Communities are becoming aware of the Dayton Plan and beginning to work out agreements with the Metropolitan Housing Authority (West Carrollton and Germantown.) We were on our way to some reasonable housing solutions and the moratorium on public housing upsets this applecart. The Miami Valley Regional Planning Commission has estimated that a minimum of 1,125 low and moderate income units in the region, and 283 units in the City will also be lost.

"We are concerned that this moratorium may signal a reneging by federal government on its commitment to assist with low income housing. Also, when the moratorium is lifted there will be a long time lag before new housing starts can get underway. We repeat, for the people who need public housing, there are no alternatives. In addition to the housing moratorium, the City of Dayton will lose one half of the allocated HUD funds for code enforcement for 1973, with no funds allocated for 1974. The loss of funding for code enforcement, which will come to an end in 1974, may well leave whole sections of our city susceptible to blight."

(Statement by Gail Levin, LWV of Dayton Area.)

Pennsylvania. LWV of Beaver County, 209 Marble Street, Aliquippa 15001:

"It was quite a jolt to read the information in our local paper that the Administration had revised the moratorium date on HUD-sponsored housing projects and set it back to December 31, 1972. This is a serious blow to our community. For years we have been trying to find a way to force the upgrading of one of the worse housing areas in Aliquippa. . . . It has been only in the last two months that we felt the psychological climate would permit the project to proceed. (That is, for a 96-unit known as the "Bricks" area.) A plan for the 96 units has been presented to HUD. The non-profit sponsor has received a feasibility letter for the $1,900,000 project and was awaiting firm commitment. The new federal regulation has seemingly canceled out all the painstaking work of the last two years. Aliquippa is left with 96 units of absolutely wretched housing which becomes worse each passing day."

(From letter to Senator Hugh Scott and Senator Richard Schweiker, from Gilda de Ferrari, Board member Beaver County League.)

Pennsylvania. LWV of Pennsylvania, 8th and Market Streets, Philadelphia 19015:

An alert sent by the State Human Resources Chairman to all local leagues pointed out: "These cuts will seriously affect the supply of housing for low and moderate income families. The Pennsylvania Housing Finance Agency will be limited to financing housing for people of moderate income because of the freeze. PHFA had intended to use federal subsidies as a means of reducing housing costs so builders could lower their sales and rental prices. 'Seed money' for predevelopment costs, and 'write-downs' of development costs previously provided by the Department of Community Affairs will no longer be available as a result of the federal freeze. . . . In Pennsylvania alone, Farmer's Home cuts will result in a total estimated loss over the next 18 months of $24,495,975 and 1,827 man years of employment for home builders."

(Sent by Mrs. Mark Neuman, State Human Resources Chairwoman).

Wisconsin. LWV of North Shore, 4221 North Maryland Avenue, Milwaukee 53211:

"On March 3, 1973 a meeting was held in Milwaukee for the purpose of evaluating the effects upon our area of the recent housing moratorium. Attending were representatives or organizations concerned with the need for increasing the supply of low and moderate income housing throughout Southeastern Wisconsin. The League of Women Voters shares this concern and I (Helen McGregor, President) went as a representative of the North Shore League.

"The impact at the state level was reported by a representative of the State Department of Local Affairs and Development. Oven an 18-month period an estimated loss of 13,245 units will occur and this will mean a total loss of one-half billion dollars worth of economic activity and 17,800 jobs throughout the state. The DLAD also says that the state cannot take over the housing programs because it cannot provide either the depth of subsidy necessary or the expertise which the local governments need and receive from the federal government. As for how revenue sharing will affect the problem, local governments are not likely to opt for as controversial a use as low and moderate income housing.

"The Community Relations and Social Development Commission said that in one year's time, 3,200 units of low and moderate income housing will be lost by Milwaukee County. It was reported by the Conference on Religion and Urban Affairs that with 1,500 applications for housing for the elderly now on file and the vacancy rate zero, 400 units have not been eliminated."

(From letter to Senator William Proxmire; Senator Gaylord Nelson; Representative Glenn Davis, from Helen McGregor, President, North Shore League.)

JUVENILE JUSTICE SYSTEM

Mr. MATHIAS. Mr. President, there is no more important or difficult task for any society than achieving the twin goals of order and justice. Though the best of human minds have concentrated on this dilemma for centuries, we are still a frightening distance from achieving a solution. One of the most important lessons we have learned, however, is that we should place more emphasis on the youth of our society, on guiding our young people away from a criminal career.

I am pleased therefore that the Columbia Human Rights Law Review has published an outstanding collection of thoughtful articles and essays on the juvenile justice system in its fall 1972 issue. Among the authors is my distinguished colleague from Indiana, Senator BAYH, the chairman of the Juvenile Delinquency Subcommittee of the Senate Judiciary Committee. I am informed now that this excellent symposium has been reprinted as a book entitled "The Legal Rights of Children: Status, Progress and Proposals," and I hope that in this form it will reach the wide audience which it deserves among all Americans concerned with the juvenile law system.

THE WATERGATE AFFAIR

Mr. MONDALE. Mr. President, the continuing controversy surrounding the "Watergate affair" has done much to undermine the confidence of the American people in the workings of their government. The only way that this confidence can be restored is for President Nixon to come forward and give the American people a full accounting of the facts leading to the Watergate episode, and any other acts of political sabotage and espionage which may have occurred last year.

Mr. President, I ask unanimous consent that the editorial from the Minneapolis Star be printed in the RECORD at the conclusion of my remarks, since this editorial points out this need for full disclosure and its importance to our democratic system.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star. April 3, 1973]

STOP DUCKING, MR. PRESIDENT

Last Aug. 29, President Nixon said he had directed John W. Dean III to determine if any White House staffers were involved in the Watergate scandal. Using Dean's findings, he declared flatly that none "presently employed" were. This is the essence of the White House position since.

It was not good enough then because the position was too narrow. It is not good enough now because, in a contrary sense, it may be too broad. President Nixon is out on a limb. To give him the benefit of every doubt, he could be the victim of subordinates who were more arrogant than venal. But even putting the best possible construction on the scandal—the right word, for it is no longer a "caper"—Nixon simply has not shown the political sensitivity for which he prides himself. A harsher assumption would be that he is ducking. If so, it is too late for that.

He should have spoken out on the basis of what has been proved or confessed to already, disavowing the snooping, sabotage and burglarly that, after all, were done on behalf of his re-election campaign. By the most elementary logic, quite apart from allegations now being made by James W. McCord, it is obvious that somebody with lots of clout and lots of money was calling the signals for the hapless convicted defendants. It wasn't a self-starting, free-lancing band. This was clear from the evasions on the record at the trial.

Significantly, the most urgent admonitions are coming from Republicans and political conservatives, in and out of office. The substance of their rebuke is that Nixon will have to confess error, and if the consequence of the trials and investigation is convincing proof of involvement within his official family, he can spare no feelings, including his own. He should act before the White House is acted upon. If some must then depart, so be it. The office he has so often held up for world veneration requires that. He should, in short, clean house.

We think Nixon has deluded himself if he interprets his landslide victory as a mandate for disdainful silence. Far better was his once proud standard, "clear as a hound's tooth."

Nixon should realize that his diverting role as the global planner and peacemaker is being overshadowed by the clamor of domestic events, of which Watergate is one, So we say, come home, President Nixon.

WHAT SHOULD BE THE U.S. POLICY ON CUBA?

Mr. MATHIAS. Mr. President, on March 31, the Baltimore Sun carried a discussion of U.S. policy toward Cuba by two distinguished Members of Congress, Senator Edward J. Gurney and Representative Charles W. Whalen, Jr. In light of recent developments in United States-Cuban relations, leading to the signing of an antihijacking agreement, this debate featuring both sides of the question, "What Should Be the U.S. Policy on Cuba," is particularly timely. I highly recommend it to my colleagues and ask unanimous consent that it be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Baltimore Sun, Mar. 31, 1973]

What Should Be the U.S. Policy on Cuba?

After more than a decade of mutual diplomatic isolation, the United States and Cuba recently signed an anti-hijacking agreement that could have wider ramifications. Arguing for a normalization of relations is Representative Whalen (R., Ohio). The opposite view is by Senator Gurney (R., Fla.).

(By Representative Charles W. Whalen, Jr.)

The time is ripe for the United States to take appropriate steps to normalize relations with Cuba.

For the past decade relations between these two countries have been marked by mutual distrust and hostility, initiated by the Cuban subversive activities in Latin America, the Russian military build-up on the island, the expropriation of U.S. owned properties in Cuba, and the Bay of Pigs invasion. The United States in 1961 severed its economic and diplomatic ties with the Castro government, encouraged other nations in the Western Hemisphere to follow in the Organization of American States, and in effect, isolated Cuba from the rest of Latin America.

The political realities of 1973 indicate that a careful review of United States-Cuba relations is in order. Three major developments are responsible for a new political climate which make the normalizing of relations between the two countries desirable and potentially attainable.

First, the President's policy of dealing realistically with all types of governments has resulted in a relaxation of tensions with the People's Republic of China and the Soviet Union. A dialogue with Cuba would be in line with this philosophy. Further, it would eliminate a policy inconsistency which thrives for friendship and an increasing dialogue with Russir. while isolatng China for permitting a Soviet presence.

Second, there is a growing trend among Latin American countries to re-establish formalities with Cuba as evidenced by OAS votes and independent behavior of Latin countries. Only two weeks ago Cuba was invited to participate in a working caucus by the Latin American delegations to the United Nations after having been excluded from discussions since the 1961 OAS sanctions. Cuba's subversive activities in those nations has lessened perceptibly since the Che Guevara's unsuccessful 1967 efforts in Bolivia. In the eyes of these governments, Cuba no longer poses a serious threat to their existence.

Third, Prime Minister Castro's policies toward the United States and other Western Hemisphere nations are becoming less strident. The recent signing of a hijacking agreement between the United States and Cuba is evidence that the Cubans are willing to discuss and negotiate on matters of mutual concern. Furthermore, Cuba's involvement in subversive activities throughout Central and South America has significantly waned, according to testimony from State and Defense Department officials. Their statements reveal that Cuba clearly has lost the revolutionary fervor of earlier days.

What benefits will accrue to normalize relations with Cuba? First, the anti-hijacking agreement, which resulted from our indirect dialogue with the Castro government, should be a significant deterrent to air piracy.

Second, in time Cuba might be re-established as one of our important trading partners. During the last year the United States traded with Cuba, our exports to that nation exceeded our imports by $19.1 million. Cuba supplied the United States with sugar and certain essential minerals while buying primarily finished goods from us.

It is inconsistent for us to trade with the Soviet Union while maintaining a complete trade embargo with Cuba. Resumption of trade would be consistent with the policies now pursued by many of our closest allies, such as Great Britain, Canada, and Japan, who trade with Cuba.

Third, a more relaxed political atmosphere in the Western Hemisphere, would result from renewed U.S. relations with Cuba. Isolation of Cuba long has been a divisive issue within the OAS. Moreover, it has caused anti-United States feelings among several Latin American groups. A detente with Cuba should eliminate tensions and lead to greater economic and political cooperation among the countries of the Western Hemisphere.

Obviously, certain major issues will have to be resolved before diplomatic relations can be restored. Of particular concern are the status of Cuban refugees, the future of the Guantanamo Naval Base, compensation for expropriated property and the reallocation of sugar quotas. It is my judgment that none of these issues is impossible to resolve.

Incidentally, Russia—whose presence in Cuba contributed to the division between the United States and Castro government—has expressed an interest in U.S.-Cuban rapprochement as evidenced by recent articles in *Pravda*.

In order to move toward the goal of resuming U.S.-Cuban ties, eleven House colleagues and I proposed that several steps should be taken by the legislative and executive branches of government.

A normalization of relations is clearly in our best interests.

(By Senator Edward J. Gurney)

It has been 11 years since the United States broke off diplomatic relations with Fidel Castro's Cuban government in response to the cutting of our embassy staff, the continuing stream of anti-American invective, and the confiscation of American property in Cuba.

In that time, four things have become evident.

First, Castro has shown no indication that he wants the U.S. to be anything other than a punching bag to use as an excuse for his domestic failures; second, there is no evidence that he is willing to compensate Americans for losses suffered at his hands; third, there has been a concerted effort on his part to export violent revolution to other Latin American nations who want no part of his brand of communism; and, fourth, Castro has developed strong military ties with the Soviet Union, ties which nearly brought on a nuclear war once, and which continue to threaten the peace and security of the Western Hemisphere.

The record is quite clear as to Castro's responsibility for the breakoff in relations and his persistence in widening the rift over the years. Anyone who studies the facts carefully would be hard pressed to come to any other conclusion.

Fidel Castro came to power on January 1, 1959, riding a wave of popular support. Taking advantage, he first eliminated all opposition.

Then he followed up by instituting, in the name of land reform, a program of property expropriation, with deliberate emphasis placed on American holdings.

And, although he promised compensation it was never forthcoming. By November 1960, Castro had confiscated over $81 billion worth of American-owned property, without regard for either the rights of the owners or the expressed wishes of the U.S. government. To this day, none of this property has ever been paid for.

Simultaneous with these expropriations came an increase in the verbal attacks on the United States.

Castro then added force to his words by ordering the United States to cut back its embassy staff to an inoperable level of 11. Since then Castro has given no indication that he favors the renewal of normal diplomatic relations on anything other than his own terms.

We are, of course, all aware of the circumstances surrounding the Cuban missile crisis and the way in which it was resolved. However, it should be noted that, since 1962, Castro has continued to accept sophisticated military equipment from the Soviet Union as part of his unrelenting hostility toward the United States.

Unfortunately, the Soviet military presence is only part of the problem. There is also the matter of Castro's attempts to export revolution to the Americas.

Ever since consolidating power in 1960, Castro has tired to impose his style of revolutionary government on a number of unwilling Latin American nations.

These efforts have not had popular support, but they have caused nations like Venezuela, Colombia, Brazil, Uruguay and Bolivia untold trouble and expense.

In spite of this record, there are some people who believe that Castro has reduced his efforts to export revolution to Latin America. What in fact has happened is that, instead of a reduction, there has been a shift in tactics from rural guerilla warfare like that which took place in Colombia and Venezuela to urban terrorism such as practiced by the Tupamaros.

On September 16, 1971, the Deputy Assistant Secretary of State for Inter-American Affairs, Robert Hurwitch, stated to the Senate Foreign Relations Committee, that "unless the Cuban government were to abandon its policies and actions which constitute a threat to the peace and security of the hemisphere, the benefits to be derived from the normalization of relations with Cuba are not readily apparent, whereas the costs are clear."

If the United States and other Latin American nations continue their economic boycott, Castro may, as a result of Soviet aid cutbacks, be forced to make a choice—either explain to the Cuban people his failures or adopt a responsible or responsive attitude toward the rest of the hemisphere.

The possibility of forcing Castro into such a position requires that we continue political and economic sanctions.

To ignore the opportunity would be to break faith with freedom loving people around the world, including some 650,000 refugees who have fled Castro's tyranny.

The time has long since come for Castro to give up his dreams of revolution and to make good on the promise of freedom that brought him to power.

The burden of proof is upon Castro. When he is ready to return Cuba to the Western Hemisphere, the hemisphere will be ready to re-evaluate him.

ABA AND THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, we frequently hear opponents of ratification of the Genocide Convention citing the official opposition to ratification of the American Bar Association. While the ABA is a distinguished professional association which I greatly respect, there are several reasons why its position should not be considered dispositive.

First of all, the ABA was very closely divided on the issue. The ABA's house of delegates failed to endorse ratification by only four votes. The very closeness of the vote, and the spirited debate that surrounded it, indicate that the ABA membership as a group has no decisive or overwhelming constitutional objection to the convention. A large number of lawyers see the Genocide Convention posing no threat to American sovereignty nor to the individual rights of American citizens.

Even more impressive than the closeness of the vote is that the ABA's standing committee on world order under law, and its sections on individuals' rights and responsibilities, international and comparative law, and criminal law—those very divisions of the ABA most directly and intimately concerned with the Genocide Convention—all strongly favored ratification. The distinguished men and women who know most about the subject, who had the responsibility of delving into every relevant issue, supported ratification. The report of the committee as a whole strongly urged ratification to the ABA's house of delegates and found no legal or constitutional reason why we should not become a party to this agreement.

Mr. President, I ask unanimous consent that the text of the committee resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RECOMMENDATION

The Committee on World Order Under Law of the American Bar Association approves and recommends the following resolution for adoption by the House of Delegates of the American Bar Association:

"Whereas, in the field of human rights the United States of America has exercised significant leadership; and

"Whereas, the Charter of the United Nations, in the drafting of which the United States played a major role, pledges all Members to take joint and separate action in cooperation with the Organization for the achievement of . . . universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion; and

"Whereas, it is in the National interest of the United States to encourage and promote universal respect for and observance of human rights and fundamental freedoms.

"Be it resolved that the American Bar Association favors the accession of the United States to the Convention on the Prevention and Punishment of the Crime of Genocide; and

"Be it further resolved that copies of this resolution be forwarded by the Secretary of this Association to the President of the United States, the Chairman and members of the Foreign Relations Committee of the United States Senate, and the Ambassador of the United States to the United Nations; and

"Be it further resolved that the Chairman or any representative of the Association's Standing Committee on World Order Under Law be authorized to appear before appropriate committees of the Congress, and to cooperate with the executive departments of the Government of the United States, to present the views of the Association as herein expressed."

WHAT IS REALLY SPENT ON SOCIAL PROGRAMS?

Mr. HUMPHREY. Mr. President, the Friends Committee on National Legislation has recently published its Washington newsletter detailing where Federal resources were allocated in calendar year 1972.

The calculations made by the Friends shows that current military programs took 38.4 percent of the $216.2 billion voted by Congress in 1972. Health, education, housing and welfare—the traditional human resource programs—received less than 22 percent of the total moneys appropriated by the Congress in that year.

Mr. President, the Nixon administration has claimed over and over again that it has rearranged priorities—that defense spending has been less than spending on human resources.

But what the administration does not say is that when computing the percentage expenditures on human resources it lumps into one category funds from the social security trust fund which are used to pay social security benefits.

By using this computation method, the administration is inflating and obscuring the actual commitment it is making toward human resources. Expenditures on social security programs is an uncontrollable item—it reflects little in the context of priority setting by this administration. It is a fixed expenditure, paid for by payroll taxes.

Mr. President, I ask unanimous consent that the Friend's Committee Washington newsletter be printed in the RECORD.

There being no objection, the newsletter was ordered to be printed in the RECORD, as follows:

MONEY VOTED BY CONGRESS IN 1972 [1]

[In millions of dollars]

I. Military activities (38.39 percent):	
Defense Department and other military funding:	
Military personnel (including Coast Guard)	29, 683. 3
Operation and maintenance	21, 391. 0
Procurement of equipment including missiles and aircraft	17, 800. 0
Research and development testing	7, 959. 5
Military public works and special foreign currency program	2, 326. 8
Atomic Energy Commission (military portion) [2]	1, 343. 0
Maritime activities, including Merchant Marine	523. 3
Civil Defense, emergency defense activities	99. 3
Selective Service System	83. 5
National Security Council	2. 8
Military aid, including arms sales and supporting assistance	1, 553. 7
Estimated permanent appropriation for Maritime Administration	239. 8
Total	83, 006. 0
1970: $75,295.0 (45.09 percent).	
1971: $78,444.7 (41.16 percent).	
II. Veterans and other costs of past wars (5.89 percent):	
Veterans' Administration and other veterans rights and benefits	12, 692. 0
Memorial and Army cemeterial expenses, Foreign Claims Settlement Commission	33. 1
Estimated permanent appropriation for Veterans' Administration	2. 5
Total	12, 727. 6
1970: $10,209.5 (6.11 percent).	
1971: $12,291.8 (6.45 percent).	
III. Administration of the national debt (at least 75 percent was created (11.23 percent):	
Bureau of Public Debt	74. 0
Estimated permanent appropriation for interest on public debt	24, 200. 0
Total	24, 274. 0
1970: $20,872.2 (12.50 percent).	
1971: $21,480.1 (11.27 percent).	
IV. Space exploration (1.58 percent):	
National Aeronautics and Space Administration and National Aeronautics and Space Council	3, 420. 2
Total	3, 420. 2
1970: $3,321.8 (1.99 percent).	
1971: $3,342.5 (1.75 percent).	
V. The developing world (2.31 percent):	
Development loans	250. 0
Development grants and U.S. technical assistance	280. 5
Contingency fund—for emergencies	25. 0
Overseas Private Investment Corporation	12. 5
Peace Corps	81. 0
International education exchange activities	51. 4
Administrative expenses of economic aid program	54. 2

Voluntary contributions to international programs (including some UN activities)	105.0
Indus Basin Development Fund—grants and loans	22.0
Investment in Inter-American Development Bank	418.4
Special Payments to International Institutions (including International Monetary Fund, World Bank and Asian Development Bank)	
International Development Association	320.0
Alliance for Progress, development loans and technical assistance	227.5
Assistance to refugees in United States, migration, and refugee assistance	303.8
Sales of surplus foods and other agricultural commodities for foreign currencies (P.L. 480 sales)	371.4
Donations of commodities abroad (from Commodity Credit Corp.)	818.1
Administration of Pacific Trust Territory and Ryukyu Islands	60.0
Estimated permanent appropriations for educational exchange	.4
Total	5,001.2

1970: $2,929.8 (1.75 percent).
1971: $3,827.6 (1.96 percent).

VI. Other foreign relations (0.39 percent):

International organizations and conferences	194.2
U.S. missions to international organizations, commissions, and conferences	18.5
Arms Control and Disarmament Agency	10.1
Panama Canal Zone government	59.7
Administration of foreign affairs	307.2
U.S. Information Agency, International Radio Broadcasting	247.9
Estimated permanent appropriations (largely for administration of foreign affairs)	10.9
Total	848.5

1970: $678.2 (0.41 percent).
1971: $775.3 (0.41 percent).

VII. Agricultural resources (2.88 percent):

Agricultural Research, Marketing and Extension Services	594.5
Soil and water conservation programs, removing cropland from production	430.1
Costs of administering conservation, acreage control and price support programs; other activities and administration, Agriculture Department	746.3
Payments to sugar producers and dairy farms	91.9
Commodity Credit Corporation (excluding donations at home and abroad)	3,457.0
Estimated permanent appropriations, largely for agriculture marketing service	900.5
Total	6,220.3

1970: $4,471.5 (2.68 percent).
1971: $5,516.6 (2.89 percent).

VIII. Other natural resources (2.21 percent):

Land, water (including some ocean) and mineral resources, Corps of Engineers, rivers, harbors and flood control; Bureau of Reclamation; Federal Power Commission; Bureau of Mines; related agencies; Forest and Park Services, outdoor recreation, fish and wildlife; other administrative expenditures of the Department of the Interior	4,412.5
Estimated permanent appropriations, largely for Forest Service, land management, sports fisheries and wildlife	366.2
Total	4,778.7

1970: $3,486.6 (2.09 percent).
1971: $4,392.8 (2.31 percent).

IX. Human needs at home (21.70 percent):

Welfare:	
Maintenance and/or medical grants to states for dependent children, the aged, blind, disabled, maternal and child welfare, work incentives, administrative expenses and research for welfare programs	10,585.1
Office of Economic Opportunity Teacher Corps	906.2
Donations of surplus commodities to the poor (from Commodity Credit Corp.), Food Stamp, school lunch, special milk, and other food and nutrition programs	3,374.8
Housing:	
Department of Housing and Urban Development, including home ownership assistance, low rent public housing, community planning, fair housing and Model Cities	4,324.7
Education:	
Elementary and Secondary Education	2,710.6
Higher Education	623.9
Assistance to schools in federally affected areas (Impact Aid), Vocational rehabilitation, other education (including libraries)	2,337.0
Health:	
Health insurance for the aged (Medicare) [2]	1,901.8
Health services for the poor (Medicaid)	5,239.6
Public Health including Institutes of Health	6,454.8
Indian Health, Education and Welfare	539.7
Other:	
Disaster Relief	1,862.5
Environmental Protection Agency, other environmental activities	2,378.9
Rural Electrification Administration, Farmers Home Administration	1,004.2
Food and Drug Administration, consumer interests, product safety	158.7
The arts and sciences, National Science Foundation, and D.C. Institutions	952.1
Miscellaneous activities of the Department of Health, Education and Welfare	59.0
Estimated permanent appropriations, largely for Federal Housing Administration fund	1,494.5
Total	46,908.1

1970: $30,545.6 (18.29 percent).
1971: $40,794.7 (21.41 percent).

X. Economic development, labor, commerce and industry (3.54 percent):

Manpower training and labor: Development, manpower training and unemployment compensation; mediation and regulation of labor disputes; standards, enforcement, statistics and administration	4,829.7
Commerce:	
Regulation of foreign and domestic commerce, general administration of Department of Commerce	1,307.1
Civilian programs of Atomic Energy Commission [2]	1,290.4
Estimated permanent appropriation for Appalachian Regional Development Programs	180.0
Total	7,607.2

1970: $4,381.1 (2.62 percent).
1971: $6,215.9 (3.26 percent).

XI. Communications and transportation (2.15 percent):

Post Office	1,410.0
Transportation (Including Department of Transportation)	2,168.3
Federal Communications Commission, Coast Guard (civilian portion)	790.4
National Oceanic & Atmospheric Administration (including weather forecasting), Office of Telecommunications	237.4
Estimated permanent appropriations, largely for Civil Aeronautics Board	36.3
Total	4,642.4

1970: $5,069.2 (3.04 percent).
1971: $5,709.2 (3.00 percent).

XII. Administration of justice (1.11 percent):

Federal Bureau of Investigation	353.3
Juvenile Delinquency, Law Enforcement Assistance Administration (LEAA), Justice Department, Federal Prison System; Bureau of Customs, Secret Service, Narcotics Control, Tax Court and Subversive Activities Control Board; Immigration and Naturalization Service	1,722.3
Administration of Courts	188.3
Commission on Civil Rights, Equal Employment Opportunity Commission (EEOC), civil rights education and related activities	51.9
Estimated permanent appropriations, largely for Bureau of Customs	93.2
Total	2,409.0

1970: $1,702.2 (1.02 percent).
1971: $2,269.2 (1.19 percent).

XIII. General Government Expenses (2.80 percent):

Legislative establishment including Congress and the Capitol	606.2
Executive Office and the White House	51.3
Tax Collection, auditing and financial management	1,376.7
Civil Service Commission and General Services Administration; miscellaneous, including other claims against the Government	1,933.5
Administration of Territories and the District of Columbia, Native Americans (except welfare programs), Indian Claims	717.1
Estimated permanent appropriations, largely for Civil Service Commission	1,376.2
Total	6,061.0

1970: $4,024.1 (2.41 percent).
1971: $5,522.4 (2.90 percent).

XIV. General revenue sharing (3.84 percent):

Estimated permanent appropriation for payments to state and local governments	8,294.7

Grand totals:
1970: $166,986.6 million.
1971: $190,527.8 million.
1972: $216,198.9 million.

[1] Includes all funds appropriated by Congress during Calendar year 1972 when the money was spent in the fiscal year ended June 30, 1972, or allocated to the year ending June 30, 1973. Monies to finance all of the above programs will be drawn largely from income and excise taxes and borrowings. Ad-

ditional outlays not included in the tables will be made from Social Security, health, highway and other Trust Funds. Funds for the foreign assistance and Labor-HEW (Health, Education and Welfare) programs are by continuing resolution through June 30, 1973, because of lack of agreement on the regular appropriations bills.

[2] Estimates. (The Atomic Energy Commission—*AEC*—actual appropriation is $2,633,410,000. The AEC estimates 51% of that total is for military components, 49% for other AEC spending.)

ST. PAUL SUNDAY DISPATCH ATTACKS BOMBING OF CAMBODIA

Mr. MONDALE. Mr. President, I wish to call to the attention of my colleagues an excellent editorial which appeared in the April 15 issue of the Saint Paul Sunday Dispatch. Attacking the President's bombing policy in Cambodia, the editorial calls upon Congress to act to end American military involvement and commitments in Indochina.

Mr. President, I ask unanimous consent that the editorial be included in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRESIDENTIAL WARMAKING MUST BE CHECKED

President Nixon, by his own personal choice, is carrying on an American war in Cambodia which threatens to drag the United States deeper into the bloodsoaked political and military quicksand of Indochina.

There is no congressional authorization for this war. There is nothing in the U.S. Constitution which says that a President may through mere personal desire carry on wars in foreign lands. Instead, the Constitution says: "The Congress shall have the power to declare war."

This explicit provision was written into the Constitution nearly 200 years ago as a direct breakaway from old British practices which permitted Kings to wage war for their own purposes. For some years now it appears that American Presidents have been more interested in increasing their own war powers than in honoring the restrictions of the Constitution.

In Cambodia President Nixon is using the U.S. Air Force to support the weak and unpopular Lon Nol government. The Lon Nol regime is endangered by a civil war in which rebel Cambodian forces are assisted by a few thousand North Vietnamese troops. Most of Cambodia already is under control of the insurgents. The capitol city, Phnom Penh, is under siege.

This situation markedly resembles conditions which prevailed in South Vietnam a dozen years ago when President Kennedy intervened on behalf of the unpopular regime of President Diem, who was menaced by civil war among the Vietnamese. Kennedy also acted without congressional authorization. Later President Johnson expanded this presidential war with disastrous results.

The eventual penalty for U.S. involvement in Vietnam came to include nearly 50,000 American combat dead, more than 300,000 wounded, taxpayer costs of some $100 billion, devastation of both South and North Vietnam and shattering the lives of millions of Vietnamese peasants.

The lesson Americans generally read into this experience was that we should get out of Indochina. For a time it appeared that President Nixon was following this course as he withdrew the American ground forces. But now it seems he has no intention of doing so. He continues his dogged intervention in Cambodia and he appears to threaten renewing the Vietnam war by more bombing of North Vietnam if the present wobbly "peace" falls apart completely as the Vietnamese politicians carry on their fratricidal power struggles.

It is against this background that the Senate Foreign Relations Committee has begun hearings on renewed proposals for legislation to put a stop to unchecked presidential warmaking in foreign lands with congressional approval.

In related developments, Sen. Walter Mondale of Minnesota has introduced a bill specifically to prohibit President Nixon from using tax funds to finance further military operations in Cambodia. "The Congress no longer can permit the President's warmaking powers to go unchecked and unchallenged," he declared.

Senators Frank Church, D, Idaho and Clifford Case, R., N.J., have sponsored a bill to prohibit the re-engagement of U.S. forces anywhere in Indochina without advance approval by Congress.

Sen. Mark Hatfield, R, Ore., said the Nixon Administration's activities in Cambodia "may be repeating the pattern of secret commitments and public denials" which characterized America's early involvement in Vietnam.

Senate Majority Leader Mike Mansfield of Montana declared in a floor speech that "there are no legal or constitutional grounds for our becoming involved in any way, shape or form in the Cambodian civil war."

But the State Department's legal adviser, Charles Brower, told the Senate Foreign Relations Committee that President Nixon has authority to intervene in Cambodia "to ensure South Vietnam's ability determine its own future." Furthermore, Administration officials admit privately that "contingency plans" are being made in Washington for further expansion of U.S. military actions, if this is deemed necessary by the President.

Under such an open-ended concept of presidential authority the Nixon Administration could continue its wars in Indochina for years without end, as long as it feels that its chosen regime in South Vietnam needs help. The war in Cambodia could be kept up and expanded into Thailand and the bombing attacks on North Vietnam could be resumed at any time.

Such a policy is absolutely without justification. South Vietnam has long since been provided at American expense with an army and military supplies sufficient for its own defense. America cannot guarantee the perpetuation of the Thieu regime. The United States should get out of Cambodia and out of Indochina's endless wars and political struggles.

Since the Nixon Administration shows no signs of accepting this goal, the Congress should proceed to pass the laws which will force an end to American military involvements and commitments. Presidential warmaking at the whim of whomever may chance to occupy the White House must finally be checked.

THE AL BRAMLET STORY

Mr. CANNON. Mr. President, once in a great while the American success story of young men and women rising to the peak of their professions from humble origins, can be told.

Such is the case in my home city of Las Vegas, Nev., where recently the community gave testimony to the career of a much accomplished leader from the ranks of organized labor.

I refer to Al Bramlet, the president of the State Federation of Labor and secretary-treasurer of Local 226 of the Culinary Workers Union, who received the great honor of being selected by the nonsectarian City of Hope as the Man of the Year in the 60th observance of that organization's service to mankind.

The tribute to Al Bramlet's contribution to his State and Nation, as well as his humanitarian interest in the progress of those less fortunate than he, merits the attention of all.

I ask unanimous consent that a portion of that tribute, extracted from the proceedings in which he was the recipient of the 1973 Golden Torch of Hope Award, be printed in the RECORD.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

THE AL BRAMLET STORY

It is more than his basic ties to the needs of others, more than the deeply ingrained humanitarian response to those who have been less fortunate . . . to Al Bramlet, it is a way of life.

Born in Jonesboro, Arkansas, and raised on a small farm there, Al was moved to Joliet, Illinois, where he completed his secondary education. He got his first job when he was fourteen, and has been self-sufficient, working in various fields of the service industry, ever since.

The rest, as they say, is history. During a long and productive career. Al Bramlet now occupies an enviable place as secretary-treasurer of Culinary Workers Union, Local 226.

With time out for service in the U.S. Navy during World War II, he has spent more than a quarter century in Las Vegas, where he has dedicated himself to the needs of the working man and the underprivileged. Widely known as a man deeply committed to community and philanthropic endeavors, Al Bramlet was a member of the original board which assisted in raising funds for the construction of Our Lady of Las Vegas church. He has actively championed the causes of the performing arts, Heart Fund, Rose de Lima Church, and raised funds for buses to transport handicapped children to and from special education classes.

More recently, Al and Local 226 raised more than $30,000 to construct a kitchen for use by the mentally retarded. This project enables youngsters to practice and learn kitchen skills and, hopefully, to make them independent.

Before coming to Las Vegas, Al took a good look at life and the world, working in such population centers as Chicago, Los Angeles, Miami and New York. He transferred to Las Vegas as a union business agent and, in 1953, when he ran for secretary-treasurer of Local 226, he was elected by a two-to-one margin. In the following twenty years, he has been opposed only once in seeking re-election. Six years ago, Al was honored with election to the presidency of the Nevada State AFL–CIO, a post he still holds.

Because he exemplifies so perfectly the humanitarian ideals of the free, nonsectarian City of Hope, the National Board of Trustees, on the occasion of the City of Hope's sixtieth anniversary of service to mankind, is proud to honor Al Bramlet and salute his efforts which will establish a Las Vegas Research Facility in his honor.

BOARD CHAIRMAN OF 3M TESTIFIES BEFORE HOUSE WAYS AND MEANS COMMITTEE

Mr. MONDALE. Mr. President, I wish to commend to my colleagues' attention a recent article which appeared in the April 6 issue of the Saint Paul Pioneer Press. The article relates the frank and perceptive testimony offered before the

House Ways and Means Committee by Mr. Harry Heltzer, board chairman of the 3M Co. of Saint Paul. Mr. Heltzer recommended that the United States try to eliminate as many tariff and non-tariff barriers as possible in our trade with other countries.

Mr. President, I ask unanimous consent that the article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HELTZER IMPRESSES CONGRESSMEN—3M: A REFRESHING COUNTERPOINT TO ITT

(By Al Eisele)

WASHINGTON.—There was an almost audible sigh of relief from members of the House Ways and Means Committee after Harry Heltzer, board chairman of the 3M Company, completed an appearance before them this week.

The response was not due entirely to Heltzers' testimony, although it was an impressive performance by the short, stocky executive whose salary runs into six figures beginning with the number 300.

Rather, like Diogenes successfully concluding his search for an honest man, the members of the House's most powerful committee obviously felt they finally had found an honest spokesman for American big business.

The committee members, and undoubtedly Heltzer himself, were painfully aware that only the day before, on the other side of Capitol Hill, a Senate subcommittee had completed hearings that revealed some of the dirtiest corporate linen in American history.

The Senate Multinational Corporations Subcommittee's two-week probe uncovered ITT's incredible offer of $1 million to the CIA and other government agencies to affect the outcome of the 1970 Chilean election.

The Senate hearings not only produced evidence of perjury by ITT officials in regard to their efforts to protect ITT's $153-million investment in Chile, but persuaded the subcommittee chairman, Frank Church, D-Idaho, to call for legislation making it a federal crime for a business organization to meddle in another country's internal affairs.

By comparison, Heltzer and 3M came off as symbols of corporate integrity and probity.

Referring to Heltzer's testimony about 3M's far-flung overseas operations, Rep. Hugh Carey, D-N.Y., declared, "I think we're seeing possible the best of multinationals here today."

Even the harshest critic of U.S. multinational companies such as 3M, Rep. James Burke, D-Mass., was forced to agree.

After badgering Heltzer over 3M's opposition to the restrictive Burke-Hartke trade bill, Burke conceded, "It is unfortunate that you and the 3M Company do not represent the type of multinational corporations we tend to have before this committee."

Burke's backhanded complement reflected the praise the committee lavished on Heltzer after he offered it an extraordinarily detailed glimpse of 3M's corporate inner sanctum.

Although Heltzer several times declined to answer technical questions by pleading a lack of expertise, he satisfied the committee's intense curiosity about the business philosophy and tactics of 3M, which does about a third of its $2 billion annual business in 36 foreign countries.

Armed with a 44-page statement entitled, "How and Why 3M Company Puts People and Money to Work in World Markets," Heltzer unflinchingly supplied answers to dozens of questions about 3M's production and sales figures and its attitude toward U.S. tax and trade policies.

Sitting by himself at the witness table dressed in a brown, double-breasted suit, Heltzer looked more like a Soviet apparatchik or a modern-day Fiorello LaGuardia than one of the nation's highest-paid business executives.

Noting that 3M's foreign income was virtually nonexistent when he joined the company in 1933 as a 35-cent-an-hour laborer with a Depression-devalued degree in metallurgical engineering, Heltzer made an effective argument for continuing the free trade policies that helped 3M sell $800 million worth of goods abroad last year.

Heltzer's testimony was hailed as extremely constructive in terms of the problem we're studying now" by Rep. Barber Conable, R–R.Y., and won him an accolade from Carey, who said, It looks like the free trade group led off with a thoroughbred here today." Even the irascible Burke agreed with that assessment.

Heltzer's testimony was summed up by Rep. Joseph Karth, D–Minn., whose district includes the St. Paul-based company and who once negotiated a union contract with Heltzer at 3M.

As I understand the thrust of your testimony," said Karth as Heltzer nodded his affirmation, it is that you recommend very strongly that we do everything we can as a country to eliminate the tariff as non-tariff barriers between us and other countries?"

Karth, his face showing the pain of a back ailment went on to voice his agreement with organized labor concern about cheaply-produced foreign goods flooding the American market and drew agreement from Heltzer that the Nixon Administration should take reciprocal action against countries having restrictive trade policies in regard to the U.S.

Heltzer's appearance, his first before a congressional committee, called to mind a remark by Karth's predecessor on the Ways and Means Committee, former Sen. Eugene McCarthy, who when asked during a tax hearing what the name 3M stands for, replied, "It stands for a lot of Minnesota."

In light of the ITT disclosures, it now appears Heltzer and 3M—like McCarthy, who helped restore the integrity of the political process, and like another Minnesotan, Chief Justice Warren Burger, who has helped restore the integrity of the Supreme Court after the Abe Fortas scandal—may stand for a lot of the American business community, as well.

COUNTRY-BY-COUNTRY MILITARY ASSISTANCE ALLOCATIONS FOR FISCAL YEAR 1973

Mr. FULBRIGHT. Mr. President, in view of the current interest of many Members of the Senate in curtailing unnecessary U.S. spending abroad, I ask unanimous consent to have printed in the RECORD the executive branch's country-by-country allocations for fiscal year 1973 of military grant assistance provided under the continuing resolution spending authority.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., April 12, 1973.

Hon. J. WILLIAM FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: Pursuant to Section 653 of the Foreign Assistance Act of 1971, I am transmitting to you the country allocations of grant military assistance for fiscal year 1973.

Sincerely yours,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

Attachment: Country Allocations.

Latin American region

(In thousands of dollars)

Argentina	$550
Bolivia	4, 150
Brazil	820
Chile	950
Colombia	778
Dominican Republic	676
El Salvador	515
Guatemala	950
Honduras	554
Mexico	87
Nicaragua	911
Panama	501
Paraguay	293
Peru	820
Uruguay	875
Venezuela	870
Regional	2, 900

European region

(In thousands of dollars)

Austria	$18
Finland	*30*
Portugal	980
Spain	9, 900
Regional	123

African region

(In thousands of dollars)

Ethiopia	$9, 199
Ghana	55
Liberia	220
Mali	50
Morocco	910
Senegal	25
Tunisia	2, 100
Zaire	288
Regional	93

Near East and South Asia region

(In thousands of dollars)

Afghanistan	$215
Greece	6750
India	143
Jordan	34, 750
Lebanon	230
Nepal	38
Pakistan	285
Saudi Arabia	231
Sri Lanka	55
Turkey	69, 010
Regional	99

East Asia and Pacific region

(In thousands of dollars)

Cambodia	$146, 675
China	36, 950
Indonesia	17, 975
Korea	149, 475
Malaysia	180
Philippines	16, 775
Thailand	37, 975
Regional	267

SAVE THE LEGAL SERVICES PROGRAM

Mr. CRANSTON. Mr. President, the legal services program was established to provide professional legal assistance to the poor so that they could secure equal protection of the laws through our civil justice system. The importance of providing adequate legal counsel to those who cannot afford to retain private counsel was recognized by the Congress as one of the purposes of the 1964 Economic Opportunity Act:

> To further the cause of justice among persons living in poverty by mobilizing the assistance of lawyers and legal institutions and by providing legal advice, legal representation, legal counselling, education in legal matters, and other legal services.

The Federal commitment to the provision of adequate legal services was begun to counter the bad image the poor

have always had of the law; as Robert Kennedy said:

> The poor man looks upon the law as an enemy, not as a friend. For him, the law is always taking something away.

This commitment was renewed by the Congress less than 8 months ago with the passage of the Economic Opportunity Act Amendments of 1972—Public Law 92-424.

The legal services program has done much to change that image of the law and the lawyer. And, ironically, as the reward for its success, the legal services program is now embattled in a bitter struggle for its very existence. Under the direction of OEO Director-designate Howard Phillips, programs are being choked off by harassment, delay, misinformation, and the general confusion which surrounds the present OEO management. This is an appalling situation for what has been one of the most cost-effective Federal programs for fighting and eliminating poverty. Its record of accomplishment on behalf of the poor is eloquent testimony to its success.

Mr. President, we can all be grateful for the recent U.S. District Court decision enjoining the dismantling of OEO. But the Congress cannot sit idly by. As a principal sponsor of legislation to create an independent National Legal Services Corp. for the last 2 years—now S. 706 amendment No. 5—I am convinced that we must act quickly if the Federal commitment to provide the poor with full access to the justice system is to be preserved. The administration's fiscal 1974 budget states it favors the establishment of such a corporation—yet, the actions by the Office of Economic Opportunity have, to say the least, certainly not lent credibility to those administration pronouncements.

Mr. President, my very strong sentiments about OEO's recent activities vis-a-vis legal services and migrant programs in California were expressed in an April 9, 1973 letter to OEO Director-designate Phillips. Mr. President, I ask unanimous consent that the full text of this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 9, 1973.

Hon. HOWARD PHILLIPS,
Acting Director-Designate, Office of Economic Opportunity, Washington, D.C.

DEAR MR. PHILLIPS: I am writing to express my deep concern regarding the delay and confusion which surrounds the refunding of numerous OEO grantees operating in California. The handling of these grantees by the Office of Economic Opportunity—in all cases programs, according to the President's budget, not scheduled to be "phased-out"—has, to say the very least, not reflected procedures condusive to an orderly transition and continuation of operations.

Project directors, unable to gain clarification of their grant status, have sought my assistance in obtaining specific information from OEO as to expected refunding dates. Yet, my staff—despite innumerable telephone calls to OEO and the efforts of several conscientious OEO employees—has been unable, in most cases to obtain any specific information from OEO as to expected refunding dates. In the few instances where information has been provided, my staff has subsequently found that the information has been inaccurate and misleading.

I call your attention to the two enclosed documents. First, the OEO press release announcing that OEO was to resume standard funding procedures on March 1. Second, excerpts from your testimony during the House Education and Labor Committee February 29 hearings, assuring the Committee members that normal funding patterns would be resumed on March 1, with the exception of funding for community action agencies.

In view of these statements of OEO policy, I am requesting the following specific information regarding the OEO grantees listed below: the refunding status of each program; an explanation in detail of the reasons for the agency's delay in the refunding of each program; the expected refunding date; and, if a project is not to be refunded, a detailed explanation of the rationale for that OEO decision.

Also, I would like to know what steps have been taken by OEO to provide technical assistance to programs which have been delegate agencies of a community action agency, in order to establish effectively and promptly direct funding procedures for such programs.

All eight of the legal services programs listed below have received loan authorization telegrams from OEO indicating OEO's intention to refund the program. However, in several instances, the telegrams have proved to be non-negotiable and the projects have been unable to obtain the "authorized loans". This is a specific problem, of which the agency is well aware, and of which the agency was aware prior to the issuance of these telegrams—yet, OEO still issued telegrams which were of no practicable value to the grantees. Even in the utilization of this highly unusual administrative practice, OEO has again—under your leadership—been totally unresponsive to program needs.

LEGAL SERVICES

Project	Grant expiration date	Refunding request	Present status
Solano County Neighborhood Legal Assistance Agency.	Mar. 31, 1973	[1]90,500	Split 6 mo funding at $42,500 announced/no funds allocated.
Berkeley Neighborhood Legal Services.	do	[1]112,900	Split 3 mo funding at $28,225 announced/no funds allocated.
Legal Aid Association of Ventura County.	Mar. 30, 1973	[1]93,300	12 mo funding at $93,300 announced/no funds allocated.
Contra Costa Legal Services Foundation.	Mar. 31, 1973	[2]711,132	Split 4 mo funding at $117,000 announced/no funds allocated.
San Francisco Neighborhood Legal Assistance Foundation.	do	[2]517,950	Split 6 mo funding at $517,950 announced/no funds allocated (grant held in national OEO).
Legal Aid Society of Marin County	Mar. 31, 1973	[1]75,000	12 mo funding at $67,000 announced/no funds allocated.
Stanislaus County Legal Assistance, Inc.	Feb. 28, 1973	[1]80,800	12 mo funding at $105,000 announced/no funds allocated.
Legal Aid Society of San Mateo County.	Mar. 31, 1973	[1]307,200	12 mo funding at $307,200 announced/no funds allocated (held in OEO national).
Greater Bakersfield Legal Assistance, Inc.	Feb. 28, 1973	[3]37,500	6 mo funding at $37,450 announced/no funds allocated.

[1] 12 mo.
[2] 15 mo.
[3] 6 mo presently split funded.

Additionally, I am deeply concerned about the refunding status of the Migrant Legal Action Program (MLAP). OEO's continued and deliberate refusal to release funds obligated to MLAP is an inexcusable abuse of administrative authority which requires a full explanation by OEO.

MIGRANT AND INDIAN PROGRAMS

Project	Grant expiration date	Refunding request	Present status
Greater Calif. Education Project	Mar. 1, 1973	$1,295,349	Funds obligated and not released
Trabajadores Adelante	Feb. 1, 1973 [1]	$200,445	Refunding denied, no OEO explanation.
Bakersfield Target Community Citizens Anti-poverty Council.	Mar. 15, 1973 [2]	152,500	Refunding denied, no OEO explanation.
Intertribal Council	Mar. 31, 1973	822,000	Refunding denied (Mar. 2, 1973) no OEO explanation.
California Department of Human Resources Development "Migrant Services."	May 1, 1973 [3]	650,000	Funds obligated and not released.
Self-Help Enterprises	Apr. 1, 1973 [4]	277,178	Funds obligated and not released.

[1] 2d 6 mo. of split funding/originally to run to July 31, 1973.
[2] 2d 6 mo. of split funding/originally to run to Nov. 30, 1973.
[3] 2d 6 mo. of split funding/originally to run to Oct. 31, 1973.
[4] 3d 4 mo. of split funding/originally to run to July 31, 1973.

I would point out that the Migrant programs listed above are scheduled to be transferred to the Department of Labor May 1, 1973. It would appear that OEO, under your direction, is engaged in a course of deliberate indifference and calculated evasion with a view toward destroying the Migrant programs before the scheduled DOL transfer.

Mr. Phillips, this is an intolerable situation. These are programs which serve tens of thousands of poor Californians. It is the responsibility of the Federal Government to provide administrative procedures which facilitate the orderly operation of programs. Yet, the problems which have arisen appear to be solely the result of OEO's mishandling of these grantees—which has been characterized by delay, outright misinformation, disorganization, insensitivity and neglect.

I urgently request that you immediately stop the lengthy delays and refund these programs in accordance with your prior assurances. I look forward to your reply by Monday, April 16, 1973.

Sincerely,

ALAN CRANSTON.

Mr. CRANSTON. Mr. President, the Nation cannot afford to wait any longer for the details of the administration's proposal to continue the legal services program while it squeezes the life out of legal services and other OEO programs by highly irresponsible and illegal methods which circumvent normal funding procedures and protections.

Mr. President, Senator MONDALE and I have been joined by Senator JAVITS and Senator KENNEDY and a bipartisan group of four other Senators in a letter, sent to the President today, urging that the administration's legislation for a National Legal Services Corp be transmitted to the Congress immediately. I ask unanimous consent that the full text of this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON LABOR
AND PUBLIC WELFARE,
Washington, D.C., April 16, 1973.

The Honorable RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are writing to you as supporters of the concept of a National Legal Services Corporation, which we believe to be the most effective means of providing equal justice under the law for Americans who are poor.

Although we may differ among ourselves on the precise form such a corporation should take, we share the objective expressed in last year's Administration bill, S. 1769, to establish a National Legal Services Corporation, with an independent board, making funding available directly to grantee programs. We believe this is a highly effective means of providing for a legal services program responsive both to the legal needs of the poor and to the general public.

Accordingly, we are pleased that your fiscal year 1974 budget submitted in January indicated that you have maintained your commitment to this concept and would transmit new legislation to that end.

However, we are concerned that your proposal has not been submitted to Congress as of this date and that in the interim, as a result, the effective operation of the current legal services program has been impaired by short-term funding and questions about its future.

We urge that legislation for a National Legal Services Corporation be transmitted in the immediate future, so that it, along with other proposals before the Congress, may be considered and acted upon at the earliest possible date.

We pledge that the Administration proposal will be given every consideration in order to promptly establish a National Legal Services Corporation to meet the vital needs for equal justice under our Constitution.

With best regards,

Sincerely,

Jacob K. Javits, Robert Taft, Jr., Richard S. Schweiker, Robert T. Stafford, Walter F. Mondale, Alan Cranston, Harrison A. Williams, Edward M. Kennedy.

Mr. CRANSTON. Mr. President, I call on the President to demonstrate his concern for the poor of our Nation and to demonstrate his commitment, as a lawyer, to equal justice in the courts for all. I urge him to send the administration's legal services legislation to the Hill immediately. And I ask the President to work with us toward a mutually acceptable formula that will insure a responsible, accountable Legal Services Corporation—responsive to clients, to the organized bar, and to the public.

Mr. President, former Chief Justice of the Supreme Court, Earl Warren, stated it well for us all in a recent interview with Leo Rennert of the Sacramento Bee, when he said that legal services for the poor were "an adjunct to the right of petition, to correct abuses as provided in the Constitution." In the article about this interview, the former Chief Justice, who devoted 16 years in service to the highest court of the land and over 50 years in public service, speaks eloquently about the vital importance of legal services to the very nature of the American system of justice.

Mr. President, I think this insightful interview with this great legal scholar and judicial statesman will be of great interest to my colleagues, and I ask unanimous consent that the full text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EIGHTY-SECOND BIRTHDAY INTERVIEW—WARREN SAYS LEGAL AID PROGRAMS FOR POOR DESERVE WIDE SUPPORT

(By Leo Rennert)

WASHINGTON.—US Chief Justice Earl Warren, retired, says legal aid programs for the poor deserve the nation's full support because they give exploited groups effective, peaceful means to obtain justice.

In contrast to a growing White House view that antipoverty lawyers should not file controversial lawsuits, Warren firmly believes the poor must have full access to all appropriate legal channels.

In an exclusive interview with The Bee to mark his 82nd birthday anniversary today, he spoke out strongly in defense of class action suits brought on behalf of the poor against government agencies.

California Gov. Ronald Reagan, Vice President Spiro Agnew and other high officials in the Nixon administration maintain such activities constitute an unwarranted use of tax funds and tend to deepen social divisions.

Warren, however, said poverty lawyers who expand the frontiers of the law while advancing the interests of their clients "render a great public service."

Society, he declared, benefits when longstanding grievances are corrected through legal channels.

"That's what the courts are for," he remarked. "They're there to allay tensions and frictions by showing poor people they can have redress to sustain their rights.

"Eliminate those frictions and tensions, and you're on your way to curing a lot of things."

Warren said legal services for the poor are "an adjunct to the right of petition, to correct abuses, as provided in the Constitution."

He also depicted them as an essential survival weapon in poverty areas.

"Look at the poor districts in any community," he remarked. "That's where you find the worst depredations by shrewd crooks. The people are poor and they have no legal representation. They can abuse them.

"The mere fact that there is a neighborhood legal office where residents can get advice drives out such crooks who are seeking to fleece the poor."

Warren said he advises law students to look upon their prospective career as an "exciting" challenge because the courts increasingly are lending themselves to attacks on poverty, discrimination, monopoly, pollution and consumer abuse problems.

"These are exciting fields," he remarked. "And you're doing it for all the people—not just one paid client."

Warren granted the 45-minute interview on March 9 in his office in the Supreme Court building, where he presided over the nation's highest tribunal for 16 years. By agreement, his remarks are being released today.

Robust and in excellent health, he still punctuates his comments with frequent bursts of hearty laughter. He also remains "as busy as ever" with a wide range of new activities, including the writing of a book about his 52 years of public service.

Warren said he is "right in the middle" of reviewing his year on the high court and hopes to complete the book this year.

Asked if his memoirs will "tell all," he replied he could not violate the confidentiality of conferences the court held to reach its decisions.

Warren said he also has ruled out any public comment on the course followed by the court under his successor, Chief Justice Warren Burger.

"I'm interested, of course," he remarked. "But when I left the court, I left it. I don't want to express an opinion prejudging or second-guessing what they do now. I think that's the proper posture."

RETIREMENT TIMING

Warren was willing, however, to lay to rest a widespread impression here that he decided to retire in 1968 to give Lyndon Johnson—not Richard Nixon—a chance to name his successor.

In a city quick to attach political significance to any major public action, the timing of Warren's decision to step down was viewed by many as an attempt to influence the continuity of the court along pro-Warren lines.

As it turned out, President Johnson was rebuffed by the Senate *in his* attempt to replace Warren with former Justice Abe Fortas. Warren stayed on another year until the Senate confirmed Nixon's choice—Burger.

Recalling his departure from the court, Warren said his decision to retire was personal—not political. He also noted that he announced it before Nixon had won the GOP nomination.

"I did not want to wither and die on the vine," he explained. "I was 78. Almost anyone would say that's an appropriate retirement age. I had put in more than half a century of public service.

"Also, I've always believed that the strength of our institutions lies in the infusion of new blood."

SOME SPEAKING OUT

While generally reticent to speak out on controversial political issues, Warren has made a few important exceptions since leaving the court.

He openly supported congressional repeal of a law which gave the President authority to order mass detentions during national emergencies.

The successful repeal effort was sponsored by organizations of Japanese ancestry which recalled their forced removal from the West Coast during World War II—A move which Warren at the time supported as attorney general of California.

"War is a terrible thing," he remarked. "It can give rise to hysteria.

"It was a sad thing. I hope it never happens again."

NATIONAL HEALTH INSURANCE

On another legislative front, Warren said he has written to Sen. Edward M. Kennedy, D-Mass, to express support for a comprehensive national health insurance program.

He recalled how he pushed a similar program when he was governor of California.

"The medical profession never forgave me," he said.

"But it's still one of the great needs in our country. We just have to have a medical program that's available to everybody. We can't afford to continue with the present hit-and-miss system."

Warren said he and his wife stayed at the LBJ Ranch shortly before the former president's death and, unlike other close acquaintances, thought he "looked better than he had seemed for a long time."

The Warren's visit coincided with the former chief justice's participation in ceremonies which marked the opening of the Johnson civil rights papers at the LBJ Library at the University of Texas.

"He did more in the field of civil rights than any president since Lincoln," Warren remarked.

A day after he granted this interview, Warren left for Geneva to attend a conference on labor relations under the auspices of the International Labor Organization—a unit of the United Nations.

He is a strong believer in strengthening the UN and in enlarging the jurisdiction of the World Court.

Because of this interest, he also participates in the World Peace Through Law program, which sponsors biennial conferences. Warren is chairman of a subunit, the World Association of Judges.

While he accepts few speaking invitations, he tries to set aside some of his time for talks with law students. Since his official retirement he has conducted seminars at Berkeley, Notre Dame and here at George Washington University.

CHICAGO TRIBUNE SERIES ON THE ENERGY CRISIS

Mr. PERCY. Mr. President, I would like to call to the attention of my colleagues an excellent series of articles on the energy crisis which recently appeared in the Chicago Tribune. This series provides a particularly well-rounded, thorough, and readable summation of the multitude of considerations that are part of the energy crisis. Because these articles may aid in our understanding of the complex nature of the crisis and the actions needed to solve it, I ask unanimous consent that the Tribune articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Mar. 4, 1973]

CAN AMERICA SURVIVE THE 20TH CENTURY?

(The concern that man is using his natural resources faster than nature replenishes them has reached new heights in the last several months as debate grows over the "energy crisis." Two veteran Tribune reporters, Science Editor Ronald Kotulak and Environment Editor Casey Bukro, have been studying the issue from the perspectives of their special fields. This is the first in a series.)

(By Ronald Kotulak)

Americans are living in the most affluent, luxurious, and materialistic society the world has ever known. Unfortunately, it may be the last "good time" society the earth can support.

According to many experts, we may soon have to tighten our belts. Our children and future generations may have to do without many of the creature comforts we take for granted, such as air conditioners, gas furnaces, and cheap energy—the cornerstone of our industrialized culture.

Warnings of a looming energy crisis and a natural resources crunch are often dismissed in disbelief. It is like trying to tell someone who is gorging himself at a banquet that he eventually will be hungry.

Yet, most of the experts, the studies, and the surveys point to the same ominous conclusions—we are headed for the twin hardships of an energy shortage and a dwindling stock of usable minerals (iron, copper, zinc, and so forth).

We are energy hogs. With only six per cent of the world's population, we consume 35 per cent of the earth's total energy. The amount of energy daily consumed by the average American is the equivalent of 80 slaves working for him day and night.

Our lives, our economy, and our country revolve around the grossly wasteful use of abundant energy. The gasoline that powers our cars, for example, has an energy efficiency rating of only 25 per cent. A light bulb, which wastes most of its energy as heat, is only 5 per cent efficient.

If all the rest of the world's population could be brought up to our energy consumption level tomorrow, all of the earth's energy stores would be used up in 40 years even without any increase in population or the use of energy.

We are headed for a critical energy shortage period in the next 10 to 15 years, primarily because of our rapidly shrinking reserves of natural gas and oil.

Prices will more than double, and there probably will be rationing.

How we operate after 1985 will depend on the development of new technology to provide new sources of energy. But these new technologies aren't developed yet—and we aren't sure they will work.

We are also material hogs, consuming 35 per cent of the world's production of raw natural resources. The birth of an American baby, because of all the things he will eventually consume, has 10 times the impact on the environment as that of an infant in India.

The planned obsolescence of objects such as cars, products designed for once-only use, and devices that are cheaper to replace than repair account for much of our enormous appetite for natural resources.

The average American's use of material things can be seen in his garbage can, where he deposits five pounds of solid wastes each day.

There doesn't seem to be any escape from the conclusion that our affluent lifestyle is going to decline somewhat. How much will depend on what we do and how fast we act to seek a balance with nature.

"The American lifestyle, insofar as it depends upon materials, is changing and will continue to change in the near future as the nation pays the deferred social costs of past consumption and inequities in distribution and begins to calculate the costs of depletion, replacement of nonrenewable resources, and environmental restoration and protection," said the National Academy of Sciences' National Research Council.

Dr. Preston Cloud, the University of California at Santa Barbara geobiologist who headed the National Academy's study on the national materials policy, said the problem is far more serious than most people realize.

Anyone counting on worldwide reserves of natural resources and fuels can forget it. Of the 20 minerals most commonly used in industrialized nations, only 11 will still be available in the world by the turn of the century, Dr. Cloud said.

By the year 2042, which is only as far into the future as the invention of the airplane and the discovery of radioactivity are into the past, we can count on only 8 of the 20 commodities for the world and maybe three for the United States [molybdenum, perhaps iron, and coal], Dr. Cloud said.

"One does not have to be an economic geologist or a mineral economist to see that, short of plundering the rest of the world, the availability of mineral resources of itself will place real limits either on population growth or on affluence in the U. S. by early in the 21st century, and sooner if we are not alert and skillful in dealing with imminent shortages," he said.

What got us into this mess? First, our economy is based on cheap, abundant energy. Now we find that our fossil fuels, except for coal, is running out. Second, we have used up most of our high-grade mineral deposits.

Only recently have some people come to think of the earth as a limited storehouse, with just so many goodies for everyone to share.

The vise constricting our natural resources became tighter when people began to rebel at the environmental rape of our country—dangerously high levels of air pollution, despoiled rivers and lakes, and hundreds of thousands of acres of land denuded thru open-pit mining.

Added to this has been the growing population, not only in America but in the world; the growing demand for more resources; and the awakening of the "third world"—the underdeveloped nations—to the understandable desire to share in the good life.

But, the rising expectations among the deprived that they, too, may share the affluent life are doomed to bitter disappointment without population control and holding the population to present or lower levels, Dr. Cloud said.

"The growing populations of Americans will be confronted with the hard choice of foregoing some of their affluence or continuing to import, at increasing rates, the raw materials on which the underdeveloped countries might base their own industrial growth," he said.

At the same time, the people of all developed nations will have to face the agonizing question of what to do about the pressures against their gates by the less privileged.

The burgeoning population is the overriding factor that now threatens the earth's ability to support the human race, Dr. Cloud said.

The world population is expected to jump from 3.7 billion to 7 billion by the year 2000. To support this many people in a style of living that Americans enjoyed in 1969 would require 200 to 400 times the present annual world production of iron, lead, zinc, and tin—an impossible task.

Competition for the earth's resources will become sharper. Friendly countries may turn against each other. Canada recently announced that it is drastically reducing its export of crude oil to the U.S. so that Canadians can be assured of having enough as the shortage worsens.

Perhaps our troubles are due to man, the planetary disease, said Dr. Ian L. McHarg of the University of Pennsylvania, an expert on ecological planning.

"Man is an epidemic, multiplying at an upper-exponential rate, destroying the environment upon which he depends, and threatening his own extinction," he said.

"He treats the world as a storehouse existing for his delectation; he plunders, rapes, poisons, and kills this living system, the biosphere, in ignorance of its workings and its fundamental value."

Look what happened to energy. Americans use it as if it were a perpetual motion machine, never giving a thought as to where it came from. It was there to be used, abused, and wasted, and the utilities and the government condoned such waste.

"Isn't that how we got into this predicament—by serving the public's desires, by feeding its appetite for a prosperity purchased with cheap energy?" said C. Howard Hardesty Jr., executive vice president of Continental Oil Co., Stamford, Conn.

"The American people were buying affluence on margin, and their brokers failed to warn them that cheap energy has hidden costs—like polluted air, polluted water, and ruptured and abandoned landscapes," he said.

Americans will have to pay for this, said John F. O'Leary, director of licensing for the Atomic Energy Commission, with "spiralling prices for our energy's resources . . . and the concomitant of a diminished standard of living."

The outlook for natural resources is just as bad. The National Research Council notes that this country is almost completely dependent on foreign sources for 22 of the 74 nonenergy mineral commodities considered essential for a modern industrial society.

The National Commission on Materials Policy, set up by Congress to study the resource depletion problem, said the nation is importing more and more of its basic materials. The latest count shows that two out of every five barrels of oil used here come from foreign lands.

In 1970 the United States imported all of its primary requirements for chromite, columbium, mica, rutile, tantalum, and tin; more than 90 per cent of its aluminum, antimony, cobalt, manganese, and platinum; more than half of its asbestos, beryl, cadmium, fluorspar, nickel, and zinc; and more than a third of its iron ore, lead, and mercury.

The cost of the imports is tremendous. Having to import them also raises serious questions not only in areas of national security [depending on faroff lands for U.S. resources] but in balance of payments which could catapult the U.S. into bankruptcy.

In 1970 the U.S. exported $5 billion worth of minerals and imported $9 billion, for a deficit of $4 billion. At the present rate, the deficit in the year 2000 could grow to more than $60 billion, with more than half of the nation's raw materials coming from foreign lands.

Of course, Americans may not be able to import so many raw goods by the turn of the century, given the dwindling worldwide supplies and the increased competition for these materials from Japan and Europe, which are worse off than America. The world stores of natural gas and oil, for instance, probably will last only 50 to 65 more years.

"In a little over 100 years of industrialization, we have arrived at the point where we can see the end of these 'naturally manufactured' high-grade raw materials," the AEC's O'Leary said.

U.S. steel mills, for example, are supplied in large part by materials that 20 years ago wouldn't have been counted as ore. In the 1920s copper mines weren't worked unless they had 5 to 30 per cent copper. Today a mine appears attractive with only one-half of one percent copper.

The gloomiest picture of the earth's future was painted by scientists from the Massachusetts Institute of Technology and six other nations as an outgrowth of a Club of Rome project.

Using a computer to figure the relationships between population increase, agricultural production, natural resources depletion, industrial output, and pollution generation, the scientists concluded that at our present rates of economic and population growth the world will collapse around the year 2100.

The period would be marked by an industrial flameout, breakdown of society, and a soaring death rate, they said.

Altho most experts aren't ready to accept such a "hell on earth," they do agree with the M.I.T. group's assertion that major measures must be undertaken soon to stop the population growth, use material goods more wisely, and see that everybody gets a share.

These changes will mean recycling goods so that all essential materials remain in use, building things to last instead of becoming obsolete in a matter of years, substituting available materials for scarce ones, and synthesizing new materials.

It will also mean better methods of exploring for natural resources, including using spy satellites and remote sensing devices to detect hidden deposits. Improved mining techniques are also needed, such as chemical excavators that leach minerals out of the earth without disturbing the surface.

Some geologists believe that as the prices of minerals go up, the supply will increase because mining low-grade deposits then becomes profitable.

There are large unexplored areas in the world and vast offshore continental shelves that may hold a wealth of resources if some way can be found to extract them without endangering the environment. Removing minerals from sea water is a good possibility, but it is costly and Americans must not fall victim to the delusion the Germans entertained of paying off their World War I debts by mining gold from the sea.

It is hoped that a clearer understanding of earth's geology thru the emerging concept of continental drift and seafloor-spreading may give scientists a better idea of where to look for mineral deposits.

There is no doubt that new reserves of natural resources will be found, but at the present rate of use, 4½ times more of these resources will be needed by the turn of the century.

[From the Chicago Tribune, Mar. 5, 1973]

U.S. FUEL SUPPLY NEARING BOTTOM OF BARREL

(By Casey Bukro)

This country is using more fuel—oil, natural gas, and coal—than it can produce.

Result: The energy crisis.

For millions of Americans, the energy crisis became real during the winter of 1972–73. After decades of cheap and plentiful fuel that nourished this nation's herculean growth, the United States suddenly could not find enough fuel to heat its homes and power its factories and transportation.

"The joyride is over," says S. David Freeman, one-time energy adviser to Presidents Johnson and Nixon. The richest nation in the world is becoming energy poor because, among other things, it has burned most of the oil and natural gas that have been easy to find in America.

"The era of low cost, clean energy sources is almost dead," says former Commerce Secretary Peter G. Peterson. "Popeye is running out of cheap spinach."

Experts say the energy situation is going to get worse in the next 10 to 15 years and they warn of fuel rationing. They also warn that we have the next 10 to 15 years to find our way out of this mess, before things really get bad.

Despite all of our glib talk of the "space age" and "space age technology," this generation of Americans feasts on the bounties of Mother Earth like no generation before it.

Oil, natural gas, and coal that are pumped or dug from the earth account for 95 per cent of our power. They energize our stoves, air conditioners, electric blankets and toothbrushes, home furnaces, dishwashers, television sets, lawn mowers, and the 100 million autos that clog our highways.

With less than 6 per cent of the world's population, the U S. guzzled one-third of the globe's energy production in 1972.

Energy consumption is growing at a rate of 5 per cent a year, or four times faster than the increase in U. S. population. American energy demands are expected to double by 1985, and swell five-fold by the year 2000.

Some experts are alarmed because energy consumption in this country is doubling and redoubling in shorter periods of time. Between now and the year 2000, for example, the U. S. will consume more energy than it has in its entire history

"I think our energy shortage is not only endemic, it's incurable," said a member of of Federal Power Commission. "We're going to live with it the rest of our lives."

The pessimism is understandable. Even a glance at the energy picture in this country shows an incredibly tangled and interwoven web. Touch one part of it and all the other parts quiver.

The story of coal in the last 30 years is a good example.

Since 1945, coal's share of the nation's energy source has fallen sharply to 18 per cent, while natural gas and petroleum have shot upward. Railroads began converting to diesel engines in the 1940s and retiring coal-burning locomotives. By federal action, the price of natural gas was kept low, so this fuel invaded major coal markets for heating and industry.

In the mid-'60s, coal suffered another serious setback when electric utilities began ordering nuclear reactors instead of coal-burning boilers. In 1969, the Coal Mine Health and Safety Act set mine safety standards that added as much as $1 a ton to the cost of deep mine coal.

Then the Clean Air Act of 1970 set air pollution standards that outlawed much of the use of high-sulfur coal. In the last two years, 850 underground coal mines have closed down.

The governmental action was taken because coal takes such a heavy toll on human health and safety.

It blackens the lungs of miners with coal dust and kills them in mine accidents. When burned in boilers and furnaces, it fills the air with dust and gases that damage the lungs. Researchers are seeking ways to burn coal without environmental and health risks.

And so, in the midst of plenty of coal, this country is not using its greatest source of fuel.

The coal industry, like the oil and gas industries, is quick to blame environmental control for all of its troubles. But it is much more complex than that, involving economics, governmental controls, long-time business trends, competition, and environment.

Here is what the United States fuel supply looks like.

Oil—Petroleum, the world's key energy source, filled 44 per cent of the nation's energy needs in 1972. Of the 2.9 trillion barrels of oil in U.S. soil, only 52 billion barrels have been located and can be pumped out. That is less than a 10-year supply at the rate we use it. A lot of oil in the earth is unreachable with current technology.

Natural gas—The fastest growing fuel in the U.S. over the last 20 years, natural gas supplied 33 per cent of the nation's energy needs in 1972. Known and recoverable gas reserves in the nation amounted to 290 trillion cubic feet—enough to last another 11 years.

New gas customers were refused in 21 states last year. Forty-three per cent of industry and 150 million Americans rely on gas for power, heating, and cooling.

Coal—Our most plentiful source of fuel, coal accounted for only 18 per cent of the nation's energy budget last year. Nearly 3.2 trillion tons of coal are believed to exist in the U.S. Up to 390 billion tons of that can be mined. That could last 300 to 800 years depending on how much we use or export.

If this nation turns heavily to coal when technology is perfected to burn coal cleanly or to convert it into liquid or gas fuels, the coal supply in this country might last about 100 years.

Uranium—Nuclear fission accounts for less than 1 per cent of the energy in the nation today, but it is expected to rise to 13 per cent by 1985. Nuclear electric power generating plants use uranium to keep the atomic fires burning.

Known uranium reserves amount to 273,000 tons, or enough to last another nine years. Estimated reserves still to be found in this country amount to something like 1.6 million tons—enough to last until the year 2000.

Water—Hydroelectric power put 4 per cent of the electric in the nation's energy basket last year. By 1985, water power probably will account for less than 3 per cent of the total energy picture because there are not many places in the country where hydroelectric plants can be built.

But that still might be enough to aggravate the rising furor over water quality and water quantity. As the population grows, so does water use. Some calculations indicate that the U.S. will have a water deficit of 30 per cent by the year 2020.

Electricity—Electricity is considered "secondary" energy because power generating stations burn coal, gas, oil, or nuclear energy to make electricity. Power generation is one of the largest energy consumers in the nation, accounting for 25 per cent of the total. That will rise to 36 per cent by 1985.

Electric power production in the U.S. has doubled every 10 years for the last 30 years.

[From the Chicago Tribune, Mar. 6, 1973]

Sacrifices Needed To Meet Energy Crisis

(By Casey Bukro)

President Nixon turns up his air conditioner in the summer so he can burn logs in his fireplace.

He's part of the problem.

A South Side woman burns all the lights in her apartment all night to ward off burglars.

She's part of the problem.

The problem is that fully half of all the energy used in the United States last year [69 quadrillion BTUs, equal to 12 billion barrels of oil] was wasted.

The way we use energy in America is a mirror of our society. Look at it and you see. how we live, work, and play. It is the foundation of the affluent American way of life. Energy has been so cheap that we give almost no thought to using it efficiently.

"Energy is treated almost as a free good," says R. Stephen Berry, a University of Chicago professor of chemistry who is specializing in U.S. energy problems.

"The presumption was that only good could come from using energy," Berry said. "We now think we know better."

Scientists taking a closer look now at energy-use practices in homes, industry and on highways are reporting some startling findings:

An ordinary 100-watt light-bulb wastes 95 per cent of its electrical energy as heat and uses only the remaining 5 per cent to make light.

Autos shoot about 75 per cent of the energy from internal combustion out the tailpipe. Mileage per gallon of gas has fallen off over the last 50 years, primarily because cars are getting heavier.

The efficiency of a nuclear power plant is about 30 per cent, meaning that 70 per cent of its energy is poured out into lakes and streams as wasted heat. Coal- or oil-burning power plants waste about 60 per cent of their fuels' energy potential.

When wood or coal is burned in an open fireplace, less than 20 per cent of the energy actually warms a room. The rest goes up the chimney.

The pilot light on a gas range burns a third of all the gas the appliance uses.

Solutions to such problems could strike at the heart of the American lifestyle.

It's not just how fast we use energy, but how fast our population is growing. The U.S. population now is 208 million and is expected to reach 241 million by 1985.

This could mean an increase in motor vehicle registrations from the 111 million today to 155 million in 1985. Another 40 million housing units will be needed.

"The simple fact is that we are spoiled rotten," says C. Howard Hardesty Jr., executive vice president of Continental Oil Co. "Except for our family, sacrifices don't come easy to any of us."

Normally a promoter of energy use, even the petroleum industry has joined the growing chorus asking for energy conservation. The word being heard most often is "sacrifice."

Higher prices [double or triple] for electricity, heating, or gasoline are being forecast as the tool by which runaway energy use most likely will be curbed.

"The price of energy should encourage a policy of energy husbandry," said Berry. This appears to be the way energy prices will go.

The more energy a consumer uses, the less he pays under energy price rates all across the country. Paradoxically, the low rates promote the use of energy at a time when we are suffering shortages.

A survey of Chicago utilities and fuel distributors shows a typical energy price situation.

Home consumers who use relatively little energy [20 per cent of the national total], but are the largest class of customer, pay 23.41 cents per therm for gas. Industrial bulk users, who consume 40 per cent of the nation's energy, pay 7.1 cents per therm.

Commonwealth Edison Co. charges residential customers 3 cents per kilowatt hour for electricity. Large industrial users pay 1.34 cents per kilowatt hour. A homeowner pays 19.5 cents a gallon for heating oil. A bulk user pays 12 or 13 cents per gallon. Even a ton of coal costs a home consumer 40 per cent more than a big user pays.

Fuel dealers say long-term contracts and the cost of producing and delivering bulk fuel play a role in this price difference.

"Charging less for greater use would make sense only if energy were in fact free," said Berry. "But it is not."

Berry, along with Harvard economist John Kenneth Galbraith, believes that manufacturing prices should include "external diseconomies," the unpaid cost to human health and ecology from industrial production.

With higher prices, energy planners say, the next move will be to energy conservation in home and industry. For example, they are talking of charging $1 for a gallon of gas and banning internal combustion engines from central cities.

Not all economists agree that the solution is that simple.

"We don't have an automobile crisis because they're raising car prices," said Irwin Stelzer, president of National Economic Research Associates in Washington. "We don't have a clothing crisis because they raise the price of clothes. All higher prices will mean is we'll pay more for fuel, maybe buy a Volkswagen if gas goes to 80 cents a gallon."

Our high horsepower cars consume 6 million barrels of gasoline a day, or 2.2 billion barrels of gasoline a year. They account for a third of the 6.2 billion barrels of petroleum products consumed in the nation a year.

Even at 40 cents a gallon, Americans pay less than half what Europeans pay for gasoline. The Federal Power Commission, on the other hand, predicts "market chaos" would follow doubling or tripling of gas prices.

But the federal government already has embarked on studies of savings in fuel that can be expected from energy conservation.

In one of the first reports of its kind, the Office of Emergency Preparedness showed recently that the U.S. could cut its energy demands by a margin equal to 7.3 million barrels of oil a day by 1980 thru conservation. That much oil would be worth $10.7 billion at current prices.

"The most significant energy conservation measures are the installation of improved insulation in both new and old homes and the use of more efficient air conditioners; a shift of intercity freight from trucks to rail, intercity passengers from air to rail and bus, and urban passengers from automobiles to motorized mass transit; and the introduction of more efficient processes and equipment," the report said.

In any language, that spells "upheaval" to our present way of life. The report outlines key areas:

Transportation—Twenty-five per cent of energy used in this country goes for transportation. Petroleum accounts for 96 per cent of fuel used for transportation. Autos use 55 per cent of it, trucks 21 per cent, and planes 7.5 per cent.

The report suggests developing urban clusters that minimize transportation, rather than today's sprawling suburbs that ring cities.

Residential—Space heating and cooling, water heating, refrigeration, and cooking account for 88 per cent of the energy used in homes. The biggest chance for energy conservation in homes was found to be better insulation.

The OEP report points out that if all home thermostats were set two degrees higher in the summer and two degrees lower in the winter, that would save energy equal to 600,000 barrels of oil a day by 1980.

Commercial—U.S. planners are taking a hard look at those modern glass and steel buildings, which leak heat in the winter and air conditioned coolness in the summer. In either season, the windows cannot be opened to take advantage of natural heating or cooling.

Some architects and lighting experts say there is 10 to 20 times too much light in most modern buildings. It's so excessive, some say, that office air conditioning often is needed to remove the heat caused by indoor lighting, even when it is snowing outside. And what about our miles of neon display lighting that burns throughout the night, when most people are sleeping?

Industrial—Industry uses about 42 per cent of the energy in this country. The OEP emphasizes that "underpriced energy encourages wasteful energy use" and says industry easily could cut its energy demands by 10 or 15 per cent.

The federal agency also suggests tagging appliances with information on how much energy each draws, so that consumers can avoid inefficient machines.

It also urges reuse and recycling of materials, in effect mining junk piles. Studies show 22 per cent less energy is needed to produce a car from recycled material, while throwaway glass container production is twice as expensive as manufacturing returnable bottles.

The public in general was warned that it must become more accustomed to thinking about and acting upon "tradeoffs."

Ecologist Paul Ehrlich, meanwhile, says higher prices for energy and fuel rationing do not necessarily spell doom for the U.S.

"A great deal of energy is used frivolously and wastefully in the United States, partly because energy is so cheap," says Ehrlich. "Such extravagance has little to do with a real standard of living and nothing to do with improving the lot of the poor."

Savings Start in Home

Here are some tips on ways to conserve energy at home:

Shut off lights when leaving a room. Draw blinds and drapes, close doors and registers in a room not in use.

Don't leave appliances, like television sets, running except when needed.

Use full loads in washing machines and dishwashers.

Most homes are overheated in the winter. Turn the thermostat down.

Insulate your home. A $200 investment in insulation could cut heating and cooling losses by one-half, also cutting your heating and cooling bill.

Keep your furnace in good operating condition. Keep dust off radiators or baseboard units.

Never let a faucet drip. One drop a second can waste 700 hundred gallons of water a year.

Cover saucepans when cooking when possible. Food will cook faster and you'll save gas. Use a low flame.

[From the Chicago Tribune, Mar. 7, 1973]

AMERICAN OIL INDUSTRY HAS ONLY 27 YEARS BEFORE ITS WELLS GIVE OUT

(By Casey Bukro)

OIL

In Texas it's called black gold and has brought prosperity to millions.

But across the country warning signals pronounce the petroleum industry, a bulkwark of the American economy, in deep trouble. No matter how you slice it, the petroleum industry as we know it today probably will not exist beyond the year 2000—only 27 years away. The signals show:

Tho the U.S. still is the world's leading oil producer, its total production peaked in November, 1970, and has been dropping.

Imports are filling a bigger share of the nation's oil needs, up to 28.5 per cent in 1972.

Texas oil wells, pumped to the limit as an emergency measure to meet this winter's fuel crisis, dribbled when oilmen had expected them to gush.

Drilling by the major oil companies for new domestic oil sources has fallen 63 per cent in the last 20 years.

Only one new oil refinery is being built in the United States today, altho oilmen say 58 new refineries are needed by 1980.

One of the reasons is simple: This country has tapped the oil that was easy to reach in the last 50 years and burned it in our homes, factories, cars, trucks, tractors, planes, and ships.

"The easy oil is gone," said Theodore [Ted] Eck, chief economist for Standard Oil Co. [Indiana].

As a result, half of the total oil heritage of the continental United States [about 240 billion barrels] has been used. The other half is deeper, more widely scattered, and more expensive to recover.

The major oil companies say they should be given tax advantages, import quotas, depletion allowances, relaxation of antipollution standards, and higher prices as incentives to explore and drill oil and gas wells on the continent, off-shore, and in Alaska. Their opponents call this the "Drain America First" policy.

People such as S. David Freeman, former presidential adviser on energy matters, take a different view. He is one of those who say oil companies are using energy crisis scare tactics to raise the price of fuel.

"Thus far, the energy crisis is a self-inflicted wound," says Freeman, who now directs the Ford Foundation Energy Policy Project. "It is not Mother Nature but Uncle Sam that is to blame."

The federal government failed to lower barriers to the free flow of oil into our nation, Freeman contends. The energy crisis, he says, "could well serve as a smoke-screen for a massive exercise in picking the pocket of the American consumer to the tune of billions of dollars a year."

Joel Darmstadter, senior research associate for Resources for the Future, Inc., believes the short-term fuel problems facing this nation are serious, but temporary. "There are different avenues open to us," he says. "If we don't succeed in one area, we will in another."

"This certainly seems to be the first time, however, that we have not been able to fall back on some energy source in order to plug the scarcity in one form," he said of current fuel shortages. Darmstadter and Freeman agree that management of fuel resources has a lot to do with fuel shortages this winter.

Richard Leet, vice president of supply for American Oil Co. in Chicago, was asked what will prevent the fuel shortages from recurring next winter.

"Nothing," he answered.

While all sides do not agree on the nature of the energy crisis and actions needed to solve it, they seem to agree on the wisdom of increasing prices for energy supplies.

The public posture of the oil industry is that "we must accelerate the development of our domestic energy resources."

"If present trends continue, the U.S. could become dependent on foreign oil for more than 50 per cent of our petroleum energy needs over the next decade or so," warns Frank N. Ikard, president of the American Petroleum Institute.

The warning, like a litany, is repeated by major oil and gas spokesmen. Gas production also is expected to peak soon in this country.

Privately, some oil men admit there is really no way to avoid importing 50 per cent or more of our oil by 1980 or 1985, because of the amount of time and money it takes to find oil and build refineries.

"There are not enough years left in this decade to avert it," said Eck. He, like the other oilmen, would like to see higher prices for gas and oil that would give oil companies the capital to reap oil in Alaska and offshore United States. They say low profits and high costs have discouraged them from exploring or building refineries.

Alaskan and offshore oil could fill 90 per cent of the nation's oil needs by 1990, Eck believes. But it would not last long enough to keep this nation in the lifestyle to which it is accustomed.

"We've got enough fossil fuel [oil and gas] to tide us over thru the century," Eck said. "Hopefully, synthetic fuels and nuclear energy will have been developed by then so we don't depend on fossil fuels as our basic energy."

The oil finds in Alaska and the offshore continental shelf sound huge, until you compare them with the 17 million barrels of oil consumed daily in the U.S. It might be 30 million barrels a day by 1980. Oil production in America today is 10 or 11 million barrels a day.

The much-heralded Prudhoe Bay oil field in Alaska, the largest oil find in U.S. history, holds 10 million barrels. That would supply the U.S. two years.

The continental shelf off our coastlines supposedly holds 160 to 190 billion barrels of oil. Some analysts say that would be a 10-year supply at future consumption rates, if environmentalists did not block its development. Ecologists oppose offshore drilling and have fought off 17 proposals for new oil refineries, and also are fighting the trans-Alaskan oil pipeline.

Leet said the major oil firms have spent most of the exploration money—$3 billion—for lease rights to the Alaskan north slope.

"If the price were higher, there would be more drilling and more gas and oil," Leet said.

Oilmen say the price of natural gas has been held artificially and ridiculously low for the last 35 years by the Federal Power Commission. To keep competitive, the price of domestic crude oil also is held low—about $3.40 a barrel—they say.

Increase the price of natural gas about 20 percent and the price of crude oil about $1 a barrel, and the oil industry would have the incentive to expand domestic oil and gas production, oilmen say.

That would cause the price of gasoline to go up about 2½ cents a gallon and add about $10 to a $50 monthly gas bill.

But the oil industry admits the costs facing them are grim. Oilmen say it will cost $150 billion to produce an additional 10 billion barrels of domestic oil a day for the United States. Tomorrow: What the federal government is doing about the energy crisis.

[From the Chicago Tribune, March 8, 1973]

ENERGY LOOMS AS NEXT CRISIS ISSUE FOR UNITED STATES

(By Casey Bukro)

Henry Kissinger appears on video screens thruout the nation to report on the outcome of sensitive negotiations bearing on the welfare of the United States.

An agreement has been reached with Mideast and North African countries on new supplies of imported oil for the U.S., he says.

Farfetched? Not to Washington officials who are predicting that "energy" will replace the Viet Nam war and ecology as an issue of prime national concern and "the pet of Washington politics."

Kissinger's staff already is deeply involved in the thorny international implications of a national energy policy, including diplomatic, military, and economic problems.

President Nixon has said he soon will propose a plan to assure the nation adequate supplies of energy "at acceptable economic and environmental costs." It is expected to be one of the most important things he does in 1973.

White House aids are scampering, goaded by sharp criticism that this nation has no clear-cut policy on energy use and planning and simply is drifting toward disaster.

Remarks by the President and key Washington officials in the past few months hint at things to come. President Nixon, in his second inaugural address last January, urged locating "more responsibility in more places."

"We hope to avoid the frequent fault of over managing the problem at the government level and of not letting market forces play a major role," said Peter Peterson, former Secretary of Commerce during a visit to Chicago last November.

Accordingly, states soon may find themselves deeply involved in the energy business, following a trend set by federal air and water pollution control laws. They give states primary responsibility for stamping out pollution.

State public utility commissions and state governors have as much authority to regulate power as the federal government, say Washington officials.

But that does not mean the federal government intends to bow out of the energy business. Not by a long shot.

At least 50 per cent of the nation's remaining oil and gas, about 40 per cent of the coal, 50 per cent of the uranium, 80 per cent of the oil shale, and 60 per cent of the geothermal energy are located on federal lands.

The Nixon administration reportedly is readying a package of proposals putting emphasis on stepping up domestic production of oil and natural gas soon as possible. This includes accelerated programs for leasing oil and gas rights on federal land.

This is expected to infuriate ecologists and delight the National Petroleum Council.

"People are concerned about the environment *until the lights go out*," said Richard M. Fairbanks, a White House aid and assistant director of the Domestic Council.

His remarks underscore the apparent conflict between energy goals and environmental goals. There are some who believe, however, that the need to conserve energy eventually will accomplish some of the things ecology crusaders tried to do in protecting natural resources.

For the time-being tho, predictions are that environment will take a back seat to energy in Washington calculations.

The Office of Energy Preparedness reports, for example, that auto emission standards cost us 300,000 barrels of oil a day now, and maybe will cost us another 2 million barrels by 1980. That could worsen the nation's fuel supply outlook.

The OEP also is taking a survey to see how many electric power utilities can switch their generating stations back to burning coal, instead of oil or gas.

Clean air demands tipped the scales in the growing national fuel shortage, and exposed it in a dramatic way to the American public. It also showed that this nation is pushing conflicting policies.

Air quality laws across the country have restricted burning coal and other dirty fuels. This created a sudden demand for cleaner gas and oil this winter when supplies were abnormally low. The result was a nationwide fuel shortage.

Fairbanks named international, economic, and environmental concerns as "the three keys" to the upcoming Presidential message on energy.

"We're trying to produce an energy policy that recognizes trade-offs," said Fairbanks. It will "lean heavily toward national security" considerations and "letting the market system operate," he said.

The economics and politics of energy are incredibly complex. In trying to sort it out, government planners are looking at it in three time frames: Now and the next few years, the next few decades, and the distant future. These are some of the vital points being considered:

National Security—Dependence for our future oil supplies on foreign countries—especially those hostile to the U.S. or politically unstable—is viewed as a security risk. The U.S. probably will be importing 50 per cent of its oil by 1980 or 1985.

Among the most likely sources of this imported oil are the Mideast and North Africa. Buying that much oil from the Arab world would disrupt U.S. ties with Israel. The Arabs could amass hundreds of billions of American dollars thru oil exports and use their dollar wealth for political and economic pressure against the U.S.

Allies—Japan and Western Europe need oil more desperately than the U.S. does. Head-to-head competition for oil to sustain the American lifestyle of high consumption could strain relations with these allies, not to mention the third world developing nations that want a bigger slice of the natural resources pie. Raw materials are political commodities and the stuff or world power.

Balance of Payments—The U.S. trade deficit for fuel and energy purchases in 1970 was $3.7 billion. That could climb to $30 billion by 1985. This drain badly tips the balance of American imports and exports, and threatens the dollar's stability. It could touch off another world dollar crisis.

Prices—Should low-cost energy continue to be a primary national goal? To that end, the Federal Power Commission has controlled the price of natural gas since the 1930s, encouraging growth with cheap power. The petroleum industry says this has had a severe impact on the profitability and growth of coal, oil, and natural gas. Thought is being given to decontrolling the price of natural gas and setting prices on fuels that encourage slower consumption.

Domestic fuels—The President is expected to give his blessings for higher prices for crude oil, taxes, tariffs, import quotas, and depletion allowances that will spark expansion of domestic exploration, production, and refining. He is expected to call for incentives to resuscitate the faltering coal mining and railroad industries, including encouraging large industry to switch to coal.

Those who will oppose this say the oil import quota program costs fuel consumers $5 billion a year to keep out cheaper foreign oil. A cabinet task force on the quota system recommended abandoning it in 1970. Oil interests also will want supertankers and ports to handle them, offshore drilling, and the Alaskan pipeline. These run contrary to ecology goals.

A bill to abolish the oil import quota was introduced last week in the U.S. Senate.

Sen. Henry M. Jackson (D., Wash), has called for a top priority program to build oil storage facilities to hold a 90-day supply for the nation. Supplies of oil on hand normally in the U.S. would last about six days. The oil storage plan has gotten a lot of attention in Washington, but oil producers oppose it because it could be used to affect prices.

Environment—Strip mining surpassed underground mining in 1971 as the nation's leading method of coal production. It costs about $1.50 a ton less to strip coal than to take it from underground mines. Stripped coal is expected to account for 60 to 70 per cent of total coal output in the U.S. by the end of the decade. This will clash with ecologists who oppose the wastelands normally left by strip mining.

Conservation—The government also might try to reverse the wasteful use of energy and get Americans to use energy wisely. This will not be intended to curtail economic growth.

Organization—Sixty-four federal departments and agencies have authority over energy. An executive order for a new chain of command on energy matters is expected. President Nixon already has taken a step toward consolidating this authority by appointing Agriculture Sec. Earl Butz as his counselor for natural resources. This could be a step toward creation of a department of natural resources in the federal government.

Research—The federal government has spent more than $3 billion in the last 10 years on developing power for the nation, most of it for nuclear electric power generation. Scientists say we have put all our eggs in one energy basket [nuclear], while alternatives have been ignored.

They also say that the sheer volume of heat being radiated by our lights, motors, furnaces, and machinery threatens to change the earth's climate.

Bigger Atom Role Seen by Year 2000

Washington, March 7 [UPI]—The Atomic Energy Commission [AEC] today predicted that 60 per cent of the nation's electricity will be produced by nuclear power at the end of the century.

At present, the AEC said, atomic energy accounts for only 4 per cent of the total supply.

In a forecast entitled "Nuclear Power—1973–2000," the commission said nuclear generating capacity would grow to 1.2 billion kilowatts in the year 2000 compared with 14.7 million kilowatts at present.

The AEC said the growth forecast would result from development of fast breeder and high temperature gas-cooled reactors. They are expected to be introduced for commercial use in the United States and abroad in 1986.

[From the Chicago Tribune, Mar. 9, 1973]

New Technology—Hope for U.S. Energy

(By Ronald Kotulak)

We are playing scientific roulette with our energy future.

Scientists hope new technologies will be developed for producing abundant amounts of clean energy to head off an energy flameout, but the trouble is that none of these new technologies are now in hand.

Many experts speak in glowing terms about the promise of the breeder reactor, fusion, solar energy, geothermal power, and other exotic forms of energy. But we don't know if they will work, or, if they do work, if they will be practical. These new technologies must first be developed, and government and industry have been slow in developing them.

There is no question that science and technology can work wonders. It is also true, however, that in many new technological developments there are unexpected delays, setbacks and complexities that slow their use and diminish their promise.

This is one reason why we are now in an energy crisis, said John F. O'Leary, director of licensing for the Atomic Energy Commission.

The current energy crisis arose in large measure because utilities, coal companies, and the financial community relied on projections that nuclear energy would take over more of the load, he said.

But nuclear power has not lived up to its promise. Increasing construction costs, unexpected technical problems, and environmental roadblocks have put the development of nuclear generating stations years behind schedule.

As a result, we face an immediate critical shortage of natural gas and oil, and the bulk of the coal that is left contains so much sulfur that burning it is a hazard to health.

Outside of coal, every fuel now in use is threatened. At our present rate of use the known deposits of natural gas will begin running out in 10 years, oil in 30 years, and uranium 235 in 30 years.

Echoing the belief that our future energy supplies lie in new technologies, Peter G. Peterson, former commerce secretary, nevertheless warns that "none of these [new] sources are currently economically practical and most of them are not even technologically feasible at present."

The federal government is now faced with a dilemma, he said. If it concentrates on developing one or two of the new technologies it could find it has been betting on the wrong horse, and our energy crisis will deepen.

If the government tries to support all the promising leads, its funds will be diluted, and the development of worthwhile new energy sources will be delayed.

The Federal government now spends $600 million a year for research on new sources of energy, with nearly half, $260 million, going for only one project, the breeder reactor. President Nixon has given the breeder top priority.

And for good reasons. The breeder is an alchemist's dream, because it makes more nuclear fuel than it burns. It may be able to produce abundant energy for centuries. But, altho the breeder is scientifically feasible, it has not been shown to be technologically possible yet.

Scientists have been working on the breeder concept for 25 years. The Fermi plant near Detroit was the first to use a modified breeder reactor, but it failed dismally. It went into operation in 1963, experienced a fuel melt, and was shut down in 1966. It is now scheduled to be dismantled.

The AEC wants to try again. Along with Commonwealth Edison Co. and the Tennessee Valley Authority, the AEC hopes to develop the first working model 400 megawatt breeder reactor in Oak Ridge, Tenn., around 1980. The AEC hopes commercial breeder reactors will be ready by the late 1980s.

The breeder reactor is a wondrous machine. Besides making more fuel than it consumes, it doesn't pollute the air, and if it becomes commercially feasible, it could give us cheap, abundant energy for centuries.

But among the drawbacks, critics say, is the fact that it produces vast amounts of heated waste water, as do all generating stations, and they are worried about radiation hazards.

Reactors are theoretically designed to withstand the ultimate accident. But doubt has recently been cast on the prime back-up system, the emergency core cooling system [ECCS]. There are indications it may not work to quench the reactor core with water. The AEC is taking another look.

In the light-water reactor, the water absorbs the neutrons, but in the fast breeder they are allowed to proliferate. These tiny particles bombard a surrounding blanket of U-238, converting it into plutonium. Plutonium, like U-235, readily undergoes fission.

Breeders make 1.4 atoms of fissionable plutonium for every atom they use up. Thus they not only can supply their own needs, but they can supply fuel for other reactors. Some experts, however, are concerned about the manufacture of plutonium, since it is one of the most toxic substances known to man; it is used in making nuclear bombs.

Here are some other energy possibilities:

Fusion—This is an ambitious undertaking to harness the nuclear process that fires the sun and ignites the hydrogen bomb. Fusion is the opposite of fission, because it requires two atoms to be fused together to produce energy. Light atoms such as heavy hydrogen [deuterium] can be used. There is an almost inexhaustible supply of deuterium in the oceans, so fusion can just about supply our energy needs forever.

But the problem is that fusion has not been demonstrated to be scientifically feasible. The main stumbling block is finding some way to hold the plasma, a gas that becomes so hot that its atoms lose their electrons.

Scientists are trying to devise a "magnetic bottle," a womb-like magnetic field, to hold the inferno that reaches 60 million degrees.

AEC officials hope this can be done by the late 1980s, and the commercial fusion reactors can be ready by 2000. The reason fusion reactors are so enticing is that they produce practically no pollution of any kind, and they have very little radioactive waste.

But whether fusion can ever be harnessed remains to be seen. Some experts are doubtful. Many researchers are attempting to find a shortcut. By shooting intense laser beams at plasmas to trigger brief fusion bursts. So far they have had little success.

Solar energy—Using the radiation from the sun has long been a dream of man. However, it has remained out of his grasp. Some promising new research indicates that the large-scale use of solar energy may begin sometime after 1990. Aden and Marjorie Meinel of the University of Arizona have developed new films that can convert the sun's heat into high-grade heat that can be stored in molten salt.

Geothermal—Tapping hot spots beneath the earth may provide some localized help, but much work needs to be done to bring this source into wider use. Local steam deposits, as in the Geysers, Sonoma Valley, Cal., are limited. A layer of hot granite [600 degrees] underlies most of the earth. The AEC wants to drill two holes at depths of 15,000 feet, one to inject water and the other to collect the resultant steam.

Magnetohydrodynamics, in which hot, ionized gases are directly converted into electricity, may be commercially available in the late 1980s. This process is highly efficient in producing electricity, and it can be fueled by coal.

Synthetic gas—This is produced by converting coal into gas and removing the sulfur. The gas can then be pumped through existing natural gas pipe lines. This may be ready for commercial use between 1975 and 1985. Four pilot plants, including one in Chicago operated by the Institute of Gas Technology, are operating.

To make up for the dwindling supplies of natural gas and oil, the use of coal is expected to triple by the year 2000. But since 70 per cent of our coal reserves contain large amounts of sulfur, we are faced with the inescapable prospect of more air pollution, which already is at levels deleterious to health in 40 per cent of our cities.

Even if methods of producing clean coal are commercially available by 1980, the sulfur in our air will have more than doubled to 41 million tons a year. "Unless the necessary technology becomes available, the country may have to choose between clean air and electricity," said the National Academy of Engineering.

Another important question is whether we should use up our coal reserves. Some experts believe coal may be more valuable in the future for producing plastics, petrochemicals, and other synthetics.

Smokestack emission control—techniques to remove sulfur from smokestack gasses may be ready between 1980 and 1985.

Oil shale—Oil found in rocks and tar sands is in plentiful supply in the Rocky Mountains and offshore deposits, but getting it out is the problem. Economically feasible extraction methods are some time off.

Tidal power—Harnessing the energy of the tides has been abandoned as a practical measure.

Hydrogen—Using giant offshore nuclear-generating plants to break down water into hydrogen and oxygen through electrolysis may be feasible in 20 years. Hydrogen can then be used like natural gas, but people would have to overcome the "Hindenburg complex."

Recycling garbage—Baltimore recently broke ground for a $15 million solid waste disposal and resource recovery system. The unit will process 1,000 tons of municipal waste a day, half the city's total, producing salable energy as one of the byproducts. The process is based on pyrolysis—baking the material in an oxygen-deficient atmosphere—which significantly reduces pollution and produces iron, steel, and glass.

Superconductivity—Researchers hope that by cooling transmission lines to 320 degrees below zero, resistance to the flow of electricity can be greatly reduced, increasing efficiency and the amount of power that can be carried.

We need a strong energy research program, said Peterson. With a little bit of luck and a lot of commitment, energy research may hold the key to bringing back for future generations some of the abundant, cheap, and clean energy we have enjoyed until now.

THE ROLE OF THE CONGRESS IN CONTROLLING THE FEDERAL BUDGET

Mr. MOSS. Mr. President, I am placing in the RECORD correspondence I have had with a few of the Nation's Governors regarding the role of Congress in controlling the Federal budget and setting national priorities. The President has made inaccurate comments about Congress in his battle of the budget, and I felt it necessary to correct them. The President's economic policies have led to large deficits. Congress has reduced the President's budget requests every year he has been in office, and Congress urged the President to adopt a sound economic strategy by passing the Economic Stabilization Act early in 1970. But the President continued his disastrous policy of "stagflation" until August 1971. He now appears to be repeating the same mistakes he made in the first 2½ years of his administration.

If the President had listened to Congress from the start, we would not be faced with high inflation and large deficits.

Mr. President, I ask unanimous consent that the correspondence to which I have referred be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., March 6, 1973.

Hon. CALVIN L. RAMPTON,
Governor, State of Utah,
Salt Lake City, Utah
Hon. DANIEL J. EVANS,
Governor, State of Washington,
Olympia, Wash.

DEAR CAL AND DAN: I saw your appearance on NBC's Today Show and commend you for aiding public understanding of the issues debated at the Governor's Conference last week. You clearly uncovered the devastating effect of the President's proposal to slash programs aiding the poor, the old, the sick, our schools, our cities, and our national forests and parks.

Congress—not one man in the White House—has the authority and responsibility to determine the priorities of the Federal government; I concur with your comments supporting the role of Congress in making determinations on spending priorities.

I do feel, however, that Governor Evans' comment about their responsibility of Congress in over spending must be corrected. *Congress has cut President Nixon's money requests every year he has been in office.* Congress has been a responsible watchdog guarding the public purse. President Nixon has not.

The President now attempts to paint Congress as the "bad boy" of fiscal irresponsibility. The more this distorted charge is repeated, the more difficulty the public will have in learning the truth. Let's look at the actual cuts Congress has made in the appropriation requests which President Nixon has sent Congress:

Reductions by Congress below administration budget requests

(In billions)

Fiscal year 1970	$8.269
Fiscal year 1971	3.505
Fiscal year 1972	2.743
Fiscal year 1973	6.600
Total	21,117

In the meantime, the President has spent funds to amass a huge deficit, caused largely by a mismanaged economy.

Administration deficit over the past 4 years

(In billions)

Fiscal year 1970	$13.1
Fiscal year 1971	29.9
Fiscal year 1972	28.9
Fiscal year 1973	24.8
Total	96.7

Congress is still best able to maintain the fiscal integrity of the Federal government. And it has the responsibility to set priorities and cut waste and inefficiency. The facts show that we have done just that.

I appreciate the efforts you made to take the issue of the President's budget cuts to the public. Your appearance was a true public service.

Sincerely,

FRANK E. MOSS,
U.S. Senator.

OFFICE OF THE GOVERNOR,
Phoenix, Ariz., March 21, 1973.

Hon. FRANK E. MOSS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOSS: Thank you for sending me the copy of your letter of March 6 which you addressed to Governors Rampton and Evans.

Your observation that the President has amassed a deficit of $96.7 billion in the past four years appears to be an overstatement. The correct figure is $73.8 billion. Page 371 of "The Budget of the U.S. Government—

FY 1974," and page 62 of "The U.S. Budget in Brief—FY 1974," agree on the following data:

U.S. Government deficits

(In billions)

Fiscal year 1970	$2.8
Fiscal year 1971	23.0
Fiscal year 1972	23.2
Fiscal year 1973	24.8
Total	73.8

Similarly, your statement of the "cuts Congress has made in the appropriation requests which President Nixon has sent to Congress" could not be verified by my research. However, the following figures appear in the budgets of the U.S. Government—1970 through 1974:

[In billions of dollars]

	Budget authority requested by the President	Actual budget authority as passed by Congress
Fiscal year:		
1970	[1] 210.1	[2] 213.0
1971	[3] 218.0	[4] 236.4
1972	[5] 249.0	[6] 248.1
1973	[7] 270.9	[8] 280.4
Total	948.0	977.9

[1] Page 10—"The Budget of the U.S. Government, fiscal year 1970."

[2] Page 44—"The Budget of the U.S. Government, fiscal year 1972."

[3] Page 10—"The Budget of the U.S. Government, fiscal year 1971."

[4] Page 15—"The Budget of the U.S. Government, fiscal year 1973."

[5] Page 10—"The Budget of the U.S. Government, fiscal year 1972."

[6] Page 31—"The Budget of the U.S. Government, fiscal year 1974."

[7] Page 15—"The Budget of the U.S. Government, fiscal year 1973."

[8] Page 31—"The Budget of the U.S. Government, fiscal year 1974."

I believe you are wrong also in your appraisal of "the devastating effect of the President's proposal to slash programs aiding the poor, the old, the sick, our schools, our cities, and our national forests and parks." The President's budget proposal for Fiscal Year 1974 indicates an outlay of $268.7. This is $18.9 billion more than FY 1973, and $36.8 billion more than FY 1972. What you have failed to perceive is that the President has cut those programs that have been failures, and has recommended that Congress plough the money into the same families of programs that have proven successful. The President's FY 1974 budget gives the following actual and projected outlays for the poor, the old, the sick, our schools, and our cities:

MAJOR BUDGET ITEMS

[Outlays in billions of dollars]

	1972	Fiscal year 1973	Fiscal year 1974
Health, Education, and Welfare	71.8	83.6	93.8
Housing and Urban Development	3.6	3.4	4.8
Transportation	7.5	8.0	8.1
Veterans' Administration	10.7	11.8	11.7

We should not overlook one of the most important features of the President's budget. It is the proposal to trim the bureaucracy by 41,000 federal civilian employees through the device of reducing the number of categorical grant programs, and providing the funds directly to the states and local communities where priorities can best be established to enhance the social and economic well-being of our people.

Yours sincerely,

JACK WILLIAMS.

U.S. SENATE,
Washington, D.C., April 16, 1973.
Hon. JACK WILLIAMS,
Governor, State of Arizona,
Phoenix, Ariz.

DEAR JACK: Thank you for your letter of March 21. You are correct that President Nixon did not amass a deficit of $96.7 billion in the past four years. The correct figure is $106.3 billion for that period. The figures you cite, which give the impression of a somewhat smaller deficit, include trust fund money, which masks the real impact of Federal initiatives. Trust fund surpluses are not the result of any "presidential austerity" but in fact are the result of Congressional actions taken long ago to set up self-financing programs.

The Federal funds account is a more accurate measure of the yearly discretionary activities of the Federal government.

The figures in my letter of March 6 were from that account, and were based on data from last fall. New figures reveal even worse deficits than I had stated. The figures are found on pps. 363 and 368 of the FY 74 Budget:

FEDERAL DEFICIT

[In millions of dollars]

	Fiscal year—			
	1970	1971	1972	1973
Expenditures	156,301	163,651	177,959	188,390
Receipts	143,158	133,785	148,846	154,250
Deficit	13,143	29,866	29,113	34,140

Note: Total deficit, fiscal years 1970–73, $106,300,000,000.

Though Congress made significant cuts in appropriations, the economic policy of the President hurt Federal revenues substantially by creating unemployment and lower profits, thereby reducing Federal tax revenues (as well as those of state governments). This lost revenue more than offset Congressional appropriation cuts. Congress urged the President to adopt more effective economic policies by passing the Economic Stabilization Act in 1970, but the President refused to implement it until August of 1971.

The figures used in page two of your letter discussing appropriation cuts blur trust fund accounts with non-trust fund actions. Those figures also do not contain the actual supplemental budget requests of the President, which can be very different from the "guesses" made at the time the budget is introduced. A complete accounting of all appropriation bills, including supplemental requests and excluding trust funds, is contained on page 1469 of Senate Document 92–95, *Appropriations, Budget Estimates, etc.* This document does in fact show that Congress cut the President's requests by $21.1 billion during his first four years in office. It is compiled each year by the Appropriations Committees of Congress, and is done *after* the budget and appropriations cycle is completed, whereas the President's document is presented at the *beginning* of that cycle. The most important factor, however, is the accounting of trust funds, which should not be included because of their self-contained financing arrangements.

Your total reliance on information packaged by White House aides and placed in the budget documents issued by the Administration precludes the opportunity to see where changes are occurring in the budget. The poor, the sick, cities, schools, parks, natural resources, etc., *have* received reduced appropriations, in spite of the President's attempt to cover this over in his 1974 Budget. It would be surprising if these cuts were not becoming visible in Arizona, unless Arizona is the only state that is not closing Model Cities programs, REA loans, water and sewer grants, Impact Aid funds, and substantially reducing many areas of health research, water pollution control grants, public service jobs, forestry management, Land and Water Conservation Fund purchases, libraries, etc.

Independent bipartisan analyses compiled by the Joint Economic Committee of Congress reveal that social and economic programs have indeed been reduced at the expense of rising defense expenditures.

The Committee's recent report of March 26 demonstrates how the FY 1974 Budget incorrectly lumps programs under "human resources" that more appropriately belong elsewhere:

"A more informative functional division of spending can be developed by including veterans benefits in national defense because it is a defense-related expenditure; separating out self-financing social insurance funds; and creating a social and economic development category which would show what the nation is spending in the important domestic areas of education, manpower, health, environment, agriculture, transportation, housing, public assistance, and revenue sharing . . . defense spend . . . [takes] . . . a disturbing jump in 1974 despite the end of hostilities in Vietnam. Spending on social and economic development, on the other hand, has shown a reduction in the rate of growth." *The 1973 Joint Economic Report,* p. 57.

The country desperately needs a sound wage-price control program coupled with a Federal budget sensitive to the needs of America. Instead, the President has chosen to blame his errors on Congress. This is factually incorrect as well as counter-productive. I would hope that state and local leaders would join together with Congress to restore proper priorities.

Sincerely,

FRANK E. MOSS,
U.S. Senator.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR THE CIVIL AERONAUTICS BOARD AND THE VETERANS' ADMINISTRATION

The ACTING PRESIDENT pro tempore. Under the previous unanimous-consent agreement the Senate will now proceed to the consideration of House Joint Resolution 496, which will be considered under a time limitation for debate on amendments and the bill. The clerk will report the bill by title for the information of the Senate.

The joint resolution was read by title as follows:

A joint resolution (H.J. Res. 496) making appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time not be charged against either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Who yields time?

Mr. JAVITS. Mr. President, on the urgent supplemental appropriation measure, I ask unanimous consent that Mr. Roy Millenson, of the Committee on Labor and Public Welfare minority staff, may be present on the floor during its consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I ask unanimous consent that Mr. Warren Kane, who is on the professional staff of the Appropriations Committee, but whose credentials are not yet with the Sergeant at Arms, be permitted to remain on the floor during the consideration of the joint resolution.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I suggest the absence of a quorum under the same condition previously granted.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, the period for the transaction of routine morning business was terminated a little earlier. The distinguished Senator from Missouri (Mr. EAGLETON) is here now. He had intended to make a brief statement of about 3 minutes during morning business. In view of the fact that the Senate is awaiting arrival of the distinguished ranking Republican member of the committee, who is on his way to the floor, before proceeding with the debate on the urgent supplemental appropriation resolution, I ask unanimous consent that the distinguished Senator from Missouri (Mr. EAGLETON) may be recognized at this time to speak out of order for not to exceed 4 minutes, and that the time be equally charged against both sides under the bill.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

PEACE WITH HONOR?

Mr. EAGLETON. Mr. President, how happy we were, less than a month ago, when the President told us that the last American POW had been released and that the war in Vietnam had ended. "Peace with honor" had been achieved

The long Vietnamese nightmare was over. The anguish, the bitterness, the division, the disillusionment engendered by our involvement in Vietnam—all of that was behind us now. We could abruptly bring down the curtain on this tormented chapter of American history comforted in the euphoria that at last we had extricated ourselves—POW's and all—from the quagmire of Southeast Asia.

We brought the curtain down not only on our recollections of the grim past, but also, so it seems, on our awareness of the troubled present and the uncertain future.

But make no mistake about it: There is a war still going on in Southeast Asia. It is a hot war, a bloody war. It is a war with a continuing and now escalating American presence.

Item: American B-52 bombing runs are flown daily out of Thailand to carpet bomb in the vicinity of the beleagured capitol of Cambodia, Phnom Penh. The intensity of these bombing forays rivals the Christmas 1972, bombing of Hanoi. There are no SAM missiles in Cambodia so, thus far, no B-52 has been shot down.

Item: With the five access roads to Phnom Penh cut and with only occasional ships able to get up the Mekong River, the United States was called upon to airlift oil and other supplies to Phnom Penh.

Item: Lon Nol, the President of Cambodia, under pressure from American advisors, is forced to remove his brother Lon Non from his too visible position of power. One has to think back to 1963, when Ambassador Henry Cabot Lodge constantly pressured South Vietnamese President Diem to unload his brother and sister-in-law, Ngo Dinh Nhu and Madam Nhu.

Is America's "security" now inseparably entwined with the survival of the Lon Nol regime in Cambodia just as it became entwined with the survival of Diem and all his successors?

Item: South Vietnamese troops make "incursions" into Cambodian territory. Have not we heard that word "incursion" before?

Item: Yesterday the American Air Force began bombing in Laos, the first such bombing in 52 days.

Step by step, action by action, the United States gets a little more deeply involved. Each decision, in naked isolation, has an ostensible plausibility to it. Just as each step by Eisenhower, Kennedy, Johnson, and Nixon seemed, at first blush, so logical.

The Vietnam war droned on for so long that we could not really remember how or when it all began, or how or when we became so deeply, irrevocably involved. But the Vietnam war was ended and so President Nixon told us on March 30:

> We have ended the longest and most difficult war in our history . . .

We had, he said, achieved "peace with honor."

Within 3 short weeks we are bombing in both Cambodia and Laos, airlifting in supplies to Phnom Phen, probably encouraging South Vietnamese "incursions" into Cambodia, and giving political direction to President Lon Nol to put a better face on his faltering regime.

How short our memories. How still our voices.

Gone are the peace rallies; gone are the sacks full of mail; gone are the earnest college students walking up and down the hallways of the Senate office buildings lobbying Senators to vote for peace.

Maybe its because the draft calls have ended. Maybe its a stupifying cynicism about the whole governmental process as being incapable of responding. Maybe we are so emotionally drained that we simply no longer have the ability to care. Maybe our national elation at the news of March 30 so saturates our thoughts as to preclude a dream-interupting doubt.

Whatever the cause of our current unconcern it, like our renewed military activity in Southeast Asia, is dangerous business.

One of these days, we may pick up our paper and read a headline, "U.S. Renews Bombing of Ho Chi Minh Trail." Maybe later a headline, "U.S. Bombs North Vietnam." Perhaps then a headline "U.S. Plane Shot Down; Crew Captured."

And then what?

Can it be that America would once again travel the bloody Indochinese road?

URGENT SUPPLEMENTAL APPROPRIATIONS FOR THE CIVIL AERONAUTICS BOARD AND THE VETERANS' ADMINISTRATION

The Senate resumed the consideration of the joint resolution (H.J. Res. 496) making appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration and for other purposes.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. McCLELLAN. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The pending business is House Joint Resolution 496.

Mr. McCLELLAN. Mr. President, there are four items contained in this resolution as unanimously passed by the House last week.

First, there is a supplemental appropriation of $26,800,000 for the Civil Aeronautics Board to cover the Government's obligations to pay subsidies to carriers in accordance with the rates prescribed by the CAB for eligible services performed and to be performed in fiscal years 1972 and 1973. These subsidy payments are made to the so-called "feeder" or local service air carriers whose route structures are such that subsidization is necessary since pasenger and freight revenues are not sufficient to recover costs and a reasonable profit return. The CAB exhausted the balance of its appropriation for this purpose for fiscal 1973 on March 15.

Second, there is a supplemental appropriation of $468 million for the Veterans' Administration to cover educational benefit payments for an unbudgeted number of veterans—primarily from the Vietnam era—their wives, widows, and children, who have been participating in this readjustment effort during fiscal 1973. The Vietnam Veterans' Readjustment Assistance Act of 1972, which Congress enacted last October, together with a program enrollment of approximately 124,200 more servicemen than expected during the present fiscal year, is primarily responsible for this urgently needed supplemental request. Funds for this program will be totally exhausted by April 25. Therefore, this appropriation is needed in order to make benefit payments that will be due our veterans after that date.

Third, a supplemental appropriation of $872 million was added when the House adopted Representative Flood's amendment to carry out certain ongoing, higher education student assistance programs, not sufficiently funded or provided for in prior appropriation bills.

Hearings have been held by the Senate Labor-HEW Appropriations Subcommittee on the student assistance program, and it was hoped that this matter could have been considered in the second 1973 supplemental appropriation bill that is scheduled to be acted on next month. However, the House added this provision on the floor in order to expedite action on this appropriation and enable colleges, universities, students, and their parents to know what Federal aid will be forthcoming for the new school term.

This provision affords a total of $872 million for four student assistant programs, and represents the same total amount requested by the administration. The $872 million is broken down as follows: $269.4 million for national defense student loans—there is $23.6 million already available, so that will make a total of $293 million available for 1973–74; $210.3 million for supplemental opportunity grants; $270.2 million for the college work study program; and $122.1 million for the new basic opportunity grant program.

It should be noted that while the administration requested a total of $872 million for student assistance, its proposed breakdown differs from the Flood amendment as follows:

[In millions of dollars]

	Budget request	Flood amendment to H.J. Res. 496
Basic opportunity grant program	622	122.1
Supplemental education opportunity grants		210.3
College work study program	250	170.2
National defense student loans		269.4

The 1972 educational amendments require that certain amounts be provided for the three existing continuing student aid programs before funds may be used for the new basic opportunity grant programs. The administration proposed, however, to fund only one of these three, the college-work study program, and requested $622 million for basic opportunity grants, a new program. As was pointed out on the House floor, this approach would have been subject to a point of order. Moreover, concern was expressed over putting that much money into a complicated new program at this late date.

Briefly stated, the breakdown for educational programs contained in House Joint Resolution 496 represents the best "mix" that the House felt it could present at this time.

The question of this breakdown was the subject of considerable discussion at our committee's executive session on the pending resolution.

The junior Senator from Pennsylvania (Mr. Schweiker) offered, on behalf of Senator Pell, chairman of the Subcommittee on Education, an amendment which would have funded the four programs as follows:

	Million
Supplemental educational opportunity grants	$175.0
College-work study program	250.0
National defense student loans	269.4
Basic opportunity grants	412.6

Senator Pell's proposal is $235 million over the $872 million figure and he proposes to obtain that by transferring $235 million from funds already appropriated for the emergency school assistance program.

Mr. President, I ask unanimous consent to have printed in the Record at this point the letter and memorandum received by all the members of the committee from Senator Pell.

There being no objection, the letter and memorandum were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., April 13, 1973.

Hon. John L. McClellan,
Chairman, Appropriations Committee,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: H.J. Res. 496, passed by the House on April 12, will shortly be coming before the Committee on Appropriations.

In this regard, I am concerned that the House proposal funding the Higher Education programs would greatly alter the basic purposes and premises of the landmark Education Amendments of 1972. Accordingly, I hope very much that you might consider modifying the appropriations for Higher Education programs in accordance with the attached memorandum. This modification, while increasing funds for certain student aid programs, would keep the total appropriation for education for fiscal year 1973 exactly the same as in the President's budget requests.

I really believe that this modification, if adopted, would improve the quality of our youngsters' education and more faithfully implement the purposes and intent of the authorizing act.

With very real appreciation and regard, I am,

Ever sincerely,

Claiborne Pell,
Chairman, Subcommittee on Education.

April 13, 1973.

To: Members of the Senate Committee on Appropriations.

From: Claiborne Pell (D., R.I.), Chairman, Subcommittee on Education.

The House of Representatives has amended H.J. Res. 496, a supplemental appropriation measure, to include $872 million for student assistance. This is divided as follows:

[*In millions of dollars*]

SEOG	$210.300
Work-Study	270.200
NDSL	269.400
Basic EOG	122.100

I am concerned about this apportionment of the funds, since the amount of money allotted for the Basic Opportunity Grants is insufficient to have any significant impact upon the needs of students.

The present funding situation for student assistance may be summarized as follows:

[In millions of dollars]

Program	Minimum required by law	President's budget
SEOG	$130,093	0
Work-study	237,400	$250,000
NDSL	286,000	0
Basic EOG		622,000
Total	653,493	872,000

Mr. McCLELLAN. Mr. President, I believe that the fund for basic grants must be increased to a level that will make the program in its effect on each student viable. This can be done without exceeding the fiscal 1973 budget—the amount requested by the President for the second supplemental, plus some funds already appropriated pursuant to the President's request—if the following amendment is adopted:

Program and recommended Senate amendment

[In millions of dollars]

SEOG, 175.000 (last year's initial appropriation level; $45 million more than the minimum required by law) ($35.3 million less than in House Amendment).

Work-study, 250.000 (the budget figure is $12.6 million more than the minimum required by law) ($20.2 million less than the House Amendment).

NDSL 269.400 (plus a carryover of $23 million).

Basic EOG, 412.600 (which is 122.100 from the House Amendment, plus 55.5 saved from the House Amendment, to which is added 235.00 already appropriated for Emergency School Assistance which the agency has announced it will not spend).

Total, 1,107.000 (of which $235 million is to be derived from "Emergency School Assistance").

Mr. President, following a thorough analysis of the situation, and on the recommendation of the Labor-HEW Subcommittee chairman, Senator Magnuson, the committee agreed to accept the House version of House Joint Resolution 496.

I now understand, however, that the amendment has been or will be considerably modified and offered on the floor of the Senate by the Senator from Rhode Island (Mr. Pell). My understanding is that the modified amendment will have the approval of the Secretary of Health, Education, and Welfare.

Mr. COTTON. Mr. President, will the Senator yield at that point?

Mr. McCLELLAN. I yield.

Mr. COTTON. What the Senator has just said is true, and perhaps I should indicate, as ranking member of the Subcommittee on Health, Education, and Welfare, that I will be saying a few words on behalf of the Department of Health, Education, and Welfare, which means the administration, in favor of the Pell amendment.

Mr. McCLELLAN. I understood the administration would favor it. The Senator from Washington (Mr. Magnuson) is not here. I owe him an apology; I promised to request a quorum call before I began, but I shall do that when I conclude and give him an opportunity to come to the floor.

Mr. President, the final item in House Joint Resolution 496 was added on the House floor and would appropriate $1.8 million for operating expenses for the national industrial equipment reserve—NIER—established by the National Industrial Reserve Act of 1948.

Under this program industrial equipment is loaned to nonprofit vocational training schools and educational institutions. Over 8,000 items which originally cost $41 million have been loaned to 399 schools in 44 States and are now being used for teaching youths, the handicapped, and disadvantaged persons.

In addition, this equipment is used to

expand defense supporting industries in time of national emergency. During the Vietnam conflict 1,917 tools from the NIER inventory valued at $31 million were activated for industrial production.

NIER was previously funded under the General Services Administration appropriation bill. In fiscal year 1973, the Administration attempted to transfer funding to the Department of Defense. However, the Congress did not include NIER funds in either the GSA or DOD appropriations, and the program officially expired on December 31, 1972. Senator MONTOYA, chairman of the Subcommittee for Treasury, Postal Service, and General Government, held hearings on this item last month and it appears that, in addition to the adverse effect the discontinuance of this program would have on vocational schools, there also would be a deteriorating effect on the general condition of this equipment if simply left in storage.

Mr. President, I shall urge the passage of this joint resolution. I would, however, like to remind my colleagues as we enter upon the consideration of this measure that the second annual supplemental appropriation bill will be presented to the House of Representatives for action, as I understand it, on May 3. This measure has already, I think, over 100 items in it with amounts aggregating or totaling more than $4 billion, so I hope that my colleagues will take that back into consideration with respect to offering further amendments. Any amendments adopted here will send the joint resolution to conference, no doubt, and if the Pell amendment is adopted, I do not know what the House attitude toward it will be. But if the joint resolution gets tied up in conference, in view of the impending recess, we may not get it reported back out of conference until after the recess adjournment.

I suggest that we bear that in mind as we contemplate offering amendments to the pending measure.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I ask unanimous consent that Mr. Hennigan and Miss Sramek, members of my staff, be accorded the privilege of the floor during the consideration and vote on this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McCLELLAN. I yield to the Senator from Rhode Island (Mr. PELL).

Mr. PELL. Mr. President, I ask unanimous consent that Mr. Richard Smith of the staff of the Committee on Labor and Public Welfare be admitted to the floor of the Senate during the consideration of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I had promised the distinguished Senator from Washington (Mr. MAGNUSON) that I would call a quorum. I have overlooked it so far. I should like at this time to call a quorum unless the Senator from North Dakota—

Mr. YOUNG. Mr. President, I have a short statement, if I may. I ask unanimous consent that my administrative assistant, Chris Sylvester, be permitted the privilege of the floor during the consideration of my amendment.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

Mr. YOUNG. Mr. President, as the ranking Republican on the Appropriations Committee on this resolution. I am in full accord with the views expressed by the distinguished chairman, the Senator from Arkansas (Mr. McCLELLAN), with one exception. I do have an amendment of an urgent nature which I will be offering later. I have consulted informally with the chairman of the Appropriations Committee. There are five other cosponsors of my amendment. As soon as amendments are in order, I should like to offer it.

Mr. PERCY. Mr. President, I would like to comment specifically on the portion of this supplemental dealing with veterans benefits.

Last year, Congress appropriated close to $2.25 billion to pay readjustment benefits to veterans, their dependents, and survivors for fiscal year 1973. We are now told by the Veterans' Administration that these funds will be completely exhausted by the end of this month.

Two mitigating factors account for this sudden lack of funds. Firstly, after 2 years of work Congress passed and President Nixon signed on October 24, 1972, the Vietnam-era Veterans' Readjustment Assistance Act of 1973. Pursuant to the substantial increases provided by this new GI bill, the President requested a $318 million supplemental appropriation for fiscal year 1973 in his 1974 budget.

Just last week, the Veterans' Administration informed Congress that they considerably underestimated the number of participants in the various training programs established by the act. An additional $150 million had to be added to the supplemental appropriation to insure that sufficient funds would be available for the remaining 2 months of fiscal 1973.

Although costly, this is encouraging news. At least 124,200 over the estimated 1.92 million veterans are participating in one or more of the VA training, educational, or rehabilitation programs. This increased participation can be directly attributed to the dedication, hard work, and sincere interest of fellow veterans. In Illinois, 110 student veterans are currently employed on a part-time basis by the Governor's Office of Human Resources as "Outreach Workers." This program was established over 2 years ago by former Governor Ogilvie with the aid of Federal Public Employment program funds. These student veterans seek out their newly returned peers, inform them of the available GI benefits, and encourage them to enroll in suitable education or training programs. The direct result of this hard work has been a substantial increase in the number of Illinois veterans who are taking advantage of the benefits to which they are entitled. Assuming this is true in other States, it is easy to see why the VA was unable to correctly estimate the total number of participants.

It is clear that unless these funds are made available to the Treasury Department by April 25, the checks to all those participating in the GI bill will not be mailed on May 1. Over 2.1 million persons would be forced to tell their school administrators, their landlords, and their creditors that the Federal Government had allowed the GI bill to go unfunded. I urge my colleagues not to abandon the men and women who did not desert this country's call to service.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

How much time does the Senator yield to the Senator from Washington?

Mr. McCLELLAN. I yield the distinguished Senator 10 minutes on the resolution.

Mr. MAGNUSON. Mr. President, I should like to take this time to discuss the higher education section of House Joint Resolution 496, the part of the resolution that covers student aid.

Most Members will recall that the authorizing legislation for the higher education programs—the Education Amendments of 1972—became law last June 23. The President's budget proposals for funding the programs that we are considering today were not submitted until January 29 of this year, more than 7 months later.

Once again, Congress is faced with a crisis not of its own making. It was last October that the Labor-HEW Subcommittee encouraged the administration to submit its student assistance budget so that Congress could include the funds in the first fiscal 1973 supplemental appropriation bill.

The authorizing bill has been law since June. We thought they would at least have a program ready by the time Congress took up the first supplemental last October. But we all knew what time of the year it was, and I suppose that influenced the administration to delay in submitting the necessary request at that time. Now we have another crisis.

Our Subcommittee on Labor-HEW programs recognized the urgency of this matter long before anyone even thought of putting student assistance money into the urgent supplemental.

After all, the funds requested are for the school year beginning just a few short months from now. The money must be in the hands of the students as soon as possible, as well as in the hands of the student-aid administrators.

The subcommittee completed its hearings weeks ago and was prepared to mark up the bill the day after the House passed it. Now, as all Members are aware, we are considering a proposal to fund certain student assistance programs under this urgent supplemental resolution.

Let us take a look at some of the specifics. The budget requests, the House bill—I am talking about the total—and the Senate committee, all agreed on $872 million for student aid programs. However the House bill and the Senate committee agree to one distribution, while the administration has another plan.

Specifically, the budget requested $250 million for the college work-study program, and $622 million for the basic opportunity grants or the so-called BOG's programs. As I say, this is a new program, one which I believe might be extremely beneficial when fully operational.

If I may digress a moment, Mr. President, when the Congress was deliberating over the enabling legislation for these programs last year, the fear arose that the BOG's program would be thought of as a replacement for the existing grant and loan programs. To avoid any confusion, Congress included in the law, section 411(b)(4), which stipulates that the basic grants shall not be funded unless the existing programs are funded at certain minimal levels—that is, the educational opportunity grants, the direct student loan program, and college work-study.

We all thought the President agreed to this when he signed the education amendments into law. But, to our surprise, when we saw the budget requests for these three items, we found that the administration disagreed. Despite obvious legal requirements, the budget requested no funds—zero—for supplemental grants, which we know as the educational opportunity grants, or for the National *defense* student loan program.

So the Senate committee has concurred with the House bill, which provides the same level of support for the upcoming school year as was provided for the 1972–73 school year. To provide any less would place great hardship on thousands of students and their families. In addition, there is enough money to start up the new basic grant program. If more is needed for this program, we will be able to consider a request for an additional amount when the next opportunity for funding presents itself. The supplementals come up here about once every month, for some reason.

Let us be reminded what the urgent bill before the Senate now will provide. It will provide $210.3 million for supplemental grant programs, and $122.1 million for BOG's, and if BOG's does not get off the ground in time, we have included language that would allow HEW to use the money for supplemental grants. An additional $269.4 million to continue the student loan program—a program, I might add, which is both essential and proven—which the administration proposes to discontinue. We merely say that these tried and proven programs ought to be continued at least until we get the BOG's program operational.

The bill also would provide $270.2 million, an increase of $20.2 million over the budget for the work-study program. Here again we propose to maintain last year's level of support for an established, well-proven, self-help program.

Last Friday, the Secretary of HEW asked the committee to reject the House bill. Unfortunately, I did not receive the appeal request until about noon. I did not see it until about noon or 1 o'clock, and we had a meeting of the full committee on this matter at 2:30.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. COTTON. I think I should say to the Senator and to the Senate, to make the situation clear, that I owe the chairman, the distinguished Senator from Washington, an apology. I was not notified, as he was not notified, of the position downtown. I authorized my chairman, the Senator from Washington, because I could not be at the meeting, to state for himself and for me that we were in favor of no amendments, in order to avoid a conference with the House; and the Senator so stated for me, with my authorization.

Since then, I have found that because of what is involved in the so-called Pell amendment and because of my position as ranking Republican on the Subcommittee on HEW, and my conferences with the head of HEW, I must today support the Pell amendment, despite the authorization I gave my chairman to announce the contrary at the meeting of the full committee. I want to make clear to him—and to express my sincere apologies to him—that I was forced into this position.

Mr. MAGNUSON. I understand the so-called Pell amendment will be substantially the same as the position taken by HEW's Secretary.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MAGNUSON. May I have 5 more minutes?

Mr. McCLELLAN. Mr. President, I yield 5 additional minutes to the Senator from Washington.

Mr. COTTON. Mr. President, the Senator is entirely correct, but I regret that sometimes the Departments downtown give us their opinion at a very, very late date, which makes it more difficult for us.

Mr. MAGNUSON. Mr. President, the Secretary asked the committee to reject the House bill. Rather, he suggested that we eliminate direct loans, reduce work-study by $33 million, and provide the bare minimum required under the law for supplemental grants. I understand this has now become the Senator Pell amendment.

This is a much more reasonable approach, perhaps, than the original budget request, but it does not fill the bill. More than 300,000 students who would otherwise be getting direct loans could not do so under the Secretary Weinberger and Senator PELL approach. And with nearly 40-percent less money for the supplemental grants, I think it is safe to assert that students would lose out even more under this approach.

The Senator from New Hampshire and I, and the rest of us, look with some hope upon the BOG's program. I think perhaps it will be one of the answers. It is in the 1974 budget. But we are talking about 50 days down the road. In the meantime, this supplemental resolution would prevent the dismantling and elimination of all the student loan grants and the administration's proposal to wipe out the educational opportunity grant program.

The real objective, which is proved, as far as I am concerned, is help to all the students. We think the better part of discretion is to adopt this plan now—and follow it up in the regular second supplemental bill if necessary.

In this case we took the House budget. The House voted it unanimously. I know, and the Senator from New Hampshire knows also, that the House adopted it by a vote of 367 to 0. I happen to be a veteran of many, many conferences. I want to be practical and help all students by keeping the proven ongoing programs in place, and still support the BOG's program.

Mr. COTTON. Mr. President, will the Senator from Arkansas yield me a minute, to ask the Senator from Washington a question?

Mr. McCLELLAN. Yes; but the Senator has his own time on the bill.

Mr. MAGNUSON. We have plenty of time.

Mr. COTTON. I merely wanted to call the attention of the distinguished chairman of the subcommittee to the fact that there is one point I think he is omiting in what he recently said. That point is rather important to the question of the Pell amendment.

A part of the money under the House bill is being appropriated ahead. That is under the national direct student loan program, and it reduces the availability of funds for the basic opportunity grants. The difference that really counts with the Senator from New Hampshire, something he did not realize previously, is that the Pell amendment, which reflects the viewpoint of HEW, cuts out money we are appropriating for 1974 and uses that money for exactly what this bill is termed—an urgency bill, to provide funds immediately under the basic opportunity grants to students for the coming year.

Mr. MAGNUSON. Mr. President, I wish to reiterate to the Senator from Rhode Island that I have been a veteran of many conferences with the House on HEW appropriations. I have no illusions that with a vote of 367 to zero they are going to agree to anything we might put in here that they might think unreasonable.

Mr. PELL. Mr. President, will the Senator yield?

Mr. MAGNUSON. First I wish to finish my statement and then I will be glad to yield.

The PRESIDING OFFICER. The Senator's additional 5 minutes have expired.

Mr. MAGNUSON. Mr. President, will the Senator yield to me for 5 additional minutes?

Mr. McCLELLAN. I yield 5 additional minutes to the Senator from Washington.

Mr. MAGNUSON. Mr. President, there has been some discussion of transferring money already appropriated for the emergency school aid program to buttress the aid for BOG's. Besides setting a bad precedent, a shift of funds would constitute a breach of faith on the part of Congress. The moneys we are talking about were appropriated for specific purposes. I am told by HEW that nearly all the emergency school aid funds will be obligated before the end of the fiscal year. Such a transfer would amount to robbing Peter to pay Paul, and it gets us nowhere. We cannot play musical chairs with this money, because it would get us nowhere and would only add to the smokescreen the administration keeps sending up to confuse the public.

Mr. President, in conclusion, this is the best bill we could have—given the short fuse and the fact that the students need the money right now. This measure is what it says—an urgent supplemental. I hope it can be approved and sent to the President for enactment. Thank you.

There is no problem about the committee giving additional sympathetic or urgent consideration in the next 20 to 30 days to the so-called BOG's program in the second fiscal year 1973 supplemental appropriation bill.

There is about $900 million in the 1974 budget for BOG's and all we are doing is confusing the whole thing on the part of all the students and all the people involved. It seems to me that for the next 30 or 60 days we should continue the ongoing student aid programs that are now there, and that the law says should not be terminated. But the administration has done it by submitting this particular type amendment which would terminate the tried and proven programs, hoping to substitute a new and untried program which would probably cause chaos in the field of higher education student aid. I think it is the better part of discretion to do what we are doing. This resolution would continue student loans, the work study program, the opportunity grants, and all these things that the administration previously said they would not take away if we agreed to phase into the basic grant program.

Why be in a hurry and foul this up in the meantime? What is so urgent about this?

Mr. PELL. Mr. President, will the Senator yield? I will be glad to tell him why.

Mr. MAGNUSON. In just a moment I will be glad to yield to the Senator. We had to consider this matter quite hurriedly. The amendment of the Senator from Rhode Island was presented by someone else. Now I guess it is changed a little. So we have an urgent supplemental. We were told to, "Get going, get going." So we did get going and the House by a vote of 367 to 0 got going. We will give this matter adequate consideration. I think the BOG's program is going to be a good thing once it gets started up. I am hopeful about it. But why foul this urgent supplemental up? Is there any urgency about funding this new program now when other programs that are ongoing and proven are moving ahead but are threatened with elimination or cuts—that will result in a breach of faith with all these people on direct loans, educational opportunity grants, and work-study programs?

Mr. PELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. The Senator can present his amendment.

Mr. PELL. No; the Senator from North Dakota is going to present his amendment first.

Mr. McCLELLAN. I have yielded.

Mr. MAGNUSON. I yield the floor for amendments.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. YOUNG. Mr. President, would the Senator like me to yield to him at this time?

Mr. PELL. No; the Senator may go ahead.

Mr. YOUNG. Mr. President, I have an amendment at the desk I wish to call up.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 2, line 7, insert the following:

School Assistance in Federally Affected Areas

None of the funds made available by the Continuing Resolution as amended (Public Law 92–334), Public Law 93–9 for carrying out Title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), shall be available to pay any local educational agency in excess of 54 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of said Title I and none of the funds shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said Title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools.

Mr. YOUNG. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Chair would like to ask the Senator from North Dakota if this is the amendment of the Senator from North Dakota on which he has 1 hour?

Mr. YOUNG. That is correct.

The PRESIDING OFFICER. The Senator may proceed.

Mr. YOUNG. Mr. President, this amendment is similar to the one that has been cosponsored by the Senator from Nebraska (Mr. HRUSKA) for the last 4 years. Now it has other cosponsors: Senators HRUSKA, BURDICK, CURTIS, McGOVERN, and ABOUREZK. This provision is exactly the one that was in the law for the past 4 years and it was in the bill vetoed by the President.

Mr. President, the amendment which we are offering would authorize the Secretary of Health, Education, and Welfare to provide increased funding for fiscal 1973 for the education of 3-A students under Public Law 874. It has two provisions: it would continue the 100-percent funding for 3-A students where they represent 25 percent or more of the enrollment in a school district, and would provide 90-percent entitlement for all other 3-A students. 3-A students are those whose parents live on military bases or other Federal land.

This amendment is the same as the provision affecting 3-A students which was a part of the HEW appropriations bill vetoed by the President. The amendment is very urgent and critical.

Late Friday afternoon the Office of Education in the Department of Health, Education, and Welfare, announced the release of some impacted area funds which had been impounded. The funds released will provide 54 percent of entitlement for all categories.

A similar provision to the one we are offering today has been included in every HEW appropriations bill since 1970. The urgency of the present situation was brought about by a ruling in the Department of Health, Education, and Welfare that the continuing resolution under which HEW is being financed does not include this authority.

Since the HEW appropriation bill was vetoed, the officials of that Department state—and appropriations officials agree—that under the continuing resolution HEW is limited to the spending provisions of either the House or Senate bill, whichever was the most restrictive. While the Senate bill provided for 100-percent impact funds for this 3-A class student whose parents are living and working on Federal property, the House bill had no such provision.

Mr. President, I do not believe anyone questions the obligation of the Federal Government to provide full entitlement for the education of 3-A children of military families living on bases. In fact, the President's budget for every year since 1970 has recognized this.

The situation is much the same on all military bases—the schools are located on the military bases, but the public system of the nearby city operates and pays the expenses of operating the schools. These school districts, usually hard-pressed, just cannot afford to operate schools on military bases at a loss.

Neither the States nor local subdivisions, including school districts, realize little if any tax revenue from these bases.

There is no property tax, real or personal; they pay no sales taxes on purchases made on the bases through facilities such as commissaries, post exchanges, gasoline stations, liquor stores, or the like.

The military personnel which are assigned to these bases have no choice with respect to their assignment. However, they do have the right for their children to have an opportunity for education without them having to pay tuition to another school, which would be the case if the Federal Government is unwilling to pay the cost of their education.

The present crises at the Ellsworth Air Force Base near Rapid City, S. Dak., is typical of the crisis situation which is approaching. The public school system there, for lack of funds, recently closed the school they were operating for the Air Force base.

Mr. President, I had a call only yesterday from Col. Lester Ekland, commander of Ellsworth Air Force Base, demanding to know what we are going to do about providing school opportunities for his children and those of other personnel on the base.

Permit me to read two telegrams from my State:

Re-874 decision—incredible! Grand Forks lost between $720,000 and $745,000. Over 25 mills. Cannot continue to operate schools for air base dependents unless aid compensates for tax loss.

Need assurance of full 3-A funding. Fast. Erratic government behavior complicates all planning and executive processes. Board and community will not tolerate long.

(S) DR. RICHARD HILL,
Superintendant of Schools, Grand Forks Public School District No. 1 Grand Forks, N. Dak.

Here is another telegram from Minot:

Failure to receive 100% funding for 3–A students located at Minot Air Force Base will result in calamitous financial situation for the Minot School Board by losing about $160,000. Any decrease in previous funding levels can and will seriously jeopardize our ability to continue operating these air base schools.

> As we have submitted numerous times in the past, all our cost data indicates our per pupil costs to be much higher for 3–A students than local resident students. If funding levels are maintained, the school board will meet in emergency session to consider their position as to continued operation of the Minot Air Force Base schools.
>
> Your urgent support is requested to maintain the funding level in highly impacted districts."
>
> (S) Dr. MARLOWE JOHNSON,
> *Superintendent of Schools, Minot, N. Dak.*

Mr. President, providing 100-percent entitlement for this particular category of children does not represent a windfall to the school districts, but only pays them for their actual cost of educating children.

This is merely a tax replacement payment for the cost to the school district providing education for these children. These local school districts cannot afford to continue providing high-quality education for these children at a considerable financial loss to the school district.

In the case of these two schools, the schools are located on the base but operated by the nearby school districts.

If the public school districts are no longer able to absorb these costs, and they have reached that point, the only alternative is for the Department of Health, Education, and Welfare to operate the schools. This can be done under section 6 of Public Law 874. This method of providing education would be more expensive than the policy followed now of paying the local school districts for the education of these children.

Mr. President, if the Federal Government decided to operate the schools under section 6 the cost of such operation would come off the top of moneys appropriated before any other allocations for any categories are made.

Section 6 school operations have the first claim to the full extent they are needed on any Public Law 874 funds appropriated.

As to the cost of such a program, school administrators inform me that their best estimate is that it would cost the Federal Government at least twice as much to operate these schools under section 6 as it now costs the local school districts to provide education to these children living on military bases.

I believe, Mr. President, that the local school districts could not only provide a better education for the children living on the bases than the Defense Department could if they operated it themselves, but the overall cost to the Federal Government would be less if we worked through and with the local school districts.

Mr. President, I deem it of the utmost importance that this amendment be approved. Mr. Caspar Weinberger, who is the Secretary of the Department of Health, Education, and Welfare, advised me that because of the veto of their appropriations bill last year, there is no legal authority for them to continue payments at these levels.

Mr. HRUSKA. Mr. President, will the Senator yield me 5 minutes?

Mr. YOUNG. I yield 5 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, this is called the urgent supplemental appropriation bill, and if it would apply to any situation, it would apply to the situation concerning the category A impacted schools. The school areas served in North Dakota to which the Senator from North Dakota has referred are among the high impact areas. There is a school district in Bellevue, Nebr., which is adjacent to Offutt Air Base, which is likewise a high impact area. When I tell the Senate that only 27 percent of the enrollment of 10,000 students is not federally connected, and that nearly 40 percent is in category A, then the gravity of the situation can be speedily discerned. They have a category A population of 3,884 out of 10,044—40 percent of the student body. Category B military constitute an additional 2,866 or 29 percent. Category B civilian amount to only 584 or about 6 percent. So it is a situation where a school with 10,000 students has a budget for some $8 million, about 45 percent of which comes from the school impact aid, and justly. Certainly 45 percent is not high when the federally connected students in that area are 73 percent of the total enrollment.

So our situation is grave. It will resolve itself into a very premature closing of that school, pretty much on the basis of what has already happened in Rapid City, S. Dak., if we do not have this amendment and its benefits immediately. The situation is bad.

If time permitted, the mill levy, which already is at the 61.4 mill rate, would have to be increased at once by more than 40 percent just to keep the school open. Of course, time does not permit the levying of such taxes, and it would be unconscionable to do so under the circumstances.

Mr. President, I wish to make a more detailed statement at this time.

Again I come before the Members of this body to make my annual plea for adequate impact aid funds for those school districts adjacent to large military installations. I had hoped that my remarks of June 27, 1972, would have made clear my basic position with respect to the fiscal 1973 appropriation. Due to the inability of the Congress to agree upon an appropriation bill for the Departments of Labor and Health, Education, and Welfare that will survive a Presidential veto, we are forced to reconsider funds for fiscal year 1973 which are critical for some 40 school districts throughout the Nation.

Mr. President, the fiscal 1973 situation was left to confusing interpretations under the continuing resolution. We would all agree that this is an unfortunate and inadequate method by which Congress appropriates funds. However, we had little choice in this situation.

While I fully understand and appreciate the reasons behind President Nixon's vetoes of the two previous bills, I would also like to point out that both of those bills contained very significant language with respect to the funding of Public Law 874. By guaranteeing 100 percent of entitlement for 3(a) on base students when 25 percent impacted and of 90 percent of entitlement for other 3(a) impaction situations; and of 73 percent for 3(b) off base students, the Congress served notice that the highest Public Law 874 priorities would go to those school districts which suffer severe financial difficulties due to the presence of military installations. Such districts have no choice but to accept students from military families. These districts tax themselves to the hilt. Yet they receive no property taxes from those families who reside on Federal property.

Impact aid was designed to fulfill a responsibility. It is a payment by the Federal Government to a school district for that school district's willingness to educate a youngster who would not normally be part of that district had it not been for the presence of a military base.

Unfortunately, the Department of Health, Education, and Welfare has ruled that under the terms of the continuing resolution the language written into the 1973 bills does not apply. The Department has decided to apportion the money on a pro rata basis. This means that no distinction is being made between genuinely impacted school districts and those which have been receiving impact aid as an added extra to their budgets.

Mr. President, the Bellevue School District of my State is one of the most highly federally impacted school districts in the Nation. I want to share with you the ramifications for Bellevue if we permit this interpretation of the continuing resolution without change. The school district has an annual budget of about $8 million. Impact aid accounts for approximately 45 percent of that total. From an anticipated $3,435,000, Bellevue will receive under the terms of the continuing resolution $1,825,000. Mr. President, that is $1,610,000 short of what they had anticipated. Now I ask you, how is Bellevue going to make up such a loss? This says nothing about the fact that the school year is close to ending, that teacher contracts must be negotiated, et cetera.

Mr. President, I have learned that such a decrease represents a substantial increase in the already high mileage rate being paid in Bellevue—by more than 40 percent. Let us be realistic. There is no way the school district can bear such a loss on such short notice. It will have to close the school.

I ask unanimous consent to have printed at this point in the RECORD a tabulation showing school enrollments, comparison of mill levies, and so forth.

There being no objection, the tabulations were ordered to be printed in the RECORD, as follows:

BELLEVUE PUBLIC SCHOOLS ENROLLMENT

	Number	Percent
Average daily attendance 1972–73 school year:		
3(a) students	3,884	38.7
3(b) students (military)	2,866	28.5
3(b) students (civilian)	584	5.8
Other students	2,710	27.0
Total	10,044	100.0
Total impaction	7,334	73.0
Relative impaction	5,609	56.0

Comparison of mill levies

Mill levies, 1972–73:

Bellevue	61.40
Omaha	56.49
Lincoln	55.03
Westside	54.24
State average	28.00

Comparison of assessed valuation per pupil

Assessed Valuation per pupil in ADA, 1972–1973 (Rate is 35 percent of real valuation)

Westside	$16,134
Lincoln	13,925
Omaha	12,909
Bellevue	4,283
State average	17,186

Comparison of total assessed valuation

Total Assessed Valuations for School Districts of Approximately Equal Enrollment (Rate is 35 percent of real valuation)

Westside	$156,097,174
Bellevue	49,133,588

Costs per pupil in ADA, 1972–72

Westside	$878.50
Lincoln	865.23
Omaha	774.37
Bellevue	736.64
State average	834.71

BELLEVUE PUBLIC SCHOOLS BUDGET FOR 1972–73

	Estimated	Percent
Professional staff salaries	5,596,000	68.0
Classified staff salaries	1,075,400	13.1
Salary related items	384,400	4.7
Utilities	157,850	1.9
All other expenditures	1,013,600	12.3
Total	8,227,000	100.0

Mr. HRUSKA. Mr. President, that is why I rise in support of Senator Young's amendment to this supplemental appropriations bill. It is a fair amendment that brings justice to the situation. It appropriates the funds, adding to the administration figure, and adds the qualifying language which is so necessary to save those severely impacted school districts such as Bellevue.

Surely, my colleagues can see the wisdom in such an amendment. It does nothing to affect the administration figure for "B" students. It simply insures that "A" students are given the highest priority. It will avoid the financial chaos that will inevitably occur if we let the terms of the continuing resolution stand.

I ask unanimous consent that the text of the Young amendment and a brief statement of explanation be inserted at the conclusion of my remarks.

There being no objection, the amendment and explanation were ordered to be printed in the Record, as follows:

H.J. Res. 496

On page 2, line 17, insert the following:

"School Assistance in Federally Affected Areas

"None of the funds made available by the Continuing Resolution as amended (Public Law 92–334), Public Law 93–9) for carrying out Title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), shall be available to pay any local educational agency in excess of 54 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of said Title I and none of the funds shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said Title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools."

School Assistance in Federally Affected Areas

EFFECT OF AMENDMENT STATEMENT

The Continuing Resolution authorizes a level of funding of $635,495,000 for school assistance in Federally affected areas and includes language to pay both "A" and "B" students at 84 percent of entitlement.

The Administration's recently announced spending plan is based on release of $415,000,000 of the amounts provided in the continuing resolution and would pay both "A" and "B" students at 54% of entitlement.

The amendment is based on a spending plan of approximately $500 million and would pay 100% of entitlement for high impact "A" students (25% or more of student enrollment with parents who both live and work on Federal property); 90% entitlement for all other "A" students. This has been the level of payment for "A" students in recent years.

Payments of "B" students (those whose parents either live *or* work in Federal property) would be at the 54% entitlement level—the level proposed in the Administration's spending plan.

Release of approximately $85 million above the Administration's spending plan would be used to pay the higher entitlements for "A" students without reducing payments for "B" students below the 54% level proposed by the Administration. The $500 million level proposed in the amendment, although $85 million above the Administration's current spending plan, is still $135 million *below* the level provided in the Continuing Resolution.

Payments to Section 6 students (Indians on Reservations, etc.) would remain unchanged at 100% of entitlement.

The **PRESIDING OFFICER.** Who yields time?

Mr. YOUNG. Mr. President, I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I have two matters which I consider very urgent which should go in any urgent supplemental appropriation measure. One is to provide Neighborhood Youth Corps funds for summer jobs, and the other is to fund the legal services program.

In respect to summer jobs, the administration has given us a Hobson's choice of either having a greatly diminished public service program or having no Neighborhood Youth Corps summer program. This is entirely wrong. I testified to that effect before the Appropriations Committee on March 28, 1973.

I have every confidence that, within the proper frame—and that will be in the next supplemental appropriation bill coming next month—the Appropriations Committee will, as it has before, endeavor to do justice by the Neighborhood Youth Corps.

I have a similar feeling relating to the legal services effort, which also falls between two chairs. The administration takes the position that if there is no legal services corporation there will be no money, and yet no proposal has been offered by the administration for a corporation.

Accordingly, while I consider these two matters as being urgent, I am not going to press for them on this measure, as I believe they would be harmed by not coming in the proper frame of reference.

I shall now outline these two requests in more detail.

First, for the Neighborhood Youth Corps summer program—which provides work experience during the summer months for poor youth aged 14 to 21 and related recreation and transportation—a supplemental of $232,317,799.

This amount, if made available along with $256.5 million already appropriated for the summer job program and $16.7 million which the administration plans to make available for recreation and transportation from other sources, will provide an aggregate of $505,517,799 for the program for this summer.

It was that agregate which I urged the administration to make available in a letter to the President dated February 20, 1973, joined by 26 of my colleagues, as follows: Abourezk, Bible, Brooke, Burdick, Cannon, Case, Clark, Cranston, Gravel, Hart, Haskell, Hathaway, Hatfield, Huddleston, Hughes, Humphrey, Kennedy, McGee, Mondale, Moss, Muskie, Nelson, Randolph, Tunney, Weicker, and Williams.

Our request was based on a city-by-city survey conducted by the National League of Cities-U.S. Conference of Mayors at our request.

The administration responded on March 21, 1973 with an announcement that it plans to provide 710,000 summer jobs through the Department of Labor, as well as recreation and transportation and additional job opportunities from other sources.

The major fly in the ointment with respect to the administration's plans is that none of the proposed Department of Labor slots are to be funded from the Neighborhood Youth Corps summer program, for which the Congress had already appropriated $256.5 million. In lieu of that, States and cities are urged by the administration to divert for summer youth programs at least $300 million in funds out of a total of $1.25 billion already appropriated for use this year under the Emergency Employment Act of 1971—a completely different authority designed principally to provide transitional employment for veterans and persons generally in the adult categories.

As I indicated at the time of the President's announcement, the administration's proposal represents a combination of impoundment and breach of promise, presenting a "Hobson's choice" to the States and cities in effect of firing the father to hire the son.

Accordingly, now we must not only seek the additional supplemental but insist that the President spend the funds already made available, and not rescind that appropriation as the administration has requested and without diminution of the effort under the Emergency Employment Act.

Mr. President, I ask unanimous consent that there be printed at this point in the Record a chart prepared by my office from information available generally, showing a breakdown of our requests and the overall summer job and recreation picture.

There being no objection, the chart was ordered to be printed in the Record, as follows:

ESTIMATED OPPORTUNITIES AND FEDERAL FUNDS FOR SUMMER YOUTH PROGRAMS

[Dollars in millions; opportunities in thousands]

	Summer 1971		Summer 1972		Administration's plans, summer 1973 estimated		Proposed amendment (showing changes only) summer 1973 estimated		
	Amount	Opportunities	Amount	Opportunities	Amount	Opportunities	Amount (aggregate)		Opportunities (aggregate)
Employment programs:									
Department of Labor summer jobs	$257.9	609.3	$318.8	[1]753.0	[2]$300.0	710.0	[3]$476.8	($220.38)	[4]1,018,991
Federal summer employment program for youth	48.7	72.7	50.4	65.4	50.4	63.0			
Youth Conservation Corps	2.5	2.7	2.8	3.2	3.5	3.5			
Employment service youth summer placements	([5])([6])	104.0	([5])	119.6	([5])	120.0			
National Alliance of Businessmen Summer Hires	([5])([7])	151.0	([5])	177.0	([5])	175.0			
Subtotal	309.1	939.7	372.0	1,118.2	353.9	1,071.5	530.7		1,380.491
Recreation programs:									
Summer recreation support	12.8	1,900.0	15.0	2,230.0	15.0	2,230.0	24.9	(9.94)	3,716.7
National summer youth sports	2.9	43.0	3.0	43.0	3.0	43.0			
Subtotal	15.7	1,943.0	18.0	2,273.0	18.0	2,273.0	27.9		3,759.7
Supportive service programs:									
Summer transportation	1.5	851.1	1.7	855.0	1.7	855.0	3.6	(1.98)	1,810.5
Summer feeding	19.1	923.0	29.6	1,259.0	50.6	1,973.0			
Subtotal	20.6	1,774.1	31.3	2,114.0	52.3	2,828.0	54.2		3,783.5
Tota	345.4	4,656.8	421.3	5,505.2	424.2	6,142.2	505.5	(232.30)	7,319.3

[1] 9-week opportunities.

[2] From funds appropriated for the Emergency Employment Act under Public Law 93-9.

[3] Of which $256.5 million was already appropriated under Public Law 92-607 and Public Law 93-9, but for which the administration has requested "rescission."

[4] 10-week opportunities.

[5] Not available.

[6] This program is annually generated by issuances from the National Office of the Employment Service. Local implementation is carried out using available resources, for which separate accounting records are not maintained.

[7] NAB administrative overhead costs for the national office staff is funded by the Federal Government. No estimate of the costs applicable to the summer hires program is available though this sum is undoubtedly small.

Mr. JAVITS. Mr. President, second, $71.5 million in advance funding for the legal services program now conducted by the Office of Economic Opportunity. This request was made on behalf of myself and Senators NELSON, CRANSTON, TAFT, STAFFORD, and MONDALE.

Unable to reach agreement with the administration last year on the specific terms of legislation to establish a new national legal services corporation—a concept which is generally favored by the administration, the Congress, the organized bar, and those who conduct the program—the Congress provided for the continuation of the existing legal services program for a period of 2 years, through fiscal year 1974, with a reservation of $71.5 million for each fiscal year.

The administration has requested $71.5 million for fiscal year 1974, but only if the effort is to be conducted by a new legal services corporation, which it plans to propose, but has yet to submit.

These facts leave the present program up in the air as to funding when this fiscal year runs out in less than 3 months with all of the diminution in services, personnel problems, and loss of momentum that can be expected in such a situation.

It is for these reasons that I have testified before the subcommittee urging an advance appropriation for the existing effort in such a manner as to permit administration by a new national legal services corporation or, should OEO go out of existence—over our objections—by HEW in the interim.

Mr. President, for these reasons, these efforts—although not unique—are real cliffhangers and I believe would deserve attention on this urgent supplemental.

However, I shall not propose either by amendment at this time for—despite their great urgency—the fact is that the effective operation of the Congress as a body depends greatly on the committee system and I am advised by the committee that it intends to act on these two matters—by Neighborhood Youth Corps and Legal Services in the context of the second supplemental appropriation bill, which should be passed by the House and sent here soon after the House returns from recess at the end of this month.

To seek these funds now would preclude the opportunity which should be given in all respect and justice to the committee to consider and take appropriate action with respect to our requests.

There has not been an occasion in recent years where I felt that the Committee on Appropriations has not given my requests for these programs—as well as for other programs—the utmost consideration, leading often to a committee amendment to meet at least part of the needs outlined.

I have served on the Committee on Appropriations and I know that it is very important that these matters be fully considered first by the committee in the most appropriate context.

For these reasons, I shall not offer amendment on these matters at this time but serve notice of their own urgency and hope that the committee will react sympathetically when the second supplemental bill is considered.

I should note in that connection an editorial appearing in the Washington Post for April 6, 1973 entitled "Summertime Games or Jobs" in support of our initiative.

The editorial notes the "startling fact"—which underlies much of our concern that—while teenage employment is "edging down"—unemployment among nonwhite youths in poor neighborhoods ranges from 25 to 40 percent. It concludes:

> This is a case in which the Congress has recognized a need, and should now take all necessary steps to insure that legislative intent will not be brushed aside.

As in so many other matters in recent days in the battle between the Congress and the Executive, I trust that we will not allow it—or the legal services funding—to be brushed aside. Accordingly, I hope that other Members will join with us as these matters are raised in the form of an amendment to the second supplemental appropriation bill in the coming weeks.

So in closing, I will rely upon the great sympathy that has been displayed by the Senator from Washington (Mr. MAGNUSON), the Senator from New Hampshire (Mr. COTTON) and other members of that Appropriations Subcommittee and deal with these question in the second supplemental which will be coming up.

I thank my colleague very much.

I ask unanimous consent that there be printed in the RECORD a copy of the editorial, our letter of February 20, 1973, to the President, together with a response thereto dated April 2, 1973 from Roy L. Asch, Director of the Executive Office of the President, and a telegram from the National League of Cities-U.S. Conference of Mayors subsequent to announcement of the administration reaffirming the continued need for the supplemental.

There being no objection the material was ordered to be printed in the RECORD, as follows:

SUMMERTIME: GAMES OR JOBS?

There is a large amount of sham in President Nixon's announcement that $424 million in federal funds "will be available" for youth programs this summer. The package includes $50.3 million for federal jobs for young people, $3.5 million for the Youth Conservation Corps, and about $70 million in grants for local recreation, nutrition and transportation programs for disadvantaged children. That much is straightforward. But then there is the matter of summer jobs for needy teen-agers—and there, of all places, is where the administration's shell game is being played. Congress has already appropriated $256.5 million for the summer Neighborhood Youth Corps, which was what Mr. Nixon requested last year. But the President has decided not to spend that money; in fact, he has formally asked Congress to take it back. Instead, he now suggests, the states and cities should be able to spare about $300 million from their allotments under the Emergency Employment Act to finance this summer's jobs for the thousands of teenagers who will be out of school without constructive ways to earn some income and learn some skills.

The first point is that the full $300 million would not be enough. The annual survey by the National League of Cities-Conference of Mayors shows a need for almost $477 million for 1,018,991 summer jobs. To compound the problem, even that $300 million is "available" for this purpose only in the most hypothetical sense. The Emergency Employment Act was designed and is being used to meet an entirely different economic need, the need for transitional public-service jobs for unemployed adults such as returning veterans and welfare recipients. In some cities, the public employment programs (PEP) are so fully subscribed that shifting any funds to summer jobs would mean, in the current catch-phrase, "firing the father to hire the son." Other cities might be able to scrape together minimal summer programs for some jobless youth by suspending the hiring of jobless adults, but the administration's approach seems sure to leave large numbers of both parents and their children mired in unemployment.

The administration suggests that mayors should welcome the chance to make such choices. When a quarter-billion budget cut is involved, however, flexibility becomes a farce. Ever since Mr. Nixon's austerity budget was unveiled, many have charged that special revenue-sharing is just a euphemism for deep slashes in federal urban aid. The summer-job shell game confirms these apprehensions in the most painful way.

It serves little to say, as Mr. Nixon did recently, that the over-all unemployment rate among the nation's youth is edging down. The staggering fact is that among non-white youths in poor neighborhoods, the rate of joblessness still hangs somewhere between 25 and 40 per cent. Sen. Jacob K. Javits and others are pressing for a new appropriation of about $220 million for the summer Neighborhood Youth Corps, plus congressional insistence that the $256.5 million already appropriated for this purpose will be spent to put teen-agers to work. It is a sound and important appeal. This is a case in which Congress has recognized a need, and should now take all necessary steps to insure that legislative intent will not be brushed aside.

JAVITS AND 26 OTHER SENATORS URGE PRESIDENT, TO REQUEST FUNDS FOR SUMMER JOB PROGRAM FOR YOUTHS

DEAR MR. PRESIDENT: We are writing to urge you to submit revised and amended budgetary requests for fiscal year 1973 for an aggregate of $505,517,789 for the Neighborhood Youth Corps summer job program and related transportation and recreation components for the coming summer. The Administration's revised budget request for fiscal year 1973 does not request any funds for the program.

As you know, the Neighborhood Youth Corps summer jobs program, which is authorized under the Manpower Development and Training Act of 1962 and the Economic Opportunity Act of 1964, provides work experience opportunities with public and private non-profit agencies, and related transportation for economically disadvantaged youth, fourteen to twenty-one years of age; the recreational component of the program funds meaningful activities for poor youth six to twelve years of age.

Our request consists of the following elements:

$476,887,788 for the Neighborhood Youth Corps summer job program to make available an aggregate of 1,018,991 job opportunities, as outlined in detail below; last year the Administration provides 740,200 opportunities with an aggregate of $316,250,000.

$24,946,580 for the recreation component; last year a total of $14.8 million was provided.

$3,683,431 for the transportation element; last year, $1.2 million was made available.

These requests are documented on a city-by-city basis in the enclosed letter dated January 12, 1973 and attachments to Senator Javits from the National League of Cities-United States Conference of Mayors, which represent the Nation's cities.

As stated in the National League of Cities letter, the amounts requested are those which the cities may "effectively utilize". In fact, the overall needs are much greater; for example, the Department of Labor estimates that in the job program more than 1.8 million poor youth could benefit—almost twice the number which may be covered under our request.

The Administration's position is set forth in the enclosed letter dated February 2, 1973 from the Secretary of Labor, Peter J. Brennan, which states:

"Under the President's revised 1973 budget, the Manpower Training Services appropriations does not contain funds for the funding of a 1973 NYC Summer Program. Instead, local sponsors of EEA projects will be permitted to use, to the extent they desire, 1973 EEA funds for a summer employment program. In addition, States and local communities may elect to use existing Manpower Training Services funds available in the communities to supplement the EEA summer program."

While we recognize and share the Administration's general concern with respect to limiting federal expenditures during the current fiscal year, we believe that funding for the Neighborhood Youth Corps should be given the highest priority and attention. Although the Administration has been successful in reducing unemployment nationally from six percent to five percent, disadvantaged youth in poverty areas continue to face unemployment rates ranging from thirty to forty percent. The Neighborhood Youth Corps program is designed for that group and provides a meaningful alternative to wasted summers of restlessness.

The Emergency Employment Act of 1971 (EEA) cannot be viewed as an adequate alternative source of funding to meet the employment needs of poor youth. As you know, the Act is designed to reach all ages and socio-economic groups and coverage is largely at the discretion of State and local sponsors. Unfortunately, experience indicates that coverage of poor youth will not be adequate to their needs. Of the 138,170 job opportunities presently funded under the $1.0 billion available nationally, only 14,150—or approximately 10.2 percent—are held by poor youth under the age of twenty-two; even if the Administration's request for an additional $250 million for fiscal year 1973 is appropriated, it is quite clear that the aggregate number of slots that could be made available to poor youth from these new sources will not begin to meet the needs which we have documented.

Similarly, manpower training services funds available in communities will not be satisfactory alternative sources of jobs for poor youth; in fact, if the Administration's new requests for fiscal year 1973 are appropriated, appropriations (not taking into account the Neighborhood Youth Corps summer program) will fall approximately $200.0 million below the actual level for fiscal year 1972.

We were very gratified by your support for a supplemental appropriation last summer and we urge you to respond to these needs at the earliest possible time so that youth can make plans for a profitable and meaningful summer and the communities and agencies responsible for administering the program may ensure the most effective use of funds.

Very truly yours,

James Abourezk, Quentin N. Burdick, Dick Clark, Floyd K. Haskell, Mark O. Hatfield, Hubert H. Humphrey, John E. Moss, Jennings Randolph, Lowell P. Weicker.

Alan Bible, Howard W. Cannon, Alan Cranston, William D. Hathaway, James E. Huddleston, Edward M. Kennedy, Edmund S. Muskie, John V. Tunney, Harrison A. Williams, Jr.

Edward W. Brooke, Clifford P. Case, Mike Gravel, Philip A. Hart, Harold Hughes, Gale McGee, Gaylord Nelson, Walter F. Mondale.

NATIONAL LEAGUE OF CITIES-U.S.
CONFERENCE OF MAYORS,
January 12, 1973.

Hon. JACOB K. JAVITS,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR JAVITS: In response to your request for information, we have made inquiries as to the cities' 1973 needs for the summer Neighborhood Youth Corps slots. The information we have received from the 50 largest cities shows that the total number of slots these 50 large cities could effectively use this summer is 421,930.

On the basis of our contacts with a sample of smaller cities, we estimate that their needs and the number of slots these smaller cities could effectively utilize total 597,061.

Combining these figures—the total for the 50 largest cities with estimated needs for the balance of the Nation—the present real need for 1973 is 1,018,991 slots nationwide.

We trust that these statistics will be helpful to you in pointing up the critical need for an adequate appropriation for the summer Neighborhood Youth Corps.

Sincerely,

ALLEN E. PRITCHARD, Jr.,
Executive Vice President,
National League of Cities.
JOHN J. GUNTHER,
Executive Director,
U.S. Conference of Mayors.

SUMMER NEIGHBORHOOD YOUTH CORPS

	Rank in size	Population	Slots				1973 amounts needed[2]
			1972 need	1972 actual[1]		1973 need	
Region I: Boston	16	641,000	5,000	5,213	(4,692)	6,400	$2,995,200
Region II:							
Buffalo	28	463,000	4,268	2,238	(2,014)	6,834	3,198,312
Newark	35	382,000	14,563	7,000	(6,300)	14,563	6,815,484
New York	1	7,868,000	77,500	54,800	(49,320)	77,500	36,270,000
Rochester	49	296,000	4,650	1,030	(927)	4,650	2,176,100

	Rank in size	Population	Slots				
			1972 need	1972 actual[1]		1973 need	1973 amount needed
Region III:							
Baltimore	7	906,000	9,420	7,712	(6,941)	9,420	$4,408,560
Norfolk	47	308,000	2,625	2,200	(1,980)	3,500	1,638,000
Philadelphia	4	1,949,000	12,500	8,571	(7,714)	15,000	7,020,000
Pittsburgh	24	520,000	9,265	5,670	(5,103)	9,265	4,336,000
District of Columbia	9	757,000	36,000	3,999	(3,599)	20,000	9,360,000
Region IV:							
Atlanta	27	497,000	3,408	4,680	(4,212)	5,388	2,521,584
Birmingham	48	301,000	2,135	2,757	(2,481)	2,774	1,298,232
Jacksonville	23	529,000	1,735	637	(573)	2,500	1,170,000
Louisville	38	361,000	3,500	2,250	(2,025)	3,500	1,638,000
Memphis	17	624,000	2,394	1,935	(1,741)	2,394	1,120,392
Miami (Dade County)	42	335,000	8,226	5,429	(4,886)	8,226	3,849,768
Nashville	30	448,000	2,000	1,700	(1,530)	2,000	936,000
Tampa	50	278,000	6,515	2,649	(2,384)	6,515	3,049,020
Region V:							
Chicago	2	3,367,000	40,000	31,617	(28,455)	40,000	18,720,000
Cincinnati	29	452,000	3,000	3,592	(3,233)	5,000	2,340,000
Cleveland	10	751,000	11,100	12,457	(11,211)	12,500	5,850,000
Columbus	21	540,000	2,000	1,650	(1,485)	1,800	842,400
Detroit	5	1,511,000	25,000	18,488	(16,639)	25,000	11,700,000
Indianapolis	11	745,000	2,500	2,100	(1,890)	3,000	1,404,000
Milwaukee	12	717,000	3,000	3,379	(3,041)	3,379	1,581,372
Minneapolis	32	434,000	2,735	1,800	(1,620)	3,080	1,441,440
St. Paul	46	310,000	1,025	1,120	(1,008)	1,300	608,400
Toledo	34	384,000	990	1,400	(1,260)	1,400	655,200
Region VI:							
Dallas	8	944,000	2,280	1,505	(1,355)	2,280	1,067,040
El Paso	45	322,000	3,000	1,168	(1,051)	4,672	2,186,496
Fort Worth	33	393,000	1,507	155	(140)	1,507	705,276
Houston	6	1,233,000	3,560	5,284	(4,756)	5,664	2,650,752
New Orleans	19	593,000	5,000	3,085	(2,776)	5,000	2,340,000
Oklahoma City	37	366,000	1,530	1,010	(909)	1,530	716,040
San Antonio	15	654,000	5,514	5,080	(4,572)	6,000	2,808,000
Tulsa	43	332,000	1,011	771	(693)	1,011	473,148
Region VII:							
Kansas City	26	507,000	4,000	3,580	(3,222)	4,000	1,872,000
Omaha	41	347,000	1,670	867	(780)	1,670	781,560
St. Louis	18	622,000	5,910	8,060	(7,254)	9,000	4,212,000
Region VIII: Denver	25	515,000	2,100	2,038	(1,834)	2,100	982,800
Region IX:							
Honolulu	44	325,000	2,800	791	(711)	2,800	1,310,400
Long Beach	40	358,000	432	384	(345)	432	202,176
Los Angeles	3	2,813,000	24,568	25,319	(22,787)	27,491	11,700,000
Oakland	39	362,000	5,850	2,050	(1,845)	5,850	2,737,800
Phoenix	20	582,000	17,000	3,964	(3,567)	17,000	7,956,000
San Diego	14	697,000	4,510	4,733	(4,259)	5,500	2,574,000
San Francisco	13	716,000	8,000	4,000	(3,600)	8,000	3,744,000
San Jose	31	446,000	3,535	1,910	(1,719)	3,535	1,654,380
Region X:							
Portland	36	382,000	5,000	2,500	(2,250)	5,000	2,340,000
Seattle	22	581,000	5,000	2,163	(1,947)	5,000	2,340,000

Footnotes at end of next table.

SAMPLING OF CITIES OTHER THAN 50 LARGEST

	Population	Slots				1973 amounts needed[2]
		1972 need		1972 actual[1]	1973 need	
Akron, Ohio	275,425	1,216	1,190	(1,071)	1,351	$632,268
Albany, N.Y	114,873	540	449	(404)	600	280,000
Albuquerque, N. Mex	243,751	1,000	815	(733)	1,000	468,000
Amarillo, Tex	127,010	1,092	820	(738)	1,200	561,600
Baton Rouge, La	165,963	225	150	(135)	250	117,000
Columbia, S.C	113,542	1,825	2,030	(1,827)	2,030	950,040
Columbus, Ga	154,168	1,820	1,720	(1,548)	2,000	936,000
Dayton, Ohio	243,601	1,500	1,320	(1,188)	2,500	1,170,000
Des Moines, Iowa	200,587	750	750	(675)	750	351,000
Erie, Pa	129,231	950	950	(855)	950	444,600
Flint, Mich	193,317	1,800	920	(828)	2,000	936,000
Fort Lauderdale, Fla	139,590	540	600	(540)	600	280,800
Gary, Ind	175,415	4,447	3,500	(3,150)	4,447	2,081,196
Greensboro, N.C	144,076	871	880	(792)	968	453,028
Hartford, Conn	158,017	2,730	2,495	(2,245)	3,000	1,404,000
Jackson, Miss	153,968	757	403	(363)	757	354,276
Knoxville, Tenn	174,587	1,520	1,520	(1,368)	1,520	711,360
Lansing, Mich	131,546	900	460	(414)	1,000	468,000
Lincoln, Nebr	149,518	350	386	(347)	400	187,200
Little Rock, Ark	132,483	1,320	72	(65)	1,320	617,760
Mobile, Ala	190,026	900	756	(680)	950	444,600
Montgomery, Ala	133,386	500	557	(501)	570	266,760
Riverside, Calif	140,089	150	75	(67)	150	70,200
Santa Ana, Calif	156,601	2,550	1,900	(1,710)	2,800	1,310,400
Savannah, Ga	181,349	600	550	(450)	650	304,20
Shreveport, La	182,064	637	628	(565)	700	327,600
Syracuse, N.Y	197,208	1,365	1,200	(1,080)	1,500	702,000
Tacoma, Wash	154,581	600	588	(529)	600	280,800
Wichita, Kans	276,554	980	1,075	(967)	1,075	503,100
Winston-Salem, N.C	132,913	850	750	(675)	850	397,800
Worcester, Mass	176,572	825	705	(634)	900	421,200
50 largest total		410,831	278,490	(250,641)	421,930	197,463,240
Balance of cities		537,893	461,732	(415,559)	597,061	279,424,548
Total		948,724	740,222	(666,200)	1,018,991	476,887,788

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[1] All figures in the above chart represent 10-week slots except the first column under "1972 actual," which are 9-week slots.

[2] Dollar figures represent 10-week, 26-hour slots at $5.65 per hour.

SUMMER RECREATION SUPPORT PROGRAM (RSP)

	1972 need	1972 actual	1973 need
Region I: Boston	$180,000	$168,000	$350,000
Region II:			
Buffalo	120,000	123,000	125,000
Newark	140,000	100,000	200,000
New York	2,934,000	2,336,000	2,934,000
Rochester	95,000	68,000	136,000
Region III:			
Baltimore	335,000	302,910	335,000
Norfolk	180,000	132,000	201,500
Philadelphia	700,000	543,000	1,000,000
Pittsburgh	165,000	168,000	200,000
District of Columbia	364,000	245,000	364,000
Region IV:			
Atlanta	180,000	143,000	180,000
Birmingham	170,000	120,000	170,000
Jacksonville	175,000	150,000	250,000
Louisville	130,000	96,000	130,000
Memphis	305,000	264,000	305,000
Miami (Dade County)	192,000	126,000	192,000
Nashville	150,000	150,000	200,000
Tampa	175,000	132,000	175,000
Region V:			
Chicago	2,100,000	913,000	2,100,000
Cincinnati	175,000	135,000	175,000
Cleveland	205,000	230,000	380,000
Columbus	211,000	132,000	211,000
Detroit	897,000	399,000	897,000
Indianapolis	195,000	130,000	260,000
Milwaukee	155,000	144,000	160,000
Minneapolis	96,000	63,000	130,000
St. Paul	58,000	36,000	58,000
Toledo	120,000	84,000	120,000
Region VI:			
Dallas	$285,000	$228,000	$285,000
El Paso	200,000	194,000	250,000
Fort Worth	173,000	108,000	175,000
Houston	440,000	350,000	440,000
New Orleans	300,000	306,000	500,000
San Antonio	400,000	324,000	500,000
Tulsa	115,000	92,000	200,000
Oklahoma City	170,000	108,000	170,000
Region VII:			
Kansas City	130,000	118,000	200,000
Omaha	96,000	61,000	96,000
St. Louis	384,000	254,000	405,000
Region VIII: Denver	170,000	126,400	170,000
Region IX:			
Honolulu	99,000	70,000	140,000
Long Beach	125,000	72,000	125,000
Los Angeles	650,000	552,000	650,000
Oakland	125,000	104,000	125,000
Phoenix	200,000	144,000	288,000
San Diego	200,000	164,000	825,000
San Francisco	250,000	180,000	250,000
San Jose	100,000	85,000	100,000
Region X:			
Portland	135,000	89,000	135,000
Seattle	129,000	89,000	129,000
50 largest total	15,928,000	11,451,310	18,096,500
Balance of cities	6,030,000	3,548,690	6,850,080
Total	21,958,000	15,000,000	24,946,580

SUMMER YOUTH TRANSPORTATION PROGRAM (SYTP)

	1972 need	1972 actual	1973 need
Region I: Boston	$20,000	$10,700	$20,000
Region II:			
Buffalo	13,000	7,500	13,000
Newark	39,500	23,437	69,300
New York	251,400	149,130	500,000
Rochester	12,000	7,500	15,000
Region III:			
Baltimore	35,000	21,100	35,000
Norfolk	12,000	7,500	25,600
Philadelphia	24,360	24,360	100,000
Pittsburgh	22,000	12,650	22,000
Washington, D.C	38,700	22,960	100,000
Region IV:			
Atlanta	30,000	12,080	30,000
Birmingham	24,000	13,790	24,000
Jacksonville	14,000	6,300	14,000
Louisville	12,500	7,500	12,500
Memphis	18,000	11,860	18,000
Miami (Dade County)	23,000	12,000	23,000
Nashville	12,000	7,000	12,000
Tampa	17,000	7,500	0
Rgieon V:			
Chicago	70,000	42,240	70,000
Cincinnati	15,000	7,920	15,000
Cleveland	35,000	19,310	35,000
Columbus	17,000	8,640	17,000
Detroit	75,000	36,560	75,500
Indianapolis	15,000	8,480	15,000
Milwaukee	65,000	47,280	66,190
Minneapolis	20,000	12,380	75,000
St. Paul	12,500	7,500	12,500
Toledo	15,750	7,990	20,000
Region VI:			
Dallas	$23,990	$19,340	$23,990
El Paso	58,900	38,900	77,800
Fort Worth	15,000	8,130	15,000
Houston	45,000	25,060	0
New Orleans	25,000	14,790	25,000
Oklahoma City	25,000	14,000	25,000
San Antonio	26,750	14,570	26,570
Tulsa	12,500	7,500	20,000
Region VII:			
Kansas City	50,000	13,970	50,000
Omaha	15,000	13,500	16,000
St. Louis	43,500	25,790	43,500
Region VIII: Denver	29,000	18,320	29,000
Region IX:			
Honolulu	15,000	7,500	15,000
Long Beach	16,000	7,500	16,000
Los Angeles	82,870	82,870	164,000
Oakland	28,000	15,000	28,000
Phoenix	23,000	11,740	25,000
San Diego	30,000	14,360	30,000
San Francisco	25,000	11,970	25,000
San Jose	8,160	7,500	9,000
Region X:			
Portland	13,000	25,000	25,000
Seattle	32,100	19,060	32,100
50 largest total	1,608,940	979,487	2,155,552
Balance of cities	1,141,060	520,513	1,527,897
Total	2,750,000	1,500,000	3,683,431

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., April 2, 1973.
Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: This is in response to the letter you and several of your colleagues sent to the President in February 20, 1973, concerning funding for summer youth employment programs this year.

Following receipt of your letter, the President on March 21, announced the full range of government and private sector activity to provide jobs and income to youth this summer. The announcement notes that the Summer Recreation Support and Summer Transportation programs will be continued this year at their 1972 levels. This announcement also indicates that with the passage of the continuing resolution for the Labor-HEW appropriaion for 1973, the Congress has made available the full $1.25 billion the President requested for the Emergency Employment Assistance programs. Given the improvement in the economy generally, the reduction in the unemployment rate and the general improvement in the fiscal condition of most State and local governments since the EEA was enacted, it is appropriate that State and local officials be informed that the funds available this year under EEA may be used to support summer youth employment programs. While the precise amounts to be used for this purpose is a matter of local decisionmaking, our best estimate is that at least $300 million might be used. In addition, funds are available for programming at the local level.

As the local planning process develops and the options chosen by local officials become known, the Department of Labor will be able to provide more precise information as to the scope and nature of this year's local manpower program activity.

Your comments and suggestions were helpful to us on this important issue. We welcome your continuing concern for an effective manpower delivery system.

Sincerely,

ROY L. ASH,
Director.

MARCH 26, 1973.

Hon. JACOB JAVITS,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

DEAR SENATOR JAVITS: On behalf of the Nation's cities, we fully endorse and support your efforts to secure adequate funding for the summer neighborhood youth corps and related summer youth programs. It is heartening to know that you recognize the inadequacy of funding these programs from Emergency Employment Act moneys.

Your yearly efforts on behalf of these vital city programs are most appreciated, and your assistance this year is more crucial than ever.

ALLEN E. PRITCHARD, Jr.,
Executive Vice President, National League of Cities.
JOHN J. GUNTHER,
Executive Director, U.S. Conference of Mayors.

Mr. MAGNUSON. Mr. President, I call the attention of the Senator from North Dakota and the Senator from Nebraska to the fact that, as I understand it, the continuing resolution authorizes a level of funding of $635,495,000 for school assistance in federally affected areas including A and B students, at 84 percent entitlement.

The PRESIDING OFFICER. Who yields time to the Senator from Washington?

Mr. MAGNUSON. Mr. President, I yield myself time on the amendment.

The amount of money we passed is available for expenditure.

The administration recently announced a spending plan to release $415 million of the $635,495,000 provided in the resolution. The administration's spending plan would pay both A and B students at a 54 percent entitlement.

The amendment is based upon a spending plan which would use about $500 million of the $635 million which we voted in the continuing resolution. Both the amendment and the vetoed bill would provide 100 percent entitlement for aid to students in highly impacted areas; that is where 25 percent or more of the student body are the children of parents who live and work on Federal property—and a 90 percent entitlement for all other A students.

This has been the level of payment for A students in recent years. The payment of B students, those whose parents either work or live on Federal property, would be at a 77 percent entitlement level in the vetoed bill. Under this amendment, it would be at 54 percent which is the same level proposed in the administration's latest spending plan of $415 million.

Those funds were released just this last week, when the $415 million spending plan was announced.

The Senators are suggesting a further release of approximately $85 million which would take care of the A students.

Mr. YOUNG. The Senator is correct.

Mr. MAGNUSON. That would take care of the situation that the Senators are talking about.

Mr. HRUSKA. That would still be $135 million below the level provided by the continuing resolution.

Mr. MAGNUSON. The Senator is correct. I see no objection to it. I am sure that the Senator from New Hampshire does not see any objection to it. I would like to take this amendment to conference. I think the mix-up is because they continued to keep the money frozen. However, finally they said in the last week that they would release $415 million. However, that does not take care of the matter the Senator talks about. He suggests that $500 million of what we appropriated should be funded for that purpose.

Mr. YOUNG. Mr. President, the Senator from Washington makes a better case than I can myself.

Mr. MAGNUSON. No. The Senator from North Dakota made a good case. I have no objection to the amendment. I wish that the Senator would call for a vote on the amendment.

Mr. YOUNG. The Senator from Montana wants to ask a question.

Mr. METCALF. I am in full accord with the amendment of the Senator from North Dakota. I wanted to ask a question about the school aid for children. However, I would like to have the Senator's amendment passed first.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield 5 minutes to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I rise in support of the amendment offered by the distinguished Senator from North Dakota, which I am pleased to cosponsor.

As the Senator knows, I originally intended to offer an amendment today which was in line with the purpose of the Senator's amendment but would have provided additional funds for only the Douglas School System at Ellsworth Air Force Base—a school in my State which has been forced to close its doors for want of funds.

I am pleased to join instead in this broadened effort to rescue a total of 228 school districts across the country which are threatened by the same crisis.

This proposal would provide some $50.3 million for school districts in which 25 percent or more of the students' parents live and work on a Federal installation. It would thus concentrate added funds on the most highly impacted districts—those with the least opportuntiy to make up Federal deficiencies from local taxes.

The Douglas School System is an outstanding example of that problem, and I hope we will think carefully about its current plight.

This may not be important to budget cutters here in Washington but it is vital to parents, teachers, students, and the community served by schools such as the Douglas System near Rapid City.

It is certainly important to the families of the 3,325 children who attend the Douglas School System at Ellsworth Air Force Base when their schools closed last Friday because the Office of Management and Budget would not release the $540,000 necessary to keep the school open. For those children this means that they will not attend school for the rest of the year. And for the 200 seniors, it means that they will not be able to complete high school and go on to additional education.

For those children and their parents, how this came about is less important than that it came about. But for those of us in Washington, I think it is important to learn this lesson of bureaucratic insensitivity.

The Douglas School System exists almost entirely to educate the children of Air Force personnel. The parents of 2,548 of its students live and work on the base. The schools also have 169 students whose service parents live off the base and 148 children of civilian Air Force personnel. Only 455 of the students are children of parents who do not work for the Federal Government.

So Federal support of this school system is in no sense the pork barrel that budget bureaucrats talk about. The parents of 87.3 percent of the children in these schools serve their country directly and the parents of all but 490 of them work at the Air Force base.

What is at stake here is the Federal Government's obligation to assist in educating the sons and daughters of those who serve in the Armed Forces.

The school system made up its budget based on Federal assistance in prior years.

However, the President twice vetoed appropriations for federally impacted school districts and then impounded funds under the continuing resolution Congress adopted in the wake of the second veto. Last week the White House released some $415 million dollars for federally impacted areas, much of it for affluent suburban areas. But no funds were released for the Douglas School System. And still impounded are $220,400,000.

I think those funds should be released and I think they are being unconstitutionally withheld. But we cannot deal with that issue today. There is too little time.

There are 34 school days left in the school year for the children of Ellsworth Air Force Base. There are less than 2 months left for the seniors to get their diplomas. And they need our assistance now if the Douglas schools are to open their doors again this year.

The school system has done everything it can to keep the schools open. Local citizens have already been taxed to the limit permitted by the South Dakota Constitution. The schools pared needed educational services to the bone. And the school system even tried to borrow the money from a bank to stay open. But the bank turned down the funds because the Office of Education said the President's budget for the upcoming fiscal year did not make allowance for the Douglas School System to remain open this year.

So the choice of keeping this school system open falls on those of us in Congress. Unless we appropriate the funds, the teachers will not be paid and the children of Ellsworth Air Force Base will not go to school again this year.

The amendment we offer today would, if adopted, appropriate the minimum amount of funds this and 227 other school systems in 10 different States need to remain open for the rest of this year. The amount in this year's $250 billion budget is not large—only $50 million. It is certainly not too high a price to pay for the education of children whose parents serve our country.

In conclusion, Mr. President, let me state the hope that the administration will make this amendment moot by exercising its emergency authority and releasing the funds necessary to reopen the Douglas School. A noninflationary economic policy need not be blind to the education of service children.

I know that decisions of this kind are sometimes made by lower-level bureaucrats following a broad directive to cut expenditures. But certainly those decisions can be reversed. I truly hope that our voices will be heard downtown and that the Budget Bureau will release the necessary funds.

Mr. McCLELLAN. Mr. President, as myself 1 minute.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 1 minute.

Mr. McCLELLAN. Mr. President, as chairman of the committee. I have no objection to the amendment. I am willing to take it to conference.

As I said a few moments ago in my opening statement, this amendment and any other amendments that may be agreed to in the pending bill may well jeopardize the enactment of this joint resolution before adjournment.

I have just talked with the chairman of the House Appropriations Committee. He is deeply concerned about this matter. Under the rules of the House, he has some doubt that we can get action on the joint resolution if amendments are attached to the resolution.

I believe that this is basically a good amendment. I do not know of any objection to it. I am perfectly willing to accept the amendment and do whatever we can in conference, if we can have a conference, and try to keep it in this urgent supplemental request.

Mr. BURDICK. Mr. President, I rise in strong support of the amendment to provide that school districts whose enrollment is composed of at least 25 percent category "A" students shall be authorized to receive funding at 100 percent of their entitlement under Public Law 874. Without such a provision, there are school systems, such as the Grand Forks, N. Dak., system, that quite simply could not continue to operate or to continue to accept dependents of military personnel. The financial burden would be too great.

Even those who urge wide reform in our basic impact aid legislation agree on the principle that impact funds should reach those school districts which bear an actual economic loss because of the Federal presence within, or near, the school district. The amendment under consideration will authorize the granting of this much needed aid to such school districts. It is simple justice to provide these school districts with this assistance. I urge the adoption of the amendment.

Mr. DOMINICK. Mr. President, I rise to indicate my strong support for the amendment offered by the senior Senator from North Dakota, Mr. Young. Colorado has two large military bases in the vicinity of Colorado Springs which impact heavily on those school districts.

To hold "A" and "B" students at 54 percent of entitlement would have a devastating effect on these districts. Because of the significance of impact aid, I intend to introduce additional legislation aimed at eliminating the abuses by preserving the program at the Federal level.

The school districts with significant numbers of "A" students have a great and immediate need for relief from the freeze at the 54 percent of entitlement level.

This amendment will accomplish that and I intend to vote for it.

Mr. THURMOND. Mr. President, I rise in support of the amendment offered by the Senator from North Dakota. This amendment would authorize the Secretary of Health, Education, and Welfare to provide increased funding for fiscal year 1973 for the education of 3-A students under Public Law 874. It has two provisions. It would continue the 100 percent funding for 3-A students where they represent 25 percent or more of the enrollment in a school district, and it would provide 90 percent entitlement for all other 3-A students. The 3-A students are those whose parents live on military bases or other Federal land.

Mr. President, I do not believe that anyone questions the obligation of the Federal Government to provide full entitlement for the education of children of military families living on bases. The States and local subdivisions, including school districts, realize little if any tax revenue from these bases. There is no property tax, real or personal. There are no sales taxes on purchases made on the bases through facilities such as commissaries, post exchanges, base exchanges, gasoline stations or the like. In short, Mr. President, although these Federal institutions may generate large payrolls, there is no way for the local school district to tap these funds.

The impact aid program is merely a tax replacement payment for the cost to the school district of providing education for children of federally employed families. These local school districts cannot afford to provide high-quality education for these children at a continued financial loss.

In South Carolina, 28 school districts depend heavily on the receipt of impact aid to provide the best educational opportunity for their students. In Charleston, S.C., alone, over 13,000 students who are eligible for impact aid are enrolled in the public schools.

Mr. President, while I strongly support and applaud President Nixon in the fight against inflation, I do not believe that massive cuts are in order in the impact aid program. It is a sound program and an effective program. I urge my colleagues to continue to support it, and to vote in favor of the amendment in question.

The PRESIDING OFFICER. Who yields time?

Mr. YOUNG. Mr. President, I yield back the remainder of my time.

Mr. McCLELLAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from North Dakota. [Putting the question.]

The amendment was agreed to.

Mr. HRUSKA. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. YOUNG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METCALF. Mr. President, will the Senator from Washington yield to me at this time?

The PRESIDING OFFICER. The Senator from Arkansas has control of the time.

Mr. METCALF. Will the Senator from Arkansas yield so that I may ask some questions of the Senator from Washington?

Mr. McCLELLAN. I have a little time left. The Senator from North Dakota has not used any time on the bill, has he?

Mr. YOUNG. I yield the Senator whatever time he wants on the bill.

Mr. McCLELLAN. I am sure I shall use less than 5 minutes.

Mr. YOUNG. I yield the Senator 5 minutes.

Mr. METCALF. Mr. President, we have just enacted an amendment to take care of the category 3-A children, so-called. Those are the boys and girls whose parents both live and work on Federal property. This category 3-A children that Senator Young's amendment would take care of were the children of people working on air bases throughout the country, and of course we have a special responsibility to be sure that we pay for an adequate and substantial education for the children of those men whom we send to air bases, especially in these far-flung places such as North Dakota and Montana and other places.

But we have another group of 3-A children, the boys and girls who live on Indian reservations. They live on trust property. Many of their parents work on reservations, and they are under category 3-A just as surely and importantly as those whose parents are in the military services. I want to know, what is the status of those Indian boys and girls on Indian reservations?

Mr. MAGNUSON. Mr. President, the status of the group, which includes the Indians the Senator talks about, are entitled, upon the release of the money, to a 100 percent of their entitlement, and also they are entitled to a 100 percent entitlement under the Young amendment we just adopted.

Mr. YOUNG. This would provide about $10 million additional for Indians living on Federal land.

Mr. METCALF. Living on Federal land, and either not working—a good many of them are unemployed—or working?

Mr. MAGNUSON. On Federal lands, that is correct.

Mr. METCALF. They all come into that designation of category A children.

Mr. MAGNUSON. That is correct.

Mr. METCALF. So they, too, would have 100 percent reimbursement for their education?

Mr. MAGNUSON. That is my understanding of what is intended, and let this colloquy be understood to say that we hope they will get it.

Mr. METCALF. I understand the hopefulness all the way down the line, but the purpose of this amendment is to provide that parents of children who work on Indian reservations will still get the 3-A funds?

Mr. MAGNUSON. They are still entitled to the full amount.

Mr. METCALF. I thank the Senator.

AMENDMENT NO. 88

Mr. PELL. Mr. President, I call up my Amendment No. 88.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PELL. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Pell's amendment (No. 88) is as follows:

On page 2, beginning with line 8, strike out all down through line 17, and insert in lieu thereof the following:

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, subparts 1 ($504,500,000) and 2 ($130,100,000) of part A and part C ($237,400,000) of title IV of the Higher Education Act of 1965, as amended, $872,000,000 to remain available until June 30, 1974.

Mr. PELL. It is with some reluctance that I propose an amendment to an appropriations bill. Especially an appropriations bill which has the urgency of this bill. However, present conditions in our colleges and universities and with our students compel me to raise a question about the actions of the House of Representatives on this joint resolution as they affect student assistance. Last year, the Congress enacted the Education Amendments of 1972 which, by many, is considered a landmark measure placing the Federal Government on record in support of equality of opportunity for postsecondary education for all students.

It was with that act that the Congress established the basic educational opportunity grant program under which every student is entitled to an award grant of $1,400 minus the amount that a student's family may reasonably be expected to contribute toward his or her education. The basic grant program was never established to replace the existing student aid program. It was the intention of the Congress that existing programs would be supplemental to the basic grant program. In order to insure this, we placed minimum levels of appropriations which are necessary for existing programs before basic grant payments may be made.

During the last 3 months there has been considerable confusion and, if this confusion continues, there will be chaos. This confusion arises from the fact that the administration, in spite of our legislated congressional intent, made budget recommendations which had the effect of terminating the supplemental educational opportunity grant program and the national direct student loan program—which is usually referred to as the national defense student loan program. I oppose the administration's position on terminating these two programs and will continue to do so.

The actions of the House of Representatives rejected the administration's recommendations by appropriating funds for these two programs. I laud the House of Representatives for acting quickly and for making it clear that we will not terminate the supplemental grant program or the direct student loan program. However, I believe the House went too far in its decision and, in doing so, has taken action which would effectively destroy much of the effectiveness of the basic grant program. The House amendment made allowance for $122 million for basic grants, of which $11 million is to be used for administration of the program. I believe that the House language on its face gives a very good argument against adoption of the House approach. Under that amendment it takes $11 million to administer $111.1 million in basic grants.

I am concerned that this kind of inefficiency in the expenditure of Federal funds would make us look ridiculous. I can foresee a situation where the average award of the average basic grant would be about $80 and the average cost of making that grant would be about $10. This seems to me to be an obvious inefficiency in expending Federal money.

It is for this reason that I am proposing an amendment to alter the method by which the budget request for student assistance is distributed among the various programs.

The House allowance for supplemental educational opportunity grants is $210.3 million. This amount exceeds the $200 million authorization in the law. Moreover, it exceeds by $80.2 million the amount required by law to be appropriated for supplemental grants.

The House allows $270.2 million for the college work-study program. This amount exceeds the budget request by $20.2 million and it exceeds the minimum amount required by law by $32.8 million.

The House allowance provides for $269.4 million for direct student loans. The appropriation for this fiscal year for direct student loans was enacted with the first supplemental appropriation bill last year and therefore an appropriation for this year is not required by law. The effect of the House amendment is to "forward-fund" the direct loan program. Historically, the direct student loan program has been "current-year" funded so that appropriations for the 1973–74 school year would normally be expected to take place in the regular appropriation bill for fiscal year 1974. I am in favor of forward-funding this program. However, I do not believe forward-funding ought to take place at the expense of the basic grant program.

As I said earlier, I agree with the position of the House that the existing student assistance program ought to be continued. This is required by law through fiscal year 1975. However, I do not believe they ought to be continued at the level provided by the House, if those levels are at the expense of the basic grant program.

The effect of my amendment is to provide $504.5 million for the basic grant program. This provides for an average basic grant of $320. My amendment also makes provision for funding the supplemental educational opportunity grant program at the level required by law, $130.1 million. It provides for funding the college work-study program at the minimum level required by law, $237.4 million.

My amendment also defers funding the direct student loan program until either the second supplemental appropriations bill for 1973 is considered or until the regular appropriations bill for 1974 is before us. I want to assure the Senate that this amendment in no way prejudices the direct student loan program. It simply defers consideration of the matter until a later date, in accordance with our historical practice in respect to this program.

As I said earlier, it is with some reluctance I offer this amendment. I would not have done so unless some very specific circumstances had arisen. When I first realized the effect of the House action on student assistance, I began to work on a method for preserving the basic grant program. This amendment was drawn up in consultation with the administration and represents a compromise by the administration. I want to compliment Secretary Caspar W. Weinberger, Assistant Secretary Sidney P. Marland, and Commissioner of Education John Ottina, and their staffs, for their willingness to compromise their position. As with all compromises, not all parties are happy, and I am certainly not entirely pleased with my amendment. I would have hoped that the administration could have seen fit to raise the dollar figure from $872 million to a higher figure which would have done justice to all of the existing programs, and funded the basic grant program adequately. However, the administration was unwilling to increase the total amount for the student aid package and, therefore, I feel we are fortunate in that the administration is willing to continue to fund the supplemental educational opportunity grant program and at least delay a decision on the direct student loan program until the next appropriations bill, which should be before us in late May.

I believe that the amendment I have proposed would meet the requirements and the objectives of the legislation that Congress has previously enacted, and would avoid what the House of Representatives has done by its action; it completely turned around, through the appropriations process, the whole thrust and the whole philosophy of the education amendments of last year.

Accordingly, I hope very much indeed that this amendment will be agreed to, and hope that my colleagues will join me in supporting it.

Mr. COTTON. Mr. President, will the Senator yield me some time?

Mr. PELL. I yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I rise to support the amendment offered by the distinguished Senator from Rhode Island. I do so in spite of the fact that I was unable to be present when the Appropriations Committee met, and at that time it was my understanding that it was the desire of the committee and of all concerned to expedite this urgent measure. In order to expedite it—how long did the Senator yield me? Five minutes?

Mr. PELL. As much time as the Senator desires.

Mr. COTTON. In order to expedite it, to avoid amending it, so as to avoid the need for a conference.

As I have said before, I owe an apology to my chairman of the HEW subcommittee, because with that understanding I authorized him to state, when he stated it for himself, to include me in his statement that we should report the bill without amendment. However, on the eve of the meeting of the committee—and I was not in town—a letter came up addressed to the Senator from Washington (Mr. MAGNUSON), the chairman of the Subcommittee on Labor, Health, Education, and Welfare, from the Secretary of Health, Education, and Welfare, and signed by Caspar Weinberger, which advocated the adoption of the amendment which is being offered now by the distinguished Senator from Rhode Island.

I will not take the time of the Senate to read the letter but ask unanimous consent to have it printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., April 3, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor, Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: On April 12, the House of Representatives passed H.J. Res. 496, the Urgent Supplemental Appropriation Bill for fiscal year 1973. I want to give my views concerning the $872 million included in that bill for student assistance programs administered by the Office of Education.

First of all, let me say that I am pleased by two aspects of the House action:

1. The decision to include the student aid funds in the urgent supplemental, and

2. The fact that the total amount provided for student assistance does not exceed the President's original budget.

The Administration requested early action on these financial aid programs so that students and their families as well as institutions of higher education could make plans for next fall. We can all agree that it is extremely important that action be taken by the Congress before the Easter recess.

However, with respect to the Senate's consideration of next steps, I urge you to revise the distribution of student assistance funds contained in the House bill. It is our strong view that an equitable student assistance program is only possible if the primary emphasis is given to the new Basic Opportunity Grants program authorized in P.L. 92-318, the Education Amendments of 1972. Instead of establishing this priority, the House has placed only a token amount into this program—an amount which will distort the objectives of the legislation and the President's commitment to remove financial barriers to education for all qualified men and women.

As you will recall, the President's budget requested $622 million for the Basic Opportunity Grants program and $250 million for the College Work-Study program for fiscal year 1973. This request is based on our view that all eligible students in institutions of postsecondary education should receive assistance, in an amount based on their need, through the Basic Grant program and that this assistance is to be supplemented by College Work-Study funds, the two Federally authorized loan programs, State and private sources of aid, and student employment.

Under existing programs, it was possible for some students to have their total need met through Federal aid while other students may have received only a portion or possibly none of the funds they needed to attend the institution of their choice. Our budget proposal, which we think is far more equitable, would make certain that all students who are in need of financial assistance to go to college will receive some aid—based solely on the cost of education and the ability of their families to contribute toward it.

The House action, however, placed its emphasis on continuing existing programs, as follows:

Program and amount in millions

Basic Educational Opportunity Grants	$122.1
Supplemental Educational Opportunity Grants	210.3
College Work-Study	270.2
Direct Student Loans	269.4
Total	872.0

This action would reduce financial aid through our 1973 Basic Grant program to $122 million. At this funding level, the average award per student would be $80. At the same time, the maximum award that a student would receive would be $210. At these levels, a poor student simply could not put together a package which would permit him to go to school.

We, therefore, propose to the Senate an alternative to the House action. We are not asking that you adopt the President's budget proposal in total. We think that a reasonable adjustment can be made which would permit a significant Basic Opportunity Grant program while at the same time meeting the statutory minimums for existing programs contained in the Education Amendments of 1972. We, therefore, propose that the Senate adopt the following funding levels for student assistance:

Program and amount in millions

Basic Educational Opportunity Grants	$504.503
Supplemental Educational Opportunity Grants	130.097
College Work-Study	237.400
Total	872.000

This approach would permit the Office of Education to initiate a Basic Grants program under which the average award per student would be approximately $320, while the maximum would be $840. As I have previously noted, the proposal emphasizes the Basic Grants program, which is the only program designed to reach all students who are in need. In addition, this program provides support directly to students and allows them the opportunity to make their own choices about their educational goals without regard to funds available in any particular State or institution.

As further noted, the proposal would meet the funding requirements contained in P.L. 92-318, the Education Amendments of 1972, by providing the necessary amounts for College Work-Study and Supplemental Educational Opportunity Grants. Additional funds are not proposed for the Direct Student Loan program since funds have already been appropriated for the current academic year, and this program has not heretofore been a forward-funded program. Continuation of this program should be considered in connection with the fiscal year 1974 budget request.

In summary, I believe that our alternate proposal establishes the correct priorities for student assistance and meets the requirements of the law for the funding of existing programs. I urge the Senate to revise the House bill as I have requested.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

Mr. COTTON. I thank the Chair.

Mr. President, the Senator from Rhode Island has already clearly and succinctly indicated the reasons for his amendment. This is called an urgent supplemental appropriation bill because it is urgent, as the name amplies. It is in here to take care of the coming college school year which begins next fall.

In my many years in this body, I learned a long, long time ago never to vote against or fail to vote for something that I believed in on someone's suggestion or promise that if I did not vote for it today I would get a chance to do it next week, the week after, or in the next couple of months. While I never questioned the complete sincerity of such promises, I learned through the years that that does not always happen in the legislative process.

It is said that some of the things not taken care of in this bill will be taken care of shortly in a supplemental bill. We have been discussing, holding hearings, and batting the ball back and forth on this supplemental bill—not this urgent one, but the main one—for some weeks now, if not months, and I do not know how it will go through.

The bare facts are, one, we have to go to conference any way, because an amendment has already been adopted to the bill as it came from the House. The idea we should not adopt the amendment of the Senator from Rhode Island because it would send us to conference is out the window, because we must go to conference on the amendment offered by the distinguished Senator from North Dakota (Mr. YOUNG).

Two, as we know, the House version and the amendment of the Senator from Rhode Island, in total dollars and cents, are identically, the same. The Senator from Rhode Island is not adding one single dollar to this particular bill. The total in each case, the House version and the version of the amendment of the Senator from Rhode Island, are each $872 million. The only question is in the distribution. That is the meat in the coconut.

In the House version, $269,400,000 go to the national direct student loans. That is under the National Defense Education Act.

Well, now, most of that money would not be spent until the next year and maybe the year after next—and I am referring to school years here. It would not be spent this year. It is appropriating ahead.

Therefore, this urgent supplemental bill is no place for that funding. It is advanced funding.

The important and necessary funding to go into this bill—the most important—is the basic opportunity grant, which is a new and, in the opinion of the Senator from New Hampshire, promises to be a wise and effective step in aiding higher education in this country that should go into effect at once.

Under the House bill, only $122 million, roughly, will go to that.

Under the amendment of the Senator from Rhode Island, it will be $504,503,000.

Now, if we take the House version under this necessary program, according to the Secretary's letter, the average basic grant award to students would be $80. The top grant that a student could get under this would be only $210.

Now, the students who really need grants—and, pardon me, they need more—but the students who really need this help are not going to be able to go to college on an average of only $80 or a maximum of only $210.

Under the amendment of the Senator from Rhode Island, the average would be $230 and the maximum, in cases where it is clearly necessary, would be $840, and that would be in accordance with the criteria sent up to Congress by the Department, which will take effect at once unless within the necessary time Congress should reject the criteria.

So this makes this urgent appropriation bill effective. It makes very cent count for next year. It does not include advance funding. In view of the fact that we are going to conference anyway, I appeal not only for the Department of Health, Education, and Welfare and for the administration, I appeal because I feel very deeply, personally, and I am sure the Senate understands what the question is and it will feel very strongly also, that this effective amendment should be adopted.

I repeat as I started—that the Young amendment is going to necessitate going to conference anyway. This does not delay the bill.

Mr. MAGNUSON. I yield myself 2 or 3 minutes.

I do not disagree too often with the Senator from New Hampshire, but I think this will delay enactment of the bill considerably. The Senate is going to begin a recess tomorrow. Nearly half the Members of the House have left already, as I understand it. I just did some checking.

The matter we are talking about can be taken care of in the second supplemental. This bill is for an emergency. There is no question that the Pell amendment does not provide for continuing national defense loans to students and for expanding the BOG program. The BOG program has yet to be implemented.

We can increase the level of funding for the BOG program, if we want to, in the second supplemental. They are not ready yet for full implementation. We have almost $900 million that we are going to consider for the BOG program in the next 3 or 4 weeks. I do not see the urgency about this at all. I think we are going to end up with no student aid bill at all.

Unless the House will turn over a vote of 367 to zero and change their minds. I have had too much experience with them to think they will do that.

I do not think we need to spend 20 minutes on the impacted aid amendment in conference. If the House is going to be adamant, Senator Young and the Senator from Nebraska know what they may or may not have to do.

I do not see that this serves any great purpose. All the major educational associations—every one I have had a chance to talk to—support the House and Senate Committee version. It is not that they do not support the version Senator Pell is talking about. What they do not want in this particular supplemental bill is any more delay—because they think it is going to foul up all of these proven programs until BOG gets going. We have no assurance that BOG's is yet ready to go. The BOG's program is going to take a great deal of work on the computers. They do not even have a computer system set up to handle this at HEW.

Why not wait until the second supplemental or the regular bill? What is the difference? I do not understand the difference, unless the Senator—and perhaps he does not say so—wants to cut out all these other programs. That could be the effect of it. There are only 60 days to go until we consider almost $1 billion for BOG. What is the urgency? That is what I do not see. I think the House did not see it, either.

I am for the Senator's program, but some of these things have to be phased in and phased out, and not just say that they are all done. Under the Senator's amendment, less funds are provided for work study.

Mr. PELL. There is $237.4 million, which is exactly $32.2 million less than the House allowance.

Mr. MAGNUSON. For work-study, then, there is less money than was available last year. I will put the figure in the Record—$270 million versus $237 million now. For student loans, no money is provided in this amendment.

Mr. PELL. Going for a minute to the national direct student loans, there has already been distributed to the colleges, through this fiscal year, a total of $293 million, which is adequate to handle all national defense student loan programs and demands until the end of this fiscal year. For ongoing years, this is where the second supplemental appropriation bill would handle it, not the urgent supplemental.

The reason why I am opposed to the House approach is that it, by an amendment on the floor which was never voted on separately at all, completely alters the authorizing legislation. There was no rollcall vote on it whatsoever. The floor amendment turned around the whole emphasis of the higher education bill that we passed last year.

If there has been one friend of higher education and education in general, it has been the Senator from Washington. I know well his sympathy for these programs, with good counsel. I recall his advice of last year, when he said with a twinkle in his eye, "Do not count on these funds. Authorizations are not appropriations." He was absolutely right, and I accept that. But what I do not accept is when the change in emphasis is made. I would have accepted a reduced amount if everything had been reduced; but with the new base of the basic opportunity grants, it has been gutted into a ridiculous situation, so that, in order to handle them, they would be spending about $12 for each $85 grant that was made.

This in my view, would make the program look ridiculous; and I think this may be the intent, in part, of the House amendment. I do not think my colleagues realize how this was arrived at. It was not arrived at as a considered decision recommended by the Appropriations Committee and passed by rollcall votes separately.

Mr. MAGNUSON. There is nothing wrong with what the Senator is talking about, with some additional money for BOG's which we can put in the second supplemental; and we are going to consider close to $1 billion in the regular bill. What is the urgency to do it right now?

Mr. PELL. I am sure the Senator knows this far better than I. When we see the intent of legislation changed and thwarted and distorted as these ratios do, there can be a slip between the good intention of the Senator from Washington and what actually emerges, particularly when the House wants to distort it.

Mr. MAGNUSON. If the Senator is talking about the intention of legislation, he knows where the slips have been.

Mr. PELL. I do.

Mr. MAGNUSON. I will entertain all of these things in the next 2 or 3 weeks, when we come back from the Easter recess. What is the urgency about this?

Mr. PELL. Because if this once gets the stamp of law on it, I think it will do real harm to the whole concept of the program.

Mr. MAGNUSON. This is only for this fiscal 1973.

Mr. PELL. I realize that; but unless this is handled by May 15, it will be too late. If money is not appropriated by then, it will be too late for this year. Perhaps we should not have it out this coming year. This is so important that I would be willing to delay the program, rather than distort it in order that this new concept can really come into being.

Mr. MAGNUSON. Is the Senator speaking on his time?

Mr. PELL. On my time.

Mr. MAGNUSON. Is the Senator suggesting that the work study program has not been a good program?

Mr. PELL. It is an excellent program, and it should continue, and it does.

Mr. MAGNUSON. Is the Senator suggesting that the direct loan program is not a good program?

Mr. PELL. It is excellent, and it should continue.

Mr. MAGNUSON. We are going to meet the needs for the BOG's program as we go along. There is no urgency to meet it for the next 2 weeks.

Mr. PELL. Two weeks can stretch to four and to six. In 2 weeks the supplemental education opportunity grants and the college work study programs could be raised just as easily.

Mr. MAGNUSON. If the Senator's amendment is agreed to, he is apt to lose it in conference then there will be a mark against it and we may have no urgent supplemental on student aid at all. The Senator does not mean that he would rather not have the students go to school at all if they have to be funded under the present programs.

Mr. PELL. We should get the new concept established without distortion.

Mr. MAGNUSON. We are going to get BOG's funded properly. We have the money for BOG's start-up in now. We listened to all the testimony. They are phasing it in as fast as they can. We can give the BOG's program more in the second supplemental, if it is needed, and close to $1 billion in the regular fiscal 1974 bill. We are working on all of this now.

Mr. PELL. They certainly want it, or they would not be pressing this amendment.

Mr. MAGNUSON. Who is "they"?

Mr. PELL. The administration. We have been working together, the administration and some of us on this side of the aisle.

Mr. MAGNUSON. The Senator is going to lose this student aid bill altogether.

Mr. PELL. Then, we will get another good bill.

Mr. MAGNUSON. When?

Mr. PELL. I would hope in the next supplemental.

Mr. MAGNUSON. Why does the Senator not leave this BOG's problem for the next supplemental?

Mr. PELL. This bill places into law a concept we got away from in the last Congress.

Mr. MAGNUSON. The Senator knows we were caught unprepared by this when the House acted on the floor.

Mr. PELL. So was I.

Mr. MAGNUSON. The Senator never intended it to be in this bill.

Mr. PELL. We wanted to attend to this business in the regular supplemental.

Mr. MAGNUSON. I know, but now we are moving on this matter ahead of time. We have money in there for BOG's. We are going to give them more money in the next 3 or 4 weeks. In the meantime, the Senator is in effect going to cut all the other programs, and all the people who run the schools are worried to death about it.

Mr. PELL. If the Senator will forgive me, there are those who agree with me.

Mr. President, I ask unanimous consent to have printed in the Record a letter from the National Student Lobby.

There being no objection, the letter was ordered to be printed in the Record, as follows:

National Student Lobby,
Washington, D.C., April 17, 1973.

Dear Senator: The National Student Lobby, representing over 1.5 million college and university students, urges your support for the Pell Amendment to House Joint Resolution 496 to be voted on today. The Pell version of the student financial assistance appropriation is in a form more useful to students, while not exceeding either the House version of the resolution or the President's budget request. The programs concerned are the Basic Educational Opportunity Grants (BOG), College Work-Study (CW-S), Supplemental Educational Opportunity Grants (EOG), and National Direct Student Loans (NDSL). The dollar amounts (in millions of dollars) are shown below for each proposal:

	Pell amendment	House-passed version	Budget request
BOG	504.5	122.1	622
CW-S	237.4	270.2	250
EOG	130.1	210.3	
NDSL		269.4	
Total	872.0	872.0	872

The distribution of funds as proposed by the Pell Amendment is in a form more useful to students because:

(1) The Pell Amendment includes significant funds for the Basic Grants program. The BOG's provide between $200–$1400, up to ½ the cost of education to the student per year. This "entitlement" program will be of great value in achieving the goal of equal opportunity to education that Congress established in the Education Amendments of 1972. This program will also extend aid to students in proprietary, technical, and vocational schools that have previously had little or no access to federal assistance.

(2) The Pell Amendment maintains adequate funds for College Work-Study. This program subsidizes non-profit institutions which hire needy students. The program provides good work experience, helps the often financially pressed institution, and provides a means of earning the ½ cost not provided by BOG.

(3) The Pell Amendment maintains the Supplemental Educational Opportunity Grants. The EOG program provides grants to students in great need but ineligible for BOG. This is especially important to private and church-related schools with tuitions so high that BOG covers only a small portion of the costs.

(4) The Pell Amendment does not provide money for National Direct Student Loans at this time. NDSL, which provides 3% loans to students while constantly generating more loan capital, is a vital program. This program has aways been "current year funded" and normally would be funded out of the FY '74 budget for the academic year beginning this fall. The National Student Lobby recognizes that for the student assistance package to be complete for next fall *it is absolutely essential that Congress fund National Direct Student Loans to at least the $293 million level in Fiscal Year '74.*

For these reasons we urge your support of the Pell Amendment. Students across the country will be watching the level of appropriations in each program.

Thank you for your consideration.

Sincerely,

Seth Brunner,
Education Director.

Mr. MAGNUSON. And many who would disagree with you.

Mr. PELL. On both sides. If there were no bill I would not raise the issue, but having fought as hard as we did to get the change of emphasis enacted, it is wrong to give approval to the old system.

Mr. MAGNUSON. Another thing. I do not know how the Senator gets himself in this position timewise. I do not question how he feels about it. I know how he feels, but timewise. Does the Senator know who got us in this mess? The administration, by sending up an unreasonable budget. Then, at noon Friday before we met they want to change their minds, and the Senator goes right along with them.

Mr. PELL. I had my own amendment which was considered in committee and defeated by a vote of 6 to 5, which is pretty close.

Mr. MAGNUSON. It is absolutely correct.

Mr. PELL. I agree.

Mr. MAGNUSON. There is no question about it. I am for it. But it does not belong on an urgent supplemental bill when we are going to take care of it in the next three weeks.

Mr. PELL. Three weeks can be too late when it is dragged on and on.

Mr. MAGNUSON. Does the Senator think that BOG's will take the place of these programs?

Mr. PELL. Never.

Mr. MAGNUSON. Of course not.

Maybe they have not briefed the Senator enough yet. Does the Senator know what would take the place of National Defense loans?

Mr. PELL. Sally Mae. With that I do not agree.

Mr. MAGNUSON. Does the Senator know when that is going to start?

Mr. PELL. The association is supposed to come into being this coming year.

Mr. MAGNUSON. The Senator is practically phasing that out, sooner or later.

Mr. PELL. No, we reduce it by about $15 million.

Mr. MAGNUSON. Is the Senator in favor of reducing this work-study program?

Mr. PELL. I certainly am not.

Mr. MAGNUSON. But the Senator is advocating it.

Mr. PELL. Because the new grant advocates an increase of almost $400 million in basic grants.

Mr. MAGNUSON. But it will be months before that gets moving as it should.

Mr. PELL. That is a question of judgment. They tell me they want this.

Mr. MAGNUSON. That is the trouble. There are two authorizations.

Mr. PELL. All I know is what they tell me.

Mr. MAGNUSON. I do not understand the emergency. This is an urgent bill, reserved for taking care of emergencies. The Senator is trying to change the whole education system in this bill.

Mr. PELL. The House had no business attaching this amendment.

Mr. MAGNUSON. Come with me to the conference and tell the conferees they had no business doing that. That will be a good way to start: "You had no business doing this." Then we would have nothing for a bill.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. I am prepared to yield back the remainder of my time.

Mr. MAGNUSON. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Washington has 22 minutes remaining. The Senator from Rhode Island has 7 minutes.

Mr. PELL. I would suggest the absence of a quorum at this point.

Mr. MAGNUSON. Mr. President, will the Senator yield for a moment?

Mr. PELL. I yield.

Mr. MAGNUSON. I have just learned that the Senator from Colorado (Mr. Dominick) has an amendment to the Senator's amendment. We should take time for a quorum call.

The Senator from Colorado will have his own time if he submits an amendment to the amendment of the Senator from Rhode Island.

Mr. DOMINICK. Mr. President, I send up a substitute for the Pell amendment and ask the Clerk to state it.

The PRESIDING OFFICER. The Clerk will state the amendment.

The legislative clerk read the amendment to the amendment as follows:

Strike out all after "viz:" and insert in lieu thereof the following:

On page 2, beginning with line 8, strike out all down through line 17, and insert in lieu thereof the following:

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, subparts 1 ($385,500,000) and 2 ($130,100,000) of part A, part C ($237,400,000) and part E ($120,000,000) of title IV of the Higher Education Act of 1965, as amended, $872,000,000 to remain available until June 30, 1974.

The PRESIDING OFFICER. The amendment is not in order until the time on the other amendment is yielded back.

Mr. PELL. Mr. President, I did not understand the Chair.

The PRESIDING OFFICER. The amendment is not in order until the time on the other amendment is yielded back.

Mr. PELL. The substitute amendment cannot be offered until all time on the other amendment is used?

Mr. President, I want to accommodate the Senator from Colorado, but I do not want to lose all of the time remaining to me 6 minutes. May I ask unanimous consent that both sides keep 5 minutes, and then let the amendment be considered?

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMINICK. How much time would I have on my substitute when my substitute would be in order?

The PRESIDING OFFICER. The Senator from Colorado would have 15 minutes; the Senator from Rhode Island would have 15 minutes.

Mr. DOMINICK. Mr. President, I think I can explain my amendment in a relatively short period of time and give the Senator from Rhode Island a little additional time other than the 15 minutes he has already, so that he would not have to retain his time at this time.

Mr. PELL. That does not help, because my time would run over. So I ask unanimous consent that 5 minutes on each side that is remaining be permitted after consideration of the amendment of the Senator from Colorado.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Washington is not here. I do not know what his wishes would be in the matter.

Very well; I will not interpose an objection, on the advice of the clerk.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. DOMINICK. Mr. President, is my substitute amendment now pending?

The PRESIDING OFFICER. The amendment of the Senator from Colorado to the amendment is now pending.

Mr. DOMINICK. Mr. President, I yield myself 5 minutes to explain the situation we find ourselves in, and I have to go back a little. It may be repetitious, but I think, for the purpose of the record, it is worth doing it.

When we had the Higher Education Amendments of 1972 conference, we had a long and very bitter conference with the House. I think it extended over a period of between 6 and 7 weeks. At that time we were meeting approximately twice a week for 2 or 3 hours. The last meeting we had with the House started at about 2 o'clock in the afternoon and ended at 5 o'clock the following morning before we got an agreement. It was a very tough, hard-fought conference.

In our effort on the Senate side to retain the basic opportunity grant formula, we found ourselves pushed into a corner, whereby we had to agree, and did agree, that prior to the time of financing any of the basic opportunity grant appropriation we would put in a minimum funding on the other three programs which the House was very interested in; namely, the supplemental opportunity grants, the student work-study program, and the national direct student loan program.

Minimum amounts were set up in the authorization bill as to what would be required for funding before any basic opportunity grant money was put into the bill.

When the House considered this program, it funded the supplemental educational opportunity grants at approximately $80 million over what the minimums were as required in the authorization bill, and they funded the college work-study program at approximately $40 million over what it was in the authorization bill, and then they funded the national direct student loan program as well.

This leaves little for the basic opportunity grant program, which is a more simplified form of program.

The net result is that we really did not get anywhere with the basic opportunity grant program with $122 million.

I, unfortunately, could not be on the floor when the Senator from Rhode Island was explaining his amendment. He was talking originally at one point to the effect that "If that is all we are going to get, we will make it only as a kind of pilot program"; but I assume, under the amendment, he has increased the money for that program very substantially, and increased it from $122 million to $504 million. Am I correct in that?

Mr. PELL. The Senator is correct.

Mr. DOMINICK. That is fine, so far as the basic opportunity grant program is concerned, but I have been talking with a great number of my school people, and I have been doing it not only in my State but also with other people, and they are very concerned about the NDSL.

The NDSL is funded under existing appropriations through June 30 of this year. However, it is not funded for the fiscal year which starts in September and goes through June of next year, whereas the amount of money put into this particular measure, as it comes out of committee and also in the proposal made by the Senator from Rhode Island, would fund the other programs through June 30, 1974. In other words, it would gives them various fundings so that both the students and also the educators would know what programs are going to be available to them which they can steer their students into. They would not be able to do that under the proposal of the Senator from Rhode Island insofar as the National Direct Student Loan program is concerned. And that is what my amendment would change.

I would cut back on the supplemental opportunity grants from the House allowance and leave it the same as the Senator from Rhode Island. I would be cutting back on the college work-study from the House allowance and leave it the same as the Senator from Rhode Island.

I would take, however, those savings from the House bill and instead of putting them into the basic opportunity grants, I would put them into the national direct student loan program so that it would be funded at the level of $120 million at least until June 30, 1974, thereby giving the students an opportunity to know that that money is coming forward and that they will be able to apply there for their student loans for the coming fiscal year.

Why is this important? I am sure that Members of the Senate and a lot of other people will say, "Well, if you have that funded through June 30, why worry about it?" The answer is that we do not know when the fiscal 1974 appropriations bill will come before us. In the meanwhile, these students are entitled to be able to figure out what their financing will be for the coming fiscal year. Unless we have some money in the program, there is no way they can determine that.

The other answer that I get all the time is that they can go to the insured loan program. I like that program. I think it is a good one. We have some $6 or $8 billion worth of student loans out under that program. However, I have found out to my sorrow that there are many areas in this country, including some in my own State, where the banks refuse to participate in the program because the loans are long in terms of repayment and the total amount in each individual loan is small. The net result is that they find it very difficult to handle.

In order to take care of that matter, we set up the Student Loan Marketing Association—Sally Mae—organization which is a secondary market for student loans. However, that will not be in operation until the end of this year of the beginning of next year.

The net result is that the banks have the insured loan programs in their hands at this time and find themselves unable to loan because there is no secondary market for the loans. They are therefore somewhat reluctant in many areas to go into it in the coming school year until they have actually seen Sally Mae in operation.

I am not increasing the overall amount of the proposed authorizations of $872 million. I am changing the amount and, in fact, deducting $120 million from the amount the Senator from Rhode Island is proposing and taking it out of the basic opportunities grant and putting it into the national direct student loan program.

This program is an extremely important one for a great many people, the low-income people in particular, those with incomes of $2,000, $3,000, $4,000, who have little or no contact in any event with banks anywhere and find it extremely difficult to get any banks to give them an insured loan. In addition to that, as I have said, there are some areas where no banks would participate in the program at all.

Mr. President, the net result of this is that they are being put in a position where they have to depend on the insured loan program or on the work-study program or get some of the basic opportunity grants or a supplemental opportunity grant. Why can they not go that way instead of having the national direct student loan program. That is fairly simple, too.

In the BOG program, which the Senator from Rhode Island is pushing very hard—and it is a good program—we have some rules and regulations which require all sorts of financial accountings with relation to family assets in order to determine what their family contribution will be. If those assets are not liquid and they say, "OK. You have to make a family contribution because your assets are x dollars and are too big," when as a matter of fact all they can produce in the way of cash is y, it was found as far as the students are concerned that a student direct loan program would cover that position. I think it is a good program, and it ought to be funded.

What I am doing therefore is subtracting $120 million from the basic opportunity grants program which the Senator from Rhode Island is pushing, and putting it into the national direct student loans, without raising the total appropriation and making sure that all three programs are funded through the coming fiscal year, June 30, 1974.

This, I think, is worthwhile. I think we ought to do it, and I understand from the Senator from Rhode Island that the administration is opposed to it. I do not understand why they are opposed to it. I have not heard their reasoning. However, maybe he has other input that I do not have.

Whether they are opposed to it or not, frankly, does not make a particle of difference as far as I am concerned, because unless we can get the national direct student loan program funded for the coming fiscal year and early enough to do the students some good, we are in fact going through an exercise in futility.

Mr. President, I reserve the remainder of my time.

The **PRESIDING OFFICER**. Who yields time?

Mr. **PELL**. Mr. President, I yield myself such time as I require.

Mr. President, I have listened with sympathy and interest to the explanation of the amendment by the ranking minority member of the Education Subcommittee, who worked long, hard, and valuably in developing the new concept on basic educational opportunity grants.

I recognize the political wisdom of the thought behind his amendment, because his amendment and the administration's and my amendment would leave untouched the supplemental opportunity grant and, as I understand it, would leave untouched the college work study program. However, they do take money from the basic education opportunity grants and put it into the national direct student loan program.

Where the Senator from Colorado and I disagree is that I do not think these funds need to be put in the urgent supplemental which is to apply only to this year. The Senator from Washington indicated a few minutes ago that there would be another supplemental in the matter of a very few weeks.

I think that is more properly where the funds for the coming fiscal year 1974, should go.

I recognize on the other hand the political appeal of having more funds in the National Direct Student Loan program. It is a good cause and a wonderful program, but it is hard to explain, although we know intellectually and rationally that the money is there. I can see what the Senator from Colorado seeks to do.

I would be very interested in the reactions of my distinguished friend, the Senator from New Hampshire, on this matter. I yield to the Senator from New Hampshire.

Mr. **COTTON**. Mr. President, I will take about 3 minutes.

I have conferred with the Secretary of Health, Education and Welfare. They are very much opposed to the amendment of my distinguished friend, the Senator from Colorado.

We are now up against this problem of whether we agree to the amendment of the Senator from Rhode Island or whether we modify it by the amendment of the Senator from Colorado. We still get the argument either way of how the other body is trying to put us in the position of being on a take-it-or-leave-it basis. I understand that there has been word that they will accept the Young amendment with no trouble at all, but if we try to further amend this measure we will not get final action until we come back after a recess. In other words it will be delayed, and the bill will be killed, and so on. I have gotten rather tired of that.

Every time I pick up a newspaper, every time I turn on my television, every time that I go anywhere or have any group of people come into my office from the various-do-gooder organizations, I constantly have it thrown in my face that this administration, from the President down to the last doorkeeper in the White House are a cold blooded, heartless bunch of people who have no interest in the human problems of this country. The charge is constantly made that the administration wants to build up our defenses and does not want to take care of the poor, and in this instance, does not want to give help to those who are trying to earn an education.

Here is the first time so far, I think, in this session, that we have come in with a program, and the people downtown are squarely behind it, that I think promises to be one of the most effective programs and I hope will prove to be one of the most effective programs we have ever had to promote higher education and put it within the reach of the unfortunate. That is the basic opportunity grants. They do not have to get it from a bank, they do not have to go anywhere else, it is a basic opportunity grant.

This is the first time that this heartless, coldblooded administration that has ice water in their veins, that serves only the rich and does not give a damn for the poor and unfortunate, and is all for national defense with nothing for human needs, are asking us to stand up for something that we really believe and hope will be effective in giving an opportunity to get a college education to every boy and girl in America.

Right off quick the House says, "If you take this, you will kill the bill." Then Senators want to amend it, and tie up the limited money in loans, and cripple the real benefit that is in this bill.

As far as I am concerned, I am going to support the amendment. Though I rarely find myself in disagreement with my friend from Colorado, for whom I have great respect and whose leadership I have followed on many occasions, I find myself opposing him now, because I am so happy—and I wish there were more people in the newspaper gallery to hear this—I am so happy, for once, as a miserable Republican who, according to some people, has not a cent in his pocket but associates with millionnaires who have no interest in the downtrodden people—I am so happy, for once, to stand on this floor and say I am fighting for an administration measure that is good, and that would help the needy.

So, for myself, not because I have orders from downtown, but just because I happen to like the feeling of this occasion, I shall have to vote against the amendment of my friend from Colorado and for the amendment of the Senator from Rhode Island. I shall vote for it, of course, if it is amended; and if the House wants to say to the Senate, "If you tamper with this bill, we will kill it," let the House kill it and let the chips fall where they may.

Mr. **PELL**. Mr. President, I thank the Senator from New Hampshire very much. I think his thinking is sound, and I must perforce, with the logic of his position, follow the same course, and will be compelled to oppose the amendment of the Senator from Colorado.

I also was struck by the eloquence of the Senator from New Hampshire. It is true that the end product, the students, are very much for this amendment. The student aid officers seem somewhat worried, as they perhaps see their job rationale minimized a tiny bit as these amendments come down the road, and are attempting to mobilize my colleagues on the floor to bring to bear their views that this is a bad program. I sometimes think they have a vested interest in making these programs as complicated and Parkinson's law as applicable as possible. But the students are for the proposal. The people are for it, and the junior college people are for it.

Recognizing the additional political moxie of the amendment of the Senator from Colorado, I still must oppose his amendment and press for my own.

Mr. **MAGNUSON**. Mr. President, will the Senator yield me 1 minute on the bill?

Mr. **PELL**. I yield.

Mr. **MAGNUSON**. I hope we will not get off the track here with some of our rhetoric. No one is against the program the Senator from Rhode Island is talking about, at all. I am as hopeful as the Senator from New Hampshire. I hope the program will turn out fine.

The amount of money in this bill is exactly the same in both cases. No one is giving any more or taking anything away. We are simply talking about two different programs, or the emphasis on one side as against the other side. We are suggesting only that we will go ahead with the Senator's program, but that this is not quite the place, today when we are leaving here tomorrow, to do this. Here we simply want to assure that the proven and tried programs are continued for one more year until the new program is in place and students and financial aid administrators are assured it will work. We need to provide for ongoing programs so there will not be any gap in student aid. This needs to be done on an urgent basis. We can address additional funding for BOG's in the second supplemental. What is so difficult to understand about that? The House understands this very well.

I have sat in many conferences with the House of Representatives.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. PELL. I yield the Senator an additional minute.

Mr. MAGNUSON. I have sat there hour after hour. So has the Senator from New Hampshire. We are not against this new program. I am for the program that the Senator is for 100 percent, but I do not think that this urgent supplemental is the place to do it, right now, because we have very limited time to complete action on this resolution.

I am just as practical as anyone else around here. I do not know whether we could have a successful ocnference on this or not before the recess. I do know the Senator can take it up in 2 or 3 weeks with the second supplemental, and do not know why he wants to insist on it now.

That is the only thing I can suggest. I am for his program. The Senator is going to have to come to me in the next 2 or 3 months for a lot of support, and I am going to give it to him. Now, why clutter this emergency supplemental measure with this amendment?

I am against the amendment of the Senator from Colorado, too, because I am trying to keep the amounts the same, so that we can have a conference within the next 12 or 13 hours. If this bill gets too cluttered up, we may not be able to have a successful conference. I doubt if we have a quorum in the Senate right now, if I wanted to call a live quorum.

Mr. PELL. We will find out when we vote.

In all justice to the Senator from Colorado, the total sums are the same, but the reason why I take exception to the action of the House by voice vote is that they changed the whole structure of the basic subject of the legislative enactment. What we have here is, paraphrasing President Wilson, a small group of willful men taking what was already the law, the authorizing legislation, and turning it around until the present concept is different.

I do not think there is any huge urgency; it is not the end of the world if we do not get this through right now. But when we do it, let us do it right, and not in contravention to the law that is presently on the books.

I am perfectly willing to have it slide over and not have it enacted, but I do not want to see it enacted against the law we passed a very few months ago.

Mr. DOMINICK. Mr. President, I yield myself whatever time is left, and I shall be very brief.

I say, first of all, to the Senator from Washington, that my amendment does not increase the amount of the bill anywhere; it stays exactly the same.

Mr. MAGNUSON. I am sorry; I meant distribution when I said amounts.

Mr. DOMINICK. No. It stays the same. The only other thing I am doing is putting some money into the national direct student loan program, which is a tremendous program. It takes it out of the BOG until we can get some of the rules and regulations so as to give us some advance money for the students. The national direct student loan program is interest-free while the students are in attendance, and then it accrues at 3 percent direct repayment.

Two institutions in Colorado, the University of Colorado and the University of Northern Colorado, have indicated that this program aids 4,922 students at those two institutions alone. If we do not have any advance funding, the students do not know what they can do and they cannot move forward. I would say that there are over 30 institutions of higher education in my State. This program is enormously important not only for Colorado but in every other State.

I would say another thing, that we made an agreement we would put some money into each one of the three programs when we authorized the BOG in the conference. If we adopt the amendment of the Senator from Rhode Island, we are not putting any money into the national direct student loan program and we will be violating, in my opinion, the good faith that we had with the House Members.

Mr. COTTON. Will the Senator from Colorado yield for one quick question, I second?

Mr. DOMINICK. I yield.

Mr. COTTON. If his amendment is adopted, however, we are financing the national direct student loan program for 2 years ahead; is that right?

Mr. DOMINICK. No, that is not correct. There is no money in his amendment for that at all.

The PRESIDING OFFICER (Mr. Hansen). The time of the Senator from Colorado has expired. The Senator from Rhode Island has 4 minutes remaining.

Mr. DOMINICK. If the Senator will yield me 1 more minute, I want to emphasize that under this proposal of the Senator from Rhode Island, we would be forward funding the BOG and the college work studies. I am in favor of it. We would be giving no money for the national direct student loan program and we could not forward fund that. Under my amendment, we would be forward funding, so that the kids will know what they are doing when they try to get financial aid this year, before they go home for summer recess.

Mr. President, I ask unanimous consent that the following Senators be added as cosponsors of my amendment: Senators Javits, Cook, and Buckley.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record a statement by the distinguished Senator from New Mexico (Mr. Montoya), together with an insertion.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR MONTOYA

Last year when the Congress considered the Education Amendments of 1972, much deliberation was spent on the problem of providing financial assistance to students seeking to obtain a college education.

While the Congress was satisfied that existing student loan programs were achieving a great success in making funds available to needy students, it nonetheless authorized an experimental grant program.

In authorizing the Basic Opportunity Grant (BOG) program, Congress expressed its satsifaction in existing programs by requiring that the National Direct Student Loan, College Work-Study, and the Economic Opportunity Grant programs be funded at the 1972 level before any funds could be provided for the BOG program. Congressional intent to the effect that the BOG program was to be a supplement to and not a replacement for existing programs could not have been more explicit.

Yet, in spite of this expressed Congressional intent, the President's budget request for these programs, submitted in the Second Supplemental Appropriation's Bill, intentionally disregards this mandate. No funds were requested for Direct Student Loans or the Economic Opportunity Grant Programs. College Work-Study was budgeted at $20 million below the 1972 level.

Mr. President, while I believe that the BOG program should be funded as an experiment, I cannot support the Administration proposal, which places a major emphasis on this untried program while eliminating completely any funds for tested and successful student assistance programs.

I therefore applaud and heartily endorse the action taken by the Appropriations Committee, of which I am a Member, in reallocating the $872 million requested by the President for student assistance programs.

This action is responsible in that it does not exceed the budget request submitted by the President, and responsible in that it reflects the intent of Congress expressed in the Education Amendments Act of 1972.

I would emphasize, Mr. President, that my opposition to having the BOG program as the major effort of the Government in the field of student assistance goes beyond my concern with the President's failure to abide by expressed Congressional intent. I believe that my fears are better understood if I were to place the student loan programs in historical perspective.

Since it was authorized by the National Defense Education Act of 1958, the National Defense Student Loan program has put over $2 billion into educational institutions which have added another $255 million to the funds for making loans to undergraduate and graduate students.

This program has helped millions of students through college and thousands on through graduate or professional schools. Presently there are 3,000 colleges taking part in the program. This year, at least 250 more have applied to take part in the program.

This is a matching fund program in which the institution contributes ten percent of the funds loaned out. In addition, the college or university administers its own loan fund, absorbing the overhead attached to making and collecting loans as part of its overall administrative expenses.

At some universities which have participated in the program for many years, there is enough turnover in funds to provide adequate if not generous loans for students. The U.S. Office of Education predicts a $250 million turnover in all NDSL loan funds this year. Such institutions as Georgetown University will have a one-third return on its funds. However, newer institutions such as Federal City College will have no return at all this year—or for several years to come.

This program is especially important for low-income students. They are able to go directly to the financial aid officer of the institution to seek aid. He is in a position to help them put together an aid package suited to their needs, and most important, he knows their financial background and is sympathetic.

The proof of this program's importance to low-income students lies in the fact that over the years, more than 50 percent of NDSL funds have been loaned to students whose family incomes are $6,000 per year or less. This financial status usually tends to discourage borrowing, yet without a loan there is often no way low-income students can complete college. The fact that aid is given through the school seems to reduce the fears of the low-income student about borrowing.

The elimination of the NDSL program in the administration budget is apparently based on the assumption that guaranteed bank loans plus NDSL turnover money will satisfy the nation's student loan needs. I think that is a false and self-serving assumption.

In the Education Amendment Act of 1972, the Congress did seek to improve the climate for guaranteed loans through the establishment of the Student Loan Marketing Association. However, the Congress also made it perfectly clear that NDSL was to be funded, along with other traditional programs, as a prerequisite to funding of the loan guarantee program at its full level.

To replace the NDSL program, the Administration has offered us a program of guaranteed loans from private institutions. Now, I have nothing against banks, but I do not feel that banks are the proper place to seek all educational loans.

Banks are in business, and too often the requirements of properly running a business conflict with the educational and financial needs of those seeking loans.

A recent informal survey by the National Association of Student Financial Aid Administrators clearly showed that bankers have little interest in making student loans. Few, if any, are making plans to significantly increase their student loan business to absorb the increased need after the proposed end to the NDSL program.

The Administration is offering us a substitute program for NDSL. But its planners apparently failed to inform those who are necessary for the plan that they will be part of it.

But an even more disturbing problem is that, due to business requirements, many of those most in need of loans will be unable to get them. Banks already participating in the limited guaranteed loan program have often required an account relationship, upperclass standing in school, a high grade point average or local residency as a prerequisite for a loan.

All these factors work against low-income students—who do not have the financial resources to establish an account relationship—and who rarely have high grades. The independent student, away from home and on his own, is unable to establish local residence. In the final analysis, those most able to receive loans through this program will be those least likely to need them.

Here we should also take up the problem of bureaucracy. The Administration has long told us that it seeks to decrease bureaucracy and bring programs closer to those who need them. Yet here, once again, we see an instance where the program is most easily accessible to its recipients in its present form. But the Administration wants students to leave their campuses, which all too often are bureaucratic enough, and deal with an altogether different and largely unsympathetic bureaucracy—the bank. This situation poses a contradiction that should give us food for thought.

We must not allow a program that has been as successful as the NDSL program to be dissolved even before its replacement has been organized, much less proven that it will work. It is my feeling that guaranteed loans may supplement the NDSL program, but cannot replace it.

The Economic Opportunity Grant (EOG) program is also scheduled for extinction if the President's budget request is accepted by the Congress.

Providing as much as $1,500 per year or $4,000 for four years for extremely needy students, these grants allowed a financial aid officer to keep in close contact with the student—a very effective method of tailoring the financial aid package to the student's needs.

Since its inception in 1965, more than 250,000 students have received Educational Opportunity Grants and Supplemental Educational Opportunity Grants. Seventy percent of those receiving these grants were from families with annual incomes of less than $6,000 per year. Clearly, these students would have had difficulty if such a program were not available to assist them financially.

The success of College Work-Study is even admitted by the Administration. The fact that the budget request for this program is $250 million or only $20 million below the 1972 funding level indicates some interest in continuing the program. While at first glance the budget request for College Work-Study seems reasonable, given today's budget constraints, this reasonableness disappears when one considers that an additional 500 post-secondary institutions will be seeking federal student aid funds for the first time in 1973–74. Most of these schools are requesting work-study funds.

We must also remember that more students will be eligible for work-study funds because we provided eligibility for part-time students in the Education Amendments Act of 1972.

The National Association of Student Financial Aid Administrators predict a 25 percent increase in applications for work study funds and they also point out that, should the Congress enact a minimum wage bill, less funds would be available for distribution. All of this points out the need to fund this program at least at the $270 million 1972 level or higher if at all possible.

Mr. President, this brief historical review of existing student aid programs should serve to demonstrate the need for continued funding of these programs which have for years made it possible for many needy and deserving students to obtain a college education.

Mr. President, I am inserting a letter which I have received from the President of New Mexico Highlands University, Dr. Frank Angel, in which he describes the effect of the Administration's efforts to do away with direct loans and replace them with the BOG program.

Mr. President, the Administration now purposes to scrap these programs and replace, not supplement, them with the Basic Opportunity Grant program, which we authorized in the Education Amendment Acts of 1972. While many of us agreed that a new approach to provide student aid should be attempted, none of us ever thought that the Office of Education would impose such strict and inflexible income and asset contribution guidelines on recipients.

Under the BOG formula, families of students receiving the grant would have to provide a certain portion of the grant, depending on income and assets. The average grant in fiscal year 1973 would be about $500 and would go up to $700 per year in fiscal year 1974.

But the outcry over this formula has been virtually deafening, even here in Washington.

Many constituents have noted accurately that although a family might have a total income of $1,400 per year from Social Security or Veterans benefits, a student from that family would be ineligible for a BOG. Why? Because the guidelines automatically include payments under these other programs as part of the BOG. The poorest of this nation's citizens, those who most need the advantages of higher education and those who are least likely to receive higher education are virtually stricken, as a class, from receiving a BOG.

Until such time as these weaknesses and shortcomings of the BOG program are ironed out, I cannot urge my colleagues to support funds for this program in amounts beyond what we generally provide other experimental programs.

Mr. President, I urge my colleague to carefully consider the action of the Appropriations Committee and that it approve funding for existing student loan programs at the 1972 level while funding the untested BOG program as an experimental program only.

Mr. President, unless the Congress follows this approach, many needy and deserving students will not be registering for a college education this fall.

The letter referred to is as follows:

New Mexico Highlands University,
Las Vegas, N. Mex., February 23, 1973.
The Honorable Joseph M. Montoya,
U.S. Senator,
Senate Office Building,
Washington, D.C.

Dear Senator: This letter has to do with the matter of the Administration's budget proposal to the Congress regarding financial aids for students in colleges and universities. The Administration requests no funds for the operation of the Supplemental Educational Opportunity Grants Program, as well as no additional federal capital contributions to the National Direct Student Loan Program for the fiscal year 1974. Instead, the proposal asks for $622 million this year and $959 million next year to launch the new program of Basic Educational Opportunity Grants.

This action would prove extremely detrimental to the students who attend Highlands University, most of whom are in very low income brackets. The projected number of undergraduate students who will enroll in the next fiscal year here is 2420. Of this number, about 75%, or 1830, will need financial aid. The adjusted gross family income for 1370 students now receiving aid at Highlands will give you an idea of their financial situation.

Family Income Level	*Number of Students*
$0–$5999	880
$6000–$8999	200
$9000–$11,999	110
$12,000–above	120
Veterans	520

The table does not tell the full story, since the first category includes students whose family income levels are as low as $1,200 and are welfare cases.

In 1972, 492 students received their degrees from New Mexico Highlands University. Of this total, 292, or 58.6%, were in the field of education. Since the National Direct Student Loan Program has provisions for partial cancellation, the notion of entering higher education and specializing in education made the loan provisions very attractive to our students. This incentive would be lost if the program is not funded.

While we would certainly like to see the launching of the new Basic Education Opportunity Grants, our students will continue to need help from the Supplemental Educational Opportunity Grants Program and especially full funding of the National Direct Student Loan Program.

The Basic Education Opportunity Grants will require students to have to borrow from banks to supplement what the grants will give them. Since most of the low income families have no collateral or unacceptable collateral, the net effect will be to deny them the opportunity of a college education.

Without the help from the programs now in effect, the students in northern New Mexico who attend this and other institutions in the state will be seriously affected. We hope that you can influence the decision regarding these matters and thus help to continue providing for equalization of educational opportunity for our students.

Sincerely yours,
Frank Angel,
President.
Dennis Marquez,
Student Financial Aids Officer.

SENATOR RANDOLPH SUPPORTS STRONG STUDENT AID PROGRAMS

Mr. RANDOLPH. Mr. President, the Pell amendment as modified by the Dominick amendment is of vital importance to thousands of young people who will be attending institutions of higher education. The amendment places before the Senate a viable solution to many of the financial problems faced by students in need of aid to attend our colleges, universities and other post-secondary institutions.

The basic grant program which will be increased by this amendment was an integral part of the Education Amendments of 1972 which passed the Senate initially last year by a vote of 88 to 6. After many, many, many hours of conference with the House the conference report was agreed to by 66 to 15.

The new concept of basic grants to students is the most forward looking education program in decades. This entitlement program will be of great assistance in achieving our goals for equal educational opportunity. An important aspect of this program often overlooked is that aid will be available to students in proprietary, technical and vocational schools who have often had little or no access to assistance in the past.

If this program is to be successful it must be adequately funded. The increase of funds available under this amendment is a far more realistic figure for the initial year of the program.

The basic grant program was designed to provide a base for all financial aid to students who attend post-secondary institutions. Imbedded in the 1972 amendments was the idea that existing programs would supplement the amount of support available thus offering a greater range of support to all qualified students. The continuation of the college work-study program, the supplemental educational opportunity grants and the national direct student loan is imperative in our efforts to provide a higher education to our young people.

President Nixon in his message on higher education in March 1970, stated that no qualified student should be barred from college because of a lack of money. The basic grant program supplemented by existing programs goes a long way in meeting this goal. With the assurances that existing programs will be funded as provided by this amendment, I believe that it is more acceptable and better equipped than the House bill to meet the needs of our young people pursuing a higher education.

The amendment, in my opinion, provides for the continuation of funds for work-study and supplemental educational opportunity grants and national direct student loans in an equitable manner. Now is the time, not later, to commit the Congress to this effort.

Mr. McCLELLAN. Mr. President, I would suggest that we yield back all the time on this amendment and call the roll.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield back his time?

Mr. PELL. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now expired. The question is on agreeing to the amendment of the Senator from Colorado (Mr. DOMINICK) to the amendment of the Senator from Rhode Island (Mr. PELL).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Georgia (Mr. NUNN), the Senator from Alabama (Mr. SPARKMAN), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico (Mr. MONTOYA) and the Senator from California (Mr. TUNNEY) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), and the Senator from Hawaii (Mr. FONG) are necessarily absent.

The Senator from Nebraska (Mr. CURTIS) and the Senator from Idaho (Mr. MCCLURE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Ohio (Mr. TAFT) are detained on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS) would vote "nay."

The result was announced—yeas 44, nays 31, as follows:

[No. 102 Leg.]

YEAS—45

Aiken
Bartlett
Beall
Bible
Brooke
Buckley
Byrd, Robert C.
Cannon
Case
Church
Cook
Cranston
Dole
Domenici
Dominick
Fannin
Griffin
Hansen
Haskell
Helms
Huddleston
Hughes
Humphrey
Jackson
Javits
Kennedy
Mathias
McGovern
Mondale
Moss
Nunn
Packwood
Percy
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Stafford
Stevenson
Thurmond
Tower
Weicker

NAYS—31

Abourezk
Allen
Bennett
Bentsen
Biden
Burdick
Clark
Cotton
Eagleton
Ervin
Fulbright
Gurney
Hatfield
Hathaway
Hollings
Hruska
Magnuson
Mansfield
McClellan
McIntyre
Metcalf
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Stevens
Symington
Talmadge
Young

NOT VOTING—24

Baker
Bayh
Bellmon
Brock
Byrd,
Harry F., Jr.
Chiles
Curtis
Eastland
Fong
Goldwater
Gravel
Hart
Hartke
Inouye
Johnston
Long
McClure
McGee
Montoya
Sparkman
Stennis
Taft
Tunney
Williams

So Mr. DOMINICK's amendment to the amendment of the Senator from Rhode Island (Mr. PELL) was agreed to.

Mr. DOMINICK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now recurs on the amendment offered by the Senator from Rhode Island (Mr. PELL), as amended.

Mr. COTTON. On that, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. I yield myself 2 minutes on the bill.

As to the Pell amendment, let it be understood that I and some of the rest of us are not against the Pell amendment, which means the basic opportunity grant direction in aid to students.

It is a new program. There is money in the House bill and in the Senate committee recommendation which accepted the House figures for its continuation. We are going to have a second supplemental in about 2 or 3 weeks and there is over $900 million in the regular appropriation bill for the BOG program. They are not quite ready for it yet. They are moving along. In the meantime, many of the people thought we should not phase out some of these other tried and proven programs such as direct loans, work study programs, and educational opportunity grants. It is obvious in the future that the BOG program may work, and gradually those ongoing programs may be phased out. I am going to help all I can and I know that the Senator from Rhode Island and other supporters, including the Senator from New Hampshire, feel the same way, to see that this new program goes along as it should. But we should not change the whole focus of Federal assistance for student-aid when 1 college year is just about finished and a new one ready to start. We should not move until we get the bugs worked out of BOG's, and it surely does not belong in an emergency appropriation bill. In 2 or 3 weeks from now we will have another supplemental.

There are other reasons I suggest we do not put it in this measure. The bill came from the House. They changed some figures and some programs, putting more emphasis on one than on another. But the amount is the same—$872 million.

We have a recess coming up. I talked to House Members just a few moments ago. They think that if we change this bill substantially, completely turn it around on this issue of student aid programs, that we will not have a successful conference. I am sure there will be no one here tomorrow just to bring back a conference report. I am trying to get an acceptable bill over there so we will have some bill—something to show for our efforts. If we change this too much, we may lose the whole thing. That is the sole purpose. There should not be an argument about the merits or the demerits of the BOG program. We are going to come to that in due time. In the meantime, the kids have to know that they can get direct loans and educational opportunity grants. All the direct loans are cut out in the administration's budget request. The Senator from Rhode Island suggested they go down there, that there is money in the pipeline for it. Well, they have discouraged that, waiting for a sort of Fannie Mae for students.

All of this will work out. I do not want this bill jeopardized. I just checked again a few moments ago and they will not give a conference as of now, and I do not know what I can do about it. I do not see the emergency to get BOG's funded in this bill and letting the cuts stand in the ongoing tried and proven programs. It does not make sense. The Senator from Rhode Island said that there is an emergency to get BOG's started and no emergency regarding the programs scheduled for cuts or elimination. I disagree this would change the whole focus. They do not know what to do with the new program yet.

While they are phasing into the BOG program, let us keep these ongoing programs going so people running the schools will know where we are going and where they stand.

There has been argument that someone is against the BOG program. That is not true. I have been here hour after hour. I am going to do something about it if I possibly can. But we are talking about only 2 or 3 weeks, and over $900 million is in the regular budget for it. Is that not enough to get it going? Of course, it is. That is the only purpose of this. I do not stand here and say it is right or wrong, but I do not think, as a practical matter, if we change this in the manner the Senator from Rhode Island suggests that we are going to have a bill at all.

Mr. COTTON. Mr. President, will someone yield to me for 2 minutes?

Mr. MAGNUSON. I do not want to argue what is right or wrong in the House bill.

Mr. COTTON. When do my 2 minutes start?

The PRESIDING OFFICER. Right now.

Mr. COTTON. Mr. President, very rarely do I differ with my chairman, to whom I am very loyal, but this is one instance. In the first place, this is an urgent amendment and it is urgent, because we want to get this money so that students going to college this fall will have some money and know they are going to get it.

In the first place, the Members of the House have not left. They are over there fighting over the west front of the Capitol. They are there. But what if we have a 10-day recess? Younger Senators will live during those 10 days and they will be back.

There will be an opportunity to have a conference. I do not like the idea of Members of the House saying to Senators, "Here it is. Take it or leave it. If you change it we will kill the whole bill."

If we cannot wait 10 days I do not know when we will get another supplemental bill, and it may be too late. This bill has been adulterated a little by the Dominick amendment, but it still is an urgent appropriation bill that gets money to the students that want to go to college next fall. The administration is asking for it.

I say to those who refer to this cold blooded administration, to a President with ice water in his veins, that he is for this measure, but look who is opposing it. I hope this amendment will be agreed to. It does not add 1 cent to the bill, but it means we do not wait 2 months to get something we can get in 10 days, and I can live for 10 days.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. PELL. I yield 1 minute to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I simply hope the Senate will support the amendment as amended. It gives us money in all four of these programs, as was agreed upon by Senate-House conferees in the Education Amendments of 1972. It puts it down at the level where the authorization is, instead of above it, and it makes it far easier to compromise with the House than it otherwise would have been; because they have, all four programs will be funded. I strongly urge the adoption of the amendment.

Several Senators. ["Vote! Vote!"]

Mr. PELL. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. PELL. Mr. President, what happened here is that the House by voice vote changed the whole thrust of the higher education bill for which we labored long and hard in the last Congress for this concept of basic grants on which we built direct student loans, college-work orders, and educational opportunity grants. They turned it around by a voice vote and put the emphasis on the former programs. This is to ridicule the new program—appropriate an amount that would have made grants of $80 or $90 each, and would result in $10 in paperwork. I would not be pressing this issue if it were not an example of an appropriation changing the authorizing legislation, the thrust of its intent, without the will and thoughtful consideration of the committees of Congress.

I yield back the remainder of my time.

Mr. MAGNUSON. Mr. President, I hope the Senator does not give the implication that anyone here is ridiculing the BOG program.

Mr. PELL. There is no greater friend of education than the Senator from Washington. It grieves me to be debating this on a different side than the distinguished Senator from Washington. I would not do it if I did not feel the House had misacted on that occasion. The Senator is a wonderful and noble friend of education.

Mr. YOUNG. Mr. President, I yield myself 2 minutes. I doubt very much if anything I have to say will change any votes now. We have a situation where the administration was opposed to the Dominick amendment, but was for the Pell amendment. It was against my amendment adopted a while ago. Where the administration stands now, I do not know, since the pending amendment contains the Dominick amendment that the administration opposed. However, as a matter of fact, if we want this resolution enacted, we had better not take this amendment. If the Senate votes for the amendment, I doubt if anything will be done until after the recess. We will soon not have a quorum in either House.

The PRESIDING OFFICER. All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from Rhode Island, as amended.

Mr. McCLELLAN. Mr. President, I yield myself 1 minute on the bill.

I do not think any Senator is opposed to what is sought to be accomplished by this amendment. But we are up against a practical solution.

I have previously expressed my concern this morning in my opening remarks on this measure. I could very well support the amendment. I could very well go along with those who want it and want it now. However, unfortunately what we do here does not mean we are going to get it, and in my judgment we may as well be practical about it.

I do not believe that we will get this supplemental measure passed before adjournment if we adopt this amendment. I leave it up to Senators—those being the facts as I see them. If they decide to vote for the amendment, it will jeopardize the passage of the measure before recess. I must point out that the measure carries with it other appropriations that are emergencies. If Senators want to jeopardize these appropriations, that may be the consequence of voting for the amendment. Except for these consequences, I would gladly and wholeheartedly support the amendment.

The PRESIDING OFFICER. The question is on the adoption of the amendment by the Senator from Rhode Island, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Virginia (Mr. Harry F. Byrd, Jr.)., the Senator from Florida (Mr. Chiles), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Michigan (Mr. Hart), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Long), the Senator from New Mexico (Mr. Montoya), the Senator from Alabama (Mr. Sparkman), and the Senator from California (Mr. Tunney), are necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

On this vote, the Senator from California (Mr. Tunney) is paired with the Senator from New Mexico (Mr. Montoya).

If present and voting, the Senator from California would vote "yea," and the Senator from New Mexico would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), and the Senator from Hawaii (Mr. Fong) are necessarily absent.

The Senator from Nebraska (Mr. Curtis), and the Senator from Idaho (Mr. McClure), are absent on official business.

The Senator from Arizona (Mr. Goldwater) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. Curtis) would vote "nay."

The result was announced—yeas 62, nays 19, as follows:

[No. 103 Leg.]

YEAS—62

Aiken
Allen
Bartlett
Beall
Bennett
Bible
Biden
Brock
Brooke
Buckley
Byrd, Robert C.
Cannon
Case
Church
Cook
Cotton
Cranston
Dole
Domenici
Dominick
Eagleton
Fannin
Griffin
Hansen
Hartke
Haskell
Hatfield
Helms
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Moss
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Stafford
Stevens
Stevenson
Symington
Taft
Tower
Weicker
Williams

NAYS—19

Abourezk
Bentsen
Burdick
Clark
Ervin
Gurney
Hathaway
Hollings
Hruska
Magnuson
McClellan
McGovern
Muskie
Nelson
Proxmire
Scott, Va.
Talmadge
Thurmond
Young

NOT VOTING—19

Baker
Bayh
Bellmon
Byrd, Harry F., Jr.
Chiles
Curtis
Eastland
Fong
Fulbright
Goldwater
Gravel
Hart
Inouye
Long
McClure
Montoya
Sparkman
Stennis
Tunney

So Mr. Pell's amendment, as amended, was agreed to.

Mr. DOLE. Mr. President, I would like to voice my support for House Joint Resolution 496, the "Urgent" Supplemental Appropriation bill as passed by the House.

The increased demand by veterans for readjustment benefits under the Vietnam era Veterans Readjustment Assistance Act of 1972 has necessitated increased appropriations by Congress. These additional funds must be available to the VA by April 25, in order to be distributed by the May 1 payment date. These funds are urgently needed by the enrolled veterans.

Also of particular importance, is the urgent funding of the Federal student aid programs. The amendment by Representative Flood would appropriate increased funds for the National Direct Student Loan Program, the education opportunity grants, and the College work-study program, than the Administration requested. However, the total amount is equal to the $872 million amount requested by the Administration, but proportioned differently. The principal difference is the amounts appropriated for the new Basic Educational Opportunity Grant program. Mr. Flood requested appropriations of $122 million for the BEOG rather than the administration's request of $622 million. It must be taken into account that earlier programs must be appropriated at previous levels before the new BEOG program can be appropriated as stated under the Higher Education Act Amendment of 1972. There is much doubt, as voiced by many students and school administrators in Kansas, whether this program could be adequately and fairly implemented by the 1973–74 school year. I have also had reservations with the proposed BEOG family contribution schedule, which would penalize students from families owning farms or small businesses. The schedule would use the relatively large assets of these families in calculating the family's adjusted gross incomes, even though many of these families have relatively low incomes. Thus, students from these families would not receive adequate assistance.

Mr. President, the college work-study program has proved to be an excellent and effective program, where needing students can contribute to their own educational funds through part-time work. The House amendment requests $270 million, the same amount as appropriated for this program in fiscal year 1972.

The Flood amendment would also appropriate $210 million to the EOG program which has shown excellent results and is of particular benefit to students attending private and small colleges.

Finally, the NDSL program would receive $293 million, the same amount as appropriated in fiscal year 1972. This program has been very effective, and unlike the guaranteed student loan program, which the Administration would expand while replacing the NDSL program, loans are processed much more smoothly on campus, at university or college student financial centers. The guaranteed student loan program is often enmeshed in redtape, and the bankers are generally not overjoyed with the paperwork that they must go through in processing these loans. Many banks will not handle the guaranteed loans. With higher interest rates, and an often unfamiliarity of banking institutions and collateral problems, many students can not readily obtain a guaranteed loan. The schools where the student attend are much more equipped to handle students loans, such as the NDSL loans.

Mr. President, the passage of this bill is very important to America's veterans and students. Both groups need the appropriation of these funds now, and not at any later date. The students must be able to make realistic and accurate plans for financing their educations for the coming school-year, and I believe that another year is needed to study the BEOG program before the other programs are decreased or eliminated.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 496) was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

Mr. YOUNG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is, Shall the joint resolution pass? On this question the yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Senators will please take their seats and clear the aisles. May we have order in the Senate?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Nevada (Mr. Bible), the Senator from Virginia (Mr. Harry F. Byrd, Jr.), the Senator from Florida (Mr. Chiles), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Michigan (Mr. Hart), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Long), the Senator from New Mexico (Mr. Montoya), and the Senator from California (Mr. Tunney) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel), the Senator from New Mexico (Mr. Montoya), the Senator from California (Mr. Tunney), and the Senator from Nevada (Mr. Bible) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), and the Senator from Hawaii (Mr. Fong) are necessarily absent.

The Senator from Nebraska (Mr. Curtis) and the Senator from Idaho (Mr. McClure) are absent on official business.

The Senator from Arizona (Mr. Goldwater), and the Senator from Vermont (Mr. Stafford) are detained on official business.

If present and voting, the Senator from Nebraska (Mr. Curtis) would vote "yea."

The result was announced—yeas 81, nays 0, as follows:

[No. 104 Leg.]

YEAS—81

Abourezk
Aiken
Allen
Bartlett
Beall
Bennett
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cotton
Cranston
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fulbright
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—0

NOT VOTING—19

Baker
Bayh
Bellmon
Bible
Byrd,
  Harry F., Jr.
Chiles
Curtis
Eastland
Fong
Goldwater
Gravel
Hart
Inouye
Long
McClure
Montoya
Stafford
Stennis
Tunney

So the joint resolution (H.J. Res. 496) was passed.

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McClellan, Mr. Magnuson, Mr. Pastore, Mr. Proxmire, Mr. Montoya, Mr. Young, Mr. Hruska, and Mr. Cotton conferees on the part of the Senate.

EXTENSION OF ECONOMIC STABILIZATION ACT OF 1970

Mr. SPARKMAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 398.

The PRESIDING OFFICER (Mr. Domenici) laid before the Senate the amendment of the House of Representatives to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970, which was to strike out all after the enacting clause, and insert:

That section 218 of the Economic Stabilization Act of 1970 (title II of Public Law 92–210; 85 Stat. 743) is amended by striking out "April 30, 1973" and "May 1, 1973" and inserting in lieu thereof "April 30, 1974" and "May 1, 1974," respectively.

Sec. 2. Section 207(b) of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting the following in lieu thereof: ": *Provided*, That such agency shall issue no order which has the effect of reducing wages, or salaries in effect, or proposed to be put into effect, in an appropriate employee unit unless such order is made on the record after opportunity for a hearing. Not less than thirty days after issuance of such an order a statement of exploration shall be directed to the affected parties and made available to the public. Such statement shall include a full explanation of the reasons why the existing wage or salary, or proposed wage or salary adjustment, does not meet the requirements of or the standards established by the regulations prescribed by the agency."

DEFINITION OF WAGES AND SALARIES

Sec. 3. Section 203(g) of the Economic Stabilization Act of 1970 is amended to read as follows:

"(g) For the purposes of this title, the term 'wages' and 'salaries' do not include reasonable contributions by any employer pursuant to a compensation adjustment for—

"(1) any pension, profit sharing, or annuity and savings plan which meets the requirements of section 401(a), 404(a)(2), or 403(b) of the Internal Revenue Code of 1954;

"(2) any group insurance plan; or

"(3) any disability and health plan;

unless the President determines that the contributions for such purposes made by any such employer are unreasonably inconsistent with the standards for wage, salary, and price increases issued under subsection (b) or under any other provision of this title. Contributions necessary to maintain reasonable benefit provisions provided in any plan described in this subsection shall not be considered 'unreasonably inconsistent'."

Mr. SPARKMAN. Mr. President, I move that the Senate disagree to the amendment of the House to the bill, and agree to the request of the House for a conference on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Sparkman, Mr. Proxmire, Mr. Williams, Mr. McIntyre, Mr. Tower, Mr. Bennett, and Mr. Packwood conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1315) to extend diplomatic privileges and immunities to the Liaison Office of the People's Republic of China and to members thereof, and for other purposes.

VOTER REGISTRATION ACT

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 352) to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mr. McGEE. Mr. President, may I ask what the parliamentary situation is at this moment?

The PRESIDING OFFICER. The bill is open to amendment.

Mr. McGEE. Mr. President, I have no further amendment. Would it be agreeable to go to third reading?

Mr. ALLEN. If the Senator will yield the floor, I have a motion I would like to make.

Mr. McGEE. May we have a consultation, Mr. President?

I am glad to yield the floor to the Senator from Alabama, for a very unique purpose.

Mr. ALLEN. Mr. President, this bill has been pending before the Senate since April 6. It appears that it will continue to be the unfinished business of the Senate at the time the Senate returns to its session on April 30, after the recess. So that over a period of some 24 days, this bill will have been either the pending business or the unfinished business in the Senate—a bill that provides for another echelon, another layer, of Federal bureaucracy to do something that the people themselves can do for themselves—that is, go down to the registration board and register.

There is no need for sending post cards throughout the length and breadth of this country to every postal address, every residence, every factory, every school, every post office box, every rural mail box, every office, every store building in the country, all for the purpose of supposedly making it easier for people to register to vote. There are no barriers of which the Senator from Alabama knows to prevent people from registering. So far as the Senator from Alabama is advised, all that is necessary is that one be 18 years of age and a resident citizen of the State. That is all it takes.

So why should the Senate set up a system that would cost, initially, from $50 million to $100 million a year to send post cards to people asking them to return half of the card to the registration office? It is still another Federal bureau that invites fraud and corruption, that places an undue burden on the already overburdened Postal Service, and there is absolutely no need for it.

Mr. President, with all the problems facing this country, all the problems of war and peace, all the problems having to do with inflation, our economy, our energy crisis, our foreign problems, our urban problems, our mass transit problems, the problems having to do with our foreign relations, one would think that the U.S. Senate would find something more to do than to haggle over a bill of this nature, a bill which was defeated in the last Congress and which has been resurrected at this time and has been pending before the Senate since April 6.

Yesterday, the Senator from Alabama suggested that possibly today a motion would be filed seeking to give the Members of the Senate an opportunity to say whether or not they wanted debate on this measure to end and a vote to be had thereon; but the distinguished Senator from Wyoming disavowed any plans as to the filing of any such motion by himself.

Mr. President, under the rules of the Senate, 16 Senators may file a motion asking that on the next legislative day but one—which, under the unanimous-consent agreement as to the recess, would be April 30—the Senate take a vote on whether or not Senators wanted to proceed with further consideration of the bill. It is the hope of the Senator from Alabama, and he is certainly joined by the distinguished Senator from Florida (Mr. Gurney), who is in the Chamber, and many other Senators, that if on a cloture vote a substantially large number of Senators who do not want to stop the debate—in other words, who are against the bill—the distinguished Senator from Wyoming or the majority leader would withdraw the bill from further consideration by the Senate so that the Senate can proceed on to more important issues.

Mr. President, in order to bring the matter to a head, not that we favor cloture, not that we favor the bill, a motion has been prepared containing the names of 21 Senators who, under rule XXII, are petitioning for a vote on whether or not debate on the bill shall end. Mr. President, I might say frankly, and I do so positively, that in the opinion and under the understanding that the Senator from Alabama has, not a single one of these 21 Senators will vote to invoke cloture. This motion, which at the conclusion of my remarks I shall send to the desk, is filed merely to afford a vehicle by which the Senate can express its will with respect to whether the Senate wishes to proceed with the bill or not, since the Senator from Wyoming has indicated he was going to wait until after the recess to bring up the matter and cause more and more delay. It is the hope of those of us who signed this motion that with a vote of 36, 40, or 42 votes against cloture and thereby against the bill, the Senator from Wyoming and those others who support the bill will see the futility of carrying on the discussion any further and will withdraw the bill. By filing this cloture motion at this time it may save the Senate a week in valuable time during which the Senate might have the opportunity to debate some of the great issues, some of the great questions pending before the Senate and the Nation at this time.

Mr. President, it is with this thought that I send to the desk a motion for myself and 20 other Senators. I ask that the motion be read.

The PRESIDING OFFICER. The clerk will read the motion.

The legislative clerk read the motion as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the bill (S. 352), a bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

1. James B. Allen.
2. Paul Fannin.
3. Jesse Helms.
4. Edward Gurney.
5. Bill Roth.
6. James Buckley.
7. William L. Scott.
8. Robert Dole.
9. Robert Griffin.
10. Clifford Hansen.
11. Norris Cotton.
12. Hugh Scott.
13. Marlow Cook.
14. Wallace F. Bennett.
15. Ted Stevens.
16. Bob Packwood.
17. Dewey Bartlett.
18. Strom Thurmond.
19. George D. Aiken.
20. H. E. Talmadge.
21. Pete V. Domenici.

Mr. ALLEN. Mr. President, there will be a vote on this cloture motion on April 30. The Senator from Alabama, joined by his 20 colleagues who have signed the cloture motion, will vote against the motion because we are against the bill and we hope we will be joined by some 20 other Senators. Thereby we will serve notice on the Senate that cloture cannot be imposed by the Senate, that the bill cannot pass, and we hope that the bill will be withdrawn by the distinguished Senator from Wyoming, the chief sponsor of the bill.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. ALLEN. Yes, I am glad to yield.

Mr. McGEE. I am much impressed with the Senator's interest not to delay the Senate because we have many important things that the Senate should be concerning itself with. I would like to propose to the Senator, in his interest and in the interest of the important business pending and lurking in the fringes of this body, that we proceed to a vote right now. The Senator from Wyoming is not holding up this bill; the Senator from Wyoming was ready to vote the first day; the Senator from Wyoming was ready to vote the second day, the third day, the fourth day, and I will vote today. So I would hope that the Senator from Alabama would be willing, rather than to play this precarious game of introducing a cloture motion of his own, and that in the interest of the good intent and concern of the Senate he would agree to a vote on the bill today. We can stay here as long as the Senator would like, and into tomorrow. Let us get to all the amendments and have a vote on the bill.

Mr. ALLEN. I appreciate that generous spirit of the distinguished Senator from Wyoming. The Senator from Alabama stated that the bill is such a terrible bill that a number of Senators, including the distinguished Senator from Florida (Mr. GURNEY) have amendments to offer to the bill, so it would not be possible to come to a vote on the bill today or tomorrow. In the opinion of the Senator from Alabama no amendment would be helpful to the bill except an amendment striking out everything in the bill after the enacting clause. That would make a nullity of the bill and that would be the only thing to improve the bill by way of amendments, in the opinion of the Senator from Alabama.

But others have the opinion that there can be some refinements of the bill, some improvements, not that would make it acceptable, but less wasteful, less burdensome, and less open to fraud and corruption. I would be delighted to see these amendments considered, but it is the thought of the Senator from Alabama that if a large number of Senators vote against cloture, that the distinguished Senator from Wyoming would realize that the bill cannot be passed by the Senate and that it will be withdrawn.

Mr. McGEE. It seems to me, I might say to my friend from Alabama, that this, indeed, is a direct obstruction thrown in the path of the Senate expressing its will. The Senator suggested we should have a chance for the Senate to express its will. I am trying to create that chance. The Senate, through the proper procedures, voted the bill out of committee and we have had it before the Senate for several days and we are ready to vote. Of course, there are amendments pending. We know the procedure there. We can limit time on amendments. We know generally the substance of most of the amendments. Let us take 30 minutes or 1 hour on amendments and have the amendments acted upon, as long as Senators will remain in the Chamber. I want the record to show who is holding up action by the Senate on the bill.

If the Senator wants to vote, and if the Senator wants to move the bill, and to give the Senate an opportunity to express its will, let us vote. I will take that chance. Let us have a vote.

Surely the Senator is not imposing his judgment alone for the judgment of the Senate as far as the worth of the bill, the merit of the bill, and the substance of the bill. Let us have a vote. We have 100 Senators and we allow them to express their will by voting yea or nay. I hope that in that same spirit of allowing the Senate to express its will, as the Senator from Alabama suggested, that we get with it and let the Senate express its will. Let them vote the bill down, if they choose.

Mr. ALLEN. That is why the Senator from Alabama filed the motion, so that the Senate can express its will on whether the bill should be considered further or not. If the Senate, under the rules, says "Yes, we want to go further with an up or down vote on the bill," naturally the Senate will have a vote. It is left in the hands of the Senate for them to decide. I am sure the Senator from Wyoming is not suggesting that the Senator from Alabama is trying to substitute his will for the will of the Senate when he has filed the very vehicle to allow the Senate to express its will.

Mr. McGEE. I must disagree. That the Senator from Wyoming, as chairman of the bill, has brought this bill before the Senate. The bill was properly placed on the calendar and the bill is properly before this body. Do I interpret the Senator's reluctance to allow a vote now to be that a majority might vote for the bill and pass it now? Is that it?

Mr. ALLEN. Well, the only record or statistic the Senator from Alabama could use would be the vote by which the same bill was killed in the last Congress. So that is the statistic he might refer to, to answer that question.

Mr. McGEE. I would just as soon not refer to that particular question, for the reason that that is not the same bill this year. We have tightened up some of the operations. We have learned. We have heard from people. We have the feeling, according to the votes on the amendments and according to the results of the rollcall votes, that the committee bill has been receiving a rather substantial endorsement by Members of this body. I would say that is more of a relevant reference than going back to a year ago.

I again repeat to the Senator from Alabama, let us have a vote up or down. The Senate of the United States can express its will. I am willing to take that chance if he is willing to take the chance. I think the Senator from Alabama is afraid we are going to lose; that the bill will pass the Senate, and, for whatever reasons, he is not willing to pass the bill and he is not willing to place his vote on the line and let the Senate work its will by voting up or down on the bill itself.

Mr. ALLEN. I am rather surprised and disappointed that the Senator from Wyoming would impute sinister motives to the Senator from Alabama in reference to the bill. Really the Senator from Wyoming must not have meant that.

Mr. McGEE. I assure the Senator from Alabama I did not mean sinister in his intents. He has talked about how sinister the contents of the bill would be, that it would pose grave aspects if the bill passed, and that he would oppose the bill. That is how the term "sinister" fits into that.

Mr. ALLEN. I thank the Senator for clarifying that.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. GURNEY. I have listened to the colloquy between the Senator from Alabama and the Senator from Wyoming. There seems to be a difference of opinion as to the enthusiasm that this body has for this bill, but is it not a fact that this is the fourth time the bill has been before us in 2 or 3 or 4 years? It has been trotted out here on three previous occasions that I can remember. Obviously there was little enthusiasm for it, and it did not get anywhere. As I understand it, this is the fourth time we have had this bill before us. Is that correct?

Mr. ALLEN. It has been before us previously, I would say to the Senator from Florida, but I am not sure how many times. I am of the opinion that it has been before us three times, including this time.

Mr. GURNEY. At least there is a marked lack of enthusiasm for this bill on the part of a respectable number of Senators. Is that correct?

Mr. ALLEN. That is right, and I will say to the advocates of the bill that I might inquire where they are. I will note that the opponents of the bill seem to outnumber the proponents by 2 to 1 here on the floor at this time, and counting the distinguished Presiding Officer.

Mr. McGEE. It would be 3 to 1.

Mr. ALLEN. The distinguished Senator from New Mexico (Mr. Domenici), it would be 3 to 1. So where is the great support for the bill in the Senate?

Mr. McGEE. Let me say to the Senator, with that overwhelming support against it, let us go ahead and have a rollcall vote on the bill. I am willing to take my chances on the roll call vote.

Mr. ALLEN. We will have a vote on April 30th.

Mr. McGEE. But the Senator has 3 to 1 against it here today. Let us go ahead and have a rollcall.

Mr. ALLEN. The Senator knows a number of Senators have departed on the understanding that we would not come to a vote on final passage.

Mr. McGEE. Who had that understanding? If the Senator is interested in expediting passage of the bill, that ought to take precedence over the convenience of our colleagues.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. GURNEY. Could we have a voice vote up or down on the bill right now?

Mr. McGEE. I think there has been a request for the yeas and nays because of the importance of the bill.

Mr. GURNEY. Why not expedite the business of the Senate and have a voice vote rather than a rollcall vote?

Mr. ALLEN. Mr. President, the Senator from Alabama would not feel he was playing fair with some 20 of his colleagues who signed the cloture motion demanding that the Senate come to grips with this question on April 30. At that time the Senator will know a little more about whether he thinks it is worthwhile to continue occupying the time of the Senate with this nefarious bill.

Mr. McGEE. Mr. President, I have just asked the counsel for the committee to check the record from the last election. We have examined the 21 signatures on the motion. The clerk tells us that all 21 signers oppose the bill, and I have to assume that they are not willing to have a rollcall vote on the up and down merits of the bill and allow the majority to say whether or not this might be considered a good bill, but all those 21 Senators, if I might mention it, come from States where more than 15 million American citizens were not registered to vote in 1972; 15 million.

Now, that in itself ought to say to the signatories of that cloture motion that this is a pretty gamey rule to pull on the voters and on the citizens of this country, when we are trying to suggest that we ought to be broadening the citizens' opportunity to vote, that the track record of our country is still there: Barely half of the people voted in the Presidential election last year. Nearly half of the people who would otherwise qualify by age did not vote, for a multitude of reasons, but they did not vote. That does not happen in other countries in the Western World. Something here has to explain this bad American participation, or this low American participation, in the elections.

It could be explained, as I said yesterday in my colloquy with the Senator from Alabama, by perhaps saying that the American people are not as good as other people around the world, but I reject that. They are very responsible people. Therefore, one ingredient is present in ours that is buried in other countries or exists to a much lesser degree.

There are obstacles we have thrown up in the path of registration, in which some cities require that a person go all the way to city hall and register, no matter where he lives. Many places do not stay open after 5 o'clock, after working hours. Many of them do not stay open in the evenings and on the weekends. There are other variables that are still obstacles to voter participation.

So I would say, with all due respect to my colleagues who signed the cloture motion, who have all along been asserting in advance that they do not intend to vote for the bill, that the cloture motion is obviously a capricious ploy with the mechanism of the Senate, to play lightly with a question as serious as that which involves 62 million American citizens who did not vote last November; 62 million.

I suggest that the seriousness of that ought to sober us up in this body, and that we ought to cut out the fun and games and put our heads together and arrive at as substantive and serious an effort as we can try to produce, in order to increase the citizen's responsibility and his chance to vote in our system of government.

Mr. President, they are all the questions I wanted to raise with the Senator in the form of speeches.

Mr. ALLEN. Well, now, what was the Senator's question?

Mr. McGEE. I amended that to say those were all the questions I had to ask in the form of speeches.

Mr. ALLEN. I see.

Mr. McGEE. And now that I have got the speeches out of my system, I would like to yield.

Mr. ALLEN. I would like to point out a thing or two in connection with the Senator's remarks. He talks about some of the results in some cities of closing offices at night or offices being too far distant, or something of that sort.

Mr. President, I would like to remind the Senator that these are all local problems. The citizenry of these various States have an opportunity to amend their laws. It is not a barrier that has been drawn in their way by the Federal Government. The Federal Government has knocked out the literacy tests and other requirements. One does not have to be able to write his name. He does not have to be able to read a line or recognize a single word in print in order to register. All he has to do is to be 18 years of age. What kind of requirement is that? Why should we talk about a barrier in voting?

Another thing which the Senator pointed out is that so many of these Senators who signed the cloture motion were against the measure before. The only thing that would indicate is that they are still against it.

That does not indicate any foul desire or anything. The fact that they are still against it would seem to indicate that the Senator was not able to persuade them as to the validity of his bill.

The Senator talked about so many people in the various States represented by Senators who signed the cloture motion not being able to vote. I would point out that that situation is not peculiar to States represented by these Senators. I would say that is a situation that prevails in practically every State with possibly the sole exception of the State of Utah. The distinguished Senator from Utah (Mr. Bennett) was one of the signers of the cloture motion.

The State of Utah, as the Senator from Wyoming knows because I stated on the floor at least once before, had 98.4 percent of the people in Utah who are of voting age registered to vote. They do not have post card registration in Utah. Yet 98.4 percent of those people in Utah are registered to vote.

The bill of the distinguished Senator from Wyoming would have this Federal bureau in Washington send out hundreds of thousands of these double postcards throughout Utah in order to register that 1.6 percent of the people out there who are not registered to vote. It seems to be something of an overkill to the Senator from Alabama to send out some 500,000 to 1 million cards to Utah to try to get 1.6 percent of the people who are not registered there come in and register.

I believe that if we were to put a bale of these postcards on everyone's front porch in Utah, we could not improve on 98.4 percent registration.

Mr. President, let us look at some of the other States. The State of Texas for 30 years, according to the committee report, has had registration by postcard, by filling out a newspaper coupon, or by any type of mailing. They have had that system of registration in Texas for 30 years. But in 1970, only 63 percent of the people of Texas of voting age registered to vote. How do we account for that?

Utah has no postcard registration and 98.4 percent of the people registered. Texas has a postcard registration, and 63 percent of the people registered. What good is postcard registration doing out there? What is the need for postcard registration in Utah?

Let us consider the State of North Dakota. They do not have postcard registration there. Yet only 67 percent of the people in North Dakota voted.

So 33 percent of the people of North Dakota, even though they do not have to register in that State, failed to go to the polls. Obviously, it is not a lack of registration or the requirement of registration that is cutting down on voting. Many people do not care enough to vote to want to go to the polls. Many of the electorate were disenchanted with both parties. I think that is pretty well illustrated by the remarkable record of the distinguished Senator from Alabama and by Governor Wallace, who made the famous statement that there is "not a dime's worth of difference between the two major parties." That is certainly borne out by the small number of people who have been voting. But it is not registration that prevents them from voting; it is the apathy on their part.

Mr. President, as I have stated, there is no need to put this great extra burden on the Postal Service. I do not think we feel that the Postal Service can efficiently and effectively take on this additional business. The distinguished Senator from Hawaii (Mr. FONG), last week, when this matter was under debate, stated that it is not inconceivable that as many as 240 million double postcards could be sent out every year. He has vastly underestimated the potential number that could be sent out under the proposed law. There is no limitation on the number of times that the administrator could broadcast tens of millions of cards all over the country.

One limitation is the limitation that constitutes fraud, because the bill provides that the cards must be sent out at least once every 2 years. Here is where politics can enter into the operation of a vast Federal bureaucracy. I say it is vast because it is not merely a matter of sending out cards and making a report to Congress on voter patterns and voter trends. It is necessary to place on the return cards the exact place to which they are to be mailed back by the recipient of the double cards. I assume that in Alabama cards would have to be sent to each of our 62 counties. There are more than 3,000 counties in the United States. It would be necessary to address them in such a way that the return cards would go back to the right place. That would constitute a monumental task.

Let us assume that a candidate for Congress—the Senate or the House—is of the same political persuasion as the administrator of this vast Federal bureau. The candidate could go to the administrator and say that he is engaged in a tough election, that he needs to get more people registered in a particular area, according to the area in his congressional district, or in a city where the candidate might run strong. There would be nothing to prevent the administrator from spot-sending or spot-mailing the cards into areas where they would best serve the particular candidate of the same political persuasion as the administrator.

Then, too, Mr. President, from time to time we would see lists of congressional districts that are called "safe" for this party, "safe" for that party, or "unsure" or "uncertain." There would be nothing to prevent the administrator from sending cards to the uncertain districts, or cards to some 50 congressional districts in areas selected by the candidate of the particular party. The administrator could spot-send cards to the particular areas to get more voters in the areas where the particular candidate might have strength.

Mr. President, I am not charging that to the possibilities for one party over another party, but that is a way that politics could enter into this.

Another thing that leaves me in something of a state of indecision about this matter is how they are going to keep separate a voter who is qualified under the postcard registration bill to vote in Federal elections and one who is qualified by the tried and true method of dropping by the registration office and simply signing his name, by signature or by mark, and becoming a registered voter.

The man or woman who qualifies by postcard does not thereby become a qualified voter in a State election, a county election, or a city election. All he or she can do is vote in Federal elections—that is, for President and Vice President, Member of Congress, or Senator, and then they list the delegates to political conventions, even though I do not regard them as being Federal officers. But whether so or not, if a voter qualified under the postcard registration act goes into the polls to vote, they do not have a separate Federal election in most States, they have it mixed in with the State ticket as well, and on the same voting machine or the same paper ballot, you would have the Federal officers and the State and county officers.

What are they going to do when they turn to this postcard registered fellow? Do you not think that will give that fellow a bit of an inferiority complex, to go into the polling place and say, "Now, gentlemen," to those holding the election, "here I am; I am qualified under the postcard registration ballot, but I know I am not a real, sure enough voter here, I am just one of these postcard fellows. I want you to let me vote in the Federal election."

They say, "All right, Mr. Jones, you go on in the booth, you close the curtain behind you, and you be sure, now, and vote for the Federal officers alone. Do not drop down and vote for governor, do not vote for lieutenant governor, treasurer, State judge, auditor, member of the legislature, or county commissioners; all you do is vote for the Federal officers."

How in the world are they going to keep that straight? What is wrong with the present law, permitting voters to go ahead and qualify as bona fide electors to vote for any office within the gift of the people at that particular polling place, and not make second-class citizens out of them, I say to the distinguished Senator from Wyoming, because that is what they would be if they went into the election booth and were told they could not vote for anyone but Federal officers, and that they were denied the privilege of voting for State officers. Why confer this type of second-class citizenship upon these post card registrants? Let us have one system, and have a man go to the local election board and present himself, his body, there—not a piece of paper.

In this investigation that is under way, some of the witnesses were reluctant to come up and testify before one of the senatorial committees, and they offered to submit in writing answers to questions. The distinguished Senator from North Carolina (Mr. ERVIN) said, "Why, you cannot cross examine a piece of paper." Let them present their bodies to answer what questions are permitted by law. Let us not just get a bushel basket and turn over a bunch of these post cards on the desk of the election official.

Another thing occurs to me. I assume—I have not heard it said, and it is not in the law, but I assume that these return cards, since they are trying to take all the burdens off of the respective registrants, would have the Government frank on them, because they do not want him to pay for anything, of course, and want to make it absolutely easy as pie to sign up. I do not see any place where he takes an oath that the facts that he states in the application, or just the little memorandum card, are true. There is no indication that he does. But there would be literally millions of cards out over the country with a Government frank on them, saying, "This piece of mail can be mailed free of charge." Are we not going to have that misused a great deal? Are we not going to have a lot of pranksters picking those things up and mailing them all over the country, or mailing them in to the election officers, for that matter? Are we not going to have an awful lot of chaff in with the grain? Are we not going to have literally tens of thousands, if not millions of those cards returned as pranks, or as mischievous stunts, or just to confront the election officers? I believe we will.

What would there be to prevent, with the use of a Government frank, using another address, and using them as personal cards? I would not be surprised to see many used in that fashion. But I think it would certainly be ill-advised to broadcast tens of millions of cards all over the country, having the postage-free Government frank on them.

Mr. President, with these cards dumped on the desks of the registrars—by the way, I know that the distinguished Senator from Florida (Mr. GURNEY) has received a letter from the head of the association of voter registrars in the State of Florida, in which he takes violent exception to this bill, and points out many objections and criticisms of the bill. I have not heard a single statement made on the floor of the Senate to the effect that any of the local registrars back home are calling for the passage of this bill. They do not want this bill. They do not want to have to keep two sets of books. They do not want their election officers to be confronted by some people coming in, being able to vote for the whole list of officers, and another group just being able to vote for the Federal officers.

So, Mr. President, at the proper time I shall insert in the RECORD this letter from the Florida Organization of Voter Registrars—the local boards of the voter registrars. I think it will pretty well indicate the attitude and feeling of the local officials in this matter.

Mr. McGEE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. Do-

MENICI). The Senator from Wyoming will state it.

Mr. McGEE. I have been checking with the majority whip in order to determine the status of business here. We have an amendment pending from the Senator from Florida (Mr. GURNEY) who is agreeable, as I understand it, to a time limitation on the amendment, so that we can have an approximate guess at a rollcall vote.

The PRESIDING OFFICER. The amendment is not yet presented.

Mr. McGEE. I understand that. I am trying to determine the larger status of the pending business in that circumstance. I am asking if it would be in order to request, then, unanimous consent that the measure we are discussing be the pending business immediately upon completion of the Senator's amendment.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. GURNEY. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 8, line 10, after the word "Registration" insert the following: "and Absentee Voting";

On page 8, renumber subsection 407(a), lines 11 through 19, as subsection 407(a) (1), and on page 8, line 19, after the period, add a new subsection 407(a) (2) as follows:

"(2) No person registered to vote by mail pursuant to this chapter shall vote or attempt to vote by absentee ballot or other than through personal appearance at an appropriate polling place."

Mr. GURNEY. Mr. President, I ask unanimous consent that these amendments be considered en bloc because they amend two separate sections of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Florida yield briefly?

Mr. GURNEY. I yield.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Mr. President, having consulted with the distinguished author of the amendment (Mr. GURNEY), the distinguished manager of the bill (Mr. McGEE), and the distinguished Senator from Alabama (Mr. ALLEN), I ask unanimous consent that time on this amendment be limited to 30 minutes, to be equally divided and controlled between the mover of such and the manager of the bill.

Mr. GURNEY. May I inquire, before the Chair renders its decision, whether I understand correctly that this will be the last vote today?

Mr. ROBERT C. BYRD. Yes, it will be.

The PRESIDING OFFICER. Without objection, it is so ordered.

The ROBERT C. BYRD. Mr. President, in response to the distinguished Senator, I anticipate no further votes on this bill today.

I ask unanimous consent, upon disposition of the pending amendment, that the distinguished Senator from Wyoming (Mr. McGEE) be recognized by the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators. This will be notice for the convenience of both cloakrooms, that they may notify Senators that this will be a yea-and-nay vote, as I understand it.

Mr. GURNEY. Yes, and I should like to get the yeas and nays on my amendment if there are enough Senators in the Chamber.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time? Time is now under control. Who yields time?

Mr. GURNEY. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, and that no time be taken out of either time of Senators in control of the time on the amendment for the quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. GURNEY. Mr. President, in the colloquy that preceded introduction of my amendment, the Senator from Alabama (Mr. ALLEN) mentioned a letter written by the president of the Florida State Association of Supervisors of Elections, Inc.

I think that her observations on the pending bill, a person who has been in the business of registering voters for many years, is worth bringing to the attention of the Senate. So, I shall read her letter, a copy of which I hold in my hand. The letter was addressed to the distinguished manager of the bill the Senator from Wyoming (Mr. McGEE) and it reads as follows:

I appreciate your letter of February 20th in which you enclosed a copy of Senate Bill 352 which would establish within the Bureau of Census a voter registration administration for the purpose of administering a voter registration through the postal service.

As President, I represent the Florida State Association of Supervisors of Elections at the meeting of the Secretaries of State in New Orleans. It was a real privilege to have an opportunity to listen to the discussions by the various State Administrators of Elections.

With reference to Senate Bill 352, I wish to offer the following comments on behalf of the 67 Supervisors of Elections of the state of Florida:

We take pride in the fact that Florida Election Laws have a reputation of being among the best, if not the best, in the nation. We operate under a permanent registration system whereby an elector's name remains on the registration books, provided he votes at least once during a two-year period. If not, a renewal card is sent to him by mail and if this card is completed and returned to the Supervisor of Elections, either by mail or personally, his registration is renewed for another two-year period.

Although in Florida the Secretary of State is the chief elections officer, the registration of electors and the elections are conducted by the Supervisors of Elections who are Constitutional officers and are elected by the voters for a term of four years.

Registration facilities are made available to the residents of Florida by the Supervisors of Elections by keeping courthouse offices open eight hours a day, five days a week, and for several weeks prior to each election the office is open six days a week and from eight to twelve hours a day. Temporary offices are established in various municipalities of the counties, at colleges and other areas. Mobile units are also used at shopping centers, places of industry, migrant housing projects and many other areas.

Florida also allows registration by mail to:

(a) Members of the armed forces while in active service and their spouses and dependents;

(b) Members of the merchant marine of the United States and their spouses and dependents;

(c) Citizens of the United States who are permanent residents of Florida and are temporarily residing outside the territorial limits of the United States and the District of Columbia, and their spouses and dependents;

(d) Citizens of United States who are permanent residents of the state and are temporarily outside the state; and

(e) Residents of the state who are physically and unable to register in person.

We are of the opinion that any voter who is a resident of Florida and having a desire to register certainly has the opportunity to do so. We do not believe there exists mechanical, physical or legislative barriers to voting in Florida.

We are also of the opinion that Senate Bill 352 would be a duplication of effort; would result in dual registration and voting systems; would require additional personnel and office space on the local level and would certainly be an added cost to the taxpayers who are already over-burdened with taxes from the national through the local level.

This bill would result in duplicate registrations; registrations that would not be legible; incomplete information; registration cards filled out by people other than the intended voter and lead to wide-spread fraud. In our opinion, this bill would cause mass confusion in the office of Supervisor of Elections and at the polling places.

Registration does not appear to be the cause of the low percentage of voter turnout. For the 1972 primary elections in Florida, 2,982,076 voters were registered and qualified to vote. Only 22 percent of this number voted in the First Primary and 18 percent in the Second Primary. In the November General Election with a registration of 3,487,458 voters, only 73 percent went to the polls . . . the lowest percentage since 1948.

We, as Supervisors of Elections, believe a more appropriate step would be an in-depth study to find out why those who are registered do not vote—why the apathy? This is the question that should be answered!

A poll by the University of Michigan, whose Institute of Social Research long since has gained stature and real recognition for the quality of its work, reported that whereas 62 percent of a nationally representative group of Americans expressed a "high degree" of trust in their federal officials in the early 1960's, only 37 percent held that view a decade later.

A free nation is the sum of its people—and when a team of diligent and concerned scientists reports that a decade-long survey shows a decline of 25 percent in the confidence of the American people in their federal government, it should cause all of us to shudder.

This cause of apathy applies not only to Federal Government but to state and local governments as well, but to a smaller degree. All polls point up to this fact.

Another point which greatly concerns us is the rapid deterioration of the postal service. This causes many absent voters ballots to be received too late to be counted. For example, I should like to point out that it quite often requires 10 days for a ballot to be received from a distance of 13 miles, 6 days from a distance of 8 miles and at times as many as 5 days from one place in town to another in the same town, not to mention the time required to have them returned from other parts of the state, other states, and other countries. Voters are complaining that the old "Pony Express" or even walking could get mail delivered more promptly.

In conclusion, may we say that it is our opinion that the average person does not appreciate Federal intervention in elections, so let us concern ourselves with making government and those in government more palatable to the average citizen and thus build a desire of the citizens to participate in the election of the officials who run our government.

Again, may I say that we are very much opposed to Senate Bill 352.

Sincerely,

BLANCHE M. WORK,
President, Florida State Association of Supervisors of Elections, Inc.

She sent a carbon copy of her letter to all Senators.

I might say that I know Mrs. Work, in my home State of Florida, and I have spoken to the supervisors of elections at their annual meeting. We have a dedicated group; most of them are women. They are elected—a constitutional office, as she points out—and they do dedicated, remarkably responsible work in their jobs of registering people to vote.

I have heard mentioned again and again in the debate on this bill that we need this bill, because people are not registering to vote; therefore, we should make it easy for them and send out these post cards; and all of a sudden we have the magic formula that will make sure that everybody participates in the election process in America.

Obviously, that argument falls flat on its face. If we look at the facts before us, as presented so ably by this supervisor of registration, who is the president of the supervisors in Florida, she points out—and I know that what she says is true—the tremendous efforts made by the registrars in Florida to get people registered to vote.

In recent years, there have been all kinds of efforts, not only by the registrars themselves, but also by many other interested parties, to get people to register to vote in Florida. The Junior Chamber of Commerce frequently makes this a special project. In my home county of Orange, in central Florida, during the registration period, they make speeches, they run publicity on radio and television, for people to go down and register at the courthouse.

Also, as Mrs. Work points out in her letter, mobile units are sent throughout the country, and they are made available not only during the 8-hour periods. I have heard the argument used on this floor many times that one of the reasons why people do not register to vote is that the registration offices are not open long enough, that they are open only 8 hours a day. I cannot speak for all the States, but I can speak for my home State of Florida, and that is not a fact, as the supervisor of registration has pointed out in her letter. We go to all kinds of efforts and make these mobile units available at all manner of places where there are large gatherings of people—for example, at shopping centers, where many thousands of people come during the day; at the gates of a large factory or large employer, large in numbers, so that the people coming to work or leaving to go home will have an opportunity to register. Instead of 5 days a week, it is made available 6 days a week.

Despite all this, we still have, of course, far less than a perfect percentage of the people who register to vote. One of the things that Florida has in her election laws, her registration laws, is registration by mail in cases of hardship. Again, as Mrs. Work pointed out in her letter, people are covered in almost every category that I can think of where they might be away from their communities or the State, people in the Armed Forces, permanent residents of Florida who are working in other areas, either in the United States or outside the United States, people who are perhaps elderly or physically disabled.

I have heard the argument here that we need this registration so that they can be taken care of. But we have all these things now in special categories in Florida, so that those people can register by mail. But still there are many who choose not to do so. As Mrs. Work points out, the reason they do not do so is because they are not interested.

I fail to see why we should get up so tight and get this legislation up here for the fourth time, I think, to take care of people who really are not interested that much in voting.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. McGEE. Mr. President, I would be glad to yield to the Senator an additional minute so that he might wrap up.

Mr. GURNEY. I thank the Senator. I will wrap up my argument by saying that the amendment which I have proposed would make it possible to at least see the face of this person who registers by mail one time. As it is, that person could mail in his registration card, send back the ballot, vote that way all of his life, and we would never see him at the polls. My amendment would provide that we are willing to permit him to vote by mail but at least he should show up at election time and cast his vote.

Mr. President, I urge the Senate to agree to the amendment. It would be one small improvement in a very bad bill.

Mr. McGEE. Mr. President, as in the case of the Senator's earlier amendment, it was a worthy objective, a useful purpose, but it has complications that would actually tend to disenfranchise voters rather than to franchise more voters. For example, voters from many States can register absentee by mail and vote absentee. That is true in my State and it is true in a number of other States. It already exists as an operative pattern, but we are very conscious of the situation the Senator refers to with respect to how to keep some joker from taking advantage of this. The answer is that no post card registration involves validity until it is validated by the local registrar. Those who are responsible in the many States, now validate an absentee ballot by mail, and in view of that we think that the system would be measured by the vigilance of State registrars, those whose responsibility it is to validate the individual citizen of that State who is registered to vote.

The post card is only an application for registration. It is an application for registration. There is nothing under the post card system that would say to the registrar, "Therefore, if you receive this post card and it is validated, then there is nothing else you can do." Any registrar can have anyone come in face to face, if he has reason to suspect him or if he thinks the information he has does not check out. He can say, "Come down to city hall," or wherever the check point is, "and we will validate this face to face." That is still the prerogative of the registrar. Nothing is introduced here that would be wiped away concerning the vigilance to be exercised over validation. Before being validated the post card would be checked for signatures, qualifications, and all of that would become the responsibility of the State, not the Federal Government or anyone else in Washington, and not the Bureau of the Census. When that is validated, just as when an application is received now for registration by mail, it would be wrong to disenfranchise that person by law under language in the bill. That should be the responsibility of the properly elected authorities in the State rather than to be intruded upon. It is with that thought in mind that I must recommend in behalf of the committee and the legislation that has been carefully drawn here, that the vote be "no" on the Senator's amendment.

The Senator from Florida also referred in his remarks to the other concerns about why people do vote or do not vote. I must say that the deepest or most disturbing of all the factors present behind the scenes is the question of voter participation. We do not really know so we have to find the track record that seems to make the most sense to give us some guidance. One of those is that voters who are registered do vote in much higher percentages—75 to 90 percent in most States, thus, the drive to simplify the registration process, subject to the validation procedures of the States.

But there is another factor. With all the effort they make to get people registered so that they are responsible citizens and vote, 2.5 million otherwise eligible residents in Florida did not vote last November for one reason or another. That should concern the Senator from Florida. That should concern all Senators in this body as we look at the figures from the Senator's own State. No State comes off so well, except one or two States with small populations. The totals are in the tens of millions. Why did they not vote? While there are some who did not vote, because they did not care to vote, the studies that have been made in the wake of last November by civic groups, professional groups, by polster groups, municipalities, all say that the largest single factor present was the difficulty in the way of registration.

There is nothing to insure that if people are registered they will vote. That is another matter—voter registration. But it does say they have one less excuse. It does say that this body, among whose Members there are as many as 40 million Americans who could be persuaded to vote if they were registered that we tried to involve more citizens in the election process. We tried. It is the most we can do. It is the best effort we can make. But for us to stand here on the floor of the Senate and make excuses for what exists and try to alibi why more citizens do not vote seems to me to border on dereliction of our responsibilities, or at least dragging our feet when we ought to be marching very briskly.

When all this is said and done and this measure is adopted as the law of the land, I am confident we are going to find a much larger percentage of voters actually voting. But we are not going to get them all. We are not going to get millions of them, because of myriads of other explanations as to why they do not choose to vote, but at least we will have moved a significant mile along the ultimate goal of full voter participation, and it is being identified with that effort that ought to be the engaging factor to the Members of the Senate of the United States.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. McGEE. Mr. President, if it is agreeable, I am prepared to yield back the remainder of my time so that we may proceed to a vote on the Senator's amendment.

The PRESIDING OFFICER. All time on the amendment is yielded back.

The question is on agreeing to the amendment of the Senator from Florida (Mr. Gurney). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Virginia (Mr. Harry F. Byrd, Jr.), the Senator from Florida (Mr. Chiles), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Alaska (Mr. Gravel), the Senator from Iowa (Mr. Hughes), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Louisiana (Mr. Long), the Senator from New Mexico (Mr. Montoya), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

On this vote, the Senator from North Carolina (Mr. Ervin) is paired with the Senator from California (Mr. Tunney). If present and voting, the Senator from North Carolina would vote "yea" and the Senator from California would vote "nay."

I further announce that if present and voting, the Senator from Iowa (Mr. Hughes) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), and the Senator from Hawaii (Mr. Fong) are necessarily absent.

The Senator from Nebraska (Mr. Curtis) and the Senator from Idaho (Mr. McClure) are absent on official business.

Also, the Senator from Utah (Mr. Bennett), the Senator from Arizona (Mr. Goldwater), the Senator from Kansas (Mr. Pearson), the Senator from Ohio (Mr. Saxbe), and the Senator from Vermont (Mr. Stafford) are necessarily absent.

If present and voting, the Senator from Nebraska (Mr. Curtis), the Senator from Hawaii (Mr. Fong), and the Senator from Idaho (Mr. McClure) would each vote "yea."

The result was announced—yeas 27, nays 49, as follows:

[No. 105 Leg.]

YEAS—27

Aiken
Allen
Bartlett
Beall
Buckley
Cotton
Dole
Domenici
Dominick
Fannin
Griffin
Gurney
Hansen
Helms
Hruska
Johnston
McClellan
Nunn
Roth
Scott, Pa.
Scott, Va.
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker

NAYS—49

Abourezk
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cranston
Eagleton
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Jackson
Javits
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stevenson
Symington
Young

NOT VOTING—24

Baker
Bayh
Bellmon
Bennett
Byrd, Harry F., Jr.
Chiles
Curtis
Eastland
Ervin
Fong
Goldwater
Gravel
Hughes
Inouye
Kennedy
Long
McClure
Montoya
Pearson
Saxbe
Stafford
Stennis
Tunney
Williams

So Mr. Gurney's amendment was rejected.

The PRESIDING OFFICER. Pursuant to the previous unanimous-consent agreement, the Senator from Wyoming is recognized.

Mr. McGEE. Mr. President, may I now ask what the parliamentary situation is?

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. McGEE. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Wyoming has the floor.

Mr. McGEE. Mr. President, I would like to inquire at this time from the Senator from Florida if he would be prepared to offer an amendment of his tomorrow morning.

Mr. GURNEY. I am prepared to do so.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. May we have order in the Senate. If the Senator from Florida would suspend, the Senate will be in order.

The distinguished Senator from Florida may proceed.

Mr. GURNEY. Mr. President, I would respond to the distinguished Senator from Wyoming, the manager of the bill, that I will be prepared to offer an amendment tomorrow.

Mr. McGEE. It is not for me to inquire, I do not think. However, I would like to inquire of the acting majority leader as to what the status would be vote-wise and that sort of thing, without losing my right to the floor.

Mr. ROBERT C. BYRD. Mr. President, I have discussed the amendment which will be offered by the distinguished Senator from Florida. I wonder if we might have the understanding that his amendment will be laid before the Senate today and made the pending business with no action taken thereon and that we may get a unanimous-consent agreement to vote on his amendment at, say, 12 o'clock noon tomorrow.

Mr. GURNEY. That will be acceptable to the Senator from Florida.

Mr. ROBERT C. BYRD. The Senate would come in at, say, 10 o'clock and have an hour or an hour and a half on his amendment.

Mr. GURNEY. That would be perfectly acceptable to the Senator from Florida.

Mr. ROBERT C. BYRD. Would it be agreeable to the distinguished Senator from Wyoming (Mr. McGee) that the amendment to be proposed by the Senator from Florida (Mr. Gurney) be laid before the Senate and made the pending question tonight, with no action thereon, that the Senate come in at 10 o'clock tomorrow, and that at around 11 o'clock tomorrow we proceed to the consideration of the amendment, have 1 hour of debate on the amendment, and vote on it at 12 noon?

Mr. McGEE. What would happen between 10 and 11 o'clock?

Mr. ROBERT C. BYRD. Between 10 and 11 o'clock there would be a period for the transaction of routine morning business.

Mr. McGEE. What would be the morning business?

Mr. ROBERT C. BYRD. The Senator will understand that during morning business, conference reports could be called up.

Mr. McGEE. Then I would have to object.

Mr. ROBERT C. BYRD. Then there would be no morning business.

Mr. McGEE. If that is what is required, in a parliamentary sense, so that we could have the amendment of the Senator from Florida as the item of business to be discussed, with no preferential business. Is that the Senator's understanding?

Mr. ROBERT C. BYRD. I understand what the Senator has in mind. I will try my best to word the unanimous-consent request accordingly.

Mr. McGEE. I appreciate that. As long as we have that understanding, the time limitation is agreeable to me.

Mr. ROBERT C. BYRD. Very well. Then, Mr. President, would the Chair recognize the Senator from Florida, if he wishes to offer his amendment now, or does he wish to offer it later today?

Mr. GURNEY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 6, line 14, after the period insert the following:

"Return delivery of registration forms shall be at the applicant's expense."

Mr. ROBERT C. BYRD. Now, Mr. President, will the Senator yield to me?

Mr. GURNEY. I yield.

Mr. ROBERT C. BYRD. I ask unanimous consent, if it is agreeable with the distinguished Senator from Florida and the distinguished Senator from Wyoming, that there be no further action on this bill today, but that there now be a period for the transaction of routine morning business—in the form of speeches only—for the remainder of the day, that period not to exceed 30 minutes, with statements therein limited to 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ABOUREZK, GRIFFIN, AND ROBERT C. BYRD, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, immediately after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from South Dakota (Mr. ABOUREZK) be recognized for not to exceed 15 minutes, that he be followed by the distinguished Senator from Michigan (Mr. GRIFFIN) for not to exceed 15 minutes, and that he be followed by the junior Senator from West Virginia for not to exceed 15 minutes, after which the Senate return to the consideration of the unfinished business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR THE YEAS AND NAYS ON THE GURNEY AMENDMENT

Mr. GURNEY. Mr. President, will the distinguished acting majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. GURNEY. I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time for debate on the amendment by the Senator from Florida (Mr. GURNEY) be equally divided between and controlled by the distinguished author of the amendment (Mr. GURNEY) and the distinguished manager of the bill (Mr. McGEE); that a vote occur on the amendment by Mr. GURNEY at 12 o'clock noon tomorrow; and that upon the disposition of the amendment by Mr. GURNEY tomorrow, the distinguished Senator from Wyoming (Mr. McGEE) be recognized.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MATHIAS. Mr. President, will the Senator from Florida yield?

Mr. GURNEY. I yield to the Senator from Maryland.

The text of the unanimous-consent agreement is as follows:

Ordered, That, effective on Wednesday, April 18, 1973, at the conclusion of orders for recognition of Senators, the amendment by the Senator from Florida (Mr. GURNEY) be the pending question, with the debate thereon from then until 12:00 noon to be equally divided and controlled by the Senator from Wyoming (Mr. McGEE) and the Senator from Florida (Mr. GURNEY), with the vote on the amendment to occur at 12:00 noon.

Mr. GURNEY. Mr. President, I yield the floor.

INFLATION POLICY

Mr. BENTSEN. Mr. President, today I wish to discuss the most pressing problem facing the American public and Congress. I also wish to propose at least a partial solution. The problem is the current unacceptable rate of inflation. The solution is to return to phase II-type mandatory controls.

We must return to a program of prenotification and prior approval of most large price, rent, and wage increases.

I reach this conclusion with some reluctance, because after observing both the operation of our economy and our Government, as the former president of my own business, and now as a Member of the Senate, I firmly believe that the preservation of a free market economy is essential to the economic well-being of wage earners as well as businessmen. However, while I have a strong distaste for price-wage controls, they are preferable to the present situation.

The members of the Joint Economic Committee, in our annual report released 3 weeks ago yesterday, described the administration's move to a so-called voluntary self-administering phase III program a "major policy error." The wholesale price index released a week later, showing the largest increase in 22 years, bears out the finding of that report, that while a largely voluntary price-income policy is desirable for the long run, the move to phase III on January 10 was premature. We must return to a more formal system of controls.

The administration has often explained its policies in terms of the inflation spiral begun between 1967 and 1969 by the Vietnam war.

Well, according to calculations from Labor Department data the average cost of a pair of men's shoes was $20.12 in 1967, $21.97 in 1969, and $25.98 today.

Average cost of bus fare was 26 cents in 1967, 29 cents in 1969, and is 37 cents today.

Average cost of having a tooth filled was $6.91 in 1967, $7.83 in 1969, and is $9.45 today.

Average cost of a pair of little boy's sneakers was $5.57 in 1967, $6.08 in 1969, and is $6.95 today.

Average cost of a half gallon of milk was 52 cents in 1967, 55 cents in 1969, and is 63 cents today.

Average cost of 200 kilowatts of electricity was $5.98 in 1967, $6.14 in 1969, and is $7.33 today.

Average cost of a semiprivate hospital room was $36.03 in 1967, $46.21 in 1969, and is $64.46 today.

In every instance, the average annual increase in the price of these products has been greater since 1969 than the annual increases during the height of the Vietnam buildup.

These increases are not just indexes printed by the Government and kept on file by economists. These are prices which real people are paying with hard-earned dollars—dollars that are worth less every day.

But, Mr. President, there is an index to be released by the Commerce Department later this week which does bear watching. It was reported in the press yesterday that the annual growth rate for the U.S. economy during the first quarter was 14 percent—half of which was inflation. When we take out the inflation and get down to the real economic growth, that would be very close to the 6¾ percent the President's Council of Economic Advisers forecast for the year. But his advisers forecast a 3-percent rate of inflation—not 7 percent.

Mr. President, what happened? For a few months in mid-1972, under phase II, it appeared that the rate of inflation was being brought under control. From February to August, consumer prices were rising at the administration's goal of an annual rate of 2.5 percent. We were enjoying a good rate of real economic growth with an inflation factor of 1.7 percent in the second quarter of the year and 2.2 percent in the third. Things looked pretty good. However, there were some dark clouds, too.

During that same first half of 1972, wholesale prices were rising in excess of 5 percent, indicating that a new wave of inflation was on the way. Wholesale prices have a way of being reflected in consumer prices, and during the second half of 1972 the prices wage earners paid were no longer rising at 2.5 percent; they were rising at an annual rate of over 4 percent.

But even more disturbing than the increases we have seen in consumer prices are the increases to come. What has been happening to wholesale prices since the middle of 1972?

Wholesale prices in the third quarter of last year increased at an annual rate of 6.7 percent; in the fourth quarter the increase was 9.6 percent; and in the first quarter of this year wholesale prices jumped at a staggering annual rate of 21.5 percent.

The momentum is building, and when we compare these figures with the relatively modest 5 percent annual rate of increase in wholesale prices during the first half of last year, we can get some idea of what we are in for during the rest of 1973.

Since January, even the normally stable wholesale index of industrial commodities has been increasing at an annual rate of over 13 percent. Those industrial commodities increased 5 percent in the 12 months since March of last year. The farther we go back down the chain of production, the bleaker the picture gets. Wholesale prices for intermediate finished goods increased 6.1 percent during the last 12 months, while raw materials increased 10.4 percent.

Mr. President, these are increases which have already been paid at some point in the chain of bringing goods and services to the American consumer. At some point, they will be borne by other businesses closer to the consumer, and they will ultimately be reflected in the price he pays.

Steps are already being taken by both businesses and wage earners to protect themselves. There have been reports of some businesses raising their prices in anticipation of another freeze—to insure they are not caught short. In the short run this might appear to be a wise business decision for the individual company. But collectively it will cause prices to spiral completely out of control and insure that drastic action will be necessary. It is a self-fulfilling prophesy.

Union members are becoming increasingly committed to demands for large wage settlements in the coming bargaining. In 1973, contracts will expire for almost 40 percent of all workers covered by contracts. In the month of June, alone, 1.3 million workers' contracts will expire in industries including construction, food processing, electrical equipment, railroads, and trucking.

With the Government indicating that inflation during the first quarter of this year was in the neighborhood of 7 percent and output per man-hour and profits up, we can hardly expect these workers to bargain for 5.5 percent wage increases.

The fundamental principle underlying the phase II wage and price guidelines is a sound one. The 5½-percent wage guideline and the 2½-percent target for price increases were intended to provide annual growth of real wages of about 3 percent. The normal productivity growth of the U.S. economy is about 3 percent per year and historically real wage gains have roughly kept pace with the productivity changes.

During the first half of 1972, when prices were increasing at an annual rate of 2½ percent, a 5.5 percent wage guideline was fair. In the second half of the year when prices were increasing at 4 percent it was a good deal less fair. But at an inflation rate of 7 percent, a wage guideline at 5.5 percent is an injustice which wage earners cannot and should not be expected to tolerate.

Mr. President, I am convinced that both business and labor want an end to inflation. I am convinced that both will support mandatory controls if they are fair. Mr. George Meany, president of the AFL–CIO, restated yesterday the long-standing offer of his union to support controls if prices are controlled as well as wages. I have had men and women in my State who work for wages—some in unions, some not—tell me, "Senator, just see that we get fair treatment." That, Mr. President, is not an unreasonable request. That is what they deserve.

Therefore, I propose that the President use the authority given him by Congress in the extension of the Economic Stabilization Act to reestablish manadory controls requiring a substantial degree of prenotification and prior approval of increases in prices, profits, rents, and wages.

I think the phase II guidelines, with modifications to make them more effective on the price side and providing a cost-of-living escalator on the wage side, would be a very good beginning. If the orderly reinstitution of controls requires a freeze, it should be a short one. A freeze simply postpones increases. We need inflation controlled, not just postponed.

Mr. President, it is also important that we recognize both what controls can and cannot accomplish, and that we use the periods of controls to take other action to make our economy more efficient and less inflation prone.

Mr. President, I ask unanimous consent that a more detailed description of my proposal be printed, in full, in the RECORD.

I further ask that a very useful discussion of the economies of controls, written by Courtenay Slater, a Joint Economic Committee economist, also be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

AN INFLATION POLICY FOR THE NEXT 12 MONTHS

CONTROL PROGRAM

Price controls

Reimposition of the basic coverage, reporting, and approval requirements of Phase II with the following modifications:

1. Require public hearings prior to approval of any price increase which would produce over $50 million in annual sales revenue.

2. Place stricter limits on the percentage price increase allowed on any one product under Term Limit Pricing (TLP) agreements.

3. Allowable cost increases should be more closely limited to increases in direct costs already incurred rather than projected indirect costs such as overhead per unit of output.

4. Costs of any part of a wage settlement in excess of the wage guideline should not be included in allowable costs.

5. Price reductions below the base period price should be required in industries which have experienced unusually large gains in productivity resulting in actual cost reductions.

Wage controls

Reimposition of the basic coverage, reporting and approval standards of Phase II with the following modifications:

1. Exemption of all workers earning less than $3.50 per hour.

2. Allow a cost-of-living escalator covering 75% of any increase in the Consumer Price Index in excess of 2½% price target in order to provide protection against inflation without excessive initial settlements.

Rent and interest controls

Reimposition of Phase II coverage and standards.

OTHER POLICIES TO REDUCE INFLATION

Policies to expand supply

1. Agricultural policies to encourage production in areas of demonstrated demand with provision for maintaining adequate farm incomes in the event of over production.

2. Relaxation of some import restrictions as part of trade negotiations to expand US exports.

3. Sale of nonessential federal stockpiles.

4. Improved forest management and increase construction of forestry roads to make more cutting areas available.

5. Restructure existing transportation rates and federal regulatory policies to encourage the maximum use of available transportation and port capacity.

6. Export restrictions on certain raw materials in critically short supply such as logs from timber operations.

Policies to improve the market structure of the US economy

1. Vigorous enforcement of anti-trust laws to insure free competition of capital resources.

2. The improvement of job training and placement programs and the elimination of discrimination to insure the broadest possible access to labor markets.

Policies to ameliorate the cost of inflation

Adequate provision must be made to maintain the incomes of the retired, disabled and otherwise unemployed during periods of inflation.

Inflation control

I. Are Controls Useful?

Controls can help in three types of situations:

Monopoly and oligopoly power. Where business or labor has sufficient market power to set prices consistently higher or raise them faster than would occur in a competitive market, controls can partially substitute for competition. Some sectors of the U.S. economy are characterized by a high degree of market power, and there has long been and will continue to be a need for controls on these sectors. For the longer run these controls could perhaps be limited to voluntary guidelines. For the present, something stronger is clearly required.

Supply shortages of particular commodities which are not readily correctible. Expanding supply or reducing demand is normally preferable to controls, but if there is no acceptable way of doing this, controls may be needed. If the shortage is severe or of long duration, such controls must be accompanied by some type of rationing. Great care must be taken that controls do not make the situation worst by (1) holding the price below the level necessary to encourage additional supply; (2) holding the domestic price below the world price thus diverting supplies to the world market; or (3) holding the price so low relative to other prices that demand for the scarce commodity is artificially stimulated. There are thus rather severe limits to what controls can accomplish in a situation of scarcity.

Expectations of further inflation. The imposition of controls can have a valuable psychological effect in halting price increases which have no basis other than expectations that inflation will continue and that self-interest dictates the maximum possible wage or price increase. To halt these expectations, the controls must be for real and give promise of being effective. The public must surely at this point be highly skeptical regarding the prospects for halting inflation.

II. What is (and is not) causing the current inflation?

The severity of inflation has been surprising virtually all economists ever since 1969. This suggests there is much we do not understand about the causes of inflation. Nonetheless, the following partial causes and non-causes can be identified.

Generalized excess demand is not a current cause. We are not at full employment, manufacturing capacity is not fully utilized, neither fiscal nor monetary policy is overly expansionary. Nor is it plausible to blame recent price developments on the 1968 budget deficit. Excess demand is a possible future problem. Efforts to control the budget are important. However, controlling the budget will not by itself make even a small dent in the current inflation.

Supply constraints are an important cause not only in food but also lumber, non-ferrous metals, hides, fuels and possibly other areas.

A general psychology of strong expectations of continued inflation also appears to be a significant factor.

Market power has been a less important factor in the past year, but will become much more so in the months ahead.

III. What policies do we need (and not need)?

In the present situation, any controls should be accompanied by policies to expand supply, moderate growth of demand for certain commodities, and improve the market structure. Unless the time bought by controls is used to do these things, the controls are largely useless. Also, any controls imposed at present should be sufficiently flexible to avoid aggravating supply shortages.

Since we have had and will have some considerable inflation no matter what we do, those with low incomes badly need supplementary purchasing power either through expanded cash assistance or through rent supplements and food programs (food stamps, commodity distribution, school breakfasts and lunches). The budget cuts in these areas should be re-examined in light of the 13 percent increase which has already taken place in the past year in the "meat, poultry, fish" category of the CPI and the further increases which definitely are in prospect as a result of the most recent wholesale price increases.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WEICKER). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order from the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

TEMPORARY EXTENSION OF THE AUTHORIZATION FOR THE PRESIDENT'S NATIONAL COMMISSION ON PRODUCTIVITY

Mr. ROBERT C. BYRD. Mr President on behalf of the very distinguished Senator who now presides over the Senate, the Senator from Louisiana (Mr. JOHNSTON) I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 93, which was reported earlier today. It has been cleared on the other side of the aisle.

The PRESIDING OFFICER (Mr. JOHNSTON). The joint resolution will be stated.

The legislative clerk read the joint resolution as follows:

S.J. RES. 93

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 (f) of Public Law 92-210, approved December 22, 1971, is amended by striking out "April 30, 1973" and inserting in lieu thereof "June 30, 1973".

The PRESIDING OFFICER (Mr. GRIFFIN). Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. JOHNSTON. Mr. President, this resolution simply continues the life of the President's Commission on Productivity for a period of 60 days.

Under the present legislation, that authority expires on April 30. The Subcommittee on Production and Stabilization held hearings on the continued authorization for funds for the President's Commission on Productivity and, having completed the hearings yesterday, reported the bill favorably.

This resolution, however, is essential to avoid the demise of the Commission on April 30. It simply continues it for a long enough period of time so that we can pass this legislation.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 93) was ordered to be engrossed for a third reading, was read the third time, and passed.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JOHNSTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ARE VIETNAM VETERANS BEING FORGOTTEN?

Mr. ROBERT C. BYRD. Mr. President, for the past few weeks, a grateful nation has poured out its heart in welcome for the prisoners of war who returned from years of frustration and hardship spent in Communist prisons.

There can be no doubt in the minds of any of these courageous men that America is proud of their fortitude and their forebearance. It is right that we should feel as we do about men who have sacrificed so much in the service of their country, and they and their families deserve all the intangible and tangible tributes they have been accorded.

But while we enjoy the euphoria of their homecoming, there is a danger that we might forget other men who fought bravely, and also sacrificed much in the jungles and rice paddies of Vietnam, Laos, and Cambodia. I refer to the veterans who also had a homecoming, but one which was attended by the mundane routines of an everyday mustering out, rather than by musical fanfare, garlands, champagne, and television cameras.

I am disturbed that these largely unheralded heroes are finding it difficult, in far too many cases, to obtain employment as they return to civilian life. According to figures supplied by the Senate Committee on Veterans' Affairs, almost 300,000 Vietnam veterans between the ages of 20 and 29, are currently unemployed. In the 20 to 29 age bracket, six out of every 100 Vietnam veterans are jobless. Those between the ages of 20 and 24 are even worse off—nine out of every 100 in this younger group cannot find work.

I am aware that employment opportunities are limited. A young man who has been drafted into the services, and spends the next few years of his life learning and practicing the arts of war, has no time to make himself proficient in, or even familiar with, the work skills of the civilian world. If he has served in certain support units, he might have had the chance to learn some technical skills which he could use to his advantage in our technological society. A signal corps soldier can learn a great deal about communications. A transportation corps man can learn a lot about motor mechanics. A headquarters man can learn computers. But for the combat infantryman, who has always formed the backbone of any fighting force, the opportunities for learning are more or less confined to becoming proficient in killing the enemy, and staying alive himself. These two skills, so very essential in war, find no market in peace.

It is a reasonable assumption that among the almost 300,000 unemployed Vietnam veterans, there are some who do not want to work, just as there are nonveterans in our society to whom work is anathema. It is also a reasonable assumption, though no figures are available, that the number of veterans who are unwilling to work is a small percentage of the whole, and it is not this small percentage that concerns me. I am concerned about the large percentage of Vietnam returnees who would gladly accept gainful employment to support themselves and their families.

We are all familiar with the expression, describing a chronically lazy individual, that "he thinks the world owes him a living." There is no question in my mind, if I may paraphrase that saying, that this Nation owes these Vietnam veterans, at the very least, a decent chance to make a living. Of all the social responsibilities that this Government, and the citizens of this Nation have, at this time, the responsibility to give the returned veteran an opportunity for a job is No. 1.

I cannot believe that in the private and public sectors of this, the greatest industrial and agricultural nation in the world, we cannot provide employment for men who gave years of their lives in fighting the most unpopular war in their country's history.

It would seem to me that it is the responsibility of the Government, or the private sector with the Government's encouragement, to do everything possible that these young Americans at least be given a decent opportunity to earn an honorable living. We must avoid the stigma that has so often darkened the records of many countries throughout history—that the soldier we honor in war, we ignore in peace.

ORDER FOR RECOGNITION OF SENATOR RANDOLPH TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, immediately following the remarks of the distinguished Senator from South Dakota (Mr. ABOUREZK) under the order previously entered, the distinguished senior Senator from West Virginia (Mr. RANDOLPH) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10 o'clock a.m. After the two leaders or their designees have been recognized under the standing order, the Senator from South Dakota (Mr. ABOUREZK) will be recognized for not to exceed 15 minutes, to be followed by the distinguished Senator from West Virginia (Mr. RANDOLPH) for not to exceed 15 minutes, to be followed by the distinguished Senator from Michigan (Mr. GRIFFIN) for not to exceed 15 minutes, to be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes, after which the Senate will resume consideration of the unfinished business, S. 352. The question at that time will be on the adoption of Amendment No. 90, proposed by the distinguished Senator from Florida (Mr. GURNEY). On that amendment the yeas and nays have been ordered, and the time for debate on that amendment is divided and controlled, with a vote to occur on the Gurney amendment at 12 o'clock meridian. As far as the leadership can foresee at this time, that will be the only yea-and-nay vote tomorrow.

After that vote Senators may make speeches, after which the Senate will adjourn for the Easter recess.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and at 5:25 p.m. the Senate adjourned until tomorrow, Wednesday, April 18, 1973, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 17, 1973:

DEPARTMENT OF THE INTERIOR

Dale Kent Frizzell, of Kansas, to be Solicitor of the Department of the Interior.

Laurence E. Lynn, Jr., of California, to be an Assistant Secretary of the Interior.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

WITHDRAWAL

Executive nomination withdrawn from the Senate April 17, 1973:

Louis Patrick Gray III, of Connecticut, to be Director of the Federal Bureau of Investigation, which was sent to the Senate on February 21, 1973.

HOUSE OF REPRESENTATIVES—*Tuesday, April 17, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord is my God and I will praise Him, my father's God and I will exalt Him.—Exodus 15: 2.

O God and Father of us all, we pray that Thou wilt touch our hearts, illumine our minds, and transform our spirits as we wait upon Thee in prayer. Kindle in our inmost being the wonder and the warmth of Thy presence that we may be made equal to every experience, ready for every responsibility, and adequate for every activity.

We remember that Thou didst lead the children of Israel from the land of bondage to the life of freedom. In grateful remembrance of that day we join our Hebrew friends in celebrating the joyful festival of the Passover. Lay Thy hand in blessing upon the House of Israel and upon every one of us. May we sing the songs of freedom and chant the refrain of peace as we journey together to the promised land of liberty and justice for all. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

EXTENDING DIPLOMATIC PRIVILEGES TO LIAISON OFFICE OF PEOPLE'S REPUBLIC OF CHINA

Mr. HAYS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1315) to extend diplomatic privileges and immunities to the liaison office of the People's Republic of China and to members thereof, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, can I assume there is no Federal cost in connection with this legislation?

Mr. HAYS. If the gentleman will yield, as far as I know, there is no cost at all. The purpose of this is to extend this liaison mission, which is not an embassy arrangement, the same diplomatic privileges as though they were an embassy, which I understand the People's Republic of China has already extended to our liaison office in Peking.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, under such terms and conditions as he shall determine and consonant with the purposes of this Act, the President is authorized to extend to the Liaison Office of the People's Republic of China in Washington and to the members thereof the same privileges and immunities subject to corresponding conditions and obligations as are enjoyed by diplomatic missions accredited to the United States and by members thereof.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FUNDS FOR COMMITTEE ON HOUSE ADMINISTRATION

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 353 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 353

Resolved, That effective January 3, 1973, the Committee on House Administration is authorized to incur such expenses (not in excess of $2,400,000) as the committee considers advisable to provide for maintenance and improvement of ongoing computer services for the House of Representatives and for the investigation of additional computer services for the House of Representatives, including expenditures for the employment of technical, clerical, and other assistants, for the procurement of services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)), and for the procurement of equipment by contract or otherwise. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized and approved by such committee, and signed by the chairman thereof. Not to exceed $200,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202 (i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditures in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PASSOVER 1973

(Mr. DORN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DORN. Mr. Speaker, it is a special pleasure to extend Passover greetings to Americans of the Jewish faith and to all men who cherish freedom.

Passover 1973, the year 5733 in the Hebrew calendar, marks the beginning of the celebration of the 25th anniversary of the State of Israel. Passover recalls the deliverance of the Jewish people from Egyptian bondage and slavery. Throughout the ages this joyous celebration has manifested the desire of all men to be free. Our Jewish brothers throughout the centuries, this heroic struggle, has encouraged all of us in the cause of freedom. Men will be free, Mr. Speaker, and especially this year freedom-loving people all over the world salute the courageous and valiant people of the State of Israel.

One of the greatest stories of freedom in our time, is the dedicated and devoted effort of Israel to rebuild a nation. A nation, surrounded by hostile armies and constantly under attack from Red-trained terrorists. These brave people have written a shining page in the history of freedom.

As Jewish people throughout the world celebrate the Passover by retelling the story of the deliverance from Egypt by eating unleavened bread, they are joined in spirit by all men who cherish freedom, courage, and justice.

In South Carolina, Mr. Speaker, we are proud of one of the most historic Jewish communities in the Western Hemisphere. Their contributions to the history, culture, and development of our State, from prerevolutionary times to the present, is immeasurable. We are proud of a legacy of brotherhood and understanding.

It is a pleasure, Mr. Speaker, to join all men of good will on Passover 1973, in celebrating one of the greatest sagas of freedom in the history of the world.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 6883

Mr. BOWEN. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H.R. 6883.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 98]

Badillo
Biaggi
Blatnik
Boggs
Breaux
Brinkley
Burke, Mass.
Carey, N.Y.
Carney, Ohio
Chappell
Chisholm
Clark
Conyers
Coughlin
de la Garza
Diggs
Dingell
Dulski
Eckhardt
Eilberg
Evins, Tenn.
Foley
Gibbons
Gilman
Gray
Gubser
Harrington
Harvey
Hébert
Holtzman
Jarman
Jones, Ala.
King
Kuykendall
Long, La.
McKay
McKinney
Maraziti
Martin, N.C.
Mathias, Calif.
Montgomery
Morgan
Moss
Obey
Parris
Passman
Patten
Podell
Powell, Ohio
Price, Tex.
Railsback
Riegle
Rooney, N.Y.
Roy
Ryan
Sebelius
Staggers
Stanton,
  James V.
Talcott
Teague, Calif.
Thompson, N.J.
Waldie
Yates
Young, Ga.

The SPEAKER. On this rollcall 369 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CLOSING MILITARY INSTALLATIONS

(Mr. ADDABBO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADDABBO. Mr. Speaker, we have all witnessed in recent weeks the Nixon administration's enthusiastic welcome for our returning prisoners of war. That is as it should be, for they are all brave men and we are deeply grateful for their safe return.

But I must point out that in yesterday's announcement of the closing of military installations around the Nation, it seems apparent to me that this administration has little, if any, regard for yesterday's heroes.

The Pentagon says it will save $2.8 million by closing the St. Albans Naval Hospital in Queens. Last year that hospital treated 143,000 outpatients in the New York metropolitan area, most of them retired military personnel. These men and women risked their lives for all of us in previous wars, and now they are old and tired, living on small military retirement budgets and desperately in need of adequate medical care. With St. Albans gone, there is just no way they will get that care.

One hundred forty-three thousand cases a year. Mr. Speaker, we all want economy in our military, and most of us think military spending should go down in peacetime, rather than go up as the proposed budget would do.

But do we cut our budget by harming those who have fought hardest in this Nation's behalf? For myself, I would rather forgo one fighter plane, one missile or one less of any of the exotic weapons systems the Pentagon is asking for, and provide the medical treatment we promised our career soldiers and sailors.

The Pentagon, at least under this administration, seems to have a distinctly short memory for yesterday's heroes. I have but one vote, but it is my firm intention to use that vote from this point on to see if we can jog their memory back to when a promise made was a promise kept.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FUNDS FOR SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 334 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 334

Resolved, That effective March 1, 1973, the expenses of the investigations and studies to be conducted pursuant to H. Res. 279, by the Special Committee To Investigate Campaign Expenditures, acting as a whole or by subcommittee, not to exceed $45,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)), shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed $20,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House; and the chairman of the Special Committee To Investigate Campaign Expenditures shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. GROSS. Mr. Speaker, reserving the right to object, since the resolution was not read, I think we ought to have some explanation of it.

Mr. THOMPSON of New Jersey. Certainly.

Mr. Speaker, this resolution, I will say to my friend from Iowa, covers the amount of $45,000 for the Special Committee To Investigate Campaign Expenditures.

This committee, since the enactment of the election reform law last year, will in effect go out of business on June 15.

It has ongoing investigations arising out of the last election. This is a simple phaseout, I might say, a permanent phaseout of the committee which is now chaired by the distinguished gentleman from Iowa (Mr. SMITH). The ranking member is Mr. DEVINE of Ohio.

Mr. GROSS. I thank the gentleman for his explanation.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE BRANCH APPROPRIATIONS, 1974

Mr. CASEY of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6691) making appropriations for the legislative branch for the fiscal year ending June 30, 1974, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from New Hampshire (Mr. WYMAN) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6691, with Mr. MURPHY of New York in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. CASEY) will be recognized for 1 hour, and the gentleman from New Hampshire (Mr. WYMAN) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. CASEY).

Mr. CASEY of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the usual annual appropriation bill for the legislative branch of Government for the next fiscal year. Funds are included for the operation of the House of Representatives, the various joint activities of the House and Senate, the Architect of the Capitol, the Botanic Garden, the Library of Congress—including the Congressional Research Service—the Government Printing Office, the General Accounting Office, and the Cost-Accounting Standards Board.

Conforming to long practice, funds exclusively for operations and activities of the Senate—including two items jurisdictionally under the Architect of the Capitol—are left for decision and insertion by that body.

The various items in the bill are set out in the accompanying report. Detailed explanations in support of the requests considered by the Committee appear in the printed hearings. I am sure the subject that is of greatest interest is the inclusion of $58,000,000 for the extension of the west central front of the Capitol. I will discuss our recommendation in that regard following a brief outline of the other appropriations in the bill.

Before doing that I want to thank all the members of the subcommittee for their assistance throughout the hearings. We have a number of new members on the subcommittee this year—Mr. GIAIMO, of Connecticut; Mrs. EDITH GREEN, of Oregon; Mr. FLYNT, of Georgia; Mr. ROYBAL, of California; Mr. STOKES, of Ohio; and Dr. RUTH, of North Carolina. Our new ranking member is Mr. WYMAN of New Hampshire. He has been particularly helpful and he is ably filling the spot previously held by our late and devoted friend and colleague, Frank Bow, of Ohio.

Mr. EVANS, of Colorado, Mr. CEDERBERG, of Michigan, and Mr. RHODES, of Arizona, are continuing their faithful service on the subcommittee.

SUMMARY OF BILL

The appropriations recommended in the bill total $550,044,940. The requests considered by the Committee totaled $566,945,389. There is very little that this Committee can do other than recommend appropriations to cover the costs of the allowances and programs authorized by the Congress.

Reductions totaling $16,900,449 have been made. However, the major portion of this decrease is actually a deferral of action on two items. The largest one, $12,012,000, is in the request for funds to reimburse the U.S. Postal Service for official mail costs of the Congress pending a policy decision on rates and other matters on which the reimbursement will be based. I understand these matters are being, or will be, considered by the Committees on Post Office and Civil Service, along with officials of the House and Senate. The Committee has also deferred action on a request of the Government Printing Office for $3,200,000 for general plans and designs of a new Government Printing Office annex pending authorization by the Public Works Committees.

INCREASES

The bill is $102,873,900 over 1973 appropriations enacted to date. Over half of the increase is due to the inclusion of $58 million for the extension of the West Central Front of the Capitol which I will discuss later. The appropriations recommended for the operation of the House include an additional $2,262,000 to cover the increase in the clerk-hire allowances providing all Members authority to employ 16 clerks. There is an increase of $4,879,520 for official mail costs due to both the growth in the volume of outgoing mail and a more accurate count of the mail by postal authorities. The requirements for and cost of congressional printing continue to soar. A total increase of $17,500,000 is provided for this appropriation. Included is $14,800,000 to cover additional printing in previous years not known last year and an increase of $9,700,000 for 1974 to meet anticipated growth in workload as well as additional labor and material costs. The committee has allowed $4,600,000 for the acquisition of a site adjacent to the Government Printing Office plant for future expansion. This land is in an urban renewal area and will be acquired from the Redevelopment Land Agency, and is the remainder of the square on which the existing plant is located. Proposals to relocate the plant outside the city have been abandoned and a decision has been made to stay at the present location within easy access of the Congress. An increase of $7,615,000 has been provided for the General Accounting Office, of which $2,041,000 is for additional staffing to meet the increased workload imposed by the Congress, and $5,574,000 to cover mandatory pay costs and price increases.

PAY INCREASES

There are no funds in the bill to cover the costs of the 5.14-percent pay increases that went into effect on January 1 of this year for most of the employees of the legislative branch, except certain wage board employees. Appropriations for these costs will be considered at a later date along with similar requests from the executive branch.

ELIMINATION OF NONESSENTIAL JOBS AND ACTIVITIES

The Committee on House Administration has been conducting a study of nonessential jobs over the past few months. Immediate results of that study are reflected in the transfer of Capitol custodial employees and House baling room activities from the Doorkeeper to the Architect of the Capitol and those budgets have been adjusted accordingly. It is understood other transfers and changes may be forthcoming. Such budgetary adjustments as may be required will be made in future bills. The committee has long been concerned over the continued existence of duplicate activities. One in particular is the House Library and Clerk's document room, and for 2 years we have urged legislation to abolish that facility. Language is included in the bill that applies to the total funds for the Clerk of the House which reads as follows:

> *Provided*, That no part of this amount shall be available for the House Library—Document Room (in the Cannon House Office Building) unless and until appropriate arrangements have been made to phase out and terminate its operations not later than the close of the fiscal year 1974.

It is not the intention of the committee that the library facility, just off this Chamber to my right, be closed. That library is serving the day-to-day needs of the Members during the sessions of the House and arrangements should be made to continue its operation.

IMPROVEMENTS IN CAPITOL BUILDING

The bill includes funds for a number of improvement and restoration projects in the Capitol which will add to the beauty and safety of the building as we prepare for the bicentennial celebration in 1976. Two of note involve the cleaning of the stonework and painting the domed ceilings in the rotunda and Statuary Hall. Lighting improvements will also be made in the rotunda. The Statuary Hall project includes a partial restoration to the way it looked when it was used as the House Chamber prior to occupancy of this chamber in 1857, through the reproduction of the fireplaces, the chandelier, wall sconces, plaques, and draperies which were removed from the Hall many years ago. Of course, it is not possible to restore the floor and furnishings as we are doing in the old Supreme Court and Senate Chambers. Work is progressing in the old Court Chamber, and on completion of that project they will proceed with the restoration of the old Senate Chamber on the second floor. Other projects funded in this bill include cleaning the stonework and painting the ceilings in the small rotundas on the second floor of the Capitol and the installation of marble balustrades on the steps of the House and Senate wings as a safety measure. Funds were provided in last year's bill for a similar installation on the center steps of the East portico. Work is progressing on the renovation of the corridors to the Attending Physician's and minority leader's offices.

CONGRESSIONAL RESEARCH SERVICE

The committee is recommending additional funds for the Library of Congress, particularly for the Congressional Research Service. A total of $10,690,000 is recommended for the Service in 1974. This is an increase of $1,535,000 over current appropriations and is the third step in a 5-year program to build up the Congressional Research Service to meet the expanded responsibilities given it by the Legislative Reorganization Act of 1970—79 of the 104 new positions requested have been allowed. The committee is of the opinion that qualified people cannot be recruited at the rate new positions have been requested. In the last 3 years Congress has added 165 new positions to the staff of the Service. With the allowance provided in the bill a total staff of 603 will be available in 1974. In 1969 the then Legislative Reference Service staff totaled 306.

EXTENSION OF THE CAPITOL

As I indicated earlier in my remarks, the committee recommends the appropriation of $58,000,000 for the extension of the West Central Front of the Capitol. as requested by the Architect of the Capitol at the direction of the Commission for Extension of the U.S. Capitol. It was the unanimous conclusion of the members of the Commission that the project should proceed without further delay and their statement of February 28, 1973, in that regard appears in the committee report on page 13. As the Members of the House know, the membership of the Commission is composed of the majority and minority leadership of both the House and the Senate plus the Architect of the Capitol.

AUTHORIZATION—STUDY OF ALTERNATIVES

This project is not new to the Congress. It has been considered and reconsidered over a period of years. It has been planned, studied and restudied. A detailed legislative history and chronology of events leading to the development of plans for extending the West Front appears in the printed hearings commencing on page 681 and is summarized in the report commencing on page 14. I will ask permission later to include portions of this material in the RECORD so that it will be available for all to read.

The material referred to follows:

LEGISLATIVE HISTORY AND CHRONOLOGY OF EVENTS LEADING TO DEVELOPMENT OF PLAN 2 FOR EXTENDING THE WEST FRONT

AUTHORIZATION

Public Law 242, 84th Congress, approved August 5, 1955, is the original basic statute. It authorized the "extension, reconstruction, and replacement of the central portion" of the Capitol, based on a 1905 architectural plan to be carried forward in accordance with such modifications and additions as approved by the Commission for Extension of the U.S. Capitol. It created a joint congressional commission to direct the Architect of the Capitol in carrying out the project.

Public Law 406, 84th Congress, approved February 14, 1956, amended Public Law 242—a technical amendment.

Public Law 87–14, approved March 31, 1961, made the appropriation "Extension of the Capitol" available for furniture and furnishings.

Public Law 88–248, approved December 30, 1963, amended Public Law 242, as amended, by deleting from the basic act the authority "to obligate the additional sums herein authorized prior to the actual appropriation thereof" and by substituting in lieu thereof: and, prior to any appropriations being provided for extension, reconstruction, and replacement of the west central portion of the U.S. Capitol, to obligate such sums as may be necessary for the employment of nongovernmental engineering and other necessary services and for test borings and other necessary incidental items required to make a survey, study and examination of the structural condition of such west central portion, to make reports of findings, and to make recommendations with respect to such remedial measures as may be deemed necessary including the feasibility of corrective measures in conjunction with the extension of such west central portion.

ENGINEERING STUDY

As a result of the changes made by Public Law 88–248 and pursuant to direction of the Commission, and in line with the thinking of the Appropriations Committees, the Architect of the Capitol entered into a contract, March 13, 1964, with the Thompson and Lichtner Co., Inc. of Brookline, Mass., for a fresh engineering survey of the conditions of the west central front, an outstanding firm with no previous connection with the project. Their report was received in November 1964 and has been widely published. A copy of the covering letter which summarizes the findings in the report follows:

THE THOMPSON & LICHTNER CO., INC.,
Brookline, Mass., November 1, 1964.

Hon. J. GEORGE STEWART,
Architect of the Capitol,
U.S. Capitol, Washington, D.C.

DEAR MR. STEWART: We present herewith in five volumes, a report on the structural condition of the west central portion of the U.S. Capitol, extension of the Capitol project, in fulfillment of contract No. ACbr–540 of March 13, 1964, which included under paragraph 4, submission of a report of findings to the Architect of the Capitol upon completion of examinations, analyses, and studies, together with recommendations with respect to such remedial measures as may be deemed necessary, including recommendations as to (1) whether the existing wall, if found deficient, can be repaired in its present condition, (2) whether the existing wall can be refaced with marble in its present condition, (3) whether remedial action requires extension of the west central front and its reconstruction in marble, or (4) whether any other means of preservation are deemed feasible and advisable.

Plans and specifications for exploratory work, including test pits, soil borings and cores of walls were prepared under date of May 15, 1964 with invitation for a proposal of June 10, 1964. The J. F. Fitzgerald Construction Co., Inc. of Canton, Mass., was awarded the contract No. ACbr–545 for this work on June 29, 1964. Observations of the exploratory work, consultation and advice, examination, study, analyses and tests were performed by representatives of The Thompson & Lichtner Co., Inc. resident at the site or in Brookline, Mass.

The purpose of this study being primarily to determine the structural condition of the exterior west wall of the central or original portion of the Capitol, information was obtained on the quality of the facing sandstone, the backup fieldstone, the mortar used in laying the stone, the thickness, the workmanship, and the stresses in the wall. As the stability of the wall is dependent on the foundations and supporting soils, the report on the foundation investigation of the Capitol of May 1957 was examined in detail and such additional borings, test pits and tests were made as appeared necessary. The interior of the west portion of the Capitol was examined to determine whether there was evidence of structural distress and, in particular, if such conditions were affecting the exterior walls. The use to which an old structure, such as the Capitol has been subjected, and the conditions under which it was constructed required study of its history in evaluating the structural condition, particularly since much of the construction is covered by ornamentation and cannot be examined.

The facing stone is a white to light gray sandstone obtained locally and known as Aquia Creek sandstone. The color of much of this stone is also light brown gray or buff, depending on the iron content. Pieces of stone were removed and cores cut from the walls at sufficient locations to evaluate the quality of the walls. These samples were examined in the field and laboratory. Analysis shows the stone is composed of quartz grains cemented together largely by silica and therefore it is inert relative to compounds usually found in the atmosphere. Tests for compressive strength and absorption show that it is relatively weak and absorptive compared to sandstone normally used for exposed building stone. Observations of the disintegration of unpainted areas of the stone, such as the Bulfinch gate posts on Constitution Avenue at 7th and 15th Streets, confirm the low quality as related to resistance to weathering. Spalled areas are found throughout the wall surfaces and in the ornamentation, particularly of the entablature at the top of the building. There were also numerous patched areas and areas of replacement of stone. Spalling in certain areas probably is partly the result of the burning of the Capitol by the British in 1814.

The major portion of the stone shows softening and discoloration to a depth of three-sixteenths of an inch and no other signs of weathering despite the inferior quality of the stone, because it has been covered with paint. Painting started about 1822 and the wall was painted at about 8-year intervals thereafter as evidenced by the thickness of paint on the stone at present. Although the painting has been effective as protection, it has affected the architectural detail and quality which is found objectionable by those interested in the appearance. The removal of the paint should involve the removal of the affected three-sixteenths of an inch of stone behind and this would give rise to a similar objection since such removal of the paint could not be made without changing the texture as well as the dimensions. The stone would then have to be repainted or treated with silicone at not over 5-year intervals to protect it from the weather.

Although the stone does not show evidence of major weathering because of the paint, there is a serious amount of cracking and dislocation of stones. The stones are found to have been carefully cut on the face and sides to uniform dimensions and plane, but rough cut in the back and the rear portion of the sides. The resulting ashlar dimensional sandstone masonry is of good line and surface and of excellent appearance. Voids of varying widths were found, however, behind almost all facing stone and the fieldstone or brick backup, evidencing movement of the two resulting from temperature and moisture, as well as settlement and load adjustment effects. The fact that the fieldstone is of granite gneiss means that it has a thermal coefficient of expansion of about 70% of that of the sandstone. The sandstone will have a higher or lower temperature than the backup and the differential movement in 100 feet could be one-fourth of an inch or more. There is no provision for expansion or contraction and, as the joints of the dimensional stone are very small, expansion could cause the poorly backed ashlar to bulge out and contraction would open up the joints causing cracks to appear. Water getting into the cracks and freezing would further open the cracks and cause heaving out of the wall. The situation is aggravated by the fact that in many locations voids of several inches in width are found in back of the ashlar which had not been filled in during the laying of the wall. The areas of the wall at the basement floor level above the terraces on the old House and old Senate wings which had been veneered at a later date are in a dangerous conditon. Bonding was done in those areas by the use of metal ties which have corroded and broken. Apparently the space between the veneer and the backup was not filled with mortar as called for by good practice. The walls are leaning and must be replaced shortly or they will fall.

The character of the cracking in the walls shows that an important factor is also settlement. Shrinkage cracks normally will appear at the edges of openings, such as windows and door frames, but would not cause cracking and dropping of lintels. Keystones will drop due to excessive loading or release of the support of the abutment stones of the arch. There must have been differential settlement of the foundations through the years, causing cracking of the walls, as investigation of the stresses due to loads does not indicate overloading of the arches or lintels as a cause.

The backup of the ashlar sandstone is brick masonry with lime mortar in the old Senate wing and elsewhere it is fieldstone or granite gneiss rubble with lime mortar. The stone is of good strength; the workmanship varies but, in general, is not of good quality containing many voids. The masons laid a reasonable good face in back of the sandstone and a poorer inside face, but were generally very careless about the interior of the wall which appeared to be constructed in some cases by dumping the stone in little or no mortar as a bed. The cores taken through this masonry and examination of the holes by means of a boroscope disclosed not only voids, but also cracked stone and brick, providing further evidence of settlement.

Cracking of the wall can also result from shrinkage of mortar and because of the low strength of lime mortar, adjustment of the stone to solid bearing during the early life of the wall. Laboratory tests show that the brick and stone were of acceptable strength. The lime mortar was poorly mixed in many cases and in one case the lime shells from which the lime was made were found in the mortar. The mortar is of such quality that it can only be classified as generally weak.

The structure, except for the exterior walls, has not been subjected to weathering and is not in a hazardous condition. Certain areas of the exterior walls are now in a dangerous condition and the entire walls in a very few years will be in a similar condition unless proper corrective measures are taken.

The structure represents a high quality of engineering for the materials, manpower and construction facilities available at the time of construction. The use of the local sandstone was probably dictated by time limitations and cost. The poor workmanship on the walls was undoubtedly the lack of good mechanics and the quality of inspection.

The conclusions and recommendations are summarized in the following:

1. The workmanship on the sandstone ashlar masonry facing is generally good.

2. The workmanship on the fieldstone rubble masonry is generally inferior.

3. The workmanship on the brick masonry is generally acceptable.

4. The sandstone used for the exterior facing is an inferior material for use in a monumental structure.

5. The fieldstone used for the backup of the sandstone and for foundation walls is generally a good material.

6. The brick used for the backup of the sandstone and for interior floor and foundation arches and wall is generally a satisfactory material.

7. The mortar used is largely a lime mortar and is generally not of good quality for such mortar.

8. The masonry facings at the terrace level on the west side of both the Old Senate and Old House wings, which were not part of the original construction, are displaced and require prompt removal and replacement with proper bonding to the backup wall. The bottom course should be of granite.

9. The entablature at the front of the center wing is displaced and requires prompt removal and replacement.

10. The retaining walls of the terraces at both the Old Senate and Old House wings require reconstruction of the foundations to provide adequate frost protection.

11. The exterior walls of the west-central portion of the Capitol are distorted and cracked, and require corrective action for safety and durability.

12. Retention and repair of the existing walls as corrective action is not recommended as it would require the hazardous removal of much of the facing so as to allow installation of ties to the backup wall, or the installation of ties through the face joints with resulting disfiguration of the structure. There would still be walls and foundations of structurally inferior construction with the walls requiring continuing protective treatment.

13. Facing of the existing walls as corrective action with durable marble and granite, leaving the sandstone in place, is not recommended because it would require additions to the present foundations and there would still remain walls and foundations of structurally inferior construction without preserving the historic architecture.

14. Removal of the sandstone completely and replacement by high quality marble and granite as corrective action is not recommended because it would be a very costly and hazardous operation and there would still remain walls and foundations of structurally inferior construction.

15. Removal of the entire wall and foundation and replacement by reinforced concrete with a facing of high quality granite for the courses at grade and high quality marble above for the face stone is not recommended because of the hazard, cost, and interference with occupancy.

16. Retention of the wall as an interior wall of an extended building is recommended as the least hazardous and as causing the least interference with the occupancy of the present structure. A properly designed and constructed extension would also provide desirable lateral support for the West-Central Portion of the Capitol.

17. The attic roof slab in the House wing requires corrective action because of the extensive corrosion of the reinforcing steel.

18. Drawings should be prepared of the Capitol so that there is readily available information on the structural condition in relation to the many mechanical and electrical, and other installations which have resulted in much cutting and patching. These drawings should be kept current so that the safety of the structure as affected by changes in installations and usage can be readily checked.

19. Level readings of vertical movements and measurements of horizontal movements should be taken annually of all important elements of the Capitol so as to provide data as a basis for corrective action before cracking and failures occur.

20. Piezometer readings to check the ground water level should be made on a regular schedule and the data used to assist analysis of the settlement data.

Respectfully,
Thompson & Lichtner Co., Inc.,
Miles N. Clair, *President*.

PUBLIC HEARING BY COMMISSION

A public hearing was held by the Commission on June 24, 1965, with Dr. Miles N. Clair, president of the Thompson & Lichtner Co., Inc., testifying as to the dangerous conditions requiring immediate action and the plan for permanent corrective action.

DECISION TO DEVELOP PRELIMINARY PLANS AND COST ESTIMATES

At the close of the hearing, the Commission agreed unanimously, that the Architect of the Capitol be authorized and directed to submit to the Appropriations Committees of the House and Senate request for funds for preparation of preliminary plans and estimates of cost for the extension in marble of the west-central front of the Capitol, based on the findings in the Thompson & Lichtner report.

WOOD BRACES INSTALLED IN 1965

As a result of the Thompson & Lichtner study and recommendations, the most obviously dangerous portions of the west front were shored with heavy wood timbers in 1965 as a temporary expedient.

FUNDS FOR PRELIMINARY PLANS AND COST ESTIMATES

In September 1965, the Architect of the Capitol, pursuant to the direction of the Commission, appeared before the House Appropriations Committee and requested $300,000 for preliminary plans, cost estimates, and a model (see pp. 334 through 363 of pt. I of printed hearings on the Supplemental Appropriation Act, 1966). The $300,000 was included by the House in the bill.

In October 1965, the Architect of the Capitol appeared before the Senate Appropriations Committee and requested the $300,000 planning money (see pp. 379 to 404 of the printed Senate hearings on the Supplemental Appropriations for 1966). The Senate deleted the $300,000 from the bill.

The $300,000 was restored in conference between the House and Senate conferees. The bill carrying these funds was approved October 31, 1965, by the President.

ARCHITECTS DIRECTED TO PROCEED WITH PRELIMINARY PLANS

In December 1965, the Architect of the Capitol, upon direction of the Commission, ordered the associate and advisory architects for the extension of the Capitol project to proceed with the preliminary plans and estimates of cost. The first stage of their work was completed in May 1966, and a progress report and study model were furnished.

COMMISSION'S CONSIDERATION AND APPROVAL OF PLAN 2

The Commission in charge held a meeting June 17, 1966, for the purpose of considering the report of the architects. At this meeting the architects reviewed with the Commission the basic historic, architectural, and engineering information relating to the west front and demonstrated three basic plans by use of a study model and drawings. The Commission approved plan 2 and directed that this plan be completed and perfected; that the final scale model be prepared for exhibition to Members of Congress and the public; and that the Architect of the Capitol be directed to seek necessary funds for proceeding with the project.

MODEL PLACED ON DISPLAY

In November 1966, the scale model of the Capitol showing the west front extension as approved by the Commission, was placed on public display in Statuary Hall in the Capitol. In January 1967, the Speaker sent a letter to all Members of the Senate and House calling attention to the model and asking each Member to examine the model. The model has been on continuous display since 1966.

DELAY IN REQUESTING CONSTRUCTION FUNDS

During the Summer of 1966, when the legislative branch appropriation bill for 1967 was under consideration, although no funds were provided in the bill for the west front extension, the Senate amended the bill to provide:

"*Provided,* That no part of any appropriation contained in this Act shall be used for administrative or any other expenses in connection with the plans referred to as schemes 1, 2 and 3 for the Extension of the west Central Front of the Capitol."

This amendment was deleted by the Senate and House conferees on the bill and the following statement appears in the conference report dated August 15, 1966:

"There are no funds in the bill for the west front extension project, nor is there any authority to proceed with construction contracts, or even detailed plans and specifications. The work can proceed only if and when the Congress should appropriate the money for the work in a future bill.

"$300,000 was, however, appropriated by the Congress last year for preparation of preliminary plans and estimates of cost, including a model, and incidental expenses looking to extension of the west central front. Most of that fund is already contracted. While the associate architects engaged for this purpose completed the first stage study and plans earlier this year, from which schemes 1, 2, and 3 were developed, and for which a study model (of scheme 2) was made, more time is necessarily required for perfection of plans and drawings and preparation of a full scale model for the scheme (No. 2) selected by the special Extension Commission. At its meeting with the architects in June, the Commission directed the Architect to get the full-scale model ready for exhibition to Members of Congress and the public generally.

"A full-scale model showing the entire Capitol building—both East and West Fronts—should be of great, almost inestimable visual-aid value in helping Members, the press, and the public generally form sound opinions about the appearance of the building if extended and the effect of the particular proposals in scheme 2 on the architectural features of the present West Front. But the conferees understand that the full-scale model will not be ready to place on display until about mid-November.

"In the circumstances, then, it would be premature, and illogical, to consider any further appropriations for the West Front project at this session."

COMPLETED PRELIMINARY PLANS SENT TO THE CONGRESS

In May 1967, the full report and recommendations of the architects relating to the authorized preliminary plans and estimates of cost, were completed and sent by the Architect of the Capitol to Speaker John W. McCormack, Chairman of the Commission for Extension of the United States Capitol and other members of the Commission. This report, with illustrations, was printed and sent by Speaker McCormack to all Members of the House and Senate with his letter of June 21, 1967.

ADDITIONAL WOOD BRACING IN 1968

Late in 1967 additional dangerous sagging and cracking in certain sections of the west side of the building were observed. With approval of the Commission, the Architect of the Capitol sought and the Congress granted $135,000 for additional temporary wood shoring and for repainting, filling cracks, and painting the west central front. This work was finished in the summer of 1968.

DELAY IN REQUESTING CONSTRUCTION FUNDS

The preliminary plans and estimates of cost for the extension of the west central front were completed and published in 1967. The Commission did not direct the Architect of the Capitol to request funds for the contract plans and construction from 1967 to 1969. It is understood that the Commission's reluctance was due to the conflict in Vietnam and the resulting heavy stresses on the national budget.

ACTION OF THE COMMISSION

Late in July 1969, Chairman McCormack after discussing the seriousness of further delay with fellow Commission members and members of the House Appropriations Committee, requested that other members of the Commission join him in approving planning funds for extending the west central front in accord with the previously approved plan 2. All members of the Commission agreed to direct the Architect of the Capitol to seek planning funds, in the amount of $2 million at this time. The opinion of the Commission was unanimous, and was reached during the first week of August 1969.

LETTER FROM CHAIRMAN M'CORMACK TO APPROPRIATIONS COMMITTEES

Upon receipt of unanimous approval of all members of the Commission, Chairman McCormack directed a letter on August 8, 1969, to Chairman Andrews of the Legislative Subcommittee, Committee on Appropriations, House of Representatives, pointing out the urgent need to proceed with planning the extension, advising of the Commission's decision, and expressing the hope that this request could be heard in connection with the then current hearings on the legislative branch appropriation bill, 1970.

After the Legislative Subcommittee indicated informally to the Speaker that a hearing would probably be scheduled on the item early in September after the recess, the Speaker sent similar letters of recommendation to Chairman Russell of the Senate Committee on Appropriations and Chairman Montoya of the Legislative Subcommittee.

FUNDS APPROPRIATED FOR WEST CENTRAL FRONT, FISCAL YEAR 1970, AND LEGISLATIVE PROVISIONS GOVERNING USE OF SUCH FUNDS

An appropriation of $2,275,000 for the west central front and legislation governing the use of such funds were provided in the Legislative Branch Appropriation Act, 1970, Public Law 91–145, approved December 12, 1969, as follows:

EXTENSION OF THE CAPITOL

For an additional amount for "Extension of the Capitol", $2,275,000, to be expended under the direction of the Commission for Extension of the United States Capitol as authorized by law: Provided, That such portion of the foregoing appropriation as may be necessary shall be used for emergency shoring and repairs of, and related work on, the west central front of the Capitol: Provided further, That not to exceed $250,000 of the foregoing appropriation shall be used for the employment of independent nongovernmental engineering and other necessary services for studying and reporting (within 6 months after the date of the employment contract) on the feasibility and cost of restoring such west central front under such terms and conditions as the Commission may determine: Provided, however, That pending the completion and consideration of such study and report, no further work toward extension of such west central front shall be carried on: Provided further, That after submission of such study and report and consideration thereof by the Commission, the Commission shall direct the preparation of final plans for extending such west central front in accord with plan 2 (which said Commission has approved), unless such restoration study report establishes to the satisfaction of the Commission:

(1) That through restoration, such west central front can, without undue hazard to safety of the structure and persons, be made safe, sound, durable and beautiful for the the foreseeable future;

(2) That restoration can be accomplished with no more vacation of west central front space in the building proper (excluding the terrace structure) than would be required by the proposed extension plan 2;

(3) That the method or methods of accomplishing restoration can be so described or specified as to form the basis for performance of the restoration work by competitive, lump-sum, fixed price construction bid or bids;

(4) That the cost of restoration would not exceed $15 million; and

(5) That the time schedule for accomplishing the restoration work will not exceed that heretofore projected for accomplishing the plan 2 extension work: Provided further, That after consideration of the restoration study report, if the Commission concludes that all five of the conditions hereinbefore specified are met, the Commision shall then make recommendations to the Congress on the question of whether to extend or restore the west central front of the Capitol.

Expenditures, 1970–1971, for emergency repairs to temporary shoring and other miscellaneous related work, including measuring and recording movements of building

During the period, 1970–1971, $23,170 was expended for emergency repairs to the temporary shoring installed in 1965 and 1968 and other miscellaneous related work, including additional measurement and recording of movements of the west central wall.

Procedures followed by the Commission for Extension of the U.S. Capitol in selection of engineers-architects to make the feasibility study required by Public Law 91–145

The following procedures were followed by the Commission for Extension of the United States Capitol in making their selection of engineers-architects to make the study and report on the feasibility and cost of restoring the west central front required by Public Law 91–145.

December 16, 1969.—Four days after the President signed the act, the speaker, as chairman of the Commission in charge of this project, sent letters to all members of the Commission, outlining the action taken by the Congress through the Appropriations Committees and quoting pertinent provisions of the conference report on this matter. He proposed that the American Society of Civil Engineers, a professional engineering society, which had taken no position on either extension or restoration and who could offer "independent judgment on this proposition in the spirit of the conference report" be requested to review the material available and then suggest to the Commission the names of several engineers or engineering firms, with experience in restoration and reconstruction of old buildings such as the Capitol.

December 20, 1969.—Several members of the House Appropriations Subcommittee approached the Speaker and asked him to consider also asking the deans of engineering of several of the leading universities throughout the country to offer their opinions on well qualified firms to make the study. The Speaker agreed with this proposal and the other members of the Commission were contacted and asked to consider requesting the opinions of the deans, in addition to the American Society of Civil Engineers.

January 2, 1970.—The Speaker received concurrence from all Commission members in this procedure.

January 12, 1970.—The Speaker sent letters to the deans and the American Society of Civil Engineers, requesting their assistance.

Early in March, 1970.—The Speaker received replies from the American Society of Civil Engineers and all but a few of the deans (15 of the 19 deans responded to the Speaker).

March 9, 1970.—The Speaker sent requests to the firms or individuals recommended to undertake the study, requesting their brochures and other information which would show their capabilities to undertake the study; also requesting to be advised whether they had previously been associated with the project, or had any predisposition for or against the extension or restoration work. There were, of course, numerous overlappings of the recommendations of the American Society of Civil Engineers and the various deans of engineering. Several firms recommended, which had previously been associated with the project, were eliminated. Letters went out to 26 firms or individiuals, in all.

April 20, 1970.—The Speaker sent letters to the Commission members enclosing a summary report on results of contacts with the American Society of Civil Engineers and the deans of 19 engineering schools, and a digest of information about the 19 firms voicing an interest in the feasibility study in response to request from the Speaker for brochures. In addition, a digest of information was included from four unsolicited firms.

CONTRACT NEGOTIATIONS

May 25, 1970.—The Commission for Extension of the U.S. Capitol met for the purpose of selecting a firm to make the feasibility study and cost of restoring the west central front of the Capitol, pursuant to the provisions contained in the Legislative Branch Appropriation Act, 1970. The Commission, after considering guidelines, criteria, and key provisions to be incorporated in a contract, directed the Architect of the Capitol (1) to enter into negotiations with the firm of Praeger-Kavanagh-Waterbury, engineers-architects of New York City, on the basis of such considerations, for undertaking the feasibility study ordered by the Congress, and (2) if thereafter a mutually satisfactory contract could be negotiated, to enter into a contract with that firm, subject to approval of the contract by the Chairman of the Commission.

June 22, 1970.—A draft of the proposed contract, negotiated by the Architect of the Capitol with the Praeger-Kavanagh-Waterbury firm, was forwarded by the Speaker to the Commission members for their review and comments. Changes suggested by Commission members were incorporated in the final draft of contract.

CONTRACT AWARDED FOR FEASIBILITY STUDY

July 1, 1970.—The Speaker announced that a contract had been signed with the firm of Praeger-Kavanagh-Waterbury, July 1, 1970, for making the feasibility study required by Public Law 91–145. The total contract cost was $182,600.

OTHER EXPENDITURES IN CONNECTION WITH FEASIBILITY STUDY

In addition to the amount of $182,600 expended for the engineers-architects contract, $45,779 was expended for exploratory work in and adjacent to the west central portion of the Capitol on the basis of drawings and specifications prepared by the Praeger-Kavanagh-Waterbury firm and performed under their supervision and direction: $7,722 for compression tests performed on the same basis; $9,368 for administrative and miscellaneous expenses.

COMPLETION AND DISTRIBUTION OF ENGINEERS-ARCHITECTS REPORT

January 2, 1971.—Upon completion of the feasibility study and report, the Acting Architect of the Capitol transmitted a copy of the Praeger-Kavanagh-Waterbury report, dated January 1971, to the Commission members. The report was also given to Members of Congress requesting it, to the Press, and to various architectural and engineering societies.

(The summary of the report follows:)

SUMMARY OF REPORT

FINDINGS

Through survey, research and analysis, the following findings are submitted with regard to the five conditions established by Congress on the question of whether to extend or restore the west front of the Capitol, as defined in Public Law 91–145:

1. The West Central Front can be made safe, sound and durable for the forseeable future without impairing its inherent beauty and without hazard to safety of the structure and persons by cleaning the wall, strengthening it by grouting and restoring its appearance by repainting.
2. Such restoration can be accomplished without vacation of west central front office space or the terrace structure.
3. Restoration methods can be specified to form a basis for performance of the work by competitive lump sum construction bids.
4. The cost of restoration can be limited to $15,000,000.
5. The restoration work can be accomplished within the time projected for the Plan 2 extension work.

EVALUATION OF STRUCTURAL ADEQUACY

A detailed inspection of the walls, evaluation of soils investigations and analysis of loadings and induced stresses indicate the following:

1. Soils beneath foundations of the west central front wall safely support the imposed loads. Anticipated settlement due to secondary consolidation of underlying clay strata is negligible and the wall will not be subjected to future excessive settlement.
2. Cracking of exterior walls is caused primarily by expansion and contracting due to temperature changes abetted by other environmental factors, such as moisture absorption and freeze-thaw weathering.
3. Foundation walls and substructures safely support imposed loads, but consideration of age and deterioration indicates that they should be strengthened.
4. Bearing walls safely support imposed loads, but temperature effects have disturbed their integrity and structural restoration is recommended.
5. Elements of the portico entablature have failed and must be repaired.
6. Many stones forming window lintels have cracked and must be repaired.
7. Numerous masonry elements have broken or deteriorated and should be replaced or repaired.

RESTORATION PROGRAM

It would be extremely difficult if not impossible to establish the exact value of the reserve structural capacity available in the west front walls. This value is highly indeterminate because of the variable conditions of construction and effects of time and environmental change on individual elements and sections of the wall. Therefore, it would be prudent to strengthen the walls and thereby insure their continued structural adequacy. The following restoration procedure will provide these results.

1. Strengthen foundation walls by filling voids in the interiors of the walls with cement grout and epoxy.
2. Solidify upper bearing walls by filling voids in the interiors of the walls with cement grout and epoxy.
3. Reinforce walls with steel rods anchored in grout holes.
4. Clean the entire wall surface and identify damaged stone areas. Repair faulty stone work by removing and replacing with new stones.
5. Repair balustrade and entablature by removing broken elements and replacing with new stone.
6. Repair portico by dismantling to the level of the column capitals, repairing spanning elements using post-tensioning techniques, and rebuilding.
7. Repair lintels using post-tensioning techniques.
8. Treat entire surface with stone preservative, and paint.

E. Cost estimate

Table 3 is a tabulation of estimated quantities and costs for Schemes 1 and 2, summarized as follows:

Scheme 1—Painted Sandstone__	$13,700,000
Scheme 2—Exposed Sandstone__	14,500,000

Included are amounts for replacement of all windows, repair of existing roof slabs and old terrace walls, bird proofing, delays, funds for emergency repairs, and a contingency of 15%. Unit costs include an escalation factor. A liberal amount is included to cover full-sized trial method experiments which will be necessary to establish the best procedures during the early stages of the work, as well as retention of stone artists and experts to measure and make models for special carving and repair work.

The third Commission condition stipulates that "restoration can be so described or specified as to form the basis for performance of the restoration work by competitive, lump sum, fixed price construction bid or bids". A cost plus contract with an "upset price" seems more realistic and could be obtained on a competitive basis.

ACTION TAKEN BY COMMISSION ON ENGINEERS-ARCHITECTS REPORT

March 8, 1972.—The Commission for Extension of the U.S. Capitol met and considered the Praeger-Kavanagh-Waterbury report and, after establishing to its satisfaction that the conditions specified in Public Law 91–145, relating to restoration, could not be met, directed the Architect of the Capitol to proceed with the preparation of final plans for extending the west central front in accord with plan 2 heretofore approved by the Commission.

LEGISLATIVE APPROPRIATION BILL, 1973, IN THE HOUSE OF REPRESENTATIVES

March 23, 1972.—The bill passed the House on that day. There were no funds requested or granted in the bill for the west front project.

Chairman Casey in his opening remarks explaining the bill, stated as follows:

WEST CENTRAL FRONT OF CAPITOL

There are no funds in the bill for the west front project. The Members of the House are aware of the action of the Commission for Extension of the United States Capitol on March 8, 1972, in directing the Architect of the Capitol to proceed with the preparation of final plans for extending the west central front.

In reviewing the history preceding this action, I would refer back to Public Law 91–145, approved December 12, 1969. This law, the Legislative Branch Appropriation Act, 1970, appropriated $2,275,000 for the extension of the Capitol including $250,000 for the employment of independent nongovernmental engineering and other services on the feasibility and cost of restoring the west central front. The law provided, and I quote:

"*Provided further,* That after submission of such study and report and consideration thereof by the Commission, the Commission shall direct the preparation of final plans for extending such west central front in accord with Plan 2 (which said Commission has approved), unless such restoration study report establishes to the satisfaction of the Commission:

"(1) That through restoration, such west central front can, without undue hazard to safety of the structure and persons, be made safe, sound, durable, and beautiful for the foreseeable future;

"(2) That restoration can be accomplished with no more vacation of west central front space in the building proper (excluding the terrace structure) than would be required by the proposed extension Plan 2;

"(3) That the method or methods of accomplishing restoration can be so described or specified as to form the basis for performance of the restoration work by competitive, lump sum, fixed price construction bid or bids;

"(4) That the cost of restoration would not exceed $15,000,000; and

"(5) That the time schedule for accomplishing the restoration work will not exceed that heretofore projected for accomplishing the Plan 2 extension work: *Provided further,* That after consideration of the restoration study report, if the Commission concludes that all five of the conditions hereinbefore specified are met, the Commission shall then make recommendations to the Congress on the question of whether to extend or restore the west central front of the Capitol."

On July 1, 1970, Speaker McCormack, Chairman of the Commission for Extension of the U.S. Capitol, announced the employment of Praeger-Kavanagh-Waterbury, engineers-architects of New York, to make a study of the feasibility of restoring the west central front of the U.S. Capitol. The consulting firm submitted its report on December 30, 1970. The Commission met on March 8 and I quote from a portion of the resolution adopted unanimously by its members:

"Whereas, the restoration feasibility and cost study and report of the Praeger-Kavanagh-Waterbury, Consulting Engineers-Architects, made pursuant to Public Law 91-145, was considered by the Commission at its meeting of March 8, 1972, in Room EF-100 of the Capitol; and

"Whereas, the Commission established to its satisfaction that all five of the conditions specified in Public Law 91-145, relating to restoration, cannot be met; Now, therefore, be it resolved

"That the Architect of the Capitol is hereby directed to proceed with the preparation of final plans for extending the west central front in accord with Plan 2 heretofore approved by the Commission."

No additional money is needed at this time. The money for the preparation of final plans for extending the west central front was appropriated in Public Law 91-145. There is no need for construction funds at this time. They could not be utilized.

Action of Congress subsequent to issuance of order by the Commission for Extension of the U.S. Capitol directing the Architect of the Capitol to proceed with preparation of final plans for extending the west central front of the Capitol in accordance with plan 2 heretofore approved by the Commission.

AMENDMENT ADOPTED BY THE SENATE LIMITING USE OF WEST FRONT FUNDS

March 24, 1972.—The Senate Committee on Appropriations added the following amendment to the legislative branch appropriation bill, 1973, as passed by the House, March 23, 1972:

EXTENSION OF THE CAPITOL

"Funds available under this appropriation may be used for the preparation of preliminary plans for the extension of the west central front: *Provided, however,* That no funds may be used for the preparation of the final plans or initiation of construction of said project until specifically approved and appropriated therefor by the Congress."

March 28, 1972.—The Senate approved adoption of the amendment, March 28, 1972.

March 28, 1972.—The following amendment offered by Senator Mansfield and Senator Scott during the debate on the legislative branch appropriation bill, 1973, as a substitute for the committee amendment, was rejected by the Senate, March 28, 1972, on a roll-call vote of 40 to 35:

"Funds available under this appropriation may be used for the preparation of plans for the extension of the West Central Front: Provided however, That no funds may be used for construction of said project until specifically approved and appropriated therefor by the Congress."

Several meetings were held by the Senate and House conferees on the bill, but no agreement was reached on the Senate's amendment relating to the extension of the west front.

June 28, 1972.—During consideration of the conference report, the House, by a voice vote, agreed to recede from its disagreement to the Senate amendment; and by a roll-call vote (197 to 181) agreed to concur in the Senate amendment.

Effect of this Action.—This amendment had the effect of preventing the Architect of the Capitol from carrying out the order of the Commission to proceed with the preparation of final plans. Preliminary plans permitted under the language in the amendment were completed several years ago, approved by the Commission, and circulated to all Members of the House and Senate in 1967 by the chairman of the Commission.

RECENT ACTION OF THE COMMISSION

February 28, 1973.—The Commission met and again considered the extension project. The unanimous conclusion was that the extension project should proceed without further delay, primarily because (1) the extension offers the best solution for insuring the future stability, appearance, and usefulness of the Capitol and (2) the urgent need for space in the Capitol for legislative purposes is growing daily.

In order to obtain the specific approval of funding from the Congress for the extension project, as envisioned in the Senate amendment cited hereinbefore, the Architect of the Capitol was directed to present to the Committees on Appropriations a request for $58 million ($60 million less $2 million already appropriated) for the fiscal year 1974.

That is the request being placed before the House Committee on Appropriations today.

HEARINGS HELD IN RECENT YEARS RELATING TO THE WEST CENTRAL FRONT OF THE CAPITOL

June 24, 1965: Public hearings by the Commission for extension of the U.S. Capitol, relating primarily to the report of the Thompson & Lichtner Co., Inc.

September 8, 1965: House hearings on the supplemental appropriation bill. 1966, $300,000 for the preliminary plans and estimates of cost for the extension of the west central front, in accordance with request of the Commission. (Pages 334 through 363 of part I of printed hearings.)

October 12, 1965: Senate hearings on the supplemental appropriation bill, 1966, pages 379–404, $300,000 for the preliminary plans and estimates of cost for the extension of the west central front, in accordance with request of the Commission.

April 29, 1966: House hearings on the legislative branch appropriation bill, 1967, pages 55 to 59; report of the Architect of the Capitol on the status of the project. No funds in bill for project.

June 17, 1966: Commission meeting for the purpose of considering the three plans developed for extension of the west front; Commission approved plan 2; directed that the final scale model be prepared for exhibition to Members of Congress and the public; and directed the Architect of the Capitol to seek necessary funds for proceeding with the project.

June 17, 1966: Senate hearings on the legislative branch appropriation bill, 1967, pages 151 to 167: although there were no funds in the bill for the extension project, the Senate inserted a proviso in the bill forbidding the use of funds in the bill for "administrative or any other expenses in connection with the plans referred to as schemes 1, 2, and 3 for the extension of the west central front of the Capital." The proviso was deleted by the Senate and House conferees.

May 10, 1967: House hearings on the legislative branch appropriation bill, 1968, pages 10–31, 35–36, and 753–797: Testimony of the Architect of the Capitol relating to status of project; testimony of Congressman Stratton, Congressman Scheuer, and representatives of the American Institute of Architects, relating primarily to their desire for a study of repairing and restoring the west front; comments of the Architect of the Capitol on the AIA report.

June 2, 1967: Senate hearings on the legislative branch appropriation bill, 1968, pages 231–232: brief statements relating to status of project.

December 7, 1967: House hearings on the supplemental appropriation bill, 1968, pages 796–809: $135,000 for emergency protective work to the west front; discussion of status of project.

December 13, 1967: Senate hearings on the supplemental appropriation bill, 1968, pages 115–119: $135,000 for emergency protective work to the west front; discussion of status of work.

March 26, 1968: House hearings on the legislative branch appropriation bill, 1969, pages 205, 230–233, report on emergency work and status.

April 28, 1968: Senate hearings on the legislative branch apropriation bill, 1969, pages 220–233: statements by Senator Bartlett and the Architect of the Capitol: summary of work to date.

June 18, 1969: House hearings on the legislative branch appropriation bill, 1970, pages 223–225: status report.

July 30, 1969: Senate hearings on the legislative branch appropriation bill, 1970, pages 364–370: status report.

September 8, 1969: House hearings on the legislative branch appropriation bill, 1970, special hearings (separate volume) on request of the Commission and the Architect of the Capitol for $2 million for final plans for the extension of the west front in accordance with plan 2 approved by the Commission.

September 23, 1969: Continuation of Senate hearings on the legislative branch appropriation bill, 1970, pages 497–761: relating to the request of the Commission and the Architect of the Capitol for $2 million for final plans for the extension of the west front in accordance with plan 2 approved by the Commission.

March 4–5, 1970: House hearings on the legislative branch appropriation bill, 1971, pages 411–412; 436–461; 493–498: Status of work, conditions of this old wall, outline of procedures being utilized to select the engineering firm to make the restoration feasibility study of the west front.

March 17, 1970: Senate hearings on the legislative branch appropriation bill, 1971, pages 143–149: Report on procedures to select engineering firm to make the restoration study.

September 24, 1970: House hearings on the supplemental appropriation bill, 1971, pages 412–415: up-to-date statement relating to the restoration study.

November 24, 1970: Senate hearings on the supplemental appropriation bill, 1971, page 600: up-to-date statement relating to the restoration study.

April 29, 1971: House hearings on the legislative branch appropriation bill, 1972, pages 159–162: status report.

June 10, 1971: Senate hearings on the legislative branch appropriation bill, 1972, pages 392–394: status report.

November 2, 1971: Senate hearings on the supplemental appropriation bill, 1972, pages 893–901; 990–998: conclusions of the Architect of the Capitol relating to repair and restoration of the west front; statement of American Institute of Architects.

February 16, 1972: House hearings on the legislative branch appropriation bill, 1973, pages 355–357; 377–392: report of the Architect of the Capitol.

March 1, 1972: Senate hearings on the legislative branch appropriation bill, 1973, pages 311–315: report of the Architect of the Capitol.

March 8, 1972: Commission for extension of the U.S. Capitol met, considered the restoration feasibility study and after establishing to its satisfaction that the conditions specified in Public Law 91–145, relating to restoration, could not be met, directed the architect to proceed with the final plans for the extension in accordance with plan 2 already approved by the Commission.

June 21, 1972: Senate hearings on the supplemental appropriation bill, 1973, pages 31–32: brief comments on need for space.

February 28, 1973: Commission met, again considered the project, and concluded that the project should proceed without further delay, primarily because (1) the extension offers the best solution of insuring the future stability, appearance, and usefulness of the Capitol and (2) the urgent need for space in the Capitol for legislative purposes. Directed the Architect of the Capitol to present to the Committees on Appropriations a request for $58 million ($60 million less $2 million already appropriated) for the fiscal year 1974, in order to obtain the specific approval of funding from the Congress for the extension project.

(NOTE.—The statement of the Commission follows:)

FEBRUARY 28, 1973.

STATEMENT OF COMMISSION FOR EXTENSION OF THE U.S. CAPITOL

WEST CENTRAL FRONT OF THE CAPITOL

In meeting of March 8, 1972, the Commission met and considered the restoration feasibility and cost study and report made pursuant to the provisions of Public Law 91–145, approved December 12, 1969. The Commission established to its satisfaction that all five of the conditions specified in Public Law 91–145, relating to restoration, could not be met.

Thereupon, pursuant to Public Law 91–145, the Commission directed the Architect of the Capitol to proceed with the preparation of final plans for extending the west central front in accord with Plan 2 which had already been approved by the Commission.

The Architect of the Capitol was prevented from proceeding as directed by the Commission, by the following language in the Legislative Branch Appropriation Act, 1973, Public Law 92–342, approved July 10, 1972:

"EXTENSION OF THE CAPITOL

"Funds available under this appropriation may be used for the preparation of preliminary plans for the extension of the west central front: *Provided, however,* That no funds may be used for the preparation of the final plans or initiation of construction of said project until specifically approved and appropriated therefor by the Congress."

The purpose of this language, according to its proponents, was to prevent the expenditure of planning funds already appropriated for that purpose until the Congress itself had specifically approved and appropriated funds for the Extension of the West Central Front as approved by the Commission.

The Architect estimated that the cost of planning and construction of the extension is approximately $60 million.

The Commission has again considered the extension project and has concluded that the project should proceed without further delay, primarily because (1) the extension offers the best solution for insuring the future stability, appearance, and usefulness of the Capitol and (2) the urgent need for space in the Capitol for legislative purposes is growing daily.

In order to obtain the specific approval of funding from the Congress for the extension project, the Architect of the Capitol is hereby directed to present to the Committees on Appropriations a request for $58 million ($60 million less $2 million already appropriated) for the fiscal year 1974.

CARL ALBERT,
Speaker of the House of Representatives, Chairman.
SPIRO T. AGNEW,
President of the Senate.
THOMAS P. O'NEILL, JR.,
Majority Leader of the House.
MIKE MANSFIELD,
Majority Leader of the Senate.
GERALD R. FORD,
Minority Leader of the House.
HUGH SCOTT,
Minority Leader of the Senate.
GEORGE M. WHITE,
Architect of the Capitol.

Mr. Chairman, at this time I will briefly outline the history of the project.

The original basic statute, Public Law 242, enacted in 1955 during the 84th Congress, authorized the extension, reconstruction, and replacement of the central portion of the Capitol. It also created a joint congressional commission to direct the Architect in carrying out the project. The east central portion of the Capitol was extended under the authority of this law during the years 1958–61. In view of that successful extension, efforts were begun to proceed with similar treatment of the old deteriorated west portion. Those who opposed the east extension then shifted their opposition to the west extension. They prevailed upon the Congress to have the project studied further. As a result an outside consulting engineering firm, the Thompson & Lichtner Co., was retained to study various alternatives and to recommend the best solution. Their report was received in 1964 and widely circulated. The total cost of this study, including site work, was $102,000. Their conclusion was that an extension, similar to the east extension, was the best solution. A summary of that report commences on page 681 of the printed hearings on this year's bill.

PRELIMINARY PLANS

The Commission in charge of the project then directed the Architect of the Capitol to seek $300,000 for preparation of preliminary plans for the west extension. These funds were granted by the Congress and the architects who designed the east front extension were retained to prepare the preliminary plans for the west front extension. These preliminary plans were completed and sent to all Members of the House and Senate in 1967. As a part of these plans, a model was prepared and placed in Statuary Hall where it could be viewed by Members of Congress and the public. The model is still there and I am sure relatively few people are aware that it is not a model of the Capitol as it is today, although it shows the proposed west front extension and the minor changes to the terraces.

FINAL PLANS—INDEPENDENT STUDY

In 1969 the Commission requested that $2 million be allowed for proceeding with the final planning for the west extension. The Congress granted that amount, but once again the proponents of preservation wanted another study before proceeding with final extension plans. These proponents of no change proposed that $250,000 be granted for a study of the cost and feasibility of restoration and coupled with this a list of five conditions which must be met through restoration in order for restoration to receive further consideration. Again the Congress agreed to the further study and appropriated $250,000 for the study, in addition to $2,000,000 for the final extension plans, and vested in the Commission the responsibility to determine whether all five conditions specified in the law could be met through restoration.

In July 1970, a contract was awarded to an outside engineering firm, Praeger-Kavanagh-Waterbury, for making the feasibility and cost study required under the $250,000 appropriation. Their report was received and forwarded to the Commission members in January 1971. The summary of that report is printed in the hearings on this bill commencing on page 689.

The Commission met in March 1972 and considered the Praeger-Kavanagh-Waterbury report. After establishing to its satisfaction that all the conditions specified by the Congress, relating to restoration could not be met, the Commission directed the Architect of the Capitol to proceed with the final plans for extending the west central front as provided in the legislation (Public Law 91–145).

RESTRICTION ON FINAL PLANS

When the legislative branch appropriation bill, 1973, reached the Senate, although it carried no item relating to the west front project, a provision was added permitting preparation of preliminary plans for the extension, but prohibiting use of funds for final west front plans. Since the preliminary plans for the west front had already been completed, this provision had the effect simply of delaying the preparation of final plans, and, thereby delaying for at least another year any improvements to the deteriorated west side. The provision was agreed to by the Senate and, upon consideration of the conference report, the House agreed to concur in the Senate amendment.

COMMISSION ACTION

As I stated earlier, the Commission met in February 1973 and again considered the west front project. The unanimous conclusion was that the extension project should proceed without further delay since it offers the best solution to insuring the future of the building and because of the urgent need for space in the Capitol Building for legislative purposes.

COMMITTEE ACTION

The committee once again held full hearings on the west front project. The transcript is a part of the printed hearings on this bill and it has been made available to all Members of the Congress and the public. To underline the extensive hearings that have been held on the project, there is a digest in this year's printed hearings—commencing on page 706—which shows that the west front has been the subject of testimony in 29 hearings from 1965 to and including the recent hearings held in March of this year.

The committee, after considering the information that has been developed over the years relating to this project, has concluded that the west extension should proceed without any further delay. There is no disagreement over the question of the necessity to repair the wall that forms the west central front of the Capitol. Competent experts recommend extension as a permanent solution to the existing problems of stability and appearance. The urgent need for space is growing daily. The additional space that will be provided through extension will not be just for immediate needs, but for generations to come. The Capitol Building has grown as the Nation has grown. There have been 15 major changes in this building. It is not the original building as it stood in 1830.

The total estimated cost of the west front extension project as of March 1973 is $60,000,000. Included in this amount are funds for the cost of interior furnishings and an allowance for a 7 percent increase per year to meet additional costs that may occur due to inflation in each of the construction years from 1973 through 1976. The previous appropriation of $2,000,000 is now available for the development of final plans and specifications when the project is approved by the Congress. The appropriation of $58,000,000, as recommended, will provide the total funding for the project and, if approved, will allow the Architect to proceed with the entire project without undue delay.

Mr. Chairman, this concludes my general remarks on the bill.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from New York (Mr. Wydler).

Mr. WYDLER. Mr. Chairman, there is a great deal of discussion around the Capitol Building concerning the building of a public restaurant in this new space that will be available.

Is that or is that not being proposed?

Mr. CASEY of Texas. Mr. Chairman, it is not being proposed as far as I know. The preliminary plans suggested that a cafeteria or restaurant be included.

We are going to convert Union Station into a tourist or visitors reception center. The opponents to extending the west front say that since we are going to have that center, we do not need a larger Capitol, but that is wrong. People are not coming to Washington just to see the tourist reception center at Union Station. They will be coming to see the Capitol, as well as the other attractions in the city and I dare say that 50 percent of them will never go to the tourist center. They will come directly to the Capitol.

Remember, several millions of people visit this Capitol. There is not going to be any Howard Johnson type restaurant as far as I know. I have talked to the Speaker about it and told him that someone included a proposed restaurant in the preliminary plans.

I will say to the gentleman from New York that I think we should enlarge our own Members dining room. Some Members say they do not want to take guests in there. I do and I do not like to have to have them stand out in that hall, being jostled around like cattle for 30 minutes or more while waiting to get a table.

Mr. WYDLER. Mr. Chairman, as I understand it there would be a new front room called the Rayburn Room in which the Members could meet with their constituents or with their staffs. Is that type of room available on this floor?

Mr. CASEY of Texas. Yes, such a room is planned and would be available for use on days such as yesterday when we had to stay on the floor. Members like to sign their mail but cannot leave here because there is not time to get to their offices. Members may and do use the reception room to sign mail, but I do not think that is what it is for. I think we should have workrooms off the floor for all Members where they can bring their staff people so as to go over their work when they can't get away from the floor long enough to go to their offices.

Mr. WYDLER. I thank the gentleman.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. Mr. Chairman, I yield to the gentleman from Ohio (Mr. Vanik).

Mr. VANIK. Mr. Chairman, on the section concerning parking, has any audit been made of how many facilities there are available to the public on Capitol Hill? I do not know where people can park here for even 15 minutes.

Is there any provision at all for the taxpayers, if they want to come down here and quickly see a Member, any facilities at all for the public on Capitol Hill?

Mr. CASEY of Texas. The only facilities we have now on Capitol Hill are behind the former Congressional Hotel building.

Mr. VANIK. Is that available to the public?

Mr. CASEY of Texas. Some of it is available to the public. One cannot always get in there.

I agree with the gentleman that parking facilities are tight.

Mr. VANIK. Has the committee given any consideration to that problem?

Mr. CASEY of Texas. There will be parking facilities at Union Station for people who want to park there, and there will be a bus to shuttle them up here.

Mr. VANIK. That is a part of the plan?

Mr. CASEY of Texas. Yes, sir.

Mr. VANIK. I believe that is about the only public facility in the area which provides practically no parking.

Mr. CASEY of Texas. I say to the gentleman that we have a tight situation even for employees.

Mr. VANIK. I understand.

Mr. CASEY of Texas. There is a proposal now to get some of the space down at the D.C. Armory for employee parking and to run a shuttle bus from there to the Capitol.

The gentleman from California (Mr. Sisk) is the chairman of that committee, and I believe the gentleman from Iowa (Mr. Gross) is a member of that committee.

Mr. VANIK. How long will it take before this alternate parking facility can be developed?

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Indiana.

Mr. ROUSH. I believe the gentleman does make a good point. I have been informed that by the year 1976 there will be 2,000 parking spots available at the new Visitor's Center, and that some 2,500 additional spots are planned thereafter.

Mr. VANIK. It seems to me, in response, what is being planned there will hardly be enough to accommodate the increased personnel by that time. I fear that the planning seems to exclude the public. I believe there ought to be some set-aside for the public for probably 1-hour parking here at a decent place on Capitol Hill.

Mr. ROUSH. Mr. Chairman, will the gentleman yield further?

Mr. CASEY of Texas. I yield further.

Mr. ROUSH. I believe the gentleman has pointed out something that probably will come into this debate, which is the dire need for an overall plan for Capitol Hill, one which would be designed in a very systematic way to accommodate the needs of the Congress and the needs of the public.

As it is now, we are proceeding in a very haphazard way, building this building and then that building, finding a lot here and a lot there.

I believe the gentleman has pointed out something very much needed on Capitol Hill.

Mr. VANIK. Mr. Chairman, will the gentleman yield further?

Mr. CASEY of Texas. I yield to the gentleman from Ohio.

Mr. VANIK. I should like also to suggest that there is land available over at Anacostia. It is available over on the other side of the river. If we could, we might establish a shuttle service now, some time before 1976.

It would seem to me we have to provide some way for the visitors to the Capitol to be able to get here, without paying an exorbitant rate on a parking lot or without being totally dependent on the taxicab system.

Mr. CASEY of Texas. I will be pleased to work with the gentleman, but we have a committee which has been studying this problem for some time. The gentleman from Iowa (Mr. Gross) is a member of the committee.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. Let me recount briefly what happened with respect to the public parking at the Congressional Hotel. Some time ago a meeting was held about that, since the subway is coming out, and the terminus of it is on Second Street, at the far edge of that lot. They wanted space in which to park their machinery. I was one of those who agreed to a narrow space along the street where they could park machinery.

I went down there the other day, and, lo and behold, they had taken over three-fourths of the parking space, not only with machinery but also with trailers to operate out of and everything else. That is some more of the construction around here we have to fight all of the time.

They tried to take over First Street, to the east side of the Cannon Building, the street separating the Cannon Building from the so-called Madison Library. They tried to take over the whole street.

That is where the public parking goes. Give them an inch, and they take a mile.

Mr. CASEY of Texas. I want to say to the gentleman from Ohio that I do not want the remarks of the gentleman from Indiana to go unchallenged, that is that there is no planning going on here on Capitol Hill, because there is. It goes on continuously. In fact, there is a plan for removing automobiles from the east front plaza, by putting in underground parking facilities and leaving the area as an open mall where people can walk.

So there is planning going on all the time, but if it takes as long to carry out any plans as it has to extend the west front of the Capitol, I do not know if you and I will ever live to see the results.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, I thought that the gentleman might want to correct a statement that I think he made: that the walls of the House and the Senate side on the west side are not the original walls. I thought the gentleman said that.

Mr. CASEY of Texas. No. What I meant was that the central portion was not the original building. It is just a different part of the addition.

Mr. BENNETT. I am assured by the Architect of the Capitol that they are in fact the original walls of the Capitol Building.

If the gentleman is referring to the situation when they moved from Philadelphia, there was at one time a very small red brick building where the Supreme Court Building stands today, while they were getting into this building. It was a purely temporary building, but the walls that are on the west side of the present Capitol on the Senate and the House sides are, in fact, the walls erected in the late 1700's or early 1800's, the original walls in fact.

Mr. CASEY of Texas. Well, I would agree with the gentleman that that is the first structure that was put in between the two Chambers, yes.

Mr. BENNETT. Well, they are in fact the walls which were erected in the late 1790's or early 1800's, I am not sure which.

Mr. CASEY of Texas. Did the gentleman say, the late nineties?

Mr. BENNETT. Well, the structure on the Senate side, I think, was begun in 1796, and the one on the House side was started I believe in 1799, if I am not mistaken in the years. But they are not walls which were erected after other walls were erected. These are the original walls of this building.

Mr. CASEY of Texas. No.

Were they not erected after?

Mr. BENNETT. Mr. Chairman, the Architect of the Capitol has assured me that those two walls were the original walls of the Capitol, erected when the original structure was built. They sustained the fire of 1814, and they still stand. Personally I feel these walls should be left exposed as they are in a preserved state. Then, I think any other needs for Congress should be achieved in less expensive new structures to be erected on Capitol Hill.

Mr. CASEY of Texas. Mr. Chairman, I will stand corrected. I am not going to argue about the history on that, but I will argue about the necessity for these appropriations for the west front extension.

Mr. BENNETT. Mr. Chairman, I did not think the gentleman wanted to leave in the RECORD the statement that these were not the original walls of the building, because the Architect of the Capitol assures me they are, and that is important to some people.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. Yes, I yield to the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Chairman, I contend that the Architect of the Capitol has not concluded his studies, and I refer to page 740 of the hearings.

Mr. CASEY of Texas. Mr. Chairman, I did not understand the gentleman. His study of what?

Mr. ROYBAL. His study of the needs, the space needs for the Capitol.

Mr. Chairman, on page 740 I asked the Architect of the Capitol the following question:

> I understand that you are developing a comprehensive plan for Capitol Hill. In what stage is that plan and how does the west front extension proposal fit into the plan?

His answer was:

> That is correct. I believe the answer is yes, we are engaged in studies involving a long-range plan for physical needs on the Hill.

Then he goes on to say:

> We have at this point not finalized anything but it would appear that additional office space will be needed both for the Senate and for the House and for the Supreme Court.

He further states:

> The long-range plan is in its infancy, as it were.

Now, that clearly indicates to me that it is not finalized in the plans, that he does not know what the needs for the whole area are, and that this Congress does not have any basis for making a finding of fact.

Mr. CASEY of Texas. Mr. Chairman, I would say to the gentleman that I do not think he nor I nor anyone else can tell you what the space needs are going to be for the next 50 years or 100 years, but I do say we do need some additional space. All anyone needs to do is walk around and see that.

Maybe the space needs are going to have to be assigned in a more orderly manner, but I assure the Members that you cannot do it if you do not have the space.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Chairman, I think it might be useful to read further in the testimony of the Architect of the Capitol, in view of what the gentleman from California (Mr. ROYBAL) was quoting.

In that same passage the Architect said in these words:

> We fit the west front needs into that long-range plan in the sense that there are, as I mentioned, needs for different kinds of space in different locations. We feel that all the buildings that we could build away from this building will not enable us to provide space in proximity to the chambers, which we feel is a necessity. It will become increasingly important as the voting times diminish as they already have.

So clearly the Architect feels it is necessary to have more space in the Capitol Building even though he does have the long-range plans or studies, as the gentleman from California suggests. The long-range plan does not exclude or take the place of any need for more space in the Capitol Building itself.

Mr. CASEY of Texas. I thank the gentleman.

Mr. CEDERBERG. Will the gentleman yield?

Mr. CASEY of Texas. I am glad to yield to the gentleman.

Mr. CEDERBERG. I would like to be associated with the remarks of the gentleman in the well on this legislation and also the need for the extension of the west front of the Capitol.

We talk about space needs for ourselves, but there are other needs that have to be met. I suggest any Members of this body who do not believe we have space problems and needs that have to be met only has to walk through that door and go down to the rotunda of the Capitol and see how we treat our constituents when they come here to visit us here in the Capitol.

Space can be and will be made available on the west front of the Capitol to alleviate that kind of a problem. There is no reason why it cannot be. It is just unforgivable the way our constituents are treated as they come here to take tours.

I recommend that you take a walk right now through the center of this building and see for yourselves.

Mr. CASEY of Texas. Mr. Chairman, I thank the gentleman and reserve the balance of my time.

Mr. WYMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to associate myself with the remarks made by the gentleman from Texas (Mr. CASEY). I certainly enjoy my association with the chairman of this subcommittee in the work of the committee and with all members of the committee. We have in this subcommittee again proved the maxim that the Committee on Appropriations of this House does not operate as a partisan political group but, rather, in a joint effort.

This is particularly true when it comes to funding the legislative branch. The bill before us is a good bill, and I believe it should be supported in the form in which it is presented.

Mr. Chairman, this bill is $16.9 million less than was requested. The total of the bill, which is $550 million, is $102 million or 23 percent more than 1973, but 81 percent of this increase is accounted for by nonrecurring items for the Architect of the Capitol and the Government Printing Office. Fifty-eight million dollars is in here for the extension of the West Front of the Capitol and $10 million is land acquisition costs for the Government Printing Office next to its present site. We have funds in here for the electrical improvement and air-conditioning that is necessary for the long-range working establishment that we call Capitol Hill.

There are some areas of savings involved, however, postal costs in this bill are $12 million less than the estimate. This subject is a rather difficult one, because it is well to notice that the Post Office and Civil Service Committee has provided for a reexamination of postal costs in its bill H.R. 3180. I think all of us will agree a careful examination of the method of computation of our postal costs can save a great deal of money. The Congressional Record is a good case in point. It goes first-class mail. Its average weight is 16 ounces. If we start to pay 8 cents an ounce to send it, it will cost about $1 a Record, and that will amount to over $13 million in a given Congress. So the authorizing committee could save some money and make some real contribution if it provided that Members would receive an allowance of a certain designated number of Congressional Records to go first-class mail with the balance required to go in a different classification at a considerable saving to the taxpayers.

If the Record had gone, for example, at the second-class rate, the cost would have been 15 cents per Record instead of $1 a Record, or a total of less than $2 million, a savings of more than $11 million in comparative figures.

One of the things the subcommittee did was to deny to the Capitol Hill Police approximately $100,000 that was requested for minicomputers for its squad cars. We felt on this that the jurisdiction was too limited, the area was too confined, and the need was not demonstrated to the point of warranting this additional add-on with a prospect of approximately $5,000 a year operating costs thereafter.

The Library of Congress received $421,000 less than it requested, so as to go slower on hiring more people for the Congressional Reference Service, yet it still received a very substantial Congressional Reference Service increase in both personnel and equipment.

We have been considerably concerned with the Joint Committee on Congressional Operations because of the duplication that seemed to be involved. This committee was formed under title IV of the Legislative Reorganization Act of 1970, Public Law 91-510, and therein its three functions were defined as the responsibility of making continuing studies of the organization and operation of the Congress, and to make recommendations to simplify its operation and improve it; to identify and compile those court cases that had a vital interest to the Congress, and to run a Capitol Hill job placement service.

These are very valuable functions on a working basis, but if that is what the committee was formed to do then we should use it for this purpose. Instead of this the Congress has parceled these functions out to a large extent elsewhere. The first and most important function, to study and recommend improvements in the congressional structure, has been handed over to the gentleman from Missouri, Mr. Bolling's select special committee created to do what the joint committee's first function is to do, and given $1.5 million for this purpose.

In the testimony before the House in the hearings, the joint cochairman of the joint committee, the gentleman from Texas (Mr. Brooks) indicated he could have done substantially the same thing Congress asked the gentleman from Missouri (Mr. Bolling) to do for approximately $50,000 with the staff that they had. It seems to me there is something wrong there.

I have not seen the eight volumes of the court cases, even though of vital interest, and I suspect that many other Members have not as well, but we do have a Law Division in the Library of Congress, and we could easily, it seems to me, direct them to perform this task.

This leaves within the prerogatives of this Joint Committee on Congressional Operations only its third function, which is acting as an employment service, and this is being substantially achieved by at least 10 other places right here on Capitol Hill.

It may be argued that the other placement services do not give typing and shorthand tests, but I would venture the opinion that if an individual Member's office cannot screen an individual for this information themselves and these categories, then perhaps they deserve to hire what they get.

I think there is room here for considerable oversight of this joint committee, and this our subcommittee under the direction of Mr. Casey intends to do during the coming year.

Essentially in this bill, then, the one big question of course is what to do with the West Front, and there we can expect, I presume, a vote today, and considerable controversy when the bill is read.

I did not approach this question with any preconceived notion as to what should be done, but as I sat on the legislative subcommittee and studied its proposals and listened to the witnesses I am convinced that one of the alternatives far outweighs the other. The concept of restoration is a valuable and meaningful way to protect our physical heritage.

Restoration plays a major part of what the Architect of the Capitol's business is all about. Right now, for example, the Old Senate Chamber and the Old Supreme Court Chamber are being carefully restored, restored as they were when they were used by such great personages in American history as Justice Oliver Wendell Holmes and Senator Daniel Webster.

Closer still is the restoration work going on right below us on the ceiling, the art work in the approach to the Members' dining room.

We all support these commitments to our historical heritage and tradition. There is a genuine case to be made for preservation of this Capitol as a working symbol of democracy, but there is no historical need to preserve an old wall of no architectural significance whatsoever, filled with rubble. There is a misplaced emphasis on that wall. It is not a shrine, but the entire Capitol of the United States of America is a shrine. It might be different if the Capitol had not undergone 17 major changes since it originally stood in 1830. Those changes have been listed in a report to each Member from the Speaker of this House, from the majority leader, and from the minority leader who, together, are appealing to the Members to provide for the funds for the extension of the Capitol on the west front.

The Capitol has continually grown as our country has grown, and the same argument that we should preserve the facade if used from the beginning would have precluded any additions to the building, including the House and Senate wings, the large dome, and the east front extension.

When they extended the east front, the argument was made at that time by the American Institute of Architects that if one had to do anything, "Go West, young man, go West." It was much better and more architecturally compatible with the concept of the National Capitol to extend the west front than to extend the east front.

The east front was extended. That was rejected, but now the shoe is on the other foot, and they say that we should preserve the wall. There have been, and there always will be, those who wish to preserve mementos in American history for what they stand for in the minds of people who are proud of that history.

When electricity was first suggested in the Capitol, there was a great cry on the House floor against this new-fangled apparatus. Gas served us well in the past, and it will continue to do so, it was said. Yet today the west wall is crumbling. Oh, it is not going to fall down tomorrow morning, but it is shored up, and the Members will see wooden buttresses supporting it and chunks of dilapidated cornice wood, and cracks plainly visible. No one argues—even Mr. Stratton will agree—that something must be done.

In 1967 a report by the Architect of the Capitol, Mr. Stewart, to the Speaker, Mr. McCormack, went through this entire subject in depth. It contained photographs of where the wall is cracking and how it is cracking, and photographs of the shorings that are up against the west front. It went through the proposals as far as the diagrammatic structures of the various levels that would be involved in the extension and what would be in there, and it summarized the availability of space and assessed the entire situation and, of course, recommended extension.

Something has got to be done. Yet this is a time of fiscal crisis, and people suggest $60 million—$58 million is in this bill, and there was $2 million previously appropriated for plans—is too much money.

The fact of the matter is that the $60 million figure is not the actual cost of extension. It is false to suggest that extension works out at $348 a square foot. The reason is that those who propose to restore the west wall would spend at the minimum $15 million and a maximum probably up to $25 million or $30 million and yet would not have one single solitary thing to show for it. In fact they would even have to paint the wall after it was drilled full of holes in order to keep it looking decently over the years.

So what we have to do is to take the total that it would cost for extension—and this $58 million has built-in inflation calculation so that the Architect of the Capitol says we can get the extension completed for this figure even though it may be a year or two or three down the road in terms of actual construction, and we must subtract from that whatever the figure may be for restoration. Then we take the difference, which could be $40 million, or it could be $35 million, and divide into that total the 270,000 square feet of available space that will become available to this people's working Capitol of the United States. When we get through doing that we come out with a square foot figure that is a horse of a far different color than has been portrayed by some of the opponents of extension.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Arizona.

Mr. RHODES. The testimony our subcommittee elicited indicates that restoration involves cost estimates that are so indefinite that it would probably be impossible to get anybody to make any kind of firm bid on restoration of that wall. It would be necessary for a cost-plus a fixed fee contract to be let for restoration. Is that not the situation?

Mr. WYMAN. That is correct.

Mr. RHODES. So even though we have estimated that restoration may cost $25 or $30 million, we do not know that because the situation is so indefinite we cannot get a firm bid.

Mr. WYMAN. The gentleman's observation is correct, and of course the point is if it did not cost a nickle to restore that wall, the need for facilities for this body, on this floor, and for the general public who come here in numbers involving 20,000 or 30,000 or 40,000 a day sometimes is so patent as to require funding extension without any regard to what restoration would cost.

The additional cost beyond restoration would be, let us say, $40 million, but $14 million of this figure is not for construction at all but is for architects' and engineers' fees, and administrative cost to the Architect's Office, and furniture and furnishings and the contingency fund. But $46 million of the $60 million is actual construction money.

If we subtract then $20 or $25 million that would likely be spent on restoration, we end up with a sum that can vary from $21 to $26 million. Dividing this by 270,000 square feet leaves a square foot cost of the proposed extension closer to $80 a square foot, and that is the square foot cost to restore and enhance a historic monument. That is in actuality a very low cost when we consider that a modern building such as the FBI Building is only about $12 a square foot cheaper and there is no requirement there of historical restoration.

If we go out and look at the Capitol extended, the model is just out in the outer Chamber at this time, we will see beyond all peradventure that the Capitol extended will be so much better looking than the Capitol as it stands now that one does not have to have a degree in architecture to appreciate the improvement.

Mr. CASEY of Texas. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Texas.

Mr. CASEY of Texas. The gentleman makes the so-called cost-per-square-foot comparison, but we should remember the actual cubic-foot cost should be considered also. When we talk about a square-foot cost it is usually for a regular office building that has 10-foot ceilings. We are talking about a different matter as in a beautiful monumental building such as the Capitol we have vaulted ceilings and artistic design.

Mr. WYMAN. The gentleman is exactly correct. As in the Cannon Building and in many rooms of the National Capitol, the ceilings are very high. The cubic-foot cost for that reason is substantially less than it would be if translated to a conventional building.

To give some indication of how distortion of costs can occur, the Rayburn Building has always been discussed in the press as costing $135 million, which allowed an enormous square foot figure to be calculated. What was never discussed was that the $135 million included restoration of the Cannon Building and the Longworth Building; the construction of garages in the Rayburn Building and south of the Longworth Building; property acquision for the block of the Rayburn Building; cost to acquire the Congressional Hotel. So that actually the figure for the Rayburn Building came a lot closer to $35 per square foot, hardly the colossal blunder it has been so reliably reported to be.

We keep mentioning the figure for restoration as $15 million to $30 million. This is done because, as the gentleman from Arizona has pointed out, there is simply no idea of what it might cost to restore the west wall, except that we are reasonably sure that it will be greater than $15 million.

The Praeger report that has so frequently been referred to only said that it was advisable to restore the wall; it did not say that it was wise to restore the wall, and that they thought it could be done for $15 million. But, when the Architect of the Capitol asked Mr. Praeger if he would restore it for $15 million, he told Mr. White that he would not touch it for that cost.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, the gentleman is aware that Mr. Praeger is a structural engineer. He is not a contractor, so obviously he is not going to undertake the job.

The purpose of the Praeger report was to try to find out the truth of an assertion that was made very emphatically on this floor, as the gentleman well remembers, some 4 years ago, that the Capitol was crumbling. To settle that argument we went to Mr. Praeger. He determined that the Capitol was not crumbling. It was not falling down, and that all that support business out there was simply window dressing.

He is not in the contracting business, so it was not his decision to say whether it was wise or unwise or whether he wanted to bid on the construction. I think it is misleading to suggest that Mr. Praeger should have bid on the proposal.

Mr. WYMAN. I thank the gentleman from New York and I agree that Mr. Praeger was not a contractor. He was an engineer, but to try to determine just what it might cost to restore the wall, Mr. White asked three reputable general contractors.

He went to the people who actually do the construction work rather than simply ask opinions of other architects and engineers. He asked John Healey & Sons, a general contracting firm from Wilmington, Del. The president of the firm was the president of the Association of General Contractors, which is the national organization of general contractors.

He asked the Tompkins Co., who are the general contractors on the extension of the east front superstructure, because they were familiar with the building, this building. He asked the Turner Construction Co., which is a nationally known organization.

He tried to pick three that would be representative of the highest quality in the construction industry. None of the three would offer a lump sum bid with a limit of $15 million. None indeed would even offer an estimate as to how much it might cost. They said, and I am generalizing, that there were just too many unknowns. No one gave an estimate of what it would cost, even though they had studied the Praeger report and studied that wall showing a thickness of 20 feet.

Praeger extrapolated his findings over the rest of the wall, problems they recognized to be structurally different elsewhere, and it may be difficult and even impossible to get a general contractor to sign to a lump sum bid.

I think we are going to be bogged down in a quicksand of cost if we attempt to restore that wall.

We also had arguments on the esthetics. The American Institute of Architects are simply against any changes in the Capitol at all. When the extension of the east front was before the Congress in 1958, they stated in their national newsletter that the space requirements of the Capitol could be far better met, and at less cost, by leaving the east front alone and, as I said previously, extending the west front. This cry in 1958 of "Go West, young man" is now "Go underground," or "Go anywhere, but don't go West."

But, let me stress that their opposition to the extension does not necessarily reflect the national architects as a whole. At the AIA conference in Denver in 1966, a resolution was brought before them calling for the preservation of the west front. That resolution created so much debate it was tabled because they were unable to arrive at a consensus. The subject of preserving the west front of the Capitol has never been discussed since at a national architect convention.

The other esthetic argument is that the Olmsted terraces, according to my distinguished colleague from New York, will be torn up and replaced with "cast stone." There has never been, and there is not now, such a proposal.

The fact of the matter is that with the extension as proposed and as shown in the model which is now under consideration by this body, the bulk of the old terraces would remain untouched. Only the middle front section need be moved, and that can be reproduced substantially as it is today. And it will be.

So these general aspects of the question are in the situation to be evaluated by this body today. There have been four studies.

In 1957, the firm of Moran, Proctor, Mueser and Rutledge did a soil study and surveyed the physical construction of the wall and basically said "something needs to be done."

In 1964, the firm of Thompson and Lichtner did a detailed examination of the west front, including test cores of the west wall, and came to the general conclusion that the west front is "distorted and cracked, and required corrective action for safety and durability." They recommended that the wall be retained "as an interior wall of an extended building" which would provide the Capitol with lateral support. Because of the lateral stresses mentioned in that report, the wooden beams were set in place to bolster the wall.

Whether they were actually needed or not, they were put in as a safety factor.

In 1966, a critique of the Lichtner report was done by Locraft and came to the same conclusions.

In 1970, even though we had been told in a previous report that something should be done and, indeed that something was an extension, we still did yet another report to determine if it was feasible to restore the wall for $15 million. The Praeger, Kavanaugh, Waterbury firm after a thorough study concluded, yes, it was feasible, but that generally, however, "cracking will continue to occur."

There are many, many aspects of this which probably need to be better understood by Members who are toying, I am sure, with the idea that they do not want to vote for $58 million if they can vote for $30 million. That is understandable.

According to the Praeger report, should restoration be done, there will be 2-inch diameter holes drilled every 3 feet horizontally and vertically over the entire wall. Approximately 5,700 holes will be drilled.

Not only will this be noisy, but it is going to be a little bit different kind of a wall after that is done, no matter how much paint it may have on it. I believe it is unjustifiable on the basis of anything except sentimental reasons, spending anywhere from $15 to $30 million, gaining no additional space, having a continuing maintenance problem, when that is compared with spending $60 million and getting 270,000 square feet of vitally needed space for the working part of this Capitol, to be used by the public, at a square foot cost that compares favorably with construction costs generally, and in an extremely beautiful structure.

Mr. Chairman, the Architect of the Capitol in his testimony before our subcommittee said—and I quote from page 716 of the hearings—the following:

> It is a very difficult decision. It is a soul-searching decision and I have spent 2 years of study and have had numerous conversations with other professionals in order to learn as much about it as I could. I have talked to the people that have been involved in this, not only Mr. Praeger who wrote the restoration report, but Mr. Severud, who is a world renowned structural engineer. One of the reasons that I began to be greatly concerned with these matters is that I found that the world renowned experts disagree. I was asked by the Commission and various Members of Congress to offer my opinion. I found myself in the difficult position of finding experts, who presumably knew more than I did, taking opposite views. I began to have to sift through the reasons for some of the opposite views. I tried to balance them very carefully. For me it is not a very simple decision nor is it a 90–10 decision. For me it is a 55–45 decision. I would love to be able to say from my personal views that preservation and restoration are the only answer. I cannot do that.

Mr. Chairman, that is the end of the quotation by the Architect of the Capitol, Mr. White.

Let me read finally the Architect's conclusion. Knowing that a decision had to be made, he said, after his soul-searching and after his evaluation, at page 711 of the hearings, the following:

> I believe that it would be like trying to traverse a swamp, in terms of cost, before the Congress would be through paying for the cost of restoration. There are those, as you know, Mr. Chairman, who feel restoration is an appropriate procedure irrespective of what the cost may be. I cannot bring myself to that conclusion as a professional. There are, however, some of my fellow professionals who feel that way and feel very strongly. It becomes a matter for the Congress to decide as to what the most practical expenditure of the public funds would be; whether to spend, in my opinion, possibly as much as $30 million for restoration and have a constant maintenance problem which the Praeger report indicates both in terms of cracking of the stone and in terms of painting, or whether to expend an additional $30 million and get 270,000 square feet of space which is sorely needed by the Congress.
>
> With those two choices in mind, it seems to me that it is reasonable, looking at it from the standpoint of what best serves the interest of the people and their representatives, who form the Congress, to expend the money in such a way as to gain the space rather than to attempt to preserve the wall.

Mr. Chairman, it would be pennywise and pound foolish not to take advantage of the differential between the cost for restoration and the cost for extension and to proceed with this vitally needed addition to the National Capitol. It is in the best of taste. It will take years to accomplish even if we appropriate the money for it at this time, but we should brook no further delay because the public need is truly urgent.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate the gentleman yielding.

I hesitate to go off the subject of the millions that are being debated on the restoration of the Capitol. However, there is an item on page 24 of the bill "For necessary expenses to enable the Librarian to revise and extend the Annotated Constitution of the United States" and for "Revision of Hinds' and Cannon's Precedents" for $132,000.

Mr. Chairman, I wonder if the distinguished and able ranking Member of the subcommittee, the gentleman from New Hampshire, would be willing to share with the members of the committee any insight that he has as to the purposes for which that money would be used and what information was obtained during the subcommittee's deliberations and when it might be possible for the Members of the House to receive what was a mandate on the Legislative Reorganization Act of 1970. Now, the updating of precedents are just for Hinds' and Cannon's which arose since 1936.

Mr. WYMAN. I can only draw the gentleman's attention to the hearings. I do not have a copy of them before me, but it is something provided annually in the legislative bill. It was recommended to us that it should be again appropriated and this has been done. It was time for it to be done. We did not consider it an inordinately high figure, and therefore we appropriated the funds for it.

Mr. STEIGER of Wisconsin. Will the gentleman yield further?

Mr. WYMAN. I yield to the gentleman.

Mr. STEIGER of Wisconsin. Perhaps the distinguished chairman of the subcommittee would be willing to shed further light on that. One hundred thirty two thousand dollars for the Librarian to assist the Parliamentarian I realize is not a large sum of money when one talks about $30 million versus $60 million. My concern here, as the Speaker of the House is aware, is whether or not it will finally be possible for the Members of the House to receive the precedents. Will this $132,000 help to accomplish that purpose?

Mr. CASEY of Texas. If the gentleman will yield, that is exactly what it is for. Yes, indeed. It is to assist the Parliamentarian in bringing the precedents up to date so that each Member will have a set. It takes time to correlate and compile them. This is to provide assistance for just that purpose. This appropriation provides for the personnel to do it.

Mr. WYMAN. If the gentleman remembers, at the time we had the discussions about impeachment and other questions on the floor of the House there was great dispute at the time as well as on the subject of the exclusion or expulsion of a Member. The precedents were not in a useful form in which they would be available to us if this job is done. As Mr. CASEY says, the money included here is to get this job done so that we will have this added tool.

Mr. STEIGER of Wisconsin. Will the gentleman yield further?

Mr. WYMAN. I yield to the gentleman.

Mr. STEIGER of Wisconsin. In the 6 years, the brief amount of time I have had the honor of serving as a Member of this body, we have appropriated money each year in the legislative appropriation bill for this purpose. I am really trying to search for, I guess, how much money we have appropriated just in the last six years for updating the precedents of the House. But beyond that may I say I hope it is possible for the Legislative Appropriations Subcommittee to lend a hand to do the job and to apply pressure to the Parliamentarian to do what in 1970 was mandated of him for the 93d Congress but which has not been done yet. If we are going to spend another $132,000 to spin our wheels for another year, then I think we ought to find out whether there are alternatives available.

Mr. CASEY of Texas. If the gentleman will yield, the best estimate I have is that it will take two or more years to complete this job and have a complete recompilation of the precedents. There is $25,000 in the bill every year for compilation of the precedents for each particular year, but this appropriation to the Library of Congress is to recompile, up date and index the Hinds' and Cannon's precedents. The last updating and publication was in 1936. What I am told is it will probably take 2 or more years.

Mr. DELLENBACK. Will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Oregon.

Mr. DELLENBACK. I would like to commend my colleague from Wisconsin for having raised this question. There is no complaint with the gentleman in the well, the gentleman from New Hampshire, about this particular amount. It is rather a case of Members of this House being crippled in dealing with matters that arise in debate in normal procedures time after time when we do not know what is the gap, the hiatus, in the published precedents and what we can count on. We are trapped in a situation where the only way possible for a Member, as the gentleman knows, to find out what a ruling will be is to go in advance to the Parliamentarian and ask to get an answer. Sometimes you do not. This is not intended as a criticism of the Parliamentarian at all as an individual, but it is a case of asking for an update from the gentleman in the well and the chairman of the subcommittee as to the status of what was ordered by this House to be done a couple of years ago, namely, the publication of the precedents of the House.

If the gentleman will yield further, may I address a further question to the chairman of the subcommittee?

Mr. WYMAN. I yield to the gentleman.

Mr. DELLENBACK. Did I understand, Mr. CASEY, you to say that in this particular instance we can count on that now being done in 2 years?

This appropriation and one more appropriation will complete the job, if that is what I understood the Chairman of the Subcommittee, the gentleman from Texas (Mr. CASEY) to say.

Mr. CASEY of Texas. Mr. Chairman, if the gentleman will yield, I cannot give the gentleman that assurance. That is the estimate furnished to me, and I cannot give the gentleman assurances because I do not know. This is a difficult job, and I understand it has taken time to secure the best qualified personnel to do it.

Mr. DELLENBACK. Mr. Chairman, if the gentleman will yield further, do we understand, then, Mr. Chairman, that the testimony has been given to the gentleman's subcommittee—and we do not ask the personal guarantee of the chairman of the subcommittee on this—but was it told to the gentleman's subcommittee in testimony then, sir, that this job would be completed by the Parliamentarian in 2 years, this year and 1 more year, and we can expect the job will be completed?

Mr. CASEY of Texas. Mr. Chairman, if the gentleman will yield still further, I might point out to the gentleman from Oregon that in the record of the hearings, on page 384, the gentleman from Colorado (Mr. EVANS), who is a member of our subcommittee, asked the witness, Mr. Jayson, the Director of the Congressional Research Service in the Library of Congress, the following question:

> Mr. EVANS. You say that the Parliamentarian anticipates he will have this finished in a few years. What is your understanding of the meaning of a few years; 2, 3?
>
> Mr. JAYSON. I don't know the details but I suspect 2 or 3 is the figure he has in mind. I chatted with him about it and 3 years was the figure mentioned.

So, that is about all that I can tell the gentleman about it.

Mr. DELLENBACK. I thank the gentleman from Texas.

Mr. CASEY of Texas. I can assure the gentleman that I want this job completed just as early and as fast as possible, just like the gentleman from Oregon does, but I am not prepared to tell the gentleman from Oregon exactly how long it will take.

Mr. DELLENBACK. I appreciate the answer of the chairman of the subcommittee, the gentleman from Texas (Mr. CASEY).

Mr. WYMAN. Mr. Chairman, may I say that we are in agreement on this; this is one of those things that you cannot order done at a certain time. You can order it done at a certain time if you do not care what you get—and we do care, but it is a difficult job in getting the precedents out together with all of their ramifications, and assembled in printed form.

I might further say that as one who has a part of the responsibility for funding the preparation of this material, if they say they cannot do it in 12 or 18 months, then I do not want them to be ordered to put it out in 8 months, because we cannot order it in 8 months and have it done the way we want it.

Mr. DELLENBACK. If the gentleman will yield still further, I am sure that every Member of this House wants these precedents in a published form, and I am sure the Speaker of the House wants them as much as do we. We are not asking for the guarantee of the gentleman now in the well, and I am sure the gentleman is not agreeing that it will be done in 18 months in view of the testimony that it may take 2 or 3 years, and this was apparently not the testimony of the Parliamentarian, but was the testimony of a representative of the Library of Congress reporting to the House on what he understood the Parliamentarian would probably have to do in this connection.

So I just must confess that I again want to thank and to commend our colleague, the gentleman from Wisconsin (Mr. STEIGER), for having raised this issue. We would like the RECORD to show clearly that we think this is an extremely important task. It is important to every Member of this House, and to the proper conduct of the legislative process that this material be in the hands of every Member as a working tool.

Unfortunately, although the Reorganization Act was passed several years ago in which this was directed to be done, it is still terribly difficult to get anything concrete in hand, or at least have anybody say specifically that this much has been done at this time, and this is when the job will be completed, and this is an example of one of these intangible results that was ordered by this body a couple of years ago.

Mr. WYMAN. I could not agree with the gentleman from Oregon more, and the gentleman makes his point. I shall certainly join with the chairman, the gentleman from Texas (Mr. CASEY) in pressing for a speedup in the preparation of this tool.

Mr. STEIGER of Wisconsin. Mr. Chairman, if the gentleman will yield, I am grateful both for the comments of the gentleman from Oregon (Mr. DELLENBACK) and the gentleman in the well (Mr. WYMAN). I raised this issue simply, not only because of the points that have been made by our colleague, the gentleman from Oregon (Mr. DELLENBACK), but also because, very honestly, I think we do look to the Legislative Subcommittee of the Committee on Appropriations in a situation like this to hopefully give us support and help in our effort to make sure that that job is done, and done as soon as it can be done, and properly done, and all in a timely fashion.

I concur with the gentleman from New Hampshire (Mr. WYMAN) that one cannot expect overnight this to happen. I have written to the Speaker. I have asked the Speaker when we can anticipate the provisions of the Legislative Reorganization Act to be carried out.

Mr. WYMAN. The gentleman is always at liberty to offer an amendment setting a time limit.

Mr. STEIGER of Wisconsin. The time limit is in the Legislative Reorganization Act of 1970. It said "in the 93d Congress." Thus, I have written to the Speaker to ask him if in fact that will be fulfilled. I have great confidence in our Speaker. I trust he will respond by saying, "Yes, before the end of this Congress we will get it," assuming that we may be sure we will be back again with his subcommittee.

I am deeply grateful to the gentleman.

Mr. WYMAN. I thank the gentleman.

Mr. DAVIS of Georgia. Mr. Chairman, the bill before us, H.R. 6691, the Legislative Appropriations Act for the coming fiscal year, contains no funding for the new Office of Technology Assessment. I should like *briefly to explain* this, and to say that Mr. MOSHER joins me in this statement.

Last October Congress passed the Technology Assessment Act of 1972. This law culminated 6 years of extensive work by the Committee on Science and Astronautics. It established for only the third time in history an independent service institution within the legislative branch and dedicated to the improvement of the congressional information process. That institution is the Office of Technology Assessment.

The Office consists of a Technology Assessment Board, which formulates policy for assessment activities, and a Director who will be responsible for the day-to-day operations of the Office and charged with executing the functions stipulated for it in the basic act. The Director will be appointed by the Board for a 6-year term; his selection, however, has not yet been made.

Meanwhile, according to law, the bipartisan Technology Assessment Board has been appointed by the Speaker and the President pro tempore of the Senate, six Members from Each House as follows.

From the House: Mr. DAVIS of Georgia, Mr. TEAGUE of Texas, Mr. UDALL, Mr. MOSHER, Mr. GUBSER, and Mr. HARVEY. From the Senate: Mr KENNEDY, Mr. HOLLINGS, Mr. HUMPHREY, Mr. CASE, Mr. DOMINICK, and Mr. SCHWEIKER.

Since the chairmanship of the Board goes to the Senate in odd-numbered Congresses, Senator KENNEDY has been chosen Chairman for the 93d Congress. In the next Congress the chairmanship will shift to the House, and in each case only the Members of the body designated make the selection. The same method operates for the vice chairmanship which goes to the House other than that of the chairman.

For fiscal years 1973 and 1974 the Congress authorized an aggregate of $5 million to get the Office underway.

For a number of reasons, including the lateness of the act's passage last year and the many organizational problems confronting the Congress this year, it has not been possible for the Board to meet and organize until recently, April 10—and consequently not possible for the Board to approve a budget request for presentation to the Appropriations Committee.

Thus the bill before us, the Legislative Appropriations Act for fiscal 1974, contains no funding for the Office of Technology Assessment. We on the Board, however, do wish to point out that a request will be made to include such funding when the bill is in the Senate committee and that funds for OTA are expected to be included in the final act.

Members of the House Appropriations Committee are aware of this situation, and we are grateful to them for making mention of it in their report.

Mr. Chairman, those of us who have worked on the Technology Assessment concept do not claim that the new Office is going to solve all our Nation's problems which are involved with technology—but we are confident that it is going to help the Congress significantly as it attempts to deal with those problems.

At this point in the RECORD, Mr. Chairman, we should like to include a summary explanation of the Office and the rationale behind it.

Mr. CASEY of Texas. I yield such time as he may consume to the gentleman from Pennsylvania (Mr. BARRETT).

(By unanimous consent, Mr. BARRETT was allowed to speak out of order.)

EXTENSIONS AND AUTHORIZATIONS FOR HOUSING AND URBAN DEVELOPMENT PROGRAMS

Mr. BARRETT. Mr. Chairman, I introduce today, on behalf of myself and Mr. WIDNALL, the ranking minority member of the Housing Subcommittee, a joint resolution to extend certain housing and urban development authorities and to make necessary authorizations for certain programs.

This joint resolution was reported favorably by unanimous vote of the Housing Subcommittee on Tuesday, April 17. The resolution and a section-by-section summary are included at the conclusion of my remarks.

The resolution contains 1-year extensions of certain Federal Housing Administration and Farmers Home Administration authorities which will expire on either June 30 or September 30 of this year. In addition, it contains the following authorizations:

First, "open-end" authorizations—that is, such sums as may be necessary—for fiscal year 1974 for four community development programs—urban renewal, model cities, open space, and neighborhood facilities—which may need additional funds during the fiscal year 1974 transition period; and

Second, specific authorizations of $110 million for comprehensive planning and $195 million for new community guarantees, both of which are needed to meet the administration's budget program for fiscal year 1974.

These authorizations are necessary to permit action by the Appropriations Committee on fiscal year 1974 budget. I understand that the Appropriations Committee plans to mark up the HUD appropriations bill in early June, but only if necessary authorizations are enacted by that time. The Senate will be proceeding in the same way.

The subcommittee's action in including open-end authorizations for community development programs attempts to meet a special circumstance attached to these programs.

As Members know, cities throughout the country are experiencing very severe transition problems in phasing out existing programs and preparing for either special revenue sharing or block grant legislation. Because the administration has asked for no new funding for fiscal year 1974: First, model cities programs are being cut, on the average, to 55 percent of their past approved program levels; and second, very few new urban renewal NDP's are being started, and even those that are being approved cannot involve land acquisition, which is the main purpose of the urban renewal program.

These cutbacks in local programs are resulting in very wasteful delays in carrying out projects and activities which can be carried on under either the special revenue-sharing proposal or the block grant program. It simply makes no sense to defer these long-planned activities, since they will become more costly when carried out a year later.

In addition, cities are reporting that the sharp cutbacks in community development activities is forcing very deep cuts in local staffs. In San Francisco, for example, 25 percent of the city's redevelopment staff will be let go. Again, this makes no sense when cities will simply have to staff-up again in fiscal year 1975 when the new community development program starts.

The open-end authorization will enable the Appropriations Committee to take testimony from the cities and the administration on the precise amount of funds needed to carry on an orderly transition period.

I expect the resolution to be taken up by the Banking and Currency Committee immediately after the coming recess, with House action shortly thereafter.

The resolution and summary follow:

H.J. RES. 512

Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

EXTENSION OF FHA INSURANCE PROGRAMS

SECTION 1. (a) Section 2(a) of the National Housing Act is amended by striking out "June 30, 1973" in the first sentence and inserting in lieu thereof "June 30, 1974".

(b) Section 217 of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(c) Section 221(f) of such Act is amended by striking out "June 30, 1973" in the fifth sentence and inserting in lieu thereof "June 30, 1974".

(d) Section 235(m) of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(e) Section 236(n) of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(f) Section 809(f) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "June 30, 1974".

(g) Section 810(k) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "June 30, 1974".

(h) Section 1002(a) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "June 30, 1974".

(i) Section 1101(a) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "June 30, 1974".

FLEXIBLE INTEREST RATE AUTHORITY

SEC. 2. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, as amended (12 U.S.C. 1709–1), is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

TEMPORARY WAIVER OF CERTAIN LIMITATIONS APPLICABLE TO GNMA

SEC. 3. Section 3 of the joint resolution entitled "Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes", approved December 22, 1971, as amended, is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

URBAN RENEWAL AUTHORIZATION

SEC. 4. The first sentence of section 103(b) of the Housing Act of 1949 is amended by striking out "and by $250,000,000 on July 1, 1972" and inserting in lieu thereof "by $250,000,000 on July 1, 1972, and by such additional sums on and after July 1, 1973, as may be necessary to make grants under this title up to the amounts approved in Acts making appropriations for the fiscal year ending June 30, 1974".

MODEL CITIES AUTHORIZATION

SEC. 5. (a) Section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by inserting after the first sentence the following new sentence: "In addition, there are authorized to be appropriated for such purpose such sums as may be necessary for the fiscal year ending June 30, 1974."

(b) Section 111(c) of such Act is amended by striking out "September 30, 1972" and inserting in lieu thereof "July 1, 1974".

OPEN-SPACE LAND AUTHORIZATION

SEC. 6. The first sentence of section 708 of the Housing Act of 1961 is amended by inserting before the period at the end thereof the following: ", plus such additional sums as may be necessary for such purposes for the fiscal year beginning July 1, 1973".

NEIGHBORHOOD FACILITY GRANT AUTHORIZATION

SEC. 7. (a) Section 708(a) of the Housing and Urban Development Act of 1965 is amended by adding at the end thereof the following new sentence: "In addition, there are authorized to be appropriated for the fiscal year commencing July 1, 1973, such sums as may be necessary for grants under section 703."

(b) Section 708(b) of such Act is amended by striking out "September 30, 1972" and inserting in lieu thereof "June 30, 1974".

WAIVER OF CERTAIN REQUIREMENTS APPLICABLE TO GRANTS FOR BASIC WATER AND SEWER FACILITIES

SEC. 8. Section 702(c) of the Housing and Urban Development Act of 1965 is amended by striking out "September 30, 1972" and inserting in lieu thereof "June 30, 1974".

REHABILITATION LOAN AUTHORIZATION

SEC. 9. Section 312(h) of the Housing Act of 1964 is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

COMPREHENSIVE PLANNING AUTHORIZATION

SEC. 10. The fifth sentence of section 701 (b) of the Housing Act of 1954 is amended by striking out "not to exceed $470,000,000 prior to September 30, 1972" and inserting in lieu thereof "not to exceed $580,000,000 prior to July 1, 1974".

NEW COMMUNITY DEVELOPMENT

SEC. 11. Section 713(e) of the Housing and Urban Development Act of 1970 is amended by inserting before the period at the end thereof the following: ", which amount shall be increased by $195,500,000 on July 1, 1973".

RURAL HOUSING AUTHORIZATIONS

SEC. 12. (a) Section 513 of the Housing Act of 1949 is amended by striking out "October 1, 1973" each place it appears and inserting in lieu thereof "June 30, 1974".

(b) Section 515(b)(5) of such Act is amended by striking out "October 1, 1973" and inserting in lieu thereof "June 30, 1974".

(c) Section 517(a)(1) of such Act is amended by striking out "October 1, 1973" and inserting in lieu thereof "June 30, 1974".

(d) Section 523(f) of such Act is amended by striking out "1973" each place it appears and inserting in lieu thereof "1974".

SECTION-BY-SECTION SUMMARY OF JOINT RESOLUTION

To extend the the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes.

SECTION 1—EXTENSION OF FHA INSURANCE PROGRAMS

This section amends various provisions of the National Housing Act to extend for one year, until June 30, 1974, the authority of the Federal Housing Administration to insure loans and mortgages.

SECTION 2—FLEXIBLE INTEREST RATE AUTHORITY

This section would amend section 3(a) of Public Law 90-301 to extend for one year, from June 30, 1973, to June 30, 1974, the authority of the Secretary of Housing and Urban Development to set the maximum interest rates for FHA mortgage insurance programs at levels he finds necessary to meet the mortgage market.

SECTION 3—TEMPORARY WAIVER OF CERTAIN LIMITATIONS APPLICABLE TO GNMA

This section would extend, from June 30, 1973, to June 30, 1974, the authority of the Government National Mortgage Association to purchase mortgages with principal obligations in excess of statutory limits whenever the Secretary of Housing and Urban Development determined such action necessary to avoid excessive discounts on Government-backed mortgages.

SECTION 4—URBAN RENEWAL AUTHORIZATION

This section would amend section 103(b) of the Housing Act of 1949 to increase the aggregate amount of capital grants which may be made under the urban renewal program on or after July 1, 1973, by such amounts as may be necessary and are approved in Acts making appropriations for Fiscal Year 1974.

SECTION 5—MODEL CITIES AUTHORIZATION

This section would amend section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 (and makes a conforming amount to section 111(c) of such Act) to authorize appropriation of such sums as may be necessary for model cities for Fiscal Year 1974.

SECTION 6—OPEN-SPACE LAND AUTHORIZATION

This section would amend section 701 of the Housing Act of 1961 to authorize appropriation of such sums as may be necessary for the open-space land program for Fiscal Year 1974.

SECTION 7—NEIGHBORHOOD FACILITY GRANT AUTHORIZATION

This section would amend section 708(a) of the Housing and Urban Development Act of 1965 to authorize appropriation of such sums as may be necessary for neighborhood facility grants for Fiscal Year 1974.

SECTION 8—WAIVER OF CERTAIN REQUIREMENTS APPLICABLE TO GRANTS OF BASIC WATER AND SEWER FACILITIES

This section would amend section 702(c) of the Housing and Urban Development Act of 1965 to extend from September 30, 1972, to June 30, 1974, the period within which communities must meet full comprehensive planning requirements in order to be eligible for basic water and sewer grants.

SECTION 9—REHABILITATION LOAN AUTHORIZATION

This section would amend section 312(h) of the Housing Act of 1964 to extend from June 30, 1973, to June 30, 1974, the period within which the Secretary is authorized to make rehabilitation loans.

SECTION 10—COMPREHENSIVE PLANNING AUTHORIZATION

This section would amend section 701(b) of the Housing Act of 1954 to authorize the appropriation of an additional $110 million for comprehensive planning grants.

SECTION 11—NEW COMMUNITY DEVELOPMENT

This section would amend section 713(e) of the Housing and Urban Development Act of 1970 to increase the authorization for new community development guarantees by an additional $195,500,000.00 on July 1, 1973.

SECTION 12—RURAL HOUSING AUTHORIZATIONS

Subsection (a) would amend section 513 of the Housing Act of 1949 to extend, through Fiscal Year 1974, the authority to make appropriations for section 504 loans for repairs to homes, for section 516 farm labor housing grants, for section 506 research related to rural housing, and for funds necessary for the administration of housing programs for which the Secretary may be responsible.

Subsection (b) would amend section 515 (b)(5) of the Housing Act of 1949 to extend, through Fiscal Year 1974, the authority of the Secretary of Agriculture to insure loans under the rural rental housing program.

Subsection (c) would amend section 517 (a)(1) of the Housing Act of 1949 to extend, through Fiscal Year 1974, the Secretary of Agriculture's authority to make insured loans to low- and moderate-income families for single-family housing.

Subsection (d) would amend section 523(f) of the Housing Act of 1949 to extend, through Fiscal Year 1974, the authority to appropriate funds for mutual self-help housing purposes and to make seed money loans and technical assistance grants under that program.

Mr. CASEY of Texas. I yield 10 minutes to the gentleman from New York (Mr. STRATTON).

Mr. DENNIS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

One hundred and two Members are present, a quorum.

Mr. STRATTON. Mr. Chairman, I appreciate the opportunity to discuss this matter for 10 minutes. In previous years we have always had trouble getting anything like equal time. The other side has had about 1 hour and 15 minutes, but I will try to summarize at least any key arguments in 10 minutes.

This is for many Members of the House an old chestnut. It has been around here since 1966. A good deal of material has been written on the subject, and many Members have gotten this material lately in the mail. I am not sure whether they have had an opportunity to read it all, but we do have 72 freshman Members, and to a large extent the question of whether the west front is going to be extended or not lies in the hands of those new Members who will be voting on this issue today for the first time.

Let me make it clear, because there seems to be some confusion on the matter, that there will be recorded votes in the House today on this issue, provided we can get the appropriate number to stand up and request them. They will be taken in the Committee of the Whole. The only votes that are being put over until tomorrow are votes on amendments adopted in the Committee of the Whole House when we go back into the House itself.

So this issue will, hopefully, come to a record vote today.

Many points have been raised, and I cannot take the time in these short 10 minutes to answer all of them, but let me try to concentrate on what I regard as the major points in this controversy.

One part of this story has not come out in the literature that has circulated around lately and in what has been said is that we have had a great many different arguments made about the need for the West Front since this proposal first surfaced in 1966. We have heard about the Praeger report and other studies. What we have not heard is that this plan first surfaced as a device to keep the Capitol from collapsing around our ears.

We were told by the previous Architect of the Capitol that this Capitol was so deteriorated that even if a helicopter came close it would collapse. But a bomb went off in the Capitol a couple of years ago in the west front and there was no appreciable damage. The Praeger report destroyed that story most completely and demolished what had been a phony argument.

Then we were told extension was needed for tourist space. The gentleman from Michigan (Mr. CEDERBERG) commented on the crowded condition of the rotunda, but we have been assured that there are not going to be any tourist spaces in the west front. Instead we have appropriated $12 million for a tourist center at Union Station. There are not even going to be any new restaurants. So the rotunda is going to remain the same size, and no one is going to change the number of persons visiting in the rotunda with this extension project.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield briefly to the gentleman from Michigan.

Mr. CEDERBERG. I cannot see where the Visitors Center at Union Station has anything to do with the number of visitors who will be visiting the Capitol, and while we are extending this west front there is no reason why we cannot have some additional space so that we will not have all those tourists now crowding into the rotunda.

Mr. STRATTON. Mr. Chairman, I decline to yield further.

The fact of the matter is we have been told there is going to be no space for that purpose. At one time we were told that we would have a movie theater and a briefing room, but that has all been taken out now. We are going to have 290 office spaces. That is what we are told.

As a matter of fact, the interesting thing about this whole extension proposal is that even today, after 6 years we have no clear-cut floor plan of what is going to go in it. No document has ever been issued. Some are saying now we are going to have one room where we can go and sign our mail. Somebody else says something else. But we still do not have even a clear, firm floor plan for the extension. It changes from year to year, and even if we vote on it today, we do not know what the Architect is going to come up with tomorrow.

Mr. HUNT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-eight Members are present, not a quorum. The call will be taken by electronic device.

A call was taken by electronic device, and the following Members failed to respond:

[Roll No. 99]

Adams
Badillo
Biaggi
Blatnik
Bolling
Breaux
Brinkley
Carey, N.Y.
Carney, Ohio
Chappell
Clark
Clay
Conyers
Davis, Ga.
Dellenback
Diggs
Dingell
Dulski
Eilberg
Evins, Tenn.
Fisher
Foley
Fraser
Frelinghuysen
Gettys
Gibbons
Gilman
Hanna
Harrington
Harvey
Hawkins
Hébert
Holtzman
Horton
Jones, Ala.
Jones, N.C.
King
Landrum
Long, La.
Lott
McEwen
McKay
McKinney
Mailliard
Maraziti
Mathias, Calif.
Melcher
Montgomery
Morgan
Nelsen
Passman
Patten
Pepper
Podell
Powell, Ohio
Price, Tex.
Railsback
Reid
Rooney, N.Y.
Rosenthal
Ryan
St Germain
Satterfield
Sikes
Stanton,
  James V.
Stephens
Talcott
Teague, Tex.
Waldie
Wilson,
  Charles H.,
  Calif.
Wilson,
  Charles, Tex.
Yates

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MURPHY of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 6691, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 361 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from New York has consumed 4 minutes. The gentleman has 6 minutes remaining.

Mr. STRATTON. Mr. Chairman, I want to extend my appreciation to my colleagues for interrupting their busy schedules to come over here to hear me on this particular issue. I hope it will be instructive.

I would like to remind those who have come over that contrary to what may have appeared in the whip notice or in the RECORD there will be a recorded vote in the Committee of the Whole on this west front of the Capitol matter this afternoon, assuming that we are able to get the proper number to stand up. The vote that was deferred until tomorrow was the vote in the full House on any amendments that may be adopted in the Committee of the Whole.

Mr. Chairman, I was saying when the quorum call came that one of the interesting things about the west front is that we still do not have any actual plans as to how the space will be used. There has never been any design, and the changes in plans from year to year depend on whom you want to question, apparently, in order to try to get the 218 votes needed to get the money. I think we ought to have a design first before we agree to spend any money.

In fact, we have never had any study made of our space needs. Although there has been a lot of talk about how this extension is going to meet all of our space needs, we ought to be honest and admit that even if the west front were extended down to Pennsylvania Avenue, it still may not meet all of our space needs in the next 20 or 30 or 40 years. We may even have to have another office building; but you will not be able to get all the space you want in the west front whether it is extended or not extended.

Mr. GUDE. Will the gentleman yield?

Mr. STRATTON. I yield briefly.

Mr. GUDE. Mr. Chairman, I wish to lend my voice in opposition to the extension of the west front of the Capitol. I feel compelled to add my support to those who seek to restore the west front—the only remaining original wall of the Capitol exposed.

I oppose extension of the west front for several reasons, which I believe merit careful consideration. On financial grounds alone, gentlemen, we should not even be talking about spending $60,000,000 at a time when so many important Federal programs are literally dying for a lack of funding. We are all familiar with those programs and the areas they involve. We are talking about no money for education, no money for programs to benefit our senior citizens, no money for numerous social services, no money for day care, no money for physical and mental health facilities and training programs. The list is indeed lengthy.

Yet here we stand debating as to whether we should authorize and fund construction of the most expensive office space ever constructed.

Another argument of basic importance to this debate is the issue of the historical importance of the west front. As the only remaining original wall of the Capitol outside, its historic value is obvious. Regardless of space needs, we should not even consider covering and extending the west front, particularly when various alternatives do exist to meet any proven needs for additional office space.

As the gentleman from New York (Mr. STRATTON) has properly pointed out, we have never made a study of the space needs of Congress, and no one is certain of just what those needs are at present, much less for several years down the road.

I believe, along with the gentleman, that it would make far more sense from the point of view of economics, history and architecture to consider restoration of the west front. This project—necessary in order to prevent further deterioration of that wall—has been thoroughly studied and it has been shown that the existing west front can be properly restored for under $15 million—a far cry from the high sum needed for the proposed extension. This concept has been strongly endorsed by the American Institute of Architects from the point of view of the architectural integrity of the west front.

Mr. Chairman, I wish to commend the gentleman from New York for his leadership in this matter. He has not only shown leadership, but he has researched this matter very carefully.

I think he has shown the fallacy both from a money and from a historic and architectural standpoint of extending the west front.

So I support the gentleman in his efforts and again commend him for his activities.

Mr. STRATTON. I appreciate the gentleman's remarks.

Mr. CLEVELAND. Will the gentleman yield?

Mr. STRATTON. Very briefly.

Mr. CLEVELAND. I, too, thank the gentleman for yielding and wish to commend him for his efforts and to be associated with him in his remarks. And I ask leave to revise and extend following his remarks.

I have a question that I would like to ask.

In some of the literature that I received in my office in support of extending the west front was very critical and challenged the cost of a simple restoration. I understand in the Praeger report it was estimated to be about $15 milion. They were very critical of that figure of $15 million and, in fact, suggested that it might be $20 million or $25 million. I wonder if the gentleman will comment on that.

Mr. STRATTON. Of course, the Praeger report was presented in 1970 and was not acted on or even looked at by the commission for more than a year, so it is possible with inflation that the figure may by now have gone above $15 million.

The important thing to remember is that the track record of the Architect of the Capitol's office on estimating costs up here is pretty bad. I think the overrun on the Rayburn Building was pretty close to 100 percent, if I remember correctly. Although the figure for the extension is listed now at $60 million, it could well end up to being closer to $90 million or $100 million or even more before it is finished.

Mr. Chairman, we are really being asked here to act on whether we should restore the west front of the Capitol or whether we should extend it. Yet the fact is that in all of the 6 years we have never had any study made of restoration at all. No wonder you cannot get any bids, because the Architect of the Capitol is opposed to it, so obviously nobody wants to bid when they know the fellow presumably soliciting the bids does not want you to offer a bid.

We have an arrangement here where it is heads, you win; tails, I lose. You cannot ever win on this basis.

What we need to do is to proceed to get some real bids on restoration, and we have got $2 million in the kitty to do just that.

Let me make two other points:

This is, after all—and let us not forget about it—the first action that this 93d Congress is taking on the 1974 budget. We have had a lot of talk on both sides of the aisle in recent months about spending priorities, about cutting off programs of social value, taking away milk from schoolchildren, for example, keeping oldsters out of hospitals because of the rising costs of medicare. Is this 93d Congress going to go back home to the people and tell them that in the very first action we took on this 1974 budget we put in $40 million or $50 million more than was needed just to take care of hideaway offices for our own convenience? And at a cost, mind you, of $368 a square foot. That is five and a half times more than the square footage cost of the FBI building at $68 a square foot, which will be the most expensive office building ever built. I do not think we can do that.

But the thing that bothers me most, Mr. Chairman, is that in the past few days we have seen a good deal of pressure applied. We have seen a lot of arm-twisting, here. I wish there had been the same kind of arm-twisting on the economic stabilization bill yesterday. We might have done better.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. STRATTON. Mr. Chairman, would the gentleman from Texas yield me 2 additional minutes?

Mr. CASEY of Texas. I yield 2 additional minutes to the gentleman from New York.

Mr. STRATTON, I thank the gentleman for the additional time.

As I was saying, I wish we had seen the same kind of lobbying on the economic bill yesterday.

What is so important about this West Front to justify all that pressure. Members have called me personally on the phone and Members have sent me letters saying, "Sam, I would like to vote with you, but they have squeezed me just a little bit too hard. I do not think I can make it."

Is that the way we want to decide this issue?

The real question is whether in this period of budget crisis the first action on the 1974 budget that we are going to take is to provide a few hideaway offices for senior Members.

If this Capitol has to be repaired, then let us repair it. But if we are going to extend it, then we are going to go into the 200th birthday of this country in 1976 with the backyard of our Capitol covered with mud and construction fences. I do not think we want that; I do not think we need it. I think we ought to prevent it. And the gentleman from California (Mr. ROYBAL) will offer an amendment at the proper time to strike the $58 million for the extension of the west front of the Capitol. We have already got $3 million earmarked. Let us see what this restoration will cost; let us come up with some real plans, and then we can act intelligently and not as a result of arm-twisting.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WYMAN. Mr. Chairman, I yield myself 2 minutes.

I take this time to make the point in response to the gentleman from New York (Mr. STRATTON) that we had better straighten out some of these strawmen on this issue. I do not know why, for example, that the gentleman from New York persists in the mythology of hideaway offices. There are no hideaway offices in the proposed extension of the west front. There are plans for committee rooms, conference rooms, public rooms, and a few Member's offices.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. WYMAN. I cannot yield at this time.

The Architect's proposed floor plan for the attic consists of a document room, the fifth floor plan is for the tally clerk, the press room, the bill clerk, Journal clerks, and the joint committees.

The second floor plan is for auxiliary cloakrooms, public reception room, and joint conference rooms. The first floor plan calls for public assembly and congressional joint use, Appropriations Committee, and then the ground floor, the basement, is for offices.

Now, as to "hideaway" offices, a term that I know the gentleman would like to have Members fear will give constituents the general impression that by voting to extend the Capitol we are voting for hideaway offices.

Mr. STRATTON. On page 725 of the hearings it says so.

Mr. WYMAN. What the gentleman from New York is referring to when he uses the epithet of "hideaway" is, I presume, an office for a senior Member of the Congress who may be entitled to an office space adjacent to the work floor. There is little that is more useful, more helpful, more constructive to legislative deliberative process than such facilities.

Such rooms have existed in the other body for a considerable number of years to their great advantage, but there are only 100 Members in the other body, and there are 435 Members in this body. In addition to this fact, the gentleman makes a point that the assignment of office space—and he made the point; I did not have to make it—will be determined after and if the addition to this Capitol is authorized by this body. What will go into that space will be determined by the Building Commission. The Building Commission—the Speaker, the majority leader, and minority leader—have all appealed in a very cogent, a very reasoned, and a very documented letter to each of the Members of this body for their support of this extension today.

Mr. STRATTON. Will the gentleman yield me time to answer this?

Mr. WYMAN. I yield myself one additional minute, and I yield to the gentleman from New York.

Mr. STRATTON. I am grateful to the gentleman, who is a good friend of mine except when we get down to this west front question—and he is still a good friend.

On page 725 of the hearing we have the Architect himself explaining what this space will be used for. He said:

> I would hope, if I were a Congressman or Senator, that I could go someplace, close a door and not have the phone ring, but just sit there and think. * * * Everyone needs that at times, and there *is not* any place except a private office where you can achieve that privacy.

That is exactly what the Architect said. As a matter of fact, when he made his statement before the subcommittee he said "tucked away somewhere in the Capitol," and I said I would accept "tuck away" instead of "hideaway." But he took that word out when he corrected the record.

Mr. WYMAN. The gentleman is aware of the fact, is he not, that at the present time there are now pending before the House Office Committee more than 100 requests for space, and that most of these requests do not relate to individual offices for individual Members? Is the gentleman familiar with that fact—how critical the space is adjacent to this deliberative Chamber?

Mr. STRATTON. I have already suggested we are going to need more space in the future, but I think we ought to follow the *recommendations* of the Committee on Appropriations. I think there are $350,000 available for remodeling space in the Rayburn Building.

Mr. WYMAN. I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, about 90 percent of the debate on this bill thus far has been devoted to the west front of the Capitol. There has been no discussion of other contents of the bill.

I am reminded that when I was a boy on the farm we had an old dog, and to keep him out of mischief, we sometimes tossed him a piece of old carpet to chew on and tear apart. I am afraid that is about what is going on here today.

I am opposed to the west front extension, but there are other things in the bill that ought to be looked into. We might, just for an opener, take a look at the leadership's Cadillacs. There are a few of those around. I suppose these referred to in the bill are all 1973 models. I guess they change every year now to new ones, and they are up to $18,780 a copy. I suppose, too, these are complete with the latest emission controls, and perhaps hot and cold running water.

Mr. CASEY of Texas. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. CASEY of Texas. The gentleman from Iowa, I am sure, will be amazed to know, as I learned from one Member just a few minutes ago, that the Architect of the Capitol even has a chauffeur-driven limousine.

Mr. GROSS. I was going to ask about that report. That is news to me. Is that a fact—that the Architect of the Capitol now has a chauffeur-driven automobile?

Mr. CASEY of Texas. Somebody has told me that. But I will say to the gentleman the $18,000 the gentleman includes the driver. That includes the driver's pay.

Mr. GROSS. It is nice to know that.

Mr. CASEY of Texas. I thought the gentleman would like to know that.

Mr. GROSS. It is still a pretty fair price per copy for cars. I assume they are leased, are they not, in one of these sweetheart deals with the manufacturers?

Mr. CASEY of Texas. Call it sweetheart or not, I would like to have the privilege of renting one that cheaply myself.

Mr. GROSS. I do not believe I would want to drive a Cadillac back in my district and campaign with a liveried chauffeur.

Moreover, I do not believe they are necessary for so many other people in public office in these times when we should be trying to save a few dollars.

Mr. CASEY of Texas. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. CASEY of Texas. Mr. Chairman, if the gentleman will recall, we had to cut down on the number of chauffeur-driven automobiles requested on this side of the Capitol.

Mr. GROSS. Not if we are providing one for the Architect, we have not.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS. When the Executive Office appropriation comes around I hope the gentleman will ask how many chauffeur-driven automobiles they have at the White House.

Mr. GROSS. I do not think I have ever failed to do that if I have been able to spot the money in an appropriation bill.

Mr. HAYS. It reminds me of the prospector's mule when he broke his leg.

Mr. GROSS. If the gentleman from Ohio will point it out or if it is presented as a line item, the gentleman can bet his bottom dollar I will.

Mr. HAYS. I wish I had the authority to bring it in that way. I do not.

Mr. GROSS. That is up to the Appropriations Committee as to whether they are line items and thus visible. Fortunately they are in this case today.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GROSS. With some trepidation I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. As the gentleman knows, I am not known as one of the most parsimonious Members of this body but I have just one comment with respect to the extension of the Capitol. I might call the attention of the gentleman to the fact that it takes the Capitol 80 feet closer to the White House.

Mr. GROSS. I thank the gentleman for that observation, but I might say to him that just a few minutes ago it was reported to me that the committee of which the gentleman is a member as well as the gentleman from Ohio approved today $20,000 additional for each Member of the House to hire additional employees and that obviously means more office space.

Mr. THOMPSON of New Jersey. The gentleman does not have to take it if he does not want it.

Mr. GROSS. That is a very nice alternative. I appreciate it and will not take the increased allowance but how about the rest of the Members?

Mr. THOMPSON of New Jersey. We take pride in our joint sponsorship.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS. But we did not give them any more bodies.

Mr. GROSS. They will get the warm bodies and do not think they will not.

Mr. HAYS. They must stay within the same limitations of staff people they had before. There are no additions of staff people.

Mr. GROSS. That is very nice, but it is still a $20,000 additional expenditure for every Member who wants to take it.

Now with respect to these various joint committees I read the hearings on this subject. Here is the Joint Economic Committee which will get a total of $820,640, including salaries of $628,592. For the Joint Economic Committee with a total of 28 employees, that is in an average salary including secretaries, typists, file clerks, and a messenger, of more than $22,000 a year. That is hard to imagine.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WYMAN. I yield the gentleman 2 additional minutes.

Mr. GROSS. I thank the gentleman from New Hampshire.

That is pretty fair going, an average of more than $22,000 a year for every employee of the Joint Economic Committee. Then we have the Joint Economic Committee on Congressional Appropriations and I would suggest that everybody read the hearings on the Joint Congressional Committee on Appropriations. They are interesting. Then we get down to that good old committee, the Joint Committee on the Reduction of Federal Expenditures. For God's sake, what has it contributed to the cause? We have done nothing but boost these appropriations and this is no different. Up go the expenditures, and this bill does not even provide the money for the increase in Federal pay as of last January 1. Not even those funds are in this bill, according to the chairman of the committee.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS. Would the gentleman care to talk about the item for the House restaurant. That is something he can really brag little bit about. I am sure he read it in the hearings.

Mr. GROSS. I would rather the gentleman would do his own bragging if he does not mind.

It is more than a little ironic that we would continue a Joint Committee on Reduction of Federal Expenditures in view of the direction we are going in this Congress.

Mr. Chairman, I hesitate to contemplate the Easter Recess that is coming up, because the last time we left town for a period of time the Members know what happened. We got chandeliers, beautiful crystal chandeliers; a $30,000 to $35,000 carpet and a complete outfit of new furniture, all at a cost of nearly $164,000.

I hesitate to leave because I am afraid of what I will find when I return. The deeper the country goes into debt the plusher the surrounding in this place.

Mr. Chairman, I yield back the balance of my time.

Mr. CASEY of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman, I do not have as much time as the gentleman from Iowa to look the budget over item by item, but I would like to point out a couple of things to him which he may have missed.

In the past year, the Government has spent $550,000 for a couple of pandas the President got as a present from the Chinese People's Republic. As far as the west wall is concerned, if we spend as much per Member to do the west wall as they have spent per panda in the executive branch, we could build twice as much west front as we plan to build, because the cost would be just twice what they say it is going to be at the greatest estimate.

I do not make any apology for the committee this morning voting about 2 to 1 to give the Members more money for staff. We had a survey made, and the constituents are really responsible for this, because the mail around here has increased about 25 percent over the last Congress. I suppose most people expect that mail to be answered.

I collaborated many times with my dear friend from Iowa on projects for which we have a similar interest, but I must say that I do recall his standing up here the last time we got a raise for Congressmen and talking against it.

We have since had six or seven cost-of-living increases for all the help around here. I know that I would vote for another raise for Members now if I had a chance.

The gentleman stood up and gave a long peroration about how much he was opposed to this increase in salary, but I checked on it the first month the checks went out and he accepted his, as he said he would—I will give him credit for that.

I asked him on the floor and he said that if we forced him to take it, he was going to take it.

Now, we are forcing him to put on another staff member, I suppose, although he must write a letter and request it.

I might say to the gentleman that if he writes the letter and requests it, it will be approved routinely the same as for everyone else. I can see the gentleman from Iowa palpitating with eagerness. I think he has something to contribute.

Mr. GROSS. I do not know how the gentleman from Ohio voted on pay reform, but those who did vote for it delegated to a Presidential commission the power to fix their pay. I assume if the gentleman has his way, we will have another pay increase.

Mr. HAYS. I just said so, and I would vote for it right here on the floor.

Mr. GROSS. You will first have to go on bended knee to the President.

Mr. HAYS. I understand that, but my voting record is not too bad on that, because I did make a mistake on this. I voted against the Postal Corporation which was sponsored by the same people, and against the substitute bill on the election reform which was sponsored by the same people, so I have a pretty good batting average of 666 percent, which is pretty good in anybody's league. It is higher than any of these $100,000 per year ballplayers.

Mr. GROSS. If the gentleman keeps voting for pay increases, I will take them.

Mr. HAYS. I am glad the gentleman got that in the Record because I knew he would and I wanted him to say it.

Mr. WYMAN. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. Hunt).

Mr. HUNT. Mr. Chairman, there is not much I can say, I am sure, that will change the minds of the majority insofar as the expenditure now being proposed to extend the west front. I have been around the city of Washington since 1947 off and on, and since 1951 that west wall has been falling down.

Nowhere in the records or annals of Congress can I find at any time a projected study in detail of how to preserve the west wall or any other such report that can be located at the present time in our records.

In other words, what they are doing is that they are deliberately avoiding a discussion or a study of how to maintain the esthetic beauty of this building, which in my estimation is vital for the oncoming generations. They do not want to preserve that. They want to add some monstrosity.

They give us some story about how we are going to get 50 or 75 feet closer to the White House. We are going to get 50 or 75 feet closer to the gin mills, too, so we can make short shrift of that.

Let us stop kidding ourselves. The offices they want to build will be for those selected Members of Congress. I am sure I shall never see the day when I have one.

As the Architect pointed out, they will be secluded offices for certain Members who need them so vitally, to rest a bit from their arduous duties on the floor.

We have a tough time getting them on the floor for quorum calls. How are we going to get them out of the west wing when they get there?

The best thing to do is to forget about that extension. We voted $10 million to fix up Union Station for a center for visitors coming into this city. Today I was over there, and it looks the same to me. I see the same people with the brushes sweeping up over there. I see nothing changed around the place.

When they get through running this bill through the Congress today it will simply mean to us this: If Members vote for that extension they will be voting for $60 million and a pig in a poke.

I will guarantee this one thing: That $60 million will not even pay for the foundation, because that report was made 4 years ago. No one wants to talk as to what it will cost now.

They give us this same old story about putting this on this floor, that on that floor, and something on the other floor. If I can recollect correctly, that is exactly what we have now.

This is not going to do legislative business a bit of good. It will only enhance the prestigious attitude of those Members of the House who want to have something off the Capitol floor so that they might take their friends and visitors there to impress them a bit more, at the expense of the American taxpayer.

Mr. CASEY of Texas. Mr. Chairman, I yield myself 1 minute.

I want to tell the Members of the House something with respect to the Capitol with the West Front extended as proposed.

All I can say is that we do not know what we are going to get as far as actual space allocations are concerned if we extend it, but I know good and well what we are going to get if Members fall for this idea of restoration. We are going to have a painted wall, just the same as it is out there right now. There is nothing sacred about that wall, except its age and its sentimental value.

We are still going to have a weak wall, if we restore it, and it is going to continue to crack and give.

No one makes a pilgrimage to this wall, as people do to the Blarney Stone, to kiss it. If they do, all they are going to get to kiss is some General Services Administration paint.

We need the space, not just for now but for years to come. Every time we make some improvements in the operations in this Capitol it requires more space. For instance, the electronic voting system we installed this year requires more space.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CASEY of Texas. Mr. Chairman, I have no further requests for time.

Mr. WYMAN. Mr. Chairman, I yield myself my remaining time.

Mr. Chairman, I listened with interest to what my good friend the gentleman from New Jersey when he said that the proposed extension is a monstrosity.

I do not know whether all the Members can readily see the Capitol in this model here before us as it will be extended, but I submit to the Members—and I am not an architect—that the Capitol as extended will be more beautiful than the Capitol as it now stands, with or without the shoring.

Second, so that what is involved will be understood this schematic is a sectional of the Capitol, and this is the proposed extension. This is what we are talking about. That is the Capitol as it now stands; this is the Capitol as it will be extended. The fact that the extension is architecturally in keeping with the remainder of the Capitol is beyond dispute.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I will ask if the gentleman would just pick up the section that has the House in it and the section that has the Senate, he will see that we have made additions to the Capitol and the gentleman can show the Members what it looked like before.

Mr. WYMAN. The gentleman is correct. I have shown it to the Members.

Mr. HAYS. I am glad somebody has told us that it was here in 1850, because if it had not been, we would still be meeting over in Statuary Hall.

Mr. WYMAN. This is the extension on the east front that was completed a while ago and also proposed by the Architect, who then said we ought to do it if we are going to do it at all on the west front.

Mr. Chairman, the fact of the matter is that if we do the restoration, we are going to spend 20 million bucks, and we are not going to have anything to show for it at all. This is foolish.

Furthermore, to those who maintain that architecturally the west wall will be a matter of integrity, we are going to drill 5,700 holes in it. And do the Members know what is inside that west wall? Nothing but rubble. When they built it, they filled it with rubble in between. This is proved by borings.

So, Mr. Chairman, there is no justification whatever for this, if you want to talk on the basis of economy. We will be spending $20 million and not getting one square foot of space to show for it. What is proposed to be done with extension is to spend the difference between the $60 million that is involved and the $20 million—let us put it at $20 million—which is $40 million, and what are we going to have for this? We are going to have 270,000 additional square feet of usable space that is desperately needed for the people of the United States of America and for their representatives in Congress to do a better job. Mr. Chairman, the Committee on Appropriations in the House is now composed of 55 members. We do not have enough chairs to get them into the room that we have to operate in and to seat our staff when we have a meeting. You cannot even sit down in there, much less hear witnesses.

Now, is that the way to handle the work of the Committee on Appropriations, which has the responsibility for handling a quarter of a trillion dollars each year? Is it right to say that committee should go away from adjacency to the floor when it is essential if we are to do the job and get the work done right in this House, and that there should be such facilities close to this floor?

Mr. Chairman, I submit that for the money and for constituent use it is false economy and it is a phony argument to stand here and say that because there is a fiscal crisis we should not provide for extension of the west front of the Capitol at this time.

The only legitimate argument against extending the west front of the Capitol is a sentimental one, the one that has been advanced by the gentleman from New York and some of my colleagues who feel very strongly about it for sentimental reasons, that for some reason the last remaining wall of the Capitol itself should remain and not be covered up.

Mr. Chairman, I submit that we are in a situation where, because of the uniqueness of this real estate, the fact is that anywhere in the world there is no place with a higher concentration of people than we have in this area.

Mr. VANIK. Mr. Chairman, I oppose several provisions in the legislative appropriation bill before the House today.

First, this bill provides some $58 million for the extension of the West Front of the Capitol Building. I realize that this issue has been under debate since 1955. Although most architectural and engineering firms agree that something should be done to shore up the West Front, the oldest existing outside wall of the Capitol Building. In light of this expert opinion, I certainly would support the repair, restoration, and rebuilding of the existing West Front wall.

But I am definitely opposed to the proposal to spend $58 million—a figure which would undoubtedly double or multiply, as it does for most Government construction in Washington—for an expansion or extension of this central portion of the Capitol. This proposal would move the building a few million dollar inches to the West and provide additional office space at a cost of $368 per square foot. If there were no cost-overruns, this cost per foot of office space would be nearly six times as expensive as any other government office space yet built. In terms of efficiency and concern for the taxpayer, this extension would make the Rayburn Building and the new FBI building look like bargain basement purchases.

There is absolutely no need for the type of additional, costly space which would be provided by this extension. If more committee space and office room for Members is needed in the Capitol, it can be obtained by moving out a number of the custodial and clerical offices now occupying this valuable space. There are a number of offices in the Capitol that are of little or no priority in terms of developing and assisting in the passage of legislation. These offices should be moved out and into relatively low-cost office space in other buildings.

In addition to the various technical reasons which make a West Front extension unnecessary, I feel that this is absolutely the worst possible year to propose such an appropriation. This is the year in which we, in the Congress, have been calling for new priorities for the reorientation of programs, so that they more clearly meet the needs of our Nation's people. This is the year in which the President has impounded billions of dollars in program funds. This is the year in which executive impoundment is withdrawing funds to provide nutritious food and milk for our children, funds for education, scientific research, and health. This is the year in which we are attempting to reassert and establish congressional control over the budget and the development of future budgets. This is the year in which we are trying to demonstrate—more than ever—congressional responsibility in appropriations. This is no year in which to vote for this massive expenditure of funds for new office space for ourselves—space which would cost over $110,000 for each of the 535 Members of Congress.

I also feel that it is unnecessary to increase appropriations for the Botanic Gardens. An $88,600 expenditure for congressional flowers is a wasteful extravagance. I regret that we were not successful in striking this item from the legislation.

Mr. Chairman, the state of the economy does require a budget ceiling. Within that ceiling, we must make some hard choices and we must make every effort to preserve and continue those programs which most serve the people. There is entirely too much in this appropriation bill which fails to meet that criteria.

Mr. RINALDO. Mr. Chairman, we are being asked today to spend $58 million on a project that has been criticized by many architects who are familiar with it.

Are we going to spend $58 million at a time when we have so many unmet domestic needs?

Are we going to spend $58 million at a time when the Congress faces a severe budgetary crisis?

Are we going to spend $58 million at a time when we are all too familiar with other, similar projects that ended up costing much, much more than the original estimate?

Are we going to spend $58 million at a time when funding for so many important "people programs" is being cut back?

Are we going to spend $58 million at a time when many responsible architects have estimated that we can restore the West Front of the Capitol for approximately one-quarter of the $58 million we have been asked to appropriate?

Are we going to spend $58 million at a time when we are approaching our Nation's 200th anniversary and the money would be spent to destroy the last remaining portion of the original Capitol Building?

Are we going to spend $58 million at a time when such an expenditure simply cannot be justified?

My answer to this $58 million question, Mr. Chairman, is a resounding "No."

Mr. CLEVELAND. Mr. Chairman, I rise in support of the amendment of the gentleman from California (Mr. ROYBAL) and to commend the efforts of our colleague from New York (Mr. STRATTON) in helping bring the issue before this body in clear terms.

The debate has been constructive, and has made clear the fact that the issue boils down to a demand—I will not say need—for space in the Capitol for the leadership and some Members. So the question is, at this time in history, do we want to spend this kind of money for this purpose? My answer is no.

The Senate recently voted to sustain the President's veto of the vocational rehabilitation bill. And we in this chamber voted to sustain the veto of the rural water and sewer program. I joined in that effort, though with great reluctance, in the overriding interest of helping stabilize the economy through budgetary restraint. The spending of $60 million for the West Front extension, aside from other considerations I cited in my remarks in the RECORD on April 4, at page 11125, conflicts with that objective.

We have approved a $20 million Visitors Center near the Capitol and a major expansion of the Library of Congress with the Madison Library, and also taken over the Congressional Hotel in the search for more space. Now is the time to consolidate and make the most efficient use of available facilities and call a halt to this version of the space race.

I urge that the amendment striking $58 million from the Legislative Appropriations Act be adopted.

Mr. ROUSH. Mr. Chairman, I have refused to speculate on the motives of those who take an opposite position from my own in this matter. I believe that the present Architect, Mr. White, came to his decision to support extension after a very conscientious effort to do what he believed best, and that he did so with a great deal of pain with respect to covering the West Front with a new exterior. He himself admitted that in testimony before the subcommittee when he said, on page 716 of the hearings—

> For me it is not a very simple decision nor is it a 90–10 decision. For me it is a 55–45 decision.

On the other hand, I would appreciate the same generosity of spirit to apply to those of us who, after weighing all these arguments, came to a different position. Last year, as a member of the Legislative Subcommittee, I had to confront this matter. I had never really given the matter of the west front very much thought, but my position on that subcommittee at the time forced me to do so. I had received my copy of the Praeger report and had looked through it. I was in the unenviable position of being a layman, not a technical expert, trying to sift and weigh professional, differing conclusions on the same topic. On one side were the Praeger report and the American Institute of Architects Task Force report; on the other was Mr. White's opinion and the decision of our Commission for the Extension of the U.S. Capitol—a title, by the way, which more or less assumes what the final posture on this issue by the Commission will be. Given that line-up, I had to side with those who stated that restoration was feasible and less costly than extension.

Now, however, I find somewhat to my dismay that those of us who take this stance are considered more or less to be a bunch of irrational zealots because we favor restoration. Mr. White stated during the hearings, on page 732, concerning this issue:

> It generates a lot of emotion, as you say. The reasoning then begins to diminish.

That remark was made in response to a comment by the subcommittee chairman, Mr. CASEY, that we "just want to keep an old painted wall."—page 732. Well, Mr. Chairman, with all due respect, this is not just an old painted wall. This is a part of everybody's heritage—the last part of our original Capitol that is visible. If we restore it we do not prohibit some future generation from adding to the Capitol if that becomes essential or desirable at a later date. But if we encase it now we prohibit them from seeing this last bit of their original Capitol Building. You have pointed out in hearings that this wall in question constitutes less than 20 percent of the entire building, somehow implying that this means it is inconsequential and of no import. I say that if it is only 20 percent of the building, why should we not keep that small piece of America's history intact?

Finally, I must say I am growing weary of spending an inordinate amount of time dickering over this same subject, and I hope we do not make an annual rite of spring of it. It is time that we came to a decision once and for all; prepared an adequate, comprehensive study of space needs to satisfy the entire Hill area; restored the west wall of this building; and got on with the business of taking care of the rest of the country.

Mr. Chairman, it is my intention to participate in this debate on the amendment to be offered by the gentleman from California (Mr. ROYBAL). At that time I will discuss the cost of this proposed extension to the west front of the Capitol.

Much has been said here today and in written communications to the members concerning the position of the American Institute of Architects on this issue. I include a statement from the American Institute of Architects.

STATEMENT BY WILLIAM L. SLAYTON, HON. AIA, EXECUTIVE VICE PRESIDENT OF THE AMERICAN INSTITUTE OF ARCHITECTS

The American Institute of Architects wishes to respond to certain specific statements contained in a letter of April 16, 1973, addressed to Members of the House of Representatives and signed by the House Speaker, and the House Majority and Minority Leaders.

The letter states that the matter of extension has come up before an AIA Convention only once. This is incorrect. We would like the record to show that the matter of the Extension of the United States Capitol has come up before at least 5 national conventions. It first came before the 1955 AIA Convention in Minneapolis when the following Resolution was adopted:

"Resolved, That The American Institute of Architects, in Convention assembled, register with the Congress its strongest opposition to the alterations of the external form of the National Capitol and urge the Congress to preserve intact the authenticity and integrity of the Capitol as the Nation's greatest historic monument, and be it further Resolved, That The American Institute of Architects offer its services to the Congress through a Committee of distinguished and unbiased architects who would advise as to how to obtain more space without sacrificing these priceless historic values."

In 1957 at its Centennial Convention in Washington, D.C. the following resolution was adopted:

"Resolved, That The American Institute of Architects convened for their Centenary Celebration reaffirm their conviction that the East Front of the National Capital, the outstanding architectural heritage of the American people, should be preserved in its present form and position in accordance with the considered views of the majority of informed architectural opinion."

In 1966 at its Convention in Denver, a Resolution was put before the delegates calling for the exterior of the Capitol to remain unchanged. Following inconclusive debate, a motion to table was made and passed on the basis that plans for extension were not well enough known to the delegates and that such a resolution was an affront to architects who had worked on the plans for extension. The tabling resolution thus cut off debate. Two days later in the Convention another resolution was introduced and adopted with only two "nay" votes. This resolution supported then current legislation calling for a Commission on Architecture and Planning which would develop a plan for the development of Capitol Hill. The need for such a master plan of development had been a part of the resolution which was previously tabled.

A second statement in the April 16th letter indicated that the AIA (in 1958) in opposing the East Front Extension advocated "developing a proposed scheme for extension on the west side of the building." This is incorrect.

At no time has the Institute supported a West Front extension. The above quotation was taken out of context from the Institute's newsletter "Memo" of January 27, 1958. It was contained in a news item reporting the creation of a committee on the Preservation of the National Capitol. This committee, *not* a committee of The American Institute of Architects, was composed of "architects, architectural historians, as well as other prominent citizens outside the profession, to rally public support for the last major stand against the proposed extension of the East Front of the Capitol."

This preservation committee *did not advocate* an extension to the West Central Front, but ". . . believed that the special requirements could be better filled . . . at far less cost . . . by leaving the East Front alone and instead developing a proposed scheme for expansion on the west *side* (underscored by AIA) of the building."

The April 16th letter also notes that, "a former President of that organization [AIA] said the West Front has 'no particular historic significance'." While the AIA cannot identify that quote or its originator, it can be emphatically stated that at no time was such a statement made on behalf of the Institute by any officer. If the statement was made, it could have been but one of many individual opinions expressed in the efforts to preserve the East Front.

With regard to the April 16th letter referring to the opinion of the present national Treasurer of the AIA, AIA President Scott Ferebee, Jr., FAIA, in a letter of April 8, 1973, to Congressman Bob Casey, noted that the current AIA Treasurer's "principal point was that the AIA had based its position on emotional considerations rather than rational ones. I can assure you that such is not the case. In a self-searching evaluation of our position unmatched by anything else we have done since I have been active at the national level of AIA, we have had three separate committees of distinguished practitioners examine the facts of the matter and have had their findings and recommendations reviewed by our Board of Directors. To insure fairness, we invited the Architect of the Capitol, George White, who we hold in the highest esteem, to present the case for extension to our Executive Committee, who subsequently reaffirmed our position with only [the AIA Treasurer] abstaining."

AIA President Ferebee goes on to say in the letter to Congressman Casey that . . . "We continue to believe that the West Front should be restored and its attendant terraces preserved. We further believe that the proposed extension will destroy the delicate proportions that now exist between the Capitol dome and its supporting base. Notwithstanding these considerations, we feel strongly that a master plan should be developed for Capitol Hill. Arguments for additional space will arise every few years as long as Congress is housed there, and at best, the proposed extension is a temporary solution."

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk proceeeded to read the bill.

Mr. CASEY of Texas. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, and open to amendment and points of order at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

POINT OF ORDER

Mr. HAYS. Mr. Chairman, I make a point of order against the language on page 3, "Office of the Clerk," that the following language:

> *Provided*, that no part of this amount shall be available for the House Library—Document Room (in the Cannon House Office Building) unless and until appropriate arrangements have been made to phase out and terminate its operations not later than the close of the fiscal year 1974.

On the ground that it is legislation on the appropriation bill.

The portion of the bill to which the point of order relates is as follows:

OFFICE OF THE CLERK

> For the Office of the Clerk, including not to exceed $265,572 for the House Recording Studio, $3,264, 730: *Provided*, That no part of this amount shall be available for the House Library—Document Room (in the Cannon House Office Building) unless and until appropriate arrangements have been made to phase out and terminate its operations not later than the close of the fiscal year 1974.

The CHAIRMAN. Does the gentleman from Texas wish to be heard on the point of order?

Mr. CASEY of Texas. Yes; Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. CASEY of Texas. Mr. Chairman, in my opinion it is not legislation on an appropriation bill, but rather in the form of a limitation. I think it is wholly within the jurisdiction of the committee to include this provision in the bill.

The CHAIRMAN (Mr. MURPHY of New York). The Chair observes that the language "that no part of this amount shall be available for the House Library—Document Room (in the Cannon House Office Building)" is in the form of a limitation. However, the language which follows—"unless and until appropriate arrangements have been made to phase out and terminate its operations not later than the close of the fiscal year 1974" poses additional duties and therefore is legislation on an appropriation bill, and because of that language the point of order is sustained.

Mr. HAYS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The Chair sustains the point of order.

POINT OF ORDER

Mr. ROUSH. Mr. Chairman, I have a point of order against the language found on page 17 of the bill, lines 14 through 22.

The portion of the bill to which the point of order relates is as follows:

EXTENSION OF THE CAPITOL

> For an amount, additional to amounts heretofore appropriated, for "Extension of the Capitol", in substantial accordance with plans for extension of the West Central front heretofore approved by the Commission for Extension of the United States Capitol, to be expended, as authorized by law, by the Architect of the Capitol under the direction of such Commission, $58,000,000, to remain available until expended.

Mr. ROUSH. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. ROUSH. Mr. Chairman, my point of order is based upon these following facts: The appropriation as proposed lacks legislative authority and, secondly, the language "$58,000,000 to remain available until expended" constitutes legislation on a general appropriation bill.

Mr. Chairman I point to rule XXI of the Rules of the House of Representatives. Rule XXI prohibits an appropriation in a general appropriation bill unless previously authorized and, second, it prohibits on a general appropriation bill provisions changing existing law.

I will take my second point first, Mr. Chairman, the prohibition against changing existing law.

I would refer to the appropriation bill last year, which would be Public Law 92–342, under the section "Extension of the Capitol:"

> Funds available under this appropriation may be used for the preparation of preliminary plans for the extension of the west central front: *Provided, however,* That no funds may be used for the preparation of the final plans or initiation of construction of said project until specifically approved and appropriated therefor by the Congress.

I point out to the Chairman that the plans have not been specifically approved.

Second, Mr. Chairman, I would point to an old provision of the law which is found in the United States Code, 1970 edition, title 40, section 162, which provides that the Architect of the Capitol shall perform all the duties relative to the Capitol Building performed prior to August 15, 1876, by the Commissioner of Public Buildings and Grounds and shall be appointed by the President: *Provided,* That no change in the architectural features of the Capitol Building or landscape features of the Capitol Grounds shall be made except on plans to be approved by the Congress.

Now, Mr. Chairman, I am again going back to rule XXI. The question then arises as to whether or not the Congress has passed authorizing legislation.

Mr. Chairman, I have searched this matter diligently and the only authority that I can find for the extension of the west front of the Capitol necessarily has to be inferred from the language of a bill which was passed in 1855. I would like to read that section of that bill. Again it is entitled "Extension of the Capitol":

> The Architect of the Capitol is hereby authorized, under the direction of a Commission for Extension of the United States Capitol, to be composed of the President of the Senate, the Speaker of the House of Representatives, the minority leader of the Senate, the minority leader of the House of Representatives, and the Architect of the Capitol, to provide for the extension, reconstruction, and replacement of the central portion of the United States Capitol in substantial accordance with scheme B of the architectural plan submitted by a joint commission of Congress and reported to Congress on March 3, 1905 (House Document numbered 385, Fifty-eighth Congress), but with such modifications and additions, including provisions for restaurant facilities and such other facilities in the Capitol grounds, together with utilities, equipment, approaches, and other appurtenant or necessary items—

Mr. Chairman, I submit that this is the authority for the extension of the East Front and Scheme B is the key reference in the 1955 statute, and those words are in substantial accord with Scheme B of the architectural plan, et cetera. Scheme B, as it is referred to, provides that the building—referring to the Capitol Building—should be projected eastward 32 feet, 6 inches from the wall of the Supreme Court and statuary hall—should be projected eastward, Mr. Chairman.

The question then arises can authority be inferred? Certainly there is no specific authority granted by this authority by inferring from that wording, which affects the rest of Scheme B. And I respectfully submit that the answer is "no," that that is not the effect of the statute. It is not another program, it is not another sentence, it is a continuation of the same sentence, and the only possible inference is that the language was inserted to implement Scheme B, which calls for an extension of the East Front.

Finally, Mr. Chairman, the bill provides for the appropriation of $58 million, to remain available until expended. The precedents of the House are explicit that an appropriation made available until expended is in the nature of legislation and not in order on a general appropriations bill, and thus is in violation of rule 21.

In support of this, Mr. Chairman, I refer to Cannon's Precedents, and to volume 7, sections 1272, 1276, and 1399, each of which ruling is to the effect that a clause in a general appropriations bill "to remain available until expended" constitutes legislation on an appropriations bill, and is not in order.

I find no precedent, Mr. Chairman, to the contrary. The bill contains the precise language ruled against in the precedents—$58 million to remain available until expended.

Mr. Chairman, I insist upon my point of order.

The CHAIRMAN. Does the gentleman from Texas (Mr. CASEY) desire to be heard on the point of order?

Mr. CASEY of Texas. Mr. Chairman, I do.

Mr. Chairman, this project is authorized, and I would point out that the gentleman from Indiana (Mr. ROUSH) who is making the point of order, failed to read all of Public Law 242 of the 84th Congress.

The law reads:

> Extension of the Capitol: The Architect of the Capitol is hereby authorized, under the direction of a Commission for Extension of the United States Capitol, to be composed of the President of the Senate, the Speaker of the House of Representatives—

Et cetera.

> In substantial accordance with Scheme B of the architectural plan submitted by a joint commission of Congress and reported to Congress on March 3, 1905 (House Document Numbered 385, Fifty-Eighth Congress), but with such modifications and additions, including provisions for restaurant facilities and such other facilities in the Capitol Grounds, together with utilities . . .

It does not just refer to one item. I think this gives great latitude.

> Together with utilities, equipment, approaches, and other appurtenant or necessary items . . . there is hereby appropriated $5,000,000, to remain available until expended: *Provided,* that the Architect of the Capitol under the direction of said commission and without regard to the provisions of section 3709 of the Revised Statutes, as amended, is authorized to enter into contracts.

Et cetera.

This law was amended February 14, 1956, and there was added this amendment under "Extension of the Capitol." This was Public Law 406, 84th Congress:

> The paragraph entitled "Extension of the Capitol" in the Legislative Appropriation Act, 1956, is hereby amended by inserting after the words "to remain available until expended" and before the colon, a comma and the following: "and there are hereby authorized to be appropriated such additional sums as may be determined by said Commission to be required for the purposes hereof.

Mr. Chairman, I think it is quite clear that the authority is here for any and all changes under plan B as put together in the architectural plan, because there is language in there "with such modifications and additions" as well as "other appurtenant or necessary items, as may be approved by said Commission," and the Capitol building includes not only the East Front, but it includes the West Front. I submit the point of order is not well taken.

The CHAIRMAN. (Mr. MURPHY of New York). The Chair is ready to rule.

The gentleman from Indiana (Mr. ROUSH) makes the point of order against the paragraph on page 17, lines 14 through 22 on the grounds that first, the provision "to remain available until expended" constitutes legislation on an appropriation bill in violation of clause 2, rule XXI; and second, the appropriation for $58 million for the extension of the West Central Front is not authorized by law and is in violation of clause 2, rule XXI.

The Chair has listened carefully to the debate and the laws and precedents cited by the gentlemen from Indiana and Texas; and the Chair has had an opportunity to examine the authorizing legislation for the West Front construction, and would note that in 1956—Public Law 84–406—the basic statute was amended to provide that—

There are hereby authorized to be appropriated such additional sums as may be determined by said Commision to be required for the purposes hereof.

The Chair would also call the Members' attention to the provisions of 31 U.S. Code 682, which provides that all moneys appropriated for construction of public buildings shall remain available until the completion of the work for which they are, or may be appropriated. Therefore, the inclusion of the language "to remain available until expended" in the appropriation bill, although not contained in the basic authorizing statute for the west front, cannot be considered a change in existing law since other existing law—31 U.S.C. 682—already permits funds for public building construction to remain available until work is completed.

The gentleman from Indiana also contends that Public Law 92–342 requires "specific" approval by Congress of preparation of final plans or initiation of construction prior to an appropriation therefor. The Chair has examined the legislative history of the provision relied upon by the gentleman from Indiana in support of his argument that the appropriation must be specifically approved by Congress prior to the appropriation, and it is clear from the debate in the Senate on March 28, 1972, that approval in an appropriation bill was all that was required by the provision in Public Law 92–342. The Chair feels that there is sufficient authorization contained in Public Law 92–242 as amended by Public Law 84–406 for the appropriation contained in the pending bill, and that no further specific authorization is required prior to an appropriation for final plans and construction for the west front.

For these reasons the Chair overrules the point of order.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

EXTENSION OF THE CAPITOL

For an amount, additional to amounts, heretofore appropriated, for "Extension of the Capitol", in substantial accordance with plans for extension of the West Central front heretofore approved by the Commission for Extension of the United States Capitol, to be expended, as authorized by law, by the Architect of the Capitol under the direction of such Commission, $58,000,000, to remain available until expended.

The Clerk read as follows:

Amendment offered by Mr. Roybal: Page 17, strike out lines 14 through 22.

Mr. ROYBAL. Mr. Chairman, my amendment simply strikes out an appropriation of $58 million. I came to this conclusion after having heard all of the arguments that we have heard here during this debate, and having heard also a feeble attempt by the Architect of the Capitol to justify an expenditure of $60 million. The Architect reasoned that the sole purpose of extending the Capitol was to provide needed space for Members of Congress.

I think we can stipulate to the fact that space is needed. I do not know of a single person in this Chamber or anyone who works in the Capitol, not a single visitor who will not agree that more space is needed for Members of Congress. I think the page boys if asked would volunteer the same information, for it is known to them and known to everyone else. The Architect then was not telling us anything new. We all knew that more space was needed for Members of Congress.

But the question is how much space. Is the space now in use now properly used, and if more space is needed where is that space coming from? The truth of the matter is that the Architect of the Capitol has not yet completed a comprehensive study that could well give this body the information it needs. At the moment he cannot tell us how much space is needed, he cannot tell us where he is going to get available space to provide for our constituents' needs or for our staff or for anyone else. The truth of the matter is that the Architect said when he volunteered this information to the committee that the comprehensive plan was still in its infancy and it was not possible for him to determine precisely just what was needed in the immediate and foreseeable future. It seems rather incredible to me that a nation that can complete several trips to the Moon cannot see fit to complete a study of congressional needs before we are asked for a $60 million appropriation.

A great deal has been said about public facilities and that our constituents will need the space. Under the proposal before us not a single inch of space will be made available to our constituents, because all of these facilities are already scheduled to be transferred to the Union Station about one-quarter of a mile away.

Four years ago, the argument was made that even a theater was going to be made available. That is all out. The Architect has already changed his mind, office space will be provided for Members of Congress, and nothing will be made available for my constituents or for those of anyone else.

The second reason that the Architect gave was that the restoration was impractical, but the truth of the matter is that the recommendations of the Praeger report that cost this Congress or this Nation $250,000 was never submitted for a public bid. Therefore, neither the Architect nor anyone else knows whether or not there is a single firm in the United States that will restore that wall. He, however, bases his entire decision on the fact that he asked three local firms for their opinion and the three local firms said they would not take on the job. It seems to me there are firms in every State of the Union that could have been contacted, and it seems to me also that if the Architect actually wanted a real sounding of what could be done, he should have submitted the restoration of the west front to an open competitive bid and then make a final determination on this subject matter.

Then the Architect also tells us that under restoration no space will be made available. Of course, no space will be made available if it is just restoration, but I think it is also the responsibility of the Architect to conduct another study to determine whether or not we can restore and at the same time provide space. The American Institute of Architects takes the position that this can be done, that there can be restoration, and that at the same time we can provide the space that is needed for the Congress of the United States. They further contend that it could be done at a cheaper rate and for less money than the now proposed extension for a figure of $60 million. Since a study has not been made we will never know.

I realize that most minds have been made up, but I still have some questions to ask and it seems to me every Member of this House should be asking the same questions. Why is it for example that we have here what I think is a beautiful model and a beautiful illustration of the West Front extension.

The CHAIRMAN. The time of the gentleman from California has expired.

(On request of Mr. Gross, and by unanimous consent, Mr. Roybal was allowed to proceed for 5 additional minutes.)

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Chairman, I want to commend the gentleman from California for his statement and for the searching inquiry he made during the hearings on this particular issue in the subcommittee. I wish to commend him.

Mr. ROYBAL. I thank the gentleman from Iowa.

May I state that I wish to commend the Architect for presenting to the Congress this model and this beautiful picture, but what he has failed to do is prepare something similar highlighting restoration with underground office space for congressional use in order to give the Members of this House at least an alternate choice.

The Members of this House have not been presented with an alternative. It is quite clear to me that only one side is being considered and that the Architect or everyone else is willing to give us answers to our questions at least, not one person has volunteered an answer.

Mr. WYMAN. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Chairman, did I understand the gentleman to say the space on restoration?

Mr. ROYBAL. Yes. I did.

Mr. WYMAN. What space on restoration?

Mr. ROYBAL. According to the American Institute of Architects, the area can be restored and space can be provided underground. It could be done at a price that is less than that now estimated for extension.

Mr. WYMAN. If the gentleman will yield further, that throws the $15 million out of kilter, does it not?

Mr. ROYBAL. It may throw it out of kilter. But the gentleman must also realize that it could be possible to restore and provide the entire space needed for perhaps $35 or $40 million.

The truth of the matter is that we do not have the answer. My argument is that this Congress has not been provided with alternatives. We have not been provided with the studies necessary to make a finding of fact. If we approve this, we are going to be appropriating it simply, because we have already made up our minds to vote for the extension and nothing else. There are no facts before this Congress. This Congress cannot possibly make a finding of fact based on the information that has been provided to it at the present time.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Indiana (Mr. Dennis).

Mr. DENNIS. Mr. Chairman, is it not true, assuming it costs even $20 million to restore the west wall, if we want to spend the $60 million, which is the estimate for *extension*, we would still have $40 million there which we could put in underground facilities, for instance?

Mr. ROYBAL. All of these things are possibilities. My point still is the same. We do not have the basic information to make a judgment on.

The studies have not been completed. My question is, Why have the recommendations of the Praeger report not been given out to bid? It seems to me this is the first thing an architect would do in order to make a determination. Why has a study not been completed with regard to the space needs of Members of Congress?

Reference has been made to our constituents. The truth of the matter is that the Architect cannot at this time tell us of any space provision that can be made for constituents with the extension of the west wall for the simple reason that his study and report has not been completed.

These are the questions I am asking. I am also wondering why it is that we do not really have some information from the Architect that tells us exactly what the square footage cost is going to be for construction and extension of the west front. Some have said that it is going to be $368 per square foot. I heard this morning that it was $222 per square foot. But whatever it is, we still do not have that figure. We only know it is going to cost $60 million.

Under questioning, the Architect also admitted that it could be more. If inflation creeps even higher than it is today—within the next 3 years it could be much more. He was unable to make a final determination and quote a final figure.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Maryland (Mr. Long).

Mr. LONG of Maryland. Mr. Chairman, I sit on the Military Construction Subcommittee. We have been voting appropriations for many years without demanding that we get full details on every project proposed to be constructed. I doubt very much if our committee could ever handle the work we have to do if we had to pass not only on the cost, but also on the details that are involved.

(On request of Mr. Scherle, and by unanimous consent, Mr. Roybal was allowed to proceed for 1 additional minute.)

Mr. SCHERLE. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Iowa.

Mr. SCHERLE. I should like to ask my colleague if in the plans for the extension of the west front any provisions have been made for parking facilities for our constituents who are coming to the Nation's Capital, to visit the historic buildings?

Mr. ROYBAL. Judging from the testimony that was presented to the committee, I can only say that the answer is "No."

Mr. SCHERLE. I should like to say, Mr. Chairman, it is inconceivable to me that we should invite a number of people from our various districts throughout all of the 50 States to come to Washington, to view the Nation's Capital, to view the various monuments, to come in to see the House in session, and yet have no place for them to park. I would think that would be a prerequisite, almost, so far as our deliberations are concerned and so far as plans for the Nation's Capitol are concerned. We must make some arrangements for parking facilities for our people when they come to visit the Nation's Capital.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the last word.

I should like to ask a further question of the gentleman from California. I wonder if he will comment on the question I proposed to him before; that is, we do appropriate money as a standard practice without demanding complete plans, so why should this project be any different?

Mr. ROYBAL. First of all, I wish we did not appropriate money without having all of the details. I am sure the gentleman would not buy a house, for example, without finding out exactly what it would cost.

I do not believe that the Congress or any committee thereof should bring to this floor an expenditure of any funds unless the committee knows exactly what the cost is going to be. That is all I have been asking in this instance. I just want to know what the facts are and why it is that we must appropriate $60 million for this purpose?

Mr. LONG of Maryland. The gentleman knows why, of course, we do not do this. We just do not have the time to demand detailed plans for everything for which we appropriate money. We have to rely to a very large extent on our confidence in the people who have the job of executing these plans.

Does the gentleman lack confidence in the House leadership, who will have the job of passing on these plans? Will they not have something to say? Are these not people of mature judgment on whom we can rely to a very large degree to spend the money wisely and to come up with good plans?

Mr. ROYBAL. With all due respect to the House leadership, I do not know any of them who are architects or engineers. I do not see how we can take the position they are experts on this subject.

Mr. LONG of Maryland. The Members of Congress are not architects or engineers.

Mr. ROYBAL. No. That is the reason why we must have all the information we can possibly get and not just a one-sided thing that has been presented to the subcommittee and to the House.

Mr. LONG of Maryland. Could I ask the gentleman if he is opposed to this plan on the ground of esthetics, on the ground that we are destroying a wall with historic meaning, or on the question of expense?

Mr. ROYBAL. I am opposed to this plan, because I firmly believe that the House does not have the necessary information to make a finding of fact. I have already pointed out that in at least in three areas we do not have the necessary information. Based solely on that I firmly believe that the House should not make a final determination. The House should approve my amendment and give us an opportunity to back up a little bit and take another good look at it. We should get the Architect of the Capitol to bring us the information we want. After he does that, if all indications are that the extension of the Capitol is the proper thing to do. I will then support it.

But I will not support it until such time as I am convinced that every avenue has been explored and that all information has been made available to the Congress.

Mr. LONG of Maryland. Well, what the gentleman is really saying is that he wants to study this whole program that has been going on for years and years. Is the gentleman really saying, "Let us study it for another 4 or 5 years?"

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield further to the gentleman from California (Mr. Roybal).

Mr. ROYBAL. Mr. Chairman, we have been told that this matter has been going on and on for years. The only thing we have to show for it is that several reports that have been made, but the truth of the matter is that none of these reports have been followed through—the recommendations of the Praeger report, for example, at a cost of $250,000 have never been submitted to bid.

I think we should let the construction firms of this Nation determine whether or not they can restore the west front and for how much money.

Mr. LONG of Maryland. Does that not cost an awful lot of money to do that?

Mr. ROYBAL. The point is that we have already expended $250,000 for that particular report and we wind up putting it in the wastebasket.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Michigan (Mr. Cederberg).

Mr. CEDERBERG. I might point out that you cannot put a report out for bid.

Mr. LONG of Maryland. I agree with the gentleman.

Mr. Chairman, I would like to ask one more question. The gentleman laid great emphasis on the fact that this is not serving the constituents. The gentleman understands we cannot have a building here that is built primarily to serve all 208 million people in the country.

Our daily operations serve the constituents, and providing this extra space will enable us to do our job better. Our subcommittees on the Committee on Appropriations need more room and the full committee needs more room. The gentleman knows this.

Mr. Chairman, we have a tremendous

space problem, particularly now that we are opening our hearings and inviting the public in. This problem, I am sure, is going to increase in the future.

Are we not here to serve the constituents? Is that not our job?

Mr. ROYBAL. That is our job, and I agree with the gentleman.

Mr. Chairman, the truth of the matter is that we all stipulated to the fact that more space is needed. I have said that before. Even the page boys can tell us that.

But how much is needed, and how much is needed for the future? That is the question.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. LONG) has expired.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe firmly that it is in the best interest of the people of the United States that we go ahead with the extension of this west front of the Capitol. We can go through the history of the extension of the Capitol, if we want to, and we will find this kind of debate has taken place every time.

We went through this on the question of the east front of the Capitol, and now we do not find anyone that I know of who takes any exception to the action we took at that time.

Mr. Chairman, we in our subcommittee have been going through this, and we by a substantial majority believe that the Building Commission is right. Now, who are the members of the Building Commission?

The members are: The Speaker of the House, the majority leader of the House, the minority leader of the House, the Vice President of the United States, the majority leader of the Senate, and the minority leader of the Senate. These gentlemen are all concerned Americans interested in being sure that the uses and activities in the U.S. Capitol for which they have a responsibility and we have a responsibility can be adequately and properly carried out in the future as this Nation grows.

This building has grown with the country, and I doubt if there are very few of us here who are in some position of responsibility who will be here to use the necessary new facilities that are going to be made available. They are not for us; they are for those who are going to come after us. They are to provide the kind of service that is necessary for the citizens of the United States.

Mr. Chairman, I have absolute confidence in this Building Commission. I have absolute confidence that they are going to do the right thing. I find it completely inconsistent to spend 15, 20, or $30 million—we do not know what the cost is—to restore a wall and get absolutely nothing for it except a restored wall, when for a little additional money we can have this additional space.

I am certainly not impressed with the idea that we have to preserve that particular wall because it is the last wall of the Capitol. This Capitol has grown as the Nation has grown, and it is going to have to continue to grow as the Nation grows; and you can take this model right here part by part and see what has happened as we have grown.

Mr. Chairman, I just want to say that I am for this, and I believe it is in the best interest of future generations that we take this action now. I have, as I said, complete confidence in the Building Commission that what they do after we make these appropriations will be the right thing.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. I just want to join with the gentleman from Michigan in wholeheartedly endorsing the west front extension. It makes sense from every reasonable standpoint, it seems to me.

We do need the space. It will not detract from the Capitol. It is, as the gentleman from Michigan has said, a continuation of the growth of the Capitol. This great Nation needs a Capitol that is more adequate than it is today, and this will make it more adequate. It is better from the standpoint of those who work here and better from the standpoint of those who come to Washington on business and as visitors.

It is unreasonable that we should deny to ourselves and to the people of the United States this extension of the Capitol. I earnestly hope that this work can proceed and that the amendment will be soundly defeated.

Mr. CEDERBERG. I thank my chairman.

Let me say again I find it completely inconsistent to spend money for the restoration of a wall to the tune of maybe $30 million, although we have no idea what it will be exactly, and which will give us no additional space for that amount of expenditure when we know that we can spend a little additional money and provide for a great deal of additional room to meet our growing needs.

Mr. ALBERT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, first of all may I commend the Members of the House who have participated in this debate on the high quality of their presentation. I think most of the points have been covered that can be covered, and I think they have been covered well.

I would like to touch upon a few points and my point of view as I see this situation.

I think I have reached the same conclusions that every Speaker before me had reached during the past 10 to 15 years, that is, that it would be very foolish if we undertook simply to drill a few holes in the west front, which is not good construction and was never good construction, as I understand it—it was constructed out of sandstone from nearby Virginia and filled full of mortar—and then do a paint job over it so that you can see nothing of the original west front. That is exactly the proposition that has been put to the Commission for Extension of the U.S. Capitol.

The Commission acted on the Praeger report. Here is the action signed unanimously by the Commission on the Praeger report, and it is signed by those on both sides of the Capitol and on both sides of the aisle.

It seems to me that since we have to do something about the west front, we ought to do the thing that will give us the greatest service. If there is anybody in the Congress that knows there is a tremendous demand for space, it is I. I believe I have had more requests from Members of Congress on the question of space than on any other subject. Now, it is true this is not going to solve all of those problems, but it is going to furnish some relief. It is going to enable some of the committees and the committee chairmen and members of the leadership who have space in various office buildings to consolidate over here. That will be of some help. It is going to enable ranking committee members who have business off the floor to have space over here. We do not even have space for the ranking member of the Committee on Rules. It is going to enable us to provide space for common-use work areas for Members.

You know, the so-called Board of Education Room is in use right now by a Member. I have never used it as a private room, as Mr. Rayburn did before me. I have let it out to Members for luncheons and for private meetings and public meetings or whatever they wanted it for, just as I have the Speaker's dining room and just as I have the EF–100 room down on the floor below.

We always have more requests than we can possibly meet. These are legitimate requests for the use of rooms in the Capitol.

I look upon this situation just exactly as does the distinguished chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON). This Capitol was not built simply as a monument, a great national shrine devoted to the Congress. This Capitol is a working, growing organization of a working, growing nation. This Government has grown many times since the Capitol was originally built. This Capitol has been changed at least a dozen times since the original plans were drawn, and the original Capitol was built.

I want to say a word on behalf of the Architect of the Capitol. When George Stewart died, I went to "GERRY" FORD, the gentleman from Michigan, and I said to the distinguished minority leader, "We do not want a political architect up here." The Architect, as you know, is appointed by the President of the United States. I said, "I hope the President will give the job to a great architect."

The distinguished minority leader reported back to me that he discussed the matter with the President of the United States, who has, as I said, the appointing authority, and the President of the United States had said that he has asked the most distinguished architectural associations in the United States to submit names of five outstanding architects from among the architects of the Nation, and that he would pick one of the five.

That is how our present Architect, George White, was selected. He is an outstanding architect, and an outstanding engineer. There is no one—no one—and I would like to have somebody try—can get a lump-sum bid under the conditions of the Praeger report. It is absolutely impossible. The Architect has looked at it, and he has asked other architects and other engineering firms and other construction firms about it. But we have come to the crossroads. We have to take care of our Capitol Building. Why do we not take care of it in a manner that will give us some extras, just as we did when we faced the financial crisis during the Civil War, and President Lincoln said, "Go ahead and finish our Nation's Capitol." And they built the Capitol, and as I remember, finished the Capitol when we were in the Civil War. And with every good respect, I ask for an affirmative vote for the extension of the west front of the Capitol and for a negative vote on the amendments offered by the distinguished gentleman from California (Mr. ROYBAL).

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think there are certain factual situations all would admit to, whether we oppose the extension or whether we are for restoration. The first, of course, is that something has to be done. We have procrastinated year after year after year. I bring this up only because I see it every single day. If any of the Members have any doubt that something has to be done then I invite them, Democrats or Republicans, to come to my office and see the massive scaffolding that is erected there to maintain the west front of the building while we dillydally around.

No. 2: Do we need any space? The distinguished Speaker, the gentleman from Oklahoma (Mr. ALBERT), I think has fully emphasized the need for space. Let me do it a little differently. For 8 years I ducked the responsibility of being on the House Building Commission, while others on our side of the aisle served us on that Building Commission. The Speaker asked me to serve on it because he said the overwhelming demand for more space requires that somebody in the leadership on our side serve on that Commission. So I accepted. Believe me, it has been an eye-opener.

I have 100 letters in this file from Members on my side of the aisle asking me to help them get more space over and above the suite that is assigned to them. Now it is an awfully hard thing to do to turn down about two out of three, because we do not have any more space to give out, even with the Congressional Hotel, which the Congress recently acquired.

This year, if I recall correctly, half of the committees in the House wanted more space. We were not able to go along with every request because we had equally pressing requests from individual Members and other groups. There is just no question but what we need more space.

Now let us ask this question. Will restoration of that wall add one square foot of additional space? The answer is "No." All they would do is tear out the wall, rebuild another wall, and we end up with the same space. If we extend as has been recommended, as I recall the figure, we would get 270,000 more square feet. Believe me, whether it is for committees or the leadership, for Members, or for the public, we need more space. Extension of the west front is one reasonable, rational way in which to get it.

The question has been raised whether we can get a firm bid on the restoration, whether we can get a firm bid on the extension. The gentleman from California has raised the question, Why does the Architect not go out and get a firm bid on the restoration?

A firm bid cannot be obtained from any contractor if there is no money in the pot for them to build it, if they get the award. We have to have the money or the appropriation first. As soon as we make up our minds whether it is $20 million or more for the restoration, or $58 million more for the extension, then we can go out and get actual bids. There is no question about it: We can get a competitive, firm bid on the extension.

I think it is fair to say we cannot get a firm, competitive bid on a restoration. In order to try to get some figure, the Architect of the Capitol went to three recognized construction firms in the District of Columbia and the surrounding area, and none of them would give any precise figure, and there are some good reasons why.

Those of the Members who have been in my office—and there are other similar offices—have observed that the ceiling is sloping from the top down to a point about 10 or 15 feet high. If the one wall is taken out, all of that ceiling is going to have to be taken down, too, and that is a very difficult engineering construction job. That among other reasons is why we cannot get a firm bid, because these construction people are not accustomed today to dealing with that complicated kind of a restoration problem. It is not an ordinary job where a wall is taken down and there remains a flat ceiling. It is a difficult, unusual construction job.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. GERALD R. FORD was allowed to proceed for 5 additional minutes.)

Mr. GERALD R. FORD. To summarize on this point, I think we can get a firm competitive bid for extension. It is highly unlikely, if not absolutely impossible, to get a firm competitive bid for restoration. Oh, yes, they will do it at cost-plus, but they will not tell you whether the cost will be $15 million or $18 million or $30 million.

Oh, yes, they will do it on a cost-plus basis with no firm contractual figure. Under this setup no one knows what the ultimate cost will be for restoration.

Now the question has been raised from time to time whether we want to just preserve that sandstone west front. I think everybody recognizes that it is not the right kind of substance or surface for us to have on that side of the Capitol. Some people argue that it ought to be preserved because it is the last original part of the Capitol. That argument, I might add, was made at the time we were debating here whether or not to proceed with the east front, and the American Institute of Architects in those days, when that struggle went on, sent out a newsletter dated January 27, 1958, and here is what it said. After condemning the proposed extension of the east front, then they wrote this in their memo:

> It is believed that the space requirements could be better filled at far less cost by leaving the East Front alone and instead developing a proposed scheme for expansion on the west side of the building.

Apparently the American Institute of Architects were not too concerned about the preservation of the west front in 1958. As a matter of fact, by their own memo they urged the Congress to proceed with some activity on the west front. I do not understand how they have had a change of heart.

I might bring up another question.

Mr. CHAMBERLAIN. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Michigan (Mr. CHAMBERLAIN).

Mr. CHAMBERLAIN. Mr. Chairman, on this point about the architects the gentleman has mentioned, I would like to relate briefly that within the last 2 weeks I had two architects from my hometown of Lansing, Mich., visit me in Washington on another matter. We were having lunch in the House Restaurant and they proceeded to tell me what an awful thing it was to extend the west front of the Capitol. I suggested that after lunch I take them around and show them what we had been discussing. I showed them the east front and I showed them the condition of the west front and I suggested they go outside and look around a bit. I am happy to report to my colleague that after they got home I received a letter stating that after looking into the situation and eyeballing the Capitol building they would recommend that we go ahead and build the west front extension.

Mr. GERALD R. FORD. On the same point that we ought to go for extension and not restoration, I have a copy on the letterhead of the American Institute of Architects, signed by Elmer E. Botsai, treasurer, and Mr. Botsai the treasurer of the American Institute of Architects endorses the recommendation of the Architect of the Capitol. This man is an officer, an elected officer of the American Institute of Architects.

Mr. Chairman, let me conclude. We need the space. Something has to be done, and when we look at the return on the expenditure, we get far more benefit from an extension where we get some space than we do for a restoration where we end up with not one extra square foot of space.

Mr. Chairman, I strongly recommend that we agree with the committee, and that we disapprove the amendment offered by the gentleman from California.

Mr. ROUSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from California. It is with some hesitation that I take the floor immediately after the distinguished minority leader, the Speaker of the House and the gentleman from Texas (Mr. MAHON), the chairman of my committee, the Appropriations Committee.

I would hope that I could be very reasonable in my approach to the issue before us. I cannot argue with the fact that we need space. I do question as to whether or not this will provide us adequate space.

I cannot argue with the fact that Mr. White is a competent architect. I think he is a very competent architect.

Mr. Chairman, I would argue with those who would say that some of us who are advocating restoration might be just a little addled in our thinking. I would like to base on my argument, if I thought it was wise, entirely on that alone, because I think that old gray wall should be preserved. But, I know this body and that is not the most telling argument that can be made.

We need space, but how much are we willing to pay for that space? The President of the United States is telling us that we have to show fiscal responsibility in this country. The people are clamoring that the President and the Congress show fiscal responsibility. The Committee on Appropriations is diligently working to see to it that we produce a budget which is consistent with fiscal responsibility. Every subcommittee is applying itself as it has never applied itself before, addressing itself to this matter of fiscal responsibility.

How much should we pay for office space, The FBI building will cost $68 per square foot. The Rayburn Building cost $50 per square foot. General office space in this country costs $20 per square foot.

Mr. Chairman, this morning I measured my inner office, my private office, mind you, in the Rayburn Building. My office is approximately 22 feet by 16 feet, which makes 352 square feet. Two figures have been tossed around here as to the cost. One is $222 per square foot. That is the actual space, the actual square footage that will be involved if extension is approved. The other is $368 per square foot, which is the usable office space within the proposed projection of the west front.

Using my office as an example, that much space, an office of 22 by 16 at $222 per square foot would cost $77,922. Let us use the other figure. Let us use $368 per square foot. It would cost $129,536.

Let us bring the analogy into this Chamber. This morning I measured the table at which my distinguished colleague, the gentleman from Texas (Mr. CASEY) is sitting. That table is 41 inches wide and 144 inches long. It holds 41 square feet. Using the $222 per square foot figure, that would come to $9,102. That much square footage as represented by that table costs $9,102. Or, if we use the $368 per square foot figure, it would come to $15,088.

Let us bring it just a little closer. To my left is a small table. It is a very small table. Let us imagine that it is just a small portion of this proposed extension of the Capitol Building. This table which I have measured, is 42 inches long and 28 inches wide. It contains 8.16 square feet. At $222 per square foot, that space would cost $1,811.52. If we used the other figure of $368 per square foot, that small space which you see in the well of the House would cost $3,002.88.

Mr. Chairman, that is too much for office space.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BELL. Mr. Chairman, I ask unanimous consent that the gentleman may have an additional 2 minutes.

Mr. SAYLOR. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BELL. Mr. Chairman, I move to strike the requisite number of words.

I want to commend the gentleman who was previously in the well for his statement. I agree very much with what has been said.

I believe the important thing to remember is timing and priority. One of the things we have askew this afternoon, is timing and priorities.

We are asking the people of our constituencies to tighten their belts, to economize on all Federal projects, because we are fearful of inflation and a possible tax increase, and yet now we are going to spend $60 million to enlarge the Capitol. I believe the timing is wrong.

We are cutting back funds for the handicapped, funds for compensatory education, and we are cutting back funds on many other important programs and telling people we have to save money and cut the budget, and yet now we are going to spend it on enlarging the Capitol.

Mr. Chairman, I believe we have our priorities and our timing completely out of balance with the needs of our Nation.

Mr. WYMAN. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New Hampshire.

Mr. WYMAN. I should like to observe to the gentleman that a problem arises in the fact that we have a crumbling west wall. It is shored up. We have to do something about strengthening it. It so happens that it might tip over. It might fall down.

If we have to do that, and we have to spend at least $20 million on it, then if we spend something more than that to get the space needed, one cannot use the figures the gentleman used in his diagram.

Mr. BELL. If I am not mistaken, that wall has been crumbling for a number of years.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Iowa.

Mr. GROSS. I think it has been for 25 years that the west wall has alleged been ready to fall.

Mr. BELL. That wall has been crumbling for about 25 years.

Mr. GROSS. And it was allegedly so bad that planes were not allowed to fly over the Capitol for fear the vibration would cause a collapse. But planes have flown over the Capitol and the wall is still standing.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York.

Mr. STRATTON. I believe the gentleman from California has put this thing back into balance. Basically what we are being asked to do is this: We have a car which needs some repair, and it is being proposed that we trade it in and get a Cadillac. Why not fix it up where it needs fixing?

The Lincoln Memorial is supposed to be deteriorating from atmosphere, and one of these days it will have to be fixed up. Are we going to add on space or repair it? Let us repair it at the cheapest possible price.

Mr. BELL. I certainly concur.

Mr. RONCALIO of Wyoming. Mr. Chairman, I move to strike the requisite number of words.

I do not suppose very many of us have open minds at this posture, but I believe a most eminent observation was made just now. We have to reestablish our priorities.

We will always be in need of space, my friends and colleagues. The instant this extension is finished, if it passes, we will still need more space.

We needed more space 33 years ago for the books in the library. I know, I was a clerk in the Senate library then.

Contrary to what my friend the eminent minority leader says, there is and will be thousands of feet of usable space down there, if restoration is made. We do not have those facts before us. But no plans on restoration. As Mr. ROYBAL said earlier, the pressure is on for extension, and we are denied plans on space in restoration. There will be space. We do not know exactly what it is.

Eight years ago, when I came to the 89th Congress, we had just finished the $125 million Rayburn building to alleviate a space problem. It is a beautiful building. The gentleman from Massachusetts (Mr. O'NEILL) says so.

Just last year, we began moving into an 8-story building, the former Congressional Hotel. It is a *beautiful* hotel with 30,000 or 40,000 square feet of usable space. We just got our proliferating subcommittees going in there now. And now we have 14 of them, on energy alone, yet none of them relate the energy crisis of today to our insistance on office building extensions on compounding energy consumption habits such as are required if this Capitol is extended.

Here we are telling people all over this country that we are sick and tired of inflation, sustain vetos on REA programs, that we are tired of money going down the drain. Yet we want to spend $58 million for our *unsatiable* demand for office space just 8 years after spending $160 million for the Rayburn Building, and even while we have yet to fill the old Congressional Hotel space.

If we have any sense we will rearrange our priorities, vote for this amendment, so that this bill can go forward, and we can legislate parks and grass and trees around this Capitol to see that what precious little open space we have here can remain, and decentralize this Government to the rest of the country rather than keep concentrating it here in the District of Columbia.

Mr. SYMMS. Mr. Chairman, I wish to commend my colleague from Wyoming for his timely remarks.

It occurs to me that maybe the people in his State and mine might not be better off if we had less Government officecrats around here. We already have so many Government edicts that the sheep in Wyoming and Idaho are being gobbled up by the coyotes—the extension of this office—may only make it more convenient for the Government to make more edicts and do nothing for the taxpayers of America.

Mr. O'NEILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, by virtue of the fact that I am the majority leader, I am on the Commission for Extension of the U.S. Capitol. I have listened to this argument today and, as I recall, the same arguments were made in 1957 when there was terrific opposition to the east front. And you look at the east front today. I think that it is beautiful.

I have been in Congress now for 11 terms. I think I am a sentimentalist, to be truthful. I have always gotten a thrill out of seeing the cadets on the plains of West Point ever since I was a kid. When I go to the Tomb of the Unknown Soldier, I get a terrific feeling. But I get the greatest thrill of all every time I see the Capitol of the United States and its dome. Whenever I am in an airplane over the city, I see that dome and it inspires me.

Mr. Chairman, the Capitol is the symbol of the United States, as much as the flag itself.

So I think the issue far transcends priorities. The truth of the matter is the west front out here is crumbling. We have been arguing about it now for many, many years, and I have heard the debates, and the different points that have been raised. One man says that we ought to dig down below the west front and use the ground beneath the building here.

Mr. Chairman, the Rayburn Building, I guess, is the most expensive building in the history of the world. It originally had about a $55 million bid, and it went to $120 million by the time they completed it.

Why was that? They had not read the water tables right, the fact that there is water underneath here. The same thing is true of the Capitol. The truth of the matter is that now from experience they know they cannot go down below the Capitol and build down there. They cannot go below the Capitol for the same reason they had difficulty with the Rayburn Building. That was done at a tremendous cost. They had to put a cradle down there.

Mr. Chairman, we should not do the same thing here.

The gentleman has talked about the parking space. We will have a Visitors' Center nearby that the gentleman from Illinois is an expert on, that is in process.

I believe the bids are out, and we hope it is finished and completed by the 200th anniversary of this great Nation. So there is going to be ample parking space for everybody here.

As I said, I am a member of the Commission. We have all criticized for so many years the former Architect of the Capitol. They said he was political, that he had been a Member of Congress who had been defeated and he was appointed to be Architect of the Capitol. And now the Speaker has explained to you how the new Architect of the Capitol was appointed.

Mr. Chairman, I sit on the Commission, and I have great admiration and respect for the Architect. He comes in with the program, he presents the program, he tells us what he has in mind, and then he makes a recommendation. I am not an architect, but I believe he is competent by the manner and by virtue of the fact that he has been chosen for the job, and by the manner in which he was chosen. So when he tells me we ought to have an extension of the west front—and he has made a study of it—I believe him.

I know a couple of years ago the American Architects' Association and thousands of architects were opposed to it. But after that, the American Institute of Architecture did send a letter out, and for the most part, they had reversed their feeling on it. They have reversed their feeling on it, some of the really great architects of America, because they have confidence in George White and have changed their stand.

Mr. Chairman, if they have confidence in him and they are in the business, why should we not have confidence in this man?

As we look at the building here, there are many of us who think this was the original building itself. Well, the original building, of course, was only a part of what we have here. It was built by Bulfinch, in whom we in Massachusetts have so much great pride, because we have so many of his buildings. And then they put the dome on. We have seen the picture from the 1840's, and the dome that was on the Capitol; it looked like a monstrosity, and it looked like it was absolutely out of place.

Then in the 1860's they added the wings. So bit by bit the building has been built. Then in 1957 we had the great argument on the east front.

I think as a member of the Commission I would be remiss if I did not go along with the recommendations of the architect. I think he is a tremendously able, and competent man appointed by the President of the United States. We hired him to do the work. This is his recommendation. He knows far more about the subject than we do.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Chairman, I wonder if we can get some idea of how many want to speak and limit the time on this amendment.

Mr. Chairman, I move that all debate on this amendment and any amendments thereto end in 25 minutes.

The motion was agreed to.

PREFERENTIAL MOTION OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Gross moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. GROSS. Mr. Chairman, I have listened to the House leadership, all pleading for more space. There is one good way to get more office space in this or any other building around the Capitol, and that is to abolish a few of the subcommittees, the duplicating full committees, the joint committees, and the select committees. If we want space, the effective way to get it is to get rid of some of the surplus warm bodies around this place. Then there will be no need to spend $60 million, $80 million, or $100 million for more space.

Mr. O'NEILL. Will the gentleman yield?

Mr. GROSS. I yield very briefly. I have only 5 minutes, and I had to offer a preferential motion to get that.

Mr. O'NEILL. If the gentleman is directing his remarks at me, I made no mention of space whatsoever. I merely think the Capitol of the United States, which has so often been made reference to as a Cadillac, ought to be the finest building in this country.

Mr. GROSS. I understand that the gentleman did not speak for more space, but his two predecessors did.

I do not intend to buy a pig in a poke here today, and that is what is being proposed in this deal the leadership is asking us to approve today.

On Thursday, March 1, 1973, when this subject was before the subcommittee for hearings, Mr. ROYBAL had this to say:

> Mr. ROYBAL. I am looking at this strictly from the standpoint that I would view a personal matter. I don't think I would buy a four-bedroom house on preliminary plans alone. I think I would enter into a contract only when I saw the final plans. What we are doing here, as far as I can see, is that we are putting in $60 million into schematic drawings and not the final plans.
>
> Mr. WHITE (the Architect). That is true.

What are you asking us to do here? Buy a pig in a poke?

Mr. WYMAN. Will the gentleman yield?

Mr. GROSS. Very briefly.

Mr. WYMAN. The gentleman knows that the interior or whatever goes into this will be determined by the Speaker and the chairman of the joint committee.

Mr. GROSS. So what? We have an office building called the Rayburn Building. A Speaker and the committee was involved in that. Someone criticized the gentleman from California (Mr. ROYBAL) a little while ago because he suggested a further study of this deal. If there had been more study and if perhaps the membership of the House had been taken into consideration, we might not have had a Rayburn building that started out to cost $65 million and wound up costing $130 million.

That is exactly what happened, and the gentleman knows it. There are firm plans for furniture, yes, for furniture and draperies, and so forth, there are firm plans for that, but there are no firm plans for the Capitol extension itself. We do not know here this afternoon how many offices are to be in that extension of the Capitol, what kind of offices they will be, or whether they will even be offices. They might stick in a restaurant before they get through, or a bowling alley, or something of that kind—we do not know.

Here is a propaganda letter from the leadership that was distributed here today, and with it is a photograph—I do not know which one of our leaders took it. Perhaps all three of them got into the act, with one of them holding the camera, another sighting it, and the third one pulling the shutter. I do not know.

It intrigues me to see all of the leadership, the speaker, the majority and minority leaders, all backing a drive of this kind to spend $60 million at a time when we ought to be cutting down on expenditures, not increasing them. I thought there was some concern around here about debt and deficit. Is there any real concern about debt and deficit on the part of the leaders who here propose a sight-unseen set of offices, or whatever they want to put in there, and at a cost of $60 million? There is $2 million worth of furniture ready to be planted in it—and I do not know whether it is going to be King Louis XV or XIV furniture. I do not know how many glass chandeliers they are going to put in this setup such as we have next door, and which we could have dispensed with until we did something about the debt, deficit and inflation that is crucifying the people of this country.

I want to see them vote for a tax increase bill. I want to see the leadership of this House espouse a tax bill; be honest with the people, if they are going to spend money in this fashion.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GRAY. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, and colleagues, first let me impart a little good news. At 10 o'clock this morning the Baltimore and Ohio Railroad in New York signed a commitment with the Chemical Bank for a $16 million loan to start construction immediately on the long-awaited National Visitor's Center at Union Station. We will have 2,000 parking places for automobiles, and about 300 parking places for buses. We will have facilities for two heliports on the roof, with scheduled transportation to outlying airports, and two stops for the new subway. All modes of travel will come into the Visitors' Center, and visitors will be able to get the right type of information and then see our beautiful Capitol City with public transportation in comfort. I am also happy to advise that President Nixon has in his budget $8 million for other work at the Visitors' Center. We will have this needed Visitors' Center and these facilities ready within 18 months. Mr. Chairman, there were over 25,000 persons in the Capitol building today. We must have this new facility.

Mr. Chairman, as the chairman of the Subcommittee on Public Buildings and Grounds, the House Committee on public works, it has been my privilege to sit and listen to requests from Members of the House and Senate for public buildings throughout the country. We have the legislative, executive, and judicial branches in our Government. I know this debate has been honest and sincere, but I would like to ask a question: Do you really believe we are being extravagant when we ask for a small $58 million appropriation to protect this great, historic Capitol, when at the present time the executive branch is building in Washington alone more than $300 million worth of public buildings? The FBI building down the street has a cost of $128 million.

Do you believe we are being extravagant when the judiciary has now under construction in the 50 States, Puerto Rico and the Virgin Islands, not $58 million, but over $1 billion worth of new courthouses to serve the judiciary? Do you believe we are being extravagant, my colleagues, when the administration now is building over $2 billion worth of public buildings throughout the United States—and they are needed, and I helped to pass the authorizations.

Do the Members know that in Washington alone we are paying $85 million a year for leased space, exclusive of Government-owned buildings? Are we here today telling our constituents that we cannot afford a very modest increase in the size of the U.S. Capitol at a cost of $58 million? I say we are not being extravagant; I say we have no choice in the matter, because the front of the building is going to fall down if we do not.

If someone criticizes a Member for a "no" vote against this amendment and a "yes" vote for this bill, remind him that this is infinitesimal compared to what is being spent for needed space in the executive and the judiciary branches of Government. The question today my friends, is not, can we afford this project to extend the West Front of the Capitol, but can we afford not to extend it?

Mr. GROSS. Will the gentleman yield?

Mr. GRAY. I yield to the gentleman from Iowa.

Mr. GROSS. We have to save a little money in order to build dog racing tracks around here.

Mr. GRAY. My friend knows full well we do not propose to build dog tracks. We have an RFK Stadium out here costing the taxpayers a little more than a million dollars a year, and I am a little surprised that my friend from Iowa opposes any source for bringing in revenue. We have only said let us look at rodeos, let us look at dog racing, let us look at various types of entertainment programs to try to bail out the RFK Stadium. The gentleman criticizes us when we have deficits; he criticizes us when we try to bring in revenues to help the poor taxpayers. I respect my friend very much but he cannot have it both ways.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Iowa (Mr. GROSS).

The preferential motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, in this debate this afternoon I have heard occasional references to supporting a wall, or being sentimental as if there were certain deprecating feelings about that. I see nothing wrong with a little honest, patriotic sentiment. This is not just any old wall; this is not just any old building. This is a wall that was built from 1793 to 1829. This is Thomas Jefferson's wall. This is the way he thought the Capitol ought to look, and it is the last remaining part of the building that he and George Washington knew.

We are Members of the House of Representatives. In a way we are part of history. Maybe we ought to be a little bit sentimental. I have mentioned Thomas Jefferson; Henry Clay was the Speaker of this House, John Quincy Adams was a Member. Abraham Lincoln sat here. We ought to think a little bit about preserving the Capitol that they knew.

These are the terraces of Olmsted out here. What do we want to tear it up for and put it beyond recall in order to get a few washrooms, restaurants, and tourist centers?

Go over to Great Britain. Go to the House of Parliament. Go to Westminster Hall. They understand these things. There is a building there. The Members have seen it. William Rufus built it in 1100-something. In 1600 they tried Charles I there. It looks just the same today as it did then. Just imagine the fate of a bill in Parliament that someone would bring in to alter that building so that the Speaker of the Parliament or the leader of the opposition could have offices, or anybody else could have offices, or American tourists could have more room to look the place over.

We talk about sentiment. I think we ought to think about sentiment, but we cannot do it on sentiment alone. We have got to be practical.

I talked to the Architect of the Capitol. I said I would like to save this old building if it can be done, but I do not want to spend a lot of money if it cannot be done.

I said to Mr. White, "In your professional opinion is it feasible, is it possible to restore it instead of extending it?"

He said, "Yes, it is."

That is what Mr. White said. And the estimated cost of restoration is one quarter to one-half of the estimated cost of extension.

In this case sense and sentiment march together, and I say support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. (MAYNE).

Mr. MAYNE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in support of the Roybal amendment. I certainly want to commend my colleague, the gentleman from Indiana (Mr. DENNIS), for the stirring tribute he has rendered to sentiment, which I too think is one of the values which should be given serious consideration here today. Surely we in this Congress spend enough money on creature comforts, on office space, and on all of the paraphernalia of modern mechanized man, that we can afford occasionally to think a little bit about our traditions and our rich historic heritage in this country. Certainly the west wall of the Capitol is all we have left of the original exterior of this building.

The American Institute of Architects has been criticized for what its experts said 20 years ago. Well, they lost that battle, and the American people lost the east front of the Capitol. It can never be returned. The original east front of the

Capitol is now buried in a girdle of concrete and marble and we will never see it again. That is what is going to happen to the west front of the Capitol unless the Members of Congress are willing to do something now to stop the proposed extension. We can never go back and have that west wall again if this plan proceeds.

Unless the Roybal amendment is adopted, we shall never again be able to say to the schoolchildren of this country who come here, as we were able to come here in our childhood and walk along that terrace and look at that west wall, overlooking the Mall, that here is where Clay and Webster and Calhoun walked and made their great decisions which shaped the destiny of this Nation. That scene can never be restored. As we approach the bicentennial of this republic, I think we should recognize and protect these important values. We must not ignore our solemn responsibility to future generations to preserve this one last part of the exterior of the Capitol that is such an important part of our fundamental precious American heritage. I strongly urge my colleagues to support this amendment deleting the unwise authorization for the West Front extension to proceed.

(Mr. BIESTER asked and was given permission to extend his remarks at this point in the Record.)

Mr. BIESTER. Mr. Chairman, in years to come, will visitors gazing at the west front of the Capitol from the foot of the hill view an extensive expansion of greenery or an expensive extension of concrete and marble?

Looked at from all angles and perspectives the arguments against extension of the west front are sound and persuasive.

At one time, extension was necessary, we were told, because the west front was in danger of collapse. After years of controversy, Congress commissioned a report by an esteemed engineering firm to weight the needs and merits of extension versus restoration. When it set the record straight that repair and renovation at a cost of about $15 million was all that was necessary to preserve the edifice, proponents of extension switched tactics and said we needed more office space in the Capitol.

Extension of the west front would cover the last remaining portion of the original Capitol building; the fact it survived the British in 1812 may not be good enough anymore. Extension would distort the visual balance which now exists and detract from the impressive impact of the dome. It would destroy the wide terraces and sloping landscaped grounds which add such grace and distinction to the west side of the building.

Do we really want to deface the historical and esthetic beauty of the Capitol in the name of additional congressional office space and tourist facilities at a cost of $58 million? I think not.

If Congress needs more office space, it is debatable that locating it in the Capitol in this fashion is either desirable or necessary. Existing services of lower priority now utilizing space in the Capitol could be moved elsewhere if the need for more room is so urgent. There are buildings and properties on both the House and Senate sides that could accommodate present and future needs. I do not deny that the time is approaching when more space for congressional purposes will be required. I only question the wisdom and appropriateness of using the Capitol for it. As one architectural firm observed:

> Like it or not, this building is now a monument, albeit a working monument, and there is no such thing as an efficient or economical monument.

The Capitol is a tremendously popular tourist attraction, and all efforts should be made to serve the needs of the thousands of daily visitors to this national monument. Tourist needs, however, can be satisfied at the soon-to-be developed Visitors' Center at Union Station three blocks away. The park and fountain area between the Capitol and Union Station is very attractive and it makes sense to encourage visitors to enjoy these grounds and utilize the Union Station facility. Construction of the west front extension, should it now be approved, would only insure one large eyesore of a mess at a time when the Capitol should look its best for the bicentennial.

A strong case can be made against the extension from an economic point of view as well. Now, at a time when costs and unnecessary Government expenses are at the forefront of legislative consideration, it hardly makes sense to appropriate this kind of money for a project of such doubtful merit. As Congress must act upon large cutbacks in domestic programs, it is difficult to understand—as it will be to the public, as well—how this body can, in good conscience, justify an expenditure on such a project involving our personal convenience.

If the debate over the extension has served any useful purpose, it is that we do have to get down to the task of developing a comprehensive plan for the future utilization of space in the immediate area surrounding the Capitol. I feel we should more profitably direct our attention to this need rather than consume valuable time on a matter that should be put to rest once and for all. Let us get on with the restoration so that the Capitol will be in readiness for 1976.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Wydler).

Mr. WYDLER. Mr. Chairman, I did not expect to speak to the House today but I thought since we have been discussing what is going to happen as a result of these plans it might be good to refer to them and to look at them.

The thing that really impelled me to take the floor and speak at this time is the remarks which were made by those who are proposing merely to restore the west front. They say by restoring the west front we can in some way increase the space in it. When pressed how they said we could go underground. I will say to the Members, I do not want to be part of anything that would send the Congress of the United States or its Members or its committees underground. I think that is totally demeaning to us and I think we should look at the sensible plans of what is being proposed.

Here is the plan for the first floor, and I am going to talk only about the House side because that is our business.

On the first floor area is the Committee on Appropriations which will be given a committee room in which to meet. They need it. Why would we ever object to giving the Committee on Appropriations a decent committee room in which to conduct their hearings? It seems very sensible and reasonable and thoughtful.

There are spaces for our leadership and they are not broken down but they are going to be designed by the leadership as they should be to meet their needs. It is only a small part of the total space.

Also there is space for the enrolling clerks to have an office space, and we would all argue they need it.

In the central part shared with the Senate is a large space for public assembly where some of the tourists might be able to meet off the rotunda and get organized before they go on their trips. I do not see anything wrong with that.

On the second floor we come to the area which is going to be right off our Chamber, which is going to be another area like the Rayburn Room, and we certainly need it and it is in the public interest. It is not for the leadership, but for the Members. Why should we object to that? Do we want it to be put underground? Certainly it is the type of thing we consider proper and right and necessary.

Also there is another cloakroom for Members and a work area for Members. Why should there not be a work area right off the floor, particularly since we have an automatic voting system which requires us to get here in a few minutes for votes and to remain close to the House floor.

In addition there are two conference committee rooms. They have long been needed by the Senate and the House.

The proposed extension would be devoted to serving the needs of the Members and that is clearly in the public interest as it serves the needs of the people.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. Bennett).

Mr. BENNETT. Mr. Chairman, I am very much in favor of this amendment. I think we can preserve this wall.

The testimony shows that it can be strengthened. The speaker who just preceded me referred to the fact that he did not feel that any additional space would be made available by restoration or preservation of the wall.

In fact there is no real space which would be made available unless we do go underground; but when we look at the bottom floor of this building we see it is very inadequately used. Practically nothing is there but storerooms, and warehouses.

Today, when we have air conditioning and we have lighting, there is a tremendous space, acres of space available on the bottom floor of this building which is not adequately used.

One would not actually expect to find, even in a downtown office building, such a degraded use as exists in the basement portions of this building.

The concern I have for preserving this wall is partly because of the fact that I think it does stand as a specific symbol of the traditions of our country. My concern is also partly because I do not really want to see this building turned into a tourist type activity with assembly halls and things of that type which will make it more difficult for us in Congress to perform our duties here. My concern is also that we save taxpayers dollars.

Instead of doing that sort of thing in this building, other buildings could be constructed here of a temporary nature to last 25 or 30 years, which could then be torn down and rebuilt as the times of our lives change, and our needs change. It is a much better way to spend our money and it would save money.

I recommend that this amendment be approved. In so doing, we are preserving the heritage of our country, and by using this building sensibly, since we already have acres of inadequately used space underneath, we can save the money of the taxpayers.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. Myers).

Mr. MYERS. Mr. Chairman, I think most Members are vitally concerned about the wise expenditure of the taxpayers' money. It seems to me that this argument has been intertwined here with some other aspects.

I certainly do not disagree with my distinguished colleague from Indiana (Mr. Dennis) as far as the history of our great Capitol, but what really makes the history of this Capitol? The people who come here to visit, as they are today thousands of schoolchildren are visiting their Nation's Capitol.

They look with pride upon this building, not because of this historic value, necessarily, but because it is the Capitol of the United States; the building itself.

To be a capitol it has to be large enough and adequate enough to be able to handle the government of this country. Some of the opponents of this extension are the very people who are for some of the programs that cause larger facilities to be necessary here; larger agencies, larger commissions. We cannot vote constantly for an all-expanding Federal Government, and at the same time tie the hands of those who work here in the Capitol to expand with that growing need.

I serve on two subcommittees which meet in very small rooms. I do not suppose there are any people here who have rooms in their homes as small as the two subcommittees have. Now, we are opening up to the public so that they may see how their money is being spent. They have a right to know how the Committee on Appropriations in Washington spends their money, but by the time we put up chairs for the members of the press, the taxpayers have no place to watch the money being spent.

I would like to see the expansion include rooms so that the public could see.

I would like to ask, of this 270,000 square feet, how much is actually going to be available for building space? I yield to the gentleman from Michigan, the distinguished minority leader, for an answer.

Mr. GERALD R. FORD. Mr. Chairman, at this stage there is one area specifically set aside for the Committee on Appropriations. I served on the Committee on Appropriations for 14 years. I am very familiar with that very small space which they use today. Also, it has more members now than it had before.

Mr. MYERS. There are telephone booths in the country larger than those two rooms.

Mr. GERALD R. FORD. There will be adequate committee space for the Committee on Appropriations. I can assure the gentleman from Indiana, furthermore, that as I understand it, the Capitol Building Commission will have the final review on the plans for space in this extension if the Congress approves the necessary funding for the extension.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. Randall).

Mr. RANDALL. Mr. Chairman, it is with fear and trepidation when some of us have to oppose our leadership. On the other hand as we go home during the recess to face our constituents—it is about time we should begin to think of ourselves, and how we can explain spending $60,000,000 when we can restore the west front for $15,000,000.

I had hoped the gentleman from Illinois (Mr. Gray) might say something more about the space soon to be available at the old Union Station to be converted into a new visitor's center. He started out his remarks very fine when he said the Baltimore and Ohio had signed a contract this morning for $16,000,000. If Members will look at the letter signed by leadership, needs for space seemed to be the main argument for the west front. Now it develops Mr. Gray will have space for 2,500 cars, and we are going to have a little train running back and forth. We are going to have all the visitors facilities we need down there. Then over on the other corner of New Jersey and C Street we have an eight-story building. I understand the top floor of the old Congressional Hotel will be vacated providing a lot of new space.

Some of us, in supporting the Roybal amendment, believe the new West Front amounts to an unacceptable change in the original Capitol.

But the really important point is that we are all going home on Thursday night. We should all keep in mind that this is the very first vote—the very first vote we will have on a fiscal year 1974 appropriation bill. Everything we have done up to now, all the vetoes and everything else, have involved fiscal year 1973.

So, when we go home we should be able to say we supported this amendment and helped pass it. We have seen the administration make cutbacks to reduce deficits all the way from the elimination of student loans, veterans benefits, REAP, small water districts, and many other things. Let us say we voted to try to help reduce the deficit. Perhaps saving this $60,000,000 will not balance the budget but it will help by just that much.

No matter what we do this afternoon it does not mean we are going to have this extension. The other body has been pretty adamant about it. But Members have an opportunity here, as they go home Thursday night to say, "This is the first vote, and our vote was to hold the line on spending." Let us do what is needed for $15,000,000 and save the $60,000,000 that would be the cost of this unnecessary extension.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Seiberling).

Mr. SEIBERLING. Mr. Chairman, as a onetime historian I must say that I gave this matter some very careful thought and I was rather concerned about what was the right thing to do here.

Adding it all up, it seems to me that if Frederick Law Olmsted were living now he would be laughing at us. We talk about the West Front as though it were the same as it was when it was originally built. If we wanted to keep it the way it was when it was originally built, Mr. Olmsted's terrace would never have been created. That terrace changed completely the aspect and style of the west front. Furthermore, it made the west wall itself less attractive than before. All one has to do is go out and look at those big wells and see that there is *nothing* esthetic about them.

So all we are talking about is whether we are going to take that wall and take some stones out and replace them with new stones and say it is still the same wall, which obviously it would not be.

If we really want to do something about preserving historic features of this building, let us create some new space to which we can transfer all the statues out of Statuary Hall, so that we can recreate the original hall, which was the original House of Representatives. Then people can come to this building and look at the interior of the House the way it was when the Capitol was first built.

This Capitol is not the same as it was 50 years ago, and at that time it was not the same as it was 100 years ago. It has been a changing, evolving thing.

The real question is: Is this a sound thing from an architectural standpoint? Most architects today concede that the east front extension was an improvement. I submit that if Frederick Law Olmsted were alive today he would say the proposed West Front extension is an improvement.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. Yes, I yield to the gentleman from Ohio (Mr. Hays).

Mr. HAYS. Mr. Chairman, I have listened to the gentleman, and I believe he is 100 percent right. This room is not even the same as it was when I came here, because at that time it had about 30 I-beams sticking up all over the place to keep the roof from falling in. But I suppose we should have left it like that.

Mr. SEIBERLING. I thank the gentleman from Ohio (Mr. Hays).

Mr. Chairman, if we want to get down to the immediate present, we have some artists putting paintings on the ceiling of the corridor leading to the House dining room. If we want to preserve it the way it was originally, we would just leave it blank.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. Casey) to close the debate.

Mr. CASEY of Texas. Mr. Chairman, I certainly have respect for the proponents, those who want to keep the old wall, but I would point out to the Members that if we spend $20 million or $30 million, or whatever it costs—and we will never be able to get a firm bid to do it—for restoration and our constituents come back and see it, they will say, "When are you going to restore the west wall?" That is what they are going to ask us, because it is still going to be a painted wall.

Now, if we extend and leave openings to show the original wall, such as we have in the extended east front, we can take that paint off and we can actually see the original stones. One would actually be able to touch them. However, if we try to preserve this old west wall, all we are going to look at is, as I have said earlier, a new coat of gray paint every once in a while.

Now, I would say to the gentleman who spoke earlier about the restoration of the old House Chamber—maybe he was not on the floor today when I mentioned that money is included in the bill for the partial restoration of the old House Chamber—that I agree with the gentleman heartily. All the work that is being done in the restoration of the old Supreme Court Chamber and the old Senate Chamber is along the lines the gentleman speaks of.

Mr. Chairman, we are not going to destroy this building; we are not going to desecrate its looks. The American Institute of Architects says we are going to ruin the facade. The "facade" means the decorative exterior—special architectural treatment.

We are not going to ruin the facade. Look at the rendition of the proposed extension displayed here in the well, and if it is not a beautiful sight, I do not know what beauty is.

The proposed new structure adds a peak on the portico that points up to the dome.

Mr. Chairman, the AIA in its last meeting brought up the question of whether or not to support extension or restoration of the west front, and it was so controversial it was tabled. This recommendation of the AIA is just a recommendation of the board of directors, that is all. They are not speaking for all of the architects of this country.

I would suggest to the Members of the House that they assert themselves as to what is the best use of the money, what is best for the looks of the Capitol, and what is best for its utility. I want to point out on the model displayed in the well the underground service area. Presently, all of our trash is hauled and all of our deliveries are made right on the sidewalk adjacent to the main steps on the east front. I do not like to see this. It certainly detracts from the beauty of the east front and is particularly bad during the service band concerts during the summer months.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. Roybal).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROYBAL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 189, noes 195, not voting, 50, as follows:

[Roll No. 100]

AYES—189

Abdnor
Abzug
Adams
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Beard
Bell
Bennett
Biester
Bingham
Bray
Breckinridge
Brotzman
Brown, Mich.
Broyhill, N.C.
Burgener
Butler
Byron
Chisholm
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conlan
Conte
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
de la Garza
Dennis
Devine
Dorn
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Fish
Flowers
Flynt
Fountain
Fraser
Frelinghuysen
Frey
Fuqua
Gaydos
Gettys
Giaimo
Ginn
Goldwater
Goodling
Grasso
Green, Pa.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Holt
Howard
Huber
Hudnut
Hunt
Johnson, Colo.
Jones, Tenn.
Jordan
Keating
Kemp
Ketchum
Koch
Landgrebe
Lent
Lott
Lujan
McCloskey
McDade
Macdonald
Mallary
Mann
Martin, N.C.
Mathis, Ga.
Mayne
Mazzoli
Mezvinsky
Miller
Mills, Md.
Minish
Mink
Mitchell, N.Y.
Moakley
Montgomery
Moorhead, Calif.
Mosher
Nedzi
Nelsen
Nichols
Parris
Pettis
Peyser
Pike
Preyer
Pritchard
Quie
Railsback
Randall
Rarick
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roncalio, Wyo.
Roncallo, N.Y.
Roush
Roybal
St Germain
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Skubitz
Spence
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Symms
Taylor, Mo.
Teague, Calif.
Thompson, N.J.
Thone
Thornton
Towell, Nev.
Udall
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Widnall
Wilson, Charles, Tex.
Winn
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Zion
Zwach

NOES—195

Albert
Alexander
Andrews, N. Dak.
Annunzio
Arends
Ashley
Barrett
Bergland
Bevill
Blackburn
Blatnik
Boland
Bolling
Bowen
Brademas
Brasco
Brooks
Broomfield
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Clausen, Don H.
Conable
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Dickinson
Diggs
Dingell
Donohue
Downing
Eckhardt
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fisher
Flood
Ford, Gerald R.
Ford, William D.
Forsythe
Frenzel
Fulton
Gonzalez
Gray
Green, Oreg.
Griffiths
Haley
Hanna
Hansen, Wash.
Harsha
Hastings
Hays
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holifield
Horton
Hosmer
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kastenmeier
Kazen
Kluczynski
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Litton
McClory
McCollister
McCormack
McEwen
McFall
McSpadden
Madden
Madigan
Mahon
Mailliard
Martin, Nebr.
Matsunaga
Meeds
Melcher
Metcalfe
Michel
Milford
Mills, Ark.
Minshall, Ohio
Mizell
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Patman
Pepper
Perkins
Pickle
Poage
Price, Ill.
Quillen
Rangel
Rhodes
Roberts
Robinson, Va.
Rogers
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Saylor
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Stokes
Stubblefield
Sullivan
Symington
Taylor, N.C.
Thomson, Wis.
Ullman
Veysey
White
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Wyman
Young, Tex.
Zablocki

NOT VOTING—50

Addabbo
Badillo
Biaggi
Boggs
Breaux
Brinkley
Brown, Calif.
Carey, N.Y.
Carney, Ohio
Chappell
Clark
Clay
Conyers
Corman
Dulski
Eilberg
Findley
Foley
Froehlich
Gibbons
Gilman
Harrington
Harvey
Hawkins
Holtzman
Jones, Ala.
Karth
King
Long, La.
Long, Md.
McKay
McKinney
Maraziti
Mathias, Calif.
Mitchell, Md.
Morgan
Passman
Patten
Podell
Powell, Ohio
Price, Tex.
Roe
Rooney, N.Y.
Ryan
Talcott
Teague, Tex.
Tiernan
Treen
Waldie
Yates

So the amendment was rejected.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Wylie: Page 20, line 17, strike out "860,200." and insert in lieu thereof "$804,768.".

Mr. WYLIE. Mr. Chairman, this is a very simple and easily understood amendment which would merely reduce the amount appropriated on page 20, line 17, by $55,432.

This is a figure which I have taken from the report on page 17 where it is said:

> As shown on page 921 of the printed hearings, the total cost of loaning plants to Congressional offices during calendar year 1972 was $55,432, composed of $25,593 for the cost of plant materials and $29,839 for the salaries of Botanic Garden personnel involved in storage, make-up, potting, and delivery. The Committee suggests that steps be taken to put appropriate controls into effect to prevent this activity from growing into unmanageable proportions.

The way to prevent it from growing into unmanageable proportions is to eliminate the amount altogether. The Botanic Gardens personnel do not like this program and they do not want it. Most Members of Congress do not like it and do not want it and do not need it as far as I am concerned, so I think the best way to keep it from growing into unmanageable proportions, as I suggested, is to eliminate it.

I think it is this sort of thing which makes the membership look foolish. Besides, it provides unfair competition with free enterprise.

I would suggest the adoption of my amendment.

Mr. STRATTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to make the announcement, particularly in view of the close vote on the Roybal amendment, that both the Speaker and the minority leader assured me yesterday that when we meet tomorrow, there will be a motion offered to recommit the bill with instructions to strike out the money for the west front.

Therefore, because of the number of Members who are absent on account of the holiday today, we will have an opportunity to vote again on the west front issue with the full membership. In view of the very close vote, I think we may still have a chance to win tomorrow.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Wylie).

The amendment was rejected.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Wylie: Page 5, line 14, strike out "$63,262,000" and insert "$61,000,000".

Mr. WYLIE. Mr. Chairman, I offer this amendment more as a matter of principle than anything else. Last year we had added to our staff without our vote and without our consideration an additional employee, so that the Members have had their staff personnel increased by five since I came to Congress without approval by the Members of this body.

We have never had any chance to vote on this issue. I get along with far less employees than the 16 authorized for my staff, and my district is as large as anyone else's.

As I say, I offer this as a protest against the addition of staff personnel without at least giving us a chance to vote on it. I do not think this kind of procedure helps our image any, to slip in a new employee here and there and then come back to the House later to appropriate money in an appropriation bill to take care of it.

What my amendment does is simply strike the allowance for the additional, 16th employee for the 290 Members who have already hired the 16th person authorized last year.

The $7,800 authorized per employee when multiplied by 290 comes to $2,262,000. When we strike that amount from the bill, we get a nice round figure of $61 million for clerk hire appropriations.

Mr. Chairman, I urge the adoption of my amendment.

Mr. CASEY of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to point out that the sum in this bill is not the maximum that would be required if all Members utilized their entire allowance. Rather it is an estimate of how much money will be spent based on past experience and recent projections. Some of the Members do not use all the clerk hire allowance to which they are entitled. I think the purpose of this amendment is just a way to try to restrict Members clerk hire allowances. I do not know how we would allocate the reduction.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Colorado (Mr. Evans).

Mr. EVANS of Colorado. Mr. Chairman, I agree with the Chairman. I oppose the suggested cut. Not only is it true what the Chairman said, but at this time we are trying to provide ourselves within our own congressional offices, the means by which we can better accomplish our functions as Members of Congress.

It is true that some Members need more staff and some need less. I do not think this is a way in which we can efficiently address ourselves to the question.

I hope we vote the amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Wylie).

The amendment was rejected.

Mr. ROUSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I was disappointed that the gentleman from Ohio (Mr. Hays) made a point of order against the language found on page 3 of the bill with regard to the House library document room, which is found in the basement of the Cannon Office Building. I would refer the membership to page 8 of the report.

This indicates this library is entirely duplicatory of the function of the Library of Congress. For salaries alone, it is costing $102,177 in fiscal year 1974. I could have offered an amendment which would have stricken funds for this purpose and I could have avoided the point of order previously sustained. However, after consulting with the gentleman from Ohio, I have decided not to do so, in that he has assured me he and his committee will give some attention to this particular problem.

Mr. CASEY of Texas. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Murphy of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6691) making appropriations for the legislative branch for the fiscal year ending June 30, 1974, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. CASEY of Texas. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. Pursuant to the unanimous-consent agreements of Thursday, April 12, and Monday, April 16, further proceedings on this bill will be postponed until tomorrow.

GENERAL LEAVE

Mr. CASEY of Texas. Mr. Speaker, I ask unanimous consent that I may revise and extend my own remarks on the bill just considered, and include extraneous matter, and that all Members may have 5 legislative days in which to extend their remarks in the Record on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 496) entitled "Joint resolution making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McClellan, Mr. Magnuson, Mr. Pastore, Mr. Proxmire, Mr. Montoya, Mr. Young, Mr. Hruska, and Mr. Cotton to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 398) entitled "An act to extend and amend the Economic Stabilization Act of 1970," agrees to a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Sparkman, Mr. Proxmire, Mr. Williams, Mr. McIntyre, Mr. Tower, Mr. Bennett, and Mr. Packwood to be the conferees on the part of the Senate.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION, 496, SUPPLEMENTAL APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Mahon, Boland, Natcher, Flood, Smith of Iowa, Patten, Casey of Texas, Obey, Mrs. Green of Oregon, Messrs. Cederberg, Michel, Conte, Shriver, McDade, and Robinson of Virginia.

PERMISSION TO FILE CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 496, SUPPLEMENTAL APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Conference Report (H. Rept. No. 93–146)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the resolution (H.J. Res. 496) "making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans Administration, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

The committee of conference report in disagreement amendment numbered 2.

George Mahon,
William H. Natcher,
Daniel J. Flood,
Neal Smith,
Edward J. Patten,
Bob Casey,
David Obey,
Edith Green,
E. A. Cederberg,
Robert H. Michel,
Silvio O. Conte,
Garner E. Shriver,
Joseph M. McDade,
J. K. Robinson,
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John O. Pastore,
William Proxmire,
Joseph M. Montoya,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference of the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans Administration, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Higher Education

Amendment No. 1: Appropriates $872,000,000 for student assistance programs as proposed by both the House and the Senate, including the following amounts as proposed by the House: $122,100,000 for basic opportunity grants; $210,300,000 for supplementary educational opportunity grants; $270,200,000 for college work-study; and $269,400,000 for national defense student loans; instead of the following amounts as proposed by the Senate: $385,000,000 for basic opportunity grants; $210,300,000 for supplemen-educational opportunity grants; $237,400,000 for college work-study; and $120,000,000 for national defense student loans.

School Assistance in Federally Affected Areas

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which provides that none of the funds made available by the Continuing Resolution as amended (Public Law 92–334, Public Law 93–9) for carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), shall be available to pay any local educational agency in excess of 54 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of said title I and none of the funds shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools.

The conferees are concerned over the current situation at the Douglas school system in South Dakota. The closing down of schools for any reason is certainly a tragic event. However, payments to this school system for impacted area aid have already been made to the full extent possible, and the conferees agree that no additional payments may be made unless changes are made to existing provisions of the law.

George Mahon,
William H. Natcher,
Daniel J. Flood,
Neal Smith,
Edward J. Patten,
Bob Casey,
David Obey,
Edith Green,
E. A. Cederberg,
Robert H. Michel,
Silvio O. Conte,
Garner E. Shriver,
Joseph M. McDade,
J. K. Robinson.
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John O. Pastore,
William Proxmire,
Joseph M. Montoya,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Managers on the Part of the Senate.

FEDERAL AID HIGHWAY ACT OF 1973

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 356 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 356

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Public Works now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be read for amendment by titles instead of by sections, and all points of order against said substitute for failure to comply with the provisions of clause 16(c), rule XI, and clause 4, rule XXI, are hereby waived. It shall also be in order to consider without the intervention of any point of order as an amendment to section 123 of the committee amendment in the nature of a substitute the text of the proposed amendment as set forth on pages 125 and 126 of the minority views accompanying House Report 93–118. At the conclusion of the consideration of the bill (S. 502) for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Indiana (Mr. Madden) is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. Quillen), pending which I yield myself such time as I may consume.

Mr. Speaker, I want to commend the Public Works Committee of the House of Representatives for holding hearings and reporting out this much needed legislation to meet the congested highway traffic over the Nation and especially for providing part of the funds to be applied to the cost of relieving critical automobile and truck congestion in the urban areas. This legislation should have been enacted last year before the adjournment of the 92d Congress. The Public Works Committee devoted many weeks in 1972 on hearings and executive meetings to produce the highway bill that should have been enacted before adjournment last November. The corridors of the Capitol and Senate and the House Office Building during the last few months have been congested with high powered and highly financed lobbies representing special interest groups in order to deny any of this dormant highway fund money from being diverted into the metropolitan areas where the Nation's real highway traffic congestion exists.

The 1970 Highway Act authorized a Federal aid program for streets and highways carrying the major portion of city traffic; this year's bill extends and strengthens this provision together with an increase in funding to relieve the critical highway congestion in our cities.

We must remember that over the last 20 years the population of the cities of the metropolitan areas of this Nation has multiplied and according to the recent census approximately 72 percent of our 206 million people reside in urban areas.

Surveys show that 97 percent of all traffic movement of individuals within the cities is performed by highways, roads, and streets; 94 percent is carried by automobiles and trucks within our urban areas.

In the Nation today there are approximately 13 million automotive vehicles. Last year the automobile and truck transportation vehicles took the lives of more people than any other cause of violent death. Over 55,000 Americans were killed last year by vehicular traffic and most of these deaths occurred in the congested areas of our cities throughout the Nation. Trucks carrying freight both local and intrastate and interstate vehicles depend almost 100 percent on the availability of an urban street and highway network. It is estimated that the miles of traffic of trucks and automobiles on highway and street needs are about evenly divided between urban and rural areas so the fund authorizations should be provided in equal amounts for these two areas. Tax collections into the highway trust fund are about evenly divided between taxpayers living in rural and urban areas so that this highway bill under consideration today balances these factors.

This legislation provides: $3.5 billion annually for completion of the Interstate System; $1.1 billion a year for urban roads—$700 million of this for urban highways and $400 million for primary and secondary improvements in urban areas; $1.1 billion a year for primary and secondary work in rural areas—$700 million of this for primary and $400 million for secondary); $100 million a year for urban high-density routes; $150 million a year for economic growth center highways to serve medium-sized cities; $300 million for priority primary system—where growth of traffic forecasts need for upgraded design.

The powerful lobbies who have been pressuring Members of Congress to ignore the deplorable and congested traffic congestion of our metropolitan cities are ignoring the urban taxpayers of this Nation who have contributed billions to the highway trust fund.

The homeowners and citizens of the urban areas are overburdened with property taxation, sales taxes, license taxes—city, county, and State, and so forth. They should not be denied the opportunity to share in this multibillion-dollar highway trust fund to which they have contributed and over the years been denied any returns for their local communities.

Every metropolitan city in the United States is undergoing similar bumper-to-bumper truck and automobile congestion and with insufficient funds to even initiate a program of curtailing this devastating problem of traffic congestion.

Mr. Speaker, House Resolution 356 provides for an open rule with 2 hours of general debate on S. 502, which is a bill to provide authorizations for certain Federal-aid highway programs in fiscal years 1974, 1975, and 1976.

House Resolution 356 provides that it shall be in order to consider the amendment in the nature of a committee substitute now printed in the bill as an original bill for the purpose of amendment.

All points of order against said substitute for failure to comply with the provisions of clause 16(c), rule XI, which prohibits a bill providing general legislation in relation to roads to contain any provision for any specific road, and clause 4, rule XXI, which prohibits appropriation language in an authorization bill, are hereby waived.

It shall also be in order to consider without the intervention of any point of order as an amendment to section 123 of the committee amendment in the nature of a substitute the text of the proposed amendment as set forth on pages 125 and 126 of the minority views accompanying House Report No. 93-118.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 356, the rule on S. 502, the Federal-Aid Highway Act of 1973, is an open rule with 2 hours of general debate. It also provides that the committee substitute be made in order as an original bill for the purpose of amendment, and that the bill be read by titles instead of by sections. There are two waivers of points of order. The first is a waiver of points of order against the substitute for failure to comply with the provisions of clause 16(c) of rule XI—specific road prohibition—and the second is a waiver for failure to comply with clause 4 of rule XXI—appropriation in a legislative bill. House Resolution 356 also makes it in order to consider as an amendment to section 123 of the committee substitute, the text of the proposed amendment as set forth on pages 125 and 126 of the minority views in House Report 93-118. This is an amendment diverting trust funds from the Federal-aid urban system commonly known as D money, for the purchase of mass transit—including fixed rail—facilities, at the discretion of local officials.

Mr. Speaker, I am opposed to this amendment for several reasons. First, there is a large backlog of new highway needs. In 1972, the Department of Transportation published a needs report which concluded that between now and 1990 the foreseeable needs for highways are going to amount to $592,000,000,000. For mass transit the need during the same period is anticipated to be $63,000,000,000. The highway trust fund brings in about $5,700,000,000 per year. It is obvious that there is not enough money in the highway trust fund to meet highway needs. If you divert money from the highway trust fund for mass transit, there will be even less money remaining in the trust fund for highway purposes. Therefore, while this proposed amendment does not directly affect, for example, interstate funds, the end result could be that interstate funds, along with all other highway funds, would be lessened.

Mr. Speaker, Federal-aid highway legislation was considered in the 92d Congress, but action was not completed before adjournment, even though hearings, floor debate, and conference with the Senate had been completed, and the conference report was on the floor at the time of adjournment sine die.

Mr. Speaker, I have no objection of the rule—the matter should be fully debated and the diversion amendment defeated.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. WRIGHT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 502, with Mr. UDALL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. WRIGHT) will be recognized for 1 hour, and the gentleman from Ohio (Mr. HARSHA) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, this is one of the big bills to come before this Congress this year. To appreciate the importance of the highway program to the Nation, it may be necessary for us to realize that the highways of this country are used by more Americans more often than any other service that society provides—93 percent of all intercity movement of persons in the United States is accomplished by means of highways. Within the cities the dependence upon the highways and roads and streets is even greater—98 percent of the movement of all people within the cities is accomplished by the highways, the streets, and the roads, and 94 percent of that is accomplished by movements in private vehicles.

We have tried to bring to the House a bill that recognizes the imperatives of highway construction and the imperative of the cities of the United States both for highway construction and for development of rapid mass-transit programs.

When the interstate program was initially authorized in 1956, there were some 63 million automotive vehicles trying to crowd onto a road structure that had been designed for only about half that number. The result, of course, was overcrowding, accidents, and an inordinately high death rate.

Since the beginning of the interstate system, financed along with the other Federal-aid systems under the highway trust fund, we have made substantial progress. We have demonstrated, for example, that modern, well-engineered highways definitely do save lives. The death rate on the interstate when measured in millions of passenger-miles traveled, is less than half what it is on the rest of the road-and-streets network of the United States.

Yet we still have a problem. We have only barely been able to keep pace with the fantastic growth in numbers of automotive vehicles in the United States. Today rather than there being some 63 million automotive vehicles, we have 113 million automotive vehicles in a nation of some 200 million people. This means there is more than one automobile for every two persons, man, woman or child.

Naturally it is a matter of imperative necessity to the United States that we complete this bill as expeditiously as possible. Many of the States have been frustrated in the orderly construction of their highway programs by the inability of the House and the Senate to make an agreement until the final day of the last session of the last Congress.

HIGHWAY CONSTRUCTION

Let me just briefly describe what is in the bill. For conventional highway construction the bill contains the following programs:

First, there is $3.5 billion a year for the construction of the Interstate System. We have stretched out the date of anticipated completion for that system from 1976 to 1979.

Second, we provide $1.1 billion for highways in the urban areas of our country. This is exactly half the regular primary and secondary fund money. Within the cities we divide that $1.1 billion thusly: $700 million of this is earmarked for urban highways. These primarily are expressways that exist within the city itself; $400 million is set aside for primary and secondary highway extensions inside the cities.

Third, we provide precisely the same total amount, $1.1 billion for work on the highways outside the urban areas, and this is divided: $700 million for primary system work; $400 million for secondary system work.

Fourth, we have created this year an entirely new program also as an express benefit to the cities of this Nation. We have authorized $100 million a year for urban high density routes. An additional $150 million annually is set aside for economic growth center highways, primarily to serve medium-sized cities and to make possible the development of other areas as an absorption point for this phenomenal growth that has been taking place in the few big cities of the country.

Additionally $300 million is earmarked for priority primary systems where the growth of traffic forecasts the need for upgraded design. We have $170 million for forest roads to help us reach and harvest the Nation's timber crop.

There are other sections involving smaller amounts for highway construction, but this basically covers the regular highway programs.

MASS TRANSIT

Let us look now to what is in the bill for local mass transit systems. We have done far more than any Congress has ever done before to try to accommodate the needs of the cities for mass-transit development.

First, the bill provides $3 billion, or $1 billion a year if we look at it as a 3-year authorization to use in grants to cities of the United States, and this money is to be available for those cities to use in any way they desire with respect to mass transit so long as it involves capital investment in systems to serve those cities.

Secondly, we have provided in the committee bill a new system of flexibility in order that a city which wishes to use some of its urban highway money for mass transit instead may do so. The city may substitute a mass-transit program, either fixed rail or purchase of rolling stock for rail or bus facilities, for any portion of its urban highway money, and it will get that money in advance obligational authority from the Secretary of Transportation. This would be in addition to what the city could receive under the $3 billion UMTA authorization.

This money would be made available immediately to that city upon its decision to forego that particular highway program, or a commensurate part of it. The only difference between that bill and the bill passed in the other body, or the amendment which is to be offered tomorrow, I believe, by the gentleman from California (Mr. ANDERSON) is that under the committee bill the money for mass transit, when substituted in addition to their mass-transit program for a part of their highway program, will come in advance obligational authority out of the general revenues.

Under the amendment which will be offered, it would come directly out of the Trust Fund and would be gone to the Trust Fund upon expenditure. Under the committee bill, funds released by this procedure would go back into the Trust Fund and be available for redistribution to all the other cities and States of the country that have unmet highway needs.

It seems clear to me that actually we do more for both highway and urban mass-transit in the committee bill than would be done under the amendment which will be offered by the gentleman from California.

In the third place, a further provision is contained in the committee bill to make this same form of flexibility available not only through those moneys coming in the urban system's fund, but through those moneys coming in the interstate fund.

If a city determines that it does not wish to build a segment for the interstate system which lies wholly within its boundaries, it need not do so if it can be determined that that segment is not necessary to the interstate system throughout the United States. It would be free under the circumstances to substitute a like amount for mass transit if this is what the city desires.

The CHAIRMAN. The gentleman has consumed 10 minutes.

Mr. WRIGHT. Mr. Chairman, I yield myself 5 additional minutes.

Let us bear in mind that dollarwise this is a far more significant section than the section which I just mentioned, in terms of total amount of money available to cities. Approximately two-thirds of our remaining interstate money is earmarked for projects within the cities. That is $3½ billion per year. This is a sum certainly not to be regarded as insignificant.

In the fourth place, we have striven to provide a workable means to help cities to convert these daily automobile commuters into users of their mass transit systems. We provide in the committee bill that any money authorized under any system, whether it be urban, primary, secondary, or interstate, may be used wherever the need exists for one of two things: either to build an express bus lane such as the one we see here in the Washington area on the Shirley Highway; or to construct fringe parking facilities to make it more attractive for people to leave their cars at a convenient place at the terminus of the mass transit to catch the mass transit system, ride it downtown, transact their business, return, pick up their cars, and go home.

I would simply like to point out that this experiment which we have been conducting on the Shirley Highway has had some fairly significant results. During the 2 years of its operation, the Department of Transportation indicates that it has increased the ridership on the mass transit program by some 40 percent over that route. It has reduced the number of cars coming over that corridor into Washington by some 8,000 cars a day. When you contemplate that almost every other urban corridor in every city of this Nation is increasing in the volume of traffic, a reduction of 8,000 daily is truly very significant.

In a further attempt to assist the cities in the development of mass transit systems, the bill authorizes the free use of land in highway median strips and rights-of-way by local public transit authorities for the establishment fixed rail or elevated facilities.

In addition, the bill provides $75 million for completion of a long-needed national study of mass transit needs, including methods of financing, fare structures, and possible means of operating subsidization.

WHAT'S FOR CITIES

Then let us sum up. What is in the bill for cities? Clearly the lion's share of this bill is directed to the cities of the United States. Considering the preponderance of the remaining work on the interstate which is earmarked for urban use, the setting aside of exactly one-half of the regular 70/30 money for use within the cities, and the creation of the new urban high density system it is clear that approximately two-thirds of all the moneys coming out of the trust fund under the committee bill will go to the urban areas of the Nation.

When we add the moneys that are authorized out of the general fund approximately third-fourth—please understand this—approximately third-fourth of all the authorizations in the bill go to the urban areas of this country. I do not see how by any stretch of the imagination anybody could conclude that this committee has not been more than amply fair with the cities of this land.

I should like to say one or two words about highway safety.

Mr. ANDERSON of Illinois. Mr. Chairman, would the gentleman prefer to yield at the conclusion of his statement, or will the gentleman yield at this time?

Mr. WRIGHT. I shall be happy to yield at this time to my friend from Illinois.

Mr. ANDERSON of Illinois. I rise to my feet because the gentleman just expressed a belief that surely no one could believe that the great Committee on Public Works of the House could be less than fair with the cities of this country because of the mass transit provisions he has just described.

I wonder if the gentleman really wants this House to believe that we are doing the same thing for the cities of this country if we give them advance obligational authority or contract authority subject to appropriations from the general fund of the U.S. Treasury, if doing that constitutes the same thing as telling them that the $700 million which is available here and now——

The CHAIRMAN. The time yielded by the gentleman from Texas has expired.

Ms. ABZUG. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. WRIGHT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Udall, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, had come to no resolution thereon.

COMPETITION IN GASOLINE RATIONING

(Mr. CONTE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, I bring to the attention of my colleagues another instance of monopolistic practices by the major oil companies.

The major oil companies are moving into the discount gasoline business at the same time they are forcing the independents out. It appears that the majors are taking unconscionable advantage of the current gasoline shortage.

This disturbing trend deserves the close attention of the Antitrust Division of the Department of Justice and the Federal Trade Commission.

Independent gasoline stations offer the only real competition in the oil industry because they offer lower prices.

But now the major oil companies, claiming they do not have enough gasoline, are cutting off supply contracts to many independents. At the same time, the majors are building new discount stations of their own—in direct competition with the same people they are putting out of business.

This type of double-barreled tactic must be stopped immediately.

As the ranking minority member, I am asking the Select Committee on Small Business to investigate this monopolistic trend as part of its continuing study of the oil industry.

Monday's Washington Post carried an excellent news story on the current gasoline shortage, and it highlighted the disturbing development in the discount gasoline business. I include this article in the Record:

[From the Washington Post April 16, 1973]

Gasoline Runs Short Throughout the United States

(By Thomas O'Toole)

What began 10 days ago as spot scarcities of gasoline in a handful of states has now blossomed into a coast-to-coast shortage.

It is not so bad that motorists can't buy gasoline, but it is serious enough to have forced the closing of hundreds of discount and off-brand gas stations whose supplies have been cut off by the major oil companies. It is also bad enough to have closed major-brand stations in states like Minnesota and Florida that are at the end of the gasoline distribution network.

"These are the states that are on the drag end of the pipeline system," said an official of Gulf Oil Corp. "Things are very tight right now in Florida, where there isn't even a refinery to help things out."

The Middle West has been hit hardest by the shortage. Metro 500 of Minneapolis has closed 21 of its 22 stations. All last week, gas stations in northern Illinois found themselves out of either regular or premium gasoline. Gas stations throughout Iowa were being rationed to between 70 and 90 per cent of what they got last year, even though demand was running 10 per cent ahead of last year's pace.

Oil jobbers (wholesale distributors) insisted it would get worse in the Middle West. Over the weekend, a refining subsidiary of Kerr-McGee Oil Co. named Triangle Petroleum closed its storage terminals in Des Moines, Kansas City, Chicago and Madison, Wis., a move that cut off independent distributors in a four-state region from a 25 million gallon gasoline supply.

"There's no question it's going to close a lot of independents," said William Deutsch, who represents all the independent marketers in Illinois. "It will even put some of the branded stations in trouble."

Things were almost as bad in New England, where an average of five stations were closed in both Connecticut and Massachusetts each day of last week.

Sure Oil Co. was forced to close 12 of the 50 stations it runs in Massachusetts and Connecticut. Sure said it had been getting 40 tank-loads of gasoline per week, was cut back to 20 two weeks ago and has been told it will be down to 10 in another two weeks.

Rural Connecticut has been hit especially hard. Sure closed three Save-Way stations selling the only discount gas in the farm country of eastern Connecticut. Several distributors of bulk gasoline in the same region of the state have been told they will get no gas next month, which means that the farmers they serve exclusively will have trouble getting gas for their tractors.

Further south, things aren't that bad but neither are they very good. The Greenbelt Consumers Services, Inc., which runs a chain of 10 stations that discount BP gasoline in the Washington area, has just been told that the 9 million gallons that BP supplies it with every year will not be forthcoming after July 9.

"They've cut us off from the only supply of gasoline we've had for the last 10 years," said Eric Waldbaum, president of Greenbelt Consumers Services. "We've gone to other suppliers, who have all told us they don't have enough to service us or any other new customer that might come along."

One of the ironies of the sudden shortage of discount gas is that the major oil companies are getting into the discount business at the same time that the independents are being forced out of it.

Exxon is now marketing discount gas under the brand name Alert at 16 stations in four states. Gulf discounts gas under two labels, Economy and Bulko. Shell markets it under the brand name Ride, Mobil under the name Cello. Phillips Petroleum discounts Blue Goose and Red Dot gas.

The emergence of the big discounters come at a time when major oil companies are closing their unprofitable brand name stations all over the U.S.—stations that are more than 300 miles from a refinery, have only a few pumps and do auto repair.

Exxon is in the process of closing 150 of its 400 retail stations in Illinois, Michigan, Wisconsin and Indiana. Gulf has put up for sale 3,500 stations in 21 states, from Illinois across the country to California and Washington State. BP has already pulled out of the Northeast, and Sun Oil Co. has withdrawn from Tennessee and most of the upper Midwest. Cities Services, Atlantic Richfield and Phillips Petroleum are also closing stations.

The oil companies insist that the big reasons for the gas shortage are a worldwide shortage of "sweet" (low sulfur) crude oil and a nationwide shortage of refinery capacity. They claim they need five new refineries a year to keep up with demand. They point out that not one new refinery is being built in the U.S. today.

The refinery shortage is so acute that the independent refineries find themselves being courted with more fervor than at any time in memory. An aide to Rep. Robert H. Steele (R—Conn.) claims that the competition for refined products like gasoline is one reason Sure Oil has had to close some of its Connecticut stations.

"The company was about to negotiate a contract with a Canadian refinery," the aide said, "when a major oil company offered to buy the refinery's product at the same prices Sure offered but won the contract when it guaranteed to supply the refinery with crude oil."

The head-to-head combat between the major oil suppliers and the independent distributors is bound to get worse as the gasoline shortage gets worse.

Greenbelt Consumer Services has filed a formal complaint with the Federal Trade Commission protesting the move by BP that will cut them off from gasoline, and in the only known court action so far a federal judge in Phoenix ordered Phillips Petroleum to restore gasoline sales to a discount chain it tried to cut off.

Meanwhile, the gasoline shortage itself promises to get worse as motorists take advantage of the improving weather. Last week. Detroit, Indianapolis and Boston reported that they did not receive a single bid for contracts to fuel city vehicles. For the first time in history, they faced the prospect of being unable to run police cars and fire trucks because of the gasoline shortage.

THE TAXING OF LAPSED OPTIONS—CONFORMITY FOR TAX-EXEMPT ORGANIZATIONS

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, I am today introducing legislation which would amend the Internal Revenue Code in order to rectify an inconsistency which presently exists in the tax laws in regard to the treatment of tax-exempt organizations.

The purpose of my legislation is to eliminate an anomoly in the application of the unrelated business income tax to exempt organizations. Such organizations, including educational institutions, may seek to augment their investment income by granting options to purchase securities held in their portfolios.

If an option of this type is exercised, thus requiring the organization to sell the security, the premium received for the option is treated as part of the proceeds on the sale of the security itself. Any gain on such a sale is not subject to the unrelated business income tax, because that tax does not apply to investment income such as dividends, interest, and capital gains.

If, on the other hand, the option is permitted to lapse, the organization retains the income it received for the option. Yet, although such income also is derived from the investment activities of the organization, the Internal Revenue Service holds that it is subject to the unrelated business income tax.

There is no rational basis for continuing this disparate treatment. The unrelated business income tax is intended to discourage exempt organizations from competing with taxable businesses. Given this purpose, there is no more reason for taxing the income derived from the lapse of options than there is for taxing the capital gains of exempt organizations. No competition with taxable businesses is involved in the production of either type of income.

The Internal Revenue Service's present position results from an historical fortuity. Under the Internal Revenue Code of 1939, income from the lapse of an option was considered short term capital gain, and, as such, was exempt from the unrelated business income tax. For reasons wholly unrelated to the present issue, such income was reclassified as ordinary income in the Internal Revenue Code of 1954. Although the 1954 change was directed at nonexempt taxpayers, it had the effect, apparently unintended, of subjecting such income in the hands of exempt organizations to the tax on unrelated business income.

During consideration of the Tax Reform Act of 1969, and again in August 1970, the Treasury Department indicated it would not oppose an amendment which would restore the pre-1954 code tax status. It did so after considering the legislative history of section 512 and the practice of exempt organizations with regard to the granting of options.

Enactment of the amendment at this time is particularly appropriate. As explained in the Wall Street Journal article reprinted below, the Chicago Board of Trade has organized the Chicago Board Options Exchange as the first national securities exchange to offer trading in options. Trading on the new exchange is scheduled to begin within the next month. Its success depends in no small part on the participation of exempt organizations such as educational institutions. Their participation will be unnecessarily discouraged by the present tax treatment of the income from lapsed options.

Moreover, in view of current budgetary and fiscal restrictions, educational institutions, particularly our major universities, have an unusual and immediate need to supplement their investment income. The proposed provision would permit such institutions to realize the maximum return from their portfolio holdings without subjecting those holdings to any unusual investment risk.

The revenue loss which would result from this legislation is at most minimal. Educational institutions and other tax-exempt organizations are at present reluctant to engage in the writing of options because of the present restrictions of the unrelated business income tax on options that are not exercised.

At this point in the Record, I would like to insert the article from the Wall Street Journal which accurately describes the current trends in marketing options:

Exchange Specializing in Trading Puts, Calls Is To Open in Chicago

(By Jonathan R. Laing)

Chicago.—Puts and calls are among the more esoteric of stock instruments. Though they have been actively traded for years, they average a miniscule 1% of the annual volume of the New York Stock Exchange. Only a smattering of the nation's estimated 30 million investors have ever dealt in them.

They soon may emerge from their obscurity, however. Late this month, the Chicago Board of Trade, the world's biggest commodity futures market, plans to open a central exchange in puts and calls, or stock options. The Chicago Board Options Exchange, as the new market has been named, initially will list call options in 16 actively traded New York Stock Exchange stocks. By year-end, officials of the Chicago options exchange expects to expand their offerings to calls in about 100 active Big Board stocks and perhaps start trading "put" options as well. Eventually, the exchange hopes to offer options in 200 listed stocks.

The Big Board and American Stock Exchange, spurred by the Board of Trade's efforts, recently disclosed that they are considering starting option markets of their own. "If the Chicago market does well, and we think it will, you can bet we'll follow," says James J. Needham, chairman of the New York Stock Exchange.

The PBW Stock Exchange, formerly the Philadelphia-Baltimore-Washington Stock Exchange, also says it will start a market in options in the next few months, though the form of the exchange hasn't been decided on.

HOW BIG A MOUSETRAP MARKET?

For the moment, attention is centered on the Chicago exchange, which has taken four years and nearly $2 million to develop. Whether it will succeed remains to be seen. Just to break even, officials say that the exchange must attract more volume in its 100 stocks than is presently done in the options market in all stocks.

Some observers doubt that it can. "The options market just isn't big enough to pay its freight," declares Berton Godnick, head of options trading at Colin Hochstin Co., a New York brokerage house, and former chairman of Godnick & Son, a leading options broker-dealer concern. "They may have developed a better mousetrap, but they've forgotten that the mousetrap market isn't that large."

But many experts feel that the Chicago exchange's chances for success are excellent. "It should vastly increase options trading by making it much cheaper and easier to do and by giving options the public exposure and respectability they have always lacked," says University of Chicago Prof. James H. Lorie, director of the university's Center for Research in Security Prices. "The market's potential is truly enormous."

If the options exchange meets such expectations, the implications would be significant. For one thing, it could revolutionize the portfolio management techniques of institutional investors such as pension funds, insurance companies, banks and mutual funds, affording them new ways to both hedge and improve the market performance of their massive stock portfolios. Also, the exchange could become the focus of much of the short-term speculation in Big Board stocks. (Options-exchange officials are privately claiming that the exchange may one day rival the Big Board in volume.)

A LONG-TIME FAVORITE

Options have long been a favorite tool of speculators wanting to capitalize on expected major price moves in a stock, for they offer almost unlimited potential profit on relatively modest cash outlays.

With a call option, the most common type, a trader acquires the right to buy 100 shares of a stock within a specific period at an agreed-upon price, which is usually the market price, of the stock at the time of the option purchase. A put option, on the other hand, gives its holder the right to sell 100 shares of a stock at a specified price—again usually at the then-current market price—during a certain time period.

The cost of a put or a call, the "premium", typically rangest from 7% to 20% of what the option purchaser would have to pay to buy the 100 shares outright. The typical option period is six months and 10 days, though 30-, 60-, and 90-day options and occasionally one-year options are also available.

Several examples illustrate how options work in practice.

Say an investor became convinced that a Big Board stock selling at $50 a share was about to move up sharply. Instead of purchasing 100 shares for $5,065 with commission, he could buy a six-month, 10-day call for, say, $500, or 10% of the value of the stock, giving him the right to buy the stock anytime during the option period at $50 a share. If during that period the stock were to rise to $65 a share, the holder could then exercise the option by purchasing the shares at $50 a share and then promptly resell them at the $65-a-share market price.

A 173-PERCENT GAIN

His profit on the transaction would be $1,500, minus the $500 cost of the call and $133.48 in the commissions and fees, or $866.52. Of course, the investor would have made $1,366.52 on the transaction had he bought the shares outright, but the return on his $5,065 initial outlay would have been only 27% compared with a 173% gain on his $500 call.

Say the same investor decided that another listed stock selling at $50 a share was overpriced and likely to drop sharply in price. He then could buy a six-month, 10-day put option on 100 shares for, say, $500 again, giving him the right to sell the stock for $50 a share during the option period. If the stock then declined to $35 a share during the six months, the put holder could profit by purchasing 100 shares of the stock in the open market for $3,553.50 and then immediately reselling them under his contract for $5,068.35, clearing a handsome profit of $1,014.85 on his $500 put.

Probably fewer than 20% of all options are ultimately profitable; it takes a sizable short-term move in the price of the underlying stock for an investor just to recoup his premium and transaction costs, let alone make a profit. In the majority of cases, option buyers merely let their options expire without exercising them, thus losing their entire premium.

The sellers of options are generally wealthy individuals or, increasingly, institutions with large stock portfolios and substantial capital. Their incentive for selling options is the premium income they receive. They can profit handsomely if the market's performance discourages option holders from exercising their rights. For example, one Southwestern life insurance company claims it has averaged 17% a year in return on its investment in option writing since 1960.

Currently the bulk of options trading is handled by some 20 option specialty firms that act as middleman between option buyers and sellers. Mostly in New York, they include Thomas, Haab & Botts and Filer, Schmidt & Co. However, in recent years an increasing chunk of the options business (some say as much as 40%) is being done by New York Stock Exchange member firms. Among the 75 member firms with options departments are Merrill Lynch, Pierce, Fenner & Smith Inc., Reynolds & Co. and Donaldson, Lufkin & Jenrette Inc.

The existing options market has a number of defects that have hampered its growth, experts say. First, option transactions are costly. Option dealers typically take a 10% to 15% cut of the premiums they receive from option buyers before passing them on to option sellers. Also, a holder exercising an option must pay a minimum of two stock commissions to take a profit, and frequently option transactions result in even more commissions. These expenses can boost the cost of trading by as much as 40% over the price of the premium.

The market's transaction process currently is cumbersome and inefficient. Trades sometimes take days to negotiate. Large-volume trades often can't be made.

HARD TO GET OUT

Finally, options buyers and sellers now can't always get out of option contracts when they want to—at least not at a fair price. The option seller, in effect, is locked into his contract until either the buyer of the options decides to exercise or the option expires. The buyer wanting to sell his option before its expiration generally gets nothing for the unexpired time left on the option even though it has some value.

The option exchange should change much of this and in the process attract far greater volume, exchange officials say. By centralizing trading and standardizing option contracts, it will streamline trading, better accommodate big-volume transactions and give buyers and sellers the opportunity to unload their positions at any time, they say. Moreover, trading costs should be sharply lower, because traders closing out positions on the exchange will be permitted to do so without incurring any of the stock commissions required in the present market.

Exchange officials concede that it's tough to predict how the new market will do, but they note that the performance of stock warrants on the Big Board and American Exchange perhaps provides an answer. "Warrants, which are really nothing more than call options issued by companies on their own stock, typically attract between 50% to 100% of the volume of the stock itself, and we see no reason why our call options won't do as well," says one options exchange official. "When you consider that we will eventually list calls on several hundred of the Big Board's most active stocks, our market's potential is large indeed."

Some observers, however, doubt that the exchange options will quite fulfill such hopes. "Trading on the Chicago Board Options Exchange will be much risker even than investing in most warrants, because generally the calls will have such a short life," says Martin Zweig, assistant professor of economics and finance at City University of New York, who has written extensively on options. "While most warrants have a life of at least three to five years, the longest option periods on the exchange will be nine months. It's hard to tell how many investors will be willing to make such short-term speculations—especially when they stand to lose everything they put up if the underlying stock fails to rise."

A VISIBILITY PROBLEM

Another problem the exchange will face, at least in the beginning, is that of visibility. Exchange officials concede that wide reporting of its prices is essential for stimulating interest in the market. Yet no major newspapers plan on carrying quotations at the start of trading, though price quotes will be available to most brokers through the various electronic quote systems. An official of The Wall Street Journal says, "We'll wait and see how the market does for a while before we decide whether there's enough volume to warrant carrying the quotes."

Crucial to the market's survival will be its ability to attract institutional investors. In the past, institutions have made scant use of options because of the market's small size, but many observers predict that this will change.

"Judging by the number of inquiries we've gotten from institutions, their interest in the market is considerable," says Robert Rubin, a partner involved in the arbitrage and options operations of Goldman, Sachs & Co. "It may take a while, but I think that institutions will be very active in the options exchange."

The attractions of options to institutions are many. By selling call options on stocks held in their portfolios, institutions can both increase their portfolio income and partially hedge holdings against a drop in market price. Aggressive institutions such as hedge funds, anticipating a major move in a stock can maximize leverage on their money by purchasing calls on a stock rather than buying the stock outright. Options can also be used by institutions wanting to establish a position in a stock in advance of an expected inflow of money or to hedge a large block that they are in the process of selling off to protect against market weakness.

A number of obstacles still exist to deter some institutions from entering the options market. Many state insurance commissions frown on insurance companies they regulate dealing in options. Many bank trust departments shy away from options because of concern over state "prudent-man" investment rules. Such tax-exempt institutions as pension and endowment funds are reluctant to deal in options until they can win tax-exempt treatment for profits reaped from options trading. Legislation is expected to be introduced in the current session of Congress to do just that.

WHOSE OX IS GORED: PEOPLE OR DEFENSE CONTRACTORS

(Mr. MELCHER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, my attention has been called to a direct quote from Mr. Roy Ash, the unconfirmed director of the Office of Management and Budget, which Members of Congress should have printed in large type and hang in their offices to remember for a while.

Mr. Ash is quoted in the Wall Street Journal of April 6, in defense of the Nixon administration's termination of rural sewer and water grants, that it is not "the role of the Federal Government to overcome everybody's error in judgment as to where he lives."

Let that wisecrack be remembered when Litton Industries comes up with its claim for hundreds of millions because of Litton's errors in judgment in the making and execution of contracts with the Defense Department for an amphibious assault ship for the Marines, a series of Navy destroyers and other defense items.

Certainly, if it is not the role of government to help rural community residents because they erred in living in rural communities, it is not the Government's role to bail out Litton for its lousy judgment and management during Mr. Ash's presidency there.

Nixon Vetoes Bill To Free Money for Rural Sewers—President Suggests He Might Refuse to Obey the Order if Congress Overrides Him—Measure's Future Uncertain

Washington.—President Nixon drew the lines for a second spending show-down with Congress by vetoing a bill that would have forced him to release money for a rural water and sewer grant program.

Mr. Nixon also suggested that if his veto is overidden, he might refuse to obey the spending order because it "conflicts with the allocation of executive power to the President" as prescribed by the Constitution.

The dollar amount at stake in the current fiscal year is relatively small—$120 million frozen by the administration out of a total appropriation of $150 million for the year ending June 30. But the bill is second of two selected by Congress' Democratic leadership as spearheads in the confrontation with the President, and a House vote on whether to override the veto is scheduled for Tuesday.

Mr. Nixon won the first test earlier this week, when the Senate to override his veto of a three-year, $2.6 billion program of vocational aid to the handicapped.

SEWER-GRANT OUTCOME UNCERTAIN

But the outcome on the sewer-grant bill is uncertain, as it combines a popular program with the congressional drive to challenge the President's authority to refuse to spend appropriated funds.

* * * * *

mandatory spending bill mustered only 54 voters, or far fewer than the White House undoubtedly will need if the veto is to be sustained. The small initial vote against the bill reflects the program's popularity among lawmakers from the South and other heavily rural regions, where the government often is the only source of financing for such capital needs.

The second test is expected to attract more support for the President, and Capitol Hill sources predict the House override vote will be close. A House vote to override would influence the Senate, but still a Senate vote would probably be tight. A two-thirds vote of both Houses is required to override a veto.

The grant program was established eight years ago to aid rural communities where the population or the property values were too low to make normal long-term financing economical. The Farmers Home Administration estimates that grant money financed about 30% of a typical project's cost, with 5% Farmers Home long-term loans supplying the rest. About a third of all rural communities helped by the Agriculture Department agency qualified for grants.

In his veto message, Mr. Nixon said the grant program "forced the federal taxpayer to pay for services that should be locally financed, and it did so in a most uneven and questionable way." Resurrection of the rural program would only "undercut the tradition" of local self-reliance in building water and sewer facilities, "shoving aside local authorities for the increasingly powerful federal government," the President asserted,

By allowing as much as $300 million anually in grants for the 1973–75 fiscal years, Mr. Nixon added, the vetoed bill "would represent a dangerous crack in the fiscal ram."

The President, who issued his veto message at the Western White House in San Clemente, Calif., also termed the challenge to his executive powers in the legislation "a grave constitutional question." But at a news briefing here, Roy Ash, Director of the Office of Management and Budget, declined to say what the President would do in the event of an override. "In fact, we expect to be sustained," Mr. Ash said.

NIXON NOTES ALTERNATIVES

The Nixon message *noted* that affected rural communities can seek money for sewage-treatment construction under a much larger Environmental Protection Agency program. Rural development loans at 5% interest will be available to supplement the EPA grants as well as to replace the Farmers Home water loans starting with the fiscal year that begins on July 1, the President promised.

Although the Farmers Home Administration currently has on file some 1,500 applications seeking $250 million in grants. Mr. Ash predicted nearly all of these rural communities ultimately would carry out their projects with the alternative financing. He acknowledged that a few communities might be too small to quality for 100% financing, but said it isn't "the role of the federal government to overcome everybody's error of judgment as to where he lives."

A CANADIAN ROUTE FOR ALASKAN OIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, committees of both Houses of Congress are currently considering legislation to grant rights-of-way across Federal lands. The outcome of this legislation will determine the fate of the proposed oil pipeline from Alaska.

The Supreme Court, on April 2, 1973, ruled unanimously to let stand a court of appeals decision not to permit construction of the 789-mile oil pipeline from Prudhoe Bay to the port of Valdez because the line's requirement of a 146-foot right-of-way would violate the 54-foot limitation of the 1920 Mineral Lands Leasing Act. The decision is now where it ought to be—in the hands of Congress.

My colleague from Wisconsin, Representative LES ASPIN, has introduced legislation, H.R. 6694, which I am cosponsoring along with 21 other Members of the House. My colleague from Minnesota, Senator WALTER F. MONDALE, has introduced identical legislation in the Senate, S. 993. This bill would authorize the Secretary of the Interior to issue the rights-of-way and special land-use permits needed to construct, operate, and maintain pipelines for the development of the oil and natural gas resources on Alaska's North Slope, but only along the shortest feasible route through Alaska and Canada to the United States. The bill would also direct the Secretary of the Interior to initiate intensive investigation of the feasibility of this route within 60 days of passage of this act, in full accordance with the provisions of the National Environmental Policy Act of 1969.

The question is not whether North Slope oil should come to American markets, but in what manner and under what conditions. For economic, national security, and environmental reasons, an all-land route across Canada is much to be preferred to the trans-Alaskan-pipeline-tanker system, which the Department of the Interior approved last May. Fortunately, it remains for Congress to decide which route will be chosen.

The Midwestern and Eastern United States have no reliable source of oil. A pipeline from Alaska's North Slope across Canada to Chicago is the only permanent, down-the-road answer to the problem of oil supply for these regions.

The Minnesota Civil Defense Division's latest reports on the fuel situation state that 93 independent gasoline stations have suspended operations because of lack of supply and that another 200 are in jeopardy. Five oil companies—Gulf, Sun Clark, Bell, and Triangle Refineries—have either discontinued operations or marketing in Minnesota, or are about to do so. There is a strong probability of a critical shortage of gasoline in the next few months. Heating oil remains in short supply, and expanded air service to Duluth is threatened because of lack of jet fuel.

The geographic location of the Middle West makes its supply problem difficult to solve. Mr. Speaker, I ask permission to include in the RECORD, at the close of my remarks, a letter from Mr. F. James Erchul, Minnesota Civil Defense Director, stating the need of the Midwest for the proposed Alaskan oil pipeline across Canada.

It is not certain that a trans-Canadian pipeline would, overall, cost more than one from Prudhoe Bay to Valdez. Some early estimates by the oil companies had costs almost equal. At most, according to a 1972 study prepared by Charles Cichetti for Resources for the Future, the Canadian route would cost about $1 billion more than the Alaskan-tanker system, if both were constructed at the same time. In any case, a pipeline will have to be built for the North Slope's natural gas resources, since shipping gas by tanker would be prohibitively expensive. If we consider the cost differential between construction of an Alaskan pipeline-tanker system, plus a gas pipeline across Canada and the cost of a single oil-gas pipeline corridor across Canada, the difference is much less—somewhere around $250 million, according to an Interior Department memo of March 27, 1972.

Weighing west coast needs against those of the Midwest and the East, the needs of the latter two regions clearly prevail. The west coast has its own sources of oil. The Midwest and East do not.

At 1972 prices, oil in Chicago costs roughly 60 cents more per barrel than equivalent oil in Los Angeles. A convincing case has been made that if market forces were allowed free play and the price of oil in Los Angeles were allowed to rise, proved reserves in California would rise correspondingly. "Proved reserves," as you know, are the portion of the natural resource which can be produced economically with existing technology at current prices. "Oil in place" may be much greater; that is, oil already discovered, but which is not economical to produce at current prices.

As to the cost of delays in switching now to an all-land trans-Canadian route, even were Congress to amend the 1920 Mineral Lands Leasing Act to permit construction of the trans-Alaskan pipeline-tanker system, the courts would still have to decide whether the Department of Interior's environmental impact statement on the pipeline project has fulfilled the requirements of the National Environmental Policy Act. How much delay this would mean is a matter for conjecture.

On the other hand, two of the routes considered across Canada follow the proposed trans-Alaskan route for two-thirds of its length. New United States environmental studies for a trans-Canadian route would involve a much shorter distance than that of the original study. As far as the Canadian portion of the pipeline is concerned, the Canadian Government has completed detailed studies of a Mackenzie Valley route. Canadian Energy Minister, Donald MacDonald, stated in the Canadian Parliament on February 4 of this year:

> At that time we put before the United States Government [in a letter of May 4, 1972] the information we had available with regard to a Mackenzie Valley oil pipeline as opposed to a gas pipeline. Since that time we have completed a great many studies with regard to environmental, ecological and other impacts of a pipeline on the Mackenzie Valley, and the Mackenzie Valley oil pipeline research group has made available its studies in this regard to the American authorities. Of course, we will be interested in hearing from the United States Administration in this regard, but at present we do not plan to take any fresh initiative.

In the letter of May 4, 1972, referred to in this statment, Minister MacDonald wrote to Secretary Morton in the following vein:

> At the time of our conversation [March 30, 1972], you suggested that you would like to have more insight and information into the Canadian interest in having such an oil pipeline constructed through Canada from Prudhoe Bay. I undertook to write this letter to you to expand on our current position regarding a possible Canadian project and, in particular, to comment on matters related to the environment, financing and timing.
>
> There would be many advantages arising from the use of a Canadian pipeline route. . . . A result of detailed consideration would lead in our view to an improved appreciation of the advantages in an environmental sense of the Canadian alternative. . . . I would confirm to you my comments in Washington on March 30th last that in the opinion of our technical advisers there should be no reason why regulatory and governmental considerations could not be given in an expeditious manner commencing with an application filed by the end of this year.

Canada's Secretary of State for External Affairs, Mitchell Sharp, at a press conference on April 3, 1973, stated that Canada viewed the environmental problems of an oil tanker route along the Pacific coast as less controllable and therefore more dangerous than the environmental problems of a pipeline through Canada. He also said that Canadian authorities would be "prepared to hear and to listen" and "to give serious consideration" to a request for an oil pipeline across Canada.

It seems apparent from these recent statements by the Canadian Energy Minister and Secretary for External Affairs that Canada would be willing to cooperate with us in this important joint venture, and to consider favorably an application for a trans-Canadian route.

We come now to the national security argument advanced by the administration—that it would be better to have Alaskan oil totally under our own control. This might be true if Alaskan oil could make up our projected shortfall, so that we would not have to depend to any large extent on politically sensitive, middle eastern supplies. But administration projections show that even with the Alaskan pipeline in full operation, we will have to import 47 percent of our oil by 1980.

Construction of a pipeline across Canada would encourage exploration and development of Canada's own arctic oil resources. The President's 1970 task force estimated that oil output from the North Slope in 1980 would be 3 million barrels per day, if prices do not fall below the

1970 level. Since the proposed pipeline's maximum carrying capacity is 2 million barrels per day, it appears likely—almost certain—that more than one pipeline will be built. To encourage, in this way, development of Canadian sources of oil upon which we could draw, instead of Middle Eastern, is clearly in our national interest. National security considerations, therefore, should mandate choice of an all-land Canadian route.

Secretary of the Interior, Rogers C. B. Morton, circulated a letter to Members of Congress on April 4 urging construction of the Alaskan oil pipeline-tanker system. In yesterday's Washington Post, another letter from Secretary Morton appeared reiterating the administration's position. Secretary Morton's principal arguments appear to be: one, the Canadian route is not environmentally superior since it is longer and would therefore be more disruptive of the environment. Two, the U.S. west coast will be able to consume all the oil available from Alaska by 1980. Three, Canada has no exploitable northern oil resources of its own. Four, Canada has not indicated willingness to cooperate on a pipeline. And five, on national security grounds our choice should be the Alaskan pipeline-tanker system.

Let me say that I disagree with each and every one of these statements. And there are many who share my views. On both economic and national security grounds the Canadian route is preferable to the trans-Alaskan pipeline-tanker route. On environmental grounds, the evidence is equally clear that the trans-Canadian route is to be preferred. The Canadian route would avoid the earthquake-prone southern portion of the trans-Alaskan route as well as the danger of oil spills at sea. Moreover, an oil pipeline across Canada would parallel the gas pipeline corridor that must be constructed in any case, so that by choosing one route rather than two, total damage to the environment would be kept at a minimum. In comparing the Alaskan route with Canadian alternatives, the Department of Interior's environmental impact statement strongly indicates that there would be less overall environmental damage from the Canadian route.

Only one point in Secretary Morton's April 4 letter to Members of Congress do I find difficult to answer, and that is:

> The companies who own the North Slope oil have not indicated a desire to build through Canada.

It might be interesting in this regard to quote Mr. David Barrett, the Premier of British Columbia, who recently proposed a rail line across Canada for Alaska's oil. Responding to whether he had sounded out the oil companies on his proposal, Mr. Barrett said:

> We're not dealing with the oil companies. We're the government, they're not. I don't know how it is here [Washington].

This decision which is so vital to our national interest now rests clearly with the legislative branch of our Government. I am convinced that a trans-Canadian pipeline is superior to the proposed trans-Alaskan pipeline-tanker system on economic, national security, and environmental grounds. Secretary Morton appears equally convinced of his view of the situation. The bill I am proposing would require an intensive investigation of all these questions. It would also require initiation on our part of actual negotiations with the Canadian Government. This study and negotiations would, I believe, confirm the feasibility and the superiority of the Canadian route. I urge strongly that this House approve the legislation needed for use to get to work to make an all-land, trans-Canadian pipeline route for Alaskan North Slope oil a reality.

I include the following:

State of Minnesota,
St. Paul, Minn., April 6, 1973.

Hon. Donald M. Fraser,
Representative, Minnesota Fifth District, Washington, D.C.

Dear Congressman Fraser: The discovery of oil on Alaska's North Slope and the subsequent debates over the utilization of that discovery will be prime discussion topics for years to come. In order to tap those new found reserves, some major engineering challenges must be overcome. Profound ecological considerations must be dealt with. At this time the economic aspect looms largest, however, and it is this decision that will truly have the greatest impact on the future growth and development of this country.

The Mackenzie Valley route for the proposed Alaskan pipeline has many economic advantages that would far outweigh any disadvantages, environmental or other. In order to best serve America's petroleum needs at this time it is imperative that a supply be channeled into the upper midwestern states, an area which is now at the furtherest end of current supply lines, and an area that is currently hard hit by a severe shortage of petroleum products.

It is most necessary that in planning the maximum utilization of the North Slope production careful consideration be allotted this country's security and defense posture. An inland pipeline system would be less vulnerable to enemy sabotage or outright attack.

World wide supply and demand imbalances must play an important part in the planned development of the North Slope reserves. If the crude product is brought into the Midwest it will mean total utilization within this country. If it is brought into a coastal region there will be a temptation to dump excess production and by-products on foreign nations rather than making them available to the open market operators in this country. The open market has traditionally been a rein on higher prices in the domestic market. At the present time the open market has all but disappeared as producers are using all of their products themselves. It is important that an open market be allowed to flourish in open competition as an important contributor to a healthy economy. (In Minnesota it has been estimated that 30% of the gasoline is sold on the open market.)

Finally, the long term employment impact of the North Slope reserves will be most meaningful. At the outset would be a brief construction boom of three to five years. This would be followed by long term employment for a great number of people. If a significant portion of this long term employment could be centered in the midwest it would go a long way in dispelling the economic woes that have befallen some portions of the area.

Sincerely,
R. James Erchul, *Director*.

GREAT LAKES PILOTAGE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Mosher) is recognized for 15 minutes.

Mr. MOSHER. Mr. Speaker, on March 28, I introduced H.R. 6262, a bill to increase the penalties for violation of the Great Lakes Pilotage Act and to strengthen that act in a number of other respects.

The navigation of ships on the Great Lakes is an art requiring great skill. There are many restricted waterways connecting the lakes and an intimate knowledge of the channels and currents is essential to the safe navigation of a ship.

The Great Lakes Pilotage Act of 1960 was enacted in recognition of the need for experienced pilots on board ships trading in the Great Lakes, particularly those ships entering the lakes through the St. Lawrence Seaway from abroad, whose officers may not have knowledge and experience comparable to that found on ships trading exclusively in the Great Lakes.

Mr. Speaker, a recent very damaging collision has highlighted certain weaknesses in the Great Lakes Pilotage Act which H.R. 6262 should remedy. On October 5, 1972, a Greek-flag ship, the *Nav Shipper*, collided with a Great Lakes ore carrier, the *A.B. Homer*, in the Detroit River.

Apparently, the foreign-flag ship failed to stay in its proper lane. There was no pilot on board this ship. A pilot should have been picked up in Toledo; however, due to a strike on the pier in Toledo, the pilot, refusing to cross a picket line, would not board the ship.

The Great Lakes Pilotage Act as presently worded contains an ambiguous waiver provision to the effect that a ship may be navigated without a pilot when the Coast Guard notifies the master that a pilot is not available. There is no indication in this section of the act as to the circumstances under which such notification might come about. Presumably, the master or agent for the ship informs the Coast Guard that he has been unable to secure a pilot and the Coast Guard officially confirms this fact.

I urgently suggest that the vague responsibilities of the Coast Guard and the implicit burden on the master, as set forth in section 8 of the act, must be clarified, since any waiver of the act constitutes a serious threat to the safety of all ships navigating on the Great Lakes.

The legislation I have introduced (H.R. 6262), therefore, rewrites section 8 of the act expressly to condition any waiver, based upon the nonavailability of a pilot, upon a communication from the ship's master to the Coast Guard asserting such nonavailability which must then be verified by the Coast Guard. If the Coast Guard determines that a pilot will not be available within a reasonable period of time, it may grant a waiver for the ship to sail without a pilot, subject to whatever terms and conditions it determines necessary from the standpoint of marine safety and the public interest.

For example, the Coast Guard could permit the ship to sail but only to the nearest port where a pilot may be picked up; or might stipulate that the ship could not enter certain restricted waters.

In addition to clarifying the waiver issue, the legislation which I have introduced increases the maximum civil penalty from the existing nominal $500, to $5,000. The legislation also introduces a criminal penalty of a maximum of $5,000, or up to 1 year imprisonment, or both, when the owner, master, or person in charge of a vessel knowingly violates the act or the conditions of any waiver granted by the Coast Guard. While this criminal sanction would in all probability be imposed only in cases of flagrant violations of the act, its presence in the law should have a salutary impact upon those who might choose to disregard the pilotage requirement, since a civil fine may seem unimportant in relation to the overall operating costs of the ship. In other words, a civil penalty may be treated as simply the cost of doing business in a given instance.

Mr. Speaker, there are over 6,000 American seamen employed on the Great Lakes. While no lives were lost in the collision I mentioned previously, there is no guarantee that the crews of other ships may be so fortunate.

We cannot afford to have legislation on the books which gives an erroneous illusion of maritime safety. I believe that the amendments I am proposing will give genuine substance to the Great Lakes Pilotage Act.

I intend to seek an early hearing on this legislation and welcome the support of my colleagues from the Great Lakes States in securing prompt enactment of this legislation.

KLONDIKE GOLD RUSH NATIONAL HISTORICAL PARK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, on behalf of myself, Mr. ADAMS and Mr. PRITCHARD, I am introducing today legislation to create a Klondike Gold Rush National Historical Park. This is a unique concept. Portions of the park will be in Alaska and other portions will be in the State of Washington. It is eventually hoped that portions of the park will become international and will cross into Canada from Alaska.

This bill is a joint effort by the Alaska and Washington Delegations in the Senate and the House. It will mean a great deal to both States and will also affect British Columbia and the Yukon Territory in Canada. It will provide an on-the-spot education to people from all over the world who are interested in the Klondike Gold Rush of 1896.

I include a summary of the legislation in the CONGRESSIONAL RECORD at this point, followed by the bill itself:

SUMMARY OF PROPOSED KLONDIKE GOLD RUSH NATIONAL HISTORICAL PARK

The proposed Klondike Gold Rush National Historical Park will consist of a Seattle Unit, located in the Pioneer Square Historic District in Seattle, Washington; a Skagway Unit, located in Skagway, Alaska; a White Pass Trail Unit, located near Skagway on the upper reaches of the Skagway River; and a Chilkoot Trail Unit, located near Skagway in the Taiya River Valley. The total area of the four units combined is less than 12,000 acres.

SEATTLE UNIT

The Seattle Unit will consist of a site located in the Pioneer Square Historic District. The square is entered on the National Register of Historic Places and is specially zoned as a historic district under a municipal ordinance. The site will be selected by the Secretary of the Interior after the proposed park is authorized by Congress. The site will be in leased space within one of the historical buildings in the district. It will have approximately 3,000 square feet and contain an exhibit room, a small theater, and administrative quarters. The exhibits will consist of photographic murals and other photographic displays, artifacts, models, and other materials illustrating the effect of the gold rush on Seattle and the outside and illustrating the story of transportation to and from the North. The theater will be used for films and slide shows about the gold rush and about the historical park. It will also be used from time to time for live performances of the historic period.

The Park Service plans to enter into a lease agreement for five years, renewable for another five. Under the lease, the lessor will rehabilitate the leased space for occupancy and recover his costs over the period of the lease. In this way, no substantial Federal investment is required to initiate the project. Costs will be handled out of annual operating programs.

SKAGWAY UNIT

The Skagway Unit is located in Skagway, Alaska, and includes 55 wooden, one- and two-story business houses and residences, some partially vacated, which are the remaining evidence of the gold rush town of Skagway. The unit is located along Broadway and its side streets between First and Seventh Avenues, largely coinciding with the Skagway Historical District (city ordinance adopted in October 1972). The unit is the focal point of the Skagway business district, is a major tourist attraction, and is listed in the National Register of Historic Places.

The purpose of the Skagway Unit is to preserve and, where necessary, restore historic structures and to provide interpretation and interpretive displays therein so as to provide a comprehensive living history program. To achieve this purpose, up to 22 structures would be acquired for renovation and adaptive restoration. Insofar as private capital is utilized for the same purpose, the Federal program would be reduced proportionately. Most of the refurbished structures will be sold or leased back for private businesses, which will serve resident and visitor uses. For interpretive programs, up to eight of the structures would be retained by the government. However, if cooperative agreements can be reached with private parties to achieve the same purpose, several of these structures would also be sold or leased back. At least one structure, and perhaps two, would have to be retained to provide a visitor center, museum, and theater.

Restoration work undertaken at Skagway will be accomplished by Park Service employees. It is not feasible to contract for this work. It will be done over a period of years and will not require large appropriations in any single year for acquisition and development. The construction of modest maintenance and shop facilities will probably be by contract.

CHILKOOT TRAIL UNIT

The Chilkoot Trail Unit consists of a corridor of park land approximately one mile in width and 16 miles in length paralleling the entire length of the Chilkoot Trail within the United States. It lies principally in a north-south direction, with the south boundary including the historic townsite of Dyea about three miles (eight, by road) northwest of Skagway. The park unit includes the "slide" cemetery, the Chilkoot Trail, and all related historic sites and artifacts found along the trail. The north boundary of the corridor is Chilkoot Pass on the international boundary.

The National Park Service intends to restore the Chilkoot Trail to its most representative location, protect structural ruins along the trail, record and protect all artifacts in the corridor, and provide modest camping facilities for the public hiking the trail. Interpretation of this portion of the gold rush story will primarily be through graphics. A trail and two log shelters already exist in the corridor.

Almost all of the work to be undertaken in the Chilkoot Trail Unit will be accomplished by Park Service employees. Full development of modest camping and attendant facilities in the Dyea vicinity in the future will be by contract. The costs in any single year should be relatively small.

WHITE PASS TRAIL UNIT

The White Pass Trail Unit consists of a corridor of park land approximately one mile in width and five miles in length paralleling important remnants of the White Pass Trail. The unit lies in a north-south direction, the south boundary beginning eight miles northeast of Skagway. It includes remnants of the White Pass Trail and the ruins of White Pass City. The north boundary of the unit is White Pass on the international boundary. The National Park Service intends to restore a portion of the White Pass Trail, stabilize ruins, record and protect all artifacts within the park, and provide modest camping facilities for the public as needed. Interpretation of the White Pass Trail will be accomplished through means of signs along the trail, overlooks beside the Skagway-Carcross Highway, and interpretive talks on the White Pass and Yukon Route. The White Pass is listed in the National Register of Historic Places.

All of the work to be undertaken in the White Pass Trail Unit during the first five to ten years will be by Park Service employees. The annual costs should be modest. At some time in the future, an overnight facility in the vicinity of the White Pass could be developed if demand warrants. Such a facility would require contracting.

INTERNATIONAL HISTORIC PARK

In British Columbia and the Yukon, the National and Historic Parks Branch of Canada is planning park units based on the Klondike Gold Rush similar to the proposed American park. Preliminary arrangements have been made for the two proposed parks to be designated as the Klondike Gold Rush International Historic Park. Because the respective Chilkoot Trail Units join together and hikers will travel through both countries, preliminary arrangements have been made for integrated management of the Chilkoot Trail. Preliminary arrangements have also been made for developing an integrated interpretive program so that interpretation at the units in each country will complement that in the other.

Canadian preservation and restoration work is already underway. Substantial funds have already been invested in restoration of historic buildings in Dawson and additional work is underway and programmed at Dawson, on the Klondike, and on the Chilkoot Trail.

INTERGOVERNMENTAL COOPERATION

The National Park Service and the National and Historic Parks Branch have developed the park plans in cooperation with the State, Provincial, Territorial, and municipal governments involved. An international working committee composed of officials from the United States, Canada, Alaska, British Columbia, and the Yukon Territory oversees the planning and develops arrangements for international and intergovernmental cooperation. Additionally, the National Park Service has made preliminary arrangements for cooperative management agreements with Skagway, the State of Alaska, and the Forest Service in relation to the park units in and near Skagway.

H.R. 7121

A Bill to authorize the Secretary of the Interior to Establish the Klondike Gold Rush National Historical Park in the States of Alaska and Washington, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That (a) in order to preserve in public ownership for the benefit and inspiration of the people of the United States, historic structures and trails associated with the Klondike Gold Rush of 1898, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Klondike Gold Rush National Historical Park (hereinafter referred to as the "park"), consisting of a Seattle Unit, a Skagway Unit, a Chilkoot Trail Unit, and a White Pass Trail Unit. The boundaries of the Skagway Unit, the Chilkoot Trail Unit, and the White Pass Trail Unit shall be as generally depicted on a drawing consisting of two sheets entitled "Boundary Map, Klondike Gold Rush National Historical Park," numbered NHP–KGR–20, 002B, dated October 1971, and NHP–KGR . . . (to be supplied, dated . . . 1972), which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Within the Pioneer Square Historic District in Seattle as depicted on a drawing entitled "Pioneer Square Historic District," numbered NHP–KGR– (to be supplied), the Secretary will select a suitable site for the Seattle Unit and publish a description of the site in the Federal Register. So long as the Federal Government has not acquired the fee, the Secretary may relocate the site of the Seattle Unit, provided that it shall be within the Pioneer Square Historic District. The Secretary may revise the boundaries of the park from time to time, by publication of a revised map or other boundary description in the Federal Register, but the total area of the park may not exceed 12,000 acres. Upon final location of the Skagway-Carcross highway, the Secretary shall revise the boundary of the White Pass Trail Unit so that the unit's boundary in the vicinity of the highway will be the easterly right-of-way line of the highway.

(b) (1) The Secretary may acquire lands, waters, and interests therein within the park by donation, purchase, lease, exchange, or transfer from another Federal agency. Lands or interests in lands owned by the State of Alaska or any political subdivision thereof may be acquired only by donation. Lands under the jurisdiction of any Federal agency may, with the concurrence of the head thereof, be transferred without consideration to the Secretary for the purposes of the park.

(2) The Secretary is authorized to acquire, by any of the above methods, not to exceed fifteen acres of land or interests therein located in, or in the vicinity of, the City of Skagway, Alaska, for an administrative site; and to acquire by any of the above methods, up to ten historic structures or interests in such structures located in the City of Skagway but outside the Skagway Unit for relocation within such Unit as the Secretary deems essential for adequate preservation and interpretation of the National Historical Park. Lands or interests in lands owned by the State of Alaska or any political subdivision thereof may be acquired only by donation. Lands under the jurisdiction of any Federal agency may, with the concurrence of the head thereof, be transferred without consideration to the Secretary for the purposes of the park.

Sec. 2. (a) The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he deems sufficient lands, waters, and interests therein have been acquired for administration in accordance with the purposes of this Act. Pending such establishment and thereafter, the Secretary shall administer lands, waters, and interests therein acquired for the park in accordance with the provisions of the Act approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act approved August 21, 1935 (49 Stat. 666), as amended.

(b) The Secretary is authorized to cooperate and enter into agreements with other Federal agencies, State and local public bodies, and private interests, relating to planning, development, use, acquisition or disposal (including as provided in Sec. 5 of the Act of July 1, 1968 [82 Stat. 356] [16 U.S.C. 4601–22] of lands, structures and waters in or adjacent to the park or otherwise affecting the administration, use, and enjoyment thereof, in order to contribute to the development and management of such lands in a manner compatible with the purposes of the park. Such agreements, acquisitions, dispositions, development or use and land-use plans shall provide for the preservation of historical sites and scenic areas, recreation and visitor enjoyment to the fullest extent that is compatible with the development of the Yukon-Taiya Power Project and facilities necessary to retain the area as a major port.

(c) Notwithstanding any other provision of this Act, the Congress may authorize the construction of the Yukon-Taiya Power Project and the use of such lands and waters within the park as may be required for construction and operation of the project, including the transmission of power.

Sec. 3(a). The Secretary, in cooperation with the Secretary of State, is authorized to consult and cooperate with appropriate officials of the Government of Canada and Provincial or Territorial officials regarding planning and development of the park, and an international historical park. At such time as, the Secretary, shall advise the President of the United States that planning, development, and protection of the adjacent or related historic and scenic resources in Canada have been accomplished by the Government of Canada in a manner consistent with the purposes for which the park was established, and upon enactment of a provision similar to this section by the proper authority of the Canadian Government, the President is authorized to issue a proclamation designating and including the park as part of an international historical park to be known as Klondike Gold Rush International Historic Park.

(b) For purposes of administration, promotion, development, and support by appropriations, that part of the Klondike Gold Rush International Historic Park within the territory of the United States shall continue to be designated as the Klondike Gold Rush National Historical Park.

Sec. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

ECONOMIC STABILIZATION ACT OF 1970

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MITCHELL), is recognized for 5 minutes.

Mr. MITCHELL of New York. Mr. Speaker, yesterday the House, by a substantial margin of 293 to 114, approved a 1-year extension of the Economic Stabilization Act of 1970.

Had the outcome of this measure been in the least bit of doubt, I would have been present to vote in favor of the extension. However, since it was clear to me that the House would respond favorably to the obvious need for an extension of the fact, I fulfilled an important commitment to the people of my district by journeying to New York City for a high-level conference with key decisionmakers in the Regional Office of the Department of Housing and Urban Development. The topic of our lengthy discussions was the pending applications from several communities in my district for millions of dollars in Federal aid for important local development projects.

I considered it essential to put forth that extra effort by personally traveling to the Regional HUD Office in New York City to advance the cause for the various projects in my district. I could have used the mail or the telephone to plead the case for our important development projects and perhaps that would have done the job. However, in reviewing the situation, I concluded that a great deal was at stake and it would be far better to evidence the depth of my commitment in person than to depend upon long-distance communication.

While the vast majority of the House was agreeing to extend the Economic Stabilization Act, I was reviewing in detail with HUD Regional Administrator William Green and his staff pending applications for millions of dollars of urgently needed assistance for urban renewal projects and housing programs in Rome, Utica, Ilion, Little Falls, St. Johnsville, and Gloversville. We went from one end of my district to the other to discuss the status of projects in support of our continuing effort to improve the economy of our area and the quality of life for our people. It was a most productive session.

It is apparent that the House session yesterday also was most productive. The action to extend the Economic Stabilization Act was both responsive and responsible. It gives to the President, for another year, the immediate response capability he needs to deal with emergency situations as they arise.

The people of the 31st District are well aware of my position on this vital issue because I made public my views some time ago. I have stressed my opposition to permanent economic controls by the Government but I have recognized the need, in rare instances, for temporary controls to restrain damaging inflation.

Of course, there must be fair and equitable administration and application of any controls initiated to make certain that any burden imposed is shared equally by all. Most of us recognize and accept the fact that we have special responsibilities in special circumstances. We are willing to fulfill them, but we want the other fellow to do likewise.

Our common objective is to curb inflation, minimize the possibility of another devaluation of the dollar, avoid a tax increase, and get the Nation's fiscal house in order. The House action yesterday, an action that I fully support, is consistent with that common objective.

AMENDMENT TO CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MARTIN) is recognized for 5 minutes.

Mr. MARTIN of North Carolina. Mr.

Speaker, I am today introducing a joint resolution proposing an amendment to the Constitution which, I feel will accomplish—if it is proposed by the Congress and then ratified—two purposes. First, it will prevent de jure segregation in public education, and second, it will prevent the imposition of desegregation plans which determine school assignments on a racial basis and require wholesale transportation of pupils to schools distant from their homes.

My proposal is more than an antibusing amendment. It is an amendment that would require that all institutions of government be totally colorblind in making educational assignments. The language of the proposed amendment is as follows:

> No governmental or judicial authority shall henceforth, in any way or for any purpose, prescribe or require any attendance assignments in public schools on the basis of race or color.
>
> Congress shall have the power to enforce this article by appropriate legislation.

I am being joined in support of this proposal by 13 other Members of this House, Representatives Bray of Indiana, Burgener of California, Collins of Texas, Daniel of Virginia, Devine of Ohio, Fisher of Texas, Holt of Maryland, Huber of Michigan, Lott of Mississippi, Moorhead of California, Ruth of North Carolina, Treen of Louisiana, and Young of South Carolina. This is a bipartisan group drawn from every part of the country.

I am very reluctant to join in efforts to add amendments to our Constitution. It is not desirable to do so except as a last resort and for reasons of great consequence to the Nation as a whole. Our Constitution should not become a catchall of minute detail. This has been avoided in the past. Amendments—to my way of thinking—should be considered only when they are supported overwhelmingly by the people and when there is no other recourse. That is the situation in the present case. We face a problem, generally referred to as "busing," which has come to trouble every part of the country. Public opinion surveys throughout America demonstrate strong opposition to the transportation of students to distant schools for the purpose of equalizing the racial composition of schools in a given jurisdiction. Equally strong is the feeling that Government should not enforce a segregated system. The Supreme Court has allowed "busing" orders of district courts to stand and there is, therefore, no recourse but to amending the Constitution.

My own district has been a focal point in the controversy over judicially imposed racial balance. The landmark case of Swann against Board of Education arose in Charlotte, the principal city of the Ninth District of North Carolina. The decision in the Swann case requires extensive crosstown busing of students and has resulted in tremendous costs, both financial and spiritual, to the people of a city and county well known for their moderate position on matters of concern to minorities and also well known for their forward-looking approach to education.

Since Swann, courts have required pupil transportation for the purpose of racial balancing across jurisdictional lines involving three school systems in one State. Following this, there is the question of what will occur in other multijurisdictional metropolitan areas and even multi-State metro areas.

This is certainly not the first amendment proposed to deal with this critical issue. But, it does differ from those which have gone before, and it does so in significant ways. I would like to discuss the wording and the concerns which give rise to that wording.

If an amendment is adopted it will, naturally, be subject to interpretation by the judiciary. Our objective ought to be language which is clear, precise, and effective. It must provide no "outs" allowing its purposes to be thwarted. The language here presented is the product of those who have lived with the Swann case and the Charlotte-Mecklenburg situation.

The purpose of the amendment is to prevent race being a consideration in school assignments, prohibiting assignment of pupils either to create artificial racial balance or to enforce racial segregation.

It uses the term, "governmental or judicial authority" in indicating who is prohibited from making assignments based on race. This term is one not in general statutory use. It is broad and self-definitive. It is all-inclusive and applies to legislative, executive, and judicial authority and to all levels of government, Federal, State, local, single purpose, and general purpose.

It uses the term, "any attendance assignments in public schools," rather than the language used in other proposals because there is a fear on the part of some that language referring to "particular schools" would open the door to governmental direction that a given pupil be given the choice of attending one of two or more distant schools, attendance at any of which would be for the purpose of furthering an artificial racial balance.

The use of the words, "race or color," is a departure from the normal triology of race, creed, or color. Creed or religion is not germane and adds no real dimension to the solution of the problem. What we seek to correct is a situation in which the courts impose requirements for an artificial racial balance. Religion is not now, nor has it ever been, a part of the problem.

I believe this proposal will accomplish—if adopted—the goal of barring school assignments made on the basis of a pupil's race. It will apply quality to a court or administrative agency seeking to bus children hither and yon in quest of a utopian mathematical balance and to some other body possibly seeking to restore de jure segregation.

AN EFFECTIVE TAX TO ELIMINATE SULFUR POLLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Vanik) is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, today I join my colleague, the Honorable Les Aspin, in reintroducing the sulfur tax bill identical to the measure we proposed in the 92d Congress.

Events of the past several months have confirmed the urgent need for this legislation. Court orders, bureaucratic indecision and delays, compounded with budget cutbacks have all severely jeopardized the intent of the Clean Air Act of 1970. Recent newspaper accounts indicate major efforts are underway to delay or even sabotage the 1970 Clean Air Act. It is expected that the administration itself will propose a 3-year delay in the implementation of major portions of the Clean Air Act.

Air pollution control enforcement difficulties at both the State and Federal level demand the simplicity of the sulfur tax approach—an approach which will encourage the installation of air pollution control devices and reward those who make the effort to use low-sulfur fuels.

These problems of enforcement were described about a year ago by Mr. Richard Ayers of the National Resources Defense Council in testimony before the Subcommittee on Air and Water Pollution of the Senate Public Works Committee. Mr. Ayers and his staff had systematically studied 26 State plans submitted to the Federal Environmental Protection Agency, detailing the State proposals for implementation of the Federal air quality regulations mandated by the Clean Air Act of 1970. State plans were characterized by numerous serious deficiencies.

Mr. Ayers cited several of these weaknesses. He found that many plans do not even specify attainment dates for achieving the primary air quality standards, and only a few plans contain source-by-source compliance schedules. Few State plans require mandatory self-monitoring by polluters and the majority do not require recordkeeping. In general, public access to information is poor. Eighteen of the 26 plans have time-consuming multistep enforcement procedures. None of the studied plans contained provisions designed to deal with future growth of polluting industries. Even if States initially achieve the standards, there exists a real question as to their capability of maintaining them.

Mr. Ayers recently told my staff that the problem of effective enforcement on both the State and Federal level has actually gotten worse since last year. He also states that there is not much hope that the Federal Government will effectively compensate for the inadequacies of State efforts.

Even if the Environmental Protection Agency was not "tied up" by the resistance of other agencies, White House inspired delays in the law, and the lobbying efforts of economic special interests, the Agency does not presently possess the resources to enforce the Clean Air Act effectively. In 1970 the administration testified before the Senate Public Works Committee that by fiscal year 1973, implementation of the Clean Air Act would require $320 million, but the fiscal year 1973 request contained only $171.5 million for this purpose. It should be clear from these facts that without further legislative action, the Clean Air Act will not be effectively enforced by either the Federal or State governments.

Under the present circumstances, the effluent tax approach can be an especially valuable enforcement tool in meeting and maintaining the air quality standards established by the Clean Air Act. It is a perfect complement to the Clean Air Act because it cannot be undermined by the factors which are presently hindering the implementation of that legislation.

The collection of the sulfur tax is in no way dependent upon the enthusiasm or the effectiveness of State air pollution control agencies. In fact, because the nationally uniform tax rate is set by the Congress and is administratively simple, and because monitoring of sulfur pollution is relatively easy, administrative discretion is minimal, even at the Federal level. Nor is the effectiveness of effluent taxes dependent on massive budget increases for either EPA or State air pollution control agencies. Effluent taxes usually create net budget surpluses—an extremely important factor in light of the prospects of continuing tight budgets at both the Federal and State levels.

It is also important that the effluent tax constitutes a continuing financial incentive to the polluter to reduce the total quantity of emissions.

The tax approach is consistent with the requirement for improved abatement performance to compensate for total future growth. It would be of great assistance in maintaining air quality standards which are demanded in existing legislation.

Just as the enforcement problems of the Clean Air Act have confirmed the need for the effluent charge approach, recent scientific data has reconfirmed sulfur pollution as being extremely dangerous to the health of our citizens. The recent CHESS report by EPA has indicated that sulfur pollution can have significantly damaging effects on our health, even at levels well below those established by EPA's primary standards. An earlier EPA study had estimated the annual damage done by sulfur pollution to be over $8 billion. This study considered excess deaths caused by sulfur pollution. It did not estimate the costs of increased illness and lost work days. The CHESS data conservatively estimated this figure as an additional $1 billion to $3 billion annually. These results strongly reemphasize the extremely toxic and destructive nature of sulfur pollution and the very high priority which should be given to control this major national health hazard.

It is not surprising that with this new data the administration has strengthened its version of the sulfur tax. In his recent environmental message, President Nixon indicated that his new proposal would increase the tax rate to 20 cents per pound of sulfur emitted, 5 cents per pound above the rate proposed by the administration last year, and the maximum rate imposed by the congressional bill which we sponsored last year. The new administration bill would establish a 20-cent-per-pound emission tax in those regions where pollution exceeds the secondary standards as well as those areas where sulfur levels are above the primary standards. This change moves the administration proposal significantly closer to the concept of the uniform national rate embodied by the congressional proposal. The uniform rate is essential both in terms of administrative simplicity and to avoid the creation of havens for polluters.

It is heartening that the new Executive proposal indicates a growing recognition of the fundamental soundness of the bill we are introducing today—a bill which imposes the 20-cents-per-pound tax uniformly, across the Nation.

This tax is not intended as a proposal to raise revenue for the Federal Treasury. It is my hope that as soon as sulfur pollution is eliminated to the degree where it is no longer dangerous to the American people, the tax would be eliminated. It is intended as a short-term measure—but a measure designed to protect the long-term health of the country.

The strengthening of the administration proposal raises hope that the President intends to vigorously work for enactment of the sulfur tax. Certainly the evidence is now clear that this legislation is urgently needed. I will strongly urge my colleagues on the tax writing committees of the Congress to give the highest priority to the prompt and thorough study of this proposal.

ONE-YEAR EXTENSION OF THE MATERNITY AND INFANT CARE PROJECTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I am very pleased today to be able to join Chairman MILLS in introducing legislation to extend the special project grants for maternal and child health under title V of the Social Security Act for 1 year.

Our legislation would extend the provisions of title V which provide that 40 per- for maternal and child health under the maternal and child health program are to be used specifically for special projects in this area.

Under present law, the funds formerly allocated for special projects would be added to the funds distributed to the States under formula grants after July 1, 1973. At the same time, each State would be expected to include within its State plan for maternal and child health at least one special project for maternity and infant care, children and youth, regional newborn intensive care, dental care projects for children, and a family planning project.

However, the Comptroller General has found that many States do not have funds now, nor do they anticipate having sufficient funds in the future, to continue these highly successful projects. It was also found that neither HEW nor the States had made adequate plans for transition to the State run projects.

Accordingly, we have introduced this legislation for a 1-year extension of title V so that these excellent projects may continue operating and serving over 1 million mothers and children of lower socioeconomic families in central cities and rural areas throughout the country.

I would like to stress that the administration has recognized that the Federal dollar has been wisely spent for these programs. Maternal and child health is fully supported in the budget. However, it is necessary that the formula not be changed this year, in that it would cause significant dislocations in the program. Furthermore, it is clear that States are not prepared to assume the responsibility.

Mr. Speaker, any discussion of the past success of these programs in the inner cities would not be complete without mention of my good friend from New York (Mr. KOCH). He has certainly been the program's staunchest advocate in the Congress. In the last session, he was instrumental in providing the support necessary to secure passage for my bill which extended the life of the program through the end of the current fiscal year. As Chairman MILLS stated upon passage of that extension in reference to Mr. KOCH:

> There are mothers-to-be and children yet unborn who will owe him a debt of gratitude.

I share the chairman's sentiments and his general concern for the future of the program. I hope that we will be able to secure speedy passage of this legislation in order that the work of the dedicated people who staff these projects may continue. These projects are indeed vivid examples of how Government programs can work to alleviate unnecessary suffering through advanced planning and effective preventive health care.

SPEAKER'S ADDRESS AT ANNIVERSARY DINNER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MCFALL) is recognized for 5 minutes.

Mr. MCFALL. Mr. Speaker, our own eminent Speaker of the House, CARL ALBERT, gave a superb speech at the Time Inc.'s 50th anniversary dinner in Washington, D.C., this past January. He speaks with cogency of the importance of the legislature in our democracy; he offers insights on the operation of the Congress; he describes the recent reforms instituted by the House of Representatives. I recommend his remarks highly, and am proud to insert them in the RECORD today.

The remarks follow:

> Our next speaker, Carl Albert, is the 46th Speaker of the House of Representatives and surely one of the great parliamentary officers of the world.
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> Time has done many stories about him, invariably noting that Carl Albert went to grade school in Bug Tussle, Okla. Time also notes that he is a graduate, of course, of the University of Oklahoma and of Oxford.
>
> He is serving his 14th term in the House and second term as Speaker. In one of Time's cover stories about the Speaker, we quoted him as saying "The legislature in a country like ours more than either the Executive or the Judiciary has the power to effectuate new policy in a democracy. Its consensus is more of a national consensus than any other and this very fact causes the legislature to be the real cornerstone of a democracy."
>
> Speaker ALBERT. Thank you, Mr. Donovan and Senator Scott, for the remarks that you have made. I congratulate Time for the energy and effort it is putting into the business

of the relationship between the Executive and the Legislative Branches of our Government and particularly the emphasis that it is trying to place upon the Congress.

In the very first paragraph of the very first issue of Time magazine, March 1923, that now-illustrious periodical said:

"The man who was elected President by the largest plurality in history has been reproved by a Congress controlled by his own party."

This observation made on the birth date of Time magazine points up, perhaps, that the differences presently separating Congress and the President are not new but are a part of our sustained experiment in self-government.

The historic separation of powers between the Executive and the Legislative Branches of Government is being tested on many fronts and on four principal issues.

Out of the tragic lessons of Viet Nam, we have been brought to realize that despite the apparent imperatives of the cold war, this country can never again accept without question the paternalistic dogma that "the White House knows best," as applied to war and peace.

Also at issue is the question of Executive privilege and the power of the President to reorganize the Excutive departments even though Congress has refused to do so.

The central issue, however, referring to remarks previously made, at the present time grows out of the impoundment of congressionally appropriated funds.

It seems that the question confronting us today is, as it has always been, just where does congressional power begin or end, and just where does the opposite take place with respect to the Executive?

No series of acts strikes more directly at Congress' fundamental power over the purse, perhaps, than what appears to be the usurpation of that power by the President's impoundment of appropriated funds, particularly as they took place in the last months of 1972 and since that time.

Now, may it not be argued, have not other presidents done this also? Well, of course, up to a point, the answer is yes.

Impoundment of small sums, of reasonable sums, funds that become unnecessary before expended goes back at least to Jefferson. But the President, for all practical purposes, at the present time appears set by the use of the impoundment of funds to imprint on the pages of history during his second term his philosophy of government, regardless of what the Congress might think about it.

The Federal Water Pollution Control Act amendments adopted in 1972, were passed and re-passed over a presidential veto, yet the President has impounded these funds, ultimately releasing less than one half of the money provided to cope with a critical problem over the next two years. All power to legislate, if I understand Section 1 of Article I of the Constitution, and the language is very simple and very plain, is granted to Congress by the Constitution, and to no one else.

The Congress has denied Presidents the item veto, the equivalent of legislative authority, for more than one hundred years. It is obvious that what Congress has refused him, the President nevertheless undertakes to seize. What Congress has decreed, the President has circumvented.

Now the issue here is not whether we should have a tax raise or not, although as a member of Congress I don't vote for tax raises happily. The issue is not whether we can afford inflation or not, although everyone knows that inflation eats at the heart of the average American's pocketbook. The issue here is, where do we draw constitutional lines and do we believe what we say when we say that we will support and defend the Constitution of the U.S.? That is the overriding issue.

Now the President, if I understand his Inaugural Address, has interpreted his re-election as a mandate to strike down the domestic programs passed by Congress over the past 30 years. How such a mandate, if it is a mandate, can be carried out in the Democratic 93rd Congress, fresh from the people, is a puzzle to me.

Congress has received its own mandate, a mandate which our large and, I think, able majority will meet by safeguarding and using our constitutional and exclusive power to legislate on behalf of the American people.

Are we equipped for this task? I see Congresswoman Green here. I had a letter from her, I think yesterday, saying, why doesn't somebody write a book telling what is right with Congress? There is no fun in doing that, but I think she asked an intelligent question.

Let's make a few observations.

The quality of members of Congress today on both sides of the aisle and in both Houses is in my opinion as high as it has ever been in the history of this Republic.

We are neither mired in tradition nor doomed by hardening of the organizational and procedural arteries.

All of us are acutely aware that in order to maintain its strength and vitality, Congress must continually, as must every other institution, retool and reorganize as conditions and problems change. All too often, however, our achievements in this direction are overshadowed, particularly in the press, by more dramatic events, such as the progress of the President's legislative programs, or the appearance of the President or of one of his closest advisers, or the fall from grace of an individual member of Congress.

Modification of the seniority system, alluded to by Senator Scott, actually has been underway in recent years in both houses, maybe not as much as to suit some people and maybe too much to suit many others.

In the House of Representatives we have limited the number of the subcommittees senior members may chair, and we have distributed these positions of influence among newer members of the House. I think we have 107 subcommittee chairmen in the House of Representatives today. We are electing in party caucuses today committee chairmen and ranking minority members.

Similarly in a continuing process of adaptation, we have revitalized the caucus and strengthened the party leadership. We have opened up committee and voting procedures to provide for greater accountability. We have established just a very few years ago, a Committee on Standards of Official Conduct and we have reformed our election reporting laws.

We have expanded our information resources, augmented our professional staff, perhaps not enough, but we have expanded them more than we have room to take care of them in the existing facilities of the House of Representatives. We have strengthened existing congressional research agencies, authorized and funded a Joint Committee on Congressional Operations, and created a new Office of Technology Assessment.

The Joint Committee on Congressional Operations, in consultation with my office, has commissioned work on a major study of congressional communication techniques and potential.

The place of change, the tempo of our attempts to find more effective, more open and more democratic ways to meet our responsibilities has increased steadily over the past two years.

Remember efficiency, perfection, are not the only goals of a democracy. You can't have a free press without a free Congress. You can't have a free Congress without a free press.

You can't have a democratic Congress without recognizing the rights of all of the members even though you do so sometimes at the expense of a more efficient form of government that we might have under a benevolent monarch.

This momentum of change will be sustained during the 93rd Congress.

A new Joint Committee on Budgetary Control is considering methods for strengthening congressional control over the amount and direction of federal expenditures. Meanwhile, Senator Mansfield and I are planning regular joint leadership meetings throughout the session to maintain a check on the pace of the Congress and to consider changes in the legislative program that may seem desirable. We had a breakfast with the entire leadership just yesterday morning; the two Houses on both sides of the aisle, and we have the responsibility for leadership.

In another area of particular concern, I have asked a select committee, headed by Representative Richard Bolling, who is an author of books on Congress, to study the committee structure in order to ensure that our committees do not work at cross purposes, that there is a minimum of duplicated effort, that some committees are not idle while other committees are overworked, and that all have the space in which to do this work. This is the first study of the structure of House committees to be carried out since 1946.

I wish you would examine the biographies of the members of that committee, which Gerald Ford and I put together, and determine for yourselves whether we have chosen a cross-section of members of Congress with extraordinary academic preparation. They compare favorably with 90% of the men that have held the office of President of the U.S. throughout history.

Organizational, housekeeping, and other problems created by the tragic loss of Hale Boggs, the Majority Leader, in the closing days of the last session brought graphically home to me the congressional hiatus that always exists between election day and the day that Congress convenes. This is no reason why we should not do for ourselves what we have done for presidents over and over again in the transition period.

Nixon was elected in November. We gave him the money to make his transition, even when he himself was in control all of the time between election day and his Inauguration on January 20th. There is no reason why we should not authorize and fund a program that would enable the party caucuses to meet in the weeks after the election, nominate candidates for leadership and committee positions, and thus have this organizational work done when the new Congress assembles.

We should be prepared to begin our substantive work in January or February, and not in March or April, as we have done in nearly every first session of every Congress since I have been a member. It is my hope that this is a matter to which we will devote some attention.

As important as continued improvement in our work ways may be, this alone will not check the accelerating usurpation of power by the Executive Branch.

What the President is doing, it seems to me, is creating a crisis that goes to the very heart of our constitutional system, although he may be doing it for a purpose that, in his own mind, is entirely worthwhile. This is the action that must be challenged by the other coequal branches.

The courts should speak to the issue that is presented to them. The Congress should speak to the issue. The American people should insist that the balance of powers stipulated in the Constitution should be respected.

This is an issue to which committees in both bodies of Congress are addressing themselves. I see here one of the greatest constitutional lawyers in America, Senator Ervin of North Carolina, respected for his knowledge and defense of the Bill of Rights, and the body of the Constitution itself. He is already addressing himself to this subject in these very early days of the first session of the 93rd congress. On our side, we are calling upon appropriate committees and eminent constitutional authorities to give us such insight as they have on this subject. Several bills already have been introduced dealing with these matters.

Our aim is positive in that we seek to retain the constitutional prerogatives of our branch of Government. Our aim is not to diminish the presidency or to attack the President. We need a strong President. Our aim is to command the respect of the Executive for the functions of the Congress as representatives of the people.

Our aim is to protect the people's branch of the Government. We need a strong people's branch and I think we have one. Of course, the people will ultimately decide on how this issue will be resolved. They always have and they always will unless we completely change the form of government under which we operate.

I call to mind a succinct and still meaningful answer given us by Woodrow Wilson when he said: "Democracy flourishes only as it is nurtured from its roots. A people shall be saved by the power that sleeps in its own deep bosom or by none. The flower does not bear the root, but the root the flower."

Thank you.

SPEAKER JOHN W. McCORMACK HONORED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 10 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, on Saturday evening, April 7, the Congressional Staff Club held its 38th annual dinner at the Shoreham Hotel. Traditionally, the club awards its Man—or Woman—of the Year award, and this year the award went to one of the most outstanding Members of Congress of all history, former Speaker John W. McCormack. Mrs. Burke and I were honored to attend.

As Sid Yudain, the editor of Roll Call, remarked during the program, this was the first time that the Staff Club's annual dinner was conducted in stereo—"two Speakers in the same hall"—because Speaker of the House CARL ALBERT was present and participated in the program.

The president of the Congressional Staff Club, Barbara McMahon of Representative BOB PRICE's staff, presented the award to Speaker McCormack. The Speaker responded with a rousing speech which centered on the vital role played by congressional staffs in the legislative life of Congress.

The chairman of the event and the club's first vice president, Fowler West of the House Agriculture Committee, then introduced Speaker ALBERT, who spoke eloquently of his long and close association with his predecessor, Speaker McCormack.

Afterward, Sid Yudain, the editor of Roll Call, presented his traditional Secretary of the Year award. This year's designee was Don Zahn of Representative JOHN PAUL HAMMERSCHMIDT'S staff. Don is a former president of the Congressional Staff Club.

Entertainment was then provided by the well-known political satirist Mark Russell.

Speaker McCormack's remarks were filled with praise for congressional staffers. He emphasized how he as Speaker had relied heavily on the staffs of both Members and committees. While he served as Speaker, he worked closely with the Congressional Staff Club in its activities.

Following is a description of the Congressional Staff Club's activities along with a bit of its history:

THE CONGRESSIONAL STAFF CLUB

HISTORY AND FUNCTIONS

On April 7, 1973, the CSC celebrated its 38th year on Capitol Hill.

From its origins in 1935 until the present time, the Congressional Staff Club has endeavored to meet the professional, cultural, social, and recreational needs of its members. It is, in fact, the "Voice of Capitol Hill" that speaks in behalf of Congressional Staff members.

When the Club was organized over a third of a century ago, it had a total membership of 30. Today it has grown to almost 3,000 secretarial, clerical, administrative, professional, and supervisory employees of Congress—or an average of four members for every Congressional office, both House and Senate.

The purposes of the Club are set forth in the constitution as follows:

To work toward the solution of problems common to all Congressional offices;

To promote cooperation between Congressional offices and between Congressional offices and Government agencies;

To promote the general welfare of Congressional secretaries, Committee personnel, and other Capitol Hill employees;

To provide a program of social activities for the entertainment, enlightenment, and relaxation of Club members.

In striving to meet these purposes, the Club operates under a carefully drawn constitution and is a non-profit, non-political, charitable, civilian organization. The Club is governed by an Executive Board consisting of five officers and six directors, with the immediate Past President in a consulting capacity, making a total of twelve members.

Each year both the Presidency and the First Vice Presidency must alternate between a member of the Republican and Democratic Parties. In addition, no more than six members of the Executive Board can be of the same political party.

Through the years the Club has never lost sight of its basic purposes. The Coordinator of Information, which office was abolished in the 90th Congress (Public Law 90-57), the Daily Digest of the Congressional Record, expanded parking facilities, improved cafeteria service, employee I.D. Cards, Congressional staff automobile tags, better police protection, an employee blood bank, an employee credit union, and a group income protection and accident insurance programs are but a few example of the many staff improvements sponsored or supported by the Club.

On the social and recreational side, the Club annually sponsors three parties (Installation, Election, and Adjournment), a family picnic, the Club banquet, a bowling league, men's and ladies' softball teams, a basketball team, a choral group, and golf activities.

In addition, the Club sponsors various low cost vacation trips both within and outside the United States.

The Club also sponsors from time to time, various charitable activities, theatrical productions, art classes, fashion shows, health programs, and foreign language classes. The Club also periodically publishes an official CSC Handbook.

Mr. Speaker, I feel that former Speaker McCormack's acceptance speech that night was outstanding and that it clearly stated what many of us feel about our staffs. I regret the Speaker had no prepared remarks for insertion in the RECORD, as he spoke to us from his heart.

A SERVANT OF THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MURPHY) is recognized for 5 minutes.

Mr. MURPHY of Illinois. Mr. Speaker, a resident of my district, Daniel J. Shannon, recently resigned his position as president of the Chicago Park District due to increased responsibilities as administrator of the Central States, Southeast and Southwest Areas Health, Welfare, and Pension Funds.

During his tenure of office at the Park District, Mr. Shannon displayed aggressive and innovative leadership, a real concern for improving the environment and a true grasp of what it means to be a servant of the people. Ninety-one new parks were established during his years in office alone.

But Dan Shannon did not measure his success by the number of parks Chicago could build. He had more challenging projects in mind.

He made indoor/outdoor ice skating and tennis available in a sports complex built under his direction. Three thousand Chicagoans were introduced to yoga lessons and the 1972 Olympic swimming trials were held in Chicago's Portage Park.

Thousands of underprivileged youth were exposed to a boxing program organized by professional boxers and well-known Soldier Field was given a new lease on life through extensive renovation.

The Park District combined the financial resources of museums located on park property and through a program of matching grants, the Lincoln Park Zoo, Adler Planetarium and the like benefited tremendously.

The Lincoln Park Zoo in particular underwent a substantial facelift under Dan Shannon's direction. There is now a minimum of cages and an emphasis on the natural habitat of the animals.

Dan Shannon included groups of people in his park plans who had been excluded in previous years. He hired professionals to build a garden for the blind with braille markers and grated ramps. He was personally instrumental in establishing physical fitness programs for mentally retarded youngsters which later became the Mentally Retarded Special Olympics.

I wish Dan Shannon well, knowing that he will bring the same dedication and expertise to his new position. It is my hope that the Chicago Park Distrct will continue the programs Dan Shannon so ably began.

ENVIRONMENTAL EDUCATION HEARINGS

The SPEAKER pro tempore. Under a order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, this morning a distinguished American radio and television personality, Arthur Godfrey, presented an eloquent statement before the Select Subcommittee on Education, which I have the honor to chair, in support of continuing the Environmental Education Act.

Indeed, he suggested that continuation of the act "indefinitely," and not just for 3 years, "should be an academic matter."

For, said Mr. Godfrey:

> America needs more than an environmental program or even an environmental ethic. It needs a "nature ethic" by which students can be taught less about man-oriented values and more about nature-oriented values.

And to indicate his own outrage, Mr. Speaker, at the pollution we have visited upon our environment, Mr. Godfrey told my subcommittee that he had severed his advertising relationship with an automobile company because, he said:

> The only automobile I could now sell, in good conscience, is an electric car I have been driving on and off for the past two years in Detroit.

Concluded Mr. Godfrey with a smile:

> The Environmental Education Act should be the place where Congress should write a blank check.

ADMINISTRATION POSITION

Yet in spite of the testimony of this leading American, as well as that of educators and environmentalists who appeared before my subcommittee today, in support of the Environmental Education Act, President Nixon's 1974 budget proposes that we kill this modest program which has proven so effective in the past 3 years.

Indeed, Mr. Speaker, this latest proposal by the President continues this administration's long history of hostility toward this measure.

The second annual report of the Advisory Council on Environmental Education, issued just last month, perhaps sums up the administration's attitude most tellingly.

Says the report:

> Environmental education has received little more than lip service from the Executive Branch. We are nearly as far from achievement of its goals as we were at the time of the passage of the original legislation three years ago.

And the Advisory Council is echoing with that statement, Mr. Speaker, the words of our distinguished former colleague, who also served for a time as the Secretary of Interior, Stewart Udall, before my subcommittee on October 28, 1971.

Said Mr. Udall with regard to the administration's attitude toward environmental education:

> The music is good, but the footwork is slow.

HEARINGS TO CONTINUE THURSDAY

Mr. Speaker, on Thursday, April 19, we will continue our hearings on H.R. 3927, a measure cosponsored by myself and my distinguished colleagues, the gentleman from Idaho (Mr. HANSEN), the gentlelady from Hawaii (Mrs. MINK), and the gentleman from New York (Mr. PEYSER).

On Thursday we will hear administration witnesses testify as to their views on continuing the Environmental Education Act.

Scheduled to testify are the Honorable Sidney P. Marland, Jr., Assistant Secretary for Education, Department of Health, Education, and Welfare; accompanied by Walter Bogan, Director of the Office of Environmental Education.

We will hear, in addition, from two former members of the Advisory Council on Environmental Education, Richard Myshak, executive director of the Minnesota Environmental Sciences Foundation, Inc.; and Edward Weidner, chancellor of the University of Wisconsin at Green Bay.

Tony Mazzocchi of the Oil, Chemical, and Atomic Workers International Union of the AFL–CIO, and our distinguished colleague from Minnesota, BILL FRENZEL, are also scheduled to testify on Thursday.

Mr. Speaker, I insert in the RECORD at this point excerpts from the second annual report of the Advisory Council on Environmental Education:

OFFICE OF EDUCATION, ADVISORY
COUNCIL ON ENVIRONMENTAL
EDUCATION,
Washington, D.C., March 1, 1973.

Dr. JOHN OTTINA,
Acting Commissioner, U.S. Office of Education, Washington, D.C.

DEAR COMMISSIONER OTTINA: The Advisory Council on Environmental Education has recently completed a year of diligent service as representatives in advising and assisting the implementation of the Environmental Education Act of 1970 (P.L. 91–516).

Representing a wide variety of backgrounds and interests, the Council has attempted to carry out its mandated responsibilities.

As the report indicates, the Council has continued to operate under a limited budget and without formal staffing, thereby frustrating our efforts to produce more comprehensive results.

The Office of Environmental Education has also suffered from inadequate funding and staffing. This has hampered overall administration of the Act.

Bearing these constraints in mind, the Council questions that real progress in environmental education can be achieved unless and until there is significantly greater commitment by the Department and the Administration.

We urge your careful review and consideration in responding to the critical problems outlined in this Report.

Sincerely,

ELLA MAE TURNER,
Chairman.

SECOND ANNUAL REPORT

I. FOREWORD

In the year since the First Annual Report of the Advisory Council on Environmental Education, the most compelling problems confronting the people of the world remain peace, poverty, population and pollution. Although peace appears to be somewhat closer at long last, progress in the other areas of critical concern to society is less evident. Most Americans are aware of the deterioration of the quality of the environment and genuinely desire to reverse that trend, but governments and institutions have been slow to respond effectively.

Since it is now widely accepted that the survival of human-kind depends upon co-existence with each other and the limited earth resources which support our fragile ecosystem, we must provide the contingent education for sound resource management and environmental planning. It has also become clear that the entire educational system must be revised and revitalized to meet these needs which the Environmental Education Act of 1970 defines as ". . . man's relationship with his natural and manmade surroundings, and includes the relation of population, pollution, resource allocation and depletion, conservation, transportation, technology, and urban and rural planning to the total human environment."

That Act (Public Law 91–516) was created to encourage the development of programs dealing with the process of relating man to his environment. Specifically, the legislation provided for Federal grants to a variety of public and private agencies, and a public and technical information responsibility in the U.S. Office of Education. Within that office, an Office of Environmental Education, as stipulated in the law, was designated in late 1971 to implement these functions.

The Act also provided for the establishment of an Advisory Council on Environmental Education composed of 21 representative citizens to review and report on the development and progress of environmental education programs. Bogged down in bureaucratic delays, the Council finally became an operating unit in December of 1971, with 19 appointees. It continues to be severely handicapped by the lack of adequate funding, lack of any staff personnel and lack of the full number of authorized appointments.

As noted in the Council's First Report, if it is to achieve its Congressional mandate to represent the environmental education needs and interests of the people of the United States, the Council should have been involved in the following activities:

Participation in the planning process for programs under the Environmental Education Act;

Program review during the developmental stages;

Recommendation of changes and modifications as appropriate;

Identification of problems beyond the scope of the Council to be channeled to the proper offices and officials; and

Dissemination of information for general public awareness and for technical assistance to new or continuing programs throughout the country.

Despite the acute limitations indicated, the Council's three Standing Committees have carefully analyzed the status of the Environmental Education Act and the Office of Environmental Education from these perspectives. The following report details the Council's findings and recommendations.

II. SUMMARY RECOMMENDATIONS

After reviewing the serious handicaps in the implementation of the Environmental Education Act, the Advisory Council recommends:

1. Extension of the Environmental Education Act.
2. Possible relocation of the Office of Environmental Education.
3. Evaluation of the environmental education grants program.
4. Creation of an interagency coordination committee for environmental education.
5. Restructuring the Advisory Council on Environmental Education.
6. Full staffing for the Office of Environmental Education.

III. DETAILED FINDINGS AND RECOMMENDATIONS

1. Extension of the Environmental Education Act: The Environmental Education Act of 1970 (P.L. 91–516) was passed as a result of Congressional initiative supported at the grass roots by educators, community action groups, conservationists and private citizens. The Act authorized a three year program of $5 million for fiscal year 1971, $15 million for fiscal 1972, and $25 million for fiscal 1973.

Appropriations never even approximated authorizations. Actual program funding totalled only $1.7 million in 1971 and $3 million in 1972, permitting the award of only 236 grants out of 3500 applications received. In those two years, staff and program support also came out of the line-item appropriation. The estimated program funding for fiscal 1973 is $3.1 million with staff and program support costs borne by the overall Office of Education budget for the first time. Despite these limitations, public interest has remained high and fiscal 1973 applications are expected to reach earlier levels.

The importance of environmental education has been underlined by numerous governmental agencies, advisory committees and private groups. In its 1972 report to the President, for example, the Citizens' Advisory Committee on Environmental Quality stated that ". . . the quality and accessibility of environmental education in this country . . . must reach citizens of all ages, encompass numerous academic and technical disciplines, and utilize the broadest possible range of formal and informal educational settings. . . ."

Due to the failure of the Office of Education to provide the Office of Environmental Education with staff, physical facilities and administrative support, the beginning of the program was delayed for nearly a year after its enactment. In the course of its discussions with recipients, examination of project reports and personal visits to on-going projects, the Council finds that although there are many outstanding projects underway, these first three years cannot be considered a fair trial of the Congressional mandate. It is unrealistic to think that an environmentally aware public or an environmentally sensitized student population can be achieved in three years (or even six) with only $7. million (estimated) in direct funding. The need is too great and public interest too high to abandon the effort now. The program should be continued.

2. Possible relocation of the Office of Environmental Education: In recommending the extension of Public Law 91–516, the Council does not necessarily recommend a continuation of the present bureaucratic location of the environmental education program. From the passage of the Act, Office of Education and Department of Health, Education and Welfare officials have been virtually silent on the subject of environmental education despite President Nixon's own support for the concept. In his February 8, 1971 Message to the Congress, the President said:

"The building of a better environment will require in the long term a citizenry that is both deeply concerned and fully informed. Thus, I believe that our educational system, at all levels, has a critical role to play."

Throughout its bureaucratic life, the Office of Environmental Education has been subject to considerable harassment including several office moves, inability to hire its full staff complement, delays in clearing documents and abrupt changes in deadlines.

If the Assistant Secretary for Education and the Commissioner of Education cannot assure the Congress that it will give priority to environmental education programs, as the present law provides, then any new or extended program should be located in more hospitable surroundings.

In view of the large number of pending governmental reorganizations, the Council does not have a specific recommendation at this time, but it hopes that the Congress will insist on this point in any consideration of new legislation.

3. Evaluation of the environmental education grants program: It is critically important that a careful and thorough review and analysis of the programs funded under P.L. 91–516 be undertaken. Such a review may enable the development of guidelines and model programs of national scope and significance for implementation throughout the United States.

The evaluation should be undertaken in the context of the criteria developed by the Council pursuant to Section 3(c)(2) of the Act and incorporated in the guidelines sent to potential applicants by the Office of Education.

It would be a violation of the public trust to deny to educational institutions and citizens groups the benefits of both the successes and failures of the efforts to date.

4. Creation of an Interagency Coordination Committee for Environmental Education: Although the legislative history of the Environmental Education Act indicates that environmental education programs were to be "synergistic" in that they would draw not only on resources provided by the Act but also on those of other educational programs such as Titles I and III of the Elementary and Secondary Education Act, vocational education, cooperative education and the like, there is some confusion as to the extent to which this mandate has been carried out. In April 1972, the Deputy Commissioner of Education for Renewal told the House Select Subcommittee on Education that $11.5 million would be made available through this means in fiscal year 1972. There exists, however, at least for the record, no document indicating whether or not this was done, or whether or not programs called "synergistic" in fact served an environmental education need.

However a new or extended environmental education bill is structured, the Council recommends that a federal interagency coordinating committee on environmental education synergy be created under the aegis of the Council on Environmental Quality. The committee should be chaired by the Director of the Office of Environmental Education and include provision for the inclusion of advisory representatives of states and national private agencies.

The coordinating commitee should be a working group sharing information and experience in an effort to maximize the effectiveness of the national environmental education effort. It should prepare a summary of its activities and recommendations for inclusion in the annual report of the Council on Environmental Quality to the Congress pursuant to the National Environmental Policy Act of 1970.

5. Restructuring the Advisory Council on Environmental Education: An advisory council can be no more effective than the program it serves and it, too, must have adequate resources and sufficient support within its agency to meet its objectives. Like the Office of Environmental Education, the Advisory Council has been beset with delays. Created more than a year after the passage of the Act, the Council was naturally unable to participate fully in the first year of grant awards. It has never had its full complement of 21 members as called for in the law.

Nevertheless, the Council has sought to do its job as effectively as possible and in all instances has received excellent cooperation from the Office of Environmental Education staff. As a result of its 16 months experience, the Council does have specific recommendations we believe could make it a more effective part of the overall environmental education effort:

1. Reduction in membership from 21 to 15;

2. Election of the Chairman by the members of the Council;

3. The provision of regular professional staff.

6. Full staffing for the Office of Environmental Education; the Office of Environmental Education has never had sufficient staff and for the past year has not even had the full complement of staff positions assigned to it. Through personal observation of Office activities, the Council finds that it is literally impossible for the staff to keep up with the daily demands on their time and resources despite the dedication of personnel willing to devote evenings and weekends to getting the job done.

In addition to its own considerable workload, the staff has also had to service the needs of the Council. Although members have been willing to make their own travel and meeting arrangements and cooperate in any possible way, in the absence of regular professional staff it has been seriously hampered in fulfilling its own legislative mandate.

IV. CONCLUSION

In three State of the Union Messages and three Special Messages on the Environment, President Nixon has spoken of the need for environmental literacy, new values and attitudes, and environmental awakening. At the time of the Third Annual Report of the Council on Environmental Quality in 1972, the President stressed the importance of both formal and informal education to prevent the environmental movement from becoming elitist.

The Environmental Education Act, signed into law October 30, 1970, was intended by the Congress to address the environmental needs of all citizens. It was widely believed that the Environmental Education Act and the National Environmental Policy Act of 1970 were mutually supportive laws, which read together provided a strategy for environmental protection involving standards, monitoring, enforcement, evaluation and dissemination in keeping with the mandate of P.L. 91–516 ". . . to encourage understanding of policies, and support of activities designed to enhance environmental quality and maintain ecological balance . . ."

Environmental education has received little more than lip service from the Executive Branch. We are nearly as far from achievement of its goals as we were at the time of the passage of the original legislation three years ago. In part through the efforts of the Office of Environmental Education, the needs are now more clearly articulated and there is stronger public support for an educational effort to enhance respect for the quality of life and to provide the practical tools for environmental problem-solving. Although the President has not requested additional funding for environmental education due to the potential expiration of the Environmental Education Act on June 30, 1973, it is the hope of this Council that the Congress which gave the Act life will let it continue to grow and assign it to an Agency which will conscientiously and creatively administer it.

The continued existence of the environmental education program will put us to the ultimate test: Are we sufficiently committed to environmental quality to match our resources with our rhetoric?

PATENT REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 30 minutes.

Mr. OWENS. Mr. Speaker, on behalf of Mr. MEZVINSKY and myself, I am today introducing the Patent Reform Act of 1973.

For at least the past 6 years, the Congress has been considering patent reform. In April 1965, President Johnson established the President's Commission on the Patent System to do a comprehensive survey and recommend improvements. In November 1966, the President's Commission released its report, with 35 recommendations. In February 1967, the administration introduced H.R. 5924, the Patent Reform Act of 1967, which largely embodied the recommendations of the President's Commission. This and various substitute bills were the subject of extensive hearings in both Houses, causing further redrafting of the proposed revisions to the Patent Code.

The House Subcommitte No. 3 of the Judiciary Committee held extensive hearings and then awaited hearings and other action from the Senate. The Patents, Trademarks, and Copyrights Subcommittee of the Senate finally reported a bill (S. 643) in October 1971. S. 643, as reported, represented a compromise. The more controversial of the Presidential Commission's recommendations—such as the first-to-file concept and elimination of the 1-year grace period—were deleted, with only 14 of the original 35 recommendations left. Early publication of the patent application, prevention of abuse in continuation and reissue applications, deferred examination, effective court review—to name but a few more—were deleted.

In his March 1972 technology message to Congress, the President called a "strong and reliable patent system" an important predicate to U.S. technological progress and industrial strength. But—to date—there has been no patent reform.

Elimination of most of the reform measures recommended by the Presidential Commission has been due to massive resistance to change by the organized patent bar. Indeed, even the modest reforms embodied in S. 643 caused such a hue and cry from the private patent bar as to prevent further action in the 92d Congress. Whatever proposals for change that have been made by the organized patent bar have been retrogressive, seeking to lower the standard of invention and create barriers to effective evaluation and elimination of improper or fraudulently procured patents.

The needs of the public and American industry, however, dictate that patent reform should not stop. The whole patent system now discriminates in terms of time, cost, and effect against the individual inventor and small entrepreneurs. It is geared to the major corporation, which uses and may abuse the system. Its constitutionally based objective is not being carried out, it is impeding—rather than promoting—effective competition with foreign firms, and is viewed with hostility by the public, judiciary, and legislature.

The patent system is tediously slow—beset by internal paralysis through archaic procedures. Legitimate inventions are denied prompt disposition, and noninventions and fraudulently procured patents slip through gaping procedural loopholes. Corporations seek and obtain patents and then never commercially work them, further clogging the system and proliferating needless monopolies, but blocking legitimate endeavors and significantly impeding the flow of commerce. Adequate disclosure is the exception in the patent system, rather than the rule; and the public consequently does not receive what it bargained for in return for the grant of the privilege accorded by the private patent monopoly.

The patent system is very sick and perhaps failing, and the results are clear to see. Fully 72 percent of the patents litigated in the Federal courts of appeals are held invalid, and fewer than 20 percent of the litigated patents are upheld as valid and infringed.[1] This represents an increase from a rate of 57 percent invalidity for the period 1953–63. Such a high rate of invalidity means that many more patents issue than are warranted. Simply put, this means that the Patent Office has not been doing its job of weeding out bad and unjustified patents.

This high rate of invalidity arises, because the standards applied by and techniques available to the Patent Office are inadequate. The Supreme Court itself has pointed out there exists "a notorious difference between the standards applied by the Patent Office and by the courts." [2]

This discrepancy in legal standards has resulted in indiscriminate granting of patent monopolies, without limiting them to true "discoveries." This is contrary to what the Constitution requires. As a Federal District Court judge from New York recently put it:

> To be honest, this Court is rather amazed to find that a patent as flimsy and as spurious as this one [in suit] has been granted by the Patent Office. Clearly, the Patent Office is still not applying the strict constitutional standard required in all patent cases.[3]

For the Patent Office to issue so many spurious or dubious patent monopolies, the validity of which Federal courts must then adjudicate, is an improper burden on the courts. It is also against the best interests of the public, the investor, and the legitimate inventor:

> To await litigation is—for all practical purposes—to debilitate the patent system.[4]

The legitimate inventor may find research and development fenced off by a plethora of invalid or questionable patents, blocking legitimate areas of inquiry. Or, the legitimate inventor—or the company to which the patent is assigned—may think he has legitimate monopoly power he can rely upon, when, whether because of improper Patent Office standards, or because the applicant's patent attorney improperly cut corners, the patent may in fact be worthless or even a source of risk and expense. As a consequence, the public could invest great sums of money in a company, because of a seemingly valuable patent that later turns out to be spurious and invalid.[5]

On the other hand, an unscrupulous inventor, or a company indifferent to a patent's validity, may use a weak patent to exact monopoly tribute—royalties—from competitors and the public. Rather than challenge the patent's validity, which may cost more than $1 million in legal fees alone, a competitor might find it simpler to pass the monopoly charges on to consumers in higher prices.

This illegal monopoly exaction from the public can often be of great magnitude, as witnessed by the invalid tetracycline antibiotic patent issued as a result of fraud on the Patent Office. One witness estimated that the $100 million plus damage settlement offered by the tetracycline offenders represents only 10 cents on the dollar of the damage done to the public that bought and used this important drug. That $100 million alone—the minimum damage caused the public by just one invalid patent—is nearly double the annual appropriation of the U.S. Patent Office.

All of these effects coalesce into one additional and substantial harm: The patent system falls into disrepute with the consumer, the businessman, the judge, and the legislator; and its legitimate purposes become more and more difficult to accomplish.

One reason for this poor job in issuing patents is the number of operational weaknesses surrounding the present system of patent examination. As Mr. Justice Fortas put it recently:

> A patent monopoly is typically granted in a secret, ex parte proceeding before a minor bureaucrat called a patent examiner.[6]

Or as Federal District Court Judge Hubert L. Will from Illinois, complained 3 years ago:

> [Obtaining a patent] is one of the few areas in which there are not adversary proceedings in which there is substantial economic benefits to be gained. . . . This is one of the very few governmentally conferred economic privileges, monopolies, in which there is no public hearing.[7]

Because the patent prosecution is generally an ex parte proceeding, the Patent Office is at a disadvantage, for it must rely upon the representations of the applicant and his patent attorney. The Office has no facilities for performing its own tests or referring matters to other Government agencies that have such facilities. The Patent Office also has no subpena power and no contempt power. As the Supreme Court said:

> The Patent Office is often obliged to reach its decision in an *ex parte* proceeding, without the aid of the arguments which could be advanced by parties interested in proving patent invalidity.[8]

Unfortunately, the candor and good faith of the applicants and their counsel are not always all they should be.

Lacking adversary procedures, and the benefit of conflicting arguments, patent examiners—often young, inexperienced, and lacking adequate research tools—simply are not able to research adequately all the prior art nor to ferret out any false and erroneous statements. Moreover, the workload is so great that an adequate amount of time cannot be spent on each patent application. The average Office action receives about 5 or 6 hours review, and the average patent receives a total of about 15 hours review.

The patent lawyer representing the applicant knows the handicaps the examiner faces and, all too often, may take advantage of them. Although he may complain of the Patent Office backlog and of the 2 to 3 years it takes for a patent to issue, the lawyer nonetheless may make the Office's job as difficult as possible. He often treats the Office as his adversary, disclosing no more than he is compelled to, answering no questions until asked, and giving answers based on the most narrow and precise constructions as he can imagine. As a result, the patent examination process is, in the words of Judge Will, "a game of semantics, hide and seek with the Examiner." [9] Or, in the words of Federal District Court Judge Miles W. Lord from Minnesota:

> [The Patent Office] has got to be the sickest institution that our Government has ever invented. It is just as far as I can see an attritional war between the patent applicant and the patent examiner who apparently got paid on the piece work for how many patents they could put out.[10]

But not only are the proceedings ex parte, they are secret. There is no transcript or recording made of the various meetings held at the Patent Office.

And, not surprisingly, in light of the

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way the Patent Office works, a large number of recent decisions in the Federal courts have held patents invalid or unenforceable against alleged infringers because of "unclean hands," "fraud," "material misrepresentations," or an "intentional failure to state material facts" in dealing with the U.S. Patent Office. The deceptive or fraudulent acts have included, among others, patenting the invention of another as one's own,[11] deliberate withholding of relevant prior art,[12] deliberate suppression of relevant test or other factual material,[13] and conspiracy to prevent prior art from coming to the attention of the Patent Office.[14] Considering the facts that the governmentally protected monopoly the Patent Office grants can be worth hundreds of millions of dollars, it is no wonder that without safeguards this happens.

Another reason for the high rate of invalidity of patents centers about the Court of Customs and Patent Appeals—partly as a result of the structure of this special interest court and partly as a result of its interpretations of the Patent Code.

As a general rule, the CCPA reviews Patent Office denials of patents. It does not review decisions to grant a patent. So, unless the CCPA were to decide every case in favor of the Patent Office—which, of course, it should hardly do, and it does not do so—it can only create precedent for granting more patents.

Furthermore, in proceedings before the CCPA, the Patent Office argues to uphold the denial of the monopoly grant sought, using only the record developed in the Patent Office. This has the effect of limiting the CCPA to the same ex parte record that was developed before the Patent Office. As a result, the CCPA, as well, is denied the benefits of discovery against the applicant under the Federal Rules of Civil Procedure and evidence from third parties opposing the issuance of the patent.

Unlike the rest of the Federal judiciary, CCPA judges are not exposed to the general trend of the law and the cross-currents of policies constantly being argued and adjudicated there. It is not surprising, therefore, that the CCPA has been deciding more and more important cases in favor of the applicants and weakening even more whatever standards of patentability the Patent Office had. This attitude is well demonstrated by the recent decision of the CCPA in *In re Mixon and Wahl*, decided January 18, 1973. Chief Judge Worley—a former member of Congress—in his last opinion before retirement, took the opportunity to make "a few personal observations":

> During that time [as a member of the C.C.P.A. for the past twenty-two years] I have resolved reasonable doubt on questions of patentability in favor of the inventor, never sure whether I was helping or harming him, the public or the patent system. . . .
>
> However, with the passage of time, it seems that we are now the only court in our judicial system which has continued to follow the policy—and it is nothing more—of resolving doubt in favor of applicants for patents. The question arises in my mind whether this court should pursue its lonely course—. . . . Nor does it make sense to accord a duly issued patent a presumption of validity when its issuance is dependent on resolving an admitted doubt as to the very issue of validity in the applicant's favor. I cannot believe Congress ever contemplated that the granting of a patent monopoly would turn on a resolution of doubt.

As indicated above by Chief Worley, the CCPA has consistently construed the Patent Code to require the Patent Office to grant a patent, in all cases no matter how frivolous, unless the Office can find some specific reason not to do so. No other Government agency has such a burden to overcome in performing its administrative function. As Thomas Jefferson recognized, and as the Supreme Court has also said, a patent is not a matter of natural right. As any other applicant would in petitioning for a special economic privilege—such as an airline route or a radio frequency—the would-be patent monopolist should bear "the burden of persuading the Patent Office" as the President's Commission recommended.

In addition to being anomalous, this practice discourages disclosure and impedes the examination process. As the CCPA interprets the Patent Code, it is to the advantage of the applicant not to disclose his case, for the Office may make a mistake and grant more of a monopoly, first, than it realizes because of broad or deliberately ambiguous language or, second, than the applicant can justify, if required to explain the scope and outer boundaries of the monopoly he seeks. Judge Will discussed this problem succinctly:

> It is idiotic that [the Patent Office] should be playing hide and seek with applicants and their counsel. . . .[15]
>
> It is [now] the government's job to find out and establish the nonpatentability [of a patent] beyond a reasonable doubt, but [the patent applicant and his attorney] don't tell them anything to help them find out whether or not this is a new idea, an invention, whether it has been thought of before. . . .
>
> The whole thing is geared to a low standard of conduct. It imposes no obligation on the counsel or the applicant to tell the Patent Office what he undoubtedly knows with respect to prior art.[16]

One tragic result of these operational defects in the Patent Office, as reinforced by the CCPA, is that the public and the Federal judiciary have gradually lost their respect for patents and the patent system. As Mr. Justice Fortas said:

> Most judges, rightly or wrongly, are inclined to think that a strong, well-financed applicant has a pretty good chance of getting at least some patent claims allowed somewhere along the line, and they don't have much confidence in the process or respect for the result.[17]

In addition to the comments cited above, various sitting judges have even made more sweeping condemnations of the patent system. No doubt, and quite naturally, their experience gained in learning how flimsy and spurious some patents are, and how low the standards of the Patent Office and those appearing before it were in those specific cases, carries over into their consideration of how the Patent Office works generally.

To quote them:

> I think the WPA was a cheap operation compared to the Patent Bar, if you want to know what I think about patent lawyers. Let me make it very clear to you that they do not rank among my highest practitioners of law.[18]
>
> [The Patent Office] has got to be the weakest link in the competitive system in America.[19]
>
> The presumption of validity of an issued patent, as far as I am concerned, is a myth.[20]
>
> [T]he volume of patent applications processed by the Patent Office and the ex parte nature of the proceedings further undermines any presumption given the [patent in suit].[21]

Judge Will put it best, I think, when he said:

> [T]here is something wrong with a system which doesn't have built into it some sort of normal safeguard against abuse where the stakes can be as high.[22]

The United States alone has failed to recognize the change in the role of patents and the existing patent examination system—from its inception in 1836—to the corporate, economic, social, and technological environment of the 20th century. The 1952 act represented a codification of prior practice and case law, but did not update the system. Virtually every other industrialized nation within the past 20 years has adopted a patent system more in conformity with modern day realities, which concepts in part have been incorporated in the Patent Reform Act of 1973, which I am today introducing.

The individual inventor has given way to massive corporate and organized research; only 20 percent of patents issued are individually owned. The expense and complexity of technology has increased exponentially; over 100,000 patent applications were filed last year. Foreign skills have begun to catch up to ours, and international competition in technological development has increased dramatically; 25 percent of the patent applications filed in the United States—over 25,000 of them in any year—are filed by foreigners.

With the U.S. technological leadership position being increasingly challenged, and with substantial worldwide competition from nations of increasing economic strength, it is time for the Congress to assert its leadership role in reforming the patent system to make it compatible with the economic realities of today. Even the English patent system—the forerunner of our system—back in 1623, in the Statute of Monopolies, recognized that limitations were necessary to the proper maintenance of a patent system. Patents were authorized when not "mischievous to the State, by raising of the prices of commodities at home, or hurt of trade, or generally inconvenient."

If the patent system does not modernize itself, and strengthen its procedures, it will continue in disrepute and will not and cannot perform its constitutional objective of promoting the progress of science and the useful arts. Indeed, it may now be said that the patent system represents a major stumbling block to such progress. If ever there was a time to attain these objectives, as the patent system is supposed to, Mr. Speaker, it is now. I urge that the Patent Reform Act of 1973 be given priority consideration by the 93d Congress.

Some will say that this represents yet another attack on a venerable and worthy institution. To them I say, unless

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this venerable institution is reformed, it will soon die of old age.

Allow me briefly to outline the main provisions of the Patent Reform Act.

The Patent Reform Act of 1973 basically adds the principles embodied in the Presidential Commission's recommendations to the reforms of the 1971 Senate subcommittee print. Reforms that have worked well abroad have also been added, but the act preserves the particularly American interest in protecting the individual inventor and small businessman. Other substantial refinements have been added to implement these basic principles and otherwise to raise and improve the required standard of invention.

The act's overriding dual objectives are: First, to restore confidence in the patent system by increasing and strengthening the quality and reliability of the U.S. patent grant, and second, to enable individual inventors and entrepreneurs more readily and expeditously to obtain and utilize a patent in keeping with the constitutional intent.

The Patent Office is made an independent agency charged with a singular responsibility of carrying out the provisions of this act. Such divorcement from the Commerce Department and its other activities on behalf of business should remove sometimes conflicting objectives and motivations underlying Patent Office efforts. The Commissioner of Patents is made the chief administrative officer of the Patent Office, and neither he nor other Patent Office employees are subordinated to the Secretary of Commerce or the Department's general counsel, as required by a January 8, 1973, Department of Commerce reorganization order. The Patent Office is also given independent subpena and investigation powers in accordance with the Federal Rules of Civil Procedure, so it can perform better in carrying out the provisions of this act.

The examination of patent applications is strengthened—first, by permitting open, public, and adversary proceedings, instead of closed, secret, ex parte interviews; second, by creating a public counsel within the Patent Office to participate in Office proceedings to protect the public interest and assure full adversary hearings; third, by giving the primary examiner a more judicial function; and fourth, by providing all parties with access to full and adequate discovery under the Federal Rules of Civil Procedure. A patent application is made available to adversely affected persons shortly after the application is filed, in order to permit them to participate in Office proceedings. They may then notify the Patent Office of any information bearing on the patent ability of the application or may otherwise participate in the examination proceeding in order to assess the validity of patent applications before—rather than after—issuance.

The level of disclosure before the Patent Office is materially raised by the dual requirements of a strengthened oath of invention and a patentability brief. This should help the Patent Office make a more thorough, rigorous, and expeditious examination of patent applications. It should also help resolve what Commissioner Gottschalk has referred to as "fraud by omission":

> In a typical situation, the litigant attacking the patent contends that the patentee misled the Patent Office because he failed to call to its attention a prior use or prior art.
>
> Another kind of 'omission' occurs when an applicant presents test evidence or other data tending to support patentability, but fails to call attention to additional tests or data which do not help his case and may run counter to it.[23]

As a solution to the second kind of fraud, but not the first, in March 1972, the Patent Office proposed to amend its rules to require the person submitting certain kinds of affidavits to include in such affidavit:

> A statement to the effect that no facts, data, or test results are known which are inconsistent with those in the affidavit or declaration or which would tend to give an impression different from that conveyed by the affidavit. A similar statement would also be required in the application oath or declaration in cases in which the specifications refer to test results.[24]

Although this represented a preliminary first step, it is clearly insufficient. The proposal deals only with one kind of fraud is limited in scope, and ignores the larger problem that he refers to as the "typical situation." In addition, there is no guarantee that this proposal, as so many other abortive attempts to raise the standard of conduct, will ever be implemented or will remain in force. It is now 1 year later, and the rule has not yet been adopted.

Recognizing the secret, ex parte nature of the patient examination process. Federal courts have held, in the course of infringement and other litigation, that an applicant had a duty to disclose to the Patent Office information harmful to his position, such as prior knowledge, sale, publication, or a prior published description of the alleged invention claimed. This duty of honesty and forthrightness has been phrased in straightforward and strong terms by the U.S. Supreme Court—all those appearing before the Patent Office have an uncompromising duty to act with the highest degree of candor and good faith toward the Patent Office. This requires bringing to the attention of the Patent Office all facts concerning possible fraud or inequitableness underlying the application. This further includes the positive duty, as one has in formulating a prospectus for the sale of securities to investors, not only to make one's statements truthful, but also to disclose the whole truth.

This is the standard by which the Federal courts judge patent validity. The Patent Office, however, does not require that the applicant or his attorney meet all these standards. It provides neither sanctions against conduct the courts condemn, nor safeguards to insure that all these standards are complied with.

Instead, what the Patent Office presently requires, when an application is filed, is only for the inventor to file an oath that he believes himself to be the original and first inventor and that the application meets all the various criteria for novelty required by section 102, such as no prior knowledge, use, sale, or publication. This does not require honesty and forthrightness as to all evidence or material the applicant submits, and it does not bind all those who appear on the applicant's behalf.

The act strengthens the oath of invention and implements these judicially applied standards in concrete form. This is to raise the standard of conduct at the Patent Office at the time the patent application is under consideration and not just after the fact in litigation. In accord with recent court decisions, the oath provisions specifically place upon each party a continuing obligation to bring to the attention of the Patent Office all material information known to him which would adversely affect the issuance of the patent. The provision also would require such a person to attest that he has been forthright with the Patent Office.

The Patent Office, through its rulemaking authority, is empowered to implement the details of this oath and provide definitions and procedures for complying with it. This oath will not place any additional burden on the person signing it, for, as with any oath, it is applicable only to the information already known to the affiant.

As an additional safeguard, this act requires a patentability brief. Such a brief will explain the scope of the patent monopoly sought. It will assure more complete disclosure and will help the examiner in evaluating the application. It gives him, as a starting point, the relevant prior art known to the applicant—or his patent lawyer.

In effect, as in any other proceeding before the Government to obtain a monopoly privilege, this patentability brief would amount to each applicant's argument as to why he deserves a patent. Not only will the applicant submit an application claiming what he alleges he is entitled to, as at present; but also he will have to submit a brief memorandum explaining the true scope of what he really claims, in light of the prior art known to him.

Some persons opposed to the implementation of these higher standards of honesty and forthrightness before the Patent Office have said that his provision would result in a deluge of information "flooding" the Patent Office and preventing it from carrying out the examination process. These persons see no middle ground possible between "flooding" or "snowing" the Office with irrelevant data and withholding material information in order to mislead the Office into granting a spurious monopoly. But under this section, the Commissioner will retain the power to prescribe reasonable rules and regulations to effectuate this provision of the law and prevent its misuse by applicants who might otherwise try to flood the Office with irrelevant and immaterial information. The Commissioner may, for example, require applicants to group references in terms of their type of relevance or approximate order of pertinency.

This patentability brief is a concept that has been developing within the Patent Office. In the fall of 1963, the Patent Office proposed the mandatory

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citation of published prior art believed by the applicant to be significantly pertinent to the claimed invention.[25] This proposal met the violent opposition of the private patent bar, and it died.

In 1969, the Patent Office, under the direction of former Commissioner Schuyler, tried again, with a proposed rule that required the submission of all prior art specifically considered in preparing the application and of a patentability brief containing argument explaining why the claims were deemed patentable over the art identified.[26]

The private patent bar, then, as now, resisted this latest effort. As former Commissioner Schuyler said, in October 1969:

> The response we have had to the publication of the proposed rule has been mostly negative. The patent bar is resisting change.[27]

In discussing this same kind of disclosure, Judge Will put it more pointedly:

> I don't have any surprise at all . . . that the organized Patent Bar opposed broadening the standard of disclosure required of applicants or their counsel, any more than I am surprised that they are opposed to making the Patent Office function effectively. . . .[28]

Other provisions of the proposed act are modeled on European law and are designed to assist the individual inventor and to remove unnecessary blocks on commerce. The latter is necessary because, as one study abroad has shown, only about 2 to 5 percent of patents issued in foreign industrialized nations are commercially worked—although other estimates would increase that figure to as high as 10 percent.[29]

The deferred examination and mechanization and automation provisions in the act should facilitate a prompt, accurate, and less expensive disposition of patent applications. The deferred examination system permits an applicant to defer examination of his patent application for up to 5 years from the date of filing, without losing patent protection. The patent grant would be for a period of 12 years from filing, plus whatever time elapsed while the examination was deferred. The expense of the examination process could thus be deferred on inventions whose commercial utility has not yet been established without the loss of patent protection. This also should free up the Patent Office to promptly and carefully examine other applications which may have more immediate commercial utility. Under the deferred system of examination in Holland, for example, it is estimated at the end of the deferred examination period some 59 percent of patent applicants chose not to have their applications examined at all, but rather to allow it to lapse.[30]

The inventor also would benefit from a maintenance fee system for recovering Patent Office costs. Instead of a uniform and high initial fee, a small initial fee would be charged, with higher maintenance fees commencing several years after issuance of the patent. Payment of all but nominal fees could be deferred for a period of 8 years or more from the date of filing, with a provision being made for further exemption or postponement for individual inventors and small businessmen. In this manner, the necessary Patent Office costs could be recovered after commercialization of an invention.

In addition, such maintenance fees act to free commerce of unneeded and uncommercialized patents, which are only being kept as a block to prevent other people from engaging in inventive activity. The 1958 study of the Subcommittee on Patents, Trademarks, and Copyrights—study No. 17—demonstrates that in other countries which utilize a maintenance fee system, unneeded and uncommercialized patents are allowed to lapse rather than incur continued maintenance fees. The statistics there cited varied; but by the fifth or sixth year after issuance, from one-half to two-thirds of the patents issued in these countries had been allowed to lapse.

The proposed act also provides that benefits to employee-inventors from successful utilization of their inventions, prevalent in Europe, also should benefit the United States patent system. The first to invent principle is also retained but a 1-year grace period should limit the number of interferences and simplify Office procedures.

In total, the Patent Reform Act of 1973 should give us the benefits of an economically and socially viable patent system, one designed to reward true inventions, and to promote legitimate progress in science and the useful arts. At the least, it should reduce or eliminate the widespread abuses of the present system.

FOOTNOTES

[1] On May 2, 1969, the Honorable John L. McClellan, Chairman of Patents, Trademarks, and Copyrights Subcommittee, stated during the Nomination Hearings for William E. Schuyler, Jr., to be Commissioner of Patents, that: "The staff has informed me that on a national basis, 72 percent of the patents litigated in the courts of appeals have been found invalid." Professor Irving Kayton, in *The Crisis of Law in Patents,* (1970), reported that for a recent time period, 19.0% of the patents litigated in the courts of appeals had been upheld as valid and infringed.

[2] *Graham* v. *John Deere Co.,* 383 U.S. 1, 18 (1966).

[3] *Ken Wire Products* v. *C.B.S.,* 172 U.S.P.Q. 632, 636 (S.D.N.Y. 1971).

[4] *Graham* v. *John Deere Co.,* 383 U.S. 1, 18 (1966).

[5] *United States* v. *Saf-T-Boom,* 164 U.S.P.Q. 283 (E.D. Ark. 1970), aff'd 167 U.S.P.Q. 195 (8th Cir. 1970).

[6] Fortas, "The Patent System in Distress," 14 IDEA 571, 576 (1971).

[7] Judge Hubert L. Will, April 7, 1970, *Technograph* v. *Methode,* C.A. No. 62 C 1761 (N.D. Ill.), transcript at p. 1432.

[8] *Lear, Inc.* v. *Adkins,* 395 U.S. 653, 670 (1969).

[9] Judge Will, *op. cit.,* at p. 1429.

[10] Judge Miles W. Lord, September 8, 1971, *United States v. Charles Pfizer & Co., Inc., et al.* (Tetracycline civil damage suit), 4–71 Civ. 435 (D. Minn.).

[11] *Shelco, Inc.* v. *Dow Chemical Co.,* 168 U.S.P.Q. 395 (N.D. Ill. 1970), aff'd F.2d (7th Cir. 1972).

[12] *Beckman Instruments, Inc.* v. *Chemtronics, Inc.,* 428 F.2d 955 (5th Cir. 1970); *Armour & Co.* v. *Swift & Co.,* 168 U.S.P.Q. 269 (N.D. Ill. 1970).

[13] *Monsanto Co.* v. *Rohm & Haas Co.,* 164 U.S.P.Q. 556 (E.D. Pa. 1970); see *American Cyanamid Co.* v. *F.T.C.* (tetracycline case), 363 F.2d 757 (6th Cir. 1966).

[14] *United States* v. *Singer Mfg. Co.,* 374 U.S. 174 (1963).

[15] Judge Will, *op. cit.,* at p. 1419.

[16] *Id.,* at p. 1422.

[17] Fortas, *op, cit.*

[18] Judge Will, March 25, 1970, *op. cit.,* at pp. 115–116.

[19] Judge Lord, *op. cit.,* at p. 69.

[20] Judge Will, April 7, 1970, *op. cit.,* at p. 1373.

[21] *Ken Wire Products* v. *C.B.S.,* 172 U.S.P.Q. 632, 636 (S.D. N.Y. 1971).

[22] Judge Will, *op. cit.,* at p. 1433.

[23] Gottschalk, "The Patent Office in a Changing World," *Congressional Record,* vol. 118, pt. 7, p. 8876.

[24] *Ibid.*

[25] 28 F.R. 7513 (July 24, 1963), 793 O.G. 172.

[26] 34 F.R. 12,532 (July 31, 1969); see also, 34 F.R. 14,176 (September 9, 1969).

[27] *American Pat. L. Assn. Bulletin,* Oct.–Nov., 1969, p. 575.

[28] Judge Will, March 25, 1970, *op. cit.,* at p. 115.

[29] *Industrial Property,* May 1968, p. 157.

[30] *American Pat. L. Assn. Bulletin,* Oct.–Nov., 1972, p. 630.

GATEWAY AND GREAT KILLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, interest on the part of Staten Island, N.Y., housing developers in Great Kills Park, currently held by the city of New York, clearly and definitely conflict with plans for the Gateway National Recreation Area created last year by act of Congress and currently being assembled by the National Park Service. In authorizing Gateway, the Congress was quite specific in its intent that become part of Gateway.

Otherwise well-meaning legislation sponsored by State Senator John Marchi and currently pending before the New York State legislature would create a so-called South Richmond Development Corp. with planning and acquisition authority over, among other areas, Great Kills.

This conflict can and should be resolved here and now by prompt turnover of Great Kills to the Park Service for inclusion in Gateway as Congress clearly intended. With that in mind, I have written to Mr. Ronald Walker, Director of the National Park Service, urging the Park Service to request formally of the city of New York that immediate action be taken by the city with respect to all city-held properties designated by Congress for inclusion in Gateway to transfer them to Federal ownership as soon as possible rather than according to the phased acquisition plan now contemplated. Phased acquisition of the city-held parcels greatly increases the possibility that key parcels may be diverted to other purposes and never become part of Gateway, as the Marchi bill illustrates with respect to Great Kills.

Mr. Speaker, Mayor Lindsay has stated publicly in several instances that he sees no conflict between the Marchi bill and Gateway. If that is so, then both the Mayor and Senator Marchi should not hesitate to take concrete steps to turn over the properties designated for Gateway regardless of the status of the Marchi bill. In specific, legislation introduced by Assemblyman Edward Amman which would authorize the city to turn over Great Kills and the other properties designated by Congress for inclusion in Gateway, subject to City Planning Commission and Board of Estimate approval, should be promptly and favoraly acted upon, and the Mayor should begin now to take every possible measure to assure ultimate Planning Commission and Board of Estimate approval.

Mr. Speaker, the House Appropriations Committee is currently working on the Interior Department appropriations bill for fiscal year 1974, which includes an administration request of $6.2 million for first-year operations at Gateway. It is going to be most difficult for the Congress to approve these funds while its directives creating Gateway and the past promises of State and local officials that they would turn over Great Kills and other city-held properties included in Gateway are being frustrated and ignored for no justifiable reason, and I call upon all New York officials to put aside narrow interests and disagreements for the implementation of the Gateway project as they did in seeking the congressional authorization for this valuable public facility.

The text of my letter to Park Service Director Walker follows:

April 16, 1973.

Mr. Ronald H. Walker,
Director, National Park Service, Department of the Interior, Washington, D.C.

Dear Mr. Walker: As the New York Member of the House Committee on Interior and Insular Affairs, I am deeply concerned over the Park Service's Master Plan to acquire and commence operating on a phased and piecemeal basis the various properties held by the City of New York which have been designated by Congress for inclusion in the Gateway National Recreation Area. While it may make sense in view of limited operating funds to undertake operations of the various segments of the Recreation Area on a phased basis, phased acquisition of the City-held parcels greatly increases the possibility that key parcels may be diverted to other purposes and never become part of Gateway. Otherwise well-meaning legislation currently pending before the New York State Legislature, for example, threatens such a diversion with respect to the Great Kills park.

With this in mind, I want to urge you to request formally of the City of New York that immediate action be taken by the City with respect to all City-held properties designated by Congress for inclusion in Gateway to transfer them to Federal ownership as soon as possible rather than according to the phased acquisition plan now contemplated. In view of the Park Service's long experience and well deserved reputation as administrators of the National Capital Park System, the oldest and largest urban park system in the world, I have complete confidence that the Park Service will have no difficulty undertaking this added responsibility. More importantly, such a full scale acquisition plan will better assure that Congress' intent that Gateway include each an devery parcel specified by Congress will be successfully carried out.

Once you have filed such a request, I will certainly do everything possible, in cooperation with other members of the New York delegation, to see that State and local officials respond favorably.

Sincerely,

Jonathan B. Bingham.

INTRODUCTION OF TRAVEL BILL

(Mr. HUTCHINSON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HUTCHINSON. Mr. Speaker, Messrs. McClory, Sandman, Railsback, Hogan, Moorhead of California, Lott, and Beard joined me yesterday, April 16, in the introduction of proposed legislation drafted by the Department of Justice designed to promote the foreign policy of the United States by prohibiting travel in restricted areas.

The purpose of the bill is to fill a gap in existing law. In the past, Congress has authorized administrative action intended to limit travel to restricted countries and areas, when our foreign policy and national security warranted, by means of restricting passports. However, the Congress has not made travel to restricted areas a crime.

The result of this omission has been that U.S. citizens have been able to travel without hindrance to countries whose military forces are in conflict with the United States—thereby giving aid and comfort to our enemies, prolonging the conflict, undermining our foreign policy and endangering our national security.

I am confident that the great majority of Americans have been enraged at such conduct which I view as bordering upon treason. The bill introduced today, when enacted into law, will make it a crime to travel to countries at war with the United States. This should put a stop to the sorry spectacle of Americans consorting with and giving aid to our enemies.

The Attorney General, in transmitting the proposed bill, has explained the present state of law regarding restrictions upon travel of U.S. citizens, and the justification for the legislation as follows:

The Supreme Court has sustained the authority of the Secretary of State to endorse passports as invalid for travel to specified areas. Existing criminal statutes do not make it a crime to travel to a restricted area, even though a passport is not valid for such travel. If the person actually uses his passport to enter the restricted area, he may be subject to criminal prosecution under 18 U.S.C. 1544, for use of a passport in violation of the restrictions contained therein. As a practical matter, it is virtually impossible to obtain sufficient evidence that a person has used his passport in violation of the area restrictions in order to sustain a prosecution under that law. The only remaining action which the Secretary may possibly take is to deny or revoke a passport when the sole travel intended is to a restricted area. (See *Lynd* v. *Rusk*, 389 F.2d 940 (1967)). The narrow scope of this possible action is inadequate to deter travel to restricted areas by persons who are so inclined. As a result, area restrictions are ineffective since the Secretary has no realistic means of enforcing them.

This legislative proposal would add a new section to the United States Criminal Code, authorizing the Secretary of State, subject to policy prescribed by the President, to restrict travel by United States citizens and nationals to a foreign area if he determines that area is either: (1) at war; (2) experiencing insurrection or armed hostilities; (3) engaged in armed conflict with the United States; (4) one to which travel would impair United States foreign policy. Area restrictions would have to be published in the Federal Register and would be subject to at least annual review. The Secretary would be empowered to authorize a particular individual to travel to a restricted area in the national interest. Criminal penalties of fines up to $1,000 or one year imprisonment, or both, would be available against willful violators of restrictions.

This legislative proposal removes the present weakness in the Secretary's authority to restrict travel to specified areas by creating criminal penalties for unauthorized travel to these areas. At the same time it takes full account of the constitutional liberties of United States citizens by authorizing the designation of a restricted area only when there is a compelling national interest. Moreover, it continues to permit the Secretary to authorize travel to restricted areas in the national interest.

The Department of State joins the Department of Justice in sponsoring this legislation.

The Office of Management and Budget has advised that enactment of this proposed legislation would be consistent with the Administration's objectives.

The text of the bill is as follows:

H.R. 7060

A bill to promote the foreign policy of the United States by prohibiting travel in a restricted area.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Chapter 45 of title 18 of the United States Code is amended by adding the following section:

"§ 970. Travel in a restricted area.

(a) Subject to such policy as the President may prescribe, the Secretary of State may restrict travel into or through a foreign area by citizens and nationals of the United States if he determines that it is an area:

(1) which is at war,

(2) where insurrection or armed hostilities are in progress,

(3) whose military forces are engaged in States, or
armed conflict with forces of the United

(4) to which travel would seriously impair the conduct of United States foreign policy.

(b) An area restriction shall be announced by publication in the *Federal Register* and shall state the grounds for imposing the restriction. The restriction shall expire one year from the effective date of the restriction unless sooner revoked by the Secretary. The Secretary may extend a restriction for periods not to exceed one year at a time by publication in the *Federal Register*.

(c) The Secretary may authorize travel to a restricted area by a citizen or national of the United States if the Secretary deems such travel to be not inconsistent with the national interest.

(d) Whoever willfully enters or travels in or through a restricted area without authorization from the Secretary shall be fined not more than $1,000, imprisoned not more than one year, or both."

Sec. 2. The analysis of chapter 45 is amended by adding at the end the following new item:

"970. Travel in a restricted area."

A NATION WITHOUT POWER AND EXTINCTION FOR THE FOSSIL FUEL AGE?

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, I would like to invite my colleagues' attention to two additional recent articles on energy by Mr. Joseph Alsop. The first of these was published in the Friday, April 13, Washington Post, and the second was published in the same newspaper on Monday, April 16. The articles were entitled "A Nation Without Power" and

"Extinction for the Fossil Fuel Age?" respectively.

Without objection, I would like to include at the conclusion of my remarks these two articles by Mr. Alsop for the information of my colleagues.

In "A Nation Without Power," Mr. Alsop invites attention to a fact that we must face concerning the continuing predictions of our multibillion-dollar purchase of imported oil. Quite glibly, many are saying we will simply spend the billions required for this oil that we need. Mr. Alsop, on the other hand, invites our attention to a fact we must consider when he says:

> No one is going to give us such huge amounts of credit every year, and year after year, when we cannot possibly pay the money back.

He also highlights the activities of the Soviets relative to the access of the Persian Gulf. With this respect, I would like particularly to invite your attention to his comments concerning the potential vulnerability of, as Mr. Alsop puts it:

> The oil-jugulars of the United States, and of Western Europe and of Japan.

The second article, "Extinction for the Fossil Fuel Age?" contains several of his impressions after his exposure to the general energy information which has been assembled by the Joint Committee on Atomic Energy. In the data we have gathered, and the display system we have developed, we have evaluated a number of actions which could be taken to ameliorate our enormous energy dilemma. Those of you who have seen this material know that we are in no way making specific proposals or recommendations, but have primarily taken existing data and displayed potential actions to ameliorate the severity of the problem in a manner which permits a rapid grasp of the magnitude and complexity of our energy dilemma.

Someone did drop a zero in the printed article in that the usual "equivalent nuclear powerplant" is made up of 1,000 megawatts and not 100 megawatts. Present day 1,000 megawatt plants are approaching a cost of $1 billion each.

It is my opinion that Mr. Alsop has emphasized very well that we will have to:

> Stop trying to have our cake and eat it, too, and we can begin to worry about trade-offs.

These two recent articles by Mr. Alsop continue a series on the enormous problem of energy that this Nation and many nations of the world face. I have placed the two preceding articles in the CONGRESSIONAL RECORD of April 10 (p. 11714) and April 11 (p. 11825):

A Nation Without Power

(By Joseph Alsop)

What people so cheerily call the "energy crisis" is really like a viciously poisonous onion. Peel off the energy layer, and you find the U.S. dollar rapidly losing value, year by year. Peel off the money layer, and you find the end of the U.S. as a great power.

It is a truism, of course, that no bankrupt nation can play the role of a great power in the world. In and of itself therefore, the threat to the value of the U.S. dollar is also a threat to the U.S. as a world power.

As previously reported, present projections show this country using $24 billion of imported oil in 1980, and more than $30 billion of imported oil in 1985. These are the lowest sensible estimates, but they are also nonsense-figures. Bankruptcy, or something very like it, will come before 1980 unless we change our ways. No one is going to give us such huge amounts of credit every year, and year after year, when we cannot possibly pay the money back.

Right here, is the greatest single difficulty of exploring this ghastly, suddenly urgent American problem. Even the most solidly based present projections cannot possibly come true in the end, simply because something will give way somewhere, and with a rending crash, long before the fantastic situations finally arise that even the optimistic analysts now foretell.

There is one thing that cannot and will not give way, however, which also has much to do with the American role as a great power. In brief, the Persian Gulf will be the main place, for a long time to come, where all the world but China and the Soviet Union must go to cover most of the world's enormous and swiftly increasing energy-deficit.

To get a crude measure of what this means, it is only necessary to return to the present projections, which come from the briefings of the congressional Joint Committee on Atomic Energy. By these projections, the Persian Gulf states—Iran, Saudi Arabia, Kuweit, Iraq, Abu Dhabi and other little sheikhdoms—will have an oil revenue of at least $16 billion in 1975, and without any further increases in the oil price! On the same highly optimistic assumption, the same states will have an oil revenue in 1980 of about $58 billion!

Once again, these are certain to be nonsense-figures in the end. Except for Iran, none of these oil-rich states has the ghost of a serious national defense. With one or two other exceptions, none of these states has a stable political system. Most have tiny populations in proportion to their vast riches.

History is a harsh process, and history will not permit this lunatic situation to endure indefinitely. The Soviet Union, for example, is already prepared to give history a helping hand. By huge efforts and investments, and by shocking American negligence, the Soviets have established naval predominance in the Indian Ocean. Again by heavy investments, they have also established predominance in the snakepit politics of Iraq.

This means that the Soviets effectively stand astride of both ends of the Persian Gulf. If they move boldly, they can easily cut the oil-jugulars of the United States, and of Western Europe and of Japan. The Soviets are unlikely to do this, to be sure, unless we in the United States continue to neglect our national defense. But the U.S. Senate appears hell bent on just that kind of neglect.

If the Soviets remain passive, moreover, something else will surely happen to change the situation in the Persian Gulf. There are the local Palestinian refugees, for instance, so numerous, so energetic, so bitter against Israel, and such easy targets for the KGB. In any case, such inconceivable wealth cannot pile up indefinitely in such weak hands, without stronger hands reaching out from somewhere to take the wealth away.

Meanwhile, it is another truism that no nation can continue as a great power when its jugular is overseas, and is also at the mercy of anyone who comes along with a sharp knife. When Britain was a great power and oil was first becoming important, Britain therefore moved to establish political control of the Persian Gulf. At the same time, Winston Churchill also made the British government the largest single stockholder of the British Petroleum Co., still second in rank of the huge international oil companies, but now without political protection like all the rest.

All that ended with a whimper, in fact, in the Suez campaign of 1956. Today, it is the great power role of the U.S. that is endangered by an exposed jugular overseas. And today, half the nations of the world conspicuously including Israel—and even Mainland China, in some measure, because of the Soviet threat—live in independence and go their own ways in relative peace precisely because the U.S. is still a great power. But maybe not for long!

Extinction for the Fossil Fuel Age?

(By Joseph Alsop)

"We are in the deepening twilight of the fossil fuel age." Such is the message now going to all senators and representatives from the congressional Joint Committee on Atomic Energy.

It is a ghastly message. From our jobs to our price structure, just about every aspect of every American's daily life squarely depends on lavish expenditures of inexpensive fossil fuels. The immediate sign of this twilight we are entering, because this kind of lavish, cheap expenditure is beginning to be impossible, is what is misleadingly called "the energy crisis."

The phrase is not misleading because there is no energy crisis. It is misleading only because the crisis involves so much more than mere high gas prices and rationing of automotive gasoline. It involves unending inflation, because of continuous loss of value of the U.S. dollars. It even involves the end of the U.S. as a great power in the world.

These are the unavoidable penalities of vast, annually increasing imports of foreign oil, to cover our vast, annually increasing energy deficit. What, then, can be done about it? The answer, again, is ghastly. Here is a short list of measures that it is now urgent to take.

Item: To increase domestic oil production, open the entire continental shelf to oil production, including the whole of the Atlantic coast, the Gulf of Mexico, and the Santa Barbara Channel. Also double the present use of federal lands for oil production.

Item: To get more natural gas, remove all controls on natural gas prices, especially at the well-head—thereby giving the needed incentives for drilling much deeper and more costly wells.

Item: Invest something like 15 billion dollars to increase output of geothermal and hydroelectric energy by the approximate equivalent of 100 Hoover dams. For this, bite the ugly bullet, too, that the needed big increase in hydroelectric energy will call for big dams in national parks, wilderness areas, and even the Grand Canyon.

Item: Make enormous investments in oil production from our invaluable oil shale reserves. But again, bite the ugly bullet that large scale exploitation of oil shale will make horribly heavy calls upon scarce water resources, and will also necessitate digging up vast areas of western landscape—although some of the possible processes permit the landscape to be put back again later on.

Item: Get the equivalent of 50 Hoover Dams from solar energy exploitation—and require almost all home heating and cooling in the sunny southwest to be converted to solar energy.

Item: Then build 1,000 nuclear power plants of 100 megawatts each between 1980 and the year 2000—with plants going in at a rate of more than one a week after 1985. As of now, a single 100 megawatt plant costs about $1 billion. Yet we have to go from the baseline of today, when our nuclear power production equals the national output of energy from firewood, to a new stage where a very large share of the total energy we consume will be nuclear in origin.

"Ghastly," then, is a modest word for the kind of steps the joint congressional committee is listing for its horrified audience on Capitol Hill. But just consider the present, quite natural fury over high prices and inflation. Even food prices would be drastically lower today, if we had not already been forced to devalue our dollar so often. The devaluations were forced upon us, in turn, because we were buying abroad far more than we could sell. In short, our payments were unbalanced.

So consider the following trade-offs. First, if the Alaska pipeline had been promptly built when the great Alaska oil field was found, we should today be saving over $2 billion a year on the balance of payments. Second, if exploitation of the Santa Barbara Channel had been pressed forward despite the famous oil slick, we should again be saving about $2 billion on the balance of payments. Third, removing tetra-ethyl lead from gasoline and otherwise cleaning up automobile exhausts, is already costing about $1.5 billion on the balance of payments.

So there you have some of the price of increasing oil imports. We can have non-stop inflation because of permanently recurring dollar devaluation—which is now the prospect. Or we can stop trying to have our cake and eat it, too, and we can begin to worry about trade-offs. This can mean a lot of other unpalatable things, such as putting refineries and deep water ports where they are unwelcome. Yet we cannot have it both ways.

We are lucky, nonetheless, for the long pull, we have a better chance of getting on top of the energy problem than the western Europeans or the Japanese. But for the moment, this seems a thin consolation.

SOUTHERN RAILROAD

(Mr. DORN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DORN. Mr. Speaker, we are proud of the progressive Southern Railway System and its dynamic President Graham Claytor. The Southern is a classic example of free enterprise at its best. I commend to the attention of my colleagues and to the people of our country the following article which recently appeared in the Washington Post.

Outside Northeast, Railroads Prosper

(By William H. Jones)

It would be a bad mistake to conclude from the Northeast railroad crisis—where half a dozen companies are bankrupt—that the entire industry is on the ropes.

While there are national problems of too much regulation and too little imagination, railroads in the West and South generally are quite healthy. Of the ten largest railroad transportation companies in the nation, nine are making profits for their stockholders (the exception is the Penn Central).

Even in the Northeast, the Interstate Commerce Commission asserted over the weekend, some railroad spokesmen are incorrectly trying to convince Congress "that the situation is hopeless, and that there is no possible solution short of massive cessation of service," when in fact, the ICC said, "The truth of the matter is that things have been looking at least a little better . . ."

Nationwide, railroad profits rose substantially in recent months, freight car loadings in January were up 8.3 per cent from the same month in 1972 and railroads West of the Mississippi posted a huge 13.5 per cent gain in business—reflecting grain shipments to the Soviet Union and leading to a severe shortage of freight cars.

When railroad industry leaders and Wall Street analysis are asked to give an example of the encouraging things in railroading today, they most often point to Washington—not to any government plan but to the headquarters building of the Southern Railway System at 15th and K streets NW, and to its president, former Washington lawyer W. Graham Claytor Jr.

NEW SPUR OPENED

Perhaps symbolic of Southern—which currently holds the distinction of being the most profitable railroad in the United States, in terms of investors' return—was a ceremony 10 days ago in Heard County, Ga. While Northeast railroads struggled with branch lines they want to rip up, Southern opened a new seven-mile spur to serve power companies, bringing the first railroad ever to the Georgia county.

Southern "serves the South," as its slogan says, with lines extending 10,000 miles from Washington to Atlanta, Charleston, Savannah and Jacksonville along the Atlantic coast, and west to New Orleans and Mobile through Birmingham. Other lines connect Atlanta to western gateways at St. Louis, Memphis and Louisville.

In 1972, the Washington-based railroad took in $724 million from its operations, up 12 percent from 1971, and profits before income taxes topped $100 million, a gain of nearly 9 percent from the previous year. It was the seventh consecutive year of record profits, and the nation suffered a recession in two of those years.

FACTORS IN SUCCESS

Why is Southern so successful? In an interview last week, Claytor cited several factors:

A determination, not always appreciated by growth-oriented stock market analysts, to continually pour money back into the company—purchasing new equipment, improving tracks and yards, adding new services, designing better freight cars, and buying real estate that can be turned into industrial and commercial developments—providing a base for future railroad growth, since such new developments would be served by Southern. In 1972, Southern spent $112.4 million on these improvements and in 1973 the figure is projected to top $150 million.

"More sophisticated analysis of customers' needs for rail freight services," reflected in recent rate increases. Northeastern railroads, he said, raised rates too high too quickly in the 1960s, which caused a lot of business to look elsewhere for transportation.

A willingness to try new ideas, demonstrated by a series of Southern "firsts" since World War II: it has designed more new freight cars than any other line, it was the first major American railroad to switch completely to diesel locomotives, the first to mechanize its right-of-way repair system and the first to build an extensive microwave communication network along its main lines to keep in contact with all moving trains.

In addition, Southern has what many railroads lack—a good "image" in the region it serves. Its marketing staff, described by competitors as the best in the industry, constantly keeps abreast of customers' needs and potential future needs; the firm's employee relations are considered enlightened (including a stock purchase plan); and it runs a booming business in the summer operating steam train excursions.

Fine passenger trains still run on the Southern, too, an example of the company's individuality. While most other railroads happily turned over passenger trains to Amtrack. Claytor determined it was in his firm's best interests to keep running its own few intercity passenger operations (the Washington to New Orleans "Southern Crescent" is the main train).

"We need to emphasize that railways are not dying," said Claytor. "The enormous public attention has been focused by the press on the Northeast, and that pointed out problems that need solving, but the industry's not busted."

EMERGENCY EMPLOYMENT ACT

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, this morning the House Rules Committee granted on open rule with 2 hours of debate on H.R. 4204, a bill which I sponsored to extend the Emergency Employment Act, due to expire on June 30, 1973, for 2 additional years.

The distinguished gentleman from Michigan (Mr. Esch), who is the ranking minority member on the Select Subcommittee on Labor, of which I am chairman, asked the Rules Committee for a waiver to permit his comprehensive manpower bill, H.R. 6710, which is a nongermane amendment, to be offered as a substitute bill. His request was denied.

Mr. Speaker, I am not opposed to comprehensive manpower reform, but I do believe that any comprehensive bill must receive careful consideration. It is essential that every provision of such a bill be evaluated and its impact on local communities assessed. The Committee on Education and Labor has been supplied with no information as to how the fund distribution formula in Mr. Esch's bill would work, and any new fund distribution is likely to result in large program decreases in certain communities.

Furthermore, the administration has opposed comprehensive manpower reform legislation in this Congress and testified before the Select Subcommittee on Labor that the only legislation it supported was some technical amendments to the Manpower Development and Training Act.

I believe it is essential that the Congress act rapidly to keep the highly successful Emergency Employment Act in operation. I do not believe it is possible to act this quickly on a comprehensive bill whose full implictaions have not been explored through hearings or committee deliberations.

Mr. Speaker, H.R. 4204 is scheduled for action on the House floor tomorrow, April 18. In the event that my colleague (Mr. Esch) moves to amend the rule on H.R. 4204 to permit his bill, H.R. 6710, to be offered in the nature of a substitute, I think it is most urgent and important that the Members of his House have the opportunity beforehand to study a number of major technical deficiencies in H.R. 6710.

I herewith submit a list of these technical deficiencies and urge all my colleagues to study it carefully:

Technical Deficencies in the Esch Bill (H.R. 6710)

1. FAILURE TO DECATEGORIZE

Apparently H.R. 6710 is intended to decategorize manpower programs, but it would appear to establish more categories than currently exist. Section 101(a) authorizes the Secretary to provide assistance to states to provide needed manpower services for the unemployed and underemployed, for veterans and those about to be released from the service, for those in public service jobs, and for those in correctional institutions. However, it then goes on to list 26 specific programs and services, each of which has its own eligibility criteria.

For example, Section 101(a)(1) provides for referral services, but only for the unemployed and the underemployed and thus excludes those in public service jobs, as well as those in correctional institutions who are technically classified as not in the labor force. Furthermore, it also excludes those in the military service who have not yet been released.

Section 101(a)(2) provides for testing and counseling, but only for those unemployed and underemployed who cannot be expected to secure appropriate full-time employment without training. Accordingly, the state would have to first determine that a person could not secure employment *before* it provided testing or counseling services.

On the other hand, paragraph 9 authorizes part-time training for employed persons, and it is not clear how these employed persons fit into the basic eligibility criteria. Similar problems can be found in practically every one of the 26 specific programs listed in Section 101(a).

2. CONDITIONS OF ASSISTANCE

The bill provides for grants to states, which then make sub-grants to certain units of local government. Section 105(a) and Section 108 (Special Conditions) provide conditions for furnishing assistance *by* a state, but they do not impose similar conditions on assistance *to* a state. Accordingly, the conditions for financial assistance specified in Section 105 are applicable to programs run by a city under a sub-grant, but they are not applicable to programs run by a state in areas not served by a local sponsor.

For example, under Section 108, a state cannot provide financial assistance to a city unless the city's program provides appropriate standards for health and safety and unless the city provides workmen's compensation for participants. However, there is nothing in the bill that prohibits the Secretary from providing financial assistance to a state which does not meet these conditions.

Also, under Section 108(4), a state cannot provide financial assistance to a city if a program involves political activity, but there is no prohibition on the Secretary's providing financial assistance to a state if its program does involve political activity.

3. INTERFERENCE WITH STATE GOVERNMENTAL STRUCTURE

Section 103(b) provides, as a condition of financial assistance, that the state submit a comprehensive manpower plan which provides for "the formulation *and* administration of the state plan" by a state Manpower Services Council and that that Council must be representative of a series of groups listed in Section 102(b)(2). In other words, it requires that the state manpower program be administered by a Council having many members and would prohibit administration by a traditional state agency headed by a State Labor Commissioner or Employment Security Administrator or similar official.

This raises a whole series of problems:

(1) The state Manpower Services Council, which administers the program, must include representatives of at least 16 designated groups, and it is very doubtful that a 16-member (or larger) Council is an appropriate body to administer manpower programs. While multi-member councils are often considered useful for planning purposes, it is generally considered that an agency with a single head is best suited for administering a program. It is difficult to see how such a large body will be able to make all the many decisions involved in administering a complex manpower program without undue delay and constant disagreement among the different groups represented.

(2) Most states would require authorizing legislation in order to vest administration of manpower programs in such a state Manpower Services Council. It is impossible for most states to act on such legislation before July 1, 1973, when the bill would take effect. Many states would also have difficulty in acting on such legislation before July 1, 1974, either because their legislatures are not in session in even-numbered years, or because such sessions are limited to budget matters. It is also likely there would be substantial opposition to such legislation in many states, both because such a multi-member administrative body would be opposed on grounds of public policy and because the legislation would require the transfer of the authority of existing state agencies.

(3) If the state does not have a state Manpower Services Council, it does not qualify for financial assistance under H.R. 6710. Furthermore, as local prime sponsors must be designated pursuant to a state-approved plan, no local prime sponsors will be able to qualify as long as the state does not. The effect of the bill, therefore, will be to leave all power in the Secretary of Labor pursuant to Section 104. In other words, the practical effect of the bill would be to centralize authority in the Secretary of Labor instead of decentralizing it to state and local prime sponsors.

4. ALLOCATION FORMULA

The formula governing the distribution of funds is of critical importance in any bloc grant program. Under Section 404(a), 75% of the funds appropriated for the act (less $450 million set-aside for youth programs under Section 306(c)) are allocated among the states in accordance with a four-part formula. Three parts of the formula relate to the labor force, the number of unemployed, and the youth population; and the fourth part relates to the "manpower allotment" made to the state in the previous Fiscal Year.

Presumably the purpose of this is to prevent excessive increases or reductions in a state's manpower funds from one year to the next. However, the provision is defective because "manpower allotment" is defined as including only funds available under the Manpower Development and Training Act and the Economic Opportunity Act. Therefore, funds that were available under the Emergency Employment Act are not counted, and states and cities with large allotments under the Emergency Employment Act could suffer large decreases in funds available to them under this bill.

The formula also takes into account the proportion of unemployed in a particular state compared to the unemployed in all states, but "unemployed" is defined in Section 405 to include not only those traditionally counted as unemployed but also certain adults receiving public assistance under Titles 1, 4, 10 and 16 (aid to the aged, blind and disabled, and aid to families with dependent children) of the Social Security Act. This raises two problems:

(1) There are procedures for counting the unemployed and for counting the public assistance recipients, but there is no way of determining how many of the same individuals are included in both counts.

(2) Titles 1, 10 and 16 of the Social Security Act will be supplanted as of January 1974 by the supplemental security income provisions of the Social Security Amendments adopted in the last Congress, and it is clear that H.R. 6710 was written without awareness of the provisions of current law.

OUR UNTAPPED HUMAN RESOURCES—GIFTED AND TALENTED CHILDREN

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, today, I am introducing a bill to amend the Elementary and Secondary Education Act creating "The Gifted and Talented Children's Educational Assistance Act."

Gifted and talented youth are a unique population in this country differing markedly from their age peers in abilities, talents, interests, and psychological maturity and therefore it is wrong to assume that equal opportunities for them means identical education. These children need a special education, not because of mental or physical handicaps but because their ability to learn under conventional conditions has been impaired.

Conservation as a social priority includes human conservation. With proper encouragement and guidance these children could represent one of the greatest sources of potential creativity the United States has. Studies reveal, however, that gifted children are the most numerous underachievers in our schools. This need not be the case, if their intellectual and creative talent are not faced with educational neglect.

In reply to the frequently repeated fears of an intellectual elite, one must recognize that a democratic society is constantly selecting individuals for all kinds of special purposes: Band, school papers, football teams, choral groups. We want the best for these activities, but we hesitate to prepare the able for more important life positions.

The gifted who comprise 3 to 5 percent, 1.5 to 2.5 million, of the school population may live in urban and suburban slums, desolate rural wastes or in kinder physical surroundings in middle and upper economic level families. The problems of singling these children out stem from inappropriate and costly means of testing as well as apathy and even hostility among teachers, administrators, guidance counselors, and psychologists.

Gifted and talented children are more able than most to adapt learning to various situations somewhat unrelated in orientation, to reason out more problems since they recognize relationships and comprehend meanings. They are not easily discouraged by failures, are more versatile and have more emotional stability.

My bill will provide for the establishment within the Office of Education of a national clearinghouse for the dissemination of information on the education of the gifted and talented. This will allow local school districts to recognize their wealth of talented children and to provide them with the most effective means of stimulating and fulfilling their potential.

Grants made available by the Commissioner will be given to the States for the initiation, expansion, and improvement of programs and projects for the education of the gifted at the preschool, elementary and secondary school level. Many authorities feel that gifted children who are reached at an early age have a much better chance of excelling and of avoiding a later disillusionment with school.

Fifteen percent of the appropriated funds would be reserved for the establishment of model programs for the education of the gifted and talented. Moneys would also be made available for the training of teachers for these children, a matter of vital importance according to the U.S. Office of Education report, "Education of the Gifted and Talented." Institutions of higher learning will be awarded funds for the training of leadership personnel thereby acknowledging the importance of educated and aware school administrators in insuring the success of a program within the school.

Finally, the Commissioner would be authorized to conduct research concerning the education of these children. Much has yet to be learned in fields relating to the expansion of these intriguing minds.

I include the following:

SECTION-BY-SECTION ANALYSIS OF THE GIFTED AND TALENTED CHILDREN'S EDUCATIONAL ASSISTANCE ACT

To amend the Elementary and Secondary Education Act of 1965 to provide a program for gifted and talented children (by redesignating Title VIII and references thereto as Title X, and by inserting after Title VII thereof a new Title:)

PART A—GENERAL PROVISIONS

801 Title—Title may be cited as the "Gifted and Talented Children's Educational Assistance Act."

802 Purpose—To develop special educational programs for gifted and talented children and talented children and youth.

PART B—ADMINISTRATION AND INFORMATION

811 Designates an administrative unit within the Office of Education to administer all programs for gifted and talented children.

812 National Clearinghouse on Gifted and Talented Children and Youth.

(a) Provides that the Commissioner shall establish a National Clearinghouse on Gifted and Talented Children and Youth to gather and disseminate relevant information. The Commissioner is authorized to contract with public or private organizations.

(b) This section authorizes the appropriation of $1 million for FY 1974 and for each of the 2 succeeding 2 FY's.

PART C—ASSISTANCE TO STATES FOR EDUCATION OF GIFTED AND TALENTED CHILDREN AND YOUTH

821 Provides for grants to states for programs and projects (a) for the education of gifted and talented children and youth at the pre-school, elementary and secondary school levels; (b) For grants under this part there is authorized to be appropriated $50 million for FY 1974 and $60 million for FY 1975 and FY 1976.

822 Allocation of funds

(a1) From the 85% of the amount appropriated under Section 821, for any fiscal year, the Commissioner (after reserving up to 3%) shall make an allotment to the States based on the relative number of children 3–18 years of age.

(a2) 3% of the 85% shall be allotted among Puerto Rico, Guam, American Samoa, the Virgin Islands or the Trust Territory of the Pacific Islands.

(b) The number of children ages 3–18 shall be determined by the Commissioner.

(c) Provides for reallotment. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under *subsection* (a) for that year.

(d) 15% of the funds appropriated under Section 821 may be used by the Commissioner for grants for model projects.

823 State Plan

(1) To obtain a grant a State must submit through its State Agency a State plan which: Provides satisfactory assurances that funds expended will be expended directly or through local education agencies (A) to meet special educational needs of gifted and talented children, (B) are of sufficient scope toward meeting those needs, (C) may include the acquisition of equipment. Also provides that 2 or more local educational agencies may jointly operate projects under this part.

(2) Provides for efficient State administration, planning on the State and local level and provides for a full-time administrator.

(3) Provides satisfactory assurance concerning control of funds and title to property and that a public agency will administer such funds and property.

(4) Provide to the extent practical that Federal funds will increase the level of local, and private funds used. (and in no case supplant State, local and private funds).

(5) Provides procedures for effective evaluation.

(6) Provides that the State educational agency will be the sole agency for administering or supervising the plan.

(7) Provides for making such reports as the Commissioner may find necessary.

(8) Provides satisfactory assurance of final accounting procedures.

(9) Provides for satisfactory assurances for disseminating of information.

(10) Proves satisfactory assurance that children in private elementary and secondary schools will participate. (b) The Commissioner shall not approve a State plan or a modification of a State plan under this part unless the plan meets the requirement of subsection (a) of this section.

824 Payments

The Commissioner shall only apply to a State a sum expended by a State.

825(a) The Commissioner shall not disapprove a State plan or modification without first affording the State Agency administering the plan notice and opportunity for a hearing.

(b) When the Commissioner finds (1) that the State plan has been so changed that it no longer complies with provisions of Section 823 or (2) that in administration of the plan there is a failure to comply substantially with any provision, he will terminate that State's eligibility.

826(a) Provides for Judicial Review if a State is dissatisfied with the Commissioner's action under Section 823(b) or 825(b).

(b) Provides finding of fact by the Commissioner if supported by substantial evidence.

(c) Provides for review by the Federal Courts.

PART D—TRAINING OF PERSONNEL FOR THE EDUCATION OF GIFTED AND TALENTED CHILDREN AND YOUTH TRAINING GRANTS

831 Authorizes the Commissioner to make grants to public and private institutions of higher learning for training personnel.

832 Leadership Personnel Training.

Authorizes the Commissioner to make grants to public or other non-profit institutions of higher learning and other appropriate non-profit institutions or agencies to provide training to leadership personnel.

833 For the purposes of part D:

$15 million is appropriated for FY 1974.

$20 mililon is appropriated for FY 1975.

$25 million is appropriated for FY 1976.

At least 50% but no more than 75% of the annual appropriation for this part shall be expended for Section 831 for each fiscal year.

PART E—RESEARCH AND DEMONSTRATION PROJECTS FOR THE EDUCATION OF GIFTED AND TALENTED CHILDREN AND YOUTH

841(a) The National Institute of Education is authorized to conduct research, make grants and contracts with the states, state or local educational agencies, public and private institutions of higher learning and other public or private educational or research agencies and organizations.

(b) Defines the term "research."

842 Authorized for the National Institute of Education $14 million for FY 1974; $16 million for FY 1975 and $18 million for FY 1976.

TAX CREDITS FOR EDUCATION

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, on March 21, the U.S. Supreme Court handed down a decision with massive implications for the public elementary and secondary schools of this land. Ruling in a case from the State of Texas, the High Court held that the Texas system of local financing of public schools is constitutional, even though it relies on local property taxes, and results in widely varying amounts of revenue available to support public education in the various districts of the State. The system, ruled the majority of five Justices, does not violate equal protection guarantees of the 14th amendment to the U.S. Constitution.

Just 2 weeks later the supreme court of our own State of New Jersey handed down another decision which once again changed the picture in the field of school finance. Ruling in the case of Robinson against Cahill, the court held that the system of public school finance in force in New Jersey, while it does not violate the Federal constitution, does violate the constitution of the State of New Jersey, which guarantees to every New Jersey child the right to a thorough and efficient education.

These wide-ranging court decisions in the field of public school finance have dominated the headlines recently, but they should not be allowed to obscure the very real crisis which is currently facing the nonpublic as well as the public schools. In fact, the financial problems of the public schools which underlie these legal challenges make it doubly important that the Nation heed the financial difficulties of its public and its nonpublic schools, and for one simple reason. It is going to cost money for the State of New Jersey, and the Nation as a whole, to bring their public school financial arrangements into compliance with the mandates of quality and equality in education. At a time when such heavy financial burdens are being placed on the public schools, they can ill afford to support yet another burden, the burden of educating the large number of children who now attend nonpublic elementary and secondary schools. And yet, unless something is done soon to stem the tide in the nonpublic schools, that is exactly what the public schools will have to do. Because, without financial aid in some form, the nonpublic schools cannot function very much longer.

Today, America's nonpublic elementary and secondary schools—the vast majority of which are Catholic schools—enroll over 5 million youngsters. In the State of New Jersey, almost 300,000 boys and girls attend nonpublic schools. This accounts for nearly 17 percent of the children enrolled in schools in New Jersey. The cost of public education in the State of New Jersey in 1971–72 amounted to more than $2 billion. In the Nation as a whole, public education cost upward of $50 billion. The nonpublic schools cost the State nothing, yet they fulfill 100 percent the educational tasks of public education. In 1970–71, Catholic schools alone spent $1.3 billion—$1.3 billion of purely private resources for education. The savings to the public schools exceeded even that hefty figure, because the public schools have always proven far more expensive than the Catholic schools. In Philadelphia, for example, public schools cost $1,027 per pupil in 1971–72, while Catholic schools are expected to cost only $478 per pupil in 1975—2 years from now. These substantial savings for the public sector, resulting from an ongoing investment of private funds in education, are vital to the Nation. The public schools cannot afford the costs of absorbing 5 million nonpublic-school children.

The value of the nonpublic schools to the Nation is clear. So, however, is the financial crisis confronting them—especially the Catholic schools, which represent such an important component of American nonpublic education. Every day, somewhere in the United States, a Catholic school closes its doors. In 1965, there were almost 11,000 Catholic elementary schools in the United States; today, there are only 9,000. Enrollments, too, have fallen. Although there are still 4 million children in Catholic schools, this represents a substantial drop over the last 10 years. In 1962, there were 4,609,000 children in Catholic elementary schools; today there are only 3 million. Behind these statistics lie a lot of unhappiness and, perhaps, despair. Some parents have no doubt chosen to remove their children from Catholic schools voluntarily. Others have done so only because they felt they had to—some, because they feared the school might close and interrupt their children's education in midstream; some, because their schools did close, or because they moved to a neighborhood where there was no Catholic school. As Cardinal Cooke of New York said to the House Committee on Ways and Means in September of last year:

> I know from personal experience in the Archdiocese of New York, when a school has to close, that it is one of the most difficult assignments a person can have. If you happen to be the Archbishop, it would be a good day to be in Alaska. The feeling of the people is very strong.

Much of the crisis besetting Catholic education is financial. It is a crisis which hits both the schools and the parents who support the schools. Costs of education in Catholic schools have been rising, faster than even the escalating costs of public education. There are fewer religious teachers available, and that means more and more costly lay teachers. The qualifications of all teachers, both lay and religious, have been substantially raised—and that means higher salaries. Meanwhile the Catholic schools have invested in better equipment and facilities in order to assure that the quality of a Catholic education meets in all respects the quality of education available in the local public schools. All of this has meant that, in the 4 years from 1967–68 to 1970–71, costs per pupil rose 66 percent in Catholic elementary schools and 42 percent in secondary schools.

The price of all these changes must, of course, be met, and the resources of the schools have been sorely taxed in the effort. Tuitions in elementary and secondary schools across the Nation have been rising, and rising fast. The reason is simple: the schools have virtually exhausted other sources of revenue, including the general parish revenues which have traditionally financed the majority of elementary schools costs and a large part of secondary school costs. They have only one place to turn—the parents of the children in the schools. Average tuitions in Catholic elementary schools jumped 17.5 percent between 1969–70 and 1970–71. They are predicted to rise 30 percent in 1971–72. The tuitions in Catholic secondary schools, which have traditionally been higher, have been rising nearly as fast.

The time has come for the Government to accept its responsibility for the education of every American child. In the current crisis, the good will and the real effort of Catholic and other nonpublic school parents are no longer enough. Rising tuitions are bound to drive parents from nonpublic schools in increasing numbers, and yet those rising tuitions may not be enough to provide the revenues desperately needed by the schools. A relatively small Government investment in nonpublic schools could assure the continued investment of substantial private funds and the continuation of a viable alternative to the public schools for the large number of Americans who have demonstrated a desire for such an alternative. That same small investment may well spare the public schools a deluge they can ill afford amidst their own fiscal crisis. That investment of public funds must be made.

Of course, the courts have already had a lot to say on the subject of Government aid to nonpublic schools. Many forms of aid have been tried, and ruled unconstitutional. One form of aid has not yet been tried, though, and preliminary indications suggest that its chances of being found constitutional are excellent. That form of aid is the credit against the individual Federal income tax. H.R. 5674 which I introduced and H.R. 49, introduced in the House by my colleague, Mr. Burke of Massachusetts, would allow a credit of up to $200 per child against an individual's Federal income tax liability. Such a credit would grant much-needed relief to the parents of nonpublic schoolchildren, and it would permit schools to realize additional revenues without increased burdens on parents. The cost to the Federal Treasury would be modest. I shall work for passage of this bill. With your support, we will make it law.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Boggs (at the request of Mr. O'Neill), from 2:45 p.m. today until 3 p.m. on Wednesday, April 18, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Cochran) to revise and extend their remarks and include extraneous material:)

Mr. Mosher, for 15 minutes, today.

Mr. Young of Alaska, for 5 minutes, today.

Mr. Mitchell of New York, for 5 minutes, today.

Mr. Robison of New York, for 15 minutes, April 18.

Mr. Martin of North Carolina, for 5 minutes, today.

Mr. Kemp, for 15 minutes, today.

(The following Members (at the request of Mr. Ginn) to revise and extend their remarks and include extraneous matter:)

Mr. Vanik, for 15 minutes, today.

Mr. Aspin, for 15 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Rostenkowski, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. McFall, for 5 minutes, today.

Mr. Burke of Massachusetts, for 10 minutes, today.

Mr. Murphy of Illinois, for 5 minutes, today.

Mr. Brademas, for 5 minutes, today.

Mr. Owens, for 30 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Mezvinsky, for 60 minutes, April 18.

Miss Jordan, for 60 minutes, April 18.

Mr. Owens, for 60 minutes, April 18.

Mr. Breaux, for 60 minutes, April 18.

Mr. Long of Louisiana, for 60 minutes, April 18.

EXTENSION OF REMARKS

By unanimous consent permission to revise and extend remarks was granted to:

Mr. Davis of Georgia, to extend his remarks, following the remarks of Mr. Casey of Texas.

Mr. Symms to follow the remarks of Mr. Roncalio of Wyoming in the Committee of the Whole today.

Mr. Roush to include extraneous matter with his remarks made today in the Committee of the Whole on H.R. 6691.

(The following Members (at the request of Mr. Cochran) and to revise and extend their remarks:)

Mr. Dickinson.
Mr. Keating.
Mr. Quie.
Mr. Thomson of Wisconsin.
Mr. Grover.
Mr. Eshleman.
Mr. Froehlich in two instances.
Mr. Anderson of Illinois in two instances.
Mr. Huber.
Mr. Findley.
Mr. Steiger of Arizona.
Mr. Michel in five instances.
Mr. Zwach.
Mr. Mitchell of New York.
Mr. Taylor of Missouri in two instances.
Mr. Symms.
Mr. Bob Wilson in six instances.
Mr. Kemp in two instances.
Mr. Buchanan.
Mr. Esch.
Mr. Hogan in two instances.
Mr. Hammerschmidt.
Mr. Broyhill of Virginia.
Mr. Carter.
Mr. Towell of Nevada.
Mr. Steiger of Wisconsin.
Mr. Railsback.

(The following Members (at the request of Mr. Ginn) and to include extraneous material:)

Mr. Badillo.
Mr. Won Pat.
Mr. Fauntroy in 10 instances.
Mr. Waldie in four instances.
Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Vanik in three instances.

Mr. Davis of Georgia in five instances.

Mr. Evins of Tennessee in six instances.

Mr. Dulski in six instances.

Mr. Howard.

Mr. Harrington in two instances.

Mr. Murphy of Illinois in five instances.

Mr. Rodino.

Mr. Ullman in three instances.

Mr. Rooney of New York, to extend his own remarks with regard to Giovanni Da Verrazano.

Mr. Drinan in two instances.

Mr. Brasco in five instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1493. An act to amend title 37, United States Code, relating to promotion of members of the uniformed services who are in a missing status.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on April 16, 1973, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 303. Joint resolution to authorize and request the President to proclaim April 29, 1973, as a day of observance of the 30th anniversary of the Warsaw ghetto uprising.

ADJOURNMENT

Mr. GINN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 49 minutes p.m.) the House adjourned until tomorrow, Wednesday, April 18, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

774. A letter from the Secretary of the Army, transmitting a report on the facts and the justification for the proposed closure of various Army installations in the United States, pursuant to section 613 of Public Law 89–568; to the Committee on Armed Services.

775. A letter from the Secretary of the Air Force, transmitting a report on the facts and the justification for the proposed closure of various Air Force installations in the United States, pursuant to section 613 of Public Law 89–568; to the Committee on Armed Services.

776. A letter from the Under Secretary of the Navy, transmitting a report on the proposed realinement of various Navy shore establishments, pursuant to section 613 of Public Law 89–568; to the Committee on Armed Services.

777. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on an investigation of youth camp safety, pursuant to section 602 of Public Law 92–318; to the Committee on Education and Labor.

778. A letter from the Secretary of Transportation, transmitting a report on activities under the High Speed Ground Transportation Act of 1965, as amended, during the year ended September 30, 1972, pursuant to section 10(a) of the act; to the Committee on Interstate and Foreign Commerce.

779. A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 4082(c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee of Conference. A conference report to accompany House Joint Resolution 496; (Rept. No. 93–146). Ordered to be printed.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 360. Resolution providing for the consideration of H.R. 4204. A bill to provide for funding the Emergency Employment Act of 1971 for 2 additional years, and for other purposes; (Rept. No. 93–143). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 361. Resolution providing for the consideration of H.R. 6768. A bill to provide for participation by the United States in the United Nations environment program; (Rept. No. 93–144). Referred to the House Calendar.

Mr. POAGE: Committee on Agriculture. H.R. 6883. A bill to amend the Agricultural Adjustment Act of 1938 with respect to rice and peanuts; with amendment (Rept. No. 93–145). Referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERGLAND (for himself, Mr. Alexander, Mr. Rarick, Mr. Denholm, Mr. Brown of California, Mr. Obey, and Mr. Burlison of Missouri):

H.R. 7090. A bill to amend the Federal Crop Insurance Act to extend insurance coverage under such act to all areas of the United States and to all agricultural commodities; to the Committee on Agriculture.

By Mr. BIAGGI (for himself, Mr. Boland, Mr. Brown of California, Ms. Chisholm, Mr. Clark, Mr. Conyers, Mr. Cronin, Mr. Denholm, Mr. Diggs, Mr. Fascell, Mr. Gaydos, Mr. Hawkins, Mr. Helstoski, Mr. Lehman, Mr. Lent, Mr. Moakley, Mr. Murphy of Illinois, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Stark, Mr. Williams, Mr. Charles H. Wilson of California, and Mr. Young of Alaska):

H.R. 7091. A bill to amend title XVIII of the Social Security Act to provide payment under the supplementary medical insurance program for optometrists' services and eyeglasses; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Addabbo, Mr. Boland, Mr. Brown of California, Mr. Clark, Mr. Conyers, Mr. Cronin, Mr. Derwinski, Mr. Diggs, Mr. Fascell, Mr. Froehlich, Mr. Gaydos, Mr. Harrington, Mr. Hawkins, Mr. Helstoski, Mr. Huber, Mr. Lehman, Mr. Moakley, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Stark, Mr. Charles H. Wilson of California, and Mr. Young of Alaska):

H.R. 7092. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Boland, Mr. Brown of California, Ms. Chisholm, Mr. Clark, Mr. Conyers, Mr. Cronin, Mr. Derwinski, Mr. Diggs, Mr. Fascell, Mr. Gaydos, Mr. Hawkins, Mr. Mayne, Mr. Moakley, Mr. Murphy of Illinois, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Williams, Mr. Charles H. Wlison of California, and Mr. Young of Alaska):

H.R. 7093. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Boland, Mr. Brown of California, Mr. Clark, Mr. Conyers, Mr. Cronin, Mr. Diggs, Mr. Fascell, Mr. Gaydos, Mr. Hawkins, Mr. Moakley, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Stark, Mr. Charles H. Wilson of California, and Mr. Young of Alaska):

H.R. 7094. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Boland, Mr. Brown of California, Ms. Chisholm, Mr. Clark, Mr. Conyers, Mr. Cronin, Mr. Derwinski, Mr. Diggs, Mr. Fascell, Mr. Gaydos, Mr. Hawkins, Mr. Hinshaw, Mr. Mayne, Mr. Moakley, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Stark, Mr. Charles H. Wilson of California, Mr. Yatron, Mr. Young of Alaska):

H.R. 7095. A bill to amend the Internal Revenue Code of 1954 to permit the full deduction of medical expenses incurred for the care of individuals of 65 years of age and over, without regard to the 3-percent and 1-percent floors; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Boland, Mr. Brown of California, Mr. Clark, Mr. Conyers, Mr. Cronin, Mr. Diggs, Mr. Fascell, Mr. Gaydos, Mr. Hawkins, Mr. Moakley, Mr. Murphy of Illinois, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Stark, Mr. Charles H. Wilson of California and Mr. Young of Alaska):

H.R. 7096. A bill to amend the Internal Revenue Code of 1954 to provide that the personal exemption allowed a taxpayer for a dependent shall be available without regard to the dependent's income in the case of a dependent who is over 65 (the same as in the case of a dependent who is a child under 19); to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Boland, Mr. Brown of California, Mrs. Chisholm, Mr. Clark, Mr. Conyers, Mr. Cronin, Mr. Diggs, Mr. Fascell, Mr. Gaydos, Mr. Hawkins, Mr. Hinshaw, Mr. Moakley, Mr. Murphy of Illinois, Mr. Nix, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Charles H. Wilson of California, and Mr. Young of Alaska):

H.R. 7097. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. BROWN of Michigan:

H.R. 7098. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 7099. A bill to amend the Internal Revenue Code of 1954 to allow a medical deduction for certain expenses incurred in connection with the birth of a child adopted by the taxpayer; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Dent, Mr. Burton, Ms. Grasso, and Mr. Badillo):

H.R. 7100. A bill to amend the Elementary and Secondary Education Act of 1965; to the Committee on Education and Labor.

By Mr. de LUGO (for himself, Mr. Burton, Mr. Foley, Mr. Kastenmeier, Ms. Mink, Mr. Meeds, Mr. Stephens, Mr. Vigorito, Mr. Roncalio of Wyoming, Mr. Seiberling, Ms. Burke of California, Mr. Won Pat, Mr. Jones of Oklahoma, Mr. Lujan, Mr. Sebelius, and Mr. Cronin):

H.R. 7101. A bill authorizing the transfer to the Government of the Virgin Islands of title to Water Island, Saint Thomas, Virgin Islands, and the acquisition of some of the outstanding leasehold interests in such island, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DEVINE:

H.R. 7102. A bill to amend the Federal Food, Drug, and Cosmetic Act to repeal the regulatory authority under that act respecting effectiveness of drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. DORN (by request):

H.R. 7103. A bill to incorporate the National Association of State Directors of Veterans Affairs, Inc.; to the Committee on the Judiciary.

By Mr. DORN:

H.R. 7104. A bill to amend title 38 of the United States Code relating to basic provisions of the loan guaranty program for veterans; to the Committee on Veterans' Affairs.

By Mr. EDWARDS of Alabama:

H.R. 7105. A bill to amend title I of the Elementary and Secondary Education Act of 1965 to make children of migratory seasonal fishermen eligible for the same programs now afforded to children of migratory agricultural workers; to the Committee on Education and Labor.

By Mr. FULTON:

H.R. 7106. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7107. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. FULTON (for himself, Mr. Broyhill of Virginia, Mr. Alexander, Mr. Del Clawson, Mr. Davis of Georgia, Mr. Evins of Tennessee, Mr. Hinshaw, Mrs. Holt, Mr. Mathias of California, Mr. Shipley, Mr. Sikes, Mr. Symms, Mr. Talcott, Mr. Tiernan, Mr. Walsh, and Mr. Wiggins):

H.R. 7108. A bill to amend the Social Security Act to provide for medical, hospital and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. Badillo, Ms. Chisholm, Mr. Diggs, Mr. Eilberg, Mr. Fauntroy, Mr. Koch, Mr. Moorhead of Pennsylvania, Mr. Moss, Mr. Nix, Mr. Rosenthal, Mr. Studds, and Mr. Waldie):

H.R. 7109. A bill to require the President to notify the Congress of any impoundment of funds ordered, authorized, or approved by the Executive, to provide a procedure for congressional review of the President's action, and to establish an expenditure ceiling for the fiscal year 1974; to the Committee on Rules.

By Mr. KOCH (for himself, Ms. Abzug, Mr. Harrington, Mr. McCloskey, and Mr. Stark):

H.R. 7110. A bill to provide for family visitation furloughs for Federal prisoners; to the Commission on the Judiciary.

By Mr. OWENS (for himself and Mr. Mezvinsky):

H.R. 7111. A bill for the general reform and revision of the Patent Laws, title 35 of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 7112. A bill to provide that in the District of Columbia any person who has attained the age of 18 years shall be held and considered to be a person of full legal age; to the Committee on the District of Columbia.

By Mr. ROSTENKOWSKI:

H.R. 7113. A bill to amend the Internal Revenue Code of 1954 with respect to the definition of unrelated business income; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself and Mr. Mills of Arkansas):

H.R. 7114. A bill to amend title V of the Social Security Act to extend for 1 year (until June 30, 1974) the period within which certain special project grants may be made thereunder; to the Committee on Ways and Means.

By Mr. STEELE (for himself and Mr. Murphy of Illinois):

H.R. 7115. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 and title 18 of the United States Code to further control the illicit traffic in narcotic drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. WAGGONNER (for himself, Mr. Flood, Mr. Crane, and Mr. Snyder):

H.R. 7116. A bill to provide authorizations for the Department of State, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BOB WILSON (for himself, Mr. Yatron, Mr. Davis of Georgia, Mr. Ketchum, Mr. Burgener, Mr. Cleveland, Mr. Lujan, Mr. Don H. Clausen, Mr. Young of Alaska, Mr. Conlan, Mr. Collins, and Mr. Zwach):

H.R. 7117. A bill to amend the Federal Aviation Act of 1958, as amended, to authorize the establishment of a class of commuter air carrier, to provide for issuance of certificates of public convenience and necessity to members of that class who may apply therefor, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES WILSON of Texas:

H.R. 7118. A bill to provide that members of the Armed Forces and Federal employees who were prisoners of war or missing in action for any period during the Vietnam conflict may receive double credit for such period for retirement purposes; to the Committee on Armed Services.

By Mr. CHARLES H. WILSON of California (for himself and Mr. Hawkins):

H.R. 7119. A bill to enlarge the Sequoia National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. WYDLER:

H.R. 7120. A bill to establish study and research programs to insure that the extraction and transportation of offshore oil shall not endanger the marine environment, to amend the Internal Reveue Code of 1954 to provide for an offshore oil extraction excise tax, and for other purposes; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself, Mr. Adams, and Mr. Pritchard):

H.R. 7121. A bill to authorize the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park in the States of Alaska and Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ZWACH:

H.R. 7122. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

By Mr. ASPIN (for himself and Mr. Vanik):

H.R. 7123. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on fuels containing sulfur and on certain emissions of sulfur oxides; to the Committee on Ways and Means.

By Mr. BROOMFIELD:

H.R. 7124. A bill to amend the Internal Revenue Code of 1954 to provide tax relief for homeowners; to the Committee on Ways and Means.

By Mr. GOLDWATER:

H.R. 7125. A bill to amend the Federal Aviation Act of 1958 to require the installation of air borne, cooperative collision avoidance systems on certain civil and military aircraft, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MATSUNAGA:

H.R. 7126. A bill to amend the Internal Revenue Code of 1954 to revise certain provisions concerning the minimum tax for tax preferences, the taxation of capital gains, and the deductibility of certain amounts for interest, depletion, and State and local income taxes; to the Committee on Ways and Means.

By Mr. TAYLOR of North Carolina (for himself and Mr. Johnson of California):

H.R. 7127. A bill to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historical properties throughout the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BARRETT (for himself and Mr. Widnall):

H.J. Res. 512. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes; to the Committee on Banking Currency.

By Mr. MARTIN of North Carolina (for himself (Mr. Bray, Mr. Burgener, Mr. Collins, Mr. Dan Daniel, Mr. Devine, Mr. Fisher, Mrs. Holt, Mr. Huber, Mr. Lott, Mr. Moorhead of California, Mr. Ruth, Mr. Treen, and Mr. Young of South Carolina):

H.J. Res. 513. Joint resolution proposing an amendment to the Constitution of the United States relative to nondiscrimination in public education; to the Committee on the Judiciary.

By Mr. YOUNG of Texas:

H. Res. 360. Resolution providing for the consideration of the bill (H.R. 4204) to provide for funding the Emergency Employment Act of 1971 for 2 additional years, and for other purposes; House Calendar No. 80.

By Mr. MATSUNAGA:

H. Res. 361. Resolution providing for the consideration of the bill (H.R. 6768) to provide for participation by the United States in the United Nations environment program; House Calendar No. 81.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BOGGS:

H.R. 7128. A bill for the relief of Rita Petermann Brown; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 7129. A bill for the relief of Mrs. Ruth G. Palmer; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

MAIN STREET, U.S.A.

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. FROEHLICH. Mr. Speaker I insert into the Record an article which has appeared in the nationally syndicated column "Main Street, U.S.A.," by Bert Mills.

His article focuses on the city of DePere, Wis., and the outstanding voting record that it has maintained over the past 20 years.

In recognition of their outstanding achievement, Senator Nelson and I have introduced a concurrent resolution before Congress to designate DePere as "America's Votingest Small City." I insert this article as a testimonial to DePere and urge by colleagues to support this resolution:

[From the West Branch (Mich.) Ogemaw County Herald, Apr. 12, 1973]

Main Street, U.S.A.

(By Bert Mills)

Washington, D.C.—DePere, Wisconsin, where at least 95 percent of registered voters cast their ballot in Presidential elections, claims to be "America's Votingest Small City" and all 11 members of Congress from Wisconsin have joined in co-sponsoring a Joint Resolution to so designate DePere.

Actually, DePere's voting record in 1972 was 98.05 percent. There were 6,479 registered and 6,353 did vote. That was not a record for DePere. Twice before in the past 20 years, DePere has topped the 99 percent mark. Its worst record in six elections has been 95.9 percent, back in 1956.

These records, if such they be, did not just happen. Since 1952, DePere has had a goal of a 100 percent turnout of registered voters in Presidential elections. The quadrennial crusade is directed by a 100 Percent Vote Committee which has the assistance of four service clubs, the city government, local media, schools, churches, and the business community.

The committee obtained lists of all registered voters. The Kiwanis took one ward, the Lions another, Rotary a third, and the Optimists the other. Every registered voter was telephoned. Those away from home, at school or in the service, were contacted and sent absentee ballots.

Disabled and elderly citizens unable to make it to the polls, even with a free ride, also received an absentee ballot.

YOUTHS DID VOTE 100%

1972 was the first national election in which most under-21 youths were eligible to vote. DePere made sure they did, and chalked up a 100 percent record in that age bracket. The few defections were among their elders, some with valid excuses such as a broken arm, the flu, or a newborn baby.

DePere is not some isolated community out in the boondocks which happens to be hipped on voting. It is a close-in suburb of Green Bay, Wisconsin. Like many suburban communities, it has enjoyed a phenomenal growth. In 1940, its population was 6,373. By 1970, it had more than doubled to 13,309.

DePere boasts a college, St. Norbert, which makes the sports pages regularly each summer because the Green Bay Packers hold their pre-season practices there. DePere is also the home town of Miss America, Terry Anne Meeuwsen. She is the brown-eyed beauty who sang "He Touched Me" for a national TV audience last fall, and will earn $125,000 as a result before her year ends next September.

DePere was discovered by a French explorer in 1671 and was named "Rapides des Peres," meaning "Rapids of the Fathers." Over the years the name was simplified to DePere.

FRESHMAN BOOSTS COMMUNITY

DePere is represented in Congress by a freshman Republican, Harold V. Froehlich, from Appleton, Wisconsin. He is a 40-year-old attorney, certified public accountant, and real estate broker. He served 10 years in the Wisconsin legislature and was Assembly leader when elected to Congress last November.

Froehlich is confident DePere is "America's Votingest Small City" and he hopes Congress will make it official by adopting H. Con. Res. 162, or S. Con. Res. 17, the Senate counterpart. He realizes the title will last only until the next election in 1976, when DePere will have to earn it all over again.

However, the Congressman has made a public pledge that if any comparable small city can beat DePere, he will co-sponsor another resolution to transfer the crown to the winning city. He doubts that will be necessary. He also appears confident he will still be in Congress four years hence.

OPPOSITION TO "NO FAULT" INSURANCE

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 17, 1973

Mr. THURMOND. Mr. President, on behalf of the junior Senator from South Carolina (Mr. Hollings) and myself, I bring to the attention of the Senate a concurrent resolution passed by the South Carolina general assembly.

On March 30, 1973, the South Carolina general assembly passed a concurrent resolution memorializing the Congress to desist from enacting legislation relating to "No-Fault" Insurance. Senator Hollings and I jointly endorse this concurrent resolution.

Mr. President, on behalf of Senator Hollings and myself I ask unanimous consent that the concurrent resolution be printed in the Extensions of Remarks.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

A Concurrent Resolution Memorializing the Congress of the United States To Desist From Enacting Legislation Relating to "No-Fault" Insurance

Whereas, the United States is comprised of a union of sovereign states to which powers not delegated by the Constitution of the United States are reserved; and

Whereas, historically, matters governing the insurance industry have been dealt with by the states; and

Whereas, state control of insurance matters has proven beneficial as appropriate measures have been enacted to provide for conditions peculiar to local circumstances; and

Whereas, in recent times much attention has been given to various "no-fault" schemes to replace automobile liability coverage now available in many states and in this State; and

Whereas, in determining if South Carolina should require such "no-fault" insurance, it would seem best that such determination and the particulars related thereto would most properly be left to this General Assembly and all other State Legislatures.

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

That this General Assembly does hereby memorialize the Congress of the United States to desist from enacting "no-fault" insurance legislation thereby preserving the power of the States to supervise insurance activities.

AMERICA'S FUTURE LIES IN THE HANDS OF YOUNG FARMERS

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. TAYLOR of Missouri. Mr. Speaker, the future of America lies in the hands of the young farmer of today. If we are to maintain our high standard of living, which includes food in abundance at an equitable price, our young farmers must be encouraged to stay on the land and not forced to seek a better life elsewhere.

We cannot encourage a food boycott, and then expect to have food readily available when we want it. We cannot afford to support inflationary measures on one hand, while denying the farmer the right to an equal share of the free marketplace on the other.

Instead of condemning the farmers for the high cost of living we should commend them for providing so much, for so many, at the lowest cost of any nation in the world.

To that end I offer the following letter from Jim Powell, Secretary of the Carthage, Mo., Young Farmers Association:

Carthage Young Farmer's Association,
Reeds, Mo., April 14, 1973.

Congressman Gene Taylor,
House Office Building,
Washington, D.C.

Congressman Taylor: At the last regular meeting of the Carthage Young Farmers Association, a lengthy discussion was held about the recent meat boycott and the future of the farmer in our economic system. This meeting was attended by over sixty young farmers and their wives.

The group voted unanimously for the secretary to write you expressing some of the major points brought forth in our discussion.

I. MEAT BOYCOTT

We know that the American consumer today spends a lower percentage of his income on food than any other people in the world. Much of the increase in prices of food is due to ready-to-serve, precooked, or other services performed on foods. We also know that one-third of the grocery bill today is made up of non-food items. The consumer is more conscious of food prices because food is purchased weekly rather than on a yearly basis. We do not feel a meat boycott will reduce meat prices. The increased demand for red meat has boosted meat prices during a short period, in contrast to the gradual increase of wages and other consumer costs over a long period of time, thereby making meat prices a front page issue with the farmer as the villain. We know this does not present the true picture.

II. FUTURE OF THE FARMER

The continuing increase in the prices of farm inputs such as machinery, equipment, feedstuffs, farm labor, and interest is the major concern of this group. We know the farmers' operation has become bigger and more efficient each year, but this increase has just kept pace with inflation and rising input costs. Only recently have farm prices increased and for the first time in many years the farmer is being paid a fair price for producing his product. We as young farmers are more concerned about the future of the farmer because we are not as financially stable as older farmers. High interest and rising input costs have caused many of us to wonder how long we can continue to operate.

III. FUTURE OF AGRICULTURE

We do not want agriculture to fall into the hands of large corporations or be controlled by the federal government. We also want the American consumer to continue to be the best fed person in the world at the most reasonable cost. The recent floods over our nation, the late planting season, and the decreased planting intentions of feed grains and soybeans could develop into a real food shortage and even higher food prices.

We hope you will understand the farm side of the meat boycott and realize our concern for the future of the farmer in our economy. We would welcome the opportunity for you to meet and talk with us about agriculture at any time.

Sincerely yours,

JIM POWELL, *Secretary*.

THE CARPENTERS ARE HURTING IN THE NEW ECONOMY

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. WALDIE. Mr. Speaker, too often we in Congress have focused our criticism of the President's impoundment policies all too narrowly and have overlooked the peripheral effects of his actions. As I noted at the time I introduced my legislation to require congressional approval of the President's impoundment of appropriated funds, such actions have very seriously hurt the housing industry and its attempts to meet our future needs.

Recently, I have learned how the freezing of funds for the Federal Government's public housing program has begun to affect the economy of the San Francisco Bay area in my State of California. In an article of March 4, 1973, appearing in the San Francisco Examiner, it is estimated that the President's discontinuation of funding for these programs will result in the loss of $355 million over the next 12 months in the Bay area economy. Unemployment among members of the carpenters union, accounting for approximately half the total building trade workers in the Bay area, is already running nearly twice the normal seasonal rate.

Local 36 in Oakland, with 2,200 working members, has 510 men out of work; Local 1622 in Hayward, 2,400 members, 434 out of work; Local 162 in San Mateo, 800 members, 140 out of work; Local 2114 in Napa, 450 members, 128 out of work; Local 316 in San Jose, 2,800 members, 600 out of work; Local 751 in Santa Rosa, 900 members, 199 out of work.

Mr. Speaker, Congress must act responsibly to provide for those who are facing financial hardship and loss of jobs due to the President's actions. I am including the full text of this article in the RECORD, in order that the other Members of Congress may be fuly aware of these hardships when we consider legislation to control the impoundment powers of the President.

[From the San Francisco Examiner, Mar. 4, 1973]

THE CARPENTERS ARE HURTING IN THE NEW ECONOMY

(By L. G. Maatz)

The effect of the Federal Government's moratorium on subsidized housing will ultimately be noted on graphs and charts, but its effect in human terms is being felt now—in jobs.

In dollar terms, the loss to the Bay Area economy over the next twelve months will be over $355 million. That, according to Clive Knowles of the State Council of Carpenters, will represent the loss of federally subsidized low and middle income housing, public housing, college housing, open space grants and basic water and sewer grants.

PIPELINE DRY

When those twelve months are up, the so-called "pipeline" of applications for federally subsidized housing and other programs will have run dry. The pipeline consists of applicants which had been approved by the Department of Housing and Urban Development prior to January 6 of this year, when Secretary Romney announced the freeze.

But the immediate issue is jobs. And the evidence of the cutback is already evident in local hiring halls. Unemployment among members of the Carpenters Union—which accounts for approximately half the total building trades workers in the Bay Area—is already running nearly twice the normal seasonal rate.

Some areas have been hit harder than others, San Francisco being somewhat better off than most. Carpenter Locals 22 and 483 here report 77 and 191 men on their "out of work lists," not too far off the normal ten percent unemployment figure for this time of year.

HIGH RISES HELP HERE

The emphasis on office and high-rise construction, as opposed to residential, is responsible in large part for The City's good fortune. But in the suburbs, where residential construction is the key, the picture is less favorable.

Local 36 in Oakland, with 2200 working members, reports 510 men out of work; Local 1622 in Hayward, with 2400 members, 434 out of work; Local 162 in San Mateo, 800 members, 140 out of work; Local 2114 in Napa, 450 members, 128 out of work; Local 751 in Santa Rosa, 900 members, 199 out of work; Local 316 in San Jose, 2800 members, 600 out of work.

A slight increase in construction is expected in the spring, according to Al Thoman, Business agent of Oakland's Local 36. "But the future looks grim," he said. "What with the enormous increases in lumber prices, coupled with the cost of private money, the new guidelines and requirements called for in the preparation of Environmental Impact Statements and the No-Growth movements around The Bay, the moratorium capped it up."

FEWER STARTS

Bill Leonard, of the Associated Home Builders, predicts fewer than 40,000 housing starts this year for the nine Bay Area Counties, well down from the 60,000 the past year. "And we estimate," Leonard says, "that each one of those starts represents about one and one quarter full time jobs. Add to that a few side effects—like the fact that 20 percent of the teamsters locally are supported by transporting building materials either to or within the Bay Area—and you get some idea of the disaster we're looking at."

It is difficult to estimate the overall impact of expensive money. No-Growth movements and other factors, but the effect of the moratorium can be more closely predicted, according to Knowles. Californians Against The Housing Moratorium, a lobby spearheaded by The State Council of Carpenters, which Knowles had an active hand in forming, has prepared an impact study of the moratorium on the nine Bay Area counties.

Based on U.S. Department of Labor studies which estimate that there are 146 man-hours per $1,000 of construction cost—58 hours of on-site employment and 88 hours of off-site employment—the study gives an estimated loss in employment of 26,557 man-years due to the moratorium. Put a bit differently, that is 45,991,158 man-hours.

Not all of that loss would directly affect The Bay Area of course, as a good portion of it would be spread over to other areas in the form of transportation workers, factory labor and raw material development, but the impact on the local labor scene is clear.

MIGHT LIFT EARLY

U.S. Senator Alan Cranston has indicated that there is some possibility that the moratorium might be lifted earlier than year and a half as first announced. The California Democrat quoted James T. Lyman, HUD secretary-designate, as saying that it would take "about six months" to appraise the various programs and determine which ones should be continued, modified or eliminated. But that is still nothing more than a possibility, and the 18-month period still stands officially.

And, according to Knowles, it takes HUD a year or more to get building applications processed through to the construction stage. so an early reversal of the freeze would still take many months to regain the lost ground in construction, and, consequently, jobs.

And jobs are what the union people are concerned with, not studies and appraisals. And there is no denying that the jobs are getting fewer.

"Unemployment checks are running out," says Local 36's Thoman, "and it's the welfare lines that will be forming next."

THE ROBERTO CLEMENTE SPORTS CITY ACT OF 1973

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BADILLO. Mr. Speaker, on New Year's Day of this year the world was stunned and saddened to learn of the untimely death of baseball star Roberto Clemente. Ironically, the news of the plane crash in which he died brought to light a side of Clemente that much of the American public had not known before—that of a compassionate human being anxious to be personally involved in delivering relief supplies to the earthquake victims of Managua, Nicaragua.

Although he himself was born into reasonably comfortable circumstances, Roberto Clemente was deeply concerned about the conditions of poverty faced by many Puerto Rican youths, and as much as 2 years ago he was dreaming of building a "Sports City" in Puerto Rico to provide training and opportunities for youngsters who might otherwise be relegated to the streets. As he had commented shortly after the conclusion of the 1971 World Series:

> They spend millions of dollars for dope control in Puerto Rico, but they attack the problem after the problem is there. Why don't they attack it before it starts? You try to get kids so they don't become dope addicts, and it would help to get them interested in sports and give them somewhere to learn to play them.

I am pleased today to introduce a bill, coauthored by the gentleman from Puerto Rico, Mr. Benitez, and myself, a bill which would serve to fulfill Clemente's dream by providing Federal assistance to the Roberto Clemente Memorial Foundation to enable the foundation to construct a youth recreational center in Puerto Rico. Joining us in cosponsoring the Roberto Clemente Sports City Act of 1973 are our following colleagues: Mr. Moakley of Massachusetts; Mr. Sarbanes of Maryland; Mr. Mitchell of Maryland; Mr. Leggett of California; Mr. Rangel of New York; Mr. Rooney of Pennsylvania; Mr. Dellums of California; Mr. Meeds of Washington; Mrs. Chisholm of New York; Mr. Bingham of New York; Mr. Madden of Indiana; Mr. Burton of California; Mr. Rosenthal of New York; Mr. Roe of New Jersey; Mr. Brasco of New York, and Mr. de Lugo of the Virgin Islands. Our bill would authorize a Federal grant of $2.5 million for the sports city project, make the foundation eligible to receive Federal surplus property and equipment, and direct appropriate Federal departments and agencies to provide technical assistance.

It is our feeling that no more fitting memorial could be found to honor the memory of a man who was not only a legendary sports figure, but a hero to the youth of his country as well. The ideals which Roberto Clemente's life symbolized can be appreciated by all of us, and especially at a time in history when the problems of youth have come so much to the forefront.

CANADA STUDIES PIPELINE EXTENSIVELY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ASPIN. Mr. Speaker, it is not widely known that a great deal of environmental research on a Canadian pipeline is already underway. In fact, 119 specific environmental and social studies of a pipeline through Canada are currently being conducted.

While additional environmental research is needed, clearly a great deal of groundwork has already been done. There is no doubt in my mind that as evidence accumulates, more and more Members of Congress will become convinced that the Canadian alternative is the best solution to supplying the oil needs of the United States, particularly the East and Midwest.

As many of my colleagues may know, Canada's Energy Minister has offered to provide Interior Secretary Rogers C. B. Morton with all preliminary engineering and environmental studies of the pipeline. I am calling today upon Mr. Morton to accept Energy Minister MacDonald's offer and begin cooperative environmental studies. Since many leaders of Congress have endorsed the Canadian alternative, it is high time for Mr. Morton to examine this route.

While the environmental evidence against the trans-Alaska pipeline is incredibly overwhelming, it is not widely known that a great deal of positive environmental research has already been done on the Canadian route. The 119 studies are part of a $15 million, 3-year examination undertaken by Canada's Department of Energy, Mines and Resources to investigate the costs and benefits of pipeline development, particularly in the Mackenzie Valley region. Now that the pipeline issue is coming to a head, the results of 54 of the studies being completed by July will be important factors in any decision Congress makes. Thirty-nine reports, including studies of marine resources, landuse, permafrost, wildlife and the geology of the Mackenzie Valley have already been completed.

The vast majority of the studies are being prepared under the auspices of Canada's Energy, Mines and Resources Ministry as well as the Department of Northern Development and Indian Affairs and Department of the Environment. In addition, 22 studies are being undertaken by other government agencies, associations, and universities.

Canada is also confronting the problem of financing a northern pipeline. As many of my colleagues may know, Secretary Morton has complained publicly that Canada could not finance an oil pipeline.

Last month, Donald MacDonald, the Canadian Minister of Energy, Mines and Resources appointed a 15-man task force to study the financial and economic impact of Canadian northern pipeline development.

As hearings continue, in the House subcommittee on Public Lands chaired by the distinguished gentleman from Montana, (Mr. Melcher), I am sure that it will become increasingly clear that the Canadian alternative offers overwhelming economic advantages to the Midwest and East and that the environmental costs of the trans-Alaska pipeline is so prohibitive that Congress will chooses the Canadian route.

$3.57 SIRLOIN COSTS TOKYO

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ZWACH. Mr. Speaker, in an effort to put current food prices in their proper perspective, we should look at the prices we pay as compared to the rest of the world.

Wayne Darrow, in the April 6, 1973 Washington Farmletter, presented some interesting figures on mid-March prices on sirloin, broilers, and eggs in Brussels, London, Rome, Ottawa, Copenhagen, Tokyo, and Stockholm.

Mr. Speaker, I would like to insert into the Record Mr. Darrow's figures for all my colleagues to see. The figures follow:

> If the United States can solve food-related production-inflation problems other Nations will copy. Food prices rose 243% in Chile last year and 5.7% in Canada, 7.4% in the UK, 11.3% in Ireland, 4.3% here, and 3.7% in Japan where groceries were already quite expensive.
>
> Here are mid-March prices in various capitals:
>
> Sirloin—$2.45 a lb. in Brussels, $1.88 in London, $2.79 in Rome, $1.68 in Ottawa, $1.69 in Washington. Beef filet—$6.51 in Copenhagen. T-bone—$3.57 a pound in Tokyo.
>
> Broilers—62¢ per lb. in Bonn. 93¢ in Copenhagen, 47¢ in London, 64¢ in Paris, $1 in Stockholm, $1.67 in Tokyo, 65¢ in Washington.
>
> Eggs—88¢ a dozen in Bonn, 93¢ in Brussels, 71¢ in London, 86¢ in Copenhagen, 44¢ in Paris, 83¢–$1.06 in Tokyo, 73¢ in Washington.
>
> Wayne Darrow.

BORN WITH A WELL-FED MIND

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. HOWARD. Mr. Speaker, the need for good nutrition is a topic many of us have discussed in depth. More and more, people throughout the United States are becoming increasingly aware that poor nutrition is a very serious problem.

Recently I had the opportunity to read an article on nutrition in Human Needs, a Government magazine put out by the Department of Health, Education, and Welfare's Social and Rehabilitation Service.

The author of the article, Kathleen Lyons, did an excellent job of both researching this subject and writing an article which was both interesting and informative. Because of the value of this article I commend it to my colleagues:

Born With a Well-Fed Mind

(By Kathleen Lyons)

> Many administrators of social service programs are trying to help people whose first deficits may have occurred even before they were born. Although we don't have all the exact scientific data at this time, we do know that certain prenatal and postnatal conditions lead persons on a lifetime path that may be marked by illness, disability, and an inability to compete successfully with other human beings in the very complicated business of living.

One of the most important deficits that we are studying these days is in the area of nutrition. The building-blocks of the various human systems—skeletal, nervous, muscular, etc.—come from the foods ingested by the person either in the fetal state before birth or as an infant just after birth. Hence, in order to participate in sensible long-term social service planning, the planner ought to equate "long-term" with the word "lifetime." If we can understand what people need before they are born as well as what they need during the rest of their lives, then it is possible to make some real headway. Certainly this would be a most helpful point of view when the planner approaches the whole area of nutrition.

Actually for Americans the subject is rather new. Until five years ago, for example, we considered malnutrition to be a problem existing only in underdeveloped or in newly developing nations but not in the United States. But in the late 1960's, during the rise in the general social consciousness of this country, more Americans turned to the problems of hunger and malnutrition here at home.

Since then the scientific community has concentrated more of its resources in this area and some interesting results have come about. For example, in the fall of 1972 at a gathering of nutrition scientists in Mexico City, approximately one-fourth of the papers presented dealt with prenatal and early postnatal nutrition. It is now generally acknowledged that the mother's diet during pregnancy and lactation has an enormous and lasting effect upon the physical and mental development of the newborn infant.

We should understand that malnutrition, or "poor nutrition," can be defined as a state in which the individual is deprived of one or more nutrients such that the growth process is slowed down and specific biochemical changes and clinical syndromes appear. Among the most severe cases overseas we find children with retarded growth, edema (the swelling caused by the collection of water in hungry tissues), a variety of skin changes, and death. *Marasmus*—emaciation and a general wasting away—is caused by extreme food deprivation after birth, particularly the absence of calories and protein. A second clinical syndrome—*kawashiorkor*—caused by protein deficiency, is a complex of stunted growth, edema, anemia, apathy, and other signs of general physical and mental deterioration. The word *kwashiorkor* comes from Ghana and was always associated with the diet problems of people somewhere else; so it was something of a deep shock when a Public Health Service survey turned up cases of clinical kwashiorkor here in the U.S.

Although great strides have been made in the nutritional sciences during the past few years, most of our information has not come from humans. Civilized science simply will not allow the starving of mothers and infants in order to gather new clinical information. That would be barbarism, not science. Hence, much of what we know today about prenatal nutrition and development comes from animal studies. Once we have at least a working knowledge of animals, we can go on to man.

Some important work done in England has shown that nutritional damage to the adult rat is limited: no matter how severely an adult rat is starved, there appear to be no detectable effects on lipids, protein, or nucleic acids in the brain of the rat. However, even mild undernutrition during the brain's fastest growth period before the animal's birth will permanently affect its composition. These brains of mildly starved prenatal rats may also show degenerative changes of neurons and neuroglial cells.

The British work—done by Drs. Dobbing and Widdowson—has shown that growth may be stunted if there is undernutrition of the rat during the vulnerable prenatal and postnatal periods. Dr. M. Winick has further shown that there seem to be three critical phases of growth in the organs and organ systems of rats: (I) cell division, (II) cell division and increasing organ size, and (III) increasing size of the cells themselves. The transition from one phase to the next depends on the synthesis of DNA (deoxyribonucleic acid) slowing and then stopping. Winick has shown that severe malnutrition in phases I and II during the vulnerable periods of birth will permanently reduce the total number of cells in the brain despite any nutritional supplementation at a later date.

Other reports of experimental work with rats and pigs demonstrate poorer cerebral performance—a measurable reduction in brain potential—associated with a history of early undernutrition. Such animals can neither learn nor unlearn a task as fast as animals adequately fed during the early vulnerable periods. When presented with a variety of unpleasant or irritable situations, such animals tend also to overact in frustration, tension, and anger.

It is worthwhile noting that different routines of malnutrition have been introduced to pregnant mother rats. The results have been lower birth weights for the newborn. When these newborn are given over to well-fed lactating mother rats as "foster rats," the newborn do gain in body weight and their general health tends to improve dramatically. However, despite this improvement, these newborn of underfed mothers never achieve the same body weight as rats who had normal births from mothers normally fed.

So much for animals. But what does this mean for people?

Working with human fetuses that had been aborted or which were available during autopsies of the mothers, Drs. Dobbing and Winick have studied the growth of the human brain. They generally agree that the most rapid brain cell division (Winick's phase I) takes place before birth. Dobbing has identified two major periods of cellular multiplication: the first is between Week 15 and Week 20 of gestation; the second is after Week 25 and ends in the second year of postnatal life. During that first period, however, Dobbing believes a tremendous proliferation of cells for the nervous system occurs, an intensive "neuroblast" period. If this is the case then good nutrition for the fetus would seem to be very much desired.

But ordinarily the fetus is not directly fed; nourishment comes from the mother. For many, many years it had been assumed that the fetus in utero would always do well, drawing from the mother's reserves any and all nutriments it might need—whether the mother could spare them or not. The impression—a false one—was that no matter how marginal or poor the mother's diet was, the baby would be brought to terms as normal.

Recent findings indicate that a pregnant mother must have a greater intake of many of the nutrients to produce not just a normal appearing baby, but a baby that has developed to its full genetic potential while in utero. Birth weights and mother weights are very relative: a 7-pound baby may be underdeveloped for one mother, while a 5-pound baby may have reached its full potential within the body of another mother.

A number of reliable investigations have also turned up other evidence. For instance, there is a correlation between the degree of malnutrition beginning at various times during gestation and continuing in the first year or two of life and later the individual's smaller head size, lower intelligence, lower brain weight, and fewer brain cells. Children showed slower rates of development for mental and motor functions during the first three years of life.

The evidence associating severe malnutrition with reduced intellectual capacity is reasonably clear; the evidence for mild or even chronic malnutrition is not. However, one can't isolate nutrition from the environment of the fetus and the infant. The quality and quantity of available foods must be placed into a context that also includes hormonal and genetic factors plus emotional deprivation, social class, family size, and the efficiency of the mother. We must also keep in mind that malnutrition does occur primarily among the underprivileged and does produce increased and chronic infection, particularly diarrhea, among the young. These infections in turn produce the vicious cycle of higher metabolic demands, lower food intake, and poorer absorption of nutrients. The nutritional state further deteriorates.

Science has only just scratched the surface of cause-effect relationships between prenatal nutrition and human development. There is no agreement on an ideal diet for a pregnant mother nor do scientists agree on the safest, most effective way to provide food to small or premature babies (by oral or intravenous means, for example). The evidence does at least suggest that low-weight infants do resume growth right *after birth* and that this vulnerable postnatal period may be highly significant for making up through improved nutrition whatever deficits may have occurred in the development of the brain while the child was in utero. There is still the caution, however, that the answer to some of these problems is not as simple as overnutrition or some new food fad. A recent study from Russia, for example, showed a substantial increase in abortion among pregnant women taking large doses of vitamin C.

The additional energy requirements during pregnancy and lactation, allowing for a 20–25 pound increase in body weight of the mother and diminished activity as gestation proceeds, could be met by consuming an additional 200 calories per day (2,000 calories normally allowed).

At the present time, approximately 47 percent of the dietary calories are derived from carbohydrate sources such as sugars and starch, while 41 percent of the calories are derived from fat. Except for the body's specific need for carbohydrate as an energy source for the brain and other specialized purposes, carbohydrates and fats appear to be interchangeable as dietary energy sources.

Elsewhere on this page are the recommended daily dietary allowances of the Food and Nutrition Board, National Academy of Sciences-National Research Council.

Still, when all is said and done, all this vital scientific data will do little good if the information is not transmitted to the public for its use. Frankly, low- and medium-income people will have to be re-educated as to which foods contain the nutrients *they* need for themselves and their children. In addition, it is clear that low-income persons will have to be given additional aid in getting the foods they need. Then again, all persons in our society must get to know the nutrient composition of new synthetic foods coming into greater use, in order to somehow control one's nutrient intake. This is no small matter.

Clearly we must help low-income persons get the foods they need at every stage of their lives. We must learn more about their dietary requirements and how these match up with their socio-cultural food preferences. Finally, we all have a responsibility to facilitate the delivery of food to the poor so that we may one day see a dramatic reduction (if not the outright elimination) of malnutrition in this land of abundance.

RECOMMENDED DAILY DIETARY ALLOWANCES DURING PREGNANCY AND LACTATION

	Pregnancy	Lactation
kcal	+200	+1,000
Protein (gm)	65	75
Fat-Soluble Vitamins:		
Vitamin A Activity (IU)	6,000	8,000
Vitamin D (IU)	400	400
Vitamin E Activity (IU)	30	30

	Pregnancy	Lactation
Water-Soluble Vitamins:		
Ascorbic Acid (mg)	60	60
Folacin[e] (mg)	0.8	0.5
Niacin (mg equiv)[d]	15	20
Riboflavin (mg)	1.8	2.0
Thiamine (mg)	+0.1	+0.5
Vitamin B_6 (mg)	2.5	2.5
Vitamin B_{12} (μg)	8	6
Minerals:		
Calcium (g)	+0.4	+0.5
Phosphorus (g)	+0.4	+0.5
Iodine (μg)	125	150
Iron (mg)	18	18
Magnesium (mg)	450	450

Source: Food and Nutrition Board, National Research Council (1968).

ANOTHER SIDE TO THE MEAT BOYCOTT

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. STEIGER of Arizona. Mr. Speaker, the attention of the media continues to focus on the price of beef. Unfortunately, much of the commentary on this subject has been highly emotional and has failed to present all of the facts as they actually exist.

I would like to bring to my colleagues' attention an editorial by Mr. Homer Lane of KOOL radio-television, Phoenix, Ariz. Mr. Lane's remarks present a side of this issue that has received too little attention.

EDITORIAL BY HOMER LANE

Angry housewives throughout Arizona and the nation wonder why the price of beef suddenly has shot skyward. They wave protest signs suggesting that someone or some segment of our food chain is making a handsome and unfair profit at the expense of the consumer.

It would be nice if the situation were that simple, for then we could ferret out the greedy ones, bring sanctions of some sort against them and thus restore beef prices to their previous level. Unfortunately, however, the picture is much more complicated than that, and today's high beef prices may be the result of a combination of circumstances that cannot be easily remedied.

For example, much of this nation's cow country experienced a severe drought in the spring and summer of 1971. Ranchers who managed to carry their cow herds through that period did so at considerable extra expense and were rewarded with a calf crop that was light and late last year. Those who could not carry their herds through the drought had to restock. Again, this cost them extra money and gave them a light crop of calves.

An increase in predatory activity also took its toll of calves; and in the face of a rapidly expanding market, cattle feeders had to look harder and pay more for the animals they needed to fill their pens.

At the same time, as a result of an edict issued by the Federal Environmental Protection Agency, the use of Di-ethyl stilbestrol (DES) in feed no longer was permitted. In some instances, this increased by ten percent the amount of beef it takes to produce a pound of beef.

Also, effective this year, the U. S. Forest Service and the U. S. Department of Interior Bureau of Land Management increased grazing fees fifteen percent, thus increasing the cost of producing a pound of beef by about that same percentage throughout most of the western states.

To sum up all of this into one succinct statement . . . the demand for beef has outdistanced the supply, and that which is available on the part of this nation's livestock industry may remedy the situation. Waving protest signs and hurling angry accusations will not.

POLLUTION CONTROL

OF

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. GROVER. Mr. Speaker, the problem of waste water treatment is one of the most serious challenges to our environment. I am happy to make known an effort within my own district as set forth in Business Week:

POLLUTION CONTROL—IS OZONE THE WAY TO TREAT SEWAGE?

As every pool owner knows, chlorine is widely used in the U.S. to disinfect water. But the pungent, greenish yellow gas is highly poisonous in certain forms. It is one of the main constituents of mustard gas, for example, which took untold lives during World War I. As a result, Europeans prefer to purify their drinking water with ozone. Now a tiny American company says it can use ozone to clean sewage—and at an almost unbelievably low price. The company, Telecommunications Industries, Inc., of Copiague, L.I., is selling advanced waste-water treatment plants that, says Angus D. Henderson, a Long Island consultant retained by TII, "provide complete tertiary treatment for the normal price of secondary."

This week, construction started on TII's first commercial installation, situated at Indiantown, Fla. This private community is paying less than $500,000 for a showcase plant that will handle 500,000 gal. of effluent daily. "I admit they're getting a bit of a break," says Alfred J. Roach, TII's chairman. "But that's way below the going rate." A conventional tertiary plant of comparable size usually costs $800,000 or more.

Even at that price, cleanup by conventional methods might not be as good. For more than a year, TII has had a 15,000 gal.-per day pilot plant operating at Notre Dame University, and the equipment amazes even experts. Alton G. Cox, Jr., an engineer with Florida's Pollution Control Dept., inspected the pilot plant after Indiantown officials said they would use TII's system—voluntarily electing for tertiary treatment. "The quality of water coming out was unbelievable," exclaims Cox. "It was clearer than the distilled water used to calibrate the equipment."

POWERFUL CLEANSER

Scientists have long known that ozone, a hyperactive variant of oxygen, is a powerful cleansing agent. It has even been considered for sewage treatment before. Several years ago, the Environmental Protection Agency studied ozonation for water treatment, and several large corporations are currently researching it. But until now, no one has ever considered ozonation to be competitive with existing treatment techniques. And the market hardly seems ready for new tertiary systems when so many cities still cling to their old primary treatment plants.

Primary treatment is basically a sedimentation step during which solids settle out of the waste water. In secondary treatment, organic wastes are removed by filtration or by aeration, which cultivates bacteria that consume the pollutants. Often, a plant will then flood its secondary effluent with chlorine for further purification. The tertiary step removes microscopic contaminants such as phosphorous, usually with activated carbon. The water from such advanced treatment plants is generally fit for recreational use, if not for drinking.

TII says ozone is economical enough for the tertiary step if it is coupled with ultrasonics. High-frequency sound waves rattle both microbes and dissolved particles, breaking them into sub-micron size. In this form, they are highly susceptible to ozone's strong oxidizing effect, so less ozone is required. It can be made from air with spark discharge equipment sold by such manufacturers as Welsbach Corp., Crane Co., and W. R. Grace. In effect, says TII, it will cost no more to use ozone than to buy chlorine, which does not provide tertiary treatment.

SOME UNKNOWNS

The company also points out that ozone quickly reverts to oxygen once it serves its purpose. In contrast, chlorine lingers in the effluent and becomes a pollutant itself. Still, direct exposure to large quantities of ozone can be dangerous, and the EPA is backing studies in Michigan to determine whether there are any adverse side effects associated with ozonated materials. The agency is comparing ozone disinfection with straight chlorination combined with dechlorination, and it will make a cost analysis of the three approaches.

The EPA has no doubt that ozone works, however. About three years ago, the agency awarded Airco, Inc., a contract to build and operate a 50,000-gal.-per-day pilot plant to study tertiary treatment with ozone. Airco discovered that the chemical completely obliterated organic material, killed all bacteria, added oxygen to the water, and reduced odors, discoloration, and turbidity. In short, says Bradley S. Kirk, an Airco engineer who worked on the project, "the effluent was just as thoroughly treated as you can get, short of distillation." Airco has not tried to commercialize the process.

TII, a $2.5-million company whose main product is a line of electrical surge protectors that it sells to telephone companies, first got involved with ozone in 1970, at about the same time Airco did. "I saw a demonstration at some show," recalls Roach, an enterprising man who has apparently made his fortune through such serendipity (he says he picked up the idea for his surge protectors at a cocktail party in Europe). "I bought one of the models and asked our lab to see what they could do with it," he says. "One of the engineers came up with the idea of ultrasonics."

With that, TII decided to demonstrate the system on Long Island. John M. Periale, who was then a commissioner for the town of Islip, was impressed. He accepted Roach's offer to take over as vice-president in charge of TII's newly formed Ecology Div. At the time, Roach's son was attending Notre Dame. During a visit to the school, Roach mentioned his system to one of the professors in the Environmental Health Engineering Program. Notre Dame expressed interest, and the outcome was a research contract for the pilot plant.

Wayne F. Echelberger, Jr., Notre Dame's technical coordinator for the project, says the pilot plant indicates that TII's process will meet "all current state and federal water quality standards, as well as those that we can anticipate in the foreseeable future." Operating costs, he adds, may be less than with a conventional system, which would take up anywhere from 5 to 10 times as much space.

Notre Dame is now anxious to find out what else ozone can do. Morris Pollard, a noted professor of microbiology and director of the prestigious Lobund Laboratory, is studying ozone's effect on viruses. "It looks as though it is a very effective sterilizing agent," says Pollard. "It's about as destructive as anything I've seen."

SUPPORT MOUNTS FOR MASS TRANSIT HIGHWAY FUND OPTION

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ANDERSON of California. Mr. Speaker, more and more members of the news media are joining the fight to permit cities to use their share of the Highway Trust Fund for mass transit, roads or a combination of the two.

I welcome all of the mass media who have joined with us.

It is reassuring to see organizations such as The Washington Post and KFWB of California recognizing our amendment as an efficient method of solving the cities' tremendous traffic snarls.

Both the Post and KFWB have prepared extremely cogent editorials in support of the Anderson amendment to S. 502. I am presenting their well-developed opinions so that all my colleagues may have the opportunity of reading them.

The material follows:

Getting the Highway Fund on the Right Tracks

The House is scheduled to take up the three-year, $25.9-billion highway bill this week. The measure reported by the Public Works Committee has several noteworthy features, including important highway safety provisions and a refreshing absence of attempts to advance specific projects by circumventing environmental laws. But the key vote will come on the amendment, to be offered by Rep. Glenn Anderson (D-Calif.), which would permit cities to use their shares of a $700-million-per-year urban systems funds for roads, mass transit or a mixture of the two. Although the House vote is expected to be close, the cause of flexibility in urban transportation has already had an impact in the House.

The first signs of change within the Public Works Committee, a panel noted in the past for its devotion to road-building and its tendency to emphasize the needs of rural areas. The committee rejected the Anderson amendment, 29-8, but did approve a measure fashioned primarily by Rep. Jim Wright (D-Texas) which comes remarkably close to serving the same goals. In essence, under the committee bill cities would be able to obtain new aid for mass transit projects in two ways: by turning back all or part of their urban systems grants, and by canceling controversial interstate projects which local, state and federal officials agree are not vital to the continuity of the interstate system. The federal funds released by either move would be returned to the trust fund for reallocation elsewhere, and an equivalent amount would theoretically be made available for mass transit from general revenues.

The Public Works Committee has thus accepted for the first time the concept that cities should have the flexibility to devote a given quantity of federal aid to rail transit instead of roads. In this respect, the Wright proposal is a serious attempt to help the traffic-choked big cities without diverting money from the highway trust fund to projects which don't use roads. Aside from the administrative intricacies involved, the committee approach has only one big flaw—but that appears to be a fatal one: there is no guarantee that the mass transit aid from general revenues would really be available. The contract authority could all too easily be withheld, limited or stretched out by either the executive branch or the appropriations committees; this has already happened to the existing program of mass transit grants. Given the current state of the budget, the committee bill could thus enable cities to not build roads, but give them little help in building anything else.

In contrast to the uncertainties of the committee bill, the Anderson amendment is simple and sure. It would avoid the fiscal pitfalls and administrative snarls, by authorizing another use of trust-fund monies which—as the recent appellate court decision underscored—are virtually immune from impoundment. This feature should make the Anderson amendment especially appealing to advocates of fiscal sanity and bureaucratic sense.

Fortunately the House Rules Committee, pushed by Speaker Carl Albert, has paved the way for a direct, up-or-down vote on the Anderson amendment. The measure has the administration's full support and a similar provision has already been passed by the Senate. Given this chance to consider the alternatives squarely on their merits, the House should approve the Anderson amendment as a timely and useful reform.

Federal Gas Tax Money for Public Transit

(By Gordon Davis, vice president)

Representative Glenn Anderson, of Harbor City, is about to lead a major fight in Congress to open the federal gas tax fund for use in public transit systems.

Here's the situation:

The federal gas tax highway fund was started in 1956 to build our inter-state highway system. It now holds $6 billion. The system is 80 percent finished and will be complete in 1979.

Meanwhile, as we build magnificent highways through mountains and deserts and farmlands, nearly every major U.S. city has begun strangling on a combination of autobile traffic and inadequate public transit.

Anderson and twenty-eight other congressmen want to split off one-ninth of the gas tax fund . . . $700 million . . . and use it to help cities build transit systems.

Nearly half the House and a majority of the Senate support Anderson. But he still faces heavy opposition.

Fighting Anderson are lobbyists for the truckers, asphalt pavers, highway contractors, auto club, and the concrete, petroleum and automobile industries.

KFWB supports Congressman Glenn Anderson in his fight: the highway monopoly's hold on the federal gas tax fund should be broken.

The public's money should go where the public's problems lie. And the problems of transportation today do not lie between the wheatfields of Iowa or in the mountains of Western America. They lie in the cities, snarled and strangled with traffic, virtually helpless at times because millions find it so difficult to get from point to point.

THE ECONOMIC STABILIZATION ACT

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. FROEHLICH. Mr. Speaker, yesterday the House of Representatives passed legislation providing a straight 1-year extension of the Economic Stabilization Act, after overwhelmingly rejecting all efforts to freeze or roll back prices, rents, and interest rates. This legislation would continue to provide the President with authority to control wages and prices, as he feels necessary, but it does not require mandatory controls or rollbacks such as those proposed in H.R. 6168, as it was originally reported by the House Banking and Currency Committee.

I opposed H.R. 6168, as it came from committee, and I felt that mandatory rollbacks would be nothing short of disastrous to farmers and small businessmen. I was, therefore, pleased to see that the substitute bill which was finally adopted contained no mandatory rollbacks.

I did, however, vote against the substitute bill, on final passage, because I favored a 2-year rather than a 1-year extension of the present law. As the legislation now stands, the act will expire on April 30, 1974, in the middle of an election year.

Inflation is a serious problem which crosses party lines, and which can be solved only by bipartisan efforts. It makes no sense to me to ask that this issue be made a political football, which is what the Congress is doing by allowing it to expire at that time.

WHY NOT END THE HIGHWAY TRUST FUND?

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BRASCO. Mr. Speaker, I have the privilege to represent a congressional district which is entirely urban. In fact, the overwhelming majority of Americans, 77 percent we are informed, reside in urban and suburban areas. To such people, one of the most vital concerns is effective mass transit. Today there is no such beast to be found. In fact, it is no exaggeration to say that as of this moment it is virtually impossible to move large numbers of people with economy, safety, regularity, and speed across urban and suburban areas. An occasional exception can be found, but they are almost always unique rather than part of any emerging pattern.

Here, then, is one of the major social needs of America today; reliable, low-cost, fast mass transit to serve heavily populated areas. Our cities are strangling on unsafe, uneconomical automobiles and the smog they pour out in vast quantities. We have no further desire to turn our cities and suburbs into parking lots at expense of people and other vital facilities they require. We note the problem, yet no real progress is made. People in our Nation's metropolitan areas have a right to ask why.

Certainly my own constituents in Brooklyn are asking that question, with excellent reasons and growing impatience.

One reason is that all of us are feeding, through user taxes, a sacred cow known as the highway trust fund. Federal user taxes, mainly paid out by city and suburban dwellers, continually pour into this trust fund, which is utilized solely to construct ever more interstate highways. It is misuse of such funds that allows the highway lobby to punch freeways through our cities and parks. It was this vast reservoir of cash, constantly replenished, that almost allowed the Three Sisters Bridge atrocity to be foisted upon the Nation's Capital. New York City has fought off several similar attempts to punch commuter roads through viable neighborhoods. This in itself is serious enough. But there is much more.

We in the cities and suburbs pay the lion's share of tax in every way, be it to the Federal Government's general revenues or into the highway trust fund through gasoline and tire levies. My home State of New York, for example, pays in a minimum of $23 billion annually to the Federal Treasury. We receive in return a maximum of some $3 to $4 billion annually for all purposes. Now we desperately require urban mass transit funds from Washington and have asked for them again and again. Yet each time we have been rudely rebuffed. Each time we are told it is impossible, to the growing frustration and outrage of urban and suburban taxpayers.

A powerful highway lobby exists here in Washington, making vast profits out of major "pork-barrel" undertakings such as interstate highway construction. Any raw materials supplier for roads belongs. Auto, tire, and oil interests, America's worst enemies in my opinion, are working day and night to maintain intact their coalition and privileges under this flea-bitten sacred cow. It is a similar lobbying effort to that successfully undertaken recently by the auto crowd on weakening enforcement of antipollution standards.

To its everlasting credit, the Nixon administration has endorsed the concept of tapping this trust fund to allow local authorities flexibility in choosing urban roads or transit. The Senate has already approved "flexible use" of some $850 million in urban roads money, on March 13 of this year.

Unfortunately, here in the House, the pork barrel bunch has a better chance of halting this greatly overdue, minimal reform. Our colleague, Mr. ANDERSON of California, has waged a heroic battle to gain adoption of an amendment allowing local governments to make their own choice between roads and mass transit. The House Public Works Committee bill emerges as a fraud on the cities and a slap in the face to their increasingly outraged requests for some of their own tax money for use in mass transit. The commitee bill is a sham, only paying lip-service to mass transit. Under its terms, all we would receive is more detested highways, which my home city of New York needs as much as Greenland needs more ice and snow.

It is to the credit of our Rules Committee that it has cleared the way for the now inevitable floor fight over fair division of transportation funds. For a battle we shall have, and another one after that. And as many more as we shall require after that. Until we have won our point, our fight and our funding.

It is vital to point out that this is a bipartisan struggle. Much credit is due those members of the other party who have taken a courageous stand on behalf of a vital people's issue.

Insofar as the majority party of this House is concerned, a few words are in order here. It is my growing impression that in recent years the previously dispossessed and unheard have gained a stronger voice in our caucus and our councils. Cities and suburbs now contribute the overwhelming majority of our membership in Congress. We have increasingly been reflecting their desires, often flying in the face of more established interests within our party and the Congress.

Some powerful Members see no reason to admit to the necessity for accommodating the essential needs of metropolitan areas and suburbs. Some feel free to consort with those very interests opposing alleviation of those same problems with which we are grappling. We come to them, oftentimes as supplicants, seeking compromise and recognition of the justice of a given cause. Each time our sole reply is a harsh rebuff.

Such a situation is intolerable. No vested interests, no matter how strong, can indefinitely oppose the will of the majority of our citizens whose pressing need is assistance in coping with everyday difficulties making their lives virtually impossible.

No more classic example can be found than in the case of this question of Federal aid to urban mass transit.

So frustrated are many people that a new alternative is being spoken of, and it is more than the unacceptable measure the Public Works Committee seeks to foist upon this House.

Why should not advocates of direct major Federal aid to mass transit ensure that no Federal aid to highways legislation clears this body? No mass transit; no roads. When we obtain mass transit aid funds with no strings attached, then there shall be adequate road funding.

Today, this concept is still a possibility. Tomorrow it may not be such an ethereal approach. Rather, it may become quite tangible.

Let the highway lobby take note that times have changed. Let them finally comprehend that the "good old days" and the "good old boys" are gone for good. Nor are they ever likely to dominate again.

Today it is not too late to compromise, and everyone will emerge with a significant portion of the loaf. If, however, the powers that be still insist on denying the overwhelming majority of Americans what they so obviously want, then inevitably and eventually, one party is going to emerge with most of the loaf, and it will be the mass transit interest.

DR. BILLY GRAHAM ON ABORTION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. HOGAN. Mr. Speaker, today I would like to insert in the RECORD a statement by Rev. Billy Graham on the subject of abortion.

DR. BILLY GRAHAM ON ABORTION

Someone recently asked Dr. Billy Graham if the vacuum method was not a satisfactory solution to the abortion problem. His answer as printed in the *St. Paul Dispatch* (12-1-72) was as follows:

"Murder is murder, whether you shoot the victim with a revolver, or disconnect his life support mechanisms. . . .

"Even if abortion were legalized, no law could take away the feelings of guilt which inevitably accompany it. You don't violate the sacredness of life with impunity. Any position which doesn't respect the rights of the unborn is a position which opposes those rights. As Deuteronomy 30:19 says, 'See, I have set before you life and death . . . choose life.' "

WELFARE SCANDAL—XIII

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, adding to the ineffectiveness bred of the organization of this Nation's public welfare system is the stark fact that the system invites fraud. A recent study by two reporters for the Milwaukee Sentinel concluded that about 20 percent of the budget of the Milwaukee County Welfare Department is being wasted.

Welfare administrators in Milwaukee claim only 1 percent of the cases they handle involve fraud. Other jurisdictions report similar low figures. This has led some to conclude that the system is basically sound and that "Archie Bunker"-types who suspect welfare cheating is more widespread are just indulging their prejudices against poor people.

But there is widespread welfare cheating. The 1 percent figure for Milwaukee does not represent all cheaters. It simply represents those who are caught and convicted of welfare fraud. If the percentages of apprehension and conviction for welfare fraud run in the same magnitude as for other crimes, the 1 percent figure is a gross understatement of the problem.

This segment of the Sentinel series explores the way that public agencies have adjusted to the condition of continuing fraud. Unfortunately, the article does not show the steps being taken to eliminate the fraud which leads one to suspect that precious little is being done to improve this cancerous condition.

It is past time that Congress act to reform welfare and end this national disgrace.

The article follows:

WELFARE FRAUD: 20 PERCENT OR 1 PERCENT?

(By Gene Cunningham and Stuart Wilk)

Study after study indicates that the Milwaukee County Welfare Department's cases are riddled with fraud and administrative error.

How many millions of dollars in tax money are being wasted each year as a result?

Supervisor William E. Nagel says $28 million was wasted last year and more than $30 million will be wasted this year—20% of the total department budget, because 20% or more of the department's cases are on the welfare rolls through fraud or error.

Not so, says Arthur Silverman, welfare director. There is only 1% fraud, Silverman says.

He cites as a basis for his 1% figure "the number of court convictions" for fraud.

Yet, his own department official in charge of fraud investigation said that the bulk of discovered fraud cases never get to court.

Instead, said the official, agreements are sought for the repayment of the frauduently obtained money.

The last study done of fraud and error in the department turned up a 20% figure—labeled "inappropriately spent funds."

The percentage is "probably much higher than that," said Nagel, chairman of the County Board's Welfare and Human Resources Committee.

The 1969 study that turned up 20% was an investigation of cases of Aid to Families with Dependent Children (AFDC), the largest single category of welfare payments in both numbers of cases and millions of dollars.

There is reason to believe that that margin of fraud and error extends across the other lesser categories of aid, according to Nagel. In fact, the 20% probably has grown even larger since 1969, Nagel said.

The experience of the Sheriff's Department Fraud Squad substantiates Nagel's belief.

The squad handles fraud cases—not administrative error—and the number of cases it handles is only a small percentage of the actual fraud, discovered and undiscovered, squad members said.

Still, the cases the squad has successfully investigated have increased in dollar amount from $142,697 in 1970 to $354,731 in 1972.

There's more fraud now because "more money is involved and it's easier to get," one squad deputy said.

The welfare department's own studies of various smaller categories of aid, done since 1969, support Nagel's claim of 20% or more.

STUDY FINDINGS

A few of these studies done last year—some at the request of Nagel's committee—showed that:

19.5% of general assistance cases studied were ineligible for aid.

There were administrative errors in 75% of those same general assistance cases—but the report of the study did not show whether those errors had resulted in overpayments or underpayments to the welfare recipients.

There were 14% ineligible cases in a study of eligibility of those receiving day care for their children through the welfare department.

32% of the affidavits given by new residents who got on welfare here could not be verified as to birth, employment or addresses.

A preliminary report of a study being made in compliance with federal regulations by the State Department of Health and Social Services further belies Silverman's 1% fraud and error claim.

Fred Hinickle, deputy secretary of the department, told The Sentinel recently that the study will show that Wisconsin has a high rate of ineligibles on its AFDC welfare rolls.

The rate, he predicted, will be above the national average of 6.8% AFDC ineligibles. The ineligibles are those who got on welfare by fraud or administrative error.

The state study is based on a field investigation of welfare cases in county departments across the state—most heavily in Milwaukee County.

OVERPAYMENT FOUND

In addition to a high rate of ineligible AFDC recipients, the preliminary report on the state study said that the state had found that the counties had overpaid 10.6% of the cases checked and had underpaid 9.4%.

The dollar value of this ineligibility, overpayment and under payment has yet to be determined.

The 1969 local study that turned up 20% fraud and error also showed that the division between the two was even—10% outright client fraud and 10% administrative error, Nagel said.

He translates this 20% into that same percentage of financial loss, a translation that even when applied to administrative costs can be justified in light of employee cheating on mileage and overtime, loafing and disappearing from the job, extended lunch hours and the lost time and confusion that result from mismanagement.

Fraud, Nagel said, is an elusive thing. The 20% fraud and error can be pinned down, but there is fraud going on that no one knows about or suspects, he said.

Many clients move away when they find they're being investigated for fraud, he said.

"These cases are never computed in anyone's fraud percentages," Nagel said.

ANOTHER KIND OF FRAUD

Nagel sees another kind of fraud that isn't classified by the department as such and about which nothing is done. It's the fraud involved in the client's failure to pay those bills that the department has given him the money to pay.

"If you don't pay your rent and utilities, that's fraud," Nagel declared.

"If I didn't pay rent, I'd be out in the street," he said.

Yet welfare recipients in quantity do not pay the basic costs of living for which the department gives them welfare grants, he said.

Last year, 1,587 welfare recipients did not pay their gas bills for which the department had given them $88,133. The department ended up paying the bills a second time—with 100% county money instead of the usual federal and state sharing of cost.

The federal government and the state pay their share of welfare costs only once. Only the county will pay twice.

"The welfare rights people tell them (welfare recipients) they don't have to pay. They say 'don't bother paying (a bill),'" because they know the welfare department will make a duplicate payment to pay it or else it will not get paid, Nagel said.

Asst. Dist. Atty. Alan Love, who handles welfare fraud cases for the district attorney's office, cited another type of fraud the department ignores.

SPENT FOR OTHER THINGS

Getting welfare money for a refrigerator, stove or other specific special need item and then spending that money for something else is fraud, Love said.

One recipient whose case The Sentinel told of earlier received money for 10 refrigerators, 10 washing machines and 7 stoves in just over three years. She was given money for three refrigerators and two washing machines in less than four months.

The problem, Love said, is whether it is worth it to prosecute.

It can cost more than it's worth to prosecute a woman for fraud, send her to jail, pay to keep her while she's there and pay the cost of having her children cared for while she's gone, he said.

The philosophy apparently is that since you can't get the fraudulently obtained money back, why throw good money after bad by going to the further expense of prosecuting, jailing and paying child care cost.

Those who compile fraud statistics and those who investigate fraud ignore these cases.

Sheriff's Department Fraud Squad deputies admit that they have to limit themselves to investigating only major cases. With 1,275 cases backlogged in thier files and more turning up daily, there's no way the five man fraud squad can get to all of them.

As a result, hundreds of fraud cases don't even get investigated and countless others aren't even discovered, they said.

ICC: A TOOL FOR BIG BUSINESS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. SYMMS. Mr. Speaker, every once in awhile, big business crawls into bed with the government and spawns a monster. One more example of this undemocratic union has crossed my desk, and I want to share its results with my colleagues.

Last August, the Interstate Commerce Commission convened 3 days of hearings on applications filed by a small trucking firm in Idaho. The truck movements in question involved 300 loads of irrigation pipeline desperately needed by Idaho farmers before the spring planting season. Those materials are still sitting in Portland, Oreg., and the ICC judge who heard the case is yet to offer an opinion. If someone in this Chamber missed my point, I will emphasize it again—it has taken that judge 9 months already, and we still have no firm commitment from ICC that he is ready to rule on the case.

Once that judge does rule, *though*, we are still not through. Statutory regulations demand that the decision lay over for at least 80 days before a final order can be issued.

That means July 1973. For our farmers, that means fields standing dry and blistered. The piping they bought 1 year ago is going to do them darn little good.

As far as I am concerned, the ICC is serving only one purpose in this government. It is a tool for big business to push out the small, independent competition. This protectionism should be stopped—regulatory agencies should regulate—not dictate and protect.

MISUSE OF OEO FUNDS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. HUBER. Mr. Speaker, in our continuing efforts to evaluate the performance of OEO and those to whom it gives funds, I call to the attention of my colleagues two recent articles from the Detroit News. One spells out how the OEO Nassau County agency on Long Island organized a protest rally here in Washington costing the taxpayers some $50,000 and terminated the job of nine agency workers who refused to participate in the "March on Washington." When inspectors for OEO began a probe of the affair, they found such lax accounting procedures in use that they felt the need to look at other agencies using OEO funds. The second article reveals how a $279,560 grant to D–Q University to train migrant workers in marketable vocational skills *was misused*. Two Federal agencies, OEO and the Department of Labor, found that instead of receiving vocational training, the 138 men were made to work as farm laborers—on farms owned by a relative of an antipoverty agency official.

The articles follow:

[From the Detroit News, Mar. 21, 1973]

Misuse of OEO Funds Charged

(By Seth Kantor and John E. Peterson)

WASHINGTON.—Federal authorities are investigataing the alleged use of Office of Economic Opportunity (OEO) funds to sponsor rallies in Washington, protesting recent federal cutbacks in anti-poverty programs.

The investigation centers around the Economic Opportunity Commission of Nassau County (EOCNC), a Long Island, N.Y., anti-poverty agency that receives $1.5 million a year in federal grants from the OEO.

OEO investigators said the Long Island agency, which operates 11 anti-poverty centers in densely populated (1.5 million persons) Nassau County, organized the first of several such protest rallies in the nation's capitol Feb. 7.

More than 3,000 demonstrators from Nassau and adjoining Suffolk County made the 250-mile trip to Washington and OEO investigators estimate the rally may have cost the taxpayers nearly $50,000.

OEO investigators also are probing the firings of nine EOCNC employes who refused to participate in the agency's "March on Washington." The nine—all with excellent work records—were fired without benefit of notice, two days after the protest.

The Feb. 7 protest was followed by a series of small protests that culminated with a big rally Feb. 20 that drew some 10,000 social workers and their sympathizers from anti-poverty agencies along the Eastern Seaboard.

Federal officials are afraid the Feb. 20 protest also may have been paid for with federal funds and indicate that as many as a half-dozen new investigations may be launched before the end of this month.

"If present indications prove correct," said one high-ranking official, "it's quite possible that middle-level bureaucrats who head these agencies have spent hundreds thousands of dollars earmarked for services for the poor in a gigantic lobbying effort to save their own jobs."

The OEO, now being dismantled by the Nixon administration, is the principal agency conducting various facets of the anti-poverty program. Some of its functions are being transferred to other agencies.

Investigators from the OEO did not begin, their probe of the Nassau County agency's Washington rally until March 6, although they made an initial attempt Feb. 28.

But EOCNC's executive director, John Kearse, refused to let OEO investigators audit the agency's books at that time on the grounds "that we have to know the specific charges and the complainants."

"It really was an incredible situation," said an OEO investigator.

"OEO was supplying Kearse's agency with $1.5 million a year and he refuses to let us see how he's spending it. They finally let us in a week later after OEO headquarters in Washington sent a telegram threatening to cut off their funds. With that kind of delay, we were lucky to find any books left to audit."

Even though OEO investigators termed EOCNC's accounting controls "practically nonexistent," they did manage to uncover a number of facts. Among them:

The Nassau County agency transferred $50,000 from its operating account into a private "slush fund," a week prior to the Washington protest.

Shortly before the rally, EOCNC tapped the "slush fund" for $28,000—allegedly to charter 68 buses and pay the living expenses of 80 of its employes who "volunteered" for the trip, 300 employes of the agency's delegate or subsidiary agencies and the nearly 2,700 other "sympathizers" it recruited from its poverty clientele and, in many cases, "just off the street," OEO investigators said.

All employes of OEO-funded agencies who made the trip (about 380 in all) were given the day (Wednesday, a normal working day) off with full pay. And the agencies were shut down.

The nine employes of EOCNC who refused to make the trip were fired without notice two days later.

It was the firing of the nine employes who declined to go on the trip to Washington that eventually brought the OEO investigators into the picture.

One of the employes fired, a woman supervisor in charge of training new employes, took her case to James Davis, the president of the Glen Cove chapter of the NAACP.

"It didn't take me long to determine that the nine had all been fired in direct violation of their civil rights," Davis said.

"For one thing, the 1967 amendments to the Economic Opportunity Act clearly forbids OEO employes to be paid for lobbying. And, for another, it's highly unconstitutional to fire anyone—particularly from a government job—for refusing to support a certain political persuasion."

Davis quickly sent a letter demanding a full-scale investigation of the matter to Angel Rivera, executive director of OEO's Region 2 in New York City.

When Rivera didn't respond, Davis contacted OEO's headquarters in Washington. The investigators it dispatched searched for three days before they found Davis' initial letter to Rivera—a letter Rivera says he never saw.

"I heard later that Kearse had some real close friends in the Region 2 office that headed off trouble for him," Davis said.

"It's a funny thing that my letter finally blew the whistle on the Economic Opportunity Commission because originally we (the NAACP) were all for the lobbying trip to Washington.

"In fact, we and a number of other organizations offered to donate funds to help pay for the trip but Kearse turned us down. He said he didn't need any money and that they weren't going to charge anyone that went.

"We did help them recruit demonstrators, though. They hired 68 buses and they wanted to fill them—for a while they were taking kids out of school . . . picking up winos off the street, anyone they could get."

Davis said he would have been more suspicious but Kearse told him that EOCNC had received some "large donations from a number of private sources," and that he shouldn't worry.

"I do know that OEO has been investigating them for several weeks now and some real heat is being applied," Davis said, "George Jackson, who was chairman of EOCNC, and Kearse's boss, resigned last week."

EOCNC officials, while refusing to talk about the $50,000 "slush fund," have been quite open in commenting on the reasons for firing the nine and their motives in making the Washington trip.

"All commission staff members who did not attend the rally and didn't have a prior excuse were terminated," said EOCNC's public information director, Nat Trammel, in a statement to the press the day after the firings (Feb. 10).

One of the fired employes, Mrs. Nancy Reimer, of Rockville Centre, N.Y., said she had no warning about her dismissal until she picked up her paycheck on Friday afternoon (Feb. 9).

"Inside my check was a small note that said, 'you are being terminated because you failed to demonstrate concern and agreement with the agency's philosophy.'

"I was really shocked. I worked for them for six years, never had any criticism about my work and was rarely sick. Then just like that—goodby."

Three days after Trammel's initial statement, Kearse called a press conference and denied firing the nine because they had refused to participate in the Washington protest.

"We were belt-tightening and they just weren't productive," he said. "But their failure to attend was one of the factors and may have been the final indicator in our decision."

Last week, however, Kearse said the firings "are no one's business, but our own."

"That ——— Nixon is slashing our funds and these people didn't even care enough to go down there on a free trip and demonstrate," he said. "Now they can find out what it's like to be on welfare."

One of the OEO officials brought in to dismantle that agency and transfer its more effective programs to other departments said he runs into similar attitudes quite often.

"We're all for helping the poor," he said, "but, when you ask some of these professional do-gooders to open their books and show you how much of their grants have actually gone to the poor, they get this arrogant attitude and just about tell you to go to hell."

"The situation in Nassau County has prompted us to take a close look at other agencies present at the demonstrations here. Once our investigations are completed, you can be sure we will take appropriate action."

"Appropriate action," he said, could mean cutting off federal funds, giving agencies probation time to shape up or even lead to requests that the Justice Department prosecute individual officials for fraud and other crimes.

"I wouldn't bet on getting many convictions, though," he said, "because the accounting conditions have been so lax at many of these agencies that it's often downright impossible to find out where any of the money went."

A call to the EOCNC yesterday evoked this answer from a switchboard operator.

"No one's here today; you'll have to call back tomorrow."

"Where is everyone?," she was asked.

"Oh, they've all gone to Albany to lobby," she replied. "But they'll be back tomorrow, You call back then."

OEO "Trainees" Were Used as Laborers

(By John E. Peterson)

In its stated aims, at least, the federal government's "war on poverty" promised to raise the nation's poor to a level from which they could work their way into the economic mainstream.

So federal officials said they had every reason to believe that a $279,560 grants to D–Q University to train 138 California migrant workers in marketable vocational skills last year would be money well spent.

It didn't quite work out that way.

Two federal investigations—one by the Labor Department and the other by the Office of Economic Opportunity (OEO)—revealed that the 138 migrant workers were learning their marketable vocational skills in a rather familiar place—the fields of a farm owned by relatives of an anti-poverty agency official.

"Instead of vocational training," the Labor Department report read, "the enrollees in the program were made to work as farm laborers . . ."

Although the grant was part of the Labor Department's "anti-poverty" funds, its misuse was discovered in an investigation of the OEO, which also funded D–Q University with a $200,000 grant last year.

The OEO files contain both the Labor Department and OEO investigative reports on the migrant vocational program.

The report also noted widespread administrative and fiscal deficiencies in the program.

A spokesman for the Labor Department in Washington declined to comment on the case because it is still under investigation and no final determination has been made.

But an official in the OEO's Western regional office said OEO investigators found more than $100,000 of the grant had not been accounted for on the agency's books and had raised serious questions about how the remainder was spent.

OEO terminated its investigation when it was discovered that the Labor Department had undertaken its own investigation on the basis of complaints from the same source.

The $279,560 grant originally went to D–Q University (DQU), which began operations on a 620-acre desert site outside Davis, Calif., in the summer of 1971.

The site was a former Army Signal Corps communications center abandoned shortly after the Korean conflict ended.

The federal government deeded the land to DQU on April 2, 1971, after a seven-month occupation by local American Indian and Chicano militants who demanded the land be given to the university.

The university, whose purpose is "to continue the struggle of the oppressed in an academic atmosphere that preserves and honors our cultural heritages," has about 90 students enrolled.

The "D" and "Q" in its name stand for Deganawidah, an ancient American Indian divinity, and Quetzalcoatl, one of the most powerful Azetc gods.

The $279,560 grant was just one in a series of grants totaling $2,600,000 that DQU received from the Labor Department to conduct vocational training programs for migrant laborers in 1972–73.

That particular grant was subcontracted to an anti-poverty agency called Trabajadores Adelante (TA)—Spanish for "workers forward"—located in Gilroy, Calif.

Gilroy is in the agriculturally rich Salmas Valley and federal investigators found that migrants enrolling in TA's vocational program—ostensibly to learn air conditioning and auto mechanics trades—were put to work as laborers on a farm belonging to a close relative of a TA official.

"It was a pathetic situation," said a Labor Department investigator in San Francisco.

"Here these people—most of whom couldn't speak English—signed up for the program to escape the agonies of stoop labor under a boiling sun, and the next thing they know, they're back in the fields."

The 138 migrants were employed picking celery, lettuce and artichokes, the Labor Department investigator said.

Mortimer Lewis, DQU's comptroller, who handles both the university's and the migrant program's books, expressed dismay when told of the federal report.

"We subcontracted a number of these grants," he said, "and we have had nothing but good evaluation reports back from the federal government. It's my opinion that we've been making straight A's."

Overall, Lewis said, DQU retained about 550 migrant workers in 1972–73.

"We gave these people a nine-month program in either air conditioning or auto mechanics," he said.

"The idea was to help them get out of the transient migrant stream and into the mainstream. I know we succeeded in placing quite a few of those who completed the courses."

BIRTHDAY OF GIOVANNI DA VERRAZANO

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BIAGGI. Mr. Speaker, as an Italian-American, it gives me great pleasure to join with millions of my Italian-American brethren in celebrating the birthday of the great navigator and explorer, Giovanni da Verrazano.

Verrazano, who lived from 1480 until 1527, was a truly remarkable man for his time. While sailing under the French flag in 1524, Verrazano completed the first recorded exploration of the eastern coast of the United States. His voyage, which stretched from South Carolina to Newfoundland, was highlighted by the discovery of New York Harbor and Narragansett Bay. Both of these areas played a crucial role in the early commercial life of the United States.

Numerous memorials have been erected in deference to this great Italian-American in recent years, including the construction of the most impressive bridge spanning the borough of Staten Island in New York, a bridge which bears his name. In addition, a commemorative stamp has been issued in his honor.

Mr. Speaker, this year's celebration of Verrazano Day is somewhat tainted by the deteriorating state of the once great New York Harbor, which he discovered. Let us hope in 1973 that efforts will be undertaken to correct these conditions, and restore New York Harbor to its former prominence. This would represent the most fitting tribute we could offer to Verrazano's memory.

Let us join with millions of Italians throughout the world in commemorating the birthday of the great explorer, Giovanni da Verrazano.

THE PRESIDENT'S MESSAGE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. LANDGREBE. Mr. Speaker, in light of the recent quandry over inflation and rising prices, the former Governor of the great State of Indiana, Hon. Edgar D. Whitcomb, has brought to my attention an editorial written by Tom Conner of the Seymour, Ind., Daily Tribune. I believe the following editorial captures the true picture of our monetary problems and, therefore, merits publishing here:

The President's Message

Thursday night the President of the United States delivered a most unique message to the people. It dealt with the Vietnam situation, food prices and the importance of the United States in the world today. Following the talk the TV people were interested in only the Vietnam position and how this message would affect the U.S. in the world today.

In our opinion the TV critics missed the most important political first in our nation's history. Mr. Nixon's reference to increased prices directly placed the responsibility upon the federal government. He stated that the United States citizens had to make a decision of whether they wanted more services with more taxes or more inflation.

The President made it clear there was no choice. In our memory this has been the first time any political leader has stated this. Normally political figures find other scapegoats upon which to lay the blame—either business or labor—depending upon their political dependency.

Mr. Nixon, for the first time of any major political office holder, laid it on the line. What does the public want—increased taxes or increased inflation. He offered the correct alternative—sensible government spending. He has advocated this and incurred the ire of the Congress by vetoeing major spending bills which will add to inflation. He has challenged Congress on this point and made it perfectly clear that the irresponsible spending of the Congress will not be tolerated.

Congress, mostly, has not seemed to have received the message. They still seem to think that we can spend, spend, spend, inflate, inflate, inflate ourselves out of any problem. They seem to refuse to accept Pres. Nixon's idea that programs which have at least 75 cents out of every tax dollar going to administrative costs and salaries, should be eliminated.

We are proud that the United States has achieved peace with honor and did not abandon our POW's and the free people of South Vietnam as the liberal doves of Congress urged. But we are more proud that Pres. Nixon has called a spade a spade and has said that inflation is permanently caused by the government spending more than the government takes in. In our recollection this is the first time a President of the United States has ever correctly blamed the federal government for inflation.

With a stable dollar, high prices by manufacturers and high rates by labor will soon be eliminated by competition. We urge you to write your Congressman and Senators very demanding letters asking that a sensible federal spending program be adopted—a program which will not add to taxes or inflation. There is no other solution.

It is your choice—you, the voters of the United States. Don't scream about the price of meat, the price of homes, the price of cars to each other—scream to the men who cause it. And the men who cause and can control it are those men you elect to the House and Senate of the United States. They are the ones who overspend and are the real villians of inflation—not the carpenter, not the auto worker, not the steelworker, nor the farmer, not the manufacturer, but those in Washington who still think they can buy votes for re-election by spending more than they earn. Can you do it? Ask the collection bureaus.

JANE FONDA'S LOVE AFFAIR WITH NORTH VIETNAM

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BOB WILSON. Mr. Speaker, millions of Americans in all sections of the country, and all walks of life, were outraged by Jane Fonda's love affair with North Vietnam, while our troops were being killed on the battlefields of Southeast Asia. We are certainly even less enchanted with her lame-brained assertions that our prisoners of war fabricated the stories of their torture and mistreatment, as well as the accompanying bruises and scars. Paul Evans, a young man in my Congressional District in La Jolla, Calif., recently wrote to express his personal disgust and I would like to share his letter with my congressional colleagues:

SIR: I've just heard the news of the probable fate of our pilots who were shot down over Laos. This, on top of the recent torture stories told by our returned P.O.W.'s, makes up my mind on two points. First, no aid money to North Vietnam. I have the highest respect for President Nixon. But I can't agree with him on this issue. I also feel that he may be changing his mind. Drop bombs on the Reds, but never money.

Second, something must be done about Jane Fonda. I understand that she's entitled to free speech, but Hanoi Jane has gone beyond the limit. After all their suffering and humilitation, must our returned P.O.W.s receive the added insult of seeing a Jane Fonda movie advertised in local newspapers? And, not only that, but to be called hypocrites and liars by that infamous woman.

Miss Fonda, is a public figure, (alas for America), earns her money through a public medium, and is therefore subject to public opinion.

Mr. Wilson, you've served in Congress longer than any other Congressman from San Diego. I regard you as a great patriotic American. I ask you now to help take action against Jane Fonda.

Let's stop the subsidizing of her efforts with American money. Let her go to North Vietnam to make movies. I can imagine that millions of Americans must feel as I do. The cause is here, it needs only a method, a leader to spark a national drive.

Millions would sign petitions. I believe this! Also, let's pressure the American film industry to stop hiring her. Here is an address if you wish to write.

President Aubbrey Schenck
Producers Guild of America
8201 Beverly Blvd.
Los Angeles, California 90048

I understand that these gentlemen decide what films will be made, and who will star in them.

In the meantime, until there is an organized campaign against her, Americans like myself will write, and phone, any theatre or television station, in protest, which displays her films.

Mr. Wilson, I appeal to you as one American to another. Remember our P.O.W.s! Take action against Jane Fonda! Many Americans would thank you.

PAUL L. EVANS.

MASS TRANSIT: RAIL OR BUS

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. HAMMERSCHMIDT. Mr. Speaker, since the House will be voting Thursday on the important highway bill, I would like to share with my distinguished colleagues an article by Francis C. Turner printed recently in the American Road Builder magazine. As the former Federal Highway Administrator, his credentials as one of the Nation's leading transportation experts are well established. This article is timely and highly germane to the current debate on the 1973 Federal-Aid Highway Act. I strongly endorse Mr. Turner's conclusion that the highway program must be continued and our present uses of the network substantially improved:

MASS TRANSIT: RAIL OR BUS?

(By Francis C. Turner)

The following are excerpts of a recent speech to the Road Gang, an informal group made up of public and private executives whose main interests are broadly related to highway transportation. One of the reasons the group can usually attract top-notch speakers is because everything said is off the record.

(The rule was waived with Mr. Turner's permission and the American Road Builder is proud to bring its readers parts of that talk, one of his first since retiring last June as Federal Highway Administrator.)

Recent newspaper articles seem to have attempted to bring on a fight between the so-called "highway lobby"—classified as the "bad guys"—and the "good guys," classified as environmentalists, the Highway Action Coalition, Big City Mayors, and the "public." If there is such a thing as a "highway lobby" it is in my opinion the vast majority of the public which daily uses and is dependent upon an effective highway transportation system for virtually every part of its very existence.

I may have been under a mistaken impression for many years, because we in public service always thought that as public officials, we were representing the "public," and I mean all of the public, and not just one or another special interest group whether for or against highways as a large general question or a particular stretch of road from point "A" to point "B".

However, a number of individuals and groups, by self-appointment, have decided that only they represent the public. One might properly ask: who appointed them protectors and by what qualifications and training are they to be adjudged of more competence and devotion to the overall public interest than those who have dedicated their whole lives to trying to improve the lot of their fellowman? I will stack up my own service and devotion to the public interest against any and all of these self-chosen "public ombudsmen."

But this is no time for a fight, nor is name-calling a proper way to make decisions about any major question, especially the highway program which is so vital to our country, its present, its future, and generations, yet unborn. Unfortunately, however, I have seen too many decisions made in my 43 years of public service as the result of a fight, and it is the basis for some of the policy decisions now being advocated by some individuals.

One side to the debate offers simplistic solutions contrived by critics whose only training is from reading the accounts of some erstwhile prophet of doom and whose knowledge of the subject (highways) is derived from having skimmed a few articles and books by others who have done equally shallow research and study. But actions of those of us who are highway advocates must continue to be based on facts—and nothing but facts, and objective analysis of those facts. Although critics are unwilling to give them credit for having done so, highway people over the years have done more than anybody else to analyze the voluminous data that are available about highway usage and then to use that information in arriving at decisions on which to base their important actions. These facts will clearly prove to any who will read them with an open mind that our transportation needs in this country require us to continue at a high level of effort to constantly maintain and upgrade our highway transportation system including both its vehicles and its roadbed, together with the manner of using those facilities.

The main argument of the antihighway people is the alleged harmful effects to individuals in our society of a continued dependence on the automobile, particularly in our urban areas during the morning and afternoon commuter hours. Their quick and easy cure-all suggests that we just quit building and modernizing our highway systems and by so doing this will somehow force people and their goods movement to immediately, and with certainty, transfer itself to mass transit, which usually means, in their terms, a fixed rail network feeding into and out of the central business district (CBD).

This simplistic solution of doing nothing except transferring all, or any part of the highway funds to rail transit construction is not the answer either for now or the future. It completely overlooks the question of moving freight and it also overlooks the question of how you are going to provide for those utility, public and business services which depend entirely on the highway and street network; services which are life-supporting to all of our people whether they're downtown or in suburbia or in-between our cities?

But even if we were to do away with further highway improvement and transfer all highway program dollars to rail networks, the assumed *benefit* would turn out to be of *negligible* amount. Remember I am emphasizing only the rush-hour commuting activity because that is the only part of transportation that these critics are really talking and writing about, and in so doing, they assume that this 5-day-a-week movement represents all of highway transportation. If by some magic we built a full system overnight, without public participation in its planning, or all those other procedural steps which the critics insist on as the way they want us to build and plan highways, and then suppose all these trains run on time, and with complete safety, you would have affected *only about two percent* of the problem.

This figure (two percent) represents that *relatively* small part of the enormous total highway transportation of this country that deals with the commuter traveling to and from the central business districts in all of the cities in our country. I don't believe it's good business to severely cripple a proven highway program to hopefully satisfy those who are dedicated to building a doubtful and costly transportation system that at best could assist only two percent of the problem.

That's why I am opposed to diverting highway monies to mass transit activity and "busting the highway trust" in order to provide the revenues for that kind of solution. It simply won't work.

Let's take Washington, D.C., as a representative example of the kind of situation we can expect. Construction is now underway for a rail transit system at a presently publicized cost of about $3 billion for 98 miles of line, including its extensions into the Virginia and Maryland suburbs. Would you believe that that $3 billion dollars is just about the same total number of dollars that has been expended on roads and streets in the whole Metropolitan Washington area since the beginnings of the road and street network in this area almost two centuries ago, long before the auto was even invented? This ($3 billion) works out to a cost of about $4,000 for *every household in this entire area.* What a huge capital expenditure to provide for the movement of about *five* percent of the transportation load referred to above within Washington's metropolitan area! (This 5% includes the 2% movement to the CBD during the peak hours plus all the other trips to and from the CBD in all the remaining hours of the day and night.) The remaining 95% will have to move on existing road and street systems. Is this approximately 20 to one ratio a good investment of *anybody's* money? Whether the needed money comes from the Highway Trust Fund, the general fund, or "pennies from heaven," in my judgment it simply is not a good investment And that's why I believe that we should not permit the diversion of badly needed highway monies for this kind of "solution" to the problem. These travel figures are not concoctions of mine to make my argument look good; but they are the *actual* figures measured from years of traffic counts and trip analyses; and they are the same figures that Metro also is using in its ridership forecasts.

Furthermore, reports indicate that the fare on Washington's Metro will be about $.50 per rider but estimates show that it will actually cost about $1.50 for Metro to provide that ride. Where will the other $1 of needed income come from? It can only come from the public, either out of the Federal treasury or some other public source. or out of the Highway Trust Fund, as some have recently proposed. Subsidizing a deficit operation, in my view, is not a wise expenditure of Highway Trust Fund monies, particularly when there are other cheaper and better solutions available.

Metro may pay its way on day-to-day operational costs out of the fare box, but what about interest on the debt, recovery of initial capital costs, provision for maintenance, extensions, and replacement, and other costs involved in keeping a business enterprise functioning. I strongly suspect, too, that the $3 billion figure now being used will increase substantially by the time the system is finished in 10 or more years, for many inescapable reasons.

For the purpose of easy arithmetic, let's take the $3 billion Metro cost estimate and multiply it by 6% (instead of the actual rate of 7.3% recently paid on the sale of the first $225 million of Federally guaranteed bonds). This totals $180 million in annual interest cost alone.

At current prices, $180 million would buy about 5,000 new buses *every New Year's morning* for the whole life of Metro. That's more than twice as many buses as the total being included in the current takeover of area bus lines and transferred to public ownership under Metro as authorized under the most recent legislation.

And I repeat, $3 billion dollars original capital cost (at least), plus more than $180 million in annual interest, plus operating costs is the price to obtain a 98-mile rail line which will carry only five percent of our people transportation in the Washington metropolitan area when it is all finished. Again, these are not just my figures but they are the facts which should be used by all those who are trying to provide answers to the transportation needs of this Nation.

As one citizen and taxpayer in this community, I believe it's time to thoroughly review the Metro rail transit project. The courts have recently ordered a review of a highway project that has been in the planning and development stage for less than 10 years. Highway critics have proclaimed loudly that any highway project 10 years old should be completely reviewed to see if it's needed at all. Well, I agree, but if such a review is needed for a $100 million highway project, why isn't it needed, even more, for the $3 billion Metro whose planning and authorization is now about 10 years old? Are it's concepts still as valid today as in the early '60's and is the system the best that $3 billion can buy for the community?

Such a review, I feel sure, would show that the desirable course would be to go ahead and complete the present first stage increment of about 25 miles in downtown and just across the Potomac River into Arlington, Virginia, because this is the high traffic density and high earnings mileage of the Metro, as projected. At that point, further Metro rail construction should be suspended while substituting for the remainder of the proposed 73 miles of rail lines a good bus system. The savings in capital outlay needed for the remaining miles could then be used to own and operate a top quality feeder and distributor bus system. If, after a 10 year period, we find that it would be better to complete the rail system as originally conceived we still can do so. If not, we will have saved a very large pile of our money. At least the decision could be made on experience rather than a collection of speculative assumptions which are all that is available to us now.

Such a fair, reasonable and workable solution is readily available and since it revolves around the use of buses as the major mass transit movers and they are quickly available to us, we could have the full network (and money) available to the whole community by the time that the first 25 miles is finished instead of waiting till 1990 or beyond for it to become available. It is important to realize that the Metro system already depends very heavily on a bus collector and distributor system and that a *majority* of the contemplated riders will use a bus or private car for some portion of their total trip. There is no question but that some kind of relief to the daily commuter hour congestion is needed and needed quickly. Not only in Washington, D.C., but in the central business districts of all other major cities as well. Better utilization of the existing and proposed future highway-street network will do the needed job.

Another idea which we must accept and use is to force the greater use of car pools to substantially increase the average number of occupants per car. But we are not going to achieve any significant change in car pooling until an acceptable way is found to *control* CBD parking. My solution is to use parking as the control machanism to force increased car pool ridership by assigning a major portion of the total available parking spaces in the CBD to some kind of centralized authority. Spaces therein would then be *allotted only* on a permit basis to car pools of three or more persons. This would still leave enough spaces available for cars with fewer than three persons or for business vehicles which cannot reasonably meet the three occupant requirement, on shopping and other individual trips similar to those which now occur.

Success in the promotion of car pools that would raise the average occupancy to three per car would have a dramatic effect. In fact, it more than likely would solve the problem by this act alone. There never is any problem in driving to the CBD during the rush hour when large numbers of Federal or other downtown employees do not come to work, especially on days where long weekends are involved.

Parking controls should certainly start within the Federal government, the city's largest employer. Agencies need to change their control methods over parking place assignments for their own employees. They need to utilize their computer equipment to match riders who live near each other and who have common working hours and destinations. Pick-up time and fastest trip routes also could be worked out for the car pools. Not only would this reduce the number of cars, but also the number of vehicle miles for each trip could drop significantly. Parking cannot be substantially nor fairly controlled merely by levying a large daily charge. The correct way to do it in equity to all persons—rich and poor—is to put sufficient off-street parking space under public control and assign it to car pools at appropriate rates.

Another device that should be developed is the use of large numbers of intermediate size vehicles: such as the suburban or van types which can carry 10–12 people. One way of making this work would be to require the bus mass transit operator (in this case Metro) to make available a fleet of these intermediate size vehicles for lease (without a driver) just as auto rental firms now do. The rental contract would require the renter to use the vehicle basically for rush hour commuting and to carry a minimum passenger load of ten people (or some other number). This concept if it used only about 5,000 vehicles could replace more than 30,000 passenger cars which now try to use the street network during rush hours. This number of cars removed is equivalent to about 30% of the rush hour volume, a quantity sufficient to free up present congestion to a level which would permit almost free-flow conditions. These "mini-buses" also could substantially reduce the cost to the rider, to a figure about half to one-third of present bus fares. Large private employers could even do the same thing with their employee groups just as they now pay for employees' parking costs, by acting as the leasing and parking space controller for their own employees.

These are a few of the ways we can be innovative in finding quick solutions at lower costs, and avoiding the necessity to mortgage our own future and that of future generations. *Any* scheme will require some *changes* in our thinking and our approach, together with our willingness to cooperate.

I believe the public would accept car pooling, and other innovations of the kind I have suggested, over other proposed costly and less efficient solutions, if the facts were made known to them.

Published capacity figures for rail lines, particularly those for New York City, are calculated on the basis that only one rider in six has a seat while other commuters have to stand. But in the new 5,000 bus fleet that I referred to, all the commuters that would be going downtown to the CBD and back home during rush hours would do so in comfortable seats.

And even more importantly, the total annual operating cost of such a fleet of buses would be in the general range of *just the annual interest cost alone* to own the $3 billion rail system.

Public ownership of any mass transit facility is almost certain to mean that the community will have to pay a subsidy. Demands on the facility for better and more service are likely to increase rather than reduce cost. So we must *be prepared* to pay an operating subsidy regardless of the kind of system we choose. But if we are going to have to pay a subsidy then why shouldn't we choose the system that provides the best service, requires the least amount of such a subsidy, and has the greatest flexibility to meet the unknown and changing needs of the long future. That choice, without question, is the bus system and perhaps also with other innovations such as those I have suggested.

People can be sold on bus transportation as evidenced by the Shirley Highway project in Washington. It may even be desirable to expand the exclusive bus lane concept to an *entire separate bus street* during the rush hours. Acknowledging that such things are difficult to enforce, it's even more difficult to do some of these other things under consideration such as depriving ourselves of needed highway improvements, or buying a real millstone to hang around our necks in the form of a tremendously costly, fixed investment, such as a rail network of the kind now contemplated.

Why do I so strongly favor a highway type solution to the problem? Because in my analysis of all of the facts. I can come to no other conclusion. Also, I am confident others will do the same if they will but go through the same exercise and put into the equation all of the facts that those of us in the highway planning operations have been doing for many years.

The highway program must be continued and the way we use the resulting highway network must be substantially improved. Diversion of resources needed for the highway program to other partial or "no solution" schemes will only waste our inadequate resources.

During the last Congress, the Administration committed itself completely to "busting the highway trust." Their aim is to provide Trust money for rail transit systems, and their failure to achieve this goal will only strengthen the determination to do it in the new Congress.

I sincerely hope that the effort will fail again because it simply is not the best approach. There is no denying that a real problem exists in large and frustrating dimensions. But the Administration's approach is not the right one.

Highway legislation already provides for specific assistance to bus type mass transit, and substantial *further enlargement* of these authorizations is advocated by all of the so-called highway interest groups.

The notion that rail transit is cheap public transportation is widespread but totally erroneous. In fact, it is about three times *more costly* than normal bus-type mass transit and *about the same* cost as the typical auto commuter cost. And that cost includes car ownership, gas, insurance and parking charges, even with less than two persons in the car.

Of course, in those half-dozen cities where rail networks already exist, common sense requires that consideration be given to their continued operation—at least until or unless something better and less costly is found.

But in the case of most American cities, rail networks cannot effectively nor economically compete with bus mass transit and at the same time meet the changing character of our cities—especially the trending away from defense center city core areas which were typical of the past century.

Federal funds already are available for assisting the seven rail transit cities with UMTA funding in larger amounts than ever before provided. And highway interests have in the past and will continue in the future to support demonstrable needs for further Federal aid for rail purposes.

By all means, let us find a solution—for find one we must—and quickly. But it must be a solution that meets the test of overall effectiveness, cost-benefit scrutiny, and public acceptability by the majority. Also it must be fundable, be possible of being made available quickly, while providing a maximum of flexibility to meet the unknown and variable needs of the future.

We cannot allow the crusading emotionalism of any individual group—on either side of the issue—to force upon the American public an unwise course of action just simply to win an argument.

CLEANER CARS—BUT THEY ARE FROM JAPAN, NOT DETROIT

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE *HOUSE OF REPRESENTATIVES*

Tuesday, April 17, 1973

Mr. WALDIE. Mr. Speaker, I believe that all Americans are concerned with the problem of air pollution and its effective control. I, therefore, submit for my colleagues' interest and information, two articles—one from the Honolulu Star-Bulletin by Harry Whitten, the other by Dan Fisher of the Los Angeles Times—which concern the achievement of the 1975 air pollution standards and the 1-year extension which has been granted by EPA Administrator William Ruckelshaus to the automobile manufacturers.

As director of the California statewide air pollution research center at the University of California, Riverside, Dr. James Pitts' comments on the attempts by the Detroit manufacturers to meet these standards are a telling indication of the commitment by one sector of the public to achieving cleaner air as soon as possible.

The article follows:

[From the Honolulu Star-Bulletin, Mar. 17, 1973]

CLEANER CARS FROM JAPAN

(By Harry Whitten)

Detroit automobile manufacturers have been telling the Environmental Protection Agency this week that they cannot meet the standards for 1975 as set up in the 1970 Clean Air Act.

The major reason they can't meet the standards is that they chose the least promising of four possible systems, according to the director of California's Statewide Air Pollution Research Center.

James N. Pitts Jr., professor of chemistry and head of the research center based at the University of California, Riverside, also coordinates smog research work on other campuses of the University of California system.

He was in Honolulu for three days this week lecturing to classes at the University of Hawaii.

He explained that the National Academy of Sciences appointed a committee of engineers and scientists to study if ways could be devised to reduce automotive pollutants.

The committee reported that four systems showed promise in meeting the standards for 1975, which require automakers to reduce levels of carbon monoxide and hydrocarbons by 90 per cent, compared with the level allowed for 1970 cars.

The least promising system involved use of catalytic converters, and this was the system chosen by American automakers.

In the meantime, two Japanese cars, using other systems, have shown they can meet the 1975 standards and can almost meet the 1976 standards, which provide for reduction of oxides of nitrogen in emissions.

The Honda, using a stratified charge engine, doesn't need a catalyst. It succesfully passed the 50,000 mile test, Pitts said.

The Mazda, with a Wankel engine, used a thermal reactor and also met the 1975 standards.

The fourth system in the Academy of Sciences committee report involves the diesel engine; 1975 standards can also be met with it, Pitts said.

"If the two Japanese cars can meets the standards now, why can't American cars?" Pitts asked.

He said that fuel economy with a catalyst is very poor, and this also should be a major consideration.

Ford and General Motors representatives told the EPA on Monday that there would be a marketing "catastrophe" if they are forced to install the catalytic converter devices on their 1975 models.

On Tuesday, a Chrysler engineer said that out of a total of 20 test cars, eight had converters that had melted or otherwise disintegrated in less than 25,000 miles; at the end of 25,000 miles, only one of the 20 test vehicles still met pollution control standards.

Chrysler officials followed GM and Ford in asking EPA to postpone the 1975 standards for one year. S. L. Terry, Chrysler's vice president for environmental and safety relations, told EPA that if given a year's respite, Chrysler would lobby Congress to change the 1970 Clean Air Act.

"Chrysler gave away its game plan by saying it will try to change the law," Pitts said. "That's exactly what I'm afraid of."

He said a year's delay in enforcing the clean air standards could be accepted if it would result in a better system, but there is no assurance of that.

He said he doesn't want to see a major dislocation in the U.S. automaking industry that would cause loss of many jobs but "the public has a right to expect something better" from the car makers.

Pitts said he is certain that automobile emissions will be controlled in time and pointed to control systems that have caused carbon monoxide and hydrocarbon levels to drop in South California.

He warned that technology can only do so much and that pollution control involves land management, economics, population planning and many other things.

"If we reduce pollution by 50 per cent and double the population, we are worse off than before," he said.

The research center he heads in Riverside is the oldest air pollution laboratory in the United States, having been set up in 1961. It employs about 90 people, including 40 on the technical staff.

[From the Sunday Star Bulletin & Advertiser (Honolulu), Mar. 18, 1973]

BY THREE FOREIGN COMPANIES—AUTO ANTIPOLLUTION SOLVED

(By Dan Fisher)

The U.S. Environmental Protection Agency, which has spent much of its brief life trying to prod the automobile industry into meeting stringent 1975 antipollution standards, has a tough new problem because it has succeeded—at least in part.

Three manufacturers have shown they can get the job done.

You would think EPA would be delighted—and it would be if the manufacturers were named General Motors, Ford, and Chrysler.

But instead they're named Honda, Toyo Kogyo, and Daimler-Benz—and that puts both Detroit's big three and EPA behind the 3-ball.

Detroit's giant auto firms say they can't switch to new engines in time, aren't inclined to do so even if they could, and that they want more time to develop the expensive gadgetry needed to make their present powerplants conform.

Government clean air experts and many scientists agree it's too late for an engine switch by 1975, but they also see Detroit's clean air approach as a poor compromise—one that will add unnecessarily to car prices, increase maintenance costs, decrease performance, and boost fuel consumption.

They'd like to see Detroit commit itself to a better approach, even if it would take more time, but they're afraid that even if EPA grants the industry more time, Detroit will continue on its present course and any real solution to the problem will be simply postponed.

It all adds up to what the National Academy of Sciences described as a "major quandary."

The quandary could turn into a stalemate, particularly if nothing new comes out of a set of EPA hearings held in Washington this past week. Their purpose: to determine whether Detroit should be granted an extra year to meet 1975 auto antipollution requirements. The agency's decision is expected by April 11.

There's also the matter of those three auto companies with the exotic names.

Government tests indicate that Honda, Toyo Kogyo, and Daimler-Benz can not only meet the 1975 deadline, but do so without most of the adverse side effects cited for Detroit's approach.

But collectively, they can produce fewer than 10 percent of the cars Americans buy every year. Even if they could supply enough cars, the U.S. balance of payments problems would turn into a crashing disaster. Two of the companies are Japanese and the third is German.

Japan's Honda is better known for its motorcycles than its cars, but in December, EPA reported that three Honda automobiles equipped with a new type of engine not only met the 1975 standards, but "achieved lower emission levels than any other gasoline fueled engine without add-on control devices) ever tested by EPA."

Honda calls its powerplant a "Compound Vortex Controlled Combustion" (CVCC) engine, and says it will be introduced in Japan next year and in the United States by 1975. It is called a "stratified charge" engine in which the air-fuel mixture tends to form in layers in the cylinder. The result is said to be more efficient combustion.

Toyo Kogyo is the Japanese manufacturer of rotary engine Mazdas already sold in the United States. Earlier this month, EPA reported that two prototype 1975 Toyo rotaries also passed preliminary government tests.

Germany's Daimler-Benz makes Mercedes automobiles. One model already sold in America—the 220—has a diesel engine which "met the requirements for 1975 easily" when tested repeatedly at low mileage by EPA. In the United States, diesel engines are more familiar as truck power-plants, but General Motors also offers an Opel model in Europe powered by a diesel.

The trouble is these three manufacturers sell fewer than 1 per cent of all cars now purchased every year in the United States.

The manufacturers which sell the other

99 per cent of the new cars here—the four U.S. producers and most importers, including the major ones (Volkswagen, Toyota, and Datsun)—opted long ago for a different clean air approach.

They're trying to purify a relatively conventional internal combustion engine with 'add-on" devices. The favored "add-on" system is a catalytic converter, which chemically changes noxious emissions into harmless substances.

EPA thinks such systems will meet 1975 requirements, as long as the regulations are applied to the "average" car produced, and not mandatory for each individual vehicle. (Only Honda would have a chance of complying without "averaging," an EPA report concluded.)

However, many scientists, including those of the prestigious National Academy of Sciences, say that use of such catalysts is the worst possible approach. They contend:

It would add at least $250 to the cost of a new car.

Lead-free gasoline is required for catalyst-equipped cars, and a switch from current leaded fuels will cost at least $1 billion in new refinery and distribution equipment, according to government estimates.

Catalysts aren't very durable, and if they don't work, a car equipped with them may spew more pollution than a car with no clean-air hardware at all. Owners will probably have to replace catalysts every 25,000 miles—at a cost estimated by one U.S. manufacturer of $76 per replacement on a typical car.

The country would need a nationwide inspection network at a cost of billions of dollars, the NAS scientific report indicated.

The favored catalysts use precious metals, like platinum, available mainly in South Africa. Importing the materials will worsen the U.S. imbalance of payments.

Catalyst-equipped cars will use up to 30 per cent more gasoline per mile than today's vehicles, putting more strain on an already tight supply of U.S. energy resources. The only solution in sight will be to import more oil from the Arab countries, again adversely affecting the U.S. balance of payments.

Engine performance may deteriorate further. The NAS report noted "concern that poor performance of such cars will make them unsafe in certain circumstances, for example, if the vehicle stalls when accelerating into fast-moving traffic."

With their unconventional approaches, Honda, Toyo Kogyo, and Daimler-Benz can forego catalysts—at least, to meet 1975's required 90 per cent reduction of hydrocarbons and carbon monoxide.

In 1976, federal standards call for a similar reduction in the third major auto pollutant—oxides of nitrogen—and it's still uncertain if the three companies can meet that regulation without the chemical device.

EPA said all three have "significant potential" for meeting the 1976 standards, however—which was more than it could say for anybody else.

NATIONAL SECRETARIES WEEK, APRIL 22–28, 1973

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, for the 22nd consecutive year, the last full week in April has been designated as Secretaries Week. In 1973, the week is April 22–28, with Wednesday, April 25, highlighted as Secretaries Day. Secretaries Week was originated by The National Secretaries Association—International—in cooperation with the U.S. Department of Commerce, to honor all secretaries. The theme again will be, "Better Secretaries Mean Better Business."

Special committees are establishd throughout NSA to formulate programs to make Secretaries Week ever more meaningful to secretaries and to the business community. In keeping with the professional objective of the association, chapters of NSA sponsor special educational activities such as seminars, workshops, and study groups—available to members and nonmembers alike. Additional recognition is gained for the secretarial profession during the week through public appearances of NSA members at meetings of civic, educational, and professional groups, as well as through open meetings for all secretaries.

This then, is Secretaries Week, 1973—a time for secretaries to look back on past accomplishments and ahead to future progress.

A letter follows:

NATIONAL SECRETARIES WEEK, APRIL 22–28, 1973

THE WHITE HOUSE,
Washington.

National Secretaries Week is a useful reminder for all of us to recognize and express our appreciation for the diligent and industrious men and women who form an essential backbone of every organization and ensure its efficiency and order.

It gives each of us the opportunity to acknowledge the intensive preparation of our nation's secretaries in skills which most of us consider indispensable to the performance of our daily work.

On behalf of all Americans, I salute the vital role of the secretary in our society.

RICHARD NIXON.

DEATH OF ARIZONA STATE SENATOR HAROLD C. GISS

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. RHODES. Mr. Speaker, the death of Arizona State Senator Harold C. Giss, April 15, was a shock to State leaders and officials of both political parties. A highly respected 25-year veteran of the Arizona Legislature, the Democrat senator's death is certainly a tragic loss to the State.

Senator Giss was first elected to the Arizona Legislature in 1948 as a State representative. Two years later, he was elected to the State senate, where he has served since that time. He was majority leader in the senate for 12 years until the Republicans came into power in 1966. Since then, he has served as minority leader.

Harold Giss was considered a parliamentary expert whose counsel, skill, and knowledge for moving bills through the legislative machinery was sought by Republicans and Democrats alike. His power and ability were so recognized that the State senate was once described as a body of men surrounded by Harold Giss.

His public service to Arizona held priority over his private business. As an Arizonan first, Senator Giss was not afraid to criticize his own party leaders when he disagreed with them. Recently, he termed the Democrat party's decision to force a recall election on Republican Governor Jack Williams, an emotional miscarriage.

His long experience of being both in the majority and minority offers a lesson in the legislative process. In his words:

> The role of the minority is more difficult. The majority goes through the process of pure power; the minority must work harder, study more diligently, and sell its bills better. The majority can do with power what the minority must do with persuasion.

The death of Senator Harold Giss is a personal loss to me and I extend my sincere sympathy to his bereaved family. His life had a profound effect on the State of Arizona, and his death is a tragic loss to the State and its people.

THE WASHINGTON EVENING STAR ENDORSES MASS TRANSIT PROPOSAL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ANDERSON of California. Mr. Speaker, I am pleased that the Washington Evening Star has endorsed my efforts to open-up a portion of the highway trust fund for the purchase or construction of bus or rail rapid transit.

This influential newspaper has time and time again endorsed programs and policies that are *fiscally responsible*, and that are designed to meet the needs of the country—not just the Washington Metropolitan area. And again, the Star has taken a far-sighted position which recognizes the need for the funding of mass transit out of the Trust Fund in order to reduce our dependence on the pollution-belching, gasoline-consuming automobile.

At this point, Mr. Speaker, I insert in the RECORD the editorial appearing in the April 17, Washington Evening *Star* so that my colleagues will have the benefit of this persuasive argument in support of my proposal.

The article follows:

THE HOUSE'S TRANSIT TEST

With the nation facing a fuel shortage, on top of its auto-exhaust pollution troubles, about everyone in Congress is speaking kindly of mass transit these days. But this week we'll see how deep the *commitment* goes, for the House will vote a Senate-approved proposal to make just a small portion of the highway trust fund available for financing urban bus and rail transit systems.

We hope the House, which refused to concur with the Senate last year on a similar plan, will give its assent this time around. This won't be easy for many of the representatives, especially those from predominantly rural districts whose residents still plead for road improvements that are justified in many cases. There is a powerful core of resistance to using the highway trust money—derived from levies on road-users—for non-highway purposes. But the times demand it. The trust fund is incredibly opulent, while the problems of swelling auto use inflict ever-larger social costs that cannot be alleviated simply by building more highways with every last penny of highway revenues.

It seems to us that the fund has a partial obligation to other concerns. Cars are creating much of the air pollution, and much of the fossil-fuel shortage, which must be remedied in large degree by mass transit. As lawmakers begin to appreciate the astonishing dimensions of the country's energy problem, they should bear in mind that five times as much energy is required to move a passenger by car as by bus. And a great many auto commuters would gladly switch to public transit if adequate service were available. Morover, if rural areas are hit by gasoline shortages—as seems likely—it will be due in some measure to the lack of sufficient mass transit, which forces millions of urbanites to rely excessively on automobiles.

The hard fact is that the effort to control air pollution is exacting heavier fuel penalties than most people expected, and aggravating the energy-depletion dilemma. Some observers now say that Congress shouldn't have passed the 1970 clean-air law without launching a major federal mass-transit program at the same time. In any case, a sizable program at last is getting underway, and committee-approved legislation in the House provides a rather hefty authorization for mass transit. But there is too much uncertainty whether all or even most of this money would ever be appropriated, or spent by the administration, since it would have to come from the Treasury's general fund. Urban areas desperately need the assurance of being able to use a portion of their regular federal highway funds to help finance mass transit, and cover its operating losses in some cases.

To achieve this, the House will have to approve amendments that are contrary to the wishes of its Public Works Committee, and in line wtih the Senate's approach. We hope a majority in the House can summon the foresight and determination to do that.

MRS. RAYMOND N. KLASS

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. CULVER. Mr. Speaker, at a time when many are doubting the commitment of our National Government to the needs of our citizens, it is heartening to hear of an individual who has shown a lifetime of devotion to both individual and community needs. Mrs. Raymond N. Klass is one person who has devoted herself unselfishly and unstintingly to the service of her community and to the betterment of conditions for all mankind. Mrs. Klass was honored earlier this month at a dinner sponsored by the Temple Judah, Hadassah, B'nai B'rith and Sisterhood organizations in Cedar Rapids, Iowa.

Mr. Speaker, I would like to take this opportunity to make the many contributions Mrs. Klass has made to society a part of our permanent national record. Though her activities and contributions are too numerous to mention, I would like to single out just a few. Mrs. Klass is a founder and past president of both Temple Judah Sisterhood and Hadassah in Cedar Rapids. She has given her efforts as a past president of the Arthur School PTA.

Mrs. Klass has also shown her leadership capabilities in Salvation Army and Community Chest drives. She has supported many other community service organizations in Linn County. She was active on behalf of women's status and the needs of the aged before these became the visible issues that they are today.

This remarkable woman also found time to raise two children, Rosanne and Philip, who have succeeded in becoming successful as authors and editors. All citizens of Iowa feel great pride in the many accomplishments and inspiring example of Mrs. Klass.

THE FARMER'S STORY

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. DAN DANIEL. Mr. Speaker, in these days of mounting prices, all sorts of statistics are being offered in an attempt to rationalize what is happening in the American economy. The truth of the matter is that inflation is fast becoming our greatest economic enemy and we can only hope that it will not ultimately do to this country what is has in numerous other nations around the world.

Inflation inflicts cruel punishment on us all but the burden is greatest upon those whose income remains virtually stationary, at a low rate, while living costs continue to rise. This is true of those who live on pensions, on life's savings and on very meager wages. Among those who work for a living, no group in our society has found the way any harder than the small farmer—those who operate small family farms, or those who tend farmland owned by others.

The burden seems to be greater among those whose labors cannot yield volume production and most of the farms in my congressional district come in that category. Those are the people who produce relatively small crops and who have found the pinch of inflation forcing many of them to seek other means of earning a living.

Within recent days, advertisements have appeared in both Washington papers, under the sponsorship of Pen-Mar-Co., Inc., which show some very interesting figures in support of the farmers' cause. For instance, these figures show that although farm income has risen 6 percent in the past 20 years, overall wages in the country have gone up over 184 percent. In the same period, the ad shows that installment debt has risen 867 percent; housing costs, 79.6 percent; medical costs, 149.7 percent; hospital daily service, 480.8 percent; wholesale food prices, 20 percent; retail food prices, 43 percent; and new car prices, 33.2 percent.

Compared to this, all farm costs have risen 109 percent, although the farmer's income has gone up only 6 percent. Farm taxes have jumped 297 percent; farm labor wages have gone up 141 percent and farm machinery prices are up 100 percent.

It is obvious where this leaves the man who has a small farm, who has no other source of income and who must pay for his family the same prices that his city counterpart pays when he goes to the store to buy such things as clothes, food and other essential items.

In the April 11 edition of the Enterprise, of Stuart, Va., in my district, there was a very fine article written by Mr. E. Lyle Clerk, Jr., in the letters to the editor space which I feel is worthy of wide attention. In very cogent terms, Mr. Clark sets down what seems to me some logic that the economists would do well to consider. I would like to include his letter herein with my remarks and commend this to the reading of the Members of the House.

The article follows:

[From the Enterprise, April 11, 1973]

THE FARMER'S STORY

DEAR EDITOR: During the past 20 years the price farmers receive has risen slowly, making a sizable gain only in the past few months. But look what has happened to all the items the farmer and his family must purchase! I certainly share the concern of these "irate housewives" for the rise in food prices but who is to blame? Is it the farmer, the processor, the distributor, or the grocer? You can find people who blame higher food prices on any of these or a combination of the aforementioned groups.

The purpose of this letter is to remind your readers of the real culprits of higher food prices. First, let's take the federal government. Since the early days of World War II we have had deficit spending by our government except for two years. At this time over 20 cents of every federal tax dollar goes to pay interest on the national debt. This deficit spending has caused inflation to spiral and our leaders have not had the courage to take the needed measures to stop it. None of you could spend more than you make for 30 years, except for 2 and still be in business, yet that is exactly what our government has done.

Second, we are pricing ourselves out of the world market. Our products in this country have become too costly to export at competitive prices. We are in serious difficulty in our export-import trade balance and the dollar has been devalued twice in recent years to try to reverse this trend, but with little success.

Third, we have allowed labor unions to become such a dominant force in our economy and in our legislatures that they have destroyed the workers' incentive, and wages and other benefits have risen at an alarming rate.

During the past 20 years the above factors have been instrumental in farmers having to pay higher and higher prices for all their supplies. Items essential to farming such as machinery, milking equipment, sprays, building supplies, steel and trucks are produced in union plants and each wage increase in those plants has resulted in an increase in cost of those materials to farmers.

The middleman or processor came into the picture because the farmer could no longer afford the cost of distribution and because of laws that were passed to protect the consumer. Some of these laws were needed, some are questionable. Did you know that I cannot sell milk at my farm? I can use it and the people who work for me can drink it, but I cannot sell it directly to you. We have federal and state inspectors who regularly visit our farm. We must conform to stricter requirements on the water supply that our cows drink than the water supply that serves the residents of the Town of Stuart.

The grocery store owner has also had to face increased costs to provide food for you. Due to increased labor costs he had to modernize his store into a self-service operation or go out of business. He, like the processor and farmer, is governed by stricter laws that add to his costs. One such law prevents him from storing or cutting meat as a service to his customer who might have raised and slaughtered this animal on his farm. You the consumer have requested your legislators to pass these laws. Some are needed, many are questionable and some are just plain stupid, but all of them add to the cost of the groceries. So don't blame the farmer, processor or grocer for them.

Finally, there is another factor that should be of grave concern to the consumer. The average age of a farmer is now about 53 and is increasing at a steady rate. The average age of a farm worker is slightly higher. With the long hours, work that must be done seven days a week, high costs and diminishing returns, young people are not turning to farming as a career. With the high investment needed to begin farming, the only way a young person can afford to become a farmer is to inherit a farm, as I did or marry the daughter of a farmer who has no sons.

I would suggest you people who are "boycotting meat" and are concerned about food prices, take a long hard look at the problems facing these people who are working seven days a week to produce this food for you. You should be very concerned about this average age of farmers. In 10 years who is going to be producing enough food to feed a nation with a growing population such as ours? All signs point to a food shortage in this country by that time. If you people think that your food prices are high now, what will they be in 10 years, that is, if you are lucky enough to be able to walk into a store and purchase them without having to stand in line for certain items or have them rationed?

In the beginning of this letter I pointed out some conditions that are adversely affecting farmers. Rather than a boycott of meat you could better expend your energy by doing all you can to correct the abuses of our economic system before the farmers are dead or retired and their farms have been dismantled. If these abuses of our economic system are not changed, within 10 years there will not be many of us left.

This letter may sound cynical to some of you and pessimistic to others. It is an honest effort on my part to tell it like it is. I enjoy the independence of making my own decisions, of seeing young calves grow into mature cows and seeding and harvesting crops in spite of the long hours. This letter is an attempt to point out the serious condition our country faces with its food supply. I invite any of you readers to visit my farm and I will gladly share my information that will enable you to see the problems facing us.

Sincerely,

E. LYLE CLARK, Jr.

TORRINGTON, CONN., GIRL SCOUT SELECTED FOR MEXICAN TRIP

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mrs. GRASSO. Mr. Speaker, residents of the Sixth District in Connecticut are proud of Miss Patricia Beyer, a Torrington resident, who has been selected as one of 12 Girl Scouts in the United States to take a Scout-sponsored trip to Mexico.

Patricia has been a Girl Scout for 10 years. She is now both president and treasurer of the senior troop and represents all senior Girl Scouts on the Connecticut Council Board. Throughout her experience as a Scout, she has proven herself to be not only a strong leader but also a truly considerate person.

Patricia attends Torrington High School. She is an excellent student and an active participant in many school clubs and functions ranging from the school band to the Spanish club of which she is president.

She does not, however, limit her activities to those of the school and the Scouts. She has done extensive work with the YWCA and the underprivileged children in her hometown. It is the totally unselfish attitude with which she undertakes these special efforts that demonstrate a sincere desire to help others. Patricia has the rare combination of talent, gregariousness, and generosity that makes her a credit to her town and to the Girl Scouts. We are delighted that Patricia now has this wonderful opportunity which she so thoroughly deserves. We know that her trip to Mexico will be a splendid experience.

HON. JOHN J. RHODES TELLS IT LIKE IT IS AT CUMBERLAND LAW SCHOOL

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BUCHANAN. Mr. Speaker, it was my pleasure to introduce our distinguished colleague from Arizona (Mr. RHODES) when he spoke last weekend during Law Day ceremonies at Cumberland Law School of Samford University in Birmingham, Ala., the city which it is my privilege to represent in the Congress.

Cumberland was established in 1847, more than 125 years ago, and is the largest law school in the State of Alabama. Included among its many distinguished graduates are numerous members of the Federal and State judiciary, including Justices of the Supreme Court of United States, State Governors, several of our colleagues in this body and in the Senate, and public officials at all levels. Included in this year's graduating class is JOHN RHODES' fine son, Tom.

I believe our colleague's thought provoking message on our current budget controversy will be of value to every Member of Congress and, indeed, to every American and I include it herewith:

ADDRESS BY REPRESENTATIVE RHODES FROM ARIZONA

In the opening scene of Stuart Ostrow's musical *1776*, the audience is greeted by John Adams observing that, "One useless man is called a disgrace, two are called a law firm, and three or more are called a Congress."

Certainly those definitions are not particularly kind to the profession which you have chosen, or to either of the professions I have followed. Of course, surrounded here by the fine traditions of the South, and shielded by the 125 years of distinguished service Cumberland has provided the legal profession, we can easily discount Adam's view of a law firm as the intellectual myopia of a New England practitioner. But, I'm afraid there may be times we would have more trouble refuting the description of Congress.

You are all quite aware that from the Law School Admissions Test to graduation, legal education is designed to test and develop our ability to view a factual situation—to identify and address the pivotal issue. However, Congress, as a collective body, does not undergo such testing or training. It, therefore, often has a great deal of difficulty sifting through a problem situation and identifying the cause.

Case in point:

We are all hearing a lot about impoundments and the resulting confrontation between Congress and the White House due to the impounding of funds.

It all goes together to present a factual situation, in which Congress has been unable to identify the real problem.

Capitol Hill has turned into a volcano of highfalutin talk about the checks and balances provided by the Constitution. The volume of the charges has been turned up by a few fanatical disciples, but what we are hearing is really nothing more than a replay of the spending-limit debate of the closing hours of the last Congress.

Congress agreed then that there was an important job to do—limit spending. It also became clear that bound by its current procedural deficiencies, Congress is entirely incapable of doing that job. But the majority leadership in Congress insisted that in order to protect its prerogatives it had to prevent the Executive from taking the required action. Now, I submit that in a whole encyclopedia of citations from the Founding Fathers, you will not find one of them which upholds so childish a position.

The squabble that has developed between the two branches of government reminds me of the little boy who was asked if he knew the meaning of the word budget, "Yes," he said, "it means a family quarrel."

Just as in many other quarrels, a fit of Congressional pique is hiding the central issue and impairs the possibility of effectively straightening out the problem.

Certainly the erosion of Congressional power is no trifling matter. The trend definitely is disturbing. Clearly, no administration can be left entirely to its own devices, unchecked by other official *scrutiny*. Just as clearly, Congress is apparently unequipped or unwilling to supervise the activities of the Executive Branch. But the point is that the source of this erosion is not Executive powerlust but Legislative irresponsibility.

If you listen to the cries coming from Congress you would believe the President's impounding of funds is frustrating the intent of Congress. It is further being charged that the Executive is substituting "his judgment for the judgment of Congress."

I submit to you, if there is any frustration felt in our budgetary crisis, it is felt by those who try to figure out exactly what the "intent of Congress" is. As a matter of simple logic, it should also be noted that the Executive cannot substitute his judgment for judgments Congress *never* makes.

Perhaps this will surprise you, but the fact is that Congress never makes a rational decision as to whether the operations of the Government are to be deflationary or inflationary. Congress at no point in its deliberations addresses the question of whether there should be a *balanced or* unbalanced budget. Nor does Congress ever make a decision whether to propose higher taxes or let the Government operate at a deficit. In addition to this, Congress never makes a decision as to whether its fiscal activities strengthen or weaken the dollar in international money markets, or in its acceptability at home.

Clearly these are decisions which have to be made by somebody. Since Congress doesn't make them, the President does it and has done it for years.

There is no question about the authority of Congress to control spending if it has the will to do so. It has absolute authority over revenues and spending; not one penny can be spent unless authorized by the Congress.

The trouble is—Congress has been authorizing and appropriating spending authority with an abandon that is far beyond either our capacity or willingness to pay, except through borrowing. Spending is out of control.

Congressional procedures provide no way to determine the level of revenues and expenditures that are consistent with the present needs of the country, economically and socially.

Congress does not address the point of priorities, either assuming that it is not necessary, or that somebody—namely, the President—will do it.

By failing to do so, Congress has abandoned its authority and abdicated its responsibility.

In 1921, Congress passed the Budget and Accounting Act, making it the President's responsibility to submit the spending requests of the Executive departments and agencies. The President combines these spending requests with the estimates of expected revenues, and sends the budget to Congress each January.

Once the President's expenditure budget is submitted, Congressmen make speeches about it, but most of Congress and most of the committees then ignore the expenditure budget. What happens is this—

Congress starts to work on the President's expenditure budget.

It assigns the various parts of the budget to the Appropriations Committee and its subcommittees. The individual subcommittees usually work for several months, reviewing, analyzing, and finally recommending an appropriation level for the parts of the budget within their jurisdiction. When the subcommittees complete their work—and I want you to realize they do not finish at the same time—their report is made to the full Committee which, in turn, reports the approved bill for Floor action.

Individual appropriation bills approved by the House are then referred to the Senate, which then sends them through the Senate's committee process.

If the Senate makes no change in the House-approved bill, then it is sent on to the President for signature. If the Senate has amended the House bill, the differences must be worked out in a conference committee; then the compromise must be approved by the House and Senate before being sent to the President.

The work done by the various committees in individual appropriations areas is generally good work. But it is fragmented—the committees deal with only one part of the budget at a time. The House as a whole and then the Senate as a whole only deal with one part of the budget at a time—no one looks at the total picture. In fact, there is currently no structural way for Congress to watch effectively what the total appropriations add up to.

So you see, Congress' current approach to fiscal matters is confused and uncoordinated. You've heard that a camel is a horse made by a committee. Well, the result of the Congressional review of fiscal matters is not a budgetary stallion, but a broken down, camel-like unicorn.

What we have is not an impoundment crisis. What we have is the pathetic sight of a branch of our government—the Congress—flaying about, spewing out political press releases and strangling in its own procedural red tape. Congress never addresses the fundamental budgetary questions.

This is not because of a lack of concern on the part of the Legislative Branch, it is because of our own chaotic rules and processes.

Congress' inability to define economic priorities has forced the President to take the long fiscal view. After all, as the distinguished minority leader of the Senate said, "If the Congress can't add, the Executive must subtract." This is the essential case for Presidential impoundment of funds. It is also the reason why Congress must cease the chorus of agonized screams over the frustration of Congressional intent and related political rhetoric.

The need for impoundments is dictated by Congressional errors. And let's not forget the political reality that the current impoundment "issue" is being presented by a Congress which is not aligned with the Party in the White House. The cries of "one man rule" and "royalty" in the White House come from a Party seeking headlines, a Party seeking a national constituency.

Congressional PR is leaving the impression that the current $8.7 billion impoundment level is unprecedented and that most of these impounded funds are comprised of money from the area of human resources.

The fact is, impoundments at the end of January comprised a smaller share of total expected outlays than for any fiscal year since 1960. Currently 3.5 percent of the budget is being withheld. This is equal to only 62 percent of the average level of impoundments relative to total outlays for the past decade. President Kennedy withheld about 8 percent of the budget in 1961.

In 1966 President Johnson cut back federal spending by $5.3 billion in order to meet the inflationary effects of the Vietnam War. And President Johnson's cutbacks were in the areas of transportation, housing and urban development, education, agriculture, and health and welfare. Yet now, if you listen to the screams and hollers of President Nixon's attackers, you would hear that in an unprecedented exercise of Executive power, the President is impounding funds in order to eliminate scores of President Johnson's Great Society and social welfare programs.

It should be made clear that, contrary to the impression that has been created publicly, large-scale withholding of appropriated funds has not occurred in the areas of human resources. Impoundments in the areas of community development and housing, education and manpower, health and income-security amount to only 9 percent of total impoundments.

You should also bear in mind that impoundment is not a new practice. It was not even started by the Democratic Presidents of the early Sixties. It has been imposed upon the appropriations process of every President in my memory. I well remember the celebrated fight between the late President Harry Truman and the Republican 80th Congress concerning the size of the Air Force. In that instance, the Congress appropriated funds, and the Executive impounded them. I think in that instance it is also well to note that impoundment came as a result of a Presidential disagreement with the Congress concerning the size of the Air Force, and not because the Executive felt that the expenditure of these funds would hurt the economy, cause an unbalanced budget, or hurt the dollar on the monetary markets. In other words, Harry Truman frustrated the expressed and clear will of Congress much more than Richard Nixon ever has.

Nevertheless, with an eye to the media, many of my colleagues are screaming as if gored by a penny-pinching bull. Instead, they would be well-advised to put our legislative house in order. Until we get a handle on the piecemeal, fragmented, narrow and inefficient fiscal processes of Congress, we cannot even make a rational decision as to whether impoundments are necessary or not. Without a sound fiscal policy, Congress jeopardizes the programs it establishes and directs the Executive to carry out.

Congress must devise a procedure whereby it establishes a legislative spending ceiling for each fiscal year, and means to keep an accurate accounting of how Congressional appropriations measure up against that established ceiling. And, if Congress rationally decides it necessary to exceed the ceiling, it must work out a method of increasing its revenues to pay for those increases.

Fortunately, Congressional procedures for handling matters outside the fiscal area are not quite so confused and bifurcated. Therefore, Congress has a means to deal more effectively in those areas. Currently several things are being considered in committees which will affect the Judicial Branch, and are thus, of interest and direct concern to the legal profession.

Late last year, as I'm sure you are aware, the U.S. Supreme Court released the Federal Rules of Evidence. These Rules embodied the most sweeping rule changes to come from the Court since the Federal Rules of Criminal Procedure. Now those Rules of Evidence are before Congress for review.

Congress is having to address the multitude of questions raised, including privileges we are all familiar with. Should, as the new Rules state, the husband-and-wife privilege be limited to criminal cases? Should the doctor-patient privilege be abandoned? Should a wider use of hearsay evidence be admitted?

In the House Judiciary Committee these questions are being thoroughly studied in the sequence presented by the Supreme Court. The seventh subcommittee session on this took place this last Monday. The Chairman hopes to have his report ready in July.

Another very substantial reform before Congress is the pending legislation designed to revise federal criminal law and the jurisdiction of federal district courts. Essentially, this proposal stems from the 1971 Report of the National Commission on the Reform of Federal Criminal Laws. Upon receipt of the Commission's report, the President established a special section in the Department of Justice to prepare legislation, and this has been done.

Currently, the Senate Committee on the Judiciary is studying this legislation and its effects on Federal criminal jurisdiction, culpability, complicity, legal defenses, and sentencing.

Of course, Congress is also taking a serious look at the substantive criminal law problems involved in the area of drug abuse.

The President has requested Congress to reorganize the federal law enforcement effort against drug abuse pursuant to recommendations of the General Accounting Office, an American Bar Association task force, and the Drug Abuse Council. Congress is looking to centralize responsibilities now vested in nine different agencies for maximum effectiveness.

We are also looking to establish more realistic criminal provisions for drug offenders.

We are attempting to remedy this situation with legislation which would establish mandatory minimum terms of imprisonment for those convicted of trafficking in heroin or morphine or of possession of a large quantity of these narcotics. The bill would also restrict pretrial release to cases where the court found that release of those charged with trafficking in heroin or morphine would not pose a danger to the persons or property of others and eliminate the possibility of release pending sentencing or appeal.

Clearly, all these are matters that deserve the most serious consideration. Congress will not act hastily—and I am hopeful the result will be legislation that assists the Judicial Branch, and the legal profession as they continue efforts to assure justice to our citizens.

You are future members of the Bar. As such, you will be officers of the court. The court system is badly in need of dedicated professionals in the private practice—men and women who remember their responsibility as officers of the court.

I am sure you will enter the practice with high standards and great zeal. Keep your enthusiasm and perspective. The service of dedicated practitioners is the basis of our system of justice. It depends on you.

CENSUS DATA AND TITLE I ESEA—INACCURACY COMPOUNDED

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. QUIE. Mr. Speaker, when the Elementary and Secondary Education Act of 1965 was passed, an important aspect of the bill was title I, designed to distribute funds to schools with children from low income families with special educational needs. The established basis for identifying the schools with a concentration of these children was the use of 1960 census data. Unfortunately, the census data provided a number of built-in problems.

Census data become obsolete very quickly, especially in relation to relatively small geographic units such as counties or cities as compared to States or regions. Even now 1960 census data are still being used to distribute title I allotments because the 1970 census figures were not available at the beginning of fiscal year 1973. This means that the 1960 figures are now 14 years out of date.

The ceiling of $2,000 used to define a poverty level family is no longer an acceptable poverty level figure. The maintenance of this figure for 1970 census data would mean that many school districts which have come to rely on title I money would lose much of their funding, since many of their poverty families make more than $2,000 per year.

I believe that the importance of providing money to assist the educationally disadvantaged cannot be minimized. For this reason I have introduced H.R. 5163, the Educationally Disadvantaged Children's Act of 1973, which would distribute title I money not on the basis of economic need but on the basis of educational need. Educational need would be established by the administration of national criterion-referenced tests in the areas of reading and mathematics to a sample of children aged 5 to 17. These tests would provide a direct measure of educational need that cross-cuts economic levels. While many children whose families are economically poor are educationally needy, there are also large numbers of children who are not from economically deprived homes who have critical educational needs.

When I introduced H.R. 5163, which is designed to amend the existing title I of the Elementary and Secondary Education Act, I raised the problems in using census data to distribute title I money that I have just reviewed. Since then I have encountered yet another weakness in the use of census data to determine the number of children from poverty families.

By the Census Bureau's own estimates the population groups which tend to be undercounted in the census most frequently are those in innercity areas and isolated rural areas. This would necessarily include a large number of minority group members and low-income white families. The following chart graphically illustrates the percentage of underenumeration by age, sex, and color in the 1960 census.

TABLE 1.—ESTIMATED AMOUNT AND PERCENTAGE OF NET UNDERENUMERATION OF THE POPULATION BY AGE, SEX, AND COLOR, IN THE 1960 CENSUS[1]

Sex and age	White, 1960 (April 1)		Nonwhite, 1960 (April 1)	
	Amount (thousands)	Percentage[2]	Amount (thousands)	Percentage[2]
Male, all ages	2,256	2.8	1,218	10.9
0 to 4	177	2.0	124	7.7
5 to 9	205	2.4	78	5.7
10 to 14	194	2.5	59	5.2
15 to 19	233	3.8	114	12.5
20 to 24	209	4.3	133	17.5
25 to 29	208	4.2	150	19.7
30 to 34	167	3.1	138	18.0
35 to 39	142	2.5	107	14.5
40 to 44	97	1.9	82	12.8
45 to 49	77	1.6	69	11.5
50 to 54	159	3.6	97	17.8
55 to 59	15	0.4	25	5.9
60 to 64	97	3.0	31	9.7
65 and over	276	3.8	11	1.8
Female, all ages	1,297	1.6	924	8.1
0 to 4	102	1.2	101	6.4
5 to 9	126	1.6	66	4.8
10 to 14	108	1.5	47	4.2
15 to 19	144	2.4	91	10.1
20 to 24	121	2.4	75	9.6
25 to 29	68	1.4	67	8.7
30 to 34	32	0.6	46	5.9
35 to 39	−11	−0.2	47	6.2
40 to 44	−11	−0.2	42	6.4
45 to 49	35	0.7	52	8.4
50 to 54	194	4.2	103	18.2
55 to 59	62	1.6	45	10.0
60 to 64	151	4.2	50	14.1
65 and over	176	2.1	92	12.2

[1] Reprinted with permission from Jacob S. Siegel, "Completeness of Coverage of the Nonwhite Population in the 1960 Census and Current Estimates, and Some Implications," in David M. Heer (Ed.), Social Statistics and the City (Cambridge, Mass.: Harvard University Press for the Joint Center for Urban Studies of the Massachusetts Institute of Technology and Harvard University), 1968, table 2, pp. 42–43.

[2] These percentages were computed in the following manner: For a particular sex-color-age category, let C represent the census-reported count and let E represent the "corrected" population count. Then, the percentage is (E−C/E) 100. The numbers in the "Amount" columns are the values of E−C. Footnote 2 on p. 16 of Siegel gives the sources for the E values.

You will note that in the age groups between 5 and 15, the census error in 1960 for nonwhites ranges between 4.2 percent and 5.7 percent. For whites the error range was between 1.5 percent and 2.5 percent. Since title I moneys are still being distributed based on 1960 census data the effect of 1960 undercount is still a serious problem.

The figures for 1970 are not yet available. The Census Bureau has indicated that there has been some improvement in the percentage of undercount for minorities in 1970, but the exact improvement is not yet known.

In a report of the Advisory Committee on Problems of Census Enumeration entitled "America's Uncounted People," published in 1972, they discuss specifically the inequitable funding distribution for Federal programs that occurs because of census undercount. The report states:

> The impact of underenumeration on the allocation of lesser sums by cities, counties, school districts, or other communities may be very strong, and its consequences most serious. (P.20)
>
> . . . substantial underenumeration of particular categories of a state's population could affect the distribution of federal money, but the most serious effects would probably be felt in instances in which a state's internal redistribution formula followed the federal pattern closely. (p.22)

When one considers that current title I moneys are specifically mandated to serve children with special educational needs who are from low-income families, the use of census data is almost ironic. The very measure designed to insure a fair and equal distribution of money insures an unfair and unequal distribution of funds.

An article in the Washington Post on December 26, 1972 discusses this problem of undercount for welfare cases as it affects the distribution of Federal revenue-sharing money. I think it clearly illustrates the seriousness of the problem for ESEA title I as well as general revenue sharing. The article follows:

U.S. Census Miscount Is Claimed

(By Michael J. Sniffen)

> NEW YORK Dec. 25.—City officials and Rand Corp. researchers claimed today that the U.S. Census undercounted the number of welfare cases in New York City by 39 per cent, which could cost the city some federal revenue-sharing money. A Rand official said the error probably was repeated in other cities.
>
> A report by the New York City-Rand Institute also said the census undercounted total welfare payments for the year by 41.1 per cent. The institute is a nonprofit organization founded by the city and Rand in 1969 to study city problems.
>
> "There's a good chance that census data are significantly underestimating the number of poor families and poor individuals in the big cities of the country, and as a result they would be short-changed in federal aid," said Edward Blum, institute vice president.
>
> New York City now gets just over $200 million a year in federal revenue sharing, based in part on census data about its overall population and percentage of poor people.
>
> "A very crude estimate would be that New York City could lose between $10 million and $40 million each year in revenue sharing because of this error," Blum said, "but it has to be a crude estimate because the Treasury says it has changed the published formulas and won't tell us the changes. But we do know it contains a bonus for added population and a bonus for more low-income people."
>
> Dr. Bernard R. Gifford, president of the institute, said that in addition to revenue sharing, money from the Model Cities program, the Office of Economic Opportunity and the Department of Health, Education and Welfare could be affected by the error. And he added, "If undercounting of individuals is significant there could also be an impact on legislative redistricting."
>
> "Either the Bureau of the Census simply failed to locate some welfare recipients because they were too mobile, or people on welfare failed to tell the census they were on welfare in 1969," said Peter Rydell, who conducted the study.
>
> Comparing adjusted data from the city's Human Resources Administration and from the 1970 census, the institute found the census concluded there were 291,000 welfare cases in 1969 to which the city paid out roughly $520 million while the city Department of Social Services had some 477,000 cases on its rolls and paid out more than $883 million in that year.
>
> As evidence the error might have been repeated elsewhere, Blum cited a letter from Census Bureau Director George H. Brown, commenting on a draft report. Brown wrote that a study by a census researcher showed the census estimate of total welfare income in many states to be off by as much as 30 per cent, Blum said.
>
> Census officials were not immediately available today to comment on the institute report.

I am in no way suggesting that the undercount figures reflect failure on the part of the Census Bureau to deal with this problem. Especially in the 1970 census the special efforts they made to seek out and count inner-city residents and isolated rural citizens were herculean.

WHY THE WAR ON POVERTY HAS FAILED

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ESHLEMAN. Mr. Speaker, many of us are concerned about the President's plans for phasing out the poverty program. I am convinced that the President is on the proper course, and some work being done in my district proves that worthwhile programs serving the poor can be retained, while bureaucratic overhead is abolished.

A constituent of mine, Daniel L. Hall, presently is working at OEO headquarters here in Washington, where he has been assisting Acting Director Howard Phillips in the phaseout operation. In a memorandum directed to me, Mr. Hall explains why he feels the war on poverty failed, and why the elimination of the OEO–CAP bureaucracy will result in more, not less, opportunities for this Nation's poor.

The comments in this memorandum should be considered in light of the fact that Mr. Hall is black and a former CAP Board Member, Executive Director and volunteer. It is an eloquent statement from a man who has the experience to know a great deal about what he is saying..

I am including Dan Hall's memorandum in the Record at this point for the information of my colleagues.

April 13, 1973.

Memorandum to Congressman E. Eshleman.
From: Daniel Hall.
Subject: Why the War on Poverty has failed.

There has been a classic statement for centuries that America is the melting pot of the world. America's goal is evidenced on the pedestal of the Statue of Liberty, "Give me your tired, your poor, your huddled masses yearning to breath Free, the wretched refuse of your teaming shore. Send those, the homeless, tempest tossed to me. I lift my lamp *beside the* golden door."

Unfortunately, many socially conscious people, who are involved in the War on Poverty, nevertheless, feel that these truisms that are inherent in America's growth process should be changed. All segments of the community should be involved in the planning of human resources programs. More often than not the psuedo-humanitarians and the poor are left to their own devices to initiate and carry out programs, thus alienating the rest of the community.

We must redirect our efforts toward people, not power, political or otherwise. There is every reason why the present Administration's approach to anti-poverty can work. Businessmen, leaders of industry, and politicians have been excluded in the planning and implementing of socio-economic programs in the community. There seemed to be a systematic attempt on the part of poverty program employees to alienate business leaders and politicians who really had the knowledge and power to initiate positive action.

It is a fact that the majority of people living beneath the federally established economic guidelines are also beneath the accepted socio-academic level. While access to those statistics were available to most employees of poverty programs, they appeared to disregard the need to educate people, except in a limited fashion, thus, perpetuating the dependency of the poor.

Jobs are created and sustained through our system of free enterprise, yet, businesses were not consulted in planning programs to alleviate poverty. It was ironic that some employees of poverty programs were saying that poor people should be the sole planners of their lives while disregarding the fact that poor people are an integral part of the community and a scientific approach to community planning is necessary.

President Nixon has not said that there is no poverty in America. He has said that the poverty program, as it is operating now, is not working. On that point many of us agree. It is time for all Americans to care that some Americans are poor. People must join hands and together work to make things happen not let things happen.

EASTER THOUGHTS OF ST. CYRIL

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. CARTER. Mr. Speaker, today it was my good fortune to receive "Easter Thoughts of St. Cyril" from Adm. Hyman G. Rickover, who is, to me, one of the most intelligent and dedicated men to ever serve in the U.S. Navy.

Without the benefit of his thinking, planning, dedication, and driving dynamic forcefulness, our nuclear submarine fleet would not have been an actuality for years.

I submit that a fourth star for this distinguished admiral is long overdue.

I include "Easter Thoughts of St. Cyril:"

Easter Thoughts of St. Cyril, Who Was Consecrated Bishop of Alexandria in 412 AD

Cyril wrote each year of the centrality of the resurrection to announce the date of Easter, and frequently drew a lovely parallel between the new life of spring and the resurrection of Christ:

"It is springtime. The earth is bursting with new life, the gloom of winter is gone, bright rays of sun break forth, lighting up mountain and forest, wood and glades. Fields are crowned with flowers. The shepherd rejoices, blowing his flute as he leads his flock to freshly sprouting grass. The grapevines shoot forth new sprouts like tiny fingers reaching for the sun. The meadows are resplendent with color which gladdens the husbandman. However, it would be nothing to praise spring for these things alone, for what makes spring more worthwhile than any other season is this: along with nature, the nature of the one who rules over all things, I mean man, is raised up. For springtime brings us the resurrection of our Savior, through whom all are reformed to newness of life, fleeing the alien corruption of death. . . . In this time of his love for us, when he became man on account of us, he reformed the whole nature in himself to newness of life, and transformed it to what it was from the beginning."

In another paschal homily he develops this further:

"The gloomy threat of winter has ended, the bad weather and darkness is past; gone for us are the rains and the rage of savage winds. Days of springtime have come upon us. They awaken the vinedresser from his stupor and unreadiness, and the farmer as well, calling out that it is now time to go to work. The meadows sprout again with all kinds of blooms. On the mountains and in the gardens plants bring to life their sprouts as though in birth pains, and they generate from their loins the power of their own nature. Young shoots come out, a reminder of the philanthropy of God, as it is said; he gives fodder to the beasts."

CRIMINAL ABORTION TRIAL IN MASSACHUSETTS

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. HOGAN. Mr. Speaker, I have earlier inserted excerpts from the testimony in the criminal abortion trial Commonwealth against Brunelle held in the State of Massachusetts. Today I would like to include further commentary on this testimony by Dr. Herbert Ratner.

Testimony By Dr. Herbert Ratner

This new human being goes through an historical, spatio-temporal process of growth and development which is customarily delineated as stages in its life history and is successively referred to zygote, embryo, fetus, infant, child, pubescent and adolescent. Man since he is mortal is capable of death at any point or stage of his growth and development. When death occurs, whether from natural or unnatural causes, what dies is not simply a cell, a collection of cells, a blob of protoplasm, a mass of tissues, but a human being. To speak of the live fetus—the target of the abortionist—as a little blob of protoplasm is no more accurate than to speak of the live adult as a large blob of protoplasm. And to speak of feticide or infanticide as different from homicide is equally inaccurate; both are kinds of homicide which refer to the killing of human beings at different stages of individual human life.

That this is the common understanding of biologists as distinguished from propagandists is readily confirmed by reference to the scientific literature dealing with life before birth. Several examples should suffice.

Dr. George W. Corner, one of the most eminent embryologists in the United States, in the Terry Lectures given at Yale University and published under the title, *Ourselves Unborn,* uses the following language in talking of man's intrauterine existence:

"The development of the human being during the first week is unknown. No one has yet seen the embryo during its journey from the ovary through the Fallopian tube, until the time it becomes implanted in the uterus.

* * * * *

"I hope that the human being whose biography during the first weeks of life is being sketched herewith is already something more to the reader than a diagram in a book. This is your history I am telling and mine, and that of my own child and yours. Here in the laboratory we can of course study and depict for you only those whose lives have been interrupted, and yet our experience trains us to think even of them as witnesses of life and growth.

* * * * *

"Realize, then, that man even in his earliest weeks faces unconsciously the unending problem of getting along in his world. Life is a paradoxical career in which the individual must both accept and contend with his environment, at once struggling for independence and adapting himself to cooperative action. Before birth this effort and adjustment are a matter of physiology alone;

only later is the struggle complicated by problems of mentality and social custom and by those workings of the spirit through which a man must pilot his individual life to success or failure in his community, to achievement or martyrdom, to turmoil or inward peace." (p. 37)

Corner's final conclusion makes clear that the fetus is not part of the mother as some argue, but a completely distinct whole—another individual:

"In summary, then, and subject to certain technical reservations, nothing gets through the placenta from mother to child unless it is capable of being carried in solution by the blood and of passing through the walls of the villi and of their blood capillaries. . . . There is no other means of communication between mother and child. In particular it should be emphasized in capital letters that there is no connection between their nervous systems. Not a single nerve fiber crosses the placental barrier. . . . The infant is in fact completely shut off from its own mother save for the exchange of simple chemical nutrients and wastes through a screen so fine that it will pass nothing but the smaller molecules of matter."

Dr. Ashley Montagu, in *Life Before Birth*, similarly writes of human life existing from conception to birth. The following quotations make this evident.

"The basic fact is simple: life begins, not at birth, but at conception. This means that a developing child is alive not only in the sense that he is composed of living tissues, but also in the sense that from the moment of his conception, *things happen to him*. Furthermore, when things happen to him, even though he may be only two weeks old, and from another world than a human being, and his birth date is eight and a half months in the future, *he reacts*. In spite of his newness and his appearance, he is a living, striving human being from the very beginning."

* * * * *

"During the prenatal period—that is, the nine months between conception and birth—a human being is.

* * * * *

"A developing child, especially during the first twelve weeks of his life, when his major organs are being formed.

* * * * *

"Since a child who is only two or three weeks from conception can respond to his environment.

* * * * *

"When a human being begins his life, he is smaller than the period at the end of this sentence. He is a single cell, barely visible to the naked eye.

* * * * *

"It is the first third of pregnancy that is most important in the child's development.

"By the time the baby—no longer an ovum, but now properly called an embryo—is fifteen or sixteen days old, he is.

* * * * *

"By the end of eight weeks, he graduates again: properly speaking, he is no longer an embryo but a fetus. This word comes from a Latin word meaning 'offspring' and the change in labels at this stage symbolizes the child's growth from a rudimentary being to a recognizable human being.

* * * * *

"Birth is not a beginning: we have seen again and again in the course of this book that the true beginning is at conception. Nor is birth an ending. It is more nearly a bridge between two stages of life [which] a child crosses slowly."

Montagu's conclusion is, perhaps, more striking than he intended:

"Three facts stand out clearly above the mass of hypotheses, figures, conjectures, conclusions, and recommendations: Things happen to children before they are born. Most of these things are good; some can be harmful. A prospective mother can determine to a large extent what will happen to her child."

It should be added that Montagu, in the context of the abortion issue—he is ardently pro-abortion—subsequently attempts to deny that these patently clear passages signify the presence of inviolable human life. On the contrary, he insists that only the functionally human have a right to life and he states this belief in the following words:

"The embryo, fetus and newborn of the human species, in point of fact, do not really become functionally human until humanized in the human socialization process. Humanity is an achievement, not an endowment."

What a Pandora's Box this opens! Such dangerous nonsense not only justifies infanticide, but an entire spectrum of imposed euthanasia: the mentally retarded; the incurable mentally ill; the poor when socio-economic conditions irremediably prevent human socialization; hardened criminals; alienated and neurotic people of all categories; and masses of socially deprived indigents found in undeveloped countries such as Vietnam. It conjures up the whole spectrum of the Nazi program directed at "social undesirables." To contravene man's inalienable rights by substituting the quality of a person's attributes for the person himself overturns civilization's arduous progress toward the just recognition of the intrinsic dignity and rights of every human being. The future holds a treacherous road should we forego established biologic criteria of human life for academically or governmentally decreed social and cultural criteria of humane performance. No amount of denial or rationalization in whatever context, however, can negate the persuasive and critically important message of *Life Before Birth*.

Again we have H. Margaret I. Liley's book entitled, *Modern Motherhood*. Throughout, it speaks of the individuality and personality of the fetus. Dr. Liley, a pediatrician, is the wife of the famous New Zealand fetologist, Arthur W. Liley, M.D., who developed and performed the first lifesaving intrauterine transfusion in 1963 to demonstrate to the world that the fetus is a treatable patient. Two passages from her book establish the fetus as more than "a potential human being."

"The unborn baby is an active, lively, independent human being long before his mother feels his presence.

* * * * *

"The fetus is quite beautiful and perfect in his fashion, active and graceful. He is neither an acquiescent vegetable nor a witless tadpole as some have conceived him to be in the past, but rather a tiny human being as independent as though he were lying in a crib with a blanket wrapped around him instead of his mother."

Even William Harvey in the seventeenth century and Aristotle in the fourth century B.C., incomplete as their embryologic knowledge was by modern standards, clearly recognized the existence of the human being in the uterus. Harvey states: ". . . before a man attains to maturity, he was a boy, an infant, an embryo." Aristotle states:

"As to Man's growth, first within his mother's womb and afterwards to old age, the course of nature, in so far as man is especially concerned, is after the following manner."

In Aristotelian embryology, which dominated embryologic thinking through the eighteenth century, the woman, in the generative process, only supplied the passive matter—the retained menstrual fluids—upon which the active agent in the semen worked in the fashion of a carver working on wood. (The "semen's" counterpart, the human egg, was not to be discovered until the early nineteenth century.) For Aristotle, this meant that although the generative process was initiated with copulation, a period of weeks passed before a *new* human being, a fetus, was actually generated. This concept of the process was not unlike the generation of Pinocchio from a block of wood. Just as Pinocchio did not come into existence until the featues of a boy emerged in the carving, so, also, in Aristotelian embryology, the fetus did not come into existence until the distinguishing visible feature of sex had developed. The additional criterion for the generation of a living human being, independent of the sex of the fetus, was animation detected by quickening. It was with this twofold distinction in mind that Aristotle approved of "abortion." His approval was limited to the period prior to the emergence of an intrauterine human being whether detected by the human morphology of the fetus or by animation. He stated:

"When couples have children in excess, let abortion be procured before sense and life have begun; what may or may not be lawfully done in these cases depends on the question of life and sensation."

Parenthetically, it may be added that the derision directed at Aristotle, and those following him, for his alleged mystical belief that the male form or soul came into being at 40 days and the female at 80 days reflects the ingorance of the critics rather than the ignorance of Aristotle. Aristotle, the father of biology and one of the keenest observers of nature in the history of biology, based his conclusion on a sound biological principle which he combined with accurate embryologic observations. In the absence of knowledge obtained after the discovery of the microscope, he defined the point of emergence from matter of female and male by the following criteria: "The 'womb' is a part peculiar to the female; and the 'penis' is peculiar to the male." Accordingly, he believed that the *male form* or soul did not come into existence until the penis did, and the female form or soul did not come into existence until the womb did. (Today, of course, we know that male or female is determined at fertilization—the zygote stage—with the allocation of the Y chromosome.)

Aristotle described the embryologic observations which led to this conclusion:

"In the case of a male embryo aborted at the fortieth day . . . if the membrane be pulled to bits the embryo is revealed . . . and all the limbs are plain to see, including the penis. . . . But the female embryo, if it suffer abortion [i.e., miscarriage or spontaneous abortion] during the first three months, is as a rule undifferentiated; if however it reach the fourth month it comes to be subdivided and quickly attains further differentiation. In short, while within the womb, the female . . . accomplishes the whole development of its parts more slowly than the male."

The scientific accuracy of these observations may be ascertained from any standard text on the intrauterine development of the child. Rather than archaic, Aristotle's fourth century B.C. knowledge of macroscopic embryology is clearly superior to that of some pro-abortion physicians and college students and graduates who, like prescientific medievalists, keep thinking and talking of first trimester abortion as the extraction of "menstrual fluids" or "embryonic juices."

Contrary to the unscientific claim of Hall and Tietze that the fetus is only a potential human being, nineteenth and twentieth century advances in embryologic knowledge have actually supported the Aristotelian conclusion that in early pregnancy there is actual human life *in utero*. Modern embryology, with the advent of the microscope, simply extends the presence of human life from the time of quickening—which is only a subjectively perceived sensation on the part of the mother—backwards to the time of fertilization. The position, therefore, that these defense witnesses maintain finds no justification in the scientific tradition whether it be the incomplete Aristotelian embryology of an earlier age or the more complete embryology of a later age.

The position of modern science is most tersely expressed by Planned Parenthood—

World Population. In the 1963 edition of its widely distributed pamphlet entitled, *Plan Your Children for Health and Happiness*, it states,

"An abortion kills the life of a baby after it has begun. It is dangerous to your life and health. It may make you sterile so that when you want a child you cannot have it."

Planned Parenthood—World Population—and Drs. Hall and Tietze, who are professionally affiliated with this organization—are today leading proponents of easily obtainable abortion, despite the fact that there have been no scientific studies or discoveries since 1963 which alter the truth of the above-quoted passage.

STOLAREVSKY'S NEW PLANS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. GAYDOS. Mr. Speaker, the McKeesport community which is part of the district which I represent as Congressman is justly proud of the variety and importance of its many industries.

And it is proud, too, of the cultural life which it has developed with increasing success in recent years—a life of good music, art, and live drama. Its accomplishments in this field are considered outstanding for a community located so close to, and once culturally dependent on, a larger metropolis—in this case, Pittsburgh.

My interest in this matter today has to do with the man who has done the most to build the McKeesport Symphony Orchestra into an organization of great local acceptance and growing recognition in musical circles elsewhere. He is Mihail Stolarevsky, the orchestra's conductor and musical director.

Mr. Stolarevsky took over the orchestra in 1959, finding time from his other duties of playing with the world-renowned Pittsburgh Symphony and teaching to organize and lead it in annual concert series which have won widespread support. Now, having reached his 70's, he has decided not to cut down on his work but to concentrate it on a fewer number of things.

Mr. Stolarevsky is leaving his chair with the Pittsburgh Symphony, where he has been a member of the viola section for 28 years, and, fortunately for McKeesporters, will spend more of his hours with the McKeesport Symphony which has become his No. 1 interest. He plans now, with the orchestra's board, to increase the number of McKeesport concerts in future years which is a matter of good news certainly for the McKeesport music lovers.

I am happy, on the occasion of Mr. Stolarevsky's schedule change, to congratulate him and to express, as a Congressman, the thanks of my district for the enormous contribution he has made to the enjoyment of our people and our cultural advancement. May the years ahead provide for him the opportunity to fulfill the new goals he has set for himself and for the orchestra which so brightly bears his mark.

REMARKS ON THE EPA IMPLEMENTATION PLAN FOR THE CLEAN AIR ACT OF 1970

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. WALDIE. Mr. Speaker, in light of the approaching vote on the highway trust fund, I believe my colleagues may be interested in the comments of Dr. James Pitts, head of the Statewide Air Pollution Research Center in Riverside, Calif. As a distinguished scientist and researcher in the area of photochemical air pollution, Dr. Pitts is highly qualified to comment on the Environmental Protection Agency's proposed technological controls for emissions.

As laymen in this critical and highly technical area, I would urge my fellow Members to weigh Dr. Pitts' recommendations carefully:

REMARKS ON THE EPA IMPLEMENTATION PLAN FOR THE CLEAN AIR ACT OF 1970

(By James N. Pitts)

I. INTRODUCTION

The EPA proposal for meeting clean air standards for 1977 has shocked many southern Californians from all walks of life. To date, attention has been focused on gasoline rationing with little discussion on the other control strategies which are key elements of the overall plan. These are crucial because the more they can be made effective in controlling hydrocarbons, the less stringent the need for gasoline rationing becomes.

Thus, today, while I am opposed to gasoline rationing for several reasons, both societal and technical, I shall not directly address this subject. Instead, as a researcher in photochemical air pollution, I am pleased to respond to your request and comment on the scientific and technical bases for several of the proposed technical strategies in your initial plan for control of reactive hydrocarbon emissions.

My discussion will center on the technological controls outlined in the "Compilation of Control Strategy Effects on June 30, 1977." These summarize the reactive hydrocarbon emissions projected for 1977 under existing control measures and the projected hydrocarbon emissions after the EPA-proposed controls are implemented. A copy of this EPA-generated table is attached.

II. RELATIONSHIP BETWEEN AMBIENT LEVELS OF REACTIVE HYDROCARBONS AND PHOTOCHEMICAL OXIDANT

The EPA plan for meeting the oxidant air quality standards in 1977 is based on its assumed linear relationship between the levels of reactive hydrocarbons and oxidant in ambient air. No consideration is given to the possible companion role of oxides of nitrogen in producing photochemical oxident. To this extent, the EPA "model" for photochemical smog formation differs significantly from that accepted for some years by the State of California Air Resources Board and the Los Angeles Air Pollution Control District. Their strategy of reducing ambient oxidant calls for reducing both reactive hydrocarbons (HC) and oxides of nitrogen (NO_x) to prescribed levels.

I shall not dwell on this matter here, but simply note that scientists at the EPA, ARB, in industry, and, indeed, those of us at the Statewide Air Pollution Research Center are deeply involved in studies which hopefully should resolve this critical issue.

TABLE 1.—COMPILATION OF CONTROL STRATEGY EFFECTS ON JUNE 30, 1977

	Tons per day	Percent of total reduction due to each control
Stationary source emissions without control strategy	140	
Expected reductions:		
(a) Dry-cleaning vapor recovery	−6	1
(b) Degreaser substitute	−25	5
(c) Other stationary rule strengthening	−45	9
Stationary emissions remaining	64	
Motorcycle emissions without control strategy	30	
Expected reductions	0	
Motorcycle emissions remaining	30	
Aircraft emissions without control strategy	35	
Expected reductions	−11	2
Aircraft emissions remaining	24	
Mobile emissions from on-highway light- and heavy-duty vehicles and from gasoline marketing operations without control strategy	486	
Expected reductions:		
(a) Gasoline marketing vapor control	−37	7
(b) VSAD and PCV retrofit	−13	2
(c) Inspection and maintenance	−28	5
(d) Vehicle evaporative control retrofit	−19	4
(e) Gaseous fuel conversion	−8	2
(f) Oxidizing catalyst retrofit	−70	13
(g) Gasoline rationing	−269	51
Mobile emissions remaining	42	
Total emissions without control strategy	691	
Total reductions	−531	100
Total emissions remaining	160	

I should, however, stress one additional point. As an atmospheric chemist, I am concerned that so little attention has been paid to NO_x emissions in 1977 and the possibility that the EPA strategies might significantly increase them. Surely, it would be contraproductive to introduce additional very strict control measures for reactive hydrocarbons from major stationary sources or from retrofit devices on used cars, which, while reducing HC would raise the already excessive levels of NO_x emitted into our atmosphere.

Recommendation 1: I recommend that the revised EPA plan present a detailed evaluation of the possible effects on oxides of nitrogen emissions in the South Coast Air Basin that would occur as a result of their proposed control strategies for reduction in emissions of reactive hydrocarbons.

III. EMISSION INVENTORY FOR REACTIVE HYDROCABRONS AND OXIDES OF NITROGEN

There is a clear and most urgent need for a far more accurate emissions inventory, particularly of emissions of reactive hydrocarbons and NO_x, than now exists for the South Coast Air Basin. Without such an inventory, the major question arises as to the relative contributions of reactive hydrocarbons from motor vehicles versus those from point and multiple stationary sources. Extremely stringent measures are being proposed in the EPA plan with regard to controlling motor vehicle emissions, but it is not evident in the published initial EPA plan that such very strong regulatory actions are planned to reduce emissions from the stationary sources, such as industrial plants, solvent users, etc.

Recommendation 2. a) I recommend that a far more accurate and comprehensive emissions inventory, particularly of reactive hydrocarbons and oxides of nitrogen, be developed for the South Coast Air Basin at all possible speed consistent with reliability.

b) I further recommend that, on the basis of this inventory strong consideration be given to the implementation of even stricter controls on emissions of reactive hydrocarbons from both multiple and point stationary sources.

IV. REACTIVE SOLVENTS AND RULE 66

Rule 66, for the control of reactive hydrocarbons and other photochemically reactive organic solvents, as currently being implemented in Los Angeles County and as projected in the EPA plan, is first of all confusing, as it is now stated. Secondly, it does not appear to give the degree of control of photochemically reactive hydrocarbon and chlorinated or oxygenated hydrocarbon solvents that must achieved if we are to approach the air quality standard for photochemical oxidant.

Thus, on close examination, Rule 66 appears in some respects to be, in fact, a relatively weak rule, and its adoption (as currently written) could result in solvents still being a significant source of photochemically reactive emissions it 1977.

For example, Rule 66, as I read it, apparently excludes from control toluene, a seven-carbon aromatic compound which is a frequently used solvent and highly photochemically reactive. Also, it excludes benzene (C_6H_6) from control, but this is not a serious omission because benzene, in contrast to toluene, is not photochemically reactive.

Recommendation 3: I recommend that the entire question of control of photochemically reactive solvents in the South Coast Air Basin be reexamined in detail and a new set of control regulations promulgated proportional to the degree of the problem we are facing. The industrial solvent user should have to make sacrifices parallel to those of the citizen using his motor vehicle.

V. THE RELATIONSHIP BETWEEN TOTAL OXIDANT VALUES AND ACTUAL LEVELS OF OZONE AND NITROGEN DIOXIDE AN AMBIENT AIR

For a variety of chemical, biological, and medical reasons, we should all recognize that an oxidant value does not necessarily correspond to the actual level of ozone (O_3) in ambient air. "Total oxidant" represents those compounds present in ambient air which oxidize potassium iodide to give free iodine. It generally consists primarily of ozone, but it also includes such compounds as nitrogen dioxide (NO_2) and peroxyacetyl nitrate (PAN), both of which also oxidize potassium iodide solution. The efficiency of this oxidation varies from compound to compound, but for three key components of photochemical oxidant, it is 100% for ozone and approximately 15 to 20% for both nitrogen dioxide and PAN. The following points should be noted.

(A) PAN levels on smoggy days generally fall in the 5 to 50 ppb range. These levels are so low in relation to ambient O_3 and NO_x that they do not significantly affect the observed total oxidant value.

(B) NO_2 levels can approach those of ozone (although generally not concurrently). Thus, in an extreme case, if one has 0.5 ppm of NO_2 in ambient air (a high, but not impossible, level), one will see a total oxidant reading approximating the air quality standard for oxidant 0.08 ppm—yet no ozone (the crucially toxic substance) is present! The ramifications of these facts are clear.

Another aspect of the complex chemistry of photochemical smog should be considered. Ozone reacts very rapidly with nitric oxide to form NO_2. Thus, in areas of southern California where there is a high concentration of O_3, the concentration of nitric oxide would be expected to be low, and, conversely, high levels of nitric oxide emissions will result in low levels of ambient ozone, and, hence, of total oxidant. The situation can arise that, if only "total oxidant" is determined, high ambient concentrations of nitric oxide will lead to an overall reduction in the value obtained for total oxidant. This could be construed as representing a decrease in photochemical smog, which, however, on a basin-wide consideration, it is not.

Such a situation could well be existing at present in southern California. The level of "oxidant" in downtown Los Angeles has decreased within the last several years. Farther to the east, however, the oxidant levels have increased. Given data of this type, it is not easy to assess the true effectiveness of control strategies and whether the overall air pollution picture is really improving throughout all of southern California.

Recommendation 4: (a) I recommend that ambient air quality data be taken, not just on total oxidant and total oxides of nitrogen, but also specifically for ozone and nitrogen dioxide. Several commercial instruments are now available for such measurements.

(b) I further recommend that such instruments for measuring NO_2 and O_3 be put into use as soon as feasible at all air monitoring stations in the South Coast Air Basin, along with the existing total oxidant meters. This is crucial if we are to have a truly accurate basis for evaluating the chemical, biological, and medical quality of our air, and the true effectiveness of our emission control strategies.

VI. OTHER ASPECTS OF THE EPA PLAN

(A) The EPA plan calls for annual inspection of all light- and heavy-duty, gasoline-powered vehicles, with the emissions tests being done under "load," which simulates actual driving conditions. Furthermore, they state that vehicle owners must maintain their cars to certain prescribed levels of pollution control.

Recommendation 5: I heartily support this proposal and urge its implementation in California on a maximum urgency basis. It is of the highest priority.

(B) In the EPA plan, oxidizing catalysts are required on all 1966- to 1974-model-year motor vehicles.

Recommmnedation 6: I endorse this proposal; however, only on the condition that the use of such catalysts, while reducing emissions of reactive hydrocarbons, must (1) not increase emissions of oxides of nitrogen, or (2) generate other undesirable pollutants, such as ammonia and aldehydes.

(C) The EPA proposes that all 1971–1974 fleet vehicles be converted to "gaseous fuels." With some qualifications, I support this proposal for the use of CNG or LNG (methane fuels). My reservations arise in part from consideration of very recent and conflicting data regarding the hydrocarbon reactivity of emissions from vehicles fueled with LNG. If true, one would question the true effectiveness of LPG as a so-called "clean fuel."

Furthermore, a recent EPA paper states that engines fueled by LPG, CNG, and normal gasoline have essentially the same emissions of NOx when the engines are tested under conditions of maximum performance with the three fuels.

Recommendation 7: (a) The issue of performance versus pollution for the gaseous fuels (LPG, CNG, and LNG) versus regular gasoline should be evaluated in depth on a most urgent basis by the EPA and its conclusions on pollution versus performance should be presented to the public in understandable form.

(b) I further recommend that any motor vehicle which meets the 1975 emissions standards and shows reasonable performance and durabiilty under realistic test programs may be legally used as a fleet vehicle in place of a vehicle powered on gaseous fuels.

VII. COMMENTS ON IMPLEMENTATION OF THE 1975–76 EMISSION CONTROLS ON MOTOR VEHICLES

I would like to make one other major point highly relevant to the prospects of gasoline rationing in 1977—new car emission controls for 1975–76. If the current request of the American automobile manufacturers is granted and these controls are deferred, the need for gasoline rationing and other very stringent measures will become even greater for southern Californians! Thus, I am firmly opposed to any extension of the date for implementation of the 1975–76 emission controls for motor vehicles.

Although this is a major subject and beyond the scope of my brief comments, I would only note that according to a recent National Academy of Sciences' report, two foreign manufacturers already have developed I.C. engines, fueled with gasoline, which already meet the 1975 standards. Furthermore, they show reasonable fuel economy and performance characteristics. Thus, Honda vehicles with a 2000-cc stratified charge CVCC engine and cars produced by Toyo Kogyo with Wankel engines equipped with a "rich thermal reactor system" have been successfully tested to 50,000 miles by the EPA. If foreign manufacturers can meet the 1975 standards today, why can't ours?

Also relevant is the fact that, according to the NAS report, the present dual catalyst approach taken by the American manufacturers is the least satisfactory of the four systems that appear to be capable of meeting the 1975–76 standards.

Recommendation 8: I recommend that the EPA not grant an extension of time to the automobile industry for implementation of the 1975–76 emission controls, as specified in the Clean Air Act.

VIII. CONCLUDING REMARKS

In conclusion, I should like to stress that while I have discussed several areas of atmospheric chemistry that are critically involved in any strategy for the reduction of photochemical oxidant, and thus are clearly related to the gasoline rationing question, I do not believe we should "wait until all the research answers are in," before taking further action.

Thus, for example, we must act now to implement the development of (1) mandatory vehicle inspection and maintenance programs, (2) new "pollution-effective" and relatively straightforward mass transportation systems, such as those involving buses and freeway express bus lanes, (3) incentives to encourage car pooling, (4) effective land-use management, (5) new and unique propulsion systems for pollution-free cars, and (6) other feasible and acceptable strategies.

But, we must have such actions accompanied by a continuing, high-level, well-conceived, well-funded, mission-oriented research program on all air pollution fronts. Such a two-pronged attack will insure that five years from today we will not be asking ourselves the same technical questions that I have raised today, with little additional reliable evidence upon which to base our conclusions.

PASSOVER

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BIAGGI. Mr. Speaker, today, millions of Jews in the United States and the world over will celebrate the holy feast of Passover. This day commemorates the deliverance of the Jews from bondage in Egypt in the 14th century B.C.

Passover is a holiday filled with special tradition. It is a time when Jewish families reflect on the value of freedom, through the reading of the sacred written word and the eating of symbolic foods.

This Passover is filled with special meaning, since this year marks the 25th anniversary of the creation of the sovereign State of Israel. Yet as many Jews are joyously celebrating this feast, countless thousands of their brethren are still seeking the fruits of freedom. Let us fervently hope that the year 1973 will bring freedom for Jews living in the Soviet Union.

Mr. Speaker, at this time I wish to extend to all Jewish people my sincerest wishes for a happy and holy Passover.

WHITE HOUSE TURNS ITS BACK ON HANDICAPPED

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BRASCO. Mr. Speaker, according to official Government figures, there are at least 7 million, and perhaps as many as 12 million Americans who suffer from a variety of disabilities which can be termed crippling.

I have reference to the severely handicapped, blind, and deaf persons, and those suffering from spinal cord injuries, brain damage, and nervous disorders, to name just a few of the afflictions in question.

For some 52 years now, the Federal Government has worked in harmonious partnership with all the States to turn these people into self-supporting individuals. Grants to States have been made for vocational rehabilitation programs, which have scored significant successes in turning helpless people into largely independent citizens.

It is also my understanding that in the more than half a century that this noncontroversial program has been in increasingly successful operation, no meaningful opposition ever developed against it in either House of Congress. In fact, up until a year or so ago, no vote had even been recorded against the endeavor.

Bipartisanship was the order of the day in response to this program. Further, all concerned agreed that here was perhaps the most useful program underway in the Nation.

Today there is no vocational rehabilitation program. Last year the President vetoed it. This year he did so again. And the other body did see fit in its wisdom to sustain the veto of the President. So this quite constructive, unoffensive undertaking today lies in ruins, and the gentlemen across the aisle and their conferees in the other body are doing a victory dance of political partisanship over its still quivering form.

Some dance. Some victory.

The argument advanced by the President and his congressional cohorts is that the measure was inflationary. "Budget-busting" was the phrase used, I believe.

A little fact is in order here. First, the vocational rehabilitation bill was not a spending measure. Rather it was an authorization measure, establishing certain vocational rehabilitation programs and setting ceilings for subsequent appropriations. That butchered bill did not mandate the outlay of a penny of taxpayer money.

It authorized $700 million for fiscal 1973 and $800 million for fiscal 1974. The President's own budget contains approximately $600 million for this purpose for fiscal 1973 and $610 million for fiscal 1974.

The President and his supporters in Congress chose to turn this innocuous and excellent work into a political football. They won the battle, but the handicapped people of this Nation lost the war.

Our office was visited by many of the handicapped people who lobbied the Congress in a desperate, vain effort to push the bill through. None of them were welfare chiselers or cheats. Here were people with physical handicaps trying to present their case for retraining programs.

Republicans backed the bill in the Senate by a 35-to-2 vote. Curiously, many switched their votes in the veto battle. This administration really showed those lame, sick, blind, deaf, and retarded people who was boss and President.

We are regarded by much of the developed world with amazement and dismay already as a result of our social backwardness. Our medical care and delivery system is a scandal. Our drug industry is a disgrace. Product safety is a joke. And now, not content with adjourning reform, the President and his cohorts have taken a perfectly fine and useful national endeavor and mangled it beyond recognition.

What will happen to the millions of disabled Americans now? Where will they be retrained and rehabilitated? Where will the money come from? From private charity? Not enough. From the States? They have not the money. From their personal savings? Funny if it were not so sad. From revenue sharing? Try and get it.

This is the cruelest, most heartless action ever taken domestically by an administration in my congressional service. Any further attempt to pass a new vocational rehabilitation measure will have my support, provided it does justice to these poor people, whose only crime, it seems, was to be handicapped.

AMENDMENT TO BE OFFERED TO HIGHWAY BILL

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. RAILSBACK. Mr. Speaker, I intend to introduce the following amendment to S. 502, the Federal-Aid Highway Act of 1973, when it comes to the floor of the House:

AMENDMENT TO S. 502, AS REPORTED OFFERED BY MR. RAILSBACK

Page 133, line 5, strike out "route" and insert "routes".

Page 133, line 8, immediately before "A" insert the following: "(1)"

Page 133, after line 13, insert the following:

(2) A route from Kansas City, Missouri, or its vicinity, to Chicago, Illinois, or its vicinity, so aligned as to cross the Mississippi River at a point between Nauvoo, Illinois, on the north, and Hannibal, Missouri, on the south.

CEREMONIES COMMEMORATING THE 152D ANNIVERSARY OF GREEK INDEPENDENCE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. EILBERG. Mr. Speaker, on March 25 I had the pleasure of taking part in the ceremonies in Philadelphia commemorating the 152d anniversary of Greek independence. At this time I enter into the RECORD the statements made by John S. Kokonos, Esq., the master of ceremonies; Mrs. George P. Pavlos, president of the Philadelphia Federation of American Hellenic Societies; Anthony Nomikos, counselor of the Royal Greek Embassy; Gov. Milton Shapp of Pennsylvania, and my own remarks:

SPEECH DELIVERED BY JOHN S. KOKONOS, ESQ.

Reverend clergy, Counselor Nomikos, Governor Shapp, Congressman Eilberg, Deputy Angel, other honored guests, all other ladies and gentlemen with us at Independence Square in Philadelphia, Pa. (and on television), a most sincere and warm welcome to all of you on this celebration of Greek independence day. On this 25th Day of March, 1973, celebrations commemorating the 152d year of Greek independence are taking place in cities and towns of many countries throughout the world.

Citizens of different nations who are also descendants of Greeks always gather together on this occasion to celebrate, and give thanks to God, just as many of us here today did in Greek Orthodox Churches throughout the Delaware Valley, for that momentous day, March 25, 1821 when after more than 400 years of oppression, tyranny, ravaged lands, terrorism and enslavement at the hands of the Turkish Ottoman empire, the Greek populous rose in rebellion and declared themselves free Greeks and fought their Turkish conquerors for eight years against overwhelming odds until Greece was declared a free and independent nation by the signing of the Treaty of Adrianople, September 14, 1829.

It is a great privilege and honor to celebrate Greek Independence Day at Independence Hall where our beloved country, the United States of America, declared its independence on July 4, 1776. All Americans should be proud of their ancestoral heritage. Other than the American Indian, our ancestors come from England, Scotland, Ireland, Italy, Scandanavia, Asia, Africa and other parts of the globe. An American who is proud of his ancestoral heritage makes him a better American. Our country's heritage of freedom is founded in the spirit of 1776. Our Greek ancestors' heritage of freedom is founded in the spirit of 1821.

The Greek spirit of 1821 was the driving force of freedom loving Greek soldiers who fought against the Kaiser's armies on the same side as the American soldier in World War I. The spirit of '76 and the spirit of '21 again fought as allies in World War II when in the cause of freedom and independence, the Greeks smashed the facist armies of Mussolini and instead of cringing from fright, Greece then became one of the first of the smaller countries who fought and destroyed much of Hitler's powerful armies before falling to a glorious defeat in the true spartan tradition on the battlefield but not in their hearts and souls because the flame of 1821 always burns brightly within every citizen and descendant of Greece just as the freedom flame of 1776 burns within every American.

The same spirit of '21 motivated Greece to put down a Communist inspired civil war following World War II. Again, the Greek Army distinguished itself fighting side by side with the American armies to preserve the freedom of Korea, and more recently, Greece aided the American cause in Vietnam. One of the most inspiring communications ever made with respect to Greek independence day was sent by Great Britain's Prime Minister, Winston Churchill, who sent the following words to Prime Minister Tsouderos on Greek independence day in March, 1943, at a time when Hitler's army still occupied Greece. The following are some excerpts from that communication:

"While Greece is groaning under tyranny, her people are more conscious than ever of their historic greatness and remember the glories of their war of independence. Today the people of Britain salute the heroes of the new war of liberation now being fought in the mountains, cities, and villages of Greece . . . The night of slavery will pass . . . When the hour strikes—and you will be given warning when it is time to act as one man—Greece will drive the barbarous usurpers from her soil. Then, united in victory as in suffering, Greece will take her place among the free peoples of the world. Victory is sure."

May the spirit of 1821 and 1776 remain embedded in the hearts and minds of free and independent Greeks and Americans not only on Independence Day but every day.

REMARKS MADE BY THE PRESIDENT OF THE PHILADELPHIA FEDERATION MRS. GEORGE P. PAVLOS

Mr. John Kokonos, Honorable Anthony Nomikos, Governor Milton Shapp, Members of the mayors cabinet, Members of the city council, Consuls of various nations, Members of Congress, Members of the Judiciary, military personnel, clergy presidents of the church communities, ladies and gentlemen and last but not least the children in their colorful costumes add beauty to this occasion.

As President of the Philadelphia Federation of American Hellenic Societies and on behalf of the entire American Greek community of greater Philadelphia. I wish to express to each and every one of you, my sincere gratitude for sacrificing some of your valuable time to come here to these hallowed grounds to help us celebrate the most important ethnic holiday, the 152nd anniversary of Greek independence.

To all those city of Philadelphia officials who always have been so kind and cooperative in our efforts: to Police Commissioner Joseph O'Neil, to Captain Joseph Cifelly and his band, to our soloist Mrs. Evelyn Springs, to the V.F.W., Girl Scouts and leaders, church communities and all the organizations who helped in making this affair a success, by heartfelt thanks.

We, Americans of Greek ancestry cannot but be proud of the accomplishments of our forefathers, and by this simple ceremony today, want to show the world that besides being good Americans, we can never erase from our hearts that tender spot we have for those who valiantly fought so freedom and democracy will live forever. Thank you.

REMARKS OF ANTHONY NOMIKOS

Reverend Fathers, Hon. Governor Shapp, Hon. Congressman Eilberg, Deputy Repr. Angell, Ladies and Gentlemen, Talking in front of the Independence Hall in Philadelphia is for me a unique experience. Particularly in celebrating the 25th of March 1821, the Day of Greek Independence. There could not have been a more appropriate place.

I feel therefore a great honor and pleasure for my wife and myself to be here in this historical city and in front of this historical place to address a greeting to you on this auspicious day.

The privilege was granted to me through the inability of H.E. the Greek Ambassador John Sorokos to be present himself, which he deeply regrets, as he had to attend similar ceremonies in Washington. The Ambassador has asked me to convey to you his cordial greetings on this occasion, and represent him at this wonderful celebration. May I express here my heartfelt congratulations to the organizing Committee and particularly the Chairman of the Philadelphia Federation of American—Hellenic Societies, Mrs. Pavlos, the Co-chairmen, the Rev. Fathers and Chairmen of the Societies, on the perfect way everything was conducted. One cannot fail to see the energy, enthusiasm and devotion with which the program was carried out.

A word of deep appreciation should also be addressed to the Authorities of this State and this city for their warm participation and their contribution to the success of this Celebration.

Following the solemn Doxology earlier this morning was a moving experience for my wife and myself. That was the beginning of the celebration honoring the great anniversary which is cherished in the hearts of all men dedicated to the ideal of Liberty.

On the 29th of May 1453 this liberty was torn away from the Greek nation, the nation on whose soil it was born. On that ill-omened day was staged the most passionate drama that history has ever known. The Byzantine empire fell, an empire that for more than one thousand years developed a remarkable civilization based on the solid foundation of the hellenic-christian spirit.

On that sinister day the Greek nation sank into a terrible slavery. Darkness covered the Greek horizon.

But in spite of the shadowed days and the nights of fathomless darkness, the flame of Liberty kept burning. In the moonlight and in the candle-light one generation after another received this burning flame of Liberty. And the enslaved Greek soul awaited with patience and perseverance the rising of the sun! After nearly four hundred years of slavery the day started to break!

On the 25th of March 1821 in the historical monastery of Aghia Lavra the Archbishop of Paleon Patron Germanos raised the banner of the Revolution with the cry: "Liberty or Death". This cry echoed and spread all over the enslaved land. With a fever of enthusiasm the whole Greek nation embarked upon a fierce struggle for the most sacred ideal of man: Liberty!

This struggle, undertaken under highly unfavourable conditions, by so few against so many, is a remarkable phenomenon. It was practically, a handful of brave men and women—and History records the heroic deeds of Greek women, like Bouboulina—without arms, who had the courage to challenge a most powerful empire. But this struggle for independence and the confidence in its outcome is due to the faith of Hellenism in the eternal ideal of Liberty.

Victory crowned that hard and unequal war, which lasted seven years and was fought under terrific hardships, but with unfailing faith in the result. The modern Greek state was rebuilt on the sacred soil of ancient Hellas. It is therefore appropriate for us to celebrate today the anniversary of 1821 and honor the memory of those who fought with a passion for liberty and self-sacrifice in order that we may today be free.

152 years have passed since that day. And as it goes every year farther into the depths of History, so it becomes stronger in the hearts of men. The heroic achievements of our ancestors of the generation of 1821, who proved themselves worthy sons of the heroes of Marathon and Thermopylae, of Salamis and Psara, will march down to posterity with divine honors.

The 25th of March 1821 will remain a symbol of dedication to the highest ideals of man. But the spirit of 1821 is not limited to the geographic boundaries of Greece. It is universal. Our American friends who are preparing the celebrations of the bi-centennial of the Independence of this land, are doing so in the same spirit. The bell which is kept in this Hall conveys the same message to mankind, the message, to say it with Benjamin Franklin, the illustrious son of this city, of "Virtue, morality and Liberty". That is why I am profoundly moved by the fact that we are today celebrating the Independence Day of Greece in the most appropriate setting, in this city which has proved, over and above its great historical importance, its particular interest in the arts, philosophy and the sciences.

It is known—and that I can say in all modesty—that the world owes a lot to Greece. But I can also say that the generation of 1821 owes a lot to the generation of Patrick Henry, that generation of men so lavishly endowed with patriotism. His message "give me liberty or give me death" reverberated not only on the green plains of Virginia and Pennsylvania, but also echoed on the arid mountains of Roumeli and the Peloponese.

And this message was also conveyed in a concrete form through the actual participation of Americans in the Greek war of Independence. It is interesting to read what Douglas Dakin records in his book "British and American Philhellenes during the War of Greek Independence." J. P. Miller and Dr. S. G. Howe took part in the war and became well-known *philanthropists. Dr.* Howe returned in 1828 to the Greek island of Egina where he employed the poor to build the American mole. In March 1829, he began the task of organizing the agricultural colony of Washingtonia, the village of Hexamilia, some three miles from Acrocorinth on the Isthmus. He returned to the United States to take up the important post of Director of Dr. Fisher's Institute for the blind. But his love for Greece made him revisit that country later when he was given a most touching welcome in Washingtonia.

Another American, Getty, a somewhat eccentric doctor, as Dakin says, used to stroll around with an old Kentucky rifle over his shoulder. Another interesting story is told of the American volunteer, the seaman George Wilson of Providence, Rhode Island, who had gone to Greece in March 1827 as gunner and boatswain and who had displayed such bravery in the battle of Salona that Admiral Cochrane had given him a special toast at a dinner held to commemorate *this* victory. Wilson married a Greek wife and raised a family and was given the post of custodian of the Protestant Burial Ground in Athens.

I have mentioned only a few names of those numerous Americans who helped in the liberation of Greece. By doing so I intended to stress the universality of the spirit of 1821 and to underline the dedication of the Americans to the high ideal of Liberty.

May I be allowed now to say a few words in my mother tongue.

(The following is a translation of the Greek portion of the statement:)

I spoke already, dear friends of Greek ancestry, about the role which our Church played in the splendid struggle of 1821. It was not accidental that the declaration of the Revolution by the Archbishop of Paleon Patron Germanos was made on the 25th of March, the day of Annunciation. In the long history of the Greek Nation, the Greek Orthodox Church has always taken the lead.

But the inestimable contribution of our Church was mainly proven during the four hundred difficult years of slavery of our Nation. The "secret school", where the priest, in the moonlight and the candle-light, gave the children, from generation to generation, the knowledge that kept alive the flame of

Liberty, maintained intact the sacred deposit of the traditions of the Greek race. Thanks also to the invaluable contribution of our Church, our heroic ancestors of the brave generation of 1821 proved how well they knew to respect and esteem the high ideals of the Greek Nation. For this reason we get together every year wherever we are to celebrate this great Day and to pay tribute to those who created the Eighteen-twenty-one.

The celebration of our historic anniversary assumes however a particular significance abroad where the emigrant Greeks maintain a remarkable dedication to the traditions and customs of the Greek Nation. But also because they are reminded of the important contribution of the emigrant Greeks in the years of slavery but also at the time of the Revolution.

I am therefore greatly moved and pleased that we celebrate today our splendid anniversary, because you, who are today citizens of this great and hospitable country of the United States of America, do not cease to keep unmitigated your faith in the Greek spiritual ideals.

Particularly I congratulate you of the area of historic Philadelphia—who constitute a lively part of the Americans of Greek descent—on the excellent organization of the anniversary today, with which you have enthusiastically shown the expression of gratitude to our heroic ancestors of 1821.

(End of translation.)

We follow your achievements with profound interest and great admiration. And I can say that, as the emigrant Greeks of the years before the Revolution of 1821 played an inestimable role in moving the world public opinion for the just cause of the Greek struggle for Independence and substantially helped their motherland, you also contribtue immensely to the projection of the cultural and spiritual ideals of Greece and to the strengthening of the bond of friendship which so happily unite the two countries.

With these thoughts and in this spirit let us all rejoice at the commemoration of the great anniversary of 1821.

Remarks by Gov. Milton J. Shapp

Greece came under rule of the Ottoman Empire in 1453 and on March 25, 1821, the Greek war for independence from the Turks began.

I am honored to be part of the commemoration services to honor a Greek people who overcame a foreign power occupying their homeland, a people who were oppressed for more than 300 years but never lost their spark of nationalism, of pride, of a desire to be free.

The entire history of the Greek nation has been one of battle against outside occupation. First it was the Romans in the second and first centuries B.C.

In the fourth century A.D. Greece became part of the Eastern Byzantine Empire and then in 1453 part of the Ottoman Empire.

We are here today to commemorate those people who rose up and freed their homeland from the Turks 152 years ago.

It was on this day in 1821 that the Greek national flag was again flown over Athens and the Greek people determined they would no longer accept Ottoman rule in their home country.

Despite the odds, and despite the power of the Ottoman Empire, the Greek determination to be free proved to be the ultimate factor.

Though ill-equipped and lacking supplies, the Greek people were victorious in their war for independence. Although the fighting took better than eight years, the Turks were defeated and driven from Greece.

The bravery and determination of these Greek patriots who fought and died for the freedom of their homeland, serve as an inspiration for all of us.

Remarks of Representative Joshua Eilberg

I want to thank all of you for allowing me to celebrate the 152nd anniversary of Greek independence with you today.

This is a day when we recall that throughout history Greeks have fought for freedom and democracy.

In ancient times Greek heroes defended Greek independence from the Persians.

During the 19th century, Prince Alexandros Ypsilantis, his brother Dimitrios, Theodoros Kolotronis and Archbishop Germanos of Patras were responsible for the events which we remember and honor here, today.

In more modern times the Greeks have fought to remain independent even though they have been attacked by both the forces of the left and the right.

In 1940 the Facists demanded that the Greeks surrender. On October 25, they replied "Okhi" or "No" and that day is now celebrated as a holiday.

Following the Second World War, Greece was attacked by the Communists and once again the Greeks managed to maintain their freedom.

The continuing struggle of the Greek people to remain free and independent is a source of inspiration to all of us and you as Greek-Americans are justifiably proud of your heritage.

Greek civilization is remembered for many things, art, literature, philosophy, and architecture. But, as a lawyer, and a Congressman, I am most conscious of the great men of the law, such as Draco, Solon, Cleistenes, Pericles and Lycurgus who are responsible for many of our most basic legal concepts.

Because ancient Greece was governed under the rule of law, these men were honored and esteemed. Their teachings and examples are not forgotten today.

When members of the House of Representatives go from their offices to the floor of Congress to debate and vote on the laws of our country, they pass sculptures of men such as Solon and Lycurgus.

These busts and reliefs are not placed there just for decoration. They are reminders of the men and traditions which law makers must follow if they are to fulfill their obligation to all the people.

It is the impartial rule of law and close adherence to its principles which makes a country great. If the United States is to maintain its position of world leadership, we will have to continue to follow the basic principles set down years ago by the ancient Greeks and followed by the Greek-American community of today.

Thank you.

FREEDOM TREE DEDICATION

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. PETTIS. Mr. Speaker, I would like to bring to the attention of my colleagues the fine citizenship that has been displayed by a group of young Americans in the community of San Bernardino in my State of California. The children of St. Anne's Catholic Grammar School organized a special Freedom Tree Dedication day honoring Cmdr. Roy Bowling, a native of San Bernardino, Calif., who is listed as missing in action in Vietnam. For their concern for all American servicemen, especially those captured or lost, and their enthusiasm for the value of freedom, good citizenship, and brotherhood, I commend these fine, young citizens. I would like to share with my colleagues the following theme they have chosen for their Freedom Tree Dedication:

> A tree is so fitting a reminder of what freedom is. A tree struggles to grow, so does freedom. If a tree does not struggle, it will die. So, too, Freedom. This is alive, and so is Freedom.

DIM OUTLOOK FOR LIBRARIES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. FRASER. Mr. Speaker, the Federal library program has done much to bring library services to people who were either poorly served before or served not at all. Millions of people have had better access to books and reading materials, because of the extra Federal dollars available to local library systems.

Unfortunately, it looks as if this Federal role may be coming to an end. We understand that President Nixon will ask for no new funds this year for libraries. The program for public libraries authorized under the Library Services Act, will be eliminated entirely. And so will the Education Act programs that provide funds for school and college libraries.

In the Twin Cities, we estimate that the public libraries will lose close to a half million in Federal money, because of these budget cuts. Elementary and secondary schools in the metropolitan area will lose another half million dollars in library aid.

These programs are by no means a heavy drain on the Federal Treasury. Last year, for example, the total Federal expenditure for libraries across the Nation was under $150 million—or less than the cost of 10 F–14 fighter planes. Faced with this kind of choice, the administration apparently is opting for the military budget. The defense budget will rise by several billions in the President's proposals while this library aid is ended.

I insert the following vivid article by Colman McCarthy which appeared in the Washington Post on April 13, 1973:

Dim Outlook for Libraries

(By Colman McCarthy)

It is National Library Week but instead of taking pride in their work librarians are taking cover. They see themselves and the nation's 12,000 libraries as harassed targets of budget cuts proposed by the Nixon administration. For 1974, the Library Services and Construction Act is scheduled to receive zero funding. This blackout applies as well for library programs under the Elementary and Secondary Education Act and the Higher Education Act. Like nickels and dimes for overdue books, the Nixon administration is calling this money back, a total last year of $140 million. At the same time he is getting out of the book business, Richard Nixon says—in a message to the librarians at the start of their unhappy week—that "an efficient and readily accessible library system" is essential to the Republic.

The differences between a politician's eloquent talk and his actions are nothing new to Washington, but librarians in the neighborhoods have no way of fighting back. Milton Byam, director of the District of Columbia's public library, reports that "We have felt the proposed cuts in two ways. We have four model cities storefront branches and two bookmobiles that may disappear. These are in poor areas, in the city's northeast section. In addition, the proposed zero funding of the Library Services and Construction Act endangers the whole attempt to give services to the blind, the physically handicapped, the home-bound and the citizens in hospitals and prisons. They'll have no books or services. We've been promised that revenue sharing will take care of this but we see no way that this will be true."

According to administration testimony before the House Education and Labor Committee, libraries will be eligible for money under general and special revenue sharing. "That sounds fine when you hear it out of context," says Eileen Cooke director of the Washington office of the American Library Association. "But put it into context. Under general revenue sharing mayors control the money. This means that libraries must compete for limited funds with other vital services such as police and fire protection, sewage disposal and public transportation. Under the proposed special education revenue sharing, the state could fund school libraries but the money would have come out of programs for school lunches, adult education, vocational training, aid for the handicapped and efforts like that.

The librarians do not disdain getting into the gritty scramble for dollars but they are realists who know that local budget offices put low value on books. "It's ironic" says Miss Cooke. "Go back and read what Mr. Nixon said in his inaugural where he paraphrased John Kennedy and said the citizens should begin asking what they can do for themselves. But what symbolizes this self-help more than a good neighborhood library? If the public is going to make the wise decisions of citizenship that the President asks for, how can they do it without adequate libraries and current information? It is obvious the President has received poor advice about libraries from his budget people."

Oddly, the administration says the library programs have succeeded, and that this success means the libraries can make it without federal money. Thus, in its social programs, the administration is having it both ways: the libraries can be abandoned because they succeed while other programs, like Community Action, can be scrapped because they are said to fail.

Even before the Nixon administration decided to save money by walking away from libraries the situation was strained. For the last six months of 1972, for example, the University of Michigan library was unable to buy any books. Nearly 40 per cent of U.S. elementary schools still lack libraries. In some states as many as 95 per cent of the elementary schools have no libraries. In the last budget proposals for school libraries—before zero funding was proposed—the money would have purchased only one-third of a book per school child. As for public libraries, some 20 million citizens live in neighborhoods where none exists. In communities that do have libraries it is clear they are valued. Last May when the "experts" predicted a taxpayer revolt, citizens in four New York counties—Nassau, Suffolk, Westchester and Rockland—voted in favor of most library budgets, not against. In some communities school budgets were rejected while library budgets passed.

Against this background librarians are calling the actions of the Nixon administration "tragic" and "disastrous." The American Library Association has begun a program to let the public know that libraries are now on the endangered species list. On May 8, libraries across the country will dim their lights, a symbolic gesture whose theme is "Dimming The Lights On The Public's Right To Know."

With no direct federal support for libraries—as such support has been present since 1956—it is clear that in the librarians' cry of wolf, a wolf truly is at the door. The association speaks with precision when it says the public's right to know is at stake. Countless citizens use libraries not only for books, recordings and other services but also for magazines and daily newspapers. How enjoyable it would be for the Nixon administration to see libraries closed that spend money for books and publications critical of administration policies. Can any other way of silencing critics be more effective than closing down libraries?

Until now the phrase "the public's right to know" has had a narrow interpretation used by editors and journalists who refused to be scared off by grand juries and possible jail terms. Now, however, with libraries under seige, individual citizens are no longer passive witnesses to the exchange of fire between the press and the government; they are being fired on too. Some citizens already understand this. Mrs. Lee Leibowitz of Rockville has been blind for 10 years. She has been using her local library for its Talking Books program. "Libraries are crucial," she says. "How much TV and radio can we consume? I feel personally insulted by the Nixon administration in cutting back funds for libraries. I'm blind. And now I'm being told that I may have to get along without a library. Go shift for yourself is the message. It's very frightening."

It is also cause for wonder. Officials of the Nixon administration tell the public that its budget cuts for social programs mean that public money is being saved. Saved for what? The reason people send in their tax money, aside from fear of the IRS, is that they know some part of it, all too small a part, goes for such benefits as libraries. But if libraries disappear, where are the benefits? History has seen governments that have burned books or banned them; the Nixon administration is not trying this but the effect may be the same: the smothering of information.

A chance exists that libraries may be salvaged through action by Congress. If rallied by the public, the politicians may fight to reject the proposed cuts. Even then if Congress does restore the money for libraries, the administration may not spend it. If this happens, the lights that are to be dimmed May 8 may well stay dimmed.

MANPOWER REFORM LEGISLATION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ESCH. Mr. Speaker, unfortunately, the Rules Committee passed a rule that would not allow the House to work its will on total manpower reform legislation. Tomorrow the majority will attempt to bring to the floor, H.R. 4204, the so-called Emergency Employment Act. I rise today to speak to the House to urge that they amend the rule to allow our bill, H.R. 6710, to be in order. This can be done if the Members will vote "No" on the previous question to the rule. If the vote on the previous question fails, I urge you to defeat the rule on H.R. 4204. We simply should not extend one more categorical program. The Education and Labor Committee should in the next 3 months face squarely the problem of total manpower reform and not enact piecemeal legislation. This can only be done if we defeat the rule.

Although this legislation is not due to expire for some 2 months, this bill has been pushed through the Rules Committee and we find the House Members being asked tomorrow to vote on legislation without having full time for analytical consideration. Indeed, the rule itself asked for a waiver of the 3-day provision which is there to provide for orderly process. The more responsible procedure would be to defeat the rule on H.R. 4204 if we cannot consider total manpower reform at this time.

I have long shared the belief that transitional public service employment ought to be one of the tools available to State and local government for carrying out a comprehensive manpower program geared to meet local needs and changing conditions. I have long believed that it should be part of a total program addressed to the real needs of the more than 5 million unemployed in this country. However, the bill we will have before us tomorrow, H.R. 4204, is fatally defective for a number of reasons, among which are the following:

First, the authorization figures are unrealistic in light of budgetary constrictions. The Emergency Employment Act was originally enacted in July of 1971 as an emergeny measure to help deal with a high national unemployment rate—6 percent—that threatened to move higher. At that time, the 2-year aggregate authorization was set at $2,250,000,000. Now, at a time when the national unemployment rate is at 5 percent and appears to be moving down, this bill proposes to extend an emergency program with a 2-year aggregate authorization of $4,500,000,000—double that of the original act.

Second, there is no real need for this bill. The existing EEA authorization does not run out until June 30, 1974. In addition, should the national unemployment rate fall below 4.5 percent for 3 consecutive months, most of the funds under the committee bill would be triggered automatically. And it was only last week that the Department of Labor indicated it will spend over $800 million between March 15 of this year and *June 30, 1974*, for the continuation of EEA, and have already advocated these funds to more than 650 cities, counties, and States.

Third, the original act was passed and signed by the President in the understanding that it was a transitional program and not designed to provide permanent employment of individuals on public payrolls. To assure that the act would remain *transitional* in scope, the authorization was limited to 2 years. This further extension would defeat and would be contrary to that purpose.

Fourth, this act purports to serve a confusing and often conflicting set of purposes—helping young people and veterans; welfare recipients; and migrants; the non-English speaking; and the unemployed technical and professional personnel. Frankly, I believe that this act is unsuited for these individuals in a time of rising employment opportunities. The fact is that only a little more than a third of all persons employed under this act can be described as disadvantaged and more than 60 percent are at least high school graduates. Only about 12 percent have been welfare recipients and less than one-third have been veterans who served in Indochina. Many are technicians, paraprofessionals and professional personnel who were unemployed because of temporary or purely local dislocations in the economy and are the first to find regular jobs as unemployment declines. As economic conditions improve, the needs of the unemployed shift more and more to skilled training and basic education, which this act is most certainly not designed to accommodate.

Mr. Speaker, it is my firm belief that enactment of H.R. 4204 would make more remote the achievement of a decategorized, decentralized, comprehensive manpower authority which virtually every expert on the subject agrees is an urgent national priority in the field of manpower development.

Accordingly, I have introduced a substitute bill, H.R. 6710—the Comprehensive Manpower Act, the principal features of which have been the subject of extensive testimony before the Select Labor Committee, of which I am ranking member, over the past 3 years. It is unfortunate that the route has been chosen of simply extending the Emergency Employment Act in the face of overwhelming evidence of the need for extensive reform of the near-chaotic network of manpower development programs which the Federal Government has created over the last decade. It is a system which does not serve well either the national interest or that of the unemployed or underemployed person.

Perhaps the most impressive testimony to date on the absurdity of our present system is the brilliant illustration of mass chaos and confusion in the District of Columbia's manpower programs found in the GAO report submitted to Congress this past January.

Therein is described a wild blur of competing programs—such as JOBS, MEDHIC, EFEC, PIC, PEP, PAM, PRIDE, CEP, CLIC, CREATE, WIN, WICS, WREST, and WOW, not to mention Project Build, Project Open, and Project Option. And to quote from this study:

> No one knows how many people are being trained, where they are being trained, for what occupations they are being trained, or the impact of the training on the demand for skilled workers.

Unfortunately, for the unemployed throughout the country, GAO correctly surmised that the manpower situation in the District is fairly typical of urban areas and the report made findings and conclusions as follows:

> GAO's study of the 17 Federal manpower programs revealed a maze of local systems for the delivery of similar job training and employment services to the same group of District residents. The providing of such services on an individual program approach resulted in a complex, confusing, and uncoordinated effort to assist those persons in becoming gainfully employed. The multiplicity of Federal programs and the confusing network of delivery systems . . . are persuasive evidence of the need for simplification . . . *To achieve as comprehensive manpower delivery system for the District and the Nation, congressional action is needed.*" (Emphasis supplied.)

The report, in effect, stated that in an effort to help relieve the burdens of the unemployed what we have actually done is to create a monster that serves to confuse the person in search of training and a meaningful job and oftentimes lead that person in the wrong direction. The bill before us, H.R. 4204, ignores not only the advice of one of the few instruments Congress has in assisting it to make policy, it has also ignored the advice of the Nation's Governors, county officials, and mayors, who, while not opposing EEA extension have urged that priority be given to total reform.

As Gov. Patrick J. Lucey of Wisconsin, testifying on February 27, 1973, before a Senate Subcommittee on Manpower and Poverty, stated:

> I believe virtually all governors would agree on a basic set of principles which any new federal manpower policy must embrace. . . . We want the kind of manpower reform legislation which will decategorize programs, make a specific sum available to state and local government on a formula basis, and allow us to plan for the use of that money based on state and local needs. In short, we agree with the President that there is a need for a newly defined federalism in America, that narrow federal program requirements frequently get in the way of good administrative policy and meaningful and effective action at the state and local levels.

Gov. Francis W. Sargent of Massachusetts, and Gov. Calvin L. Rampton, of Utah, supported these views in the same hearing, and all three requested a significant State role in the planning and execution of manpower programs.

The Honorable Patricia Sheehan, mayor of New Brunswick, N.J., testifying before our Select Subcommittee on Labor on March 6, 1973, on behalf of the National League of Cities and the U.S. Conference of Mayors reiterated the need for "enactment of manpower reform legislation which embodies the basic principles of program decategorization, program decentralization and program consolidation and which would provide for the creation of permanent public service employment opportunities."

Then Mayor Sheehan added this comment which is extremely pertinent to the consideration of the bill before us and the Comprehensive Manpower Act. Said Mayor Sheehan:

> From the very beginning I want to make a critical aspect of our policy clear. We believe that the reform of national manpower policy MUST include both comprehensive reorganization of existing manpower training programs and commitment to *permanent* public service employment. It is not an either-or proposition.

Mr. John Klein, the county executive of Suffolk County, N.Y., testified before the Select Subcommittee on Labor on March 21, 1973, on behalf of the National Association of Counties, and submitted a strong endorsement for reform. As Mr. Klein stated:

> Our first preference with respect to public service employment is that it be a part of a comprehensive manpower bill. It is our conviction that public employment should be part of the arsenal available to local sponsors to use in meeting locally determined priorities. We do not wish our hands tied with strings that have no bearing on our particular situation. We can understand the need for national priorities. But in many instances these national priorities are passed on to the local level in the form of inflexible guidelines. PEP (the acronym for the program authorized by the Emergency Employment Act) allows us some flexibility, but if we are going to be able to respond adequately to the needs of our citizens hold us accountable for, we need greater flexibility. Only comprehensive manpower reform legislation can give us the flexibility which includes the option of transitional public sector employment.

Mr. Speaker, the testimony of these representatives of our Nation's States, cities, and counties, have convinced many here that there is a need not to go with a simple 2-year extension of EEA, but for a comprehensive bill that meets the needs of those millions who would not benefit under a PEP program.

Accordingly, I have introduced a Comprehensive Manpower Act, designed to reduce the confusion of our present manpower program and to provide a system for the States and localities to meet their needs. This legislation provides for comprehensive manpower training and related services, including public employment programs, under a State plan approved by the Secretary. Under the plan, the State would designate "prime sponsors," which can be a unit of government or any combination of governments, which will have the "prime" responsibility for administering the program with passthrough dollars.

However, the mayors in a prime sponsor area can veto the State plan for their area, and any difficulty in resolving a plan with the State will be decided by the Secretary.

A second key provision is a requirement that institutional training be provided or approved by the State agency administering the Vocational Education Act. I believe that it is time that we recognize that our vocational education programs ought to be administered through the State agencies and should be coordinated with the State's manpower efforts. Title II of this bill authorizes a transitional public service employment program to be administered at the discretion of localities. Salaries for PEP employees would be limited to $12,000 per year and the Federal Government share of the cost is held at 90 percent.

The bill authorizes $2.5 billion for fiscal year 1974, and for each of the succeeding 2 years, a figure slightly above fiscal year 1973 spending for all manpower programs and including the $800 million carryover for EEA. Seventy-five percent of these funds are for the State grants and PEP programs; 25 percent is reserved for national emphasis programs such as PEP, Indians, bilingual instruction, migrant and seasonal farmworkers, middle-aged and older workers. A special $450,000,000 set-aside is authorized for "Manpower Programs for Youth"—in section 306—to include NYC and other youth employment programs.

Other special Federal responsibilities include manpower research and development, a national computerized job bank program, employment opportunities for the disadvantaged, occupational upgrading, and an emphasis on Vietnam veterans.

Lastly, title V establishes a National Institute for Manpower Policy to conduct studies and make future recommendations for a coherent manpower policy.

Mr. Speaker, this legislation addresses squarely the issue of whether or not it is sound policy to proceed separately with an extension of the Emergency Employment Act as opposed to the inclusion of a public service employment component in comprehensive reform legislation.

The fact is that the Emergency Employment Act in its existing form, and as it would be extended by H.R. 4204, authorizes a narrowly categorical manpower program to be added to those funded under other legislation. Funds made available to governmental units under this act may be spent only for public service employment, although they may be very much needed for other types of manpower training services. Conversely, funds made available under other legislation for other programs may not be utilized for public service employment even though special circumstances or needs in a locality require an expansion of such employment beyond that permitted by funding under this act. This is precisely the kind of binding inflexibility State and local officials find so unrealistic.

Moreover—unlike the public service component described in title II of the substitute bill—the major portion of this program—section 5 of the act—is temporary. It is triggered automatically if the national unemployment rate falls below 4.5 percent for 3 consecutive months—as may well occur in the next few months if present trends continue—leaving only a program authorized under section 6 for areas which have had an unemployment rate of 6 percent or above for 3 consecutive months. There is a degree of uncertainty in this program which makes it an undependable component in any manpower program.

Nor can the extension of this act be regarded as an answer to the problem of unemployment emphasized in the views of the majority. At the peak of the program in July of 1972, 185,000 persons were employed in it as compared with national unemployment of 5,000,000—or 3 percent of the total unemployed. This represents no more than the amount of fluctuation which might typically occur from one month to the next in the number of unemployed in the Nation.

Mr. Speaker, I believe that the Congress should set to work on developing national manpower policy expressed in comprehensive legislation. Otherwise the major policy decisions will continue to be made in the executive branch by regulation. The extension of narrow, categorical program authorizations—particularly when there is no immediate threat of the expiration of the program—seriously undermines this position and further postpones a long overdue congressional initiative.

We simply must take a coordinated systems approach to meeting manpower needs, one which is client oriented. We need to be able in every manpower market area to determine for any given time the job opportunities available and to make reasonably accurate forecasts of changing demands. We should be able to determine the real potential of unemployed and underemployed persons seeking help and to provide effective employment counseling, as well as the opportunity for job experience or temporary jobs through public service employment.

WHY NOT A "STATE OF THE PEOPLE" ADDRESS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ALEXANDER. Mr. Speaker, since January, we have been periodically exposed to mimeographed notices of the President's view on the state of the Union. Today, I would like to share with you and my colleagues the state of the Union from another point of view—the people's.

I think you will find Mr. Courtney's column much more entertaining and probably just as realistic as some of the messages passed down from the White House:

CASUAL CHAT

(By Bill Courtney)

(Lately, most of the communication between government and the people is going one way. They're telling us about the State of the Nation, but aren't listening to the State of The People. So let's write them a letter.)

Dear Government: We got your message about beating high food costs by cutting down on the amount we eat. But we cut down a long time ago, when meat went over a dollar a pound. I don't rightly see how we can quit doing something we're already not doing.

Tell your economists to quit blaming the price of steaks on the price of cattle. A lot of us cattle raisers would be glad to trade incomes with the people who butcher the cattle, even though we know the government regulates wage increases. If you would regulate farm prices like you regulate labor, all of us farmers would need Swiss bank accounts, and we could buy Switzerland as well.

We also heard your talk about the "energy shortage." We've been around long enough to know this means you're going to get the gas and electric companies to raise their prices and allow gasoline to go to 50 cents a gallon. We know there's an ocean of oil in Alaska, dammed up behind your federal courts. You just let them pump that oil to the mainline and then see if we have a shortage.

Service people promised they were going to simplify their returns. They did it by making them so completely mystifying that we simplified our task by hiring someone else to do it. Have you ever considered asking Congress to repeal the whole incomprehensible mish-mash they call the Internal Revenue Code? Then replace it with a law that says simply: "Pay 10 percent of all your income, period." No deductions, no loopholes, no favoritism and no argument. Don't worry about hurting the poor folks; they'll be on welfare anyhow. The only people you'd really nick are the millionaires who are now lurking in your loopholes, tax-free.

You scare us that our balance of trade is unfavorable; that we are buying more imported goods than we are selling. Why don't you turn the farmers loose on the export market and see how much cotton, rice, wheat corn and processed agricultural products we can trade for German cars and Japanese TV sets?

You are saving money, you say, but cutting out disaster loans, housing subsidies and conservation funds in rural areas. All you're doing is preparing a lot of broke farmers on your welfare rolls and letting your taxpaying American farmland wash down into the Gulf of Mexico. Even a politician should be able to see that if his taxpayers go broke, his country will too.

You promised that you were going to streamline the postal service and make it more rapid. Whatever you did, didn't work. You might hire all those wild Indians from Wounded Knee to line up across the country in a network of smoke signals to speed up the message carrying. There are plenty of surplus Indians. On foggy days, when smoke signals couldn't be seen, they could line up closer together and "Whooop" messages from point to point.

We appreciate you getting the Army out of Vietnam, but it might have been better if you'd have gotten the communists out first. Now if you can just get the Navy and Air Force out of Laos, Cambodia and the rest of the Far East, we can let the reds bring the fighting to us.

We liked your advice about saying gasoline by driving slower. The way traffic is in most places, if we went much slower we wouldn't need a car at all. That would save gas, for sure.

It would be nice if all politicians could be required to take up golf, piano playing or parcheesi. The country could use a little relief from the amount of government we're getting these days. Give us a "bureaucrat break."

It's nice to talk to you, Mr. President, Mr. Congress and Mr. Courts. But we doubt if you heard us; we sometimes feel you don't even know we're down here.

GRASS ROOTS.

LEGAL SERVICES

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. THOMPSON of New Jersey. Mr. Speaker, there has been a good deal said in recent weeks concerning the legal services program. Although the President has himself endorsed the concept of legal services, we know that his message apparently has not gotten through to Mr. Howard Phillips, Acting Director of the Office of Economic Opportunity. In case there are any of our colleagues who question the need for the program, I commend to their attention an excellent commentary by Mr. James J. Kilpatrick, a distinguished columnist. His commentary reads as follows:

CONTINUE LEGAL SERVICES? BY ALL MEANS

There are times, sad to say, when American conservatives appear to constitute "the stupid party," as John Stuart Mill once labeled their British counterparts a century ago. By their failure to give active support to a continuing program of legal services for the poor, my brother conservatives are abandoning their principles and exhibiting a dull-wittedness that makes a man despair.

Of course a legal services program should be extended! Let the Congress, if it pleases, scrap everything else that has been funded through the Office of Economic Opportunity. Let the administration, if it can, dismantle a hundred boondoggling, paper-shuffling programs of grants-in-aid. But in one form or another, the Neighborhood Legal Services must be maintained.

Chiseled in stone above the great white columns of the U.S. Supreme Court are four famous words: Equal justice under law. No concept in our public life is nobler and no concept has been more poorly served. The grim truth is that for all practical purposes we still have two systems of law in this country, one for the rich, another for the poor. Every newspaperman who ever has covered the small claims and criminal courts of his city knows this is so.

Granted, much has been done in recent years. Indigent defendants, even in serious misdemeanor cases, now have a right to counsel. Bail reform has remedied some of the most flagrant evils of the criminal justice system. Since 1965, the federally assisted legal services program has greatly benefited the poor in areas of civil litigation. Now this civil program—a program seeking to promote equal justice under law—is threatened with abandonment. Conservatives, dedicated in principle to this elementary proposition, ought to be in the forefront of a fight to push the cause along.

But where are they? They are grumbling that in recent years the program of legal services has been abused. Doubtless this is true. It would be incredible not to discover abuses in a program involving 2,500 lawyers in 900 neighborhood law offices.

But these occasional abuses, while serious, have been few. Viewed on the whole record, the legal services program has helped to foster a sense of confidence not only in the courts, but also in what is known vaguely as "the system." In a message two years ago, urging creation of a wholly independent Legal Services Corporation, President Nixon made that point. "This program can provide a most effective mechanism for settling differences and securing justice within the system and not on the streets."

Unhappy, Nixon now seems to be dragging his heels. The present $70 million program is to expire in June, and nothing is yet in sight to take its place. It would be calamitous to let the concept go. As a recent report from the General Accounting Office made clear, the great bulk of case-work by the NLS lawyers involves legal problems arising from housing, domestic relations, employment and consumer grievances.

What is needed—and needed promptly—is a bill to create an independent legal services corporation, generously funded, with authority to provide essential representation for the poor. Such a corporation should have backup facilities for research. It ought not to be denied a hand in "law reform." Neither should it be prohibited from bringing the class actions that often provide the most effective remedies at law.

Conservatives should back such a bill, in the full awareness that from time to time they will be irritated, harassed, and outraged by the "zeal and adrenalin." Mistakes will be made. Incidents of bad judgment can be expected. But if we truly believe in equal justice under law, we ought not to be deterred from supporting an effort to make those words in stone something more than an empty phrase.

WHAT THEY RECOMMEND IS NOT WHAT WE GET

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. RANGEL. Mr. Speaker, in 1968, the Walker report was issued calling the demonstrations at the Democratic National Convention a "riot" on the part of the Chicago police department. Only the now-famous "Chicago 8" were indicted, and they surely were not policemen. In 1970, the Scranton Commission called the shooting of Kent State University students by the Ohio National Guard "unwarranted and inexcusable." Shortly thereafter, 25 Kent students were brought up on criminal charges, while the Guard members were totally exonerated.

These are only two of many recent examples of recommendations and reports by responsible commissions being totally ignored. Indeed, actions have been taken by the Government that are totally opposite of commission recommendations.

This is truly unfortunate. Presidential and other study commissions have been made up of experienced and talented people who are politically unbiased. Their observations and studies should be carefully considered, and, very often, their recommendations implemented.

Nowhere is this more true than in the area of voter registration. A 1963 Presidential Commission on Registration and Voting Participation summarized:

> Restrictive legal and administrative procedures in registration and voting disenfranchise millions.

Many of the recommendations put forth by the Commission are embodied in the National Voter Registration Rights Act of 1973—H.R. 4846—that I have introduced in the House of Representatives. This time around, let us take a close look at the Presidential Commission on Voter Registration and what we can do in Congress to enact its cogent recommendations. I now submit for your attention and the attention of my colleagues, relevant excerpts from the 1963 Commission report:

LEGAL AND ADMINISTRATIVE CAUSES OF LOW VOTER TURNOUT

Restrictive legal and administrative procedures for registration and voting are a major reason for low participation. Many election laws and administrative practices are unreasonable, unfair, and outmoded. They obstruct the path to the ballot box, disfranchising millions who want to vote. An unexpected business trip or a broken ankle can deprive a citizen of his right to vote. He may lose his vote by moving across the street. And he may discover that because he failed to vote two years ago he cannot vote now.

Registration Systems: The exercise of the franchise in the United States usually requires two deliberate acts on two different days: registration and voting. The finest voting system in the world is of no avail if registration inhibits participation. Registration procedures often require a visit to the county courthouse, with such attendant inconveniences as making the trip during working hours and standing in long lines. Although the great majority of States provides permanent registration, only half enable voters to register in their precincts rather than at one county office Only 17 States allow registration by mail.

Registration systems originally were established to provide up-to-date lists of eligible voters to prevent multiple voting and other electoral frauds. But often the systems used have had a quite different effect. Frequently registration has become an obstacle course for the voter rather than an assistance to voting.

A different problem is posed by registration provisions designed for the simple purpose of preventing people from voting and so keeping political power in the hands of one or another group. For example, one State is considering a plan to cut off registration many months before Election Day.

In too many States, registration closes more than a month before the election, when political campaigns are not in full swing and peak interest has not been achieved. Early closing dates coupled with the inconvenience of many registration procedures discourage potential voters Unlike registration systems in other Western democracies, where the initiative is with local officials and the process is simple and direct, registration in the United States often imposes undue burdens on citizens who desire to vote.

ARCTIC HEALTH RESEARCH CENTER

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. YOUNG of Alaska. Mr. Speaker, while the United States is only beginning to realize the importance of its Arctic resources, the people, the minerals, the timber, and fish of the North, it has come to my attention that the Federal Government plans to abolish the Arctic Health Research Center. The center, as you may know, was established at Fairbanks, Alaska, 25 years ago. And since then, it has gained a worldwide reputation as a leading facility for Arctic research.

While the subject of closure is still being debated, I wish, at this time, to bring to your attention Senate Joint Resolution No. 29, passed this year concerning the Arctic Health Research Center by the Alaska State Legislature:

SENATE JOINT RESOLUTION No. 29

Be it resolved by the Legislature of the State of Alaska:

Whereas the Arctic Health Research Center was established in 1948 to conduct activities necessary in the investigation, prevention, treatment, and control of diseases; and

Whereas since that time the Center has gained a world-renowned reputation for its work in cold-adaptive processes, cold as a factor in human stress, the life cycles of parasites and host-parasite relationships peculiar to the arctic, and more recently for its work related to the biomedical and environmental engineering needs of concerns planning arctic activities, and for its efforts related to a host of other projects too numerous to list; and

Whereas it currently serves as the only United States nonmilitary focus on cold weather research on the health and social well-being of man in the arctic and subarctic environment; and

Whereas under the proposed federal budget for 1973–74 the Arctic Health Research Center will be abolished; and

Whereas there is national recognition of Alaskan resources, human needs and problems, all dictating continued research into the biomedical and environmental fields in connection with the arctic; and

Whereas the proposed termination of the operations of the Center is at the least a violation of the spirit of sec. 2(c) of the Alaska Native Claims Settlement Act;

Be it resolved by the Alaska Legislature that the proposed abolition of the Arctic Health Research Center is deplored and it urgently requests the President of the United States to direct the Office of Management and Budget to fully fund the Center for fiscal 1973–74.

Copies of this Resolution shall be sent to the Honorable Richard M. Nixon, President of the United States; the Honorable Caspar Weinberger, Secretary, Department of Health, Education and Welfare; the Honorable Roy L. Ash, Director, Office of Management and Budget; the Honorable John L. McClellan, Chairman, Senate Appropriations Committee; the Honorable George H. Mahon, Chairman, House Appropriations Committee; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

THE PEOPLE OF GUAM WANT FAIR PAYMENT FOR THEIR LANDS

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. WON PAT. Mr. Speaker, in the years immediately following World War II, the U.S. military took possession of a great deal of land in the Territory of Guam—land that was used to build Navy and Air Force bases from which we launched our successful attacks against the enemy in the closing days of the war, and land which many residents of Guam contend the U.S. Department of the Navy took without adequately compensating the owners.

Although many years have passed since the original transactions took place, there are compelling reasons that warrant the review of this situation to insure that justice is done. Accordingly I have introduced a bill, H.R. 6825, which will provide these claimants with an avenue of redress. My bill would authorize the District Court of Guam, for a period of 1 year after enactment, to hear any claims which arose from land transactions in the territory prior to 1950, when the Congress enacted the Guam Organic Act. At present, of course, statute of limitation precludes the court from reviewing these claims.

Last year, an identical measure was introduced by our esteemed former colleague, Congressman Wayne Aspinall, then chairman of the House Interior Committee. Hearings were subsequently held on that bill, H.R. 5440, by the Subcommittee on Territorial Affairs, chaired by my good friend and colleague, Representative PHILLIP BURTON.

Another measure addressing the same problem, but calling for the creation of a Land Claims Commission to investigate the matter, was introduced in the Senate by Senator HENRY JACKSON, chariman of the Interior Committee. Testimony was also heard on that bill.

During the hearings on both measures, considerable testimony was put forth by members of the Guam Legislature as to the need for this legislation. As the witnesses from Guam spoke, one tragic story after another began to unfold about how the local people were consistently denied due process of law by the Navy during the dealings over the land.

It is true that many persons were coerced, including through an appeal to their sense of loyalty and patriotism to America, into selling their land at give-away prices. Many others received threats and other forms of intimidation if they demurred in accepting the offered settlement. As our only form of government was by military edict, concerned citizens had no place to seek assistance, except to a court which was operated and officiated by naval officers—hardly a disinterested judicial body.

Now, over 20 years later, hundreds of people on Guam still wonder if justice will ever prevail. They wait and hope that Congress will finally take cognizance of their plight and at long last give these people an avenue of relief which they need.

What the people seek is justice. The people of Guam want to be assured that their years of dedication to the American flag will not go unnoticed, and that our people who were accorded grievous treatment can finally gain the justice they rightfully seek.

SMITHSONIAN SEMINAR MARKS NICOLAUS COPERNICUS WEEK

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. DULSKI. Mr. Speaker, President Nixon has signed into law House Joint Resolution 5, which I sponsored and, accordingly, has issued a proclamation making next week, the week of April 23, "Nicolaus Copernicus Week."

Following is the text of the President's proclamation:

NICOLAUS COPERNICUS WEEK

By the President of the United States of America a Proclamation:

Nineteen hundred seventy-three marks the 500th anniversary of the birth of Nicolaus Copernicus (Mikolaj Kopernik). This brilliant son of Poland distinguished himself as an economist, physician, mathematician, theologian, soldier, and statesman. But above all, it was his inspired work in astronomy and his theories about the place of the earth in the universe that marked him for greatness and precipitated the flowering of modern science.

In a world of darkness, his only weapons were the light of learning and devotion to truth. The daring, imagination, reason, discipline, and versatility of Copernicus led mankind to a brighter age. It is fitting that we pay tribute to him on the anniversary of his birth, and that we remind ourselves how much a single man, dedicated and unafraid, can do to extend knowledge and enrich human consciousness. This anniversary should also serve to remind us that the study of science is one of man's noblest pursuits.

Now, Therefore, I, Richard Nixon, President of the United States of America, in consonance with House Joint Resolution 5, do hereby designate the week of April 23, 1973, as Nicolaus Copernicus Week, and I call upon the people of the United States to join with the Nations' scientific community, as well as that of Poland and other nations, in observing that week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this tenth day of April, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-seventh.

RICHARD NIXON.

Nicolaus Copernicus, whose baptismal name was Mikolaj Kopernik, was born in Torun, Poland, 500 years ago and scientific communities from around the world are leading the public in observance of the quincentennial observance.

Here in the United States, the Smithsonian Institution, in cooperation with the National Academy of Sciences, has arranged an extensive program and exhibit in honor of this modest Polish scientist whose revelations on the universe are considered the beginning of modern science.

A major scientific international symposium "The Nature of Scientific Discovery" has been arranged to begin next Monday.

Immediately after the opening session, the scientific presentations will be interrupted for a program in charge of the U.S. Postal Service marking the first-day-of-issue of the Copernicus commemorative stamp.

AGE OF COPERNICUS

The seminar program on Monday features remarks by A. Rupert Hall, professor of history of science and technology, Imperial College, London. The designer, Charles Eames, will give a visual presentation on "The Age of Copernicus." Heiko Oberman, director of the Institute of Reformation Studies, University of Tubingen, will discuss "Reformation and Revolution."

On Monday evening the subject will be "Copernicus as a Humanist," in charge of Jacob Bronowski, director of the Council for Biology in Human Affairs, The Salk Institute. This will include excerpts from "The Ascent of Man."

On Tuesday, the opening subject will be "Innovation in Technology," a case history approach presented in cooperation with the National Academy of Engineering. In charge will be Robert P. Multhauf of the *Smithsonian*. This will be followed by commentaries on education entitled "Space Age Children: The Discovery and Nurture of Scientific Talent."

For those who missed Mr. Bronowski's presentation the previous evening, he will present an expanded version on Tuesday morning.

On Tuesday afternoon Stephen Toulmin, provost of Crown College, University of California, Santa Cruz, will preside as the scientists consider "Conditions for the Rise and Fall of Science," in cooperation with Gerald Holton, professor of physics and associate of the history of Science Department, Harvard University.

TRADITION IN SCIENCE

A second presentation will consider "Tradition in Science" conducted by Werner Heisenberg, director, Max-Planck Institute for Physics and Astrophysics, from Munich.

On Tuesday evening, a formal banquet will be held featuring presentation of the Hodgkins Medal and two medals of the Copernicus Society of America. The formal address will be by Janusz Groszkowski, Polish Academy of Sciences, honorary chairman of the symposium.

On Wednesday morning, the themes featured on Tuesday morning will be concluded. A National Academy of Engineering study panel will give a report on incentives for productivity, related to innovation in technology. The space age children program will include commentaries on education.

In the afternoon, Owen Gingerich, professor of astronomy and of the history of science, Harvard University, will make the introductory remarks. Maarten Schmidt, professor of astronomy, California Institute of Technology, will discuss "Quasars and the Universe." John Archibald Wheeler, Joseph Henry, professor of physics at Princeton University, will talk on "The Universe as Home for Man."

Two special concerts are a part of the joint Smithsonian-National Academy of Sciences program.

On Sunday evening, a musicale of chamber ensemble dimensions will feature a special work written in honor of Copernicus by Leo Smit, of State University of New York at Buffalo. The narration will be by Sir Fred Hoyle, distinguished British scientist and writer.

TWO CONCERTS PLANNED

Accompaniment will be by the Gregg Smith Singers from New York City, plus an instrumental ensemble. The singers also will present a special group of songs in the Polish language.

On Wednesday evening, the second concert will feature musicians from the Boston Symphony Orchestra under the direction of Leon Kirchner. They will present works of Webern, Messiaen, Schoenberg, and Kirchner. Soloists will be Diane Hoaglund and Peter Serkin.

On Thursday, April 26, an education day will be held as a follow-on to the seminar. This will include seminars, workshops, and film showings for scholars, teachers, students, and other specially interested individuals exploring the educational implications of the Copernican Revolution. It will be sponsored jointly by the Smithsonian and the U.S. National Commission of the United Nations Educational, Scientific, and Cultural Organization—UNESCO.

Other scientific programs honoring Copernicus also are planned next week as adjuncts to the main symposium.

Owen Gingerich of the Smithsonian's Astrophysical Observatory, will have sessions Monday through Wednesday at the Washington Hotel on "Science and Society in the 16th Century."

Walter Shropshire, Jr., of the Smithsonian Radiation Biology Laboratory, will conduct sessions Tuesday through Thursday at Saint John's Church Parish House, Lafayette Square, on "Science, Philosophy, and Religion in Historical Perspective."

INTERPLAY OF ARTS, SCIENCE

O. B. Hardison, Jr., of the Folger Shakespeare Library, will lead discussions Tuesday and Wednesday at the Library on "Interplay of Literature, Art, and Science."

Stephen E. Toulmin of the Smithsonian Council, will lead discussions at the National Collection of Fine Arts Tuesday and Wednesday on "The Public Reception of Science: Its Intellectual and Institutional Modalities."

Special exhibitions are scheduled throughout the city in addition to the Copernican display, with its treasures loaned by Poland, at the main Smithsonian building.

Mr. Speaker, it is only fitting that the focus of scientific attention and honor toward Copernicus should be centered here in our Nation's Capital. This is not to detract, nor to minimize in any way, the many fine programs and exhibits which have been and will be held elsewhere in the United States this year, including my home city of Buffalo, N.Y.

I want to pay special tribute to the excellent planning effort of Dr. Wilton S. Dillon, director of seminars for the Smithsonian, who has been coordinator both for the formal seminar and for the adjunct activities.

As part of my remarks, I include the following program notes issued in connection with the Smithsonian-NAS international symposium next week:

PROGRAM NOTES

As the major tribute of the United States as part of the worldwide observance of the Copernican quincentennial, the symposium developed by the National Academy of Sciences and the Smithsonian Institution celebrates both the man and his contributions to knowledge and the larger theme of the process of discovery itself. Although considerations of space will limit the numbers of persons who may attend many of the events of the formal program, *The Nature of Scientific Discovery* is designed to provide a corpus of educational materials for diverse audiences after the event. The life of the symposium will be extended through a published volume, audiotapes, videotapes, and films, as well as workshops and seminars to improve the public understanding of science and the place of science in the arts and humanities. Special attention also will be given to the implications of the symposium for educational policies and teaching methods.

Anticipating Nicolaus Copernicus Year, a student pilgrimage to Poland was made in December 1972. Four young Americans studying the history and philosophy of science visited places in Poland where Copernicus studied and worked. Travelling as guests of the Smithsonian Institution, through financial support of the Copernicus Society of America, the students were escorted to Polish memorials to Copernicus and invited to participate in national activities by representatives of the Polish government and the University of Cracow. Participants were: Bruce M. Dolego, junior at St. John's College; Clifford Martin, graduate student at Pennsylvania State University; Katharine S. Park, graduate student at the Warburg Institute, London; and Gregory Perczak, senior at the University of Notre Dame.

WE CAN HARDLY WAIT

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. BOB WILSON. Mr. Speaker, I include the following editorial from the March 20 Wall Street Journal regarding congressional budgetary responsibilities:

WE CAN HARDLY WAIT

The good news is that Senate Democrats are going to compile their own federal budget to counterpoise President Nixon's. The bad news is that they plan to do all in two weeks.

By now practically everyone recognizes that Congress is at an immense disadvantage in the budget debate with the President because it has no way to view the total budget. Each committee dispenses largess on its own turf, but no one watches what total spending comes to. But you have to control total spending to have any effect in controlling inflation, and at the moment controlling inflation is a far more important domestic priority than almost anything the individual committees attend to. So the debate pits Congress armed with all its little priorities against the President armed with priority number one.

To overcome this handicap, Congress has to come up with a budget no more inflationary than the President's, but with funds juggled from one program to another to suit congressional tastes. Seriously working out such a program would necessitate facing real issues of priority, and thus would be the biggest single step we could think of toward restoring Congress' sense of responsibility and therefore reversing its lamented loss of prestige. If it can find no way to gain budget oversight, Congress will remain merely a collection of spokesmen for assorted vested interests. If it can gain oversight, Congress would have to be taken seriously in a debate on national priorities.

Serious oversight, though, is going to require running the budget through the serious power centers of Congress—Appropriations, Ways & Means, Armed Services. That is, through men who understand the underlying complexities that have already shaped the President's budget. So while we suppose any step in the right direction needs to be saluted, we have our doubts about the current proposal for a counter-budget, which is supposed to come from the Democratic Policy Committee, a center not of responsibility but of partisanship.

With a little help from the Brookings Institution, any junior staff member can run through the presidential budget, lopping $5 billion of defense to add to the poverty war, and running up tax reform savings to be spread here and there. In fact, the Policy Committee staff may even be able to meet the two-week deadline because so much of the spadework for this sort of effort was done during last year's presidential campaign.

The Democratic candidate's advisers redid the whole Pentagon budget, you remember, proving that huge savings were at hand. It would have been more convincing if they hadn't overlooked the necessity of buying gas to run the planes and ships. There was also a highly detailed plan for tax reform, proving that it could raise enough money to give $1,000 to everybody.

That sort of "counter-budget" wouldn't be the huge step toward responsibility we have had in mind, but we must concede that it would probably be quite helpful in clarifying the debate over priorities. Counting ourselves among those who think the President's priorities are about right, in fact, we can hardly wait.

RAILROAD DEMONSTRATION PROJECTS

HON. DAVID TOWELL

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. TOWELL of Nevada. Mr. Speaker, the House of Representatives this week will consider the Federal Highways Act for 1973. It is with a great amount of pride that I point out to my colleagues that the railroad track relocation demonstration projects include Elko, Nev.

This project, thanks to the people of the city of Elko, is in the forefront nationally in planning and public participation for demonstration of the need for relocating railroad grade-crossings in city areas.

Elko is a typical Western rural town, self-sufficient, individual, and enterprising. Elko has the personality of a pioneer; willing to venture out and attempt things that others would hesitate to try, and yet willing to aid others and share their accomplishments with all.

Elko is included in the Federal Highway Act as a demonstration city for the relocation of the railroad tracks of the Southern Pacific Co. and the Western Pacific Railroad Co. from the heart of the downtown area.

Elko recognizes that should it be designated as a demonstration city, it must be willing and able to demonstrate the methods of accomplishment, not as a liability, but as an asset to the Congress. Elko is therefore willing to stand on its record of accomplishments and will project its skills and ingenuities to the benefit of all other communities with like problems. With Elko in the 1973 Highway bill, the Congress will benefit with the positive accomplishments this community has made to date.

The facts are: Elko, Nev., population 7,621 has a thriving business district equal to cities three times its size; yet the same thriving business district is beginning to show signs of deterioration attributed to the 40 some trains running daily through this district of 17 railroad crossings. Nearly 40 major accidents have occurred at the crossings in the past 10 years.

Elko has a relocation plan approved by the two class one railroads, and the community leaders for the solution of the problem. Elko, by its own efforts gained the support of the railroads involved, the State Highway Department, the Federal Highway Administration, and the Federal Railroad Administration of the Department of Transportation, the Association of American Railroads, the State of Nevada Planning Board, the County and Regional Planning Commissions, civic and community organizations and the attention and best wishes of the Regional Transportation Safety Board and the National Safety Council.

Elko has begun a methodical outline of accomplishments and has progressed so rapidly that individuals and agencies with unanswered questions are turning to their Track Committee and asking, "What is next?"

To date they have:

First. Promoted a theme and desire for a community project of safety.

Second. Organized a Track Committee outside the political bounds of the city to carry out the program.

Third. Solicited private donations in excess of $40,000 in funds and called on various talents to plan and organize the activities.

Fourth. Engineered an acceptable plan of relocation in cooperation with Federal-State-local agencies and of the two class one railroads.

Fifth. Interested national agencies in their project and have included their support for improvements and refinement.

Sixth. Outlined a program of events and publicity to insure continued interest, public relations and accomplishments.

Seventh. Developed draft agreements between agencies and the railroad's consultants, citizen groups, planning departments and redevelopment committees to promote the successful and beneficial outcome of the project.

Eighth. Approached each unanswered question as a plus to be answered by the demonstration project. This alone is an unusual approach to problems that only a positive thinking group could develop.

Ninth. Held public informational meetings to bring the question to the people for their input and support.

Tenth. Have initiated a planning program for community development inasmuch as the proposed project continues when the downtown area is freed of the tracks that now sever its body.

Geographically, Elko is located on the important central East-West freight corridor connecting the industrial and agricultural Midwest with the consumer market of California—an area recognized by the ICC Examiner as a corridor to be served by two of the surviving four railroad carriers in the West. It is evident that Nevada will some day be selected as one of the routes of the high-speed freight corridors, and grade crossing elimination projects shall be necessary in similar communities to achieve the railroad freeway of the future.

Elko is a community that has done its homework, and with its inclusion in the House version of the 1973 highway bill, is offering itself as an asset to the overall safety program. Elko pledges its ingenuity, forward approach, enterprising ideas, initiative and demonstrated accomplishments to the solution of an enormous problem to the traveling public—that is, the elimination of the highway rail crossings.

This will be a positive step to safety accomplishment in rural America.

I strongly encourage the Members of the House of Representatives to support this Highway bill and with it this very necessary public project.

PRICE ROLLBACK NOT THE ANSWER

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. FINDLEY. Mr. Speaker, the proposal to roll back prices contained in H.R. 6168 brought the greatest response from Illinois residents in the shortest period of time of any bill that has been before Congress in many years.

Since H.R. 6168 was reported by the Banking and Currency Committee shortly over a week ago, I have received over 2,000 letters, telegrams, and phone calls concerning the price-rollback provision of the bill. Virtually all opposed this provision.

I believe their opposition was well founded, and I voted against H.R. 6168 and several other amendments that would have had similar effects. I am certain that virtually all Illinois citizens—farmers, wage earners, small businessmen—were relieved when this ill-advised bill was rejected and a 1-year extension of the Economic Stabilization Act was approved in its place.

Our Nation's agricultural sector has long known that a price rollback is an unsatisfactory and counterproductive means of combating economic problems. Farmers remember only too well what happened when prices were rolled back two decades ago during the Korean war. They remember that meat shortages developed, black markets sprang up, and prices fell to bankrupting lows. The solution to the problem turned out to be as dangerous as the problem itself.

At this time, a price rollback would have had an equally disastrous effect on farmers and businessmen. Many would have been faced with tremendous economic losses. In addition, most farmers would have been forced to cut back production, instead of increasing it as is needed. Food supplies would have decreased. Even higher prices for consumers would have been unavoidable.

By approving a simple extension of the Economic Stabilization Act, the President retains the authority to take whatever steps he deems necessary to stabilize the economy without forcing him to rollback prices.

To be sure, many are rightfully concerned about the high cost of living and understandably want something done about it. Their call for action should be heard even as our better judgment compels us to reject the illusory solution of a price rollback.

It is true that everything is costing more, particularly food. But a price rollback would only treat a symptom and not the cause of the problem.

Certainly, the inflation problem is difficult to solve. Much of the blame for not solving it rests in the way Congress appropriates money. By continuing to spend more than we take in, we pour fuel on the flames of inflation.

Recently, Congress has taken several steps which encourage me to hope that Government spending may be brought under control. Several Presidential vetoes of big spending bills have been supported by the House and Senate. And, we will soon consider a change in the rules of Congress that will require the adoption of a budget for the Government before we begin appropriating money. This is a step I have long urged.

If Congress can curb its tendency to overspend, it will make the greatest contribution to arriving at a wage and price level that is satisfactory to the farmer, the consumer, the wage earner and the businessman. A price rollback is not the answer. But, curtailing Government expenditures is.

TEACHER OF THE YEAR

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ULLMAN. Mr. Speaker, I would like to take this occasion to pay a special tribute to an extremely dedicated and competent man, Mr. Jack Ensworth of Bend, Oreg. Mr. Ensworth has been selected as the 1973 National Teacher of the Year.

Bend is a beautiful town tucked under the leeward side of the Cascade Mountains in central Oregon. It is in my congressional district, and I am very proud that a teacher from my constituency should be chosen for national honors and recognition. But I think the entire Nation can and should be proud of Jack Ensworth, whose skill, dedication, and excellence as a teacher and a citizen would be welcome anywhere in the country.

One of three sons of deaf-mute parents, Jack was raised in Akron, Ohio. Inspired by how his parents had dealt with their problem and by one of his own teachers, Jack overcame a serious childhood accident and disease. Drafted out of high school, he earned his diploma in the Army while becoming a combat demolition expert in World War II combat. Following the war, Jack returned to Akron and pushed himself through college in 3 years. He was eager then to learn and to begin teaching, and his eagerness remains today. He returned to college at the University of Oregon some years later, and now holds a master's degree.

There has been considerable experimentation and excitement in education circles the last few years about new teaching methods, about teaching teachers to open up, about making education into communication. These things are not new to Jack Ensworth, however. For him, communication has always been a two-way process. Perhaps it is a result of his growing up in a family where he had to know two languages: the spoken language and the sign language of the deaf-mute. Whatever the reason, education in Jack's classrooms at Kenwood Elementary School is a two-way process where students spend as much time asking Jack questions as he can take to answear them. In Jack's own words:

> Education is not a one way exchange of ideas; therefore, as a teacher, I must be a sounding board to each child's ideas, interests, and problems, no matter how minor they may seem to me as an adult.

It is this approach to learning—as opposed to what so many of us consider "teaching"—that makes Jack such a competent, inspiring teacher. Perhaps just as important is his thinking that education bound solely to a classroom is woefully incomplete. Jack's students are welcome to come fishing in the pond behind his home. To study genetics, the students raise their own tropical fish at school. Jack's students not only learn mathematics, but they learn practical application by using a jig-saw they have purchased with Jack's encouragement. And what sixth-grade class other than Jack's is learning about birth and reproduction by growing several sheep in a pen in the schoolyard?

What more can we ask of a teacher than that he inspire in his pupils a lifelong desire to learn? And what better preparation for life can we ask of our young than that they carry this desire with them always? I think Jack Ensworth, whose imaginative approach can turn the most abstract idea into a simple, concrete problem, has given us everything we seek in a teacher—and more. His students, his community, and the entire country are all the recipients of his gifts.

I would like to salute Jack Ensworth, his wife Chrissie, and his family. And I am pleased that we can at least give him, in return for his gifts to us, recognition as the outstanding teacher in the Nation.

THE EXECUTIVE AND FOREIGN POLICY: THE LIBERAL DOUBLE STANDARD

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. CRANE. Mr. Speaker, in the discussion concerning Executive authority in the field of foreign affairs it is legitimate to ask whether legislators who now seek a greater participation in determining when and under what circumstances Americans are to go to war, are really concerned with restoring the preeminent role of the Congress, or are simply opposed to the things the Executive is doing. Do they want to reassert congressional authority to declare war, or do they simply oppose this particular war?

What is ironical today is that the very men in the Congress, in the press, and in the academic community who now declare that President Nixon has exceeded his authority with regard to the war powers are the same men who, in the 1950's opposed the conservative-sponsored Bricker amendment to restore congressional prerogatives in matters of foreign policy.

Men such as the junior Senator from Arkansas, Mr. FULBRIGHT, now leading the campaign against Executive authority, all through the 1950's and early 1960's, urged more power for the Executive in foreign affairs. The reason is simple: When the Executive did what liberals agreed with, they supported Executive power. Now that the Executive is acting in a manner with which they disagree, they oppose it. Principle seems not to be an issue at all.

In 1954, Senator FULBRIGHT declared that—

> Our enemy is not the President of the United States, whether the incumbent, his successor to come, or his predecessors. . . . The Constitution charges the President with the duty of conducting our foreign relations by and with the advice of the Senate. It makes him the leading actor; not a spectator and mere witness.

Unfortunately, some conservatives also have a double standard. These conservatives today support executive authority rather than congressional supremacy simply because the Executive is pursuing a policy with which they agree. In neither case is the real issue of the proper role of the Congress in matters of foreign policy being brought into question as it should.

To further illustrate the manner in which liberals who now question executive authority in this field have turned their backs upon their own philosophical concepts in this area, I wish to share with my colleagues a collection of statements made by distinguished American liberals over the years concerning the merits of executive power. These quotes appeared in the March 30, 1973, issue of National Review, and I insert them into the RECORD at this time:

WE KNEW THEM WHEN

"America needs strong government; it needs strong leadership to attain strong government; only the President, granted its characteristics, can provide it with the leadership it requires. . . . The President of the United States must be given the power commensurate to the function he has to perform. . . . Great power alone makes great leadership possible; it provides the unique chance of restoring America to its people." (Harold Laski, 1940.)

"Only the President, because he is the Chief Executive, is in a position to know all the facts. Only the President and his advisers are in a position to weigh all the facts. Therefore, the President alone can lead the country." (Walter Lippmann, 1941.)

"It is clear that the power of the President has grown in response to popular demand. Presidents have aggrandized power not because they were ambitious but because power had to be exercised and the President was the natural and effective instrument for its exercise. . . . Without exception, periods of democratic advance have coincided with periods of executive power. . . . No strong Executive has yet impaired the fundamentals of our constitutional system or of our democracy. American liberties, American democracy, what we call the American way of life, have not only survived the growth of presidential power but have, in the past, flourished under it. Is there any reason to believe that democracy cannot survive the present crisis?" (Henry Steele Commager, 1941.)

"If we are going to guard against hypothetical dangers, against constitutional powers that are subject to abuse, why bother with anything as carefully circumscribed as the treaty-making power? Why not start with the powers of Congress itself? . . . In fact the Executive never has made a treaty that has been held to conflict with the Constitution. This, it is relevant to observe, is a much better record than Congress can show. . . . The executive agreement has been a useful and even necessary device from almost the beginning of our history." (Henry Steele Commager, 1953.)

"Our enemy is not the President of the United States, whether the incumbent, his successor to come, or his predecessors. . . . The Constitution charges the President with the duty of conducting our foreign relations by and with the advice of the Senate. It makes him the leading actor; not a spectator and a mere witness." (Senator J. William Fulbright, 1954.)

"No American can contemplate the Presidency today without a feeling of solemnity and humility. . . . Perhaps the most rewarding way to grasp the significance of this great office is to consider it as a focus of democratic leadership. . . . The President is the American people's one authentic trumpet. . . . The relentless progress of this continental Republic has made the Presidency the one truly national political institution. . . . The more Congress becomes, in Burke's phrase, 'a confused and scuffling bustle of local agency,' the more the Presidency must become a clear beacon of national purpose. . . . It is, finally, an office of freedom. The Presidency is a standing reproach to those petty doctrinaires who insist that executive power is inherently undemocratic. . . . It is no less a reproach to those easy generalizers who think that Lord Acton had the very last word on the corrupting effects of power. . . . The vast power of this office has not been 'poison,' as Henry Adams wrote in scorn; rather, it has elevated often and corrupted never." (Clinton Rossiter, 1956.)

"The President is hobbled in his task of leading the American people to consensus and concerted action by the restrictions of power imposed upon him by a constitutional system designed for an eighteenth-century agrarian society far removed from the centers of world power. It is imperative that we break out of the intellectual confines of cherished and traditional beliefs. . . . [The President] alone among elected officials can rise above parochialism and private pressures." (Senator J. William Fulbright, 1961.)

"Presidential government, far from being a threat to American democracy, has become the major single institution sustaining it—a bulwark of individual liberty, and agency of popular representation, and a magnet for political talent and leadership. . . . In presidential government Americans have established one of the most powerful political institutions in the free world. They have fashioned, sometimes unwittingly, a weapon that has served them well in the long struggle for freedom and equality at home and in the search for stable and democratic politics abroad." (James MacGregor Burns, 1965.)

MISSOURI STUDENTS WORKING WITHIN THE SYSTEM

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. TAYLOR of Missouri. Mr. Speaker, recently the Young Republican Club at Missouri Southern State College, Joplin, Mo., was presented the outstanding College Republican Club award for the State of Missouri.

I believe this accomplishment should be acclaimed because of the importance and necessity for encouraging students to work and contribute within our political system. Our responsible students usually attract little public recognition for their efforts and for this reason I was delighted to see an editorial in the Carthage Press, Carthage, Mo., on March 27 which recognized the achievement of the Missouri Southern State College Republicans. This editorial follows:

WINNING EFFORT

Congratulations to the officers and members of the Young Republicans Club of Missouri Southern State College on their amazing record of accomplishment.

As reported earlier in The Press, the MSSC students headed by President Steve Holt of Carthage, beat out 27 similar organizations, many of them on large and more populous campuses, to win a state award as outstanding club of the year.

The accomplishment was gained via energetic participation in governmental processes at the grassroots level.

These young people represent an excellent example not only for others of their own generation but for their elders as well.

Without resorting to rioting, unruly demonstrations or uncouth actions, they have recognized and accepted the significant nature of their responsibilities as citizens of a free nation.

In so doing they have strengthened not only their own political party but the entire nation.

We hope more and more people will be caught up in the contagious enthusiasm which they exhibit and adherents of both major parties will see the value of their approach to the task of being true Americans.

EXECUTIVE PRIVILEGE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. HARRINGTON. Mr. Speaker, executive privilege is one of the key matters facing the Congress and the Nation. Mr. Kleindienst has claimed, on behalf of the President, privileges of executive branch employees reaching far beyond any rational protection of the confidential relationship between a President and his aides. Mr. Kleindienst, in short, is asking for a new form of government—Presidential government. This is outrageous.

Clark Mollenhoff is a distinguished journalist who has served in the Nixon administration. His job at the White House gave him a familiarity with the internal workings of the White House. He has written an article which appeared in the New York Times of April 13, on the overall subject of executive privilege. I find it interesting that a man so intimately familiar with the Presidential staff can reach by way of rational argument conclusions diametrically opposed to the propositions of the administration.

I would like to insert Mr. Mollenhoff's enlightening article in the RECORD at this time for the consideration of all Members:

[From the New York Times, Apr. 13, 1973]

EXECUTIVE PRIVILEGE—DEVIOUS DOCTRINE

(By Clark R. Mollenhoff)

WASHINGTON.—The Fitzgerald case demonstrates the extreme evil that executive privilege can be in hiding relevant facts from the public in an Air Force conspiracy to destroy a truthful witness.

An Air Force cost analyst, A. Ernest Fitzgerald was discharged after he displeased his superior by testifying on the billion-dollar cost overruns on the C-5A program. Editorial pages were nearly unanimous in castigating the abolition of Fitzgerald's $30,000-a-year job, and declared the economy reasons given were but a subterfuge for malicious retaliation.

The Air Force denied it, and imposed a secrecy on its records, proceedings and conversations with the White House. The "privilege" buried evidence of a devious smear of Fitzgerald as well as other evidence that the Air Force plotted to harass and intimidate a truthful witness.

Disregarding Air Force efforts to impose executive privilege, White House memoranda were made available to Fitzgerald to establish key aspects of his case. Without those internal memoranda of advice, Fitzgerald's case would have been incomplete and the Air Force would have successfully hidden its deceptions.

Recent history shows that this devious doctrine has rarely been used for anything but a cover-up for scandalous military bungling, foreign aid corruption, conflicts of interest and influence peddling. Examples include the Dixon-Yates "conflict of interest," the Adams-Goldfine affair, frauds in Laos foreign aid, the Billy Sol Estes cotton allotment frauds, the TFX warplane mismanagement and "conflicts of interest," and the White House investigation of the Watergate scandal.

Arrogant executive branch officials have even used it to bar General Accounting Office auditors from financial records in violation of the Budgeting and Accounting Act of 1921 that specifically requires that "all records" be made available to the office upon request.

Various Attorneys General, politically appointed, have ruled that executive privilege gave the executive branch the right to impose this arbitrary secrecy. It was the king's lawyer stating the king was right in asserting this total power to withhold evidence from Congress and the General Accounting Office.

It has been conceded that no law of Congress has granted this so-called executive privilege and no Supreme Court decision has been cited for this assertion that the President has a constitutional right to bar testimony from any high-level or low-level official of any executive agency when he believes it to be in the national interest. Further, we are told that the executive privilege claims cover any internal working paper in the executive branch and that any advisory opinion can be withheld from Congress, the General Accounting Office or the public without explanation except that the President believes it to be in the national interest.

The only authority cited for this seed of totalitarianism is a claim of some all-encompassing "inherent right" under "the separation of powers" doctrine of the Constitution.

Senator Sam Ervin, a recognized authority on the Constitution, has declared that "executive privilege is executive poppycock." He has castigated President Nixon's effort to bar all present and former White House aides from appearing on the Watergate investigation as an attempt to rob Congress of a rightful power to investigate to determine if the laws passed by Congress are being properly administered and enforced.

Raoul Berger, a senior fellow at Harvard Law School who has done extensive research on the history of the so-called precedents, has declared that executive privilege is a myth and not the "time-honored doctrine" that William P. Rogers claimed it to be when he became its leading proponent as Attorney General in the Eisenhower Administration.

Seldom has it been used as anything but a blatant cover-up for corruption, mismanagement and political double-dealing. The doctrine is devoid of decency because it creates the illusion that officials may use the great power of the White House in secret and never be held accountable for their acts.

The Watergate scandal is simply the latest manifestation of the corrupting influence of the ill-founded illusion of total power to corrupt the political processes and get by with it. The Watergate scandal and the Fitzgerald case provide sufficient examples for the public and the Congress to comprehend the mischief that can be created behind a facade of pious slogans about "a sacred separation of powers."

Where secrecy is needed to cover sensitive negotiations or raw F.B.I. files, an articulate President need only appeal to the common sense and decency of the electorate on the specific issue involved, and not engage in public relations gimmickry to give further support to a doctrine that could destroy all of our freedoms.

SPACE SHUTTLE SYSTEM WASTEFUL

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Ms. ABZUG. Mr. Speaker, during the recent debate on the manned space shuttle system I had the privilege of presenting testimony to the Senate Aeronautical and Space Sciences Committee, Subcommittee on Manned Space Flights. I would like to insert that testimony in the RECORD:

TESTIMONY OF CONGRESSWOMAN BELLA S. ABZUG BEFORE COMMITTEE ON SCIENCE AND ASTRONAUTICS, SUBCOMMITTEE ON MANNED SPACE FLIGHTS—APRIL 1973

Mr. Chairman, members of the committee, I appreciate the opportunity to discuss NASA's proposal for the development of what I believe to be an extravagant and unnecessary manned space shuttle system.

Man's technological achievements during the past decade have been stupendous. We recently climaxed all our efforts by sending men to the moon to walk on its surface and to collect lunar rocks.

The original purpose of this program was the pursuit of scientific knowledge. The present space program has strayed very far from this objective. Instead, our recent endeavors seem to be aimed at increasing our "national image" and enhancing our world prestige. The rationale behind the idea that the first steps on the moon had to be those created by Americans worries me. We have little hesitation in spending billions of dollars for *American* footsteps, but when it comes to spending mere millions to employ, feed, clothe, and house our own citizens, a hue and cry is heard.

Now that NASA's Apollo project has been completed, they need another glamorous playtoy—the manned space shuttle. This project, NASA says, will cost "only $8 billion to produce"—$5½ billion for the research and development of the first two shuttlecraft and another $1.5 billion for the remaining three shuttlecraft, not to mention an additional $1 billion for unforeseen difficulties.

NASA has offered the figure of $8 billion as the total cost of the project, but on close examination, this figure is misleading. The space agency states that over a ten-year operations period this figure will increase to somewhere between $10 and $14 billion. Another interesting figure mentioned in passing is that the shuttle's payload *might* add $20–28 billion to the shuttle's total cost, or in other words more than triple it! The Rand report conducted in 1970 for the USAF says that these estimates are conservative.

The Rand report lists two conclusions to substantiate its findings: (1) the system requires heavy payload amounts and (2) frequent use of the system. These two factors make the initial costs very high and only after *$141 billion* has been spent will the manned space program become cheaper than the nonreusable rocket system used today. The development of this shuttle requires a civilian space budget of $7 billion for one year, more than twice the annual space budget now.

Whenever we decide to spend a minimum of $8 billion I think there must be some probing questions asked about the worth of such a program. At the outset of the program, NASA's statement said that this reusable manned space shuttlecraft was being developed to reduce transportation costs between earth and outer space. When the idea was first presented, there was the implication that this would be the first step towards a manned orbiting space station. We are being asked to provide airline-type accessibility to space for a handful of scientists and their cargo at low operational costs. In 1970 the Rand Corporation conducted a study and at the time it appeared that the money for the manned orbiting space station would not come through. After both of these facts became apparent NASA stated that the shuttle will be used for "versatile and efficient operations" and further, that the manned space shuttle system is viewed as an end in itself.

One of the versatile and efficient operations would be that of satellite repair. It is now a popular idea to have technicians shot into space for the sole purpose of repairing a single satellite. A leading scientist, Jeremy Stone, states that if a satellite does malfunction, it is cheaper to build and launch a new one than to risk sending a human being into space to repair the malfunctioning one.

In 1969 there were 37 space launchings that carried a payload of 381,000 pounds into space. NASA presently predicts 2.6 million pounds of payload per year starting in 1978. This increase in the pound payload per year cannot be accounted for by satellite repair.

It is very possible that this shuttle system could be used as a primary means of moving military equipment into space. The military budget already takes an astronomical bite out of the national budget. The military has already overtaken and used our air for its own private use.

Our space frontier may soon be cluttered with American armaments and serve as yet another place to confront our so-called enemies. The conquest of the air was seen as a scientific accomplishment, but it has quickly become a military playground.

Is this a Defense Department expenditure that is being disguised as a civilian project? If it is, as it seems to be, the Department of Defense should share in the cost of development of the system. I do not think that the Federal Government should deceive its citizens as it is presently doing. Civilian money can be better spent, at this critical time, on trying to help our rat-infested, drug-plagued ghettos, or our sewage filled waterways than on the long-range possibilities of space exploration.

There is a real choice for Congress to make—a decision whether to spend $1.6 billion on the development of a single spacecraft or to turn our attention to beginning to cure our ever-increasing domestic ills. At the present time our scarce resources do not allow us to think of the possibility of instituting both programs.

My opposition to the manned space shuttle system does not exist in a vacuum; rather, it centers around the need to redefine our national priorities. Should NASA be allowed to continue the drain on our limited national resources by shooting billions of dollars worth of hardware into space while other more pressing domestic needs go begging? I think not. From which project will American citizens derive more concrete benefit—the development of five space shuttlecraft, or modern shuttle systems in the major cities of the United States that would be able to transport millions of working Americans to and from work cheaply, efficiently, and with a minimum of further air pollution? Another alternative use of this money would be to build low-income housing or massive new medical facilities for our needy.

The Skylab experiment—a program designed to explore man's capability for living and working in space—is just beginning. How can we think of appropriating billions of dollars for a massive shuttle system whose feasibility has not yet been established? The aerospace industry has had a recent slump because of the "termination" of the war in Vietnam. Now that it does not have fat government contracts from defense work, federal subsidies are required to keep it afloat. The program would create jobs for 50,000 or more people and would thus ease President Nixon's embarrassment over unemployment figures. I am not against this industry or the working men and women who make it run, but there is no reason why it cannot be converted to such activities as pre-fab or modular housing construction.

The decision reached by Congress as to the wisdom and practicality of this proposal will determine not only its future, but also the future of American space exploration. The implications involved in establishing an extensive manned shuttle system would point to a firm commitment to an enlarged space program of massive proportions, based upon the same expensive methods employed by NASA in the Apollo program. These methods would further deplete our limited financial and natural resources. We must question the rationale of the more expensive and inefficient manned system of space exploration as opposed to the cheaper, more economical and safer unmanned approach. NASA should adopt an unmanned instrumented system even though it may diminish their public image a little, for it would drastically reduce their present exorbitant budget.

I oppose the space shuttle as it is proposed today. Let me say, however, that I am not "anti-space" or "anti-technology." I believe that in the long run, the development of space may be our only feasible solution for our global problems. I do favor the use of lightweight, unmanned, instrumented systems which can produce the same results as our manned program at a fraction of the cost.

When we begin to use our science and technology to begin to wipe out disease, feed our hungry, educate our illiterate, provide better shelter for our needy, and improve our environment, then science is worthy of mind-boggling budgets. Accordingly, I urge that you terminate any authorization for development of a manned space shuttle system at this time.

Thank you for your time and your attention.

TESTIMONY BEFORE POSTAL SERVICE SUBCOMMITTEE

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. YOUNG of Florida. Mr. Speaker, I would like to submit for my colleagues' attention this copy of my testimony before the House Post Office and Civil Service's Subcommittee on Postal Service on the performance of the U.S. Postal Service in Florida and in support of my bill H.R. 4156, a bill to provide for annual authorizations for appropriations to the U.S. Postal Service:

TESTIMONY OF THE HON. C. W. BILL YOUNG OF FLORIDA, BEFORE THE HOUSE POST OFFICE AND CIVIL SERVICE'S SUBCOMMITTEE ON POSTAL SERVICE, APRIL 11, 1973

Mr. Chairman, I appreciate this opportunity to advise the Subcommittee on Postal Service of the inadequacy of mail service in Pinellas County, Florida, and I commend you for taking time to study this need to reform the U.S. Postal Service.

Over the past several months, each of us has been hearing of poor mail service. At first, some of the delays could have been attributed only to the heavy volume of Christmas mail. However, as complaints continue to pour into our offices, it becomes obvious that the problems are rooted not in the Christmas season, but rather in the failures of the U.S. Postal Service and the Postal Reorganization Act of 1970.

When I brought to the attention of the U.S. Postal Service some of the difficulties experienced by residents of Florida, and Pinellas County, in particular, I was pleased by its willingness to begin a study of its operations in Florida. As a result, steps have been taken to improve service—the hiring of new employees and the elimination of mail backlogs, for example; this has helped the local postal situation, but I am still receiving complaints. Now, I realize that service that has been deteriorating over the last several years cannot be improved in three months. I have advised my constituents of this, and I know they will be reasonable. Yet, even a patient man has a right to receive an answer to his questions of "what is wrong?" and "why is my service being curtailed?" and answers to these questions are what I hope your hearings will provide.

When the Postal Reorganization Act of 1970 was passed, claims were made that if reorganization would be authorized that service would improve and that the post office would soon be self-sufficient. However, we have seen little to substantiate this argument.

Instead, postal managers have become more aloof of the public and the Congress. Postal employees, who used to pride themselves with their devotion to work and their service to the public are now disenchanted by their job and their morale is at a low ebb. In the meantime, the public must put up with cutbacks in service, increasing costs, and unnecessary delays and inconveniences.

There is little need for me to take the time of this committee to cite specific examples of poor service. We all have become familiar with them: mail taking weeks for delivery or being lost, even when it has been properly addressed and "zip-coded;" no convenient pick-ups at mail collection boxes; invitations received after the date of the affair; payments being lost or delayed, forcing the customer to pay a finance charge or a penalty fee; fear that favorite magazines will be forced to stop publication because of exorbitant price increases in postage rates. I am sure that such examples existed prior to the U.S. Postal Service. But, when the Postmaster-General can cite figures claiming that mail delivery standards are being met, that service is better and that the average time for delivery has decreased, then, in fairness to Floridians, I must question the base that is used in these calculations. From reading the Congressional Record and discussing the situation with my colleagues, I do not feel that congressmen from Florida are the only ones who have been deluged with complaints, and therefore, I believe that the disparity between the statistics of the U.S. Postal Service and actual service performance is greater.

For these reasons, it is proper for this subcommittee to investigate the U.S. Postal Service and for your consideration, I have introduced H.R. 4156, a bill to provide for annual authorizations for appropriations to the U.S. Postal Service. This bill further provides that the U.S. Postal Service will keep the Congress and the Post Office Committees of the House and Senate advised of its activities and operations.

This legislation should be passed, in my opinion, because of the uniqueness of the U.S. Postal Service. It is the only daily contact the people of the United States have with their federal government. As Members of Congress, we are the link between the people and their government. The U.S. Postal Service has an obligation to the people and the government to provide mail service. We, as representatives of the people, have the responsibility to see that the U.S. Postal Service carries out its duties. Thus, the U.S. Postal Service should not attempt to immunize itself from the Congress, nor should it attempt to ignore the Congress.

In conclusion, Mr. Chairman, I believe that the U.S. Postal Service has realized its initial mistakes in this regard, and that it is now genuinely working to improve service. But, a change in the basic structure is still needed. My bill, H.R. 4156, is a step in this direction; and coupled to other proposals presented to the committee, will aid the U.S. Postal Service in its attempt to provide better mail delivery.

We all will look forward to your final report, and I am hopeful that the committee will recommend, and that this Congress will enact, those changes in the Postal Reorganization Act of 1970 which will, once again, enable the U.S. Postal Service to provide mail service that is reliable, efficient, and economical.

ENVIRONMENTAL EDUCATION

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. PEYSER. Mr. Speaker, Ms. Nancy Stockholm, a student at Cornell University, and a recipient of the first President's Environmental Merit award, made an excellent statement during today's hearings of my Select Subcommittee on Education. The committee is presently conducting hearings on H.R. 3927 to extend the Environmental Education Act for 3 more years. I would like this statement to appear at this point in the Record so that all of the Members of the House will have an opportunity to read it:

Testimony on H.R. 3927

(By Ms. Nancy Stockholm)

Mr. Chairman and distinguished members of Congress: I appreciate this opportunity to express my views on H.R. 3927, the Environmental Education Act, based on my personal background and experiences.

Currently a freshman at Cornell University, I was accepted early decision to study environmental science with strong emphasis in political science and public relations. I graduated on the four year honor roll from Oak Park and River Forest High School in Illinois, where I was active in environmental projects.

In April of 1972 I was one of eight students in the country to receive the first President's Environmental Merit Award for work in school-community environmental programs. As a winner, I came to Washington, D.C. to receive the award at the White House, and to tour the Environmental Protection Agency here.

During high school I was co-chairman of a 1970 Teach-In that involved over 4000 students and faculty in a week long environmental workshop. After the workshop, I was student chairman of the Pollution Control Center, first of its kind in Illinois as a center within the high school to coordinate a variety of environmental projects.

I was a staff member of our school paper for four years, and in 1972 the *Chicago Tribune* published an editorial that I wrote on an environmental bill in its editorial page. page.

In 1971–72, I served as the youngest appointment to the Illinois Superintendent of Public Instruction twenty-five member Task Force to develop a master plan for environmental education.

In March of 1972 I testified before the Secretary of State's Advisory Committee to the 1972 Conference on the Human Environment in Stockholm, during hearings of the subcommittee on the Social, Cultural, and Educational aspects of the United Nations conference.

I. Introduction

A. Although I am not an expert in politics or environmental science, I am a student who has spent over five years involved directly with environmental projects ranging from community to international levels.

Moreover, I plan as a career to try to find ways of solving environmental problems through public understanding and response combined with corresponding legislation and law enforcement.

I have become increasingly convinced that environmental education is the key to dealing with these problems. I hope to present evidence that supports my opinion from the best source that I have—my personal experiences that have been influenced by many kinds of environmental education programs. Not only have environmental education projects affected my attitudes and actions, but they have reached hundreds of other students and adults that I have had the opportunity to work with.

B. By describing just a few of the past and potential accomplishments that relate to this bill, I hope to convince you that renewing the Environmental Education Act will enable significant, long lasting environmental improvements brought about by a diversity of citizens and organizations in the United States.

II. The critical need for environmental education has been established in verbal and written statements by the President, the Council on Environmental Quality, members of Congress, and professional and citizen organizations.

A. In his 1972 Environmental Message to Congress, President Nixon stated, "The starting point of environmental quality is in the hearts and minds of the people. Unless the people have a deep commitment to new values and a clear understanding of new problems, all our laws and programs and spending will avail little."

The President added in his introduction to the third annual report of the Council on Environmental Quality, "There is ample room for encouragement in the growing capacity of a people to assess their problems, take stock of their situation and get on with the unfinished business of shaping the United States as a model of a satisfying and healthful environment."

B. Success of programs, no matter how beneficial, depends on support by Americans of all ages and backgrounds who are "good citizens" in the true sense. These citizens must be able to view environmental concerns not from an emotional or slanted viewpoint, but from one that is serious due to an understanding of man's technology, attitudes, and capabilities for environmental damage.

I have seen environmental education programs develop this type of awareness, with the result that people take constructive action, based on understanding.

I was one of hundreds of high school students to attend two week-long conservation workshops at Southern Illinois University in 1969 and 1970. These intensive programs, presented by experts in environmental fields from the university, educated students to specific pollution problems. More importantly, they provided students who were concerned with information on how to set up programs to solve these problems when they returned to their own communities. Students received scholarships to attend from local sportsmen's clubs, garden clubs, or other civic groups or schools. With its limited funds, the program did not run throughout the year, but every session produced about one hundred students who multiplied their knowledge and concern by beginning projects in their home towns.

For example, a classmate and I returned to plan a week long 1970 Conservation Workshop at Oak Park-River Forest High School in observance of the first Earth Day. This workshop brought together conservationists, scientists, educators, and industry representatives in order to educate the students, faculty, and other citizens of the community. After a small steering committee of students convinced the administrators to reschedule classes for the entire week, the students themselves selected and contacted all speakers who spoke to over 4000 listeners during the program. Attorney Joseph Karaganis, special assistant to Attorney General Scott of Illinois, talked to history classes about environmental legislation, Mr. Gunnar Peterson, director of the non-profit conservation group called The Open Lands Project, lectured to English classes about ecological concepts and personal lifestyles, and representatives from Commonwealth Edison and Universal Oil gave presentations to science classes regarding industrial pollution. Lectures were only part of this program which utilized the talents of students and faculty through environmental articles in the school and local papers, posters and displays, educational films and printed matter, and activies like acquiring an air pollution monitor for the roof or planting trees on school property.

But this was only the beginning, because after the workshop, students and teachers realized the need for environmental education and action in their school and community. They suggested an environmental biology course to the local school board, so that now there are several environmental science courses that emphasize the social, political, and economic aspects of environmental problems. The summer field biology class has been especially exciting, with students visiting nature areas, industrial sites, municipal sewage treatment plants, and other places to analyze pollution control. Students do independent research too, like testing local water for dissolved oxygen, or recording air pollution counts from the monitor on the school roof.

Environmental action centers around the Pollution *Control* Center, an office that the students run to coordinate projects within the school and community, and on a larger scale. They decorated an old storage room, borrowed some file cabinets and a desk, and obtained a phone. The center is open each school day with student volunteers to answer the phone. Here students or citizens can get free pamphlets, periodicals, and audio-visual aides on a wide range of environmental topics. Besides keeping in touch with other environmental groups and providing information, the center organizes an amazing range of projects:

Permanent recycling village-wide of glass, paper, and metal

Speaker for local elementary schools that lack environmental education courses

The saving and maintenance of a local conservatory

Representatives to testify at state Pollution Control Board hearings

Maintenance of file on current legislation (state and federal) and telephone, letter campaigns

Coalition with other schools to work on common projects

The important point here is that this kind of program is not unique; energetic students and teachers across the nation are working with limited funds and resources to produce exciting results. (see Appendix)

C. With modest federal support, these projects can spread to other areas. Once combined with local talent, funds, and enthusiasm, the returns measured in public awareness and environmental improvement far exceed the investment.

Last October, using a small amount of money from the federal Office of Environmental Education, services and personnel from the Environmental Protection Agency Region V., and National Park Service, and students and faculty from Illinois and Wisconsin high schools, a weekend environmental problem solving conference was held. The monetary investment was small, but the interest on the part of staff of sponsoring agencies, and the work done preparing for the conference by participants maximized the result. Over one-hundred and forty students and teachers attended from urban, suburban, and rural environments. Those attending learned about environmental education and projects at other schools, how to organize similar programs that would be locally significant, and where to go for instructional materials and help from other schools, citizen groups, and government agencies. They also gained practical knowledge of water testing using the Tilden Guides developed by the Cleveland Institute for Environmental Education with help from the Environmental Protection Agency and the Office of Environmental Education, and other instructional aides.

The follow-up activities of the conference are numerous. The schools have organized a newsletter to keep informed of projects, and a monitoring network of a river that runs from Wisconsin into Illinois. Special student research groups have researched discharges in local rivers and obtained convictions of illegal water pollution through the local sanitary district regulations, and state laws in some cases.

Teachers have returned to their schools with new ideas for curricula, and inter-disciplinary courses on environmental studies.

Although the organizers could not obtain federal funds for a follow-up conference, private donations and a grant from UNESCO will support an international student environmental conference late this April. Patterned after the first conference, it will emphasize student and adult cooperation on community environmental problems. Foreign students from ten countries will meet with host students in Illinois and Wisconsin to learn about specific projects, and to visit schools, parks, industrial centers, landfills, and sewage treatment plants. The implications worldwide of this program are apparent.

D. Several small grants to non-profit citizen groups have gone tremendously far in promoting environmental awareness.

I especially remember a garden club in Illinois that used an Office of Environmental Education grant of a few hundred dollars that enabled them to design a children's coloring book that emphasized ecological concepts and responsible environmental attitudes. Our school used these books which we were able to obtain free through the generous help of the club. Normally the club sold them at cost to interested groups. These books were extremely popular with grade-school children in our elementary school lecture program. Even some local churches purchased them to use in Sunday school lessons!

III. Environmental education depends on the preparation of teachers and citizens for immediate results.

A. Even though comprehensive state plans for environmental education are in final stages in some states, their implementation depends on faculty and citizen support.

The Illinois State Plan for Environmental Education has noted, "Many teachers and other community leaders do not have the adequate background to be effective environmental educators." To help remedy this the plan suggests, "Giving teachers instructional materials that are practical for their teaching situation and guidance in how to use it, providing in-service workshops and graduate study in environmental education, and encouraging independent study and field work within the local school district.

Even if guidelines are set by state agencies for environmental education in schools, it won't be taught unless the teachers, administrators, and local boards and parents demand this kind of study. Federal funds for teacher workshops and seminars for environmental education in communities are essential.

Many towns and villages now have environmental advisory commissions composed of community citizens who are interested in environmental improvement in their area. In places where environmental awareness is high, these boards make recommendations to governing boards or establish ordinances. In Oak Park, the Environmental Advisory Commission cooperated with local food stores in order to label detergents designed to cut down water pollution and to eliminate excess packaging. The committee helps to select the scholarship recipient for funds collected as part of the community wide recycling program. This high school student can use the money to continue his or her education in an environmental field.

In Franklin Park, a more industrialized area, their Environmental Control Commission works with the local zoning board to preserve green belts, has planted vegetation along a river to help to control erosion, and has designed a model sewage ordinance for the village. During the first eight months, the local citizens group that supported the establishment of the commission had about $2.00 in its treasury. Despite this, through donated time of citizens and small contributions, this group launched a successful environmental education campaign that involved two large high schools, elementary schools, and over 6,000 homes in a door to door campaign.

The support of community environmental groups, the setting up of advisory committees, and the teaching of environmental education in schools depends on an educated public. Without public interest, a commission cannot begin. Without a faculty advisor, a student group cannot function. Without community cooperation, environmental projects will collapse.

B. Instructional materials and imaginative programs designed for use in the school classroom and community are lacking or unavailable to many educators and citizens, especially those that are urban-oriented.

During hearings for the Illinois State Environmental Education Plan, teachers and leaders stated repeatedly that they were concerned, but didn't know where to obtain environmental education materials, or how to make their studies relevant to local needs.

Often these materials existed, but required wider exposure and availability. Teachers and citizens never heard about unique programs that would have helped them to avoid organizational mistakes and other problems inherent in running school-community programs.

For example, last summer while working for the federal Environmental Protection Agency Region V, I participated in a new environmental education program in the inner city. This program has been submitted to the Office of Environmental Education for next year, on a much wider basis. Last year the Environmental Protection Agency provided $200.00 for materials and about $300.00 in staff time to organize a program for high school students. These students, involved originally in the Model Cities summer program, had requested themselves to undertake a program that would help to alleviate problems that they faced in their community daily; they wanted an action project with tangible results rather than busy work. The director of Public Affairs for Region V of the EPA planned a project that brought together Model Cities, the Department of Streets and Sanitation, the Department of Environmental Control (which enforces Chicago's anti-pollution regulations) and the EPA.

The students were concerned most about abandoned cars, litter, vacant buildings and lots, fire hazards, lack of sanitation, illegal smokestacks, and high noise levels from the elevated train, buildings and vehicles. By training the students to identify possible violations in these categories, and areas that needed attention, the EPA was able to send them out to survey the neighborhood. Using a form based on city inspectors reports that detail solid waste problems, the EPA added sections on noise and air pollution. With the help of adult supervisors, the students compiled the data, and made suggestions to the appropriate city department. Often the department had the needed baskets or street cleaners to remedy the problem, but lacked enough inspectors to find the spots.

Also, the young people as members of the community had more success in talking to residents and in moving around the community than inspectors from downtown whom residents viewed suspiciously because they feared a bill or notice of a building violation. Once the people found that the students were actively trying to improve the area, residents often fixed up their buildings or grounds, or began projects through their block clubs. In the case of noise or air violations, Chicago has strict ordinances, so that the inspectors could assign fines once the students notified them.

Mayor Daley singled out this project as a success. If it receives some federal money, it will become a national model for urban environmental education and action. One student explained to me the importance of the program. "People in this neighborhood talk about moving out to get away, but I don't want to. I want to stay right here and get these problems fixed up, because no matter where we go, pollution is going to follow us. For once the kids in Y.E.A. (Youth for Environmental Action) feel like we're doing something to help."

C. Colleges and universities need new systems of environmental education to prepare people that will solve future problems.

At many schools, even if environmental courses are offered, these courses deal in generalities. At Cornell, students and faculty are experimenting with new approaches to environmental education, like having students work on real community problems for credit. These students might monitor a nuclear power plant, gathering long term accurate data on environmental effects, or help the local community to plan a recreational park. At other universities, PIRGS (Public Interest Research Groups) cooperate with citizen groups and state and federal agencies on consumer information, health care programs, and other civic environmental concerns.

These students and the adults that work with them, are developing skills and attitudes necessary to deal with real world problems. If given appropriate support, these kinds of projects can only benefit our country, and increase cooperation among people who are faced with common environmental choices.

IV. I have attempted to illustrate the important influences of the Environmental Education Act, despite its handicaps.

A. I believe that it would be premature to halt a program like this one, after it has never received a chance to fulfill its potential.

I understand that the program has never received the full funding as originally intended. For this reason, hundreds of grant applications which deserved funding never received it. This subcritical funding prevented the Office of Environmental Education from realizing even more significant progress, because to begin with the original allocation was extremely small (in terms of the federal budget).

The lack of funds and adequate staff stopped the Office of Environmental Education from gathering input from a wide range of citizen, educational, and non-profit groups, or from advising interested organizations on how to design projects to obtain funds. Between issuing criteria for grant applications and the deadline for submitting them, there were only three weeks—much too short a time for many groups to design a proposal and to gain approval from their boards.

Even small grant applications were extremely complex documents, requiring pages of statements, philosophies, and justification, as well as a complicated budget analysis. This certainly discouraged many organizations from applying, when ironically, the grants were aimed in part at this type of community group.

B. Administration of the program hindered its effectiveness.

It is crucial that the Office of Environmental Education be in close contact with the Environmental Protection Agency and other agencies like the Department of the Interior, National Park Service, and Department of Agriculture which deal with public education to environmental topics.

As a recipient of the President's Environmental Merit Award, a program administered through the Environmental Protection Agency, I see great possibilities for reaching students. Now over 38,000 public and private high schools, 11,000 summer camps, and more recently many elementary schools are eligible for the program which recognizes environmental achievement. Almost all of these programs had no federal funding in the schools, yet they achieved significant results.

A later aspect of the PEMAP program provided some funding through cooperation between the Environmental Protection Agency and the Office of Education. With federal assistance matching local funds, the opportunities for spreading constructive programs are unlimited.

Moreover, this type of governmental commitment transcends specific environmental problems, because it demonstrates that the government recognizes citizen efforts by more than a certificate or some publicity. The renewal of the Environmental Education Act would support these efforts and disseminate information on programs across the country.

Perhaps the administration of the Act would be handled more efficiently within the Environmental Protection Agency, through established citizen contacts, and industrial and citizen recognition programs similar to PEMAP.

V. In any case, I am confident that I speak for thousands of students and other citizens in America today whose energies and talents are awaiting opportunities and guidance in environmental service.

A. As Congressmen, our elected representatives, it is your responsibility to see that their awareness does not change to frustration and disillusionment as they see more and more dollars cut from programs that directly affect the quality of life.

Environmental programs in the broadest sense which include not only pollution control and public education, but social projects directed towards rehabilitation, and support of our cultural institutions, are fading before the eyes of a critical public, even when Congress supports these programs!

B. Congress has the opportunity to stand behind the Environmental Education Act, even though the present administration may not act according to its promises.

I challenge you gentlemen to take this action by supporting the Environmental Education Act, H.R. 3927.

Thank you.

DRINAN SUPPORTS ANDERSON AMENDMENT TO OPEN HIGHWAY TRUST FUND

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. DRINAN. Mr. Speaker, in just a few days the House of Representatives will be considering one of the most significant transportation issues that will come before the 93d Congress. I refer, of course, to the Federal-Aid Highway Act of 1973, S. 502.

Congressman GLENN ANDERSON of California is planning to introduce a "flexibility" amendment to S. 502 that I believe is of critical importance to the resolution of the transportation crisis that afflicts all too many of our Nation's cities. This amendment would allow local highway planners in urban areas the option of using their share of the $850 million urban systems portion of the highway trust fund for public transportation purposes.

The Anderson amendment would not mandate any mass transit construction. It would not alter the amount of highway trust fund moneys that any State receives. Nor would it affect the distribution of funds to rural road programs, or jeopardize the completion of the interstate highway network. What the Anderson amendment would do is this: Local transportation planners would be given a choice of transit options with which they could select that which best meets the actual transportation needs of their community. In some cases, this might mean that more roads would be built using urban systems funds, but in other situations, where construction of more roads would do more to aggravate the transit situation than to improve it, local officials could turn to other public transportation systems, such as buses or rail transit.

I cannot stress too much the importance of this amendment. Will Congress continue to attempt to meet the transportation crisis of the 1970's with the wisdom of the 1950's? Or will Congress realize, as I and many others hope it will, that our existing transportation policies are seriously out of date and will do little to solve the growing transit dilemma?

We are now faced with a growing energy crisis, to a large degree attributable to the huge and inefficient energy consumption of the automobile. Already in some cities and States gasoline is being rationed. Urban areas face the specter of air pollution, to which the automobile has been a prime contributor. Many urban areas, if they are to meet the EPA air-quality standards by 1977, will have to drastically reduce the amount of automobile traffic within their jurisdiction. Finally, there is the recurring blight of snarled traffic and clogged highways that must be alleviated.

All of these factors suggest to me that this country should make a massive commitment to the development and construction of mass transit throughout the urban areas of our country. No one claims that opening up $850 million of the highway trust fund will provide an answer to these pressing problems, but it will be an important step.

Mr. Speaker, a coalition of concerned organizations has formed the Highway Action Coalition, which is attempting to assist in the passage of the Anderson amendment. I would like to call to the attention of my colleagues a certain documentation prepared by the Highway Action Coalition on the subject of the Federal-Aid Highway Act of 1973. I commend this material to my colleagues, and urge that they give it close attention:

THE COMMITTEE BILL—DOES IT PROVIDE FLEXIBILITY?

The House Public Works Committee's version of the 1973 Federal-aid Highway Act is very much a traditional highway bill. It makes authorizations which continue largely unchanged the existing Federal-aid highway programs. It does depart from the past in creating a number of new, major categorical grant programs, including a 10,000-mile "priority primary highway system." And the bill would, for the first time, provide an urban/rural balance through a major increase in the funding for urban highway programs.

The Committee rejected those features of the Senate-passed bill which would permit local and state officials to use some of their urban road funds for bus and rail public transportation as well as highways. The Committee bill, however, does for the first time recognize that this type of flexibility is essential for rational urban transportation planning. Unfortunately, the complex mechanism which the Committee has evolved to meet this need poses many more problems than it solves.

Under the Committee bill, an urban area could theoretically decide to forego the use of its share of the $700 million a year urban system allocation, return the money to the Highway Trust Fund, and receive a like amount of funds on a contract authority basis from general revenues for public transportation purposes. Unused highway funds would be "frozen" in the Highway Trust Fund. Thus, for example, if Chicago decided to use $15 million of its $18.163 million urban system allocation to buy buses or to improve its rapid rail transit system, then it would return the $15 million to the trust fund and, in turn, would theoretically receive $15-million out of general revenues on a contract authority basis for those purposes.

Similarly, under the Committee bill, if local officials and the state governor decided to cancel a controversial urban Interstate highway segment (and the Secretary of Transportation found that the segment was not essential for the continuity of the overall Interstate System), then the funds allocated to that project would be returned to the trust fund and an equivalent amount of money would be made available out of general revenues for public transportation purposes within that state. Thus, for example, if those segments of I–95, I–695 and I–895 which were to bisect downtown Boston and which the Governor and the Mayor have said should not be built, are in fact de-designated, then the $930 million allocated for those projects would be returned to the trust fund and a like amount of money would be made available out of general revenues over several years for public transportation purposes in Massachusetts. Potentially, as much as $6 billion worth of controversial urban Interstate highway projects could come under this provision.

The basic difficulty with this approach—some have called it a "Rube Goldberg contraption"—is that it both promises large amounts of general treasury funds for transit that are not now available or likely to be available in the future, and it compounds the problems of executive impoundment and the proliferation of red tape and administrative delay.

The urban system and Interstate transfer general revenue substitution provisions could add as much as $1.4 billion a year in additional burdens on the general fund for public transportation, and this would be above and beyond the existing $1 billion a year general revenue-supported Urban Mass Transportation capital grants program. Where is the money going to come from? At a time when Congress is attempting to control "backdoor" spending, is adding an additional $1.4-billion in general revenue obligations, which are beyond the control of Congress, really an acceptable approach? At a time when the budgets of many programs are being cut back due to the increasingly serious fiscal plight of the country, is it not inconceivable that the Appropriations Committee, if not a majority of the House, would enact a budgetary ceiling well below that required for the desired flexibility? If not, would not the President simply impound the transit funds?

The Department of Transportation has indicated the Committee bill would present an administrative nightmare. We see no purpose in adding more red tape to the existing regulations by requiring the money to be transferred firstly, back to the trust fund, and then sending general revenues back to the urban areas. If the intent is to provide real flexibility to urban transportation decisionmakers, then why not avoid these fiscal and administrative pitfalls, by simply permitting them to use their urban road funds for whatever mix of ground transportation programs will best meet their particular local needs?

Highway trust fund projects	Funding committee bill	Funding Anderson amendment	Uses, committee bill	Uses, Anderson amendment
The Interstate System	$3.5 billion per year through fiscal year 1978	No change	No change	No change.
The primary system in rural areas	$700 million per year for fiscal years 1974–75–76	do	do	Do.
The secondary system in rural areas	$400 million per year for fiscal years 1974–75–76	do	do	Do.
The forest highway system	$33 million per year for fiscal years 1974–75–76	do	do	Do.
The public lands highways system	$16 million per year for fiscal years 1974–75–76	do	do	Do.
The economic growth center development highway	$150 million per year for fiscal years 1974–75–76	do	do	Do.
Special urban high density traffic programs	$100 million per year for fiscal years 1974–75–76	do	do	Do.
Priority primary system	$300 million per year for fiscal years 1974–75–76	do	do	Do.
Urban extensions system	$400 million per year for fiscal years 1974–75–76	do	do	Do.
Urban system	$700 million per year for fiscal years 1974–75–76	do	do	Expanded to include purchase or construction of bus or rail rapid transit systems.

USER TAX EQUITY: "A SACRED TRUST?"

The taxes accruing to the Highway Trust Fund are frequently characterized as "user" taxes. For this reason, it is sometimes argued that to use any part of such taxes for the funding of mass transit systems would be to "break faith" with the "highway user" who pays those taxes. This claim, that taxes on such items as gasoline and tires are committed by Federal promise to highway users alone, and that the taxes are not legitimate unless raised for these purposes, however, is a misrepresentation of the 1956 legislation that created the Highway Trust Fund.

Earmarking of certain taxes on automobile-related items to the Highway Trust Fund is nothing more nor less than a simple—but very effective—financial device, aimed at assuring the Federal-Aid Highway program substantial, long-term funding. The existence of the Trust Fund is not the justification for imposing these taxes. Some $3 billion dollars, or 50 percent of the money that will flow into the Trust Fund in 1974, will have derived from taxes that were levied long before the Trust Fund was ever conceived, and which, prior to 1956, were used for a whole range of programs including foreign aid. Gasoline taxes date from 1932, and a tax on tires and tubes has been levied since 1919. These taxes were then called "excise" taxes, and like taxes on alcohol, cosmetics and almost all saleable items, they accrued to the general treasury. The gasoline and tire taxes, among others, were later siphoned into the Highway Trust Fund, but they are no different from those excise taxes of 1919 and 1932. At no time in all those years before the creation of the Trust Fund did "highway users" claim that these taxes should not be used as a part of general revenues, any more than cigarette smokers claim that all tobacco taxes should be funneled into cancer research. To insist, therefore, that the legitimacy of these levies depends on their expenditure for roadways is more of an *ex post facto* rationalization than an appreciation of the facts.

The Highway Trust Fund was created in 1956 largely with the intent that it should finance the Interstate Highway Program authorized in that same year. In order to provide a long-term continuous funding for that program a Trust Fund was deemed a necessary mechanism and it seemed appropriate to divert, from general revenues, highway-related levies to partially support that Fund.

However, it has never been feasible financial policy that specific activities should be financed by levies on related products. Indeed, although the Highway Trust Fund was once hailed as a mechanism to achieve a self-financing highway system, cities, counties, states and the Federal government drew some $4 billion last year from general revenues for highway purposes, a large share of which went for the upkeep of Federally funded highways. General taxpayers also bear the many considerable indirect costs of supporting the highway system, ranging from the creation of much of the parking space to loss of taxable land.

This is particularly true in the cities where often 60 percent of urban space is given over to automobile-related uses. All citizens, furthermore, have borne the many social and environmental costs of the highway system.

ENERGY

Automobiles are energy gluttons. Their manufacture and operation acount for more than a fifth of all the energy consumed in the United States. Worse still, automobiles effectively use only five percent of the potential energy they burn; the rest is wasted. The average car has about 120 horsepower per passenger—roughly the amount required by a subsonic aircraft for take-off. Per passenger mile, a car consumes five times as much fuel as a train, and six times as much as a bus.

In light of an impending energy and fuels crisis, this waste is unacceptable. Dwindling oil reserves, for instance, have already caused fuel shortages for home heating oil this past winter. Further, it now appears that there will be gasoline shortages this summer as production fails to meet the unbelievable demands that the auto places on our reserves of crude oil. These shortages caused the closing of schools and industries in the midwest last winter. Can we really afford to feed our automobiles at the expense of closing our schools and factories?

Yet, mass transportation in urban areas can provide some relief. If we could shift one-fourth of urban travel in major metropolitan areas from private automobiles to public transportation, we could expect to save neary a million barrels of petroleum a day by 1980. It has been said that energy is the ultimate natural resource. It is also a limited resource. Unless we begin to conserve energy, by eliminating wasteful uses, and providing for more energy efficient uses of the limited resources we have, we may soon be paying a tremendously high price for our energy needs. While mass transit may not be the whole answer, it is a beginning. Interestingly enough, many major oil companies agree and have publicly endorsed Highway Trust Fund flexibility. They include: Standard Oil of New Jersey, Mobil, Gulf, Texaco and Atlantic Richfield.

AIR POLLUTION

Automobile-caused air pollution has become a major health hazard in many cities. The Federal Environmental Protection Agency (EPA) reports that 67 metropolitan areas have auto-related air pollutants in concentrations hazardous to human health. The Federal Clean Air Act requires that these cities achieve certain standards of air quality (as regards concentrations of carbon monoxide, hydrocarbons, oxides of nitrogen, etc.) by 1977. Despite relatively stringent auto-emission controls and "stationery source" restrictions, the Environmental Protection Agency reports that at least 26 major metropolitan areas in 22 states will have to reduce automobile usage in order to meet the minimum standards required under the law and for human health. Measures under consideration in these areas range from parking restrictions to gas rationing—but all are predicated upon improved public transportation alternatives.

CONGESTION

This country has constructed the world's most extensive highway system, yet our urban dwellers arguably have less mobility than they did before the great highway construction boom began.

The motorist, usually at the hours when he most needs to move through the city, finds himself caught in continuous traffic jams. Existing streets and highways have become congested almost to the point of strangulation in many urban areas. Meanwhile, the very highways designed to speed *inter*-city travel have become so crowded with autos traveling back and forth between the suburbs and the central city that they can no longer effectively function. Automobiles designed to speed along at 60 to 80 miles per hour are reduced to a three to ten mph crawl. In the central business district of New York, peak hour traffic moved faster in 1900 than it did in 1970.

Congestion is the antithesis of the mobility the Highway Trust Fund was intended to achieve. Yet more highways seldom provide a solution to the congestion problems of urban areas. Firstly, highways themselves generate new traffic and eventually further congestion; a phenomenon now well understood by traffic specialists. Secondly, in many of the most congested urban areas, the city itself cannot sustain more streets and highways without suffering irreparable damage to environment, character and vitality.

Mass transit systems can provide some relief from congestion. They offer an alternative form of transportation to motorists who at present have little choice but to drive, and tend to ease the increase in automobiles using the roadways. For the many cities that are now contemplating restrictions on the use of cars in order to relieve congestion downtown, mass transit systems are becoming essential. If use of the automobile is to be curbed, for whatever reason, then an alternative mode of transportation must be provided.

Effective public transportation systems are, therefore, a vital part of most attempts to ease urban congestion. Unless these attempts succeed our many urban highways will not be able to perform their intended tasks of moving people and goods safely and effectively. For the "highway user" redirection of some urban highway funds toward the improvement of public transportation could at last provide an opportunity for alleviating the rush hour crush.

WHEN SAVING MONEY COSTS TOO MUCH, OR POWER TO THE PEOPLE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. PICKLE. Mr. Speaker, few people in America today would argue that this country is facing an energy crisis. Scientists have predicted this energy squeeze for years, and now even the common man has begun to feel the pinch from gasoline supplies that are drying up, from natural gas supplies that prove inadequate for long winters, and from electrical systems that are overpowered by the increased demands placed on them.

But unfortunately, even with all the hue and cry that has been raised over this issue, the administration has silently put the brakes on the one hope we have to solve this crisis. The President, in his forthcoming energy message, will ask for a nearly insignificant increase in funds to be used for energy research.

In an editorial that appeared in this morning's Washington Post, the implications of this penny-pinching policy are spelled out, and they include drastic energy rationing measures and exorbitant prices on the fuels that will still be available.

Certainly the President has shown his desire to be frugal in Federal spending, and to shift the financial burden of many programs to local government or private industry. But energy research does not lend itself to this type of action. Private companies cannot invest the millions of dollars needed to develop new and viable sources of energy because they cannot get a short-run return on their investments. To rely on them for future advances would be fruitless. The Federal Government must provide some of the funds and the coordinating mechanisms necessary to discover and implement new solutions to the energy problems that face us.

As a member of the House Science and Astronautics Committee, I have become increasingly aware, in recent months, of the enormity of the task before us. I believe it is vital that the Federal Government commit itself wholeheartedly to a national program of energy research and development.

This is one crisis that we have the brainpower to conquer; we can find new, inexpensive, nonpolluting methods of heating homes, powering vehicles, and lighting cities. But we must have the money to do it. The amount of R. & D. funds indicated appear to be too small, but in fact almost the same amount recommended before the emergency was declared.

Just as we set a goal in 1960 to put a man on the moon, we can set a goal now to solve the energy crisis. And we can do it, if we do not allow the administration's cost-cutting zeal to lead us down a path to a dark future.

The article follows:

ENERGY RESEARCH: A FALSE ECONOMY

The decision to go short on new research money will doubtless be one of the less controversial passages in President Nixon's forthcoming energy message. But this example of misconceived thriftiness may very well prove to be the message's most serious defect. Through the customary series of leaks and dribbles, the administration has indicated its intention to produce the message within the next few days. The subsequent public debate will revolve, as usual, around those familiar points that Washington is accustomed to arguing about—the deregulation of gas, the oil import quotas, the environmental protection standards. But an issue of at least equal importance, and one on which the administration's position remains deplorably nearsighted, is the federal support for energy research.

The message, according to the advance hints and smoke signals, will propose something like an additional $100 million for scientific and engineering work in developing energy resources. That would constitute an increase of only 13 per cent over the $752 million already budgeted for next year. That $752 million is a very modest sum, in comparison with the costs of progress in advanced technology generally. It is less than half the federal support for biomedical research, and one-fourth the outlay on space research.

A substantial part of the present energy shortage is the result of unexpected delays in producing nuclear power. The engineering of nuclear power plants has turned out to be far more expensive and difficult than anyone would have believed in the 1950s. For the near future, the great need is for cheap and efficient methods of extracting oil from shale, for example, or gas from coal. Senator Henry Jackson (D-Wash.) has proposed an expenditure of $2 billion a year for 10 years, a considerably more realistic estimate of the likely costs of achieving this crucial technology.

The American oil industry is now proceeding on the assumption that, by the middle 1980s, the development of new energy sources will greatly reduce our dependence on petroleum. This assumption could prove highly dangerous if, in fact, the new sources do not appear on schedule. Merely letting time pass will accomplish nothing other than, of course, aggravating the present shortages. If we do not make this investment, we must expect to be forced into increasing dependence on vastly more expensive fuels. We are already beginning to import Algerian liquid natural gas at a cost in the range of six times the present average wellhead price of domestic gas. The much-advertised Russian gas would apparently be even more expensive. Methods already exist for manufacturing gas from coal, but the product is also very expensive.

A shift to high-cost fuels would be, obviously, grossly inflationary. But to say that is merely to hint at the damage that it would inflict on the American economy. Mr. Nixon wants to keep the research investment down because he wants to hold this whole budget down. But here his error in making a fetish of federal spending limits promises to become exceedingly expensive to the nation over the long haul.

THE AMERICAN OIL CRISIS AND MASS TRANSIT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. ANDERSON of California. Mr. Speaker, today's tremendous urban traffic snarls and thick air pollution are clearly visible results of overcrowded roads in our Nation's cities.

But, another problem—which is just as serious—lurks beneath the obvious ramifications of too many cars.

That problem is the oil crisis.

It is perfectly clear that mass transit is the singly most viable answer to the oil crisis, traffic tieups, and air pollution.

The only definite way we have before us of insuring funding to provide the much needed mass transit moneys is to tap the highway trust fund.

It rural and urban areas are going to be assured of a continuing supply of gasoline at a reasonable price, those of us living in the cities must halt the great waste of gasoline consumed by cars stalled in bumper to bumper traffic.

When automobiles are stalled in these terrible traffic jams, only 5 percent of the potential energy in the gasoline is used. The remaining 95 percent is emitted through the tailpipe.

We cannot afford to waste gasoline in this manner. Our supply is far too precious and precarious.

I suggest that we examine the precarious situation of our unprotected primary oil passage way which runs through the Persian Gulf and then, quickly, take steps to protect our oil supply which is so essential to our entire economy.

In last week's Los Angeles Times, Joseph Alsop related the fears of a friend of our Nation's concerning our oil problem.

The former Israeli Ambassador, Itzhak Rabin, clearly depicted our situation in Mr. Alsop's column.

I am including the remarks of Mr. Rabin and Mr. Alsop because I think they will be quite useful to my colleagues.

While action on protecting our vital supply of oil is being considered, I would suggest that immediate action be taken to stop the wasting of fuel by automobiles on traffic-clogged highways by funding mass transit systems to get these cars off our roads.

The article follows:

[From the Los Angeles Times, April 12, 1973]

THE OIL PROBLEM—10 TIMES WORSE THAN YOU SUPPOSE

(By Joseph Alsop)

WASHINGTON.—Some weeks ago, the former Israeli ambassador, who was also one of the two chief minds behind Israel's victory in the Six-Day War, went home for good after a long experience in Washington.

Itzhak Rabin is not merely a brave man, a good companion and a good friend. He also has one of the most far-thinking yet down-to-earth strategic minds this city has known in many years.

So it was a matter of pride that the house where these words are written was the last in Washington where he came to say goodbye and to have his final meal in America.

The talk at supper included a fairly idle question: "Now that it's all over, what impressions do you take home with you from your embassy here?"

Rabin answered that he had had a wonderful time here and, in one way, was going home much encouraged. When he came to Washington, he had found the city wholly preoccupied with Vietnam and dealing with all the more important matters in the world by a method of fumble, muddle and last-minute improvisation. Now, he added, "your policy has a clear, well-thought-out direction, and is bold and adroit, too. All that is very good."

Why then, he was asked, did he so carefully say, "in one way"?

"Your oil problem," he answered shortly.

You mean you think the Arabs will blackmail the United States into an anti-Israeli policy, was the natural reply.

Not at all, he came back energetically. Israel can take care of herself "unless the United States joins with other nations to destroy Israel—and the United States will never do that."

"But why the oil problem, then?" was the next question.

"Because of its direct effects on you," he answered, "and because those direct effects will turn into indirect effects on Israel and so many other nations."

Begin with Israel and the other nations, he was urged.

"Oh, he replied, a bit grimly, "Israel is lucky. Israel has the will and wits to defend Israel. Besides China and one or two more, there are not many nations friendly to America that you can say so much about today. But neither Israel, nor China, nor any of the other nations now in the circle of America's friends can possibly achieve successful self-defense in a new kind of world in which America has ceased to be a great power."

"Ceased to be a great power! My God, I thought you were talking about the oil problem," was the fairly horrified comment.

It was a natural comment, too, for how do most of us, as yet, think about the oil problem? In terms of greater costs, our current difficulties with the balance of payments, and also of the Arab political blackmail—which the departing ambassador had dismissed. That, surely, is an honest summary of the way we now think about the oil problem.

Perhaps sensing all this, Rabin went on, much more sternly and more earnestly: "You do not think enough about the oil problem. I have been looking into it for months. It is much worse than you suppose—10 times worse. Your jugular, Western Europe's jugular, Japan's jugular, all run through the Persian Gulf nowadays. Yet you have no means to defend your jugular.

"This is why your country must cease to be a great power unless you can find means to solve this terrible problem which everyone has overlooked for too long. No nation can remain a great power that has a wholly undefended jugular, waiting to be cut by anyone with a willing knife.

"No nation can be a great power, either, that has an ever more worthless currency—unless it is a totalitarian state like Hitler's Germany or the Soviet Union, which the United States will never be.

"Look into the facts that the future will force you to face. Look into what those facts will do to your dollar. Look into the new strategic situation those facts will soon enough create for you. Then you will see that I am right."

DR. ERIC KOLLMAN

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. CULVER. Mr. Speaker, few people have been in a better position to appreciate the freedom and advantages of this great Nation than Dr. Eric Kollman, professor of history at Cornell College in Mount Vernon, Iowa, who is retiring in May of this year. Dr. Kollman, a native of Vienna, Austria, was teaching there at the time of Hitler's invasion in March 1938. Forced out of his position, arrested, and persecuted because of his Jewish nationality, Dr. Kollman and his family tried for a year to obtain a passport and visa to leave Austria. Sponsored by the well-known American educator, John Dewey, the Kollmans finally successfully emigrated to the United States in March 1939.

The family came to Iowa in the fall of that year and, after teaching for 4 years at Parsons College and serving on the staff of the Army specialized training program at the University of Iowa, Dr. Kollman joined the Cornell College faculty as a professor of contemporary world history, a subject that he has both personally experienced and to which he has contributed scholarly insight. He has traveled extensively in Europe as lecturer, researcher, and participant in international conferences.

Mr. Speaker, I am happy to salute Dr. Eric Kollman on his retirement from the Cornell College faculty after 29 years of rich and productive teaching. Forced from the country of his birthplace, he came to this country and to the State of Iowa, where he has earned international prominence as an historian. Dr. Kollman is a most respected member of the teaching profession and was recently honored by a symposium at Cornell College on Germany and Modern European History, attended by several well-known historians who are personal friends of Dr. Kollman. Because of the outstanding influence of his personal example and scholarship, I insert in the RECORD an article by Art Hough of the Cedar Rapids Gazette on the career and forthcoming retirement of Dr. Eric Kollman.

The article follows:

ERIC KOLLMAN LIVED HIS HISTORY LESSONS

(By Art Hough)

MOUNT VERNON.—"It was not a nice birthday."

Speaking was Dr. Eric Kollman, professor of history at Cornell college, who well remembers that on his 35th birthday, 35 years ago, Hitler's Nazi forces invaded the professor's native Vienna.

Maybe, unintentionally, Hitler did Eric Kollman a favor by changing his entire life picture. Kollman, a Jew, was persecuted like thousands of other Austrian Jews, but, he was luckier than many. He got out of the country, came to the United States and reached international prominence he might never have attained in his native land.

Dr. Kollman, 70, will retire from teaching next month, after 29 years on the Cornell campus. In honor of his retirement, Cornell is sponsoring a symposium on Germany in Modern European History Wednesday and Thursday, April 4 and 5. Speakers will include three of Kollman's personal friends in history, Prof. Gordon A. Craig, chairman of the Stanford university history department; Prof. Peter Loewenberg of the University of California at Los Angeles, and Prof. George L. Mosse of the University of Wisconsin.

Dr. Kollman's biography of Theodor Koerner, a former president of Austria, has just been published in Vienna. This is the centenary year of Koerner's birth.

The immediate effect of the Nazi invasion March 12, 1938, was not good. In Kollman's words:

"I can tell you that I was teaching at a boarding school. The Nazis took over in the night, from Friday to Saturday. On Sunday I got by special messenger a letter to report on Monday with my keys, since the National Socialist cell has declared that I am intolerable and I'm to be immediately suspended."

Kollman did as he was told. He handed in his keys, although his contract called for compensation if he were suspended without notice.

HE DID GET PAID

Strangely enough, Kollman did get paid on his contract.

"I had the fantastic experience that some of my students and one former student who, was then a member of the "SS" went to the new Nazi director of the school and said:

" 'Kollman has to get his money.' "

So they gave it to him.

"One day, the black limousine of the "SS" stopped at the house. My wife thought I was going to be arrested. That former student of mine came and brought me the money they owed me for three months.

"When I was arrested, three months later, my wife went in desperation to the same student. He said he could do absolutely nothing."

Kollman and several other Jews were dragged to a synagogue, which had already been half-exploded, and were forced to clean it out.

He didn't go to a concentration camp, although he temporarily was imprisoned at a riding school with thousands of other Jews.

"I was lucky to get out, by chance, by mistake."

On the second day, the Gestapo came and ordered all people with identification cards from the Palestine office in Vienna to come forward. Kollman used his Jewish high school I. D. card and was released with the others.

"When I came out of this prison there was a six-foot-tall storm trooper who said:

" 'How come they let you out, you swine?'

"I thought maybe now it starts all over again. But they let me go."

YEAR OF RED TAPE

It took Kollman and his wife, Gusti, nearly a year to get through the bureaucratic red tape and out of the country, despite the fact that he was sponsored by a famous American educator, John Dewey, then head of progressive education and professor emeritus at Columbia university.

American consuls were suddenly swamped with applications and at the same time were fighting the immigration quotas.

While the Jews waited their turn to get out of Austria, the Nazis had ingenious ways of making life miserable for them.

Everyone in Vienna, except the Jews, was required to wear a Nazi swastika in his buttonhole. The Jews were not allowed to and were easily recognized by storm troopers.

"If you walked on the street and had no sign, the Gestapo would say 'Come with me,' and you better did."

Gestapo arrested Kollman on the street one day while he was shopping for groceries. They took him to a barracks. He was forced to help other Jews clean the place. Then they offered them a way out.

"They said they would let me go if I brought them 1,000 schillings, which was $40 at the time, plenty of money. What else? What did you do? I went home and got the thousand schillings.

"Some other niceties. There was a Jewish passport office. The storm troopers, to have fun, would chase you through the district."

Kollman explained that the office would open every day at a different time. The Kollmans, since they could not ride the street cars, had to walk several miles from their home.

"You came to the office at 7. The office had opened at 6. Hopeless to get in today because of the long line. One day you came at 6 and the storm troopers were there and chased you all over the district and beat you up, so to get the passport was a major achievement."

The Nazis were more "lenient" at that time than later, when they tried to starve the Jews.

"You could still buy food at that time, but you couldn't sit on a park bench or go into a coffee house."

UNFORGETABLE EXPERIENCE

Kollman compares their reaching America March 8, 1939, as like "coming from Hell to Heaven."

"The beautiful thing was the passing of the Statue of Liberty, an experience I shall never forget."

Another experience he cherishes occurred when an immigration officer returned their passports. They said "Thank you" and the officer replied "You're welcome." It was the first time they heard this expression and they took it literally.

"It was quite an experience after being kicked around, beaten up and persecuted that an official of the government would say:

" 'You're welcome!' "

The Kollmans stayed in New York for three months, Mrs. Kollman working as a domestic and Kollman spending what little money they had on subway fares and telephone calls while trying in vain to find a job.

That summer they both worked at a camp for underprivileged, in Michigan.

"The children had a ball, because we didn't understand Detroit slang and they could use very bad language in our presence. But, in behavior pattern, the children behaved just like Vienna slum children—except that Vienna slum children would not throw food around."

Dr. and Mrs. Kollman came to Iowa in the fall of 1939. He taught at Parsons college for four years and in 1943–44 was on the staff of the army specialized training program in foreign area and language at the University of Iowa.

RETURNS TO EUROPE

He spent the 1944–45 school year at Cornell, teaching future navy officers contemporary world history, and then joined the Cornell faculty as professor of history.

Since then he has returned to Europe nine times to teach, do research or attend international conferences.

In Germany he has spoken to "different layers of people," from peasants to ex-army officers, young and old.

"I knew, understood better, what the Germans had trouble understanding about the United States," he said.

Yes, Hitler did Kollman a favor, indirectly.

"Following the dialectics of history, some very bad things turn out the opposite, I cannot forget the price."

We asked Dr. Kollman whether he believes he would have been as successful had Hitler's armies left Austria—and him—alone.

He said he probably would have been principal of the boarding school in which he was teaching at the time of the invasion, or director of a gymnasium.

Dr. Kollman was offered a gymnasium directorship after the war. He turned it down.

"I didn't want to do that. Because, what history has done, or what Hitler has done to me, is in the terms of a historian a unique opportunity to start all over again. It forced me into comparative history."

One of his first lectures in Germany was "European History, Seen from the Outside".

The Kollmans' three children are all "Iowa born and corn fed." Gerda, her husband and two children live in Syracuse, N.Y. Peter is an assistant professor in the University of California in San Francisco, and Miriam and her husband are in Tonga, west of Samoa, with the Peace Corps.

HAPPY YEARS

Kollman refers a lot to his "luck," in contrast to the millions of other Jews who were not so fortunate, who never got out of the clutches of the Nazis terrorists.

He says Cornell has been "extremely good to me. These have been very happy years . . . the students and the relationship with the faculty.

"In English you say you have an experience. In German you say you make an experience."

He talked about the impact of the refugees from Europe on the U.S. and of the contribution he had made himself.

"I would put it in my case as being permitted to pay part of the debt to the country which saved the world.

"And though there have been times when I have been unhappy about America—very much so about what we were doing, or not doing—my criticism has always been criticism with love, rather than hate."

ANOTHER DISRUPTIVE GRAIN DEAL LOOMS ON THE HORIZON

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1973

Mr. PICKLE. Mr. Speaker, it is that time of the year again—when the administration's fancy turns to thoughts of another grain deal with Russia.

We are just now beginning to see our way clear of the mess created by incompetent handling of the last one. It was just a month ago that the House Foreign and Interstate Commerce Committee's Special Subcommittee on Investigations began examining the causes of the nationwide freight car shortage and traced the problem to the administration's inept management of the grain deal.

When the administration demanded that wheat bound for Russia be moved at any costs, there were serious repercussions in many segments of the economy. Many commodities were stranded far from their markets, raising prices. And of course, the traffic jams at our ports, grain elevators, and railroad terminals compounded transportation problems all over the country.

There has been no action from the administration to alleviate the problems caused by their own lack of foresight, and yet the administration is now contemplating a deal with Russia to sell almost half as much wheat as was sold last year. I understand that current estimates place this year's transaction at 10 million tons, compared with the 19-million-ton "big deal" of last spring.

So, when the administration considers its next wheat sale to Russia, it should also consider the rest of the economy, and how to properly handle the shipment. Man does not live by bread alone, and neither does our economy.

SENATE—*Wednesday, April 18, 1973*

The Senate met at 10 a.m. and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, guide us through this day by Thy higher wisdom. At the end dismiss us with Thy blessing. Watch over all who travel. Help us to walk the way of the cross in penitence and self-surrender until the Easter truth breaks upon the world, clear and radiant. Then put the resurrection reality in our hearts and the Easter song on our lips.

In the glow of the Easter reality may faith replace fear, truth arise over falsehood, justice triumph over greed, love prevail over hate, and peace abide with all men.

We pray in the name of Him who is the resurrection and the life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 18, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, April 17, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on April 16, 1973, the President had approved and signed the joint resolution (S.J. Res. 73) to authorize the President to proclaim April 16, 1973, as "Jim Thorpe Day."

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. HATHAWAY) laid before the Senate a message from the President of the United States submitting the nomination of Richard F. Schubert, of Pennsylvania, to be Under Secretary of Labor, which was referred to the Committee on Labor and Public Welfare.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE PRESIDENT OF THE UNITED STATES DURING ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, during the adjournment of the Senate over until 12 o'clock noon on Monday, April 30, 1973, the Secretary of the Senate be authorized to receive messages from the President of the United States.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished acting minority leader wish to be recognized at this time?

Mr. TAFT. No, Mr. President, I have nothing this morning, thank you.

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from South Dakota (Mr. ABOUREZK) is now recognized for not to exceed 15 minutes.

VIOLENCE IN THE MIDDLE EAST

Mr. ABOUREZK. Mr. President, the degenerating cycle of violence in the Middle East reminds one of nothing so much as a picture of two high-speed freight trains plunging toward each other, a head-on collision inevitable, with those looking on immobilized by the horror of the spectacle.

Mr. President, something must be done to avoid the Middle East collision. No matter how difficult the job, or how seemingly hopeless the prospects for peace, the United States must do everything in its power to stop the bloodshed and to break the cycle of violence.

How many more Munichs, civilian airliners, invasions of Lebanon, killings of diplomats, and retaliatory destruction of American property do we need before that point is driven home?

Will we continue to watch as mindless terrorism threatens American lives in the Middle East?

Will we continue to stand by until one day we find ourselves listening to an American President explaining to the Nation on TV that he has ordered American troops and air support into the Middle East to save American lives?

The bloodshed we now witness would be nothing compared to what would occur if that condition became reality.

And if there are those who doubt the possibility of the United States being pulled, step by step, into a war in the Middle East, I would remind them only that we became entrapped in the war in Southeast Asia by a commitment that amounted to nothing as compared to our commitments and interests in the Middle East.

Mr. President, the paramount interest of the United States in the Middle East must be peace. If the policies of this Nation are to accurately reflect those interests, then these policies must be reexamined and asserted far more vigorously than they have been in the past.

By taking a basically passive role in which we respond to requests for more and more arms, and periodically issue expressions of outrage over terrorist attacks, we do less than nothing to avert the impending disaster.

I do not pretend to have an exclusive blueprint. But I do believe that there are two vital steps we must take if we are to even get within hailing distance of a peaceful settlement.

First, we must be scrupulously evenhanded in our reactions to the misguided terrorism that is sure to occur again in the region. Whether it is at Munich or at Khartoum, over Sinai or in Beirut, violence is the enemy of peace. There is no "best" or "worst" kind of violence, as one American newspaper has claimed. There is only one kind of violence, the "worst" kind, the kind that kills and maims. The United States must demonstrate an understanding that violence is certain to continue so long as the refugee and border problems continue. And we must express our outrage over all violent acts by both sides.

And if our policy continues to be that of simply responding to demands for more and more arms and increasingly militant statements and declarations, then we only contribute to the impending disaster. We should instead take the lead in reducing both tensions and arms shipments to insure that the Middle East focus is on the conference table rather than on the battlefield.

As a compassionate people we can no more tolerate the inhumanity and the continuation of the Palestinian refugee camps than we could the mistreatment and genocide practiced against the Jews by Hitler. Until the refugee matter is dealt with, we must realistically face the fact that even the most brilliantly drawn border agreements will fail in the face of continued terrorism.

We cannot stop by showing compassion only for homeless Jews. Our compassion must extend to the Palestinians who have found themselves without a homeland.

Mr. President, the job of this body and of this Nation is to do everything within our power to bring peace to the Middle East. Let us forgo the easy posturing for our constituents. Let us put aside partisan divisions that have nothing to do with the Middle East. Let us demonstrate in our actions the kind of evenhanded restraint which is the only way to change the course of disaster.

Mr. HATFIELD. Mr. President, I commend the distinguished Senator from South Dakota (Mr. ABOUREZK) on the very fine statement he has just rendered on the floor of the Senate. I hope that Senators who are not present today will avail themselves of the RECORD to read the comments made by the Senator from South Dakota.

The Senator has put his finger on one of the most important and timely subjects concerning world peace. The present cycle of tragedy in the Middle East underscores the necessity for immediate political solution—one act of violence follows another.

It is very easy to place blame on one side or the other; but the important point is that the cycle continues, and we have the highest responsibility as a peacemaker to see to it that tensions are eased on both sides.

I agree with the Senator from South Dakota that it is certainly in the best interests of the United States, it is in the best interests of Israel, and it is in the best interests of the Arab States to avoid the continued escalation of this tension. Certainly things are out of hand now, when governments will officially assign people to assassinate, and when terrorist organizations are able to function in any part of the world. These are crimes; these are contributions to escalating the tensions.

I think the United States has a commitment to gain a peaceful settlement now. But whatever settlement is reached—I think the Senator from South Dakota brings up this point that is almost forgotten—it must involve the Palestinian refugee camps. The words "Palestine" and "Palestinian" have been almost forgotten in our vocabulary; yet this point is terribly important when we consider the large number of refugees in Palestinian refugee camps.

So I feel that the Senator has made a great contribution this morning to a better understanding of this very complex issue, which should not put us into a position of being pro-Arab or pro-Israel but, rather, pro-peace and pro-humanitarian. We want to help to settle something that is affecting our national interests, for we face fuel shortages related to our economic requirements that can be met out of Middle Eastern oil; but more important is the humanitarian responsibility we have to exercise this peacemaker role.

I commend the Senator from South Dakota for his forthrightness, for his evenhandedness, for his objectivity, and for his fairness in handling this complex issue, which is more often characterized by emotion than by fact or logic or reason. It has been a great contribution this morning.

Mr. ABOUREZK. I thank the Senator from Oregon. I especially appreciate his remarks because everyone in Congress and in the country knows the dedication of the Senator from Oregon to the cause of nonviolence and peace, whether it is in Southeast Asia, the Middle East, or any other part of the world.

Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. RANDOLPH) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may have reserved to my control the time that was yielded back by the distinguished Senator from South Dakota (Mr. ABOUREZK).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. How much time was that, Mr. President?

The ACTING PRESIDENT pro tempore. The time is 8 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, without prejudice to the distinguished senior Senator from West Virginia (Mr. RANDOLPH). I ask that the time consumed by the quorum call be charged against the time allotted to me.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADJOURNMENT OF THE SENATE FROM APRIL 18 TO APRIL 30, 1973

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a concurrent resolution and ask that it be stated.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be stated.

The resolution was read, as follows:

S. CON. RES. 22

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Wednesday, April 18, 1973, it stand adjourned until 12 o'clock meridian, Monday, April 30, 1973.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the concurrent resolution.

There being no objection, the concurrent resolution (S. Con. Res. 22) was considered and agreed to.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, under the same conditions attached to the previous quorum call.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time remains to me?

The ACTING PRESIDENT pro tempore. The Senator's time has expired under the time remaining to him under the order for the recognition of the Senator from South Dakota.

Mr. ROBERT C. BYRD. I thank the Chair. But I still have 15 minutes under my order. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time allotted to the Senator from Michigan (Mr. GRIFFIN) under the order entered yesterday may be allotted to me for my control.

Mr. TAFT. Mr. President, reserving the right to object, I would be glad to yield on behalf of the Senator from Michigan (Mr. GRIFFIN) such time as the distinguished acting majority leader desires, but I have been advisd that there might be others who wish to be recognized.

Mr. ROBERT C. BYRD. I cleared this with the Senator from Michigan (Mr. GRIFFIN) yesterday. He indicated I could use the time to yield to Senators on either side of the aisle. But I withdraw my request. Mr. President, I ask unanimous consent that the time allotted to the Senator from Michigan (Mr. GRIFFIN) be under the control of the distinguished Senator from Ohio (Mr. TAFT).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PEACE IN THE MIDDLE EAST

Mr. CASE. Mr. President, I ask unanimous consent to have printed in the RECORD, an article entitled "Israel In Search of Lasting Peace" by Mrs. Golda Meir, published in the April 1973 issue of Foreign Affairs.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ISRAEL IN SEARCH OF LASTING PEACE

(By Golda Meir)

Twenty-five years ago the Jewish state proclaimed its independence in a part of Palestine. Six months earlier, the General Assembly of the United Nations had recommended its establishment. This act of historic justice strove to fulfill the earlier pledge of the Belfour Declaration and the League of Nations Mandate which gave recognition not only to an immediate Jewish need but also to the principle of a Jewish right to national self-expression. Zionism, as an aspiration, is as old as the Exile. As a political movement it goes back a hundred years. The vision of a Jewish return to the original homeland is far older than the solemn international commitments of 25 and 55 years ago. *An independent* Jewish state arose as the culmination of a long process of national liberation, which eventually won formal sanction through the moral sense of the community of nations.

In the twenty-fifth year of independence, Israel has ample cause for satisfaction: she has developed from a community of 600,000 at the close of the British Mandate into a technologically advanced, democratic state of three million. She has fulfilled her mission of homeland and refuge by absorbing over a million Jews from every sector of the globe, including half a million refugees *from* Arab lands as well as hundreds of thousands of survivors of the Nazi holocaust; and while engaged in her enormous constructive tasks she has managed, though vastly outnumbered, to repel concerted assaults by the Arab states on her very life. She has translated a remote dream into solid reality. In all this Israel has brought to fruition the labor of Jewish pioneers who, since the turn of the century, gave their lives to transform a barren and denuded land into fertile fields, flourishing settlements and new patterns of society. In surveying the burgeoning towns of modern Israel, it is easy to forget that the land to which the young settlers came was rich only in historic memories and religious associations. It had neither oil nor abundant natural resources. Its wastes offered no temptation except to Zionist pioneers animated by the twin ideals of a new Jewish society and a reconstructed land.

The renewal of Jewish national independence after centuries of dispersion and persecution is one of the great ethical affirmations of our time. An age-old inequity was at last redressed, not at the expense of another people, but with full regard for the rights of others. For we were not alone in securing independence. In a parallel development, many Arab states were established in the same period and in the same region but in a far more generous expanse. In the huge area liberated by the Allies from Turkish domination we had been accorded a "small notch" which we sought to develop in peace and cooperation with our neighbors. The failure of that hope has been costly to both Arab and Jew, and I shall not pretend that the persistent conflict with the Arabs does not weigh heavily upon us.

Decades of struggle have brought much bloodshed to both. Nothing can be more horrifying than parents burying their children, and I know of families who have lost three generations of their sons in this tragic conflict. We would be happier if we could use all our energy in the more rewarding tasks of reclaiming the deserts and bare hills which still constitute so much of Israel. In Israel, as elsewhere, there are problems of economic deprivation and social maladjustment whose solution would be hastened by peace. But peace still remains elusive. Though the Arab peoples suffer grave ills of poverty and disease, their governments concentrate mainly on the sterile goal of destroying Israel's independence. This fixation torments the Middle East and obstructs its creative destiny.

II

Yet this grim course was not inevitable. The heart of the Zionist faith was the conviction that Jewish independence could be achieved in harmony with Arab national aspirations.

From its inception, Zionism, as a political movement, *strove* to establish an Arab-Jewish understanding. A great number of attempts had been made before the famous Weizmann-Faisal agreement of January 1919 which welcomed the Jews to Palestine. These were followed by attempts in the 1930s and 1940s. All had one aim in view: to reach an agreement with our Arab neighbors. As late as 1947–48, we tried, in vain, to avert the course of events. In November 1947, shortly before the Partition Resolution was adopted at the United Nations, King Abdullah of Jordan promised me that he would never join the Arab states in a war against us and that after the U.N. Resolution was adopted we would meet to work out ways and means of peace and cooperation between our states. As late as May 10, 1948, just five days before the British were to leave Palestine, I crossed into what was already enemy territory—Jordan—and met the King in Amman. As I drove on the road leading to Amman, I could see the Mafraq camp and the Iraqi troops and guns massing there. At that meeting, King Abdullah did not deny the promise given me in November, but he stated that if we declared ourselves a state and insisted on unlimited Jewish immigration, he would have no choice but to join in a war against us. His alternative was to bring the whole area under his domination and curtail Jewish immigration. That was 25 years ago. Since the achievement of our independence and the conclusion of the Armistice Agreements of 1949, we have left no stone unturned in an endless effort to find avenues of dialogue which might lead to agreement.

Nothing could be more false than the Arab script in which Zionist "aggressors" appeared on the scene to dispossess local Palestinians. Since this accusation still constitutes the burden of the Arab case and provides the rationale for Arab enmity, it cannot be ignored even though the answers, like the charges, are familiar. We cannot assume a guilt we do not feel for sufferings of which we were not the cause.

Let me put it in the simplest terms. When I came to Palestine in 1921 my pioneer generation was neither morally obtuse nor uninformed. We knew there were Arabs in Palestine, just as we knew from our own experience that our labor in malaria-ridden kibbutzim transformed uninhabitable swamps into habitable soil. Far from ignoring the local population, we were sustained by the sincere conviction that our toil created more and better living space for both Arab and Jew. In this belief we were proven right. Between 1922 and 1947, the Arab population of Palestine grew from 670,000 to 1,200,000—a spectacular increase paralleled in no neighboring Arab territory. Thanks to the agricultural and industrial development of the country, Palestine changed from a land of Arab emigration to one of Arab immigration attracted by the higher standards of living and greater opportunities. The supposed Zionist dispossession of Arabs is a myth disproven by every official census.

We were also fully aware of Arab national aspirations in the Middle East. We assumed that these aspirations would find ample satisfaction in the various Arab states set up by the Allies in the vast areas freed from Ottoman domination. By the end of the British Mandate, 99 percent of that area had been allotted to the Arabs, one percent to the Jewish homeland. If there was any inequity in this distribution, surely the Arabs were not its victims. Hence we hoped, sincerely if perhaps naively, that Jewish and Arab independence would flourish peacefully side by side to the advantage of the entire Middle East.

Something else should be made clear, Palestinian Arab nationalism was not a visible factor at the time. Until recently, Arab nationalism constantly opposed the designation of one sector of the Middle East as Palestine. It regarded this "particularism" as a violation of the concept of a unitary Arab state. The territory that Jews cherished as historic Palestine the Arabs viewed merely as Southern Syria. As late as 1956, Ahmed Shukairy, at that time Syrian representative to the United Nations and later head of the Palestine Liberation Organization, declared in the Security Council that "it is common knowledge that Palestine is nothing but Southern Syria."

At the time of the rebirth of the Jewish state, the argument was between the Jewish people and the Arab people. Though the nationalist demands of the latter had been richly fulfilled, they refused to honor the equivalent legitimacy of Jewish rights. Their position was that Arabs should be sovereign everywhere, the Jews nowhere.

Thus it was Arab intransigence that led to the compromise of the U.N. Partition Resolution by which the area encompassed by the Balfour Declaration was further cut so that Israel arose in one-fifth of the territory originally allotted for a Jewish homeland. (The first truncation had taken place in 1922 when three-fourths of the original Palestine area was severed for the establishment of Transjordan.) Neverthelss, for the sake of independence, peace and the possibility of freely bringing Jewish survivors to Israel's shores, the Jews accepted this compromise and created Israel in a spirit of joy and hope. Instead of the Arabs doing likewise and establishing their state in the area assigned to them by the U.N. Resolution, seven Arab states attacked new-born Israel. They refused to accept the existence of the Jewish state and sought to throttle it at birth.

III

This chronology is essential for an understanding of the present impasse. There can be no greater mistake in assessing the current situation in the Middle East than to assume that the conflict continues because of a specific political Arab grievance: the plight of the Arab refugees; the Israeli presence on the West Bank, or in the Sinai; the reunification of Jerusalem. The record bears out the error of this view. In 1947–48, when seven Arab states launched the invasion which resulted in the exodus of 600,000 Arabs, mainly to other parts of Palestine—to the West Bank, Gaza and Jordan—there had been no dispossessed Arabs and no Arab refugees. The Arab refugee problem was the result, not the cause, of the 1948 war. In June 1967, Sinai, Gaza, the West Bank, the Golan Heights and East Jerusalem were all in Arab possession. Nevertheless, the Arabs concentrated their troops in Sinai, established a blockade and announced, in Nasser's words on May 27, 1967, that the object of the war was "the destruction of Israel." It is therefore absurd to contend that the present territorial configuration is the cause of the Middle East tension.

The heart of the problem is what caused the Six Day War, not the territories administered by Israel after the war. Simply put, the root issue is the Arab attitude to Israel's very existence and security. Once the Arab countries accept the legitimacy of Israel as we have always accepted theirs, there is no reason for their intransigence against negotiating the differences between us. In this connection, let me state as firmly as I can that Israel's insistence on negotiations, direct or indirect, is not a maneuver devised to bait our Arab enemies. The vehement refusal of the Arab leaders to discuss with us the terms of a peace settlement must raise the question as to whether they are really prepared to live in peace with us. This is the crux of the conflict.

Israel is sometimes accused of "rigidity" in her stated positions and is exhorted to be more "flexible." These charges deserve careful examination. Since 1967, we have shifted from our original demand for direct bilateral negotiations—which we consider the most effective and promising method—to a procedure similar to that employed at Rhodes in 1948–49, when talks, both direct and indirect, took place. In 1970, in order to meet Arab intransigence, we agreed to the procedure of indirect negotiation in the first stage, hoping that this would pave the road to a peace agreement. An even more fundamental indication of Israel's readiness for compromise may be found in our policy statements. We have said that whereas Israel would not return to the tragically vulnerable pre-June 1967 armistice lines, we do not insist that the present ceasefire lines be final. We thus leave open a very broad area for meaningful negotiation and compromise. The Arab states, on the other hand, continue to reiterate their demand for Israel's "total withdrawal" to the June 4, 1967 lines. By this demand they distort Security Council Resolution 242 which never called for total withdrawal, or withdrawal from all the territories. The language of the Resolution is withdrawal "from territories," acknowledging Israel's right to live within "secure and recognized boundaries." All attempts made to insert in the Resolution the demand for total withdrawal or withdrawal from "the'" territories were rejected by the Security Council.

We know that the phrase "secure and recognized boundaries" is not a magic incantation. It is a theme for negotiation. In our insistence on this point, we are motivated by two realistic considerations based on our experience since 1948. We want boundaries whose very character will make aggression less inviting to any would-be invader, and which could be defended with fewer casualties if such aggression nevertheless took place. The enormous advantages in size of population and topography which our adversaries have always enjoyed have tempted them periodically to make assaults upon us. We want to weaken such temptation to the greatest possible degree.

After three wars for survival in the last 25 years, we cannot reasonably be expected to disregard our bitter experience. In 1948, 1956 and 1967, we learned how swiftly Egypt could move her tanks and regiments into Sinai from the south, and how readily our southern maritime approach could be blockaded from Sharm-el-Sheikh. To the south stretched the Gaza Strip, pointing as an aggressive finger into the heart of our territory. From there, fedayeen regularly infiltrated and carried out sabotage and murder, reaching all the way to the outskirts of Tel Aviv. On the eastern border Jordanian guns, pointing at our dwellings, could be seen by our children playing in the streets of Jerusalem. The city could be bombarded from our very doorstep. Israel herself could be readily cut at her 12-mile waist between the old line with Jordan and the sea near Nethanya. In the north, from the fortified ridge of the Golan Heights, the Syrians shelled our kibbutzim in the valley at will. To the west lay the Mediterranean into which the Arabs regularly promised to drive us. Having escaped from such tight encirclement, we feel justified in our determination not to reenter again a trap composed of vulnerable geography. Even in an age of rockets and missiles, we cannot renounce the added security inherent in more rational boundaries which would keep the potential adversary at a greater distance from our homes. When the new European security system was established after the Second World War, no one in his right mind proposed the precise reconstruction of the map which had spelled vulnerability and disaster for so many nations.

The border changes Israel seeks do not involve loss of territory vital to Arab interests. The Sinai desert has in the past served no Egyptian purpose save to provide a ready staging-ground for attacks on Israel and for the maintenance of blockade. No Egyptians live in Sinai and only a few Bedouin tribes (not Egyptian citizens) roam its sands. Sharm-el-Sheikh, a desolate, uninhabited outpost, was used by the Egyptians only to blockade the Gulf of Aqaba. In any case, Israel, under a peace settlement, would not seek to retain all or most of Sinai. As for the Golan Heights, it constituted primarily a military fortress directed at our agricultural settlements in the valley below. The West Bank presents a more complex problem. I have made it clear several times that in negotiations with the Kingdom of Jordan we will naturally present proposals for a territorial agreement.

My general comment holds good; the border changes sought by Israel will, by reducing the strategic advantage enjoyed by a would-be aggressor, help to deter war. Conversely, reconstructing these advantages would facilitate hostile designs against Israel and renew the prospects of war.

This is not the first time in our history that Israel has been urged to withdraw from Sinai, Sharm-el-Sheikh and Gaza at the close of hostilities: In 1956, in response to the massing of Egyptian armor in Sinai, the blockade of the Straits of Tiran, and the terrorist incursions from Egyptian-held Gaza, Israel acted in the Sinai. We repelled the Egyptian army, freed the Gaza Strip occupied by Egypt in 1948, removed Egyptian gun-emplacements that for six years had blockaded the Gulf of Aqaba, and restored free access for the movement of ships through a waterway which has the character of a lifeline for Israel.

In response to solemn assurances that the blockade would not be renewed, terrorist infiltration would not be restored, and the Egyptian forces would not reenter Gaza, Israel agreed to withdraw from Sinai, Sharm-el-Sheikh and Gaza. As Foreign Minister, it was my office in March 1957 to announce to the General Assembly Israel's compliance with the U.N. Resolution calling for such withdrawal. Previously (January 1957), I had warned the General Assembly of the consequences of any action that might result "in the restoration of the blockade, and the consequent renewal of regional conflict, and international tension." And I asked, in words painfully relevant today: "Shall Egypt be allowed once more to organize murder and sabotage in this strip [Gaza]? Shall Egypt be allowed to condemn the local population to permanent impoverishment and to block any solution of the refugee problem?"

The world knows what happened. Despite the "assurances" and the "hopes and expectations" on the strength of which Israel withdrew, Egyptian troops promptly reoccupied Gaza. Learning of this betrayal of our good faith as soon as I got back to Israel, I at once returned to the United States to voice my indignation to Secretary of State Dulles and U.N. Secretary-General Hammarskjöld. I shall never forget Secretary Hammarskjöld's blunt question: "It's not worth going to war for again, is it?" In 1967, the remaining elements of the 1957 arrangements were unilaterally violated by Egypt.

The repeated failure of international arrangements to safeguard our country's vital interests has taught us a lesson we do not easily forget. International decisions proved meaningless in each crisis that we faced: in 1948 when the Arab states violated the Partition Resolution; in the long years of lawless blockade and terrorist incursion; and in 1967 when the international community, which had "assured" our territorial integrity and freedom from blockade, proved powerless to stand by its commitments. Hence, we inevitably reflect on this history when urged to take action which could result in diminishing our capacity for self-defense and make us dependent on international guarantees.

History repeats itself in the Middle East. After every war staged by the Arab states against us, they demand the restoration of the very borders they set out to destroy. When Egypt insists now upon total withdrawal of Israeli forces to the pre-June 4, 1967 lines, the simple question arises: If those borders were so sanctified for Egypt after the war, why were they not honored by Egypt before the war and why launch war to destroy them in the first place? The bitter truth is that the Arab leaders have not changed their attitudes about our very presence in this area. Arab statesmen, from Nasser to Sadat, have made no secret of their proposed strategy. Mohamed Hassanein Heikal, the influential editor of the Egyptian daily, *Al-Ahram,* formulated a notorious "Theory of Two Stages" in an article on February 25, 1971:

"There are only two specific Arab goals at present: elimination of the consequences of the 1967 aggression through Isarel's withdrawal from all the lands it occupied that year, and elimination of the consequences of the 1948 aggression through the eradication of Israel.

"The second goal is not, in fact, specific but abstract, and some of us make the mistake of starting with the second step instead of the first. On the basis of the conditions I have mentioned, it is possible to believe in the possibility of attaining the first goal. As for the second goal, we should learn from the enemy how to move step by step." [1]

We find this strategy all too concrete and decline to facilitate its implementation. Israel is a democracy in which various views, minimalist and maximalist, are freely advocated. We have our doves and hawks. Most Israelis are neither, but we do refuse the role of clay pigeon. More than once I have made it clear that we are ready for negotiations on the issue of borders and that we have never said that the ceasefire lines have to be the peace boundaries on all sectors. The borders must be defensible and for that purpose significant changes in the previous lines are necessary, but we are ready for a territorial compromise.

IV

Jerusalem, mourned in Jewish prayers since the fall of the Temple, was never without a community of pious Jews. Furthermore, Jews constituted a majority of the ancient city from the mid-nineteenth century until 1948, when the Jordanian Army seized the eastern half of Jerusalem, including the walled Old City with its religious shrines sacred to Jews, Muslims and Christians, and drove out the Jewish inhabitants.

According to the 1949 Armistice Agreements signed by Jordan and Israel, free access to the Jewish Holy Places, to the Mount of Olives and to the university and hospital on Mount Scopus was agreed to. But instead of honoring this commitment, Jordan divided the city with walls, barbed wire and gun emplacements. For the first time since the Roman conquest, Jews were prevented from praying at their holiest shrine, the Western Wall. During the 19 years of Jordanian occupation, Jews were barred from their religious sites in total violation of the Armistice Agreements. Israel's repeated appeals to the Security Council brought no redress.

In June 1967, Jordan again began shelling Jerusalem despite Israel's message to King Hussein, sent through General Odd Bull, the U.N. representative, that Israel would not attack if Jordan kept out of the conflict. Hussein joined the Egyptian assault with the result that Jordan lost her hold on eastern Jerusalem. Israel reunited the artificially rent city. Our joy in the liberation of Jerusalem was marred by the sight of the sacred ancient Jewish Quarter and the venerable synagogues destroyed by Jordan. The Jewish cemetery on the Mount of Olives had been desecrated and thousands of its tombstones used as paving stones for Jordanian roads. Since 1967, Jews, Christians and Muslims have moved freely in and out of all its sectors.

Perhaps this record will explain why we view fears that are sometimes expressed for the sanctity of Jerusalem under Israeli rule as disingenuous. in 1948 and in 1967 the Arabs shelled Jerusalem with no regard for the safety of churches and holy places, without rousing the vocal apprehension of the world. In 1967, Israeli soldiers, to spare Jerusalem, risked their lives in hand-*to*-hand fighting, street by narrow street, rather than resort to heavy armor. Jordanian troops, on the other hand, used church roofs and even the minarets of their own mosques for gun emplacements. Journalists covering the Six Day War commented on the reverence with which Israeli soldiers approached Jerusalem.

Since that time, satisfaction has been expressed by Christian dignitaries at the care which Israel has bestowed on the Holy Places of Christendom. We have also shown strict regard for Muslim sanctuaries, though, while rebuilding our ruined synagogues and devastated Jewish Quarter, we have had cause to regret that the Arabs failed to display an equivalent respect for what we hold dear.

Israel has publicly announced her policy that Christian and Muslim Holy Places be administered by the respective heads of these religions. To this end, Israel wishes to enter into special agreements with the heads of the various denominations for the detailed implementation of this policy. Jerusalem shall remain united and the capital of Israel. Its Arab inhabitants will, of course, continue to enjoy full freedom and equality.

I don't find it necessary to refute Arab propaganda about Israel's alleged ill-treatment of the local population of the West Bank and the Gaza Strip. Such charges are readily disproven by the daily life of the areas, the success of the "open bridges" policy, and the testimony of impartial observers. The manifest material advantages of the Arab inhabitants of the West Bank and Gaza are undisputed. I know that a marked rise in the standard of living, free opportunities for work at the Israeli wage-rate (which is twice as Jordan's), and the introduction of modern health and technological services are welcome benefits, but they do not in themselves solve sensitive political and national issues.

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[1] Cairo Radio, February 26, 1971, quoted from BBC Monitoring Service.

Let me therefore return to the overriding question of peace. In his recent article in *Foreign Affairs*,[2] President Sadat, among other accusations, several times charges that Israel seeks to "dominate" the Middle East. It is hard for me to believe that an Arab statesman seriously believes this evil phantasy. But Voltaire's epigram—as long as men believe absurdities they will commit atrocities—reminds us of the bloody persecutions and wars that have stained the course of human history because men believed absurdities about others. The carnage of the Nazi epoch is only the most terrifying example of the depth to which people sink through the acceptance of imbecilic myths. For this reason I stress the obvious.

We are a small people of some three million among a hundred million Arabs, as our adversaries never tire of reminding us. A glance at the map shows Israel as a mere pinpoint amid huge Arab territories. To suggest that Israel, no matter how able or energetic, seeks to "dominate" this vast expanse is of the stuff of the "Elders of Zion" forgery, according to which the tiny persecuted Jewish minority conspired to rule the world.

Let me review our record in the Middle East. Though the Balfour Declaration promised a Jewish homeland in the area of historic Palestine—an area extending from the Mediterranean to the borders of present-day Iraq—we accepted the severance of three-fourths of that territory for the establishment of the Hashemite Kingdom east of the Jordan. We later accepted the further shrinkage of the original pledge through the U.N. Partition Resolution. Still later, in the tense last week of May 1967, when the Arab onslaught was imminent, Prime Minister Eshkol turned to the Arab states with a final plea for peace: "I would like to say again to the Arab countries, particularly Egypt and Syria, that we harbor no aggresive designs. We have no possible interest in violating either their security, their territory or their legitimate rights." The Arabs responded by proclaiming that the hour of Israel's annihilation had struck.

We did not seek to "expand" but neither did we dismiss Arab threats of a holocaust as "rhetoric." We are too aware of the disparity of forces and resources available to Arab states for us to discount promises the Arabs twice before tried to fulfill. Having been driven to defend ourselves, we secured the bridgeheads from which our enemies sought to destroy us, but successful self-defense is hardly evidence of a desire for "domination." Survival is not aggression.

In his article, President Sadat dwells on the impropriety of keeping "the fruits of victory." I do not care to speculate on what would have been the fate of Israel had the Arabs enjoyed those fruits. Nor am I aware of any modern country that waged a successful war of self-defense whose peace treaty failed to correct the vulnerable and dangerous positions which had made it an inviting target for aggression. The adjustment of the border between Poland and East Germany provides a contemporary instance of significant border changes involving large areas of populated territory with the aim of offering increased security.

Israel is convinced that Poland was justified in insisting upon this territorial adjustment, and Chancellor Brandt deserves credit for the courage he displayed in carrying out the change. The presentation of the Nobel Prize to Willy Brandt is evidence that this is the sentiment of world opinion generally. Anyone familiar with our region cannot reasonably suggest that our right to insist upon border changes is less than that of Poland.

V

Total peace would be a more constructive slogan than total withdrawal. Since it may not be possible to reach total peace in a single step, Israel is willing to negotiate the immediate settlement of specific issues, notably that affecting the reopening of the Suez Canal. We have made the following proposal in regard to the Suez Canal: "With a view to facilitating the attainment of durable peace between Israel and the U.A.R., Israel is prepared to consider entering into a Special Agreement with the U.A.R. for the opening of the Suez Canal to international navigation, the observance of a ceasefire without limitation of time and nonresumption of fighting, and the stationing of Israel Defense Forces [IDF] at some distance east of the Suez Canal."

Among particulars spelled out in this proposal, the suggested agreement calls for the release of all prisoners of war within 15 days of its signing. It also states that the line to which the IDF would withdraw east of the Canal would not be considered final; subsequently the IDF would withdraw to the boundary determined by a peace settlement.

In offering, before a final peace, to forgo the strategic advantage of the water barrier provided by the Suez Canal, Israel took a calculated risk as a step toward the relaxation of tension. Such a decisive concession is hardly evidence of an intractable disposition. Of the countries involved, Israel has the least to gain from the Canal; Egypt the most. Yet Egypt rejected the proposal. Egypt demands an Israeli commitment to withdraw to the June 4, 1967, lines, prior to any process of negotiation. The precondition is related not only to negotiating an overall settlement, but to a partial Suez Canal agreement. Egypt wishes to end the negotiations even before they begin. Thus, the rigidity of this position precludes progress toward peace.

Finally, there is the issue of the Arab refugees. I do not propose to reargue in detail the origins of this problem. That the exodus was instigated by the Arab leadership is readily demonstrated through Arab sources. To cite just one: "The Arab governments told us, 'Go out so that we can get in.' So we got out, but they did not get in."[3] That the numbers of the authentic refugees have been grossly inflated through duplicate registrations and the accretion of Arabs from Syria, Jordan and Lebanon to the relief rolls has been revealed by every check of the UNRWA records. Nor do I seek to minimize the wretchedness and abnormality of unproductive existence in the camps. But who bears the responsibility for this situation?

The deliberate exploitation of the refugees for politcial ends began in 1948 and continues unabated to this day. The Arab governments have repeatedly rejected numerous lavish proposals for the solution of the Arab refugee problem. They make no secret of their motivation. One quotation will suffice: "Any discussion aimed at a solution of the Palestine problem which will not be based on ensuring the refugees' right to annihilate Israel will be regarded as a desecration of Arab people and an act of treason."[4] A policy of calculated incitement in the camps, whose dissolution the Arab leadership refuse to permit, has kept the pot boiling. As the role of second-generation refugees begins to wear thin, there has appeared the image of the Palestinian terrorist sworn to "dismantle" Israel.

Israel has an indigenous minority of nearly half a million Arabs, constituting approximately 15 percent of the population. Israeli Arabs are equal citizens whose welfare and integration are our natural concern. But we cannot accept the repatriation of those who originally joined our enemies and in the intervening years have become a hostile army proposing to submerge Israel. And obviously we have no common language with Palestinian irredentists, whose cry is the "liquidation" of Israel, or assassins who pretend to the name of "revolutionaries."

During the few years since the Six Day War, the position of the refugees in the areas administered by Israel has undergone substantial improvement—in employment, in education, in health and in living standards. This human progress indicates what might have been achieved during the 20 years prior to 1967 had Arab governments behaved humanely toward the refugees—their own kith and kin—rather than exploit them as a political weapon against Israel.

So long as the ceasefire remains intact, we shall continue to do all we can to relieve the refugees of the misery of the camps and restore to them their human dignity. A complete solution of the refugee problem, however, will come about only when the Arab states assume their full responsibility within the vast geography that is at their disposal.

Is the conflict then irreconcilable? Let me answer plainly: I do not consider Israel's right to existence a theme for discussion. As long as all Arab designs are predicated on the immediate or eventual destruction of Israel, no progress toward peace is possible. At the same time, we believe that the differences between us and the Arabs are soluble, and that because of the genuine needs of the peoples of the Middle East reason will finally prevail. International funds, toward which Israel is prepared to contribute her share (we have offered compensation for Arab property in Israel), are available for the resettlement of Arab refugees still living in camps. Between the Mediterranean and Iraq—the original area of Mandatory Palestine—there is room for both a Jewish and an Arab state. The name of the Arab state and its internal constitution and order are its responsibility and concern.

I still hope that, in a world that has just seen the close of the Vietnamese conflict through negotiation and a movement toward coexistence among the great powers, the many sovereign Arab states will come to terms with the idea of Jewish national independence and with the reality of Israel, the one small land in which that independence can flourish. Genuine peace requires more than a signature to an agreement. That signature is a beginning; it is the passage to a bridge of understanding and of cooperation between nations across which will move people, ideas and goods. My vision of peace is regional exchange and cooperation. And who can deny that there is much to be done for the good of this area? We do not make this a condition for signing a peace agreement. We register it as an expression of the quality of relations we would wish to see develop between ourselves and our neighbors in peace.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from West Virginia (Mr. RANDOLPH) is recognized for not to exceed 15 minutes.

SENATOR RANDOLPH EXPLAINS SEVERE DAMAGE OF MISSISSIPPI RIVER VALLEY FLOODS—PROJECTS ARE NOT "PORK BARREL"

Mr. RANDOLPH. Mr. President, we read in the Bible, in the Book of Genesis, of the flood. These words are quoted from that Scripture:

> And the flood was forty days upon the earth;
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> And the waters prevailed, and were increased greatly upon the earth;
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> And the waters prevailed exceedingly upon the earth; and all the high mountains, that

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[2] Anwar el-Sadat, "Where Egypt Stands," *Foreign Affairs*, October 1972.

[3] Statement of an Arab refugee, quoted in *Al-Difaa* (Amman), September 6, 1954.

[4] Resolution adopted at Refugee Conference, Syria, July 1957.

> were under the whole heaven, were covered.
>
> And every living substance was destroyed which was upon the face of the ground.
>
> And the waters prevailed upon the earth an hundred and fifty days.

Mr. President, we have had from time to time in this country and throughout many, many parts of the world devastating floods which have brought devastation and destruction like that from the flood referred to in the Scripture that I have quoted. It is important for the RECORD of the Senate to include at this time a report from me as chairman of the Committee on Public Works, which has jurisdiction over water resources programs, on the current status of the recent and continuing floods in parts of this country to see what we have done, to take a look at what we have not done, and to think in terms of what we should do.

Mr. President, the people who live in the lower Mississippi Valley are accustomed to heavy rains and the high waters which occur regularly in the springtime. The spring of 1973, however, has been unusually wet; drenching, devastating destructive rains have flooded the area. There have been floodwaters of record proportions during the past few weeks.

As early as last December ominous patterns began to take shape in the valley. The water buildup, even at that period of the year, was greater than that which preceded the great floods of 1927 and 1937. The situation, Mr. President, reached crisis proportions when the Mississippi River itself began to overflow its banks, and water began backing up in tributary streams.

One area alone, the Yazoo Basin in Mississippi, was drenched with 6 months of above-average rainfall. It rained intermittently for that long period of time. This rainfall was topped by a 10-inch storm. This brought about flooding of 2.3 million acres in the Yazoo Basin, land used in the production of agricultural products, land where small businesses flourish, land where people live.

In the area of the Mississippi Valley between the Missouri and Ohio Rivers, the water this year has reached its highest level since 1844. Throughout the seven States affected by the flooding—Louisiana, Mississippi, Arkansas, Tennessee, Alabama, Missouri, and Illinois—7.3 million acres were at one time inundated by the floods which I have mentioned. Early estimates placed the damage at more than $150 million, but I am informed, as of yesterday, that the final toll will be many, many millions of dollars above that figure.

Mr. President, this is severe damage. It has caused great hardship to literally tens and tens of thousands of Americans.

Even though the flooding has now endured for several weeks, I regret that all indications point, as I talk today, to continued high water for perhaps many weeks to come.

Just a few days ago, Mr. President, the city of Jackson, Miss., received an additional 4½ inches of rain, 3 inches of that rain falling within just 1 hour. Rivers that had started to recede slowly from the crests of last week are now being called upon to accommodate even more water.

The impact of such flooding as inflicted on the lower Mississippi Valley can be of an enduring nature. A key feature of the economy of the State of Mississippi is its agriculture. We are now entering the prime planting time, but Mississippi farmers obviously cannot plant seeds in fields that are under water. If not planted within the next few weeks, there could be no soybean crop in Mississippi—a crop that would provide $250 million to the economy of that one State. The outlook is similarly gloomy for the cotton and rice crops in Mississippi.

Even without this week's additional rain which I have mentioned, much of the Mississippi farmland would not be drained in time for the period of planting. With more rain, this becomes almost a certainty.

As extensive as the flooding has been—and this is the point that partially causes me to stand in the Senate and speak today—I want to discuss what would have happened had we not taken measures and provided projects to help contain and control the floodwaters.

We know that the damage would have been much in excess of that which has taken place. An extensive series of flood protection projects has been undertaken in the lower Mississippi River under the direction of the Congress. Nearly 50 years ago work began on the development of what is known as the Mississippi River and tributaries project. That project is designed to control conditions which, theoretically, could result from a combination of the most severe storms that have ever occurred in the valley.

The importance of such a project is emphasized when we realize that the lower Mississippi is the funnel which drains 41 percent of the contiguous 48 States and parts of two Canadian provinces. This is an area of 1.25 million square miles, from which water flows into the Gulf of Mexico by way of the Mississippi River.

The Mississippi River and tributaries project is, as I have said, the key to this protection program, and is a vast undertaking not yet completed. To date, $1.7 billion in public funds have been spent in the lower Mississippi Valley to provide flood protection.

This includes nearly 2,200 miles of levees and flood walls to protect communities from rising waters. The "Mississippi River and Tributaries Project" is now approximately 50 percent completed. The major work remaining is improvement to the main channel of the Mississippi River, estimated to cost a total of $1.8 billion.

Mr. President, I call attention to the President's budget proposal for fiscal year 1974, which recommends $75 million for the continuation of this program. This is a significant amount of money, but it is relatively small when compared to the task that remains to be done. In terms of the total project, it is not even enough to keep up with inflationary price increases. The combination of small appropriations and rapidly increasing prices is leading to the incredible situation of a project that is 50 percent completed today, becoming 47 percent completed in a couple of years.

I come to tell this story today, because of its importance not only to the Mississippi Valley but to the people of the United States as a whole. It is timely to observe that without the protection provided by this project, the recent flooding would have inundated another 17 million acres and resulted in an additional $2.5 billion in damages.

This is a story which needs to be understood by the Members of the Congress and the people of the United States.

Thus, from this one flood, the cost of the protection has been more than recovered. Since 1928 a total of $3.8 billion in damages has been avoided by this project.

These statistics, I think, form a compelling argument for the validity of the flood control projects which are opposed by Members of the Senate and the House from time to time. I know that I speak rather vigorously on this point. However, there are those who back projects where the cost-benefit ratio is greatly in favor of doing the job, because of the protection and the safety they afford the people. These projects sometimes are referred to as pork barrel activity.

Mr. President, I submit that there is absolutely no "pork" concerned when benefits of the magnitude we have just witnessed are received by the American people.

The people of the Mississippi Valley would, I am sure, take strong exception to the terminology of pork barrel in connection with the Mississippi Valley and the tributaries project. Those who have benefited from the facilities completed have firsthand and intimate knowledge of their value.

Those who continue to suffer from the flooding can only look forward to see what we are doing now and what hopefully we will do in the future to not only preserve but also to strengthen this vast area.

It is a matter not only of the protection of land, but a matter of life and death in many cases, and everywhere certainly it is a matter of maintaining the economic base on which people and communities depend in this vast area for their livelihood.

Mr. TAFT. Mr. President, will the distinguished Senator from West Virginia yield to me for a moment

Mr. RANDOLPH. Mr. President, I am gratified to yield to the distinguished Senator from Ohio.

Mr. TAFT. Mr. President, I thank the Senator for yielding. I commend the Senator from West Virginia for the statement he is making. Living as I do on one of the tributaries of the Ohio, I have long been familiar with the problems the Senator has been discussing.

I would like to note and commend likewise the outlook the Corps of Engineers has taken toward this problem, particularly in recent months and in recent years in examining all possible approaches to the problem.

For instance, in particular, I think of the new and increased use of flood plains, where those flood plains are available and can properly be used, and weighing the benefits and balance of the various different approaches rather than merely approaching the use of dams which are, of course, necessary in navigational areas. However, in other areas, I know that new and imaginative approaches are being used by the Corps of Engineers.

I would like to take note of that and commend them for this. I also commend the Senator from West Virginia for his outlook on this tremendous problem and trying to set right the public opinions that are sometimes bothersome and misunderstood by those who have not understood the problem and are not informed of them.

Mr. RANDOLPH. Mr. President, the observations of the Senator from Ohio are appreciated. The Corps of Engineers is resourceful and creative in an attempt to make these programs more meaningful and to do a better job.

Mr. President, the Subcommittee on Water Resources of the Committee on Public Works, chaired by the distinguished Senator from Alaska (Mr. GRAVEL), has been working on this problem. I requested that Senator BURDICK, the chairman of our Subcommittee on Disaster Relief, and Senator DOMENICI, the ranking minority member of the subcommittee, go into the Mississippi Valley and survey the damage there. They were accompanied by the Senator from Mississippi (Mr. EASTLAND). They reported on the severity of the situation they witnessed.

Mr. President, the Subcommittee on Water Resources, chaired by the able Senator from Alaska (Mr. GRAVEL), will begin hearings on a variety of water resources proposals. These hearings are scheduled for April 30, May 1, May 2, and May 3. We will review in detail the projects that have been recommended to the committee.

During these hearings and the subsequent development of new water resources legislation, we must keep in mind the devastation and destruction caused by the recent floods in the Mississippi Valley.

We must realize—and I want to stress this—that the damages would have been much greater, far greater, and the devastation would have been more extensive had we not had the flood protection projects already completed in this section of the United States.

Mr. President, I began today by quoting from the Book of Genesis on the flood. It reads:

> And the flood was forty days upon the earth;
>
> And the waters prevailed, and were increased greatly upon the earth;
>
> And the waters prevailed exceedingly upon the earth; and all the high mountains, that were under the whole heaven, were covered.
>
> And every living substance was destroyed which was upon the face of the ground.
>
> And the waters prevailed upon the earth an hundred and fifty days.

Mr. President, we can do more than we have done in this area of realistic governmental activity in helping the people through not just an expenditure of money for pork-barrel projects, but by the investment of money, as I have outlined, which returns great benefits and which is truly an investment in building a better America.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan is recognized for not to exceed 15 minutes.

Mr. TAFT. Mr. President, I thank the distinguished acting majority leader for having agreed to transfer this time to my control. I have been advised that the Senator from South Carolina expects to come to the floor and make a statement in a very short while. Meanwhile, I suggest the absence of a quorum, to be charged against the time allotted to me.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TAFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. BOLAND, Mr. NATCHER, Mr. FLOOD, Mr. SMITH of Iowa, Mr. PATTEN, Mr. CASEY of Texas, Mr. OBEY, Mrs. GREEN of Oregon, Mr. CEDERBERG, Mr. MICHEL, Mr. CONTE, Mr. SHRIVER, Mr. McDADE, and Mr. ROBINSON of Virginia were appointed managers on the part of the House at the conference.

THE MIDDLE EAST

Mr. TAFT. Mr. President, I yield myself 3 minutes.

I listened with some interest earlier this morning to the statements of the Senator from South Dakota (Mr. ABOUREZK) and the Senator from Oregon (Mr. HATFIELD) with regard to the situation in the Middle East.

While I share with them the view that the position of the United States must be a very careful one, designed to try to quench the fires that appear to be building up there, I do have some reservations with regard to some possible implications that I do not think were intended but which might be drawn from the remarks that were made.

I refer particularly to the matter of the supplying of arms in the Middle East. I believe the United States has been exercising great restraint in connection with the delivery of arms, and I think we should continue to do so, and certainly work with the other major nations which have been supplying arms, particularly to the Arab countries, and specifically jets to Libya, which are now reported being transferred to Egypt, to try to accomplish a scale-down of the likelihood of major fighting breaking out.

However, I think anyone who feels that the United States is not concerned with this problem simply does not know what the facts are. I would commend to any of the Senators concerned with this problem that they meet with former Ambassador and now Assistant Secretary of State Joseph Sisco, and get briefed on some of the developments which are occurring in the Middle East situtation, which do give some hope for at least some progress being made toward trying to accomplish a more permanent and lasting situation there, particularly insofar as Egypt and Israel are concerned.

I also commend to the Members of the Senate who are concerned with this problem an article published in the spring issue of Foreign Affairs Quarterly, written by Prime Minister Golda Meir, which goes into the entire historic background of the problems of Israel, its boundaries, and its security, and particularly goes into the question raised this morning by both of the distinguished Senators as to the origin and status of the refugee camps.

It certainly is clear, and I think all admit, as does the author of the article, the distinguished Prime Minister of Israel, and a solution of the refugee problem must be a part of any long-range, meaningful solution of the problems of the Middle East. But to merely speak of the camps, and describe the very difficult conditions of those who live in them, and the history of the camps, and to appear to lay the blame solely on Israel for the existence of these camps, is certainly not an accurate historical portrayal. I have been to the camps myself and examined them, some years ago it is true, but there has been very little change in the situation since then, unfortunately—not, I think, wholly because of the fact that Israel does not desire to change the situation. I believe it does; and I believe there are implications in a satisfactory territorial settlement of the problems of the Middle East that the setting up of a Palestinian state still remains a distinct possibility.

I do not think we should ignore the bright spots in looking at the very desperate spots and trying to force our Government to take a side in the situation which I do not believe it should.

So I feel strongly that those who speak on the subject of the Middle East at this time, and advocate, apparently, a change or a hands off policy insofar as the United States is concerned, are perhaps not entirely well advised, and ought to take a look at the realities of the situation as they exist, and the real necessity for positive leadership on the part of the United States and other major powers in bringing about a meaningful and lasting settlement in the Middle East.

Mr. President, I am prepared to yield back the remainder of my time, if the distinguished acting majority leader wishes to proceed with the business of the day, or to request a quorum call.

Mr. ROBERT C. BYRD. The distinguished Senator may do as he wishes.

Mr. TAFT. Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. ROBERT C.

BYRD) is recognized for not to exceed 7 minutes.

AUTHORITY FOR THE SUBCOMMITTEE ON PENSIONS TO MEET DURING THE SESSION OF THE SENATE ON MAY 21

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Pensions of the Committee on Finance be authorized to hold hearings on pension legislation at 1 o'clock p.m. on May 21, 1973.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and ask that the time for the quorum call be charged against my order.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

VOTER REGISTRATION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 352, which the clerk will state.

The legislative clerk read as follows:

> S. 352, to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time consumed thereon be charged equally against both sides on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GURNEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. Mr. President, the pending business, as I understand it, is the amendment which I offered last night, No. 90, to the voter registration bill. This amendment, which is an amendment to page 6 on line 14 of the bill says the following:

> Return delivery of registration forms shall be at the applicant's expense.

I do not suppose an amendment could be simpler than that.

What it says is that when the 40 million-plus potential voters who are not registered to vote return their post cards, they shall bear the cost of returning them at the huge sum of 6 cents per postcard.

That is not much to each individual voter, but it certainly would represent a tidy sum so far as the U.S. Government is concerned. It would seem that is the least we could expect from those who want to register to vote and become a part of the political process of the United States. They should have enough interest in the matter to return a post card at their own expense, the huge sum, as I say, of 6 cents.

That is what the amendment is all about. Hopefully, the opponents of the bill might take a favorable view of this particular amendment.

The debate on S. 352 provides the Senate with one of those rare moments of history. It is seldom indeed that we have the opportunity to discuss legislative proposals as ill-conceived and unconstitutional as S. 352. If this bill becomes law, we will have the opportunity to witness the creation of a new kind of "silent majority," which might be termed the "fictional majority," composed of the tombstone and aliases of the John Doe registrants who will crowd the voting booths to cast their ballots, at least once. This is not just a bad bill. It is a terrible bill.

I have had the opportunity to read the minority views of Report No. 93–91 submitted by our distinguished colleague from Hawaii, Senator FONG. Senator FONG meticulously lists a few of the effects that S. 352 would have on our Federal and State registration laws and procedures. Let me call a few of these to the attention of my colleagues.

First, the bill would have the effect of drastically revising voter registration throughout the country. Also, it would remove the function of separating voter registration from its historical State responsibility to a Federal responsibility. This gratuitous extension of Federal powers is nowhere authorized by the Constitution.

A third effect would be mandatory change in the methods of selecting delegates to political party presidential nominating conventions. This effect is by no means minor, and it leads to the fourth effect: A decline and possibly the demise of our two-party political system.

A further effect the bill would have, would be to legislatively "amend" the Constitution by changing the status of Presidential electors, who have always been considered State officers, to make them Federal officials. Not only is this effect not authorized by the Constitution, it would seem pretty clearly to be prohibited by it.

But one of the greatest effects the bill would have is to promote the opportunities for election of frauds on a national scale. This would permit what happened, for example, in Chicago in 1960 in the Nixon-Kennedy election, to be duplicated in every vale and hamlet across the Nation. By loosening the controls on election fraud and voter registration we would be, in effect, doing exactly what the bill is allegedly designed to prevent. Rather than enhancing voter participation and augmenting the right to vote, we would be diluting the efficacy of the vote by filling our electoral rolls with John Does, Richard Roes, and every Tom, Dick, and Harry whose name appears on a tombstone or who may reside on an empty lot, or who may have some other profile in the inventive mind of schemers and frauds.

Another terrible effect of the bill would be the politicization of the Bureau of the Census which has always been one of our most respected and most nonpartisan institutions. This is hardly desirable.

As a matter of fact, the Bureau of the Census is supposed to count the noses of the people in the country and to tell us how many people are living at any particular time when we take the census, as well as some of the other information about job classifications and things like that. The Bureau never was designed to participate in the political process of the United States, and I do not think we should cast that burden upon it now.

A further effect would be the creation of a master voter registration list which has obvious political implications for the party in power which is the party controlling that list. Regardless of which party is in power this kind of name-gathering and compilation bodes ill for competitive politics.

In fact, this could well mean the death knell of the two-party political system in this Nation. It might also kill any meaningful competition within a single party structure, if we got down to that. If one ideological group got in power in the White House, it could use this tool and weapon to purge its own ranks of its own undesirables.

The reason why I make that point is this. Let us take the example of a congressional district. It would be very easy for the Bureau of the Census to compile statistics and figures on a congressional district to find out in a certain area where the voting patterns were, whether they were Democratic, Republican, Liberal, or Conservative.

It could extract that information and the names and addresses, because the names and addresses, of course, would be filed with the Bureau of the Census, and turn that information over to a prospective political candidate, be he an incumbent or somebody attacking an incumbent, for his use.

As I say, it could mean eventually a one-party system rather than the two-party system. It could mean a one-party monolithic system pretty much of the same political stripe. That is the danger this bill has within it.

One effect which has hardly been calculated, and only casually estimated is, the cost that creation of this new Federal monster agency is going to mean to the American taxpaying public. The estimates range from some $20 million to more than $100 million. There has not been any significant effort systematically to arrive at a realistic and reliable estimate of these costs. So the new ogre has the additional drawback of fomenting untold, uncalculated, and unnecessary costs.

So this new bureaucratic monster has the additional drawback of fomenting untold, uncalculated, and unnecessary cost. I do mean unnecessary cost, because we already have in every one of the 50 United States elaborate election machinery.

In my home State of Florida, we have 67 supervisors of registration whose job it is to register people to vote, to keep the names up to date, to enforce the election laws, and to supervise the elections every time we have one. What we propose to do here, of course, is to set up brand new machinery fully on top of what we already have in Florida and the the other 49 States. With the Federal Government running a deficit of $25 billion before the President had the courage to cut it in half, so that it is now somewhere between $12 and $13 billion deficit this year, who could possibly propose spending another $20 to $100 million to set up machinery which already exists in the 50 States? And why would we be doing this? Simply to take care of a few people who apparently are too lazy and unmotivated to go down to the country courthouse and register to vote.

I do not think that it is worth the expenditure of millions of taxpayers' dollars to make it so that they could just send in a postcard and register in that way.

Surely, the effects of this bill would be adverse to the interests of our entire system of elective government. It seems incredible to me that this deliberative body would wish to foist a post card registration system on an American public which is so fed up with Federal bureaucracy, Federal controls, and big government, for which it is paying the price through inflation, high taxes, and insufficiency.

It is particularly unbelievable that the vehicle chosen for the new registration system should be the Postal Service, which is so badly bungled and mismanaged that it has achieved universal disgust. The post office cannot even deliver a letter across town in a week's time, if at all. Yet the proponents of S. 352 want us to begin to rely on the Postal Service for something as important as voter registration. That is hard to fathom. Believe me, the lack of service in the Postal Service is no figment of my imagination.

I receive letters every day—of course, they do not come in until 2 weeks after they are mailed—pleading for a better Postal Service. I think that one of the most dramatic examples of what is happening to the Postal Service is what occurred the other day, when a letter carrier, a union leader from Florida, came to my office and practically got down on his hands and knees, begging me and my people to help him to do something about the Postal Service. I was amazed to get that input from the head of a union of letter carriers. The reason why he came was that two of the union members, within the past 2 weeks, when they were asked to deliver letters to householders in the part of Florida where the union leader came from, were punched in the nose by the householders, because the letters had been so long overdue in being delivered by the carriers. Of course, the carriers were not to blame at all. They picked up the mail at the post office as soon as it came in. The unfortunate part of the case was that there had been such delays in getting the mail from one post office to another.

With that kind of postal service it is rather incredible to me that the Committee on Post Office and Civil Service, from which the bill was reported, really is not getting at the postal problems first, before bringing out a bill which would add to the postal problems even more by proposing to send tens of millions of postcards to people around the United States, and then to get tens of millions of postcards back again, just adding another totally unnecessary burden to the already overworked, inadequate, dilapidated mail service.

Let us take a further look at what S. 352 is supposed to do. The bill would set up a national registration system by mail, to be operated by a vast registration administration located in the Bureau of the Census of the Department of Commerce. The Voter Registration Administration would use the postal service to distribute the voter registration postcards to every postal address in the United States of America—in all 50 States. The postcards would be distributed at least 30 to 45 days before the closing of registration prior to Federal biennial elections. The registrants are then supposed to return the voter mail registration cards to the appropriate State or local government vote registration office.

The registration offices then process the cards, registering the applicants as voters for the next Federal biennial election, charging the Federal Government for the processing of the cards.

This registration is required prior to a "Federal election" which is defined in the bill to mean any primary, any special or any general election held for the purpose of nominating or electing candidates for any Federal office." Registration is thus required prior to political party elections, in district and State political party caucuses or conventions or meetings held for the purpose of selecting delegates to national political party Presidential nominating conventions.

Using this general format, the Voter Registration Administration is empowered to establish and to administer a mail voter registration program for all "Federal elections"; to assist State officials in administering the voter registration by mail program and election problems generally; to collect, analyze, and arrange for Federal publication of information on U.S. elections; to report to the Congress after each biennial general Federal election regarding the administration's activities and voter registration in elections across the United States generally; to prepare and deliver, utilizing cooperation of the U.S. Postal Service, voter mail registration cards to all addresses and residences in the United States in numbers sufficient to cover all eligible voters at each resident or address; to accept recommendations from State officials or on its own initiative investigate fraudulent registration charges and, where necessary, request the Attorney General of the United States to bring action on any charges found to be substantiated; to make payments to each State for processing voter mail registration cards by use of the State registration offices; and to make additional payments to each State of 30 percent of the payments received by each State for processing its registration cards, if the State adopts a registration program for its own State elections. These are pretty broad sweeping powers, and I do not believe they have been sufficiently debated and considered.

One thing about this bill particularly bothers me. It is just another instance of the Federal Government trying to move in and tell the States what to do. In this case the effort is being made with scant constitutional basis, no factual basis, and no reasonable basis for doing so.

Mr. President, that is an interesting thought, too: The fact that we are moving into the voter registration field which has always been the province of the States, ever since the beginning of this country some 200 years ago, and we had elections even prior to that time, during colonial days. Beginning in the last Congress we have been trying to reverse the trend of the Federal Government poking into the affairs of State and local governments. One of the main reasons for passing the General Revenue Sharing Act last year, which marked a new milestone in Federal legislation, was to give more responsibility back to State and local governments. Of course, it was designed to help State and local governments in their revenue problems, giving them some of the Federal income tax take to supplement their own moneys. But one of the main thrusts of the bill, and one of the reasons I supported it last year and even when I served in the other body, was so that we could stop this stampede to Washington by State and local governments seeking solutions to all their problems, to reverse that trend to say to them, "Handle more of your own problems, and if you do, we, in turn, will help you with some of your revenue problems."

Of course, we have pending before Congress now a special revenue-sharing bill which has not been acted upon in this Congress, to supplement the bill we passed last year. The bill would earmark money in broad areas such as education, housing, or other similar categories, but let State and local governments within those broad areas use the money from revenue sharing in any way they wanted to, in any area of broad interest, such as education.

Well, these are brandnew concepts in Washington in Government and, as I say, a worthwhile attempt on our part to keep the problems at home rather than to transfer them to Washington. This bill is a total rejection of that idea. Instead of trying to keep the problems at home this bill would duplicate the problems at home as far as voter registration is concerned. We would still have registration systems within each State and in each voting area, whether it be county, city, or precinct, depending on the State, and we would place on top of that a new and entirely different voter registration system at an astronomical cost. If this is not an archaic return to something we have been trying to do away with, I do not know what it is.

Proponents of the bill proudly point to North Dakota which has no preregistration requirement for its voters. In North Dakota the voters register at the same time they vote, on election day. But the existence of this system in North Dakota is itself evidence of the power and prerogatives of the State to adopt procedures they like. The States have the power, and in fact under the Constitution they have full power where no Federal rights are violated, to establish the election laws and procedures they wish. There is no need for the Federal Government to come marching in trying to call the tune for all the States to step to.

I think that system adopted by the States is far more flexible than the postcard system. As far as our State of Florida is concerned, we have very elaborate election boards that work well and we also use the mail device in those instances where voters cannot come in and register for some particular reason. For instance, servicemen may be stationed outside the State or overseas, and they can be registered by mail. That is also true of people who are sick and disabled and unable to come to the place of registration. But that is a flexible system and it takes care of people who are unable to come in to register to vote. That is how we should do this, and not by some wholesale mailing, sending postcards to everybody in the United States.

Besides, what can work in North Dakota, which is a sparsely populated agricultural State, may not work in New York or Florida or California. These States are in the best position to determine what kind of voter registration system they need to combat fraud. The Constitution indicates they ought to make that determination by themselves.

I have consistently opposed the creation of new Federal bureaucracies to try and tell the States what to do, how to do it, when to do it, and where to do it. These bureaucracies just cost money and cause trouble. When the States are doing an adequate job on a State matter on their own initiative using their own constitutional powers there is simply no justification and law or logic for the Federal Government to try and take over.

Here the proponents of S. 352 say they are acting in order to increase voter registration and to enhance voter participation. There is simply no evidence that their bill will do what they want. The reason why only 60 percent or so of all Americans of voting age vote in elections, or obversely why 40 to 45 percent or so do not vote, is that the nonvoters do not like politics and politicians who create Federal bureaucracies just like the one S. 352 is trying to create.

I think one of the interesting facts of the last election is that in the State of Florida last year we had two not only hotly contested primaries, but, of course, primaries that had attention focused upon them from all over the United States. Those were the Presidential primaries that we had in our State, shortly after the New Hampshire primary. Many people participated in the election. They were all over the State of Florida, exhorting people to come out and vote for them, and yet only 22 percent of the people turned out in the first primary to vote, and in the second runoff primary only 18 percent.

So voter registration by post cards, going out to several more million people, probably is not going to encourage any more participation in the voting process and, if anything, probably will discourage them, because if people do not have enough incentive or interest to register now by taking whatever effort it takes to go to the courthouse and register, how are they going to interest them in the political process, even if they take the time to return the post card and register in that manner?

Good evidence of what I have just stated is found in the national survey taken by the Census Bureau to determine the extent of voter participation and nonparticipation in the 1968 Presidential election. That official survey of 50,000 households was concerned with finding out why 26,942 of the 50,000 households reported they had not registered to vote. More than half of the people who did not register, 53.5 percent, said the reason they did not register was because they were not interested, never got around to registering or disliked politics. Out of the remaining 46.7 percent, 11.2 percent said they did not meet the residence requirements of the State in which they wish to register, 13.5 percent said the reason they failed to register was because they were ill or had no transportation or were unable to leave work, 10.6 percent did not register because they were not citizens, 9.5 percent had miscellaneous reason and 2.2 percent did not even know.

By discounting the 10.6 percent who were not citizens and therefore were legally prohibited from registering to vote, the number of households with people who failed to vote, because they were "not interested, never got around to registering or disliked politics" edges up to around the 60 percent mark.

Using post card registration is not going to make one whit of difference to this 60 percent. They are not going to be any more likely to register and certainly not more likely to vote than they would be otherwise. They just do not care.

Another point needs to be made. It is likely that this postcard registration scheme will increase voter disillusionment, thereby decreasing voter participation, contrary to the aims and expectations of the proponents. As these postcard registrations facilitate and stimulate fraud, voter confidence in the structures and procedures of their electoral system will be weakened, with a reluctant lessening of public desire to register and participate in voting. Thus, the bill might well have the opposite effect that it is intended to have. It may decrease participation in Government by increasing voter distrust of Government.

These criticisms of S. 352 are, of course, enough in themselves to commend defeat of S. 352, because of its national implications. I would like, however, to bring to the attention of my colleagues the odoriferous aspects of the bill as it applies to my home State of Florida. Florida has an outstanding electoral registration system, ably administered by the Secretary of State and county supervisors of elections. The president of the Florida State Association of Supervisors of Elections, Mrs. Blanche M. Work, of Bartow, Fla., wrote a letter to the distinguished Senator from Wyoming, Senator McGee, chairman of the Committee on Post Office and Civil Service. This letter points out one practical aspect of S. 352 which deserves consideration here. That is the problem of illegibility and incompleteness of registration forms. This has to be a terrible problem as 352 is presently drafted. This will lead to incalcuable administrative difficulties under S. 352, particularly regarding registration notification forms under section 405 of S. 352.

Under section 405 a registration notification form advising an applicant for registration of the acceptance or rejection of his registration is supposed to be completed and promptly mailed by the State official to the applicant. If any registration notification form is undeliverable as addressed, it is not supposed to be forwarded to another address, but rather is to be returned to the State official mailing the form. The section goes on, however, to state that the possession of a registration notification form indicating that the individual is entitled to vote is to be prima facie evidence that the individual is qualfied and a registered elector entitled to vote, and presentation of the registration notification form is not to be required in order for the individual to cast his ballot. This has to lead to horrible administrative results.

First of all, with illegible and incomplete forms it is highly likely that registration notification forms will not be correctly addressed back to the registrant. If this happens, and a registrant does not receive his registration *notification* form, how is he to find out what happened? If he calls up the supervisor of registrations trying to find out where his registration notification form is, he may not have an address which corresponds to that listed in the records of the supervisor of registration. If his name happens to be a common one, like Joe Smith or something, and the address is not ascertainable, how will anyone be able to find out what happened?

Then again, if the individual scrawled out his name illegibly so the supervisor of registration put it down incorrectly, again how will anyone be able to check and see what happened? The only way to eliminate this type of problem is to have the applicant personally present when he applies for his registration. This problem does not occur where personal registration is required. That is one of the major reasons why personal registration is required, not merely to prevent actual fraud but to prevent the type of mistakes and oversights which a post card registration system inevitably will result in.

There is one problem which has not been discussed at all yet, and to my knowledge has not even been considered so far. That is the problem of the absentee ballot system. Many States permit people to vote by the use of mailed absentee ballots. This type of voting is permitted for a variety of reasons, such as those of my State of Florida.

In Florida, a person can vote by use of an absentee ballot if he is physically disabled and unable to attend the polls without the assistance of another; or if he is to be absent from the county during the entire period the polls are open on the day of the election and cannot without manifest inconvenience and hardship vote in person; or he may be unable to attend the polls on election day, because of the tenets of his religion;

or he may be a supervisor of elections or an inspector or a voting machine deputy or a deputy sheriff who is assigned to a different precinct than that in which he is registered to vote; or he may have changed his residence to another county in the State within the period prior to becoming eligible to vote in his new county. In these instances in Florida and, of course, in other instances such as where the prospective voter is in the armed services outside the State and cannot vote, a Floridian can still vote absentee. I am sure this is also true in other States.

How is this absentee balloting affected by the postcard registration procedures that S. 352 would have us enact? Where a person desires to vote absentee, and he has registered by postcard, no one in the elections office will ever see this individual to verify the information he has given, or even to verify whether he exists. Think of the fertile ground this presents for a harvest of fraud. We would be opening up opportunity after opportunity for people to register and vote without any effective controls by responsible Government officials.

What are the alternatives to this? Obviously, about the only thing that can be done is to clamp tight controls on absentee balloting, or more likely, simply to eliminate absentee balloting, in order to prevent fraud. Look where that leaves us. In order to promote political participation by this post card registration scheme, we would be precluding participation by those unable to vote on election day who can vote under present procedures through an absentee ballot. We would be penalizing those who really want to participate, even by going to the trouble and expense of voting by absentee ballot, in order to possibly—and it is only "possibly" since there is no empirical evidence and only hypothetical theories—to possibly register a few people who are too lazy or disinterested to register themselves.

There is still another factor to consider with regard to this post card registration gimmick. If the only people who will be affected by this bill are those who do not care enough about their Government's direction to go down and register by themselves, what even glimmer of a hope is there that these people, once they are registered, will make the effort to go down and vote?

We are dealing here with the postcard patriots and the sunshine stalwarts. These people are the ones who, once they are signed up, are not going to bother to exercise their franchise by making the effort to cast a ballot. It is ironic, that in the effort to increase the percentage of Americans who are registered to vote, we will be increasing the percentage of people who are registered but do not vote.

The list of defects in S. 352, as it is technically drafted now, are very numerous. The bill is a masterwork of bad draftsmanship. But even if it were perfectly drafted, it is a bad idea. It is difficult to conceive how a bad idea can be improved except by being forgotten. I intend to closely follow the debate on this bill to see just how we should best proceed on it. It seems clear to me that the bill needs a great deal of consideration by other committees. I would hope that my colleagues would see fit to refer this to the Judiciary Committee, which has considerable expertise in this matter, in order to deal with it appropriately.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has less than 2 minutes.

Mr. GURNEY. Mr. President, I reserve the remainder of my time.

Mr. BURDICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Biden). Without objection, it is so ordered.

Mr. McGEE. Mr. President, I apologize for not having been here for the discourse of my friend, the distinguished Senator from Florida, in explaining his amendment. I was the only Member running a hearing, a hearing on the Western Hemisphere policy of the United States. And I felt somewhat obligated to hear the witnesses out inasmuch as some of them had traveled long distances in order to be here at this particular hour. So, it was not because of any lack of interest in the Senator's amendment, but rather because of the doubling up of the responsibility at this particular time of the day.

I appreciate the interest of my friend, the Senator from North Dakota (Mr. Burdick), who filled in at that time. It was very helpful.

Mr. President, I want to say one or two things about the pending amendment. It is an understandable amendment that has a reasonable explanation and is a very fair one. However, it does pose some complications in respect to the bill. The proposal would require that the person receiving a post card would pay the return postage on the card when that card is mailed to the appropriate State election officials.

That is an understandable suggestion. I think probably it would be an unfair change in this particular bill, for a reason: most businesses, most people developing constituent response, automatically pay the return postage, and I think that that in itself should say something to us; namely, that we are trying to encourage citizen participation in the legislation process in order that they might ultimately vote, and 6 cents postage, if we were to take the first-class rate for post cards, is not going to put most people out of business, but 6 cents postage means a great deal more to some people than many of us in this body realize, and it would more than likely serve as a deterrent, at this uneven moment when we are trying to make it as easy as possible and as responsibility permits to acquire a larger citizen participation in the process.

The cost of the measure is very small indeed if you assume it works; if you assume that everyone who received a postcard mailed it back, we are talking about 40 million post cards, coming in from potential registered voters. At 6 cents each, the cost would be less than $2.5 million. In the State of Florida, where there are about 2.5 million people not registered, although they are old enough to vote, it would be about $150,000.

All I am trying to say is that I think the effort would be impeded, without a commensurate return economically, that would move in any serious way toward redressing the problems of balancing the budget.

I therefore have to oppose the pending amendment, and I think the Members of this body ought to consider it very carefully before voting for it. When we remember that the Senate alone, in fiscal year 1973, had its own mailing costs in excess of $24 million, what kind of a position will it leave us in unless we wipe out Senate mailing legislation? I am not talking about the franking privilege now, because the Senate pays whatever its costs are as we go along, but rather of what the response would be to us when our costs are that high, for the Senate to then require collection from possible registrants of the cost of returning a post card. It seems to me it is not worth the candle, and that once more, as our experience with the new voters goes along, it suggests that that is a reasonable step in the future. After some tests and some experience it would be another matter, but I would be reluctant to lanuch it in that fashion. I think we have to establish a minimum of deterrent in order to involve the voters who, for one reason or another, are not at this time involved.

I am also advised, Mr. President, that the question came up about the prospects of some master voter lists ending up in the Census Bureau or the new Voter Registration Agency, and the question came up yesterday about dual voter lists. I would like to speak to both of those points on this matter.

First of all, the bill as it is now drawn specifically forbids any agency of the Government of the United States related to this process in any way from assembling and publishing information that would identify individual voters anywhere, at any time, in any respect. The Bureau of the Census will remain precisely what it is. It collects statistics; it does not collect the names of people. And that same restriction is there. There would be no list.

For those Senators who concern themselves with the problem of a dual voting list, I would have to note that we already have the dual voting list now, under the Voting Rights Act of 1970, for the office of President of the United States, which in effect produces a dual voting list. All this bill would do would be apply that same principle to the offices of U.S. Senator and Member of the House of Representatives.

So nothing new is injected in this proposed legislation. As a matter of fact, as some of the State registration officials have told us in our conversations with them, there is nothing to prevent any State, in its voter registration process, to use the same list, and provide that the name of a voter who is qualified to vote in a Federal election as well as a State election with one kind of a sign or mark in front of his name to indicate that fact, and a different kind of marking, an asterisk or an X or something else, would make it possible to deal with one who is not.

But that is not withir the perview of our concern here, it seems to me. Those are details that would have to be worked out under the responsibility of the National Voter Registration Administration.

So, with those suggestions, Mr. President, I would conclude my remarks by saying that I reluctantly have to oppose the amendment of the distinguished Senator from Florida, inasmuch as it would appear to make it a bit more difficult, or at least it would be less persuasive for a potential registrant, than if we bore that very small cost under the procedures as now outlined in the bill in connection with the postcard exchange.

Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Wyoming has two and one-half minutes remaining. The Senator from Florida has approximately 1 minute remaining.

Mr. McGEE. I am glad to yield my time back, Mr. President, although we do have to wait until 12 o'clock, I am advised, before the rollcall can begin.

The PRESIDING OFFICER. That is correct. That is the order.

Mr. McGEE. I will reserve my time for the moment, if the Senator from Florida would like to use up his time, or if he wishes to yield back I will yield back.

Mr. GURNEY. Mr. President, let me just conclude the argument for the amendment on this side by saying that I think everyone who is interested enough to participate in the very important political process of the United States by registering to vote, and later, of course, by voting, certainly ought not to object to affixing a 6-cent stamp to a postal card that gets him registered to vote. If he does not have that much interest in wanting to vote, then I do not think the U.S. Senate or Congress should be concerned in whether he votes or not.

Certainly it makes all kinds of sense to help relieve the burden of the cost of registering millions and millions of voters, by this post card method, by asking them to affix a 6-cent stamp.

I hope the Senate will agree to the amendment. I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time? There is 1 minute remaining to the Senator from Wyoming.

Mr. McGEE. Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Huddleston). Without objection, it is so ordered.

All time on this amendment has now expired.

The question is on agreeing to amendment No. 90 of the Senator from Florida (Mr. Gurney).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. Harry F. Byrd, Jr.), the Senator from Florida (Mr. Chiles), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Alaska (Mr. Gravel), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Long), the Senator from New Hampshire (Mr. McIntyre), the Senator from New Mexico (Mr. Montoya), and the Senator from South Carolina (Mr. Hollings) are necessarily absent.

I further announce that the Senator from Alabama (Mr. Allen), the Senator from Indiana (Mr. Hartke), the Senator from Utah (Mr. Moss), and the Senator from Nevada (Mr. Cannon) are absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. McIntyre) would vote "nay."

Mr. SCOTT of Pennsylvania. I announce that the Senators from Oklahoma (Mr. Bartlett and Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Colorado (Mr. Dominick), the Senator from Hawaii (Mr. Fong), the Senator from Arizona (Mr. Goldwater), the Senator from Ohio (Mr. Saxbe), the Senator from Virginia (Mr. Scott), and the Senator from Vermont (Mr. Stafford) are necessarily absent.

The Senator from Tennessee (Mr. Baker), the Senator from Maryland (Mr. Beall), the Senator from Nebraska (Mr. Curtis), the Senator from Michigan (Mr. Griffin), the Senator from Idaho (Mr. McClure, and the Senator from Kansas (Mr. Pearson) are absent on official business.

The Senator from New Mexico (Mr. Domenici) and the Senator from Connecticut (Mr. Weicker) are detained on official business.

If present and voting, the Senator from Nebraska (Mr. Curtis), the Senator from Colorado (Mr. Dominick), the Senator from Hawaii (Mr. Fong), and the Senator from Idaho (Mr. McClure) would each vote "yea."

The result was announced—yeas 21, nays 46, as follows:

[No. 106 Leg.]

YEAS—21

Aiken
Buckley
Byrd, Robert C.
Cook
Cotton
Fannin
Gurney
Hansen
Helms
Hruska
McClellan
Nunn
Percy
Roth
Scott, Pa.
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NAYS—46

Abourezk
Bayh
Bentsen
Bible
Biden
Brooke
Burdick
Case
Church
Clark
Cranston
Dole
Eagleton
Fulbright
Hart
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McGee
McGovern
Metcalf
Mondale
Muskie
Nelson
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stevenson
Symington
Tunney
Williams

NOT VOTING—33

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Byrd,
Harry F., Jr.
Cannon
Chiles
Curtis
Domenici
Dominick
Eastland
Ervin
Fong
Goldwater
Gravel
Griffin
Hartke
Hollings
Inouye
Long
McClure
McIntyre
Montoya
Moss
Pearson
Saxbe
Scott, Va.
Stafford
Stennis
Weicker

So Mr. Gurney's amendment No. 90 was rejected.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, the basic issue before us today is that of the Government's responsibility in providing its citizens with the opportunity to vote. Some have claimed that the opportunity to vote is a privilege. Others state that it is a right possessed by every citizen in a democratic society. Right or privilege, one does not have that opportunity unless he is registered to vote.

Prior to the adoption of many of the present State registration laws, Americans cast their ballots in greater numbers, percentagewise, than they do today. Between 1864 and 1900 the average turnout was 76.8 percent of the voting age population. Around the turn of the century, most States adopted measures to curb the power of the urban political machines. These registration laws reduced the average Presidential turnout to 59.2 percent for the period 1904 to 1968.

The purpose of registration was and is to prevent fraudulent voting by establishing an accurate list of those eligible in advance of election day. As American society grew, the need for a check against fraudulent voting grew. A largely rural American society where each voter was recognized and known changed to a largely urban society in which voters were unknown to local officials. Some procedure seemed necessary to prevent the manipulation of votes by corrupt politicians.

Yet politicians came to control the registration process. The time, place, and frequency of registration was left in the hands of local officials. It was a fairly simple matter for these officials to arrange to register groups and individuals favorable to their causes or parties. At the same time these officials could ignore or impede attempts to register by citizens who might hold differing views.

Mr. President, these abuses are not as flagrant as they once were but they are still with us. Recent attempts to register by the newly enfranchised 18- to 21-year-old voters provide a case in point. After ratification of the 26th amendment, many students attempted to register in the college towns in which they resided for the majority of the year. Election officials viewed the new student voters as a threat to the established powers. In some cases these officials subjected the youths to excessive interrogations, demanded unusual proof of residency, and initially turned many away. A Washington Post article reported that at the University of Illinois at Champaign-Urbana, many students were actually asked where they planned to be buried before they could register to vote. At the University of Maryland at College Park, some officials falsely implied that students who signed up to vote there might have their auto insurance rates raised. In New York, with over 800,000 college students, campus registration is still not permitted.

Mr. President, I cite these cases as evidence of the real opposition to universal voter registration. Some officials at the local level are reluctant to give up their control over the registration process. They continue their opposition in spite of the fact that many of the newly enfranchised have supported the so-called establishment candidates.

Opponents of universal registration have claimed that such a procedure would invite fraudulent registrations. Yet the president of the New York City Board of Elections, David Dinkens, has stated that the mail form actually tightens security on registration rather than weakens it. This improved security is possible because the permanent staff of the board could check signatures "from publicly available governmental and business records much easier than a volunteer or paid registrar or inspector whose knowledge of the existing citizens is most often derived from no more than a 2-minute personal exposure."

Since the 92d Congress, when several voter registration bills were introduced, the Supreme Court in Dunn against Blumstein, held that the unreasonable residency requirement in Tennessee was illegal. Since then, Tennessee has established a 30-day residency requirement similar to that used for Presidential elections. However, certain States are circumventing the Dunn decision by closing down registration 40 to 50 days prior to election day.

In March of this year the Supreme Court in Rosario et al. against Rockefeller, Governor of New York, et al. upheld a New York State election law which in effect requires a voter to enroll in the party of his choice at least 30 days before the general election in November in order to vote in the next subsequent party primary. If a voter fails to meet this deadline, he cannot participate in a party primary until after the following general election. This results in a deadline for enrollment 8 or 11 months prior to the primary. In effect, this results in a residency requirement.

Mr. President, the Members of Congress have the power to eliminate these unreasonable requirements. We must finish what we began in 1965 with the passage of the Voting Rights Act. It is increasingly evident that the Government should take steps to see that all of our citizens have the opportunity to participate in the electoral arena.

We have just finished an election in which only about 55 percent of the voting age population cast their ballot for the President of the United States. This was the lowest turnout in a Presidential year since 1948 when 52 percent of those of voting age went to the polls. It is not hard to imagine a situation in which a minority of the potential electorate will choose the person to occupy the highest office in the land. In fact, this is what happened in many States during the last election. Thirty-nine percent of the voting age population in South Carolina chose the President for all of the citizens living in South Carolina.

When we look at the percentage of registered voters turning out for the Presidential election the level of voting is significantly higher. Seventy-six percent of the 100 million Americans who are registered nationally participated in the last election.

In no State for which figures are available did the percent of registered voters turning out fall below 60 percent. In South Carolina, 65 percent of the registered voters cast their ballots.

It has been estimated that 62 million Americans of voting age did not vote this last election. Compare this to other democracies. European and American political scientists point out that in Germany in 1969, 86.7 percent of those eligible voted; in Canada, in 1968, 75.7 percent of those eligible voted; in Great Britain in 1970, 72 percent of those eligible voted; and in Norway in 1969, 82.5 percent of those eligible voted. Why do not Americans turn out in these numbers?

Part of the reason for low turnout in this country can be traced to the obstacles local election officials might impose on potential voters which I have mentioned. Such obstacles are intentional and unfair. We are able to correct some situations through our courts.

Yet there are also unintentional obstacles to registration and voting. These obstacles are not so easily overcome by court action. The legislation we are considering today would provide great assistance in eliminating these unintentional obstacles. What are these unintentional obstacles?

Prof. Penn Kimball of Columbia University provides us with two good examples of unintentional obstacles occurring in the registration process. In studying Newark, N.J., Professor Kimball has found that people on the first floor may tend to be registered while people on the third and fourth floors and above in the same tenement house are not registered. As any of us who have been involved in campaigns know, canvassers often tire out by the time they reach upper floors and hence skip the potential voters on these floors.

Another example also relates to people living in the same housing conditions and with the same family background. Professor Kimball found cases in which the mother had a teenage daughter who can babysit with the smaller children while the mother takes time off to go down and register. Yet a mother of the same socioeconomic background but without a teenage daughter or son who can babysit would find it difficult to register under the present system.

Mr. President, I think it is incumbent upon those of us with some experience in the electoral arena to eliminate these obstacles—be they intentional or unintentional. We know what the problems are and how to correct them. We cannot assure 100 percent registration, but we can bring about a significant increase in those who have the right to cast a ballot. And registered voters cast ballots at a significantly higher rate than nonregistered voters.

I believe it is time we take the final step and establish a system of universal registration. In 1971, I introduced a bill, S. 2445, providing for the nationwide registration of voters for Federal elections. At this point I would like to quote a statement I made before the Post Office and Civil Service Committee at the hearings conducted on voter registration in October, 1971.

> Mr. Chairman, I consider this legislation as one alternative—one mechanism—among the several before your Committee. It was first drafted for introduction as a Senate floor amendment. I do not consider it to be a comprehensive piece of legislation that touches upon all the questions with which your Committee must deal. It was intended to be a first step in what must be a thorough exploration of the voter registration issue.
>
> I have cosponsored your bill, Senator McGee, because I believe that it forms a strong foundation on which an effective system of national voter registration could be built.
>
> It is my hope that the Post Office and Civil Service Committee would report out a bill that would be a synthesis of my bill and the legislation introduced by yourself, Senator Kennedy, and Senator Inouye.
>
> All of our proposals have the same important objective and each is worthy of partial inclusion in a final piece of legislation.
>
> The responsibility now lies with the Congress to enact legislation which will offer the greatest number of people a way to vote.
>
> I know that I express the sentiments of all the members of Congress present here today that this is a non-partisan issue.
>
> Neither political party and no member of Congress can be in a position to tell 25 million new voters and millions of other Americans who regularly participate in the electoral process that the Federal Government should not face the problems of registration, residency and absentee ballots, at least as they apply to the federal elections.

Mr. President, I still believe this is a nonpartisan issue. It is an issue of representative government. It is an issue which we have thoroughly discussed and debated for at least 2 years. We must take that final step and pass S. 352.

VOTER REGISTRATION PROCEDURES

Mr. BIDEN. Mr. President, before the last election, there was a strong effort made to improve voter registration in Delaware. Through the continued, strenuous efforts of many dedicated volunteers, we succeeded in registering about 30,000 additional voters. During 1 day alone, when election officials were available in each election district on a Saturday, we were able to register 17,000 voters. This was not an easy task and required a statewide volunteer effort on 1 day to canvass house to house and urge people to go out to a neighborhood location to register. As a result of all of this work we have figures that show that voter registration in Delaware, after eliminating the "dead-wood" on the rolls probably exceeds 70 percent. Although Delaware's registration figures are better than many States, there are still too many people unregistered. The effort of trying to reach this 20 to 30 percent under Delaware's present system would be staggering. In addition it is unfortunately true that too large a proportion of those unregistered are poor people or members of minority groups. Because we so often urge these groups to resolve their concerns through the ballot box, it is doubly unfortunate that they are not registered and that we make it so hard for them to register.

So, while I come from a State that has a relatively high proportion of registered voters, I still support the need for a better registration technique such as that offered by S. 352. I do not consider Delaware's relatively good registration experience to be satisfactory and I am frankly appalled that experience is so much worse in other States.

In fact it seems that the evidence that has been presented on the floor of the Senate during this debate speaks for itself. The United States is the only country in the world that puts the burden of registering to vote on the individual citizen. It cannot be mere coincidence that the United States also have the lowest voter turnout in the world. Statistics show that once voters are registered they usually can get out to vote. In fact, 9 out of 10 registered voters go to the polls. So the place where we lag behind the rest of the world is in getting people registered.

Going back a ways in our history, before there was voter registration in the United States, 80 percent of our citizens voted. In later years, after voter registration became common, less than 50 percent voted. In a fairly recent example, in 1951 the State of North Dakota dropped the requirement for prior registration. After this action, voter participation in elections increased by 15 percent—and I cannot believe this was coincidence.

The proposed bill—S. 352—provides a good approach to improving this country's shameful record of citizen participation in elections. The League of Women Voters has made a characteristically careful study of voter registration problems and has concluded that the fact that people "are able to register and vote at all is a tribute to the sheer determination of the American people." This determination is indicated by the fact that the league found that 77 percent of the communities it studied has no Saturday registration in nonelection months and that 75 percent had no evening registration in nonelection months.

S. 352 is a logical answer to the very evident problem. It provides an easy means of registration without interfering with State and local controls over registration. Local officials will continue to make all the decisions about the qualifications to vote and whether registrants meet those qualifications. In addition, this bill would make funds available to assist the States in improving and modernizing their procedures and to even better verify the qualifications of potential voters.

It also provides an additional mechanism to investigate and prosecute registration frauds. It is certainly time that this country's registration procedures were brought into the 20th century. I believe the proposed Voter Registration Act will do just that.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 22) providing for adjournment of the Senate from Wednesday, April 18, 1973, to Monday, April 30, 1973, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans Administration, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 2 to the joint resolution, and concurred therein.

The message further announced that the House had passed a bill (H.R. 6883) to amend the Agricultural Adjustment Act of 1938 with respect to rice, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1315) to extend diplomatic privileges and immunities to the Liaison Office of the People's Republic of China and to members thereof, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. HATHAWAY).

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Wyoming is recognized.

Mr. McGEE. Mr. President——

Mr. ROBERT C. BYRD. Mr. President, we simply have to have order in the Senate. May we have order in the Senate so that the Senator may be heard?

The PRESIDING OFFICER. The Senate will come to order, please. Senators will take their seats.

The Senator from Wyoming is recognized.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Wyoming is recognized.

Mr. McGEE. Mr. President, I have had a conversation with the Senator from Alabama, and I will yield 5 minutes for the purpose of making a statement without losing my rights to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMIC STABILIZATION ACT

Mr. SPARKMAN. Mr. President, on yesterday the conference between the House and the Senate reached an uneasy agreement on S. 398. The conference report on the part of the Senate is at the desk. I said an "uneasy" agreement, and it was. It means that all of the information we could get from the House side is that the House will not accept it. It is my purpose to call up the conference report at this time and to move to have it recommitted to the conference.

May I say in that connection that it is my hope that the conferees—and I have talked with Representative PATMAN, the chairman of the House group—will meet at 3 o'clock in an effort to work it out, but whatever we agree upon will not be called up for action in the Senate until April 30.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. Mr. President, I was a member of the conference. As the Senator from Alabama knows, I feel there is no way that the Senate can retain its dignity and agree to let the House take the position that they will not pass this conference report. Here is what we did. I shall be brief.

The administration has been concerned all week that we might put in a freeze. We did not do that in the Senate; we missed by a couple of votes, and they did not do it in the House. The substantive part of this measure that passed the Senate, it seems to me, was the rent control provision and that was knocked out in the conference report. The White House, the Republicans won. There was another provision in the bill which I think the Senate must not give in on and that was the amendment to require disclosure by large companies under certain circumstances. The protections, in the eyes of certain Members of the House, were not sufficient so they said that trade secrets would not be disclosed.

What is left is meager. One, we provide that this measure will not be used by the President as a reason for the impoundment of funds; and, two, we provide that the wages to people who make less than $3.50 an hour shall not be subject to control because all the experience is that it has not been inflationary; under the guidelines it has been below 5.5 percent; and it was in the House bill last year. The only other provision I recall is that we gave the President authority, discretionary, premissive, if he wished to use it, to ration petroleum. We all know we might have a situation this summer to control that.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. Mr. President, under these circumstances I must say that I do hope that in the event that the chairman of the committee persists and says that we should send this back, that we have a rollcall vote in the Senate. I think we should have a discussion of this conference report.

I hope the Senate will sustain the position of the conferees, because it was a compromise in which the Senate did give the administration, in effect, a substantial amount of their position. It was a very fair compromise. Thus, to do even more, it seems to me, would really be agreeing to something that is unnecessary.

Furthermore, we should keep one thing in mind. If the House chooses to kill this conference report, we will have only 1 more day in which to act—April 30. Then we are out from under price controls completely. That might be a disaster. It means there would be no controls over meat, no controls over construction. The entire structure would be gone forever. Under those circumstances, prices would go up very much. Maybe there could be a rollback, but rollbacks are very hard to accomplish, especially in the House. It would be very difficult.

I do hope that because we have been put in the nature of a blackmail position on the part of the other body in this case, we will not give in. After all, if the U.S. Senate is going to have any dignity, any authority, it seems to me that on this kind of domestic legislation we should certainly insist that the moderate position of the kind we have taken should be accepted by the administration.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, I should like to respond to the Senator from Wisconsin.

Mr. McGEE. How much time does the Senator desire?

Mr. SPARKMAN. I shall be brief.

Mr. McGEE. I yield 5 minutes to the chairman of the committee.

Mr. SPARKMAN. The Senator knows that I supported the Senate amendments in the conference. I went right along with the Senate committee amendments. I said it was an uneasy settlement, and it was. I support the conference report. But that is not the question. The question is, Are we going to get favorable action? The only word we can get from the House, on both sides, is that they will not accept it. If we have to wait, we cannot have any conference until April 30. I think it is a matter of practical legislation to have the conference this afternoon, to try to work it out.

Mr. TOWER. Mr. President, I subscribe to everything the distinguished Senator from Alabama has said. Actually, the House conferees, in the majority, were not in support of the position of the House. That position was sustained by about a 3-to-1 vote in the House.

By the way, the House yielded to virtually every important position except rent control, and the Senator from Wisconsin says they agreed to most of what he wants, because there are four other points in the bill that the administration wants, and I do not think we have to concede on all of them.

I think it would not be responsible for us not to look at the practical situation. After all, legislation is the art of the possible, and we have to try to get a bill that both Houses can live with.

Mr. SPARKMAN. I hope the Senator from Texas and the Senator from Wisconsin will listen. I have just been handed a telephone message from the House. Chairman WRIGHT PATMAN said they will have to oppose recommitting the economic stabilization bill. He has just called in. I wanted Senators to have that information, because it may be that we cannot go to conference again.

Mr. TOWER. I think that if a majority of the House wanted to, they could recommit it over the objection of the chairman.

Mr. SPARKMAN. I am only trying to get the legislation through; that is all. Otherwise, the act will die. No action that we have taken under phase III, phase II, or any other phase will be in force after midnight April 30 if we do not get some action.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. If I have the floor.

Mr. PROXMIRE. May I ask the Senator a question with reference to what he just read about the position of the chairman of the House Banking and Currency Committee? As I understand Representative PATMAN, he has said he is opposed to recommitting the conference report.

Mr. SPARKMAN. Yes. I read it.

Mr. PROXMIRE. I understand the Senate will act first.

Mr. SPARKMAN. That is right.

Mr. PROXMIRE. If the House acted first, our problem would be solved, or at least it would be greatly eased. We would then understand what they intended. We do not know whether the House will accept the conference report. Apparently the position of the chairman of the committee is that they are going to have the House accept the conference report, and not recommit.

Mr. SPARKMAN. I shall be very glad to ask to have the House act first, but it is up to the Senate; it is not up to me. I was about to say it is immaterial to me——

Mr. TOWER. Mr. President, if the Senator will yield, under the rules we are required to act first.

Mr. SPARKMAN. Well, not required. I think it is right that the House could act first.

The PRESIDING OFFICER. Whichever House has the papers may act first.

Mr. PROXMIRE. It is my understanding that the House could act first and we could see what happens, and if the House rejects it, we will understand the situation, and we could have a rollcall.

Mr. TOWER. It is my understanding that the rule is that the House that acts first can recommit to conference, but the House that acts second cannot recommit; it has to accept or reject the conference report as it stands. If we act first and adopt it today, then we can be sure that economic controls are going to be out midnight, April 30. That is the way it is going to be.

Mr. PROXMIRE. We cannot be sure.

Mr. TOWER. I think we can be sure.

Mr. PROXMIRE. It is very reasonable to expect——

Mr. McGEE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McGEE. Who is in charge of the floor?

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. McGEE. And what is the time situation? I yielded 5 minutes.

The PRESIDING OFFICER. The 5 minutes yielded to the Senator from Alabama have just expired. The Senator from Wyoming has the floor.

Mr. SPARKMAN. Mr. President, then, if the Senator will yield to me for the purpose of making a motion——

Mr. McGEE. Mr. President, I will yield to the Senator to explain what his motion is going to say.

Mr. SPARKMAN. Well, it is simply this: I move that the conference report on S. 398 be recommitted.

Mr. McGEE. Mr. President, I will agree to acting on this motion under the provision that I do not lose my right to the floor and that immediately upon completion of this particular item, the floor revert to the Senator from Wyoming.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

The conference report cannot be recommitted because it has not yet been called up.

Mr. SPARKMAN. Mr. President, I stand corrected. As a matter of privilege, I will call up the conference report at this time.

EXTENSION OF ECONOMIC STABILIZATION ACT OF 1970—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on S. 398, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970, having met, after full and free conference, having agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Economic Stabilization Act Amendments of 1973".

AUTHORITY TO ALLOCATE PETROLEUM PRODUCTS

SEC. 2. (a) The first sentence of section

202 of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and that in order to maintain and promote competition in the petroleum industry and assure sufficient supplies of petroleum products to meet the essential needs of various sections of the Nation, it is necessary to provide for the rational and equitable distribution of those products."

(b) The first sentence of section 203(a) of such Act is amended—

(1) by striking out "and" at the end of clause (1);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof a new clause as follows:

"(3) provide after public hearing, conducted with such notice, under such regulations and subject to such review as the exigencies of the case may, in his judgment, make appropriate for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anticompetitive effects resulting from shortages of such products."

DEFINITION OF SUBSTANDARD EARNINGS

SEC. 2. Section 203(d) of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new sentence: "The President shall prescribe regulations defining for the purposes of this subsection the term 'substandard earnings', but in no case shall such term be defined to mean earnings less than those resulting from a wage or salary rate which yields $3.50 per hour or less."

CLARIFICATION OF AUTHORITY CONFERRED BY ACT

SEC. 4. Section 203 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsection:

"(j) Nothing in this title may be construed to authorize or require the withholding or reservation of any obligational authority provided by law or of any funds appropriated under such authority."

DEFINITION OF WAGES AND SALARIES

SEC. 5. Section 203(g) of the Economic Stabilization Act of 1970 is amended to read as follows:

"(g) For the purposes of this title, the term 'wages' and 'salaries' do not include reasonable contributions by any employer pursuant to a compensation adjustment for—

"(1) any pension, profit sharing, or annuity and savings plan which meets the requirements of section 401(a), 404(a)(2), or 403(b) of the Internal Revenue Code of 1954;

"(2) any group insurance plan; or

"(3) any disability and health plan;

unless the President determines that the contributions for such purposes made by any such employer are unreasonably inconsistent with the standards for wage, salary, and price increases issued under subsection (b) or under any other provision of this title. Employees in all industries subject to controls under this title shall be treated equally for purposes of this title."

PUBLIC DISCLOSURE

SEC. 6. Section 205 of the Economic Stabilization Act of 1970 is amended—

(1) by striking "All" and inserting in lieu thereof "(a) Except as provided in subsection (b), all"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Any business enterprise subject to the reporting requirements under section 130.21(b) of the regulations of the Cost of Living Council in effect on January 11, 1973, shall make public any report (except for matter excluded in accordance with paragraph (2)) so required which covers a period during which that business enterprise charges a price for a substantial product which exceeds by more than 1.5 per centum the price lawfully in effect for such product on January 10, 1973, or on the date twelve months preceding the end of such period, whichever is later. As used in this subsection, the term 'substantial product' means any single product or service which accounted for 5 per centum or more of the gross sales or revenues of a business enterprise in its most recent full fiscal year.

"(2) A business enterprise may exclude from any report made public pursuant to paragraph 1 any information or data reported to the Cost of Living Council, proprietary in nature, which concerns or relates to the amount or sources of its income, profits, losses, costs, or expenditures but may not exclude from such report, data, or information, so reported, which concerns or relates to its prices for goods and services.

"(3) Immediately upon enactment of this subsection, the President or his delegate shall issue regulations defining for the purpose of this subsection what information or data are proprietary in nature and therefore excludable under paragraph (2), except that such regulations may not define as excludable any information or data which cannot currently be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a substantial product as defined in paragraph (1). Such regulations shall define as excludable any information or data which concerns or relates to the trade secrets, processes, operations, style of work, or apparatus of the business enterprise."

AGENCY HEARINGS

SEC. 7. Section 207(b) of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting the following in lieu thereof: ": *Provided*, That such agency shall issue no order which has the effect of reducing wages, or salaries in effect, or proposed to be put into effect, in an appropriate employee unit unless such order is made on the record after opportunity for a hearing. Not less than thirty days after issuance of such an order a statement of explanation shall be directed to the affected parties and made available to the public. Such statement shall include a full explanation of the reasons why the existing wage or salary, or proposed wage or salary adjustment, does not meet the requirements of or the standards established by the regulations prescribed by the agency."

EXTENSION OF ACT

SEC. 8. Section 218 of the Economic Stabilization Act of 1970 is amended by striking out "April 30, 1973" and "May 1, 1973" and inserting in lieu thereof "April 30, 1974" and "May 1, 1974", respectively.

And the House agree to the same.

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON WILLIAMS, Jr.,
THOMAS J. MCINTYRE,
BOB PACKWOOD,
Managers on the Part of the Senate.

WRIGHT PATMAN,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
FERNAND J. ST GERMAIN,
FRANK ANNUNZIO,
THOMAS M. REES,
WILLIAM R. COTTER,
PARREN J. MITCHELL,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment.

The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for clarifying, clerical, and conforming changes, the differences are noted below:

The House amendment did not contain a short title. The Senate bill contained a short title and the conferees agreed to accept the Senate short title.

The Senate bill authorized the President to set priorities of use and systematic allocation of petroleum products. There was no comparable provision in the House amendment. The conferees accepted the Senate provision.

The Senate bill contained a provision establishing an unemployment goal of 4 percent by April 30, 1974, and declared it the sense of the Congress that the Congress and the President should pursue policies to attain this result. There was no comparable provision in the House amendment. The Senate receded to the House.

The Senate bill defined "substandard earnings", for purposes of the title, as earnings of $3.50 an hour or less. There was no comparable provision in the House bill. The House receded to the Senate.

The Senate bill contained a provision stating that nothing in this title authorizes or requires the withholding or reservation of any obligational authority provided by law or of any funds appropriated under such authority. No comparable provision was included in the House amendment. The conferees accepted the Senate provision.

The Senate bill imposed rent control on residential units in standard metropolitan statistical areas where vacancy rates are less than 5.5 percent among low and moderately-priced rental units. The House amendment contained no comparable provision. The Senate conferees receded to the House.

The Senate bill required businesses making periodic reports to the Cost of Living Council to make such reports public if the price of a substantial product increased by more than 1.5 percent over the price lawfully in effect for such product on January 10, 1973. It also provided for the exclusion from disclosure for certain information proprietary in nature. No comparable provision was included in the House amendment. The House agreed to accept the Senate provision with an amendment which would prohibit the disclosure of trade secrets.

The Senate bill directed the President to transmit quarterly reports to Congress on food prices. The House amendment contained no comparable provision. The Senate receded to the House.

The Senate bill directed the President to transmit quarterly reports to Congress on health insurance prices. The House bill contained no such provision. The Senate receded to the House.

The House amendment required the opportunity for a hearing before any agency issued an order reducing wages in effect or proposed to be put into effect with respect to an employee unit. The Senate bill contained no comparable provision. The conferees agreed to the House provision.

The House amendment amended the definition of "wages and salaries" to insure that reasonable employer contributions to legitimate fringe benefits plans were not considered wages or salaries under the title. The Senate bill contained no such provision. The

Senate agreed to accept the House provision with a clarifying amendment.

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON WILLIAMS, Jr.,
THOMAS J. MCINTYRE,
BOB PACKWOOD,
Managers on the Part of the House.
WRIGHT PATMAN,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
FERNAND J. ST GERMAIN,
FRANK ANNUNZIO,
THOMAS M. REES,
WILLIAM R. COTTER,
PARREN J. MITCHELL,
Managers on the Part of the Senate.

Mr. SPARKMAN. Mr. President, I move that the conference report be recommitted.

The PRESIDING OFFICER. The question is on the motion to recommit the conference report.

Mr. PROXMIRE. Mr. President, is the motion debatable?

The PRESIDING OFFICER. The motion is debatable.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the conference report.

The PRESIDING OFFICER. There appears to be a sufficient second and the yeas and nays are ordered.

The clerk will call the roll——

Mr. MANSFIELD. Mr. President, does the Senator from Wyoming still have the floor?

Mr. McGEE. Yes.

The PRESIDING OFFICER. The Senator from Wyoming has the floor.

Mr. McGEE. Mr. President, I yield to the majority leader for the purpose of a request he is about to propound.

Mr. MANSFIELD. Mr. President, if I may have the attention of the distinguished Senator from Wisconsin, would he consider a time limitation for the debate on the motion?

Mr. PROXMIRE. Mr. President, I will consider it, and probably will a little later. I would prefer to talk to one or two Senators to see what they have in mind.

Mr. MANSFIELD. May I point out that many Senators have left, and are leaving. This motion merely means it will go to conference, and something could be done on a 5- or 10-minute basis. The issues have been made clear in the course of the 10- or 15-minute discussion already.

Mr. PROXMIRE. Mr. President, if any other Senator on the floor wants to give an indication that he wants to talk and for how long, I will not speak until such a Senator does. I will agree to 10 minutes.

Mr. MANSFIELD. I see no sign of any Senator wishing to do so.

Mr. President, I ask unanimous consent that, after I have been given some recognition, there be a 20-minute time limitation on this motion, the time to be equally divided between the Senator from Wisconsin and the proposer of the motion, the Senator from Alabama.

Mr. JAVITS. Mr. President, reserving the right to object, some of us are interested in rent controls. If the Senator wants 20 minutes on this issue, some Senators think this other issue should be raised, and I think another 5 minutes should be allowed for us to have anything to say about it that we think should be said.

Mr. MANSFIELD. Mr. President, I make the request for an additional 5 minutes on that basis.

Mr. PROXMIRE. Fifteen minutes on a side.

Mr. MANSFIELD. Fifteen and ten.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield to the majority leader, without losing my right to the floor.

COMMITTEE ASSIGNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent, notwithstanding the provisions of Public Law 91–510, as amended, placing restrictions on the number of committees a Senator may serve on, that the Senator from Nevada (Mr. CANNON) be permitted to serve on the Select Committee on Standards and Conduct, created by Senate Resolution 338 of the 88th Congress, second session.

Mr. METCALF. Mr. President, the majority leader is making an exception to the Legislative Reorganization Act, which provides that Senators may be permitted to serve only on a certain number of committees.

Our previous experience with the Legislative Reorganization Act has shown that continued exceptions act as an erosion of the act, so that finally the act was completely destroyed.

The ethics committee is a certain, special, unique committee. The ethics committee is composed of, and should be composed of, the most respected and honored Members of this body. The ethics committee should have on it members who have absolute integrity, and they are most likely to be some of the busiest Members of the Senate. So I think there is a unique situation in this category of naming a man to the ethics committee.

While normally I would object to any erosion of the Legislative Reorganization Act through the proliferation of Senators serving on more committees than allowed by that act, I think this is a unique situation—unique in the finest category of that word. I hope that no precedent is being established for putting a Senator on the Ethics Committee so he can serve as the majority leader would like him to serve. Therefore, I withdraw my objection.

Mr. MANSFIELD. Mr. President, may I say I agree completely with my distinguished colleague, the Senator from Montana, who has just spoken. I would not make this proposal unless it was an unusual situation, and I want the Senator to know I appreciate his understanding, and to reiterate, as much as I can, that it is not to be considered a precedent for future action.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to.

The Chair, on behalf of the Vice President, pursuant to Senate Resolution 338 of the 88th Congress, second session, appoints the Senator from Nevada (Mr. CANNON) to the Select Committee on Standards and Conduct.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I feel I have the floor, subject to the will of the Senate, and I would like, before the time begins to run, to ask 5 minutes for myself.

THE DETERIORATING SITUATION IN CAMBODIA

Mr. MANSFIELD. Mr. President, on April 12, I addressed myself briefly to the deteriorating situation in Cambodia. While I do not approve of the 42d consecutive day bombing runs over Cambodia I recognize and accept the fact, in my opinion, that the administration is endeavoring to find a way out of what is to them, and this country, a difficult, embarrassing, and dangerous situation. There is also talk that the President is considering sending Dr. Kissinger to Paris, again, to meet with the North Vietnamese to try and build a firmer base for a cease-fire in Vietnam and Laos and, hopefully, to lay the base for a Cambodian cease-fire. I hope this is true. In my judgment, the problem of Cambodia is not military but diplomatic and the important factor is to find someone who can pull the country together again. I hope the resignation of the Cambodian Cabinet, just announced, is a prelude to serious negotiations between all the participants in the civil war now raging in that unhappy nation. But a continuing concern over the direction of events leads me to return to the subject again today. By putting our bombers, an airlift and a river convoy all at the service of the Phnom Penh government, we are already on a course of deepening involvement in the internal affairs of Cambodia and what may well be a collapsing government. Moreover, we may well be also inviting the breakdown of the fragile cease-fire in Vietnam and Laos.

The fact is, Mr. President, that we had no business of the American people in Cambodia 3 years ago. We have no business there now and we are still paying the price in dollars and may, again, begin to pay in lives. Nor can I see the remotest valid business of the American people there tomorrow. But then, what was the business of the American people in the military involvement in Vietnam and Laos?

Yet, here we are at this late date digging ourselves deeper into another tragic military involvement, inflicting one more vast compass of devastation on one more hapless land, in support of one more irrelevant government, in one more obscure region of Indochina. In my judgment, to continue to pursue this vein is to cast into doubt all that has been achieved by way of negotiation in Vietnam.

Is it not time to ask ourselves: Why? What for? For whom? And to ask the questions again and again? On what constitutional grounds do we risk a single American life in or over Cambodia? On what authority do we spend $150,000 or thereabouts of the people's money for each of the hundreds of sorties which are being flown around the Cambodian capital of Phnom Penh? What far-out concept of national interest, obligation, or whatever compels us to wreak further devastation on that hapless land? Why are we pursuing this futile, tragic, last-gasp deadly military exercise? I know no valid reason associated with the interests of the people of the United States and I doubt very much that there is a Member of the Senate who can define one.

I greatly fear, Mr. President, that if land invasions from outside Cambodia do materialize, as has been hinted in the press, and they receive our aerial and other support, we will run the risk of a full recrudescence of the Indochina conflict which may well spread throughout Southeast Asia. Then what? More dead and wounded? More POW's? More MIA's? More paraplegics? More drug addictions?

If ever there was a time for the President to call a halt, that time is now. If ever there was a time for this Nation to move out of Indochina militarily—land, sea, and air—that time is now. By so doing, we would contribute, in my judgment, to the well-being of the people of the Southeast Asian states and add, immeasurably, to the well-being of the people of this Nation.

On April 12, I suggested the possibility of a preliminary shift to a more reasonable government in Phnom Penh and then a diplomatic intercession on the part of both ourselves and other outside powers, an initiative which I am sure our Government is pursuing, to the end that a negotiated end of the civil war might take place among the Cambodians themselves. Perhaps the resignation of the Lon Nol Cabinet will make this possible. There is little, very little, to build on in Phnom Penh. It may well be, therefore, that peace will not return and that the war will intensify unless and until we discontinue completely our military involvement in that torn and battered land and unless and until Prince Norodom Sihanouk, who is the relevant symbol of Cambodian national unity returns to Phnom Penh.

EXTENSION OF ECONOMIC STABILIZATION ACT OF 1970—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970.

Mr. McGEE. Mr. President, we are on controlled time on the recommittal motion. I am not in control of the time.

The PRESIDING OFFICER. The Senator from Wisconsin and the Senator from Texas are in control of the time.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Who yields time for a parliamentary inquiry?

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I know that the 20 minutes runs on the request of the Senator from Alabama. When does the matter of controlled time come to an end in this body?

The PRESIDING OFFICER. After the vote on the motion.

Mr. HUMPHREY. Then does the Senator from Wyoming have the floor?

The PRESIDING OFFICER. The Senator from Wyoming then has the floor.

Mr. HUMPHREY. Mr. President, is the Senator from Wyoming then still on voter registration?

Mr. McGEE. Mr. President, at that point we will arrive at an agreement so that we can proceed to other matters.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I wanted to point out that I have been waiting here very patiently to introduce a bill that is very important to this body, a bill in which a number of Senators are interested. I want to make a few remarks about the bill. I did not make an objection to this procedure, although I could have.

I do want to alert those in charge of the time of the bill that I do want to introduce a bill in a few minutes and make brief remarks about it.

Mr. TOWER. Mr. President, for the information of the Senator from Arkansas, it is possible that his side will not use the entire time.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield myself such time as may be necessary.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I think we have probably said about all that we can say about this matter. The fact is that the Senate is in a position of prevailing very strongly in the conference despite the rather vociferous objection in the House. The House sustained that position by a vote of almost 3 to 1 in terms of the final adoption of the Widnall substitute which became the House bill. There were a number of these provisions in the conference that the House acceded to which had been defeated in the House by a substantial majority. The Hathaway amendment was not brought up on the floor of the House because it was defeated so roundly in the committee by a vote of better than 2 to 1, with the chairman voting to delete the provision.

This indicates that we have come up against some pretty strong resistance in the House and not much resistance on the part of the House conferees. That is true. However, there is certainly very strong resistance on the part of the House and if this position that has been sustained by the conference were not so onerous to the House, I am sure that they would not be of a mind to defeat this provision which is of such tremendous importance in the economic controls which expire on midnight of April 30.

I think some of us feel that we had better have some authority rather than no authority at all. I think that we know what the impact will be on May 1, after phase III dies at midnight of April 30.

There is evidence that the President is considering more stringent economic control measures which should be allowed and authorized under the present provisions of the bill.

Actually, my good friend, the Senator from Wisconsin, and many others have been very critical of the controls under phase III, feeling that they were not strong enough. I think that the President may be of the same mind himself and that he will move into stronger controls than we have had heretofore.

I think it is vital therefore that we get the evidence and the authority. And I do not think that we can get the evidence and the authority unless we are willing to go back to conference and renegotiate in a realistic and rational way.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 5 minutes.

Mr. PROXMIRE. Mr. President, the argument that we should reject the conference report is based entirely on the asumption that if we do not reject the conference report, the House will refuse to accept it and they will kill wage-price stabilization and things will be out of control after April 30.

It is on the basis of that that we are just guessing at what the House will do without having an opportunity to vote on the merits of the conference report. That does not make any sense.

If we stand by the position that the Senate took with a clear majority on each of these four points, then the House, even though it agreed to consider it, may decide to accept the position taken by the chairman of the House committee and by the Senate and by a majority of the conferees on both sides. Then we will have no problem.

They may decide not to accept it. That would kill the conference report. However, they would ask for a new conference. The Senator from Texas and I know that they would. The President of the United States is not going to say that there is no way for price stabilization. That is ridiculous.

What will happen under those circumstances is that the House would ask for a new conference and we would be in a position to find out how strongly the House felt about the compromise conference report we are sending there.

Mr. President, let me say a few words about the report. First, it provides a discretionary authority for the President to use his power in rationing our petroleum products. That is something which we all recognize that he can do. I cannot imagine any President objecting to that action, either on the part of the House or the Senate.

Second, we provide that the bill will not be used as the basis for impounding funds.

I think we all recognize the difficulties. We adopted a measure in 1970. I did not have any notion that measure would be used by the administration to prevent the will of the Congress from being put into effect.

No. 3, we provide for the exemption of substandard wages, that is, wages that are less than $3.50 an hour, or people who make less than $7,000 a year. There are two grounds for that: First, that no one would like to see this kind of legislation used to hold down people whose incomes now are too low, too close to the definition of the poverty level; and second, that all the testimony, all the evidence, all the record indicates that the increase in wages for people who make a small amount, less than $3.50 an hour, has not been a significant inflationary factor. These people are not organized; they are not in unions. If they were, their wages would be higher.

So that cannot be the issue. The issue comes down to the Hathaway amendment. And the Hathaway amendment should be understood, in this debate, if anything else is understood.

This provision would require public disclosure of reports submitted by large companies to the Cost of Living Council if they increased their prices by more than 1.5 percent. The only major objection to this provision was that it might require the disclosure of trade secrets.

The conferences met this objection by agreeing to an amendment which specifically exempts trade secrets. The Senate provision also contained other safeguards. For example, no financial information with respect to a particular product would have to be disclosed by a large firm unless comparable information had to be disclosed to the SEC by a smaller firm producing only one product. The Senate bill simply puts big business on a parity with small business. Despite all these safeguards, the House Republicans still refused to accept the provision.

According to the New York Times, House Republicans object to the disclosure provision on the grounds that it would "unjustly increase antagonism toward some companies." Let us examine the sheer audacity of this statement. The House Republicans are against disclosure because it might cause the American people to criticize large corporations who raise their prices. They say this criticism would be unjust. But how can criticism be unjust if it is based on a complete and factual disclosure of the reasons why a company raised its prices? Do the House Republicans assume the press and the public are unfair? Do they assume the press and the public are incapable of understanding the fact that a company might have justifiable reasons for raising its prices?

I do not see how any elected official can subscribe to the proposition that the public is stupid and unfair, or that too much disclosure *will* cause unjust criticism. What the House Republican position really boils down to is that they are not against unjust criticism of large companies which raise their prices—they are against any criticism of these companies.

If I were the head of a large company I would take a similar position. I certainly wouldn't want the public criticizing my company for a price increase, partciularly if it was not justified. I would want complete freedom and flexibility to raise my prices regardless of whether the increase was justified or not. And I certainly would not want to make my justification public if it was not required. It is understandable, therefore, why large companies have lobbied vigorously against the Senate disclosure provision.

I have no quarrel with large companies lobbying against the Senate disclosure provision. This is their right and their privilege. I do not even object to the House Republicans swallowing the position of large corporations hook, line, and sinker. After all, this is where Republicans get their campaign money and it is natural that they respond to the pressures of their large contributors. But I do object to the complete and abject surrender of their responsibilities by the House Republicans. They have a responsibility to the people who elected them as well as to the corporations who paid for their campaigns. By acting as stooges for the large corporations, by acting as well-trained puppets for their corporate masters, the House Republicans are not just making fools of themselves. They are jeopardizing the extension of the price and wage control law, and thereby threatening the pocketbook of every consumer in America.

Mr. President, as I say, I think the crux, the key to this matter, will be the vote on the Hathaway amendment. Before yielding to the Senator from Maine (Mr. HATHAWAY), I would like to point out that many of us would have liked very much to have the rent control provision. I voted with Senator WILLIAMS in conference for the rent control provision. Unfortunately, the rent control provision is now dead. There is no way we can salvage that. We know that; the House knows it. Unfortunately, we have to accept it.

So the issue is not whether to kill the conference report because it contains no rent control provision. We lost on that issue, and we know it. The issue is whether we should kill the conference report on these other issues, which make up what I would have to characterize as a very weak compromise bill.

I yield to the Senator from Maine.

Mr. HATHAWAY. Mr. President, I thank the Senator from Wisconsin for yielding, and join him in wholehearted support of his remarks against the motion now pending before us.

I agree with the Senator also that what we are really voting on, again—I think the Senator from Texas would probably say for the third time here on the Senate floor—is the amendment I presented a couple of weeks ago.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Wisconsin has only 3 minutes remaining.

Mr. PROXMIRE. I yield the Senator my remaining time.

Mr. HATHAWAY. Since that is really the crux of the vote, let me go over again in part what I said on the floor of the Senate a couple of weeks ago when this amendment was agreed to by a substantial vote.

First of all, it does not require any of the tier 1 corporations to reveal anything to the public unless they go over the 1.5-percent guideline in increasing their prices.

Secondly, if they do go over the guidelines, the only information they would have to reveal is that information pertaining to costs and profits—prices as well, but, of course, prices are already very well known by the general public.

Although my amendment clearly pointed out then that they are not required to reveal any trade secrets, the conferees made doubly sure that no one would be apprehensive that trade secrets or other confidential matters would be revealed to the general public by stating that specifically in the conference report.

The Senator from Texas has made note of the fact that this amendment was not voted upon in the House of Representatives, that it was rejected in the Banking Committee of the House of Representatives; but that is not an unusual procedure. Very often we have portions of our bill that have not even been considered by the House of Representatives, and the House has parts of its bills that have not been considered at all by the Senate. Nevertheless, we come to some agreement on them, even though there have not been votes in one or the other body. So this situation is no different than the situation which we are often confronted with, when any conference report is brought to the Senate.

I would like to reiterate what the Senator from Wisconsin has said with respect to the fact that if we do not vote for this motion to recommit, this will be the end of the Economic Stabilization Act, because the House of Representatives has left only one choice. If we vote to agree to the conference report, they cannot recommit it to conference.

The PRESIDING OFFICER. All time of the Senator from Wisconsin has expired.

Mr. HATHAWAY. Will the Senator from Texas yield me 30 seconds?

Mr. TOWER. I yield the Senator from Maine 1 minute, from my time.

Mr. HATHAWAY. I thank the Senator. As I was saying, if we agree to accept the conference report, and send it to the House of Representaives, the House has only one choice; they cannot recommit it to conference, because our conferees, through our agreeing to the conference report, will have been dismissed. So there will be no conference for the House to recommit to. But if they vote down the conference report, that will not be the end of the matter, because, as the Senator from Wisconsin has said, the House can ask for a new conference and appoint new conferees, and we can do the same thing.

We have ample time to do that. It did not take long yesterday afternoon to resolve the matter. It took, I believe, only an hour or so. Certainly if the House rejects the conference report altogether and asks for a new conference, I would not anticipate more than an hour or so to resolve our differences again.

I think it is incumbent upon us to uphold the position of the Senate with respect to this matter, and I urge Senators to reject the motion to recommit.

Mr. JAVITS. Mr. President, I had in mind to move to vote down the conference report because of the rent control problem, along with the Senator from New Jersey (Mr. CASE), who is the principal mover of this particular amendment. Obviously, we are not going to get anywhere with the rent situation in this bill. That is regrettable but that so often happens in the Congress.

It is a bad situation—a very bad situation—especially in the suburbs of New York, New Jersey, and other States around the big cities, which will have to get very much worse, with a lack of likelihood that the fairly rural minded legislatures will take the necessary State action before we can get any Federal action. That major contribution must be added to the already great contribution that runaway rents are having with respect to inflation.

I express great regret in that situation and I deplore what has occurred in that regard, but it is obvious to me, having talked with the conferees—both those who are for and those who are against the motion to recommit—that there is not a prayer, really, on the rent question, in this bill, considering the short tether we are on as to a time limitation, and the absolute inflexibility of the other body.

Everyone should be on notice that the Senator from New Jersey (Mr. CASE) and I—and I know that he will feel as I do—will continue the fight and do our utmost to get rent control on another appropriate bill. We are by no means abandoning it, because the Senate voted with us, much to the credit of the Senate; so that the responsibility rests squarely with the majority in the other body which, on a number of votes, turned down any form of rent control notwithstanding the strong case made for it.

That said, Mr. President, I did not quite measure the situation this way when I first heard about it today, but it seems to me clear, with the overriding urgency the country faces with respect to this matter, and the clear indication from the distinguished Senator from Maine (Mr. HATHWAY), who is the author of this amendment, that he simply feels they will not get any further with that particular amendment. So that I feel I have to vote consistently with the idea of finality with respect to the conference report.

As so often happens in Congress, we have to do what we have to do, and if the other body does not agree with us, it can do what it thinks it should do, as we did on rents. We have to face our responsibilities.

For all these reasons, Mr. President, I shall vote with the distinguished Senator from Wisconsin (Mr. PROXMIRE) on the motion to recommit.

Mr. PROXMIRE. Mr. President, I want to thank the distinguished Senator from New York. The position he states so well is that we should not recommit this conference report. We stand with the conferees. I thank the Senator from New York and want to tell him that his position on rents is absolutely sound. There is no other way we can interpret this kind of situation. It is not only anti-inflationary in the short run but it will be anti-inflationary in the long run, because we will be facing a serious shortage in low- and moderate-income housing in the next couple of years; 600,000 units have already been taken out of the inventory.

I hope that the Senator from New York will continue the fight on other legislation, and I will support him.

Mr. JAVITS. May I say to my distinguished colleague from Wisconsin, if I still have another minute remaining, that the people who are hit the heaviest are the same people who are paying higher prices at the food counters, at the clothing counters, and for medical care, and I want to give them some hope of seeing an end to it, I would hope under government control.

The only way they can do it is that I hope the President has the wisdom to see that phase III was a great mistake, that he should have a phase IV which should be a phase II, and that is the only way to get at this situation.

The PRESIDING OFFICER. The time of the Senator from New York has expired. The Senator from Texas (Mr. TOWER) has 3 minutes remaining.

Mr. TOWER. Mr. President, I yield myself such time as I may need.

Mr. President, it has been suggested to those of us who are opposed to this, that we are stooges for the big corporations.

I am prepared to say that I believe in the free enterprise system, that I believe in the right of business to operate in as free a climate as possible, subject to such restraints as government should place on business in order to preserve order in the economy.

I make no apology for that.

There also is big labor in this country and no one has moved around here to try to tear down the wall of protection that protects big labor. Does that suggest there may be some stooges in organized labor?

So, Mr. President, I think we had better quit name calling and try to regard each other as being intellectually honest, as being individuals who follow our own convictions.

I note, with reference to "Republicans" and "Republican money," that the Proxmire amendment was defeated in the House Banking Committee by a vote of better than 2 to 1, and on the prevailing side of that vote was Representative WRIGHT PATMAN—probably the foremost advocate of populism this country has seen in modern times.

Thus, I would hope that we do not try to put a lot of partisan nonsense into this, and that we will think in terms of legislation as being the art of the possible, necessitating preserving the authority and doing what is necessary to get that authority preserved.

The House prevailed by much greater margins than the Senate position prevailed in the Senate, and that is something we have to take into account.

Mr. CRANSTON. Mr. President, my reason for voting to recommit are different from those of most—perhaps all—Senators who will vote that way. I will vote against the conference report on the wage-price bill, not because it goes too far but because it does not go nearly far enough.

It is not enough merely to empower but not require the President to control prices. That amounts to congressional approval of the continuation of the disastrous phase III.

Phase III is an economic failure and a social disaster; I cannot vote for its continuance, even by inference. Congress must act to halt the incredible rise in prices since the President fails to act.

I believe Congress should mandate the President to institute price controls on all commodities and at once. Nothing less than that can effectively halt the steady upward spiral of prices and the cost of living. This is something the President must do if we are to halt inflation, and Congress must insist that he do it.

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit the conference report.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from New Hampshire (Mr. McINTYRE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Washington (Mr. MAGNUSON), and the Senator from South Dakota (Mr. McGOVERN) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. HARTKE), the Senator from Utah (Mr. MOSS), and the Senator from Nevada (Mr. CANNON) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. McINTYRE), would vote "nay."

Mr. SCOTT of Pennsylvania. I announce that the Senators from Oklahoma (Mr. BARTLETT and Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Ohio (Mr. SAXBE), the Senator from Virginia (Mr. SCOTT), and the Senator from Vermont (Mr. STAFFORD) are necessarily absent.

The Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Nebraska (Mr. CURTIS), the Senator from Michigan (Mr. GRIFFIN), the Senator from Idaho (Mr. McCLURE), and the Senator from Kansas (Mr. PEARSON) are absent on official business.

The Senator from Connecticut (Mr. WEICKER) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS) would vote "yea."

The result was announced—yeas 31, nays 35, as follows:

[No. 107 Leg.]

YEAS—31

Aiken
Bentsen
Bible
Buckley
Byrd, Robert C.
Cook
Cotton
Cranston
Dole
Domenici
Fannin
Gurney
Hansen
Helms
Hruska
Johnston
McClellan
McGee
Nunn
Packwood
Percy
Randolph
Roth
Scott, Pa.
Sparkman
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NAYS—35

Abourezk
Bayh
Biden
Brooke
Burdick
Case
Church
Clark
Eagleton
Fulbright
Haskell
Hatfield
Hathaway
Hollings
Huddleston

Hughes
Humphrey
Jackson
Javits
Kennedy
Mansfield
Mathias
Metcalf
Mondale
Muskie
Nelson
Pastore
Pell
Proxmire
Ribicoff
Schweiker
Stevenson
Symington
Tunney
Williams

NOT VOTING—34

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Byrd,
  Harry F., Jr.
Cannon
Chiles
Curtis
Dominick
Eastland
Ervin
Fong
Goldwater
Gravel
Griffin
Hart
Hartke
Inouye
Long
Magnuson
McClure
McGovern
McIntyre
Montoya
Moss
Pearson
Saxbe
Scott, Va.
Stafford
Stennis
Weicker

So the motion to recommit was rejected.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. HUDDLESTON) laid before the Senate a message from the President of the United States submitting the nomination of Paul J. Curran, of New York, to be U.S. attorney for the southern district of New York, which was referred to the Committee on the Judiciary.

EXTENSION OF ECONOMIC STABILIZATION ACT OF 1970—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970.

Mr. McGEE. Mr. President, may I ask now what the parliamentary situation is?

The PRESIDING OFFICER. The question now is on agreeing to the conference report.

Mr. McGEE. Mr. President, I yield to the assistant majority leader.

Mr. MANSFIELD. The question now is on the adoption of the conference report, is it not?

The PRESIDING OFFICER. The question now is on the adoption of the conference report.

Mr. ROBERT C. BYRD. Mr. President, may we have a clearing of the well and a little better order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The question is on the adoption of the conference report. Under the previous order, the Senator from Wyoming has the floor.

Mr. McGEE. Mr. President, I do not agree to the adoption of the conference report and thus I intend to keep the floor. By the agreement worked out, this was not going to be reconsidered again until Monday, April 30, to see how things are progressing at that time. So I am prepared to hold the floor for as long as necessary, until we adjourn for the Easter recess.

Mr. SPARKMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator yield?

Mr. McGEE. For what purpose?

Mr. SPARKMAN. To address the Chair, not to take up the conference report.

Mr. McGEE. I yield only for that purpose, and precisely with that in mind.

Mr. SPARKMAN. Mr. President, I withdraw the motion at this time.

Mr. MANSFIELD. Mr. President, will the Senator yield to me for one-half minute?

Mr. McGEE. I yield for one-half minute.

The PRESIDING OFFICER. Does the Senator from Alabama ask unanimous consent to withdraw the consideration of the conference report?

Mr. SPARKMAN. Yes, if that is required. I ask unanimous consent to withdraw the motion to pursue further the conference report at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent of the Senate that I may be allowed to be absent on official business later this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I wish to yield to the distinguished assistant majority leader for the purpose of propounding an agreement on the procedure for the remainder of the afternoon, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats. We cannot proceed until we have order in the Senate. Senators will clear the aisle so that we may have order.

The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, the Senate is not yet in order.

The PRESIDING OFFICER. Senators will please take their seats.

The Senator from West Virginia may proceed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at this time, the distinguished Senator from Arkansas (Mr. McCLELLAN) may be recognized for the purpose of introducing a bill and conducting a colloquy thereon for not to exceed 15 minutes, and that at the conclusion of that period the distinguished Senator from Arkansas (Mr. McCLELLAN) be recognized for the purpose of calling up a conference report on the urgent supplemental appropriation resolution.

The PRESIDING OFFICER. Is there objection?

Mr. McGEE. Mr. President, I object, but I do not intend to pursue my objection. I reserve that right so that I might make sure of the situation. Does this mean that the pending matter that we just voted on would not come up again in any form this afternoon under any agreement reached?

Mr. ROBERT C. BYRD. The agreement does not envision that happening. Of course, the Senator from Alabama, if he were so disposed, could move later to reconsider that vote, or he could move the adoption of the conference report. But it is my understanding that that is not anticipated. The agreement as far as I have requested, which I have just submitted, does not anticipate that happening.

Mr. McGEE. I do not anticipate the Senator from Alabama doing that. I wonder if anyone else could do it.

Mr. ROBERT C. BYRD. Anyone can call up a conference report. I know what the Senator has in mind. I will do my best to protect him against that. The Senator will be consulted.

Mr. PROXMIRE. Mr. President, if the Senator will yield, we all have a great interest in this conference report. It is so fundamental to our economy with respect to wages and prices all over the country. By delaying this matter until April 30 we are flirting with disaster. Any one Senator could kill all wages and prices, and that would include meat, wages, and health. I think the country would be better served if we could act on this matter now. We just had a rollcall vote of 31-to-35. It was close but the vote was clear. I hope we will be able to send this to the House and let them act on it. Then we would be in a far better position to act on April 30 without the threat of having no apparatus at all. In just one day prices could go up and they would be very, very difficult to roll back.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me further?

Mr. McGEE. I am glad to yield, but I would like to have my position known. There is nothing I would like more than that. We have had a measure pending here for a great many days about which some of us feel strongly.

Mr. PROXMIRE. Including the Senator from Wisconsin.

Mr. McGEE. We could have disposed of that measure long ago if it had not been for those who were interested in seeing that it not come to a vote. We have ordered cloture on it for Monday, April 30. For that reason I trust our colleagues will understand the action here. I shall not yield the floor or permit in any way any moving along of the measure for consideration.

Mr. PROXMIRE. Mr. President, if the Senator will yield for one question——

Mr. McGEE. As a matter of fact, it was only by agreement already made that it came up in this form at all.

Mr. PROXMIRE. I appreciate that.

Mr. McGEE. That is as far as we are going.

Mr. PROXMIRE. I cannot understand how action on the price control bill, which is so essential to our economy, will have an adverse effect on the voter registration bill which is now pending.

Mr. McGEE. The Senator has been around here a long time, and if it is that urgent there might be those Senators who are interested in talking about it. We are interested in votes. We want an up and down vote. If this ran out Monday night, let those who have delayed the debate through an unwillingness to vote up and down on the voter registration bill bear that burden. We have been ready to vote since the second day the matter was introduced before us.

Mr. PROXMIRE. May I say I enthusiastically support that bill. I think it is a good bill. It is certainly in the public interest in every way. But I do hope that action will not result in what could be serious economic problems.

Mr. McGEE. We have waited so long; why take this out of McGee's hide?

Mr. CASE. Mr. President, reserving the right to object——

Mr. McGEE. What is the Senator reserving his objection to?

Mr. CASE. To the acting majority leader's request. I want to ask the Senator from Wyoming if he would consider—and if I may have his attention, the Senator from Wisconsin made a very well taken point—yielding the floor, which he so amply holds, for a motion to return this matter to conference with instructions to the conferees to insist on the Senate bill? That will define precisely what ought to be done, in my opinion, and I think it might result in the right kind of legislation. That would not satisfy those people who do not want any controls. It would not satisfy those who want complete discretion in the President. It would take the Senate's view.

Mr. McGEE. If we can frame that request in ways that will not permit any other kind of maneuvering, I am a reasonable man, as long as it does not become the pending business for passage by the Senate, but goes back to the committee for further instructions, as the Senator suggests.

Mr. CASE. This would be under an even more precise wording than before and would result in useful benefits. I would be prepared to make that request.

Mr. PASTORE. Mr. President, reserving the right to object, could we not have a limitation on the debate?

Mr. CASE. Yes, indeed.

Mr. PASTORE. The reason why I suggest that is if this debate lingers and lingers—we have less than 70 now—if we take a vote by 5 o'clock, with the exodus which has taken place and which is anticipated, I am afraid the tables will be reversed by 5 o'clock. So if we are going to do anything, let us do it with a limitation.

Mr. McGEE. Mr. President, I would say before I could agree on any proposal, if it could be worked out as an agreement, I would require a very severe limit on time, say 10 minutes on a side. We had 15 minutes on a side a few minutes ago when we discussed it. I think the Senator from Rhode Island has made a good point. That would be one of the conditions under which I would be prepared to yield for a proposal by the Senator.

Mr. PROXMIRE. Mr. President, will the Senator from New Jersey yield?

Mr. CASE. I yield.

Mr. PROXMIRE. Both Senators from New Jersey led the fight for rent controls. The provision in the bill was completely fair and just. We fought hard for it in conference. We could not get it. I would do all I could to dissuade the House from its position, but in all honesty I would have to tell the Senator that this would be a formula for a deadlock. I believe in standing by the Senate's position, but we were fairly and squarely defeated by the House on this particular provision.

Mr. CASE. Mr. President, am I not correct in my understanding that when the conference met there was a majority from the House, among the House Members, in support of the motion to recede and concur with the Senate in the bill, and that that majority was broken when one of the Members had to leave, and the chairman of the House conferees was not allowed to vote his proxy in favor?

Mr. PROXMIRE. The Senator from New Jersey is correct.

Mr. CASE. So, I do think there is at least a potential number of House Members ready to accept the Senate position.

Mr. PROXMIRE. I will support the Senator from New Jersey. The difficulty is that we were unable to persuade the Members of the House to accept a compromise on rent control. If we want rent control in, we will be in a worse position.

Mr. CASE. If that House Member had been there, we would have had acceptance of the report.

Mr. PROXMIRE. That is correct.

Mr. CASE. So it does not seem to me that we are engaging in a work of futility, certainly no worse than if we did not try.

Mr. PROXMIRE. The Senator understands the situation thoroughly. It is my judgment that if we go back under these circumstances, we will have a deadlock; but I think we should go back.

Mr. CASE. The Senator perhaps knows more than I do. I do not know whether we would get more Members of the House delegation on our side. I think it would be worth the try.

Mr. TOWER. The fact of the matter is that if we send it back to conference with instructions to insist on the Senate amendment, then it is really going to be dead, because the House voted down rent control by a vote of 3 to 1. We cannot expect them to come back to conference and recede from the Senate position, which they might do, because of the way the House conferees are stacked in opposition to the House of Representatives. A majority of the House conferees represented the minority position in the House. That is why they did not recede from the Senate position.

When they get to the floor of the House, and we have put rent control back in it, and do not recede on anything else than rent control—and there is voluntary rent control in the hands of the President—the question will be before the House on April 30.

The Senator from Alabama (Mr. Sparkman) told us to recommit. The chairman's motion was to kill the Economic Stabilization Act of 1971. I think that if we send it back to conference with instructions not to yield on the Senate provisions, we are made even more rigid. That will compound the problem, and we will not have controls after midnight April 30.

Mr. CASE. I would say that the responsibility and the lack of responsibility would be very clear. The position of the House conferees in resisting the House is not unlike the position of Senate conferees on a Senate vote, although the majority, perhaps, is not so great in the Senate, because the Senate voted very clearly for rent control, and the Senate has backed away.

I understand the whole situation. I am not making the point that the Senator from Texas raised that this is an important matter. I would be prepared to make the motion myself to bring up the conference report again, if the Senator from Wyoming would permit a unanimous-consent agreement to make that possible.

Mr. McGEE. Mr. President, I was reserving the right to object to the request, but I think I will object until we can work out a unanimous-consent agreement, which means, as I understand it, that I will still have the floor subject to working out an agreeable unanimous-consent agreement. So I yield to the majority whip for the purpose of working out a procedure, with the understanding that there will be one transaction.

Mr. ROBERT C. BYRD. Mr. President, here is the situation that confronts the Senate. The distinguished Senator from Arkansas (Mr. McClellan), chairman of the Senate Appropriations Committee, has been waiting patiently all day. He spoke to me early this morning and requested that he be recognized soon after the vote which occurred at 12 o'clock for the purpose of introducing a bill and having a colloquy for 15 minutes.

Last evening, I did not know that the urgent supplemental conference report would be ready today, because I was told that the House would not even meet in conference to consider the matter. However, we now have the conference report.

The Senator from Arkansas also stated that he wanted to bring up the conference report, which is a privileged matter.

The request was made that the Senator from Wyoming (Mr. McGee) be recognized immediately following the vote at 12 o'clock. He could hold the floor all afternoon if he feels disposed to do so. He wants to protect himself with respect to the voting rights bill, for his own reasons, which he does not have to explain. However, as I say, he can hold the floor all afternoon if he wants to.

Mr. President, I hope that we can get consent for the Senator from Arkansas (Mr. McClellan) to be recognized for not to exceed 15 minutes for the purpose of introducing a bill and having a colloquy and that he then be recognized for the purpose of calling up the urgent supplemental conference report, keeping in mind that that involves veterans' readjustment benefits with a deadline of April 25—with the Senate out until April 30—and that it also involves the funds for subsidies for feeder airlines, which were exhausted on March 15. It is a very urgent supplemental conference report.

If we cannot get consent for Mr. McClellan to call up that matter with limited time thereon, we may be here until midnight.

Moreover, we have the matter involving the economic stabilization conference report. All of us have heard the debate on that as to what we are up against.

I would hope, therefore, that we could reach an agreement whereby the Senior Senator from Arkansas could be recognized for the purpose of introducing a bill and calling up his conference report with a time limitation thereon.

As the distinguished Senator from Rhode Island (Mr. PASTORE) has pointed out, we do not have very much longer today if we hope to have a quorum present.

If we can get an agreement on the urgent supplemental conference report and if there is a way to work out something on the other matter involving the economic stabilization conference report—and there may not be any, but I am hoping that we can at least get an agreement to take up the urgent supplemental conference report today—the Senator from Wyoming would then resume the floor.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, if this could be arranged, would the Senator from Arkansas be willing to bring up his conference report first and then speak on the introduction of his bill after the conference report is disposed of?

Mr. McCLELLAN. Mr. President, I am perfectly willing to bring up the conference report at any time. However, I want to make some remarks on the bill. It is a bill in which many Senators are interested. There are 15 or 20 cosponsors of the bill. It is a bill to carry out the recommendations of the Joint Committee on the Budget. There are others who wanted to make remarks but have submitted their remarks at the desk.

I hope to get the bill introduced promptly. I am sure that it was introduced in the House today. It will only take 5 or 10 minutes. However, I asked for 15 minutes so that if anyone else wanted to make some brief remarks, they would have the privilege of doing so.

I would then intend to go right on to the conference report. As far as I am concerned, I do not want 1 minute's time on that report. I can waive all time if others can. I have no desire to delay anything. I have been patiently waiting here.

Mr. PASTORE. I know that anything the Senator from Arkansas brings up is very important regardless of what it is.

My information was that the budget matter might provoke some discussion. Therefore, because the other matter was a privileged matter, I wondered if it could not be brought up first.

Mr. McCLELLAN. It could be brought up first. However, I feel that I am entitled to introduce a bill of this importance from the joint committee which the Senate created. I feel it is very important.

I hate to be deprived here from making a brief statement. I have no objection to the Senator from Wyoming holding the floor this afternoon if that is what he wants to do. However, some other business ought to be disposed of.

I have been very patiently waiting.

Mr. McGEE. Mr. President, if the Senator will yield, I would like to say to the Senator from Arkansas that, as he knows, we worked out an agreement so that he could expedite this matter long, long ago. And it has been delayed by other matters beyond our control and superseding our agreement. Perhaps it would be easier if a separate agreement could be made to dispose of this matter and then proceed to the next one in order to protect the matter in which I am interested. I would like to make it very clear that I intend to hold the floor all afternoon and into the night if necessary.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, I say for the benefit of the Senator that the concurrent resolution providing for adjournment of the Senate today has not yet been finally passed. The Senate might want to consider that.

UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent if I may at this time, that the distinguished Senator from Arkansas (Mr. MCCLELLAN) be recognized at this time for not to exceed 15 minutes for the purpose of introducing a bill, that he be in control of that time and be permitted to speak out of order, notwithstanding the Pastore rule of germaneness, and that immediately thereafter he be recognized to call up a conference report on the urgent supplemental appropriations bill, and that there be a time limitation on the conference report of 1 hour.

Mr. PELL. Mr. President, if the Senator will yield, in response to that request, I do not want to consent to a time limitation agreement on the conference report at this time. I may agree to a vote shortly on the conference report. However, I am disturbed about the conference report. The only amendments adopted by rollcall votes were dropped like hot cakes in the conference. And the only amendment that was accepted was the one that had been agreed to by a voice vote.

I do not feel that the conferees did what it was hoped they would do. One would expect that the conferees would at least split the difference.

Mr. President, what is at stake here is the right of the presidium, which is the way I refer to it, to take the thoughts of the authorizing committee and change them around. And this was done by a quick voice vote a few days ago in the House. The Senate now is being asked to agree abjectly to that action.

Someone ought to fight this. If, after having a colloquy, I am reasonably certain that there will be a greater fight for the appropriations in the future, I might well agree to a rapid vote. However, I will not do so now.

Mr. ROBERT C. BYRD. Mr. President, I can appreciate the strong feelings of the able Senator on the matter.

Mr. President, I ask unanimous consent that the Senator from Arkansas (Mr. MCCLELLAN) be recognized now for not to exceed 15 minutes to speak out of order, notwithstanding the germaneness rule, for the purpose of introducing a bill and that at the conclusion of that time he be recognized to take up the conference report on the urgent supplemental, with the understanding that on the disposition of that conference report, if it is disposed of today, the distinguished from Wyoming (Mr. MCGEE) be recognized again, and if it is not disposed of today ,that upon the next meeting of the Senate, the Senate continue its consideration of the conference report and that upon its disposition, the distinguished Senator from Wyoming be recognized again.

Mr. McGEE. Mr. President, reserving the right to object, and I may because of the continuation request if we do not finish the pending bill today, I would agree to any incentive that could be worked out if the bill is disposed of today. However, otherwise I cannot agree to its becoming the pending business on Monday. We already have a unanimous-consent agreement and an order in terms of a vote on Monday on the cloture motion, and the status of that is that immediately upon the disposition of that, the Senator from Wyoming is to have the floor.

That is the present status. So I could not go beyond the termination of business today on this agreement, and on those terms I think I would have to object. If the majority whip would like to rephrase the prosposal, or request to include within it the context of being finished today, and get an agreement from the parties on the supplemental, would be willing to consider that by way of agreement.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I am sorry; I was distracted temporarily, and did not understand all of the Senator's statement.

Mr. McGEE. The Senator from Wyoming could not agree to a unanimous-consent request that would not leave him in control of the floor when we reconvene on Monday, following the cloture vote, which will be the immediate pending business, as I understand it. Is that the understanding of the Parliamentarian?

The PRESIDING OFFICER. The first hour would be devoted to cloture.

Mr. McGEE. And at the end of that time, by a unanimous-consent agreement of a night or two ago, the Senator from Wyoming will have the floor; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. McGEE. And it is that interruption the Senator is now proposing that I could not agree to.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, I assure the distinguished Senator that he would not be displaced.

I have in mind, if the Senate does not complete action on this conference report today, that we will be in session tomorrow.

Mr. McGEE. Oh, tomorrow? So that is the club.

Mr. ROBERT C. BYRD. Though I fully contemplate action on the conference report today.

The PRESIDING OFFICER. The Senate will be in order. Attendants in the galleries will see that order is maintained there.

Mr. McGEE. With that explanation, then, I can agree to whatever arrangement the majority whip can work out, as long as it does not spill over into Monday.

Mr. ROBERT C. BYRD. I want to be sure that I fully protect the Senator from Wyoming. The problem here is that if we came in tomorrow, the vote on cloture would also occur tomorrow.

Mr. McGEE. I could not agree to that.

Mr. ROBERT C. BYRD. No; I would not want the Senator caught in a bind, and I would hope to get unanimous consent that the cloture vote not occur until April 30 when we return, but I want all Senators to know what we are getting into here.

Mr. President, I shall separate the unanimous-consent requests.

I ask unanimous consent that the Senator from Arkansas now be recognized for not to exceed 15 minutes to introduce a bill and conduct a colloquy thereon, if any, and that at the conclusion of that time, the distinguished Senator from Wyoming again be recognized.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Mr. President, reserving the right to object, I do not intend to object, but I want to state that I will object to any time limitation should the motion to take up the economic stabilization conference report be offered.

Mr. CASE. Just further to preserve the situation, if the Senator will yield, this carries no implication that the Senator may not yield for the purpose we talked about?

Mr. TOWER. No.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arkansas is recognized for 15 minutes.

(The remarks Senator McCLELLAN made at this point on the introduction of S. 1641, the Budget Control Act of 1973, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. Under the previous order, the distinguished Senator from Wyoming (Mr. McGEE) has the floor.

Mr. McGEE. Mr. President, what is the parliamentary situation?

Mr. ROBERT C. BYRD. The Senator from Wyoming is recognized.

The PRESIDING OFFICER. The unfinished business is pending, and the Senator from Wyoming has the floor.

Mr. McGEE. Mr. President, I should like to inquire of the majority whip what the next procedure will be, if he is to expedite the matters at hand.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Senators are confronted, as I say, with several most puzzling and complex enigmas that need attention before adjournment today, one of which is that we have the urgent supplemental appropriation conference report; another is that we have the emergency feed grain bill which needs to be acted upon today; another is that we have the emergency rice bill; we have the Older Americans Act; to say nothing of the economic stabilization conference report.

Mr. McGEE. I say nothing of the latter. [Laughter.]

Mr. ROBERT C. BYRD. I, therefore, ask unanimous consent, Mr. President, that the distinguished Senator from Arkansas now be recognized to call up the conference report on the urgent supplemental appropriation resolution, with the understanding that debate on the conference report be not to exceed 1 hour, the time to be equally divided and controlled by the distinguished Senator from Arkansas (Mr. McCLELLAN) and the distinguished Senator from Rhode Island (Mr. PELL), with the further proviso that if the conference report is not disposed of within the hour, the conference report be set aside.

Mr. McCLELLAN. Mr. President, reserving the right to object, I see no reason to bring it up if we are not going to vote on it and not going to dispose of it.

Mr. ROBERT C. BYRD. It is hoped that it would be disposed of.

Mr. McCLELLAN. I want to know whether we are going to dispose of it.

Mr. PELL. Mr. President, I do not blame the Senator from Arkansas, who has been very kind and square on this whole issue. I cannot give my assurance, because it would depend, in part, on the vigor with which one received assurance from the rest of the conferees that they would bleed and sweat to try to get funds for the basic grant program. So far, I see no evidence of it.

Mr. McCLELLAN. I only see one other conferee on the floor besides me. I do not want to stay here another 2 or 3 hours for nothing.

Mr. PELL. I cannot give a commitment that we are going to reach a vote on it.

Mr. McCLELLAN. We are going to have an hour's debate on it. Are we going to vote on it?

Mr. PELL. It will depend upon the course of the debate. My present intention would be to try to convince those who were in the conference yesterday that more effort should be made to translate the wishes of Congress into the actions through appropriations.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. If the conference report is taken up, made the pending business, and we agree on an hour's debate, the time to be equally divided or otherwise, what is the next procedure following the expiration of that time limitation?

The PRESIDING OFFICER. The question would be on the adoption of the report.

Mr. McCLELLAN. All time for debate having expired, would not a vote occur, or a motion to recommit? Would there not have to be action?

The PRESIDING OFFICER. The Senator from West Virginia made a slight modification in the unanimous-consent request which would imply that that might not be the situation, as the Chair understands it.

Mr. McCLELLAN. What is the alternative, then, if we do not vote on it? I would like to know before I agree to this.

Mr. ROBERT C. BYRD. Mr. President, may I respond?

The PRESIDING OFFICER. The Senator may.

Mr. ROBERT C. BYRD. I know that the distinguished Senator from Arkansas has sat here patiently all day, and he has the responsibility of trying to get this urgent supplemental conference report adopted. He wants to get it adopted, and I want him to get it adopted.

At the same time, we have many dissident viewpoints here at the moment. My function, as I see it, is to try to find a way to get this conference report adopted today, if we can, but I am not sure that we can.

My request would provide, Mr. President, that if the conference report were not adopted at the close of the hour—I say "adopted"—the conference report would be set aside.

The PRESIDING OFFICER. That was the understanding of the Chair.

Mr. McCLELLAN. I have a more thorough understanding of the unanimous-consent request now, and I object to it. I do not like this kind of procedure. If we are going to take it up, let us dispose of it. If we are not going to dispose of it, let us not waste our time.

Mr. ROBERT C. BYRD. I sympathize with the position that has been stated by the distinguished chairman, and I do not disagree with that viewpoint at all. I am just trying to work a way out of our predicament here which will accommodate both the chairman and the distinguished Senator from Rhode Island (Mr. PELL).

Mr. McCLELLAN. I do not know what it takes to give somebody assurance. I am ready to give the Senator assurance that I tried to get his amendment adopted, but I cannot go beyond that. I am not the whole conference. A motion was made to dispose of it, and that motion was agreed to.

Mr. ROBERT C. BYRD. The distinguished Senator from Rhode Island had privately expressed the hope to me that during such a colloquy on the conference report he might be satisfied by the responses he would get from the Senator from Washington (Mr. MAGNUSON)——

Mr. McCLELLAN. I do not see Mr. MAGNUSON here.

Mr. ROBERT C. BYRD. I think Mr. MAGNUSON will be here.

Mr. President, I withdraw my request.

The PRESIDING OFFICER. The request is withdrawn.

Mr. YOUNG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from North Dakota?

Mr. McGEE. The Senator wants me to yield for what purpose?

Mr. YOUNG. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. YOUNG. As I understand the rules of the Senate, a conference report is a privileged matter. What has happened to that rule?

The PRESIDING OFFICER. The Senator is correct, but the Senator from Wyoming is holding the floor, and that motion cannot be made without his consent in this instance.

Mr. YOUNG. This is a very urgent matter. The veterans will run out of money, and something has to be done. I understand that we will not have a quorum by evening.

Mr. ROBERT C. BYRD. The Senator is precisely correct.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. McCLELLAN. If we do not get this conference report adopted, we are letting money for veterans run out before the

Senate returns from adjournment. We are letting money run out to pay the feeder lines. Also, I believe there would be some expirations under the amendment of the Senator from North Dakota if the conference report is not adopted.

There are three areas—to students, to veterans, and to carry on feeder lines in aviation. I do not know whether we want to let them drop.

I am not going to debate this matter for an hour and then do nothing. It would be a waste of time. When we are ready to act on it, I am ready to work and to debate; but I do not want to agree to something that is not going to be effective.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. ROBERT C. BYRD. Mr. President, if I may have the attention of the distinguished Senator from Rhode Island (Mr. PELL), I ask unanimous consent that the Senator from Arkansas be recognized to call up his conference report; that there be a time limitation for debate thereon of not to exceed 1 hour, the time to be equally divided between the Senator from Arkansas (Mr. MCCLELLAN) and the Senator from Rhode Island (Mr. PELL); that upon the disposition of the conference report, the distinguished Senator from Wyoming be again recognized.

The PRESIDING OFFICER. Is there objection?

Mr. PELL. I object.

The PRESIDING OFFICER. Objection is heard.

AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6883, the emergency rice bill.

The PRESIDING OFFICER. The Chair lays before the Senate H.R. 6883, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6883) to amend the Agricultural Adjustment Act of 1938 with respect to rice.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be considered as having been read twice, and that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. Without objection, the bill will be considered as having been read twice; and the Senate will proceed to its consideration.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation of 20 minutes on this bill, the time to be equally divided between the distinguished Senator from Kentucky (Mr. HUDDLESTON) and the distinguished Senator from Vermont (Mr. AIKEN) or his designee; that upon the disposition of the bill, the distinguished Senator from Wyoming again be recognized.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUDDLESTON addressed the Chair.

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. HUDDLESTON. Two minutes.

Mr. President, I ask unanimous consent that members of the staff of the Committee on Agriculture and Forestry have the privilege of the floor during the consideration of this measure.

Mr. ROBERT C. BYRD. Mr. President, for the convenience of the Sergeant at Arms, may I ask the Senator to revise his request to specifically identify the staff members he wants on the floor.

Mr. HUDDLESTON. I thank the Senator. I will identify them.

REQUEST FOR FLOOR PRIVILEGE

Mr. President. I ask unanimous consent that the following staff members of the Committee on Agriculture and Forestry be permitted to be present on the floor during the consideration of S. 1572 and H.R. 6883; Messrs. Harker T. Stanton, Michael R. McLeod, Henry J. Casso, Forest W. Reece, James W. Giltmier, James E. Thornton, John A. Baker, William A. Taggart, Cotys M. Mouser, and James M. Kendall.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUDDLESTON. Mr. President, this bill would permit rice growers who are unable to plant part or all of their farm acreage allotments in 1973 because of flood or other natural disaster to transfer their allotments to other farms in the same or an adjoining county on which they will have an interest. Any allotment transferred will be considered to have been grown on the farm from which transferred for the purposes of history credits and eligibility for future allotments as an old farm.

This bill would provide such transfer authority for 1973 only. It would give rice producers the same privileges which cotton, wheat, and tobacco producers have under permanent legislation.

The Committee on Agriculture and Forestry today ordered S. 1551 reported with amendments conforming it exactly with H.R. 6883. The amendments struck out references to peanuts in that bill. The Department of Agriculture has indicated its support of this legislation by letter to Senator TALMADGE.

Mr. President, I ask unanimous consent that the report of the Department of Agriculture favoring enactment of S. 1551 be inserted in the RECORD at this time.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 16, 1973.

Hon. HERMAN E. TALMADGE,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 1551, a bill to provide relief to farmers who grow rice or peanuts in areas declared to be disasters for the 1973 crop year.

This Department recommends that this bill be passed.

Flood conditions this year in some parts of the country are making it impossible for farmers to grow rice and peanuts on their farm acreage allotments. This bill would provide authority for the Secretary of Agriculture to permit the transfer of rice and peanut allotments, for 1973 only, from farms where because of a natural disaster the crop cannot be planted or replanted, to another farm in the same or an adjoining county in which the grower has an interest. To provide this authority, the bill would amend the Agricultural Adjustment Act of 1938, as amended, by adding a new subsection (g) to section 353 and a new subsection (j) to section 358. The bill provides safeguards to preserve production history on farms from which acreages are transferred.

The production of rice from acreages affected by the floods is needed to meet apparent demands for rice during the 1973–74 marketing year. An increase of 10 percent in the national acreage allotment for 1973, above the 1972 acreage was announced by the Department on December 29, 1972. Thus, the provisions of this bill would assure a more adequate supply of rice as well as provide relief for farmers adversely affected by natural disasters.

It is estimated that enactment of S. 1551 would result in nominal administrative costs at the county level.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

Mr. HUDDLESTON. Mr. President, I wish to add one word, The bill is designed to give ricegrowers the opportunity to plant their crops which they could not plant because of weather conditions which existed through the central and southern parts of the country.

The PRESIDING OFFICER. Does the Senator from Vermont wish to be recognized?

Mr. AIKEN. Mr. President, I do not intend to use the time. I have nothing to say on the bill now pending. All I am going to say is that I think that we are doing some pretty sloppy legislation in the Senate.

Conference report are acted upon, bills are brought up that are not printed; we do not know what we are voting on until somebody tells us when we come to the Chamber. We should stop legislating until these matters are printed so that we will know what they mean.

Does anyone wish me to yield?

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. AIKEN. If the Senator from Kentucky is ready to yield back his time, I am ready to yield back my time.

Mr. HUDDLESTON. I reserve only 10 seconds to respond to the distinguished Senator as to the reason for moving in this manner. The planting season is upon us.

Mr. AIKEN. Yes.

Mr. HUDDLESTON. This legislation is necessary so that these farmers can plant their crops.

Mr. AIKEN. I am not rising to oppose the bill which is before the Senate. I simply wanted to comment on the manner in which we have been doing business lately.

Mr. HUDDLESTON. I yield back the remainder of my time.

Mr. AIKEN. We do not know the meaning of legislation when it comes in. There has just been handed to me a copy of the letter from the Department of Agriculture addressed to the chairman of the Committee on Agriculture and Forestry, in which the Department recommends that the bill be passed. If this is the bill they refer to, let us pass it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUDDLESTON. I yield back my time.

Mr. AIKEN. I yield back my time.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 6883) was ordered to a third reading, read the third time, and passed.

Mr. HUDDLESTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. McGEE. Mr. President, I would like to have the assistant majority leader tell us the situation now.

Mr. ROBERT C. BYRD. It is my understanding that there has been an agreement on both sides of the aisle to proceed to the consideration of S. 1572, the emergency feed grain bill.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 1572, with the proviso that there be a time limitation on that bill of not to exceed 5 minutes on a side, and with a further proviso that upon disposition of the bill the Senator from Wyoming may again be recognized.

Mr. JAVITS. Mr. President, reserving the right to object, and I shall not object, I need 5 minutes.

Mr. AIKEN. I understand the Senator from Kansas desires some time to speak on the bill also.

Mr. ROBERT C. BYRD. Mr. President, I modify the request to provide for 15 minutes on each side, with the understanding that the Senator from New York shall have 5 minutes, without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I thank the Senator for his cooperation.

The PRESIDING OFFICER. The Senator from New York may proceed.

(The remarks Senator Javits made at this point on the introduction of S. 1643, S. 1644, and S. 1645, to strengthen the criminal justice system, and S. 1642, to establish a commission for reform of the income tax laws, are printed in the Record under Statements on Introduced Bills and Joint Resolutions.)

FEED GRAIN SET-ASIDE PROGRAM

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Senate will now proceed to the consideration of S. 1572, which the clerk will state by title.

The assistant legislative clerk read the bill (S. 1572) by title, as follows:

A bill to provide equity in the feed grain set aside program by allowing participants in Plan B to switch to Plan A.

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time be controlled by the distinguished Senator from Vermont (Mr. Aiken) and the distinguished Senator from Iowa (Mr. Clark).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, because of the great inequities created for American farmers by the Department of Agriculture's action of March 26, 1973, in which rules for participation in the feed grain program were changed, Senator Humphrey and I yesterday introduced a measure which would help to bring about a more equitable solution.

As a result of the Department of Agriculture's action, those farmers who had signed up under option A of the feed grain program improved their relative position with those who signed up under option B by two and one-half times. Their set-aside acres were lowered from 25 percent of their feed grain base to 10 percent of their base while option B participants gained no advantages.

Senator Dole has joined with us in this measure (S. 1572) and the bill was reported without opposition from the members of the Senate Agriculture Committee.

Briefly put, our bill would assure option B participants the same parity guarantees which option A participants now enjoy.

The bill was printed in the Record yesterday, along with a detailed explanation from both Senator Humphrey and myself for other Senator's consideration.

Planting will commence as soon as weather permits, so passage of this legislation is needed immediately and I ask my colleagues to give it prompt and favorable consideration.

Mr. President, I move the passage of the legislation.

Mr. AIKEN. Mr. President, I yield to the Senator from Kansas (Mr. Dole) such time as he may desire.

Mr. DOLE. Mr. President, I agree with the remarks made by the Senator from Iowa.

The bill we are considering today requires immediate action. It deals with the provisions of the feed grain program and farmers in some areas are already planting these crops.

As I indicated when I introduced S. 1572, its purpose is to correct an inequity brought about by a change in the program 10 days after the deadline for signup for participation.

The change effectively eliminated any choice to those farmers who had already elected option B in the feed grain program. Because of the proximity of planting time it is urgent that this inequity be corrected immediately.

In our Agriculture Committee meeting this morning we worked out a compromise utilizing the bill introduced by Senator Clark Tuesday, April 17, S. 1631, which will not reopen the signup period, but assure farmers who signed up for option B equity in the payments they will receive under the feed grain program.

The bill as reported is needed. It is equitable to the farmers and, if projected markets prices continue stabilized at the levels of the present, will not require any additional cost to the Government.

Mr. President, I urge my colleagues to pass this legislation.

I believe the Senator from Iowa has well expressed the inequity we hope to correct with this measure, which has been brought about by a change in the Department's policy after the sign-up deadline, which to me does an injustice to those who were operating under one option rather than the other. I believe the bill reported by the Senate committee this morning deserves not only prompt consideration but prompt action by this body.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. Mr. President, I have no further requests for time. I have no objection to the passage of the bill, and I make no prediction as to its ultimate fate. I yield back the remainder of my time.

Mr. CLARK. Mr. President, I yield back my time.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The assistant legislative clerk read the committee amendment, which was to strike out all after the enacting clause and insert:

That section 105(b) of the Agricultural Act of 1949, as amended by section 501 of the Agricultural Act of 1970, is amended by adding at the end thereof a new paragraph as follows:

"(4) Notwithstanding any other provision of law, the payment rate for corn to producers participating in the 1973 feed grain program under the so-called option B part of the program *(for partial compliance)* shall be increased to such rate as, together with the national average market price received by farmers for corn during the first five months of the marketing year for the crop, the Secretary determines will be equal to (A) $1.35 per bushel, or (B) 70 per centum of the parity price of corn as of the beginning of the marketing year, whichever is the greater. The payment rates for grain sorghums and barley shall be such rates, respectively, as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. Such payments shall be made available on 50 per centum of the feed grain base for the farm as provided in paragraph (2) of this subsection."

Sec. 2. The last sentence of such section 105(b)(1) is repealed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I wish to express my support of S. 1572. This legislation is designed to eliminate all the inequities between feed grain farmers whether they have selected option (B) or (A) as feed grain cooperators. The language of this bill is identical to the legislation introduced by Senator Clark and myself. It is a bipartisan measure, carrying the Senate calendar number of a bill introduced by Senator Dole of Kansas. This legislation, as adopted by the Senate will give equal and fair treatment to all feed grain farmers who are cooperators within the structure of the feed grain program.

I wish to compliment the distinguished Senator from Iowa, Mr. CLARK, on his leadership. I was proud and pleased to be associated with him in designing and passing this legislation. This bill, if passed and adopted by the House of Representatives, will mean additional income to the family farmer and additional supplies of much needed feed grains for the American consumer and the world market.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An act relating to payments to producers for participation in the 1973 feed grain program."

Mr. CLARK. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUDDLESTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Wyoming, under the previous order, is recognized.

Mr. McGEE. Mr. President, I would like to inquire of the acting majority leader what the next chapter in this afternoon's saga is.

Mr ROBERT C. BYRD. Mr. President, will the Senator suggest the absence of a quorum with the understanding that he not lose the floor?

Mr. McGEE. Mr. President, I suggest the absence of a quorum, with the understanding——

Mr. ROBERT C. BYRD. But before he does that, will the Senator withhold that suggestion?

Mr. McGEE. Mr. President, I withhold that suggestion to hear what the leader has to say.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from West Virginia?

Mr. McGEE. Mr. President, I yield to the Senator from West Virginia for the purpose of a statement.

VOTE ON CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, just that we may be safe on all bases, I ask unanimous consent that the vote on the motion to invoke cloture on S. 352 not occur before April 30.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON APRIL 30, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on April 30, immediately after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Maryland (Mr. MATHIAS) be recognized for not to exceed 15 minutes; that he be followed by the distinguished majority leader (Mr. MANSFIELD) for not to exceed 15 minutes; that he be followed by the Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes; after which the 1 hour of debate under rule XXII on the motion to invoke cloture begin running.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McGEE. Mr. President, I suggest the absence of a quorum, with the understanding that I do not lose the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield to the majority whip, the distinguished Senator from West Virginia, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

JOINT REFERRAL OF PRESIDENT'S MESSAGE ON ENERGY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message from the President of the United States on energy be jointly referred to the Committees on Commerce, Interior and Insular Affairs, Public Works, and the Joint Committee on Atomic Energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message is as follows:

To the Congress of the United States:

At home and abroad, America is in a time of transition. Old problems are yielding to new initiatives, but in their place new problems are arising which once again challenge our ingenuity and require vigorous action. Nowhere is this more clearly true than in the field of energy.

As America has become more prosperous and more heavily industrialized, our demands for energy have soared. Today, with 6 percent of the world's population, we consume almost a third of all the energy used in the world. Our energy demands have grown so rapidly that they now outstrip our available supplies, and at our present rate of growth, our energy needs a dozen years from now will be nearly double what they were in 1970.

In the years immediately ahead, we must face up to the possibility of occasional energy shortages and some increase in energy prices.

Clearly, we are facing a vitally important energy challenge. If present trends continue unchecked, we could face a genuine energy crisis. But that crisis can and should be averted, for we have the capacity and the resources to meet our energy needs if only we take the proper steps—and take them now.

More than half the world's total reserves of coal are located within the United States. This resource alone would be enough to provide for our energy needs for well over a century. We have potential resources of billions of barrels of recoverable oil, similar quantities of shale oil and more than 2,000 trillion cubic feet of natural gas. Properly managed, and with more attention on the part of consumers to the conservation of energy, these supplies can last for as long as our economy depends on conventional fuels.

In addition to natural fuels, we can draw upon hydroelectric plants and increasing numbers of nuclear powered facilities. Moreover, long before our present energy sources are exhausted, America's vast capabilities in research and development can provide us with new, clean, and virtually unlimited sources of power.

Thus we should not be misled into pessimistic predictions of an energy disaster. But neither should we be lulled into a false sense of security. We must examine our circumstances realistically, carefully weigh the alternatives—and then move forward decisively.

WEIGHING THE ALTERNATIVES

Over 90 percent of the energy we consume today in the United States comes from three sources: natural gas, coal, and petroleum. Each source presents us with a different set of problems.

Natural gas is our cleanest fuel and is most preferred in order to protect our environment, but ill-considered regulations of natural gas prices by the Federal Government have produced a serious and increasing scarcity of this fuel.

We have vast quantities of coal, but the extraction and use of coal have presented such persistent environmental problems that, today, less than 20 percent of our energy needs are met by coal and the health of the entire coal industry is seriously threatened.

Our third conventional resource is oil, but domestic production of available oil is no longer able to keep pace with demands.

In determining how we should expand and develop these resources, along with others such as nuclear power, we must take into account not only our economic goals, but also our environmental goals and our national security goals. Each of these areas is profoundly affected by our decisions concerning energy.

If we are to maintain the vigor of our economy, the health of our environment, and the security of our energy resources, it is essential that we strike the right balance among these priorities.

The choices are difficult, but we cannot refuse to act because of this. We cannot stand still simply because it is difficult to go forward. That is the one choice Americans must never make.

The energy challenge is one of the great opportunities of our time. We have already begun to meet that challenge, and realize its opportunities.

NATIONAL ENERGY POLICY

In 1971, I sent to the Congress the first message on energy policies ever submitted by an American President. In that message I proposed a number of specific steps to meet our projected needs by increasing our supply of clean energy in America.

Those steps included expanded research and development to obtain more clean energy, increased availability of energy resources located on Federal lands, increased efforts in the development of nuclear power, and a new Federal organization to plan and manage our energy programs.

In the twenty-two months since I submitted that message, America's energy research and development efforts have been expanded by 50 percent.

In order to increase domestic production of conventional fuels, sales of oil and gas leases on the Outer Continental Shelf have been increased. Federal and State standards to protect the marine environment in which these leases are located are being tightened. We have developed a more rigorous surveillance capability and an improved ability to prevent and clean up oil spills.

We are planning to proceed with the development of oil shale and geothermal energy sources on Federal lands, so long as an evaluation now underway shows that our environment can be adequately protected.

We have also taken new steps to expand our uranium enrichment capacity for the production of fuels for nuclear power plants, to standardize nuclear power plant designs, and to ensure the continuation of an already enviable safety record.

We have issued new standards and guidelines, and have taken other actions to increase and encourage better conservation of energy.

In short, we have made a strong beginning in our effort to ensure that America will always have the power needed to fuel its prosperity. But what we have accomplished is only a beginning.

Now we must build on our increased knowledge, and on the accomplishments of the past twenty-two months, to develop a more comprehensive, integrated national energy policy. To carry out this policy we must:

—increase domestic production of all forms of energy;
—act to conserve energy more effectively;
—strive to meet our energy needs at the lowest cost consistent with the protection of both our national security and our natural environment;
—reduce excessive regulatory and administrative impediments which have delayed or prevented construction of energy-producing facilities;
—act in concert with other nations to conduct research in the energy field and to find ways to prevent serious shortages; and
—apply our vast scientific and technological capacities—both public and private—so we can utilize our current energy resources more wisely and develop new sources and new forms of energy.

The actions I am announcing today and the proposals I am submitting to the Congress are designed to achieve these objectives. They reflect the fact that we are in a period of transition, in which we must work to avoid or at least minimize short-term supply shortages, while we act to expand and develop our domestic supplies in order to meet long-term energy needs.

We should not suppose this transition period will be easy. The task ahead will require the concerted and cooperative efforts of consumers, industry, and government.

DEVELOPING OUR DOMESTIC ENERGY RESOURCES

The effort to increase domestic energy production in a manner consistent with our economic, environmental and security interests should focus on the following areas:

NATURAL GAS

Natural gas is America's premium fuel. It is clean-burning and thus has the least detrimental effect on our environment.

Since 1966, our consumption of natural gas has increased by over one-third, so that today natural gas comprises 32 percent of the total energy we consume from all sources. During this same period, our proven and available reserves of natural gas have decreased by a fifth. Unless we act responsibly, we will soon encounter increasing shortages of this vital fuel.

Yet the problem of shortages results less from inadequate resources than from ill-conceived regulation. Natural gas is the fuel most heavily regulated by the Federal Government—through the Federal Power Commission. Not only are the operations of interstate natural gas pipelines regulated, as was originally and properly intended by the Congress, but the price of the natural gas supplied to these pipelines by thousands of independent producers has also been regulated.

For more than a decade the prices of natural gas supplied to pipelines under this extended regulation have been kept artificially low. As a result, demand has been artificially stimulated, but the exploration and development required to provide new supplies to satisfy this increasing demand have been allowed to wither. This form of government regulation has contributed heavily to the shortages we have experienced, and to the greater scarcity we now anticipate.

As a result of its low regulated price, more than 50 percent of our natural gas is consumed by industrial users and utilities, many of which might otherwise be using coal or oil. While homeowners are being forced to turnaway from natural gas and toward more expensive fuels, unnecessarily large quantities of natural gas are being used by industry.

Furthermore, because prices within producing States are often higher than the interstate prices established by the Federal Power Commission, most newly discovered and newly produced natural gas does not enter interstate pipelines. Potential consumers in non-producing States thus suffer the worst shortages. While the Federal Power Commission has tried to alleviate these problems, the regulatory framework and attendant judicial constraints inhibit the ability of the Commission to respond adequately.

It is clear that the price paid to producers for natural gas in interstate trade must increase if there is to be the needed incentive for increasing supply and reducing inefficient usage. Some have suggested additional regulation to provide new incentives, but we have already seen the pitfalls in this approach. We must regulate less, not more. At the same time, we cannot remove all natural gas regulations without greatly inflating the price of gas currently in production and generating windfall profits.

To resolve this issue, I am proposing that gas from new wells, gas newly-dedicated to interstate markets, and the continuing production of natural gas from expired contracts should no longer be subject to price regulation at the wellhead. Enactment of this legislation should stimulate new exploration and development. At the same time, because increased prices on new unregulated gas would be averaged in with the prices for gas that is still regulated, the consumer should be protected against precipitous cost increases.

To add further consumer protection against unjustified price increases, I propose that the Secretary of the Interior be given authority to impose a ceiling on the price of new natural gas when circumstances warrant. Before exercising this power, the Secretary would consider the cost of alternative domestic fuels, taking into account the superiority of natural gas from an environmental standpoint. He would also consider the importance of encouraging production and more efficient use of natural gas.

OUTER CONTINENTAL SHELF

Approximately half of the oil and gas resources in this country are located on public lands, primarily on the Outer Continental Shelf (OCS). The speed at which we can increase our domestic energy production will depend in large measure on how rapidly these resources can be developed.

Since 1954, the Department of the Interior has leased to private developers almost 8 million acres on the Outer Continental Shelf. But this is only a small percentage of these potentially productive areas. At a time when we are being forced to obtain almost 30 percent of our oil from foreign sources, this level of development is not adequate.

I am therefore directing the Secretary of the Interior to take steps which would triple the annual acreage leased on the Outer Continental Shelf by 1979, beginning with expanded sales in 1974 in the Gulf of Mexico and including areas beyond 200 meters in depth under conditions consistent with my oceans policy statement of May, 1970. By 1985, this accelerated leasing rate could increase annual energy production by an estimated 1.5 billion barrels of oil (approximately 16 percent of our projected oil requirements in that year), and 5 trillion cubic feet of natural gas (approximately 20 percent of expected demand for natural gas that year).

In the past, a central concern in bringing these particular resources into production has been the threat of environmental damage. Today, new techniques, new regulations and standards, and new surveillance capabilities enable us to reduce and control environmental dangers substantially. We should now take advantage of this progress. The resources under the Shelf, and on all our public lands, belong to all Americans, and the critical needs of all Americans for new energy supplies require that we develop them.

If at any time it is determined that exploration and development of a specific shelf area can only proceed with inadequate protection of the environment, we will not commence or continue operations. This policy was reflected in the suspension of 35 leases in the Santa Barbara Channel in 1971. We are continuing the Santa Barbara suspensions, and I again request that the Congress pass legislation that would provide for appropriate settlement for those who are forced to relinquish their leases in the area.

At the same time, I am directing the Secretary of the Interior to proceed with leasing the Outer Continental Shelf beyond the Channel Islands of California if the reviews now underway show that the environmental risks are acceptable.

I am also asking the Chairman of the Council on Environmental Quality to work with the Environmental Protection Agency, in consultation with the National Academy of Sciences and appropriate Federal agencies, to study the environmental impact of oil and gas production on the Atlantic Outer Continental Shelf and in the Gulf of Alaska. No drilling will be undertaken in these areas until its environmental impact is determined. Governors, legislators and citizens of these areas will be consulted in this process.

Finally, I am asking the Secretary of the Interior to develop a long-term leasing program for *all* energy resources on public lands, based on a thorough analysis of the Nation's energy, environmental, and economic objectives.

ALASKAN PIPELINE

Another important source of domestic oil exists on the North Slope of Alaska. Although private industry stands ready to develop these reserves and the Federal Government has spent large sums on environmental analyses, this project is still being delayed. This delay is not related to any adverse judicial findings concerning environmental impact, but rather to an outmoded legal restriction regarding the width of the right of way for the proposed pipeline.

At a time when we are importing growing quantities of oil at great detriment to our balance of payments, and at a time when we are also experiencing significant oil shortages, we clearly need the two million barrels a day which the North Slope could provide—a supply equal to fully one-third of our present import levels.

In recent weeks I have proposed legislation to the Congress which would remove the present restriction on the pipeline. I appeal to the Congress to act swiftly on this matter so that we can begin construction of the pipeline with all possible speed.

I oppose any further delay in order to restudy the advisability of building the pipeline through Canada. Our interest in rapidly increasing our supply of oil is best served by an Alaskan pipeline. It could be completed much more quickly than a Canadian pipeline; its entire capacity would be used to carry domestically owned oil to American markets where it is needed; and construction of an Alaskan pipeline would create a significant number of American jobs both in Alaska and in the maritime industry.

SHALE OIL

Recoverable deposits of shale oil in the continental United States are estimated at some 600 billion barrels, 80 billion of which are considered easily accessible.

At the time of my Energy Message of 1971, I requested the Secretary of the Interior to develop an oil shale leasing program on a pilot basis and to provide me with a thorough evaluation of the environmental impact of such a program. The Secretary has prepared this pilot project and expects to have a final environmental impact statement soon. If the environmental risks are acceptable, we will proceed with the program.

To date there has been no commercial production of shale oil in the United States. Our pilot program will provide us with valuable experience in using various operational techniques and acting under various environmental conditions. Under the proposed program, the costs both of development and environmental protection would be borne by the private lessee.

GEOTHERMAL LEASES

At the time of my earlier Energy Message, I also directed the Department of the Interior to prepare a leasing program for the development of geothermal energy on Federal lands. The regulations and final environmental analysis for such a program should be completed by late spring of this year.

If the analysis indicates that we can proceed in an environmentally acceptable manner, I expect leasing of geothermal fields on Federal lands to begin soon thereafter.

The use of geothermal energy could be of significant importance to many of our western areas, and by supplying a part of the western energy demand, could release other energy resources that would otherwise have to be used. Today, for instance, power from the Geysers geothermal field in California furnishes about one-third of the electric power of the city of San Francisco.

New technologies in locating and producing geothermal energy are now under development. During the coming fiscal year, the National Science Foundation and the Geological Survey will intensify their research and development efforts in this field.

COAL

Coal is our most abundant and least costly domestic source of energy. Nevertheless, at a time when energy shortages loom on the horizon, coal provides less than 20 percent of our energy demands, and there is serious danger that its use will be reduced even further. If this reduction occurs, we would have to increase our oil imports rapidly, with all the trade and security problems this would entail.

Production of coal has been limited not only by competition from natural gas—a competition which has been artificially induced by Federal price regulation—but also by emerging environmental concerns and mine health and safety requirements. In order to meet environmental standards, utilities have shifted to natural gas and imported low-sulfur fuel oil. The problem is compounded by the fact that some low-sulfur coal resources are not being developed because of uncertainty about Federal and State mining regulations.

I urge that highest national priority be given to expanded development and utilization of our coal resources. Present and potential users who are able to choose among energy sources should consider the national interest as they make their choice. Each decision against coal increases petroleum or gas consumption, compromising our national self-sufficiency and raising the cost of meeting our energy needs.

In my State of the Union Message on Natural Resources and the Environment earlier this year, I called for strong legislation to protect the environment from abuse caused by mining. I now repeat that call. Until the coal industry knows the mining rules under which it will have to operate, our vast reserves of low-sulphur coal will not be developed as rapidly as they should be and the under-utilization of such coal will persist.

The Clean Air Act of 1970, as amended, requires that primary air quality standards—those related to health—must be met by 1975, while more stringent secondary standards—those related to the "general welfare"—must be met within a reasonable period. The States are moving very effectively to meet primary standards established by the Clean Air Act, and I am encouraged by their efforts.

At the same time, our concern for the "general welfare" or national interest should take into account considerations of national security and economic prosperity, as well as our environment.

If we insisted upon meeting both primary and secondary clean air standards by 1975, we could prevent the use of up to 155 million tons of coal per year. This would force an increase in demand for oil of 1.6 million barrels per day. This oil would have to be imported, with an adverse effect on our balance of payments of some $1.5 billion or more a year. Such a development would also threaten the loss of an estimated 26,000 coal mining jobs.

If, on the other hand, we carry out the provisions of the Clean Air Act in a judicious manner, carefully meeting the primary, health-related standards, but not moving in a precipitous way toward meeting the secondary standards, then we should be able to use virtually all of that coal which would otherwise go unused.

The Environmental Protection Agency has indicated that the reasonable time allowed by the Clean Air Act for meeting secondary standards could extend beyond 1975. Last year, the Administrator of the Environmental Protection Agency sent to all State governors a letter explaining that during the current period of shortages in low-sulphur fuel, the States should not require the burning of such fuels except where necessary to meet the primary standards for the protection of health. This action by the States should permit the desirable substitution of coal for low-sulphur fuel in many instances. I strongly support this policy.

Many State regulatory commissions permit their State utilities to pass on increased fuel costs to the consumer in the form of higher rates, but there are sometimes lags in allowing the costs of environmental control equipment to be passed on in a similar way. Such lags discourage the use of environmental control technology and encourage the use of low-sulphur fuels, most of which are imported.

To increase the incentive for using new environmental technology, I urge all State utility commissions to ensure that utilities receive a rapid and fair return on pollution control equipment, including stack gas cleaning devices and coal gasification processes.

As an additional measure to increase the production and use of coal, I am directing that a new reporting system on national coal production be instituted within the Department of the Interior, and I am asking the Federal Power Commission for regular reports on the use of coal by utilities.

I am also stepping up our spending for research and development in coal, with special emphasis on technology for sulphur removal and the development of low-cost, clean-burning forms of coal.

NUCLEAR ENERGY

Although our greatest dependence for energy until now has been on fossil fuels such as coal and oil, we must not and we need not continue this heavy reliance in the future. The major alternative to fossil fuel energy for the remainder of this century is nuclear energy.

Our well-established nuclear technology already represents an indispensable source of energy for meeting present needs. At present there are 30 nuclear power plants in operation in the United States; of the new electrical generator capacity contracted for during 1972, 70 percent will be nuclear powered. By 1980, the amount of electricity generated by nuclear reactors will be equivalent to 1.25 billion barrels of oil, or 8 trillion cubic feet of gas. It is estimated that nuclear power will provide more than one-quarter of this country's electrical production by 1985, and over half by the year 2000.

Most nuclear power plants now in operation utilize light water reactors. In the near future, some will use high temperature gas-cooled reactors. These techniques will be supplemented during the next decade by the fast breeder reactor, which will bring about a 30-fold increase in the efficiency with which we utilize our domestic uranium resources. At present, development of the liquid metal fast breeder reactor is our highest priority target for nuclear research and development.

Nuclear power generation has an extraordinary safety record. There has never been a nuclear-related fatality in our civilian atomic energy program. We intend to maintain that record by incrasing research and development in reactor safety.

The process of determining the safety and environmental acceptability of nuclear power plants is more vigorous and more open to public participation than for any comparable industrial enterprise. Every effort must be made by the Government and industry to protect public health and safety and to provide satisfactory answers to those with honest concerns about this source of power.

At the same time, we must seek to avoid unreasonable delays in developing nuclear power. They serve only to impose unnecessary costs and aggravate our energy shortages. It is discouraging to know that nuclear facilities capable of generating 27,000 megawatts of electric power which were expected to be operational by 1972 were not completed. To replace that generating capacity we would have to use the equivalent of one-third of the natural gas the country used for generating electricity in 1972. This situation must not continue.

In my first Energy Special Message in 1971, I proposed that utilities prepare and publish long-range plans for the siting of nuclear power plants and transmission lines. This legislation would provide a Federal-State framework for licensing individual plants on the basis of a full and balanced consideration of both environmental and energy needs. The Congress has not acted on that proposal. I am resubmitting that legislation this year with a number of new provisions to simplify licensing, including one to require that the Government act on all completed license applications within 18 months after they are received.

I would also emphasize that the private sector's role in future nuclear development must continue to grow. The Atomic Energy Commission is presently taking steps to provide greater amounts of enriched uranium fuel for the Nation's nuclear power plants. However, this expansion will not fully meet our needs in the 1980's; the Government now looks to private industry to provide the additional capacity that will be required.

Our nuclear technology is a national asset of inestimable value. It is essential that we press forward with its development.

The increasing occurrence of unnecessary delays in the development of energy facilities must be ended if we are to meet our energy needs. To be sure, reasonable safeguards must be vigorously maintained for protection of the public and of our environment. Full public participation and questioning must also be allowed as we decide where new energy facilities are to be built. We need to streamline our governmental procedures for licensing and inspections, reduce overlapping jurisdictions and eliminate confusion generated by the government.

To achieve these ends I am taking several steps. During the coming year we will examine various possibilities to assure that all public and private interests are impartially and expeditiously weighed in all government proceedings for permits, licensing, and inspections.

I am again proposing siting legislation to the Congress for electric facilities and for the first time, for deepwater ports. All of my new siting legislation includes provision for simplified licensing at both Federal and State levels. It is vital that the Congress take prompt and favorable action on these proposals.

ENCOURAGING DOMESTIC EXPLORATION

Our tax system now provides needed incentives for mineral exploration in the form of percentage depletion allowances and deductions for certain drilling expenses. These provisions do not, however, distinguish between exploration for new reserves and development of existing reserves.

In order to encourage increased exploration, I ask the Congress to extend the investment credit provisions of our present tax law so that a credit will be provided for all exploratory drilling for new oil and gas fields. Under this proposal, a somewhat higher credit would apply for successful exploratory wells than for unsuccessful ones, in order to put an additional premium on results.

The investment credit has proven itself a powerful stimulus to industrial activity. I expect it to be equally effective in the search for new reserves.

IMPORTING TO MEET OUR ENERGY NEEDS

OIL IMPORTS

In order to avert a short-term fuel shortage and to keep fuel costs as low as possible, it will be necessary for us to increase fuel imports. At the same time, in order to reduce our long-term reliance on imports, we must encourage the exploration and development of our domestic oil and the construction of refineries to process it.

The present quota system for oil imports—the Mandatory Oil Import Program—was established at a time when we could produce more oil at home than we were using. By imposing quantitative restrictions on imports, the quota system restricted imports of foreign oil. It also encouraged the development of our domestic petroleum industry in the interest of national security.

Today, however, we are not producing as much oil as we are using, and we must import ever larger amounts to meet our needs.

As a result, the current Mandatory Oil Import Program is of virtually no benefit any longer. Instead, it has the very real potential of aggravating our supply problems, and it denies us the flexibility we need to deal quickly and efficiently with our import requirements. General dissatisfaction with the program and the apparent need for change has led to uncertainty. Under these conditions, there can be little long-range investment planning for new drilling and refinery construction.

Effective today, I am removing by proclamation all existing tariffs on imported crude oil and products. Holders of import licenses will be able to import petroleum duty free. This action will help hold down the cost of energy to the American consumer.

Effective today, I am also suspending direct control over the quantity of crude oil and refined products which can be imported. In place of these controls, I am substituting a license-fee quota system.

Under the new system, present holders of import licenses may import petroleum exempt from fees up to the level of their 1973 quota allocations. For imports in excess of the 1973 level, a fee must be paid by the importer.

This system should achieve several objectives.

First, it should help to meet our immediate energy needs by encouraging importation of foreign oil at the lowest cost to consumers, while also providing incentives for exploration and development of our domestic resources to meet our long-term needs. There will be little paid in fees this year, although all exemptions from fees will be phased out over several years. By gradually increasing fees over the next two and one-half years to a maximum level of one-half cent per gallon for crude oil and one and one-half cents per gallon for all refined products, we should continue to meet our energy needs while encouraging industry to increase its domestic production.

Second, this system should encourage refinery construction in the United States, because the fees are higher for refined products than for crude oil. As an added incentive, crude oil in amounts up to three-fourths of new refining capacity may be imported without being subject to any fees. This special allowance will be available to an oil company during the first five years after it builds or expands its refining capacity.

Third, this system should provide the flexibility we must have to meet short and long-term needs efficiently. We will review the fee level periodically to ensure that we are imposing the lowest fees consistent with our intention to increase domestic production while keeping costs to the consumer at the lowest possible level. We will also make full use of the Oil Import Appeals Board to ensure that the needs of all elements of the petroleum industry are met, particularly those of independent operators who help to maintain market competition.

Fourth, the new system should contribute to our national security. Increased domestic production will leave us less dependent on foreign supplies. At the same time, we will adjust the fees in a manner designed to encourage, to the extent possible, the security of our foreign supplies. Finally, I am directing the Oil Policy Committee to examine incentives aimed at increasing our domestic storage capacity or shut-in production. In this way we will provide buffer stocks to insulate ourselves against a temporary loss of foreign supplies.

DEEPWATER PORTS

It is clear that in the foreseeable future, we will have to import oil in large quantities. We should do this as cheaply as we can with minimal damage to the environment. Unfortunately, our present capabilities are inadequate for these purposes.

The answer to this problem lies in deepwater ports which can accommodate those larger ships, providing important economic advantages while reducing the risks of collision and grounding. Recent studies by the Council on Environmental Quality demonstrate that we can expect considerably less pollution if we use fewer but larger tankers and deepwater facilities, as opposed to the many small tankers and conventional facilities which we would otherwise need.

If we do not enlarge our deepwater port capacity, it is clear that both American and foreign companies will expand oil transshipment terminals in the Bahamas and the Canadian Maritime Provinces. From these terminals, oil will be brought to our conventional ports by growing numbers of small and medium size transshipment vessels, thereby increasing the risks of pollution from shipping operations and accidents. At the same time, the United States will lose the jobs and capital that those foreign facilities provide.

Given these considerations, I believe we must move forward with an ambitious program to create new deepwater ports for receiving petroleum imports.

The development of ports has usually been a responsibility of State and local governments and the private sector. However, States cannot issue licenses beyond the three-mile limit. I am therefore proposing legislation to permit the Department of the Interior to issue such licenses. Licensing would be contingent upon full and proper evaluation of environmental impact, and would provide for strict navigation and safety, as well as proper land use requirements. The proposed legislation specifically provides for Federal cooperation with State and local authorities.

CONSERVING ENERGY

The abundance of America's natural resources has been one of our greatest advantages in the past. But if this abundance encourages us to take our resources for granted, then it may well be a detriment to our future.

Common sense clearly dictates that as we expand the types and sources of energy available to us for the future, we must direct equal attention to conserving the energy available to us today, and we must explore means to limit future growth in energy demand.

We as a nation must develop a national energy conservation ethic. Industry can help by designing products which conserve energy and by using energy more efficiently. All workers and consumers can help by continually saving energy in their day-to-day activities: by turning out lights, tuning up automobiles, reducing the use of air conditioning and heating, and purchasing products which use energy efficiently.

Government at all levels also has an important role to play, both by conserving energy directly, and by providing leadership in energy conservation efforts.

I am directing today that an Office of Energy Conservation be established in the Department of the Interior to coordinate the energy conservation programs which are presently scattered throughout the Federal establishment. This office will conduct research and work with consumer and environmental groups in their efforts to educate consumers on ways to get the greatest return on their energy dollar.

To provide consumers with further information, I am directing the Department of Commerce, working with the Council on Environmental Quality and the Environmental Protection Agency, to develop a voluntary system of energy efficiency labels for major home appliances. These labels should provide data on energy use as well as a rating comparing the product's efficiency to other similar products. In addition, the Environmental Protection Agency will soon release the results of its tests of fuel efficiency in automobiles.

There are other ways, too, in which government can exercise leadership in this field. I urge again, for example, that we allow local officials to use money from Highway Trust Fund for mass transit purposes. Greater reliance on mass transit can do a great deal to help us conserve gasoline.

The Federal Government can also lead by example. The General Services Administration, for instance, is constructing a new Federal office building using advanced energy conservation techniques, with a goal of reducing energy use by 20 percent over typical buildings of the same size. At the same time, the National Bureau of Standards is evaluating energy use in a full-size house within its laboratories. When this evaluation is complete, analytical techniques will be available to help predict energy use for new dwellings. This information, together with the experience gained in the construction and operation of the demonstration Federal building, will assist architects and contractors to design and construct energy-efficient buildings.

Significant steps to upgrade insulation standards on single and multi-family dwellings were taken at my direction in 1971 and 1972, helping to reduce heat loss and otherwise conserve energy in the residential sector. As soon as the results of these important demonstration projects are available, I will direct the Federal Housing Administration to update its insulation standards in light of what we have learned and to consider their possible extension to mobile homes.

Finally, we should recognize that the single most effective means of encouraging energy conservation is to ensure that energy prices reflect their true costs. By eliminating regulations such as the current ceiling on natural gas prices and by ensuring that the costs of adequate environmental controls are equitably allocated, we can move toward more efficient distribution of our resources.

Energy conservation is a national necessity, but I believe that it can be undertaken most effectively on a voluntary basis. If the challenge is ignored, the result will be a danger of increased shortages, increased prices, damage to the environment and the increased possibility that conservation will have to be undertaken by compulsory means in the future. There should be no need for a nation which has always been rich in energy to have to turn to energy rationing. This is a part of the energy challenge which every American can help to meet, and I call upon every American to do his or her part.

RESEARCH AND DEVELOPMENT

If we are to be certain that the forward thrust of our economy will not be hampered by insufficient energy supplies or by energy supplies that are prohibitively expensive, then we must not continue to be dependent on conventional forms of energy. We must instead make every useful effort through research and development to provide both alternative sources of energy and new technologies for producing and utilizing this energy.

For the short-term future, our research and development strategy will provide technologies to extract and utilize our existing fossil fuels in a manner most compatible with a healthy environment.

In the longer run, from 1985 to the beginning of the next century, we will have more sophisticated development of our fossil fuel resources and on the full development of the Liquid Metal Fast Breeder Reactor. Our efforts for the distant future center on the development of technologies—such as nuclear fusion and solar power—that can provide us with a virtually limitless supply of clean energy.

In my 1971 Energy Special Message to the Congress, I outlined a broadly based research and development program. I proposed the expansion of cooperative Government-industry efforts to develop the Liquid Metal Fast Breeder Reactor, coal gasification, and stack gas cleaning systems at the demonstration level. These programs are all progressing well.

My budget for fiscal year 1974 provides for an increase in energy research and development funding of 20 percent over the level of 1973.

My 1974 budget provides for creation of a new central energy fund in the Interior Department to provide additional money for nonnuclear research and development, with the greatest part designated for coal research. This central fund is designed to give us the flexibility we need for rapid exploitation of new, especially promising energy technologies with near-term payoffs.

One of the most promising programs that will be receiving increased funding in fiscal year 1974 is the solvent refined coal process which will produce low-ash, low-sulphur fuels from coal. Altogether, coal research and development and proposed funding is increased by 27 percent.

In addition to increased funding for the Liquid Metal Fast Breeder Reactor, I am asking for greater research and development on reactor safety and radioactive waste disposal, and the production of nuclear fuel.

The waters of the world contain potential fuel—in the form of a special isotope of hydrogen—sufficient to power fusion reactors for thousands of years. Scientists at the Atomic Energy Commission now predict with increasing confidence that we can demonstrate laboratory feasbility of controlled thermonuclear fusion by magnetic confinement in the near future. We have also advanced to the point where some scientists believe the feasibility of laser fusion could be demonstrated within the next several years. I have proposed in my 1974 budget a 35 percent increase in funding for our total fusion research and development effort to accelerate experimental programs and to initiate preliminary reactor design studies.

While we look to breeder reactors to meet our mid-term energy needs, today's commercial power reactors will continue to provide most of our nuclear generating capacity for the balance of this century. Although nuclear reactors have had a remarkable safety record my 1974 budget provides additional funds to assure that our rapidly growing reliance on nuclear power will not compromise public health and safety. This includes work on systems for safe storage of the radioctive waste which nuclear reactors produce. The Atomic Energy Commission is working on additional improvements in surface storage and will continue to explore the possibility of underground burial for long-term containment of these wastes.

Solar energy holds great promise as a potentially limitless source of clean energy. My new budget triples our solar energy research and development effort to a level of $12 million. A major portion of these funds would be devoted to accelerating the development of commercial systems for heating and cooling buildings.

Research and development funds relating to environmental control technologies would be increased 24 percent in my 1974 budget. This research includes a variety of projects related to stack gas cleaning and includes the construction of a demonstration sulphur dioxide removal plant. In addition, the Atomic Energy Commission and the Environmental Protection Agency will continue to conduct research on the thermal effects of power plants.

While the Federal Government is significantly increasing its commitment to energy research and development, a large share of such research is and should be conducted by the private sector.

I am especially pleased that the electric utilities have recognized the importance of research in meeting the rapidly escalating demand for electrical energy. The recent establishment of the Electric Power Research Institute, which will have a budget in 1974 in excess of $100 million, can help develop technology to meet both load demands and environmental regulations currently challenging the industry.

Historically the electric power industry has allocated a smaller portion of its revenues to research than have most other technology-dependent industries. This pattern has been partly attributable to the reluctance of some State utility commissions to include increased research and development expenditures in utility rate bases. Recently the Federal Power Commission instituted a national rule to allow the recovery of research and development expenditures in rates. State regulatory agencies have followed the FPC's lead and are liberalizing their treatment of research and development expenditures consistent with our changing national energy demands.

I am hopeful that this trend will continue and I urge all State utility commissions to review their regulations regarding research and development expenditures to ensure that the electric utility industry can fully cooperate in a national energy research and development effort.

It is foolish and self-defeating to allocate funds more rapidly than they can be effectively spent. At the same time, we must carefully monitor our progress and our needs to ensure that our funding is adequate. When additional funds are found to be essential, I shall do everything I can to see that they are provided.

INTERNATIONAL COOPERATION

The energy challenge confronts every nation. Where there is such a community of interest, there is both a cause and a basis for cooperative action.

Today, the United States is involved in a number of cooperative, international efforts. We have joined with the other 22 member-nations of the Organization for Economic Cooperation and Development to produce a comprehensive report on long-term problems and to develop an agreement for sharing oil in times of acute shortages. The European Economic Community has already discussed the need for cooperative efforts and is preparing recommendations for a Community energy policy. We have expressed a desire to work together with them in this effort.

We have also agreed with the Soviet Union to pursue joint research in magnetohydrodynamics (MHD), a highly efficient process for generating electricity, and to exchange information on fusion, fission, the generation of electricity, transmission and pollution control technology. These efforts should be a model for joint research efforts with other countries. Additionally, American companies are looking into the possibility of joint projects with the Soviet Union to develop natural resources for the benefit of both nations.

I have also instructed the Department of State, in coordination with the Atomic Energy Commission, other appropriate Government agencies, and the Congress to move rapidly in developing a program of international cooperation in research and development on new forms of energy and in developing international mechanisms for dealing with energy questions in times of critical shortages.

I believe the energy challenge provides an important opportunity for nations to pursue vital objectives through peaceful cooperation. No chance should be lost to strengthen the structure of peace we are seeking to build in the world, and few issues provide us with as good an opportunity to demonstrate that there is more to be gained in pursuing our national interests through mutual cooperation than through destructive competition or dangerous confrontation.

FEDERAL ENERGY ORGANIZATION

If we are to meet the energy challenge, the current fragmented organization of energy-related activities in the Executive branch of the Government must be overhauled.

In 1971, I proposed legislation to consolidate Federal energy-related activities within a new Department of Natural Resources. The 92d Congress did not act on this proposal. In the interim I have created a new post of Counsellor to the President on Natural Resources to assist in the policy coordination in the natural resources field.

Today I am taking executive action specifically to improve the Federal organization of energy activities.

I have directed the Secretary of the Interior to strengthen his Department's organization of energy activities in several ways.

—The responsibilities of the new Assistant Secretary for Energy and Minerals will be expanded to incorporate all departmental energy activities;

—The Department is to develop a capacity for gathering and analysis of energy data;

—An Office of Energy Conservation is being created to seek means for reducing demands for energy;

—The Department of the Interior has also strengthened its capabilities for overseeing and coordinating a broader range of energy research and development.

By Executive order, I have placed authority in the Department of the Treasury for directing the Oil Policy Committee. That Committee coordinates the oil import program and makes recommendations to me for changes in that program. The Deputy Secretary of the Treasury has been designated Chairman of that Committee.

Through a second Executive order, effective today, I am strengthening the capabilities of the Executive Office of the President to deal with top level energy policy matters by establishing a special energy committee composed of three of my principal advisors. The order also reaffirms the appointment of a Special Consultant, who heads an energy staff in the Office of the President.

Additionally, a new division of Energy and Science is being established within the Office of Management and Budget.

While these executive actions will help, more fundamental reorganization is needed. To meet this need, I shall propose legislation to establish a Department of Energy and Natural Resources (DENR) building on the legislation I submitted in 1971, with heightened emphasis on energy programs.

This new Department would provide leadership across the entire range of national energy. It would, in short, be responsible for administering the national energy policy detailed in this message.

CONCLUSION

Nations succeed only as they are able to respond to challenge, and to change when circumstances and opportunities require change.

When the first settlers came to America, they found a land of untold natural wealth, and this became the cornerstone of the most prosperous nation in the world. As we have grown in population, in prosperity, in industrial capacity, in all those indices that reflect the constant upward thrust in the American standard of living, the demands on our natural resources have also grown.

Today, the energy resources which have fueled so much of our national growth are not sufficiently developed to meet the constantly increasing demands which have been placed upon them. The time has come to change the way we meet these demands. The challenge facing us represents one of the great opportunities of our time—an opportunity to create an even stronger domestic economy, a cleaner environment, and a better life for all our people.

The proposals I am submitting and the actions I will take can give us the tools to do this important job.

The need for action is urgent. I hope the Congress will act with dispatch on the proposals I am submitting. But in the final analysis, the ultimate responsibility does not rest merely with the Congress or with this Administration. It rests with all of us—with government, with industry and with the individual citizen.

Whenever we have been confronted with great national challenges in the past, the American people have done their duty. I am confident we shall do so now.

RICHARD NIXON.

THE WHITE HOUSE, *April 18, 1973.*

PRIVILEGE OF THE FLOOR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, during the consideration of S. 50, the Older Americans Act, Mr. Gordon and Mr. Murphy be given the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GRIFFIN ON MONDAY, APRIL 30, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, April 30, 1973, following the order for recognition of the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), the distinguished Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes, prior to the order for recognition of the junior Senator from West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. ROBERT C. BYRD. Mr. President, on behalf of the able Senator from Rhode Island (Mr. PELL) I ask unanimous consent that Mr. Richard Smith be granted the privilege of the floor during the consideration of the urgent supplemental appropriations conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. With the understanding that the Senator continue to retain the floor.

The PRESIDING OFFICER (Mr. HANSEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield to the majority whip.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator for yielding. He is yielding with the understanding that he not lose his right to the floor.

Mr. McGEE. That was my understanding.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMPREHENSIVE OLDER AMERICANS SERVICES AMENDMENTS OF 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of a message from the House of Representatives on S. 50, the Older Americans Act, with the understanding that there be a time limitation thereon of not to exceed 30 minutes, with 10 minutes to be under the control of the distinguished Senator from Missouri (Mr. EAGLETON) and 20 minutes to be under the control of the distinguished Senator from New York (Mr. JAVITS), subject to the approval of Mr. JAVITS, who is out of the Chamber just now, and with the further proviso that upon the disposition of that measure, the distinguished Senator from Wyoming (Mr. McGEE) again be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. HANSEN) laid before the Senate the amendment of the House of Representatives to the bill (S. 50) to strengthen and improve the Older Americans Act of 1965, and for other purposes, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Comprehensive Older Americans Services Amendments of 1973".

TITLE I—DECLARATION OF OBJECTIVES

FINDINGS AND PURPOSES

SEC. 101. The Congress finds that millions of older citizens in this Nation are suffering unnecessary harm from the lack of adequate services. It is therefore the purpose of this Act, in support of the objectives of the Older Americans Act of 1965, to—

(1) make available comprehensive programs which include a full range of health, education, and social services to our older citizens who need them,

(2) give full and special consideration to older citizens with special needs in planning such programs, and, pending the availability of such programs for all older citizens, give priority to the elderly with the greatest economic and social need,

(3) provide comprehensive programs which will assure the coordinated delivery of a full range of essential services to our older citizens, and, where applicable, also furnish meaningful employment opportunities for many individuals, including older persons, young persons, and volunteers from the community, and

(4) insure that the planning and operation of such programs will be undertaken as a partnership of older citizens, parents, and community, State and local governments, with appropriate assistance from the Federal Government.

SEC. 102. Section 101(8) of the Older Americans Act of 1965 is amended by inserting after "services" the following: ", including access to low-cost transportation,".

TITLE II—ADMINISTRATION ON AGING

SEC. 201. (a) Section 201 of the Older Americans Act of 1965 is amended to read as follows:

"ESTABLISHMENT OF ADMINISTRATION ON AGING

"SEC. 201. (a) There is established in the Office of the Secretary an Administration on Aging (hereinafter in this Act referred to as the 'Administration') which shall be headed by a Commissioner on Aging (hereinafter in this Act referred to as the 'Commissioner'). Except for title VI and as otherwise specifically provided by the Comprehensive Older Americans Services Amendments of 1973, the Administration shall be the principal agency for carrying out this Act. In the performance of his functions, he shall be directly responsible to the Secretary and not to or through any other officer of that Department. The Commissioner shall not delegate any of his functions to any other officer who is not directly responsible to him unless he first submits a plan for such delegation to the Congress. Such delegation is effective at the end of the first period of thirty calendar days of continuous session of Congress after the date on which the plan for such delegation is transmitted to it, unless between the day of transmittal and the end of the thirty-day period either House passes a resolution stating in substance that that House does not favor such delegation. For the purpose of this section, continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period. Under provisions contained in a reorganization plan, a provision of the plan may be effective.

"(b) The Commissioner shall be appointed by the President by and with the advice and consent of the Senate."

(b) (1) Section 202(4) of the Older Americans Act of 1965 is amended to read as follows:

"(4) develop plans, conduct and arrange for research in the field of aging, and assist in the establishment of and carry out programs designed to meet the needs of older persons for social services, including nutrition, hospitalization, preretirement training, continuing education, low-cost transportation and housing, and health services;"

(2) Section 202 of the Older Americans Act of 1965 is amended by striking out "and" at the end of paragraph (7), by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraphs:

"(9) develop basic policies and set priorities with respect to the development and operation of programs and activities conducted under authority of this Act;

"(10) provide for the coordination of Federal programs and activities related to such purposes;

"(11) coordinate, and assist in, the planning and development by public (including Federal, State, and local agencies) and nonprofit private organizations of programs for older persons, with a view to the establishment of a nationwide network of comprehensive, coordinated services and opportunities for such persons;

"(12) convene conferences of such authorities and officials of public (including Federal, State, and local agencies) and nonprofit private organizations concerned with the development and operation of programs for older persons as the Commissioner deems necessary or proper for the development and implementation of policies related to the purposes of this Act;

"(13) develop and operate programs providing services and opportunities as authorized by this Act which are not otherwise provided by existing programs for older persons;

"(14) carry on a continuing evaluation of the programs and activities related to the purposes of this Act, with particular attention to the impact of medicare and medicaid, the Age Discrimination in Employment Act of 1967, and the programs of the National Housing Act relating to housing for the elderly and the setting of standards for the licensing of nursing homes, intermediate care homes, and other facilities providing care for older people;

"(15) provide information and assistance to private nonprofit organizations for the establishment and operation by them of programs and activities related to the purposes of this Act; and

"(16) develop, in coordination with other agencies, a national plan for meeting the needs for trained personnel in the field of aging, and for training persons for carrying out programs related to the purposes of this Act, and conduct and provide for the conducting of such training."

(3) Section 202 of the Act (as amended by the preceding provisions of this subsection) is further amended by inserting "(a)" after "Sec. 202.", and by adding at the end thereof the following new subsection:

"(b) In executing his duties and functions under this Act and carrying out the programs and activities provided for by this Act, the Commissioner, in consultation with the Director of Action, shall take all possible steps to encourage and permit voluntary groups active in social services, including youth organizations active at the high school or college levels, to participate and be involved individually or through representative groups in such programs or activities to the maximum extent feasible, through the performance of advisory or consultative functions, and in other appropriate ways."

(c) Title II of the Older Americans Act of 1965 is further amended by adding at the end thereof the following new sections:

"FEDERAL AGENCY COOPERATION

"SEC. 203. Federal agencies proposing to establish programs substantially related to the purposes of this Act shall consult with the Administration on Aging prior to the establishment of such services, and Federal agencies administering such programs shall cooperate with the Administration on Aging in carrying out such services.

"THE NATIONAL INFORMATION AND RESOURCES CLEARINGHOUSE FOR THE AGED

"SEC. 204. (a) The Commissioner is authorized and directed to establish and operate a National Information and Resource Clearinghouse for the Aging which shall—

"(1) collect, analyze, prepare, and disseminate information related to the needs and interests of older persons;

"(2) obtain information concerning older persons from public and private agencies and other organizations serving the needs and interests of older persons and furnish, upon request, information to such agencies and organizations, including information developed by Federal, State, and local public agencies with respect to programs of such agencies designed to serve the needs and interests of older persons;

"(3) encourage the establishment of State and local information centers and provide technical assistance to such centers, including sources established under section 304(c) (3) and section 305(a) (7), to assist older persons to have ready access to information; and

"(4) carry out a special program for the collection and dissemination of information relevant to consumer interests of older persons in order that such older persons may more readily obtain information concerning goods and services needed by them.

"(b) The Commissioner shall take whatever action is necessary to achieve coordination of activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to the collection, preparation, and dissemination of information relevant to older persons. To the extent practicable, the Commissioner shall carry out his functions under this subsection through the National Information and Resource Clearinghouse for the Aging.

"(c) There are authorized to be appropriated to carry out the purposes of this section $750,000 for the fiscal year ending June 30, 1973, $1,000,000 for the fiscal year ending June 30, 1974, and $1,250,000 for the fiscal year ending June 30, 1975.

"FEDERAL COUNCIL ON THE AGING

"SEC. 205. (a) There is established a Federal Council on the Aging to be composed of fifteen members appointed by the President with the advice and consent of the Senate for terms of three years without regard to the provisions of title 5, United States Code. Members shall be appointed so as to be representative of older Americans, national organizations with an interest in aging, business, labor, and the general public. At least five of the members shall themselves be older persons.

"(b) (1) Of the members first appointed, five shall be appointed for a term of one year, five shall be appointed for a term of two years, and five shall be appointed for a term of three years, as designated by the President at the time of appointment.

"(2) Any member appointed to fill a vacancy occuring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office.

"(3) Any vacancy in the Council shall not affect its powers, but shall be filled in the same manner by which the original appointment was made.

"(4) Members of the Council shall, while serving on business of the Council, be entitled to receive compensation at a rate not to exceed the daily rate specified for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while, so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

"(c) The President shall designate the Chairman from among the members appointed to the Council. The Council shall meet at the call of the Chairman but not less often than four times a year. The Secretary and the Commissioner on Aging shall be ex officio members of the Council.

"(d) The Council shall—

"(1) advise and assist the President on matters relating to the special needs of older Americans;

"(2) assist the Commissioner in making the appraisal of needs required by section 402;

"(3) review and evaluate, on a continuing basis. Federal policies regarding the aging and programs and other activities affecting the aging conducted or assisted by all Federal departments and agencies for the purpose of appraising their value and their impact on the lives of older Americans; and

"(4) serve as a spokesman on behalf of older Americans by making recommendations to the President, to the Secretary, the Commissioner, and to the Congress with respect to Federal policies regarding the aging and federally conducted or assisted programs and other activities relating to or affecting them;

"(5) inform the public about the problems and needs of the aging, in consultation with the National Information and Resource Clearinghouse for the Aging, by collecting and disseminating information, conducting or commissioning studies and publishing the results thereof, and by issuing publications and reports; and

"(6) provide public forums for discussing and publicizing the problems and needs of the aging and obtaining information relating thereto by conducting public hearings and by conducting or sponsoring conferences, workshops, and other such meetings.

"(e) The Secretary and the Commissioner shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities.

"(f) Beginning with the year 1974 the Council shall make such interim reports as it deems advisable and an annual report of its findings and recommendations to the President no later than March 31 of each year. The President shall transmit each such report to the Congress together with his comments and recommendations.

"(g) The Council shall undertake a study of the interrelationships of benefit programs for the elderly operated by Federal, State, and local government agencies. Following the completion of this study, the President shall submit to Congress no later than eighteen months after the enactment of this Act recommendations for bringing about greater uniformity of eligibility standards, and for eliminating the negative impact that one program's standards may have on another.

"(h) The Council shall undertake a study of the combined impact of all taxes on the elderly—including but not limited to income, property, sales, and social security taxes. Upon completion of this study, but no later than eighteen months after enactment of this Act, the President shall submit to Congress, and to the Governors and legislatures of the States, the results thereof and such recommendations as he deems necessary.

"(i) (A) The Council shall, after consultation with the Secretary of Transportation and the Secretary of Housing and Urban Development, conduct a comprehensive study and survey of the transportation problems of older Americans with emphasis upon solutions that are practical and can be implemented in a timely fashion. In conducting the study and survey, the Council shall consider—

"(1) the use of all community transportation facilities, particularly public transportation systems, the possible use of schoolbuses, and excess Department of Defense vehicles; and

"(2) the need for revised and improved procedures for obtaining motor vehicle insurance by older Americans to be implemented for use in a coordinated transportation system.

"(B) Not later than June 30, 1975, the Council shall prepare and transmit to the Secretary, to the President, and to the Congress, a report on their findings and recommendations including a plan for implementation of improved transportation services for older Americans and recommendations for additional legislation, administrative and other measures to provide solutions to the transportation problems of older Americans.

"(C) In carrying out the study and survey, the Council is authorized to—

"(i) procure temporary and intermittent services of experts and consultants in accordance with section 3109 of title 5, United States Code, and

"(ii) secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this section; and each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Council upon request by them.

"ADMINISTRATION OF THE ACT

"SEC. 206. (a) In carrying out the purposes of this Act, the Commissioner is authorized to:

"(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations;

"(2) provide short-term training and technical instruction;

"(3) conduct research and demonstrations;

"(4) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this Act; and

"(5) provide staff and other technical assistance to the Federal Council on the Aging.

"(b) In administering his functions under this Act, the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organization, in accordance with agreements between the Commissioner and the head thereof, and to pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

"(c) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

"EVALUATION

"SEC. 207. (a) The Secretary shall measure and evaluate the impact of all programs authorized by this Act, their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

"(b) The Secretary may not make grants or contracts under section 308 or title IV of this Act until he has developed and published general standards to be used by him in evaluating the programs and projects assisted under such section or title. Results of evaluations conducted pursuant to such standards shall be included in the reports required by section 208.

"(c) In carrying out evaluations under this section, the Secretary shall, whenever possible, arrange to obtain the opinions of program and project participants about the strengths and weaknesses of the programs and projects.

"(d) The Secretary shall annually publish summaries of the results of evaluative research and evaluation of program and project impact and effectiveness, the full contents of which shall be available to Congress and the public.

"(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

"(f) Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this section shall be made available to him, upon request, by the departments and agencies of the executive branch.

"(g) The Secretary is authorized to use such sums as may be required, but not to exceed 1 per centum of the funds appropriated under this Act, or $1,000,000, whichever is greater, to conduct program and project evaluations (directly, or by grants or contracts) as required by this title. In the case of allotments from such an appropriation, the amount available for such allotments (and the amount deemed appropriated therefor) shall be reduced accordingly.

"REPORTS

"SEC. 208. Not later than one hundred and twenty days after the close of each fiscal year, the Commissioner shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include statistical data reflecting services and activities provided individuals during the preceding fiscal year.

"JOINT FUNDING OF PROJECTS

"SEC. 209. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided.

"ADVANCE FUNDING

"SEC. 210. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

"(b) In order to effect a transition to the advance funding method of timing appropriation action, the amendment made by subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year."

SEC. 202. Title VIII of the Older Americans Act of 1965 is hereby repealed.

TITLE III—GRANTS FOR STATE AND AREA PROGRAMS

SEC. 301. The Older Americans Act of 1965 is amended by striking out title III and inserting in lieu thereof the following new title:

"TITLE III—GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

"PURPOSE

"SEC. 301. It is the purpose of this title to encourage and assist State and local agencies to concentrate resources in order to develop greater capacity and foster the development of comprehensive and coordinated service systems to serve older persons by entering into new cooperative arrangements with each other and with providers of social services for planning for the provision of, and providing, social services and, where necessary, to reorganize or reassign functions, in order to—

"(1) secure and maintain maximum independence and dignity in a home environment for older persons capable of self-care with appropriate supportive services; and

"(2) remove individual and social barriers to economic and personal independence for older persons.

"DEFINITIONS

"SEC. 302. For purposes of this title—

"(1) The term 'social services' means any of the following services which meet such standards as the Commissioner may prescribe:

"(A) health, continuing education, welfare, informational, recreational, homemaker, counseling, or referral services;

"(B) transportation services where necessary to facilitate access to social services;

"(C) services designed to encourage and assist older persons to use the facilities and services available to them.

"(D) services designed to assist older persons to obtain adequate housing;

"(E) services designed to assist older persons in avoiding institutionalization including preinstitutionalization evaluation and screening, and home health services; or

"(F) any other services;

if such services are necessary for the general welfare of older persons.

"(2) The term 'unit of general purpose local government' means (A) a political subdivision of the State whose authority is broad and general and is not limited to only one function or a combination of related functions, or (B) an Indian tribal organization.

"(3) The term 'comprehensive and coordinated system' means a system for providing all necessary social services in a manner designed to—

"(A) facilitate accessibility to and utilization of all social services provided within the geographic area served by such system by any public or private agency or organization;

"(B) develop and make the most efficient use of social services in meeting the needs of older persons; and

"(C) use available resources efficiently and with a minimum of duplication.

"AREA PLANNING AND SOCIAL SERVICE PROGRAMS

"SEC. 303. (a) There are authorized to be appropriated $85,000,000 for the fiscal year ending June 30, 1973, $150,000,000 for the fiscal year ending June 30, 1974, and $200,000,000 for the fiscal year ending June 30, 1975, to enable the Commissioner to make grants to each State with a State plan approved under section 305 for paying part of the cost (pursuant to subsection (e) of this section) of—

"(1) the administration of area plans by area agencies on aging designated pursuant to section 304(a) (2) (A), including the preparation of area plans on aging consistent with section 304(c) and the evaluation of activities carried out under such plans; and

"(2) the development of comprehensive

and coordinated systems for the delivery of social services.

"(b)(1) From the sums authorized to be appropriated for the fiscal year ending June 30, 1973, under subsection (a) of this section, (A) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of such sum, (B) each other State shall be allotted an amount equal to one-half of 1 per centum of such sum, and (C) from the remainder of the sum so appropriated, each State shall be allotted an additional amount which bears the same ratio to such remainder as the population aged sixty or over in such State bears to the population aged sixty or over in all States.

"(2) From the sums appropriated for the fiscal year ending June 30, 1974, and for the fiscal year ending June 30, 1975, each State shall be allotted an amount which bears the same ratio to such sum as the population aged sixty or over in such State bears to the population aged sixty or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted no less than one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (C) no State shall be allotted an amount less than that State received for the fiscal year ending June 30, 1973. For the purpose of the exception contained in clause (A) of this paragraph only, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(3) The number of persons aged sixty or over in any State and in all States shall be determined by the Commissioner on the basis of the most recent and satisfactory data available to him.

"(c) Whenever the Commissioner determines that any amount allotted to a State for fiscal year under this section will not be used by such State for carrying out the purpose for which the allotment was made, he shall make such amount available for carrying out such purpose to one or more other States to the extent he determines such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from an appropriation for a fiscal year pursuant to the preceding sentence shall, for purposes of this title, be regarded as part of such State's allotment (as determined under the preceding provisions of this section) for such year.

"(d) The allotment of a State under this section for the fiscal year ending June 30, 1973, shall remain available until the close of the following fiscal year.

"(e) From a State's allotment under this section for a fiscal year—

"(1) such amount as the State agency determines, but not more than 15 per centum thereof, shall be available for paying such percentage as such agency determines, but not more than 75 per centum, of the cost of administration of area plans; and

"(2) such amount as the State agency determines, but not more than 20 per centum thereof, shall be available for paying such percentage as such agency determines, but not more than 75 per centum, of the cost of social services which are not provided as a part of a comprehensive and coordinated system in planning and service areas for which there is an area plan approved by the State agency.

The remainder of such allotment shall be available to such State only for paying such percentage as the State agency determines, but not more than 90 per centum, of the cost of social services provided in the State as a part of comprehensive and coordinated systems in planning and service areas for which there is an area plan approved by the State agency.

"ORGANIZATION

"State Organization

"SEC. 304. (a) In order for a State to be eligible to participate in the programs of grants to States from allotments under section 303 and section 306—

"(1) the State shall, in accordance with regulations of the Commissioner, designate a State agency as the sole State agency (hereinafter in this title referred to as 'the State agency') to: (A) develop the State plan to be submitted to the Commissioner for approval under section 305, (B) administer the State plan within such State, (C) be primarily responsible for the coordination of all State activities related to the purposes of this Act, (D) review and comment on, at the request of any Federal department or agency, any application from any agency or organization within such State to such Federal department or agency for assistance related to meeting the needs of older persons; and (E) divide the entire State into distinct areas (hereinafter in this title referred to as 'planning and service areas'), after considering the geographical distribution of individuals aged sixty and older in the State, the incidence of the need for social services (including the numbers of older persons with low incomes residing in such areas), the distribution of resources available to provide such services, the boundaries of existing areas within the State which were drawn for the planning or administration of social services programs, the location of units of general purpose local government within the State, and any other relevant factors: *Provided*, That any unit of general purpose local government which has a population aged sixty or over of fifty thousand or more or which contains 15 per centum or more of the State's population aged sixty or over shall be designated as a planning and service area and the State may include in any planning and service area designated pursuant to this provision such additional areas adjacent to the unit of general purpose local government so designated as the State determines to be necessary for the effective administration of the programs authorized by this title, and

"(2) the State agency designated pursuant to paragraph (1) shall—

"(A) determine for which planning and service areas an area plan will be developed, in accordance with subsection (c) of this section, and for each such area designate, after consideration of the views offered by the unit or units of general purpose local government in such area, a public or nonprofit private agency or organization as the area agency on aging for such area; and

"(B) provide assurances satisfactory to the Commissioner that the State agency will take into account, in connection with matters of general policy arising in the development and administration of the State plan for any fiscal year, the views of recipients of social services provided under such plan.

"Area Organization

"(b) An area agency on aging designated under subsection (a) must be—

"(1) an established office on aging which is operating within a planning and service area designated pursuant to subsection (a) of this section, or

"(2) any office or agency of a unit of general purpose local government, which is designated for this purpose by the chief elected official or officials of such unit, or

"(3) any office or agency designated by the chief elected official or officials of a combination of units of general purpose local government to act on behalf of such combination for this purpose, or

"(4) any public or nonprofit private agency in a planning and service area which is under the supervision or direction for this purpose of the designated State agency and which can engage in the planning or provision of a broad range of social services within such planning and service area,

and must provide assurance, found adequate by the State agency, that it will have the ability to develop an area plan and to carry out, directly or through contractual or other arrangements, a program pursuant to the plan within the planning and service area. In designating an area agency on aging, the State agency shall give preference to an established office on aging, unless the State agency finds that no such office within the planning and service area will have the capacity to carry out the area plan.

"Area plans

"(c) In order to be approved by the State agency, an area plan for a planning and service area shall be developed by the area agency on aging designated with respect to such area under subsection (a) and shall—

"(1) provide for the establishment of a comprehensive and coordinated system for the delivery of social services within the planning and service area covered by the plan, including determining the need for social services in such area (taking into consideration, among other things, the numbers of older persons with low incomes residing in such area), evaluating the effectiveness of the use of resources in meeting such need, and entering into agreements with providers of social services in such area, for the provision of such services to meet such need;

"(2) in accordance with criteria established by the Commissioner by regulation relating to priorities, provide for the initiation, expansion, or improvement of social services in the planning and service area covered by the area plan;

"(3) provide for the establishment and maintenance of information and referral sources in sufficient numbers to assure that all older persons within the planning and service area covered by the plan will have reasonably convenient access to such sources. For the purposes of this section and section 305(a)(7), an information and referral source is a location where the State or other public or private agency or organization (A) maintains current information with respect to the opportunities and services available to older persons, and develops current lists of older persons in need of services and opportunities, and (B) employs a specially trained staff to inform older persons of the opportunities and services which are available, and assists such persons to take advantage of such opportunities and services; and

"(4) provide that the area agency on aging will—

"(A) conduct periodic evaluations of activities carried out pursuant to the area plan;

"(B) render appropriate technical assistance to providers of social services in the planning and service area covered by the area plan;

"(C) where necessary and feasible, enter into arrangements, consistent with the provisions of the area plan, under which funds under this title may be used to provide legal services to older persons in the planning and service area carried out through federally assisted programs or other public or nonprofit agencies;

"(D) take into account, in connection with matters of general policy arising in the development and administration of the area plan, the views of recipients of services under such plan;

"(E) where possible, enter into arrangements with organizations providing day care services for children so as to provide opportunities for older persons to aid or assist, on a voluntary basis, in the delivery of such services to children; and

"(F) establish an advisory council, consisting of representatives of the target population and the general public, to advise the area agency on all matters relating to the administration of the plan and operations conducted thereunder.

"STATE PLANS

"SEC. 305. (a) In order for a State to be eligible for grants for a fiscal year from its allotments under section 303 and section 306, except as provided in section 307(a), it shall submit to the Commissioner a State plan for such year which meets such criteria as the Commissioner may prescribe by regulation and which—

"(1) provides that the State agency will evaluate the need for social services within the State and determine the extent to which existing public or private programs meet such need;

"(2) provides for the use of such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Commissioner shall exercise no authority with respect to the selection, tenure of office, or compensation of an individual employed in accordance with such methods) as are necessary for the proper and efficient administration of the plan;

"(3) provides that the State agency will make such reports, in such form, and containing such information, as the Commissioner may from time to time require, and comply with such requirements as the Commissioner may impose to assure the correctness of such reports;

"(4) provides that the State agency will conduct periodic evaluations of activities and projects carried out under the State plan;

"(5) establishes objectives, consistent with the purposes of this title, toward which activities under the plan will be directed, identifies obstacles to the attainment of those objectives, and indicates how it proposes to overcome those obstacles;

"(6) provides that each area agency on aging designated pursuant to section 304(a)(2)(A) will develop and submit to the State agency for approval an area plan which complies with section 304(c);

"(7) provides for establishing and maintaining information and referral sources in sufficient numbers to assure that all older persons in the State who are not furnished adequate information and referral sources under section 304(c)(3) will have reasonably convenient access to such sources;

"(8) provides that no social service will be directly provided by the State agency or an area agency on aging, except where, in the judgment of the State agency, provision of such service by the State agency or an area agency on aging is necessary to assure an adequate supply of such service; and

"(9) provides that preference shall be given to persons aged sixty or over for any staff positions (full time or part time) in State and area agencies for which such persons qualify.

"(b) The Commissioner shall approve any State plan which he finds fulfills the requirements for subsection (a) of this section.

"(c) The Commissioner shall not make a final determination disapproving any State plan, or any modification thereof, or make a final determination that a State is ineligible under section 304, without first affording the State reasonable notice and opportunity for a hearing.

"(d) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency, finds that—

"(1) the State is not eligible under section 304,

"(2) the State plan has been so changed that it no longer complies with the provisions of subsection (a), or

"(3) in the administration of the plan there is a failure to comply substantially with any such provision of subsection (a),

the Commissioner shall notify such State agency that no further payments from its allotments under section 303 and section 306 will be made to the State (or, in his discretion, that further payments to the State will be limited to projects under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments shall be made to such State from its allotment under section 303 and section 306 (or payments shall be limited to projects under or portions of the State plan not affected by such failure). The Commissioner shall, in accordance with regulations he shall prescribe, disburse the funds so withheld directly to any public or nonprofit private organization or agency or political subdivision of such State submitting an approved plan in accordance with the provisions of section 304 and section 306. Any such payment or payments shall be matched in the proportions specified in section 303 and 306.

"(e) A State which is dissatified with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Commissioner may modify or set aside his order. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

"PLANNING, COORDINATION, EVALUATION, AND ADMINISTRATION OF STATE PLANS

"SEC. 306. (a)(1) There are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1973, $20,000,000 for the fiscal year ending June 30, 1974, and $20,000,000 for the fiscal year ending June 30, 1975, to make grants to States for paying such percentages as each State agency determines, but not more than 75 per centum, of the cost of the administration of its State plan, including the preparation of the State plan, the evaluation of activities carried out under such plan, the collection of data and the carrying out of analyses related to the need for social services within the State, the dissemination of information so obtained, the provision of short-term training to personnel of public or nonprofit private agencies and organizations engaged in the operation of programs authorized by this Act, and the carrying out of demonstration projects of statewide significance relating to the initiation, expansion, or improvement of social service.

"(2) Any sums allotted to a State under this section for covering part of the cost of the administration of its State plan which the State determines is not needed for such purpose may be used by such State to supplement the amount available under section 303(e)(1) to cover part of the cost of the administration of area plans.

"(b)(1) From the sums appropriated for any fiscal year under subsection (a) of this section, each State shall be allotted an amount which bears the same ratio to such sum as the population aged sixty or over in such State bears to the population aged sixty or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $200,000, whichever is greater, and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted no less than one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $50,000, whichever is greater. For the purpose of the exception contained in clause (A) of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) The number of persons aged sixty or over in any State and in all States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

"(c) The amount of any State's allotment under subsection (b) for any fiscal year which the Commissioner determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (b) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Such reallotments shall be made on the basis of the State plan so approved, after taking into consideration the population aged sixty or over. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (b) for that year.

"(d) The allotment of a State under this section for the fiscal year ending June 30, 1973, shall remain available until the close of the following fiscal year.

"PAYMENTS

"SEC. 307. (a) Payments of grants or contracts under this title may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments, as the Commissioner may determine. From a State's allotment for a fiscal year which is available pursuant to section 306 the Commissioner may advance to a State which does not have a State plan approved under section 305 such amounts as he deems appropriate for the purpose of assisting such State in developing a State plan.

"(b) Beginning with the fiscal year ending June 30, 1975, not less than 25 per centum of the non-Federal share (pursuant to section 303(e)) of the total expenditure under the State plan shall be met from funds from State or local public sources.

"(c) A State's allotment under section 303 for a fiscal year shall be reduced by the percentage (if any) by which its expenditures or such year from State sources under its State plan approved under section 305 are less than its expenditures from such sources for the preceding fiscal year.

"MODEL PROJECTS

"SEC. 308. (a) The Commissioner may, after consultation with the State agency, make grants to any public or nonprofit private agency or organization or contracts with any agency or organization within such State for paying part or all of the cost of developing or operating statewide, regional, metropolitan area, county, city, or community model projects which will expand or improve social services or otherwise promote the well-being of older persons. In making grants and contracts under this section, the Commissioner shall give special consideration to projects designed to—

"(1) assist in meeting the special housing needs of older persons by (A) providing financial assistance to such persons, who own their own homes, necessary to enable them to make the repairs and renovations to their homes which are necessary for them to meet minimum standards, (B) studying and demonstrating methods of adapting existing housing, or construction of new housing, to meet the needs of older persons suffering from physical disabilities, and (C) demonstrating alternative methods of relieving older persons of the burden of real property taxes on their homes;

"(2) improve the transportation services available to older persons by (A) establishing special transportation subsystems for older persons or similar groups with similar mobility restrictions, (B) providing portal-to-portal service and demand actuated services, (C) payment of subsidies to transportation systems to enable them to provide transportation services to older persons on a reduced rate basis, with special emphasis on transportation necessary to enable older persons to obtain health services, (D) payments directly to older persons to enable them to obtain reasonable and necessary transportation services, (E) programs to study the economic and service aspects of transportation for older persons living in urban or rural areas, and (F) programs to study transportation and social service delivery interface;

"(3) meet the needs of unemployed low-income older persons who are unable, because of physical condition, obsolete or inadequate skills, declining economic conditions, or other causes of a lack of employment opportunity to secure appropriate employment, which will enable such persons to participate in projects for public service in such fields as environmental quality, health care, education, public safety, crime prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, and other fields of human betterment and community improvement;

"(4) provide continuing education to older persons designed to enable them to lead more productive lives by broadening the educational, cultural, or social awareness of such older persons, emphasizing, where possible, free tuition arrangements with colleges and universities;

"(5) provide preretirement education, information, and relevant services (including the training of personnel to carry out such programs and the conducting of research with respect to the development and operation of such programs) to persons planning retirement; or

"(6) provide services to assist in meeting the particular needs of the physically and mentally impaired older persons including special transportation and escort services, homemaker, home health, and shopping services, reader services, letterwriting services, and other service designed to assist such individuals in leading a more independent life, and encourage older Americans with skills and experience in trades and industry to be employed as aides in the vocational and industrial arts departments of our secondary schools.

"(b) For the purpose of carrying out this section, there are authorized to be appropriated $40,000,000 for the fiscal year ending June 30, 1973, $75,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 for the fiscal year ending June 30, 1975."

TITLE IV—TRAINING AND RESEARCH

SEC. 401. The Older Americans Act of 1965 is amended by striking out titles IV and V and by inserting immediately after title III the following new title:

"TITLE IV—TRAINING AND RESEARCH

"PART A—TRAINING

"STATEMENT OF PURPOSE

"SEC. 401. The purpose of this part is to improve the quality of service and to help meet critical shortages of adequately trained personnel for programs in the field of aging by (1) developing information on the actual needs for personnel to work in the field of aging, both present and long range; (2) providing a broad range of quality training and retraining opportunities, responsive to changing needs of programs in the field of aging; (3) attracting a greater number of qualified persons into the field of aging; and (4) helping to make personnel training programs more responsive to the need for trained personnel in the field of the aging.

"APPRAISING PERSONNEL NEEDS IN THE FIELD OF AGING

"SEC. 402. (a) The Commissioner shall from time to time appraise the Nation's existing and future personnel needs in the field of aging, at all levels and in all types of programs, and the adequacy of the Nation's efforts to meet these needs. In developing information relating to personnel needs in the field of aging, the Commissioner shall consult with, and make maximum utilization of statistical and other related information of the Department of Labor, the Veterans' Administration, the Office of Education, Federal Council on the Aging, the National Foundation on the Arts and Humanities, State educational agencies, other State and local public agencies and offices dealing with problems of the aging, State employment security agencies, and other appropriate public and private agencies.

"(b) The Commissioner shall prepare and publish annually as a part of the annual report provided in section 208 a report on the professional dealing with the problems of the aging, in which he shall present in detail his view on the state of such professions and the trends which he discerns with respect to the future complexion of programs for the aging throughout the Nation and the funds and the needs for well-educated personnel to staff such programs. The report shall indicate the Commissioner's plans concerning the allocations of Federal assistance under this title in relation to the plans and programs of other Federal agencies.

"ATTRACTING QUALIFIED PERSONS TO THE FIELD OF AGING

"SEC. 403. The Commissioner may make grants to State agencies referred to in section 304, State or local educational agencies, institutions of higher education, or other public or nonprofit private agencies, organizations, or institutions, and he may enter into contracts with any agency, institution, or organization for the purpose of—

"(1) publicizing available opportunities for careers in the field of aging;

"(2) encouraging qualified persons to enter or reenter the field of aging;

"(3) encouraging artists, craftsmen, artisans, scientists, and persons from other professions and vocations and homemakers, to undertake assignments on a part-time basis or for temporary periods in the field of aging; or

"(4) preparing and disseminating materials, including audiovisual materials and printed materials, for use in recruitment and training of persons employed or preparing for employment in carrying out programs related to the purposes of this Act.

"TRAINING PROGRAMS FOR PERSONNEL IN THE FIELD OF AGING

"SEC. 404. (a) The Commissioner may make grant to any public or nonprofit private agency, organization, or institution or with State agencies referred to in section 304, or contracts with any agency, organization, or institution, to assist them in training persons who are employed or preparing for employment in fields related to the purposes of this Act—

"(1) to assist in covering the cost of courses of training or study (including short-term or regular session institutes and other inservice and preservice training programs),

"(2) for establishing and maintaining fellowships to train persons to be supervisors or trainers of persons employed or preparing for employment in fields related to the purposes of this Act,

"(3) for seminars, conferences, symposiums, and workshops in the field of aging, including the conduct of conferences and other meetings for the purposes of facilitating exchange of information and stimulating new approaches with respect to activities related to the purposes of this Act.

"(4) for the improvement of programs for preparing personnel for careers in the field of aging, including design, development, and evaluation of exemplary training programs, introduction of high quality and more effective curriculums and curricular materials, and

"(5) the provision of increased opportunities for practical experience.

"(b) The Commissioner may include in the terms of any contract or grant under this part provisions authorizing the payment, to persons participating in training programs supported under this part, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he determines to be consistent with prevailing practices under comparable federally supported programs. Where the Commissioner provides for the use of funds under this section for fellowships, he shall (in addition to stipends for the recipients) pay to colleges or universities in which the fellowship is being pursued such amounts as the Commissioner shall determine to be consistent with prevailing practices under comparable federally supported programs.

"PART B—RESEARCH AND DEVELOPMENT PROJECTS

"DESCRIPTION OF ACTIVITIES

"SEC. 411. The Commissioner may make grants to any public or nonprofit private agency, organization, or institution and contracts with any agency, organization, or institution or with any individual for the purpose of—

"(1) studying current patterns and conditions of living of older persons and identifying factors which are beneficial or detrimental to the wholesome and meaningful living of such persons;

"(2) developing or demonstrating new approaches, techniques, and methods (including the use of multipurpose centers) which hold promise of substantial contribution toward wholesome and meaningful living for older persons;

"(3) developing or demonstrating approaches, methods, and techniques for achieving or improving coordination of community services for older persons;

"(4) evaluating these approaches, techniques, and methods, as well as others which may assist older persons to enjoy wholesome and meaningful lives and to continue to contribute to the strength and welfare of our Nation;

"(5) collecting and disseminating, through publications and other appropriate means, information concerning research findings, demonstration results, and other materials developed in connection with activities assisted under this part; or

"(6) conducting conferences and other meetings for the purposes of facilitaing exchange of information and stimulating new approaches with respect to activities related to the purposes of this part.

"PART C—MULTIDISCIPLINARY CENTERS OF GERONTOLOGY

"SEC. 421. The Commissioner may make grants to public and private nonprofit agencies, organizations, and institutions for the purpose of establishing or supporting multidisciplinary centers of gerontology. A grant may be made under this section only if the application therefor—

"(1) provides satisfactory assurance that the applicant will expend the full amount of the grant to establish or support a multidisciplinary center of gerontology which shall—

"(A) recruit and train personnel at the professional and subprofessional levels,

"(B) conduct basic and applied research on work, leisure, and education of older people, living arrangements of older people, social services for older people, the economics of aging, and other related areas,

"(C) provide consultation to public and voluntary organizations with respect to the needs of older people and in planning and developing services for them.

"(D) serve as a repository of information and knowledge with respect to the areas for which it conducts basic and applied research,

"(E) stimulate the incorporation of information on aging into the teaching of biological behavioral, and social sciences at colleges or universities,

"(F) help to develop training programs on aging in schools of social work, public health, health care administration, education, and in other such schools at colleges and universities, and

"(G) create opportunities for innovative, multidisciplinary efforts in teaching, research, and demonstration projects with respect to aging:

"(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for funds paid to the applicant under this section; and

"(3) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"PART D—AUTHORIZATION OF APPROPRIATIONS

"AUTHORIZATION

"SEC. 431. (a) There are authorized to be appropriated for the purposes of carrying out part A of this title $11,000,000 for the fiscal year ending June 30, 1973, $15,000,000 for the fiscal year ending June 30, 1974, and $20,000,000 for the fiscal year ending June 30, 1975.

"(b) There are authorized to be appropriated for the purpose of carrying out the provisions of part B and C of this title, $15,000,000 for the fiscal year ending June 30, 1973, $25,000,000 for the fiscal year ending June 30, 1974, and $30,000,000 for the fiscal year ending June 30, 1975.

"PAYMENT OF GRANTS

"SEC. 432. (a) To the extent he deems it appropriate, the Commissioner shall require the recipient of any grant or contract under this title to contribute money, facilities, or services for carrying out the project for which such grant or contract was made.

"(b) Payments under this part pursuant to a grant or contract may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Commissioner may determine.

"(c) The Commissioner shall make no grant or contract under this title in any State which has established or designated a State agency for purposes of title III of this Act unless the Commissioner has consulted with such State agency regarding such grant or contract."

TITLE V—MULTIPURPOSE SENIOR CENTERS

SEC. 501. The Older Americans Act of 1965 is further amended by inserting immediately after title IV the following new title:

"TITLE V—MULTIPURPOSE SENIOR CENTERS

"PART A—CONSTRUCTION OF MULTIPURPOSE SENIOR CENTERS

"CONSTRUCTION PROJECTS

"SEC. 501. In order to provide a focal point in communities for the development and delivery of social services and nutritional services designed primarily for older persons, the Commissioner may make grants to units of general purpose local government or other public or nonprofit private agencies or organizations and may make contracts with any agency or organization to pay not to exceed 75 per centum of the cost of leasing, altering, or renovating existing facilities to serve as multipurpose senior centers (including the initial equipment of such facilities), and, where utilizing existing facilities is not feasible, not to exceed 75 per centum of the cost of constructing new public or nonprofit private multipurpose senior centers. Facilities assisted by grants or contracts under this part shall be in close proximity to the majority of individuals eligible to use the multipurpose senior center, and within walking distance where possible, except that the total payments made pursuant to such grants or contracts in any State for any fiscal year shall not exceed 10 per centum of the total amount appropriated for the year for the purposes of carrying out this part.

"REQUIREMENTS FOR APPROVAL OF APPLICATIONS

"SEC. 502. (a) A grant or contract for construction under this part may be made only if the application therefor is approved by the Commissioner upon his determination that—

"(1) the application contains or is supported by reasonable assurances that (A) for not less than ten years after completion of construction, the facility will be used for the purposes for which it is to be constructed, (B) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility, and (C) sufficient funds will be available, when construction is completed, for effective use of the facility for the purpose for which it is being constructed;

"(2) the application contains or is supported by reasonable assurances that there are no existing facilities in the community suitable for leasing as a multipurpose senior center, and that there are no existing facilities in the community which could be altered or renovated to serve such a purpose;

"(3) the plans and specifications are in accordance with regulations relating to minimum standards of construction and equipment; and

"(4) the application contains or is supported by adequate assurance that any laborer or mechanic employed by any contractors or subcontractors in the performance of work on the construction of the facility will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a, 276a5). The Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"(b) In making grants or contracts under this part, the Commissioner shall—

"(1) give preference to the construction of multipurpose senior centers in areas where there is being developed a comprehensive and coordinated system under title III of this Act; and

"(2) consult with the Secretary of Housing and Urban Development with respect to the technical adequacy of any proposed construction.

"PAYMENTS

"SEC. 503. Upon approval of any application for a grant or contract under this part, the Commissioner shall reserve, from any appropriation available therefor, the amount of such grant or contract; the amount so reserved may be paid in advance of by way of reimbursement, and in such installments consistent with construction progress, as the Commissioner may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of construction of the facility.

"RECAPTURE OF PAYMENTS

"SEC. 504. If, within ten years after completion of any construction for which funds have been paid under this part—

"(a) the owner of the facility ceases to be a public or nonprofit private agency or organization, or

"(b) the facility shall cease to be used for the purposes for which it was constructed (unless the Commissioner determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so),

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 505. (a) There is authorized to be appropriated for the purpose of making grants or contracts under section 501, $10,000,000 for the fiscal year ending June 30, 1973, $15,000,000 for the fiscal year ending June 30, 1974, and $20,000,000 for the fiscal year ending prior to July 1, 1975.

"(b) Sums appropriated for any fiscal year under subsection (a) of this section and remaining unobligated at the end of such year shall remain available for such purpose for the next fiscal year.

"MORTGAGE INSURANCE FOR MULTIPURPOSE SENIOR CENTERS

"SEC. 506. (a) It is the purpose of this section to assist and encourage the provision of urgently needed facilities for programs for the elderly.

"(b) For the purpose of this part the terms 'mortgage', 'mortgagor', 'mortgagee', 'maturity date', and 'State' shall have the meanings respectively set forth in section 207 of the National Housing Act.

"(c) The Secretary of Health, Education, and Welfare is authorized to insure any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

"(d) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers a new multipurpose senior center, including equipment to be used in its operation, subject to the following conditions;

"(1) The mortgage shall be executed by a mortgagor, approved by the Secretary, who demonstrates ability successfully to operate one or more programs for the elderly. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary may make such contracts with and acquire for not to exceed $100 such stock or interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Multipurpose Senior Center Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

"(2) The mortgage shall involve a principal obligation in an amount not to exceed $250,000 and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the multipurpose senior center, when the proposed improvements are completed and the equipment is installed.

"(3) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market.

"(4) The Secretary shall not insure any mortgage under this section unless he has determined that the center to be covered by the mortgage will be in compliance with minimum standards to be prescribed by the Secretary.

"(5) In the plans for such Multipurpose Senior Center due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project).

"(e) The Secretary shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the Mortgagee, either in cash or in debentures of the Multipurpose Senior Center Insurance Fund (established by subsection (h)) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Secretary is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

"(f) The Secretary may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(g) (1) The Secretary shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act.

"(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Multipurpose Senior Center Insurance Fund, and all references in such provisions to 'Secretary' shall be deemed to refer to the Secretary of Health, Education, and Welfare.

"(h) (1) There is hereby created a Multipurpose Senior Center Insurance Fund which shall be used by the Secretary as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Multipurpose Senior Center Insurance Fund.

"(2) The general expenses of the operations of the Department of Health, Education, and Welfare relating to mortgages insured under this section may be charged to the Multipurpose Senior Center Insurance Fund.

"(3) Moneys in the Multipurpose Senior Center Insurance Fund not needed for the current operations of the Department of Health, Education, and Welfare with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Multipurpose Senior Center Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(4) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage under this section, the reecipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary in connection therewith, and all earnings as the assets of the fund, shall be credited to the Multipurpose Senior Center Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such funds, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

"(5) There are authorized to be appropriated to provide initial capital for the Multipurpose Senior Center Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary.

"ANNUAL INTEREST GRANTS

"SEC. 507. (a) To assist nonprofit agencies to reduce the cost of borrowing from other sources for the construction of facilties, the Secretary may make annual interest grants to such agencies.

"(b) Annual interest grants under this section with respect to any facility shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were 3 per centum per annum: *Provided*, That the amount on which such grant is based shall be approved by the Secretary.

"(c) (1) There are hereby authorized to be appropriated to the Secretary such sums as may be necessary for the payment of annual interest grants in accordance with this section.

"(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants in any year pursuant to contracts entered into under this section shall not exceed $1,000,000, which amount shall be increased by $3,000,000 on July 1, 1974, and by $5,000,000 on July 1, 1975.

"(d) Not more than 12½ per centum of the funds provided for in this section for grants may be used within any one State.

"PART B—INITIAL STAFFING OF MULTIPURPOSE SENIOR CENTERS

"PERSONNEL STAFFING GRANT PROGRAM AUTHORIZED

"SEC. 511. (a) For the purpose of assisting in the establishment and initial operation of multipurpose senior centers the Commissioner may, in accordance with the provisions of this part, make grants to meet, for the temporary periods specified in this part, all or part of the costs of compensation of professional and technical personnel for the initial operation of new multipurpose senior centers and for the delivery of social services established therein.

"(b) Grants for such costs of any center under this title may be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day. Such grants with respect to any center may not exceed 75 per centum of such costs for the first year of the project, 66⅔ per centum of such costs for the second year of the project, and 50 per centum of such costs for the third year of the project.

"(c) In making such grants, the Secretary shall take into account the relative needs of the several States for community centers for senior citizens, their relative financial needs, and their population of persons over sixty years of age.

"(d) For the purpose of this part, there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1973, and for each of the next two succeeding fiscal years.

"DEFINITIONS

"SEC. 512. For purposes of this title—

"(1) the term 'multipurpose senior center' means a community facility for the organization and provision of a broad spectrum of services (including provision of health, social, and educational services and provision of facilities for recreational activities) for older persons.

"(2) the term 'cost of construction' includes the cost of architects' fees and acquisition of land in connection with construction, but does not include the cost of offsite improvements."

TITLE VI—NATIONAL OLDER AMERICANS VOLUNTEER PROGRAM

SEC. 601. Section 601 of the Older Americans Act of 1965 is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of law, no compensation provided to individual volunteers under this part shall be considered income for any purpose whatsoever."

SEC. 602. Section 603 of the Older Americans Act of 1965 is amended by inserting immediately before the period at the end thereof the following: "and $20,000,000 for the fiscal year ending June 30, 1973, $30,000,000 for the fiscal year ending June 30, 1974, and $40,000,000 for the fiscal year ending June 30, 1975".

SEC. 603. (a) The heading of part B of title VI of the Older Americans Act of 1965 is amended to read as follows:

"FOSTER GRANDPARENT PROGRAM AND OLDER AMERICANS COMMUNITY SERVICE PROGRAMS"

(b) Section 611 of such Act is amended to read as follows:

"SEC. 611. (a) The Commissioner is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects designed to provide opportunities for low-income persons aged sixty or over to render supportive person-to-person services in health, education, welfare, and related settings to children having exceptional needs, including services as 'Foster Grandparents' to children receiving care in hospitals, homes for dependent and neglected children, or other establishments providing care for children with special needs.

"(b) The Commissioner is also authorized to make grants or contracts to carry out the purposes described in subsection (a) in the case of persons (other than children) having exceptional needs, including services as 'senior health aides' to work with persons receiving home health care and nursing care, and as 'senior companions' to persons having developmental disabilities.

"(c) Payments under this part pursuant to a grant or contract may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, in such installments and on such conditions as the Commissioner may determine.

"(d) Notwithstanding any other provision of law, no compensation provided to individual volunteers under this part shall be considered income for any purpose whatsoever."

(c) The first sentence of section 613 of such Act is amended to read as follows:

"In administering this part, the Commissioner shall consult with the Office of Economic Opportunity, the Departments of Labor and Health, Education, and Welfare and any other Federal agencies administering relevant programs with a view to achieving optimal coordination with such other programs and shall promote the coordination of projects under this part with other public or private programs or projects carried out at State and local levels."

SEC. 604. Section 614 of the Older Americans Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 614. (a) There are authorized to be appropriated for grants or contracts under subsection (a) of section 611, $35,000,000 for the fiscal year ending June 30, 1973, $45,000,000 for the fiscal year ending June 30, 1974, $55,000,000 for the fiscal year ending June 30, 1975.

"(b) There are authorized to be appropriated for grants or contracts under subsection (b) of section 611, $6,000,000 for the fiscal year ending June 30, 1973, $7,000,000 for the fiscal year ending June 30, 1974, $8,000,000 for the fiscal year ending June 30, 1975."

SEC. 605. The authorities conferred upon the Commissioner of the Administration on Aging by the amendments made in this title shall be carried out pursuant to delegations of authority, reorganization plans, and transfers made effective prior to the date of enactment of this Act with respect to authorities conferred upon the Secretary of the Department of Health, Education, and Welfare under title VI of the Older Americans Act of 1965, as amended.

TITLE VII—NUTRITION PROGRAM

AVAILABILITY OF SURPLUS COMMODITIES

SEC. 701. Section 707 of the Older Americans Act of 1965 is amended to read as follows:

"AVAILABILITY OF SURPLUS COMMODITIES

"SEC. 707. (a) Agricultural commodities and products purchased by the Secretary of Agriculture under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), may be donated to a recipient of a grant or contract to be used for providing nutritional services in accordance with the provisions of this title.

"(b) The Commodity Credit Corporation may dispose of food commodities under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) by donating them to a recipient of a grant or contract to be used for providing nutritional services in accordance with the provisions of this title.

"(c) Dairy products purchased by the Secretary of Agriculture under section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a–1) may be used to meet the requirements of programs providing nutritional services in accordance with the provisions of this title."

SEC. 702. Section 705(a) of the Older Americans Act of 1965 is amended by adding at the end thereof the following new paragraph:

"(5) provide that, when mutually agreed upon by recipients of grants and contracts and area planning and service areas agencies, nutrition projects assisted under this title shall be made a part of the comprehensive and coordinated systems established under title III of this Act."

STATE PLANNING

SEC. 703. Section 705(a) (2) (B) of the Older Americans Act of 1965 is amended by inserting "for the fiscal year ending June 30, 1973," following "administrative cost,"; by striking out "any fiscal year" and inserting in lieu thereof "such fiscal year"; and by adding at the end of the first sentence thereof the following sentence: "For the fiscal years ending after June 30, 1973, funds allotted to a State for State planning and administration pursuant to section 306 of this Act may be used for the administration of the State plan submitted pursuant to this section, except that wherever the Governor of the State designates an agency other than the agency designated under section 304(a) (1) of this Act, then the Commissioner shall determine that portion of a State's allotment under section 306 which shall be available to the agency designated under section 705 (a) (1) for planning and administration."

CONFORMING AMENDMENT

SEC. 704. (a) The first sentence of section 705(a) of the Older Americans Act of 1965 is amended by striking out "303" the first time it appears in such sentence and inserting in lieu thereof "304" and by striking out "303" the second time it appears in such sentence and inserting in lieu thereof "305".

(b) Section 705(a) (1) of the Older Americans Act of 1965 is amended by striking out "303" and inserting in lieu thereof "304".

(c) Title VII of the Older Americans Act of 1965 is amended by striking out "Secretary" wherever in such title the term refers to the Secretary of Health, Education, and Welfare, and inserting in lieu thereof "Commissioner".

TITLE VIII—AMENDMENTS TO OTHER ACTS

AMENDMENT TO LIBRARY SERVICES AND CONSTRUCTION ACT

SEC. 801. (a) The Library Services and Construction Act (20 U.S.C. 351 et seq.) is amended by adding at the end thereof the following new title:

"TITLE IV—OLDER READERS SERVICES

"GRANTS TO STATES FOR OLDER READERS SERVICES

"SEC. 401. The Commissioner shall carry out a program of making grants to States which have an approved basic State plan under section 6 and have submitted a long-range program and an annual program under section 403 for library services for older persons.

"USES OF FEDERAL FUNDS

"SEC. 402. (a) Funds appropriated pursuant to paragraph (4) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of carrying out the Federal share of the cost of carrying out State plans submitted and approved under section 403. Such grants shall be used for (1) the training of librarians to work with the elderly; (2) the conduct of special library programs for the elderly; (3) the purchase of special library materials for use by the elderly; (4) the payment of salaries for elderly persons who wish to work in libraries as assistants on programs for the elderly; (5) the provision of in-home visits by librarians and other library personnel to the elderly; (6) the establishment of outreach programs to notify the elderly of library services available to them; and (7) the furnishing of transportation to enable the elderly to have access to library services.

"(b) For the purposes of this title, the Federal share shall be 100 per centum of the cost of carrying out the State plan.

"STATE ANNUAL PROGRAM FOR LIBRARY SERVICES FOR THE ELDERLY

"SEC. 403. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for library services for older persons. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation and shall—

"(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (4) of section 4(a) will be used, consistent with its long-range program for the purposes set forth in section 402, and

"(2) include an extension of the long-range program taking into consideration the results of evaluations.

"COORDINATION WITH PROGRAMS FOR OLDER AMERICANS

"SEC. 404. In carrying out the program authorized by this title, the Commissioner shall consult with the Commissioner of the Administration on Aging and the Director of ACTION for the purpose of coordinating where practicable, the programs assisted under this title with the programs assisted under the Older Americans Act of 1965."

(b) Section 4(a) of the Library Services and Construction Act is amended by adding at the end thereof the following new paragraph:

"(4) For the purpose of making grants to States to enable them to carry out public library service programs for older persons authorized by title IV, there are authorized to be appropriated $11,700,000 for the fiscal year ending June 30, 1973, $12,300,000 for the fiscal year ending June 30, 1974, $12,900,000 for the fiscal year ending June 30, 1975, and $13,700,000 for the fiscal year ending June 30, 1976."

(c) (1) Section 5(a) (1) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(2) Section 5(a) (2) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(3) Section 5(a) (3) of such Act is amended by striking out the word "and" at the end of such subparagraph (B) thereof, by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon and the word "and", and by inserting after subparagraph (C) thereof the following:

"(D) with respect to appropriations for the purposes of title IV, $40,000 for each State, except that it shall be $10,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands."

(4) The last sentence of section 5(a) (3) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(5) Section 5(b) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(c) Section 6(a) of such Act is amended

by striking out "and III" and inserting in lieu thereof "III and IV".

(d) (1) Section 7(a) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(2) Section 7(b) (1) of such Act is amended by inserting "and title IV" after "title III".

(e) The amendments made by subsections (a), (b), and (c) of this section shall be effective after June 30, 1972.

AMENDMENT TO NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE ACT

Sec. 802. (a) Section 5(a) (2) of the National Commission on Libraries and Information Science Act is amended by striking out "and" after "areas" and inserting a comma in lieu thereof, and by inserting after "deprived persons," the following: "and of elderly persons,".

(b) The second sentence of section 6(a) (20 U.S.C. 1505(a)) of such Act is amended by inserting before the period at the end thereof the following: ", and at least one other of whom shall be knowledgeable with respect to the library and information service and science needs of the elderly".

AMENDMENT TO HIGHER EDUCATION ACT OF 1965

Sec. 803. Title I of the Higher Education Act of 1965 is amended by redesignating sections 110, 111, 112 (and cross references thereto) as 111, 112, and 113, respectively, and by inserting after section 109 the following new section:

"SPECIAL PROGRAMS AND PROJECTS RELATING TO PROBLEMS OF THE ELDERLY

"Sec. 110. (a) The Commissioner is authorized to make grants to institutions of higher education (and combinations thereof) to assist such institutions in planning, developing, and carrying out, consistent with the purpose of this title, programs specifically designed to apply the resources of higher education to the problems of the elderly, particularly with regard to transportation and housing problems of elderly persons living in rural and isolated areas.

"(b) For purposes of making grants under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1977.

"(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating, where practicable, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965."

AMENDMENT TO ADULT EDUCATION ACT

Sec. 804. (a) The Adult Education Act (20 U.S.C. 1201 et seq.) is amended by redesignating sections 310, 311, and 312 (and cross references thereto) as sections 311, 312, and 313, respectively, and by inserting after section 309 the following new section:

"SPECIAL PROJECTS FOR THE ELDERLY

"Sec. 310. (a) The Commissioner is authorized to make grants to State and local educational agencies or other public or private nonprofit agencies for programs to further the purpose of this Act by providing educational programs for elderly persons whose ability to speak and read the English language is limited and who live in an area with a culture different than their own. Such programs shall be designed to equip such elderly persons to deal successfully with the practical problems in their everyday life, including the making of purchases, meeting their transportation and housing needs, and complying with governmental requirements such as those for obtaining citizenship, public assistance and social security benefits, and housing.

"(b) For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1975.

"(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating where practical, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965."

(b) Section 313(a) of such Act, as redesignated, is amended by inserting before the period at the end thereof the following: "(other than section 310)".

ADDITIONAL AUTHORIZATION FOR SENIOR OPPORTUNITIES AND SERVICES

Sec. 805. In addition to the amounts authorized to be appropriated and allocated pursuant to the Economic Opportunity Amendments of 1972, there is further authorized to be appropriated $7,000,000 annually for the fiscal year ending June 30, 1973, and the succeeding fiscal year, to be used for the Senior Opportunities and Services program described in section 222(a) (7) of the Economic Opportunity Act of 1964.

TITLE IX—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SHORT TITLE

Sec. 901. This title may be cited as the "Older American Community Service Employment Act".

OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM

Sec. 902. (a) In order to foster and promote useful part-time work opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter referred to as the "Secretary") is authorized to establish an older American community service employment program (hereinafter referred to as the "program").

(b) In order to carry out the provisions of this title, the Secretary is authorized—

(1) to enter into agreements with public or private nonprofit agencies or organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or Indian tribes on Federal or State reservations in order to further the purposes and goals of the program. Such agreements may include provisions for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make the program effective or to supplement it. No payment shall be made by the Secretary toward the cost of any project established or administered by any such organization or agency unless he determines that such project—

(A) will provide employment only for eligible individuals, except for necessary technical, administrative, and supervisory personnel, but such personnel shall, to the fullest extent possible, be recruited from among eligible individuals;

(B) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities;

(C) will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations exempt from taxation under the provisions of section 501(c) (3) of the Internal Revenue Code of 1954 (other than political parties), except projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

(D) will contribute to the general welfare of the community;

(E) will provide employment for eligible individuals whose opportunities for other suitable public or private paid employment are poor;

(F) will result in an increase in employment opportunities for eligible individuals, and will not result in the displacement of employed workers or impair existing contracts;

(G) will utilize methods of recruitment and selection (including, but not limited to, listing of job vacancies with the employment agency operated by any State or political subdivision thereof) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project;

(H) will include such training as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including expenses of individuals being trained, including a reasonable subsistence allowance;

(I) will assure that safe and healthy conditions of work will be provided, and will assure that persons employed in public service jobs assisted under this title shall be paid wages which shall not be lower than whichever is the highest of (i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a) (1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (ii) the State or local minimum wage for the most nearly comparable covered employment, or (iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(J) will be established or administered with the advice of persons competent in the field of service in which employment is being provided, and of persons who are knowledgeable with regard to the needs of older persons;

(K) will authorize pay for necessary transportation costs of eligible individuals which may be incurred in employment at any project funded under this title in accordance with regulations promulgated by the Secretary; and

(L) will assure that to the extent feasible such projects will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State;

(2) to make, issue, and amend such regulations as may be necessary to effectively carry out the provisions of this title.

(c) (1) The Secretary is authorized to pay not to exceed 90 per centum of the cost of any project which is the subject of an agreement entered into under subsection (b), except that the Secretary is authorized to pay all of the costs of any such project which is (A) an emergency or disaster project or (B) a project located in an economically depressed area as determined in consultation with the Secretary of Commerce and the Director of the Office of Economic Opportunity.

(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair market value to services and facilities contributed from non-Federal sources.

ADMINISTRATION

Sec. 903. (a) In order to effectively carry out the purposes of this title, the Secretary is authorized to consult with agencies of States and their political subdivisions with regard to—

(1) the localities in which community service projects of the type authorized by this title are most needed;

(2) consideration of the employment situation and the types of skills possessed by available local individuals who are eligible to participate; and

(3) potential projects and the number and percentage of eligible individuals in the local population.

(b) (1) The Secretary is authorized and directed to require agencies and organizations administering community service projects and other activities assisted under this title to coordinate their projects and activities with agencies and organizations conducting related manpower and unemployment programs receiving assistance under this Act and under other authorities such as the Economic Opportunity Act of 1964, the Manpower Development and Training Act of 1962, and the Emergency Employment Act of 1971. In carrying out the provisions of this paragraph, the Secretary is authorized to make necessary arrangements to include projects and activities assisted under this title within a common agreement and a common application with projects assisted under this Act and other provisions of law such as the Economic Opportunity Act of 1964, the Manpower Development and Training Act of 1962, the Emergency Employment Act of 1971.

(2) The Secretary is authorized to make whatever arrangements that are necessary to carry out the programs assisted under this title as part of any general manpower legislation hereafter enacted, except that appropriations for programs assisted under this title may not be expended for programs assisted under that title.

(c) In carrying out the provisions of this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies, and instrumentalities in the use of services, equipment, and facilities.

(d) The Secretary shall establish criteria designed to assure equitable participation in the administration of community service projects by agencies and organizations eligible for payment under section 902(b).

(e) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

(f) The Secretary shall not delegate his functions and duties under this title to any other department or agency of Government.

PARTICIPANTS NOT FEDERAL EMPLOYEES

SEC. 904. (a) Eligible individuals who are employed in any project funded under this title shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

(b) No contract shall be entered into under this title with a contractor who is, or whose employees are, under State law, exempted from operation of the State workmen's compensation law, generally applicable to employees, unless the contractor shall undertake to provide either through insurance by a recognized carrier, or by self-insurance, as allowed by State law, that the persons employed under the contract, shall enjoy workmen's compensation coverage equal to that provided by law for covered employment. The Secretary must establish standards for severance benefits, in lieu of unemployment insurance coverage, for eligible individuals who have participated in qualifying programs and who have become unemployed.

INTERAGENCY COOPERATION

SEC. 905. The Secretary shall consult and cooperate with the Office of Economic Opportunity, the Administration on Aging, the Department of Health, Education, and Welfare, and any other related Federal agency administering related programs, with a view to achieving optimal coordination with such other programs and shall promote the coordination of projects under this title with other public and private programs or projects of a similar nature. Such Federal agencies shall cooperate with the Secretary in disseminating information about the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects funded under this title.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 906. (a) (1) From the sums appropriated for any fiscal year under section 908 there shall be initially allotted for projects within each State an amount which bears the same ratio to such sum as the population, aged fifty-five or over in such State bears to the population aged fifty-five or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made. For the purpose of the exception contained in this paragraph, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) The number of persons aged fifty-five or over in any State and for all States shall be determined by the Secretary on the basis of the most satisfactory data available to him.

(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects within such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

(c) The amount apportioned for projects within each State under subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration the proportion which eligible persons in each such area bears to such total number of such persons, respectively, in that State.

DEFINITIONS

SEC. 907. As used in this title—

(a) "State" means any of the several States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands;

(b) "eligible individual" means an individual who is fifty-five years old or older, who has a low income, and who has or would have difficulty in securing employment, except that pursuant to regulations prescribed by the Secretary any such individual who is sixty years old or older shall have priority for the work opportunities provided for under this Act;

(c) "community service" means social, health, welfare, educational, library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services which are essential and necessary to the community as the Secretary, by regulation, may prescribe.

AUTHORIZATION OF APPROPRIATIONS

SEC. 908. There are hereby authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 for the fiscal year ending June 30, 1975, to carry out the provisions of this title.

Mr. EAGLETON. Mr. President, this bill, S. 50, is very similar to a measure enacted by Congress late last year at the conclusion of the 92d Congress, which bill was pocket vetoed by the President.

I am happy to say that an agreement has now been worked out on this bill between the Senate and the House of Representatives, in consultation with the White House, and it is expected that once the bill passes Congress it will be signed by the President.

The basic difference between the bill I am now proposing and last year's version is that this year the authorizations, in large measure, are open-ended and nonspecific, in contrast with last year's bill, in which the authorization figures were specifically set forth.

Except for that distinction, the substance of the two measures is very close—indeed, almost identical—and the bill meets with my complete satisfaction.

One other major difference is that title X of the bill was dropped by the House, a move in which the Senate ultimately concurred. That was another significant change.

Frankly, Mr. President, except for the deletion of title X these changes are largely cosmetic and I have no difficulty in agreeing to them. I am delighted that almost every program that we included in the bill will now be enacted into law. And I should add that title X was dropped by the House itself prior to our negotiations with the White House.

The only real difference, as I have mentioned, is that some of the dollar authorization figures have been reduced and, in other cases, we have used open-ended authorizations rather than dollar figures.

At the time we enacted this bill on February 20, I stated that I did not seek a confrontation with the President. I have pursued that course in striving to reach this agreement because I think the welfare of 21 million older Americans is much more important than any political gain that could have been obtained from overriding a Presidential veto. And I think this is one veto that could have been overridden.

We have met our responsibilities and the result is a bill containing a number of excellent programs—virtually the same ones we first enacted last October.

The President, I am sure, feels that he has met his responsibilities by obtaining an overall lower authorization figure for the bill. While these figures do not represent real spending unless the funds should actually be appropriated, the President apparently feels that they are of significance in the fight against inflation.

I share with the President the desire to stem the inflationary pressures that our economy has experienced for the last

4 years—as I am sure do all Members of this body. But I believe that we can come up with a total budget that stays within reasonable bounds without impinging upon the welfare of the older persons who have gone before us and to whom we owe so much.

Mr. President, the individuals and organizations who contributed to this bill and whose support was vital to its passage in the Senate are so many that any attempt to enumerate them will undoubtedly result in some inadvertent omissions. To all of them I express the heartfelt thanks of our committee for their work and assistance.

Within the committee itself, I would again like to note that the ranking minority member of our Aging Subcommittee, Senator BEALL, has continued the spirit of cooperation that has characterized our work heretofore. His contributions can be seen throughout the bill and his assistance was vital in achieving the accord we have reached with the President.

Senator WILLIAMS, chairman of the full Labor and Public Welfare Committee and Senator JAVITS, the ranking minority member, have also been of inestimable assistance on shepherding through this vital legislation.

I ask unanimous consent to have printed in the RECORD a summary of the House-Senate compromise amendment, and a list of the authorization figures.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF HOUSE-SENATE COMPROMISE AMENDMENT TO S. 50 RESOLVING DIFFERENCES BETWEEN THE SENATE BILL AND THE HOUSE AMENDMENT

TITLE II

Sec. 201

The compromise amendment provides that the Commissioner shall report to the Office of the Secretary, rather than to the Secretary himself. The provisions respecting nondelegability of the Commissioner's powers are revised so as to require that the Secretary may not approve any delegation of powers assigned to the Commissioner by this Act to officers not directly responsible to the Commissioner unless the Secretary first transmits a plan for such delegation to Congress sixty days prior to the effective date of such delegation and consults with the appropriate committees of Congress within thirty days of such transmittal.

Sec. 205

Sec. 205(i). Compromise amendment retains Senate provision, deleted by the House amendment, directing the Federal Council on Aging to undertake a study of the effects of the allotment formula in Sec. 303 under which funds are distributed to the states. Deadline date for report changed from June 30, 1975, to January 1, 1975.

Compromise amendment further deletes provisions in House amendment requiring a study of the transportation needs of the elderly since similar provisions are contained in Sec. 412.

Sec. 209

Compromise amendment adopts language of the Senate bill with respect to joint funding of projects. Principal differences is that Senate bill, but not the House amendment, authorizes a single non-federal share requirement when a project receives funds from more than one federal agency.

TITLE III

Sec. 303

Compromise amendment contains authorizations for grants to the states in the amounts of $103,600,000 for FY 74 and $130,000,000 for FY 75. Such sums as may be necessary authorized for FY 73.

Sec. 304 and Sec. 305

Sec. 304(a)(1). The compromise amendment retains language contained in the Senate bill, but not in House amendment, authorizing the Commissioner on Aging to prescribe regulations regarding division of states into planning and service areas pursuant to state plan requirements.

Sec. 304(a)(1). Compromise amendment combines provisions of the Senate bill and the House amendment regarding the mandatory designation as planning and service areas of units of government meeting certain population criteria.

Sec. 304(c)(3) and Sec. 305(a)(7). The compromise amendment adopts a modified version of language in the House amendment regarding the requirement that state and area plans provide for the establishment or maintenance of information and referral services for older persons.

Sec. 304(c)(5) and Sec. 305(a)(10). The compromise amendment deletes provisions of the Senate bill requiring state and area plans to specify the disposition of projects funded under the Older Americans Act prior to the enactment of these amendments.

Sec. 306

Sec. 306(a)(1). The compromise amendment incorporates authorization for state planning and administration under Sec. 306 into the authorization for grants to the states under Sec. 303.

Sec. 306(a)(3). The compromise amendment adopts provisions contained in the Senate bill covering the manner in which federal funds may be used for planning and administration in states which designate a single planning and service area covering all or most of the state.

Sec. 306(b)(1). The compromise amendment provides that no state shall receive less than $160,000 under the allotment formula for state planning and administration. The comparable Senate and House figures are $150,000 and $200,000 respectively.

Sec. 307

Agreed amendment adopts language of the Senate bill placing a one year limitation on the period during which the Commissioner may make payments to states which do not have an approved state plan.

Sec. 308

Sec. 308(a)(2). The compromise amendment deletes the provisions in both the Senate and the House versions directing that special consideration be given in making model project grants to projects involving transportation project authority provided in Sec. 412.

Sec. 308(a)(3). The compromise amendment also deletes the model project designation for community service employment projects for older persons in view of the provisions of Title IX authorizing the Department of Labor to conduct such projects.

TITLE IV

Sec. 412

Provisions contained in the Senate bill, but not in the House amendment, relating to special research and demonstration projects in transportation adopted in the compromise amendment.

TITLE V

Sec. 501–507

Sec. 501. The compromise amendment adopts the Senate language authorizing grants and contracts for acquisition, alteration, or renovation of multi-purpose senior centers, but not for the construction of such centers as provided in the House amendment. The agreed amendment also authorizes mortgage insurance and interest subsidies for such projects. The agreed amendment further adopt the language of the House amendment defining "multi-purpose senior centers."

TITLE VI

Sec. 604

Compromise amendment adopts the authorization structure provided in the Senate bill which requires that initial funds appropriated, up to stated levels, must be used for the existing Foster Grandparents program, with a modification providing that any carryover balances may be applied to such requirement. Authorization figures reduced as indicated in the following table.

TITLE VIII

Sec. 802

Technical matter. The compromise amendment adopts the House rather than the Senate language for amending the National Commission on Libraries and Information Sciences Act.

TITLE IX

Sec. 908

The compromise amendment provides authorization of $60 million for FY 74 and $100 million for FY 75, a total reduction of $90 million less than the Senate bill and a total increase of $10 million more than the House amendment.

TITLE X

The compromise amendment deletes all of Title X for a total reduction of $100 million from the Senate bill.

Authorization figures

In lieu of the authorization figures contained in the House and Senate bills, there is substituted an authorization for such sums as may be necessary in all titles except portions of Title III, Title VI, and Title IX. The attached table illustrates these figures.

S. 50—AUTHORIZATIONS

Title and fiscal year	House	Compromise figures	Senate
Title II:			
National information and resource clearinghouse:			
1973	$750,000	(1)	$750,000
1974	1,000,000	(1)	1,000,000
1975	1,250,000	(1)	1,250,000
Administration of the act[1]			
Title III:			
Area planning and social service:			
1973	$85,000,000	(1)	$100,000,000
1974	150,000,000	$103,600,000	150,000,000
1975	200,000,000	130,000,000	200,000,000

Footnotes at end of table.

S. 50—AUTHORIZATIONS—Continued

Title and fiscal year	House	Compromise figures	Senate
Title III—Continued			
Planning, coordination, evaluation, and administration of State plan:			
1973	$20,000,000	(2)	$20,000,000
1974	20,000,000	(2)	20,000,000
1975	20,000,000	(2)	20,000,000
Model projects:			
1973	40,000,000	(1)	20,000,000
1974	75,000,000	(1)	25,000,000
1975	100,000,000	(1)	30,000,000
Title IV:			
Training:			
1973	11,000,000	(1)	10,000,000
1974	15,000,000	(1)	15,000,000
1975	20,000,000	(1)	20,000,000
Research:			
1973	15,000,000	(1)	15,000,000
1974	25,000,000	(1)	20,000,000
1975	30,000,000	(1)	25,000,000
Special transportation R. & D.:			
1973		(1)	7,500,000
1974		(1)	15,000,000
1975		(1)	20,000,000
Title V:			
Multipurpose senior centers:			
1973	10,000,000	(1)	10,000,000
1974	15,000,000	(1)	15,000,000
1975	20,000,000	(1)	20,000,000
Loan insurance for centers[1]			
Annual interest grants:			
1973	1,000,000	(1)	1,000,000
1974	3,000,000	(1)	3,000,000
1975	5,000,000	(1)	5,000,000
Personnel staffing grants:			
1973	10,000,000	(1)	10,000,000
1974	10,000,000	(1)	10,000,000
1975	10,000,000	(1)	10,000,000
Title VI:			
RSVP:			
1973	20,000,000	$15,000,000	20,000,000
1974	30,000,000	17,500,000	30,000,000
1975	40,000,000	20,000,000	40,000,000
Foster grandparents and other senior volunteer programs:			
1973	$41,000,000	$25,000,000	$41,000,000
1974	52,000,000	32,500,000	52,000,000
1975	63,000,000	40,000,000	63,000,000
Title VII:			
Nutrition Program, authorized in Public Law 92-258			
Title VIII:			
Older Readers Services:			
1973	11,700,000	(1)	11,700,000
1974	12,900,000	(1)	12,300,000
1975	12,000,000	(1)	12,900,000
1976	13,700,000	(1)	13,700,000
Special programs (title I, Higher Education Act:			
1973	5,000,000	(1)	5,000,000
1974	5,000,000	(1)	5,000,000
1975	5,000,000	(1)	5,000,000
1976	5,000,000	(1)	5,000,000
1977	5,000,000	(1)	5,000,000
Senior opportunities and services:			
1973	7,000,000	(1)	7,000,000
1974	7,000,000	(1)	7,000,000
1975			
Title IX:			
Community service employment:			
1973			100,000,000
1974	50,000,000	60,000,000	150,000,000
1975	100,000,000	100,000,000	
Title X:			
Middle-aged and older workers training:			
1973		(3)	
1974		(3)	150,000,000
1975		(3)	
Fiscal year totals:			
1973	277,450,000	40,000,000	378,950,000
1974	470,300,000	213,600,000	680,300,000
1975	627,150,000	290,000,000	472,150,000
1976	18,700,000		18,700,000
1977	5,000,000		5,000,000
Cumulative totals	1,398,600,000	543,600,000	1,555,100,000

[1] Such sums as may be necessary.

[2] Included in figures for area planning and social services.

[3] Deleted.

Mr. EAGLETON. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, we face the classic issue all the time of whether the whole is greater than the parts. Like the Senator from Missouri, who has taken a very fine leadership role in this measure, and like the Senator from Maryland (Mr. BEALL), the ranking minority member on this particular subcommittee, I deplore what we had to yield, especially in these authorizations and the necessity for dropping a title of the bill, but it is still of tremendous benefit to older Americans to have this measure become law instead of an issue being argued in Congress.

Therefore, having studied it and having had my staff study it, with the concurrence of the Senator from Maryland, I, too, recommend to the Senate that the agreement which has been reached with the White House now be consummated by appropriate action.

Mr. President, most older Americans seek from the Government only that which they cannot obtain for themselves. They want to be treated as full citizens and welcomed as participants in the mainstream of American life. S. 50 as amended is a salutory effort to restore first class citizenship to all older Americans. By strengthening the Older Americans Act and providing more adequate support for ongoing and future programs under the act, we will have made a great stride forward to assure that quality of life that we owe to our elderly citizens.

Mr. EAGLETON. I thank the Senator from New York. I wish to underscore and reiterate the fact that virtually every program of this bill, the one we are currently working on, was contained in last year's bill which the President vetoed, with the single major exception of title X. That is the only substantive distinction between last year's vetoed bill, which we have been assured will not be vetoed.

Mr. President, I move that the Senate concur in the amendment of the House of Representatives with an amendment, which I send to the desk.

The PRESIDING OFFICER. Without objection, the amendment will not be stated but, instead, printed in the RECORD.

The amendment reads as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment, insert:

Resolved, That the Senate agree to the amendment of the House of Representatives to the bill (S. 50) entitled "An Act to strengthen and improve the Older Americans Act of 1965, and for other purposes", with the following

SENATE AMENDMENT TO HOUSE AMENDMENT

In lieu of the matter proposed to be inserted by the House engrossed amendment insert:

That this Act may be cited as the "Older Americans Comprehensive Services Amendments of 1973".

TITLE I—DECLARATION OF OBJECTIVES

FINDINGS AND PURPOSES

SEC. 101. The Congress finds that millions of older citizens in this Nation are suffering unnecessary harm from the lack of adequate services. It is therefore the purpose of this Act, in support of the objectives of the Older Americans Act of 1965, to—

(1) make available comprehensive programs which include a full range of health, education, and social services to our older citizens who need them,

(2) give full and special consideration to older citizens with special needs in planning such programs, and, pending the availability of such programs for all older citizens, give priority to the elderly with the greatest economic and social need.

(3) provide comprehensive programs which will assure the coordinated delivery of a full range of essential services to our older citizens, and, where applicable, also furnish meaningful employment opportunities for many individuals, including older persons, young persons, and volunteers from the community, and

(4) insure that the planning and operation of such programs will be undertaken as a partnership of older citizens, community agencies, and State and local governments, with appropriate assistance from the Federal Government.

SEC. 102. Section 101(8) of the Older Americans Act of 1965 is amended by inserting after "services" the following: ", including access to low-cost transportation,".

TITLE II—ADMINISTRATION ON AGING

SEC. 201. (a) Section 201 of the Older Americans Act of 1965 is amended to read as follows:

"ESTABLISHMENT OF ADMINISTRATION ON AGING

"SEC. 201. (a) There is established in the Office of the Secretary an Administration on Aging (hereinafter in this Act referred to as the 'Administrator') which shall be headed by a Commissioner on Aging (hereinafter in this Act referred to as the 'Commissioner'). Except for title VI and as otherwise specifically provided by the Older Americans Comprehensive Services Amendments of 1973 the Administration shall be the principal agency for carrying out this Act. In the performance of his functions, the Commissioner shall be directly responsible to the Office of the Secretary. The Secretary shall not approve any delegation of the functions of the Commissioner to any other officer not directly responsible to the Commissioner unless the Secretary shall first submit a plan for such delegation to the Congress. Such delegation is effective at the end of the first period of sixty calendar days of continuous session of Congress after the date on which the plan for such delegation is transmitted to it: *Provided, however*, That within thirty days of such transmittal, the Secretary shall consult with the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives respecting such delegation. For the purpose of this section, continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day and sixty-day periods. Under provisions contained in a reorganization plan, a provision of the plan may be effective.

"(b) The Commissioner shall be appointed by the President by and with the advice and consent of the Senate."

(b) (1) Section 202(4) of the Older Americans Act of 1965 is amended to read as follows:

"(4) develop plans, conduct and arrange for research in the field of aging, and assist in the establishment of and carry out programs designed to meet the needs of older persons for social services, including nutrition, hospitalization, preretirement training, continuing education, low-cost transportation and housing, and health services;"

(2) Section 202 of the Older Americans Act of 1956 is amended by striking out "and" at the end of paragraph (7), by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraphs:

"(9) develop basic policies and set priorities with respect to the development and operation of programs and activities conducted under authority of this Act;

"(10) provide for the coordination of Federal programs and activities related to such purposes;

"(11) coordinate, and assist in, the planning and development by public (including Federal, State, and local agencies) and nonprofit private organizations of programs for older persons, wtih a view to the establishment of a nationwide network of comprehensive, coordinated services and opportunities for such persons;

"(12) convene conferences of such authorities and officials of public (including Federal, State, and local agencies) and nonprofit private organizations concerned with the development and operation of programs for older persons as the Commissioner deems necessary or proper for the development and implementation of policies related to the purposes of this Act;

"(13) develop and operate programs providing services and opportunities as authorized by this Act which are not otherwise provided by existing programs for older persons;

"(14) carry on a continuing evaluation of the programs and activities related to the purposes of this Act, with particular attention to the impact of medicare and medicaid, the Age Discrimination Act of 1967, and the programs of the National Housing Act relating to housing for the elderly and the setting of standards for the licensing of nursing homes, intermediate care homes, and other facilities providing care for older people;

"(15) provide information and assistance to private nonprofit organizations for the establishment and operation by them of programs and activities related to the purposes of this Act; and

"(16) develop, in coordination with other agencies, a national plan for meeting the needs for trained personnel in the field of aging, and for training persons for carrying out programs related to the purposes of this Act, and conduct and provide for the conducting of such training."

(3) Section 202 of the Act (as amended by the preceding provisions of this subsection) is further amended by inserting "(a)" after "Sec. 202.", and by adding at the end thereof the following new subsection:

"(b) In executing his duties and functions under this Act and carrying out the programs and activities provided for by this Act, the Commissioner, in consultation with the Director of Action, shall take all possible steps to encourage and permit voluntary groups active in social services, including youth organizations active at the high school or college levels, to participate and be involved individually or through representative groups in such programs or activities to the maximum extent feasible, through the performance of advisory or consultative functions, and in other appropriate ways."

(c) Title II of the Older Americans Act of 1965 is further amended by adding at the end thereof the following new sections:

"FEDERAL AGENCY COOPERATION

SEC. 203. Federal agencies proposing to establish programs substantially related to the purposes of this Act shall consult with the Administration on Aging prior to the establishment of such services, and Federal agencies administering such programs shall cooperate with the Administration on Aging in carrying out such services.

"THE NATIONAL INFORMATION AND RESOURCE CLEARING HOUSE FOR THE AGING

"SEC. 204. (a) The Commissioner is authorized and directed to establish and operate a National Information and Resource Clearing House for the Aging which shall—

"(1) collect, analyze, prepare, and disseminate information related to the needs and interests of older persons;

"(2) obtain information concerning older persons from public and private agencies and other organizations serving the needs and interests of older persons and furnish, upon request, information to such agencies and organizations, including information developed by Federal, State, and local public agencies with respect to programs of such agencies designed to serve the needs and interests of older persons;

"(3) encourage the establishment of State and local information centers and provide technical assistance to such centers, including sources established under section 304 (c)(3) and section 305 (a)(7), to assist older persons to have ready access to information; and

"(4) carry out a special program for the collection and dissemination of information relevant to consumer interests of older persons in order that such older persons may more readily obtain information concerning goods and services needed by them.

"(b) The Commissioner shall take whatever action is encessary to achieve coordination of activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to the collection, preparation, and dissemination of information relevant to older persons. To the extent practicable, the Commissioner shall carry out his functions under this subsection through the National Information and Resource Clearing House for the Aging.

"(c) There are authorized to be appropriated to carry out the purposes of this section during the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and $1,250,000 for the fiscal year ending June 30, 1975 such sums as may be necessary.

"FEDERAL COUNCIL ON THE AGING

"SEC. 205. (a) There is established a Federal Council on the Aging to be composed of fifteen members appointed by the President with the advice and consent of the Senate for terms of three years without regard to the provisions of title 5, United States Code. Members shall be appointed so as to be representative of older Americans, national organizations with an interest in aging, business, labor, and the general public. At least five of the members shall themselves be older persons.

"(b)(1) Of the members first appointed, five shall be appointed for a term of one year, five shall be appointed for a term of two years, and five shall be appointed for a term of three years, as designated by the President at the time of appointment.

"(2) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office.

"(3) Any vacancy in the Council shall not affect its powers, but shall be filled in the same manner by which the original appointment was made.

"(4) Members of the Council shall, while serving on business of the Council, be entitled to receive compensation at a rate not to exceed the daily rate specified for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

"(c) The President shall designate the Chairman from among the members appointed to the Council. The Council shall meet at the call of the Chairman but not less often than four times a year. The Secretary and the Commissioner on Aging shall be ex officio members of the Council.

"(d) The Council shall—

"(1) advise and assist the President on matters relating to the special needs of older Americans;

"(2) assist the Commissioner in making the appraisal of needs required by section 402;

"(3) review and evaluate, on a continuing basis, Federal policies regarding the aging and programs and other activities affecting the aging conducted or assisted by all Federal departments and agencies for the purpose of appraising their value and their impact on the lives of older Americans; and

"(4) serve as a spokesman on behalf of older Americans by making recommendations to the President, to the Secretary, the Commissioner, and to the Congress with respect to Federal policies regarding the aging and federally conducted or assisted programs and other activities relating to or affecting them;

"(5) inform the public about the problems and needs of the aging, in consultation with the National Information and Resource Clearing House for the Aging, by collecting and disseminating information, conducting or commissioning studies and publishing the results thereof, and by issuing publications and reports; and

"(6) provide public forums for discussing and publicizing the problems and needs of the aging and obtaining information relating thereto by conducting public hearings, and by conducting or sponsoring conferences, workshops, and other such meetings.

"(e) The Secretary and the Commissioner shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities.

"(f) Beginning with the year 1974 the Council shall make such interim reports as it deems advisable and an annual report of its findings and recommendations to the President not later than March 31 of each year. The President shall transmit each such report to the Congress together with his comments and recommendations.

"(g) The Council shall undertake a study of the interrelationships of benefit programs for the elderly operated by Federal, State, and local government agencies. Following the completion of this study, but no later than eighteen months after enactment of this Act, the President shall submit to Congress recommendations for bringing about greater uniformity of eligibility standards, and for eliminating the negative impact that one program's standards may have on another.

"(h) The Council shall undertake a study of the combined impact of all taxes on the elderly—including but not limited to income, property, sales, social security taxes. Upon completion of this study, but no later than eighteen months after enactment of this Act, the President shall submit to Congress, and to the Governor and legislatures of the States, the results thereof and such recommendations as he deems necessary.

"(i) The Council shall undertake a study or studies concerning the effects of the formulae specified in section 303 for allotment among the States of sums appropriated for area planning and social service programs authorized under title III of this Act. Upon completion of this study, but no later than January 1, 1975, the results of such study, together with recommendations for such changes, if any, in such formulae as may be determined to be desirable, and the justification for any changes recommended, shall be submitted to the Commissioner, the Secretary of Health, Education, and Welfare, the Committee on Labor and Public Welfare of the Senate, and the Committee on Education and Labor of the House of Representatives.

"ADMINISTRATION OF THE ACT

"Sec. 206. (a) In carrying out the purposes of this Act, the Commissioner is authorized to:

"(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations;

"(2) provide short-term training and technical instruction;

"(3) conduct research and demonstrations;

"(4) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this Act; and

"(5) provide staff and other technical assistance to the Federal Council on the Aging.

"(b) In administering his functions under this Act, the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organization, in accordance with agreements between the Commissioner and the head thereof, and is authorized to pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

"(c) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

"EVALUATION

"Sec. 207. (a) The Secretary shall measure and evaluate the impact of all programs authorized by this Act, their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

"(b) The Secretary may not make grants or contracts under section 308 or title IV of this Act until he has developed and published general standards to be used by him in evaluating the programs and projects assisted under such section or title. Results of evaluations, conducted pursuant to such standards shall be included in the reports required by section 208.

"(c) In carrying out evaluations under this section, the Secretary shall, whenever possible, arrange to obtain the opinions of program and project participant about the strengths and weaknesses of the programs and projects.

"(d) The Secretary shall annually publish summaries of the results of evaluative research and evaluation of program and project impact and effectiveness, the full contents of which shall be available to Congress and the public.

"(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

"(f) Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this section shall be made available to him, upon request, by the departments and agencies of the executive branch.

"(g) The Secretary is authorized to use such sums as may be required, but not to exceed 1 per centum of the funds appropriated under this Act, or $1,000,000 whichever is greater, to conduct program and project evaluations (directly, or by grants or contracts) as required by this title. In the case of allotments from such an appropriation, the amount available for such allotments (and the amount deemed appropriated therefor) shall be reduced accordingly.

"REPORTS

"Sec. 208. Not later than one hundred and twenty days after the close of each fiscal year, the Commissioner shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include statistical data reflecting services and activities provided individuals during the preceding fiscal year.

"JOINT FUNDING OF PROJECTS

"Sec. 209. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to any agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

"ADVANCE FUNDING

"Sec. 210. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

"(b) In order to effect a transition to the advance funding method of timing appropriation action, the amendment made by subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the suceeding fiscal year."

Sec. 202. Title VIII of the Older Americans Act of 1965 is hereby repealed.

TITLE III—GRANTS FOR STATE AND AREA PROGRAMS

Sec. 301. The Older Americans Act of 1965 is amended by striking out title III and inserting in lieu thereof the following new title:

"TITLE III—GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

"PURPOSE

"Sec. 301. It is the purpose of this title to encourage and assist State and local agencies to concentrate resources in order to develop greater capacity and foster the development of comprehensive and coordinated service systems to serve older persons by entering into new cooperative arrangements with each other and with providers of social services for planning for the provision of, and providing, social services and, where necessary, to reorganize or reassign functions, in order to—

"(1) secure and maintain maximum independence and dignity in a home environment for older persons capable of self-care with appropriate supportive services; and

"(2) remove individual and social barriers to economic and personal independence for older persons.

"DEFINITIONS

"Sec. 302. For purposes of this title—

"(1) The term 'social services' means any of the following services which meet such standards as the Commissioner may prescribe:

"(A) health, continuing education, welfare, informational, recreational, homemaker, counseling, or referral services;

"(B) transportation services where necessary to facilitate access to social services;

"(C) services designed to encourage and assist older persons to use the facilities and services available to them;

"(D) services designed to assist older persons to obtain adequate housing;

"(E) services designed to assist older persons in avoiding institutionalization, including preinstitutionalization evaluation and screening, and home health services; or

"(F) any other services;

if such services are necessary for the general welfare of older persons.

"(2) The term 'unit of general purpose local government' means (A) a political subdivision of the State whose authority is broad and general and is not limited to only one function or a combination of related functions, or (B) an Indian tribal organization.

"(3) The term 'comprehensive and coordinated system' means a system for providing all necessary social services in a manner designed to—

"(A) facilitate accessibility to and utilization of all social services provided within the geographic area served by such system by any public or private agency or organization;

"(B) develop and make the most efficient use of social services in meeting the needs of older persons; and

"(C) use available resources efficiently and with a minimum of duplication.

"AREA PLANNING AND SOCIAL SERVICE PROGRAMS

"Sec. 303. (a) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, $103,600,000 for the fiscal year ending June 30, 1974, and $130,000,000 for the fiscal year ending June 30, 1975, to enable the Commissioner to make grants to each State with a State plan approved under section 305 (except as provided in section 307(a)) for paying part of the cost (pursuant to subsection (e) of this section and section 306) of—

"(1) the administration of area plans by area agencies on aging designated pursuant to section 304(a)(2)(A), including the preparation of area plans on aging consistent with section 304(c) and the evaluation of activities carried out under such plans;

"(2) the development of comprehensive and coordinated systems for the delivery of social services; and

"(3) activities carried out pursuant to section 306.

"(b)(1) From the sums authorized to be appropriated for the fiscal year ending June 30, 1973, under subsection (a) of this section, (A) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of such sum, (B) each other State shall be allotted an amount equal to one-half of 1 per centum of such sum, and (C) from the remainder of the sum so appropriated, each State shall be allotted an additional amount which bears the same ratio to such remainder as the population aged sixty or over in such State bears to the population aged sixty or over in all States.

"(2) From the sums appropriated for the fiscal year ending June 30, 1974, and for the fiscal year ending June 30, 1975, each State shall be allotted an amount which bears the same ratio to such sum as the population aged sixty or over in such State bears to the population aged sixty or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted no less than one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (C) no State shall be allotted an amount less than that State received for the fiscal year ending June 30, 1973. For the purpose of the exception contained in clause (A) of this paragraph only, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(3) The number of persons aged sixty or over in any State and in all States shall be determined by the Commissioner on the basis of the most recent and satisfactory data available to him.

"(c) Whenever the Commissioner determines that any amount allotted to a State for a fiscal year under this section will not be used by such State for carrying out the purpose for which the allotment was made, he shall make such amount available for carrying out such purpose to one or more other States to the extent he determines such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from an appropriation for a fiscal year pursuant to the preceding sentence shall, for purposes of this title, be regarded as part of such State's allotment (as determined under the preceding provisions of this section) for such year.

"(d) The allotment of a State under this section for the fiscal year ending June 30, 1973, shall remain available until the close of the following fiscal year.

"(c) From a State's allotment under this section for a fiscal year—

"(1) such amount as the State agency determines, but not more than 15 per centum thereof, shall be available for paying such percentage as such agency determines, but not more than 75 per centum, of the cost of administration of area plans; and

"(2) such amount as the State agency determines, but (beginning with the fiscal year ending June 30, 1975) not more than 20 per centum thereof, shall be available for paying such percentage as such agency determines, but not more than 75 per centum, of the cost of social services which are not provided as a part of a comprehensive and coordinated system in planning and service areas for which there is an area plan approved by the State agency.

The remainder of such allotment shall be available to such State only for paying such percentage as the State agency determines, but not more than 90 per centum of the cost of social services provided in the State as a part of comprehensive and coordinated systems in planning and service areas for which there is an area plan approved by the State agency.

"ORGANIZATION

"State Organization

"SEC. 304. (a) In order for a State to be eligible to participate in the programs of grants to States from allotments under section 303 and section 306—

"(1) the State shall, in accordance with regulations of the Commissioner, designate a State agency as the sole State agency (hereinafter in this title referred to as 'the State agency') to: (A) develop the State plan to be submitted to the Commissioner for approval under section 305, (B) administer the State plan within such State, (C) be primarily responsible for the coordination of all State activities related to the purposes of this Act, (D) review and comment on, at the request of any Federal department or agency, any application from any agency or organization within such State to such Federal department or agency for assistance related to meeting the needs of older persons; and (E) divide the entire State into distinct areas (hereinafter in this title referred to as 'planning and service areas'), in accordance with regulations of the Commissioner, after considering the geographical distribution of individuals aged sixty and older in the State, the incidence of the need for social services (including the numbers of older persons with low incomes residing in such areas), the distribution of resources available to provide such services, the boundaries of existing areas within the State which were drawn for the planning or administration of social services programs, the location of units of general purpose local government within the State, and any other relevant factors: *Provided*, That any unit of general purpose local government which has a population aged sixty or over of fifty thousand or more or which contains 15 per centum or more of the State's population aged sixty or over shall be designated as a planning and service area; except that the State may designate as a planning and service area, any region within the State recognized for purposes of areawide planning which includes one or more such units of general purpose local government when the State determines that the designation of such a regional planning and service area is necessary for, and will enhance, the effective administration of the programs authorized by this title; the State may include in any planning and service area designated pursuant to this provision such additional areas adjacent to the unit of general purpose local government or region so designated as the State determines to be necessary for, and will enhance, the effective administration of the programs authorized by this title; and

"(2) the State agency designated pursuant to paragraph (1) shall—

"(A) determine for which planning and service areas an area plan will be developed, in accordance with subsection (c) of this section, and for each such area designate, after consideration of the views offered by the unit or units of general purpose local government in such area, a public or nonprofit private agency or organization as the area agency on aging for such area; and

"(B) provide assurances, satisfactory to the Commissioner that the State agency will take into account, in connection with matters of general policy arising in the development and administration of the State plan for any fiscal year, the views of recipients of social services provided under such plan.

"Area organization

"(b) An area agency on aging designated under subsection (a) must be—

"(1) an established office of aging which is operating within a planning and service area designated pursuant to subsection (a) of this section, or

"(2) any office or agency of a unit of general purpose local government, which is designated for this purpose by the chief elected official or officials of such unit, or

"(3) any office or agency designated by the chief elected official or officials of a combination of units of general purpose local government to act on behalf of such combination for this purpose, or

"(4) any public or nonprofit private agency in a planning and service area which is under the supervision or direction for this purpose of the designated State agency and which can engage in the planning or provision of a broad range of social services within such planning and service area,

and must provide assurance, found adequate by the State agency, that it will have the ability to develop an area plan and to carry out, directly or through contractual or other arrangements, a program pursuant to the plan within the planning and service area. In designating an area agency on aging, the State agency shall give preference to an established office on aging, unless the State agency finds that no such office within the planning and service area will have the capacity to carry out the area plan.

"Area plans

"(c) In order to be approved by the State agency, an area plan for a planning and service area shall be developed by the area agency on aging designated with respect to such area under subsection (a) and shall—

"(1) provide for the establishment of a comprehensive and coordinated system for the delivery of social services within the planning and service area covered by the plan, including determining the need for social services in such area (taking into consideration, among other things, the numbers of older persons with low incomes residing in such area), evaluating the effectiveness of the use of resources in meeting such need, and entering into agreements with providers of social services in such area, for the provision of such services to meet such need;

"(2) in accordance with criteria established by the Commissioner by regulation relating to priorities, provide for the initiation, expansion, or improvement of social services in the planning and service area covered by the area plan;

"(3) provide for the establishment or maintenance of information and referral sources in sufficient numbers to assure that all older persons within the planning and service area covered by the plan will have reasonably convenient access to such sources. For purposes of this section and section 305(a)(7), an information and referral source is a location where the State or other public or private agency or organization (A) maintains current information with respect to the opportunities and services available to older persons, and develops current lists of older persons in need of services and opportunities, and (B) employs a specially trained staff to inform older persons of the opportunities and services which are available, and assists such persons to take advantage of such opportunities and services; and

"(4) provide that the area agency on aging will—

"(A) conduct periodic evaluations of activities carried out pursuant to the area plan;

"(B) render appropriate technical assistance to providers of social services in the planning and service area covered by the area plan;

"(C) where necessary and feasible, enter into arrangements, consistent with the provisions of the area plan, under which funds under this title may be used to provide legal services to older persons in the planning and service area carried out through federally assisted programs or other public or nonprofit agencies;

"(D) taken into account, in connection with matters of general policy arising in the development and administration of the area plan, the views of recipients of services under such plan;

"(E) where possible, enter into arrangements with organizations providing day care services for children so as to provide opportunities for older persons to aid or assist, on a voluntary basis, in the delivery of such services to children; and

"(F) establish an advisory council, consisting of representatives of the target population and the general public, to advise the area agency on all matters relating to the administration of the plan and operations conducted thereunder.

"STATE PLANS

"SEC. 305. (a) In order for a State to be eligible for grants for a fiscal year from its allotments under section 303 and section 306, except as provided in section 307(a), it shall submit to the Commissioner a State plan for such year which meets such criteria as the Commissioner may prescribe by regulation and which—

"(1) provides that the State agency will evaluate the need for social services within the State and determine the extent to which existing public or private programs meet such need;

"(2) provides for the use of such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Commissioner shall exercise no authority with respect to the selection, tenure of office, or compensation of an individual employed in accordance with such methods) as are necessary for the proper and efficient administration of the plan;

"(3) provides that the State agency will make such reports, in such form, and containing such information, as the Commissioner may from time to time require, and comply with such requirements as the Commissioner may impose to assure the correctness of such reports;

"(4) provides that the State agency will conduct periodic evaluations of activities and projects carried out under the State plan;

"(5) establishes objectives, consistent with the purposes of this title, toward which activities under the plan will be directed, identifies obstacles to the attainment of those objectives, and indicates how it proposes to overcome those obstacles;

"(6) provides that each area agency on aging designated pursuant to section 304(a) (2) (A) will develop and submit to the State agency for approval an area plan which complies with section 304(c);

"(7) provides for establishing or maintaining information and referral sources in sufficient numbers to assure that all older persons in the State who are not furnished adequate information and referral sources under section 304(c) (3) will have reasonably convenient access to such sources;

"(8) provides that no social service will be directly provided by the State agency or an area agency on aging, except where, in the judgment of the State agency, provision of such service by the State agency or an area agency on aging is necessary to assure an adequate supply of such service; and

"(9) provides that, subject to the requirements of merit employment systems of State and local governments preference shall be given to persons aged sixty or over for any staff positions (full time or part time) in State and area agencies for which such persons qualify.

"(b) The Commissioner shall approve any State plan which he finds fulfills the requirements of subsection (a) of this section.

"(c) The Commissioner shall not make a final determination disapproving any State plan, or any modification thereof, or make a final determination that a State is ineligible under section 304, without first affording the State reasonable notice and opportunity for a hearing.

"(d) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency, finds that—

"(1) the State is not eligible under section 304,

"(2) the State plan has been so changed that it no longer complies with the provisions of subsection (a), or

"(3) in the administration of the plan there is a failure to comply substantially with any such provision of subsection (a), the Commissioner shall notify such State agency that no further payments from its allotments under section 303 and section 306 will be made to the State (or, in his discretion, that further payments to the State will be limited to projects under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments shall be made to such State from its allotments under section 303 and section 306 (or payments shall be limited to projects under or portions of the State plan not affected by such failure). The Commissioner shall, in accordance with regulations he shall prescribe, disburse the funds so withheld directly to any public or nonprofit private organization or agency or political subdivision of such State submitting an approved plan in accordance with the provisions of section 304 and section 306. Any such payment or payments shall be matched in the proportions specified in sections 303 and 306.

"(e) A State which is dissatisfied with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Commissioner may modify or set aside his order. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioners' action.

"PLANNING, COORDINATION, EVALUATION, AND ADMINISTRATION OF STATE PLANS

"SEC. 306(a) (1) Amounts appropriated as authorized by section 303 may be used to make grants to States for paying such percentages as each State agency determines, but not more than 75 per centum, of the cost of the administration of its State plan, including the preparation of the State plan, the evaluation of activities carried out under such plan, the collection of data and the carrying out of analyses related to the need for social services within the State, the dissemination of information so obtained, the provision of short-term training to personnel of public or nonprofit private agencies and organizations engaged in the operation of programs authorized by this Act, and the carrying out of demonstration projects of statewide significance relating to the initiation, expansion, or improvement of social service.

"(2) Any sums allotted to a State under this section for covering part of the cost of the administration of its State plan which the State determines is not needed for such purpose may be used by such State to supplement the amount available under section 303(e) (1) to cover part of the cost of the administration of area plans.

"(3) Any State which has designated a single planning and service area pursuant to section 304(a) (1) (E) covering all, or substantially all, of the older persons in such State, as determined by the Commissioner, may elect to pay part of the costs of the administration of State and area plans either out of sums allotted under this section or out of sums made available for the administration of area plans pursuant to section 303(e) (1), but shall not pay such costs out of sums allotted under both such sections.

"(b) (1) From the sums appropriated for any fiscal year under Section 303 for carrying out the purposes of this section, each State shall be allotted an amount which bears the same ratio to such sum as the population aged sixty or over in such State bears to the population aged sixty or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $160,000, whichever is greater, and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted no less than one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $50,000, whichever is greater. For the purpose of the exception contained in clause (A) of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) The number of persons aged sixty or over in any State and in all States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

"(c) The amounts of any State's allotment under subsection (b) for any fiscal year which the Commissioner determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (b) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced.

Such reallotments shall be made on the basis of the State plan so approved, after taking into consideration the population aged sixty or over. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (b) for that year.

"(d) The allotment of a State under this section for the fiscal year ending June 30, 1973, shall remain available until the close of the following fiscal year.

"PAYMENTS

"Sec. 307. (a) Payments of grants or contracts under this title may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments, as the Commissioner may determine. From a State's allotment for a fiscal year which is available pursuant to section 306 the Commissioner may pay to a State which does not have a State plan approved under section 305 such amounts as he deems appropriate for the purpose of assisting such State in developing a State plan. From a State's allotment for a fiscal year which is available pursuant to section 303, the Commissioner may, during the period ending one year after the date of enactment of the Older Americans Comprehensive Services Amendments, pay, in accordance with such regulations as he may prescribe, to a State which does not have a State plan approved under section 305, such amounts as he deems appropriate for the purpose of continuing Federal financial assistance for activities assisted under the plan of such State approved under section 303 of this Act prior to enactment of the Older Americans Comprehensive Services Amendments.

"(b) Beginning with the fiscal year ending June 30, 1975, not less than 25 per centum of the non-Federal share (pursuant to section 303(e)) of the total expenditures under the State plan shall be met from funds from State or local public sources.

"(c) A State's allotment under section 303 for a fiscal year shall be reduced by the percentage (if any) by which its expenditures for such year from State sources under its State plan approved under section 305 are less than its expenditures from such sources for the preceding fiscal year.

"MODEL PROJECTS

"Sec. 308. (a) The Commissioner may, after consultation with the State agency, make grants to any public or nonprofit private agency or organization or contracts with any agency or organization within such State for paying part or all of the cost of developing or operating statewide, regional, metropolitan area, county, city, or community model projects which will expand or improve social services or otherwise promote the well-being of older persons. In making grants and contracts under this section, the Commissioner shall give special consideration to projects designed to—

"(1) assist in meeting the special housing needs of older persons by (A) providing financial assistance to such persons, who own their own homes, necessary to enable them to make the repairs and renovations to their homes which are necessary for them to meet minimum standards, (B) studying and demonstrating methods of adapting existing housing, or construction of new housing, to meet the needs of older persons suffering from physical disabilities, and (C) demonstrating alternative methods of relieving older persons of the burden of real property taxes on their homes;

"(2) provide continuing education to older persons designed to enable them to lead more productive lives by broadening the educational, cultural, or social awareness of such older persons, emphasizing, where possible, free tuition arrangements with colleges and universities;

"(3) provide preretirement education, information, and relevant services (including the training of personnel to carry out such programs and the conducting of research with respect to the development and operation of such programs) to persons planning retirement; or

(4) provide services to assist in meeting the particular needs of the physically and mentally impaired older persons including special transportation and escort services, homemaker, home health and shopping services, reader services, letterwriting services, and other services designed to assist such individuals in leading a more independent life.

"(b) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975."

TITLE IV—TRAINING AND RESEARCH

Sec. 401. The Older Americans Act of 1965 is amended by striking out titles IV and V and by inserting immediately after title III the following new title:

"TITLE IV—TRAINING AND RESEARCH

"PART A—TRAINING

"STATEMENT OF PURPOSE

"Sec. 401. The purpose of this part is to improve the quality of service and to help meet critical shortages of adequately trained personnel for programs in the field of aging by (1) developing information on the actual needs for personnel to work in the field of aging, both present and long range; (2) providing a broad range of quality training and retraining opportunities, responsive to programs in the field of aging; (3) attracting a greater number of qualified persons into the field of aging; and (4) helping to make personnel training programs more responsive to the need for trained personnel in the field of the aging.

"APPRAISING PERSONNEL NEEDS IN THE FIELD OF AGING

"Sec. 402. (a) The Commissioner shall from time to time appraise the Nation's existing and future personnel needs in the field of aging, at all levels and in all types of programs, and the adequacy of the Nation's efforts to meet these needs. In developing information relating to personnel needs in the field of aging, the Commissioner shall consult with, and make maximum utilization of statistical and other related information of the Department of Labor, the Veterans' Administration, the Office of Education, Federal Council on the Aging, the National Foundation on the Arts and Humanities, State educaitonal agencies, other State and local public agencies and offices dealing with problems of the aging, State employment security agencies, and other appropriate public and private agencies.

"(b) The Commissioner shall prepare and publish annually as a part of the annual report provided in section 208 a report on the professions dealing with the problems of the aging, in which he shall present in detail his view on the state of such professions and the trends which he discerns with respect to the future complexion of programs for the aging throughout the Nation and the funds and the needs for well-educated personnel to staff such programs. The report shall indicate the Commissioner's plans concerning the allocation of Federal assistance under this title in relation to the plans and programs of other Federal agencies.

"ATTRACTING QUALIFIED PERSONS TO THE FIELD OF AGING

"Sec. 403. The Commissioner may make grants to State agencies referred to in section 304, State or local educational agencies, institutions of higher education, or other public or nonprofit agencies, organizations, or institutions, and he may enter into contracts with any agency, institution, or organization for the purpose of—

"(1) publicizing available opportunities for careers in the field of aging;

"(2) encouraging qualified persons to enter or reenter the field of aging;

"(3) encouraging artists, craftsmen, artisans, scientists, and persons from other professions and vocations and homemakers, to undertake assignments on a part-time basis or for temporary periods in the field of aging; or

"(4) preparing and disseminating materials, including audiovisual materials and printed materials, for use in recruitment and training of persons employed or preparing for employment in carrying out programs related to the purposes of this Act.

"TRAINING PROGRAMS FOR PERSONNEL IN THE FIELD OF AGING

"Sec. 404. (a) The Commissioner may make grants to any public or nonprofit private agency, organization, or institution or with State agencies referred to in section 304, or contracts with any agency, organization, or institution, to assist them in training persons who are employed or preparing for employment in fields related to the purposes of this Act—

"(1) to assist in covering the cost of courses of training or study (including short-term or regular session institutes and other inservice and preservice training programs),

"(2) for establishing and maintaining fellowships to train persons to be supervisors or trainers of persons employed or preparing for employment in fields related to the purposes of this Act,

"(3) for seminars, conferences, symposiums, and workshops in the field of aging, including the conduct of conferences and other meetings for the purposes of facilitating exchange of information and stimulating new approaches with respect to activities related to the purposes of this Act,

"(4) for the improvement of programs for preparing personnel for careers in the field of aging, including design, development, and evaluation of exemplary training programs, introduction of high quality and more effective curricula and curricula materials, and

"(5) the provision of increased opportunities for practical experience.

"(b) The Commissioner may include in the terms of any contract or grant under this part provisions authorizing the payment, to persons participating in training programs supported under this part, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he determines to be consistent with prevailing practices under comparable federally supported programs. Where the Commissioner provides for the use of funds under this section for fellowships, he shall (in addition to stipends for the recipients) pay to colleges or universities in which the fellowship is being pursued such amounts as the Commissioner shall determine to be consistent with prevailing practices under comparable federally supported programs.

"PART B—RESEARCH AND DEVELOPMENT PROJECTS

"DESCRIPTION OF ACTIVITIES

"Sec. 411. The Commissioner may make grants to any public or nonprofit private agency, organization, or institution and contracts with any agency, organization, or institution or with any individual for the purpose of—

"(1) studying current patterns and conditions of living of older persons and identifying factors which are beneficial or detrimental to the wholesome and meaningful living of such persons;

"(2) developing or demonstrating new approaches, techniques, and methods (including the use of multipurpose centers) which hold promise of substantial contribution toward wholesome and meaningful living for older persons;

"(3) developing or demonstrating approaches, methods, and techniques for achieving or improving coordination of community services for older persons;

"(4) evaluating these approaches, techniques, and methods, as well as others which may assist older persons to enjoy wholesome and meaningful lives and to continue to contribute to the strength and welfare of our Nation;

"(5) collecting and disseminating, through publications and other appropriate means, information concerning research findings, demonstration results, and other materials developed in connection with activities assisted under this part; or

"(6) conducting conferences and other meetings for the purposes of facilitating exchange of information and stimulating new approaches with respect to activities related to the purposes of this part.

"SPECIAL STUDY AND DEMONSTRATION PROJECTS ON THE TRANSPORTATION PROBLEMS OF OLDER AMERICANS

"SEC. 412. (a) The Commissioner shall, after consultation with the Secretary of Transportation and the Secretary of Housing and Urban Development, conduct a comprehensive study and survey of the transportation problems of older Americans with emphasis upon solutions that are practicable and can be implemented in a timely fashion. In conducting the study and survey, the Commissioner shall consider—

"(1) the use of all community transportation facilities, particularly public transportation systems, the possible use of school buses, and excess Department of Defense vehicles; and

"(2) the need for revised and improved procedures for obtaining motor vehicle insurance by older Americans to be implemented for use in a coordinated transportation system.

"(b) In connection with the study required by subsection (a), the Commissioner, in coordination with the Secretary of Transportation and the Secretary of Housing and Urban Development, shall conduct research and demonstration projects, either directly or by grants or contracts with public or private nonprofit agencies and organizations, in order to—

"(1) demonstrate possible solutions of economic and service aspects of furnishing adequate transportation to older persons in rural and urban areas including transportation services furnished by social service agencies;

"(2) demonstrate improvement of transportation services available to older persons with emphasis on (A) establishing special transportation subsystems for older persons or similar groups with similar mobility restrictions, (B) providing portal-to-portal service and demand actuated services, (C) making payments directly to older persons to enable them to obtain reasonable and necessary transportation services;

"(3) demonstrate improved coordination between transportation systems and social service delivery systems; and

"(4) demonstrate innovative solutions for other special transportation problems confronting older Americans.

"(c) At least half of the projects authorized under subsection (b) of this section shall be conducted in States that are predominantly rural in character.

"(d) Not later than January 1, 1975, the Commissioner shall prepare and transmit to the Secretary, to the President, and to the Congress, a report on his findings and recommendations, including a plan for implementation of improved transportation services for older Americans and recommendations for additional legislation, administrative and other measures to provide solutions to the transportation problems of older Americans not later than January 1, 1975, as he deems advisable.

"(e) In carrying out the study and survey, and the demonstration and research project under this section, the Commissioner is authorized to—

"(1) procure temporary or intermittent services of experts and consultants in accordance with section 3109 of title 5, United States Code, and

"(2) secure directly from any executive department, bureau agency, board, commission, office, independent establishment or instrumentality information, suggestions, estimates, and statistics for the purpose of this section; and each such department, bureau agency, board, commission, office, independent establishment or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commissionser upon request made by him.

"PART C—MULTIDISCIPLINARY CENTERS OF GERONTOLOGY

"SEC. 421. The Commissioner may make grants to public and private nonprofit agencies, organizations, and institutions for the purpose of establishing or supporting multidisciplinary centers of gerontology. A grant may be made under this section only if the application therefor—

"(1) provides satisfactory assurance that the applicant will expand the full amount of the grant to establish or support a multidisciplinary center of gerontology which shall—

"(A) recruit and train personnel at the professional and subprofessional levels,

"(B) conduct basic and applied research on work, leisure, and education of older people, living arrangements of older people, social services for older people, the economics of aging, and other related areas,

"(C) provide consultation to public and voluntary organizations with respect to the needs of older people and in planning and developing services for them,

"(D) serve as a repository of information and knowledge with respect to the areas for which it conducts basic and applied research,

"(E) stimulate the incorporation of information on aging into the teaching of biological, behavioral, and social sciences at colleges or universities,

"(F) help to develop training programs on aging in schools of social work, public health, health care administration, education, and in other such schools at colleges and universities, and

"(G) create opportunities for innovative, multidisciplinary efforts in teaching, research, and demonstration projects with respect to aging;

"(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for funds paid to the applicant under this section; and

"(3) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and cerification of such reports.

"PART D—AUTHORIZATION OF APPROPRIATIONS

"AUTHORIZATION

"SEC. 431. There are authorized to be appropriated for the purposes of carrying out this title such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975.

"PAYMENTS OF GRANTS

"SEC. 432. (a) To the extent he deems it appropriate, the Commissioner shall require the recipient of any grant or contract under this title to contribute money, facilities, or services for carrying out the project for which such grant or contract was made.

"(b) Payments under this part pursuant to a grant or contract may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Commissioner may determine.

"(c) The Commissioner shall make no grant or contract under this title in any State which has established or designated a State agency for purposes of title III of this Act unless the Commissioner has consulted with such State agency regarding such grant or contract."

TITLE V—MULTIPURPOSE SENIOR CENTERS

SEC. 501. The Older Americans Act of 1965 is further amended by inserting immediately after title IV the following new title:

"TITLE V—MULTIPURPOSE SENIOR CENTERS

"PART A—ACQUISITION, ALTERATION, OR RENOVATION OF MULTIPURPOSE SENIOR CENTERS

"GRANTS AUTHORIZED

"SEC. 501. (a) In order to provide a focal point in communities for the development and delivery of social services and nutritional services designed primarily for older persons, the Commissioner may make grants to units of general purpose local government or other public or nonprofit private agencies or organizations and may make contracts with any agency or organization to pay not to exceed 75 per centum of the cost of acquiring, altering, or renovating existing facilities to serve as multipurpose senior centers (including the initial equipment of such facilities). Facilities assisted by grants or contracts under this part shall be in close proximity to the majority of individuals eligible to use the multipurpose senior center, and within walking distance where possible.

"(b) The total payments made pursuant to grants or contracts under this section in any State for any fiscal year shall not exceed 10 per centum of the total amount appropriated for the year for the purposes of carrying out this part.

"(c) The term 'multipurpose senior center' means a community facility for the organization and provision of a broad spectrum of services (including provision of health, social, and educational services and provision of facilities for recreational activities) for older persons.

"REQUIREMENTS FOR APPROVAL OF APPLICATIONS

"SEC. 502. (a) A grant or contract for purchase under this part may be made only if the application therefor is approved by the Commissioner upon his determination that—

"(1) the application contains or is supported by reasonable assurances that (A) for not less than ten years after purchase, the facility will be used for the purposes for which it is to be purchased, (B) sufficient funds will be available to meet the non-Federal share of the cost of purchase of the facility, (C) sufficient funds will be available, when purchase is completed, for effective use of the facility for the purpose for which it is being purchased, and (D) the facility will not be used and is not intended to be used for sectarian instruction or as a place for religious worship;

(2) the application contains or is supported by reasonable assurances that there are no existing facilities in the community suitable for leasing as a multipurpose senior center;

"(3) the plans and specifications are in accordance with regulations relating to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with the requirements of the Architectural Barriers Act of 1968 (Public Law 90–480)); and

"(4) the application contains or is supported by adequate assurance that any laborer or mechanic employed by any contractors or subcontractors in the performance of work on the facility will be paid wages at rates not less than those prevailing for similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a5). The Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"(b) In making grants or contracts under this part, the Commissioner shall—

"(1) give preference to the acquisition of multipurpose senior centers in areas where there is being developed a comprehensive and coordinated system under title III of this Act; and

"(2) consult with the Secretary of Housing and Urban Development with respect to the technical adequacy of any proposed alteration or renovation.

"PAYMENTS

"SEC. 503. Upon approval of any application for a grant or contract under this part, the Commissioner shall reserve, from any appropriation available therefor, the amount of such grant or contract. The amount so reserved may be paid in advance or by way of reimbursement, and in such installments consistent with progress in alteration or renovation, as the Commissioner may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of altering or renovating the facility.

"RECAPTURE OF PAYMENTS

"SEC. 504. If, within ten years after purchase of any facility for which funds have been paid under this part—

"(a) the owner of the facility ceases to be a public or nonprofit private agency or organization, or

"(b) the facility ceases to be used for the purposes for which it was purchased (unless the Commissioner determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so),

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 505. (a) There are authorized to be appropriated for the purpose of making grants or contracts under section 501 such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975.

"(b) Sums appropriated for any fiscal year under subsection (a) of this section and remaining unobligated at the end of such year shall remain available for such purpose for the next fiscal year.

"MORTGAGE INSURANCE FOR MULTIPURPOSE SENIOR CENTERS

"SEC. 506. (a) It is the purpose of this section to assist and encourage the provision of urgently needed facilities for programs for the elderly.

"(b) For the purpose of this part the terms 'mortgage', 'mortgagor', 'mortgagee', 'maturity date', and 'State' shall have the meanings respectively set forth in section 207 of the National Housing Act.

"(c) The Secretary of Health, Education, and Welfare is authorized to insure any mortgage (including advances on such mortgage during acquisition, alteration, or renovation) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

"(d) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers a new multipurpose senior center, including equipment to be used in its operation, subject to the following conditions:

"(1) The mortgage shall be executed by a mortgagor, approved by the Secretary, who demonstrates ability successfully to operate one or more programs for the elderly. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary may make such contracts with and acquire for not to exceed $100 such stock interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Multipurpose Senior Center Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

"(2) The mortgage shall involve a principal obligation in an amount not to exced $250,000 and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the multipurpose senior center, when the proposed improvements are completed and the equipment is installed.

"(3) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market.

"(4) The Secretary shall not insure any mortgage under this section unless he has determined that the center to be covered by the mortgage will be in compliance with minimum standards to be prescribed by the Secretary.

"(5) In the plans for such multipurpose senior center, due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project).

"(e) The Secretary shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Multipurpose Senior Center Insurance Fund (established by subsection (h)) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Secretary is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during acquisition, alteration, or renovation; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

"(f) The Secretary may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(g) (1) The Secretary shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act.

"(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Multipurpose Senior Center Insurance Fund, and all references in such provisions to 'Secretary' shall be deemed to refer to the Secretary of Health, Education, and Welfare.

"(h) (1) There is hereby created a Multipurpose Senior Center Insurance Fund which shall be used by the Secretary as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Multipurpose Senior Center Insurance Fund.

"(2) The general expenses of the operations of the Department of Health, Education, and Welfare relating to mortgages insured under this section may be charged to the Multipurpose Senior Center Insurance Fund.

"(3) Moneys in the Multipurpose Senior Center Insurance Fund not needed for the current operations of the Department of Health, Education, and Welfare with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Multipurpose Senior Center Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(4) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary in connection therewith, and all earnings as the assets of the fund, shall be credited to the Multipurpose Senior Center Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties required, in connection with mortgages insured under this section, shall be charged to such fund.

"(5) There are authorized to be appropriated to provide initial capital for the Multipurpose Senior Center Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary.

"ANNUAL INTEREST GRANTS

"Sec. 507. (a) To assist nonprofit private agencies to reduce the cost of borrowing from other sources for the acquisition, alteration or renovation of facilities, the Secretary may make annual interest grants to such agencies.

"(b) Annual interest grants under this section with respect to any facility shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the acquisition, alteration or renovation of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were 3 per centum per annum: *Provided*, That the amount on which such grant is based shall be approved by the Secretary.

"(c) (1) There are hereby authorized to be appropriated to the Secretary such sums as many be necessary for payment of annual interest grants in accordance with this section.

"(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation acts.

"(d) Not more than 12½ per centum of the funds provided for in this section for grants may be used within any one State.

"Part B—Initial Staffing of Multipurpose Senior Centers

"PERSONNEL STAFFING GRANT PROGRAM AUTHORIZED

"Sec. 511. (a) For the purpose of assisting in the establishment and initial operation of multipurpose senior centers the Commissioner may, in accordance with the provisions of this part, make grants to meet, for the temporary periods specified in this part, all or part of the costs of compensation of professional and technical personnel for the initial operation of new multipurpose senior centers and for the delivery of social services established therein.

"(b) Grants for such costs of any center under this title may be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day. Such grants with respect to any center may not exceed 75 per centum of such costs for the first year of the project, 66⅔ per centum of such costs for the second year of the project, and 50 per centum of such costs for the third year of the project.

"(c) In making such grants, the Secretary shall take into account the relative needs of the several States or community centers for senior citizens, their relative financial needs, and their population of persons over sixty years of age.

"(d) For the purpose of this part, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and for each of the next two succeeding fiscal years."

TITLE VI—NATIONAL OLDER AMERICANS VOLUNTEER PROGRAM

Sec. 601. Section 601 of the Older Americans Act of 1965 is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of law, no compensation provided to individual volunteers under this part shall be considered income for any purpose whatsoever."

Sec. 602. Section 603 of the Older Americans Act of 1965 is amended by inserting immediately before the period at the end thereof the following: "and $15,000,000 for the fiscal year ending June 30, 1973, $17,500,000 for the fiscal year ending June 30, 1974, and $20,000,000 for the fiscal year ending June 30, 1975".

Sec. 603. (a) The heading of part B of title VI of the Older Americans Act of 1965 is amended to read as follows:

"FOSTER GRANDPARENT PROGRAM AND OLDER AMERICANS COMMUNITY SERVICE PROGRAMS".

(b) Section 611 of such Act is amended to read as follows:

"Sec. 611. (a) The Commissioner is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects designed to provide opportunities for low-income persons aged sixty or over to render supportive person-to-person services in health, education, welfare, and related settings to children having exceptional needs, including services as 'Foster Grandparents' to children receiving care in hospitals, homes for dependent and neglected children, or other establishments providing care for children with special needs.

"(b) The Commissioner is also authorized to make grants or contracts to carry out the purposes described in subsection (a) in the case of persons (other than children) having exceptional needs, including services as 'senior health aides' to work with persons receiving home health care and nursing care, and as 'senior companions' to persons having developmental disabilities.

"(c) Payments under this part pursuant to a grant or contract may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, in such installments and on such conditions as the Commissioner may determine.

"(d) Notwithstanding any other provision of law, no compensation provided to individual volunteers under this part shall be considered income from any purpose whatsoever."

(c) The first sentence of section 613 of such Act is amended to read as follows:

"In administering this part, the Commissioner shall consult with the Office of Economic Opportunity, the Departments of Labor and Health, Education, and Welfare and any other Federal agencies administering relevant programs with a view to achieving optimal coordination with such other programs and shall promote the coordination of projects under this part with other public or private programs or projects carried out at State and local levels."

Sec. 604. Section 614 of the Older Americans Act is amended to read as follows:

"Sec. 614. (a) (1) There are authorized to be appropriated for grants or contracts under subsections (a) and (b) of section 611, $25,000,000 for the fiscal year ending June 30, 1973, $32,500,000 for the fiscal year ending June 30, 1974, and $40,000,000 for the fiscal year ending June 30, 1975, respectively, of which (A) $25,000,000 for the fiscal year ending June 30, 1973, $26,500,000 for the fiscal year ending June 30, 1974, and $32,000,000 for the fiscal year ending June 30, 1975, respectively, shall be available for such years for grants or contracts under subsection (a) of section 611, and (B) $6,000,000 for the fiscal year ending June 30, 1974, and $8,000,000 for the fiscal year ending June 30, 1975, respectively, shall be available for such years for grants or contracts under subsection (b) of such section.

"(2) If the sums authorized to be appropriated under paragraph (1) of this subsection for fiscal years beginning after June 30, 1973, are not appropriated and made available for each such fiscal year, then such sums as are so appropriated and made available for each such fiscal year shall be allocated so that—

"(A) any amounts appropriated not in excess of a sum which when added to carryover balances otherwise available for obligation under subsection (a) of section 611 equals $25,000,000 shall be used for grants or contracts under such subsection; and

"(B) any amounts appropriated in excess of a sum which when added to carryover balances otherwise available for obligation under subsection (a) of section 611 equals $31,000,000 for the fiscal year ending June 30, 1974, and $33,000,000 for the fiscal year ending June 30, 1975, respectively, shall be used for grants or contracts for such fiscal years under subsection (a) of such section."

Sec. 605. The authorities conferred upon the Commissioner of the Administration on Aging by the amendments made in this title shall be carried out pursuant to delegations of authority, reorganization plans, and transfers made effective prior to the date of enactment of this Act with respect to authorities conferred upon the Secretary of the Department of Health, Education, and Welfare under title VI of the Older Americans Act of 1965, as amended.

TITLE VII—NUTRITION PROGRAM

AVAILABILITY OF SURPLUS COMMODITIES

Sec. 701. Section 707 of the Older Americans Act of 1965 is amended to read as follows:

"AVAILABILITY OF SURPLUS COMMODITIES

"Sec. 707. (a) Agricultural commodities and products purchased by the Secretary of Agriculture under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) may be donated to a recipient of a grant or contract to be used for providing nutritional services in accordance with the provisions of this title.

"(b) The Commodity Credit Corporation may dispose of food commodities under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) by donating them to a recipient of a grant or contract to be used for providing nutritional services in accordance with the provisions of this title.

"(c) Dairy products purchased by the Secretary of Agriculture under section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a–1) may be used to meet the requirements of programs providing nutritional services in accordance with the provisions of this title."

Sec. 702. Section 705(a) of the Older Americans Act of 1965 is amended by adding at the end thereof the following new paragraph:

"(5) provide that, when mutually agreed upon by recipients of grants and contracts and area planning and service areas agencies, nutrition projects assisted under this title shall be made a part of the comprehensive and coordinated systems established under title III of this Act."

STATE PLANNING

Sec. 703. Section 705(a) (2) (B) of the Older Americans Act of 1965 is amended by inserting "for the fiscal year ending June 30, 1973" following "administrative cost,"; by striking out "any fiscal year" in this section and substituting in lieu thereof "such fiscal year"; and by adding at the end of the first sentence thereof the following sentence: "For the fiscal years ending after June 30, 1973, funds allotted to a State for State planning and administration pursuant to section 306 of this Act may be used for the administration of the State plan submitted pursuant to this section, except that wherever the governor of the State designates an agency other than the agency designated under section 304(a) (1) of this Act, then the Commissioner shall determine that portion of a State's allotment under section 306 which shall be available to the agency designated under section 705(a) (1) for planning and administration."

CONFORMING AMENDMENT

SEC. 704. (a) The first sentence of section 705(a) of the Older Americans Act of 1965 is amended by striking out "303" the first time it appears in such sentence and inserting in lieu thereof "304" and by striking out "303" the second time it appears in such sentence and inserting in lieu thereof, "305".

(b) Section 705(a)(1) of the Older Americans Act of 1965 is amended by striking out "303" and inserting in lieu thereof "304".

(c) Title VII of the Older Americans Act of 1965 is amended by striking out "Secretary" wherever in such title the term refers to the Secretary of Health, Education, and Welfare, and inserting in lieu thereof "Commissioner".

TITLE VIII—AMENDMENTS TO OTHER ACTS

AMENDMENT TO LIBRARY SERVICES AND CONSTRUCTION ACT

SEC. 801. (a) The Library Services and Construction Act (20 U.S.C. 351 et seq.) is amended by adding at the end thereof the following new title:

"TITLE IV—OLDER READERS SERVICES

"GRANTS TO STATES FOR OLDER READERS SERVICES

"SEC. 401. The Commissioner shall carry out a program of making grants to States which have an approved basic State plan under section 6 and have submitted a long-range program and an annual program under section 403 for library services for older persons.

"USES OF FEDERAL FUNDS

"SEC. 402. (a) Funds appropriated pursuant to paragraph (4) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of carrying out the Federal share of the cost of carrying out State plans submitted and approved under section 403. Such grants shall be used for (1) the training of librarians to work with the elderly; (2) the conduct of special library programs for the elderly; (3) the purchase of special library materials for use by the elderly; (4) the payment of salaries for elderly persons who wish to work in libraries as assistants on programs for the elderly; (5) the provision of in-home visits by librarians and other library personnel to the elderly; (6) the establishment of outreach programs to notify the elderly of library services available to them; and (7) the furnishing of transportation to enable the elderly to have access to library services.

"(b) For the purposes of this title, the Federal share shall be 100 per centum of the cost of carrying out the State plan.

"STATE ANNUAL PROGRAM FOR LIBRARY SERVICES FOR THE ELDERLY

"SEC. 403. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for library services for older persons. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation and shall—

"(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (4) of section 4(a) will be used, consistent with its long-range program for the purposes set forth in section 402, and

"(2) include an extension of the long-range program taking into consideration the results of evaluations.

"COORDINATION WITH PROGRAMS FOR OLDER AMERICANS

"SEC. 404. In carrying out the program authorized by this title, the Commissioner shall consult with the Commissioner of the Administration on Aging and the Director of ACTION for the purpose of coordinating where practicable, the programs assisted under this title with the programs assisted under the Older Americans Act of 1965."

(b) Section 4(a) of the Library Services and Construction Act is amended by adding at the end thereof the following new paragraph:

"(4) For the purpose of making grants to States to enable them to carry out public library service programs for older persons authorized by title IV, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, the fiscal year ending June 30, 1975, and the fiscal year ending June 30, 1976."

(c)(1) Section 5(a)(1) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(2) Section 5(a)(2) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(3) Section 5(a) of such Act is amended by striking out the word "and" at the end of such paragraph (B) thereof, by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon and the word "and", by inserting after subparagraph (C) thereof the following:

"(D) with respect to appropriations for the purposes of title IV, $40,000 for each State, except that it shall be $10,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands."

(4) The last sentence of section 5(a)(3) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(5) Section 5(b) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(c) Section 6(a) of such Act is amended by striking out "and III" and inserting in lieu thereof "III and IV".

(d)(1) Section 7(a) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(2) Section 7(b)(1) of such Act is amended by inserting "and title IV" after "title III".

(e) The amendments made by subsections (a), (b), and (c) of this section shall be effective after June 30, 1973.

AMENDMENT TO NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE ACT

SEC. 802. (a) Section 5(a)(2) of the National Commission on Libraries and Information Science Act is amended by striking out "and" after "areas" and inserting a comma in lieu thereof, and by inserting after "deprived persons," the following: "and of elderly persons.".

(b) The second sentence of section 6(a) (20 U.S.C. 1505(a)) of such Act is amended by inserting before the period at the end thereof the following: ", and at least one other of whom shall be knowledgeable with respect to the library and information service and science needs of the elderly".

AMENDMENT TO HIGHER EDUCATION ACT OF 1965

SEC. 803. Ttitle I of the Higher Education Act of 1965 is amended by redesignating sections 110, 111, and 112 (and cross references thereto) as 111, 112, and 113, respectively, and by inserting after section 109 the following new section:

"SPECIAL PROGRAMS AND PROJECTS RELATING TO PROBLEMS OF THE ELDERLY

"SEC. 110. (a) The Commissioner is authorized to make grants to institutions of higher education (and combinations thereof) to assist such institutions in planning, developing, and carrying out, consistent with the purposes of this title, programs specifically designed to apply the resources of higher education to the problems of the elderly, particularly with regard to transportation and housing problems of elderly persons living in rural and isolated areas.

"(b) For purposes of making grants under this section, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1977.

"(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating, where practicable, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965."

AMENDMENT TO ADULT EDUCATION ACT

SEC. 804. (a) The Adult Education Act (20 U.S.C. 1201 et seq.) is amended by redesignating sections 310, 311, and 312 (and cross references thereto) as sections 311, 312, and 313, respectively, and by inserting after section 309 the following new section:

"SPECIAL PROJECTS FOR THE ELDERLY

"SEC. 310. (a) The Commissioner is authorized to make grants to State and local educational agencies or other public or private nonprofit agencies for programs to further the purpose of this Act by providing educational programs for elderly persons whose ability to speak and read the English language is limited and who live in an area with a culture different than their own. Such programs shall be designed to equip such elderly persons to deal successfully with the practical problems in their everyday life, including the making of purchases, meeting their transportation and housing needs, and complying with governmental requirements such as those for obtaining citizenship, public assistance and social security benefits, and housing.

"(b) For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1975.

"(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating, where practicable, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965."

(b) Section 313(a) of such Act, as redesignated, is amended by inserting before the period at the end thereof the following: "(other than section 310)".

ADDITIONAL AUTHORIZATION FOR SENIOR OPPORTUNITIES AND SERVICES

SEC. 805. In addition to the amounts authorized to be appropriated and allocated pursuant to the Economic Opportunity Amendments of 1972, there is further authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and the succeeding fiscal year, to be used for the Senior Opportunities and Services program described in section 222(a)(7) of the Economic Opportunity Act of 1964.

TITLE IX—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SHORT TITLE

SEC. 901. This title may be cited as the "Older American Community Service Employment Act".

OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM

SEC. 902. (a) In order to foster and promote useful part-time work opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter referred to as the "Secretary") is authorized to establish an older American community service employment program (hereinafter referred to as the "program").

(b) In order to carry out the provisions of this title, the Secretary is authorized—

(1) to enter into agreements with public or private nonprofit agencies or organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or Indian tribes on Federal or State reservations in order to further the purposes and goals of the program. Such agreements may include provisions for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make the program effective or to supplement it. No payments shall be made by the Secretary toward the cost of any project established or administered by any such organization or agency unless he determines that such project—

(A) will provide employment only for eligible individuals, except for necessary technical, administrative, and supervisory personnel, but such personnel shall, to the fullest extent possible, be recruited from among eligible individuals;

(B) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities;

(C) will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code of 1954 (other than polisting of job vacancies with the employconstruction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

(D) will contribute to the general welfare of the community;

(E) will provide employment for eligible individuals whose opportunities for other suitable public or private paid employment are poor;

(F) will result in an increase in employment opportunities for eligible individuals, and will not result in the displacement of employed workers or impair existing contracts;

(G) will utilize methods of recruitment and selection (including, but not limited to, listing of job vacancies with the employment agency operated by any State or political subdivision thereof) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project;

(H) will include such training as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance;

(I) will assure that safe and healthy conditions of work will be provided, and will assure that persons employed in public service jobs assisted under this title shall be paid wages which shall not be lower than whichever is the highest of (i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (ii) the State or local minimum wage for the most nearly comparable covered employment, or (iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(J) will be established or administered with the advice of persons competent in the field of service in which employment is being provided, and of persons who are knowledgeable with regard to the needs of older persons;

(K) will authorize pay for necessary transportation costs of eligible individuals which may be incurred in employment in any project funded under this title in accordance with regulations promulgated by the Secretary; and

(L) will assure that to the extent feasible such projects will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State;

(2) to make, issue, and amend such regulations as may be necessary to effectively carry out the provisions of this title.

(c)(1) The Secretary is authorized to pay not to exceed 90 per centum of the cost of any project which is the subject of an agreement entered into under subsection (b), except that the Secretary is authorized to pay all of the costs of any such project which is (A) an emergency or disaster project or (B) a project located in an economically depressed area as determined in consultation with the Secretary of Commerce and the Director of the Office of Economic Opportunity.

(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair market value to services and facilities contributed from non-Federal sources.

ADMINISTRATION

SEC. 903. (a) In order to effectively carry out the purposes of this title, the Secretary is authorized to consult with agencies of States and their political subdivisions with regard to—

(1) the localities in which community service projects of the type authorized by this title are most needed;

(2) consideration of the employment situation and the types of skills possessed by available local individuals who are eligible to participate; and

(3) potential projects and the number and percentage of eligible individuals in the local population.

(b)(1) The Secretary is authorized and directed to require agencies and organizations administering community service projects and other activities assisted under this title to coordinate their projects and activities with agencies and organizations conducting related manpower and unemployment programs receiving assistance under this Act and under other authorities such as the Economic Opportunity Act of 1964, the Manpower Development and Training Act of 1962, and the Emergency Employment Act of 1971. In carrying out the provisions of this paragraph, the Secretary is authorized to make necessary arrangements to include projects and activities assisted under this title within a common agreement and a common application with projects assisted under this Act and other provisions of law such as the Economic Opportunity Act of 1964, the Manpower Development and Training Act of 1962, the Emergency Employment Act of 1971.

(2) The Secretary is authorized to make whatever arrangements that are necessary to carry out the programs assisted under this title as part of any general manpower legislation hereafter enacted, except that appropriations for programs assisted under this title may not be expended for programs assisted under that title.

(c) In carrying out the provisions of this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies, and instrumentalities in the use of services, equipment, and facilities.

(d) The Secretary shall establish criteria designed to assure equitable participation in the administration of community service projects by agencies and organizations eligible for payment under section 902(b).

(e) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

(f) The Secretary shall not delegate his functions and duties under this title to any other department or agency of Government.

PARTICIPANTS NOT FEDERAL EMPLOYEES

SEC. 904. (a) Eligible individuals who are employed in any project funded under this title shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

(b) No contract shall be entered into under this title with a contractor who is, or whose employees are, under State law, exempted from operation of the State workmen's compensation law, generally applicable to employees, unless the contractor shall undertake to provide either through insurance by a recognized carrier, or by self insurance, as allowed by State law, that the persons employed under the contract, shall enjoy workmen's compensation coverage equal to that provided by law for covered employment. The Secretary must establish standards for severance benefits, in lieu of unemployment insurance coverage, for eligible individuals who have participated in qualifying programs and who have become unemployed.

INTERAGENCY COOPERATION

SEC. 905. The Secretary shall consult and cooperate with the Office of Economic Opportunity, the Administration on Aging, the Department of Health, Education, and Welfare, and any other related Federal agency administering related programs, with a view to achieving optimal coordination with such other programs and shall promote the coordination of projects under this title with other public and private programs or projects of a similar nature. Such Federal agencies shall cooperate with the Secretary in disseminating information about the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects funded under this title.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 906. (a)(1) From the sums appropriated for any fiscal year under section 908 there shall be initially allotted for projects within each State an amount which bears the same ratio to such sum as the population, aged fifty-five or over in such State bears to the population aged fifty-five or over in all States except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made. For the purpose of the exception contained in this paragraph, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) The number of persons aged fifty-five or over in any State and for all States shall be determined by the Secretary on the basis of the most satisfactory data available to him.

(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects within such States under subsection (a) for that year, but with such proportionate amount for any of such other

States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for each year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

(c) The amount apportioned for projects within each State under subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration the proportion which eligible persons in each such area bears to such total number of such persons, respectively, in that State.

DEFINITIONS

SEC. 907. As used in this title—

(a) "State" means any of the several States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands;

(b) "eligible individual" means an individual who is fifty-five years old or older, who has a low income, and who has or would have difficulty in securing employment, except that pursuant to regulations prescribed by the Secretary any such individual who is sixty years old or older shall have priority for the work opportunities provided for under this Act;

(c) "community service" means social, health, welfare, educational, library, recreational, and other similar services; conservation, maintenance or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services which are essential and necessary to the community as the Secretary by regulation may prescribe.

AUTHORIZATION OF APPROPRIATIONS

SEC. 908. There are hereby authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1973, and $100,000,000 for fiscal year ending June 30, 1974, to carry out the provisions of this title.

OLDER AMERICANS COMPREHENSIVE SERVICES AMENDMENTS OF 1973

Mr. CHURCH. Mr. President, I strongly support the enactment of the Older Americans Comprehensive Services Amendments, S. 50.

No legislation is now more deserving of the attention of the Senate nor more important from the standpoint of the elderly than this vital measure.

For nearly 6 months the field of aging has struggled in confusion and uncertainty because of the President's ill-conceived veto of the Older Americans Comprehensive Services Amendments last October.

But passage of this legislation can help to resolve this mounting doubt, as well as permit the orderly development of programs under the Older Americans Act.

The bill now before us represents a compromise which should, in my judgment, be acceptable to the administration.

As chairman of the Committee on Aging, I am especially gratified that the modified version of S. 50 includes every substantive program—with the exception of the title X Middle-Aged and Older Workers Training Act—included in the proposal approved by the Senate in February. And, I am hopeful that the basic thrust of the Middle-Aged and Older Workers Training Act can be enacted soon, either as separate legislation or incorporated in another manpower proposal. The need for a comprehensive mid-career development services program for unemployed or underemployed mature workers is still urgently needed, and it is long overdue.

For the Nation's elderly, this bill represents potentially landmark legislation. Particularly significant, S. 50 would provide an effective means for delivering vitally needed social services to enable the aged to live independently in their homes, rather than being prematurely and oftentimes unnecessarily institutionalized at a much higher public cost.

These services—such as homemaker, home health, and many others—have proved to be particularly helpful for older Americans. And they should continue to be expanded because the need is so great.

One of the major innovations in this legislation is provision for multipurpose senior centers to provide a focal point for a wide range of social and nutritional services. These services can, of course, enable senior citizens to remain active participants in their communities.

Another new feature in S. 50 is authority for model programs to focus on several everyday problems of aged and aging Americans, including housing, continuing education, and preretirement counseling. Housing, for example, now represents the elderly's number one expenditure, accounting for about one-third of their limited incomes.

Mr. President, I am also pleased that the compromise bill retained title IX, which would establish a national senior service corps to provide new job opportunities in a wide range of service activities for older Americans. A major purpose of this legislation is to build upon the enormously successful Mainstream pilot projects, such as Green Thumb, Senior Aides and others.

To my way of thinking, these demonstration projects have proved beyond any doubt that they are a smashing success, not only for the elderly participants but also the communities being served. What is needed now is a genuine commitment to move beyond the pilot stage to a national program.

And that is precisely what title IX would do.

No one will benefit—least of all the elderly—if the administration insists on a divisive confrontation over the Older Americans Act Amendments. And the aged will be the big losers if the administration persists in its earlier attempts to undercut the programs under this legislation.

Many of these proposals have been enthusiastically embraced by the delegates at the White House Conference on Aging. Every leading organization in the field of aging has reaffirmed its strong support for these provisions.

This bill has received widespread bipartisan support in both the Senate and House. In fact, 67 Senators—or nearly two-thirds of the membership of this body—have cosponsored the legislation which is the basis for the compromise proposal now before us.

And, it is high time that the administration get back into the mainstream on this bill.

Mr. President, for these reasons I again reaffirm my strong support for early enactment of S. 50, the Older Americans Comprehensive Services Amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendment to the House amendment to S. 50.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. I thank the Senator from Wyoming and the Senator from West Virginia for yielding.

Mr. McGEE. Mr. President, I suggest the absence of a quorum, with the understanding that I not lose my right to the the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, with the understanding that I do not lose my right to floor.

The PRESIDING OFFICER (Mr. ROTH). Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield to my distinguished colleague from Wyoming (Mr. HANSEN).

Mr. HANSEN. Mr. President, I thank my distinguished colleague.

THE PRESIDENT'S ENERGY MESSAGE

Mr. HANSEN. Mr. President, I ask unanimous consent that I may insert in the RECORD, a statement I issued on the President's energy message.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator Cliff Hansen applauded the President's energy message to Congress and said he agreed generally with his legislative recommendations and actions taken under executive authority.

It is indeed, a timely and comprehensive message and faces up to the threats of energy shortages that could seriously threaten our national security, continued economic growth and the U.S. role as a leader toward world peace, Hansen said.

He said he was especially pleased with the proposal to decontrol the producer price of newly discovered natural gas.

"Under the unrealistic Federal Power Commission regulation of the price of natural gas sold in interstate commerce, we have been using far more gas for the past several years than has been discovered in new reserves, " Hansen said.

"It is ridiculous to be paying three and four times the price paid to domestic producers for imported liquified gas or synthetic gas manufactured from oil or coal," Hansen said, "when by the most reliable estimates we still have enough undiscovered gas in the United States, Alaska, and offshore to take care of our needs for many years."

The President's proposals for tax incentives and accelerated offshore leasing will undoubtedly stimulate exploration and development of new sources of both oil and gas and help reverse the dangerous trend to substantial dependence on insecure and costly foreign sources of both oil and gas.

The message recognizes the long-term energy needs of the country in proposals for stepped-up development of oil shale, coal gasification, geothermal energy, nuclear power, and solar energy. At the same time he has emphasized the short-term energy needs of the country with recommendations for Congressional action to supplement moves he is taking toward an immediate program to increase domestic oil and gas production and refining capacity.

He urged quick Congressional action to get the court-stalled Alaska pipeline built. "Five years after discovery of the largest oil field in the U.S., not a barrel of oil has entered the market from the huge Prudhoe Bay reserve and each day we delay adds a potential two million barrels a day to the oil we must import," Hansen said.

"Our balance of payments problem is bad enough as it is," Hansen said. "And even at the best we can do, it will take five years at present rates of increase in energy consumption to reverse the trend and stop the dollar drain and what would surely be a sequential dollar devaluation."

Hansen said he had some reservations about the changes in the mandatory oil import program. "By practically eliminating quotas and tariffs on crude oil and with very modest tariffs or license fees on products—residual, No. 2 heating oil and gasoline—the value of import tickets to small inland refiners may not be enough to encourage major coastal refiners to exchange domestic oil for the import allocations of the smaller refiners."

"It is essential," Hansen said, "especially in view of the domestic refinery capacity shortage, that every available barrel of refinery capacity be kept in operation. I hope the President's proposals will accomplish this."

The message also included a plan to encourage energy conservation. One of the most important measures the President said is to ensure that energy prices reflect their true costs. I agree with this conclusion.

Under Federal regulation, natural gas has been priced far below its competitive value and, as a result, used for purposes such as boiler fuel.

The President's executive order formalizing an Energy Committee and his reassertion of the need for the creation of a Department of Energy and Natural Resources would provide the executive organization to quickly implement the various legislative proposals, Hansen said.

"There has been enough foot dragging now on a number of the recommendations that I and other members have been advocating for several years, and that includes the Alaska pipeline" Hansen said. "The energy crunch is certainly no partisan matter and unless Congress wants to shoulder the blame for a real energy crisis, it is time to act quickly and decisively on the President's recommendations."

QUORUM CALL

Mr. McGEE. Mr. President, I suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask unanimous consent to yield to the distinguished Senator from Kentucky (Mr. HUDDLESTON) for the purpose of including a matter in the RECORD, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM PROGRAMS AND THE COST OF FOOD

Mr. HUDDLESTON. Mr. President, one of the most important and far-reaching issues which the Congress will have before it during this session is the general farm program. The Agricultural Adjustment Act of 1970, which authorizes the principal support programs for wheat, feed grains, cotton, wool and dairy products, expires this year. There is much concern throughout our land over farm programs, concern bred, to a large extent, by confusion and misunderstanding of the purposes of these programs and the role they have played in providing this Nation with abundant and comparatively inexpensive foods for many years.

There is no finer spokesman for our farm interests, no one who understands better the various and complex interrelationships between our farm programs, the cost of food to the American people and our foreign agricultural trade than the able chairman of the Senate Committee on Agriculture and Forestry (Mr. TALMADGE). The distinguished chairman presented a comprehensive and knowledgeable evaluation of the existing farm situation in an address on April 16 to the Newspaper Farm Editors of America. His warning that "If we drive the family farmer off the farm and leave the production of the Nation's food supplies to a few large corporations that can command any price they want, the consumer will, indeed, pay through the nose" is one we all should heed.

I commend this informative address to all my colleagues who are concerned about the future of agriculture in our Nation, the future of our farm programs, and the future availability of sufficient, high-quality foodstuffs; and I ask unanimous consent that the address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HERMAN E. TALMADGE

Ladies and Gentlemen, I must confess that it is a rare privilege for me to be able to address an audience of journalists that understands American agriculture and appreciates the problems of its farmers.

With the exception of people like Linda Vance, Bernie Brenner, Bill Blair and a hardy handful of additional reporters, there are few who come to us with any background in this field at all.

As a matter of fact, with the exception of these few professionals, it is a rare occasion when a reporter takes the time to correlate farming and national food supply. And when he does, our backgrounding sessions with him have to go back to the organic act which set up USDA in Lincoln's time.

Now, like you, I am accustomed to a new Congress getting off to a relatively slow start, but as you know, we have been under the gun ever since the Russian grain sale with a multitude of pressures ranging from various program cutbacks and terminations to the Flanigan Report.

But despite the various pressures on my Committee, we have attempted to proceed with our work on the renewal of general farm legislation in an orderly and systematic way.

I felt it was vital to get an early start on the consideration of a farm bill this year because the present law expires with this crop year. All farmers need to know well in advance what kind of program they can count on for 1974, and winter wheat producers must know by August of this year what kind of program to expect.

I remember that it took us 18 months to pass the Agricultural Act in 1970. Since we do not have that long this year, I wrote to Secretary Butz and asked him to deliver the Agriculture Committee a draft of the Administration's farm bill by February 1st. However, the Secretary indicated that he did not wish to submit a bill, but that he would offer some general proposals.

This was fine with me, for I believe that the Committee should proceed to pass the kind of farm bill that farmers want and the kind of farm bill that we must have to protect the income of farmers and provide stability of supply for consumers.

With this in mind, I scheduled eight days of hearings for public witnesses and emphasized that the Committee was especially anxious to hear from real practicing "dirt farmers". All too often Committees, in writing legislation, hear only from national organizations and paid lobbyists rather than the people that the legislation is designed to help.

I must say that I was quite pleased with the witnesses who appeared before the Committee. We heard from 110 witnesses in eight days and many of them were in truth typical practicing farmers.

The message that these farmers brought to Washington came through loud and clear—they are reasonably satisfied with the present farm program and would like a continuation of the Agricultural Act of 1970. It has been my experience that farmers are basically conservative people. They don't like drastic change. They like proven programs that work. The record high farm income in 1972 demonstrates clearly that the Agricultural Act of 1970 does work.

For the first time, farm organizations and other witnesses that testified on farm legislation were virtually unanimous in their view of the kind of farm program we need. This is quite a different situation from the one that prevailed in 1969 and 1970.

It would seem that with this kind of unanimity, it would be relatively easy to pass farm legislation this year. However, there was one important witness who testified before the Committee on Agriculture and Forestry on March 29 who took strong exception to the 1970 Act. This witness was Secretary of Agriculture Butz. While the Secretary agrees that the Agricultural Act of 1970 has worked and while he says the Administration wants an extension of the 1970 Act, what he in fact proposes to do is to eliminate the most basic features of the Act. The Secretary wants to eliminate income supplement payments over a three-year period. He wishes to eliminate individual farm allotments. The only government program that would be left is some kind of price support loan program and a general cropland retirement program under which the government would pay farmers to set aside a certain percentage of their total cropland.

Of course, we have not received the details on any of these proposals and there is no way for me to gauge their impact fully. However, we do have some studies which indicate what would happen should basic farm programs be terminated.

Realizing that many people are opposed to any kind of government farm program and realizing that it might be more difficult to secure passage of good farm legislation this year, I wrote to Secretary Butz in December of 1972 to request that the USDA provide us with the current analysis of the probable effect on farm income and the major group of producers if all price support and acreage adjustment payments were discontinued.

In February of this year the Secretary did supply me with an analysis done by Mr. Paarlberg, the Director of Agricultural Economics. I am sure that many of you have read this analysis. It indicated that the impact of eliminating farm programs could be disastrous in terms of farm prices and farm incomes. In the first year of the elimination of the program, corn prices would probably drop below a dollar a bushel. I don't believe that the majority of our corn producers can afford to operate on such a price. Cotton prices might range from 25 to 27 cents per pound. This would have the effect of eliminating all but a fraction of the cotton production in the United States.

Recently, the USDA provided me with the second phase of their study, the impact of a free market system on dairy, rice, peanuts and tobacco. The impact of eliminating price support programs in these commodities would be equally disastrous. For example, net incomes of peanut farmers during the initial years of a free market would be reduced to a half of recent levels.

Of course, the Administration is not proposing an elimination of all farm programs. They are proposing the elimination of income supplement payments. Because I was curious as to what was meant by an income supplement payment, I asked Secretary Butz to define them when he appeared before the Committee on March 29. His response was that in the absence of a set aside program, the 15 cents per pound cotton payment is an income supplement, the wheat certificate payment is an income supplement and the feed grain payment is an income supplement. Thus, the Administration would eliminate Federal payments that, in the main, make the difference between a profit and a loss in farming operations. When the cotton producers testified before my Committee, I asked them how much it cost to produce a pound of cotton and whether they could produce it without the 15 cents per pound payment. The response I received was that it cost more than 32 cents per pound to produce cotton and farmers would be unable to produce cotton at the market price of 27 cents. Therefore, the Administration's proposal would effectively kill cotton production in the United States.

Another aspect of the Administration's plan which disturbs me greatly is the proposal to eliminate individual crop allotments. The Administration has proposed that individual allotments for the crops covered by the Agricultural Act of 1970—cotton, wheat and feed grains—be eliminated. In addition, it has called for a change in the peanut and rice programs and the Administration's plan currently being circulated calls for the elimination of peanut and rice allotments. One of the reasons given for changing the peanut program by an Administration spokesman was that peanut land currently has too high a value.

Ladies and Gentlemen, you know that farm real estate values have increased sharply in the past decade. From 1962 to 1972 the average price of an acre of land has increased from $124 to $217—an increase of 75 percent. However, farm debt, both long-term and short-term credit, has increased even more dramatically. In the past decade farm debt has increased from $26.8 billion to $70 billion, an increase of 262 percent. The young full-time aggressive farmers who are trying to make a living solely from farming these days are especially heavily in debt. They find it necessary to borrow everything they can to make a crop. In many cases they are able to borrow additional money only because the price of farm land has increased so sharply.

The elimination of allotments for peanuts, rice, cotton, corn and wheat would drive the value of real estate down dramatically. This would have the immediate impact of cutting off sources of credit for farmers and precipitating a great wave of farm foreclosures.

I don't feel that I am being over-dramatic to say that the elimination of income supplement payments and cutting off of traditional sources of credit for American agriculture would result in economic depression in many rural areas in this country.

And I don't need to remind you ladies and gentlemen that the Great Depression of the 1930's was felt first on the farm level.

You as farm editors realize that there are a number of stumbling blocks in the way of passing a good farm bill this year.

Consumer resistance to rising food prices is at an all time high. It is impossible to bring any bill concerning agriculture to the floor of the Senate these days without an attempt being made to impose a freeze on the price of all raw agricultural products.

Daily newspapers around the country are responding to an organized propaganda effort and they are including on their editorial pages a great deal of anti-farm opinion. They are calling for an end to the farm program.

Many so-called friends of farmers are using one year of high income as a good excuse for getting the government out of agriculture altogether.

There is a great deal of reference these days to the myth of a free market. We are told that farmers should take their chances in the market place without government help just as everyone else. But, do people really mean this? I think not. Right now, and I defy any contradiction, cattle and calves, hogs, sheep and lambs, poultry and turkeys, all of our meats do exist in a free market! Yet, because prices are high, there are boycotts. We hear Mr. Dunlop, Chairman of the Cost of Living Council, threatening farmers unless they deliver their livestock, and we hear repeatedly from just plain citizens. I take it that for agriculture a free market means low prices! But, for a fact, farmers do not operate in a totally free market! I, too, would favor a free market for farmers if large business concentrations were not able to set just about any price they please on their manufactured goods, if the working man didn't have a minimum wage and if organized labor did not have collective bargaining laws. However, the special benefits that other segments of the economy receive are a fact of life. Therefore, it is the height of folly to insist that agriculture exist in a simon-pure free market.

However, the outlook for farm legislation this year is not completely bleak. We have a number of assets. The first asset is the membership of the Committee I am honored to Chair. The Senate Agricultural Committee is composed of seven Democrats and six Republicans. They may differ on a number of issues in the United States Senate, but when it comes to enacting legislation that will protect farm prices and farm income there is no allegiance to political party or Administration. The Members of the Senate Committee on Agriculture and Forestry listen to their farmers rather than to party leaders or to the Administration in power. Therefore, I am confident that we can report out of the Senate Committee on Agriculture an extension of the Agricultural Act of 1970. I believe that we can report a bill that will protect farm income.

Know that the time is short, I have scheduled farm bill mark-ups beginning April 26. Some of the Members of the Committee, including myself, are going to hold farm hearings in our own States during the Easter recess. This will be an additional effort to obtain for the Committee's benefit the views and opinions of real "dirt farmers".

Immediately after the Easter recess the Committee will begin meeting on the farm bill and we intend to meet every day until a bill is agreed upon. Hopefully, we can report to the Senate floor a good bill that can receive prompt approval by the full Senate.

Although some Members of the Senate have become increasingly critical of farm programs, I believe that there are a sufficient number of Senators who will listen to the farmers in their State so that we will be able to pass a good farm bill in short order. However, there are a number of imponderables, I don't know how hard the Administration intends to fight the extension of the 1970 Act. A concerted effort to end farm subsidies by the Administration could cost us many votes in the Senate. And, of course, in the House of Representatives, the Administration impact will be much greater.

The road to enactment of a good farm bill that will preserve the agricultural base of rural America is a long and rocky one. However, there are some things that you, the newspaper farm editors of America, can do to help.

You can help us carry the message to the American consumer and to the American labor movement.

You can let them know that if farm programs are abandoned, that our food supply will be subject to wide fluctuations in prices. If we abandon income supplement payments and drive thousands of family farmers off the farm, if we destroy the equity that thousands of farmers have in their land, then the ultimate losers will be the consumers. They will experience for the first time real shortages and real gluts of food, greater ups and downs in food prices. They will no longer have a stable low-cost supply to which they have grown accustomed.

If we drive the family farmer off the farm and leave the production of the Nation's food supplies to a few large corporations that can command any price they want, then the consumer will, indeed, pay through the nose.

You can carry the message to the Nation's farmers that we should attempt to make friends, not enemies, with other segments of the economy. The politics of confrontation and division gain the farmer nothing but ill will. Attacks on organized labor do little more than further alienate this powerful political and economic force and add ammunition to those Members of the Congress who wish to impose a freeze on raw agricultural products. Moreover, attacks on labor and consumers make it that much more difficult to pass a good farm bill.

As journalists you can help to correct a false impression that I see frequently in the pages of major metropolitan dailies—the impression that the American farmer is getting rich. It is true that the $19.2 billion of farm income which farmers enjoyed in 1972 is a record. It has been a good year in farm income. However, the articles and editorials that I see fail to mention that many farmers have suffered through lean years and have lost money for several years. They fail to point out that even those farmers who are considered to be big commercial farmers actually receive very little return on their investment.

For example, a witness who testified before the Senate Committee on Agriculture and Forestry stated that his investment in his farming operation was conservatively valued at over $250,000. After paying himself a salary of $7,200, he had a net return on his investment of only $4,231. If he had not received government payments, he would have a net loss of approximately $12,000.

Most people think that anyone who has a gross income of $30,000 is doing pretty well. However, a Georgia farmer who testified before the Committee had a gross income of $30,000 and a net income of only $5,000—and this was the best year he had ever had.

I hope that you Ladies and Gentlemen will help to carry the word that the farmers of this country are toiling from dawn to dusk, six to seven days a week, and have a huge investment in land and equipment, yet they are barely able to scrape out a decent living even in good years such as 1972.

Ladies and Gentlemen, those of us who are interested in the welfare of American agriculture are in a minority. Farm people are in a minority. They are less than five percent of the total population. We have got to work together if we want to preserve the kind of American agriculture that we know. I am confident that you, as journalists who know and understand the farm problem, will do your best to get this message across.

MEXICO-UNITED STATES INTERPARLIAMENTARY MEETINGS—APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. ROTH). The Chair, on behalf of the Vice President, pursuant to Public Law 86-420, appoints the following Senators to the Mexico-United States Interparliamentary Meetings, Mexico, May 24–29, 1973: the Senator from Montana (Mr. MANSFIELD), the Senator from New Mexico (Mr. MONTOYA), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Texas (Mr. BENTSEN), the Senator from Georgia (Mr. NUNN), the Senator from Colorado (Mr. HASKELL), the Senator from Delaware (Mr. BIDEN), the Senator from New Hampshire (Mr. COTTON), the Senator from Michigan (Mr. GRIFFIN), the Senator from Illinois (Mr. PERCY), and the Senator from Kentucky (Mr. COOK).

QUORUM CALL

Mr. McGEE. Mr. President, I suggest the absence of a quorum, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield to the majority whip for projecting a possible unanimous-consent proposal and without my losing the right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Wyoming (Mr. McGEE).

I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 393; that there be a time limitation for a discussion thereof of not to exceed 2 minutes to a side; and that upon disposition thereof the Senate proceed to the consideration of the conference report on the Urgent Supplemental Appropriation Resolution, with the understanding that there be a time limitation on that measure of 5 minutes to a side; that upon disposition of the conference report, the distinguished Senator from Wyoming (Mr. McGEE) retain his right to the floor; that time on the House message be divided between the distinguished Senator from Rhode Island (Mr. PELL) and the distinguished Senator from North Dakota (Mr. YOUNG); that time of the conference report on the Urgent Supplemental Appropriation Resolution be controlled by and divided between the Senator from Rhode Island (Mr. PELL) and the Senator from Arkansas (Mr. McCLELLAN); and that rule XII be waived with respect to the adoption of the House message.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF AUTHORIZATION OF THE NATIONAL COMMISSION ON THE FINANCING OF POSTSECONDARY EDUCATION

The PRESIDING OFFICER laid before the Senate a message from the House on House Joint Resolution 393, a joint resolution to amend the Education Amendments of 1972 to extend the authorization of the National Commission on the Financing of Postsecondary Education and the period within which it must make its final report, which was read twice by its title.

The Senate proceeded to consider the House joint resolution.

Mr. PELL. Mr. President, I send an amendment to the desk to the House joint resolution.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. PELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the end of the joint resolution the following new sections:

SEC. 2. If the appropriation for the fiscal year 1973 for making payments under subpart 1 of part A of title IV of the Higher Education Act of 1965 does not exceed $385,000,000, payments under such subpart from such appropriation shall not be paid on the basis of any entitlement for any student (1) who was in attendance, as a regular student (as defined by the Commissioner of Education), at an institution of higher education prior to July 1, 1973, or (2) who is in attendance at such an institution on less than a full-time basis.

SEC. 3. The provisions of this joint resolution shall be effective on and after May 1, 1973, and such provisions shall be deemed to be enacted immediately before such date.

Mr. PELL. Mr. President, on March 5 the House passed this joint resolution, which extends the life of the National Commission on the Financing of Postsecondary Education from April 30, 1973 until December 31, 1973. The National Commission on the Financing of Postsecondary Education was established by section 140 of the Education Amendments of 1972, which became law on June 23, 1972.

When section 140 of that act was drawn up in the conference on the Education Amendments of 1972, the conferees were constrained by the rules of the conference to place the termination date for the Commission at April 30, 1973. We suspected at that time that April 30 would be too soon to finish the business of the Commission. However, because of the rules of the conference, that date was established.

The Commission has been working diligently to carry out its mandate under the law, and I am convinced that the work of the Commission will be severely impaired by its termination on April 30. It is for this reason that I recommend to the Senate that the life of the Commission be extended to the end of this year.

The amendment I am proposing to the House Joint Resolution relates to another matter relating to higher Education. As you know, the allowance made in the urgent supplemental appropriation for basic grants was so small that the size of the basic grants will make the basic grant program ineffective at best. Therefore, after consultation with my colleagues on the Committee on Labor and Public Welfare and our colleagues on the House side, it would appear that it may be well to limit the BOG's to first-year students in our colleges and universities and to full-time students.

If this amendment is adopted, the basic grants will be concentrated on fewer students, but the size of the grants will be proportionately larger, so that the students will receive grants of sufficient size to make a substantial amount of assistance available to them.

I would also contend that, if this amendment is not adopted, we could well be charged with gross inefficiency in the expenditure of Federal funds. As the law now stands, the grants would amount to approximately $80 apiece. It will cost approximately $10 to make each grant. This ratio of administrative costs is highly inefficient. Therefore, I hope the Senate would agree to this amendment to House Joint Resolution 393.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. PELL. I yield.

Mr. YOUNG. Mr. President, when the Senate and House conferees met last evening on the urgent supplemental appropriations matter, this amendment was proposed The House conferees were sympathetic to it. However, their problem was that they would have to take it back in technical agreement and they thought it would cause no end of trouble if a point of order were made, and it was subject to a point of order. They further thought that they might not have a quorum.

I can see no objection to the amendment. I think it is a good amendment.

Mr. PELL. Mr. President, I thank the Senator. I point out that it would have been subject to a point of order in either body as legislation on an appropriation bill.

Mr. YOUNG. I understand.

Mr. PELL. Mr. President, I yield back the remainder of my time.

Mr. YOUNG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 393) was read the third time and passed.

Mr. McGEE. Mr. President, I suggest the absence of a quorum with the understanding that I retain my right to the floor and that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS, 1973—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a report of the committee of conference on House Joint Resolution 496, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HELMS). The report will be stated by title.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of April 17, 1973, at page 12793.)

Mr. McCLELLAN. Mr. President, the conferees met last evening on this resolution. The Senate position was thoroughly presented to the House conferees, but they took an unyielding position against the modified Pell amendment which the Senate adopted yesterday by a vote of 62 to 19. This amendment would have reapportioned funds among the several education programs included in the appropriation for higher education.

As I indicated yesterday prior to the vote, I was and am fully prepared to support that amendment, but it was made clear to us before the vote that the House would not accept the Pell amendment.

This matter was originally scheduled to be handled in the regular supplemental appropriations bill and Chairman MAGNUSON indicated that it will be further considered by his subcommittee during the early part of May.

The net result—if the Senate had insisted on this amendment and not yielded to the House—would likely have been no bill at all. The innocent victims of that impasse would have been the veterans, their children, wives and widows whose readjustment benefits would have been terminated on April 25, during the recess, for lack of funds. Another innocent group of victims of such a stalemate would have been the local service air carriers, since funds to pay subsidy rate orders issued by the Civil Aeronautics Board have already been exhausted, and many of these lines need the funds provided in this resolution to survive.

I am pleased to advise that the House did accede to the Senate amendment offered by the senior Senator from North Dakota, MILTON YOUNG, to provide additional aid to schools in Federally impacted areas. This amendment authorizes the Secretary of Health, Education, and Welfare to provide increased funding for fiscal 1973 for the education of 3-A students under Public Law 874. It has two provisions: it would continue the 100-percent funding for 3-A students where they represent 25 percent or more of the enrollment in a school district, and would provide 90-percent entitlement for all other 3-A students. 3-A students are those whose parents live on military bases or other Federal land.

Mr. President, I urge the adoption of the conference report.

Mr. PELL. Mr. President, I am very concerned at the action taken in this conference. In fact, I think it is truly startling. Yesterday on the Senate floor the Senate twice affirmed its belief in the original law that had been passed by Congress and signed by the President to the effect that the main thrust of Federal funds to higher education should be in the form of four basic grants.

The House of Representatives, by a floor vote and not by a rollcall vote, had turned this emphasis completely around so that it would be in the opposite direction.

We corrected in the Senate the incorrect action of the House. Then in the conference, late last night the House prevailed. I know that the Senator from Arkansas has been completely fair and sympathetic in giving my views very fair hearings. However, the fact remains that last evening the House prevailed over the Senate amendment which had 62 supporting votes in the Senate.

I think this action is very poor because it shows a tendency to accept the House responsibility for money bills and we take second place to them.

We tend too often in conference to succumb to the House position. One thing that we do not want to be is an upper house, a House of Lords. The President is seeking to do that in every way possible to the whole Congress. We should not let the House of Representatives make the Senate a House of Lords.

Mr. President, I yield the floor.

Mr. McCLELLAN. Mr. President, I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I can understand the concern of the Senator from Rhode Island over the deletion of his amendment in a relatively short time in conference.

The chairman of the committee, the Senator from Arkansas, strenuously objected to that. However, others wanted to accept the House provision, and with good reason. The other members of the conference committee are not present and I cannot speak for them. However, the House provision was adopted by a vote of 367 to 0, and the Senate provision was adopted by a vote of 62 to 19.

One of the House conferee's proposals was to drop the whole bill except veterans assistance which is something that we have to approve before April 25. They were prepared to send this item over in a separate resolution and let the rest of it go. This would foreclose getting any prompt aid to students. It is something that we would not want to do.

I note that there has been some criticism with regard to the House accepting an amendment I had proposed regarding impacted aid to schools. This was in the HEW's appropriations bill which was vetoed last year. The same provision appeared in the bill for at least 3 years straight.

There is nothing new about it at all. It is urgently needed. One school is already closed because of lack of finances. It relates to the education of the children of military people who live on military bases. It was an urgent matter. There is nothing new about it.

I can understand the Senator's concern about the relatively short time which the conference committee took to reach agreement. However, I am sure that the Senate conferees felt that if we had stayed there for 2 days or 2 weeks, the result would not have been any different.

THE ADMINISTRATION MISINTERPRETS THE IMPACTED AID AMENDMENT

Mr. McGOVERN. Mr. President, the Douglas school system at Ellsworth Air Force Base has 3,325 students, 87 percent of whom are federally impacted students and approximately 75 percent of whom live on base. Consequently, the school cannot, as a practical matter, operate without full Federal funding under Public Law 81-874, as amended. Because of the amount of federally owned land, the school district has a low property base which has been taxed to the limit permitted by the South Dakota constitution.

Prior to the 1966-67 school year, title I of Public Law 874 was fully funded. Subsequent to that time, entitlements have been prorated each year, with each year's deficit carried into the following year's district operating budget. At the close of the 1971–72 school year, the district showed a deficit of about $530,000, which was carried forward and became part of the general operating budget of $3.5 million for the 1972–73 school year. From 1966 to 1972 the school had financed those deficits by borrowing from a bank against next year's entitlement.

Briefly, the situation for the 1972–73 school year was as follows: The schools needed approximately $3 million for this year's operations and $530,000 to pay last year's deficit. Anticipated revenues were $2,300,000 entitlement from the Federal Government for this year, $355,000 due from the Federal Government for last year's operations, and $655,000 from State and local sources. Thus the schools faced the prospect of a deficit of $175,000.

At this point we were faced with the second veto of the DHEW appropriations bill, which contained funding for Public Law 874. This threw the funding for that program back on the continuing resolution, which provided funding at a level not less than 95 percent of the amount provided in the last congressional appropriation.

The administration, through the Office of Management and Budget and the Office of Education, Department of Health, Education, and Welfare, then announced that they would fund class A students at a 54-percent level, despite the congressional rule requiring funding at a minimum of 95 percent under a continuing resolution.

Last fall Douglas received all of the State and local funds and $1.6 million in Federal funds. Approximately $1.1 million of the Federal funds were received during the fall under the OMB formula. These funds were not, however, sufficient and the schools determined that they would have to close at the end of December unless further funds were immediately made available.

After negotiations among the school officials, members of Senator ABOUREZK's and my staffs and the Department, Douglas received another payment of about $500,000. The crux of the present problem is what these funds represented. In our communications with the Department we were told that despite the fact that OMB refused to permit additional funding, they had "found" the half million through a "reinterpretation" of the law. At no time during that period or subsequently were we advised that the December funds were considered to be under the administratively decided quota. All the participants in those discussions except the administration official remember that. The words, "hidden funds," "emergency funding," and "crisis money" were used frequently during these discussions.

And the bank turned down the loan this year, because the President's budget does not provide for sufficient funding for the bank to be paid back next year.

So in reliance on the Department's word, Senator YOUNG and I and other Senators prepared and passed in the Senate earlier this week an amendment to the urgent supplemental appropriation bill that would provide 100 percent funding for impacted area schools where the Federal student enrollment was in excess of 25 percent.

After that bill had passed the Senate, the Department then said that Douglas had received full funding and that his legislation would not be helpful. Our position is that the schools have not received full entitlement under the law—and that the administration is now trying to back away from the commitments they made last December as to the identity of the funds received at that time.

I have contacted Chairman MAGNUSON with the request that if the administration insists on their position as to the identity of the December payment—which I believe is morally and legally incorrect—that we come back again in the Senate after Easter with specific funding for Douglas in the supplemental appropriations bill that will be considered at that time. Senator ABOUREZK and I have also asked Chairman MAGNUSON to contact Dr. Ottina and urge a reevaluation of this problem. I ask unanimous consent that the text of those letters be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., April 17, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor, Health, Education, and Welfare, Committee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: We deeply appreciate your efforts in assisting us to obtain sufficient funds from the Office of Education for the Douglas School System at Ellsworth Air Force Base in South Dakota to reopen its schools for the balance of this year.

Unfortunately, since the Senate passed the impacted aid amendment this afternoon, the Office of Education has decided that certain emergency funds made available to the Douglas schools last December should be counted toward 100% entitlement. Consequently, the Administration will interpret the amendment as not requiring sufficient additional funding to reopen the Douglas schools.

We would appreciate your contacting the Office of Education and urging that the December funds be reclassified as emergency aid or to make additional funds available so that the schools can reopen. The amount needed is only $540,421.50 and could be obtained under either of the approaches outlined above.

In the event that the Administration continues to remain unresponsive to the needs of the students in the Douglas schools, we will again be contacting your subcommittee with respect to an amendment to the Supplemental Appropriations Bill which the Senate will consider after the Easter recess. Any additional assistance in that bill, however, will be only partially effective since the students will have missed at least one month of school time by the time it becomes law.

In light of this situation, emergency funds are desperately needed. Your further help will be invaluable and deeply appreciated.

Sincerely yours,

GEORGE MCGOVERN.
JAMES ABOUREZEK.

APRIL 17, 1973.

Hon. JOHN OTTINA,
The Commissioner of Education, Department of Health, Education, and Welfare, Washington, D.C.

DEAR DR. OTTINA: I am sure that you share my deep concern over the recent closing of the Douglas School System at Ellsworth Air Force Base, South Dakota.

While I understand that there is a disagreement on whether the amendment adopted by the Senate this afternoon would provide additional funds to these schools or merely ratify emergency funds you made available last December, the fact remains that 3,500 students are out of school and 200 seniors will not get their high school diplomas unless further funds are made available.

I would hope that the Office of Education will examine every possible avenue to see that sufficient aid is made available to reopen the schools. I understand the amount necessary is only $540,421.50. I would also appreciate your apprising me of your efforts in this regard

Sincerely yours,

WGM.

Mr. McGOVERN. Mr. President, I understand that the conference report on the urgent supplemental appropriations bill contains language which reflect the administration's view on the Douglas schools entitlement to further funding.

Mr. President, the administration tortured interpretation of the facts is wrong and I hope that the Senate will not go on record in support of it.

I pray that the administration will change its mind on this matter and release the funds under the amendment we adopted yesterday. For unless the funds are made available, the schools will not open again this year and 200 seniors will not get their diplomas.

But if the funds are not made available, I will offer an amendment to the second supplemental appropriation bill which we will consider upon our return from the Easter recess which would specifically appropriate the funds needed to reopen the schools this year.

It will be interesting to see whether the administration will again be able to misinterpret the law in the face of a clear mandate to aid these schoolchildren in completing their education.

Mr. ABOUREZK. Mr. President, I wish to associate myself with the remarks of the senior Senator from South Dakota (Mr. MCGOVERN). I, too, feel that the extent to which the Douglas school system has received payments to the full extent possible is a question on which reasonable men may disagree.

While I am pleased that the conferees agree to accept the Young amendment, which has a great deal of merit and which will provide desperately needed aid to many school districts throughout the country, this will not reopen the Douglas school system. It will not return nearly 3,500 students to class. It will not enable these seniors to obtain their diplomas.

The conferees are concerned about this tragic situation. That, too, is good. The school needs all the help it can get. I hope that this concern will express itself in an effort to seek the funding that is needed.

However, I must stress again that I do not accept the contention of the conferees that payments have been made to the full extent. This is an emergency situation and emergency remedies are needed. The Office of Education must be urged to pursue every possible channel, every possible interpretation, to find the funds that are needed.

This is, as the report suggests, a tragic situation. Tragedy demands compassion. The students at Douglas deserve every consideration.

Mr. BIDEN. Mr. President, I have a question on the conferees' report which I would like to ask on behalf of the senior Senator from South Dakota (Mr. McGovern), who has returned to his State as a consequence of the financial crisis at the Douglas school system at Ellsworth Air Force Base. Is it the view of the conferees that the amendment the Senate adopted yesterday, and the House conferees accepted, would not provide additional funding to reopen these schools?

Mr. MAGNUSON. Mr. President, that is my understanding of the administration's position. The senior Senator from South Dakota (Mr. McGovern) has informed me that the Office of Education has taken the position that funds provided to the schools last December should be counted toward their entitlement under the amendment we adopted yesterday. Senator McGovern says that that interpretation is wrong and brought certain information to my attention which indicates there is some merit in differing with the administration's interpretation.

The facts are that the Douglas schools are closed and cannot reopen without further assistance from the Federal Government. At Senator McGovern's request, I have written to the Commissioner of Education and asked him to make the funds available. I hope that he will do so and let these children go back to school.

But Senator McGovern has told me that if the administration persists in its present position, he will offer an amendment to the second supplemental appropriation bill which we will consider when we return from the Easter recess which would appropriate the necessary funds to reopen the schools. And I will give every consideration possible to that amendment.

Mr. BIDEN. Mr. President, so it is not the Senator's understanding that the amendment does not provide for assistance to the Douglas schools.

Mr. MAGNUSON. Mr. President, I do not think a determination is made one way or another.

Mr. PELL. Mr. President, how much time remains?

The PRESIDING OFFICER. All time of the Senator from Arkansas has expired. The Senator from Rhode Island has 1 minute remaining.

Mr. PELL. Mr. President, I am delighted that the amendment of the Senator from North Dakota was accepted. It should have been accepted. However, I am disappointed that we lost on an even more controversial point.

I would like to add that in the debate yesterday I was much impressed with, and conscious of, the depth of feeling and conviction of the Senator from Washington for the basic opportunity grant. It was my own decision not to object at this time, basically because of his belief in this program and his statement of yesterday. He looked forward to a substantial and increased and heavy financing of this program. For this reason, this would seem to me the best course to be followed. And I intend to vote for the conference report.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the conference report.

The report was agreed to.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, April 18, 1973, he presented to the President of the United States the enrolled bill (S. 1315) to extend diplomatic privileges to the Liaison Office of the People's Republic of China and to members thereof, and for other purposes.

QUORUM CALL

Mr. McGEE. Mr. President, I suggest the absence of a quorum, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I yield to the distinguished majority whip, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr ROBERT C. BYRD. Mr. President, I am embarrassed, in that I asked the distinguished Senator from Wyoming to yield, and now I have a telephone call awaiting me which might affect the request that I was about to make. Therefore, I ask that he request another quorum call.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr President, I yield to the distinguished Senator from West Virginia, the acting majority leader, with the understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTER REGISTRATION ACT

Mr McGEE. Mr. President, in view of all of the parliamentary maneuvers that have occurred this afternoon in an effort to bring up some worthwhile legislation before our Easter recess, I think it is incumbent upon me as one of the Senators who has not appeared to be entirely cooperative to make the record very clear.

I favor a speedy enactment of all of the bills we have been discussing today. I am particularly happy that the urgent appropriation bill, the rice bill, and the wheat bill have been approved today before our recess. I favor the extension of the Economic Stabilization Act; but as every Member of this body knows, the debate on voter registration has dragged on for days and days and days; and those who oppose that legislation have not consented to any time limit or any date certain for a vote on the merits of that legislation.

It is my judgment that if the administration wants the Economic Stabilization Act, it has but to lift its finger and notify those in its party who oppose voter registration to permit a vote to occur. If the administration is not willing to permit members of its party to reach a vote on the merits of a bill to improve voter participation in the United States, then I can only reach the conclusion that they do not want more people voting, and they do not value the rule of the majority in the Congress as much as I do.

Every aspect of this bill has been debated exhaustively. A host of dilatory tactics has been used to delay. If I were to surrender the floor now for a vote on the conference report on economic stabilization I could do so only upon the assurance of the minority leader and a sufficient number of his party, and this administration's party, that they will vote to shut off debate on April 30 or will not object to the establishment of a time limitation on further debate. All I want is a vote on the merits.

If we can reach such an agreement today or a week from Monday, I will immediately surrender the floor.

It is my hope that the administration will remove its opposition to majority rule in the Senate so that the business at hand can be expedited.

ORDER TO LAY ASIDE UNFINISHED BUSINESS — TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the unfinished business (S. 352) be temporarily laid aside, and that it remain in a temporarily laid-aside status until the close of a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 5 minutes each, with the understanding that no business be transacted during that period, with the exception of delivery of speeches.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Hathaway) laid before the Senate the following letters, which were referred as indicated:

REPORT ON THE CENTRAL ARIZONA PROJECT

A letter from the Assistant Secretary of the Department of the Interior certifying that an adequate soil survey and land classification has been made of the lands in the central Arizona project (with accompanying papers). Referred to the Committee on Appropriations.

REPORT OF THE INDIANS CLAIMS COMMISSION CONCERNING THE COWLITZ TRIBE OF INDIANS VERSUS UNITED STATES OF AMERICA

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, its report to the Congress of its final determination in respect to the case of the Cowlitz Tribe of Indians versus United States of America (with an accompanying report). Referred to the Committee on Appropriations.

PROPOSED LEGISLATION BY THE CIVIL AERONAUTICS BOARD

A letter from the Chairman of the Civil Aeronautics Board transmitting a draft of a proposed bill to amend the Federal Aviation Act of 1958 so as to specifically provide that remedial orders issued by the Civil Aeronautics Board in enforcement proceedings may require the repayment of charges in excess of those in lawfully filed tariffs (with accompanying papers). Referred to the Committee on Commerce.

PROPOSED LEGISLATION BY THE CIVIL AERONAUTICS BOARD

A letter from the Chairman of the Civil Aeronautics Board transmitting a draft of a proposed bill to amend the Federal Aviation Act of 1958 so as to clarify the powers of the Civil Aeronautics Board in respect of consolidation of certain proceedings (with accompanying papers). Referred to the Committee on Commerce.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE INTERIOR

A letter from the Acting Secretary of the Interior transmitting a draft of proposed legislation to amend the Natural Gas Act to extend its application to the direct sale of natural gas in interstate commerce, and to provide that provisions of the act shall not apply to certain sales in interstate commerce (with accompanying papers). Referred to the Committee on Commerce.

REPORT BY THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting pursuant to law, a report concerning grants approved by HEW financed wholly with Federal funds (with an accompanying report). Referred to the Committee on Finance.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Revisions Needed in Financial Management Policies of the Federal Government's Automatic Data Processing Fund" (with an accompanying report). Referred to the Committee on Government Operations.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the results of an investigation of youth camp safety (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on efforts to assign Public Health Service physicians to counties that are currently without the services of a resident physician (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REFERRAL OF COMMUNICATION TO THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND THE COMMITTEE ON ARMED SERVICES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a communication from the Department of the Interior relative to certain leases issued pursuant to the Outer Continental Shelf Lands Act and to explore Naval Petroleum Reserve No. 4 be jointly referred to the Committee on Interior and Insular Affairs and the Armed Services Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERRAL OF COMMUNICATION TO THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND THE COMMITTEE ON PUBLIC WORKS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a communication from the Department of the Interior on the Outer Continental Shelf Lands Act and to regulate the construction and operation of deepwater port facilities be jointly referred to the Committee on Interior and Insular Affairs and the Committee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. HATHAWAY):

A resolution of the Senate of the State of Montana. Referred to the Committee on Labor and Public Welfare:

S. RES. 29

"A resolution of the Senate of the State of Montana beseeching the President of the United States, the Secretary of Health, Education, and Welfare, and the Congress of the United States to protect and preserve the effectiveness and integrity of the regional medical programs

"Whereas, regional medical programs serving the people of Montana are fulfilling previously unmet rural health care needs, and

"Whereas, these programs are administered and managed at the local level with local nongovernmental personnel responsible to the regional advisory council, and the regional advisory council, as well as task force and/or committee members involved are donating their time on a voluntary basis to solve health problems at a local level, and

"Whereas, these programs build on existing strength and work with the private sector of health professionals to assist them in improving the quality and quantity of health become the most effective local force to care closer to the patient's home, and have and health care personnel in raising the quality of health care; by training new types planning and health care needs to hospitals assist the existing system to improve health care, and

"Whereas, these programs have contributed significantly to improvement of health care throughout Montana by demonstration of more effective rural health care arrangements; by assistance to community of health manpower and improving the skills of existing health care practitioners and the understanding of health care consumers through public education activities, and

"Whereas, these programs in Montana have demonstrated a marked ability to improve health care in underserved and rural areas by support and training of health workers by assisting in the development of intensive coronary care units, oral cancer clinics, and consumer education projects, diabetes management and stroke rehabilitation, heart-kidney prevention, early recognition of cancer and other health problems, and

"Whereas, the regional medical programs in Montana have effectively cooperated with each other, state health agencies, comprehensive planning, voluntary health organizations, and public as well as private, education institutions to provide assistance and consultation and establish cooperative arrangements in the regions.

Now, therefore, be it resolved by the Senate of the State of Montana: That the president of the United States, the secretary of health, education and welfare, and the congress of the United States are requested to provide sufficient funding for the fiscal year 1973 to permit continuation of the effective regional medical programs in Montana, and

"Be it further resolved, that the legislature of the state of Montana calls upon the congress of the United States to pass appropriate legislation extending authority for the regional medical programs on a continuing basis and appropriating sufficient funds for the fiscal year 1974, and

"Be it further resolved, that the legislature of the state of Montana calls upon the congressional delegation from the state of Montana to work avidly for the implementation of this resolution, and

"Be it further resolved, that copies of this resolution be sent to the president of the United States, the secretary of health, education and welfare, to the senate and house of representatives of the United States and to the senators and representatives representing the state of Montana in the United States congress."

A joint memorial of the Legislature of the State of Washington. Referred to the Committee on Commerce:

"HOUSE JOINT MEMORIAL NO. 14

"To the Honorable Richard M. Nixon, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives, to the Senate and House of Representatives of the United States, in Congress Assembled, and to the Secretary of the Interior:

"We, your Memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, A broad cross section of interests represented by citizens, as well as State, local, and Federal agencies, under the aegis of the Governor's Task Force for Nisqually Basin carefully studied this important part of Washington State; and

"Whereas, This Task Force spent more than one year in studying and preparing their recommendations; and

"Whereas, the Nisqually Delta was considered to be an especially fragile and significant segment of the Nisqually Basin; and

"Whereas, Early action to preserve and protect this delta was stressed by the Task Force; and

"Whereas, The initial recommendation of

the Task Force specifically addressed the delta in the following language:

"That the State of Washington provide whatever support is necessary to assist the U.S. Bureau of Sport Fisheries and Wildlife to obtain funding and develop its proposed Wildlife Refuge on the Nisqually Delta area"; and

"Whereas, the State of Washington has already clearly indicated its interest, obligations, and support through acquisition of substantial acreage of the delta by its Department of Game; and

"Whereas, The United States Department of Interior has already recognized the Nisqually estuary, delta, and environs by its designation of this area as a registered National Natural Landmark;

"Now, therefore, your Memorialists respectfully pray that the Congress of the United States and the Department of Interior make available the necessary funds to immediately secure lands and waters for the Wildlife Refuge on the Nisqually Delta.

"Be it further resolved, That copies of this Memorial be immediately transmitted by the Secretary of State to the Secretary of the Interior, the secretary of the Senate of the United States, the clerk of the House of the Representatives of the United States, and to each member of the Congress from this state."

A joint memorial of the Legislature of the State of Washington. Referred to the Committee on Post Office and Civil Service:

"SENATE JOINT MEMORIAL No. 102

"To the President of the Senate and the Speaker of the House of Representatives and to the Senate and House of Representatives of the United States, in Congress assembled:

"We, your Memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, The State of Washington presently engages in certain public assistance programs cooperatively with the federal government, or has undertaken local phases of certain federal public assistance programs; and

"Whereas, Certain of these programs involve the mailing at first class rates of a large volume of mail to many individual recipients, for example food stamp authorizations and public assistance warrants; and

"Whereas, The annual cost to the state of Washington for postage for these federally-related mailings is approximately $329,000.00; and

"Whereas, The benefits derived from these mailings accrue in substantial part to the federal government; and

"Whereas, Charges for use of the mails are set by the Congress;

"Now, therefore, your Memorialists respectfully ask that the *Congress act to permit use of the franking privilege* for federally-related public assistance mail, or to permit such mail to go out at negotiated rates lower than the first class rate.

"Be it further resolved, That copies of this Memorial be immediately transmitted by the Secretary of State to the Secretary of the Senate of the United States, the clerk of the House of Representatives of the United States and to each member of the Congress from this state."

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) on today, April 18, 1973, signed the following enrolled bills which had previously been signed by the Speaker of the House of Representatives:

S. 1493. An act to amend title 37, United States Code, relating to promotion of members of the uniformed services who are in a missing status; and

H.R. 1975. An act to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

REPORT OF COMMITTEES

The following reports of committees were submitted:

By Mr. RANDOLPH, from the Committee on Public Works, with amendments:

S. 1379. A bill to authorize further appropriations for the Office of Environmental Quality, and for other purposes (Rept. No. 93–126).

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare, with an amendment:

S. 4. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans (Rept. No. 93–127).

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, with amendments:

S. 1572. A bill to provide equity in the feed grain set aside program by allowing participants in plan B to switch to plan A. Considered and passed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TAFT (for himself, Mr. SAXBE, and Mr. COOK):

S. 1625. A bill to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from certain vessel laws. Referred to the Committee on Commerce.

By Mr. HASKELL:

S. 1626. A bill for the relief of Nasser Kadkhodazadeh. Referred to the Committee on the Judiciary.

By Mr. BIDEN:

S. 1627. A bill relative to Federal withholding of municipal and county income taxes. Referred to the Committee on Finance.

By Mr. SPARKMAN:

S. 1628. A bill for the relief of Antonio L. Azores. Referred to the Committee on the Judiciary.

By Mr. GURNEY (for himself and Mr. BURDICK):

S. 1629. A bill to encourage and assist the improvement of the judicial machinery through the establishment of a Division of State Court Assistance in the Federal Judicial Center, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN (for himself and Mr. BROCK):

S. 1630. A bill to amend the Truth in Lending Act to protect consumers against inaccurate and unfair billing practices, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HANSEN (for Mr. CURTIS) (for himself, Mr. HANSEN, Mr. BENNETT, Mr. DOMINICK, and Mr. FANNIN):

S. 1631. A bill to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for their contributions to retirement plans, by increasing contribution limitations for self-employed individuals and shareholder-employees of electing small business corporations, by imposing an excise tax on prohibited transactions, and for other purposes. Referred to the Committee on Finance.

By Mr. JAVITS (by request):

S. 1632. A bill to extend for three years the programs for comprehensive State and areawide health planning, and for comprehensive public health service and health services development, and to repeal a requirement that at least 15 per centum of a State's formula allotment for public health services be available only for mental health services. Referred to the Committee on Labor and Public Welfare.

S. 1633. A bill to make permanent the program of research and demonstrations relating to health facilities and services. Referred to the Committee on Labor and Public Welfare.

By Mr. JAVITS:

S. 1634. A bill to amend the Drug Abuse Office and Treatment Act of 1972 to modify the authorization of appropriations for the program of special project grants and contracts, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. RANDOLPH (for himself, Mr. CRANSTON, and Mr. HARTKE):

S. 1635. A bill to amend section 9 of the Military Selective Service Act relating to reemployment rights of members and former members of the Armed Forces of the United States. Referred to the Committee on Armed Services.

By Mr. SPARKMAN (for himself, Mr. TOWER, Mr. STEVENSON, and Mr. PACKWOOD):

Sr. 1636. A bill to amend the International Economic Policy Act of 1972. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BAYH:

S. 1637. A bill to discourage the use of painful devices in the trapping of animals and birds. Referred to the Committee on Commerce.

By Mr. BIBLE (for himself, Mr. CANNON, and Mr. JACKSON):

S. 1638. A bill to authorize the Secretary of the Interior to make certain Federal lands available to State and local governments for park and recreation purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 1639. A bill for the relief of Arnold J. Follett and his wife, Elsie M. Follett; and

S. 1640. A bill for the relief of Daisy M. Tharp. Referred to the Committee on the Judiciary.

By Mr. McCLELLAN (for himself, Mr. YOUNG, Mr. STENNIS, Mr. HRUSKA, Mr. PASTORE, Mr. BIBLE, Mr. COTTON, Mr. TALMADGE, Mr. HARTKE, Mr. FULBRIGHT, Mr. BENNETT, Mr. CURTIS, Mr. FANNIN, Mr. ROTH, Mr. PROXMIRE, Mr. PERCY, Mr. BROCK, Mr. LONG, Mr. DOMINICK, and Mr. JAVITS):

S. 1641. A bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Director and Staff, and for other purposes. Referred to the Committee on Government Operations, by unanimous consent.

By Mr. JAVITS:

S. 1642. A bill to establish a Commission on the Reform of the Federal Income Tax laws. Referred to the Committee on Finance.

S. 1643. A bill to provide minimum standards in connection with certain Federal financial assistance to State and local correctional, penal, and pretrial detention institutions and facilities. Referred to the Committee on the Judiciary.

S. 1644. A bill to assist urban criminal justice systems on an emergency basis in those cities where personal security, economic stability, peace and tranquility are most impaired and threatened by the alarming rise in the commission of serious crime. Referred to the Committee on the Judiciary.

S. 1645. A bill to provide assistance to State and local criminal justice departments and agencies in alleviating critical shortages in qualified professional and paraprofessional personnel, particularly in the corrections components of such systems, in developing the most advanced and enlightened personnel recruitment training and employment standards and programs, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BAYH:

S. 1646. A bill to amend the Controlled Substances Act of 1970 to discharge obligations under the Convention on Psychotropic Substances relating to regulatory controls on the manufacture, distribution, importation, and exportation, of psychotropic substances, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. NELSON:

S. 1647. A bill to extend the Environmental Education Act for three years. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (for himself, Mr. JACKSON, Mr. BIBLE, Mr. ROBERT C. BYRD, Mr. CANNON, Mr. CHURCH, Mr. COTTON, Mr. CURTIS, Mr. DOLE, Mr. EASTLAND, Mr. GOLDWATER, Mr. GRAVEL, Mr. HART, Mr. HOLLINGS, Mr. HUGHES, Mr. INOUYE, Mr. MANSFIELD, Mr. MCGEE, Mr. MCGOVERN, Mr. MONDALE, Mr. MOSS, Mr. NELSON, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SCOTT of Pennsylvania, Mr. SCOTT of Virginia, Mr. SPARKMAN, Mr. STEVENS, Mr. THURMOND, and Mr. WILLIAMS):

S. 1648. A bill to establish the calendar year as the fiscal year of the Government, to provide for separate periods during sessions of the Congress for the consideration of appropriations bills, and to provide for the establishment of annual appropriations and expenditure ceilings. Referred to the Committee on Government Operations.

By Mr. RANDOLPH:

S. 1649. A bill for the relief of Mostafa Ibrahim Shaaban and his wife, Aziza Shaaban. Referred to the Committee on the Judiciary.

By Mr. BURDICK (for himself and Mr. YOUNG):

S. 1650. A bill to declare that certain Federally owned land is held by the United States of America in trust for the Turtle Mountain Band of Chippewa Indians of the Turtle Mountain Chippewa Indian Reservation. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 1651. A bill for the relief of Jorge N. Birnios. Referred to the Committee on the Judiciary.

S. 1652. A bill to authorize the burial of the remains of Marie E. Newman in Arlington National Cemetery, Virginia. Referred to the Committee on Veterans' Affairs.

By Mr. SCHWEIKER:

S. 1653. A bill to prohibit the importation into the United States of commercially produced domestic dog and cat animal products; and to prohibit dog and cat animal products moving in interstate commerce. Referred to the Committee on Finance.

By Mr. JAVITS:

S. 1654. A bill to provide for the extension of the Developmental Disabilities Services and Facilities Construction Act and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 1655. A bill to add an additional judgeship in the western district of New York. Referred to the Committee on the Judiciary.

By Mr. ABOUREZK:

S.J. Res. 96. A joint resolution designating June 3 through June 9 as "Custodian Engineers Week, 1973." Referred to the Committee on the Judiciary.

By Mr. SCHWEIKER:

S.J. Res. 97. A joint resolution to authorize and request the President to issue annually a proclamation designating the week beginning on the fourteenth day of May as "Diabetes Week." Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S.J. Res. 98. Joint resolution relating to nationwide gasoline and oil shortages. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TAFT (for himself, Mr. SAXBE, and Mr. COOK):

S. 1625. A bill to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from certain vessel laws. Referred to the Committee on Commerce.

Mr. TAFT. Mr. President, I am today introducing on behalf of Senators SAXBE, COOK, and myself, a bill to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from the 1966 safety at sea law. I feel that this measure is necessary and appropriate to protect an important and historic vessel.

By definition and intent the *Delta Queen* was not intended to have been included in the safety at sea law to begin with.

Recognizing the great popularity and value of the *Delta Queen,* Congress has acted on three occasions to extend its life as an overnight passenger packet. Most recently, after unanimous approval by the Senate, the House of Representatives voted 295 to 73 to exempt the *Delta Queen* from the safety at sea law until November 1, 1973.

For those not familar with the *Delta Queen,* she is a shallow draft vessel whose operation is limited entirely to the inland rivers—specifically the Mississippi and its tributaries. It is never more than a few minutes from shore and never encounters the hazards of the open sea. Most of her staterooms open on to the outside decks for added safety advantage. It is worth noting that in the more than 80 years during which the *Delta Queen*'s owners have operated 28 riverboats, they have never experienced a single passenger fatality.

It is even more impressive to note that the *Delta Queen*'s owners have conscientiously lived up in good faith to the confidence which Congress implied in granting last year's 3-year exemption.

Her owners have spent approximately $500,000 on repairs, renovation and remodeling to make her safer and more comfortable. Safety improvements included removing 45 years' accumulation of oil base paints on the exterior and applying on the overheads and bulkheads of the superstructure three coats of fire retardent and fire resistent paint. The interiors of all staterooms were similarly treated. All canvas covered decks were stripped bare and covered with a fire proof flexible compound.

A complete new diesel electric generator system was installed. All auxiliary and support systems may now be operated even in the event steam is shut off. New electrical pumps for the automatic sprinkler system and the fire mains can also be operated by the new diesel generator. There were numerous other safety improvements made during the winter layup including the installation of an automatic fire detection system in crew and work areas. The owners have installed a modern sanitation system that far exceeds recommendations proposed by the Environmental Protection Agency.

At a cost of $200,000, the *Delta Queen* is equipped with an experimental sewage disposal plant aboard, considered to be the most sophisticated sewage disposal system in use on American rivers. It is designed to collect all of the boat's wastes and to dispose of them entirely on board, leaving virtually nothing to be emptied ashore or into the air or water. The system filters out solid wastes and routes them to an incinerator, which burns them quickly at temperatures high enough to minimize escape of gases.

Gases and ash from the boilers go through filter traps installed in the boat's stack some time ago to collect soot and change the plume of heavy black smoke that was a traditional characteristic of steamboats into a small whisp of white steam.

The owners of the *Delta Queen* have carefully met every requirement set by the U.S. Coast Guard in annual and quarterly inspections. Further, they have met and exceeded safety recommendations by independent experts and the National Aeronautics and Space Administration.

Recognizing the fact that the *Delta Queen* is the last overnight steamboat operating on the Ohio, Mississippi, and Tennessee Rivers, the Department of Interior has listed the *Delta Queen* in the National Register of Historic Places. Dedicated citizens and preservation groups such as the National Trust for Historic Preservation have widely acclaimed the *Delta Queen* as one of the few living monuments to a bygone era and have been most vocal in recommending to Senators and Congressmen that the vessel be permanently exempted from the safety at sea law.

The *Delta Queen*'s owners have assured me that they have made, and will continue to make, every possible effort to meet the requirements of the Coast Guard, the Environmental Protection Agency and other interested Federal authorities. The expense to the owners is and has been substantial, but they, as I believe it is important that the *Delta Queen* be above reproach in every way.

By Mr. BIDEN:

S. 1627. A bill relative to Federal withholding of municipal and county income taxes. Referred to the Committee on Finance.

"UNCLE SAM—THE TAX SCOFFLAW"

Mr. BIDEN. Mr. President, payroll withholding of Federal and State income taxes is an idea whose time has largely come—but not in all sectors. Specifically, I refer to the matter of municipal and county income taxes. It would greatly facilitate matters if the Federal Government would also deduct local income taxes of Federal employes in Wilmington and many other communities which levy a wage or income tax.

This would assist the cities in obtaining a more orderly and more complete flow of tax revenues, as the Wilmington (Delaware) Evening Journal recently said in an editorial.

In furtherance of this proposal, I send to the desk for introduction a bill, similar to one now pending before the House Ways and Means Committee under the sponsorship of Representative WILLIAM GREEN of Pennsylvania, that would require the Treasury Department to withhold a local wage-tax from employes of the Federal Government in those localities where it is required of other employers.

Finally, Mr. President, I also ask that there be printed with these remarks and the text of the bill an editorial from the Wilmington (Delaware) Evening Journal for April 6, 1973.

There being no objection, the bill and editorial were ordered to be printed in the RECORD, as follows:

S. 1627

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Act entitled "An Act relating to withholding for State income tax purposes, on the compensation of Federal employees", approved July 17, 1952, as amended by Public Law 86–371 (73 Stat. 653; 5 U.S.C. 84b, 84c), is amended—

(1) by striking out "or territory" each place it appears in the first section and inserting in lieu thereof "or city";

(2) by striking out the last sentence of section 2 and inserting in lieu thereof the following: "However, no department or agency of the United States shall accept compensation from any State or city for services rendered in withholding State or city income taxes from the salaries of employees of such department or agency."; and

(3) by adding at the end thereof the following new section:

"SEC. 3. For purposes of this Act, the term 'city' means only a city which is incorporated under the law of a State and which had a population (according to the last decennial census) of sixty thousand or more individuals."

(b) The amendments made by subsection (a) shall apply only in respect of agreements entered into after the date of the enactment of this Act.

UNCLE SAM, THE TAX SCOFFLAW

About one-tenth of the population of the United States lives in cities that have municipal income taxes—and in those cities the most notorious lawbreaker is a scofflaw known as Uncle Sam. He refuses to obey ordinances that say he should collect the taxes from his employes.

City income taxes have been on the scene for 34 years—ever since Philadelphia enacted the first one in 1939. A couple of years after that, during World War II, the federal government invented the pay-as-you-earn income tax. Employers were required by law to withhold federal income taxes from each paycheck, as they had been doing with Social Security deductions since 1936.

The withholding method quickly became the only sensible way to collect income taxes from multitudes of people. So the states got on the bandwagon and decreed that employers must withhold state income taxes also from paychecks. For several years, Uncle Sam balked. He said there was no way the states could require him to make deductions from the salaries of federal employes unless he felt like it—and he felt that he just couldn't be bothered. So the states had to collect by mail from federal employes within their borders.

Eventually the states raised a loud enough fuss and Congress passed a law requiring Uncle Sam to obey state taxwithholding laws. But the law neglected to mention city or county income taxes. So the Civil Service Commission and the Treasury Department go right on pretending that city income taxes do not exist.

By now, Wilmington is one of 46 cities of more than 50,000 people that levy local income or wage taxes. They range in size from New York City and Philadelphia to Lima, Ohio, and Gadsden, Ala., but most of them use withholding systems.

A majority of them collect a flat 1 per cent of gross income, but the rates range up to Philadelphia's 3.125 per cent and New York's maximum of 3.5 per cent.

In all those cities, the result of Uncle Sam's intransigence is similar. While everybody else is having the wage tax deducted more or less painlessly from paychecks, employes of the federal government must mail quarterly form and checks to City Hall.

Two years ago, U.S. Rep. Bill Green of Philadelphia introduced a bill to require Uncle Sam to deduct local income taxes where it is required of other employers. The bill passed the House but stalled in the Senate on a procedural tangle. It died with the outgoing Congress last December.

This year, Rep. Green has offered the same proposal as an amendment to an omnibus tax-reform bill that is being considered by the House Ways and Means Committee, of which he is a member. It is given a good chance of ultimate passage.

It should happen soon. Uncle Sam is not at his best in the role of a deliberate lawbreaker.

By Mr. GURNEY (for himself and Mr. BURDICK):

S. 1629. A bill to encourage and assist the improvement of the judicial machinery through the establishment of a Division of State Court Assistance in the Federal Judicial Center, and for other purposes. Referred to the Committee on the Judiciary.

Mr. GURNEY. Mr. President, on behalf of myself and my distinguished colleague from North Dakota (Mr. BURDICK), I am pleased to introduce the State Court Assistance Act of 1973.

The basic purpose of this bill is to provide necessary assistance to our State and local court systems for the improvement of their administration and procedures for the delivery of justice. A program for such improvements will be the function of a new Division of State Court Assistance to be established in the Federal Judicial Center. This will place meaningful responsibility for the improvement of State judicial machinery where it belongs: in the judicial branch of government.

The bill contemplates direct assistance going to the States through grants-in-aid, for which an application procedure is outlined. For a 4-year period, the new Division will assist in providing supportive personnel to State and local court systems as a means of stimulating State efforts to cope with existing backlog problems.

In addition to these specific activities of direct assistance, the Division will also provide a broad range of programs designed to study and evaluate the needs of State and local court systems, to collect and disseminate pertinent information relative to court assistance, and to conduct educational programs for those involved in court administration. These educational programs will be a particular boon to court personnel, since they will provide a cohesive and comprehensive means of obtaining the most current information on techniques and technology of court reform, sharing the experiences and suggestions of court systems across the country. These educational objectives include special college courses in court administration.

The bill sets up a specific framework for administration of the Division, and calls for the necessary funds to be authorized. For the grant programs, the bill sets specific authorization levels for the 4-year period as follows: $50,500,000 for fiscal year 1974, $73,500,000 for fiscal year 1975, $93,500,000 for fiscal year 1976, and $132,000,000 for fiscal year 1977. These figures have been carefully calculated to provide sufficient funding for each year, without providing too much money, which would lead to waste or insufficient funding, which would lead to inability to achieve the objectives of the act.

I would like to make specific reference to one section of the bill which refers to Federal control over State and local courts. The bill specifically states that the Division, or any of its personnel, may not control the administration or procedure of any court, nor can it make any study of a court system, without prior approval of the highest judicial authority in the State. Thus the bill specifically provides for adherence to the principles of federalism upon which our governmental framework has been organized.

In considering the effectiveness of our justice delivery system, we must take into account the needs of its three basic components: law enforcement agencies, the courts, and the corrections system. Like a giant machine, these three elements must work together to keep the flow of justice steady.

After decades of overwork and lack of repair, our machine has begun to break down. The crisis came in stages. Law enforcement suffered heavily in the late 1960's. Particularly in urban areas, many people lived in increasing and constant fear of being robbed, assaulted or even murdered as they went about their city. In 1 year—1968—the crime rate shot up an incredible 19 percent.

Then too, prisons erupted in violence after long years of neglect, low budgets, rising costs, untrained staff and overcrowded, time-worn facilities unsuitable for adequate treatment programs. As militant and politically conscious minorities became aware of the potential effectiveness of collective protest and dramatic public exposure, smoldering feelings of prison unrest and frustration resulted in the prison riots such as Attica in September 1971. The tensions ensuing from Attica reached into prisons throughout the country, causing a rash of smaller riots which has not yet fully receded.

The judicial system reflects its own crisis. Because the courts represent the "processing" stage of the machinery of justice, their problems are particularly crucial and important. Overcrowding, backlogs and delays are themselves a source of injustice, whether it takes the form of incomplete judicial consideration of a case, or hurried consideration of a case without the fullest application of patience and compassion.

I believe we are beginning to make progress in repairing our justice delivery system. In response to the crime problem, we have reacted with various legislative efforts, such as the Omnibus Crime Control and Safe Streets Act, and the recent amendments to the omnibus crime bill, S. 800, to provide additional penalties for the criminal use of firearms, and to provide mandatory sentences for convicted pushers of hard narcotics. As a result of these continuing efforts, which I have vigorously supported, we recorded, during the first 9 months of last year a crime increase of only 1 percent—the smallest increase since the FBI began issuing quarterly crime reports 12 years ago, and for the first time in 17 years, we had an actual decrease in the incidence of crime. During 1972, 94 major cities reported actual decreases in serious crimes, compared with 53 cities in 1971, 22 cities in 1970, and 17 cities in 1969. Nationally, serious crime declined by some 8 percent in the final quarter of the year, after registering its 1-percent increase for the first 9 months.

Congress has been dealing with major efforts to bring about reforms in our prison systems, to insure decent conditions and to encourage rehabilitation rather than blind retribution. In 1970 we saw the first jail census, conducted by the Law Enforcement Assistance Administration, which disclosed at least 4,037 jails existing in our Nation. On an average day the prison and jail population of the country exceeds 160,000. To finance the penalizaton of these individuals, nationally in 1969 some $324,278,000 was spent on these 4,037 jails, funding which amounts to over $80,000 per jail per year.

We have made progress in recent years in prison and penal reform. According to a 1972 survey by the National Clearinghouse for Criminal Justice Planning and Architecture, 25 States now have established operational standards for local jails, and 18 others administer standards for facility planning and construction. The Federal Government has contributed to improved jail conditions. The Federal system contracts with some 800 jails for the detention of Federal prisoners awaiting trial or transportation to a Federal institution. Although the Federal system has no standards for jail inspection, in many instances these contractual arrangements serve as an impetus to local officials to comply with standards suggested by Federal officials. Perhaps we will begin to make even greater progress in this important area.

Of the three elements in our justice delivery system, crime and prison conditions are often the more obvious to the average citizen. The need for court reform may not, however, be so readily apparent to the public eye. For one thing, there have been no incidents of violent protest to dramatize the plight of the courts. The judges continually complain of their conditions, but their listeners are usually lawyers, their forums bar conventions or meetings, and their results few. The lawyers sympathize, but they are caught in the same mire of public indifference or unconcern. Also, discussions of court problems are too often technical and statistical in nature, not readily assimilated by the casual lay observor, unless, of course, he happens to be one of the statistics. To the layman, the law is mysterious and arcane, and, unfortunately, so too are its problems.

The fact of the matter is simply this: our court systems are incredibly bogged down by staggering caseloads, largely as a result of archaic procedures and a lack of adequate staffing or facilities. The brunt of this burden is felt by State and local court systems, the marketplace of justice, with the excess of cases of concurrent jurisdiction spilling over into the Federal courts.

One disturbing result of this situation has been a weakening of the sixth amendment's guarantee of a speedy trial for the criminally accused. In Philadelphia, for example, a "speedy trial" may take over 5 months to begin; in Ohio the average delay is over 6 months; and in Chicago it may be 9 months or more before a case comes to trial. These are average figures, and there are many civil cases which have taken up to 5 years from date of filing to termination.

During the time of the delay, an innocent man may be held in jail longer than the time many convicted criminals stay incarcerated, while a criminal may be free on bail to perpetuate further crimes against society. The system of backward justice must stop. The Supreme Court of the United States held the sixth amendment's speedy trial right applicable to the States in 1967, in Klopfer against North Carolina, and thus there has devolved upon the Federal Government a species of responsibility for insuring the fullest realization of the substance of that right. While we may be making progress toward protection of that right at the Federal level, through such measures as S. 754, the Speedy Trial Act of 1973 which hopefully will be passed this year, we have taken negligible action to improving the reality of that right at the State level.

Other aspects of backward justice must also be considered. As President Nixon pointed out in a recent radio address:

> When we fail to make the criminal pay for his crime, we encourage him to think that crime will pay.

Caseload statistics and other examples continue to emphasize the need for reform in our State and local systems. Last fall, for example, the backlog in the Los Angeles Superior Court increased by 600 cases in 1 month alone. At the end of September, this backlog amounted to 40,610 civil cases. For criminal cases the number of defendants awaiting trial was a "mere" 6,315, a lesser number which indicates some propriety of priorities but no less a problem. In other words, in this one county alone it would take 57 extra judges working for 1 year to catch up with the civil case backlog, using current annual calendar case disposal criteria.

In Virginia, the Fairfax County court, geographically proximate to the Nation's Capital, was actually ordered closed recently for 2 days to clear up the paperwork. According to news reports, "Many of the records in the court clerk's office have not been filed since last April, and others have been lying in the same disheveled stacks since the fall of 1969."

The problem is not confined to coastlines. In the Kansas court system, there are 1,597 cases which have been pending over 24 months.

We can cite a number of reasons for this problem of case backlogs. There is an obvious cause and effect relationship between our population growth, increased economic transactions, the number of new laws enacted, and increased litigation. The courts simply have more business to handle, not altogether due to, as DeToqueville put it, Americans' tendencies to translate every problem into a lawsuit.

Procedurally, cases may be put off indefinitely through the granting of continuances. In Cook County, Ill., for example, one judge has allowed 53 continuances for one murder case, pending since 1969. Sometimes a defense counsel will request a delay purposely, hoping to increase his client's chances for success as memories of witnesses dim through the passage of time, or hoping to keep a client out of jail a little while longer. Often it is a matter of preparation; one side is not ready to go to trial, and the case is delayed.

A good deal of court delay can be directly attributed to archaic and time-consuming procedures involved in court administration. Out-of-date filing processes, handwritten dockets, ledgers and court journals—all of these are stumbling blocks to the efficient issuance of justice. They should be replaced by more modern management techniques which are available to us. If all the monks in 12th century France copied pages day and night, they still could not publish the New York Times on a daily basis. And yet this is the approach we still use in many of our court systems.

A number of State judicial officers have pointed out specific needs to their legislatures in their annual reports. In my own State of Florida, for example, Justice B. K. Roberts made this comment:

> I feel compelled to call to your attention that in Court Management, the twenty Chief Judges will have urgent need for some form of assistance, and I hope, at the proper time, you will consider providing each of them with an Administrative Aide, or, if that cannot be done, I suggest that you consider authorizing the county within each judicial circuit to make such provision.

Kentucky's judicial council makes this ominous statement in its biennial report:

> The courts of the Commonwealth, structured within the limitations of the 1891 Judicial Article, are currently faced with dramatic increases in caseloads. While internal improvements are in progress, unless substantial court modernization can soon be realized, the proper administration of justice may be endangered by the congestion of spiraling backlog.

And from Delaware's judiciary comes this recommendation:

> Among the many problems facing the Courts of the State of Delaware, two which should receive top priority in 1973 are the need for additional space and the need for more support personnel. Many of the higher courts are cramped and need more courtrooms because of the increased workload, and some of the lower courts are crowded into structures totally unsuited to the needs of a courtroom. The constant struggle to provide temporary solutions is both time-consuming and demoralizing.

Mr. President, the chairman of the Subcommittee on Improvements in Judicial Machinery, Senator BURDICK, has taken an active and commendable role in the effort to bring about effective judicial reform. Both Senator BURDICK and I have sponsored previous proposals along these lines. The bill we are together introducing today combines the experiences of these efforts and represents the knowledge gained from discussions with individuals involved in all aspects of court administration.

The State Court Assistance Act will provide the wherewithall for State and local judicial systems to help themselves. It will encourage the use of efficient management techniques, such as data processing, microfilming or other modern business machines. It will assist in providing adequate supportive personnel, court administration education programs and seminars, and other pertinent information and devices. There are a number of techniques which will, as a result of this bill, be more adequately evaluated and employed, programs perhaps such as increased use of para-judges or similar personnel.

There are two final points I should like to make about this bill, points I believe to be of particular importance. First, this program is totally voluntary in nature and intent, and there is sufficient language in the bill to emphasize the fact that no Federal incursion or controls into a State or local court system is to be allowed. Participation and planning under this bill is to be only with the explicit approval of the State's highest judicial officer. The bill also would incorporate by reference standards of judicial performance adopted by the States themselves through the Council of State Court Representatives of the National Center for State Courts.

Secondly, I believe it is highly advisable to place the function of providing assistance to State courts within the judicial branch of government, as is done here by placing the Division within the Judicial Center. Decades ago Congress realized that it is desirable, and within the structural mandates of the principle of separation of powers, to extricate judicial management from the Department of Justice. What is now the Administrative Office of the United States Courts began as a section of the Department of Justice, and the unsatisfactory conditions which this aberration from the principle of separation of powers fostered led the Congress to place court administration within the judiciary where it belongs.

That is what I believe to be one of the great virtues of the approach this bill takes. The result will be to transfer the function of providing judicial assistance from the Law Enforcement Assistance Administration to a new agency under the judicial branch. This transfer, I believe, makes sense and has clear historical precedent. Both the courts, and the States, are thus placed in a position to help themselves. This is a good thing.

I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1629

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Court Assistance Act".

SEC. 2. (a) Congress finds that rapid growth of population, the great expansion of economic activity and the facility of communication and travel in and between the several States have resulted in a great increase in the civil caseload of both Federal and State courts. The amicable disposition of disputes between citizens of each State and of the several States by a system of law is impeded, and the efficacy of a system of law is threatened, when the courts of the dual system are unable to decide civil disputes promptly.

(b) Congress further finds that, while the organization and administration of State courts is largely a local problem to be decided by State and local governments, certain Federally created rights are by Act of Congress permitted, and in some instances required, to be tried in State courts. To the extent that State courts are less current than Federal courts in the trial of cases of a civil nature, more cases of concurrent jurisdiction are commenced in Federal rather than State courts.

(c) It is therefore the declared policy of the Congress to assist State and local governments in studying improvements in the administration of State courts and in providing, for an initial period, an increase in the supportive court personnel necessary to bring about a reduction in the backlog of cases awaiting trial.

SEC. 3. (a) (1) Sections 631 through section 639 of title 28, United States Code, and all references thereto, are redesignated as sections 651 through 659, respectively.

(2) The analysis of chapter 43 of such title is amended by striking out—

(A) "631" and inserting in lieu thereof "651",

(B) "632" and inserting in lieu thereof "652",

(C) "633" and inserting in lieu thereof "653",

(D) "634" and inserting in lieu thereof "654",

(E) "635" and inserting in lieu thereof "655",

(F) "636" and inserting in lieu thereof "656",

(G) "637" and inserting in lieu thereof "657",

(H) "638" and inserting in lieu thereof "658", and

(I) "639" and inserting in lieu thereof "659".

(b) Chapter 42 of title 28, Unted States Code, is amended by—

(1) inserting immediately before section 620 the following new heading:

"Subchapter I—FEDERAL JUDICIAL CENTER"

and

(2) by adding at the end of such chapter the following new subchapter:

"Subchapter II—DIVISION OF STATE COURT ASSISTANCE

"§ 631. Division of State Court Assistance

"There is established within the Federal Judicial Center a Division of State Court Assistance whose purpose shall be to further the development and adoption of improvements in the organization, procedure, and administration of local and State courts and to make grants-in-aid to the States for studies and investigations and to provide, for an initial period, additional supportive personnel to State and local courts.

"§ 632. Board; composition, selection, tenure of members

"(a) The activities of the Division shall be supervised by a Board which shall have final responsibility for establishing the policies of the Division and shall, except as otherwise provided in this subchapter, exercise the authority granted to the Division.

"(b) The Board shall be composed of—

"(1) a representative selected by the National Conference of Chief Justices;

"(2) a representative selected by the National Conference of Court Administrators;

"(3) a representative elected by the National Conference of Appellate Judges;

"(4) a representative selected by the National Conference of State Trial Judges, and

"(5) five members appointed by the President.

Of the members appointed pursuant to clause (5) of subsection (b), two shall be appointed from among persons who are judges and two from among persons who are attorneys engaged in the private practice of law.

"(c) No two members of the Board appointed by the President shall be residents of the same State and not more than three members of the Board appointed by the President shall be members of the same political party.

"(d) The members of the Board shall serve for a term of four years. No member of the Board who ceases to be a member of the organization selecting him may serve on the Board. Any vacancy of a member selected pursuant to clauses (1) through (4) of subsection (b) shall be filled by the appropriate selecting authority for the remainder of the term for which his predecessor was selected. Any vacancy on the Board of a member selected pursuant to clause (5) of subsection (b) shall be appointed by the President for the remainder of the term for which his predecessor was appointed.

"(e) The Board shall select a Chairman from among the members of the Board at the first meeting of the Board. The first meeting of the Board shall be held on the ninety-first day after the date of enactment of this subchapter.

"§ 633. Meetings; conduct of business; compensation

"(a) Regular meetings of the Board shall be held quarterly. Special meetings shall be held from time to time upon the call of the Chairman, acting at his own discretion or pursuant to the petition of any four members.

"(b) Each member of the Board shall be entitled to one vote. A simple majority of the membership shall constitute a quorum for the conduct of business. The Board shall act upon the concurrence of the simple majority of the members present and voting.

"(c) Members of the Board shall receive compensation at the rate of $75 per day while engaged in the actual performance of duties vested in the Board, and shall also be reimbursed for travel, subsistence, and other necessary expenses incured by them in the performance of such duties, so long as consistent with State law.

"§ 634. Duties of the Board

"(a) In order to carry out the objectives of this subchapter, the Board is authorized—

"(1) to conduct or cause to be conducted seminars and other educational programs for judges and personnel of State and local courts;

"(2) to collect, evaluate, publish, and disseminate information, materials, and other data relating to studies, programs, and projects conducted or carried out by the Institute or by a State under this chapter;

"(3) to cooperate with the National Center for State Courts and to render technical assistance to Federal, State, local or other public or private agencies; and

"(4) to accept, in its discretion, gifts and other donations to be used in carrying out the purpose of the Institute.

"(b) In order to further carry out the objectives of this subchapter, the Board is authorized to make grants, in accordance with the provisions of this subchapter, to State and local courts or to public agencies or private nonprofit organizations for the following purposes—

"(1) to permit a State to study and evaluate State and local court systems, and to prepare recommendations for organizational, procedural, and administrative improvements of such systems, including projects designed to meet compliance with standards of judicial performance recommended by the Council of State Court Representatives of the National Center for State Courts, and including, but not limited to, any of the following—

"(A) the disposition of pedestrian and nonmoving vehicular traffic offenses by administrative rather than judicial procedures,

"(B) the revision of criminal codes, statutes or ordinances to provide for a feasible system of adjudicating petit misdemeanor offenses by other than jury trials.

"(C) the use of referees or masters to supervise under court direction pre-trial proceedings, including correction of pleadings, enforcement of discovery, simplification of issues, and consideration of settlement possibilities in money-only cases,

"(D) the resolution of conflicts between several courts, both State and Federal, over the assignment of trial counsel,

"(E) the use of referees or masters to facilitate the adjudication and disposition of juvenile cases and uncontested divorce and probate cases,

"(F) the disposition of cases involving victimless minor offenses by administrative rather than judicial procedures,

"(G) the expedition of appeals by simplification of the transcript or other record of trial and the expedition of such transcript by use of electronic recording devices or by supplying supplemental official court reporter positions.

"(H) a re-examination of procedures used in small claim courts, including reassessment of procedures assuring adequate notice and opportunity to be heard in consumer cases, and

"(I) for such other purposes consistent with the objectives of this chapter as the Board determines is appropriate.

"(2) to present seminars and other education programs for judges and personnel of local and State courts;

"(3) to establish on a regional basis in accredited universities and colleges programs of instruction in court administration, management, and other para-judicial duties;

"(4) to defray the expense, including salary and rent of any additional office space, necessary to implement and maintain for a period of 4 years any approved improvement program specified in subsection (b) (1) of this clause which requires the services of additional judges and supportive personnel, exclusive of clerical and stenographic personnel, except that not more than 90 percent of the cost of salaries and rent of additional office space shall be paid out of grants made under this clause.

"(5) for such other purposes, consistent with the objectives of this subchapter, as the Board determines necessary or desirable except that no such grant or part thereof may be used for the construction, improvement, or alteration of buildings.

"§ 635. Powers of the Board

"The Board is authorized—

"(1) to appoint and fix the duties of the Director of the Division of State Court Assistance, who shall serve at the pleasure of the Board;

"(2) to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to the performance of the functions of the Division of State Court Assistance set forth in this subchapter, and each such department, agency, or instrumentality is directed to cooperate with the Board and, to the extent permitted by law, to furnish such information to the Division upon request of the Chairman or upon request of the Director when the Board has delegated this authority to him;

"(3) to contract with and compensate government and private agencies or persons for research projects and other services, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), and to delegate such contract authority to the Director of the Division of State Court Assistance, who is empowered to exercise such delegated authority.

"§ 636. Director and staff

"(a) The Board shall appoint and fix the duties of the Director of the Division who shall serve at the pleasure of the Board.

"(b) The Director's per annum compensation shall be set by the Board in an amount not to exceed $36,000 per annum. His appointment and salary shall not be subject to the provisions of title 5, United States Code, governing appointments in the competitive service, or the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classifications and General Schedule pay rates.

"(c) The Director shall appoint and fix the compensation of such additional professional personnel as the Board may deem necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, or the provisions of chapter 53 and subchapter III of chapter 53 of such title, relating to classifications and General Schedule pay rates, except that (1) the compensation of any person appointed under this subsection shall not exceed the annual rate of basic pay of Grade 17 of the General Schedule pay rates, section 5316, of title 5, United States Code, and (2) the salary of a reemployed annuitant under the Civil Service Retirement Act shall be adjusted pursuant to the provisions of section 8344, title 5, United States Code.

"(d) The Director shall appoint and fix the compensation of such secretarial and clerical personnel as he may deem necessary, subject to the provisions of title 5, United States Code, governing appointments in the competitive services, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classifications and General Schedule pay rates.

"(e) The Director may procure personal services as authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the highest rate payable under General Schedule pay rates, section 5332, title 5, United States Code, unless such higher rate is approved by the Board.

"(f) The Director is authorized to incur necessary travel and other miscellaneous expenses incident to the operation of the Division.

"§ 637. Retirement; employee benefits

"The Director, the professional staff, and the clerical and secretarial employees of the Division shall be deemed to be officers and employees of the judicial branch of the United States Government within the meaning of subchapter III of chapter 83 (relating to civil service retirement), chapter 87 (relating to Federal employees life insurance program), and chapter 89 (relating to Federal employees health benefits program), to title 5, United States Code.

"§ 638. Procedure for obtaining grants

"(a) The Director shall, after consultation with the Board, issue regulations establishing general standards for obtaining grants under this subchapter. The regulations shall provide for regular reports to the Director by a recipient of a grant under this subchapter, and the Director shall from time to time, on the basis of the reports and other information available to him, review and, if necessary, revise the regulations issued pursuant to this section. Such regulations and revisions thereof shall not become effective until approved by the Board.

"(b) After the regulations referred to in subsection (a) of this section have been issued, any State or local court or any public agency or private nonprofit organization desiring to secure a grant under this chapter may submit an application therefor to the Director. The application shall be in such form and contain such information as may be prescribed by the Director. The application shall be reviewed by the Director who shall recommend approval or disapproval to the Board. No application submitted for a grant under this subchapter shall be recommended by the Director for approval unless such application has been first approved by the highest judicial authority of the State in which is located the court, agency or organization submitting such application.

"(c) The Board may approve any application recommended by the Director which complies with the provisions of this subchapter. Payment to any applicant under this subchapter may be made upon the approval of the application by the Board from the appropriate allotment determined pursuant to section 640. Payment of any such grant may be made in advance or by way of reimbursement, and in such installments as may be determined by the Director, and shall be made on such conditions as the Director finds necessary to carry out the objectives of this subchapter.

"§ 639. Control prohibited and approval of chief judge

"Nothing in this Act shall be construed as authorizing the Division, the Board, or the Director thereof, to supervise or control in any manner or to any extent the administration, organization, or procedure of any State or local court, or to conduct or to cause to be conducted any study or evaluation of any State or local court without the prior approval of the highest judicial authority of the State in which such study or evaluation is to be conducted.

"§ 640. Appropriations and allocations

"(a) Except as provided in subsection (b), there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"(b) There are authorized to be appropriated to carry out the provisions of section 634(b) the sum of $50,500,000 for the fiscal year ending June 30, 1974, $73,600,000 for the fiscal year ending June 30, 1975, $93,500,000 for the fiscal year ending June 30, 1976, and $132,000,000 for the fiscal year ending June 30, 1977, to be allocated in accordance with subsection (e) of this section.

"(c) Of the sums appropriated pursuant to subsection (a) of this section for each fiscal year, not more than $2,300,000 shall be available for the purposes of administration expenses of the Division. Of such sums appropriated for each fiscal year, the sum of $500,000 shall be available for each fiscal year for the purpose of establishing programs of instruction in court administration.

"(d) Of the sums appropriated pursuant to subsection (b) of this section—

"(1) the sum of $3,700,000 shall be available for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, and the sum of $1,700,000 shall be available for the fiscal year ending June 30, 1977, for studies assisted under clause (1) of section 634 (b);

"(2) the sum of $2,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975, the sum of $3,000,000 for the fiscal year ending June 30, 1976, and the sum of $1,500,000 for the fiscal year ending June 30, 1977, shall be available for seminars assisted under clause (2) of section 634 (b); and

"(3) the sum of $42,000,000 for the fiscal year ending June 30, 1974, the sum of $65,000,000 for the fiscal year ending June 30, 1975, the sum of $84,000,000 for the fiscal year ending June 30, 1976, and the sum of $126,000,000 for the fiscal year ending June 30, 1977, shall be available for improvement programs assisted under clause (4) of section 634 (b).

"(e) (1) Of the sums authorized to be appropriated under subsection (b) of this section and available for studies pursuant to paragraph (1) of subsection (d) of this section, each State shall be allocated $25,000 and from the remainder of the sums so appropriated, each State shall be allocated an additional amount which bears the same ratio to such remainder as the population of the State bears to the population of all States.

"(2) Of the sums authorized to be appropriated pursuant to subsection (b) and available for seminars in accordance with paragraph (2) of subsection (d) of this section, each State shall be allotted $15,000 for the fiscal year ending June 30, 1974, and for the fiscal year ending June 30, 1975; $30,000 for the fiscal year ending June 30, 1976; and $15,000 for the fiscal year ending June 30, 1977 and from the remainder of the sums so appropriated, each State shall be allocated an additional amount which bears the same ratio to such remainder as the population of the State bears to the population of all States.

"(3) Of the sums authorized to be appropriated pursuant to subsection (b) and available for improvement programs in accordance with paragraph (3) of subsection (d) of this section, each State shall be allotted $200,000 for the fiscal year ending June 30, 1974, $300,000 for the fiscal year ending June 30, 1975, $400,000 for the fiscal year ending June 30, 1976, and $600,000 for the fiscal year ending June 30, 1977, and from the remainder of the sums so appropriated, each State shall be allocated an additional amount which bears the same ratio to such remainder as the population of the State bears to the population of all States.

"(f) The Board is authorized to allocate the remainder of the funds appropriated pursuant to subsection (b) of this section on an equitable basis.

"(g) From the sums allotted pursuant to subsections (e) and (f) of this section, the Director is authorized to pay State and local courts and public agencies and private nonprofit organizations in that State having applications approved under this subchapter.

"§ 641. Definitions

"As used in this subchapter, the term—

"(1) 'State's highest judicial authority' means the person who has been granted, by State constitution or statute, supreme supervisory authority over the courts of the State or, in the absence of such a grant or designation, the chief judge of the highest court of a State; and

"(2) 'State' means each of the several States and the District of Columbia.

"(3) 'Population' means the more recently published State population figures cited in—

"(a) the latest Decennial Census Report of the Bureau of the Census; or

"(b) the latest *Current Population Reports*, Series P–25, published by the Bureau of the Census.

"642. Annual report

"On or before April 1 of each calendar year, the Board shall report in writing to the President and to the Congress on its activities pursuant to the provisions of this chapter during the preceding calendar year."

Sec. 4. (a) The analysis of chapter 42 of title 28, United States Code, is amended to read as follows:

"CHAPTER 42—FEDERAL JUDICIAL CENTER AND THE DIVISION OF STATE COURT ASSISTANCE

"Subchapter I—Federal Judicial Center

"Sec.
"620. Federal Judicial Center.
"621. Board; composition, tenure of members, compensation.
"622. Meetings; conduct of business.
"623. Duties of the Board.
"624. Powers of the Board.
"625. Director and Staff.
"626. Compensation of the Director.
"627. Retirement; employee benefits.
"628. Appropriations and accounting.
"629. Organizational provisions.

"Subchapter II—Division of State Court Assistance

"Sec.
"631. Division of State Court Assistance.
"632. Board; composition, selection, tenure of members.
"633. Meetings; conduct of business; compensation.
"634. Duties of the Board.
"635. Powers of the Board.
"636. Director and staff.
"637. Retirement; employee benefits.
"638. Procedure for obtaining grants.
"639. Control prohibited and approval of chief judge.
"640. Appropriations and allocations.
"641. Definitions.
"642. Annual report."

(b) The table of chapters of part III of title 28, United States Code, is amended—

(1) by striking out

"42. Federal Judicial Center"

and inserting in lieu thereof

"43. Federal Judicial Center and Division of State Court Assistance"; and

(2) by striking out "631" after the matter "United States Commissioner" and inserting in lieu thereof "651".

By Mr. SPARKMAN (for himself and Mr. Brock):

S. 1630. A bill to amend the Truth in Lending Act to protect consumers against inaccurate and unfair billing practices, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

CONSUMERS CREDIT LEGISLATION

Mr. SPARKMAN. Mr. President, I introduce on behalf of the Senator from Tennessee (Mr. Brock) and myself the Truth in Lending Act Amendments of 1973 to protect the consumer from unfair billing practices and to further update the Truth in Lending Act.

The Members of this body have long been aware of the need to give the consumer adequate protection in the area of consumer credit.

Former Senator Paul Douglas first introduced the Consumer Credit Labeling bill (S. 2755) on January 7, 1960. The measure languished for attention for several years, and when Senator Douglas left the Senate, the Senator from Wisconsin (Mr. Proxmire) picked up the reins and introduced a truth-in-lending bill, S. 5. S. 5 was later considered and reported by the then Banking and Currency Committee under my chairmanship and was one of the first major pieces of consumer legislation coming from our committee. The bill had my full support. It was passed by the Senate on July 11, 1967, and was later signed into law.

Title 5 of the new act provided for the establishment of a bipartisan National Commission on Consumer Finance. The purpose of the Commission was to explore and report to the Congress on the functioning and structure of the consumer finance industry as well as consumer credit transactions in general. The law establishing the Commission provided that Commission members would come from the Congress and the public sector. In addition to myself the congressional members of the Commission consisted of Senators Proxmire and Brock and Representatives Sullivan, Gonzales, and Williams. The public members were appointed by the President and consisted of the Honorable Ira Millstein as chairman, Dr. Robert W. Johnston, professor of economics of Purdue University, and the Honorable Douglas M. Head, former attorney general of the State of Minnesota.

After 3 years of study the Commission made 85 recommendations addressed to Federal and State legislatures as well as the regulatory agencies which enforce consumer credit protection laws. Specific recommendations were made for amendments to the Truth in Lending Act to increase the effectiveness of disclosure and to provide the consumer relief from unfair billing practices. The Commission urged legislation to assure that:

Each consumer's complaint be promptly acknowledged by the creditor.

Within a reasonable period of time a creditor should either explain to the consumer why he believes the account was accurately shown in the billing statement or correct the account.

During the interval between acknowledgment of the complaint and action to resolve the problem, the consumer should be free of harassment to pay the disputed amount.

Penalties on creditors for failure to comply should be sufficiently severe to prompt compliance.

The bill Senator Brock and I introduce today incorporates the Commission's basic recommendations for amendments to the Truth in Lending Act into an updated version of S. 652, the Fair Credit Billing Act, which passed the Senate on April 27, 1972, but upon which no action was taken in the House of Representatives.

As the Members of this body may recall, in the last session of Congress, the Senator from Wisconsin (Mr. Proxmire) and the Senator from Massachusetts (Mr. Brooke) introduced S. 652 on February 8, 1971. Extensive hearings were held on the bill by the Financial Institution Subcommittee of the Senate Banking, Housing and Urban Affairs Committee from October 26 through 29, 1971. Subsequently, both the subcommittee and the full committee met in executive session and agreed to amendments in the nature of substitute to the original bill. After a debate on the Senate floor the Senate passed S. 652 on April 27 by the large majority of 51 to 15.

Our action today is to introduce legislation which builds upon S. 652 by incorporating into it the major recommendations of the National Commission on Consumer Finance pertaining to truth in lending.

The bill will protect the consumer by:

Requiring creditors to acknowledge customers' billing disputes within 30 days and to resolve these disputes within 90 days;

Prohibiting creditors from sending dunning letters or taking other action to collect disputed amounts or making adverse credit reports during this period;

Limit creditors right to report disputed accounts to credit reporting agencies;

Requiring a brief identification of each transaction on a monthly billing statement;

Requiring the mailing of billing statements at least 14 days prior to the date payment is due;

Requiring creditors to promptly post customers' payments;

Protecting merchants from requirements that they maintain deposits with the credit card issuers or provisions that would prohibit discounts to cash customers;

Limiting a creditor's liability for punitive damages; and

Protecting consumers from fraudulent credit card transactions.

The bill contains several technical amendments to the Truth in Lending Act to provide for better methods of disclosure. This follows the recommendations of the National Commission on Consumer Finance to simplify credit advertising and encourage the advertising of credit terms. These amendments relate to the advertising of credit life and accident insurance as well as other aspects of credit advertising. We feel that these amendments would make the Truth in Lending Act more effective.

I have always supported legislation that was aimed toward protecting the consumer in financial areas. In supporting such legislation, however, I have always tried to be extremely careful to provide legislation that in fact helps the consumer and does not hurt him by diminishing the availability of credit, driving the cost of credit up or cutting out those consumers who need credit most. This is a very delicate balance that must be taken into consideration when we are developing this type of legislation.

I believe the bill that we are introducing today is within the framework of this balance and represents an important step toward protecting consumers' frustrations of inaccurate and unfair billing practices as well as from credit card fraud.

I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Truth in Lending Act Amendments of 1973".

TITLE I—FAIR CREDIT BILLING

§ 101. Short title

This title may be cited as the "Fair Credit Billing Act".

§ 102. Declaration of purpose

The last sentence of section 102 of the Truth in Lending Act (15 U.S.C. 1601) is amended by striking out the period and inserting in lieu thereof a comma and the following:

"and to protect the consumer against inaccurate and unfair credit billing and credit card practices."

§ 103. Definition of creditor

Section 103(f) of the Truth in Lending Act (15 U.S.C. 1602(f)) is amended by adding at the end thereof the following: "Notwithstanding the foregoing, for the purposes of the requirements imposed under sections 127(a) (6), 127(a) (7), 127(a) (8), 127(b) (1), 127(b) (2), 127(b) (3), 127(b) (11), and chapter 4 of this title, the term 'creditor' means any person who regularly extends credit or arranges for the extension of credit in connection with loans, sales of property or services, or otherwise."

§ 104. Identification of transaction

Section 127(b) (2) of the Truth in Lending Act (15 U.S.C. 1637(b) (2)) is amended to read as follows:

"(2) The amount and date of each extension of credit during the period and a brief identification on or accompanying the statement of each extension of credit in a form prescribed by regulations of the Board sufficient to enable the obligor to identify the transaction, or relate it to copies of sales vouchers or similar instruments previously furnished."

§ 105. Disclosure of fair credit billing rights

(a) Section 127(a) of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof a new paragraph as follows:

"(8) A statement, in a form prescribed by regulations of the Board, of the protection provided by section 161 to an obligor and the creditor's responsibilities under section 162. Such statement shall be provided to the obligor at least semiannually."

(b) Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended to read as follows:

"(c) In the case of any existing account under an open end consumer credit plan having an outstanding balance of more than $1 at or after the close of the creditor's first full billing cycle under the plan after the effective date of subsection (a) or any amendments thereto, the items described in subsection (a), to the extent applicable and not previously disclosed, shall be disclosed in a notice mailed or delivered to the obligor not later than the time of mailing the periodic billing statement required by subsection (b)."

§ 106. Disclosure of billing contract

Section 127(b) of the Truth in Lending Act (16 U.S.C. 1637 (b)) is amended by adding at the end thereof a new paragraph as follows:

"(11) The address to be used by the creditor for the purpose of receiving billing inquiries from the obligor."

§ 107. Billing practices

The Truth in Lending Act (15 U.S.C. 1601–1665) is amended by adding at the end thereof a new chapter as follows:

"CHAPTER 4—CREDIT BILLING

"Sec.
"161. Correction of billing errors.
"162. Regulation of credit reports.
"163. Length of billing period.
"164. Prompt crediting of payments.
"165. Crediting excess payments.
"166. Use of cash discounts.
"167. Prohibition of tie-in services.
"168. Prohibition of offsets.
"169. Relation to State laws.
"170. Rights of credit card customers.

"§ 161. Correction of billing errors

"(a) If a creditor, within sixty days after having transmitted to an obligor a statement of the obligor's account in connection with an extension of consumer credit, receives at the address disclosed under section 127(b) (11) a written notice (other than notice on a payment stub or other payment medium supplied by the creditor if the creditor so stipulates with the disclosure required under section 127(b) (11)) from the obligor in which the obligor—

"(1) sets forth or otherwise enables the creditor to identify the name and account number (if any) of the obligor,

"(2) indicates the obligor's belief that the statements contains a billing error and the amount of such billing errors, and

"(3) sets forth the reasons for the obligor's belief (to the extent applicable) that the statement contains a billing error,

the creditor shall, unless the obligor has, after giving such written notice and before the expiration of the time limits herein specified, agreed that the statement was correct—

"(A) not later than thirty days after receipt of the notice, send a written acknowledgment thereof to the obligor, unless the action required in subparagraph (B) is taken within such thirty-day period, and

"(B) not later than two complete billing cycles of the creditor (in no event later than ninety days) after the receipt of the notice and prior to taking any action to collect the amount, or any part thereof, indicated by the obligor under paragraph (2) either—

"(i) make appropriate corrections in the account of the obligor, including the crediting of any finance charges on accounts erroneously billed, and transmit to the obligor a notification of such corrections and the creditor's explanation of any change in the amount indicated by the obligor under paragraph (2) and, if any such change is made and the obligor so requests, copies of documentary evidence of the obligor's indebtedness; or

"(ii) send a written explanation or clarification to the obligor, after having conducted an investigation, setting forth to the extent applicable the reasons why the creditor believes the account of the obligor was correctly shown in the statement and, upon request of the obligor, provide copies of documentary evidence of the obligor's indebtedness.

"(b) For the purpose of this section, a 'billing error' consists of any of the following:

"(1) A reflection on a statement of an extension of credit which was not made to the obligor or, if made, was not in the amount reflected on such statement.

"(2) A reflection on a statement of an extension of credit for which the obligor requests additional clarification including documentary evidence thereof.

"(3) A reflection on a statement of goods or services not accepted by the obligor or his designee or not delivered to the obligor or his designee in accordance with the agreement made at the time of a transaction.

"(4) The creditor's failure to reflect properly on a statement a payment made by the obligor or a credit issued to the obligor.

"(5) A computation error or similar error of an accounting nature of the creditor on a statement.

"(6) Any other error described in regulations of the Board.

"(c) For the purpose of this section, 'action to collect the amount, or any part thereof, indicated by an obligor under paragraph (2)' does not include the sending of statements of account to the obligor following written notice from the obligor as specified under subsection (a), if—

"(1) the obligor's account is not restricted or closed because of the failure of the obligor to pay the amount indicated under paragraph (2) of subsection (a), and

"(2) the creditor indicates the payment of such amount is not required pending the creditor's compliance with section 161.

Nothing in this section shall be construed to prohibit any action by a creditor to collect any amount which has not been indicated by the obligor to contain a billing error.

"(d) Any creditor who fails to comply with the requirements of subsection (a) forfeits any right to collect from the obligor the amount indicated by the obligor under paragraph (2) of subsection (a), and finance charges thereon, except that the amount required to be forfeited under this subsection may not exceed $50.

"§ 162. Regulation of credit reports

"(a) After receiving a notice from an obligor as provided in section 161(a), a creditor of his agent may not directly or indirectly threaten to report to any person adversely on the obligor's credit rating or credit standing because of the obligor's failure to pay the amount indicated by the obligor under section 161(a) (2), and such amount may not be reported as delinquent to any third party until the creditor has met the requirements of section 161 and has allowed the obligor the same number of days (not less than ten) thereafter to make payment as is provided under the credit agreement with the obligor for the payment of undisputed amounts.

"(b) If a creditor receives a further written notice from an obligor that an amount is still in dispute within the time allowed for payment under subsection (a) of this section, a creditor may not report to any third party that the account of the obligor is delinquent solely because the obligor has failed to pay an amount which he has indicated under section 161(a)(2), unless the creditor also reports that the account is in dispute and, at the same time, notifies the obligor of the name and address of each party to whom the creditor is reporting information concerning the delinquency.

"(c) A creditor shall report any subsequent resolution of any delinquencies reported pursuant to subsection (b) to the parties to whom such delinquencies were initially reported.

"§ 163. Length of billing period

"If an open-end consumer credit plan provides a time period within which an obligor may repay any portion of the credit extended without incurring an additional finance charge, such additional finance charge may not be imposed with respect to such portion of the credit extended for the billing cycle of which such period is a part unless a statement which includes the amount upon which the finance charge for that period is based was mailed at least fourteen days prior to the date specified in the statement by which payment must be made in order to avoid imposition of that finance charge.

"§ 164. Prompt crediting of payments

"Payments received from an obligor under an open-end consumer credit plan by the creditor shall be posted promptly to the obligor's account as specified in regulations of the Board. Such regulations shall prevent a finance charge from being imposed on any obligor if the creditor has received the obligor's payment prior to the time indicated by the creditor by which such payment must be received to avoid the imposition of a finance charge.

"§ 165. Crediting excess payments

"Whenever an obligor transmits funds to a creditor in excess of the total balance due on an open-end consumer credit account, the creditor shall promptly (1) upon request of the obligor refund the amount of the overpayment, or (2) credit such amount to the obligor's account.

"§ 166. Use of cash discounts

"(a) With respect to a credit card which may be used for extensions of credit in sales transactions in which the seller is a person other than the card issuer, the card issuer may not, by contract or otherwise, prohibit any such seller from offering a discount to a cardholder to induce the cardholder to pay by cash, check, or similar means rather than use a credit card.

"(b) With respect to any sales transaction, any discount not in excess of 5 per centum offered by the seller for the purpose of inducing payment by cash, check, or other means not involving the use of a credit card shall not constitute a finance charge as determined under section 106, if such discount is offered to all prospective buyers and its availability is disclosed to all prospective buyers clearly and conspicuously in accordance with regulations of the Board.

"§ 167. Prohibition of tie-in services

"Notwithstanding any agreement to the contrary, no card issuer shall require a seller, as a condition to participating in a credit card plan, to open an account with or procure any other service from the card issuer or its subsidiary or agent.

"§ 168. Prohibition of offsets

"(a) A credit card issuer may not take any action to offset a cardholder's indebtedness arising in connection with a consumer credit transaction under the relevant credit card plan against funds of the cardholder held on deposit with the card issuer unless—

"(1) such action was previously authorized in writing by the cardholder, and

"(2) such action with respect to any disputed amount will be rescinded by the card issuer upon request of the cardholder made within ten days after such action is taken. In the case of any credit card account in existence on the effective date of this section, the previous written authorization referred to in clause (1) shall not be required until the date (after such effective date) when such account is renewed, but in no case later than one year after such effective date.

"(b) This section does not alter or affect the right under State law of a card issuer to attach or otherwise levy upon funds of a cardholder held on deposit with the card issuer if that remedy is constitutionally available to creditors generally.

"§ 169. Relation to State laws

"This chapter does not annul, alter, affect, or exempt any person subject to the provisions of this chapter from complying with the laws of any State with respect to credit billing practices, except to the extent that those laws are inconsistent with any provision of this chapter, and then only to the extent of the inconsistency. No State law which provides greater protection for consumers than the protection provided by this law shall be preempted by this law to the extent of the greater protection.

"§ 170 Rights of credit card customers

"With respect to any sales transaction where a credit card has been used to obtain credit, where the seller is a person other than the card issuer, and where the seller accepts or allows a return of the goods or forgiveness of a debit for services which were the subject of such sale, the seller shall, unless otherwise requested by the buyer, promptly transmit to the credit card issuer a credit statement with respect thereto and the credit card issuer shall credit the account of the obligor for the amount of the transaction."

§ 108. Conforming amendments

(a) The table of chapters of the Truth in Lending Act is amended by adding immediately under item 3 the following:

"4. Credit Billing........................ 161".

(b) Section 111(d) of such Act (15 U.S.C. 1610(d)) is amended by striking out "and 130" and inserting in lieu thereof a comma and the following: "130, 166, 167, and 168".

§ 109. Effective date

This title takes effect upon the expiration of one year after the date of its enactment.

TITLE II—AMENDMENTS TO THE TRUTH IN LENDING ACT

§ 201. Definition of creditor; more-than-four-installment rule

The first sentence of section 103(f) of the Truth in Lending Act (15 U.S.C. 1602(f)) is amended by inserting "which is payable by agreement in more than four installments or" after "credit".

§ 202. Agricultural credit exemption

Section 104 of the Truth in Lending Act (15 U.S.C. 1603) (as amended by section 202) is amended by adding at the end thereof a new paragraph as follows:

"(4) Credit transactions for agricultural purposes in which the total amount to be financed exceeds $25,000."

§ 203. Points or discounts presumed to be passed on and included in finance charge

Section 106(a) (1) of the Truth in Lending Act (15 U.S.C. 1605 (a)(1)) is amended by inserting before the period at the end thereof the following: ", including any such additional charge paid by the seller".

§ 204. Repeal of exclusion of charges for appraisals and credit reports from finance charge

Section 106(e) of the Truth in Lending Act (15 U.S.C. 1605 (e)) is amended by striking out items (5) and (6).

§ 205. Enforcement by Farm Credit Administration

Section 108(a) of the Truth in Lending Act (15 U.S.C. 1607 (a)) is amended by adding at the end thereof a new paragraph as follows:

"(7) the Farm Credit Act of 1971, by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association."

§ 206. Reports on annual percentage rates applicable to major types of closed and consumer credit

Section 114 of the Truth in Lending Act (15 U.S.C. 1613) is amended by inserting "(a)" before "Not" and by adding at the end thereof a new subsection as follows:

"(b) The Board shall publish quarterly reports setting forth the average, and the distribution of, annual percentage rates applicable to at least each of the following major types of closed end consumer credit transactions during the period covered by the report:

"(1) New automobile loans.

"(2) Mobile home loans.

"(3) Personal loans."

§ 207. Liability of assignees

(a) Chapter 1 of the Truth in Lending Act (15 U.S.C. 1601-1613) is amended by adding at the end thereof a new section as follows:

§ 115. Liability of assignees

"Except as otherwise specifically provided in this title, any criminal or civil action which may be brought against the original creditor in any credit transaction may be maintained against any subsequent assignee of the original creditor where the violation from which the alleged liability arose is apparent on the face of the instrument assigned unless the assignment is involuntary."

(b) The analysis of such chapter is amended by adding at the end thereof a new item as follows:

"115. Liability of assignees."

§ 208. Full statement of closing costs

Section 121 of the Truth in Lending Act (15 U.S.C. 1631) is amended by adding at the end thereof a new subsection as follows:

"(c) For the purpose of subsection (a), the information required under this chapter shall include a full statement of closing costs to be incurred by the consumer, which shall be presented, in accordance with the regulations of the Board—

"(1) prior to the time when any downpayment is made, or

"(2) in the case of a consumer credit transaction involving real property, at the time the creditor makes a commitment with respect to the transaction."

§ 209. Liens arising by operation of State law

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended—

(1) by striking out "is" the first time it appears in the first sentence of subsection (a) and inserting in lieu thereof ", including any such interest arising by operation of law, is or will be"; and

(2) by inserting after "obligor" the second time it appears in the first sentence of subsection (b) the following: ", including any such interest arising by operation of law,".

§ 210. Time limit for right of rescission

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended by adding at the end thereof a new subsection as follows:

"(f) An obligor's right of rescission shall expire three years after the date of consummation of the transaction or upon the sale of the property by the obligor, whichever occurs earlier, notwithstanding the fact that the disclosures required under this section or any other material disclosures required under this chapter have not been delivered to the customer."

§ 211. Good faith compliance

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

"(f) No provision of this section imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board, or in conformity with any interpretation issued by any other agency designated in section 108 unless such interpretation has, prior to the time such act was done or omitted, been determined by the Board to be inconsistent with the Board's rules, regulations, or interpretations, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason."

§ 212. Liability for multiple disclosures

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) (as amended by section 214) is amended by adding at the end thereof a new subsection as follows:

"(g) The multiple failure to disclose to any person any information required under this chapter to be disclosed in connection with a single account under an open-end consumer credit plan, other single consumer credit sale, consumer loan, or other extension of consumer credit, shall entitle the person to a single recovery under this section, but continued failure to disclose after a recovery has been granted shall give rise to rights to additional recoveries."

§ 213. Limitation on class action liability

(a) Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended to read as follows:

"(a) Except as otherwise provided in this section, any creditor who fails to comply with any requirement imposed under this chapter or chapter 4 of this title (other than section 161) with respect to any person is liable to such person in an amount equal to the sum of—

"(1) any actual damages sustained by such person as a result of the failure;

"(2) such additional amount as the court may allow, except that the total awarded shall (A) be not less thn $100 in the case of an individual action, or (B) in the case of a class action, not more than $100,000; and

"(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee which shall be the reasonable value of the services rendered by the attorney without regard to the amount of any recovery.

In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional."

(b) Section 130(b) of such Act (15 U.S.C. 1640(b)) is amended by inserting after "this section" the first place it appears the following: "for any failure to comply with any requirement imposed under this chapter,".

(c) Section 130(c) of such Act (15 U.S.C. 1640(c)) is amended by striking out "chapter" and inserting in lieu thereof "title".

(d) Section 130 of such Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

"(h) A person may not take any action to offset any amount for which a creditor is potentially liable to such person under subsection (a)(2) against any amount owing to such creditor by such person, unless the amount of the creditor's liability to such person has been determined by judgment of a court of competent jurisdiction in an action to which such person was a party."

(c) The amendments made by sections 206, 207, and 208 shall apply in determining the liability of any person under chapter 2 or 4 of the Truth in Lending Act, unless prior to the date of enactment of this Act such liability has been determined by final judgment of a court of competent jurisdiction and no further review of such judgment may be had by appeal or otherwise.

§ 214. Credit card fraud

Section 134 of the Truth in Lending Act (15 U.S.C. 1644) is amended to read as follows:

§ 134. Fraudulent use of credit card

"(a) Whoever knowingly in a transaction affecting interstate or foreign commerce, uses or attempts or conspires to use any counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card to obtain money, goods, services, or anything else of value which within any one-year period has a value aggregating $1,000 or more; or

"(b) Whoever, with unlawful or fraudulent intent, transports or attempts or conspires to transport in interstate or foreign commerce a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained; or

"(c) Whoever, with unlawful or fraudulent intent, uses any instrumentality of interstate or foreign commerce to sell or transport a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained; or

"(d) Whoever knowingly receives, conceals, uses, or transports, money, goods, services, or anything else of value (except tickets for interstate or foreign transportation) which (1) within any one-year period has a value aggregating $1,000 or more, (2) has moved in or is part of, or which constitutes interstate or foreign commerce, and (3) has been obtained with a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card; or

"(e) Whoever knowingly receives, conceals, uses, sells, or transports in interstate or foreign commerce one or more tickets for interstate or foreign transportation, which (1) within any one-year period have a value aggregating $500 or more, and (2) have been purchased or obtained with one or more counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit cards; or

"(f) Whoever in a transaction affecting interstate or foreign commerce furnishes money, property, services, or anything else of value, which within any one-year period has a value aggregating $1,000 or more, through the use of any counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained—

shall be fined not more than $10,000 or imprisoned not more than ten years, or both."

§ 215. Grace period for consumers

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended—

(1) by amending subsection (a)(1) to read as follows:

"(1) The conditions under which a finance charge may be imposed, including the time period (if any) within which any credit extended may be repaid without incurring a finance charge, except that the creditor may, at his election and without disclosure, impose no such finance charge if payment is received after the termination of such time period."; and

(2) by amending subsection (b)(10) to read as follows:

"(10) The date by which or the period (if any) within which, payment must be made to avoid additional finance charges, except that the creditor may, at his election and without disclosure, impose no such additional finance charge if payment is received after such date or the termination of such period."

§ 216. Credit life insurance and accident and health insurance

(a)(1) Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631-1644) is amended by adding at the end thereof a new section as follows:

"§ 135. Disclosure of cost of credit insurance

"Any premium for life or accident and health insurance charged by a creditor in connection with any extension of credit shall be stated both as a dollar amount and as an annual percentage rate and shall be disclosed at the same time and in the same manner as the finance charge is required to be disclosed under this chapter and the regulations of the Board thereunder."

(2) The table of sections of such chapter is amended by adding at the end thereof the following new item:

"135. Disclosure of cost of credit insurance."

(b)(1) Section 142 of the Truth in Lending Act (15 U.S.C. 1662) is amended to read as follows:

"§ 142. Advertising of downpayments, installments, and credit insurance

"No advertisement to aid, promote, or assist directly or indirectly any extension of consumer credit may state—

"(1) that a specific periodic consumer credit amount or installment amount can be arranged, unless the creditor usually and customarily arranges credit payments or installments for that period and in that amount.

"(2) that a specified downpayment is required in connection with any extension of consumer credit, unless the creditor usually and customarily arranges downpayments in that amount.

"(3) that credit life or accident and health insurance is available, unless the advertisement states the premium for such insurance as an annual percentage rate."

(2) Item 142 in the table of sections of chapter 3 of such Act is amended to read as follows:

"142. Advertising of downpayments, installments, and credit insurance."

§ 212. Advertising of open end credit plans

Section 143 of the Truth in Lending Act (15 U.S.C. 1663) is amended to read as follows:

"§ 143. Advertising of open end credit plans

"(a) This section applies to any advertisement to aid, promote, or assist directly or indirectly the extension of credit under an open end credit plan.

"(b) If any advertisement to which this section applies states a rate of finance charge, the advertisement shall state that rate as an annual percentage rate.

"(c) If any advertisement to which this section applies sets forth any specific terms of the plan other than those referred to in subsection (b), then the advertisement shall state all of the following items:

"(1) The minimum periodic payment required and the method of determining any larger required periodic payment.

"(2) The method of determining the balance upon which a finance charge may be imposed.

"(3) The periodic rate.

"(4) The annual percentage rate."

§ 218. Advertising of credit other than open end plans

(a) Section 144(c) of the Truth in Lending Act (15 U.S.C. 1664(c)) is amended to read as follows:

"(c) An advertisement to which this section applies may not state a rate of finance charge other than an annual percentage rate, as determined under section 107 and the regulations of the Board thereunder."

(b) Section 144(d) of such Act (15 U.S.C. 1664(d)) is amended—

(1) by striking item (2);

(2) by redesignating items (3) and (4) as items (2) and (3), respectively; and

(3) by inserting before the period at the end of item (3) (as redesignated) the following: ", or the dollar amount of the finance charge in the case of a small transaction when the annual percentage rate is not required to be disclosed".

§ 219. Advertising; more-than-four-installment rule

(a) Chapter 3 of the Truth in Lending Act (15 U.S.C. 1661–1665) is amended by adding at the end thereof a new section as follows:

"§ 146. More-than-four-installment rule

"Any advertisement to aid, promote, or assist directly or indirectly the extension of consumer credit repayable in more than four installments shall, unless a finance charge is stated in advertisement, clearly and conspicuously state, in accordance with the regulations of the Board:

" 'THE COST OF CREDIT IS INCLUDED IN THE PRICE QUOTED FOR THE GOODS AND SERVICES.' "

(b) The table of sections of such chapter is amended by adding at the end thereof a new item as follows:

"146. More-than-four-installment rule."

§ 228. Effective date

This title takes effect upon the date of its enactment.

By Mr. HANSEN (for Mr. CURTIS) for himself, Mr. HANSEN, Mr. BENNETT, Mr. DOMINICK, and Mr. FANNIN):

S. 1631. A bill to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for their contributions to retirement plans, by increasing contribution limitations for self-employed individuals and shareholder—employees of electing small business corporations, by imposing an excise tax on prohibited transactions, and for other purposes. Referred to the Committee on Finance.

Mr. HANSEN. Mr. President, the distinguished Senator from Nebraska (Mr. CURTIS) is away from Washington on official business and I am introducing for him, at his request, and for Senators BENNETT, DOMINICK, FANNIN, and myself, the administration's proposed Individual Retirement Benefits Act of 1973.

By Mr. JAVITS (by request):

S. 1632. A bill to extend for 3 years the programs for comprehensive State and areawide health planning, and for comprehensive public health service and health services development, and to repeal a requirement that at least 15 per centum of a State's formula allotment for public health services be available only for mental health services. Referred to the Committee on Labor and Public Welfare.

EXTENSION OF PARTNERSHIP FOR HEALTH

Mr. JAVITS. Mr. President, I am introducing at the request of the administration a bill to extend, with some modifications sections 314(a), 314(b), 314(d), and 314(e) of the Public Health Service Act for 3 years.

314(A) AND 314(B)

Secretary Weinberger in his letter of transmittal states:

> Although we propose to extend the legislation under which we foster comprehensive State and areawide health planning, we do so with awareness that the comprehensive health planning system is beset with weaknesses that interfere with its effectiveness.

He further says:

> Moreover, Federal implementation of program requirements has not been effective to assure an open public planning process or consumer participation in that process. The degree to which some CHP agencies are accountable to the local public has therefore been compromised.

The Secretary's stated concern that the comprehensive health planning system is afflicted with some weaknesses that interfere with its effectiveness is shared by the Congress. It was a motivating factor in limiting CHP extension under the recent Senate passed omnibus extension of expiring PHS programs (S. 1136) to 1 year. I am concerned that by proposing a 3-year CHP renewal, the administration suggests that instead of Congress working its will in improving and rationalizing CHP the Congress rely upon HEW's ability to, and I quote:

> Allow us to improve and redirect CHP through greatly improved management.

I believe it would be more appropriate for the administration to send up a legislative proposal which seeks to assess ways in which the planning process can impact most favorably on the health care system and determine the potential applicability to CHP on a national basis of the activities now under way in various States with regard to facility certificate-of-need and rate-setting procedures. I believe that Congress would welcome the opportunity to work together to attain that desirable goal. Let us work together in overcoming CHP weaknesses, building upon CHP strengths, and thus improve State and regional capacity to conduct effective health planning.

314(C)

I am also concerned that the bill does not seek an extension of the program of project grants, contained in section 314(c) of the Public Health Service Act, for training, studies, and demonstrations in the health planning field. The Secretary charges:

> Our experience with these grants is that they have not contributed materially to the overall competence of the health planning process.

He also alleges persons who wish to pursue graduate training in health planning can be assisted through alternative sources, suggesting that there is available the student assistance programs of the Office of Education. When the allegations are proven and the evidence is in regarding alternative financial resources, will be a better time for decision on the merits of repealing section 314(c).

314(D)

I am also concerned that the bill, while extending the 314(d) program of grants for comprehensive public health services, repeals the provision that earmarks 15 percent of a State's allotment for State mental health agencies for the provision of mental health services. I do not know of data which would convince me that some States may not seek to escape their responsibilities to their mentally ill citizens. Unfortunately, this is all too often the case.

314(E)

My deepest concern, however, is the administration's view in support of the extension of the authority to make project grants for health services development, section 314(e) of the Public Health Service Act. The administration proposes to consolidate support for the other health service programs under this authority, rather than continuing other congressional health program authorizations. Examples are migrant health activities, population research and family planning programs, and lead-based paint poisoning research and control efforts. In essence, a determination to utilize section 314(e) of the Public Health Service Act for funding programs the Executive chooses to support. I am concerned that the Executive has failed to recognize what Congress has made crystal clear in regard to such proposed action. Only last year, the Congress passed and the President signed into law, Public Law 92–449. The legislative history of section 314(e) is enunciated in Senate report 92–285, where in discussing this section of the law, it cites the House Committee on Interstate and Foreign Commerce in its report on the Communicable Disease Control Amendments of 1970:

> In each of its budget presentations each year since the enactment of section 314(e), the Department of Health, Education, and Welfare has earmarked specific amounts of the 314(e) fund request for specific programs for the coming year. In other words, the categorical grant approach has continued since the enactment of Public Law 98–749, except that instead of the Congress setting the categories, the categories have been set by the Department of HEW.

I believe we must restore some control to Congress of the categories of health programs for which project grant funds are to be made available.

The Senate Labor and Public Welfare Committee in respect to this matter in its report on the Health Services Improvement Act of 1970 stated:

> The Committee notes with concern the fact that a large proportion of the programs funded under section 314(e) continue to be too narrowly focused rather than focused upon the broader area of the organization and delivery of health services.

I ask unanimous consent that the letter of transmittal and a copy of the bill be printed in the RECORD.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

MARCH 29, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: We enclose for the consideration of the Congress a draft bill "To extend for three years the programs for comprehensive State and areawide health planning, and for comprehensive public health service and health services development, and to repeal a requirement that at least 15 per centum of a State's formula allotment for public health services be available only for mental health services."

The effect of the bill is described in its title. Although we propose to extend the legislation under which we foster comprehensive State and areawide health planning, we do so with awareness that the comprehensive health planning system is beset with weaknesses that interfere with its effectiveness. One significant problem with comprehensive health planning, for example, is that the legislation and the accompanying rhetoric have articulated very ambitious missions which, by and large, the CHP system has been unable to carry out. Moreover, Federal implementation of program requirements has not been effective to assure an open public planning process or consumer participation in that process. The degree to which some CHP agencies are accountable to the local public has therefore been compromised.

Despite the widespread disenchantment with the CHP system that these problems, among others, have engendered, the evidence is persuasive that unconstrained health resource development, particularly of inpatient facilities, contributes significantly to the problem of excessive and unnecessary increases in health care costs. The lack of effective competition, the dependence of patients on the judgment of their physicians regarding their health care needs (and the consequent capability of supply to generate its own demand), the predominance of cost reimbursement as a means of paying for institutional health care services, and pressures for institutional aggrandizement in a noncompetitive economy, combine to offset normal competitive constraints on building surplus capacity. Thus, unless or until reasonably effective competition is established, there is a need to maintain some effective control over construction or expansion of health care institutions.

On balance, we conclude that, given the broad authority in current law, new legislation is not needed to overcome the weaknesses in the present system. We propose, instead, to extend current law for a period sufficient to allow us to improve and redirect CHP through greatly improved management. A plan for this management approach is currently under review within the Department. This plan for improved management of the program will be based on a serious evaluation of the strengths and weaknesses of the existing CHP agencies and will seek to assess ways in which the planning process can impact most favorably on the health care system. We expect to study carefully the potential applicability to CHP on a national basis of the activities now under way in various States with regard to facility certificate-of-need and rate-setting procedures.

This extension does not imply that the Federal Government should support health planning agencies indefinitely. In the final analysis, if comprehensive health planning does not succeed in demonstrating its value to State and local government officials we do not believe it should be perpetuated indefinitely as a Federal responsibility. The seriousness of the problems in the health care system, however, are such that we believe that efforts to improve State and regional capacity to conduct effective health planning merit Federal support at this time.

In proposing to extend the program of grants for comprehensive public health services (section 314(d) of the Public Health Service Act) we ask the repeal of the provision that earmarks 15 percent of a State's allotment for State mental health agencies for the provision of mental health services. This limitation on the latitude of a State to apply its formula grant to meet what the State, not the Federal Government, perceives to be the State's priority health needs is inconsistent with the original and continuing objectives of Partnership for Health.

The bill would also extend the authority contained in section 314(e) of the Public Health Service Act to make project grants for health services development. This is a broad, flexible authority, well suited to continue and improve the support of migrant health and population research and voluntary family planning programs now assisted under the narrow categorical authorities contained, respectively, in section 310 and title X of the Act. We have therefore not proposed extension of these latter categorical authorities.

We are not seeking extension of the program of project grants, contained in section 314(c) of the Public Health Service Act, for training, studies, and demonstrations in the health planning field. Our experience with these grants is that they have not contributed materially to the overall competence of the health planning process. Persons who wish to pursue graduate training in health planning can be assisted through alternative sources, *e.g.*, the student assistance programs of the Office of Education, which are available generally to all deserving students in higher education.

We urge the Congress to give our proposal its prompt and favorable consideration.

The Office of Management and Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,
CASPAR W. WEINBERGER,
Secretary.

S. 1632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) sections 314(a) (1), 314(b) (1) (A), 314(d) (1), and 314(e) of the Public Health Service Act are each amended by inserting ", and such sums as may be necessary for each of the next three fiscal years" after "for the fiscal year ending June 30, 1973".

(B) The first sentence of section 314(b) (1) (A) of such Act is amended by striking out "and ending June 30, 1973" and inserting in lieu thereof "and ending June 30, 1976".

SEC. 2. Effective with respect to appropriations for fiscal years beginning after June 30, 1973, section 314(d) (7) of such Act is repealed.

By Mr. JAVITS (by request):

S. 1633. A bill to make permanent the program of research and demonstrations relating to health facilities and services. Referred to the Committee on Labor and Public Welfare.

BILL TO EXTEND SECTION 304 OF PUBLIC HEALTH SERVICE ACT

Mr. JAVITS. Mr. President, I am introducing today at the request of the administration a bill to extend indefinitely the authority of section 304 of the Public Health Service Act and authorize such sums as necessary for activities to be carried out each fiscal year under that authority.

Although the programs carried out under section 304 are basic to the achievement of the Department's health services goals and objectives, I am not convinced at this time that the Congress should establish this authority on a permanent basis. At the time of its enactment (Public Law 90–174), it was broadly drawn and when extended (Public Law 91–515), additional authority was provided by Congress to develop health care systems and report on the cost and adequacy of various pending national health insurance legislative proposals. It is interesting to note that without such a specific legislative mission, provided by Congress, that the Department did not on its own initiative respond to the critical problem of national health insurance.

Whether the Department of Health, Education, and Welfare has mounted an effective attack on the many problems facing the organization, delivery, and financing of health services in the Nation, pursuant to the legislative mandate of section 304, must be carefully analyzed by Congress before its authority is extended indefinitely. We must carefully examine any broadly drawn legislation, particularly that which would turn over indefinitely to the Executive the ability to exercise—without congressional input—the determination of national health policy and priorities.

A major element of the administration's health policy is the maintenance of a strong health services research and development program. Under section 304, the National Center has taken the lead in supporting research and development which have the potential to result in widespread benefits in future health services.

Among these efforts are Experimental Medical Care Review Organizations, which have been testing the feasibility of the Professional Standards Review Organization concepts recently authorized by Public Law 92–603; the Cooperative Federal/State/Local Health Statistics System, which will provide more complete and accurate information for planning, managing, financing health services; experiments with new types of manpower and technology; and development of innovative organized programs for ambulatory care, the chronically ill, and the elderly which will increase the effectiveness of care without unreasonable increases in costs.

While the National Center for Health Services Research and Development administers section 304, the extensive benefits of this authority are made available to many other Federal health programs through close collaboration among the Center and the other programs. In the present fiscal year the National Center is maintaining joint activities with 17 other programs, including the National Institute of Mental Health, Social and Rehabilitation Service, Social Security Administration, Veterans' Administration, and the Department of Defense.

Under section 304, both highly targeted R. & D. projects—such as Experimental Medical Care Review Organizations and the Cooperative Federal/State/Local Health Statistics System—and long-range basic research, such as the study of criteria for the measurement of the health status of individuals and populations, are supported. This is possible, because section 304 is not limited as to disease categories, special population groups or isolated elements of the health services system. Furthermore, section 304 authorizes the use of both grants and contracts to support projects, the only limitation being that grants cannot be awarded to profit-making organizations. This flexibility permits R. & D. to be specifically directed to high priority problems by contracts, while leaving the grant to be used to support longer range and more generic research to be supported in universities and other nonprofit institutions by grants.

I commend the maintenance of a strong health services research and development program. At the same time, I urge careful congressional analysis to insure that the intent of Congress is, and will continue to be accomplished, if the authority is extended indefinitely.

I ask unanimous consent that the letter of transmittal and a copy of the bill be printed in the Record.

There being no objection, the letter and bill were ordered to be printed in the Record, as follows:

March 29, 1973.

Hon. Spiro T. Agnew,
President of the Senate, Washington, D.C.

Dear Mr. President: We enclose for the consideration of the Congress a draft bill "To make permanent the program of research and demonstrations relating to health facilities and services."

The purpose of the bill, as explained in its title, is to make permanent the program now carried on under section 304 of the Public Health Service Act. The program is administered by the National Center for Health Services Research and Development, which is part of the Health Services and Mental Health Administration. The Center's principal activities are the support of research and development projects to establish and test innovations in health services systems, the support of research to explore and define emerging health services problems, and the conduct of analyses and the publication of information intended to contribute to knowledge relating to health facilities and services. Extension of the existing broad authority of section 304 is needed to enable the Department to continue these activities.

We therefore urge that the draft bill receive prompt and favorable action.

The Office of Management and Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

Caspar W. Weinberger,
Secretary.

S. 1633

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 304(c)(1) of the Public Health Service Act is amended by striking out "and" before "$94,000,000", and by inserting ", and such sums as may be necessary for each succeeding fiscal year" after "June 30, 1973".

By Mr. JAVITS:

S. 1634. A bill to amend the Drug Abuse Office and Treatment Act of 1972 to modify the authorization of appropriations for the program of special project grants and contracts, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I am introducing on behalf of the administration a bill to amend subsection (b) of section 410 of the Drug Abuse and Treatment Act of 1972 to modify the authorizations for appropriations for the program of special project grants and contracts and for other purposes.

The Drug Abuse Office and Treatment Act of 1972 currently authorizes the appropriation of $100 million and $160 million, respectively, for each of the next 2 fiscal years for special project grants and contracts under section 410 of the act. This bill would amend those authorizations to "such sums as may be necessary."

This legislation is necessary to carry out the recommendation contained in the President's budget—with which I disagree—that the Community Mental Health Centers Act not be extended. However, the adminstration has indicated it intends to continue to meet the commitments it has already made under the authorities contained in the act. Thus, if Congress determines that the Community Mental Health Centers Act is not to be extended—and I am hopeful it will not reach that conclusion—the bill I have introduced is necessary, in the opinion of the administration.

There would appear to be the legislative authority for the administration's position, to wit: That the Community Mental Health Centers Act contains authorizations for the appropriation of the sums necessary to meet the Government's commitments to make continuation grants under sections 200, 242, 251, and 271 for the initial cost of personnel in community mental health centers, in facilities for the treatment and prevention of drug abuse and alcoholism, and for the provision of mental health services to children. The President's budget requests the appropriations necessary to meet these commitments.

It is the administration position that there are no authorizations for the appropriation of funds for continuation grants and contracts under the special drug abuse programs contained in part D of the Community Mental Health Centers Act. I would note that section 261 (b) authorizes such sums as may be necessary for "projects under part C or D." This bill proposes to use the authority contained in section 410 of the Drug Abuse Office and Treatment Act to meet commitments under these programs and assure that there is adequate authority for the appropriation of the funds necessary to do this while at the same time providing assistance to the other activities supported under section 410. However, I am concerned that the Special Action Office was established to serve as a coordinating body in the Executive—with its grants and contract authority provided by Congress for limited special purposes—not for involvement in grants' day-to-day administration.

I ask unanimous consent that the letter of transmittal and a copy of the bill be printed in the Record.

There being no objection, the letter and bill were ordered to be printed in the Record, as follows:

March 29, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: Enclosed for the consideration of the Congress is a draft bill "To amend the Drug Abuse Office and Treatment Act of 1972 to modify the authorization of appropriations for the program of special project grants and contracts, and for other purposes."

The Drug Abuse Office and Treatment Act of 1972 currently authorizes the appropriation of $100 million and $160 million, respectively, for each of the next two fiscal years for special project grants and contracts under section 410 of the Act. The draft bill would amend those authorizations to such sums as may be necessary.

This legislation is necessary to carry out the recommendation contained in the President's budget that the Community Mental Health Centers Act not be extended, but that the Federal government continue to meet the commitments it has already made under the authorities contained in it.

The Community Mental Health Centers Act contains authorizations for the appropriation of the sums necessary to meet the government's commitments to make continuation grants under sections 20, 242, 251, and 271 for the initial cost of personnel in community mental health centers and facilities for the treatment and prevention of drug abuse and alcoholism and for the provision of mental health services to children. The President's budget requests the appropriations necessary to meet these commitments.

There are no similar authorizations for the appropriation of funds for continuation grants and contracts under the special drug abuse programs contained in Part D of the Community Mental Health Centers Act. We propose to use the authority contained in section 410 of the Drug Abuse Office and Treatment Act to meet commitments under these programs. The enclosed bill would assure that there is adequate authority for the appropriation of the funds necessary to do this while at the same time providing assistance to the other activities supported under section 410. We urge its speedy consideration and approval by the Congress.

We are advised by the Office of Management and Budget that enactment of this draft bill would be in accord with the program of the President.

Sincerely,
CASPAR W. WEINBERGER,
Secretary.

S. 1634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 410 of the Drug Abuse Office and Treatment Act of 1972 is amended by—

(1) striking out "$100,000,000" and inserting "such sums as may be necessary" in lieu thereof; and

(2) striking out "$160,000,000" and inserting "such sums as may be necessary" in lieu thereof.

By Mr. RANDOLPH (for himself, Mr. CRANSTON, and Mr. HARTKE):

S. 1635. A bill to amend section 9 of the Military Selective Service Act relating to reemployment rights of members and former members of the Armed Forces of the United States. Referred to the Committee on Armed Services.

REEMPLOYMENT RIGHTS FOR VETERANS

Mr. RANDOLPH. Mr. President, the Military Selective Service Act of 1967 declares it to be the sense of the Congress that State and political subdivisions thereof extend the same reemployment rights to veterans as do the Federal Government and private industry under law. This provision relating to State and local governments, however, is not binding by law and as a consequence many returning veterans are finding that their jobs in State and local government no longer exist. Furthermore, because these stated reemployment rights are not mandatory upon States and local governments, these veterans lose all benefits which would have accrued to them had they not entered military service. This year it is expected that an estimated 604,000 Vietnam-era veterans will be separated from military service. More than half of these young men were employed prior to their entering service. Under the Military Selective Service Act of 1967, those who held jobs with the Federal Government or private industry are assured that their job rights are protected. This is not the case with those veterans who previously held jobs as schoolteachers, policemen, firemen, and other State, county, and city employment.

Recognizing this problem, a number of States have enacted legislation providing reemployment rights to veterans; but the coverage, the rights provided, and the availability of enforcement machinery under these laws vary considerably. This situation operates to the distinct disadvantage of veterans who leave State and local government employment, in that State assistance may be unavailable. Moreover, they are specifically denied protection under Federal law.

In addition, some State and local jurisdictions have demonstrated a reluctance, and even an unwillingness to rehire such veterans. Or if they do, they seem unwilling to grant them seniority or other benefits which would have accrued to them had they not served their country in the military.

It is my belief that there is a need for corrective legislation in this area. I am introducing legislation which should leave no doubt in the minds of State and local government employers that Congress feels all veterans should receive equitable treatment in the matter of reemployment rights.

Mr. President, the Military Selective Service Act provides in part:

SEC. 9. (a) Any person inducted into the Armed Forces under this title for training and service, who, in the judgment of those in authority over him, satisfactorily completes his period of training and service under section 4(b) shall be entitled to a certificate to that effect upon the completion of such period of training and service, which shall include a record of any special proficiency or merit attained. In addition, each such person who is inducted into the Armed Forces under this title for training and service shall be given a physical examination at the beginning of such training and service, and upon the completion of his period of training and service under this title, each such person shall be given another physical examination and, upon his written request, shall be given a statement of physical condition by the Secretary concerned: *Provided,* That such statement shall not contain any reference to mental or other conditions which in the judgment of the Secretary concerned would prove injurious to the physical or mental health of the person to whom it pertains.

(b) In the case of any such person who, in order to perform such training and service, has left or leaves a position (other than a temporary position) in the employ of any employer and who (1) receives such certificate, and (2) makes application for reemployment within 90 days after he is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than 1 year—

(A) if such position was in the employ of the United States Government, its Territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such positions by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

(B) if such position was in the employ of a private employer, such person shall—

(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so;

(C) if such position was in the employ of any State or political subdivision thereof, it is hereby declared to be the sense of the Congress that such person should—

(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

(c) (1) Any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) shall be considered as having been on furlough or leave of absence during his period of training and service in the Armed Forces, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within 1 year after such restoration.

(2) It is hereby declared to be the sense of the Congress that any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) should be so restored in such manner as to give him such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the Armed Forces until the time of his restoration to such employment."

Under my bill, States and political subdivisions will be added to the mandatory coverage provisions governing U.S. Government employees and the sense of the Congress provisions now covering these State and local employees will be deleted.

At present there is only one State, Nebraska, which provides free legal counsel to the veteran. In all others, the veteran must sue to gain his reemployment rights. He must retain private counsel at his own expense, with no assurance that the old job he seeks will be returned to him.

To me, the Federal Government is in error if it feels it necessary to protect the reemployment rights of veterans in Federal and private employment, and fails to extend the same rights to other veterans who left State, city and county jobs to enter the Armed Forces.

I emphasize that Congress believed it necessary to cover private businesses under this law. It seems to me to be equally justified that State and local governments be covered.

Additionally, Mr. President, the legislation I introduce will clarify questions regarding the status of veterans who were employed by the U.S. Postal Service prior to their service. During the recent postal hearings I questioned Postmaster General Klassen with regard to the activities of the Postal Service in reemploying veterans. General Klassen did not respond to my inquiry, but indicated he would provide a report in writing. I subsequently sent a telegram on this subject to General Klassen, and I ask unanimous consent that my message and General Klassen's reply be printed at this point in the RECORD.

There being no objection, the telegram and reply were ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
March 9, 1973.

Postmaster General ELMER T. KLASSEN,

DEAR GENERAL KLASSEN: Re: my question to you Thursday morning regarding Postal Service reemployment rights for returning Vietnam veterans. You indicated a desire to defer the question to your legal staff. It is my hope you will expedite your response on this vital matter. I strongly urge the Postal Service accept the same rehiring policies of other Federal agencies and that you will be in a position to publicly announce that returning veterans will be afforded reemployment privileges.

JENNINGS RANDOLPH,
U.S. Senator.

THE POSTMASTER GENERAL,
Washington, D.C., March 12, 1973.

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RANDOLPH: This will respond to your March 9 telegram with respect to questions you asked at the March 8 hearing concerning reemployment rights in the Postal Service for returning veterans.

Our General Counsel has given me a memorandum on this subject and I am enclosing a copy for your information. This material will be submitted with our additions for the Hearing Record.

Sincerely,

E. T. KLASSEN.

U.S. POSTAL SERVICE,
Washington, D.C., March 9, 1973.

Subject: Veterans' reemployment rights.
Mr. KLASSEN,
Postmaster General.

This replies to your request for a memorandum responsive to Senator Randolph's telegram of March 9, 1973, asking about reemployment rights for returning Vietnam veterans. The telegram states: "I strongly urge the Postal Service accept the same rehiring policies of other Federal agencies and that you will be in a position to publicly announce that returning veterans will be afforded reemployment privileges." It has been our view and policy since the Postal Reorganization Act went into effect in 1971 that as a matter of law postal employees continue to enjoy full reemployment rights under the Military Selective Service Act of 1967, 50 U.S.C. App. 459.

Under the Selective Service legislation any individual having a military obligation who enters the armed forces and satisfactorily completes the required training and service is entitled to a number of reemployment rights, the foremost of which is the right, if he makes application for reemployment within 90 days after being relieved from such training and service, to be reemployed in a "position of like seniority, status, and pay" or, if he has become disabled from performing his former job, the nearest approximation of such a position. The Selective Service legislation makes all employers in the country responsible for conferring reemployment rights on their employees. In our view the Postal Service is no different from any other employer in this respect.

Since the Postal Reorganization Act went into effect, it has been our view that the responsibility for carrying out the obligations of the law now rests solely upon the Postal Service, and is no longer the responsibility of the Civil Service Commission. The Civil Service Commission has concurred with that view. This change in institutional arrangements, as a practical matter, should make no difference to affected postal employees, since their personal reemployment rights under the law remain essentially unchanged, and it is, of course, the policy of the Postal Service to give effect to those rights wholeheartedly. These rights are enjoyed by all postal employees regardless of whether their required service was in Vietnam or elsewhere.

LOUIS A. COX,
General Counsel.

Mr. RANDOLPH. Mr. President, General Klassen's General Counsel states that since reorganization the Postal Service has sole responsibility for reemployment rights within his organization and that the Civil Service Commission has no responsibility. There is a question of the basis of this decision by the Postal Service, and my legislation will insure that the Civil Service Commission maintains and meets its responsibility for the reemployment rights of veterans who were employed by the Postal Service, just as the Commission is responsible for this area in agencies of the Federal Government.

By Mr. SPARKMAN (for himself, Mr. TOWER, Mr. STEVENSON, and Mr. PACKWOOD):

S. 1636. A bill to amend the International Economic Policy Act of 1972. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, I am introducing for myself, Senators TOWER, STEVENSON and PACKWOOD, a bill to extend the International Economic Policy Act of 1972 to make the Council on International Economic Policy a permanent part of the Executive Office of the President.

On January 19, 1971 the President established the Council by Executive memorandum. The Congress legislatively authorized the Council last August but only for the remainder of fiscal year 1973.

The bill I am introducing today would make the Council a permanent part of the Executive Office of the President. Mr. President, before the creation of the Council, and I might note that we call it a Council but basically it is a high-level Office of International Economic Policy, there was no mechanism within the Executive Office to coordinate the numerous agencies and departments which have a hand in the formation of international economic policy. The Council was established for the purpose of providing us with a coordinated and balanced approach to our international economic problems.

At this time it is more than ever necessary that the President be supported by effective advice and assistance in the formulation and implementation of the Nation's international economic policy.

I think we all realize that international economic relationships play an essential role in the vital political relationships which the United States is developing with other nations. Economic confrontations, tensions, and disputes over economic relations makes it difficult to make political progress.

I would also note that the United States is currently involved in monetary negotiations and looks to the beginning of trade negotiations in the fall. The objective of these negotiations is the constructive reform of the world monetary and trading systems.

These factors strongly impress upon us the need to continue the organizational apparatus which has worked so well over the past 2 years.

Last year when we authorized the Council we stipulated that it provide the Congress with an annual report. This report was forwarded to us in March and is a document that aims toward placing the international economic situation in perspective. It reflects the changes of the past 25 years, describes the policies already enunciated as well as the general direction of our policies in the future.

Mr. President, I ask unanimous consent that the letter dated April 17, 1973, requesting the introduction of this bill be inserted at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 17, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith for the consideration of the Senate a draft bill "To amend the International Economic Policy Act of 1972."

At this time when the United States is seeking constructive reform of the world monetary and trading systems, it is more necessary than ever that the President be supported by effective advice and assistance in formulating and carrying out our Nation's international economic policy.

To provide a clear top-level focus for the full range of international economic issues, the Council on International Economic Policy was created by Presidential action on January 19, 1971, and was given temporary statutory existence by the International Economic Policy Act, approved August 29, 1972. As a result of the experience with the Council over these several months and in anticipation of the challenges ahead of the changing world economy, the Administration proposes that the Council and its associated staff be made a permanent part of the Executive Office of the President and that it be better related to other organizations concerned with economic policy. We should fix now the flexible overall organizational arrangements that will serve throughout the period ahead.

The draft bill transmitted herewith would repeal section 209 of the International Economic Policy Act that provides for expiration of the Act on June 30, 1973, and would amend section 210 to authorize appropriations for carrying out the Act beyond that date, thus providing a permanent statutory basis for the Council.

The bill would also amend section 205 of the Act to free the President from statutory membership and chairmanship of the Council and would authorize him to designate the Chairman from among the members of the Council enumerated in the Act.

When these amendments are enacted, the President intends to designate the Secretary of the Treasury, who is also the Assistant to the President for Economic Affairs, to serve as Chairman of the Council. That action will be consonant with the Secretary's role as Chairman of the Council on Economic Policy, which has the assigned duty, among others, to relate international economic policy with overall economic policy.

Once the Council on International Economic Policy is given a firm statutory basis, the President intends also to take the necessary administrative actions to bring the functions and staff of the Special Representative for Trade Negotiations into a closer relationship with the Council. The Special Representative, who performs the important duty of serving as the chief representative of the United States in trade negotiations and plays an important role in policy formation, will thereafter receive his instructions from the President through the Council and its Executive Director. The current functions of the Special Representative, as set forth in sections 241 and 242 of the Trade Expansion Act of 1962, will remain unchanged. Accordingly, trade negotiations will proceed in the fullest organizational harmony with other, related aspects or international economic policy.

The plans of the President to strengthen the overall organization of his Executive Office for international economic affairs and to reduce further the number of operationally independent units in his Office depend upon the timely enactment of the bill transmitted herewith. I urge its prompt consideration by the Congress to permit these reforms to begin at the start of fiscal year 1974. Enactment of the bill would be in accord with the program of the President.

Sincerely,

ROY ASH, *Director.*

By Mr. BAYH:

S. 1637. A bill to discourage the use of painful devices in the trapping of animals and birds. Referred to the Committee on Commerce.

HUMANE TRAPPING

Mr. BAYH. Mr. President, today I am introducing a bill to discourage the use of inhumane devices in the trapping of animals and birds.

In recent years there has been a growing concern over the use of steel jaw, leghold traps in the control of wildlife and taking of furbearers. This device, the most widely used trap in the United States, was developed in the late 1820's. The leghold trap is designed to capture and hold an animal until the trapper arrives to kill it. Most frequently, the animal is dispatched with a club or other blunt instrument.

Two factors make pain an inherent part of the leghold trap's use. First, the jaws of the trap must close quickly in order to prevent the animal from removing his foot and escaping. Second, the traps must have sufficient resistance to prying to guarantee that the animal will not spread the jaws and free itself.

In time, the leg of an animal caught in a steel jaw trap may become numb from loss of blood circulation. When first captured, however, the animal is subject to intense agony, and even after the blood circulation has been slowed, there will be intermittent periods of pain and numbness as long as the trap remains locked around the animal's leg.

As painful as the leghold trap is in its clamping and holding action, its greatest cruelty lies in the fact that the trapped animal is held fast for hours, perhaps even several days, before being killed or released.

The animal's initial reaction to trapping often will be repeated attempts to bite or pull the affected limbs free, resulting in torn ligaments and flesh, broken teeth, and other injuries. In many instances, animals will chew off their legs in order to escape. Known as "wring-offs" the wounded escapees are easy prey for other animals. Those that avoid predators face a slow death from gangrene, shock, loss of blood, and infection.

The suffering of trapped animals is not confined to furbearers; the steel jaw trap does not discriminate. Dogs, cats, birds, deer, domestic stock, and even endangered species are being caught and killed in these devices. Even the Canadian Government admits that the number of unwanted birds and animals "accidentally" caught in leghold traps is twice the catch of target animals. And, according to the Canadian Association for Humane Trapping, the ratio of unwanted animals to desired furbearers found in traps is 3 to 1, based upon a sample survey.

There are many tragic situations involving unwanted wildlife and traps. Ducks, for example, often use ponds constructed by beavers as feeding grounds; reports have been made of ducks caught in beaver sets both above and below water level, resulting in crushed or shattered legs or broken necks.

Mr. President, the most significant fact is that trapping is primarily conducted by amateurs who are interested in recreation or a source of supplemental income. According to Argus Archives, a reputable publication on humane issues, the single greatest portion of trappers in the United States consists of high school students. Only 1 percent of all trappers can be classified as experienced professionals. Thus, for the most part, trapping is a hobby, for weekend sportsmen whose traps are left unattended during much of the week, and for children who are unlikely to check their lines during the inclement weather which usually accompanies trapping seasons. These facts make the intent of this legislation more clear; it is to discourage inhumane trapping, not to abolish trapping entirely.

It is recognized that a market for wild animal pelts does exist, and that it would not be possible for the United States to ban leg-hold traps unless inexpensive, effective alternative traps are available. There are a variety of traps already commercially available which are capable of painlessly capturing or instantaneously killing animals. For instance, the Conibear series are competitive with leghold and other traps, but their purpose and design are radically different from those of the leg hold; the Conibear is designed to kill an animal instantly, by breaking its neck or back. For those trappers who have already invested in a number of steel jaw traps, strips of weatherstripping can be wrapped around the jaws of an offset trap. My own staff can attest to the fact that an Oneida Victor No. 3 trap, thus transformed, will not harm or even pain the fingers of a person accidentally caught; nor can the fingers be set free without aid from a third party. The cost to the trapper of this minor adjustment is less than 40 cents per trap.

The feasibility of banning leg-hold traps is already well established. The States of Florida and Hawaii have recently taken such action, and in New Jersey and Alabama the use of leg-hold traps is so restricted as to require an almost total dependence on instant kill and humane capture devices. In addition, at least five bills which would ban the use of inhumane traps have been introduced in State legislatures, specifically: Washington, Indiana, Wisconsin, Oregon, and, according to reports, West Virginia and Connecticut. In at least four other States, bills are being drafted. I ask unanimous consent that copies of available State laws and bills be printed in the CONGRESSIONAL RECORD at the end of my remarks.

While there has been little time to evaluate the impact of such laws in the United States, other countries provide us with ample evidence that wildlife management programs will not be significantly retarded by passage of this legislation. Eleven countries now prohibit the use of leg-hold traps, including England, West Germany, Chile, and Denmark.

More humane trapping methods can and must be adopted. For too long Government and wildlife management agencies have ignored and evaded the question of humane trapping because of economic considerations. We must begin to promote the development and use of painless, selective methods of wildlife control and leave behind the antiquated outmoded weapons of the past.

Mr. President, the bill I am introducing today would establish an advisory commission of seven members appointed by the chairman of the Council on Environmental Quality and the Secretary of the Smithsonian to advise the Secretary of the Interior with respect to regulations promulgated under this act. Such regulations shall prescribe acceptable methods of trapping and shall designate the specific traps meeting the standard of humane traps as those traps designed to capture painlessly or kill instantly.

In addition to establishing national trapping standards, the bill has six other major purposes: First, to prohibit the use of inhumane traps on Federal lands; second, to prohibit the interstate commerce in inhumane traps; third, to prohibit the interstate commerce of products taken from animals which were captured with inhumane traps; fourth, to require the inspection of traps at least once every 24 hours; fifth, to assist individual States comply with the requirements of the act; and sixth, to encourage the submission by individuals of information leading to the apprehension of any individual violating the provisions of the act.

Finally, I want to emphasize that the bill is not intended to wipe out the trapping industry or to inhibit unnecessarily predator control programs. The bill itself states in its finding that "it is the policy of Congress to prevent—this—unnecessary suffering through discouraging the use of such traps and devices, but in a manner which shall not prejudice the right of private landowners to protect private property or domestic animals against damage and depredation." The bill I am introducing this year contains a number of modifications which were not contained in a similar bill which I introduced in the 92d Congress. I have spent a great deal of time studying the bill so as to present the most reasonable vehicle possible for ensuring nationally consistent and high standards of humaneness and care in our trapping policies. I ask unanimous consent that a copy of the bill as well as available State laws and bills be printed at this point in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 1637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress finds and declares that vast numbers of wild and domestic animals and birds, including family pets and valuable hunting dogs, are needlessly maimed and exposed to prolonged and painful suffering through the use of steel leghold traps, and other painful, sublethal devices used to trap or otherwise capture animals and birds. It is the policy of Congress to prevent this unnecessary suffering through discouraging the use of such traps and devices, but in a manner which shall not prejudice the right of private landowners to protect private property, or domestic animals on private property, against damage and depredation.

Sec. 2. As used in this Act, the term—

(1) "trap' means any trap, snare, net, or other device designed to trap or capture any animal or bird;

(2) "approved trap" means any trap which is designed to trap or capture any animal or bird in a manner by which the animal or bird is either captured painlessly or killed instantly, and which meets the standards and criteria contained in the regulations promulgated by the Secretary pursuant to section 3 of this Act;

(3) "person" means any individual, partnership, association, corporation, or other entity; and

(4) "interstate or foreign commerce" shall have the same meaning as that provided under section 10 of title 18, United States Code.

Sec. 3. (a) (1) As soon as practicable following the date of the enactment of this Act, but in no event later than one hundred and twenty days following such date, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall, in consultation with the affected heads of other departments and agencies of the United States, issue, and revise from time to time, regulations relating to the trapping and capturing of animals and birds on any and all Federal lands, but nothing in this Act shall be construed as authorizing such trapping or capturing of animals or birds thereon. Such regulations shall prescribe acceptable means and methods for trapping and capturing animals and birds on the Federal lands in a humane manner. Such regulations shall contain standards and criteria setting forth the type of trap determined by the Secretary to be a trap which either captures painlessly or kills instantly any animal or bird caught therein, and which, to the extent practicable minimizes the possibility of trapping animals and birds not intended for capture. Regulations promulgated pursuant to this section shall be published in the Federal Register. The Secretary is authorized to conduct such tests as may be necessary to enable him to carry out his duties under this Act.

(2) Any person violating any such regulation shall be fined not more than $500 or imprisoned not more than one year, or both.

(b) (1) An advisory commission of seven members shall be appointed by the Chairman of the Council on Environmental Quality, in consultation with the Secretary of the Smithsonian Institution, to consult with, and to advise and make recommendations to, the Secretary with respect to traps designed or intended for use in trapping or capturing animals or birds, including regulations of the Secretary. The commission shall further supervise any and all tests carried out pursuant to subsection (a) of this section.

(2) Members of such commission shall receive no compensation as such for their service as members of the commission but may be reimbursed for expenses actually incurred by them in the performance of their duties under this Act.

Sec. 4. (a) Whoever sells, ships, transports, or carries, or causes to be sold, shipped, transported, or carried, in interstate or foreign commerce, any trap designed or intended for use in trapping or capturing animals or birds, or both; which is not an approved trap, shall be fined not more than $5,000 or imprisoned not more than one year, or both; and such trap shall be forfeited to the United States.

(b) Interstate or foreign shipment of any hide, skin, or feathers taken from an animal or bird which has been captured on any lands with a trap other than an approved trap, or any product made from such hide, skin or feathers, shall be prohibited. The Secretary of Interior shall publish regulations for the enforcement of this subsection. Any person violating the regulations or this subsection shall be fined not more than $5,000 or imprisoned not more than one year, or both; and such hides, skins, feathers or products thereof shall be forfeited to the United States.

(c) Whoever, upon any of the Federal lands, places or causes to be placed any trap other than an approved trap for the purpose of trapping or otherwise capturing any animal or bird, or who, having so placed or caused to be so placed an approved trap, fails to inspect and empty such trap or fails to cause such trap to be inspected or emptied, at least once every twenty-four hour period, shall be fined not more than $5,000 or imprisoned not more than one year, or both; and such trap shall be forfeited to the United States.

Sec. 5. In any violation of subsection (d) of section 4 of this Act involving the placing or causing to be placed of any trap other than an approved trap upon any of the Federal lands, the appropriate Secretary shall, with respect to any person so convicted of such violation, immediately take such action as may be necessary to suspend, revoke, or otherwise terminate any lease, license, contract permit, or other agreement involved in or connected with such violation, between such person and the United States.

Sec. 6. (a) On and after the effective date of this section, no action involving the trapping or capturing of animals and birds shall be carried out on any Federal lands unless such action is (1) otherwise authorized by or pursuant to any Federal law, (2) carried out in accordance with a program or activity conducted or supervised by Federal or State personnel, designed for the purpose of conserving or controlling, predatory or other wild animals or birds, (3) carried out by means of an approved trap, and (4) in compliance with regulations promulgated pursuant to section 3 of this Act.

(b) Any person violating this section shall be fined not more than $5,000 or imprisoned not more than one year, or both.

Sec. 7. On and after effective date of this section, no Federal agency shall (1) engage in any program or activity which aids, subsidizes, or encourages the trapping or capturing of wild animals or birds for recreational or commercial purposes, or (2) assist, financially or otherwise, any State or political subdivision thereof in connection with any program or activity of that State or subdivision involving the trapping or capturing of wild animals or birds for recreational or commercial purposes.

Sec. 8. Notwithstanding the provisions of section 7 of this Act, the Secretary is authorized to enter into cooperative agreements with any affected State or political subdivision of a State pursuant to which the Secretary shall be authorized to assist such State or subdivision financially or otherwise to enable it to comply with the requirements of this Act. Such financial assistance may be provided in such amounts, in such manner, and subject to such conditions as the Secretary may prescribe.

Sec. 9. (a) Subsections (a) and (d) of section 4, sections 5 and 6, and regulations promulgated by the Secretary pursuant to section 3 shall take effect upon the expiration of the one hundred and eighty day period following the date of the enactment of this Act.

(b) Subsections (b) and (c) of section 4 shall take effect upon the expiration of the twenty-four month period following the date of the enactment of this Act.

(c) This section, the first section, and sections 2, 3, 7, 8, 10, and 11 shall take effect upon the date of the enactment of this Act.

Sec. 10. The Attorney General of the United States is authorized to pay any individual an amount not to exceed $10,000 for information and services furnished by such individual concerning any violation of this Act. Any officer or employee of the United States or of any State or local government who furnishes information or renders service in the performance of his official duties shall not be eligible for payment under this section.

Sec. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

State of Indiana

Be it enacted by the General Assembly of the State of Indiana:

Section 1. IC 1971, 14-2-4-2 is amended to read as follows:

Sec. 2. (*a*) *Any person who, for commercial profit, places or causes to be placed upon any land or waters* any snare, net, or any other device which causes the trapping or capturing of any animal or bird in any manner by which the animal or bird is not either captured painlessly or killed instantly, or who, having placed any such device designed to trap an animal or bird, fails to inspect and empty it at least once every twenty-four (24) hours shall be fined not more than five hundred dollars ($500) or imprisoned not more than six (6) months, or both.

(b) Any person who, upon any land or waters places or causes to be placed any leg hold trap or similar device, or any person who ships or sells, including but not limited to, any leg hold trap shall be fined not more than one thousand dollars ($1,000) or imprisoned not more than six (6) months, or both.

(c) It shall be unlawful for any person to remove any animal or bird from any trap not his own property without permission of the owner.

State of Washington

An act relating to prevention of cruelty to animals; adding a new section to chapter 146, Laws of 1901 and to chapter 16.52 RCW; and providing penalties.

Be it enacted by the Legislature of the State of Washington:

New Section. Section 1. There is added to chapter 146, Laws of 1901 and to chapter 16.52 RCW a new section to read as follows:

(1) No person may, upon any land or water within the jurisdictional boundaries of the state of Washington, place or cause to be placed any trap, snare, net or other device designed to trap or capture any animal in a manner by which that animal is not painlessly captured or instantaneously killed.

(2) No person may manufacture, sell, or transport in commerce any trap, snare, net or other device designed to trap or capture any animal in a manner by which that animal is not painlessly captured or instantaneously killed.

(3) No person under sixteen years of age may place or cause to be placed any trap, net, snare or other device designed to trap or capture any animal.

(4) Any person having placed a trap, snare, net or other device permitted by subsection (1) of this section shall be required to inspect and empty such devices once every twenty-four hours.

(5) The director of the Washington state game commission shall conduct such tests and promulgate such rules and regulations as deemed necessary to the execution of this section.

(6) Violation of any provision of this section shall be a gross misdemeanor and shall be punishable by a fine of not more than five hundred dollars, or by imprisonment for not more than one year, or by both such fine and imprisonment. A conviction under this section shall result in confiscation of all equipment, animals, and pelts used in or obtained during a violation of this section.

STATE OF WISCONSIN

ANALYSIS BY THE LEGISLATIVE REFERENCE BUREAU

This bill narrows to live traps and killer traps the devices which may be used to take fur-bearing animals. Penalties of 60-day jail sentence or $200 fine or both are established for violations.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 29.413 of the statutes is created to read:

29.413 FUR-BEARING ANIMALS; TRAPPING. (1) No person may set, sell, use or maintain, for the capture of fur-bearing animals, any trap, snare or other device which does not either take alive unhurt or kill at once. If instant killing traps are used they shall be set within a burrow or hole so as not to injure domestic animals.

(2) No person may set any trap on the land of another without his written permission.

(3) Any person setting traps shall visit them at least once a day and release any animal found therein.

(4) Any person violating this section may be fined not more than $200 or imprisoned not more than 60 days or both.

Section 2. This act shall take effect January 1, 1975.

STATE OF OREGON

A bill for an act relating to control of noxious rodents or predatory animals; amending ORS 610.105.

Be It Enacted by the People of the State of Oregon:

Section 1. ORS 610.105 is amended to read:

610.105. Any person owning, leasing, occupying, possessing or having charge of or dominion over any land, place, building, structure, wharf, pier or dock which is infested with ground squirrels and other noxious rodents or predatory animals, as soon as their presence comes to his knowledge, may, or his agent may, proceed immediately and continue in good faith to control them by poisoning, trapping or other appropriate and effective means, provided, however, that steel snap jaw traps shall not be used.

ALABAMA LAW

An act to prohibit the use of steel traps and similar devices in counties having a population of not less than 38,100 nor more than 40,500, and in counties having a population of not less than 41,750 nor more than 45,000, according to the most recent federal decennial census, and to prescribe punishment for the violation of this Act.

Be It Enacted by the Legislature of Alabama:

Section 1. It shall be unlawful for any person to use any steel traps or similar device in any county having a population of not less than 38,100 nor more than 40,500, or in any county having a population of not less than 41,750 nor more than 45,000, according to the most recent federal decennial census, except that residents of such counties may set such steel traps or similar devices within the curtilage of their homes.

Section 2. Any person violating provisions of this Act shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than twenty-five dollars nor more than one hundred dollars for each offense.

Section 3. This Act shall become effective immediately upon its passage and approval by the Governor.

Approved July 12, 1971.

Time: 10:25 A.M.

I hereby certify that the foregoing copy of an Act of the Legislature of Alabama has been compared with the enrolled Act and it is a true and correct copy thereof.

Given under my hand this 16th day of July, 1971.

FLORIDA ANNOUNCEMENT

The use of leg hold traps will be banned in Florida effective January 1, 1973 according to action taken by the Game and Fresh Water Fish Commission at a meeting in Tallahassee on Friday, October 20.

The emergency order, to be issued by the Commission, will prohibit the use of all leg hold steel traps. The new rule will apply statewide and will permit the use of live or cage type traps for taking fur bearing animals.

The Commission banned the use of steel leg hold traps with teeth last April.

According to a study conducted by the Commission, Florida will be the first state in the Nation to prohibit the use of steel traps for taking fur bearing animals. The study also indicated that while the use of such traps is an accepted means of wildlife harvest in America several European countries prohibit the use of steel traps for taking wildlife.

The new rule will provide that a special permit may be issued to landowners for use of steel traps when such traps are necessary for the protection of private property.

The Commission action was based on a resolution adopted by the Florida Wildlife Federation urging the ban of steel traps as an inhumane method of wildlife harvest.

By Mr. BIBLE (for himself, Mr. CANNON, and Mr. JACKSON):

S. 1638. A bill to authorize the Secretary of the Interior to make certain Federal lands available to State and local governments for park and recreation purposes. Referred to the Committee on Interior and Insular Affairs.

FEDERAL LAND FOR PARKS AND RECREATION ACT OF 1973

Mr. BIBLE. Mr. President, I introduce for appropriate reference a bill to authorize the Secretary of the Interior to make certain public domain lands available to State and local governments for park and recreation purposes.

This proposed Federal Land for Parks and Recreation Act will add a further dimension to our longstanding national policy of encouraging and assisting State and local governments in the acquisition of the open space they need to meet the burgeoning nationwide demand for more well managed park and recreation facilities.

The purpose of this legislation is to overcome present limitations in the law that restrict the availability of public domain lands for transfer to State and local management for park and recreational uses. As previously written, the Recreation and Public Purposes Act (43 U.S.C. 869(b)) restricts conveyances of public lands to States for recreational purposes to not more than three sites aggregating not more than 6,400 acres in any calendar year. The effect is to unduly complicate and prolong the implementation of statewide park and recreation systems and programs, particularly in the public domain States of the West which must rely on the Federal Government to make its lands available for State and locally administered park and outdoor recreation systems.

The bill I am introducing today would authorize and direct the Secretary of the Interior to make available to State and local governments for park and recreation purposes public domain lands—except lands on the outer continental shelf and lands classified as primitive areas—administered by the Bureau of Land Management. Before approving any such transfer, the Secretary would be required to determine: First, that the lands in question possess park or recreational values, second, that the State in which the land is located needs additional open space areas in order to provide a variety of well-managed outdoor recreation opportunities, third, that use of the public lands involved for park and recreation purposes would be compatible with planned Federal park and recreation programs, the comprehensive statewide outdoor recreation plan submitted by the State pursuant to the Land and Water Conservation Fund Act, or other State or local park or recreation plan approved by the Secretary, and fourth, that the State or local government seeking the transfer has the authority, resources, and capability to manage and operate the lands involved for park and recreation purposes. In order to conserve State and local funds for development and management of the areas involved, transfers under the bill would be without cost to the applicant, except for a reasonable charge to defray the administrative cost of the conveyance. Consistent with present policy and the provisions of the Recreation and Public Purposes Act, all mineral rights and interests in the lands covered by the bill would be reserved to the United States and provision is made for reversion of the land itself in the event it ceases to be used and maintained for park and recreational purposes.

In his environmental message earlier this year, President Nixon emphasized that the Federal Government must play an active, positive role in upgrading recreation opportunities and that State and local governments must play a crucial and central role in meeting the Nation's demand for parks and recreation. We have a situation today in which existing programs are not meeting the growing demand for outdoor recreation opportunities. Matching assistance for State and local park and recreation programs is grossly inadequate. The funding of our Federal park and outdoor recreation programs falls far short of the need that all recognize exists. Funding for recently authorized land acquisitions by the National Park Service alone has fallen more than $150 million behind congressional authorizations. And it is no secret that State and local governments find themselves caught up in varying degrees of fiscal crisis that inhibit their capacity to move as fast as they would like with the long-range open space investments required to provide for their present and future outdoor recreation needs.

There can be no question that additional authorities are needed to make unused Federal lands available for State and local recreational uses. A truly effective Federal-State partnership to broaden and enhance the Nation's recreational resources calls for a liberalization of the Federal Government's policy toward the disposition of unused public domain lands for such purposes.

The bill I am offering today is overdue and would be a meaningful exercise in the kind of constructive federalism we need to encourage and enable many of our State and local governments to maximize their contributions to the Nation's parks and recreational resources.

By Mr. McCLELLAN (for himself, Mr. Young, Mr. Stennis, Mr. Hruska, Mr. Pastore, Mr. Bible, Mr. Cotton, Mr. Talmadge, Mr. Hartke, Mr. Fulbright, Mr. Bennett, Mr. Curtis, Mr. Fannin, Mr. Roth, Mr. Proxmire, Mr. Percy, Mr. Brock, Mr. Long, Mr. Dominick, and Mr. Javits):

S. 1641. A bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Director and staff, and for other purposes. Referred to the Committee on Government Operations, by unanimous consent.

BUDGET CONTROL ACT OF 1973

Mr. McCLELLAN. Mr. President, I want to thank the distinguished assistant majority leader and also the minority leader for allowing me a few minutes to introduce a bill in which all the Senate is interested.

On behalf of myself and Senators Young, Stennis, Hruska, Pastore, Bible, Cotton, Talmadge, Hartke, Fulbright, Bennett, Curtis, Fannin, Proxmire, Long, and Roth, all of whom are members of the Joint Study Committee on Budget Control, and Senators Percy and Brock, I am today introducing and now send to the desk a bill to be entitled The Budget Control Act of 1973. A companion bill, I am advised, is also being introduced in the House of Representatives.

No problem now confronting Congress is more serious than the management and control of America's fiscal resources.

Management and control are the common denominators underlying a sound fiscal policy.

They are the fundamental factors that shape priorities and goals.

They are the bedrocks of solvency.

Unfortunately, however, these are also the prerequisites for sustained economic growth and stability that we presently lack.

The statistical facts are simple but compelling:

Of the $268.6 billion in outlays proposed in the administration's latest budget, $201.8 billion—roughly 75 percent—is uncontrollable. Authority for these 1974 expenditures was provided in prior years. Funds to fulfill these commitments have in large measure already been obligated. It is too late for us to step in now and rechannel most of these huge sums into other programs. That die has already been cast.

Of the $268.6 billion spending estimate in the budget for fiscal 1974, only 44 percent—around $120.8 billion—would derive from new obligational authority provided in appropriations bills for 1974. Yet, even for part of this category, appropriations will be pro forma since past authorizations require such funding.

We have, in short, so splintered spending authority off from the regular appropriations process, that the amount of management and control which Congress exercises over any given budget has become significantly diminished. For example, during the past 5 fiscal years, Congress, in appropriation bills, reduced new budget authority requests by approximately $30 billion. But, during this same period, Congress approved expenditures in nonappropriation bills which exceeded such administration budget requests by slightly over $30 billion.

In fiscal 1973, of the 160 legislative actions having a direct or indirect effect on budget authority and spending, only 19 were in the form of appropriations measures. All the rest—141 of them—were numerous legislative bills which bypassed the usual appropriations process but which, nonetheless, were the source for fiscal 1973 expenditures.

We are circumventing long established funding procedures for short term fiscal expedients.

We are bypassing dependable appropriations restraints for dubious spending concessions.

In the process, we have caused severe fiscal strain, seriously eroded the power of Congress over the purse, and derogated our vital system of checks and balances with the executive branch over Federal expenditures and prudent fiscal stewardship.

It has been 52 years since Congress has done anything about shaping its basic tools for controlling Federal expenditures—the Budget and Accounting Act of 1921 being the last major reform of congressional budgetary procedure. Yet we now spend nearly 100 times annually what we were spending in the 1920's.

One quick glance at the spiraling authorizations contained in recent legislative proposals underscores the pressing need to augment and revise congressional spending controls. In the 92d Congress alone, we enacted new programs with projected 5-year authorizations totaling more than $321 billion. And in the 93d Congress—hardly 3½ months old—we have already introduced 1,430 measures in the Senate which, if enacted into law and appropriations made as authorized, would cost the Federal Government an astonishing $49.5 billion—just during the approching fiscal year.

It is clear, Mr. President, that Congress must regain control over our Nation's purse strings if we are to avert the ill consequences which insolvency imposes.

In an effort to bring total annual expenditures and revenues into closer balance—and thus halt the recent avalanche of deficits and debt which fuel the fires of inflation and cause so many dollar difficulties here and abroad—I reported to the Senate on Tuesday that the Appropriations Committee has established a tentative ceiling on expenditures that it will endeavor to honor in processing appropriations bills for the coming fiscal year. This budget ceiling should help us to hold the line on Federal outlays and move us in the direction of economic stability.

The budget ceiling adopted by the Senate on April 5, 1973, in the Par Value Modification Act—S. 929—will also help us in this regard. But in light of the many factors contributing to the total Federal spending picture—most of which lie outside the spending authority of and recommendations set forth by the Appropriations Committee—action on a much broader congressional front is required.

It is, therefore, to this end, Mr. President, that I am privileged to introduce the Budget Control Act of 1973, a bill fashioned from recommendations set forth by the Joint Study Committee on Budget Control on which I have the honor to serve as co-vice chairman.

In my judgment, the Budget Control Act of 1973 provides a means by which Congress can regain and maintain better control of the economc reins of state.

It provides an effective, permanent mechanism for budget control.

It provides a comprehensive, coordinated review of budgetary priorities.

It provides a method for determining available revenues for funding the cost of government.

In short, it provides the necessary machinery for us to achieve the budgetary perspective and to establish the priorities we must have to match America's hopes and aspirations with the realities of our limited fiscal resources.

Mr. President, allow me briefly to describe the basic features of this proposal:

First, it establishes a special committee on the budget in both the Senate and House to review the budget on an overall basis. The committee in the House would have 21 members and the committee in the Senate 15. In both cases, one-third of the members would be drawn from the Appropriations Committees, one-third from the Ways and Means or Finance Committee and one-third from legislative committees generally. The chairman of each committee would alternate each year from among the members of the appropriations and tax committees. A joint staff would be provided for the committees. Highly trained, professional and nonpartisan, this staff will give Congress its own center of budgetary operations.

Second, the committees would report out at least two concurrent resolutions which would; First, provide overall limitations on budget outlays—expenditures and net lending—and on new budget authority—new obligational authority; second, provide for the appropriate level of revenue collections and level of the public debt—including the authority to direct the tax committees to raise or lower the aggregate level of Federal revenues; and, third, divide up the maximum permitted budget outlays and new budget authority—provided in 1 above—among the various subcommittees of the Appropriations Committees based on recommendations from the Appropriations or any other committees. In addition, allocations would be made to other committees having jursdiction over budget outlays or new budget authority, primarily for trust funds.

Third, the limitations provided for in the concurrent resolutions would cover all existing spending and budget authority, not just that presently going through the Appropriations Committees. In the case of congressional action providing new program funding, all budget outlays would be provided through the Appropriations Committees, except in the case of trust funds created by the levying of a new tax.

Fourth, to provide assurance that a choice be made among competing priorities, when amendments to the concurrent resolutions are offered on the House or Senate floors, a rule of consistency would have to be followed in offering floor amendments. Under this rule, if an amendment increasing funds for any purpose were offered to the resolution, the amendment would also have to provide for a commensurate decrease in other funding categories, or, alternatively provide for an increase in the overall limitation by either a debt or tax increase. This matching of decreases and increases would apply not only to budget outlays but also to new budget authority as well.

Fifth, where budget outlay and revenue figures set forth in the final concurrent resolution would create a deficit in the congressional budget, an appropriate tax surcharge, reported out by the tax committees, would be provided for in the concurrent resolution.

Sixth, to provide for new programs or expansion of existing programs a contingency fund would be created and funds in it allocated in the second concurrent resolution to provide for such programs. Appropriations for these new programs would then be provided in a final appropriation bill for the session. In addition to this contingency fund, up to 2 percent of the amount allocated to the Appropriations Committee would be set aside in a special reserve for the Appropriations Committee to allocate among all programs as it acts on the appropriations bills. Two percent may not sound like much money, but in the case of the proposed 1974 budget, this amount would come to around $3.4 billion.

These are just some of the highlights contained in this very significant and far-reaching legislative proposal. I commend the Joint Study Committee's excellent report to each Member, for a full analysis and review of each provision found in the bill, and ask unanimous consent, Mr. President, to have this document reprinted in full at the conclusion of my remarks.

The day of reckoning with the full budget crisis is upon us, Mr. President. We can no longer postpone or ignore permanent reforms to deal with it. Short term, stopgap efforts, which remedy only in part, will no longer suffice.

Twenty-three years ago, on February 19, 1950, I first introduced a measure to create a Joint Committee on the Budget, designed to resolve the serious deficiencies in congressional budgetary and appropriations procedures. I reintroduced this bill in nine subsequent Congresses, with the Senate approving it each time. The Budget Control Act of 1973 contains the seeds of my earlier proposal but goes well beyond it in affording an overall means to control Federal expenditures.

Just as I never intended that my bill was the only answer to the problem, neither do the sponsors of the Budget Control Act of 1973 contend that it is the only answer. But, Mr. President, I do believe that the Budget Control Act offers a responsible answer to the serious budget responsibilities now confronting us. I do believe that this legislation can be the basis for a new congressional process upon which America can build a more durable financial future.

Mr. President, I am confident that the committees considering the bill will find it feasible and desirable to make amendments to it, but the bill as introduced will serve as a foundation on which to build, as I have said, a better structure of financial control in the Government.

Mr. SYMINGTON. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield to the Senator from Missouri but I would suggest, before I yield, that I think the bill should be referred—and I hope it will be first at least—to the Government Operations Committee.

The PRESIDING OFFICER (Mr. HANSEN). Is there objection?

Mr. METCALF. Mr. President, reserving the right to object—I do not want to get in the way of the distinguished Senator——

Mr. McCLELLAN. Well, I withhold that request for the moment.

I yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I congratulate the distinguished senior Senator from Arkansas for a typically thorough examination of one of the most important of all problems this Nation faces today; namely that of, some day, balancing the budget in recognition of our financial problems.

I would ask the distinguished chairman of the Appropriations Committee if he plans to note what the Armed Services Committee recommends in authorization to the Senate prior to appropriation?

Mr. McCLELLAN. I do not believe the Appropriations Committee would make appropriations without authorizations. The Senator, in his committee, has the first responsibility for considering expenditures in the Defense Department.

Mr. SYMINGTON. I thank the able Senator.

Day before yesterday I chaired a meeting of the Military Applications Subcommittee of the Joint Atomic Energy Committee and was told about the almost unbelievably high cost of a small weapon about which there seems to be considerable discussion as to whether or not we really need it.

I am confident the Armed Services Committee will produce information which will be of interest to the distinguished chairman of the Appropriations Committee and all those apprehensive about the size of our debt. I appreciate his courtesy in answering my question on that particular point and again congratulate him for the bill he has introduced today.

Mr. McCLELLAN. I thank the Senator very much. I do not want to take the credit for the bill. The bill is a product of the Joint Committee on the Budget. I am a member of that committee but there are other Senators who certainly shared in working on the recommendations and they are entitled to the real credit for the bill.

Mr. President, I now yield to the distinguished Senator from Montana (Mr. METCALF) and I would make the request again——

Mr. METCALF. Will the Senator propound his unanimous-consent request again?

Mr. McCLELLAN. I was going to request that the bill be referred to the Committee on Government Operations, first at least—I do not know where else it may go afterward, but that would have to be done by order of the Senate, of course.

Mr. METCALF. Mr. President, reserving the right to object, this bill is a most important and significant bill—it may be the most significant bill that will be considered in this session of Congress.

The Budget Control Act of 1973 contains the seeds of many ideas that the Senator from Arkansas suggested over the years. It also has some ideas that have already been suggested by legislation which was introduced.

Before the Government Operations Committee at the present time are more than a dozen bills. Many of them contain splendid ideas as to budget control. The Government Operations subcommittee in charge of the bills has already started to hold hearings on this matter. The Senator from Arkansas is a member of that subcommittee.

I can assure him—and he knows—that we will vote out a bill, and we will vote out a bill that will contain the best parts not only of the joint study committee recommendations but also some of the other suggestions that outstanding Members of the Senate on both sides of the aisle have proposed and propounded. Their bills and the joint study bill, the Budget Control Act of 1973, will be the framework, I say to the distinguished Senator from Arkansas, on which we will start to act and draw up the budget control legislation.

So that I believe the bill should go to the Government Operations Committee where all the other bills have gone. Any other bills on this subject matter should also go to the Government Operations Committee. I hope that the Senator from Arkansas will include in his request that other bills on this subject will also be referred to the Government Operations Committee before a bill is reported.

Mr. McCLELLAN. I understand that all bills have been referred—all that have been introduced on this subject—to the Government Operations Committee, and that that is the appropriate committee. I want to suggest that it go there because, for the present, there may be other committees later that would be interested in wanting to make a motion to refer to it for review. But I join the Senator in the suggestion that all measures dealing with this subject be first referred to the Government Operations Committee.

The PRESIDING OFFICER. Does the Senator from Arkansas make that request at this time?

Mr. McCLELLAN. Yes, Mr. President, I ask unanimous consent that the bill be referred to the Government Operations Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I make one further observation. I am sure that all bills before the Government Operations Committee will be considered and that this bill, as I pointed out a while ago, will be subject to amendment, and there will be other provisions added to it, not now in it, that will tend to strengthen the bill or deal with the same subject.

Mr. METCALF. This important and significant legislation that emanated from the Joint Study Committee as well as the bills introduced by other Members will provide a framework on which we will adjust and adopt legislation that will ultimately emanate from the committee.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the name of the Senator from New York (Mr. JAVITS) be added as a cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET CONTROL LEGISLATION

Mr. ROTH. Mr. President, I want to express my strong support for the legislation introduced today by Senator McCLELLAN on behalf of the Senate members of the Joint Study Committee on Budget Control.

This is the culmination of a concerted, bipartisan effort to repair the ailing congressional machinery, and in my mind represents the most significant congressional reform in a decade. If enacted, this language would create an entirely new procedure for budget consideration which would reflect the Congress' awareness of our current serious fiscal problems.

In short, it would force both the House and the Senate to focus on both sides of the Federal ledger, to twice a year review our available tax resources and decide how best to invest them in competing Government programs. It carries with it political and economic sanctions against wasteful spending by instituting an automatic surtax should Congress breach the spending ceiling it had determined appropriate for any given fiscal year.

As every family and business knows, there is always a greater demand for expenditures than there is revenue to support them. Many State and local governments have, since their inception, acknowledged this reality and written very precise budgetary control language into their constitutions and charters. It seems incredible to me that the Congress of the United States has been able to function this long without similar constraints. We simply cannot continue to spend more than a quarter million dollars each year without the discipline imposed by new rules called for in this legislation.

As one who has long argued for a more thorough consideration of overall spending, I am especially pleased to see the unanimous support of all 32 members for the Joint Committee's recommendations. Since coming to the Senate in 1971, I have made several attempts to have Congress impose expenditure limits on both itself and the executive branch. Although those efforts did not result in public law, I am thankful that the Congress is now coming to grips with the major issue lying behind those debates.

An expenditure ceiling, after all, can only hope to attack one piece of the problem, and this committee's legislation has reigned in on the other important element of budget control—ballooning authorizations which mandate spending outside the appropriations process and the increasingly large portion of spending over which Congress, and the executive, has surrendered almost all control.

I would urge my Senate colleagues to review the language of this bill and to reflect on the recommendations embodied in the committee's report. And, it is my sincere hope that both the House and the Senate committees will make this legislation their top priority for consideration after the upcoming recess.

Mr. TALMADGE. Mr. President, I am pleased to cosponsor this legislation to improve congressional control of our Nation's budgetary and fiscal policies. I am honored to have served on the Joint Study Committee on Budget Control, whose recommendations are embodied in this measure. Unfortunately, Mr. President, it is a sad commentary on the affairs of our republic that there is even a need for legislation such as this which imposes a degree of restraint and responsibility on those who are charged with managing our Nation's financial resources.

At the same time, we can take some consolation in the fact that this legislation signals a resolve, at least on the part of the Congress, to do better in the future.

And do better we must. Hopefully, we have learned a lesson from recent history. For 38 of the last 44 years, our Federal budget has been in a deficit position. In 1941, 165 years after the birth of our Nation, the United States had its first $10 billion budget at the Federal level. In 25 years, by 1966, we had our first $100 billion budget. Today, 8 years later, the President's budget recommendations for fiscal year 1974 call for expenditures in excess of $268 billion. In my view, this is suicidal.

Revenues have not kept up with expenditures so the Federal Government has resorted to an expedient commonly known as deficit financing. Put simply, we borrow money we do not have to spend on programs we do not need. As a result, our national debt is presently in excess of $450 billion, greater than the combined total of all of the national debts of all of the other nations on the face of the earth.

Why has this happened?

I believe it is because the Government of the United States has tried to be all things to all people. Federal programs and Federal spending have grown like topsy since World War II. Federal influence and Federal dollars today permeate every nook and cranny of America, indeed, every corner of the world. Our Nation has been on a spending spree like the proverbial drunken sailor on a weekend pass.

What does all of this mean for the American taxpayer? It means that a man who earns $10,000 annually works from January 1 until May 1, fully one-third of the year, in order to pay his taxes to the Government. The American working man is justifiably outraged with inequities in our tax structure and the amount of taxes he has to pay. He demands tax reform, and I do not blame him one bit. I strongly support revising the Internal Revenue Code to close loopholes which exist and to make all our citizens carry their fair share of the tax burden.

But, Mr. President, as badly as we need tax reform, we need spending reform even more. The legislation which I am cosponsoring today is a positive and long-overdue first step toward spending reform and fiscal responsibility. It is good legislation, and my only reservation is that it does not go far enough. I feel that the only true and lasting solution to exploding Federal budgets and festering budget deficits is the enactment of my proposed amendment to the U.S. Constitution which would flatly prohibit the Federal Government from spending more than it receives in revenues in any fiscal year, except in time of war or economic emergency specifically declared by the Congress.

However, given the fact that many Members of Congress perhaps do not feel as strongly about the necessity for balancing our Federal budget as I do, the bill before us represents an acceptable compromise.

Under this measure, special permanent committees would be formed in both Houses of the Congress and charged with establishing a ceiling on Federal expenditures for each year. If spending exceeds this ceiling, Congress would be required to increase taxes in order to avoid breaking the budget.

This holds great promise, Mr. President. The prospect of having to vote to increase taxes, an anathema to elected public officials, should make Members of Congress think twice before voting for increased spending. I certainly hope that this will be the case.

Therefore, Mr. President, this measure offers us a challenge, a challenge to exercise restraint and responsibility which has heretofore been lacking in budgetary affairs. It is incumbent upon us to rise to that challenge and to act in the best interest of our Nation and our citizens. To shirk our duty at this crucial time would be a shameful violation of our public trust. I am hopeful that this legislation will be promptly and favorably considered by this body. I support it and I urge my colleagues in the Senate to do likewise.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the Record a statement by the distinguished Senator from Mississippi.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR STENNIS

I strongly support the report of the Joint Study Committee on Budget Control, and the bill recommended by the Committee to implement the recommendations set forth in the report.

I was honored to be one of the members of the Senate Appropriations Committee designated to serve on the Joint Study Committee on Budget Control. Unfortunately, I was unable to attend the meetings of the Joint Study Committee after I was injured and to contribute as much as I would have liked to the work of the Committee. However, I have kept in touch with the work of the Committee and conferred during the course of the Committee's work with several of my fellow members of the Congress. Also, I have studied carefully the Preliminary Draft of the Committee Report, and have discussed its contents with one of the Cochairmen. I have been kept informed by the Cochairmen of the modifications subsequently adopted by the Committee. I endorse the concept that the primary responsibility lies with the Congress to set a ceiling on expenditures for each fiscal year and to provide for the apportionment of funds among the purposes for which appropriations are made. I endorse the findings of the Joint Committee and the proposed legislation to set in motion the processes recommended by the Joint Committee.

It is my firm opinion that the finances of our nation must be placed in sound order, and that this action is essential to counter the inflation that goes with financial irresponsibility. These are the most demanding domestic issues facing our country today. It is absolutely essential that inflation be checked, for the future of our nation.

The relationship between the federal income and annual expenditures must be monitored by Congress. This must be done by systematic procedures carried out within the rules of the Senate and House, amended or added to as may be necessary to carry out that purpose.

The Report of the Joint Study Committee and the bill introduced in the Senate today are the product of a great deal of hard work on the part of the committee members and the staff assembled to assist in this problem. I particularly wish to commend the efforts of my friend from Mississippi, Congressman Jamie Whitten, who was Cochairman of the Joint Study Committee. His long experience on the House Appropriations Committee and his broad grasp of the financial problems of government enabled him to make an outstanding contribution toward this bill.

Mr. President, I commend this bill to the favorable attention of each member of the Senate and strongly urge that it be promptly enacted into law.

By Mr. JAVITS:

S. 1642. A bill to establish a Commission on the Reform of the Federal Income Tax Laws. Referred to the Committee on Finance.

ESTABLISHMENT OF A COMMISSION FOR REFORM OF INCOME TAX LAWS

Mr. JAVITS. Mr. President, I introduce a bill to establish a commission for reform of the income tax laws. The bill, if passed, would pave the way for a comprehensive reform of both corporate and personal income taxes during 1974, which is apparently in line with any practical reading of the congressional calendar. The bill would commit us to a specific timetable. Also, under the terms of the bill, tax reform would be directed specifically at certain goals: strengthening the tax base; removing the distortions of present law which tax certain income classes too much and others too little; and, above all, imparting simplicity and efficiency into the tax code.

Last June the administration unequivocally promised tax reform proposals by the end of the year; but that did not happen. In January, Members of Congress gave some hope that we could have action on a tax reform package—at least in the House—by the summer recess. Now, according to last week's press reports, any such hopes are gone too. The administration is now supposed to put up its tax reform package in testimony on April 30 before the House Ways and Means Committee.

We owe it to the American taxpayer to make a firm commitment to action on tax reform. We also owe it to state in advance what are our goals, so that the phrase "tax reform" does not become in itself the embodiment of an empty promise or a vehicle for raiding the Treasury and further dismantling our tax base.

Accordingly, my bill establishes a 1-year Commission on the Reform of the Federal Income Tax Laws. Membership in the 12-person Commission would include Members of Congress, public members, the Secretary of the Treasury, and the Director of the Office of Management and Budget. The Commission would be required to submit an interim report within 6 months containing recommendations for enactment in 1974. The Commission's final report would contain its complete recommendations for comprehensive reform.

The bill also spells out three guidelines, or goals, for reform: First, no significant effect on the distribution of personal pretax income, but specific tax relief to individuals with lower incomes; second, simplicity of administration and reporting—including consideration of a gross income tax; and third, a strong, flexible tax base.

The bill also directs the Commission to study the social and economic implications of tax reforms it recommends, and to recommend ways to keep the deleterious side effects of any reform to a minimum.

We have heard a great deal in recent years about the inequities of the present tax system, and Congress from time to time has attempted to answer the call of Americans for a more equitable and effective tax code. In my view, these attempts have often done more harm than good. As a result of these attempts, we now have a severely eroded tax base, a myriad of special exemptions and preferences which by and large tend to favor wealthier taxpayers, and a set of tax laws so complicated as to make a national agony for Americans each April. In this setting, a congressional commitment to meaningful tax reform at the earliest possible time is a high national priority.

Mr. President, there is accumulating evidence that our tax code is indeed inequitable, in that it asks especially our middle income taxpayers—and the poor—to pay a disproportionate burden of the costs of Government. This evidence agrees with a Joint Economic Committee study showing that income distribution in the United States has displayed disturbing characteristics of inequality over time. As indicated by other figures developed for the committee the effect of most of the exclusions and preferences in our tax code has been simply to push this maldistribution of income still further. Now I do not for a moment think—or desire—that tax reform is suddenly going to make rich people out of the Nation's poor or so tax the rich as to remove all incentive for accumulating wealth. But I believe that we owe every American a tax system which spreads the burden according to each person's ability to pay. We cannot claim that our tax system does so at the present time.

In addition to being inequitable, our tax code has become almost unrivaled for its complexity. Taxpayers who itemized their deductions and reported dividend income in 1972 had to answer 11 more questions on their tax form than they did in 1968. Any taxpayer trying to compute a capital loss carryover this year was subjected to a 59-entry questionnaire which must have tried the patience of even many tax lawyers. I am aware of the fact that the increase in the personal exemption and the standard deduction in the 1969 act has enabled many taxpayers to resort to the short form. But the percentage of persons who struggle to itemize their deductions is almost twice as high as the percentage who took the long route back in 1944 when the standard deduction was first introduced.

A final argument for tax reform is that we face a fiscal crisis of the first magnitude brought about in part because of the improvident tax reductions granted by Congress in the 1969 Tax Reform Act. This, combined with the growing demands which modern society has placed on the Federal Government for programs and services, the recent economic slowdown, and the ruinous toll of Vietnam has not only thrown the present budget out of kilter but also virtually eliminated any chance of enacting major new Federal spending programs before 1975. According to the authoritative Brookings Institution study of national priorities, the growth of built-in spending programs already in place will eat up all of the Federal budget up until 1975, and will leave a relatively meagre $5 billion leeway as far out as 1977. We can already ascribe $15 billion of the present budget deficit to the tax cuts voted in the 1969 act, and this shortfall for the same reason will climb to $23 billion by 1977. I hardly need remind by colleagues of the inflationary implications of this kind of budget crunch.

Such, Mr. President, is the case for tax reform.

Mr. President, I am hopeful that my bill can add to the very healthy national debate on the need for tax reform, leading to equitable tax reform legislation, and I hope as well that the administration and the Congress will see the need to express unequivocally their commitment to a comprehensive overhaul of the tax code.

The American people have articulated their concern about the existing tax system, and their concern is legitimate. It is a concern which no government can afford to ignore.

Mr. President, I ask unanimous consent to have printed in the Record two articles from the Washington Post dealing with tax reform.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Some Tax Reform Foreseen by Mills

(By Edmond Le Breton)

Rep. Wilbur D. Mills, the House tax chief, foresees passage by the House this summer of a tax reform bill—but one not likely to include some of the changes for which reformers have been pressing.

The Arkansas Democrat said in an interview that the legislation, though intended to correct some inequities, probably will not substantially increase government revenues nor result in a big overall tax cut.

The Ways and Means Committee, of which he is chairman, will begin about six weeks of hearings late this month or early in February, reviewing all tax preferences, Mills said.

The committee will not wait to receive recommendations from President Nixon's administration, but will hear administration witnesses at some later point in the hearings, he indicated.

He said the committee is beginning its review with no preconceived ideas as to which tax preferences should be trimmed or abolished, but pointed out some areas in which he is interested.

These include estate and gift taxes, especially the practice of avoiding taxes by generation-skipped trusts; capital gains; the minimum tax to recapture from the rich some of the revenue lost when they take advantage of certain tax preferences, and municipal bonds.

But Mills said estimates that vast revenues could be raised by closing alleged loopholes are exaggerated.

Some of the targets on which tax reformers focused during the 1972 campaigns were broadened business depreciation rules, the 7 per cent investment credit, and deferral of taxation on income of foreign subsidiaries.

Mills said the depreciation rules have not proved to be significant revenues-losers—"we took most of the advantage out of them"—and that the investment credit is needed to stimulate the economy.

As for taxation of overseas subsidiaries' earnings, Mills asked, "How do you tax a foreign corporation?" He said the problem is complicated because in many cases U.S. firms are only part owners of the foreign establishments.

He said the energy crisis would be a factor working against further reduction of tax advantages for the oil and gas industry, which were trimmed in 1969.

Mills did not detail his ideas on capital gains taxation, which is generally at half-rates if it results from sale of an asset held six months or more. In the past, he has indicated that the holding period might be lengthened and that a sliding scale of rates might be instituted, depending on how long the asset had been held.

He said the minimum tax yield has been disappointing, suggesting that its provisions might be tightened.

Interest on bonds issued by states and local governments is free, under the Constitution, of federal tax. A proposal to offer the jurisdictions an alternative—issuance of taxable-interest bonds along with a federal subsidy—was lost three years ago. Mills said he thinks it might now be more favorably received. Proponents said it would tend both to increase government revenues and to broaden the market for municipal bonds.

Tax Reform Seems Dead for the Year

Any prospect that Congress will reform taxes this year virtually died yesterday.

Treasury Secretary George P. Shultz emerged from a two-hour White House meeting with Rep. Wilbur D. Mills (D-Ark.) and other congressional leaders and announced that Mills had agreed to set aside the tax reform issue and take up President Nixon's trade bill instead.

So complex are both issues—taxes and trade—that it is impossible for Mills' House Ways and Means Committee to deal with both in the course of a single session of Congress.

Mills' pledge—unless he changes his mind—thus had the effect of finishing off for 1973 any likelihood that Congress would undertake a thoroughgoing overhaul of the tax code.

Mr. JAVITS. I realize we have made many efforts to get a tax reform package from the administration. I realize the administration is going to present its package but I do not see how they would preempt the necessity for high-level expertise with respect to what we should do. The matter is so important we should establish a commission such as the Hoover commission, and that is the way my commission is constituted, to report to us the most desirable aspects of reform in order that we might have very authoritative and broad-based legislation.

For myself, I think it is the most practical of all the plans that have been put forward. It does not attempt to anticipate anything. It attempts to get a truly professional result. I hope to get early action on this matter.

By Mr. JAVITS:

S. 1643. A bill to provide minimum standards in connection with certain Federal financial assistance to State and local correctional, penal, and pretrial detention institutions and facilities;

S. 1644. A bill to assist urban criminal justice systems on an emergency basis in those cities where personal security, economic stability, peace, and tranquility are most impaired and threatened by the alarming rise in the commission of serious crime; and

S. 1645. A bill to provide assistance to State and local criminal justice departments and agencies in alleviating critical shortages in qualified professional and paraprofessional personnel, particularly in the corrections components of such systems, in developing the most advanced and enlightened personnel recruitment training and employment standards and programs, and for other purposes. Referred to the Committee on the Judiciary.

STRENGTHENING OF THE CRIMINAL JUSTICE SYSTEM

Mr. JAVITS. Mr. President, I introduce today three bills to strengthen our criminal justice system; in substance, bills I introduced in the 92d Congress.

Americans throughout the Nation continue to be deeply troubled about the condition of our system of criminal justice and its capacity to safeguard the rights of all, while protecting our people from crime and the fear of crime. In 1968, Congress set a priority for national crime control, a priority for making our streets safe and our homes secure. We have witnessed a tremendous increase in the allocation of Federal resources to crime control and crime prevention programs. The Nixon administration and many State and local criminal justice agencies have made important progress toward that goal.

The latest statistics from the Uniform Crime Index of the FBI show that serious crime is increasing at the rate of 1 percent per year—the lowest reported rate increase since *1960*. Several major cities—including New York City have recently reported an actual reduction in certain categories of violent crime. Nevertheless, there is no doubt that our society still bears much too heavy a burden in the cost of crime and its related problems.

Despite the progress that has been made, we know that we still confront almost chaotic conditions in many parts of our criminal justice system—particularly in our local criminal courts and in the Nation's prisons.

We know that many of the old assumptions and practices about criminal justice have properly been questioned. We know also that there can be no real safety or security, or any lasting solution to the problem of high rates of crime unless we deal effectively with the problem of the repeat offender. And we cannot begin to deal with recidivism as long as we fail to recognize that a basic respect for the humanity of every man must be the hallmark of any humane system of justice.

In the area of drug abuse and narcotic addiction, I have long supported an extensive Federal, State, and local commitment to the treatment and rehabilitation of drug users in order that they may be returned to society as productive and useful citizens. In order to complement these efforts, I recently introduced two bills, S. 1137 and S. 1138 designed to increase the capability of our law enforcement agencies and our courts to deal more effectively with the professional, high volume narcotics trafficker.

The three bills I introduce today are designed to deal with other aspects of our national crime problem. These measures deal with the problems of prisoners' rights and criminal recidivism; the shortage of qualified custodial and rehabilitative corrections personnel, and emergency funding for local criminal justice reform. The bills are:

The National Corrections Standards Act;

The Emergency Crime Reduction Act; and

The Criminal Justice Professions Development Act.

The corrections component of our criminal justice system still suffers from a plethora of ills: a lack of public support and understanding, piecemeal programing and understaffing, overcrowded, and unsanitary conditions, universal treatment of the prisoner as having few rights, a lack of facilities for job training and education, and totally inadequate funding.

The Congress must finally give immediate attention to this issue in all of its aspects. This includes corrections manpower development, corrections rehabilitation services, including job training and job placement, corrections education services, construction and renovation of correctional facilities, decentralized community corrections programs, and in my view, the critically important and traditionally neglected issue of prisoners' rights.

I have no illusions about the size of the problems attendant on effective correctional rehabilitation. There are hardened criminal offenders who are beyond any hope of peaceful reintegration into our society, and who will stubbornly resist our best efforts. And our people have a right to insist that they be protected from such offenders.

But there are many who can be rehabilitated and yet inhuman prison conditions inconsistent with our sense of justice and with any commonsense approach to the problem only lead to recidivism. The failure to recognize this, and to make it a fundamental operating principle within every jail, prison, correction, and detention facility in the Nation makes no sense from a moral, legal, or pragmatic view.

Morally, there is no basis for the proposition that the commission of a crime against society allows society to destroy the personal integrity of human beings by stripping away all of their legal and human rights. The idea that we should use prisons to sweep away what some might consider "human garbage" is repugnant to the very ethics upon which our Nation was founded.

Legally, the Federal courts have held that proportionality in punishment is a constitutional requisite and that inmates are protected from unreasonable action by corrections authorities by the due process and equal-protection provisions of the 14th amendment. The view that conditions in a jail alone can be so bad as to violate the eighth amendment ban against cruel and unusual punishment has gained new support in State and Federal courts in recent years.

Pragmatically, too, inmates should be treated as human beings. It violates commonsense to expect a man who has been brutalized and hardened to be kindly disposed to a society which has not only imprisoned him—and in some instances "caged" would be the more apt word—but which has tormented him as well.

Our corrections system cannot hope to do its job under the kind of conditions which are common in many prisons and detention facilities throughout the country. The variety of indignities commonly suffered by inmates ranging from sexual attacks, inadequate food, heat, and medical attention to the despair of men without hope debases and degrades our society as a whole in their eyes.

Unless our corrections system can impart to inmates a sense of ethical values—which is to say, some genuine belief in the humaneness of society, and its willingness to accept them as members if they will abide by its rules—no amount of new funding will reform the system and rehabilitate those who are within it.

Mr. President, we must therefore alter the structure of the prison system itself. The overall philosophy and policy that governs that system and the attitudes of the public, of corrections administrators and custodial personnel, and of inmates themselves are central to this issue. The relationship between staff and inmates, and a reexamination and sharpening of goals and fundamental objectives are matters which are really at the core of our problem with the American prison system. The Nation's corrections administrators, and those who have been committed to criminal justice reform must take a primary leadership role in this effort.

The first bill I introduce today, the National Correctional Standards Act, would establish national minimum standards of policy for the treatment of inmates and improved institution-inmate relationships. It was the subject of hearings last year in the National Penitentiaries Subcommittee, under the distinguished chairmanship of the Senator from North Dakota (Mr. BURDICK).

The standards would be developed—consistent with 13 general objectives set out in the bill—following public hearings, by an independent Commission appointed by the President, with the advice and consent of the Senate. Its members would be broadly representative of experience in fields related to corrections and criminal justice at the Federal, State, and local level.

Following presentation to the Attorney General, the standards could not be changed, except by majority vote of the Commission. It is important to emphasize that the standards would not be developed, legislated and mandated by Congress, but rather by those who have been closest to the problem.

The standards would then be applicable to LEAA which would administer all of its corrections grant programs under the act in accordance with the standards. They would also be applicable to the Federal prison system. The Commission would be required to complete its work within 1 year from the time of its appointment.

The bill provides that all State and local correctional departments must promulgate and implement within a reasonable time the minimum standards so established, or face a cutoff of Federal funds from the Law Enforcement Assistance Administration.

The standards will deal not only with "legal rights," but also with the administrative policy standards that govern significant aspects of the daily existence of the inmate. The 13 general objectives that the bill sets out for consideration by the Commission can be summarized in four categories:

First, minimum standards to promote respect for the human rights of inmates. Here we are dealing with the basic needs of the prisoner for adequate food and medical care, sanitary living conditions, recreation facilities, hygienic needs and freedom from sexual attacks and abuse. They will also cover regulations pertaining to the sending and receiving of mail, including the opening, censoring, and confiscation of correspondence, the right to communicate with the outside world, at least with family and friends, access to legal assistance, the right to vote, and visiting privileges.

Second, standards will apply to the establishment of mechanisms to raise issues relating to the basic conditions under which inmates live, the improvement of such conditions, and the resolution of grievances of all kinds. There is a critical lack of communication between the inmates and the policymakers in the prisons. Some prison systems are now experimenting with a citizen ombudsman who fulfills this function. They will also deal with the publication and notice to inmates of rules governing their conduct and the conduct of correctional personnel, and procedures to be followed in adjudicating charges for violations, minimum and maximum penalties, and forms of punishment.

Third, standards will relate to the utilization and employment of professional and paraprofessional minority group personnel and to the provision of bilingual minimum education services. Race is clearly an extremely dangerous problem. Nearly all of the guards and prison officials in many prisons are white. Increasing numbers of inmates are black, Puerto Rican, and Mexican American. Racial antagonism is thereby reinforced and frequently sparks the flashpoint of prisoner unrest.

Fourth, standards will relate to special rules applicable to the incarceration or detention of those who have been charged with, but not convicted of, any crime, those who are juvenile delinquents and youth offenders, those who are felons and misdemeanants, and persons of different sex. In many local corrections systems, including New York City's thousands of persons detained prior to trial—all presumed to be innocent until proven guilty—live under more serious deprivation than those who have been convicted. We must begin to address this situation and provide realistically for the rights of such persons.

Mr. President, my second bill is the Criminal Justice Professions Development Act of 1973. I believe it to be an indispensable part of any comprehensive strategy to improve our performance in correctional rehabilitation. It is a necessary complement to the National Correctional Standards Act, which I have just introduced.

We cannot continue to ask our correctional departments and agencies at the State and local level to accept the kinds of responsibility we have long given to them without providing adequate resources for recruitment, training, and employment of their professional personnel.

We cannot ask them to raise their standards of performance and to take on more ambitious goals and profoundly difficult objectives without a commitment to respond on their issue.

The bill would amend the Omnibus Crime Control and Safe Streets Act of 1968 by creating a new part J, "Criminal Justice Professions Development." It would establish and support a national network of regional crime and delinquency centers which would serve as training institutions for students and practitioners of criminal justice, centralized channels for recruitment of criminal justice personnel, consultation centers for criminal justice agencies and relevant professional schools, and research centers for basic and applied studies of criminal justice.

The professional staff of such centers would be composed of personnel drawn both from the academic community, primarily in the fields of law, clinical psychology, psychiatry, social work, and public administration, as well as, from the practicing agencies of criminal justice.

The bill would also provide increased academic assistance for corrections systems professional personnel, including probation and parole officers. A 3-year $35,000,000 authorization is recommended to provide assistance for study and training in academic subjects related to correctional administration and rehabilitative services.

The bill would also provide for the establishment of a Presidential Advisory Council on Criminal Justice Professions Development, an annual assessment of criminal justice manpower needs by the Attorney General, and authorize a national criminal justice professions recruitment program.

Recognizing that recruitment and compensation of new personnel is an absolute necessity, the bill would also authorize LEAA to make grants to State and local corrections departments and agencies to assist them in the recruitment, employment, and compensation of professional and para-professional personnel.

This would apply to administrative, custodial, rehabilitative, medical, and other personnel, consistent with criteria established by LEAA. In any event, not more than one-third of any grant could be expended for the compensation of custodial personnel.

Also, any grantee would have to provide adequate assurances that—

First, Federal funds would not be used to supplant State and local funds;

Second, personnel standards and programs reflect the most advanced and enlightened practices and objectives; and

Third, the applicant is making progress in improving the recruiting, organization training, and education of personnel engaged in correctional activities.

In 1972 LEAA expended in bloc grants and discretionary funding over $18 million for personnel, recruitment, and training throughout the national criminal justice system. Under part E, providing exclusively for corrections improvements, the total expenditure was only $3,350,000. While there is some additional spending for corrections under part C of the act, the largest share of funds in this area has gone to the law enforcement component of criminal justice.

My bill would authorize an additional $40,000,000 for corrections during the next 3 years.

Mr. President, my third bill, the Emergency Urban Crime Reduction Act of 1973, seeks two basic objectives which I think are essential to any new grant-in-aid legislation in the criminal justice area:

First. Specific priority uses to which the funds must, in part, be put which are reasonably calculated to produce short-term results in reducing crime rates in urban areas.

Second. The initiation of some genuine long-term reform in each of the three component parts of the local criminal justice system—police, courts, and corrections.

The measure would concentrate a proposed authorization of $300 million for each of the next 3 years in the central cities having the highest crime rates in the country. The President would designate as many as 25 cities as "emergency crime areas."

This designation would be based upon the number of crimes per 1,000 inhabitants committed in each particular city. The figures used would be taken from the uniform crime reports published each year by the FBI. During each year, the selected cities would receive a direct grant based upon two factors: first, population; and second, rank in the crime index.

Particular allocations would be based on both of these factors.

On the city level the funds will be administered by a Commission to be appointed by the mayor of each designated city. The Commission shall consist of a representative from the police force, a representative from the judiciary, a representative from the corrections department, and selected community representatives to reflect a cross section of the city on the Commission. The Commission will have flexibility within the three stated areas to determine the specific projects and the specific ways in which the city's grant funds will be spent. The cities will be encouraged to develop innovative programs in the three target areas and to make every effort to reduce the crime rate on an emergency basis.

The basic purpose of this legislation is to sharpen the focus of the fight against crime and to direct the necessary funds into areas where they are most needed. The overall administration of the program will be in the hands of the Justice Department and each year the designated cities will be required to file a report detailing what has been done in the three critical areas.

The only restriction on the use of the money allocated to the cities is that it must be used in three areas, for upgrading the police force, improving the court system, and revamping the correctional system.

The bill establishes priorities for specific anticrime programs, with one-third of each city's total allotment going for police, one-third for courts, and one-third for corrections. In each of these three areas priority projects may include, but are not limited to programs designed to:

First, strengthen the police component of the criminal justice system by utilizing civilian, unarmed, surveillance, and patrol teams in local areas, working under the direct supervision of police authorities, new police narcotics enforcement programs in city school systems, and administrative machinery of law enforcement agencies;

Second, improving the courts component by increasing the efficiency of criminal court procedures, providing alternatives to the bail bond system and establishing, on a trial basis, pretrial services agencies; and

Third, improving the corrections component by facilitating the recruitment and training of custodial and rehabilitative correctional personnel, as well as parole and probation officers, providing separate detention facilities for juveniles, including authorization to renovate existing correctional facilities and leasing additional facilities for such purposes.

Mr. President, these three bills or any other legislation are not the whole answer. The issue of crime in our society is the outgrowth of dramatic change in our society which must be confronted, in a larger sense, by the Congress, the States, our local communities, and the people themselves.

But so long as the misguided maiming of human beings remains institutionalized in our criminal justice system, so will the cycle of crime and punishment, and more crime, accelerate and trap us all.

The roots of the chaos in our penal system are in a misconception of what that system and our society should and must do for those who are consigned to exist with it. While the requirements of both human dignity and order within our prisons must be met, the lesson of the prison tragedies must be that human dignity and mutual respect cannot become the casualties of our emotions. For those on both sides of the issue who would use terror, fear, accusations, and polarizations we must deny them their opportunity to dictate our policy.

We need, instead, to be a people who will sustain a strong effort to insure a system of justice which will respect and encourage the full humanity of each man and woman within the prison walls, while recognizing the frustration and difficulties of those who are charged with the responsibility of true rehabilitation.

Mr. President, I send the three bills to the desk for introduction and ask unanimous consent that they be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1643

A bill to provide minimum standards in connection with certain Federal financial assistance to State and local correctional, penal, and pretrial detention institutions and facilities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Correctional Standards Act".

DECLARATION OF POLICY

SEC. 2. (a) The Congress finds and declares that the problems symptomized by riots and disorder in Federal, State, and local correctional institutions, spring in part, from a failure of the corrections system to cope effectively with the dehumanizing causes of discontent within our prisons. Our corrections system cannot hope to do its job under the kind of conditions which are common in many prison and detention facilities throughout the country. The variety of indignities commonly suffered by inmates ranging from sexual attacks, inadequate food and medical attention to the despair of men without hope debase and degrade our society as a whole. Unless our corrections system can impart to a larger proportion of inmates a sense of ethical values—combined with effective rehabilitative services, including job training and placement—no amount of new funding will reform the system, rehabilitate inmates, and reduce the escalating rates of recidivisim and violent crime in our society.

(b) It is the purpose of the Act to require the formulation and application of a more explicit and responsive set of national standards to guide the Federal role in the reform of the corrections component of Federal, State, and local criminal justice systems.

SEC. 3. Section 454 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended to read as follows:

"SEC. 454. (a) The President shall, within sixty days after enactment of this section, in consultation with the Attorney General, appoint, without regard to the provisions of title 5, United States Code, a national Advisory Commission on Correctional Standards.

"(b) The Commission shall consist of fifteen members, who shall be appointed, by and with the advice and consent of the Senate, from among persons who are broadly representative of experience in the fields of correctional administration and rehabilitation at the Federal, State, and local level, probation and parole services, correctional manpower and training activities, law, the social and behavioral sciences, and public and private agencies and organizations engaged in correctional rehabilitation programs and overall correctional reform. The Chairman of the Commission shall be selected by the President from among the members, except that such Chairman shall be selected from the private sector and shall not be an officer of any Federal, State, or local governmental department or agency.

"(1) It shall be the duty of the Commission within one year of its appointment to establish minimum standards relating to the administration of correctional and pretrial detention institutions and facilities, consistent with the provisions of subparagraph (d) of this section, and to hold public hearings on the proposed standards prior to submitting its final recommendations to the Attorney General for his approval. Eight members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

"(2) The Commission shall cease to exist sixty days after its final recommendations are submitted under this section.

"(3) The Commission shall meet at the call of the Chairman, or at the call of a majority of the members thereof.

"(c) The Attorney General shall approve the standards as a whole or secure the concurrence of the Commision by majority vote of its members to changes therein. Upon approval, such standards shall be published and shall be applicable to all correctional and pretrial detention facilities receiving Federal financial assistance, or in which programs receiving Federal financial assistance are operated pursuant to this Act.

"(1) The Administration shall not make any grant under this Act to any State planning agency, unit of general local government, or combination of such units, unless the applicant (a) provides satisfactory assurances that such grant will be employed to implement the minimum standards established under this section by the Commission within a reasonable time, and (b) demonstrates, following the establishment of such minimum standards, that such standards are being implemented to the reasonable satisfaction of the Administrator.

"(2) The Attorney General shall take whatever action is necessary to assure that all Federal correctional institutions meet the standards established by the Commission under this section.

"(d) To the extent practicable and consistent with the findings of the Commission and of other public and private organizations and agencies the minimum standards established pursuant to subsection (b)(1) of this section shall relate to—

"(1) the maintenance of the physical and mental health of persons detained within correctional departments and agencies including the quality of medical, hospital, and infirmary facilities and services, and the availability of physicians, psychiatric and psychological counseling, therapy for drug users and alcoholics, adequate food services, and appropriate facilities for exercise and recreation;

"(2) the personal, hygienic necessities of inmates, including availability of soap, towels, showers, laundry services, and the inspection and compliance of correctional and detention facilities with local health and sanitary codes;

"(3) the availability of bilingual programs for the basic and vocational education and training of inmates, including library services;

"(4) the publication and notice to inmates of rules governing the conduct of persons detained in correctional institutions and detention facilities, and of correctional, custodial, and administrative personnel, and the procedures to be followed in adjudicating charges for violations of such rules, and the minimum and maximum penalties applicable to such violations;

"(5) the impartial hearings and adjudication of complaints and grievances concerning discipline or other actions, policies, or practices of a correctional department or agency, or any employee thereof, including the feasibility of ombudsman or similar services;

"(6) the forms of discipline and punishment that may be administered as well as the procedural practices applicable to the disposition of disciplinary actions against inmates resulting in loss of good time, loss of privileges, restricted confinement within the general population, or punitive segregation for a specified period;

"(7) rules and regulations pertaining to the sending and receiving of mail, including the opening, censoring and confiscating of correspondence, and the transmitting of written material for publication;

"(8) rules and regulations pertaining to visitation opportunities afforded to inmates, and the use of telephone service for communication with family, attorneys, and others;

"(9) rules and regulations governing eligibility for parole and probation, the disposition of applications for such action, and the publication and notice to inmates of such procedures;

"(10) rules and regulations pertaining to the registration of inmates eligible to vote consistent with the provisions of State and local law;

"(11) rules and regulations pertaining to the availability and frequency of religious services, including counseling;

"(12) the employment and utilization of custodial, administrative, and rehabilitative professional and paraprofessional personnel who are representative of minority groups, and

"(13) special rules and regulations applicable to the incarceration and detention of those who have been charged with, but not convicted of any crime, those who are juvenile delinquents and youth offenders, those who are felons and misdemeanants, and persons of different sex.

"(e)(1) Members of the Commission who are full time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Commission. Members of the Commission from private life shall receive $125 per diem while engaged in the actual performance of the duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

"(2) The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 5, and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

"(3) The Commission may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission, but not in excess of $75 per diem, including traveltime. While away from his home or regular place of business in the performance of services for the Commission, such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

"(4) The Commission shall secure directly from any department or agency of the United States information necessary to enable it to carry out its duties under this section. Upon request of the Chairman, such department or agency shall furnish such information expeditiously to the Commission.

"(f) There are hereby authorized to be appropriated $500,000 for the purpose of carrying out this Act."

S. 1644

A bill to assist urban criminal justice systems on an emergency basis in those cities where personal security, economic stability, peace and tranquility are most impaired and threatened by the alarming rise in the commission of serious crime.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Urban Crime Reduction Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) the security, economic stability, peace and tranquility of many of the cities of the Nation are threatened by an alarming rise in the commission of serious crime, and

by an incidence of personal injury and death from crime which is higher in the United States than in any other industrial nation in the world;

(2) the only genuine, long-range solution to the problem of crime is (A) a comprehensive approach to the causes of crime and the conditions which breed despair and social and economic deprivation, (B) a more effective and better equipped law enforcement capability, (C) a vastly improved correctional system which actually rehabilitates a significantly larger number of offenders than are currently being rehabilitated under present programs, (D) a more efficient court system, adequately supported by the collateral services so vital to the effective administration of justice, including the prosecution, defense, probation and parole of offenders, and (E) a more effective treatment and comprehensive rehabilitation of individuals who are addicted to narcotic drugs, particularly heroin, together with the elimination of the illicit sources of supply of such drugs;

(3) experience has shown that the development, administration, and delivery of effective programs designed to bring about reform of the entire criminal justice system pose extremely difficult, complex, and long-term problems for the offender, the State, and the local community. These difficulties require a comprehensive approach, and the wholesale cooperation of law enforcement, correctional and judicial authorities at the local, State, and National level, the mass media, the professions, civic action groups, employers, employees, and other public and private agencies, individuals, and organizations;

(4) the escalating rates of violent crime, particularly within the victim communities of the economically disadvantaged in our major cities, require emergency financial assistance designed to bring about some reasonably rapid reduction in the level of crime.

(b) It is the purpose of this Act to authorize the Attorney General to make grants and provide technical assistance to cities in the United States where the need to combat crime is greatest, in order to permit those cities to strengthen police protection, to improve the administration of the local courts, and to reform and rehabilitate the local correctional system, thereby effecting a demonstrable reduction in the level of serious crime in such areas within a reasonable period of time.

AUTHORIZATION

SEC. 3. (a) There is authorized to be appropriated to carry out the purposes of this Act $300,000,000 for the fiscal year ending June 30, 1973, and for each of the two fiscal years thereafter.

(b) The Attorney General is authorized to make grants to eligible cities that have applications approved under section 5 to pay the Federal share of the costs of carrying out the projects described in such applications.

ALLOTMENTS TO ELIGIBLE CITIES

SEC. 4. (a) Funds appropriated to carry out this Act shall be allotted by the Attorney General to eligible cities on the basis of the population and crime index of each such city, as provided in subsection (b) of this section.

(b) For the purpose of this Act—

(1) the term "eligible city" means any city determined by the Attorney General to be among the first twenty-five cities in the United States on a crime index prepared by him for the purposes of this Act;

(2) the term "crime index" means a listing of designated cities in the United States, having a population of at least 250,000 persons, which shall be determined by the Attorney General after consultation with the Director of the Federal Bureau of Investigation, and shall be based upon the number of reported homicides, rapes, robberies, aggravated assaults, burglaries, arsons, larcenies over $50, kidnapings, auto thefts, and other felonies accompanied by the use or threatened use of force or violence per one hundred thousand inhabitants of each such city.

(c) The crime index and the population of each eligible city shall be determined by the Attorney General in accordance with the provisions of this Act on the basis of the most satisfactory data available to him for each fiscal year.

(d) If the Attorney General determines that any portion of an eligible city's allotment for a fiscal year will not be required by such city for the period such allotment is available, that portion shall be available for reallotment from time to time, on such dates and during such period as the Attorney General may fix, to other eligible cities in proportion to the original allotments to such eligible cities for such year, but with such proportionate amount for any of such other eligible cities being reduced to the extent it exceeds the sum which the Attorney General estimates such eligible city needs and will be able to use for such period for carrying out such portion of its application approved under this Act, and the total of such reductions shall be similarly reallotted among the eligible cities whose proportionate amounts are not so reduced. Any amount reallotted to an eligible city under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

APPLICATION

SEC. 5. (a) An eligible city desiring to receive its allotment of Federal funds under this Act shall submit an application, consistent with the provisions of this section and other requirements as the Attorney General may establish under section 6. Each such application shall—

(1) provide for the administration of the programs and projects by a Criminal Justice Coordinating Council consisting of fifteen persons appointed by the chief executive of such city from among persons who are broadly representative of and experienced in the fields of law enforcement, courts, probation and parole, correctional institutions, education, law, the social sciences, the behavioral sciences, and the general public;

(2) set forth a program for—

(A) strengthening the police component of the criminal justice system within such city, including but not limited to projects designed to—

(i) facilitate the recruitment and training of new law enforcement personnel;

(ii) improve the organizational systems and administrative machinery of low enforcement agencies, in part, by recruiting, training and utilizing, where feasible, civilian personnel to perform administrative and clerical and other duties heretofore performed by professional law enforcement personnel;

(iii) establish, organize, and support auxiliary police organizations, consisting of unarmed citizen volunteers, whose purpose is to assist and supplement the efforts of duly constituted law enforcement agencies in patrolling, surveillance and other crime prevention activities, under the direct supervision of law enforcement authorities; and

(iv) avoid and prevent the use and distribution of narcotics and improve the enforcement of narcotics laws generally, and in cooperation wtih local boards of education, provide for more effective identification and elimination of sources of the supply of narcotics within elementary and secondary school systems and institutions of higher learning.

(B) reforming the courts component of the criminal justice systems within such city, including but not limited to projects designed to—

(i) improve the efficiency of criminal court procedures, including the appointment of professional court administrators;

(ii) improve the efficiency of and, where needed, increase the number of judges trying criminal cases, and of professional personnel engaged in prosecution, defense, probation, parole, and social welfare work in connection with the disposition of criminal cases;

(iii) refine and apply uniformly criteria for the pretrail detention of persons charged with criminal offenses who are held without bail or who are unable to obtain bail;

(iv) provide alternatives to the bail bond system, including but not limited to model demonstration programs involving the funding of bail by nonprofit, private corporations, and community release programs; and

(v) establish, on a demonstration basis, pretrial service agency atuhorized to maintain effective supervision and control over, and to provide suportive services to defendants released prior to trial, including the collection, verification, and reporting of information pertaining to the conditions of release of such persons, and the operating or leasing of appropriate faciliites for the custoday or care of such persons, including, but not limited to, residential halfway houses, narcotics addict and alcoholic treatment centers, and counseling services;

(C) improving the corrections component of the criminal justice system within such city, including but not limited to projects designed to—

(i) establish appropriate qualifications and standards for correctional officers, including custodial and rehabilitation personnel, as well as probation and parole officers;

(ii) facilitate the recruitment and training of such professional correctional officers;

(iii) provide separate detention facilities for juveniles, including shelter facilities outside the correctional system for abandoned, neglected, or run-away children; and

(iv) relieve the overcrowded and oppressive conditions in correctional facilities, jails, juvenile training schools, and detention facilities by renovating and remodeling existing correctional facilities and leasing additional facilities for such purposes;

(3) provide assurances that not more than one-third of the funds made available to such city will be expended for projects described in clause (A) of the preceding paragraph, not more than one-third of such funds shall be expended for programs described in clause (B) of such paragraph, and not more than one-third of such funds shall be expended for programs described in clause (C) of such paragraph.

(4) provide assurances that the city will pay from non-Federal sources the remaining costs of such a program;

(5) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disposal and accounting of Federal funds paid to the eligible city (including such funds paid by the eligible city to any agency of a political subdivision of such eligible city) under this Act; and

(6) provide for making such reasonable reports in such form and containing such information as the Attorney General may reasonably require to carry out his functions under this Act and for keeping such records and for affording such access thereto as the Attorney General may find necessary to assure the correctness and verification of such reports.

(b) The Attorney General shall approve any application and any notification thereof which complies with the provisions of subsection (a).

BASIC CRITERIA

SEC. 6. As soon as practicable after the enactment of this Act, the Attorney General shall by regulations prescribe basic criteria for the full range of projects for which funds may be used under clauses (A), (B), and (C) of section 5(a)(2).

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) In order to carry out the provisions of this Act, the Attorney General is authorized—

(1) to promulgate such rules and regulation as may be necessary;

(2) to employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(3) to appoint one or more advisory committees composed of such private citizens and officials of State and local governments as he deems desirable;

(4) to utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

(5) without regard to section 529 of title 31, United States Code, to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of his functions, with any public agency, or with any person, firm, association, corporation, or educational institution, and make grants to any public agency or private non-profit organization;

(6) to accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code; and

(7) to request such information, data, and reports from any Federal agency as the Attorney General may from time to time require and as may be produced consistent with other law.

(b) Upon request made by the Attorney General each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent to the Attorney General in the performance of his functions.

(c) Each member of a committee appointed pursuant to paragraph (3) of subsection (a) of this section shall receive $135 a day, including traveltime for each day he is engaged in the actual performance of his duties as a member of a committee. Each such member shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

(d) In carrying out the provisions of this Act, the Attorney General may establish within the Department of Justice such additional offices as may be necessary, except that the Law Enforcement Administration may not be used to carry out the provisions of this Act.

DISAPPROVAL OF CITY PLANS

SEC. 8. (a) The Attorney General shall not finally disapprove any city plan submitted under this Act, or any modification thereof, without first affording the city coordinating council submitting the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Attorney General after reasonable notice and opportunity for hearing to the Council administering a plan of an eligible city approved under section 5, finds that—

(1) the plan has been so changed that it no longer complies with the provisions of such section, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Attorney General shall notify the Council that the city will not be eligible to participate in the program under this Act and no payments may be made to such city by the Attorney General until he is satisfied that there is no longer any such failure to comply.

JUDICIAL REVIEW

SEC. 9. (a) If any city is dissatisfied with the Attorney General's final action with respect to the approval of its plan submitted under section 5 or with his final action under section 8, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such city is located a petition for review of that action. A copy of the petition shall be worthwith transmitted by the clerk of the court to the Attorney General. The Attorney General thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Attorney General if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Attorney General to take further evidence, and the Attorney General may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition the court shall have jurisdiction to affirm the action of the Attorney General or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

PAYMENTS

SEC. 10. (a) Payments under this Act shall be made from an eligible city's allotment to any such city which administers an application approved under section 5. Such payments shall not exceed 90 per centum of the cost of carrying out such application. In determining the cost of carrying out an application, there shall be excluded any cost with respect to which payments were received under any other Federal program.

(b) Payments to an eligible city under this Act may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment, and may be made directly to an eligible city or to one or more public agencies within such city designated for this purpose by the chief executive of such city, or to both.

(c) The Comptroller General of the United States or any of his duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grantee under this Act.

SAVINGS PROVISION

SEC. 11. Nothing contained in this Act shall be construed to prevent or impair the administration or the enforcement of any other provision of Federal law.

S. 1645

A bill to provide assistance to State and local criminal justice departments and agencies in alleviating critical shortages in qualified professional and paraprofessional personnel, particularly in the corrections components of such systems, in developing the most advanced and enlightened personnel recruitment, training, and employment standards and programs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Criminal Justice Professions Development Act of 1973".

THE CRIMINAL JUSTICE PROFESSIONS DEVELOPMENT ACT OF 1973—FINDINGS AND DECLARATIONS OF POLICY

SEC. 2. The Congress hereby finds and declares that (1) there is an urgent need to alleviate the critical shortage in qualified manpower for criminal justice systems at all levels of government, and most critically, in the corrections component of such systems; (2) personnel recruitment, training, and employment standards and programs within such systems must reflect the most advanced and enlightened practices and objectives; (3) immediate steps are required to devise new institutional means to accomplish this goal; (4) the need for trained criminal justice personnel is apt to increase as the population expands, and crime rates remain at unacceptable levels; and (5) regional crime and delinquency centers, providing broad based services to the entire criminal justice system, can reduce such shortages and promote the solution of critical problems that confront the various components of criminal justice.

SEC. 3. (a) Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (hereinafter referred to as the "Act") is amended by inserting immediately after part I the following:

"PART J—CRIMINAL JUSTICE PROFESSIONS DEVELOPMENT

"SEC. 671. The Administration is authorized to make grants to State and local governmental agencies and to institutions of higher education and private nonprofit organizations for the purpose of paying not more than 85 per centum of the cost of establishing, staffing, and operating regional crime and delinquency centers in various areas of the country. As used in this section, the term 'crime and delinquency center' means a public or private nonprofit agency, institution, or organization which serves as—

"(A) a training institution for students and practitioners of criminal justice;

"(B) a centralized channel for the recruitment of criminal justice personnel in conjunction with Federal, State, and local criminal justice agencies;

"(C) a consultation center for criminal justice agencies and relevant professional schools; and

"(D) a research center for basic and applied studies of criminal justice.

No payment shall be made to any State, local governmental agency, institution of higher learning, or private, nonprofit organization pursuant to this section, unless and until (1) the eligible grantee submits an appropriate proposal providing for the purposes, objectives, administration, staffing, organization, and curriculums of the proposed crime and delinquency center, consistent with criteria established by the Administration: *Provided*, That the professional staff of such centers shall be composed of persons drawn both from practicing agencies of criminal justice, and from persons who have broad experience primarily in the fields of law, psychiatry, clinical psychology, social work, and public administration, and (2) the Administration finds that the eligible grantee will have available for expenditure an amount equal to not less than the non-Federal share of the costs with respect to which payment is sought. No part of any grant made pursuant to this section may be used for the acquisition of land or for capital construction.

"ACADEMIC ASSISTANCE FOR CORRECTIONS SYSTEMS PROFESSIONAL PERSONNEL

"SEC. 672. (a) The Administration is authorized to make grants to or enter into contracts with institutions of higher education, or combinations of such institutions, or other appropriate public and private nonprofit organizations, including regional crime and delinquency centers to assist them in planning, developing, strengthening, or carrying out programs designed to provide training or academic educational assistance to persons for study in academic subjects related to correctional administration and rehabilitative services.

"(b) There is authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1973; $10,000,000 for the fiscal year ending June 30, 1974; and $15,000,000 for the fiscal year ending June 30, 1975.

"SEC. 673. (a) The President shall, within ninety days after the enactment of this title, appoint a National Advisory Council on Criminal Justice Professions Development (hereinafter in this section referred to as the 'Council') for the purpose of reviewing the operation of this part and of other Federal programs for the training and development of criminal justice professional personnel, evaluating their effectiveness in meeting the purposes of the part and in achieving improved quality in such training programs, and personnel recruitment, training, and performance standards generally. The Council shall, in addition advise the Attorney General, with respect to policy matters arising in the administration of this part and any other matters, relating to the purposes of the part, on which its advice may be requested.

"(b) The Council shall be appointed by the President, without regard to the civil service and classification laws, and shall consist of fifteen persons. The members, one of whom shall be designated by the President as Chairman, shall include person broadly representative of any experience in the fields of law enforcement, courts, probation and parole, correctional administration, education, law, the social sciences, and the behavioral sciences.

"(c) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to criminal justice personnel training) to the President and the Congress not later than January 31 of each calendar year beginning after the enactment of the section. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report.

"(d) Members of the Council who are not in the regular full-time employ of the United States shall, while serving on the business of the Council, be entitled to receive compensation at rates fixed by the President, but not exceeding the rate per day specified at the time of such service for GS-18 under section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

"(e) There is authorized to be appropriated to carry out the purposes of this section the sum of $150,000 for the fiscal year ending June 30, 1973, and the sum of $250,000 for each of the two succeeding fiscal years.

"APPRAISING CRIMINAL JUSTICE PERSONNEL NEEDS

"SEC. 674. (a) The Attorney General shall, from time to time, appraise existing and future personnel needs of the Nation in the field of criminal justice, and the adequacy of the Nation's efforts to meet those needs. In carrying out the provisions of this section, the Attorney General shall consult with, and make maximum use of statistical and other related information of, the Department of Labor, the Department of Health, Education, and Welfare, Federal and State and local criminal justice agencies, and other appropriate public and private agencies.

"(b) The Attorney General shall prepare and publish annually a report on the criminal justice professions, in which he shall present in detail his views on the state of the criminal justice professions, the trends and the future complexion of programs in the field of criminal justice, and the need for highly trained and qualified personnel to staff such programs.

"ATTRACTING QUALIFIED PERSONS TO THE FIELD OF CRIMINAL JUSTICE

"SEC. 675. (a) The Law Enforcement Assistance Administration of the Department of Justice is authorized to make grants to, or contracts with, State or local criminal justice agencies, institutions of higher education, or other public or nonprofit agencies, organizations, or institutions, whenever the Administration, after consultation with the National Advisory Council on Criminal Justice Professions Development, considers that such contract will make an especially significant contribution to attaining the objectives of this section, for the purpose of—

"(1) identifying capable persons in secondary schools and institutions of higher learning who may be interested in careers in criminal justice particularly in correctional administration and rehabilitation, and encouraging them to pursue postsecondary education in preparation for such careers;

"(2) publicizing available opportunities for careers in the field of criminal justice; and

"(3) encouraging qualified persons to enter the field of criminal justice.

The Administration is authorized to enter into contracts with private agencies, institutions, or organizations to carry out the purposes of this section.

"(b) There is authorized to be appropriated to carry out the purposes of this section the sum of $2,500,000 for the fiscal year ending June 30, 1973, and the sum of $5,000,000 for each of the two succeeding fiscal years.

"RECRUITMENT, EMPLOYMENT, AND COMPENSATION OF CORRECTIONS SYSTEMS PROFESSIONAL AND PARAPROFESSIONAL PERSONNEL

"SEC. 676. (a) The Administration is authorized to make grants to State and local corrections departments and agencies, including probation and parole agencies to assist them in the recruitment, employment, and compensation of professional and paraprofessional administrative, custodial, rehabilitative, medical, and other personnel, consistent with criteria established by the Administration.

"(b) Not more than one-third of any grant made under this section may be expended for the compensation of custodial personnel.

"(c) No grant shall be made to any prospective grantee, unless and until such applicant—

"(1) provides satisfactory assurances that Federal funds made available pursuant to this section will be used so as not to supplant State or local funds, but to supplement and to the extent practicable to increase the amounts of such funds that would in the absence of such Federal funds be made available for the purposes of this section;

"(2) provides satisfactory assurances that the personnel standards and programs of the applicant reflect the most advanced and enlightened practices and objectives; and

"(3) provides satisfactory assurances that such applicant is engaging in projects and programs to improve the recruiting, organization, training, and education of personnel employed in correctional activities, including probation, parole, and rehabilitation.

"(d) There is authorized to be appropriated to carry out the purpose of this section $15,000,000 for the fiscal year ending June 30, 1973, and $20,000,000 in each of the two succeeding fiscal years."

By Mr. BAYH:

S. 1646. A bill to amend the Controlled Substances Act of 1970 to discharge obligations under the Convention on Psychotropic Substances relating to regulatory controls on the manufacture, distribution, importation, and exportation of psychotropic substances, and for other purposes. Referred to the Committee on the Judiciary.

INTERNATIONAL PSYCHOTROPIC SUBSTANCES ACT OF 1973

Mr. BAYH. Mr. President, I am introducing today the International Psychotropic Substances Act of 1973, which is designed to permit the United States to comply with the provisions of the Convention on Psychotropic Substances signed at Vienna on February 21, 1971, which is now pending before the Senate Foreign Relations Committee. I ask that this bill which amends the Controlled Substances Act of 1970 be appropriately referred.

The Convention on Psychotropic Substances was transmitted on June 29, 1971, to the Senate, for its advice and consent to ratification. This Convention has as its purpose the international control of substances that are not included under any of the existing multilateral opium and other narcotic drug treaties. The Convention governs the so-called psychotropic—or mind-altering—substances: The hallucinogens—such as LSD and mescaline—the amphetamines, the barbiturates, and the tranquilizers. The Convention will come into force 90 days after 40 countries have ratified it.

The aim of the Convention is to limit to medical and scientific purposes the manufacture, distribution and use of psychotropic substances. The structure of the Convention is similar to that of the Comprehensive Drug Abuse Prevention and Control Act of 1970. It lists 32 substances in four schedules depending on the extent of their abuse, their potential for abuse and their therapeutic usefulness. The Convention contains a procedure for adding new substances to schedules, moving them among schedules and deleting them from the schedules. Like the Comprehensive Drug Abuse Prevention and Control Act, the Convention provides gradations of controls, with the most stringent controls applied to Schedule I substances—such as LSD, mescaline and the tetrahydrocannabinols—and lesser restrictions on substances in schedules II, III, and IV. Most of the control provisions are similar to the control of narcotic drugs by other treaties, such as the Single Convention on Narcotic Drugs, 1961.

The specific control measures which the Convention requires each Party to implement are largely satisfied by the provisions of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and the Food, Drug, and Cosmetic Act. For example, under the Convention, each Party must license manufacturers and distributors of psychotropic substances; sections 301 and 304 of the 1970 act provide for registration of these persons. Each party must restrict the use of schedule I—hallucinogenic—substances to scientific and very limited medical purposes; section 303 of the Controlled Substances Act—title II of the Comprehensive Act—limits access to such substances to qualified researchers. Psychotropic substances must be dispensed only upon a physician's prescription; all are subject to prescription requirements under the Federal Food, Drug, and Cosmetic Act. Each Party must require all handlers of psychotropic substances to keep records of all drugs manufactured, distributed or dispensed; section 307 of the act already imposes such recordkeeping requirements. Importation and exportation of psychotropic substances must be controlled in a manner similar to the requirements imposed by the Controlled Substances Import and Export Act, which is title III of the Comprehensive Drug Abuse Prevention and Control Act of 1970.

In addition to controlling domestic commercial and medical activity, Parties must make certain reports to the International Narcotic Control Board, take actions against illicit traffic and apply penal provisions, and, where possible establish programs of drug abuse prevention, treatment, and rehabilitation.

Although the Controlled Substances Act and the Controlled Substances Import and Export Act provide most of the mechanisms to fulfill United States obligations under the Convention on Psychotropic Substances, new legislation will be required to satisfy all commitments under the Convention.

Last year legislation was introduced on behalf of the administration to accomplish similar purposes. That bill, however, was the subject of considerable controversy. Representatives of the Committee on Effective Drug Abuse Legislation, the American College of Neuro-Psychopharmacology, the American Psychiatric Association, the American Medical Association, and our distinguished colleague from Iowa, Senator Hughes expressed concern that the enabling legislation failed to adequately protect the confidentiality of patient records; that it failed to adequately protect a private practitioner's right to carry on research with psychotropic substances; that it failed to designate who would determine the application of phrases—in the Convention—like sound medical practice and very limited medical and scientific purposes, and most importantly that it failed to provide an affirmative policy-making role for health and scientific professionals to balance any restrictions on their role imposed by the Convention.

My bill addresses these important concerns. I believe that, in areas which the Convention leaves to national discretion and in areas where the Convention language is ambiguous and this subjected to interpretation, it provides adequate clarification to ensure a significant role in these matters for the medical and scientific communities and to allay fears regarding restrictions on researchers or breaches of the confidentiality accorded medical records.

During my 2 years as chairman of the Subcommittee To Investigate Juvenile Delinquency, I have conducted an intensive investigation into the diversion and abuse of legitimately produced narcotic and nonnarcotic dangerous drugs.

Additional efforts are necessary to deal with the problems of international narcotic traffic. But even if the war on heroin should result in total victory, the epidemic of drug abuse which plagues American society would not be vanquished; for the source of supply for growing legions of addicts is a legitimate one.

During the past 2 years we have been able to obtain a drastic, but necessary, reduction in the production and diversion of amphetamines and amphetaminelike substances such as Ritalin and Preludin. My subcommittee conducted a national investigation of barbiturate abuse and diversion and found barbiturate abuse to be both a substantial public health problem and an ever-increasing concern of law enforcement officials.

As part of our effort to establish stricter controls on the production and distribution of barbiturates I have reintroduced, S. 3539, in the form of S. 983, which is cosponsored by 29 Members of the Senate.

More recently I have introduced S. 1252 to provide adequate controls on the production and distribution of methaqualone, commonly known as "sopors" and "quaaludes."

But regardless of the success of our efforts to impose domestic controls on these and other psychotropic substances, the absence of international cooperation and regulation could result in a failure to reduce the availability of dangerous psychotropic substances.

As a result of our study of the diversion of legitimate pharmaceutical drugs to illegal markets, I introduced the Dangerous Drug Identification Act, S. 3538, and the Dangerous Drug Tracer and Law Enforcement Information Act, S. 3819. Both of these measures were designed to assist law enforcement agencies in the identification of seized controlled substances. The identification bill, introduced this year as S. 984, would require manufacturers to place identifying marks or symbols on their capsules and tablets. The tracer bill, reintroduced as S. 985, would require manufacturers to incorporate an inert tracer ingredient in all schedule II and schedule III stimulants and depressants and thus whether seized in bulk form or in the form of illicitly manufactured or illicitly capsulized pills, officials could determine the manufacturers, if domestic in origin.

These measures, however, will not assist law enforcement agencies efforts to curb diversion of psychotropic substances which are not domestic products. Last May, Mr. John Ingersoll, Director of the Bureau of Narcotics and Dangerous Drugs, reported to the subcommittee that a substantial portion of the so-called Mexican Reds—capsules containing legitimately produced barbiturates, but illicitly repackaged—contained barbiturates of European origin.

Likewise, during our March 28, 29 and April 16, 1973, hearings on methaqualone, several witnesses indicated that legitimately produced foreign methaqualone was being illegally imported into the United States for sale in the black market and that counterfeit methaqualone was being produced in Canada and Mexico for illicit sale in the United States.

These are but several examples of many which underscore the need for some international controls on psychotropic substances.

I am hopeful that my bill will satisfy those in the medical and scientific communities who expressed concern about the enabling legislation introduced last year. The subcommittee, however, will hold hearings which will provide ample opportunity for further comment and recomendations regarding the legislation.

The diversion and abuse of legitimately produced dangerous drugs into channels other than legitimate medical, scientific, and industrial channels should be a primary concern for all citizens. This measure is not a panacea, but it is my belief that it will not only help us solve our problem here at home, but will also be of assistance to other nations, whose legitimate production when diverted to illicit markets can reap havoc in their countries as well as ours.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill, together with the bill be printed at this point in the Record.

There being no objection, the analysis and bill were ordered to be printed in the Record, as follows:

Section-by-Section Analysis of the International Psychotropic Substances Act of 1973

Section 1. This section contains a short title to reflect the amending of the Controlled Substances Act of 1970 and for other purposes.

Section 2. This section amends section 201 of the Controlled Substances Act (21 U.S.C. 811) to authorize and direct the Attorney General to take steps to control substances which the Convention obligates the United States to control. It also provides that the U.S. Delegate to the U.N. Commission on Narcotic Drugs must request the recommendation of the Secretary regarding any scientific or medical considerations involved in proceeding before the Commission and that with respect to such scientific and medical matters the U.S. Delegate is bound by the recommendation of the Secretary. This section provides that regardless of the outcome of the nation's internal efforts to require control certain minimum national controls must be imposed by the Attorney General, after consultation with the Secretary, once the Commission has notified members of its decision and after all appellate procedures have been exhausted. It permits the Attorney General to withhold any controls under the law which he does not find required by American obligations under the Convention on Psychotropic Substances. This section provides that determination of the definition of 'medical and scientific purposes' and of 'very limited medical purposes' in the Convention resides in the Secretary and that the Attorney General must obtain the written concurrence of the Secretary prior to seeking a review of a Commission decision and that the Secretary's decision shall be guided by the factors referred to in subsection 201(b) of the Act.

Section 3. This section amends section 202(d) of the Controlled Substances Act to create an additional condition to be satisfied before a psychotropic substance contained in a combination product could be expected, namely that such exception does not conflict with United States obligations under the Convention.

Section 4. This section amends section 306 of the Controlled Substances Act by providing new authority to the Attorney General to gather information regarding the quantities of materials used in the manufacture of substances either not listed or listed in a schedule but excepted from controls and the stocks of these substances held by manufacturers. This section will make certain that the Attorney General can obtain all data necessary to prepare the United States Reports to the Commission on Narcotic Drugs under the Convention.

Section 5. This section amends section 301 of the Controlled Substances Act by requiring the Attorney General to consult with the Secretary before rules and regulations relating to the dispensing of controlled substances are issued.

Section 6. This section amends section 303 (f) of the Controlled Substances Act by providing that the Convention shall not be construed to prohibit research with substances scheduled under the Convention.

Section 7. This section amends section 306 of the Controlled Substances Act by providing that the Attorney General consult with the Secretary regarding the legitimate needs and reserve stocks required for these needs prior to the establishment of production quotas.

Section 8. This section amends section 307 of the Controlled Substances Act by providing that the Convention shall not be construed to modify current recordskeeping requirements under the Act.

Section 9. This section amends Part C of the Controlled Substances Act by adding a new section which authorizes the Attorney General, after consultation with the Secretary, to issue regulations restricting the advertising of psychotropic substances. This section is necessary to comply with Article 10 of the Convention which requires each Party to prohibit, with due regard to the Party's constitutional provisions, the advertisement of psychotropic substances to the general public.

Section 10. This section amends section 402 of the Controlled Substances Act by establishing civil and criminal penalties for violations of the restrictions on advertising.

Section 11. This section amends section 309 of the Controlled Substances Act by providing that prescription controls provided for in Article 9 of the Convention are issued in accordance with sound medical practice as determined by the Secretary, after consultation with the Attorney General.

Section 12. This section amends section 1002 of the Controlled Substances Import and Export Act to permit the Attorney General to comply with Convention requirements that obligates each Party to require prior government authorization for importation of any substance listed in schedule I or II of the Convention. This section permits the Attorney General to impose the import controls on any domestic schedule III, IV or V substances (although schedule I or II under the Convention) without rescheduling the substance and thereby subjecting it to other unnecessary controls.

Section 13. This section amends section 1003 of the Controlled Substances Import and Export Act to permit the Attorney General to comply with Convention requirements that obligates each Party to require prior government authorization for exportation of any substance listed in schedule I or II of the Convention. This section permits the Attorney General to impose the export controls on any domestic schedule III, IV or V substances (although schedule I or II under the Convention) without rescheduling the substance and thereby subjecting it to other unnecessary controls.

Section 14. This section amends section 3 (a) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (PL 91–513) by providing that the provisions of the Convention on Psychotropic Substances shall not prevent the protection of the confidentiality of patient records or the confidentiality of names and identities of research subjects and shall not modify accepted medical practice or research activities regarding psychotropic substances.

Section 15. This section amends section 4 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (PL 91–513) by providing a clarification of the relative role of the Attorney General and Secretary regarding the medical treatment of narcotic addiction.

S. 1646

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Psychotropic Substances Act of 1973".

Sec. 2. Subsection (d) of section 201 of the Controlled Substance Act (21 U.S.C. 811(d)) is amended by adding "(1)" after "(d)" and inserting the following new paragraph at the end thereof:

"(2) If control is required by United States obligations under the original schedules of the Convention on Psychotropic Substances, signed at Vienna, February 21, 1971, after the Convention comes into force, the Attorney General shall issue an order controlling the drug or other substance under the least restrictive schedule meeting such obligations, without regard to the findings required by subsection (a) of this section or section 202(b) and without regard to the procedures prescribed by subsections (a) and (b) of this section.

"(3) (A) When procedings are before the U.N. Commission on Narcotic Drugs to control or remove from control a drug or other substance under hte Psychotropic Convention, the United States Delegate to the Commission shall request the recommendation of the Secretary regarding whether such a drug or other substance should be so controlled or removed. In making his recommendation the Secretary shall consider the factors listed in paragraphs (2), (3), (6), (7), and (8) of subsection (c) and any scientific or medical considerations involved in paragraphs (1), (4), and (5) of such subsection. The recommendations of the Secretary to the U.S. Delegate shall be binding on the U.S. Delegate as to such scientific and medical matters, and if the Secretary recommends that a drug or other substance be controlled or removed from control, the U.S. Delegate shall cast his vote on the Commission accordingly.

"(B) When the United States receives notification pursuant to article 2 of the Convention on Psychotropic Substances that a drug or other substance has been added or transfered to the schedule specified in the notification, the Attorney General shall, unless such drug or other substance is already subject to legal controls which meet the requirements of the schedule specified in the notification, initiate proceedings for control in accordance with subsections (a) and (b) of this section.

"(C) If the Attorney General determines, in view of exceptional circumstances, that the United States will not be in a position to give effect to all of the provisions of the Convention on Psychotropic Substances applicable to that drug or substance, he shall transmit notice of his determination and the reasons therefor to the Secretary of State for transmittal to the Secretary General of the United Nations within the time required by the convention. Concurrently with the transmittal of such notice, the Attorney General shall, unless the drug or substance is already controlled under this title or unless the proceedings for control are completed, issue an order, after consultation with the Secretary, controlling the drug or substance under schedule IV or V, whichever is most appropriate to carry out the United States obligations under article 2, paragraph 7, of the convention, without regard to the findings required by subsection (a) of this section or section 202(b) and without regard to the procedures prescribed by subsections (a) and (b) of this section. As a part of such order, the Attorney General shall by regulation except such drug or substance from the application of any provisions of part C of this title which he finds is not required to carry out the United States obligations under article 2, paragraph 7, of the convention.

"(D) Upon completion of proceedings for control in accordance with subsections (a) and (b) of this section, the Attorney General shall issue a final order controlling the drug or substance under the appropriate schedule as determined by such proceedings: *Provided,* That if the Secretary recommends that such drug or substance not be controlled the Attorney General shall continue control of the drug or substance under schedule IV or V in accordance with paragraph (3) (B) of this subsection; and *Provided,* That the authority to determine the definition of 'medical and scientific purposes' and of 'very limited medical purposes' as required by Article 5, Section 2, and Article 7 of the Convention shall reside in the Secretary; and *Provided,* That the Secretary of State shall immediately request the U.N. Economic and Social Council to review the decision of the Commission. The Attorney General shall not request a review of a decision of the Commission without the concurrence in writing of the Secretary. The Secretary's decision to concur or not concur shall be guided by the factors referred to in subsection 201(b)."

Sec. 3. Subsection (d) of section 202 of the Controlled Substances Act (21 U.S.C. 812 (d)) is amended by adding the following before the period at the end thereof: ", and (3) such exception does not conflict with United States obligations under the Convention on Psychotropic Substances, signed at Vienna, February 21, 1971".

Sec. 4. Subsection (d) of section 307 of the Controlled Substances Act (21 U.S.C. 827(d)) is amended by adding "(1)" after "(d)" the first time it appears, and adding the following at the end of the subsection:

"(2) Every manufacturer registered under section 303 shall, at such time or times and in such form as the Attorney General may require, make periodic reports to the Attorney General with respect to nonnarcotic controlled substances which are psychotropic substances subject to the Convention on Psychotropic Substances, signed in Vienna, February 21, 1971. These reports shall include the quantities used in the manufacture of substances either not listed in any schedule or listed in a schedule but excepted from certain controls under section 201(d) (3) (B) or section 202(d), and the stocks of these controlled substances held by the manufacturer."

Sec. 5. Section 301 of the Controlled Substances Act (21 U.S.C. 821) is amended by adding after the initial sentence the following new sentence: "The Attorney General shall consult with the Secretary before rules and regulations relating to the dispensing of controlled substances are issued."

Sec. 6. Subsection (f) of Section 303 of the Controlled Substances Act (21 U.S.C. 823(f)) is amended by adding the following sentence at the end of the subsection: "Article 7 of the Convention on Psychotropic Substances shall not be construed to prohibit research with substances scheduled under the Convention in accordance with this subsection."

Sec. 7. Subsection (a) of Section 306 of the Controlled Substances Act (21 U.S.C. 826(a)) is amended by adding the following sentence at the end of that section: "In determining the total quantity and establishing production quotas under this subsection, the Attorney General shall consult with the Secretary regarding the medical, scientific, research, and industrial needs of the United States and the reserve stocks required for these needs."

Sec. 8. Subsection (c) of Section 307 of the Controlled Substances Act (21 U.S.C. 827(c)) is amended by inserting a new first sentence: "No provisions of the Convention on Psychotropic Substances shall be construed to interfere with the exceptions described in this subsection."

SEC. 9. Part C of the Controlled Substances Act is amended by adding the following new section:

"SEC. 310. The Attorney General may, by regulation, after consultation with the Secretary, prescribe restrictions on the advertising to the general public concerning any controlled substance which is a psychotropic substance subject to the Convention on Psychotropic Substances, signed at Vienna, February 21, 1971."

SEC. 70. Subsection (a) of section 402 of the Controlled Substances Act (21 U.S.C. 842(a)) is amended—

(a) by striking out "or" at the end of paragraph (7);

(b) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; or"; and

(c) by adding the following new paragraph: "(9) to advertise to the general public any controlled substance in violation of regulations issued pursuant to section 310."

SEC. 11. Section 309 of the Controlled Substances Act (21 U.S.C. 829) is amended by adding the following new subsection (e): "The application of the provisions of Article 9, paragraph 2, of the Convention on Psychotropic Substances which require that prescriptions for substances in Schedules II, III, and IV of the Convention 'are issued in accordance with sound medical practice and subject to such regulation, particularly as to the number of times they may be refilled and the duration of their validity,' shall be determined by the Secretary, after consultation with the Attorney General."

SEC. 12. Subsection (b) of section 1002 of the Controlled Substances Import and Export Act (21 U.S.C. 952) is amended by adding the following sentence to paragraph (2): "*Provided, however,* That if a nonnarcotic controlled substance is also listed in schedule I or II of the Convention on Psychotropic Substances it shall be imported pursuant to such import permit requirements as the Attorney General may by regulation prescribe."

SEC. 13. Subsection (e) of section 1003 of the Controlled Substances Import and Export Act (21 U.S.C. 953) is amended—

(a) by striking out ", and" at the end of paragraph (2) and inserting in lieu thereof ";";

(b) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(c) by adding the following new paragraph: "(4) in any case when a nonnarcotic substance in schedule III, IV or V is also listed in schedule I or II of the Convention on Psychotropic Substances, it is exported pursuant to such export permit requirements as the Attorney General may by regulation prescribe, instead of the invoice required by subparagraphs (e)(2) and (e)(3) above."

SEC. 14. Section 3(a) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (P.L. 91–513) is amended by adding "(1)" before "The Secretary" and inserting the following new paragraph at the end thereof:

"(2) The provisions of Article 7 or Article 15 or any other provisions of the Convention on Psychotropic Substances shall not prevent the protection of (i) the confidentiality of patient records provided by Section 408 of P.L. 92–255, the Drug Abuse Office and Treatment Act of 1972, (ii) the confidentiality of names and identities of research subjects provided by this section and shall not be used as a basis for any modification or change in accepted medical practice or research activities in regard to records of the identity, diagnosis, prognosis or treatment of patients or identity of research subjects in connection with the use of psychotropic substances."

SEC. 15. Section 4 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (P.L. 91–513) is amended by inserting "regarding the security and safeguards against diversion of controlled substances" immediately after "Attorney General."

By Mr. NELSON:

S. 1647. A bill to extend the Environmental Education Act for 3 years. Referred to the Committee on Labor and Public Welfare.

EXTENSION OF THE ENVIRONMENTAL EDUCATION ACT OF 1970

Mr. NELSON. Mr. President, an old Chinese proverb states—

> If your plan is for one year, plant rice; for ten years, plant trees; for a hundred years, educate men.

Three years ago, Congress recognized that sound environmental policy and decisions can only be achieved if there is a broad and firm base of environmental understanding and awareness. A modest proposal to promote and encourage environmental education throughout the Nation which I introduced in the Senate, and which was presented to the House by Congressman JOHN BRADEMAS, gained overwhelming support in Congress. On October 30, 1970, President Nixon signed into law the Environmental Education Act of 1970, and a beginning was officially marked.

The Environmental Education Act of 1970 (Public Law 91–516) was intended to encourage and support the development of both formal and nonformal educational resources to help individuals from all age groups and sectors of the country develop an understanding of environmental phenomena, their interrelationships and totality, and actions which can preserve and protection environmental quality.

The goal of the Environmental Education Act of 1970 was to help initiate and insure the availability of a diverse variety of locally relevant, effective and practical education resources to give a wide range of citizens at the local level the opportunity to acquire environmental literacy and awareness.

In 1973, the need for such environmental understanding and competence among a broad range of our citizenry is just as pressing, and the programs developed and supported by Public Law 91–516 deserve continued recognition and congressional support. I am, therefore, today introducing legislation which would continue the authority for the Environmental Education Act of 1973 for 3 more years so that this vital program can have a suitable opportunity to refine its initial efforts and evaluate its achievements in stimulating new environmental education resources at the State and local level, and in coordinating the environmental education efforts of other Federal departments and programs.

Similar legislation has been introduced in the House by Congressman JOHN BRADEMAS and three of his colleagues and hearings are currently underway in that body on this measure (H.R. 3927) to extend the Environmental Education Act until 1976. These hearings in the House, and appropriate hearings on the Senate side on the measure that I am introducing today, will be important in eliciting information about the efforts and achievements of the program, even under most difficult and sometimes hostile conditions in this administration.

The rhetorical support for environmental education in this administration has been most impressive. In three State of the Union messages and three special messages on the environment, the President has spoken of the need for environmental literacy, for new environmental values and attitudes, and for an environmental awakening. Last year in ceremonies releasing the third annual report on environmental quality—August 1972—the President discussed with the Council on Environmental Quality the importance of environmental education and the need to see it stressed during this year to insure that the ecology movement is broad based with programs developed that reach the average citizen who has not attended college.

> This year in proclaiming Earth Week 1973, the President stated: I ask that special attention be given to personal voluntary activities and educational efforts directed toward protecting and enhancing our lifegiving environment.

All of these statements are to be applauded and are supportive of the goals and specific efforts of the Environmental Education Act. Unfortunately these warm words have not translated into firm actions, in so far as Public Law 91–516 is concerned. In addition to the long laundry list of difficulties in getting this law properly implemented in the Office of Education, current actions also speak loudly. Thus, not only have no funds been requested in the fiscal year 1974 budget request for the Office of Environmental Education, but some $2 million of fiscal year 1973 grant funds appear to be in jeopardy.

I think that it is important to note that this program has been very modest investment from a financial point of view. Whereas the act authorized $5 million for fiscal year 1971, $15 million for fiscal year 1972, and $25 million for this fiscal year, the actual appropriations voted by the Congress have been very lean: $2.0 million for fiscal year 1971, $3.5 million for fiscal year 1972, and almost $3.2 for fiscal year 1973. Even with these tight budget constraints, the environmental education program was greeted with great interest on the part of educators, environmentalists, and community groups throughout the country.

In the first year of this program over 1,900 proposals were made to the Office of Education requesting some $75 million of funding. With the $2 million available in fiscal year 1971, 74 proposals were funded at an average grant of $23,000. In 1972 more than 1,600 proposals were received and 162 grants were made, while this year over 1,100 proposals were received by the March 1 deadline that accompanied the application forms which had been sent out only 2 weeks previously.

There is no doubt that the environmental education program is not without some flaws or that legislation to extend the authority of the Environmental Education Act of 1970 could be drafted in a variety of ways to touch on these valid areas of concern. However, these issues can best be dealt with and developed in the public arena of congressional hearings. The primary objective at this point is to reiterate the necessity for and congressional commitment to the concept of environmental education enunciated in Public Law 91–516.

A recent letter that I received from Charles E. Roth, director of education, Hatheway School of Conservation Education, Massachusetts Audubon Society, perhaps expresses most articulately and precisely the values of recommitting ourselves to this program of environmental education. Mr. Roth stated in his March 21, 1973 letter:

> The current bill, with its flaws, nonetheless creates a national policy for development of basic environmental literacy. Its existence has given people like myself and my colleagues the necessary leverage to get a state plan for environmental education off the ground with the support of state officials—something we have been trying unsuccessfully to do for the previous eight years. If the act is not continued, we are going to have the political rug at least partially pulled out from under us. We are progressing very well. We can't afford such a set-back now. With education revenue sharing likely just around the corner, we need continued progress, under leverage of the act, to set up the situations that will assure that some of that shared education revenue goes toward environmental education.
>
> I know that there have been congressional criticisms of the operation of the Office of Environmental Education. I also know that many of them have been just criticisms. However the effect of the act and the grants program goes far beyond the results of the projects funded. There have been several thousands of applicants over the three-year period. Only a few were funded, but the proposal writing process brought many groups and individuals together to discuss multi-disciplinary environmentally-oriented projects. Most of these would never had made contact without the impetus of the act. Some have continued cooperative effort even without the funding. Furthermore, the Act prompted many more meetings among the diverse leaders of the environmental education movement that has led to much better honed philosophy and approach.
>
> The Act has been crucial to the development of an environmental eductaion movement. It is clearly needs another three years to achieve its maximum impact.

Mr. President, I should also like to call attention to several recent articles and statements on the environmental education program and ask unanimous consent that a statement by Walter Bogan, Director, Office of Environmental Education presented to the Conservation Foundation Environment Forum on March 2, 1973, an interview with Mr. Bogan which was printed in the March 1973 issue of Environmental Education Report, and an article in the March 17, 1973 issue of Environmental Action by Bickley S. Dodge be printed along with the text of my proposal at this point in the RECORD.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

STATEMENT BY WALTER BOGAN, DIRECTOR, OFFICE OF ENVIRONMENTAL EDUCATION, USOE, FOR THE CONSERVATION FOUNDATION ENVIRONMENT FORUM, MARCH 2, 1973

The building of a better enivronment will require in the long term a citizenry that is both deeply concerned and fully informed. Thus I believe that our education system, at all levels, has a critical role to play.—President Nixon

BACKGROUND

The last few years have seen widespread rcognition of the critical role environmental education must play in the nation's educational life if environmental quality is to be effectively pursued. President Nixon has emphasized that role on several occasions; in his introduction to the first annual report of the Council on Environmental Quality, in August 1970, he stated:

"The basic causes of our enivronmental troubles are deeply embedded . . . It should be obivous that we cannot correct such deep-rooted causes overnight . . . We must seek nothing less than a basic reform in the way society looks at problems and makes decisions. Our educational system has a key role to play in bringing about this reform. It is also vital that our entire society develop a new understanding and a new awareness of man's relation to his environment—what might be called 'environmental literacy.' This will require the development and teaching of environmental concepts at every point in the education process."

Not long afterward, in October 1970, the President signed into law the Environmental Education Act, which is intended to address the environmental education needs of all citizens.

Under authority of the Act, the Environmental Education Program (EEP) was established in December 1970 within the Office of Priority Management. Seven staff positions were allotted for EEP, five professionals and two clerical. The staff was housed in temporary quarters in the regional office located in the Government Services Administration Building.

In October 1971 EEP became the Office of Environmental Education (OEE) and was located under the Deputy Commissioner for Development. The staff allocation of seven remained firm for fiscal 1972, with plans to increase that staff in fiscal 1973 to thirteen. Because of periodic manpower freezes, uncertainties of budget, and the recent decision to exclude the grants program from the fiscal year 1974 budget, the plan to enlarge the staff could not be implemented and the actual number of staff members on board during fiscal 1973 has been six.

In October 1971 the National Advisory Council for Environmental Education was also formed; it held an initial meeting in December 1971 and has subsequently met in various locations around the country in full or subcommittee sessions.

FUNCTIONS AND ACTIVITIES

Grants program

In fiscal 1971 $2 million was appropriated through a supplementary bill under the authority of the Act and designated for grants and administrative costs. Around 2000 proposals were received and evaluated, and 74 were selected for funding. (See Tables I and II.)

In Fiscal 1972, $3.514 million was appropriated to the Office for grants and administrative costs. Close to $3 million of this was awarded to 162 projects in every state, the District of Columbia, the Marianas Islands, and Puerto Rico. (See Tables I and III.)

For fiscal 1973, it is expected that $3.180 million in grants will be awarded for an estimated 175 grant projects. The nationwide developments in environmental education that took place in the previous two years and the knowledge of national environmental education activities gained by the Office over this time makes it possible for the Office to grant funds to those programs that most clearly promise to advance the art of environmental education and to fill the most urgent needs.

One of the most important objectives of OEE's funding activities is to attract longer-term and more substantial financial assistance from all sources, private and governmental, to local project sites. In the two years of the program's existence, funding from other sources has increased. In fiscal 1971, approximately $3 million from other OE programs, including the Elementary and Secondary Education Act, the Education Professions Development Act, and the Cooperative Research Act, were provided for environmental education projects. For fiscal year 1972 a descriptive list of projects totaling over $11 million in funds, together with evaluations of their potential contributions, was submitted to the Commissioner of Education. This list, or portions of it, will be announced when the Commissioner has approved it for dissemination.

Technical assistance

Technical assistance requests have far exceeded our ability to respond. Nontheless, considerable attention has been given to this part of our strategy. Nonmonetary assistance has been provided to numerous federal, state, and local agencies and to private organizations during the past two years, including:

1. Assistance in the design of specific environmental awareness projects planned by the Environmental Protection Agency, the Army Corps of Engineers, the National Park Service, and Action.

2. Cosponsorship of interagency training sessions involving personnel from sixty operating units of the federal government. These sessions were held in order to exchange information, materials, and ideals concerning environmental education development throughout the government and the country.

3. Provision of contract funds for development of a training program in integrated pest management and control. This activity was carried out under the joint sponsorship of the Council on Environmental Quality, the Department of Labor, the Environmental Protection Agency, and the Office of Education.

4. Cosponsorship with the Environmental Protection Agency of the President's Merit Award Program.

5. Participation in preparations for the United National Conference on the Human Environment, held in Stockholm in June 1972.

6. On-site consultation to numerous projects throughout the country, many of which were funded under auspicies other than the Environmental Education Act.

7. Environmental education training sessions for regional office personnel, primarily within HEW, are being conducted at the present time. These regional office training sessions are also attended by personnel from other federal agencies, state agencies, and private organizations located in the region. From the experiences gained from the training activities conducted thus far, OEE is completing the design of a prototype training program process that can be used for training activities in other regions of the country.

Program development

Evaluation. During the past two years, grantees have been asked to evaluate their projects and to include their findings in their final report. In addition, most of the projects funded under the Act in fiscal 1971 and fiscal

1972 have or will be visited by OE personnel or outside experts engaged by OE.

In addition, OEE has almost completed the design of a three-year evaluation strategy. The first phase of that strategy will be implemented within the next few months, and consists of the following activities:

1. Preparation of a working paper on the definition of environmental education, based on our present concepts as reflected in the Handbook and on the ideas and experiences of outside experts.

2. Preparation of a self-evaluation questionnaire, to be given to all programs funded in fiscal 1972 and fiscal 1973.

3. Support of a national conference on state planning in late April. The conference objective is to create a working document concerning evaluation of state planning activities in environmental education. This document will be used in the planning of future state programs.

We plan to utilize the results of the first phase activities as a foundation for more in-depth and comprehensive evaluation activities at some later time. Such later activities would include utilization of completed surveys carried out by the Educational Resources Center and Ohio State University and by the National Center for Educational Statistics to formulate study designs that would address the validity, effectiveness, and feasibility of selected environmental education objectives and approaches; a revised self-evaluation questionnaire; in-depth and formal evaluation of selected projects funded under the Environmental Education Act and other sources; and an assessment of the state of the art of environmental education. The results of these various evaluation activities would enhance dissemination and technical assistance efforts, as well as related program development activities.

Information Dissemination. The following are highlights of OEE's continuing dissemination activities:

Publications. A wide variety of materials have been published or distributed by OEE. Published materials include:

1. *The New Environmental Education Program of the U.S. Office of Education* (booklet)
2. *Education That Cannot Wait* (booklet)
3. *Environmental Education Handbook* (draft version)
4. *The Case for Environmental Education* (article)
5. (Assorted bibliographies on various environmental education topics)

Materials distributed by OEE include:

1. *"Earth Day" Year Around* by Judith Serrin (article)
2. *Environmental Encounters* by Victor Schlich (article)
3. *Environmental Education Cannot Wait* by S.P. Marland, Jr. (article)
4. *Manpower Training Goes to College* by Guy P. Million (article)
5. *Environmental Education* (from the first annual report to the President and the Council on Environmental Quality from the Citizens' Advisory Committee on Environmental Quality, October 1970)
6. *Aids to Environmental Education, Grades 7–9* (booklet)
7. *Pass It On* (brochure of the President's Environmental Merits Awards Program)
8. *The Environmental Problem* (book)
9. *Ecological Drums Along the Cuyahoga* (article)

Speeches and Articles. Members of my staff and I have delivered numerous speeches and appeared on many panels at meetings and conferences around the country; this sort of information dissemination has been actively pursued since the formation of the program. Articles, written by OE and OEE personnel or by reporters, have appeared in several journals and magazines over the last two years and have helped explain the program and its progress to the public.

Dissemination Program Design. We have just completed the design of a program for expanding and regularizing dissemination activities; program implementation could begin in fiscal 1974. The program includes two-way information feedback and exchange between and among local, state, regional, national, and federal organizations and agencies interested in enviornmental education.

Regulations. Draft regulations have been approved by the Advisory Council and the Office of Education and are being reviewed for approval by the Department. It is hoped that the approved regulations will be published in the Federal Register in early March of this year.

Criteria. Fiscal year 1973 proposals will be evaluated on the basis of the eight criteria developed by the Advisory Council. These criteria are listed in the draft regulations and the draft Handbook for the use of applicants and evaluators. In addition, suggestive-explanatory factors responsive to criteria items are also indicated in the draft regulations and the draft Handbook.

The advisory council and OEE

The National Advisory Council for Environmental Education has served as a resource for OEE policymaking.

In their first annual report, released in March 1972, the Advisory Council made several recommendations concerning program priorities for OEE. These recommendations were incorporated into the 1973 draft program regulations, the draft Handbook, and funding strategies. Sixteen of the twenty-four recommendations made by the entire Council and its subcommittees in the March 1972 report have been implemented in whole or in part. These include a deemphasis on funding of state planning for environmental education and an emphasis on small grants or other projects with substantial community group involvement and participation. Some of the recommendations although desirable, proved to be unfeasible.

We feel that we have been successful in establishing a cooperative, productive, and mutually supportive relationship with the Council in spite of mutually shared difficulties occasioned by fiscal constraints.

THE FUTURE

There has been no request for funds for the program for fiscal year 1974.

In addition, I have received no indication to date concerning the Department's or Administration's position on the extension of the Act. Whatever the decision is, of this much I am sure: environmental education has taken hold in the years 1969–1973 and it will continue to evolve in the communities, schools, states, and regions of our nation.

TABLE I.—FISCAL YEAR 1972 ENVIRONMENTAL EDUCATION AWARDS, BY CATEGORY, AS COMPARED TO FISCAL YEAR 1971 AWARDS

Categories	1972, number of awards	1971 number of awards
Type A: Workshops	33	36
Type B: Statewide evaluation and dissemination	11	5
Type C: Pilot projects:		
Personnel training:		
(A) Inservice educational personnel	4	1
(B) Inservice noneducational personnel	6	1
(C) Preservice educational personnel	1	
(D) Preservice noneducational personnel	1	1
(E) Government personnel	1	1
Total personnel training	11	4
Community awareness:		
(F) School-community models	1	1
(G) Environmental education centers	14	6
(H) Citizen participation projects	10	11
Total community awareness	25	18
Instruction and curriculum:		
(I) Elementary and secondary programs	7	1
(J) Supplementary materials	18	1
(K) Curriculum development	38	8
Including media projects (K_2)	3	
Total instruction and curriculum	66	10
Evaluation and dissemination:		
(L) General evaluation	1	1
(M) Dissemination: Information dissemination	12	0
(N) Dissemination: Information clearinghouse	3	0
Total evaluation and dissemination	16	1
Grand total	162	74

TABLE II.—FISCAL YEAR 1971 ENVIRONMENTAL EDUCATION AWARDS, BY TYPE OF ORGANIZATION FUNDED

Type of organization	Large grants funded	Amount of grant	Small grants funded	Amount of grant
Universities, 4-year colleges, and community colleges	14	$363,036	5	$37,900
Local and State education agencies	6	365,000	3	26,200
Community education programs	2	87,000	4	37,750
Private environmental organizations	3	99,000	8	71,100
Private educational organizations	6	271,400	2	17,487
Other private organizations	2	65,000	8	67,660
Public agencies	3	103,554	5	36,521
Museums	1	19,000		
Libraries	1	50,000	1	4,869
Total	38	1,422,990	36	299,487

TABLE III.—FISCAL YEAR 1972 ENVIRONMENTAL EDUCATION AWARDS, BY TYPE OF ORGANIZATION FUNDED

Type of organization	Number of awards	Funded
Institutes of higher education	34	$599,900
Private/other	29	497,450
Local education agencies	29	486,000
Private educational organization	11	381,750
Private environmental organization	26	376,850
Public agencies and organizations	7	194,940
State education agencies	6	176,950
Museums	4	111,800
Community colleges/vocational education schools	9	87,300
Private elementary and secondary schools	4	56,600
Public libraries	3	29,500
Total	162	2,999,040

BOGAN CHARTS OEE COURSE

(By Alison St. Clair)

October, 1970 marked the enactment of the Environmental Education Act along with the formal introduction of the environmental decade. Environmental educators began work synthesizing old and new philosophies to create a different approach.

In a recent interview, Walter J. Bogan, overseer of federal environmental education efforts, evaluated past and present efforts, defining a future course for government assistance to environmental education.

PUBLIC LAW 91-516: HAS IT BEEN A SUCCESS?

The passage of the Environmental Education Act, now Public Law 91-516, was encouraging news to environmental educators. A responsive Congress had provided money, the essential element which fervent citizen groups, young activists and teachers most often lack.

Bogan pointed out that the Act has been unique in permitting more direct citizen participation in allocating funds than most federal laws and programs. For this reason, its impact and performance have been more visible to the public. Environmental educators are acutely aware that actual allocations fell far below the congressional authorizations.

The Act, itself, stipulates: "There is authorized to be appropriated $5 million for the fiscal year ending June 30, 1971, $15 million for the fiscal year ending June 30, 1972, and $25 million for the fiscal year ending June 30, 1973." The actual allocations, however, amounted to $1.7 million, $3.5 million and nearly $3.2 million for Fiscal Years 1971, 1972 and 1973, respectively.

Bogan upholds this policy of tight purse strings. The funds, though limited, stated Bogan, have served as a useful catalyst and helped to define more precisely the real needs and opportunities for environmental education.

"Unfortunately," noted Bogan, "the way has been difficult for many of those wanting and deserving to participate. The state-of-the-art is not sufficiently developed that all those who want to implement programs are equipped to do so. Many applicants never applied for federal funds before and the mechanics of the process may have seemed overwhelming. We feel a responsibility to provide assistance in preparing application forms, but our small staff makes this aid impossible now."

MAKING THE MOST OF WHAT IS AVAILABLE

To provide greater technical assistance from OEE, Bogan plans to utilize the Department of Health, Education and Welfare's ten-region structure.

In a pilot project in the Region IV (Atlanta) staff college, OEE personnel provided training to HEW state employees and local environmental educators. Equipped with a better understanding of the meaning and needs of environmental education, these seasoned bureaucrats—well-versed in grantsmanship and government red tape—will now be available to assist individuals locally.

This training program will be expanded to other regional offices as soon as possible.

"Ideally," stated Bogan, "each region would have at least one person with sole responsibility for environmental education coordination and assistance." Bogan suggested that the best avenue is to train already-salaried employees to help environmental educators at the local level.

OPENING UP COMMUNICATIONS

Another of Bogan's plans for the future is greater dissemination of information on projects funded under the Environmental Education Act.

"The main purpose of the Act was to fund pilot projects that could be successfully replicated throughout the nation. To do this, detailed outlines of goals, staffing patterns, techniques and evaluations must be provided."

Bogan is looking to other government agencies to print some of the reports. The Environmental Protection Agency, for example, recently published a two-volume set of student water pollution studies developed by Joseph Chadbourne of Cleveland's Institute for Environmental Education. Its distribution has made the Cuyahoga watershed studies project what it should be—a model for others to follow.

INTERAGENCY PROGRAMS

With an eye to generating specific materials, such as curriculum guides and audio/visual aids, the Director of OEE plans to call on both governmental programs and the private sector to produce workable environmental education packages. Rather than funding an entire project, the Office of Environmental Education would coordinate several groups, each contributing to the finished product.

The first such effort, an integrated pest management education program, began last fall. Participating agencies are the Department of Agriculture, the Environmental Protection Agency and OEE. While EPA donates the technical expertise, OEE contributes the knowledge of school systems and how to work with them. USDA will assist the implementation through its county extension agents, who filter information to the community level.

"This approach has a dual function," said Bogan. "Besides developing a workable environmental education program for use by America's citizens, we're injecting environmental education into the programs of some agencies which until now, have used more traditional methods to educate the public about environmental concepts and problems."

The pest management program will be implemented later this year, beginning with a curriculum development workshop for educators and scientists concerned with integrated pest control. Before that meeting, materials are to be developed and produced.

FUTURE OF THE FUNDED

Regarding the dubious future of private-sector projects already funded through OEE, Bogan explained that the EE Act was never intended to support environmental education permanently or to fund operational programs.

"Its purpose was to get things going. We hope those projects which were funded will generate enough interest that local school boards and foundations will pick them up.

In regard to future funding, Bogan suggests a concentrated push in local school districts. Individual school systems should commit personnel and equipment and find room for environmental education in their budgets.

Bogan also cites foundations and corporations as potential project sponsors. Recognizing that the interests of many foundations are narrow, he suggests a cooperative venture in which a national foundation makes a grant for a prototype project and a local foundation, a year or two later, places the program in a particular community.

Bogan's most specific recommendations concern the design and function of environmental education programs in schools, particularly at the seventh grade level and above. His insight is backed by experience—as a science teacher, as a department chairman in New York city schools in the 1960's and as an instructor of science and public policy in the "Science for the Citizen" program at the New School for Social Research, also in New York. The latter he undertook while serving as Executive Director of the Scientists' Institute for Public Information, a post he left to assume his present position at OEE in July.

Regarding the proper place of environmental education in the classroom, the OEE Director advised that it be integrated into the traditional classroom framework, rather than offered as a separate class or subject.

Science teachers have most often taken the lead in environmental education. However, Bogan sees the need for a broader orientation and, thus, favors team teaching.

Course content and the need for standardization also came under discussion. Bogan noted the difficulty of evaluating students' training and competence as environmental problem solvers.

As he pointed out, "A student's transcript may show that he's had 'environmental science', 'environmental problems' 'Ecology I and II', but what does it all mean?"

The best route to standardization, according to Bogan, is to develop case histories for use in environmental education. A learning device invariably used by marketing, law and MBA students, case histories present hypothetical situations into which the student steps as decision maker.

Case histories are flexible. They might form the basis for brief overnight assignments, visits to a city council meeting where live characters perform the student's imaginary play, term papers, or classroom debates over group recommendations.

SCHOOL-COMMUNITY RELATIONSHIP

Bogan underlined the need for schools to accept a larger role in preparing citizens to participate in environmental decisions.

"To participate effectively in air quality hearings, citizens have to be comfortable with the concepts involved—environmental, economic and social. Everyone wants clean air, but the thought of coming before the city council to speak about particulates and ozone levels or to discuss the economics of air quality leaves most people weak. The school has an important role to fill here. Evening seminars conducted by teachers in various disciplines can equip the average citizen with enough information to participate fully in decision-making affecting air quality in his community. The school falls short of its responsibility if it doesn't accept this challenge."

A visit with Bogan re-affirms the status of environmental education as a concept and a definite societal need. As a funding priority, however, it will likely remain low.

Capitalizing on any manpower and resources at our disposal, we must gain recognition for environmental education as something worthy of permanent integration into school curricula. The task requires cooperation, communication, and above all, dogged persistence.

"The Education That Can't Wait," Waits

(By Bickley S. Dodge)

Two years ago, U.S. Education Commissioner Sidney Marland coined a new slogan when he labeled environmental education "the education that cannot wait." His slogan has become only one of many bitter ironies that have plagued the program from the beginning. Today, environmental education is not only still waiting, it appears to be in imminent danger of total extinction as a federal program.

The 1974 federal budget, released in late January, confirmed a distressing rumor. In one sentence it announced the intention of disposing of environmental education: "This program will be terminated in 1974." Official Administration opposition to the program, centered within the Department of Health, Education and Welfare (HEW) itself, rests mainly on three arguments. First, it is said, we don't need separate legislation to support environmental education—we can do it through already existing programs. Second, environmental education is a narrow categorical program and therefore conflicts with Administration philosophy. And, third, the program has failed anyway. Each of these arguments can be easily refuted.

The environmental education program has always been described within HEW as "core" funding, as a catalyst which would generate lots of additional federal money for environmental education. This strategy has proven more effective in keeping appropriations for the program low than in actually generating new environmental education money. In fiscal 1972 the total federal appropriation for the Office of Environmental Education (OEE) was only $3.4 million. The Office of Education claimed that in addition it would spend $11 million on environmental education through other programs. To date it has still not been able to document that claim. A list, purporting to document the $11 million expenditure, exists, but the validity of many of the projects listed is so questionable that apparently the commissioner is too embarrassed to release it.

Even if other educational programs *were* doing what they should be, they are limited in their scope and target. Title III of the Elementary and Secondary Education Act, for example, can support environmental education but only through local education agencies. No other program is as flexible as the Environmental Education Act in terms of program content or the range of permitted "target groups." Most importantly for environmental action organizations, no other program has the flexibility of the Environmental Education Act to support non-formal environmental education projects sponsored by community groups.

The language of the Environmental Education Act is strikingly broad in scope and intent, and administrative pronouncements have re-emphasized that breadth. Yet the executioners of the program are now claiming it is too narrow and categorical—and thus inconsistent with the Administration's "New Federalism." In May, 1971 Marland described the program this way:

> Environmental education can be the core, the unifying concept around which Office of Education categorical grants can be coalesced into a modern educational response to the environmental/ecological crisis.

Does that sound like a description of a narrow categorical program?

If anything, in fact, some environmentalists have criticized the program for having been too broad in the past, for having stressed the creation of an "environmental ethic" so vague and general as to risk obscuring specific environmental substance and skills. Last year's environmental education grantees, for example, spent 30 percent of their resources on subjects not even covered by the act, and less than 10 percent each on resource depletion, transportation, technology and population, according to a recent survey by Friends of the Earth. There is encouraging evidence of greater substantive focus this year. In any case, the program's focus could tighten up much further before it could accurately be described as a "narrow categorical program."

The official critics' final argument is that the environmental education program has failed anyway, and therefore deserves to die. The program has been subject to internal bureaucratic delays, snafus and harassment at every step of its unhappy existence; there was no director for nine months, no advisory council for a full year, a skeleton staff even now, and of course almost no money. And now those responsible dare to call the program a failure. This is like the boy who kills his mother and father and then pleads to the judge for mercy on the grounds that he is a poor orphan.

Of course, environmentalists have been disappointed in their expectations of what the environmental education program could have been. But the potential still exists. Change, not abolition, seems to be in order. Moving OEE from the Office of Education to a more hospitable home—possibly the Council on Environmental Quality or the Environmental Protection Agency—or elevating it within the HEW bureaucracy might be one improvement.

Since the official arguments against environmental education are all so refutable, what are the *real* reasons it's slated to die? One possibility that must be strongly considered is that, being small, weak and relatively unnoticed, it is an easy sacrificial lamb for an Administration that wants to claim it's cutting government costs without really doing so in any effective way.

Ralph Nader was once asked whether he believed in capitalism. He replied, "I don't know; we haven't tried it yet." The federal environmental education program is in somewhat the same category. It's time we tried it. Whether or not it expires first will depend a great deal on the amount of public and congressional concern expressed in the next few months.

S. 1647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(c)(1) of the Environmental Education Act (20 U.S.C. 1532) is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the Advisory Council shall continue to exist until July 1, 1976."

SEC. 2. Section 7 of such Act is amended by striking out "and" after "1972," and by inserting after "1973," the following: "$——— for the fiscal year ending June 30, 1974, $——— for the fiscal year ending June 30, 1975, and $——— for the fiscal year ending June 30, 1976.".

By Mr. MAGNUSON (for himself, Mr. JACKSON, Mr. BIBLE, Mr. ROBERT C. BYRD, Mr. CANNON, Mr. CHURCH, Mr. COTTON, Mr. CURTIS, Mr. DOLE, Mr. EASTLAND, Mr. GOLDWATER, Mr. GRAVEL, Mr. HART, Mr. HOLLINGS, Mr. HUGHES, Mr. INOUYE, Mr. MANSFIELD, Mr. MCGEE, Mr. MCGOVERN, Mr. MONDALE, Mr. MOSS, Mr. NELSON, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SCOTT of Pennsylvania, Mr. SCOTT of Virginia, Mr. SPARKMAN, Mr. STEVENS, Mr. THURMOND, and Mr. WILLIAMS):

S. 1648. A bill to establish the calendar year as the fiscal year of the Government, to provide for separate periods during sessions of the Congress for the consideration of appropriations bills, and to provide for the establishment of annual appropriations and expenditure ceilings. Referred to the Committee on Government Operations.

Mr. MAGNUSON. Mr. President, I am introducing today for appropriate reference, a bill to reform the way Congress decides how Federal funds will be spent.

The bill's key feature is a requirement that Congress set an annual ceiling for itself on the amount of money it will appropriate for Federal programs. Other basic elements of the bill would:

Set aside a period each year for Congress to devote its attention to spending decisions.

Change the Federal Government's fiscal year, which now runs from July 1 of one year through June 30 of the next, to coincide with the calendar year.

Require coordination between the congressional committees that decide how much you pay in Federal taxes and the Appropriations Committees that decide how your tax dollars are spent.

My bill is an updated version of legislation that I have introduced in the past several Congresses. In the last Congress, the earlier bill won the support of both the Senate majority and minority leaders as well as more than half the entire Senate.

President Nixon has repeatedly charged that Congress is irresponsibly appropriating more than the Nation can afford to spend, and he is impounding, or refusing to spend, some $8 billion appropriated by Congress for the current year.

Responding to these allegations, many in Congress claim the President has exceeded his constitutional authority in refusing to spend those appropriations. They argue that the President's real purpose in impounding the funds is to simply kill domestic programs which were created by Congress.

Although the President's wholesale impoundment of appropriations concerns me very deeply and raises a serious legal question, I do not believe that is what really worries most Americans. I think the average taxpayer's concern is that he not have to pay higher taxes and that Uncle Sam properly spend the taxes he is already collecting.

Satisfying thosec oncerns is going to require reform both at the White House and in the Congress. The President needs to reexamine his budget priorities. I hope he will, but I am not counting on it.

For its part, Congress can take the lead by streamlining its own procedures so that it can set a spending ceiling that makes sense and then stick to it. That is why I am introducing my bill.

Under my bill, Congress would spend the first 7 months of each year working and voting on what are called authorizing bills—the legislation that creates new programs or changes old ones.

Then, sometime after August 15, the House and the Senate would focus their attention on the far fewer—but more important—appropriation bills. These are the bills that actually make funds available for programs and therefore make or break them.

The appropriations period beginning sometime after August 15 would extend to no later than December 1. By that time, all of the appropriations bill making funds available for the next calendar year would be passed by the Congress and on the President's desk awaiting his signature.

During the period devoted to authorizing legislation—January-August 15—no appropriations bills could be voted on in either the House or the Senate. Likewise, no authorizing bills could be voted on during the appropriations period. Exceptions from these rules would be provided in only certain specific emergency situations or where Congress had to vote on a Presidential veto. Committees would remain free to hold hearings and prepare legislation at any time.

At the beginning of each appropriations period, my bill would require the House Appropriations Committee and the House Ways and Means Committee, which writes tax bills, to meet and jointly recommend to the House an overall spending ceiling for the following calendar year. The same requirement would also be imposed upon the Senate Appropriations Committees and the Senate Finance Committee which has responsibility for tax legislation. Presently, there is no such direct coordination between the committees that write tax laws and the Appropriation Committees that decide how tax dollars are spent.

Ultimately, the Senate and House would have to agree on a single overall spending ceiling that would be binding on the entire Congress.

With the ceiling set, the various Appropriations Subcommittees which write the different appropriations bills—Defense, Public Works, Agriculture, Labor-HEW, et cetera—would have to coordinate their efforts so that the sum total of the various bills did not exceed the ceiling.

If it becomes law, my proposal, parts of which I have been promoting for years on Capitol Hill, would bring about radical changes in the way Congress works.

Under the present system, which often looks like a chaotic nonsystem to outside observers, the Congress often winds up passing authorizing legislation creating a new program at the same time it is passing an appropriation bill that should contain funds for the program but does not.

Far more important, however, is the fact that the present system leaves each Appropriations Subcommittee free to recommend any amount of spending it wishes. Usually, Members who don't belong to these subcommittees rely upon their recommendations and consequently, their recommendations generally become law.

Therefore, a big increase in the defense appropriation bill which is written by one subcommittee is not offset by reductions in, say, the public works appropriations bill that is written by another subcommittee. The end result can be a sum total of appropriations that's greater than the amount actually available in the national treasury.

When that happens, deficits, new taxes, Presidential vetoes or impoundments are likely to follow. In forcing the Appropriations Subcommittees in both Houses to work within a single overall spending ceiling my bill would go far toward quieting the battle raging between the White House and Congress while also relieving some of the taxpayer's concern over taxes and inflation.

Mr. President, I ask unanimous consent that this bill be printed in the Record at this point after my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Appropriations Reform Act."

TITLE I—CHANGE OF FISCAL YEAR

CALENDAR YEAR AS NEW FISCAL YEAR

Sec. 101. Section 237 of the Revised Statutes (31 U.S.C. 1020) is amended to read as follows:

"Sec. 237. (a) The fiscal year of the Treasury of the United States, in all matters of accounts, receipts, expenditures, estimates, and appropriations—

"(1) shall, through June 30, 1974, commence on July 1 of each year and end on June 30 of the following year;

"(2) shall for the period commencing July 1, 1974, and ending on December 31, 1974, be for such period; and

"(3) shall, beginning on January 1, 1975, commence on January 1 of each year and end on December 31 of that same year.

"(b) All accounts of receipts and expenditures required by law to be published annually shall be prepared and published for each fiscal year as established by subsection (a)."

SPECIAL APPROPRIATION

Sec. 102. For the fiscal year commencing July 1, 1974, and ending December 31, 1974, there are appropriated, out of any money in the Treasury not otherwise appropriated for any projects or activities conducted in the fiscal year ending June 30, 1974, for which authority to conduct such project or activity did not expire prior to June 30, 1974, an amount equal to 50 per centum of the amount appropriated for that project or activity for such fiscal year ending on June 30, 1974. Appropriations made under this section shall be available to the extent and in the manner appropriations were made available for that project or activity during the fiscal year ending on June 30, 1974.

TRANSMITTAL OF BUDGET AND EXPENDITURE MESSAGES

Sec. 103. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended—

(1) by striking out of that matter of subsection (a) preceding clause (1) the phrase "during the first fifteen days of each regular session" and inserting in lieu thereof "at the time specified in subsection (e) (1)";

(2) by striking out in subsection (a) (5) "on or before October 15 of each year," and inserting in lieu thereof ", at the time specified in subsection (e) (2),";

(3) by striking out in subsection (b) "on or before June 1 of each year, beginning with 1972," and inserting in lieu thereof "at the time specified in subsection (e) (3)";

(4) by striking out in subsection (c) "on or before June 1 of each year, beginning with 1972," and inserting in lieu thereof "at the time specified in subsection (e) (4)"; and

(5) by adding at the end thereof the following new subsections:

"(d) In addition to the information required by subsection (a), the budget shall contain a statement, in such form and detail as the President may determine, of the capital assets of the Government, and their value, as of the end of the last completed fiscal year.

"(e) (1) In accordance with subsection (a), the President shall transmit each budget to the Congress as follows:

"(A) for the fiscal year ending on June 30, 1974, during the first fifteen days of that regular session of the Congress which assembles under section 2 of article XX of the articles of amendment to the Constitution prior to the commencement of the fiscal year; and

"(B) for each fiscal year beginning on or after January 1, 1975, on or before April 15 of the year preceding the commencement of that fiscal year.

"(2) In accordance with subsection (a) (5), estimated expenditures and proposed appropriations for such legislative branch and Supreme Court shall be transmitted to the President, for each fiscal year commencing on and after January 1, 1975, not later than January 15 of the year preceding that fiscal year.

"(3) In accordance with subsection (b), the President shall transmit each supplementary summary of the budget to the Congress, for each fiscal year beginning on or after January 1, 1975, on or before October 1 of the year preceding that fiscal year.

"(4) In accordance with subsection (c), the President shall transmit summaries of estimated expenditures on June 1, 1974, and November 1 of each year thereafter.

"(f) No budget, supplementary summary of the budget, or estimated expenditures and proposed appropriations for such legislative branch and Supreme Court shall be transmitted for the fiscal year commencing July 1, 1974, and ending on December 31, 1974. For purposes of subsection (a) (7), the phrase "last completed fiscal year" shall mean for the budget to be transmitted to the Congress on or before April 15, 1975, for the fiscal year commencing on January 1, 1976, those fiscal years ending on June 30, 1974, and December 31, 1974. The fiscal year ending on December 31, 1974, shall not be considered a fiscal year for purposes of subsection (c).

"(g) If the Congress is not in session on the day on which the President submits a budget, a supplementary summary of the budget, or a summary of estimated expenditures, such budget or summary shall be transmitted to the Clerk of the House of Representatives and shall be printed as a document of the House of Representatives."

ACCOUNTING PROCEDURES

Sec. 104. (a) Subsection (a) (1) of the first section of the Act entitled "An Act to simplify accounting, facilitate the payment of obligations, and for other purposes," approved July 25, 1956, as amended (31 U.S.C. 701), is amended to read as follows:

"(1) The obligated balance shall be transferred, at the time specified in subsection (b) (1) of this section, to an appropriation account of the agency or subdivision thereof responsible for the liquidation of the obligations, in which account shall be merged the amounts so transferred from all appropriation accounts for the same general purposes; and".

(b) Subsection (b) of such section is amended to read as follows:

"(b) (1) Any obligated balance referred to in subsection (a) (1) of this section shall be transferred as follows:

"(A) for any fiscal year or years ending on or before June 30, 1974, on that June 30 which falls in the first month of June which occurs twenty-four months after the end of such fiscal year or years; and

"(B) for any fiscal year commencing on or after July 1, 1974, on December 31 of the second fiscal year following the fiscal year or years for which the appropriation is available for obligation.

"(2) The withdrawals required by subsection (a) (2) of this section shall be made—

"(A) for any fiscal year ending on or before June 30, 1974, not later than September 30 of the fiscal year immediately following the fiscal year in which the period of availability for obligation expires; and

"(B) for any fiscal year commencing on or after July 1, 1974, not later than March 1 following the fiscal year in which the period of availability for obligation expires."

ECONOMIC REPORTS

Sec. 105. (a) Section 3 of the Employment Act of 1946 (15 U.S.C. 1022), is amended by striking out "The President shall transmit to the Congress not later than January 20 of each year" and inserting in lieu thereof the following: "Not later than January 20 of each year before 1975, and not later than April 15 of each year after 1974, the President shall transmit to the Congress".

(b) Section 5(b) (3) of such Act (15 U.S.C. 1024) is amended by striking out "(beginning with the year 1947)" and inserting in lieu thereof "before 1975 and not later than June 1 of each year after 1974,".

CONVERSION OF AUTHORIZATIONS OF APPROPRIATIONS

Sec. 106. Any law providing for an authorization of appropriations commencing on July 1 of a year shall, if that year is any year after 1973, be considered as meaning January 1 of the year following that year. Any law providing for an authorization of appropriations ending on June 30 of a year shall, if that year is any year after 1974, be considered as meaning December 31 of that same year. Any law providing for an authorization of appropriations for the fiscal year 1975 or any fiscal year thereafter shall be construed as referring to that fiscal year commencing on January 1 and ending on December 31 of the calendar year having the same calendar year number as the fiscal year number.

REPEALS

SEC. 107. The following provisions of law are repealed:

(1) the ninth paragraph under the headings "Legislative Establishment", "Senate", of the Deficiency Appropriation Act, fiscal year 1934 (48 Stat. 1022; 2 U.S.C. 66); and

(2) the proviso to the second paragraph under the headings "House of Representatives", "Salaries, Mileage, and Expenses of Members", of the Legislative-Judiciary Appropriation Act, 1955 (68 Stat. 400; 2 U.S.C. 81).

TECHNICAL AMENDMENT

SEC. 108. (a) Section 105 of title 1, United States Code, is amended by striking out "June 30" and inserting in lieu thereof "December 31".

(b) The provisions of this section shall be effective with respect to Acts making appropriations for the support of the Government for any fiscal year commencing on or after January 1, 1975.

TITLE II—SEPARATE CONSIDERATION OF APPROPRIATIONS MEASURES

DEFINITIONS

SEC. 201. For purposes of this title—

(1) "legislative period" means that period of a regular session of the Congress beginning on the third day of January of each year (or on such other day as the Congress appoints by law) and ending on August 15 of that year, or on such earlier day of that year on which a House of the Congress, with respect to that House, terminates its legislative period in order to consider appropriations for the support of the Government;

(2) "fiscal period" means, with respect to each House, that period of a regular session of the Congress beginning on the day after a legislative period of that House has ended and ending on December 1 of that year or on such earlier day of that year on which that regular session has been adjourned sine die;

(3) "appropriations" has the same meaning given that term by section 2 of the Budget and Accounting Act, 1921 (31 U.S.C. 2); and

(4) "committee" includes any joint committee of the Congress and any select committee of either House of the Congress.

LEGISLATIVE PERIODS

SEC. 202. (a) Except as otherwise provided in section 204, the Senate and House of Representatives shall not consider, and the Committees on Appropriations of the two Houses shall not report, during any legislative period any measure or matter making an appropriation for the support of the Government.

(b) The provisions of this section shall not be construed as prohibiting during any legislative period—

(1) the introduction in or submission to, either House of the Congress, of any measure or matter relating to appropriations for the support of the Government; or

(2) the consideration by the Committee on Appropriations of the Senate or the House of Representatives of any measure or matter over which such committee has jurisdiction, or the holding of hearings or the conducting of studies and investigations with respect to any such measure or matter.

FISCAL PERIODS

SEC. 203. (a) Except as otherwise provided in section 204, the Senate and House of Representatives shall not consider, and no committee of either House (other than the Committees on Appropriations of the two Houses) shall report, during any fiscal period any measure or matter other than a measure or matter making only appropriations for the support of the Government.

(b) The provisions of this section shall not be construed as prohibiting during any fiscal period—

(1) the introduction in, or submission to, either House of the Congress of any measure or matter not relating to appropriations for the support of the Government; or

(2) the consideration by any committee of either House of any measure or matter over which such committee has jurisdiction, or the holding of hearings or the conducting of studies and investigations with respect to any such measure or matter.

(c) The Senate and House of Representatives shall consider, and the Committees on Appropriations of the two Houses shall report, during a fiscal period occurring in one year only measures and matters making appropriations for the support of the Government for the fiscal year following that fiscal period and measures or matters making supplemental or deficiency appropriations for the current fiscal year.

EXCEPTIONS

SEC. 204. (a) The Committees on Appropriations of the Senate and the House of Representatives may report, and the two Houses may consider—

(1) during the legislative period occurring in 1974, any measure or matter making only supplemental or deficiency appropriations for the fiscal year ending June 30, 1974; and

(2) during each legislative period occurring in a year, beginning with the legislative period occurring in 1975, any measure or matter making only supplemental or deficiency appropriations for that year.

(b) The appropriate committee of the Senate or the House of Representatives may report to its House, and that House may consider, during any fiscal period, any measure or matter if—

(1) in the case of a treaty or nomination submitted to the Senate, the President of the United States or the President pro tempore of the Senate determines, and notifies the Senate in writing, that an emergency exists requiring that the Senate be allowed to consider immediately that treaty or nomination; and

(2) in the case of any other measure or matter the President of the United States or the President pro tempore of the Senate and the Speaker of the House of Representatives (acting jointly) determine, and notify both Houses in writing, that an emergency exists requiring that the two Houses be allowed to consider immediately that measure or matter.

For purposes of this subsection, "emergency" means any circumstance that affects, immediately and seriously, the national interest.

(c) Any measure or matter returned to the Senate or the House of Representatives under the second or third paragraph of section 7 of article I of the Constitution may be considered during any legislative or fiscal period.

(d) The Senate and House of Representatives may consider, and the Committees on Appropriations of the two Houses may report, during the legislative period occurring in the year 1974 any measure or matter making an appropriation for the fiscal year ending June 30, 1974, for the support of the Government.

EFFECTIVE DATE

SEC. 205. The provisions of this title shall become effective on the day on which the Congress assembles, under section 2 of article XX of the articles of amendment to the Constitution, in the year 1974.

LIMITATION

SEC. 206. No provision of this title shall be construed as giving authority to any committee of either House of the Congress to report any measure or matter if that committee is not otherwise given that authority by another provision of law, or by rule or resolution of that House of the Congress.

By Mr. SCHWEIKER:

S. 1653. A bill to prohibit the importation into the United States of commercially produced domestic dog and cat animal products; and to prohibit dog and cat animal products moving in interstate commerce. Referred to the Committee on Finance.

TO BAN USE OF DOG AND CAT SKINS

Mr. SCHWEIKER. Mr. President, today I introduce legislation which will prohibit the importation of commercially produced domestic dog and cat skins and pelts into the United States, and ban their movement in interstate commerce.

I have been distressed by reports of proposals by private individuals in South Africa and Venezuela to commercially raise dogs and cats to be slaughtered for their furs. The pelts would then be turned into fur coats.

The prospect of these animals receiving such inhumane treatment is abhorrent to anyone who knows them to be affectionate pets. With the supply of wild animals skins constantly diminishing due to decreasing numbers and the prohibition on the taking of certain animals protected by the Endangered Species Act and other restrictions, it is probable that pressures to use domestic dogs and cats for fur will continue. The purpose of my bill, is to make it clear that the United States cannot be considered as a marketplace for these gruesome products. Similar legislation has been introduced in the House of Representatives and I am hopeful that enactment of the bill will discourage any further proposals based on this inhumane use of domestic dogs and cats.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Domestic Dog and Cat Animal Protection Act of 1973".

FINDINGS AND DECLARATION OF POLICY

SEC. 2. The Congress finds that—

(1) The importation into the United States of domestic dog and cat products derived from commercially raised domestic dogs and cats is imminent.

(2) The encouragement of factory-farming and other commercial raising of domestic dogs and cats by permitting the importation into the United States of products derived from factory-farming and other commercially raised animals;

(A) is inconsistent with the affectionate esteem for these animals existing throughout the United States, and

(B) would in all likelihood encourage the creation of inhumane factory-farming and other rearing environments completely beyond United States jurisdiction.

DEFINITIONS

SEC. 3. For the purpose of this Act—

(1) The term "domestic dogs and cats" means all cats bred from domesticated stock of the genus felis and all dogs bred from domestic dog stock of the species commonly referred to as canis familiaris.

(2) The term "animal products" means any item of merchandise manufactured, consisting of, or composed of any part or all of any domestic dog or cat skin or pelt.

(3) The term "commercially raised" means the commercial raising of cats and dogs for the production of animal products. It includes both small- and large-scale commercial breeding and raising of dogs and cats, including factory-farming to produce these animal products.

(4) The term "person" includes any private person, partnership, corporation, or other entity.

(5) The term "Secretary" means the Secretary of Commerce.

(6) The term "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, the possessions of the United States, an the Trust Territory of the Pacific Islands.

TITLE I

PROHIBITIONS

SEC. 101. There shall be a prohibition on the importation into the United States of commercially produced domestic dog and cat animal products and there shall be a prohibition on the interstate commerce of such animal products.

PENALTIES

SEC. 102. (a) Any person who violates section 101 or of any regulations issued thereunder may be assessed a civil penalty by the Secretary of not more than $10,000 for each such violation. No penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to such violation. Each unlawful importation or interstate shipment shall be a separate offense. Upon any failure to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such a person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action.

(b) Any person who knowingly violates any provision of this title shall, upon conviction, be fined not more than $20,000 for each such violation, or imprisoned for not more than one year, or both.

FORFEITURE OF ANIMAL PRODUCTS

SEC. 103. Any animal products unlawfully imported into the United States or shipped in interstate commerce shall be subject to seizure and forfeiture. All provisions of law relating to the seizure, judicial forfeiture, and condemnation of cargo for violation of customs law, the disposition of such cargo, and the proceeds from the sale thereof, and the remission or mitigation of any such forfeitures, shall apply with respect to the animal product cargo of any vessel or other conveyance seized in connection with the unlawful importation of animal products as such provisions of law are applicable and not inconsistent with the provisions of this title.

ENFORCEMENT

SEC. 104. (a) Except as otherwise provided in this title, the Secretary shall enforce the provisions of this title. The Secretary may utilize, by agreement, the personnel, services and facilities of any other Federal agency for purposes of enforcing this title.

(b) The Secretary may also designate officers and employees of any State or of any possession of the United States to enforce the provisions of this title. When so designated, such officers and employees are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(c) The judges of the United States district courts and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process, including warrants or other process issued in admiralty proceedings in United States district courts, as may be required for enforcement of this title and any regulations issued thereunder.

(d) Any person authorized by the Secretary to enforce this title may execute any warrant or process issued by any officer or court of competent jurisdiction for the enforcement of this title. Such person so authorized may, in addition to any other authority conferred by law—

(1) with or without warrant or other process, arrest any person committing in his presence or view a violation of this title or the regulations issued thereunder;

(2) with a warrant or other process, or without a warrant if he has reasonable cause to believe that a vessel or other conveyance subject to the jurisdiction of the United States or any person on board is in violation of any provision of this title or the regulations issued thereunder, search such vessel or conveyance and arrest such person;

(3) seize the animal products cargo of any vessel or other conveyance subject to the jurisdiction of the United States used or employed contrary to the provisions of this title or the regulations issued hereunder or which reasonably appears to have been so used or employed; and

(4) seize, whenever and wherever found, all animal products taken or retained in violation of this title or the regulations issued thereunder and shall dispose of them in accordance with regulations prescribed by the Secretary.

(e) (1) Whenever any animal product is seized pursuant to this section, the Secretary shall expedite any proceedings commenced under section 102 of this Act. All animal products so seized shall be held by any person authorized by the Secretary pending disposition of such proceedings. The owner or consignee of any such animal prodduct shall, as soon as practicable following such seizure, be notified of that fact in accordance with regulations established by the Secretary.

(2) Upon the assessment of a penalty pursuant to section 102 of this Act, all animal products seized in connection therewith may be proceeded against in any court of competent jurisdiction and forfeited to the Secretary for disposition by him in such manner as he deems appropriate.

(3) If with respect to any animal product seized a civil penalty is assessed under section 102(a) of this Act and no judicial action is commenced to obtain the forfeiture of such animal product within thirty days after such assessment, such animal product shall be immediately returned to the owner or the consignee.

By Mr. JAVITS:

S. 1654. A bill to provide for the extension of the Developmental Disabilities Services and Facilities Construction Act and for other purposes. Referred to the Committee on Labor and Public Welfare.

DEVELOPMENTAL DISABILITIES AMENDMENTS OF 1973

Mr. JAVITS. Mr. President, I introduce on behalf of the administration a bill to extend and improve the Developmental Disabilities Services and Facilities Construction Act.

Developmentally disabled children and adults have substantial handicaps which originate at birth or during childhood, and which are expected to continue throughout their life. The developmentally disabled can be found in any community and in every economic, racial, and ethnic group. There are about 5 million developmentally disabled individuals in our Nation today. They include mentally retarded, cerebral palsied, and epileptic persons, as well as other individuals handicapped by conditions related to mental retardation.

Experiencing disability during the crucial developmental years inevitably makes it difficult for disabled people to participate in the adult world of work and family and social life. Even if early hurdles can be surmounted, developmentally disabled individuals still confront many serious obstacles. They suffer a high unemployment rate, discrimination in housing, public transportation, and other community amenities, and a shortage of health and habilitation facilities, services, and personnel in their communities. Family income is often not adequate to meet the basic needs of the individual over a lifetime.

I am pleased that there has been an increasing degree of concern and activity aimed at improving the situation by public and voluntary efforts removing the barriers that prohibit this group of handicapped persons from the opportunity to lead full and productive lives.

I am also pleased that the administration has expressed a deep concern with improving the lives of the developmentally disabled and supported the objective of "deinstitutionalization"; that is, removing from institutions those persons who should be receiving family and community-based care. The Department of Health, Education, and Welfare has also issued proposed medicaid intermediate care facilities regulations that would set standards for institutions which care for many of our Nation's mentally retarded persons.

However, I am disappointed that the Department of Health, Education, and Welfare did not deem it appropriate to recommend under this measure for enactment into law my "Bill of Rights for the Mentally Retarded," which incorporates standards for the care, treatment, and protection of the mentally retarded. My introduction of the instant measure will in no way diminish my efforts and work to establish a national commitment for a "Bill of Rights for the Mentally Retarded." I feel strongly that the "Bill of Rights for the Mentally Retarded" should be enacted into law this year.

The present Developmental Disabilities Act, enacted less than 3 years ago, is valuable mechanism for improving the lives of the developmentally disabled through improving the delivery of services. In its brief existence, it has already established itself as a successful social service program and this bill to extend the Developmental Disabilities Act was drawn up by the Department of Health, Eduction, and Welfare.

The bill provides that the program should be extended for 3 years, an extension which would indicate continuing Federal concern for assisting the States to improve their capacity to utilize the resources available to them to benefit developmentally disabled individuals.

The most significant substantive

amendment proposed by the administration's bill is a change in the present definition of developmental disability to include "autism" which is far too limited a change.

Mr. President, I should like to assure concerned citizens that my introduction of the administration's bill is in no way any lessening of my commitment to broadening the definition of "developmental disabilities"—as I indicated during hearings on that measure—beyond the limited expansion of this bill. In fact, I believe an expanded definitional change is consistent with the original intent of the law and is necessary primarily because of the extremely narrow interpretation the Department has chosen to give "developmental disabilities." This amendment is proposed by the administration because some States have wished to include services similar or identical to those presently provided under the Developmental Disabilities Act. Thus, the work "autism" would be included in the definition. I believe this is true and, as I have indicated, other handicaps should be included in the definition.

Other amendments proposed in the bill are:

First. That the Trust Territories of the Pacific, Guam, American Samoa, and the Virgin Islands receive a minimum allotment of not less than $50,000, since amounts presently available under the formula are insufficient to carry out a developmental disabilities program or even assist significantly in establishing a program;

Second. Deletion of the requirement for Federal approval of State construction grant applications which causes undue delay in construction of needed community facilities, with resulting increases in the cost of construction.

Third. Provide a single Federal share for planning, administration, services, and construction—the current Federal share for construction is 66⅔ percent and for other activities in 70 percent—and make the Federal share for all activities 70 percent for fiscal year 1974, 60 percent for fiscal year 1975, and 50 percent for fiscal year 1976. I am concerned that the decreasing rate is intended to demonstrate that this program is basically a State responsibility and that Federal involvement is catalytic and temporary in nature.

Fourth. The bill would delete the 90-percent limitation on the Federal share with respect to any project in a poverty area. I am not convinced that each State should be able to apportion Federal funds within the State according to its over evaluation of local need, with its potential for neglect of poverty area special needs.

Fifth. Authorize States to pay for land acquisition from Federal funds as a part of construction costs.

Mr. President, I believe we should extend the developmental disabilities program, build upon the promise of the program's early years and point the way to continued improvements in the lives of persons afflicted with developmental disabilities.

Mr. President, I ask unanimous consent that the letter from the Secretary of Health, Education, and Welfare transmitting the proposed legislation, a summary of the bill, and the text of the bill itself be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Department of Health,
Education, and Welfare,
March 23, 1973.

Hon. Carl Albert,
Speaker of the House of Representatives,
Washington, D.C.

Dear Mr. Speaker: Enclosed for the consideration of the Congress is a draft bill "To provide for the extension of the Developmental Disabilities Services and Facilities Construction Act, and for other purposes." I am also enclosing for your convenience a brief summary of the major provisions of the bill.

We have been generally pleased with the operation of the programs authorized by the Developmental Disabilities Services and Facilities Construction Act. Our experience with those programs, however, has led us to the conclusion that some minor modifications in the statutory authority would improve the capacity of the Federal government and the States to work cooperatively to improve the lives of the developmentally disabled. The enclosed draft bill, in addition to extending for three years the programs authorized by parts B and C of the Developmental Disabilities Act, would amend those programs in ways which we believe will increase their effectiveness.

Amendments contained in the bill would eliminate the requirement of Federal approval of construction projects assisted with funds made available to States under part C of the Act. The effect of these amendments would be to simplify the approval process, and thereby decrease the time and funds required, for the construction of needed community facilities. This amendment is in accord with the President's objective of returning responsibility to the States and localities whenever possible.

Also in keeping with the Administration's philosophy of greater State responsibility, the bill would delete the 90 percent limitation on the Federal share with respect to any project in a poverty area. We believe the States should judge the needs of their communities. So long as the Federal share limitation with respect to States is met and so long as States meet the State plan provision requiring special assistance to urban and rural poverty areas, each State should be able to apportion Federal funds within the State according to its evaluation of local need.

In order to further simplify the administration of the programs authorized under the Developmental Disabilities Act, the draft bill would provide a single Federal share of State expenditures under the Act for planning, administration, services, and construction. Currently, the Federal share for construction is 66⅔ percent, and for other activities it is 70 percent. The amendment would make the Federal share for purposes of all activities under the State plan 70 percent for the fiscal year 1974, 60 percent for the fiscal year 1975, and 50 percent for the fiscal year 1976.

The draft bill would also amend the definition of developmental disabilities by including autism as a disability for which services would be covered under the Developmental Disabilities Act. This would allow for treatment, under the program, of autistic children, whose disability requires treatment similar to that provided to individuals with neurologically caused developmental disabilities. Concurrently, these individuals are excluded from participation in the program because of the lack of certainty over whether their disabilities are neurologically based.

Other amendments contained in the draft bill would provide a minimum allotment of $50,000 to the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands and would include in construction costs the cost of land acquisition.

We recommend prompt and favorable consideration of this bill. We are advised by the Office of Management and Budget that enactment of this proposed legislation would be consistent with the Administration's objectives.

Sincerely,

Frank Carlucci,
Acting Secretary.

Summary of the Proposed "Developmental Disabilities Amendments of 1973"

The first section of the bill provides the short title: the "Developmental Disabilities Amendments of 1973."

Section 2 of the bill would amend sections 121(a) (relating to authorization of appropriations for construction grants), 122 (b) (relating to authorization of appropriations for demonstration and training grants), and 131 (relating to authorization of appropriations for the formula grant program) of the Developmental Disabilities Services and Facilities Construction Act to authorize the appropriation of such sums as may be necessary to carry out the purposes of those sections for the fiscal year ending June 30, 1974, and each of the next two fiscal years.

Section 3 of the bill would amend section 132(a)(1) of the Developmental Disabilities Services and Facilities Construction Act to provide a minimum allotment of $50,000 for each of the territories. Currently the minimum allotment for the States is $100,000, but there is no minimum allotment for the territories.

Section 4 of the bill would amend various provisions of the Developmental Disabilities Services and Facilities Construction Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to eliminate the requirement of Federal approval of construction projects assisted with funds made available to States under part C (providing for allotments to States on a formula basis) of the Developmental Disabilities Services and Facilities Construction Act.

Section 5 of the bill would amend section 135(b) of the Developmental Disabilities Services and Facilities Construction Act (as that section would be redesignated by section 4 of this bill) to provide a single Federal share with respect to any State for planning, administration, services, and construction. Currently, the Federal share for construction is 66⅔ per cent, and for other activities it is 70 per cent. The amendment would make the Federal share for purposes of all activities in any State 70 per cent for the fiscal year 1974, 60 per cent for the fiscal year 1975, and 50 per cent for the fiscal year 1976.

Section 5 of the bill would also delete from the section redesignated as section 135(b) of the Developmental Disabilities Services and Facilities Construction Act the limitation on the Federal share with respect to any project located in a poverty area. Currently, the Federal share with respect to any such project cannot exceed 90 per cent.

Section 6 of the bill would amend section 401(e) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to include the cost of land acquisition in the construction costs which may be assisted with funds made available under the Development Disabilities Services and Facilities Construction Act.

Section 7 of the bill would amend the definition of "developmental disability" in section 401(l) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to include in the State program for developmental disabilities individuals suffering from autism.

Section 8 of the bill would make the amendments contained in the bill effective with respect to appropriations for fiscal years beginning after June 30, 1973.

S. 1654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Developmental Disabilities Amendments of 1973".

EXTENSION OF AUTHORIZATIONS

Sec. 2. (a) Section 121(a) of the Developmental Disabilities Services and Facilities Construction Act is amended by inserting after the first sentence thereof the following new sentence: "There are also authorized to be appropriated for such purpose such sums as may be necessary for the fiscal year ending June 30, 1974, and for each of the next two fiscal years."

(b) Section 122(b) of the Developmental Disabilities Services and Facilities Construction Act is amended by striking out "and" before "$20,000,000" and by inserting before the period at the end thereof "; and such sums as may be necessary for the fiscal year ending June 30, 1974, and for each of the next two fiscal years".

(c) Section 131 of the Developmental Disabilities Services and Facilities Construction Act is amended by striking out "and" before "$130,000,000" and by inserting before the period at the end thereof ", and such sums as may be necessary for the fiscal year ending June 30, 1974, and for each of the next two fiscal years".

MINIMUM ALLOTMENT FOR TERRITORIES

Sec. 3. Section 132(a)(1) of the Developmental Disabilities Services and Facilities Construction Act is amended by striking out "any State (other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands)" and inserting in lieu thereof "the Virgin Islands, American Samoa, Guam and the Trust Territory of the Pacific Islands for any such fiscal year shall not be less than $50,000, and the allotment of each other State".

ELIMINATION OF REQUIREMENT OF FEDERAL APPROVAL OF EACH CONSTRUCTION PROJECT

Sec. 4. (a)(1) The Developmental Disabilities Services and Facilities Construction Act is amended by striking out sections 135 and 136, and by redesignating sections 137, 138, and 139 as sections 135, 136, and 137, respectively.

(2) Section 123(a)(2) of such Act is amended by striking out "139" and inserting in lieu thereof "137".

(3) Section 134(b) of such Act is amended by striking out "and" after the semicolon at the end of paragraph (17), by redesignating paragraph (18) as paragraph (20), and by inserting the following new paragraphs after paragraph (17):

"(18) provide reasonable assurance that adequate financial support will be available to complete the construction of, and to maintain and operate when such construction is completed, any facility, the construction of which is assisted by funds made available pursuant to section 132;

"(19) provide reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on any construction project assisted with funds made available pursuant to section 132 will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a, 276a–5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c); and".

(4) The heading of the section of such Act redesignated as section 135 by paragraph (1) of this subsection is amended by inserting "CONSTRUCTION," after "PLANNING,".

(5) The heading of the section of such Act redesignated as section 136 by paragraph (1) of this subsection is amended by inserting "CONSTRUCTION," after "PLANNING,".

(6) The section of such Act redesignated as section 135(a)(1) by paragraph (1) of this subsection is amended by striking out ", other than expenditures for construction,".

(7) Section 140 of such Act is amended by striking out so much thereof as precedes subsection (b) (other than the section heading), striking out "(b)" and inserting in lieu thereof "Sec. 138.", and by inserting "construction," after "planning,".

(8) Section 142(a)(2)(A) of such Act is amended by inserting "which was used by the State in which the facility is located" before "to assist in financing the construction of the facility".

(b)(1) Section 401(h)(1) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended by striking out "part C of title I or".

(2) Section 401(h)(2) of such Act is amended by striking out "(A) for any project under part C of title I may not exceed 66⅔ per centum of the costs of construction of such project; and (B)".

(3) Section 401(h)(3) of such Act is amended by striking out "under part C of title I or".

(4) Section 403(a) of such Act is amended by striking out "section 134 in the case of a facility for the mentally retarded or persons with other developmental disabilities, or" and by striking out "section 136 or" and "as the case may be," from clause (2) thereof.

(5) Section 403(b) of such Act is amended by striking out "135 or".

(6) Section 404 of such Act is amended by striking out "135 or" and "136 or" from the first sentence thereof.

(7) Section 405 of such Act is amended by inserting "or section 135" after "section 403".

(8) Section 405(1) of such Act is amended by striking out "135 or" from clause (A) thereof and by inserting "(in the case of a community mental health center)" after "205" in such clause.

AMENDMENTS TO FEDERAL SHARE PROVISION

Sec. 5. The section of the Developmental Disabilities Services and Facilities Construction Act redesignated as section 135(b) by section 4(a)(1) of this Act, is amended to read as follows:

"(b) The 'Federal share' with respect to any State for purposes of this section shall be 70 per centum for the fiscal year ending June 30, 1974; 60 per centum for the fiscal year ending June 30, 1975; and 50 per centum for the fiscal year ending June 30, 1976."

INCLUSION OF LAND ACQUISITION COSTS

Sec. 6. Section 401(e) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended by inserting ", for purposes of title II of this Act only," before "the cost of the acquisition of land.".

INCLUSION OF AUTISM

Sec. 7. Section 401(e) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended by inserting "(including autism)" after "condition of an individual".

EFFECTIVE DATE

Sec. 8. The amendments made by this Act shall become effective with respect to appropriations for fiscal year beginning after June 30, 1973.

By Mr. SCHWEIKER:

S.J. Res. 97. A joint resolution to authorize and request the President to issue annually a proclamation designating the week beginning on the 14th day of May as "Diabetes Week." Referred to the Committee on the Judiciary.

DIABETES WEEK

Mr. SCHWEIKER. Mr. President, I am pleased today to introduce a joint resolution which would authorize and request the President to issue annually a proclamation designating the week beginning the 14th day of May as "Diabetes Week."

On February 26, 1973, the Senate Health Subcommittee, of which I am ranking Republican member, held hearings at my request on the problem of diabetes. I am confident this hearing, which I chaired signaled the beginning of a major national assault against diabetes. Whatever legislative measure emerges as a result of this hearing and the deliberations of the subcommittee will provide the blueprint for finding a way to more effectively deal with this problem. In my judgment, the Nation's diabetics, who up to now may have felt neglected by their Government, are entitled to a commitment to increase the effort against this disease and thus increase the chances for making some real progress in the detection and treatment of diabetes and, hopefully at some point, its control and cure.

I feel the problem of the incidence of diabetes is one to which we have not addressed much attention. Studies show there is a 9 percent increase each year in the diabetic population. An important factor is diabetic children. Until 1921, diabetic children died. There was no chance for them. After the discovery of insulin by Drs. Banting and Best in 1921, children and young adults survived, grew to maturity, and have been producing children with diabetes or with a strong inherited factor for diabetes. There are now about 8 million diabetics with a 50-percent chance of producing diabetic children.

If we are to face the facts squarely, we must realize that the discovery of insulin was not a cure as was originally felt, but only one step in the battle against diabetes, "the invisible disease." Is it because it is "invisible" that diabetes now dominates the medical scene yet so little is being done to solve the mysteries of this illness?

I have introduced S. 17, the "National Diabetes Research and Education Act," a followup to a bill I offered during the last session of the Congress, which was the first legislative proposal in recent history to address itself to the problem of diabetes. Its purpose is to expand and coordinate the research effort against diabetes and to advance patent, professional and public education activities to alert Americans to early indications of diabetes and to emphasize the significance of early detection, proper control, and the complications which evolve from the disease. Under this proposal, a national task force on diabetes, to include lay persons, would be established to formulate a long-range plan to combat diabetes. Also, the feasibility of operating model diabetes research, treatment and education clinics for detection, intervention and development of manpower would be tested.

We cannot legislate a cure for diabetes, but we can certainly establish a framework for a more effective diabetes program and provide the support necessary to carry out such a program.

It is my hope that this proclamation of "Diabetes Week" will call attention to the diabetic, his unique problems, and the means we must take to help alleviate the disease.

By Mr. HUMPHREY:

S.J. Res. 98. Joint resolution relating to nationwide gasoline and oil shortages. Referred to the Committee on Banking, Housing and Urban Affairs.

FUEL SHORTAGE EMERGENCY

Mr. HUMPHREY. Mr. President, today President Nixon is transmitting a message to Congress on national energy policy, calling for long-range programs to improve and protect America's energy resources. As this message is being reviewed, however, a national fuel shortage emergency already exists, demanding immediate action by the President. I regret that his message does not adequately address this immediate problem.

I am today introducing a joint resolution to provide the President with the necessary authority and tools to accomplish this essential task. This legislation directs the President to establish priorities of use for petroleum products and to assure their fair allocation to various sections of the Nation, while also acting to prevent anticompetitive practices in the petroleum industry. To carry out Presidential directives, as authorized by this resolution, an Emergency Fuels Allocation Board would be established in the executive office of the President and be provided with effective enforcement powers. This 5-member Board, appointed by the President by and with the advice and consent of the Senate, is to be representative of the production, transportation, protection, and use and consumption of all fuel resources, and of executive departments and agencies having a significant responsibility in these respective areas.

The Emergency Fuels Allocation Board is needed now to assure all sections of the Nation fair treatment in the allocation of increasingly scarce supplies of crude oil, fuel oil, gasoline, and other petroleum products. The warning signs of the fuel crisis have been with us a long time and emergency action must be taken to prevent serious difficulties in the months ahead. These shortages threaten the Midwest and other major areas of America with heatless homes in subzero weather, unharvested crops because of tractors without adequate fuel supply, school closings, and industrial shutdowns.

Because Midwest States are at the end of the pipeline, they have been the first to feel the pinch and continue to be especially hard hit by the scarcity of fuel. Already, many gas tanks are dry, and many independent suppliers are threatened with bankruptcy. Even if this were only a temporary emergency, the aftereffects will be long lasting. Many of these small independent oil dealers will be forced to close their doors.

It is incredible that, at present, there simply is no comprehensive national energy policy. The absence of this policy has resulted in the mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices.

Mr. President, the full impact of the gasoline and fuel shortage will be known in possibly 2 or 3 weeks.

I have received reports today that:

A number of our major and independent gasoline suppliers have pulled out of Minnesota entirely. This means they are no longer acting as jobbers to supply retail distributors with gasoline. These companies include Bell Oil and Triangle Refiners, both major suppliers.

Other major companies have sharply cut back their supplies to independent dealers associated with them. These include Gulf Oil, Sun Oil and Clark Oil which has discontinued distribution of all fuel except some gasoline.

Ninety-three independent gas stations have closed in the last few weeks because of the cutoff in supplies to them.

Another 200 independent gas stations are in immediate jeopardy according to the estimates of the Minnesota Petroleum Dealers Association. Some of these will be closed by the end of this week.

The Minnesota Association of Motor Transport reports that six or seven trucking firms have had their contracts for fuel oil and gasoline terminated by the suppliers. These important firms are still getting some fuel, but prices are increasing gradually and the suppliers refuse to negotiate new contracts because of the uncertainties of price and supply.

The independent stations whose supplies have been cut off have nowhere to turn. The major gasoline companies will not or cannot supply new independent customers because of quotas or limits below usual needs already established by their corporate headquarters. A specific case was reported to me of a well-established large independent gas station with a good credit rating. When the independent supplier cut off gasoline to this station, every major gasoline corporation was asked for assistance. All refused.

The situation with respect to diesel fuel for railroad trains may become difficult soon, although no cancellations are reported at the moment. A few months ago, however, the Burlington Railroad laid off some freight trains because of lack of fuel. This was true of some bus companies as well at the time.

Farmers across the State are finding that full deliveries cannot be made to them, even by the major gasoline corporations with whom they have been dealing over the years. Only partial deliveries of ordered fuel are being made in an increasing number of cases, thus creating uncertainty with respect to the farmer's ability to carry out his crop plan.

Governor Anderson of Minnesota has directed all State agencies to immediately carry out a plan for conservation of fuel and gasoline.

Mr. President, the joint resolution I am introducing today contains specific policy objectives to address this crisis, including certain recommendations recently made to the President by the Midwest Democratic Conference of Senators.

These policy objectives, to be carried out by Presidential directives and Board actions over the next 2 fiscal years, include:

The importation of sufficient amounts of crude oil, No. 2 fuel oil, and finished gasoline to meet current needs and to build up adequate winter stocks, without inhibiting the expansion of U.S. refining capacity, while also channeling domestic products to inland shortage areas.

The implementation of specific programs to promote the expansion of domestic fuel production capacity.

Allocating sufficient supplies of diesel and other fuels to railroads, electric utilities, and motor transport to provide essential services.

Assuring that any quota system by refiners is handled on a percentage basis across the board in a manner that will protect small independent suppliers.

And undertaking a public awareness program to inform people of the dimensions of the fuel shortage and to encourage voluntary action to curtail nonessential use of private transportation and living conveniences requiring electric power.

Mr. President, on the basis of an initial review, I do not believe President Nixon's message adequately addresses the fuel shortage emergency confronted by the Midwest, the Northeast, and other major areas of our Nation. It does not provide an effective mechanism to allocate supplies to shortage areas. It suggests a less-than-adequate effort will be made toward the development of new energy resources. And it fails to present an effective energy conservation policy.

In short, while certain recommendations in the President's message to increase fuel supplies are to be commended and supported, we must still wait for a truly comprehensive energy policy which meets the monumental challenge we face, and which provides for specific actions to address the fuel shortage emergency already having a severe impact upon major areas of America.

We are facing a critical gasoline and petroleum shortage. We have refineries in the Midwest that are operating at 20 percent of their capacity. Some of them get no crude oil at all. It is not sufficient merely to remove import quotas. We have to have a movement of the crude oil that comes into this country on an equitable basis to all sections of the country. Presently, when it comes to the eastern seaboard or the western seaboard, or to the Gulf States it has difficulty finding its way to our part of the country. The pipeline does not seem to reach that far and if it does, what comes out of the pipeline is less than adequate for our needs.

We are going to have not only an energy crisis, which is now upon us, but a food crisis unless we can have the petroleum products that are necessary in reference to the petro-chemical industry, the fertilizers, and fuel that is necessary for our tractors.

The boxcar shortage has reduced fertilizers by over 35 percent. Every projection of crop estimates by the Department of Agriculture is based on ample use of fertilizers to increase production. All we need to suffer is a 5 percent to 10 percent crop loss in the coming crop year, and this Nation and the world will face a national and international food crisis that will make the energy crisis look like a pleasant afternoon.

We are living on the borders of a food shortage. How many times have I heard in the Senate since I have been here about our surpluses? How many resolutions have been introduced to get rid of our surpluses? Now, there are no surpluses. Our export trade itself will be in jeopardy if we suffer any kind of crop loss. Many a farmer in the Midwest is today unable to put in his crop. Many a farmer in the Midwest, from Iowa, to Minnesota, to Kansas, all through that area, the producers of feed grain and wheat for much of America, could not plow their land because of a freeze that made it impossible to have a fall plowing, and it resulted in a crop loss of soybeans and corn of 10 to 20 percent.

Many farmers cannot get adequate fuel to operate their tractors. Mr. President, if you do not have your crop planted in my part of the country by the end of April there will not be any crop.

The American people should be aware of the dangers we face. There is the transportation crisis that does not permit us to move the crops we have or to bring in supplies of fertilizer. We have the energy crisis that does not permit us to have sufficient gas for tractors, which could result in a food crisis, which could bring about even higher prices for consumers, and very serious consequences for the country.

Mr. President, the fuel shortage emergency has only recently received critical attention in the press. I ask unanimous consent that, in addition to the text of my joint resolution, the following articles be printed at this point in the RECORD: "The Growing Gasoline Gap," in the April 16, 1973 issue of Time magazine; "Gasoline Runs Short Throughout the U.S.," by Thomas O'Toole, and appearing in the April 16, 1973, issue of the Washington Post; an article in the St. Paul Dispatch of April 9, 1973, on the serious problem of rising gas prices in Minnesota; and a three-part series of articles on the worldwide energy crisis, by Juan de Onis, William D. Smith, and John Noble Wilford, and appearing in the April 16–18, 1973 issues of the New York Times.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 98

Whereas the Nation is threatened by an immediate crisis in fuel supplies; and

Whereas there are serious shortages of gasoline, heating oil, and diesel fuel in parts of the Midwest and Northeast which have resulted in the closing of schools, the suspension or limitation of industrial operations, and thousands of homes without heat, serious cutbacks in railroad and motor transportation, the closing of independent gas service stations, and electric power shortages during peak use periods; and

Whereas thousands of oil dealers and suppliers are threatened with bankruptcy because their supply of fuel has been terminated; and

Whereas the combination of petroleum product shortages and relaxation of price controls has already raised prices substantially; and

Whereas major oil companies have instituted systems of gasoline rationing in the marketing of their products; and

Whereas the President's recent action to remove the limit on the power of the Oil Import Appeals Board to issue hardship allocations, while commendable, will not bring relief to the Midwest and other inland areas due to limited supplies of domestic crude oil and to the prohibitive cost of foreign finished products as well as increasing prices of foreign crude oil; and

Whereas there is at present no comprehensive national energy policy; and

Wheras the lack of such policy has resulted in the mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices; and

Whereas, notwithstanding such national policies respecting the protection, development, and allocation of energy resources as may be recommended in a Message to the Congress from the President or provided for in legislation enacted by the Congress, there exists an emergency fuel shortage requiring that certain extraordinary measures be taken by the Government of the United States to address transportation, heating, and power requirements in the Nation; and

Whereas it is contended that no Federal agency has authority to allocate fuel except with a declaration of a national emergency; and

Whereas immediate action should be taken by the Government of the United States to establish a system on an emergency basis for the equitable allocation of scarce petroleum products to assure that all areas of the Nation obtain a fair share of available petroleum supplies and to prevent anti-competitive practices in the petroleum industry: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President shall, after public hearing, conducted with such notice, under such regulations, and subject to such review as the exigencies of the case may, in his judgment, make appropriate, provide for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anti-competitive effects resulting from shortage of such products.

(b) To expedite the implementation of directives by the President, as authorized by this resolution, there shall be created in the Executive Office of the President an Emergency Fuels Allocation Board (hereinafter referred to as the "Board"). The Board shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. The members of the Board shall serve through the duration of authorities provided for under this resolution. The President shall designate one of the members of the Board to serve as Chairman. The members shall be representative of the production, transportation, protection, and use and consumption of all fuel resources, and of executive departments and agencies having a significant responsibility in these respective areas.

(1) Regular meetings of the Board shall be held at least twice each month, with emergency meetings scheduled on the call of the Chairman.

(2) Three members shall constitute a quorum, and decisions of the Board shall be made by majority vote.

SEC. 2. (a) In order to carry out the provisions of this resolution, the Board is authorized to—

(1) appoint and fix the compensation of personnel of the Board in accordance with the provisions of title 5, United States Code;

(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Board and delegate authority to any officer or employee;

(3) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(4) appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise it with respect to its functions under this resolution;

(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 3676 of the Revised Statutes;

(7) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible, or intangible;

(8) take such actions as may be required for the accomplishment of the objectives of the Board; and

(9) make contracts with public or private nonprofit entities to conduct studies related to the purposes of this resolution.

(b) Upon request made by the Board, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Board in the performance of its functions with or without reimbursement.

(c) Each member of a committee appointed pursuant to clause (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall be compensated at the rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

(d)(1) The Board or any duly authorized subcommittee or member thereof may, for the purposes of carrying out the provisions of this resolution, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Board or such subcommittee or member may deem advisable. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board or before such subcommittee or member. Subpenas may be issued under the signature of the Chairman or any duly designated member of the Board, and may be served by any person designated by the Chairman or such member.

(2) In the case of contumacy or refusal to obey a subpena issued under paragraph (1) by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States at the request of the Chairman of the Board, shall

have jurisdiction to issue to such person an order requiring such person to appear before the Board or a subcommittee or member thereof, there to produce evidence is so ordered, or there to give testimony touching the matter under inquiry. Any failure of such person to obey any such order of the court may be punished by the court as a contempt thereof.

SEC. 3. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(59) Chairman, Emergency Fuels Allocation Board."

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(96) Members, Emergency Fuels Allocation Board (4)."

SEC. 4. Specific policy objectives to be carried out by Presidential directive and Board actions shall include, but not be limited to, the following:

(a) The importation of crude oil in sufficient amounts to meet the input requirements of coastal refineries, simultaneous with the allocation of adequate domestic crude supplies to inland refineries and guaranteed on a long-term basis in order to encourage the expansion of refining capacity;

(b) The importation of number 2 fuel oil in amounts sufficient to build up stocks for the next heating season;

(c) The importation of finished gasoline to East and Gulf Coasts under conditions that insure that domestic product which would otherwise be distributed in those markets is channeled for delivery to inland shortage areas;

(d) The allocation of sufficient supplies of diesel and other fuels to railroads, electric utilities, and motor transport to provide essential services;

(e) Under any policy or practice of allocations by refiners to marketers, any reduction of supplies by a refiner to any customer whom he has supplied regularly over a reasonable past period shall be in line with quotas established by the Board utilizing this base period in which regional supplies and demands were in approximate balance, and the same percentage reduction shall be applied to all customers of such refiner, regardless of whether such customers market under the refiner's brand name or their private brand names;

(f) As an alternative to price controls on fuels and to meet emergency fuel shortages in the absence of refinery expansion, it shall be a general policy to permit expanded importation of crude oil and gas and to encourage maximum gasoline yields by domestic refiners.

SEC. 5. The Board shall implement specific programs to promote (a) the expansion of domestic refinery capacity consistent with reasonable requirements of environmental protection; and

(b) public awareness of the dimensions of the fuel shortage crisis in the United States, and voluntary action to curtail nonessential use of private transportation and of living conveniences requiring electric power.

SEC. 6. The Attorney General is directed to take such steps as may be necessary to assure that during the existing fuel shortage emergency, marketing practices by major refiners and fuel allocation policies by the Government of the United States are not detrimental to the maintenance of a viable competitive domestic petroleum industry and do not result in a foreclosure to independent marketers of supplies from major oil companies.

SEC. 7. The authorities provided for in this resolution shall be effective through the fiscal year ending June 30, 1975.

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this resolution.

[From Time Magazine, April 16, 1973]

THE GROWING GASOLINE GAP

Cassandras of the energy crisis have long warned that some day gasoline rationing would allow only a few gallons per customer and that autos, buses, police cars and fire trucks across the nation would be stranded for lack of fuel. Suddenly, some day seems ominously close. Many parts of the country are, in fact, short of gasoline and diesel fuel. The scarcities threaten to persist, at least in some localities, throughout the peak summer driving season.

Texaco, the nation's largest marketer of gasoline, is already allocating its distributors only as much fuel as they received last year, even though demand is up. Gulf has declined to continue supplying diesel fuel to the Metropolitan Atlanta Rapid Transit Authority, and the city's 606 buses will be stalled if another supplier cannot be found by April 30. For the first time in memory, authorities in Des Moines and Boston have not received a single bid for contracts to supply city vehicles. Boston's police and fire departments have only enough gas to last through June.

Independent oil marketers—the chains of off-brand stations that buy surplus gasoline and resell it at discount prices—are being squeezed hardest as major oil companies save what gas they have for their own stations. White Eagle Oil Co. of Chico, Calif., closed six outlets last month; Gibbs Oil Co., a 350-station chain in the Northeast, has shut 15 stations and may put others on short hours. Eleven Sears, Roebuck & Co. outlets around Miami have begun to limit motorists to ten gallons per visit. Metro 500 of Minneapolis has temporarily closed 16 of its 17 stations, and Owner Paul Castenguay is keeping the sole survivor open only by stealth: late at night he drives his tank truck to major-brand stations where friends will secretly sell him a few gallons, on which Castenguay makes no profit.

Refineries are simply not turning out as much gasoline as motorists want to buy. Production currently is running around 42 million bbl. a week, but consumers are buying about a million barrels a week more than that. The excess is being siphoned out of gasoline inventories, which are about 16% below those of a year ago. This summer, demand is expected to hit 50 million bbl. a week. One main reason: manufacturers put nearly 11 million new cars on the highways last year, and more of them than ever before are equipped with air conditioning and other power options that reduce gas mileage.

Independent marketers, who have captured 22% of the retail gasoline trade, suspect that major oil companies have contrived the shortage to force them out of business, drive up prices, and silence environmental critics. They note bitterly that despite the gas shortages last week the nation's refineries worked at only 88.7% of capacity, the lowest level since last November.

Spokesmen for the major oil companies claim that refinery runs are down because their stocks of unrefined crude oil are dwindling in the face of a worldwide tightness of supply. Lowered gasoline output also reflects the fact that last winter oil companies shifted much refinery capacity to production of home-heating oil; they are just beginning to switch back. In addition the Cost of Living Council last month reimposed mandatory price controls and profit-margin limits on the petroleum industry; one effect is to discourage many refiners from importing expensive foreign crude to augment their supplies. Further exacerbating the problem, environmentalists have recently blocked construction of new refineries that they feared would cause ecological damage along the coasts of California, Delaware and the Gulf of Mexico.

Executives of major oil companies suggest a number of predictable remedies for the shortage: raise the oil-depletion allowance so that they can afford to spend more money on exploration; lift price controls so that they can raise gasoline prices to levels that would discourage consumption; and delay proposed federal antipollution standards that seem likely to cut auto gas mileage.

POOLS

In Minnesota, where at least 113 independent stations have closed already, the state legislature has taken another tack. It is considering a bill that would force major oil companies to sell independents at least 10% of all gasoline brought into the state. In Washington, D.C., Darrell Trent, acting director of the Office of Emergency Preparedness, suggests that commuters form car pools or take public transportation to work and that states reduce highway speed limits because cars consume less fuel at lower speeds.

Many independent marketers favor removing all restrictions on imports of foreign oil. President Nixon is unlikely to go that far, but he is expected shortly to replace quotas, at least temporarily, with a tariff system that would permit much more crude oil to be imported at higher prices. If that step is taken, Administration officials are convinced that the nation can get through the summer suffering nothing worse than localized gasoline shortages and some rise in prices. There is one major hitch: if refineries produce enough gasoline to meet peak demand this summer, they may have to curtail heating-oil output enough to threaten more chill-outs next winter.

[From the Washington Post, Apr. 16, 1973]

GASOLINE RUNS SHORT THROUGHOUT THE UNITED STATES

(By Thomas O'Toole)

What began 10 days ago as spot scarcities of gasoline in a handful of states has now blossomed into a coast-to-coast shortage.

It is not so bad that motorists can't buy gasoline, but it is serious enough to have forced the closing of hundreds of discount and off-brand gas stations whose supplies have been cut off by the major oil companies. It is also bad enough to have closed major-brand stations in states like Minnesota and Florida that are at the end of the gasoline distribution network.

"These are the states that are on the drag end of the pipeline system," said an official of Gulf Oil Corp. "Things are very tight right now in Florida, where there isn't even a refinery to help things out."

The Middle West has been hit hardest by the shortage. Metro 500 of Minneapolis has closed 21 of its 22 stations. All last week, gas stations in northern Illinois found themselves out of either regular or premium gasoline. Gas stations throughout Iowa were being rationed to between 70 and 90 per cent of what they got last year, even though demand was running 10 per cent ahead of last year's pace.

Oil jobbers (wholesale distributors) insisted it would get worse in the Middle West. Over the weekend, a refining subsidiary of Kerr-McGee Oil Co. named Triangle Petroleum closed its storage terminals in Des Moines, Kansas City, Chicago and Madison, Wis., a move that cut off independent distributors in a four-state region from a 25 million gallon gasoline supply.

"There's no question it's going to close a lot of independents," said William Deutsch, who represents all the independent marketers in Illinois. "It will even put some of the branded stations in trouble."

Things were almost as bad in New England, where an average of five stations were closed in both Connecticut and Masachusetts each day of last week.

Sure Oil Co. was forced to close 12 of the 50 stations it runs in Massachusetts and Connecticut. Sure said it had been getting 40 tank-loads of gasoline per week, was cut back to 20 two weeks ago and has been told it will be down to 10 in another two weeks.

Rural Connecticut has been hit especially hard. Sure closed three Save-Way stations selling the only discount gas in the farm country of eastern Connecticut. Several distributors of bulk gasoline in the same region of the state have been told they will get no gas next month, which means that the farmers they serve exclusively will have trouble getting gas for their tractors.

Further south, things aren't that bad, but neither are they very good. The Greenbelt Consumer Services, Inc., which runs a chain of 10 stations that discount BP gasoline in the Washington area, has just been told that the 9 million gallons that BP supplies it with every year will not be forthcoming after July 9.

"They've cut us off from the only supply of gasoline we've had for the last 10 years," said Eric Waldbaum, president of Greenbelt Consumers Services. "We've gone to other suppliers, who have all told us they don't have enough to service us or any other new customer that might come along."

One of the ironies of the sudden shortage of discount gas is that the major oil companies are getting into the discount business at the same time that the independents are being forced out of it.

Exxon is now marketing discount gas under the brand name Alert at 16 stations in four states. Gulf discounts gas under two labels, Economy and Bulko. Shell markets it under the brand name Ride, Mobil under the name Cello. Phillips Petroleum discounts Blue Goose and Red Dot gas.

The emergence of the big discounters come at a time when major oil companies are closing their unprofitable brand name stations all over the U.S.—stations that are more than 300 miles from a refinery, have only a few pumps and do auto repair.

Exxon is in the process of closing 150 of its 400 retail stations in Illinois, Michigan, Wisconsin and Indiana. Gulf has put up for sale 3,500 stations in 21 states, from Illinois across the country to California and Washington State. BP has already pulled out of the Northeast, and Sun Oil Co. has withdrawn from Tennessee and most of the upper Midwest. Cities Services, Atlantic Richfield and Phillips Petroleum are also closing stations.

The oil companies insist that the big reasons for the gas shortage are a worldwide shortage of "sweet" (low sulfur) crude oil and a nationwide shortage of refinery capacity. They claim they need five new refineries a year to keep up with demand. They point out that not one new refinery is being built in the U.S. today.

The refinery shortage is so acute that the independent refineries find themselves being courted with more fervor than at any time in memory. An aide to Rep. Robert H. Steele (R–Conn.) claims that the competition for refined products like gasoline is one reason Sure Oil has had to close some of its Connecticut stations.

"The company was about to negotiate a contract with a Canadian refinery," the aide said, "when a major oil company offered to buy the refinery's product at the same prices Sure offered but won the contract when it guaranteed to supply the refinery with crude oil."

The head-to-head combat between the major oil suppliers and the independent distributors is bound to get worse as the gasoline shortage gets worse.

Greenbelt Consumer Services has filed a formal complaint with the Federal Trade Commission protesting the move by BP that will cut them off from gasoline, and in the only known court action so far a federal judge in Phoenix ordered Phillips Petroleum to restore gasoline sales to a discount chain it tried to cut off.

Meanwhile, the gasoline shortage itself promises to get worse as motorists take advantage of the improving weather. Last week, Detroit, Indianapolis, and Boston reported that they did not receive a single bid for contracts to fuel city vehicles. For the first time in history, they faced the prospect of being unable to run police cars and fire trucks because of the gasoline shortage.

OIL COMPANY SPOKESMAN SAYS GASOLINE PRICES COULD SOAR: URGES NIXON TO ACT

(By Harry Hite)

A spokesman for independent oil companies in Minnesota warned today that gasoline prices could "skyrocket" to cost between 55 and 70 cents a gallon for regular gasoline by summer unless there is intervention by the federal government.

John Swanson, executive secretary of the Minnesota Independent Retailers Association, said there may not be any independent gasoline stations remaining in the United States "unless the government steps in to get petroleum supplies for independents."

He said the sharp upswing in gasoline prices would occur if independents can't get relief from their current gasoline supply problem.

Retail prices for the major oil companies have been frozen by the government, while the wholesale price of gasoline to independent stations has gone up for 3 to 4 cents a gallon, according to Swanson.

Swanson said he can't see any significant help for independents if they are able to obtain finished petroleum products from foreign countries.

Swanson said there's a possibility that the wholesale cost of imported gasoline will be almost at the current retail price at independent stations.

"If independents are still in business," he said, "the imported gasoline will cost them 33 to 34 cents a gallon for regular."

Swanson said some private brand independent stations are now selling regular grades of gasoline at the same price as major dealers.

A majority of the major stations are getting 38.9 cents a gallon for regular gasoline and 4 cents more for premium, although some majors are at 34.9, 35.9 and 36.9, according to Swanson.

He said that independents are selling regular gasoline in a range of 31.9 to 36.9 cents a gallon in the Twin Cities area, with premium 2 cents higher.

Swanson said about 50 independent stations closed in the Twin Cities area in March and approximately 22 more stations have gone out of business so far in April.

"If the independent oil companies are unable to purchase petroleum products for sale through their service stations," Swanson said, "there will be about 75 to 80 more stations closing by the end of the month in Minnesota."

Swanson said he has been informed that Crown Oil Co. will be closing 10 of their 52 stations in Minnesota and Wisconsin in April.

He said Big Discount Stations had been forced to close 12 of their 14 stations in Minnesota because of a cut in their gasoline allocation.

[From the New York Times, Apr. 16, 1973]

MASTERY OVER WORLD OIL SUPPLY SHIFTS TO PRODUCING COUNTRIES

(By Juan de Onis)

RIYADH, SAUDI ARABIA, April 4.—In a dramatic rise in economic power, the oil-exporting countries have broken the mastery of Western oil companies over production and marketing and imposed their terms on the biggest commodity in international trade.

"We are in a position to dictate prices, and we are going to be very rich," said Ahmed Zaki al-Yamani, Saudi Arabian Minister of Petroleum Affairs, whose Government is accumulating foreign reserves from oil exports at a rate of $4-billion a year.

Ambitious economic development plans and large military expenditures by the Middle Eastern and North African oil countries are absorbing most of this income now, but in the near future the major petroleum exporters are going to have to decide how to use more money than they can invest at home.

The wealth being amassed by the producer countries as a result of having forced oil prices to double since 1970 is on a scale that affects international monetary relations and intensifies the balance-of-payments problems of industrialized countries, including the United States, where President Nixon is expected to send an energy message to Congress soon.

World petroleum consumers can expect steadily rising prices and threats of political manipulation of supplies by some producers. However, there is a consensus that the flow of Middle Eastern oil will increase if there is no new Arab-Israeli war.

The political implications of this new oil power in the Middle East, where Arab nations are major producers, are not yet fully clear. Both radical and moderate Arab leaders see it as a potential turning point in relations with the West regarding their conflict with Israel, but there is no agreement on whether to use oil as a "weapon" by limiting or halting supplies.

In Western European countries such as France and Italy, which are heavily dependent on Middle Eastern and North African oil, the situation clearly influences their policy of cultivating Iraq and Libya, both big producers, and of selling them arms.

"When a million little Bedouins in Libya have the power, by denying their oil, to paralyze the economy of a modern European nation of 50 million people such as Italy, that is a ridiculous situation, but that is where we are," a European oil-company official commented.

As for the United States, the supply of oil from the Middle East has not been a vital source for domestic consumption until now. A recent study by the organization for Economic Cooperation and Development, which includes the major industrialized nations, forecasts that by 1980 the United States will depend on imports for 40 per cent of its oil, compared with 21 per cent in 1970.

LOOKING TO THE FUTURE

To find out what the Middle Eastern producing countries want to do with their new bargaining power in the market and the political arena, and how they plan to invest their growing wealth, Arab petroleum leaders and development planners were interviewed along with Western oil-company executives, bankers, oil consultants and diplomats in the region and in Europe. The interviews turned up a wide range of views, but there was general agreement on these main points:

There is little likelihood of even a partial political boycott of sales to Western allies of Israel unless there is a renewal of Arab-Israeli hostilities on a large scale, in which case a serious oil crisis could develop.

Prices will continue to rise, with supplies keeping pace with growing demand while the producing countries seek greater earnings to finance domestic development. Monetary stability and security for investments abroad will be necessary if production is to keep on expanding beyond what is needed to finance domestic growth.

Greater cooperation between producers and consumer governments is necessary to solve trade, monetary and investment problems arising out of the huge surpluses from oil earnings. This could include more industrial projects in the region using Middle Eastern resources and capital, but with export access to Western markets.

OLD ARRANGEMENTS DISPLACED

The new-found strength of the producer countries grows out of their reecnt success in recovering control over their resources. In the past control rested in the major Western oil companies under long-term concessions.

In Saudi Arabia the major concession, going back to an exploration permit in 1932, was obtained by the Arabian American Oil Company, formed by Standard Oil of California, Texaco, Exxon and Mobil.

In Kuwait the major concession was split in equal shares between British Petroleum and Gulf. In Iraq development since 1927 was through joint companies owned by the British Petroleum, Royal Dutch Shell, Campaignie Française de Pétroles, and, with lesser shares, Mobil and Exxon.

In Iran the so-called Western consortium, led by British Petroleum, had as participants all the Western companies operating in Saudi Arabia, Kuwait and Iraq, plus six small American independents with token shares.

The same companies, with minor exceptions obtained the principal concessions in the small sheikdoms—protected by the British until recently—of Bahrain, Qatar, Abu Dhabi, Dubai and Oman, which are on top of some of the world's richest oil fields along the Persian Gulf and the Gulf of Oman.

10 CENTS A BARREL

With wells that commonly produce 10,000 barrels a day, the cost at the wellhead in the area is estimated at 10 cents a barrel. There is no cheaper oil, though some of the low-sulfur grades—they cause less pollution—command a premium.

Under the traditional concession terms the companies decided how much oil to produce, where to sell it and how much to charge. The host government received a fixed royalty, usually 12.5 per cent of the sale price, and a tax, which was eventually fixed in the nineteen-fifties at about half the net sale price after deducting the royalty and production costs.

That system led to a dispute between the companies and the governments in 1960 that would prove fateful. With oil supplies relatively abundant and competition from small independents undercutting prices, the major companies announced a reduction in posted prices—those on which taxes are calculated—in the Middle East, thereby reducing governmental revenues.

The host countries protested against the "unilateral" decision, but the companies insisted on their freedom to set prices. The result was that Iran, Iraq, Kuwait and Saudi Arabia, joined by Venezuela, formed the Organization of Petroleum-Exporting Countries in Baghdad in September, 1970.

Initially they sought only to restore the posted prices to the levels of August, 1960, and they were largely unsuccessful until after the 1967 Arab-Israeli war, which brought the closing of the Suez Canal. Then their bargaining position improved.

OWNERSHIP BEING ENLARGED

By 1969 they were engaged in a full-scale assault on the concession system. Their effort has borne fruit in the last two years through measures establishing the right of host governments to fix prices and to obtain part or full ownership of oil resources through participation agreements or outright nationalization.

An oil executive, describing the change in relations between companies and governments as a shift from the tribal to the national concept in the Middle East, said: "It is only recently, with the Westernization of the Arab mind, that they have sought to exercise the full sovereign rights of a nation-state over its physical territory and its national resources."

A major factor in the new shape of the world oil relationship has been that the exporters' organization, expanded to include the 11 top producers, which provide 80 per cent of the oil in the world trade, has maintained a solid bargaining front. At the same time the Western companies and their governments have shown little ability to deal effectively with producer demands.

Government-owned European companies, such as Compagnie Francaise des Pétroles and Ente Nazionale Indrocarburi, as well as American independent companies in competition for crude, have been prepared to accept Arab terms on prices and ownership that undercut the concession agreements.

"Too many companies look only to their own short-term interests and forget about the long-run effects, which is why the producers are on top," said an economist for one of the big American concerns.

LIBYAN OUTPUT SLASHED

Critics of Western policy tend to emphasize the breakdown of company unity in 1970, when Libya, under her new revolutionary leader, Col. Muammar al-Qaddafi, demanded an increase in posted prices and tax rates and threatened to cut production. Libya was then supplying about 25 per cent of Western European oil because of the transportation advantage she enjoyed as a Mediterranean country in view of the closing of the Suez Canal.

The companies fought the increases for seven months, during which Libya cut production by 800,000 barrels a day from a high of 3.3 million. The Libyans, holding more than $2-billion in reserves then, could afford to squeeze the companies.

The break came when Occidental Petroleum, an independent American concern getting a third of its crude from Libya, accepted the new terms, which raised the posted price by 30 cents a barrel. The other companies, including such major ones as Shell, Texaco and Standard of California, followed suit. The critics say the major companies could have held the line by supplying Occidental with crude.

The outcome of the Libyan dispute with the companies was a milestone. Within a few months the Persian Gulf producers were demanding a 45-cent increase in tax payments per barrel. The companies settled for 30 cents in 1971, to rise to 50 cents in 1975.

Subsequently the producers demanded a periodic increase in prices to offset devaluation of the currencies in which their Western customers paid. This was accepted by the companies.

NATIONALIZATION BY ALGERIANS

In other actions influencing the attitude of the companies, Algeria nationalized her vast natural-gas fields in 1971 and took over 51 per cent of oil concessions on behalf of her national company, Sonatrach. This broke the favored position of French oil companies in France's former territory.

A long-festering dispute with the Western-owned consortium in Iraq reached a climax in June, 1972, with the nationalization of the big Kirkuk field. An attempted legal blockade of sales was undermined by the decision of the French national concern to continue buying 23 per cent of the Kirkuk crude and by purchases by Communist countries and such countries as India and Brazil.

Kuwait and Abu Dhabi drew on their huge wealth to lend Iraq money to offset her temporary loss of export revenue. The Soviet Union, which had become a close ally of the left-wing Iraqi Government, accepted oil on barter.

At the end of nine months the companies reached a settlement with Iraq surrendering the Kirkuk field in exchange for future delivery of 110 million barrels of oil and the right to expand production at the Basra field in partnership with the Iraqis.

The threat of nationalization, which became a reality under the revolutionary governments in Algeria, Libya and Iraq, has convinced the companies to accept more gradual participation agreements with Saudi Arabia, Kuwait, Abu Dhabi and Qatar. The accords give the host countries an immediate 25 per cent share of the concession companies, which agreed to hand over 51-per-cent control by 1982. Compensation for the partial take-over has been estimated at about $1-billion.

INVESTMENT IN PRODUCTION

Because of enormous increases in income, it has become easy for the Middle Eastern countries to buy out the oil companies and to assume additional responsibilities for investment in production.

The revenues for 1971–75 are estimated at $30-billion, without including adjustments for currency devaluations and the higher prices paid for the governmental share in jointly produced oil.

In the case of Saudi Arabia—the world's largest exporter, shipping six million barrels a day—the increase is from 90 cents a barrel in 1970 to $1.75 now.

Company profits per barrel are estimated at 25 cents, compared with 40 cents in the early sixties, but volume has doubled. Most of the price increase has been passed on to the consumer—and more expensive oil is to come.

The escalation of prices is built into the existing agreements, which expire in 1975. But can the industrialized countries, which are the major consumers, live with steadily rising prices? What are the exporters going to do with all their money?

The two questions are closely linked, and experts on both sides are searching for answers in this new area of international relations.

SAUDIS: KEY TO FUTURE

Saudi Arabia is considered by many Western observers to hold the key to the future. With the largest proven reserves in the world, placed at 145 billion barrels, the desert kingdom has more oil than the United States and Latin America together, and much exploration remains to be done.

On the basis of known reserves, it is estimated that the Saudis could push production to 15 million to 20 million barrels a day by 1980—the estimated import requirements of the United States and Japan at the end of the decade.

Other Middle Eastern exporters have less potential on the basis of present reserves. Iran talks of reaching eight million barrels a day; Iraq could go to four million to five million; Kuwait and Abu Dhabi are in a range of three million to four million.

Taken with the potential for expanded oil and gas production in Libya, Nigeria, Algeria, Venezuela and Indonesia, the Middle Eastern resources are sufficient to avert shortages in Europe, Japan and the United States.

The question is whether the Middle Eastern producers, led by Saudi Arabia, will want to increase output sufficiently, and at what price.

The alternatives, which are under active discussion in the Saudi Government, led by King Faisal, who has ruled since 1962, were discussed in an interview by Sheik Yamani. The Petroleum Minister is 42 years old, studied law at Harvard and has been an adviser to King Faisal for 13 years.

He spoke of his country's enormous needs for investment in education, health, roads, power and social welfare as well as industrialization. "This is a very big country and we are starting from scratch," he said, looking at a large relief map on the office wall.

It shows Saudi Arabia spanning the Arabian Peninsula, from the mountainous western region along the Red Sea to the Persian Gulf on the east, where the oil-rich desert sands slide into the sea. Strategically situated, its 870,000 square miles make it more than three times the size of Texas.

Population figures are uncertain—the first modern census is planned for next year—but there are estimated to be five million to six million people. Some are Bedouins, shepherding flocks on sparse desert grass; many more are villagers who have gotten their first schools, regular water supply and electricity.

In sharp contrast, the oil companies have introduced a highly modern sector of petroleum exploration, pipelines, refineries and big terminals where the world's largest tankers load oil. The industry, employing only 15,000 people directly, generates 95 per cent of exports and close to 60 per cent of national income.

In the larger cities such as this inland capital and the ports of Jidda and Dhahran, there is much that is modern in stores, television, airports and a growing network of highways. But there is also much visible poverty, with large shantytowns holding families that have come to the cities with primitive ways. They keep their goats in pens around shacks made of old boards and tin, and the women carry water in jugs from a few communal taps. Barefoot children abound.

IN THE FUTURE, A PARADISE

"Saudi Arabia will be a paradise in another 10 or 20 years," Sheik Yamani said, not boastfully but with quiet self-assurance. He was referring to the large-scale development programs that are under way in a five-year economic plan that calls for $11-billion in spending, including defense.

The plan is in its fourth year, and a new one to begin next year is under study. Hisham Nasr, an economist with a master's degree from the University of California at Los Angeles who is head of the planning organization, said it would be budgeted at $40-billion.

Some Western observers doubt that the Saudis can spend that much on domestic development, mainly for lack of projects and skilled manpower. The sources said that the more modest plan now in effect was behind schedule because of contract problems.

A major investment in the last 10 years has been in scholarships for study abroad in technology, administration and economics. Many of the several thousand people who benefitted can be found in Government ministries and enterprises and in private concerns.

Sheik Yamani points with particular pride to the establishment here of a higher institute of technology, the Petroleum College, which is turning out hundreds of Saudis trained in applied engineering.

INCREASED DEFENSE OUTLAYS

After development investment absorbs all it can, there will still be a surplus in oil revenues.

Some will go into defense spending. Saudi Arabia, a conservative, anti-Communist country, views with suspicion such left-wing governments as that in the Southern Yemen, on its southern flank, and the Chinese-backed rebellion in Oman.

The Saudi Air Force has been spending hundreds of millions of dollars acquiring British Lightning jets and has begun to get delivery on an order for 20 United States Northrop F-5 jet trainers and 30 F-5E fighters, which are very modern aircraft that cost $2.7-million each. The Saudi Army is receiving delivery of tanks from France under a $350-million contract.

Even the defense spending, budgeted now at $1-billion a year, will leave large surpluses. Sheik Yamani's solution is for Saudi Arabia to embark on a major industrialization program, emphasizing industries that can absorb energy sources here.

Speaking of the United States he said: "Remove from your economy industries that are now absorbing a lot of energy, such as aluminum, and install them here. This will provide demand for capital goods which you produce and get you back something in equipment sales while reducing your energy demand."

He recognized that this model of interdependent economic relations between oil exporters and industrial countries would require the opening of the developed countries' markets to imports of manufactures.

"The alternative is that there will be an enormous financial accumulation in our hands," he remarked. "Do you want to gamble on that?"

WARY OF FOREIGN PROJECTS

The possibility that oil exporters will invest surplus resources in financial holdings overseas or industrial enterprises in distant countries is viewed with growing reluctance in the Middle East.

Some investment is likely in so-called downstream oil ventures, such as overseas refineries and tanker fleets to deliver the oil of the national companies set up by most of the producers. Ten Persian Gulf producers, led by Kuwait, are setting up a tanker company with initial capital of $500-million.

Beyond that, there are doubts here whether it is desirable to raise output to earn more foreign currency than can be invested. Prince Saud, the Saudi Deputy Minister of Petroleum Affairs, said: "It may be that oil reserves in the ground are more valuable in the long run than financial reserves in a foreign bank."

The management of the monetary reserves is already a headache for the oil-exporting countries in view of currency instability. Middle Eastern bankers say that 80 per cent is held in bank deposits in Europe and the United States or as foreign government securities. About 20 per cent is invested in equity holdings in banks, real estate and enterprises.

ROLE IN MONEY CRISIS DENIED

Financial authorities in Saudi Arabia and in Kuwait, which, with the help of British advisers, is probably the most advanced Middle Eastern country in financial management, scoff at reports that the holdings contributed significantly to the recent dollar crisis. "We were hurt by the dollar devaluation," a Saudi financial official said. In Kuwait a parliamentary debate on foreign investment heard a report that Kuwait lost $50-million to $60-million in the recent currency crisis.

Other large producers, with larger populations than Saudi Arabia and the Persian Gulf sheikdoms, have development needs that require maximum exports to finance investment and defense.

This is the case in Iran, with 30 million people and a five-year development plan calling for $23-billion in development investment, plus $2-billion for arms. Algeria is planning to spend $2.6-billion on development this year and Iraq more than $1-billion.

In the view of Western oil analysts, the development plans and military expenditures are the best guarantee that supplies will continue to flow, at least for the immediate future.

In the long run, on the other hand, the situation points to greater economic and political power for the Middle Eastern oil countries. With the exception of Iran they are all, to a greater or lesser degree, at odds with the United States policy of support for Israel, and they expect that a world that depends increasingly on their oil will eventually give more weight to their views.

ENERGY CRISIS: SHORTAGES AMID PLENTY

(By William D. Smith)

There is no physical shortage of energy resources in either the United States or the world for the foreseeable future and yet Americans may spend the rest of this decade coping with brownouts and blackouts and perhaps even rationing of gasoline, heating oil and natural gas.

The key to this paradox is that although there is plenty of energy it may not be available or acceptable because of price, environmental effect, geographic and political considerations, or technological capability.

The energy crisis, a phrase that covers several distinct energy-related problems, is basically an immediate problem. If the right decisions are made now, according to most informed sources, there should be no crisis over the long term.

But the immediate problem is not a simple one. It is basically logistical—developing new oil fields, building refineries and nuclear reactors, establishing energy conservation programs—and there appears to be a very good chance that it cannot be resolved in time for the country to avoid difficulties.

At present, for example, although there is a shortage of suitable oil refining capacity in the United States, not one new refinery is being built. Although the size of new tankers is climbing from 250,000 tons to 500,000 tons, America does not have a single port that can accept a loaded ship of more than 80,000 tons.

Thus, in one sense, whatever President Nixon proposes in his upcoming energy message is probably already too late.

"To be effective it should have been President Johnson's energy message and been delivered six years ago," one Washington source commented. He was not trying to shift the blame for possible problems from the Republicans to the Democrats. Rather, he was trying to point out that there are possibly no short-term solutions that will guarantee Americans protection from some unpleasant changes in their style of living.

The situation has been put most starkly by Senator Henry M. Jackson, Democrat of Washington, who is considered by many the most informed and unbiased man in the capital on energy matters: "The most difficult problem facing the nation today, either internationally or domestically, is the energy crisis."

To Americans who are told every day that they must face up to yet another crisis—urban, racial, monetary, economic—the placing of energy at the top of the list may seem an overstatement. Yet a strong case can be made for its pre-eminence, for solutions to many of the other problems may depend on solving the energy problem.

"Energy is the life's blood of American civilization," according to Walter J. Levy, the dean of international oil economists. He argues that the nation's main domestic problems cannot be solved if the energy systems that run the economy are not working properly and that the effect on world political stability of an energy-short United States could be very dangerous.

The United States grew up and became a super state on a diet of cheap, plentiful, indigenous energy resources. With 6 per cent of the world's population, the United States accounts for almost 33 per cent of the world's energy consumption. This ready supply of energy has played a major role in making America the world's largest industrial complex and in giving its citizens, even its poorer ones, a standard of living unrivaled in history.

From New York to San Francisco, the average American, spurred on by governmental policy and industrial advertising, is a profligate user of natural resources. He floods his home with light, even when no one is in; he heats rooms until they are hot as ovens. He drives a gas-devouring car for a pack of cigarettes rather than walk a block. There are electric tooth-brushes, combs, tie racks and hair dryers. In the view of most experts, some of these creature comforts will have to go and, for those that remain, higher prices may have to be paid.

The vast storehouse of coal, oil and natural gas that has catered to American affluence has also allowed America an independence in foreign policy unequalled in the West. But America is no longer self-sufficient in energy and its control over its own destiny is accordingly beginning to be circumscribed. Now only the Soviet Union and China of all the major countries remain totally free of foreign influence over their energy needs.

COLOSSUS IN THE MIDDLE EAST

The rest of the nations of the world will probably have to depend to a greater or lesser extent on the Middle East and North Africa to bridge the gap between indigenous supplies of energy and growing demand. In return for their oils these Middle Eastern nations will receive a vast influx of marks, yen, dollars and other currencies. And before the turn of the decade, they will in all likeliness wield major influence in world monetary affairs as well as dominating the world's energy.

This likelihood prompted Britain's prestigious International Institute for Strategic Studies to warn recently: "The threat of the burgeoning power and changing tactics of the Middle East oil producing countries seemed to overshadow almost all military threats to North America, Europe and Japan."

The United States has arrived at its present condition through a combination of growing demand for energy, declining fuel reserves, inadequate planning by Government and industry, and waste of nonreplaceable resources.

S. David Freeman, former energy adviser to President Johnson and head of a Ford Foundation study of the energy situation, contends that a basic cause is that Government policy since New Deal days has been aimed at keeping energy costs as low as possible in order to stimulate ever-expanding use for the good of the people. "This was right for the times but times have changed and policy hasn't," he says.

The oil industry lays a large portion of the blame on environmentalists for "unreasonably delaying the delivery of oil from the North Slope (in Alaska) and blocking refinery, drilling and nuclear plant construction."

Others blame the oil industry. "The energy crisis is a device the industry is using to get higher prices," says Martin Lobel, a Washington lawyer who was energy adviser to Senator George S. McGovern.

A HOT POLITICAL ISSUE

Energy has become a hot political issue. While 10 years ago only legislators from the oil states took a deep interest in energy matters, now almost every Congressman feels obligated to speak out on the issue. Beyond establishment politics, activists including some consumer and environmental groups are giving signs of making energy a rallying point, "a sort of peacetime Vietnam."

Most partisans on the energy issue can, broadly speaking, be separated into two basic groups, which for convenience's sake can be identified as Malthusian and Machiavellian.

The Malthusians are mostly independent economists, oil industry executives, bankers, engineers, geologists and government officials. They believe that the present situation is the result of natural consumption of a finite resource (fossil fuels) at a time when demand has been accelerated and distorted by political events. Peter Peterson, former Secretary of the Treasury, typified the Malthusian outlook when he described the nation's energy situation as a case of "Popeye running out of cheap spinach."

In opposition are the Machiavellians, who tend to be academic economists, liberal Congressmen, consumer interest groups and activist lawyers. They view the present energy situation as a contrived affair, orchestrated by the oil interests and their dupes, to squeeze more money out of the public.

A comment of Senator Thomas J. McIntyre, Democrat of New Hampshire carries the general message of the Machiavellians: "In my opinion it is apparent that either of two things happened. Either the Federal officials responsible for oil policy in this country displayed an unbelievable level of incompetency, or the petroleum industry itself misrepresents the facts. I personally believe that a combination of both factors was at work."

ACCOMPANYING PROBLEMS

As for solutions to the problems, most experts say there are four basic approaches—sharply increased oil and gas imports; greater exploration and production from domestic areas; development of alternate energy sources, and energy conservation programs.

Each of them, however, has its problems:

Increased imports bring with them dependence upon potentially unreliable foreign sources as well as a likely massive and unacceptable increase in our balance of payments deficit.

Greater domestic exploration issues higher prices and environmental hazards almost * * *

Alternate sources of energy—solar, nuclear fusion, geothermal—are unproven, very costly or far in the future.

Conservation programs, if enforced strictly, could raise a political furor and, if applied loosely, would make only a minor contribution.

How serious is the energy situation? Every expert has his own opinion. Optimists see the situation at worst as involving some minor dislocations over the short term—periodic fuel shortages and occasional regional brownouts and blackouts.

Pessimists give the future a far more dire cast. Few see a darker future than Professor * * * University of West Virginia. He says: "The day of Sunday, July 4, 1976, the 200th birthday of the United States of America, will dawn on a nation not in celebration but one that will be desperately trying to save itself from the crush of a collapsing economy because of a shortage of energy."

He envisions an unemployment rate of 22.6 per cent with some 31 million cars unable to move for lack of gasoline; 20 million homes without oil or gas and a million businesses, from manufacturing plants to barber shops, forced to close down.

The positions of most experts fall between those two, but most lean toward the optimistic.

AN OVERVIEW PRESENTED

What exactly is the state of America's and the world's energy resources?

Man has used more energy in the last 30 years than he consumed in all history prior to 1940. The apex of this enery orgy is yet to be reached, according to many experts. World energy consumption is expected to double between 1970 and 1980, increasing from the equivalent of 87 million barrels of oil a day to 150 million barrels a day as population grows and less industrialized nations strive to develop.

Energy consumption in the United States doubled between 1950 and 1970 and is expected to double again between 1970 and 1985, increasing from the equivalent of about 31.8 million barrels of oil a day to 62 million barrels. Since there are usually no alternative data, most figures in energy matters come from the oil industry and can be considered one-sided. The trend, however, would appear inarguable.

On the supply side, the United States "has basic energy materials to meet our needs for at least 200 years at present levels of consumption," according to John G. McLean, chairman of the Continental Oil Company and head of the National Petroleum Council, an industry body.

But there is a huge step between potential reserves and currently available fuel. Covering the distance takes time, money and technology, and that is why the short-term outlook is nowhere near as sanguine.

THE CLEANEST OF FUELS

The most critical immediate problem facing the country is natural gas. Over the last three years schools and factories in various sections of the nation have had to close for short periods for lack of it. The Federal Power Commission reports that curtailments of natural gas by suppliers to customers with firm contracts are increasing—from 350 billion cu. ft. in 1971 to 910 billion cu. ft. in 1972. From November, 1972, to March, 1973, curtailments are estimated at about 480 billion cu. ft.

Natural gas is the cleanest and therefore most environmentally desirable of the world's traditional fuels. But production in the United States is expected to peak in 1975 at 24.7-trillion cu. ft. Production has exceeded reserve additions in each year since 1968.

The industry contends that higher prices will indirectly increase supplies by increasing incentives for exploration, but how much of an increase would be involved is a question. Moreover, it would have little effect immediately. In the next year or two, more plants and schools will probably be cut off from supplies.

Coal would appear to be the obvious answer to the nation's energy problems. It is by far the most abundant source of fossil fuel, with several hundred years potential supply. But Mr. Freeman, head of the Ford Foundation's energy study, puts it: "There are two things wrong with coal today. We can't mine it and we can't burn it."

Coal for all its potential is a difficult fuel. Obtaining it means deep mining or strip mining, both of which are objectionable because of human hazards or environmental depredation. And consuming coal carries its own environmental threat since about 80% of supplies are high in sulphur content and emit harmful pollutants into the air as they are burned. Beyond those drawbacks, coal is also expensive and unwieldy to transport.

CRASH PROGRAM URGED

Efforts are being made to clean the pollutants out of the smoke pouring from the stacks at large, coal-burning utilities and factories. But the technology has not yet been perfected. High sulphur coal can also be processed into clean natural gas or oil, but here the technology, although available, is not economically feasible.

Some experts, including Dr. Lawrence Rocks, and Dr. Richard P. Runyon, authors of the book "The Energy Crisis," believe that a crash program to develop coal-based synthetic fuels must be started now if the United States is to avoid very serious problems before it is ready to enter the nuclear age of nuclear power sometime in the 21st Century.

Nuclear energy is now showing signs of living up to its promise.

The Atomic Energy Commission predicts that nuclear power capacity will represent about 23 per cent of the nation's total electric capacity by 1980, 32 per cent by 1985 and about 50 per cent by the year 2000. The National Petroleum Council, for its part, expects nuclear power to account for about 17 per cent of the source by 1985.

America's nuclear trump is the fast breeder reactor, which theoretically can generate more nuclear fuel than it consumes over a 30-year period, creating a sort of perpetual motion energy machine.

But there are drawbacks here, too.

BIG FUTURE ROLE FOR OIL

The first "commercial demonstration" unit in the United States is not scheduled for operation until 1980, and the breeder creates massive amounts of radioactive wastes, whose danger to man lingers for thousands of years.

An even more exotic nuclear solution is fusion, the process that powered the hydrogen bomb and is the energy source for the sun and the stars. Its basic fuel would be hydrogen so abundant in sea water that it would provide enough energy to meet the world's electricity needs for as long as anyone can project. But it will not be a factor, if at all, until the 21st century.

When all is said and done, it is likely that oil, the present mainstay of American energy, will have to do even more in the future. Oil is the energy jack-of-all-trades. It is a swing fuel capable of running huge electrical generators or the family car. Just as important, it is easily transported and can be used in hundreds of products from gasoline to plastics. As a result, oil is expected to be carrying more than 50 per cent of America's energy burden by 1980.

The trouble is that the United States exhausted its reserve production capacity in 1970 and will probably never again be able to meet its oil needs from domestic sources.

This year demand will exceed 17 million barrels a day, with domestic production a little more than 11 million. By 1980 demand will be around 24 million barrels a day with production about 12 million, according to the State Department.

Only one option seems possible in the short term—increased importation of oil from foreign sources. In 1965, the United States imported 2.5-million barrels a day, or about 20 per cent of its demand, with all but 2 per cent coming from Venezuela or Canada. Imports inched up to 23 per cent by 1970, but jumped to 27 per cent last year, and this year will meet about 35 per cent of total demand. By 1980, the United States is expected to be dependent on foreign sources for between 40 and 60 per cent of its oil.

BALANCE-OF-POWER SHIFT

This country's traditional suppliers, Canada and Venezuela, appear unable to increase their output significantly so much of new imports will almost certainly come from the Middle East, where 75 per cent of the world's proved oil reserves lie buried beneath the sands.

The failure to discover a substitute for Middle Eastern oil is not from want of trying, for in recent years 95 per cent of new exploration activities by the oil companies has been outside the Persian Gulf.

America's dependence on foreign energy sources comes at a time when the balance of power in the international oil trade has decidedly shifted to the producing nations after having resided with oil companies and thus with the consuming nations since the inception of the oil trade in the early part of this century.

The vehicle for this shift in power has been the Organization of Petroleum Exporting Countries, which was formed in September, 1960, by Venezuela, Saudi Arabia, Iran, Iraq and Kuwait. Its membership now includes Nigeria, Algeria, Abu Dhabi, Qatar, Indonesia and Libya, and the 11 countries are responsible for more than half of the world's production and almost 90 per cent of the exports.

During the nineteen-sixties the balance of power remained with the companies, strained only by the Arab-Israeli War of 1967. Then a combination of events, some planned, others accidental, produced a dramatic change.

The Suez Canal was closed as a result of the Arab-Israeli hostilities, making supplies from the Persian Gulf less accessible and forcing tanker rates to an all-time high. Then a Nigerian civil war blocked oil from that source and the pipeline between Saudi Arabia and the Mediterranean was damaged in Syria.

While all this was happening, Europe had become dependent on "friendly" King Idris in Libya just across the Mediterranean for almost 30 per cent of its oil. But in 1969 King Idris was overthrown by a 28-year-old anti-Western, anti-Communist, fervent Muslim, Col. Mummar al Qaddafi.

Realizing Europe's dependence on Libya's North African oil, Colonel Qaddafi immediately demanded an increase in payments. The companies replied with what some observers now consider an "insultingly small" price improvement.

The Libyans became enraged, cut back on production and within no time the companies had capitulated to terms far greater than most observers think Colonel Qaddafi would have originally accepted. It was by far the greatest victory ever won by an oil producing country and its shock waves went out to all other producing nations.

The gains won by young revolutionary colonels had to be exceeded by the Shah and King Feisal, so that even greater payments were obtained by the O.P.E.C. at Teheran in February, 1971. Since then the companies have been agreeing to ever higher settlements, a process that culminated in an agreement earlier this year giving the Persian Gulf producing countries a 25 per cent interest in existing concessions and stipulating that that interest will grow to a majority 51 per cent by 1983.

Thus, the oil companies, once masters, are now well on their way to becoming servants and the consuming countries' governments, once in control of the world oil trade, are now reacting to the beat of the producer countries.

The almost total reversal of roles has left some clichés about the producing nations in need of revalidation. One is that the producing nations "can't drink their oil," in other words that to live off their oil they must sell it. Another is that a boycott by the O.P.E.C. nations is bound to be a failure because all such boycotts in the past have been failures.

The producers still can't drink their oil, but growing monetary reserves in the hands of countries with small capital demands such as Libya, Saudi Arabia and Kuwait make it increasingly possible for the sheiks to live off their bank accounts in a showdown with an industrialized nation over an extended period of time.

The combined revenues of O.P.E.C. governments have risen from $4.5-billion in 1966 to more than $7.5-billion in 1970, almost $12-billion in 1971 and more than $15-billion in 1972.

By 1975, according to the State Department, the Middle Eastern and North African nations, including Iran, will be receiving annual revenues of almost $20-billion. By 1980 the governments of the area will have an annual income of some $63-billion from their oil.

James E. Akins, head of the State Department's energy section and one of the major contributors to the President's upcoming energy message, has commented: "With the possible exception of Croesus, the world will never have seen anything quite like the wealth which is flowing and will continue to flow into the Persian Gulf."

The total annual value of United States net imports of energy materials, mostly oil, may easily reach $18- to $24-billion by 1980, according to the Department of Commerce, while that of Europe may hit $23- to $31-billion and that of Japan $12- to $16-billion.

Last year the United States had a balance of payments deficit of about $6.5-billion, with about $4-billion the result of energy imports. No small part of the pressure on the dollar during the recent monetary crisis has been the result of this payments deficit.

What the producing nations do with their money and how the consuming nations obtain their oil and balance their budgets are the big questions for the remainder of the nineteen seventies.

HOW TO SPEND IT ALL?

Saudi Arabia, not to mention Iraq, Libya, Kuwait and the various sheikdoms with tiny populations, have more money than they know what to do with. The financing of a massive war against the Israelis is only the most obvious action open. They could also purchase control of vital companies and industries in developed countries.

Nonetheless, America and the other consuming nations are not defenseless, for they remain the repositories of both financial and technological capabilities.

There have been increasing calls for cooperative efforts by the consuming countries to offset the unity of the producers. Informed opinion indicates that a workable consumer energy union would require massive stockpiling of oil by the Common Market, Japan and the United States; comparable emergency rationing programs; import sharing in time of need, and a clear idea of what to do if a confrontation occurs.

Prof. Maury Adelman of the Massachusetts Institute of Technology goes much further than calling for consumer cooperation. Indeed, to him the crushing of the O.P.E.C. cartel is the first order of business.

"The world energy crisis or energy shortage is a fiction," he says. "But belief in the fiction is a fact. It makes people accept higher oil prices as imposed by nature, when they are really fixed by collusion."

Professor Adelman attributes present international energy problems on the strength of the "O.P.E.C. cartel," which, he contends, was aided in recent negotiations by the American State Department and is now supported by the oil companies, which simply pass price increases along to the consumers.

In response to calls for consumer unity, Sheik Ahmed Zaki Yamani, the Saudi Arabian Oil minister, has said: "If it is war they want, then war they shall have. They will be starting it and they will be the losers."

SOVIET ROLE UNCERTAIN

It should be noted that Saudi Arabia is considered the Arab nation with the closest ties to the United States and that she is expected to be responsible for about one-third of the world's oil supplies by around 1980.

In the middle of the energy maelstrom is the relationship of the United States to Israel. Will American support for Israel weaken when and if the United States need for Arab oil becomes crucial? If the American-Israeli relationship changes, will it become a major divisive issue on the American political scene?

The great unknown in the world energy picture is the Soviet Union. The Russians are net exporters of both oil and gas and they have recently been negotiating with the United States on a large natural gas deal. The Russians have steadily increased their influence in the Middle East despite their recent expulsion from Egypt, and the potential use of energy supplies as a political weapon definitely exists.

"To ignore Russia's potential for mischief in matters of energy would be naive," Prof. Dankwart A. Rustow of the City University of New York has said.

Caught in the middle of all this change are the developing nations, which in all likelihood will have to pay more for both energy and manufactured goods, a cost almost certain to hinder their progress.

One solution to the energy dilemma favored by everyone but the marketing vice presidents of oil companies is conservation, or a simple reduction in the use of energy.

Dr. Barry Commoner, the environmentalist, contends that conservation practices can bring a 23 per cent reduction in energy usage without reducing the amount of goods produced.

But his program calls for changes in the lifestyle of the average American as well as a large-scale change in the nation's industrial structure, including a 75 per cent reduction in automobile traffic. Would most Americans support such a program? Many experts doubt it.

Indeed, the personal and industrial side-effects of even the smallest changes in energy policy can be far-reaching. If the size of cars is reduced, for example, it will mean a cutback in the amount of metal used in auto production, which in turn may mean reducing the work force and profits of both the metal and automobile industries.

"What we are doing is shifting from the age of oil to another energy age," says John Lichtblau, head of the Petroleum Industry Research Foundation. "Historically speaking, transition periods are very interesting but living through them may not be so much fun."

ENERGY CRISIS: IN QUEST OF NEW SOURCES

(By John Noble Wilford)

In all the debate over the causes, consequences and possible cures of the nation's energy crisis, scientists and economists, industrialists and environmentalists generally agree on one point—the critical need for development of new sources of energy.

Many want to accelerate research aimed at converting coal to gas, shale to oil and sunlight to electricity. They want more study of ways to harness the winds and the tides. They want to exploit the heat from the earth's interior and even from tropical waters.

They also want to increase research in nuclear and hydrogen technologies, for they envisage the day when most electricity will have to be generated by nuclear power and when hydrogen may be the primary fuel for space heating, heavy industry and transportation.

The reasons for beginning now to develop alternate sources of energy are considered imperative. What took nature millions of years to create—the fossil fuels from the slow decay of living matter in bogs and beneath ancient seas—are being consumed at such prodigious rates that petroleum supplies may be good for only 50 more years, coal for two or three more centuries.

President Nixon, in his energy message today, is expected to outline priority plans for the development of such new energy sources as coal gasification, solar power and the nuclear breeder reactor.

The Administration has already asked Congress for authority in the fiscal 1974 budget to spend $774-million for research in new energy sources—an increase of $130-million at a time when funding for many Federal programs is being slashed.

Even so, Senator Henry M. Jackson, Democrat of Washington and chairman of the Senate Interior Committee, says this is not enough. He proposes a 10-year, $20-billion research effort, on the scale of the Apollo Project, aimed at making the United States self-sufficient again in energy by 1983.

Most current research however, is directed toward finding long-term solutions rather than alleviating current shortages. The following are the achievements, obstacles and goals of some of the more promising efforts:

NUCLEAR BREEDER

The Nixon Administration has called the fast-breeder nuclear reactor "our best hope today for meeting the nation's growing demand for economical clean energy."

Accordingly, the Atomic Energy Commission has ordered the first demonstration breeder plant to be built near Oak Ridge, Tenn., at a cost of more than $700-million. Operation is not expected before the early 1980's. Testing of fuels and materials is under way at the AEC's East Flux Test Facility at Richland, Wash.

Fuel economy is the breeder's chief attraction.

Conventional nuclear reactors (29 commercial plants are now in operation in the United States) use only uranium-235, which is less than 1 per cent of all available uranium and is in danger of depletion in a few decades. The more abundant U-238 is the nonfissionable part of the fuel mix.

In the breeder process, surplus neutrons produced by the splitting of U–235 atoms will be accelerated in such a way as to react with the U–238 in the fuel mix. The reaction should produce 14 atoms of plutonium for every 10 atoms of fuel consumed. The plutonium can then be used as a substitute fuel for the scarce U–235.

But the process has some problems that go beyond the ordinary radiation hazards associated with nuclear power generation.

Plutonium is an extremely lethal material, an essential ingredient of atomic bombs, and so long-lasting that unused wastes from the breeder could still be dangerous to humans for more than 200,000 years. Thus large-scale reliance on breeder reactors has many risks—how to safeguard plutonium from falling into unauthorized hands, for example, and how to store the wastes.

Dr. Manson Benedict, professor of nuclear engineering at the Massachusetts Institute of Technology and an authority on breeder technology, believes that necessary safeguards can be "managed." But he is less sure about the economics of the process.

The competitiveness of the breeder with other means of generating electricity will be determined by operations of the Oak Ridge demonstration plant. Dr. Benedict doubts that breeders will be operating on a full commercial basis before 1990.

NUCLEAR FUSION

If the breeder is the nuclear version of the alchemist's dream, controlled thermonuclear (fusion) power is the Lost Dutchman Mine of nuclear science. Few are absolutely certain that it is achievable in their lifetime. But the search goes on, with some tantalizing laboratory successes, because the potential reward is so great—a clean, cheap and virtually inexhaustible soure of energy.

Fusion power is based on the same principle of reaction that produces hydrogen bomb explosions and the powerful radiations emanating from the sun and other stars. It involves the release of tremendous energies through the fusing of light atoms, such as those of hydrogen. One of these, deterium, is derived from sea water.

The problem is controlling and sustaining a fusion reaction.

To bring hydrogen nuclei together, and thus release enormous energy, requires extremely high temperatures, many millions of degrees. Much of the current research, primarily in this country and the Soviet Union, is directed at producing such temperatures, confining the nuclei long enough for fusion to take place and sustaining the reactions with fusion's self-generated energy.

Success is decades and billions of dollars away. Estimates of the time when fusion power will be feasible range from 20 to 100 years.

"It's much more difficult than the fission problem," says Dr. Ira Bernstein of Yale University's department of engineering and applied science, "and to realize its potential is going to require engineering more complicated than anything ever before. We might as well get used to the fact that it will be a long-term research and development project requiring great quantities of money and the expiration of many blind alleys."

SOLAR POWER

Although the sun is the indirect source of all fossil fuels, it has been neglected as a direct source of power. Yet the potential is tremendous: The energy in the sunlight falling on the surface of Lake Erie in a single day is greater than the entire nation's present annual energy consumption.

In recommending a large research effort in solar energy, a joint panel of the National Science Foundation and the National Aeronautics and Space Administration reported last December that by the year 2020 the sun could provide 35 per cent of heating and cooling in buildings, 30 per cent of the nation's gaseous fuels and 20 per cent of its electricity.

Solar water heaters are already used in Australia, Israel and Japan. Solar space heaters have also been tested. In both cases, the systems consist of a black metal surface under glass on the roof to absorb sunlight for heating water or air.

On a grander scale, sunlight could be converted to electricity. This is already being done on many spacecraft, using conversion devices made of silicon and called photovoltaic cells. Much more efficient and inexpensive cells must be developed, energy experts say, before the system could be widely applied to generating electricity on earth.

Even then, such systems would have to be spread over large expanses of land—"solar farms"—to collect sufficient sunlight. One of the more advanced proposals, by Dr. and Mrs. Aden Meinel of the University of Arizona, calls for a solar farm of about 25 square miles out in the desert, costing about $1-billion to develop, to produce electricity at the rate of 1 million kilowatts.

A more radical concept for harnessing solar energy has been suggested by Dr. Peter Glaser of Arthur D. Little, Inc., an industrial consulting firm. He proposes collecting the solar energy in space, where sunlight is more intense and more constant.

Dr. Glaser's idea is to place a 25-square-mile array of photovoltaic cells into a stationary orbit 22,000 miles out in space. The cells would collect the energy and convert it to a current, which would then be beamed to earth as microwaves. They would be received on earth at a 36-square-mile antenna. The planned space shuttle, a reusable vehicle, would be used to service the orbiting electric plant.

Technical details of the plan are being studied by a group of aerospace companies—the Grumman Corporation, Textron Inc. and Raytheon Company. Dr. Glaser estimates that 10 million kilowatts of electricity could be produced this way at a total development cost of about $20-billion.

Solar power's imponderables are economic as well as technological. For most applications, according to the N.S.F.-NASA assessment, "The cost of converting solar energy to useful forms of energy is now higher than conventional but due to increasing prices of conventional fuels and increasing constraints on their use, it will become competitive in the near future."

SOLAR SEA POWER

Between the tropics of Cancer and Capricorn, the sun heats the surface sea water to temperatures that never drop below 82 degrees Fahrenheit and the deep currents from the poral latitudes bring in subsurface water 35 to 38 degrees cooler. Such temperature differences are called ocean thermal gradients, and they are a source of untapped energy.

A method of extracting such energy was first demonstrated off Cuba in 1929, but little research has been done since then.

Basically, the concept involves drawing the warm surface water down through a hollow shaft and through a heat exchanger system, which would probably use a fluid like a refrigerant freon. Some of the heat from the indrawn water would be absorbed by the freon and used to drive turbines to generate electricity.

One problem is that the efficiency of heat converted to power would be low, about 2 per cent. Another would be getting the current to shore by cable.

A possibility, according to the N.S.F.-NASA report on solar energy, is to use the electricity at the ocean site to produce hydrogen from sea water by electrolysis. Then the hydrogen could be piped ashore for use in fuel cells—devices that generate electricity through the chemical reaction between hydrogen and oxygen—or eventually as a clean fuel replacing natural gas.

TIDES AND WINDS

The rise and fall of the tides, particularly where the tidal range can be as much as 50 feet, is another source of energy.

Two systems, involving dams across bays, have been developed—at La Rance in France and Kislaya Guba in the Soviet Union. Fifty more potential tidal power sites have been identified in the world, including the Bay of Fundy in Canada and Cook Inlet in Alaska.

The Passamaquoddy project to exploit the tides on the Bay of Fundy has been discussed for half a century—studied and discarded and studied again. Like most tidal power sites, it is far from the big users of energy and would make only a small contribution to energy needs.

Although the windmill has all but disappeared from the landscape, ideas for using wind power have not. Dr. William E. Heronemus of the University of Massachusetts proposes erecting windmills on off-shore platforms to generate electricity for converting sea water to hydrogen and oxygen for fuel cells.

GEOTHERMAL ENERGY

Heat from the interior of the earth, geothermal energy, is being hailed by some experts as a major source of cheap and relatively nonpolluting power.

A National Science Foundation panel headed by Walter J. Hickel, former Secretary of the Interior, recommended last December that the Federal Government set up a $684.7-million research and development program on geothermal energy. Such an effort, the panel said, could lead by the year 2000 to a geothermal capacity for generating electricity that would exceed the total electricity generating capacity of the United States today.

Underground hot water and steam reservoirs, the source of geysers, are most accessible in the Western states. The only exploited field in the United States is at The Geysers, near San Francisco. The San Diego Gas and Electric Company is beginning construction of a $3-million pilot plant on the geothermal energy-rich Imperial Valley of Southern California.

As soon as environmental issues are resolved, the Department of the Interior plans to put up for lease 59 million acres of geothermal land in 14 western states.

GAS FROM COAL

Since natural gas appears to be the scarcest of the fossil fuels, Government and industry researchers are stepping up efforts to develop a synthetic gas from coal, the most abundant of the fossil fuels.

Although there are several variations to the process, the basic idea is to use steam to react chemically with the carbon in coal to make a hydrogen-rich gas. Then the gas is "cleaned" of its sulphur by an additional chemical reaction.

This would permit the use of otherwise environmentally unacceptable low-grade, less expensive coal that has a high sulphur content. The problem is that, in most cases, the heat content of the synthetic gas is not as high as in natural gas.

Some coal gasification systems have already been developed in Europe, and others are ready for pilot plant operations in this country. Dr. Jack B. Howard, professor of chemical engineering at the Massachusetts Institute of Technology, estimates that it will be "at least 15 or 20 years before we have a significant contribution from gasification."

OIL FROM SHALE

Deposits of oil shale, which contains a waxy substance called kerogen that can be refined to a burnable oil, are extensive in Colorado, Utah and Wyoming. Research indicates that it would be possible to extract 25 gallons of oil from each ton of high-grade shale mined and processed.

Since it is chemically more like petroleum, many industry engineers prefer shale oil to gas as a synthetic fuel. But shale oil processing raises the tough environmental problem of how to dispose of all the wastes, for 80 per cent of the shale is left over after the oil extraction.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 156

At the request of Mr. HUMPHREY, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 156, a bill to terminate all weapons range activities on the island of Culebra by July 1, 1975.

S. 203

At the request of Mr. TAFT, the Senator from Rhode Island (Mr. PASTORE) was added as a cosponsor of S. 203, to amend the Internal Revenue Code of 1954 to permit the exclusion from gross income of a portion of the compensation received by full-time law enforcement officers and firemen employed by State and local governmental instrumentalities.

S. 397

At the request of Mr. STEVENSON, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 397, a bill to require financial disclosure.

S. 1030

At the request of Mr. HUMPHREY, the Senator from Iowa (Mr. HUGHES) and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of S. 1030, a bill to establish a congressional office of budget analysis and program evaluation, and for other purposes.

S. 1033

At the request of Mr. PACKWOOD, the Senator from Indiana (Mr. HARTKE) and the Senator from South Dakota (Mr. ABOUREZK) were added as cosponsors of S. 1033, the Timber Export Administration Act of 1973.

S. 1082

At the request of Mr. WEICKER (for Mr. BAYH) the Senator from Maine (Mr. HATHAWAY), and the Senator from Pennsylvania (Mr. SCOTT) were added as cosponsors of S. 1082, the Bread Tax Repeal Act of 1973.

S. 1098

At the request of Mr. BIBLE, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 1098, a bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business.

S. 1137

At the request of Mr. JAVITS, the Senator from Ohio (Mr. TAFT), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of S. 1137, the Federal Narcotics Drug Trafficking Offenses and Sentencing Act of 1973.

S. 1138

At the request of Mr. JAVITS, the Senator from Michigan (Mr. HART), the Senator from Iowa (Mr. HUGHES), the Senator from Ohio (Mr. TAFT), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 1138, the Federal Drug Abuse Enforcement Reorganization Act of 1973.

S. 1149

At the request of Mr. MANSFIELD (for Mr. MAGNUSON), the Senator from Illinois (Mr. STEVENSON), the Senator from Alaska (Mr. STEVENS), the Senator from Nebraska (Mr. CURTIS), and the Senator from South Dakota (Mr. ABOUREZK) were added as cosponsors of S. 1149, a bill to increase the supply of railroad rolling stock and to improve its utilization to meet the needs of commerce, users, shippers, national defense, and the consuming public.

S. 1221

At the request of Mr. BIBLE, the Senator from Oklahoma (Mr. BARTLETT), the Senator from Idaho (Mr. CHURCH), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Arkansas (Mr. MCCLELLAN) were added as cosponsors of S. 1221, a bill to provide that Federal employees shall be entitled to accumulate annual leave in excess of 30 days, or receive payment therefor, for periods such employees have been in a missing status while serving in Southeast Asia during the Vietnam era.

S. 1329

At the request of Mr. SPARKMAN, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 1329, to amend laws relating to the Federal National Mortgage Association.

S. 1379

At the request of Mr. RANDOLPH, his name was added as a cosponsor of S. 1379, to authorize further appropriations for the Office of Environmental Quality, and for other purposes.

S. 1401

At the request of Mr. HRUSKA, the Senator from Nevada (Mr. BIBLE) and the Senator from Nevada (Mr. CANNON) were added as cosponsors of S. 1401, a bill to establish rational criteria for the mandatory imposition of the sentence of death, and for other purposes.

S. 1439

At the request of Mr. MANSFIELD (for Mr. MUSKIE), the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 1439, the Tax Reform Act of 1973.

S. 1500

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the names of the following Senators be added, at the next printing, as cosponsors of S. 1500, my bill to establish the FBI as an independent agency and to fix a term for the director of 7 years: Mr. CHURCH, Mr. CRANSTON, and Mr. STENNIS.

The PRESIDING OFFICER (Mr. HANSEN). Without objection, it is so ordered.

S. 1500

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the next printing the name of the distinguished Senator from Kentucky (Mr. HUDDLESTON) be added as a cosponsor of my bill (S. 1500).

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1527

At the request of Mr. WEICKER, the Senator from Mississippi (Mr. EASTLAND) and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 1527, the Lobster Conservation and Control Act of 1973.

S. 1541

At the request of Mr. MANSFIELD, the Senator from Florida (Mr. CHILES) and the Senator from Kentucky (Mr. HUDDLESTON) were added as cosponsors of S. 1541, a bill to provide for the reform of enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a Budget Committee in each House; to create a congressional Office of the Budget, and for other purposes.

S. 1572

At the request of Mr. CLARK, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of S. 1572, a bill to provide equity in the feed grain set-aside program by allowing participants in plan B to switch to plan A.

S. 1578

At the request of Mr. BAYH, the Senator from Alaska (Mr. GRAVEL), the Senator from California (Mr. TUNNEY), the Senator from Iowa (Mr. HUGHES), and the Senator from Nevada (Mr. BIBLE) were added as cosponsors of S. 1578, a bill to provide for a national program of disaster insurance.

SENATE JOINT RESOLUTION 48

At the request of Mr. HELMS, the Senator from Texas (Mr. TOWER) was added as a cosponsor of Senate Joint Resolution 48, to establish a National Commission on Social Security.

SENATE JOINT RESOLUTION 80

At the request of Mr. ROTH, the Senator from Oregon (Mr. PACKWOOD) and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of Senate Joint Resolution 80, to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month."

ORDER FOR STAR PRINT ON S. 855

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Illinois (Mr. STEVENSON), I ask unanimous consent that a star print of S. 855 be ordered so that certain minor corrections may be made in the original bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 101—ORIGINAL RESOLUTION REPORTED RELATING TO EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY (S. REPT. No. 93-128)

(Referred to the Committee on Rules and Administration.)

Mr. TUNNEY, from the Committee on the Judiciary, reported the following original resolution:

S. RES 101

Resolved, That Senate Resolution 56, 93d Congress, agreed to February 27, 1973, is amended as follows:

(1) In section 2, strike out "$3,946,800" and insert in lieu thereof "$4,091,800".

(2) Renumber sections 18 and 19 as sections 19 and 20, respectively.

(3) Immediately below section 17, insert the following new section:

SEC. 18. Not to exceed $145,000 shall be available for a study or investigation of the representation of citizen interests, of which amount not to exceed $2,000 may be expended for the procurement of individual consultants or organizations thereof.

SENATE RESOLUTION 102—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF THE REPORT ENTITLED "DEVELOPMENTS IN AGING: 1972 AND JANUARY-MARCH 1973"

(Referred to the Committee on Rules and Administration.)

Mr. CHURCH submitted the following resolution:

S. RES. 102

Resolved, That there be printed for the use of the Special Committee on Aging one thousand eight hundred additional copies of its report to the Senate entitled "Developments in Aging: 1972 and January-March 1973".

SENATE RESOLUTION 103—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD, for Mr. EASTLAND from the Committee on the Judiciary, reported the following original resolution:

S. RES. 103

Resolved, That the Committee on the Judiciary is authorized to expend from the contingent fund of the Senate, during the 93d Congress, $25,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

SENATE RESOLUTION 104—SUBMISSION OF A RESOLUTION FOR RENEGOTIATION OF PRIBILOF TREATY

(Referred to the Committee on Foreign Relations.)

SENATE RESOLUTION FOR RENEGOTIATION OF PRIBILOF TREATY

Mr. ABOUREZK. Mr. President, on behalf of myself and Senator TUNNEY, I rise today to introduce a sense of the Senate resolution calling upon the President and the Secretary of State to seek a new protective treaty for the fur seals, replacing the Pribilof Treaty which comes up for renegotiation in 1975. A new treaty would help end the old quadrapartite convention between the U.S.S.R., Canada, Japan, and the United States governing the harvesting and killing of the North Pacific fur seal. My aim is the preservation of these seals.

Albert Schweitzer once wrote that "if a man has been touched by the ethic of reverence for life, he injures and destroys life only under a necessity which he cannot avoid, and never from thoughtlessness." The Pribilof Treaty was originally signed to put an end to the killing of seals on the high seas, otherwise known as pelagic sealing. It was written by men who tried to meet the exigencies of their times. It is a treaty based on a concept that Eskimos and Aleuts live essentially on seal meat; it is a treaty that recognized the commercial value of seal fur; it is a treaty whose time has passed.

Today, there is no vital need for the United States or any country to continue to kill the North Pacific fur seal. Neither the food nor the fiber of this beautiful and intelligent ocean mammal is essential to any of our citizen's well-being. Neither can it be argued in 1973 that the seal population, unless scientifically harvested—which is another term for slaughtered—would grow to such size as to threaten any of our coastal towns with invasion. Nor can we justify the slaughter of these seals on our own soil because we are unable to produce other honorable jobs for the Aleuts who live on our Pribilof Islands. They must, of course, be offered retraining and whatever assistance is necessary to help them shift their life-style and economy from this brutal business into a more modern and productive vocation. Moscow, Tokyo, and Ottawa have indicated that, once they become signatories to the new treaty, their nationals would not get back into boats and resume the terrible practice of pelagic sealing. Finally, there is a strong movement in this country among women and young people, especially, to preserve the the fur seal as a living national treasure, not as a status symbol covering someone's shoulders.

Informal discussions both with the U.S.S.R. and with the Government of Japan indicate their interest in replacing the outdated Pribilof document. The resolution I offer today would not abrogate the old treaty, but it would begin the ball rolling toward a new era in conservation, recognizing that four nations together are harming a rare resource and living wonder of the North Pacific, and that seal slaughtering must stop.

My resolution provides that our Secretary of State shall put the signatories and all other interested nations on notice that the United States does not intend to renegotiate the North Pacific Fur Seal convention in its present form. In its stead, the Secretary of State shall initiate negotiations on a convention banning all killing of North Pacific Fur Seals on our Pribilof Islands and on the high seas.

Mr. President, this resolution would in effect, say to the President and the Secretary of State, that the Senate of the United States, close to its constituents throughout this country, feels that the American people want the killing of these seals stopped, for sure they want the spiral of brutality halted.

I hope my colleagues both on the Committee on Foreign Relations and in the

Senate will join me in helping to speed this resolution through and on to the President's desk before the seal slaughter starts again in June.

I ask unanimous consent that the resolution be printed here in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 104

Whereas the Senate recognizes the existence of the North Pacific Fur Seal Convention between the United States, Canada, Japan, and Russia, which regulates the harvesting of North Pacific fur seals who annually migrate to the Pribilof Islands; and

Whereas the Senate recognizes that such convention was signed at a time when it was necessary to prevent pelagic sealing; and

Whereas the Senate recognizes that era is passed and that neither fur nor food from these mammals is any longer necessary for human existence; and

Whereas the Senate recognizes that the present harvesting is conducted in a brutal manner by the clubbing of the seals; and

Whereas the Senate recognizes that the public policy of the United States is now against inhumane treatment and unecessary killing of any animal; and

Whereas the Senate recognizes that it has in the past ratified this convention, however the Senate now would not ratify this treaty again: Now, therefore, be it

Resolved by the Senate of the United States, That it is the sense of the Senate of the United States that the Secretary of State shall not renegotiate the present North Pacific Fur Seal Convention and that it should be allowed to expire in 1976.

Further, it is the sense of the Senate that the Secretary of State should immediately notify the other parties to the convention that the United States does not intend to extend its life beyond 1976.

Further, it is the sense of the Senate that the Secretary of State should immediately initiate negotiations with the parties to the convention and any other interested States for the purpose of obtaining an international agreement or agreements to ban all killing of North Pacific fur seals whether on the Pribilof Islands or on the high seas.

Further, that appropriate and effectiveness penalties be prescribed by the Secretary of State for violation of the regulations which he shall prescribe and implement in accordance with this resolution and to carry out the new convention.

PROCLAMATION OF APRIL 1973 AS "HOBBY MONTH"—AMENDMENT

AMENDMENT NO. 92

(Ordered to be printed, and referred to the Committee on the Judiciary.)

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the joint resolution (S.J. Res. 46) to authorize and request the President to proclaim April 1973 as "Hobby Month."

NOTICE OF HEARING BEFORE SUBCOMMITTEE ON INTERNATIONAL FINANCE

Mr. SPARKMAN. Mr. President, I announce for Senator STEVENSON, chairman of the International Finance Subcommittee of the Committee on Banking, Housing and Urban Affairs, that hearings on the bill to amend the International Economic Policy Act of 1972 which has just been introduced will be held by the International Finance Subcommittee on May 9, 10, and 11, 1973.

Any person wishing to appear as a witness at these hearings should contact Mr. Basil Condos at telephone number 225-2854.

HEARING ON PROPOSED TRANS-ALASKA PIPELINE SET FOR MAY 2 AND 3

Mr. JACKSON. Mr. President, public hearings will be held before the Senate Interior and Insular Affairs Committee on May 2 and 3 on the public policy issues presented by the timing, routing, and construction of a pipeline to transport Alaska's North Slope oil to markets in the lower 48 States.

Witnesses invited to appear before the committee will include representatives of the Treasury, State, and Interior Departments; spokesmen for conservation organizations; university economists; and oil industry representatives.

ANNOUNCEMENT OF HEARING ON FENCING OF STOLEN GOODS

Mr. BIBLE. Mr. President, as chairman of the Senate Select Committee on Small Business, I wish to announce that the full committee has scheduled hearings on May 1 and 2 at 10 a.m., in room 318, Russell Senate Office Building, into criminal redistribution or fencing of stolen goods and their impact on legitimate business activities.

Witnesses scheduled for May 1 will be Mr. Joseph P. Busch, district attorney for the County of Los Angeles, Calif., and associates. On May 2, Mr. Franklyn Snitow, assistant district attorney in charge of the Rackets Buerau, County of New York, and associates will testify.

They will provide to the committee an overview of criminal redistribution systems in the Los Angeles and New York City areas and how such are supportive of the $16 billion loss that the Commerce Department estimates is the yearly cost of property thievery nationally and the $1½ billion in hijacking and thievery losses annually from air, truck, rail, and maritime carriers.

Accompanying both district attorneys will be persons to be subpenaed by the committee who are alleged to have knowledge about trafficking in stolen goods, a subject under investigation by our committee for several years.

NOTICE OF HEARINGS RELATING TO SELECTED RECOMMENDATIONS OF PROCUREMENT COMMISSION

Mr. HATHAWAY. Mr. President, I wish to announce that on May 17 and 18, 1973, at 9:30 a.m., in room 1202 of the Dirksen Building, the Subcommittee on Government Procurement of the Senate Select Committee on Small Business will conduct hearings on three recommendations of the Commission on Government Procurement. These recommendations concern the creation of a procurement policy office, consolidation of the two major procurement statutes, and development of new standards for measuring the use of small business.

The purpose of these hearings is to obtain the views of the Commission, various executive agencies and small business associations whose members contract with the Government concerning the effect on the small business contracting community of the possible implementation of these recommendations.

Further information may be obtained from the Subcommittee on Government Procurement, room 424, telephone number 225-5175.

NOTICE OF HEARING ON BILL TO PROVIDE CONGRESS WITH INFORMATION RELATING TO BUDGET REQUESTS

Mr. MUSKIE. Mr. President, on behalf of the chairman of the Committee of Government Operations, I would like to announce that the committee will hold 1 day of hearings on S. 1214, a bill to amend the Budget and Accounting Act, 1921, so as to provide the Congress with information relating to budget requests of the various departments and establishments of the Government.

The hearing will be held on April 27, 1973, in room 3302 of the Dirksen Office Building, and will commence at 10 a.m.

The committee will welcome statements for inclusion in the record of hearings.

RESCHEDULING OF FIELD HEARINGS ON EASTERN WILDERNESS AREAS

Mr. HASKELL. Mr. President, I wish to announce for the information of the Members of the Senate and other interested persons that the field hearing scheduled for April 30 in Concord, N.H., before the Public Lands Subcommittee on legislation to establish eastern wilderness areas has been rescheduled for May 7. Due to the scheduling of a cloture vote by the Senate on April 30, we have been required to move the date of the hearing.

The site of the hearing will remain the New Hampshire Highway Hotel in Concord, with the hearing to start at 9:30 a.m.

Those interested in presenting testimony on any or all of the New England areas should write or wire the Senate Interior Committee, 3106 Dirksen Senate Office Building, Washington, D.C., 20510, prior to Tuesday, May 1.

I hope this change of date will not inconvenience those who plan to attend and testify.

RESCISSION OF ORDER FOR HEARING ON PENSION LEGISLATION ON MAY 21

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the request for hearings on pension legislation to be held at 1 p.m. on May 21 be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE BREAD TAX

Mr. SCOTT of Pennsylvania. Mr. President, there is one segment of the Nation's food industry, the bakers, which has been caught in an inflationary spiral not of its own cause. When the United States agreed to sell wheat to the Soviet Union, in huge quantities, there came an unexpected depletion of the wheat supply on the domestic market. As a result of this shortage, the price of flour soared, but economic controls prevented the necessary upward adjustment of the retail price of flour products.

Unlike the smaller companies, large bakers were prevented from raising prices and the resulting disparity gave an unexpected competitive advantage to the larger companies. But I do not wish to make a case here for an unnecessary increase in bread prices by either the large or small bakers, for I believe the situation can be controlled through the repeal of the bread tax.

At present, there exists a 75 cents per bushel tax imposed on wheat which is made into bread and other baked goods. The tax is collected from millers, those who turn wheat into flour. The revenues collected from the millers are used to pay a portion of the cost of farm subsidy payments.

Agriculture Department statistics show that there is an inverse relationship between family income and consumption of wheat products such as bread. In other words, the lower the income the greater the consumption. So the bread tax is a regressive tax, in that it hits proportionately harder at families at the lower end of the economic scale.

The bread tax also exerts an upward pressure on the price of baked goods since the miller's cost is reflected in the price he charges the baker for flour, and subsequently in the price the baker charges the consumer. It is certainly within the realm of possibility to lower the price of bread up to 5 cents a loaf if the bread tax is repealed, although some bakers may simply hold the line on a price increase. At the very least, any upward price adjustment could be held to a minimum. The bread tax is a bad tax—bad for the baker and bad for the consumer and it ought to go.

Repeal of the bread tax need not have any effect on the what subsidy payments made to farmers under existing law because general revenues could be used to make up the difference. In this way, the subsidy payments are more evenly distributed, in a more equitable manner, with no disruption to the bakers or consumer.

The baking industry in Pennsylvania is comprised of approximately 436 establishments employing over 26,000 people. The total annual payroll is in excess of $205 million.

In a recent letter to me from one Pennsylvania baker, Mr. Jacob Digiacomo, president of the Bond Baking Co., in Philadelphia, I was told of his company's economic situation in relation to the bread tax:

> The effect of this tax on Bond Baking Company of Philadelphia, Pennsylvania is an excellent illustration of the great harm the tax is having on the independent bakers of our country. With the support of state and local government agencies and financial institutions, a group of employees acquired the company in September 1972 from a large conglomerate. Were it not for this purchase, the company would surely have been liquidated because of increasing costs. The acquisition saved 1,000 jobs (a substantial number in the inner city), substantial real estate ratables and taxes from a company with gross annual sales of more than $25,000,000 and annual payroll in excess of $10,000,000. Today *Bond* is the only large independent bakery in the City of Philadelphia. The company has already instituted a series of economies and cost-saving devices, limited top management salaries to ridiculously low amounts and increased production through increased sales efforts. Yet all of the efforts undertaken by the company have only enabled it to keep pace with rising costs. *One glaring significant fact is that the cost of flour to the company has been increased by a staggering $60,000 per month since September 1972.* This $60,000 per month increase is essentially the charge of the wheat certificate tax passed on from the millers to the company. The company cannot and does not want to increase its prices to meet this added burden. By repealing the wheat tax, the company will receive immediate relief and the company's continued viability will be assured.

Typical of the other letters I get from Pennsylvania bakers comes from Schaller's in Greensburg. It is a family-owned business, plying its trade and paying its taxes for over 70 years, employing 60 people. It has never asked the Government for any help but it is in a position now that is critical. I am afraid that unless we give the smaller and independent bakers, like Schaller's, a lift we will all be buying bread from one supercompany—the one with the most economic muscle.

Mr. President, legislation is pending in the Senate Agriculture Committee to repeal the bread tax. Believing as I do that this bill, S. 1082, will ease the bread price pressures on both bakers and consumers, I am today joining as a cosponsor, in the hope that swift action will bring about some much-needed relief.

TWENTY-FIFTH ANNIVERSARY OF THE DRIVER AND SAFETY EDUCATION ASSOCIATION OF WEST VIRGINIA NOTED—SENATE PASSES NEW HIGHWAY SAFETY ACT—COOPERATIVE PROGRESS ACHIEVED

Mr. RANDOLPH. Mr. President, last week the Senate passed the Highway Safety Act of 1973. The vote was unanimous. Since the Federal Government has been involved with the improvement of highway safety, there has been progress in lowering the death and injury tolls on our Nation's roadways.

An important feature of our effort to make highways safer places to travel are the driver education programs that take place throughout our country. We know that drivers who have been properly trained and who are aware of the hazards they may encounter while behind the wheel are, in fact, the best drivers. Driver education programs, therefore, are filling a very real need in this Nation that depends on more than 100 million motor vehicles to transport people and products.

Driver education has become a part of the curriculum at many schools throughout the United States. It is not a new feature of our educational system, even though it is attracting increasing attention because of its successes.

Mr. President, the West Virginia Driver and Safety Education Association is, this week, celebrating its silver anniversary. The association is marking 25 years of progressive activity that has earned for our State a position of respect and leadership in the field of driver education.

Driver education programs in West Virginia actually predate by several years the creation of the West Virginia Driver and Safety Education Association. It was during the 1936–37 school year that schools in Mercer and McDowell Counties conducted the first driver education courses in West Virginia, making our State one of the first to incorporate this important subject into the school curriculum. Since then, there have been regular training courses to prepare teachers to instruct students in the proper ways of motor vehicle operation.

The program grew slowly during World War II, but by 1946–47, full-time driver education courses were offered in 54 schools with an enrollment of 2,004 students. In 1948 the program had grown sufficiently to warrant the appointment of a State director. Price E. Clark, superintendent of Morgan County schools, was subsequently named the first State director of safety education. He was succeeded by Clarence A. Brock, who held the position from 1954 to 1957, and Roy W. Walter, who served from 1957 to 1972. Milton Bennett assumed the position last year.

A milestone in the West Virginia effort occurred in 1949 when the first national conference on high school driver education was conducted at Jacksons Mill, W. Va. The conference attracted educators and safety authorities from many States. The number of meetings of driver education teachers were held and subsequently the West Virginia Driver and Safety Education Association was formally constituted. Since that time, the following persons have served as its president:

1949–51, Ramus Holtz, Upshur County.
1951–53, Harry Morris, Cabell County.
1953–54, Carleton Browne, Boone County.
1954–55, Robert Andrick, Webster County.
1955–57, Gene Stalnaker, Lewis County.
1957–58, Nellie Cundiff, Summers County.
1958–59, Chester Grossi, Hancock County.

1959–60, Marvin D. Mills, Kanawha County.
1960–61, Kenneth Hall, Calhoun County.
1961–62, Felix Colabrese, Tucker County.
1962–63, Charles P. Yost, WVU, Monongalia County.
1963–64, Fred Carroll, Grant County.
1964–65, F. A. Fitch, Marshall, Cabell County.
1965–66, Robert O. Roush, Jr., Boone County.
1966–67, Marion B. Vance, Lincoln County.
1967–68, James Riffle, Monongalia County.
1968–69, Thomas Bolyard, Taylor County.
1969–70, Milton Bennett, Monongalia County.
1970–71, Harry E. Hull, Upshur County.
1971–72, Elmer Dickinson, Mingo County.
1972–73, Dwain Wilcox, Wood County.

Mr. President, I am gratified that our State is recognized as a leader in this important field. The enthusiastic support of State government has helped achieve the preeminence of our West Virginia program. Both the executive and legislative branches have lent their support. Last year, for instance, the legislature approved a measure providing that every student in West Virginia schools would have an opportunity to take driver education courses. The program is supported by our Governor, Arch A. Moore, Jr., and receives day-to-day assistance from the Governor's Highway Safety Administration through Program Manager Harry E. Hull.

Since the Committee on Public Works, which I chair, is responsible for highway safety legislation, I have a continuing contact with both the problems and the importance of highway safety. It is the people in our schools; citizens like those who are members of the West Virginia Driver and Safety Education Association, who conduct the grassroots effort that contributes much to safer driving and safer roads.

PHASE II CONTROLS, AGAIN

Mr. GURNEY. Mr. President, the landslide reelection of President Nixon in 1972 was in large part due to the belief of the American electorate in the President's boldness, his decisiveness, in following through on a course of action he believed was right.

The President had personally established unprecedented diplomatic contacts with the Communist world. The highlight of his efforts was his penetration of the hitherto unpenetrable Chinese mainland. In Southeast Asia, the President backed up his overtures for peace negotiations in Paris with carefully measured, no-nonsense military action.

Nowhere did the President display his boldness and decisiveness more visibly than on the home front in his fight against inflation. President Nixon saw that inflation, fueled in large part by rampant Federal spending on Great Society programs which were not of his making, had to be stopped. He established wage and price controls. He realized that controls were not philosophically consistent with a free enterprise economy. Nevertheless, courageously, he did what he knew had to be done in order to stop an endless wage-price spiral which was eating into the pocketbooks of all Americans with an insatiable appetite.

Seeing that the President had a strong will to do what he thought was right, the American people gave him a landslide election victory. A recent poll in my own State of Florida shows that the President still has the overwhelming support of the people by a margin of 2 to 1. Eighty-eight percent of those who voted for him are still glad they did.

But now, uncharacteristically and with great cost to many Americans, the President is delaying needed action in the economic arena. He is following bad advice.

Confidence in our economy has fallen and prices have soared. We have witnessed boycotts of meat; we have heard threats of counter boycotts by farmers. The President finally did take some action by setting prices on certain meats. But there is an important fact to emphasize about that action. When the public learned that the President planned to make a major economic statement on March 29, 1973, the stock market climbed in anticipation. Upon the announcement that action was to be limited to ceilings on beef, pork, and lamb, the stock market fell.

Some analysts observed that this latter reaction was a collective disappointment to the limited extent of the President's action. It was a classic example of too little, too late.

But surely we are not going to wait until more people boycott more high-priced goods before more action is taken. That is no way to run an economy.

The President did not buckle under to the peace demonstrators when they tried to dictate military policy from the streets. But in delaying action on the economic front the President has the appearance of reacting only to the most visible of consumer wrath. That is not his style.

The President must take action now before there are more distortions in the economy, before prices soar even higher in anticipation of inevitable controls, before labor contract negotiations add cost-push inflation to the demand-pull inflation which we experience today. The President must return the economy to phase II controls.

A return to phase II controls is the most responsible alternative available to the President. Suggestions that the President freeze or roll back prices are irresponsible, and just plain bad economics besides.

Hindsight shows us that there are enormous demand pressures operating in the economy. We are just now feeling the effect of the expansionary money supply policies of 1972. The die has been cast on the underside of the economy. To clamp on a price lid or to roll back prices would create mammoth distortions and inequities throughout the economy. The protective reactions which producers would take would be particularly destructive over the long run. For instance, producers with the money to do so might hoard output to await the higher prices when the freeze or rollback is lifted. Producers without enough money to get them through a period of hoarding would have to sell the goods they had produced with high-priced supplies. The little man with small margins would be hurt the most.

A resumption of phase II controls does have certain disadvantages. For instance, it is not clear how much the previous phase II really contributed to the modest decrease in inflation and how much was the result of a previous slack in the economy. Furthermore, some economists believe that a return to phase II will give rise to an enormous surge of prices in the next phase III. Producers may try to get all they can as fast as they can before another return to controls. Finally, phase II controls are based on the premise that a small army of experts can really identify the kind and extent of economic forces at work in the enormous American economy.

In my view, these points show only that there are no easy choices and some risk involved. But it seems to me that phase II controls offer the most promising opportunity for the administration to stop inflationary prices—and this is the fairest of any of the actions which have a chance of working.

I realize that regardless of the choice of remedies—controls, rollbacks, or freezes, more must be done to permanently dampen inflation. Federal spending must be brought under control. The President is to be commended for his courageous initiative in cutting the budget. At long last Congress is showing signs of budget cutting, too.

The supply of money available to the economy must be held to a slow rise. A great new surge of money would be like a huge billows to the fires of inflation.

But above all, regardless of his choice of remedies, I urge the President to act now. If he decides he must have a rollback of prices, I urge him to do so on an equal basis throughout the economy. If he must freeze prices I urge him to do so equitably. But above all, I urge him to act without delay.

CONSERVATION OF ENERGY

Mr. BIDEN. Mr. President, the effort to provide a cleaner environment has many facets. One sometimes overlooked aspect is conservation of energy itself—and, in in this connection, the consumer himself has an important role. The consumer, too, must practice, so to speak, what he preaches.

In recent days, there have appeared two newspaper columns which discuss this point of view.

Mr. President, in a column appearing in the Baltimore Sun, April 17, 1973 columnist Joseph Kraft outlines what he calls a simple checklist of ideas which may help solve the energy crisis the United States is now facing.

Mr. Kraft suggests that one way to ease the crisis is to implement a program of energy conservation—on a wide scale. He also sees the initiation of broad research and development programs as a strong tool to fight the impending energy shortage.

He also states in the article his view that:

> By organizing with the governments of Japan and Western Europe a consumers' consortium against producers, this country could get far better terms than the oil companies, who really care hardly at all about the consumer.

In the New York Times of April 18, 1973, James Reston also underscores the urgency of energy conservation and calls upon consumers as a class to help in this regard.

He states, in part:

> But something can be done about all this in the meanwhile if the consumer lobbies will start shouting not only at the Government and the polluting industries, but at the consumers themselves. They have the power to ease these problems if they will take the action available to them.

I ask unanimous consent to print these articles in full at this point in my remarks:

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Baltimore (Md.) Sun., Apr. 17, 1973]

SIMPLE CHECKLIST OFFERS HELP FOR "ENERGY CRISIS"

(By Joseph Kraft)

The self-same seers who brought you the missile gap, the domino theory and the Maoist menace now have picked up the energy crisis.

To hear them tell it, industry will halt, the highways will be black with gasless cars, and millions will freeze in the dark, unless America asserts itself against those supposed villains, the Arabs and environmentalists.

But in fact there are dozens of much more acceptable ways (some of them almost as virtuous as motherhood) for this country to ease the growing gap between energy consumption and energy production. Here is a checklist of possibilities which should provide some measure of the national energy policy the Nixon administration slowly is bringing to birth.

Conservation of energy heads the list. The United States, with 6 per cent of the world's population, consumes about 30 per cent of its energy. We consume, person for person, more than twice the amount used in such a heavily industrialized areas as Western Europe.

Much of the energy consumed is wasted in automobiles carrying only the driver. Enormous saving in energy could be achieved by moving commuters in buses or other forms of mass transit. Decent inter-city railroads would cause many people to leave their cars at home and travel by train.

A tiny effort probably could induce 2 per cent or 3 per cent of the population to move around by bicycle; and that tiny saving would cover at least the gasoline shortage predicted for this summer.

Housing offers only slightly less abundant opportunities for husbanding energy. A considerable part of this country's energy consumption goes for private homes with poor insulation. It would be child's play for federal authorities to insist that good insulation be a condition of getting mortgage money on which virtually all home building depends.

Next to conservation of energy, the best results would appear to spring from a research and development program. At present the United States government spends only about $700,000 on energy research—most of it in the atomic power field.

Private industry spends an estimated $300 million. Since the power industry grosses something like $60 billion annually, the total research input is trivial, especially in view of the likely pay-off.

Nuclear power does offer tremendous possibilities for the distant future if the technical problems of waste disposal and safe operation can be solved. Geothermal energy and solar energy may be equally bountiful sources for the future.

In the meantime, there are abundant supplies of coal shale and tar in this country, Canada and Latin America. Tremendous dividends would be yielded by a research program for cheap and clean devices to transmute those deposits to oil and gas.

Even before that, research can make large savings in fuel consumption by that worst of all wasters—the private car.

With phased federal standards that stipulated not only emission control but also energy control, Detroit might begin to turn its energies to producing a cleaner and smaller engine, rather than concentrating as now, in bucking the application of standards.

Pricing strategy offers still another way to meet the energy crisis, by which I do not mean socking small homeowners. I mean adjusting prices to industrial users. They gobble up about 40 per cent of the energy consumed in this country, and if prices were stiffer, they would turn off the lights occasionally.

Finally, important savings for the American consumer probably can be achieved by a new technique for buying oil abroad. At present the price is driven up by American firms competing against Japanese and West European firms.

By organizing with the governments of Japan and Western Europe a consumers' consortium against the producers' cartel, this country could get far better terms than the oil companies, who really care hardly at all about the consumer.

What all this says is that the United States can afford to be careful and picky about meeting the energy shortage. Nobody has to worry about having an Arab in his tank instead of a tiger.

If things do go wrong, if gas shortages develop, do not blame the Wildlife Foundation. Blame the responsible figures in the companies which have, for so long, been acting improvidently and the administration which has, for so long, been doing nothing.

[From the New York Times, Apr. 18, 1973]

THE CONSUMER LOBBIES

(By James Reston)

WASHINGTON, April 17.—The people who have been fighting for cleaner air and water and lower prices have developed into one of the most powerful political lobbies in America, and their battle grounds are expanding all the time.

In the past, they have been fighting primarily against the big polluters in industry and government, but as the so-called energy crisis deepens, they have a chance to turn their attention as well to the waste and pollution of the people themselves.

For example, there is nothing in the Constitution that says the people have to buy big heavy automobiles, with automatic transmissions, and gasoline spark-ignited reciprocating engines, which not only add to the fuel crisis but to the pollution problem as well.

It is probably too much to expect that Americans will do without air conditioners in their automobiles, which add about 9 per cent to the consumption of gas and can add as much as 20 percent in city driving on hot days, but automatic transmissions add about six percent to fuel consumption and heavy passenger cars consume over twice as much gas as the lighter 2,000-pound vehicles.

The U.S. Environmental Protection Agency estimates that in 1970 gas-powered vehicles in America produced 50 percent of the hydrocarbons, 70 per cent of the carbon monoxide and 30 percent of the nitrogen oxide emitted to the air. This is on a nationwide basis, but in some cities motor vehicles contributed as much as 90 per cent.

By 1976, if the regulations of the Clean Air Act of 1970 are enforced, the automobile will no longer be the most important source of these air pollutants. But much depends not only on what the automobile companies and the Government do to reduce pollution and conserve energy but what the people do.

The technology is available to meet the 1975 standards and can be secured at reasonable costs and with far less drain on the nation's inadequate energy supplies. For example, the diesel engine produces a 70 per cent increase in fuel economy over the gasoline engine in an automobile of the same weight, and the stratified charge engine—now being funded by the Army and E.P.A.—shows a 12 per cent increase in fuel economy.

No doubt the consumer lobbies can have some effect in protesting against industries that pollute the air and the rivers and coastal waters of the United States. They can also influence local, state and Federal officials by lobbying for better housing codes that require more effective insulation in houses, and campaigning for stiffer laws against pollution, but this is a long process, requiring sustained action.

Probably the fastest and most effective method of dealing with the energy and pollution problems, however, is through the old law of supply and demand. If there is a demand for smaller cars, with smaller and different engines, the demand will be met, but despite all the talk about the pollution crises and the energy crisis, the demand is still for the big heavy gas guzzlers.

Meanwhile, not to forget the dollar crisis, the official estimates here in Washington are that the United States, which is now paying a $7 billion a year for overseas oil, will be paying as much as $25 billion by 1985, thus adding alarmingly to the nation's balance of payments deficit.

But these estimates seem to assume not only that the 80 million cars in this country will increase by many more millions in the next decade, but that the cars will keep on getting bigger and more expensive, consuming more and more gas in present-type engines every year.

What we have now is one powerful lobby spending hundreds of millions to educate the people on the forthcoming energy crisis and another powerful lobby arguing for cleaner air and water, and a third crying alarm over the dollar crisis.

All three of these crises are real and all are interconnected, and you cannot tune in on the evening news without hearing somebody talking about forthcoming disasters down the pike a few years.

But something can be done about all this in the meanwhile if the consumer lobbies will start shouting not only at the Government and the polluting industries, but at the consumers themselves. They have the power to ease these problems if they will take the action available to them.

MAINE CITIZENS VIEW BUDGET CUTS

Mr. MUSKIE. Mr. President, several weeks ago I had the privilege of participating in a unique public hearing conducted by the Maine congressional delegation in our State Capitol at Augusta to determine the impact of the Federal budget on State and local budgets in Maine and to explore the capabilities of those governments to respond to the proposed shifts in the pattern of Federal expenditures. Gov. Kenneth M. Curtis, president of the Maine Senate, Kenneth McLeod, and speaker of the Maine House, Richard Hewes, joined the delegation at the hearing.

We heard testimony from citizens, the State legislature, town and county officials, and representatives from the Boston regional offices of HUD, HEW, and EDA. I ask unanimous consent that a list of those people participating in the panels be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

PANEL NO. 1—CITIZENS PANEL

1. Introduction and Overview.—Ms. Eola Wakefield, President, Maine Conference on Human Services.

2. Aging—Jack Libby, President, State Council of Older Persons, Armand Pelletier, So. Berwick (Consumer). Technical Assistance—Mrs. Lynn Fulton, Office of Community Services, Maine Department of Health and Welfare.

3. Health—Dr. Robert MacBride, Lubec, Director, Lubec Family Medical Center; Technical Assistance—Mark Knowles, Director, Maine Comprehensive Health Planning.

4. Housing—Mrs. Helen Talbot, Portland (and resident of multi-housing project area) Technical Assistance—James Mitchell, Director, Maine Housing Authority.

5. Child Care—Terry Morin, Portland (recipient of child care services funded by Title IV–A) Technical Assistance—Ann Northcotte, Director of Maine "4C Program" (Community Coordinated Child Care).

PANEL NO. 2—MAINE GOVERNMENT PANEL

Senator Joseph Sewall, Old Town, Chairman of the Appropriations Committee.

Earl C. Banks, County Commissioner, Penobscot County, Hampden.

John L. Salisbury, Executive Secretary, Maine Municipal Association, Hallowell, Maine.

John C. Orestis, Mayor, City of Lewiston.

Mr. MUSKIE. Mr. President, what we heard from these concerned Maine citizens gave us a very human perspective on the controversy surrounding the administration's budget proposals. I think this controversy should be placed in that perspective so that none of us loses sight of the consequences of our words and actions on people's lives.

I know of no one in this Congress who does not share the President's stated goals that we must limit Federal spending—within a congressionally fixed ceiling—control inflation, keep taxes down, and streamline government. These are our common objectives, and these are not the issues we are arguing about in the current budget debate. What is at issue is a philosophy of government and a question of law.

The President views government as a necessary evil. The Congress sees it as an instrument for the common good, a means of restoring our sense of shared purpose and of great national enterprise.

For a State such as Maine, with limited means but a proven and practical desire to link Federal, State, and local resources for the purpose of meeting the needs of its citizens, the President's philosophy seems strangely out of touch.

Consider the case of the 74-year-old South Berwick, Maine, man who is both blind and diabetic, but up until now has been able to remain nearly self-sustaining in his own home because a homemaker has visited him twice a week. That man, Armand Pelletier, told the delegation hearing that despite his physical problems, "I am still a happy man. With homemaker services, I still have independence in my home—I look for no help, and would not accept any as long as I can manage by myself." But, Mr. President, an estimated 4,218 elderly or disabled Maine citizens may not be able to manage by themselves any longer if the President's proposed termination of the homemaker service program is carried out. This is just one example of a budget cut that fails to consider the human costs involved.

Another such example is a 12-year-old girl in coastal Maine who had never visited a dentist until a Federal grant made it possible for her to have dental care for the first time. Her dentist told me that this child needed to have every tooth in her head pulled out. When her ordeal was over, the little girl told the dentist that she could not remember a day in her life when she did not have a toothache. But the Government assistance that spelled the difference between constant pain or health for this one child is also scheduled to be terminated by the President's budget.

These are just two examples of the consequences of the President's budget cuts in Maine. Some of his other actions are having equally harsh results on Maine citizens.

For instance, last year this President impounded $200 million the Congress had directed to be spent on the construction of 144,500 low-income housing units. Now he has frozen all direct subsidies to help build decent homes poor people can afford to rent.

What the housing moratorium means to Maine people is as instructive as it is painful. It means that 5,000 jobs in the construction industry will be lost. It means that an estimated 3,240 Maine families will be denied decent housing that would have been constructed with the help of Federal money. In the words of the director of the Maine Housing Authority:

> In Maine, 50 percent of last year's housing was subsidized. We simply cannot live through an 18-month moratorium. We would have contractor bankruptcies and a severe economic reversal if we lost the projected $100,000,000 worth of construction out of our small economic base.

Other Presidents have vetoed legislation. And other Presidents have had their vetoes overridden by Congress. Last October this President vetoed the Water Pollution Control Act and a few days later the Congress overrode that veto with only 12 Senators and 23 House Members supporting the Presidential veto. That bill required the Environmental Protection Agency to allocate $11 billion to the States for water and sewer construction programs this year and next, so that they could know what the Federal commitment to them would be. But this President has cut that allocation from $11 billion to $5 billion, directly defying the constitutional requirement that a law enacted over a veto be executed.

What does this impoundment mean for Maine?

It means that 44 municipal sewage projects, including those in the major cities of south Portland and Bangor, that are required by Maine law to be under construction by October 1, 1973, will not be started. It means that total construction work in Maine will be $64.5 million, instead of $142.4 million under full funding.

Additionally, sewer grant applications from 26 other small Maine communities have been rejected because of the President's impoundment of Farmers Home Administration rural facilities loan funds. For a community of under 5,000, it is totally unrealistic to speak of "local responsibility," and EPA funds cannot be stretched to cover these projects without further jeopardy to pollution control projects in larger communities.

Senator Joseph Sewall, Republican chairman of the Maine Legislative Appropriations Committee cited the impoundment of water and sewer funds by the administration as the source of greatest concern to him—not only because of the inability of Maine communities to raise such funds locally, but because of the impact the loss of funds will have on statutory deadlines and timetables for water pollution control.

Other Presidents have imposed their own interpretations on congressional actions. This President simply refuses to carry out the laws he does not like. Last September, the President signed a law extending the war on poverty for 2 full years. He signed that bill. He did not veto it. But now, without consulting the Congress, which passed the law he signed, he has decided to kill the Office of Economic Opportunity.

In Maine alone, this unilateral action means that 969 community action employees, 610 of whom are low-income citizens, will be out of work in the next few months. It means that 16 community action agencies, which have offered imaginative new services to people who have never been touched by Government programs before, will be forced to close.

All modern Presidents have issued regulations to clarify the workings of the law. This President has issued regulations to thwart the intent of the law.

Last October, Congress passed a law limiting Federal grants to various State social services to $2.5 billion a year. But this President's regulations have cut that program by more than half this year and may eliminate it altogether next year. One of his regulations—directly counter to the intent of Congress—imposes new, low limits on the incomes of mothers who can send their children to public day care centers. Such limits mean that many working mothers will be disqualified from the program. And many will have to give up their jobs to take care of their children—and will have to go back on welfare.

Ms. Terry Morin, a consumer member of the Maine State 4–C—Community Coordinated Child Care—committee described to us the disastrous effects of the proposed new regulations on Maine's working mothers:

> There are currently 23 child care centers in Maine supported through Title IV–A. The new Federal regulations will force most to close and all will have to terminate services to many families because of ever more restrictive eligibility requirements. The cutback in Model Cities, the new restrictions on public seed money and the prohibition on private seed dollars spell the end to all of the 23 current programs.
>
> Even if the private seed dollars are eligible, many families will lose child care because of the new eligibility requirements.
>
> In our area, York, Cumberland and lower Oxford Counties, we polled nearly every family currently receiving child care services. Of the approximately 325 families we reached, 205 said they will lose their jobs when their child care center closes and 175 of these breadwinners said she will have no choice but to go on welfare . . .
>
> Another mother I know of just was able to work her way off of welfare the week of February 16th. The very week the new regulations were printed in the Federal Register. The new IV–A regulations will eliminate her from care now that she is working and she has said she will now have to go back on welfare.

Mr. President, the effect of these regulations is a perversion of the law. The whole sweep of this President's policy endangers a society built on law. He preaches economy, but his economics are false. They do not count the human cost.

For instance, his budget would eliminate more than 150,000 desperately needed public service jobs. In Maine alone, that means the loss of more than 1,500 jobs. For a State with a total labor force of 419,000 and an unemployment rate of 7.2 percent that continues to linger above the national average, the loss of 1,500 jobs will have an adverse effect. In addition, many of the Maine PEP jobs have been filled by Vietnam veterans who have a right to expect a decent break from the country they fought for.

Another false economy is the budget approach to health care for elderly Americans. For some of them hospital charges will be doubled. And do you know why?

The answer the Secretary of Health, Education, and Welfare gave me at a recent hearing on medicare is this: Old people go to the hospital too much. He says if we make them pay more for hospital care, they will use it less, and hospital costs will go down.

There may be some accountant's logic in that answer, but there is no humanity and not much fact. It is not the elderly poor who are in and out of hospitals and overutilizing hospital beds. Whatever overutilizing there might be is largely attributable to wealthier people whose private insurance policies and own resources assure them the best medical treatment.

But in Maine, where 11.5 percent of our total population, or nearly 115,000 people, is over 65, any increase in hospital costs under medicare bears an unacceptable human pricetag. What will happen to the more than 27 percent of our senior citizens whose incomes already fall below the poverty level?

The practical result—the human cost and the false economy—is that poor people who really need medical attention will now be further discouraged from getting it.

My description of our hearing in Maine would be incomplete if I implied that the concern of those directly affected by program reductions or terminations was the sole topic of discussion. The comments of elected officials of State, county, and municipal governments provided additional insight into the impact of the administration's proposals.

Several officials commented on the fact that they were acting to respond to cutbacks in the Federal budget with State and local appropriations. Three days before our hearing, for example, the Maine Legislature appropriated $3 million to continue certain social services to low-income persons no longer eligible for HEW supported services under the regulations proposed on February 16. This and similar actions, demonstrate not only the continued need for Government assistance but also the desire of State and local governments in Maine to respond to those needs in a positive manner.

However, the testimony of these public officials also revealed several basic flaws in the thinking of the President's budget planners:

First, it documented that many of the programs which the President feels are no longer valuable are not perceived in this manner by Maine citizens. The result, therefore, is not the tax saving anticipated by the President, but a tax shifting from Federal to local taxes.

Second, the testimony revealed serious gaps in the President's announced plans for a transition from categorical programs to special revenue sharing. The mayor of the city of Lewiston, for example, noted that the termination of model cities and the freezing of other HUD programs this year is already having a sharp impact but that community development revenue sharing—which Congress has not even reviewed yet—would not go into effect until late in 1974. What, the mayor asks, is he supposed to do in the meantime?

Third, details of the President's budget proposals are only now becoming available to local officials—after town meetings in Maine have been completed, county budgets acted upon, and the State's fiscal program for the next 2 years prepared. It is too late to respond in many instances and there is too little time for an objective and reasoned formulation of a budgetary response.

Finally, local governments in Maine are in many instances willing to consider assuming responsibility for some of the social programs now administered with Federal funds but it will not be an easy transition for those programs which might legitimately be termed a "local" responsibility. County and municipal governments have not historically performed such services as senior citizens nutrition, homemaker programs, health care, et cetera. For the people now being served, however, the delay while local governments shift their attention is painful indeed.

Mr. President, Maine people are not known as wild-eyed liberals or government spendthrifts. We have a long tradition of fiscal conservatism and of viewing Federal programs skeptically until we see if they will work. We also share a humane philosophy that government must help those who need assistance in times of need.

The widespread fears of Maine citizens about the fiscal ability of their State government and local communities to pick up the costs of the Federal budget cuts, freezes, impoundments, and terminations clearly indicate the perceptions of concerned and sober people. The overflow crowd at the Augusta hearing, and the hundreds of letters I have received from Maine citizens, further support that conclusion.

Maine Gov. Kenneth M. Curtis has prepared a document explaining in detail the effects of this President's budgetary actions on the State of Maine. It shows that Maine will lose an estimated $44.36 million in fiscal year 1973 and $72.94 million in fiscal year 1974 as a result of those actions. I ask unanimous consent that it appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. MUSKIE. Mr. President, the best political medicine in disputes like this is compromise, and I hope that compromise will emerge on specific questions of policy. But Congress will not abandon either its philosophy of Government action or its legal right to implement that philosophy.

We will, if we must, write such clear directives for executing our authorization and appropriations laws that administration officials can only disobey them at the risk of a headon constitutional collision.

And we will, because we must, reform our own budgetary control procedures so that, using the information the executive now keeps to itself, Congress can set the Nation's priorities with coherence and restraint.

We will do these things because our country is not ready to abandon its national commitments to closing the great gaps in our social fabric—the disparities between rich and poor, between the races, between private opulence and public squalor.

I think we can narrow these gaps if we spend less time arguing over who is wasteful and give more attention to our shared concern with efficiency and economy in Government spending. After all, what both the Congress and the President agree on is that America can do things better than it has. It is time to stop the shouting and finger-pointing and past time to get to work.

EXHIBIT 1

STATE OF MAINE—IMPACT OF FEDERAL IMPOUNDMENTS, PROPOSED BUDGET REDUCTIONS AND TERMINATIONS

[2d survey, Mar. 7, 1973]

SUMMARY

	Fiscal year 1973	Fisca: year 1974	Number of programs	Page
Totals (in millions of dollars):				
Agriculture	$0.42	$1.9	5	2
Economic development		2.5	17	3
Education	.36	5.5	30	8
Environmental quality	30.7	32.0	3	14
Health	2.61	9.1	10	15
Housing	1.9	6.54	13	21
Manpower	.47	3.7	7	24
Natural resources	.1	1.6	2	26
Social services: OEO; Model cities; Social Security IV-A, etc	$2.2	$10.1	3	27
Transportation	5.6	?	1	34
Tota	44.36	72.94	91	
Value of housing construction	14.32	33.75		
Value of subsidized housing loans	7.00	30.00		

AGRICULTURE

[Legend: T—program terminated as of June 30, 1973; TS—T above and proposed for special revenue sharing; F—frozen as of January 1973; R—reduction, program continues; P—impoundment; INA—information not available]

STATE OF MAINE—2D SURVEY

	Impact of Federal impoundments, proposed budget reductions and terminations				
	Anticipated funding level, fiscal year 1973	Estimated dollar loss			
Program affected		Fiscal year 1973	Fiscal year 1974	Action date	Who/what is affected?
Agricultural Stabilization and Conservation Service:					
Rural environmental assistance program, No. 10.050.	$1,200,000	$300,000P/R	$1,400,000T		4,000 farmers and landowners participated. Increased erosion, river pollution, underground water pollution. Match is 50 percent Federal, 50 percent user.
Water bank program, No. 10.062	$15,000 [1]	$15,000P	$15,000T		30 landowners will lose $150,000 collectively over normal 10-year contract period. Waterfowl acreage eventually lost.
Commodity loans and purchases (price supports) No. 10.051.	?	INA	INA R		Approximately 40 loans where interest rates have been raised from 3.5 percent to 6 percent.
Storage facility and equipment loans, No. 10.056.	?	$100,000 P	$100,000T		Approximately 10 loans per year at $8,000 to $10,000 each.
Food and nutrition service: School milk program, No. 10.556.	$486,324		$386,400R		Expect drop from $486,324 to less than $100,000. Some 800 Maine dairy farms affected.

ECONOMIC DEVELOPMENT

Program affected	Anticipated funding level, fiscal year 1973	Fiscal year 1973	Fiscal year 1974	Action date	Who/what is affected?
New England regional economic development (grant-in-aid supplements) No. 48.001.	$1,000,000		$1,000,000T		Public facility construction $400,000; coastal planning $50,000; executive staff $100,000; Bangor area: Integrated project center projects $375,000; jobs eliminated or affected at least 100; list of representative projects through fiscal year 1972 attached.
Economic Development Administration [3]	$1, 500, 000 F		$1,500,000T		List of representatives projects through jobs fiscal year 1972 attached eliminates or affects at least 25 jobs exclusive of construction—Lewiston Industrial Park application pending, in doubt.
Economic development:					
Loans for businesses and development companies, No. 11.301.					
Planning assistance, No. 11.302.					
Technical assistance, No. 11.303.					
Public works impact projects, No. 11.304.					
Small Business Administration, 59.001–59.012	$10,000,000		Unknown		
Guaranteed and direct loans, disaster loans, displaced business loans, local development corporation loans.					

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[1] In new 10-year contracts.

[3] Not accepting new applications.

NEW ENGLAND REGIONAL COMMISSION—SUMMARY OF MAIN GRANTS THROUGH FISCAL 1972

	Name	Amount	
A. Supplemental grants:			
1968	Bangor International Airport	$425,000	
		360,000	(1972)
1969	Wastewater Institute	20,000	
	Augusta sewage interceptor facility	250,000	
	St. Agatha sewage system	29,340	
	Calais sewage treatment plant	82,500	
1970	Portland ferry terminal	200,000	
1971	Northern Aroostook Regional Airport	74,800	
1972	Brewer industrial park	60,000	
	Total	1,501,640	
B. Demonstration projects:			
1969	Wastewater Institute	$25,000	
		50,000	(1971)
	Oil import testimony	7,000	
1970	Drug abuse councils	8,000	
	Aquaculture planning conference	5,000	
	Housing demonstration	53,000	
1971	St. John—Aroostook R.C. & D. project	500	
		500	(1972)
	Threshold to Maine R.C. & D. project	500	
		500	(1972)

Footnotes at end of table.

NEW ENGLAND REGIONAL COMMISSION—SUMMARY OF MAIN GRANTS THROUGH FISCAL 1972—Continued

	Name	Amount	
B. Demonstration projects—Continued			
	Bangor Growth Center	$500,000	
		[1] 450,000	(1972)
	Fort Williams Marine Research Center	16,700	
		75,000	(1972)
	Greater Portland Council of Governments	4,000	
	GPCOG comp code enforcement training program	14,500	
	Newton Municipal Airport—Jackman, Maine	8,000	
1972	Ocean disposal of rubber tires	35,000	
	Maine Fisheries Development Corp	30,000	
	Maine State personnel project	4,000	
	School health curriculum development	3,800	
	Title IV A—Community coordinated child care	25,542	
	Washington County solid waste project	11,500	
	Elderly health program	40,900	
	Operation Healthmobile	44,350	
	Biddeford Airport	4,000	
	Houlton Airport	3,000	
	Total	1,420,292	
C. Studies:			
1967	State public investment plan	39,657	
		59,657	(1968)
		$59,957	(1969)
		51,920	(1970)
		51,680	(1971)
1969	Occupational skills study	25,247	
	Cold weather construction survey	15,000	
	Machiasport evaluation	10,000	
	Food industry—Economic analysis	8,753	
1970	Maine coastal study	30,000	
	Management of thermal effluents study	10,000	
	Bloodworm culture study	6,000	
		6,000	(1972)
1971	Growth center evaluation	2,500	
	Maine coast natural areas inventory	30,000	
		8,000	(1972)
	Coastal zone management	20,000	
1972	State management grant	100,000	
	Transportation planning	70,000	
	Maine Medical School	40,000	
	Maine energy policy study	24,000	
	State airport system plan	50,000	
	Total	718,371	

[1] Includes $260,000 listed as Bangor International Airport supplemental grant.

Note: Breakdown by type of program: Action $2,560,000, 78 percent; planning $540,000,16 percent; studies $180,000, 6 percent; total $3,280,000.

EDA PROJECTS—MAINE THROUGH FISCAL YEAR 1972

[In thousands]

Project and date obligated	Planning	Tech. assist.	Public works	Business loans	Working cap.
Pride Inc., Brewer:					
June 1969	57				
June 1970	28				
December 1970	53				
December 1971	53				
Brewer: Eastern Fine Paper Corp.,					
Feasibility study: September 1969		2			
W/C: September 1969					270
Life Sciences Park Study: October 1972		48			
Woodchip Study: March 1972		30			
Lincoln Pulp-Paper Co.: March 1971				2,000	
Town of Milbridge Commercial Pier: May 1971			114		
No. Reg. Airport:					
Frenchville Construction/Airport: March 1971			369		
Terminal Bldg.: October 1972			114		
NM Reg. Planning Comm.:					
June 1969	34				
June 1970	32				
June 1971	30				
June 1972	30				
June 1972	10				
Maine Sugar Ind.: OBD Study:					
May 1969		4			
June 1969		137			
January 1969		39			
December 1969		10			
Saco Valley Ind. Dev. Corp.: Mfg. Shock Absorbers: December 1970				3,544	
Lubec-Milbridge Boat Landing & Fac.: October 1969			184		
Jonesport: Pub. Landing & Boat Fac.: June 1970			455		
Passamaquoddy Reserv.:					
Swr Coll/Tmt—Wtr. Distr.: October 1970			436		
Study—Resources: June 1970		13			
Feasibility—Est. House Prfab Plnt.—Wash. Co.: February 1969		15			
Eastport Mem. Hosp.: Elevator—alter: December 1971			110		
Eastport—3-site study Ind. park.: June 1970		3			
Lubec—Feasibility Commercial Pier: January 1972		1			
Sew. Sys.—Greenville: June 1972			661,205		
No. Penobscot Pulpwood: Lincoln, Supplier of Pulpwood: June 1969				145	
Bangor Int. Airport—Arr'l Bldg. Feasibility Study: June 1972			360		
June 1969		9			
City of Brewer: 80 acre/Ind. Park: August 1969			388		
Mattawaumkeag Wilderness Park: February 1972			367		
City of Bangor: Inst.—Sanitary Sewer: June 1971			77		
Chapman Precision Prod.: Bangor—Machine parts: March 1969				300	
U of M Aeronautical Educ. Prog.: January 1969		3			

STATE OF MAINE—2D SURVEY

EDUCATION

[Legend: T—program terminated as of June 30, 1973; TS—T above and proposed for special revenue sharing; F—frozen as of January 1973; R—reduction, program continues; P—impoundment; INA—information not available]

	Impact of Federal impoundments, proposed budget reductions and terminations				
	Anticipated Funding level, fiscal year 1973	Estimated dollar loss			
Program affected		Fiscal year 1973	Fiscal year 1974	Action date	Who/what is affected?
HIGHER EDUCATION					
1. Nursing education at the University of Maine:					
13.386—Nursing Capitation Grants	$64,112		$64,112T		Loss of funding will mean discharge of recently hired faculty, and reduction of enrollment in associate degree program at UMA and baccalaurate program at UMPG.
13.388—Nursing Schools—Financial Distress Grants.	$158,300		$158,300T		
2. Allied health professions education at the University of Maine:					
13.377—Allied Health Professions—Special Improvement Grant.	$35,000		$35,000T		Loss of funding for Medical Technology Program at UMO; reduction in faculty and enrollment.
13.305—Allied Health Professions—Special Project Grants.			$304,000T		Loss of funding for long-planned dental hygiene program at UMB; no funding for proposals for health care administration program at UMA and programs planned on other campuses.
3. Community Services and Continuing Education:					
13.491—University Community Service—Grants to States (CSCE Programs).	$138,000	$38,000	$138,000T		Termination of support for projects at public and private institutions of higher education aimed at solving state's social, economic and environmental problems.
4. College Library Programs:					
13.406—College Library Resources (HEA—Title II—A).	$7,272		$7,272T		Loss of assistance to improve libraries of public and private colleges in Maine.

STATE OF MAINE—2D SURVEY—Continued

EDUCATION—Continued

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	Impact of Federal impoundments, proposed budget reductions and terminations				
	Anticipated funding level, fiscal year 1973	Estimated dollar loss			
Program affected		Fiscal year 1973	Fiscal year 1974	Action date	Who/what is affected?
HIGHER EDUCATION—Continued					
Undergraduate Instructional Equipment:					
13.518—Higher Education Instructional Equipment (HEA—Title VI).					Loss of assistance for improving use of technology in instruction at state's public and private colleges.
Academic Facilities (HEA, THE VII):					
13.455—State Administration	$36,000		$36,000TS		Funding terminated. Funds shifted to State Postsecondary Education Commission.
13.457—Higher Education Academic Facilities Construction Interest Subsidization (Annual Interest Grant Program).	$400,000		$250,000T		Loss of interest subsidy on construction loans—estimated at $250,000 annually.
13.458—Higher Education Academic Facilities Construction Public and Private Colleges and Universities.					
13.459—Higher Education Academic Facilities Construction Public Community Colleges and Technical Institutes.	$300,000		$264,000T		Loss of needed funds for construction of academic facilities at state's public and private four-year colleges, two-year colleges and technical institutes.
7. Social Work Education:					
13.758—Comprehensive Social and Rehabilitation Training (Manpower Development and Training).	$69,500		$40,000R		Reduction in faculty for FY 74 and termination of Federal Assistance in FY 75 meaning reduction in enrollment of program just initiated in FY 73.
8. Land-Grant University Support:					
13.453—Higher Education—Land-Grant Colleges and Universities.	$200,000	$200,000P	$200,000T		Termination of support through the Bank—head Jones Land-Grant Program meaning loss of support for teaching, research and public service functions at UMO.
9. National Science Foundation:					
47.012—Institutional Grants for Science	$27,500		$13,500R		Loss of basic support at UMO for science education and research.
47.009—Fellowships and Traineeship Program	$11,750		$11,750T		Loss of essential support for graduate programs and students.
47.001—Polar Research Programs	$24,000	$24,000P	$24,000T		Loss of basic research support.
11. National Institute of Mental Health:					
13.244—Mental Health Training Grants	$96,000		$96,000T		Loss of support for teaching of psychology and for new mental health technology program at UMB.
12. National Institutes of Health	$25,000		$25,000T		
Cooperative State Research: Payments to Experiment Stations, No. 10.203.	$900,000	$54,148	$170,000R		Represents 20% reduction in Federal funds to Maine Agricultural Research Station. Cut represents about 7% of total budget.
Cooperative Extension Service, No. 10.500	$1,160,000	$8,900P	$82,800R		Supports educational programs in agricultural production and marketing, rural development, home economics and youth development.
Water Resources Research, No. 15.951	$140,000	$40,000P	$40,000R		Loss of research funds to Water Resources Center at University of Maine, Orono.
DEPARTMENT OF EDUCATION					
Elementary/Secondary Education Act:					
Educationally Deprived Children State Administration (Title 1 ESEA—State Administration) No. 13.430.	$150,000		$150,000T		Eliminates 11 administrative people who approve, monitor and evaluate programs involving $6,500,000 allocated to local school systems involving approximately 80,000 disadvantaged children.
School Library Resources, Textbooks and Other Instructional Materials (Library Resources) No. 13.480.	$432,000		$432,000T		Eliminates 2 administrative people who procure and account for $382,000 in materials purchased to upgrade some 950 school libraries. Provides books.
Strengthening State Departments of Education—Grants to States, No. 13.486.	$443,000		$443,000T		Eliminates 30 specialists filling positions specifically designed to originate, implement, monitor, alter and modify techniques and procedures which will improve educational services at all levels.
Public Library Services: Library Services—Grants for Public Libraries (LSCA—Title 1) No. 13.464; Interlibrary Cooperation (LSCA-Title III) No. 13.465.	$930,000		$930,000T		Eliminates 29 full-time and 10 part-time employees who administer, supervise and evaluate services to public libraries and who provide program services to public school children.
Aid to Impacted Areas: PL 874 School Assistance in Federally Affected Areas—Maintenance and Operation (Impact Aid) No. 13.478.	$3,500,000	INA	1,400,500R		Reduction starts July 1, 1973. Eliminates funding for students who live off federal property. Subsidy represented ½ regular off-base per student education cost in that local area.
Neighborhood Youth Corps (NYC) No. 17.222	$2,000,000	$200,000P	$200,000T	June 30, 1973	Presently 840 enrollees working in 113 local projects. Work time cut from 15 weeks each to 5 weeks. Local project directors no longer receiving pay. Summer program enrolls 3,800 students in jobs. Program terminating.
Drug Abuse Prevention, No. 13.420	$23,200		T		Programs in Drug Abuse Education to public schools will be terminated.
Follow Through, No. 13.433	$7,230		$5,000T		The program is being terminated by not allowing any new classes to start.
ENVIRONMENTAL QUALITY					
DEPARTMENT OF ENVIRONMENTAL PROTECTION					
Construction grants for sewage treatment plants, No. 66.400.	$48,300,000	$29,000,000P	$29,000,000P		44 municipal sewage projects required by state law to be under construction by Oct. 1, 1973 will not be started. Major population centers of Portland and Bangor are affected. Total construction work will be $64.5 million instead of $142.4 million under full funding, or a loss of $77.9 million in construction work.
FARMERS HOME ADMINISTRATION					
Water and Waste Disposal Systems for Rural Communities, No. 10.418.	$1,000,000	$490,000PF	$1,000,000TS		Sewer grant applications from 26 communities rejected.
HUD Water and Sewer Grants, No. 14.301	$2,000,000	$1,200,000F	$2,000,000TS		Funded 1 project in FY 73 before moratorium (Bangor $750,000) and six applications were pending including one from Old Orchard Beach for $1,253,000 which would have qualified for funding. Others—Lewiston $89,500, Lisbon $46,500, Auburn $750,000, Waterville $366,500—might have qualified. In FY 72 funded 3 projects for total of $1,180,000.

STATE OF MAINE—2D SURVEY—Continued

HEALTH

[Legend: T—program terminated as of June 30, 1973; TS—T above and proposed for special revenue sharing; F—frozen as of January 1973; R—reduction, program continues; P—impoundment; INA—information not available]

Program affected	Impact of Federal impoundments, proposed budget reductions and terminations				
	Anticipated funding level, fiscal year 1973	Estimated dollar loss		Action date	Who/what is affected?
		Fiscal year 1973	Fiscal year 1974		
Regional Medical Programs, No. 13.249	$2,000,000	$1,200,000P	$2,000,000T		33 activities contribute to the financial support of: 100 Allied Health Personnel, 109 Nurses, 109 Physicians. Improvement in Health Care Delivery—1972: 2,316 Health providers received training to improve their skills affecting 592,000 Maine residents. 596 New types of health personnel have been trained affecting 342,000 Maine residents. 400 Rural low income children in York County have received medical care for the first time. 900 Nurses and 350 physicians have been trained in coronary care affecting 48 Maine hospitals. Health care system for Stonington an adjacent area affecting 4,000 people. Note: These figures include loss of approximately $628,000 in specific projects for the University of Maine.
DEPARTMENT OF HEALTH AND WELFARE					
Health Facilities Construction Program (Hill-Burton Hospital Construction), No. 13.220.	$5,000,000		$5,000,000	T	Approximately 25% of population currently served by outmoded or poorly distributed hospital beds—primarily rural areas.
Emergency Moedical Services Program, No. 13.249	$200,000		$165,000	R	Moneys may be in another part of Federal Budget but, if so, no one (including Washington) knows where. If out training programs for about 5,000 emergency health service personnel will be curtailed.
Family Planning Projects, No. 13.217, also Family Planning, No. 49.006.	$600,000		$300,000	R	The $300,000 loss is a probable net loss of service moneys due to HEW being required to assume costs of family planning programs previously funded thru OEO without appropriate increase in HEW funding. Approximately 10,000 women are potentially affected.
Disease Control—Venereal Disease, No. 13.205	$126,000		$18,000	R	Approximately 1,000 persons at risk of getting V.D. (estimate).
Communicable Disease Control, No. 13.268	$130,000		$18,000	R	Approximately 10,000 children needing immunization (estimate).
COMMUNITY MENTAL HEALTH CENTERS, NO. 13.240					
Bath-Brunswick M.H. Center: Community MH Staffing Program.	None	$400,621R	$400,621R		Inpatient, outpatient care, mental health education and consultation. This 8-year grant would have totaled $2,749 ,831 services for Bath-Brunswick area.
Mid-Coast MH Center:					
Community MH Staffing Program	None	$404,673R	$404,673R		Inpatient, outpatient care, mental health education and consultation for Rockland area.
Community MH Construction	None	$100,000R	T		This 8-year grant would have totaled $2,787,470. Construction grant approval cancelled.
Mental Health—Hospital Improvement Grants (HIP), No. 13.237: Augusta State Hospital.	None	$94,264R	INA		Academic program for young patients whose education was interrupted by mental illness. Program was approued, then cut before implementation.
Rehabilitation Services and Facilities—Basic Support, No. 12.746.	$2,719,500	$374,300R	$374,300R		General restructuring and improvement of all bureau services and programs. Costs would include evaluation of effectiveness, efficiency, and productivity. Additional direct service support to various subprograms will also be affected.
		None	$368,000R		Approximately 1,000 disabled people will be denied service under the ongoing basic rehabilitation service program.
					NEW PROJECTS PLANNED—NOW DEAD
		None			Renovation and expansion of a facility which provides rehabilitative programs for blind and visually handicapped people will not take place. This facility serves 100 people per year. $65,500.
		None			A facility at a major medical center which would provide rehabilitation services to severely disabled people will not be established. Sixty (60) people per year will be affected. $169,500.
		None			A unit which would rehabilitate deaf people will not be established. Approximately 100 people per year will be affected. $128,200.
		None			Two units to rehabilitate handicapped youth will not be established. These units would serve approximately 200 handicapped youth per year. $143,800.
		None			2 rehabilitation units in the State hospitals will not be established. These units would serve approximately 200 mentally ill people per year. $120,000.
		None			Expansion of the core Rehabilitation Program will not take place. Approximately 2,000 physically and mentally handicapped people will not receive rehabilitation services. $736,000.
Rehabilitation Services and Facilities—Special Projects (Rehabilitation Services Projects) No. 13.763.	$101,800	$30,430T	$39,700T		A Master's Degree Training Program will not be established. Rehabilitation manpower will not receive intensive academic training and will, therefore, not be as effective or efficient as could be. The flow of trained manpower will be curtailed. In-service and academic training will be cut in half. Workshops, seminars, academic course work, staff upgrading and publications will weaken the effectiveness of rehabilitation workers.
		$7,500R	$16,000R		The existing project to rehabilitate public assistance recipients will have to cut service. The cost of goods and services rising without funds to accommodate them will cut services to approximately 60 people.
					NEW PROJECTS PLANNED—NOW DEAD
		None			2 project programs designed to rehabilitate public assistance recipients into employment will not be established. Approximately 800 disabled people will not receive rehabilitation services. $320,000.
		None			Planning and coordination of services to the spinal cord injured and wheelchair confined will not be developed. Indirectly, approximately 500 such people will be affected. $27,000.

STATE OF MAINE—2D SURVEY—Continued

HOUSING—Continued

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Program affected	Impact of Federal impoundments, proposed budget reductions and terminations				
	Anticipated funding level, fiscal year 1973	Estimated dollar loss		Action date	Who/what is affected?
		Fiscal year 1973	Fiscal year 1974		
MAINE HOUSING AUTHORITY					
Interest Subsidy—Homes for Lower Income Families, No. 14.105 (Sec. 235, HUD).	$845,000	$600,000P	$845,000P	T July 1, 1973	Expect over 900 new mortgages to be refused. This money subsidizes the interest portion of home mortgage payments—the amount of subsidy depending on mortgagee's income. Outstanding mortgages not affected. (Contract is between bank and individual.) (Bank then received interest subsidy from Federal Government—HUD.)
Interest Reduction Payments—Rentals and Cooperative Housing for Lower Income Families, No. 14.103 (Sec. 236, HUD).	$375,000	$250,000P	$375,000P	T July 1, 1974	Prohibit construction of 400 apartment units. This money subsidizes interest payments to the developer. Current mortgages not affected. Contract is between sponsor and bank while subsidy is from Federal Government.
Public Housing—Acquisition (With or Without Rehabilitation) and Construction, No. 14.146; Public Housing—Homeownership for Low-Income Families (Turnkey III, Mutual Help for Indians), No. 14.147 (total amount activity including construction, subsidy, new commitments).	$14,000,000	$10,000,000P	$14,000,000P	T July 1, 1974	Includes direct grants for new construction or rehabilitation. Would eliminate construction of 600 apartment units per year.
Public Housing—Leased, No. 14.148 (Sec. 23)	$3,000,000 in new construction; $720,000 in subsidy.		$3,000,000 in new construction $720,000 in subsidy.T	T July 1, 1974	Prompt action by HUD (Manchester) saved 320 new units, FY 73 representing full expected allotment.
Urban Renewal Projects, No. 14.307	Modest		Unknown.T	July 1, 1974	There are 16 projects in Maine. All have received their basic grants but chance for supplemental funds lost.
Neighborhood Development, "NDP", No. 14.306	$2,300,000	$400,000	$1,900,000	July 1, 1974	A multiyear program, just underway. 4 Maine projects; Lewiston, Portland, Bangor, Waterville. Will be wound up by July 1, 1974.
Code Enforcement Grants, No. 14,309	$821,000	$821,000	$821,000T	T FY 1974	Project Grants for rehabilitation of private homes. Administered by muncipal agencies.
Housing Rehabilitation Grants, No. 14.308	428,000	0	428,000T	T FY 1974	Grants and loans for rehabilitation of private homes. Administered by the Urban Renewal Agencies.
*Present funding levels are based on 1972 expenditures.					Note: Of the 6169 housing starts in 1972, 3164 were subsidized. Estimate housing starts to reduce to 3000 for 1973 as result of Federal change in support.
FARMERS HOME ADMINISTRATION					
Low to Moderate Income Housing Loans (Rural Housing Loans), No. 10.410.	$50,000,000 total loans.	$7,000,000 in subsidized loans; $3,500,000 in construction.	$30,000,000T in subsidized loans; $15,000,000 in construction.		Puts program out of reach of many low income families by terminating low interest availability as of January 1973. About 1,200 families would have used low interest feature in FY 73 for home purchases.
		$500,000 in interest subsidy.	$2,500,000 in interest subsidy.		About 50% of FMHA loan volume is new construction. About 70% of loan volume is with interest subsidy for low income borrowers.
Emergency Loans, No. 10.404		INA	INA/R		The $5,000 forgiveness clause has been eliminated. Interest rate boosted from 1% to 5%.
Open Space Land Programs, No. 14.303 (Grants for Land Acquisition and development).	$500,000	$150,000F	$200,000 minimum.	T July 1, 1974	5 Maine communities. Urban improvement—parks, etc.
Neighborhood Facilities Grants, No. 14.302 (Construction grants for Community Centers of various kinds).	$1,000,000	?F	$500,000 minimum.	T July 1, 1974	4 Maine communities.
MANPOWER					
DEPARTMENT OF MANPOWER AFFAIRS					
MDTA Institutional Training No. 17.215	$981,000	$173,000	INA*		Disadvantaged unskilled individuals needing skill training. Approximately 300 program participants affected for fiscal year 1973. Potential fiscal year 1974 effect unknown.
Unemployment Insurance—Grants to States No. 17.225	$56,000	$42,000	INA*		May require redirection of staff within department from support functions and services to payment effort for U.I. claimants.
Operation Mainstream No. 17.223		$45,000			Number of individuals affected not known. 3 projects at $15,000 each.
Employment Service No. 17.207			INA		Potential staff reductions. If actual will result in decrease in support services in areas other than direct applicant/employee services and placement functions.
Public Employment Program No. 17.229. (Also called EEA).	$6,896,736	None	$3,650,000	T FY 1974	Actual funding in fiscal year 1973 represented a rate of 25% less than fiscal year 1972. Complete phase-out during 1974. Jobs established in fiscal year 1972=1,511. 25% reduction in fiscal year 1973=444. To be phased out in fiscal year 1973–74=1,067.
Concentration Employment Program No. 17.204	$2,057,000	$206,000P			Reduction of 30 jobs and 115 training slots for Maine CEP. Curtailment of New Careers and elimination of Mainstream.
DEPARTMENT OF COMMERCE & INDUSTRY					
Community Development Training Grants (Title VIII) No. 14.202.	$30,811	$10,000P	$30,000T	Jan. 1, 1973	Program trains municipal officials in various aspects of community development.
State and Private Forestry Cooperation (Cooperative Forestry) No. 10.650.	$507,000	$104,100PR	$104,000R		These Forest Fire Prevention costs must be covered by state funds.
Outdoor Recreation: Land Acquisition and Development (Land and Water Conservation Fund) No. 15.400.	$2,000,000		$1,500,000R		Cuts in state capability to *increase* public recreational opportunities.

*Funding levels for fiscal year 1974 are not known at present pending approval of budget for fiscal year 1974. All Manpower Training moneys are in question at present for Jobs Optional (JOP), MDAT, JOBS–NABS.

STATE OF MAINE—2D SURVEY—Continued

SOCIAL SERVICES

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Program affected	Impact of Federal impoundments, proposed budget reductions and terminations				
	Anticipated funding level, fiscal year 1973	Estimated dollar loss		Action date	Who/what is affected?
		Fiscal year 1973	Fiscal year 1974		
City of Portland: Community Development, Model Cities No. 14.300.	$1,800,000	None	$1,200,000	June 30, 1974 TS	13,000 people in Portland benefit directly or indirectly from services delivered to "inner city" section where bulk of low income residents live. 450 persons are employed to operate about 35 services. The MC grant generates additional $3.8 m. in matching funds or private donations to these programs for total annual impact of $5.6 m. spent for people needs. $1.7 m. of the generated money comes from private sources that have become ineligible under new H.E.W. FR guidelines published February 16, 1973.
City of Lewiston: Community Development, Model Cities No. 14.300.	$2,000,000	None	$1,400,000 Note: The MC program ends 12 months sooner than Federal G. had promised. Thus, city loses $2.0 m. it had planned for fiscal year 1975.	June 30, 1974 TS	14,000 people live in Lewiston and benefit directly or indirectly from services to lowest income neighborhoods. 300 people are employed to operate 28 services. The MC grant generated an additional $1.3 m. in matching funds or private donations to these programs for total annual impact of $3.3 m. spent on people needs. There is no special breakdown on private contributions. Note: Services include: 1. Child care 2. Food and services to elderly 3. Recreation programs and facilities 4. Education for special students and new facilities. 5. Law Enforcement aides. 6. Housing services.
Social Security IV–A, 16 and Related Services: No. 13,754. Daycare, and other social services to Aged, Blind, Disabled, AFDC (Past, Potential, Present).	$12,000,000	$1,800,000 PR	$3,800,000 PR	March 1, 1973	Services will be terminated or reduced to 39,000 people in the last quarter of FY 73 and an additional 34,000 during FY 74. Reductions will be caused pursuant to new regulations which eliminate groups from eligibility who previously were eligible, and which prohibits use of private funds as "seed" dollars for Federal matching.
Office of Economic Opportunity: Community Action No .49.002.	$2,334,000		$2,334,000+ TS		Community Action Agencies are the major social service and delivery system serving rural Maine and Maine low-income people. Through Community Action Agencies efforts, additional funds both Federal and non-OEO and State and local monies have been mobilized. (Result in approximately $5,000,000+ additional dollars.) This total program effort is dependent on the existence of Community Action Agencies. If the agencies are eliminated then the following program will be eliminated: 1. Community Outreach—Provide information and referral services and crisis support to approximately 150,000 people. 2. Children's Services—(Head Start)—Provide educational, health and other support to approximately 2,700 low-income children. 3. Community Health Services—Provides various kinds of services including dental, immunization clinics for children, lead posioning screenings and transporation to clinics for approximately 8,500 people. 4. Economic Development—Has created opportunities for supplementary income for Maine citizens, particularly senior citizens and rural both serving approximately 1,900 people. 5. Family Planning Services—Serving approximately 12,000 women. 6. Housing Services—Includes house outreach, location of emergency housing, house counseling, home rehabilitation programs and house construction. Serving approximately 3,000 families. 7. Job Placement and Job Counseling Services—Presently serving approximately 1,000 people. 8. Nutritional Programs—Provides educational and administrative support for donated food programs. Affecting approximately 64,000 people. 9. Senior Citizen Programs—Provides such services as hot meals, recreation outreach, part-time employment affecting approximately 20,000 senior citizens. 10. Youth Programs—Provides for various youth activities and job programs for youths. Serving approximately 500 people. In addition, Community Action Agencies generate a total annual payroll of $4,500,000 employing approximately 1,000 people of which 60% are from the low-income sector. The State OEO offices which provide technical assistance for the functions is terminated as of June 30, 1973.
Pine Tree Legal Services	$506,000		Unknown		Same level proposed by new legal corporation but continued 6 months at a time.
Health Service Demonstration Project: Rural Health Associates, Farmington, Maine, Franklin County.	$1,000,000		Unknown	Unknown	Grant pending to HSMS, Dept. HEW. ($1,008,000). If grant not funded— 800 low income families, 600 low income single persons will lose all medical benefits (since package includes all needed inpatient & outpatient health svcs.). Additional 600 families, 80 single persons will lose partial benefits. (These needed medical services not offered in the gov't package in Medicaid programs under which they are covered.
Penbay Medical Center, Rockport, Maine	$912,000		Unknown	Unknown	Grant pending to HSMS, Dept. of HEW for $1,037,000— If not funded, 4,000 persons will lose all medical benefits offered in the grant-transfer to RHS Svcs. package—additional 1,500 persons will lose partial benefits.

STATE OF MAINE—2D SURVEY—Continued

SOCIAL SERVICES—Continued

[Legend: T—program terminated as of June 30, 1973; TS—T above and proposed for special revenue sharing; F—frozen as of January 1973; R—reduction, program continues; P—impoundment; INA—information not available]

	Impact of Federal impoundments, proposed budget reductions and terminations				
Program affected	Anticipated funding level, fiscal year 1973	Estimated dollar loss		Action date	Who what is affected?
		Fiscal year 1973	Fiscal year 1974		
No. 13.754 Public Assistance—Social Services:					
Bath Regional Association for Retarded Children (awaiting funding).	$43,242*	$21,621	$86,484	T Mar. 1, 1973	Day care and socialization for 30 retarded children.
Bureau of Human Relations	$44,332*	$22 166	$88,664	T Mar. 1, 1973	Day care and socialization for 60 children, 18 of whom are retarded.
Camp Waban	$61,333*	$30,000	$122,666	T Mar. 1, 1973	Day care, socialization and respite care for 25 retarded children and adults.
Abilities and Goodwill	$53,332*	$22 000	$106,662	T Mar. 1, 1973	Day care and socialization for 40 adult retarded.
Friends of the Retarded	$22,000*	$11,000	$44,000	T Mar. 1, 1973	Day care and socialization activities for 35 adult retarded.
Bureau of Human Relations	$133,000*	$66,500	$266,000	T Mar. 1, 1973	Homemaker service for 20 families of retarded plus other families.
Handicaps, Inc	$38,000	$19,000	$38,000	T Mar. 1, 1973	Adult day care and socialization for 27 mentally retarded, cerebral palsied and epileptic.
Lewiston-Auburn Association for the Retarded	$30,000	$30,000	$60,000	T Mar. 1, 1973	Pending Approval: Day care and socialization for 15 mentally retarded, cerebral palsied, and epileptic. Proposed: (Not to be funded due to changes in regulations)
Oxford County Association for Retarded Children					Day care and socialization for 20 mentally retarded, cerebral palsied and epileptic ($45,000).
Franklin County Association for Retarded Children					Day care and socialization for 5 mentally retarded, cerebral palsied, and epileptic ($10,000).
Kennebec Valley Mental Health	$56,000	?	$56,000	T Mar. 1, 1973	Socialization, information and referral and linking services for the retarded and their families in the area.
					Pending Approval:
Kennebec Valley			$50,000		Day care and socialization for adult retarded.
Kennebec Valley			$9,400		Day care, socialization and recreational activities for retarded children and adults.
Hilltop School for the Retarded	$2,400	$2,400	$6,800		Day care and socialization for retarded children.
	$38,000	$38,000	$76,000		Day care and respite care for retarded adults.
Lorna C. Dill Activities Center	$32,000	$32,000	$64,000		Day care and socialization for retarded adults.
Bangor Day Activities Center	$34,000	$17,000	$34,000	T Mar. 1, 1973	Day care and socialization for retarded cerebral palsied and epileptic.
Eastern Maine Friends of the Retarded	$74,000	$74,000	$148,000		Adult day care and socialization for 64 retarded, cerebral palsied, and epileptic.
					Proposed:
Kathadin Friends of the Retarded					Day care and socialization for 17 retarded adults ($24,000).
Washington County Associates for Retarded children					Day care for 16 retarded adults ($32,000).
The Counseling Center					Day care for 20 retarded adults ($50,000).
DEPARTMENT OF TRANSPORTATION					
Federal Aid Highway Program No. 20.205	$26,600,000	$5,600,000P	Unknown*		*1973 Federal Aid Highway Program currently pending Congressional action. Federal funds are currently being withheld from the Maine Department of Transportation in the amount of approximately $5.6 million. This represents the difference between the 1973 apportionments of Federal funds made to the State of Maine, and the obligational authority established by the Secretary of Transportation. The continuing uncertainty of the availability of Federal funds creates considerable difficulty in providing effective scheduling of proposed projects.

*These are only January–June figures. Fiscal year 1974 estimated dollar loss represents a 12-month program.

NATIONAL SOCIAL SECURITY COMMISSION

Mr. TOWER. Mr. President, I am pleased to cosponsor at this time, Senate Joint Resolution 48 which would establish a permanent and independent National Social Security Commission. This resolution was introduced earlier in the session by Senator FONG and Senator FANNIN. I would like to commend them for their foresight in advancing this proposal.

The resolution would establish a nine-member Commission that would operate independently of the Social Security Administration and the Department of Health, Education, and Welfare. Five members, including the Chairman of the Commission, would be appointed by the President with the advice and consent of the Senate and two each by the President pro tempore of the Senate and the Speaker of the House. The appointments would be made on a bipartisan basis. The Commission would be composed of men and women who have distinguished themselves in a number of disciplines ranging from economics to gerontology.

The need for this Commission seems obvious to me. While the Department of Health, Education, and Welfare; the Advisory Council on Social Security; and the Congress, particularly the House Ways and Means Committee and the Senate Finance Committee, have worked effectively and cooperatively in building the social security program, there is an urgent need for a permanent research and advisory body that would serve as a keystone in assisting the executive and legislative branches in developing a more cohesive program and also better take into consideration the various effects which the Social Security System has on other aspects of our society. Since the Social Security Act was enacted in the mid-1930's, it has grown tremendously to the point today whereby nearly every American is affected by it in one way or another. No less than 90 percent of the American people are today covered under social security.

While every legislator in Congress supports a strong and healthy social security program, a number of difficult questions have emerged in recent years that concern the heart of the program. These include the actuarial method of financing the program so as to maximize benefits to as large a segment of the population as possible and the increasing cost through the payroll deduction of the program to lower and middle income Americans, employers and employees alike. Additionally, many questions and some problems have surfaced relating to medicare and medicaid, programs authorized by the Social Security Act.

Every day bills are introduced in the Congress that would amend the Social Security Act so as to expand benefits and eligibility in a way that the particular legislator believes is necessary to improve the system. For instance, for many years I have introduced legislation to allow social security recipients to earn more money without having reductions in social security benefits. Progress was made in this area through the passage of H.R. 1, but further improvement needs to be made in this Congress. This subject and many others deserve more indepth study and attention. The Congress must be able to legislate the social security program in a way that recognizes the costs and benefits of various proposals on a long range basis.

The proposed National Social Security Commission would be able and equipped to provide these services. Operating independently from existing institutions, it would be able to act in the role of an ombudsman in behalf of all of the American people.

Today, payments under social security, including medicare, exceed $60 billion a year. This represents the largest single Federal Government program in operation. Such a system demands more than a part-time advisory council that is authorized to meet only on an infrequent basis.

As stated previously, the Social Security System continues to benefit millions of Americans. At the same time, it is evident that further improvement could be realized so as to make it more equitable for participants and potential participants. Furthermore, medicare, while providing necessary health benefits to its participants, has had a deleterious effect on many hospitals, particularly those in rural parts of the country. The difficulties which these hospitals have had with medicare has forced them to rearrange their services to their communities. This is the type of problem that I would expect a National Social Security Commission to analyze and then to put forth substantive recommendations in order to remedy the problem.

Mr. President, I believe strongly in the desirability of this Commission. This is despite the fact that there are already too many Government-funded commissions that when taken together achieve very little at a major cost to the American taxpayer. Yet a permanent commission offering full-time analysis of social security must be distinguished from most of these other commissions that tend to meet sparingly and are authorized only to consider narrow subject areas. A National Social Security Commission, as envisioned by Senate Joint Resolution 48, would be geared to providing a sense of direction in terms of management, economic, and fiscal responsibility, social goals for the Social Security System on both a short-range and long-range basis. This is essential if social security is to be the ongoing success that we all want it to be. I, therefore, urge my colleagues to give Senate Joint Resolution 48 their careful consideration because it is a positive proposal that can potentially benefit all Americans.

A CHRONOLOGY OF WRONGDOING

Mr. CHURCH. Mr. President, no wonder there is a breakdown of respect for authority in this country. Just look at the chronology of "incidents" involving high officials of Government and business in wrongdoing.

I ask unanimous consent that "A Chronology" by Joseph C. Harsch that appeared in the April 10 Christian Science Monitor be printed here in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A CHRONOLOGY

(By Joseph C. Harsch)

Having failed to find an easy reference source on the various incidents lumped together these days under the broad label of "Watergate" we went to the back files and put together for future use the following:

1970. July through September. Harold Geneen, board chairman of International Telephone & Telegraph, offered company funds to the U.S. Central Intelligence Agency to help prevent the election of Salvador Allende Gossens to the presidency of Chile. After Allende's election on September 4, Mr. Geneen made a specific offer of $1 million to the CIA to support a coalition against Mr. Allende.

1971. March 12. Secretary of Agriculture Clifford M. Hardin refused to raise the federal milk price support level.

March 23. Dairymen visited the President.

March 24. Dairymen contributed $25,000 to the Nixon election campaign fund.

March 25. Secretary Hardin raised the milk price support level. The cost to the milk consumer was estimated at $500 to $700 million.

July 23. The Republican National Committee picked San Diego for its 1972 convention. Agreement was reached with the city after ITT had underwritten $400,000 of the cost. The deal later fell through.

July 31. An antitrust suit against ITT was settled out of court. In the settlement the Department of Justice withdrew its demand for a separation of Hartford Fire Insurance Co. from ITT. It has been charged, and denied, that John Mitchell intervened on behalf of ITT.

1971. March. Maurice Stans, chief fund raiser for the Nixon re-election campaign, raised $10 million in secret funds to beat the April 7 disclosure deadline.

April 7. New law in force requiring disclosure of all amounts of over $100 with names of donors.

April 10. A then undisclosed contribution of $200,000 in cash was handed to Mr. Stans in the Nixon campaign office in Washington by Harry L. Sears, Nixon fund raiser for New Jersey, and Laurence B. Richardson Jr., former president of International Controls Corp., whose principal owner, Robert L. Vesco, was a fugitive from the United States. Five months earlier Mr. Vesco was released from a Swiss jail on bail the day after a telephone call from Mr. Mitchell to the American Embassy in Bern.

1972. June 17. Five employees of the Nixon campaign committee were caught and arrested inside the offices of the Democratic National Committee in the Watergate Apartments in Washington. All have since been found guilty in court of breaking, entering, stealing, and eavesdropping..

1973. January 31. Campaign fund reports showed that Nixon fund raisers had collected about $50 million during 1972. This was the largest political campaign chest ever raised in American history. A credit balance of $3.5 million remained at the beginning of the new year.

February 27. The Nixon campaign committee disclosed that it had returned to Robert Vesco $200,000 received from him in cash on April 10, and also another $50,000 received earlier.

Footnote. Pay to the Watergate burglars came from the same safe into which the Vesco contributions were put. President Nixon's brother Edward helped to arrange the Vesco contributions.

ACCOMPLISHMENTS OF SOUTH CAROLINA'S SOIL AND WATER CONSERVATION DISTRICTS

Mr. THURMOND. Mr. President, today, much of what we hear and read is about the environment and what is wrong with it. Many groups and individuals have come forward in recent years to proclaim that they have all the answers.

In South Carolina, there is a group that has been concerned about the environment for more than 35 years and is continuing to do a tremendous job of improving it by conserving and developing wisely our soil, water, and related natural resources. I speak of the 45 soil and water conservation districts.

I feel that I can speak with some authority since I was author of the legislation creating soil and water conservation districts when I was a member of the South Carolina General Assembly back in 1937. Gov. Olin D. Johnston signed this legislation April 17, 1937. Immediately local leadership began to prepare the referendums necessary to create soil and water conservation districts. Our first district was chartered in September 1937, and by August 10, 1943, the entire State of South Carolina was covered by soil and water conservation districts. South Carolina was the second State in the Nation to achieve complete coverage.

Districts are locally organized and locally governed. Each district is governed by a board of commissioners, consisting of five members. Three are elected by the voters of the district and two are appointed by the State Soil and Water Committee. The 225 district commissioners governing the 45 districts in South Carolina serve without pay. They serve, because they are unselfish people dedicated to conserving and using wisely our soil and water resources for a better America.

Mr. President, some of the finest people I have ever known are serving or have served as soil conservation district commissioners. There is no organization that includes more loyal, capable, and dedicated leaders than the conservation districts in my State. I would be amiss if I did not mention two of my friends, and South Carolina's friends, the late Dr. Joe Douthit and E. C. McArthur. These men not only provided leadership to conservation districts in South Carolina, but to the Nation as well. Dr. Douthit served as a district commissioner from 1937 until his death in 1973, longer than any other man in the United States has served in this capacity. The late E. C. McArthur, of Gaffney, S.C. provided the vision and leadership that resulted in the formation of the National Association of Conservation Districts, and he served as its first president.

Districts are charged by State law to develop and implement programs that will conserve the soil and water resources of our State. They have done an outstanding job in carrying out this responsibility. This is evidenced by the more than 46,000 landowners who are cooperating with districts in planning and applying conservation measures on their land.

Districts seek and receive assistance from many Federal and State agencies to help their cooperating landowners implement conservation work. However, the bulk of the technical assistance they receive in planning and applying conservation work comes from the Soil and Conservation Service within the Department of Agriculture.

All of our 45 districts in South Carolina have a memorandum of understanding with the Secretary of Agriculture which provides a basis for SCS assistance.

Mr. President, now I want to mention just a few things our districts have done in soil conservation that has made our State a better place in which to live—better from an environmental and economic standpoint. Districts have sponsored 55 watershed protection and flood prevention projects in my State. Forty-six of these have received planning assistance, 33 projects have been authorized for construction, and 11 projects have been completed. The SCS has assisted districts plan and carry out these projects under the authority of the Watershed Protection and Flood Prevention Act, Public Law 566.

In addition to flood protection, watershed projects have provided sources of water for municipal, recreational, fish and wildlife, and agricultural uses. I would like to cite just one example of the benefit of a watershed project: During a single rainstorm near Dillon, S.C., in 1969, the flood protection given by the Maple Swamp watershed project provided benefits that exceeded the total construction cost of the project.

Soil and water conservation districts have also sponsored four resource conservation and development projects that cover 22 of our 46 counties. These projects have had a significant impact in improving the quality of life for the people of South Carolina.

Mr. President, you would have had to see the red, eroding, gullied hillsides of South Carolina back in the 1930's to fully appreciate the impact soil and water conservation districts have had in our State. Today, most of these ugly scars have been covered with grass and pine trees.

Districts, in cooperation with SCS, have helped landowners to build more than 34,000 miles of terraces to prevent erosion and conserve water. More than 1 million acres have been planted to pasture and hay crops, and about another 1 million acres have been planted in trees. There are more than 37,000 farm ponds and lakes dotting South Carolina's landscape that provide water for livestock, irrigation, fish and wildlife, recreation, rural fire protection, and other beneficial uses. They also add to the beauty of the countryside.

Mr. President, I could list many other accomplishments of the soil and water conservation districts in my State and around the Nation, but time will not permit. It has been a privilege to share with this distinguished group some of the things soil and water conservation districts in my State have done to make South Carolina a better place in which to live. I salute the 45 soil and water conservation districts in South Carolina and the more than 3,000 districts across the Nation for what they have done to make this a better America.

A NEW SECRECY ACT?

Mr. BIDEN. Mr. President, in recent weeks, there has been much discussion on some not-so-well-known aspects of the Nixon administration's proposed revisions to the Federal Criminal Code which would make it a felony to disclose or receive almost any defense or foreign policy information.

The daily News-Journal newspapers of Wilmington, Del., have recently published two editorials on the content of those provisions and the present system of classifying official documents.

Both editorials read, in part:

> The fact that information was classified in error or frivolously, or without reasonable grounds, would be no defense for the reporter or the government source. . . . If these laws were really necessary, really in the public interest, it would seem appropriate for them to be offered as what they are, a new secrecy act.

I ask unanimous consent to reprint these editorials in full at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

RUBBER STAMP IN IRON FIST

About a month ago, President Nixon sent to Congress a draft of a new federal criminal code, generally considered a necessary updating of the criminal law. What attention it got was concentrated mainly on the President's recommendations for revival of the death penalty and stiff mandatory sentences for some offenses.

Just 10 days ago, Sen. Edmund S. Muskie, speaking at Frostburg State College, made reference to a system of censorship set up by the proposed code which he compared, unfavorably, with the British Official Secrets Act. The speech got only sketchy reporting nationally, but it was enough to get reporters to take another look at the 1,200-page criminal code, and what they found there, along with a better look at the Muskie speech, is nothing less than frightening.

In brief, the Administration is attempting to revise federal law to make it a crime—a felony punishable by imprisonment—to disclose any document or the information in any document which is "classified." The punishment would apply to any reporter, editor or publisher who received and wrote such information, or who received the information and did not publish it, any government employe who revealed such information, any government employe who knew of such revelation and did not turn in his colleague, and any reporter who received the information and did not reveal his source.

The fact that the information was classified in error, or frivolously, or without reasonable grounds, would be no defense for the reporter or the governmental source. Once the rubber stamp fell, that would be it: any revelation or discussion of such material would be automatic grounds for felony conviction, and penalties would run up to seven years in prison and fines of $50,000.

Now, just consider the scope of this proposal to make criminal what is not now criminal: Government files are estimated to contain 20 million documents which are classified, that is, stamped "confidential," "secret" or "top secret;" most of them are in the Defense Department, the State Department or the CIA, but they are scattered around other departments as well, and in the White House itself. No less than 20,000 officials and bureaucrats hold the rubber stamps, to be used at their discretion. Theoretically, classification is supposed to protect the national security; in practice, it is used for that—and for any other conceivable reason, including shielding government officials from embarrassment, the results of bad judgment and even the consequences of wrong-doing. Some classification defies any explanation at all, and some classified documents go back so far—30 years or more—that the reasons have been forgotten.

Sen. Muskie says that applying criminal sanctions to violations of this creaky classification system would "establish in peacetime a system of government censorship that a democracy could hardly tolerate in time of war." Its results would be to virtually shut down all investigative reporting in Washington—and at a time when efforts are being made to make government more open and to protect news media from growing governmental harassment.

Whether or not these proposals for heavier penalties for the violation of governmental secrecy should even be considered, they certainly cannot be based on the present classification system. The government certainly has a right to protect the national security, and to enforce vital security most strictly. But it should clean up and tighten up its classification system and confine it to matters of true national security before going on to stricter enforcement.

NEW LAWS ON SECRECY

Buried in the fine print of a lengthy, proposed revision of the Federal Criminal Code are several provisions that add up to an American version of the "official secrets act"—laws that are far stronger than even those emergency measures adopted during World Wars I and II.

The laws, now before Congress, would make it a felony for a government official to disclose almost any defense or foreign policy information, whether or not that disclosure endangered national security

It would make it a felony for a reporter to receive such information, whether or not it was published.

It would make it a felony for a reporter receiving such information to refuse to disclose his source.

It would make it a felony for another government official, knowing of such disclosure of information, to fail to report a co-worker's action in doing so.

The law sounds reasonable enough, since the obvious aim is to protect the security of such information as defense codes, our surveillance techniques, our atomic secrets, and plans which might aid our enemies But the law would penalize the disclosure of any classified information whether or not that information was crucial to the national security, whether or not that information should have ever been classified.

Classified information is anything that one of more than 20,000 government officials decides should be secret. No explanations, no justifications, are required.

It is a power that has often been abused. Official secrecy has been used to hide incompetence, conceal waste, cover up facts that might be embarrassing. The "Top Secret" stamp has been put on vital facts about government meat inspection programs, drug tests, import restrictions, and income tax rulings.

The official government investigation into the My Lai massacre is classified. So is information about cost over-runs in the Defense Department. So is other information that is vital to the public's understanding and knowledge of exactly what its government is up to.

In other words, the new secrecy laws would create staggering penalties (three to seven years in jail, fines of $25,000 to $50,000) for the disclosure of information even when the information is totally misclassified, or classified only to prevent public knowledge of waste, error, dishonesty or corruption. They are not aimed at spies or the nation's enemies; the present laws are strict enough.

No law now gives the government such power to prosecute newsmen not only for revealing what they determine the public should know, but just for possessing information the government says they should not have.

It may well be that the public is tired of hearing, from the press, about freedom of the press. But such secrecy laws are not onerous merely because they may deny a reporter a front-page by-line, or a television network a hot item on the 6 o'clock news. The government is not attempting to keep information from reporters, but from the people.

The idea of a democracy is that the people decide what their government should be doing based on their knowledge of what is going on. Too often, the government has attempted to conceal information that would allow its citizens to act and vote intelligently. It is, to be blunt, an abuse of power.

These new laws in themselves are an example of what can happen. They are buried in a long and complex piece of legislation, a law which the Justice Department offered Congress as merely a modernization of the criminal code. The implications of these revisions were discovered by Sen. Edmund S. Muskie of Maine, who is working to defeat them.

If these laws were really necessary, really in the public interest, it would seem appropriate for them to be offered as what they are, a new secrecy act. It is foreboding that even the proposal of a secrecy act should be handled in such a covert manner.

REALINEMENT OF DEFENSE ACTIVITIES

Mr. THURMOND. Mr. President, yesterday, the President of the United States took a courageous step by ordering the realinement of defense activities in 32 of the 50 States.

Many in and out of Government have noted savings could be made in this area but just as many speculated that significant changes may not take place due to the political repercussions which would surely follow.

Great courage was required for the President to take this action as obviously the lives of many Government workers will be adversely affected. Also, the congressional reaction to date has been mixed. Everyone wants money saved, but naturally the Members are concerned when people and resources in their districts and States are reduced.

However, yesterday's action was justifiable in view of our reduced requirements resulting from the disengagement in Vietnam. It also recognizes the need to tighten our spending belt to the maximum consistent with maintenance of the defense necessary to deter any would-be aggressor.

Mr. President, this far-reaching realinement impacts on 274 installations in 32 States. It will result in a savings of $3.2 billion over the next 10 years. Further, these changes will reduce manpower requirements by 42,800 positions.

President Nixon is trying to save money everywhere, in defense and in domestic programs. Many have said no President would close a large number of military installations around the country. Many said the heat would be too great. However, President Nixon has done this, because he felt savings could be justified without imperiling our defense posture. This action is certainly a bold step for the President and I commend him for having the courage to take this initiative. His desire to save every dollar possible in defense should also be applied to other areas where 70 percent of the taxpayer's money is now being expended.

It was disturbing to me to hear remarks on the Senate floor yesterday that although nondefense spending is skyrocketing, even higher expenditures in this area are favored. These remarks revealed that the Appropriations Subcommittee on Labor, Health, Education, and Welfare expects to recommend $2.2 billion in excess of the President's budget for fiscal year 1974.

Mr. President, the Congress seems to be proceeding on the theory that now is the time to reverse priorities from defense to social programs. The Congress should not lose sight of the fact that President Nixon has already taken gigantic strides in this area.

It should be remembered that during President Nixon's first year in office, 44 cents of the Federal dollar went to defense and 34.4 cents for human needs. In the current budget 30.2 cents is going to defense and 47 cents to human needs. The President brought about this change despite his inheritance of a costly war in Indochina. He compiled this record of shifting money to human needs while at the same time gaining a peace in Vietnam with honor.

No one can claim that President Nixon has not reversed Federal spending from a wartime footing to one which recognizes our varied and legitimate domestic needs. Thus, I hope the Congress will proceed with care in further reducing the defense budget and putting additional billions in social programs.

It would appear to me that spending in many of these social programs could also be tightened in order that those truly in need would get greater benefits while at the same time waste in these areas might also be reduced.

In closing, I would ask unanimous consent that the Defense Department release announcing these defense installation changes be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY OF DEFENSE ELLIOT L. RICHARDSON ON BASE RELINEMENTS

Today I am announcing a significant facilities realignment, including 274 separate actions, which will affect Defense installations and activities in 32 states, the District of Columbia, and Puerto Rico, and which should bring about savings of $3.5 billion over the next decade. In addition, these actions will allow personnel reductions to help us meet our Fiscal Year 1974 budget, including elimination of some 42,800 positions of which 26,000 are civilian and 16,600 military.

These realignment actions are both timely and necessary. They are made possible in large part by the winding down of our involvement in Southeast Asia and by the consequent reduction in the size of our military forces and in the extent of our training needs. A concurrent and, in the long term even more important reason, is the urgent need to seek economies and efficiencies in order that scarce Defense resources can be devoted to high-priority areas such as research and development, readiness and modernization of forces, and maintenance of strategic sufficiency.

None of the actions in this package will be easy. I know they will cause difficulty for many of our people, and that they will have significant consequences for some communities which have long supported their military neighbors.

Under the Department of Defense Program for Stability of Civilian Employment, every effort will be made to assist displaced civilian employees in obtaining other acceptable employment. Transportation and moving expenses will be paid for career employees who will be relocated to other Defense activities. I have issued a freeze on most new-employee hiring for jobs within the Department of Defense as long as qualified displaced employees are available to fill those positions. Displaced employees will be registered in the Department of Defense Priority Placement Program for referral to other vacancies in the Department of Defense. They will also be eligible for the Civil Service Commission's Displaced Employees Program for referral and consideration in filling vacancies in other federal departments and agencies. In addition, I am writing heads of other government agencies and departments, asking them to give our displaced employees full consideration for employment in their organizations.

Close liaison will also be maintained by the Department of Defense civilian personnel offices with the Department of Labor, state employment offices and private industry to help employees desiring placement assistance or retraining for positions in the private sector. I have written the Secretary of Labor requesting his assistance in this crucial effort. Most career employees who do not elect to take other federal positions will be eligible for severance pay up to one year, based upon age and length of federal service, or for immediate retirement under one of the voluntary or involuntary options.

A memorandum detailing the rights and benefits ef employees affected by these actions is included in the material you are receiving.

For those communities which may be affected, we will make available the full resources of the President's Economic Adjustment Committee. President Nixon established this committee, which I chair, in 1970, and it includes representation from 15 federal departments and agencies. Its purpose is to marshal the resources of the entire Federal Government to assist communities affected by Defense realignments.

The committee works with state and local governments and the private sector to help create new private-sector jobs to replace the Defense jobs that will be eliminated. Such economic adjustment efforts in the past have resulted in the creation of major new developments in such areas as industry, education, recreation, health and transportation.

Yesterday the President wrote me and the members of his Economic Adjustment Committee re-emphasizing the importance of this effort, directing certain steps to improve the committee's effectiveness, and instructing all members of the committee to give "their full energies in this vital effort." A copy of this correspondence is also in the material you are receiving.

Now, I would like to summarize the actions to be taken by the three Military Departments:

NAVY

Between Fiscal Year 1964 and Fiscal Year 1974, Naval forces will have been reduced from 917 *active fleet ships* and 5,014 aircraft to 523 ships and 3,956 aircraft. Comparable figures for *active major combat ships* are 407 in Fiscal Year 1964 and 253 in Fiscal Year 1974. Next Fiscal Year the fleet will include 15 aircraft carriers compared with 24 in Fiscal Year 1964. Nevertheless, unless substantial facility cutbacks are made, the Navy in Fiscal Year 1974 will have the same number of active ship homeport complexes, air stations, and air-rework facilities as it did in Fiscal Year 1964. In addition, it would have only one less Naval shipyard. Clearly, we have for a decade been treating shore installations differently than we have been the ships and aircraft they are designed to support.

Consequently, after two years of study and rigorous analysis of requirements, it has been decided that on the East Coast we must close the Newport, Rhode Island, and Key West, Florida, Naval Stations; the Quonset Point, Rhode Island, Naval Air Station, and the Boston Naval Shipyard. On the West Coast, we must close the Long Beach Naval Station and the Hunters Point Naval Shipyard, both in California. These are but the most salient steps in a wide-ranging Navy realignment package.

The Navy's choices were made after thorough and painstaking study of available options, with the role of the aircraft carrier in the modern Navy surface fleet a major factor. It is Navy policy, which I fully endorse, to maintain at least two homeports on each coast capable of servicing modern carriers. The reason for this is that if only one carrier homeport were maintained, denial of egress by natural, enemy, or subversive actions at a time of crisis could severely circumscribe naval capabilities. Thus, when the Navy looked hard at the question of how it could better tailor its shore facilities to the needs and size of its fleet, it decided that homeports incapable of handling modern carriers were the most expendable.

A major function of the Newport/Quonset Point complex has been to support the smaller anti-submarine warfare carriers, a program which is being phased out by the Navy. The Navy is now meeting the anti-submarine challenge through the improved-carrier concept which requires use of only the large modern carrier in the dual anti-submarine and attack role. Newport cannot handle modern carriers nor can the adjoining Naval Air Station at Quonset Point handle the high-performance jet aircraft that go with modern carriers. The decision to close the Long Beach Naval Station on the West Coast is similarly based upon the fact that this is an inappropriate location for modern carriers.

AIR FORCE

Chiefly as a result of decreased hostilities in Southeast Asia, Air Force pilot training needs are dropping from the 4,440 needed in Fiscal Year 1972 to 3,425 in Fiscal Year 1974, thus allowing the Air Force to economize by closing one of nine current pilot training bases. Laredo Air Force Base, Texas, has been chosen as the most expendable pilot training base because of marginally adequate facilities, increasing encroachment problems, and geographic limitations.

In addition, 45 B–52/D aircraft are to be phased out by September 1974, because of airframe age. As a result, the Air Force will close two of seven Strategic Air Command air bases at which B–52/D aircraft are presently deployed. The two bases selected are Westover Air Force Base, Massachusetts, and McCoy Air Force Base, Florida, both of which are among those subject to short warning time attacks by submarine-launched ballistic missiles.

Further, the Air Force is seeking to economize by closing certain marginal, single-purpose facilities, except for reserve activities, and by transferring their missions to more efficient, multi-purpose bases. Air Force bases affected in this category are Hamilton Air Force Base, California, and Ramey Air Force Base, Puerto Rico.

Forbes Air Force Base, Kansas, will also be closed, except for the Strategic Air Command Satellite mission and Air National Guard facilities. The primary active duty mission at Forbes has been tactical airlift, but its geographic location is too far from prime Army airlift users located in North Carolina, Georgia, and Kentucky.

ARMY

In 1968, the Army contained 1.6 million military men and women. In 1974, Army strength is projected to be 804,000. This dramatic personnel decrease has reduced training requirements. The Army will compensate for this reduction either by closing the Army Training Center at Fort Dix, New Jersey, or by a reduction of training activities at all six of the current Army training centers. A study will be completed this summer on how best to carry out this reduction. Even should the Army Training Center be closed at Fort Dix, the Army would keep open the personnel center, the Army hospital, and certain other functions there.

Also, the Army's pilot training load has shrunk from 6,887 pilots in 1969 to a projected 1,502 in Fiscal Year 1974. Therefore, the Army proposes to consolidate its flight training activities at Fort Rucker, Alabama, and close Fort Wolters, Texas, and Hunter Army Airfield, Georgia.

To prepare itself further for the post-Vietnam era, the Army also will undertake an extensive realignment of its special schools. Signal training currently conducted at Fort Monmouth, New Jersey, and Fort Gordon, Georgia, will be consolidated at Fort Gordon. Defense language training, now conducted at several facilities, will be consolidated at Fort Monmouth for the East Coast, and Monterey, California, will continue to conduct West Coast training. Military police training will be moved from Fort Gordon to Fort McClellan, Alabama, where use will be made of facilities previously belonging to the newly disestablished Chemical Center.

In summary, these proper, prudent base realignments will save American taxpayers billions of dollars. Despite the hardship these actions will cause to some, in the long term they are necessary to maintain an efficient, effective, modern military establishment and consequently, a strong national defense benefiting all Americans.

GAO CONFIRMS ENLISTED MEN PERFORM SERVANT DUTIES

Mr. PROXMIRE. Mr. President, the GAO final report on military servants confirms that the taxpayers are hit for almost $22 million each year to supply high ranking officers with domestic servants.

The GAO report made at my request, shows that $21.3 million is spent to pay military servants and another $360,000 is spent to train them. These 1,722 men are supposed to be volunteers, but 13 percent of the enlisted aides interviewed told the GAO they were assigned to be servants.

The report acknowledges that the assignment of personal aides to generals and admirals is a longstanding custom and is legal as long as the servants have duties that further the accomplishment of a necessary military purpose.

But, the report concludes that the aides' duties are those generally associated with domestic servants such as preparing and serving meals, house cleaning, gardening, and bartending.

GAO investigators interviewed 25 percent of the aides serving in the United States. More than 75 percent of the sample claimed they must shop, cook, serve meals, clean quarters, tend bar, and run errands. Eighty-eight percent of the Air Force aides said they must wash privately owned cars. Fifty-three percent of the Army aides said they are required regularly to care for pets. Smaller percentages chauffeur, do laundry, prepare lunch, and babysit.

Nearly all the aides must work at official parties, which average about three a month for such high ranking officers.

The generals and admirals replying to the GAO claimed they need personal aides because their schedules leave no time to tend to personal needs. They also said their wives must attend social and military functions and do charity work so that they could not do housework. Official travel was also cited by the officers.

JUSTIFICATIONS ABSURD

This is absurd. The responsibilities of senior officers and their families are no different than those of businessmen, senior civil servants and other executives.

At their rate of pay—the equivalent of $50,000 a year and more including benefits—generals and admirals can and should pay for their own luxuries.

I intend to offer an amendment on the first available and appropriate bill to outlaw this wasteful and demeaning practice.

Here is an opportunity for Congress to strike a blow against a disgusting waste of taxpayers' money. Taxpayers should be seething with indignation over this patent extravagance.

But even more important, we should end this practice because it demeans our fighting men. The dignity and worth of our military personnel is too great to assign them to servant work for the big brass.

As for all those parties, let the military get out of the entertainment busines. Politicians, diplomats, and other military personnel are taking valuable time from our senior officers by expecting lavish entertainment and special treatment at public expense.

Mr. President, I ask unanimous consent that the findings and conclusions of the General Accounting Office be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENLISTED AIDE PROGRAM OF THE MILITARY SERVICES

DIGEST—WHY THE REVIEW WAS MADE

The Chairman of the Joint Economic Committee requested the General Accounting Office (GAO) to:

Clarify the statutory and budgetary justification for the enlisted aide programs of the military services; and,

Determine the nature and propriety of tasks and duties assigned to enlisted aides. (Appendixes I and II.)

FINDINGS AND CONCLUSIONS

In December 1972, 1722 enlisted men were assigned as aides to 860 admirals and generals and 110 Navy captains. The remaining 457 admirals and generals were not assigned enlisted aides. (See p. 6.)

Personnel costs of the enlisted aide program for Fiscal Year 1973 were about $21.3 million, training costs were about $360,000. (See p. 8.)

Assignment as an enlisted aide is supposed to be made strictly on a voluntary basis and enlisted aides are supposed to be able to transfer out of the program at any time. Of 312 aides interviewed by GAO, 272 said they volunteered for the program. The other 40 aides said they were assigned. (See p. 15.)

The furnishing of enlisted aides to Army and Air Force officers while not specifically provided for by law is a long recognized custom and is not prohibited by law. The assignment of enlisted men under the jurisdiction of the Secretary of the Navy to duties in a service capacity in officers' messes and public quarters is authorized by law. (See p. 12.)

Enlisted aides are assigned to senior officers for the purpose of relieving these officers of minor details which, if performed by the officers themselves, would be done at expense of their primary military and official duties.

A court decision relating to—and military regulations governing—the program state that the propriety of duties of enlisted men is governed by the *purpose* the duties serve rather than the nature of these duties and that they must further the accomplishment of a necessary military purpose. (See p. 12.)

General policing of any abuses and enforcement of the regulations, in GAO's opinion, would be difficult. However, if the military services formally called attention to violations that did occur and prohibited the further use of enlisted personnel in such circumstances, it probably would be helpful. (See p. 14.)

Enlisted aides usually are assigned on the basis of one aide per star, a system that, the military services stated, long has been traditional to match the ascending levels of responsibility of the officers and the increase in frequency of occasions requiring personal services, including official entertainment. (See p. 16.)

The Marine Corps had three special training courses for enlisted aides and the Army had one special course and one on-the-job training facility. The Air Force and Navy relied mainly on on-the-job training. (See p. 16.)

The military services provided GAO with official positions on the enlisted aide program. The position of the services was that senior officers required enlisted aides because of

The 24 hour a day nature of their jobs;

The requirement to host numerous official functions;

Their extended and irregular work hours; and,

To free the officers' wives to provide leadership to distaff organizations and voluntary community services.

The 106 admirals and generals responding to a GAO questionnaire gave similar reasons supporting their requirement for enlisted aides. (See Appendixes VI through IX and p. 20.) Almost all said they used enlisted aides to make preparations for and serve at official and unofficial functions. The average number of these functions was 2.9 and 1.6 respectively. (See p. 28.)

Tasks performed by enlisted aides are those generally associated with domestic servants: preparation and serving of meals, cleaning of quarters, maintenance of grounds, bartending. (See p. 25.)

Most enlisted aides interviewed believed the tasks they performed did assist the officers and release them to work on their primary duties. Most indicated also that the officers they served and the officers' families generally treated them with dignity and respect. (See pp. 30 and 33.)

Younger aides are less likely to reenlist and more likely to transfer out of the program than older aides. Those aides with relatively little experience in the aide program are more likely to leave the program than more experienced aides. (See p. 31.)

At the present time a large percentage of enlisted aides are members of minority groups in all of the services except the Army. About 98 percent of Navy aides are Filipinos; 65 percent of Marine aides and 35 percent of Air Force aides are black. The Navy and Marine Corps have programs designed to alleviate the racial imbalance. The Air Force does not restrict entry to racial groups since the program is voluntary. (See p. 32.)

In the higher grades, enlisted aides in the Navy are not promoted as fast as servicemen in other specialties. This occurs because of the high retention rates of senior enlisted aides which results in few openings in higher grades. (See p. 33.)

RECOMMENDATIONS: NONE

Agency comments

GAO obtained the official positions of the military services on the enlisted aide program and these statements are included as Appendixes VI through IX. The military services were also provided all of the data GAO gathered in the interviews of the enlisted aides and from the questionnaires to the generals and admirals.

MATTERS FOR THE CONSIDERATION OF THE CONGRESS

Data and information contained in this report may be of assistance to the Congress in its consideration of S. 850, a bill to restrict the use by officers of enlisted men for servant-type duties and eliminate the enlisted aide training courses.

THE ENERGY CRISIS

Mr. JAVITS. Mr. President, at noon today the President's message on energy will be made public. I ask unanimous consent that the letter I wrote on April 3 to Deputy Secretary of the Treasury William Simon on the energy crisis be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., April 3, 1973.

Mr. William Simon,
Deputy Secretary of the Treasury, U.S. Department of the Treasury, Washington, D.C.

Dear Bill: As you know, I have been increasingly concerned over the past three years about the supply of fuel oil and the Federal Government policies which affect those supplies. No. 2 fuel oil—home heating oil—is a product vital to consumers and industries in New York; and the consumption in my state is nearly equal to that of the entire New England area.

In recent weeks I have been considering several critical oil import policy and energy issues and their effect on my state. I should like to outline briefly some of my primary domestic concerns as they relate to oil in the hope that the policies which the Administration is now developing will provide effective solutions.

With reference to fuel oil policies, I have two concerns:

First, there is a need for increased access to imports from abroad. It is clear that the independents who supply New York State—and they constitute more than 25% of the market—cannot secure sufficient supplies of No. 2 fuel oil from domestic sources. It is equally clear that the only way they can meet the needs of their customers and fully utilize the extensive deep-water terminals, docks, storage and distribution systems at their command is to have increased access to imports. I strongly favor, therefore, a substantial increase in the existing program for home heating oil imports into New York and the Northeast to a level which will make up the gap between domestic deliveries and projected demand for the winter of 1973-74. In making this recommendation, I point out that my state has been skirting the edges of severe supply shortages over the past three years.

Second, regulations concerning the imports of refined products must be framed so as not to threaten the very survival of independents as a competitive force in the market. I believe that, if you allow major refiners to have access to imports of finished products, such as heating oil and gasoline, the impact on independents must enter into the calculations so that independents are not run out of the business.

This latter point leads to two more general concerns:

First, I strongly favor policies that will provide incentives—not disincentives—for building additional refinery capacity in the United States. Clearly if refiners can import all the finished products they need, they will have little incentive to build additional domestic capacity. In this connection, Governor Rockefeller and I have worked hard to get additional refinery capacity into the upstate New York area. Since the parties in question would not invest without an assured access to Canadian crude (which the Canadians were and are willing to provide), the limitations of the present import policy mitigate against such a sizable investment being made.

Second, I understand that you are considering the imposition of a tariff system to regulate increased imports of finished products and crude oil. I would support such a program, but believe the tariff must be designed and adjusted so that there is little or no inflationary impact on petroleum price levels which remain under considerable upward pressure. In turn, an equitable tariff system must give consideration to the existing market position of independent importers.

Finally, our oil import policies should be framed to better equip our petrochemical industry to compete in the years ahead.

I hope these thoughts are useful to you in your effort to develop an equitable energy policy for our nation.

With warm regards,
Sincerely,
Jacob K. Javits.

SENILITY—A MUCH MISUSED WORD

Mr. CHURCH. Mr. President, as chairman of the Senate Committee on Aging I am often disturbed by the careless way in which laymen and even medical practitioners sometimes use the word "senility."

Quite often, a person is described as senile simply because he may momentarily forget a person's name, a date, or even his own address.

Patients in nursing homes, no matter what their real ailments may be, are often dismissed as a largely senile group.

Other examples are all too easy to come by. It is almost as if there is a national tendency to dismiss the elderly as a group. They are old; therefore they are losing their wits to one degree or another. They are senile.

And yet, the Committee on Aging has received much evidence indicating that what may be called senility, is often a far different condition. Psychiatrists have told us of so-called senile patients in mental institutions who were really suffering from malnutrition or correctable body chemistry imbalances of one kind or another. They point out that a diagnosis of "chronic brain syndrome" is a much more scientific and more accurate description of the condition which does afflict many persons in nursing homes and other institutions. To call it senility, however, is to use a prejudicial word.

Mr. President, the National Observer of March 31 published a very helpful and informative article challenging current ideas about senility.

The author, Douglas S. Looney, made the point that many people regard the elderly as senile simply because they expect them to be senile. They ignore the energy and lively outlook not only of celebrities such as Pablo Casals or James Durante, but of elderly persons whom they meet every day, people who are in adequate command of their perceptions and their actions.

The Observer article discusses the senility issue in some detail; it is a timely and helpful report and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Senility Is Also a State of Mind

(By Douglas S. Looney)

OLD IDEAS ABOUT THE DISEASE CHANGE AS STUDIES FIND IT IS AVOIDABLE, OFTEN REVERSIBLE—AND NOT NATURAL

Forget everything you ever thought you knew about senility, that terrible trick of the mind that makes us fanciful and foolish when we grow old.

Nature, it seems, may have precious little to do with our aging brains' going into eclipse. In short, there is growing and persuasive evidence that senility may be avoidable. And often reversible.

The answer lies not so much in miracle drugs, although such a break-through (as the Salk vaccine for polio) may someday help; not so much in treatment, although several methods appear to be helping. More than anything, it lies in establishing your own strong psychological defenses against the malady many thought for years was inseparable from old age.

A SELF-FULFILLING PROPHECY

"Senility is an invention of modern Western society," complains the State Communities Aid Association of New York City and Buffalo. "It is one of the most damaging self-fulfilling prophecies ever devised."

Senility—as most of us fear it, doctors define it, and the American Psychiatric Association sets it forth—involves one or more of a lot of shortcomings as we grow older: impairment of orientation, memory, intellectual function (including comprehension and calculation), and judgment. Its extent is influenced, too, by one's personality, emotional stability, environmental, and expectations. Senility is a mental disorder that damages the brain and often triggers bizarre actions, dismaying family and friends. Dictionaries equate senility with old age, but growing numbers of experts say the two are not inexorably linked.

Whatever its definition, senility isn't a concern solely of old people. It's also a concern for middle-aged people who want to avoid its grip, and—especially—for people of all ages as they watch their parents, relatives, or friends become senile.

Dr. Mort Ward, medical director of the Philadelphia Geriatric Center, leaders in research into senility, suggests, "It's not whether others think you are."

All of which ties into one of the keys to senility: anxiety. One in six people over 65 is senile; a lot more fear they are.

THE FEAR IS PROFOUND

"I lose my eyeglasses five times a day," says Dr. James Folsom of the Veterans Administration (VA) in Washington, D.C., "and nobody says I'm senile. But if somebody old does this, everyone gets hysterical." However, as you can't tell a child there is no monster under the bed, you can't brush off a person's concern about senility.

With some it's a profound fear. Dr. Ewalt Busse, chairman of the Council on Aging and Human Development at Duke University, says, "People are more fearful of being incapacitated than dead." A Michigan State University researcher adds: "Senility is the result of a fear of impending death. Thus senility becomes a psychopathological defense against death." The solution, he suggests may be "terror reduction."

Here at the geriatric center, Bernard Liebowitz, executive vice president, says, "It's the frightening thing of not having control." And another staffer shakes his head: "The trouble is you live with senility, you don't die."

"Don't anybody hold my hand," insists Mrs. Sarah Seidenberg, a resident here. "I can walk fine." Asked where she was born, she responds, "In bed," and chuckles. She throws up her hands at the suggestion of senility, saying, "God forbid." She works two hours a day. She often goes on excursions to Atlantic City, N.J., for fun and to New York for shopping "because Philadelphia is too slow."

She's also 103 years old.

Keeping your mind in shape is of prime importance in avoiding senility, experts say. The brain must be used to ward off "flabbiness" caused by lack of mental gymnastics. And senility, those who know contend, isn't natural. It's a disease.

Col. Harland Sanders, the 83-year-old Kentucky Fried Chicken man, was reached in a Los Angeles motel in the midst of a 30,000-mile, five-week trip around the world. "You'll rust out quicker than you'll wear out," he says, adding, "I'll just go on about my business doing the best I can until the Grim Reaper calls me." And senility, Colonel? "I'm not going to get senile, so what do I have to worry about?"

Traditionally the main cause of senility has been thought to be arteriosclerosis, hardening of the arteries. This heavily hereditary ailment affects nearly everyone to some degree, clogging the blood vessels with calcium and cholesterol. But autopsies fail to show any constant relation between arteriosclerosis and senility, some people have excessive artery hardening (allowing less oxygen and blood to reach the brain and thus supposedly impairing function) but have functioned normally throughout life. Others get senile without significant arteriosclerosis.

And if senility does destroy gray matter (doctors are inclined to think it does), this is considered of relatively minor import in many cases, simply because most of us fail to use a major part of our brains anyway. Far more important is which cells are destroyed. Says Dr. Ward, "I think your best bet is to hope you lose only unimportant ones."

POSSIBLE CAUSES

Brain disease is another factor in senility. There is thought that disease may come about because we all have some sort of latent virus that sometimes is set off, sometimes not.

Other possible causes of senility include exposure to radiation, early nutritional shortcomings, isolation, bereavement, and alcoholism.

Mrs. Muriel Oberleder, assistant professor of psychiatry at Albert Einstein College of Medicine in New York City, says, "Frankly, I believe that people bring senility upon themselves." The VA's Folsom agrees: "I think some people have been born senile. They've never had an original thought. They don't grab life; they let life grab them."

Researchers still are as uncertain about senility's cause as they are about its "cure." Yet nearly all the authorities consider senility far from hopeless. Here are techniques—keeping in mind that the brain probably starts deteriorating between ages 20 and 30—that experts think can help you ward off senility:

Be active. "I think it's far better," says Folsom, "for anybody to slip on ice and break a hip than to slip on a rug and break a hip. Too often we make sure people are seated in a comfortable chair rather than being up exercising."

THINKING MAN'S DIET?

Eat properly. The young too often eat on the run; the old too often settle for a meal out of a can.

Be interested. An old Alabama farmer moved to town but he still returns to the farm daily to check the cows and chickens, explaining: "They need me. And I need them." Mrs. Ernest J. Wakefield, 82, of Kensington, Md., gets up at 5:30 a.m. daily and reads current literature for two to three hours. "I sure would be mad if somebody called me senile."

Be smart. Arthur Waldman, consultant at the geriatric center, says senility appears to come more often to the lower end of the intellectual ladder than the top.

Control stress. This byproduct of modern living seems to do our brains no good.

Vitamins may help. Ascorbic acid (vitamin C) is popular; B-12 shots are given regularly. Placebos might do as well, but if you think it helps, that's much of the battle.

Get adequate sleep. But older people should avoid constant dozing, which in turn prevents sleeping at night, which gives them time to worry about lots of things. Like senility.

Give yourself pep talks. Folsom suggests a daily dose of: "I'm not going to give up by pieces my interests. I will pick up on new concepts and not live in the past." Mrs. Margie T. Wild of Portland, Ore., a cousin of Folsom, says she discovered she was getting senile. How did she avoid it? "I refused to let it happen to me."

Learn new skills. If you have led an intellectual life, take up bricklaying. If you're a bricklayer, try reading.

Think in terms of second and third careers. Colonel Sanders started what he calls "this chicken thing" when he was 66.

Don't get fat.

Do things for others. The geriatric center's Dr. Ward says 25 per cent of people over 65 live alone; that leaves too much time for self-pity. Look outward.

NEVER SAY, "I'M TOO OLD"

Don't fret about memory lapses. "By the time you are in your 60s," says Busse of Duke, "you know a lot of people, so of course you forget some of their names." Mixing up names of children is natural at age 70. As it is at age 40, when we may be experiencing our first, minor memory losses. Network television commentator Chris Schenkel forgot his name while reporting the Mexico City Olympics in 1968. Nobody thought him senile.

Don't think you are becoming stupid. You're not. Research shows that you will hold your IQ well as the years go by.

Don't give up things in the name of, "I'm getting old and forgetful." If you play tennis today, play tomorrow; if you go to church this Sunday, go next Sunday (even if it's cold); if you went to concerts last spring, go this spring. Giving up any thing is a huge step toward senility.

Inspire yourself. Look at Mrs. Elmer Broders, 77, of Kansas City, who ice skates daily. Or look to history's greats who have seemed to avoid senility: Supreme Court Justices, Churchill, Moses, Segovia, Casals, Toscanini.

SENILITY ISN'T PRETTY

Curb your anxieties. "The climax of middle-age fears," says Einstein College's Mrs. Oberleder, "is senility."

But if many of us, young and old, can take these strides to ward off the octopus of senility, how do we cope with friends and relatives who seem senile? Some of us respond badly. Why? "Many people just can't handle anything that's not pretty," says the geriatric center's Liebowitz. "And senility isn't pretty."

Mrs. Elaine Brody, director of social work here, emphasizes that therapy for the senile, no matter how intensive, must be continued. If not, the gains are quickly eroded.

HOW TO HELP THE SENILE

Ward, her colleague, says the trick is "simply to give them a little bit of interest in still being alive." In her no-nonsense book, *How To Help Older People,* Julietta K. Arthur details the senile's needs: "Somewhere to live, something to do, and someone to care."

Avoid endorsing senile behavior. Folsom explains: "We reward them for being forgetful. We say, 'Oh, mother has lost her glasses. Let's all help look.' Then mother realizes that's the only way she can get attention."

Give older people aids. Mrs. Wakefield uses a ruler with a magnifying glass. That makes abundant sense—especially if the alternative is not to read at all. Listen to the older people, share ideas, and try to be sympathetic to their concerns. And as two researchers at Louisiana State University wrote recently, "It's important not to take away all of life's pleasures in the interest of prolonging life." Write things down for them.

Alcohol for the senile? Says one prominent authority, "A little sherry sure beats the hell out of Geritol." Avoid a smothering kind of love. Just because an older person forgets to record a check on the stub doesn't mean he's unable from now on to write checks. Because he forgets to tie his shoes, it doesn't mean that he must forever wear slippers.

REALITY ORIENTATION TREATMENT

A prime way to cope with senile behavior (doctors often come up with the senile diagnosis when they can't figure out what else could be wrong) is through a scientific-sounding but common-sense concept called "reality orientation."

This was developed by the VA's Folsom. Trimmed to the basics, the program requires repeated emphasis on now: "What day is today?" "It's Monday morning. That means it's time to go to therapy." "It's noon, so it's time for lunch." "What's your name?" Says Dr. Folsom, "Our biggest problem is convincing family members it's not hopeless."

And it's not. Examples abound of people diagnosed as senile who then recover. A cotton broker in Mississippi, for example, became increasingly irritable, threw his wife out of their home, and locked the door. After intensive reality orientation under Folsom, he returned to a normal life. His wife later wrote, "Thank you for giving me my husband back."

Following surgery a person often will awake with "instant senility." This can be erased quite soon, insists Folsom, by patience, perseverance, and by not letting the patient "get away" with senile behavior.

Dr. Carl Eisdorfer, chairman of the department of psychiatry at the University of Washington, explains: "To the layman, names, dates, and places may be small, but the alternative is nothing. It's life in front of a television set where the vertical hold is always shot."

There is evidence that specific treatment may help. Most exciting are the hyperbaric chambers, where oxygen at above atmospheric pressure permeates the brain much better than at ordinary pressure. The leader in the field is Eleanor Jacobs of the VA hospital in Buffalo. But she claims no miracles. She admits that some results have been good with arteriosclerosis cases, but results are poor where there is brain disease.

ASSOCIATION WITH NAZIISM

Miss Jacobs says hyperbaric work is going on at a half-dozen centers, including Miami, Duke, New York University, Milwaukee, and in Southern California. "I think the real hope for hyperbarics," she says, "is for preventive treatment. But I don't believe this is the final answer for senility."

One of the major problems is that the treatment (at Buffalo, two 90-minute sessions a day for 15 days) doesn't seem to have much lasting effect. While there is no discomfort, Alvin Goldfarb of New York City reports that he found many Jewish patients recoiled at the treatment, apparently associating the chambers with the Nazi gas chambers.

"When discussing the hyperbarics," says Miss Jacobs, "I think it's good to be conservatively and scientifically skeptical. I don't believe in this fountain-of-youth junk." Colonel Sanders has been in the hyperbarics and, while not an enthusiastic fan, he concludes, "I figure it helps me." He plans to go back.

AN ANTISENILITY PILL?

One authority says, "Off the record, I'd think they're probably worthless. On the record, I would say there is evidence on both sides, but it needs a whole lot more research." Waldman of the geriatric center suggests, "I don't think they're any better than copper bracelets. Of course, copper bracelets seems to do pretty good for some people."

Pharmaceutical companies are scrambling to develop an effective antisenility pill. Ward cautions that older people can tolerate perhaps only one-third to one-half the medicine dosage of younger people, and he notes, "It's very easy to produce a row of zombies."

Dr. Nathan Kline, director of research at the Rockland (N.Y.) State Hospital, is testing a Romanian-produced drug, a derivative of procaine. "So far we haven't proved it doesn't work," he says. Tests are proceeding to see if it has any effect as an antidepressant. If it does, its effects on senility may be tested. All we have now are extravagant claims from abroad.

KEEP THE BRAIN SWITCHED ON

There has been work on thinning blood in order for it to pass through troubled arteries, but hemorrhaging presents problems. Expanding arteries has a chance, although Ken Pommerenck of New York's State Communities Aid group wonders about the virtues of "expanding brittle pipes." Marjorie Fisk Lowenthal of the Langley Porter Institute in San Francisco says, "We're thrashing around like we did with polio."

Busse of Duke thinks that we will have medical cures for senility within a decade. A skeptic here says, "Do him a favor and don't quote him on that." But Mrs. Oberleder agrees with Busse.

Many experts think a partial answer will be drugs because, as Waldman says, "Any problem science is willing to look at can be solved." But the rest of the answer, perhaps the biggest part of the answer, involves active and vibrant living and refusing to check your brain at the doorstep when you turn 65.

AN HISTORIC LABOR/MANAGEMENT AGREEMENT IN STEEL INDUSTRY

Mr. PERCY. Mr. President, yesterday the Senate Committee on Banking, Housing and Urban Affairs approved the reauthorization of the National Commission on Productivity for the coming fiscal year. A central duty of the Commission under its revised mandate will clearly be to promote the creation of the labor/management councils within industry to the resolution of issues without confrontation and with a resultant stimulating effect on productivity.

The single American industry that has done most to pioneer in developing such cooperative labor/management efforts in the steel industry. In its wage settlement on August 1, 1971, the steel labor and management agreed to a memorandum of understanding providing for joint advisory committees on productivity to be established at each steel plant. The purpose of the joint committee was:

> To advise the plant management concerning ways and means of improving productivity and developing recommendations for stimulating its growth . . . but also to promote orderly and peaceful relations with employees, to achieve uninterrupted operations in the plants, to promote the use of domestic steel and to achieve the desired prosperity and progress of the company and its employees.

On March 30 this year, the leaders of the steel industry and the United Steelworkers Union announced a historic agreement growing out of the same spirit of labor/management cooperation underlying the creation of the joint productivity councils.

The new accord in the steel industry, reported on March 30 by the New York Times, is designed to avoid the disastrous 3-year strike cycle that had become characteristic of the steel industry. In anticipation of a possible strike, steel users stockpiled steel, creating inordinate demand that could only be satisfied by imports. When negotiations were concluded, domestic steel output fell off sharply as inventories were worked off. The result of this "feast and famine" system was a massive jump in imports in each domestic strike period, imports that began to erode the essential viability of the industry.

The new "experimental negotiating agreement" sets a specific timetable for basic steel contract negotiations, which begin in February 1974. All issues must be settled and arbitration decisions made before the current agreement ends July 31, 1974. The new agreement holds through 1976. Both labor and management believe the new plan guarantees their freedom to negotiate, but in a new framework and without disruption of the industry.

Mr. President, I wish to commend this new agreement in the highest terms and Mr. I. W. Abel, president of the United Steel Workers of America and the management, the steel companies whose ingenuity made this historic agreement possible. It is creative and new, it is a response to increasingly tough import competition; it is a demonstration that both labor and management in the steel industry will work together to become competitive. I know that I, and I am sure many others of my colleagues, will watch the operation of this agreement closely. Surely it provides a precedent for new labor/management relationships in other industries.

I ask unanimous consent that the article referred to be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

No-Strike Accord Reached on Steel

Pittsburgh, March 29.—The United Steelworkers of America approved today an unprecedented agreement that virtually assures labor peace in the basic steel industry through July, 1977, and perhaps longer.

The accord, worked out with 10 companies in years of talks, provides for binding arbitration of unresolved issues in 1974 negotiations and prohibits strikes by the union or lockouts by the companies to support their bargaining positions.

I. W. Abel, the union president, disclosed details of the preliminary union-management agreement, which was approved by the 600 local union presidents and officers in the Basic Steel Industry Conference.

Mr. Abel described the plan as "an unprecedented experiment that we think will prove there is a better way for labor and management to negotiate contracts."

Sitting beside the union leader was R. Heath Larry, vice chairman of the United States Steel Corporation and chairman of the negotiating committee for 10 of the nation's major steel producing companies.

IMPORTS MAY DECLINE

"This should work for the benefit of the employes, the company, its customers and the nation," Mr. Larry said.

The concerns agreeing to the pact are Allegheny Ludlum Steel Industries, Inc., Armco Steel Corporation, Bethlehem Steel Corporation, Inland Steel Company, Jones & Laughlin Steel Corporation, National Steel Corporation, Republic Steel Corporation, United States Steel Corporation, Wheeling-Pittsburgh Steel Corporation and Youngstown Sheet and Tube Company.

Both Mr. Abel and Mr. Larry said that the agreement was expected to reduce steel imports that have adversely affected the domestic industry, do away with stockpiling by the industry's customers in anticipation of strikes, and reduce layoffs and unemployment. Imports have been blamed for eliminating 150,000 steelworkers jobs, and layoffs totaled about 100,000 after the 1971 agreement was signed.

Mr. Abel and Mr. Larry said that the pact guaranteed uninterrupted production in the American steel industry for its duration and Mr. Abel voiced the hope that it could continue indefinitely.

The present three-year contract between the union and the 10 steel concerns will expire Aug. 1, 1974. Mr. Abel said the union and industry had begun discussing the new agreement in 1967 and negotiated it over the last several years at meetings in Pittsburgh, New York, Washington and Florida.

In their joint statement, Mr. Abel and Mr. Larry said that deadlocked contract negotiation in the past had resulted in economic hardship for the industry, the employes and the communities in almost every state where steel operations take place.

They said that although the industry had not had a nationwide strike since 1959, the potential for a shutdown brought about heavy imports of foreign steel that adversely affected the United States balance of payments.

Mr. Abel said the new procedure would provide each side maximum bargaining leverage without interrupting the earnings of employes or the operations of the companies. He said that the collective bargaining relationship between union and management had not only been carefully preserved, but also extended and refined.

Mr. Abel said the 600-member Basic Steel Industry Conference which met here for two days, had the authority to approve the agreement but that the rank and file membership had been acquainted with its details through talks by Mr. Abel and the union publication, Steel Labor.

He conceded, however, that some of the conference members had expressed doubts about the agreement, particularly about binding arbitration.

The agreement, covering 350,000 employes in the basic steel industry, provides a wage increase of at least 3 per cent each on Aug. 1 in 1974, 1975 and 1976. Cost-of-living wage adjustments and incentive wages in the present contract will be continued.

Asked how the parties agreed to a minimum 3 per cent, Mr. Abel laughed and replied:

"We wanted the world and the companies didn't want to give us anything. The 3 per cent is the floor."

The agreement provides for a one-time bonus of $150 for the workers covered. It gives local unions the right to strike over local issues, but both sides said that local strikes would have minimal effect on the industry.

The parties will begin actual negotiations no later than Feb. 1, 1974. After April 15, 1974, they will submit unresolved contract issues, including wages, to an arbitration panel of five members for decision on or before July 10, 1974.

Mr. Abel said that George Meany, president of the American Federation of Labor and Congress of Industrial Organization, was aware of the agreement and that the Seafarers International Union had shown an interest in it. He also suggested that the nation's railroads and railway unions consider it.

"We have wide open negotiations coming up in 1974 with no holds barred," Mr. Abel said. "We haven't said that we have agreed to certain limits. I hope that with this agreement the industry will modernize and provide more jobs."

Mr. Larry said, "We are providing stability of operations but we are not displacing collective bargaining. We will seek to make the agreement work without arbitration. Any agreement providing for continued operations is a major step forward in reducing steel imports. We think this agreement should help us recapture part of the market we have lost."

LEGAL SERVICES FOR THE POOR

Mr. BAYH. Mr. President, one of the important issues which the Congress will consider in the next few months is the creation of an independent Legal Services Corporation to operate and fund the Federal Government's program to provide adequate legal representation for those in our society who cannot afford to pay for it themselves. Many of us feel that legal services has undoubtedly been one of the most successful antipoverty programs of those that have been initiated in the last decade. Perhaps because of this success, it has often been in the midst of controversy. Recently the St. Joseph County Bar Association in South Bend, Ind., adopted a resolution expressing full confidence in the legal aid program as it has been operated in St. Joseph County and called upon the Congress to enact legislation establishing the Legal Services Corporation and to increase the funds devoted to this program to enable it to keep up with its increased caseload. I ask unanimous consent that this resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

Whereas: There is a continuing need for legal services for the poor.

Whereas: There are federally funded Legal Services Programs to meet this need in each of the states.

Whereas: These programs are facing an expanding demand for legal services and increased operating expenses.

Whereas: The funding for these programs has not increased since 1970 in spite of the increase in demand and operating expenses.

Whereas: This Association continues to support the need for adequate legal services to the poor and the need for vital and independent programs to provide this representation.

Now, therefore, it is resolved:

1. The United States government should increase the level of funding of Legal Services programs to enable them to provide adequate legal services to eligible clients and to prevent a serious deterioration of the quality and quantity of service because of increased expense and mounting caseloads.

2. Government at all levels and lawyers from both the public and private sectors should take every step necessary to insure that legal services lawyers remain independent from political pressures in the cause of representing clients.

3. The Congress of the United States should enact a legal service corporation of a design consistent with the foregoing principles and the need to maintain full and adequate legal services for the poor.

MAYDAY REVISITED

Mr. JAVITS. Mr. President, the U.S. Court of Appeals for the District of Columbia issued a sweeping order on April 16, 1973 setting the stage for possible recovery of bail and expungement of police records for thousands of demonstrators and others who were caught in dragnet arrests during the 1971 Mayday demonstration in Washington. This order expands on an order issued October 1, 1971 which directed the district court to look into ways of removing arrest records and recovering bail or collateral of persons arrested without field arrest forms.

On May 5, 1971, I spoke on the Senate floor expressing concern for the violations of civil liberties taking place by the sweeping arrests of thousands of demonstrators and others without use of proper arrests forms which would allow for a case to be made in court. I feel the court of appeals has vindicated my view then and now, that dragnet arrests without use of proper police procedures are inimical to the rights of all citizens.

I ask unanimous consent that an article from the Washington Post of April 17, 1973, discussing this situation be placed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Mayday Rulings Widened; Court Seeking Arrest Record Expungement

(By Paul W. Valentine)

The U.S. Court of Appeals issued a sweeping order yesterday setting the stage for possible recovery of bail and expungement of police records for thousands of demonstrators caught in sweep arrests during the 1971 Mayday disruptions here.

Expanding on an order of Oct. 1, 1971, the three-judge panel directed U.S. District Court Judge Howard F. Corcoran to examine ways of removing the records and recovering the bail or collateral for many of the 14,500 persons who were arrested without field arrest forms or booked improperly.

In another Mayday development, the District government agreed to pay $37,000 in damages to a city-sanctioned medical aid group whose members were arrested during the demonstrations.

District Court Judge June L. Green issued a consent agreement Friday on behalf of the Medical Committee for Human Rights, a loose organization of doctors and paramedics who customarily attend demonstrations in cooperation with city officials. Twenty-three committee members were arrested during Mayday and a truck owned by a 24th was damaged by police.

The Court of Appeals order on record expungement and bail recovery was hailed as a "tremendous victory" by Monroe H. Freedman, an American Civil Liberties Union attorney representing the demonstrators.

The 69-page opinion and order said that Corcoran, as a federal judge, has full authority to act in the case and put the burden on the city government to prove the legitimacy of the arrests if it hopes to prevent the expungement or removal of police records and recovery of collateral for arrested demonstrators.

The order also appeared to expand the "class action" suit of the civil liberties union to include not only the 7,900 persons arrested on May 3—the day war protesters attempted to block early morning commuter traffic into the city—but also some 6,600 additional persons arrested during numerous mass demonstrations immediately before and after May 3.

During the May 3 protest, Police Chief Jerry V. Wilson ordered suspension of field arrest forms because he said the paperwork prevented his officers from making arrests quickly enough to avert serious disruptions in the city. Sweep arrests followed.

The ACLU challenged the arrests as lacking legally required documentation and contended that many innocent persons were caught in the sweep arrests. The ACLU also charged that improper booking procedures were used both then and on other days during the Mayday demonstrations.

The bulk of arrests were eventually thrown out by the courts.

"While some, maybe most, of the persons taken into police custody during the Mayday demonstrations may have been engaged in criminal activity," said the Court of Appeals yesterday, "it appears that many others were innocent of any wrongdoing. Yet the arrest procedures used and the subsequent treatment of the arrestees during the course of the detention made it impossible to distinguish between the two classes."

The court opinion was written by Judge Harold Leventhal, with Chief Judge David L. Bazelon and Judge Spottswood Robinson III concurring.

"There was no declaration of martial law," the opinion said. "Yet the procedures for requiring that arrests be accompanied by some indication of the basis therefor—even as diluted by the special emergency arrangement permitting the arresting officer to establish probable cause for detention by preparing a simplified field arrest form and photograph—were terminated. The innocent as well as the guilty were in large numbers swept from the streets and placed in detention facilities."

The court continued: "The premise of the legal system, that unlawful arrests can be avoided or remedied by holding individual policemen accountable, evaporated when field arrest procedures were suspended and when persons other than arresting officers were permitted to execute field arrest forms."

This was a reference to Justice Department employees who filled out arrest forms on demonstrators brought to the emergency detention center in the Washington Coliseum on May 3.

They listed the name and address of each arrested person, charged him with "disorderly conduct" but left blank the portion specifying the time, location and circumstances of the offense. In the portion marked "Name of Arresting Officers," the employees inserted one name "taken seritim" from a list of seven police officers provided by government attorneys, the court said.

In expunging the records of arrested persons, the court left it up to Corcoran as to whether he should order them physically destroyed or held under court seal.

The Court of Appeals offered no specific suggestions on the question of bail recovery, saying the "matter requires exploration and ingenuity" by Corcoran.

The $37,000 damage award to the Medical Committee for Human Rights was the second monetary award to persons involved in the Mayday protests.

District Court Judge Gerhard A. Gesell last autumn awarded $9,000 to two men who said they were wrongfully arrested during an indiscriminate sweep by police on May 3.

About three dozen other false arrest suits involving scores of complainants are still pending in District Court.

SENIOR PROGRAMS IN IDAHO

Mr. CHURCH. Mr. President, there never has been a time when this Nation could afford unneeded Federal programs.

In 1973, as the administration forces wholesale curtailment or outright suspension of programs, the need for objective evaluation is even more pronounced.

I firmly believe that every program must meet the tests of usefulness and priorities.

As chairman of the Senate Special Committee on Aging, I am especially aware of my responsibility to look carefully at present efforts on behalf of older Americans.

For that reason I was especially interested in an editorial which appeared in the March 19 issue of the Idaho Statesman.

That editorial provided, in a very few words, truly informed analysis of the importance of several senior citizen community projects in southwestern Idaho. One result of such efforts, says the editorial, is that many older persons have been "recruited to live again—to live for others."

I believe that this editorial has a timely message, and I urge that it receive careful attention by all now involved in selecting what programs shall continue and what programs will be discontinued.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

New Smiles, New Interests

Evaluation time came last week for seven Senior Citizen Community Projects in Southwestern Idaho. The seniors in the communities of Weiser, Cambridge, Council, Emmett, Payette, McCall and Cascade had varied success stories to tell of objectives accomplished for fiscal year 1972. That is, those seniors who have affiliated with the programs.

How does one determine the degree of success of a program initiated by congressional action to benefit persons on forced retirement in many instances, who suddenly decide their reason for existing has evaporated?

Industry has its own criteria for measuring. Schools count degrees. Churches report membership. Agriculture cites bushels and tons. How does one measure intangible results of humanitarian programs for the shunted, forgotten portion really elderly, retired Americans?

Some concrete evidence was forthcoming from the centers in average number of meals served in the nutrition program, the increase of attendance, the rejuvenated buildings for senior centers.

Underlying all these obvious successes are the hundreds of elderly who have been recruited to live again—to live for others—removing self as the focus of their attention.

They no longer sit at home moaning over aches and pains, making life miserable for other members of the family. Now one sees new smiles, new interests in handcraft, arts, humanity.

Their motto obviously is: "What can we do for others?"

The whole senior citizen program has been called therapy for the participant. This idea can't be far afield when a former successful business man, now retired in his 80s, gets so involved in fund raising for the purpose of rebuilding the center that he has no time to go to a physician for every new allergy that develops every few days—until suddenly, he has no allergies.

This example is only one of the many true instances occurring throughout the country and in Idaho to give an indication of the instrinsic values of a government-initiated program that is actually producing valuable, though immeasurable results with some of our tax dollars.

No doubt, such programs prolong for many years the date when elderly will have to be institutionalized—which for the disgruntled taxpayer, and that probably includes the whole spectrum of citizenry during the upward inflationary trend—should be additional cause to appreciate the programs for our seniors.

OPIC EXPERIENCING GREATER FOREIGN COMPETITION

Mr. PERCY. Mr. President, the Overseas Private Investment Corporation, the U.S. Government agency that provides political risk insurance to American firms investing in developing countries, finds itself facing increasing competition from similar agencies in other countries.

For many years, OPIC and its predecessor agency were unique in the world. Now, however, other nations are also providing similar investment insurance in an effort to stimulate their companies to compete against U.S. firms in the international marketplace. This competition emphasizes the value of OPIC, both in helping to open up markets for U.S. goods and services, thereby providing a favorable impact on our balance of payments, and in assisting in the economic progress of developing nations.

Mr. President, I ask that an article in the April 9 issue of the Journal of Commerce describing OPIC and its competition be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

OPIC Experiencing Greater Foreign "Competition"

(By Richard Lawrence)

Washington.—The Overseas Private Investment Corp. (OPIC), the U.S. Government agency that insures American firms in developing nations, was once alone in its field. Today, like so many American organizations, it feels increasing "competition" from abroad.

It also is watching a fascinating shift in its own "market," as U.S. companies—OPIC's customers—turn more to Asia and Africa, while their investments in Latin America except in a few countries and special industries, have more or less leveled off.

The U.S. investment insurance agency, which became known as OPIC a little over two years ago, has been around since 1948. For 12 years, it was unique, until the Japanese founded a similar, but much smaller, operation in 1956. Then, in the 1970s, Europeans began scrambling.

MANY FOLLOW SUIT

There now are well over a dozen governments, from Australia to Norway, underwriting the foreign investments of their nationals. All of the major industrial nations, save Italy, protect their private investors against such political risks abroad as expropriation, war, revolution and currency inconvertibility.

Some governments, such as Britain and Japan, not only underwrite their nationals investing in developing countries but also in other industrial nations. A few, like Belgium and Switzerland, cover a wider range of risks, including catastrophic damage or the insolvability of local public entities.

A number of investment insurance agencies, most notably the Canadian, charge lower premiums on their policies than OPIC does.

REASON FOR GROWTH

The recent bloom of investment insurance organizations probably stems from several factors. The industrial nations apparently feel obliged, in an altruistic sense, to encourage the flow of productive investment into less developed countries, as a supplement to foreign aid.

But officials also seem to have become more aware that foreign investment can help their own economies, too. It leads to more export business, bigger corporate earnings, and it can serve to help assure sources of basic commodities.

OPIC remains by far the largest government foreign investment insurer, with Japan and Germany the next busiest. It issues about five times the value of coverage of its nearest counterpart, and its coverage is more extensive in type of qualifying investment, in the insurance of earnings, in the duration of coverage and, in most cases, the loss payable.

Despite the emergence of foreign insurers, and its own 25-year-history, the U.S. investment insurance agency has problems. The government, some important congressmen insist, should get out of the business of insuring business abroad. They usually cite the relatively large claims OPIC has had to process recently to firms expropriated in Chile.

OUTLOOK FAVORABLE

More congressional hearings on OPIC are expected, this year, but, it is believed, over the last two years, OPIC's new managers have shaped a more "business-like" operation, spreading out risk exposure and raising premiums, for instance.

The agency has become so much like a commercial insurance business, some observers suggest, that it may have lost much of its original purpose, to foster economic development in the poorer nations. But most congressmen are not likely to protest that.

In fiscal years 1971 and 1972, as the new management team took over, OPIC's insurance writing, both in number of projects and amount of insurance, dropped markedly. It is expected to rise this fiscal year, but not to, say, the fiscal 1970 level.

Much of the drop reflected changing Latin American politics. OPIC, for example, has suspended all new insurance writing in Peru, Ecuador, Colombia and Chile. Peru, it is noted, has still to compensate the expropriated International Petroleum Co., and Ecuador has been seizing U.S. shipping vessels.

But more broadly, the west coast South American countries have adopted the so-called Andean Investment Code, which fails to provide for third-party arbitration in compensation disputes.

About the only major Latin country where OPIC seems unusually busy is Brazil. The agency does not write either war or expropriation insurance in Argentina, and Mexico has never agreed to the principle of OPIC insurance.

Meanwhile, American investors appear to be focusing more on Pacific Asia—South Korea, Taiwan and Indonesia—and to a lesser extent on African countries like Nigeria, Liberia, Zaire and Botswana.

ASIAN PROGRAMS

The Asians, for one thing, are said to have better defined foreign investment programs, including incentives. Profits are reported higher in the Far East than anywhere else.

But there's some psychology involved, too, OPIC President Bradford Mills notes. While the Latins may want less U.S. investment and more European and Japanese, Africans want less European and more American and Japanese. The Asians want less Japanese, more European and American.

This is mirrored in OPIC's recent insurance writing activity. Last fiscal year, OPIC issued 37 policies for U.S. firms in the Far East, for a maximum contingent liability of $108 million.

ZERO FUNDS FOR LIBRARY SERVICES DEPLORED

Mr. BAYH. Mr. President, it is deeply disturbing to me as a legislator that the President has not requested any funds for the Library Services and Construction Act in fiscal 1974—even though the act does not expire until 1976. Nor has the President requested any funds for library services authorized under the Elementary and Secondary Education Act and the Higher Education Act. The Congress has long recognized the importance of library services, facilities, and training to the people of this country. Last year, more than 50 million Americans used the Nation's public libraries, and millions more made use of the libraries in our schools, colleges, universities, and hospitals. These libraries depend on Federal assistance for acquisition of books, periodicals, and other library materials; for training all types of librarians; for developing new ways of processing, storing and distributing information; for new and expanded library facilities, including bookmobile programs; and for providing specialized library services for physically handicapped, institutionalized, and disadvantaged persons. The entire Federal library program—which has benefited millions and millions of Americans—cost only $140 million last year.

The President's decision to cut off library funds is false ecomony of the worst sort. What better investment for the future of America can we make than in library resources? Federal library aid has gone to 60,000 elementary and secondary schools, 12,000 public libraries, and 2,800 college and university libraries. In addition, hundreds of thousands of physically handicapped people have received benefits from the talking books, records, and tapes programs funded under the Library Services and Construction Act. Funds for distributing these materials and for providing special services to make these materials available to handicapped people would be eliminated under the President's zero funding. While I agree that we must hold Federal spending within reasonable limits, I believe that there are better ways to eliminate waste and control Federal expenditures than by cutting off vital library services. To terminate abruptly all library assistance will lead to a drastic reduction in services, resulting in serious social costs which cannot be overlooked.

In my own State of Indiana, the library programs assisted by the Library Services and Construction Act, the Elementary and Secondary Education Act, and the Higher Education Act have been immensely important. For example, this year, under the Library Services Act, Indiana has received a total of $742,814—approximately $1,300,000 less than my State would have received had the funds appropriated by Congress been approved by the President. Even under this severe limitation in funding, Indiana has provided materials and services to 21 public libraries, four university libraries, the medical center library, and the State library in Indianapolis. Library services were provided to 2,000 handicapped individuals in Indiana through the distribution of talking books and tapes.

Indiana will be particularly hard hit by the President's decision not to fund library services. Since local public libraries are autonomous taxing districts within the State, they will not be eligible to receive revenue sharing funds. Thus, under the President's zero funding plan, the entire population of Indiana will lose some or all library service. An estimated 124 library employees will be laid off; bookmobile hours will be drastically reduced. Disadvantaged and handicapped Hoosiers will be especially hurt by the cutoff of library funds. I have received over 600 letters from Indiana describing the devastating effects of the proposed zero funding, and I have been particularly moved by the personal accounts of how these library services have made the difference in the lives of handicapped people who are otherwise cut off from the outside world. I have heard, for example, from a young doctor that his blind 75-year-old grandmother has been actively involved in the talking book program. Her life has been tremendously enriched by being able to "read" these books. A mother in South Bend has written me that her blind, physically handicapped child has learned to use the talking books, and has gained new skills and self-confidence from this program. I have heard from officials at Indiana State mental hospitals and correctional facilities that these Federal funds have enabled them to improve greatly library services to institutionalized Hoosiers. Zero funding for library services would be disastrous to these important efforts, as well as to the many Indiana programs that serve schoolchildren, college students, residents of rural areas, and city dwellers.

I believe that library services are crucial in improving the quality of life for all Americans—an investment which is richly repaid. As a member of the Senate Appropriations Committee, I intend to do everything I can to make sure that federally authorized library programs receive adequate funding.

GENOCIDE

Mr. PROXMIRE. Mr. President, yesterday I spoke about the factors which one should consider when weighing the opposition of the American Bar Association to ratification of the Genocide Convention. It should be noted that the ABA's opposition is far from unanimous: It was determined by a margin of only four votes in the ABA House of Delegates. More importantly, the ABA committees which specialize in the areas concerning the Genocide Convention all strongly favored ratification.

Section IV of the report of the house of delegates of the section on individual rights and responsibilities of the ABA is entitled "The Genocide Convention Is in All Respects Consistent With the Constitution, the Laws, and the Ideals of the United States."

Mr. President, I ask unanimous consent that this section of the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

IV. THE GENOCIDE CONVENTION IS IN ALL RESPECTS CONSISTENT WITH THE CONSTITUTION, THE LAWS, AND THE IDEALS OF THE UNITED STATES

A. THE GENERAL OBJECTIONS TO THE GENOCIDE CONVENTION MADE IN 1949–50 ARE WHOLLY OBSOLETE TODAY

The opposition to the Genocide treaty at the Senate hearings twenty years ago centered around three main points.[36] First, a general opposition to the "new concept" of government action by treaties. During the next two decades, the United States has entered into some 4,000 international agreements, without any noticeable diminution of its sovereign independence, nor any noticeable debasement of its standards to an international average. That treaties are the modern means of developing international law, just as statutes are the modern means of developing state and federal law, has been noted earlier, and hardly requires demonstration. If some felt nervous or cautious in 1949 about stepping on the new ground of multilateral treaties, including treaties affecting individuals, that fear is no longer justified. On the contrary, the only concern a United States citizen should have is that his country not be left out as the documents and issues of the new international law are drafted, debated, interpreted and applied.[37]

Second, the opposition expressed the fear that by treaties in general, and by the Genocide Convention in particular, Article 2(7) of the United Nations Charter, dealing with matters "essentially within the domestic jurisdiction of states" was being undercut. In the words of the ABA Special Committee[38] "Shall we be governed in internal affairs by treaty law or by laws passed by Congress with a constitutional basis?" Again the answer has already been given. Article 2(7) is in no way undercut by the Genocide Convention. Domestic matters are as out of bounds for the United Nations as ever. The only effect of the Genocide Convention is to say that the issues specified in Articles II and III over not merely one country, but all countries. If the United States wants (1) to take a complete hands-off attitude if genocide should occur somewhere in the world; or (2) to foster, shield, or protect the commission of genocide within the nation's borders, then it should certainly not join the Convention. If neither of these attitudes is real, then the argument has no appeal whatever.

Third, the opposition, focusing on certain enigmatic language of Justice Holmes in *Missouri* v. *Holland*,[39] considered that the Genocide Convention might be the opening wedge in a drive to exceed the legislative powers of the Congress vis-a-vis the states through use of the treaty power. Whatever theoretical merit there might have been with respect to this point, discussed for nearly ten years in the context of the proposed Bricker Amendment,[40] it has no relevance to the Genocide Convention. No one could have any doubt about the right of the Congress to prohibit genocide. Quite apart from the treaty power, the Constitution expressly grants to the Congress the power "to define and punish Piracies and Felonies committed on the high seas and Offences against the Law of the Nations."[41] And if anyone suspected that the Genocide Convention might be used to justify federal legislation in the field of civil rights, the events since 1949 have shown that the United States Constitution as currently understood is quite adequate to sustain any civil rights legislation likely to be proposed and passed, and certainly far more ample to coverage than any authority possibly derived from the Genocide Convention.

It is conceivable that a claim could have been made that depriving a racial group—say Negroes or American Indians—of the right to vote or the right to enjoy public accommodations is comprehended within Article II(b) of the Genocide Convention related to "mental harm". But this thought is hardly more than conceivable: as we have seen, the whole thrust of the convention and its origin suggest quite different goals; moreover, Article II(b) like all of the definitions of the crime of genocide is governed by the phrase "with intent to destroy", which would not seem to apply to even the most extreme segregationist measures which may be tolerated by statute law in the United States.[42] At all events the barring of school segregation, which was accomplished without any statute,[43] the passage of the Civil Rights Act of 1957[44] and 1964[45] and the Voting Rights Act of 1965[46] all sustained by the Supreme Court, show that blocking the Genocide Convention has given and will give no comfort to opponents of federal enforcement of rights of minorities, while ratification of the Convention will add no powers to those the Federal Government already possesses.

Unconnected to the state-federal relation in the United States, the objection was also made in 1949–50 that the Convention undertakes to define a crime for which there would be punishment under federal law, without concurrence by the House of Representatives. This is simply a misunderstanding, resulting from a confusion about what is and what is not a "self-executing" treaty. In fact, ratification of the Convention would obligate the United States internationally to pass the necessary implementing legislation, making the crimes specified punishable under United States law. Failure by the Congress to enact the implementing legislation would leave the United States in breach of an international obligation, but in such eventuality no one could be tried in the United States for a crime not specified in the Criminal Code. It is certain that no one can be accused of or tried for the crime of genocide in the United States until legislation making genocide a crime has been adopted in accordance with our domestic procedure for passage of a law.

To give an idea of what implementing legislation for the Genocide Convention might look like, a draft has been prepared and appears at Appendix C.[47] It may be noted that the draft follows the Convention closely, but not verbatim. Thus, for example, the words "aiding and abetting" have been substituted for the Convention's "complicity in", and a number of comparable small changes have been made. Needless to say, no international convention can adopt a form of words in every respect suitable for eighty or a hundred different legal systems. One of the objects of implementing legislation is to tailor a universal agreement to various local conditions. The draft in Appendix C, or some variation on that draft, could fully serve the twin purposes of adapting a general treaty to United States conditions and of preserving the principle that no one shall be punished by the United States for a crime, but upon conviction of an act prohibited by a law duty enacted by the Congress.[48] Any prosecution in the United States would be subject to all the safeguards provided in the Constitution, including the substantive guarantees in the First Amendment and the procedural guarantees in the Fourth, Fifth, Sixth, Seventh, and Eighth Amendments.

B. THE SPECIFIC OBJECTIONS RAISED TO THE GENOCIDE CONVENTION ARE NOT MERITORIOUS

In addition to the general objections to the Genocide Convention discussed above, a number of particular criticisms relating to the text of the Convention were made by opponents in 1949–50.[49] These are not of a dimension sufficient, singly or together, to warrant non-ratification.

"As such"

Why, it was asked, did Article II refer to the destruction of a national, ethnical, racial, or religious group *as such?* Does this not create an ambiguity? The answer is perhaps it does, but so would the phrase without these words. Conceivably, an edict to kill all restaurant owners might be a subterfuge to kill, say, all Chinese within a country. In such an event, the words "as such" would give a possible technical defense to the authors of the deed. But that possibility seems very remote. In the past, genocide has not usually been disguised. It has been part of a deliberate, public, and political or religious campaign. Rome set out to destroy the Carthaginians; Islam set out to destroy Christians; Hitler set out to destroy the Jews, *as such*.

"In whole or in part"

What did the addition of the words "in whole or in part" signify for the crime of genocide? Did it mean, in the words of one opponent, "driving five Chinamen out of town"?[50] The answer, again, is quite simple, and indeed, appears in the drafting history of the Convention itself.[51] The object of adding the words "in part" was to preclude an argument that international destruction, say, of half or two thirds of the Jews of Rumania was not comprehended in the crime of genocide.

In the context of this Convention, there can be no doubt about the distinction between intent to destroy a national, ethnical or racial or religious group and intent to destroy some individuals belonging to that group. Nothing in the history of the United States since the early Indian wars quite adds up to the genocide within the meaning of this Convention. If any race riot, lynching, or comparable event ever grew to the scale approaching genocide as defined in the Convention, the international obligation would surely add nothing to the determination of

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Footnotes at end of article.

our own state and federal authorites to bring the perpetrators to full justice.

"Mental harm"

The thrust of the objection to this phrase, apparently, was that the critics did not understand it. As more facts of tortures both in Asia and in Eastern Europe during World War II have come out, as we have come to know about brain-washing in North Korea and of our own soldiers, and in Eastern Europe of various political and religious leaders including for instance Cardinal Mindszenty, the objection to including mental harm along with bodily harm would seem to disappear.

"The place of trial"

One criticism of the Convention arose out of the possibility that, under Article VI, a person accused of genocide could be tried by an international penal tribunal, possibly without trial by jury and other safeguards to which a United States citzen is entitled under the Constitution. Again, the answer is simple. No such tribunal has been established.[52] If one were established, parties to the Genocide Convention would have the option whether to accept its jurisdiction or not. For the United States, that option would have to be independently exercised through the Treaty Power, that is only with the advice and consent of the Senate by a two-thirds vote.

"Direct and public incitement . . ."

The question is raised whether Article III(c) of the Convention, in prohibiting "direct and public incitement" to commit genocide is contrary to the First Amendment's guarantee of free speech. The scope of the free speech protection in the United States Constitution has been subject to various interpretations through the years, particularly as it conflicts with public order.[53] Thus it is not possible to state categorically that any given statement is or is not protected free speech, as against prescribed criminal activity. Our best judgment, for reasons spelled out below, is that any activity sufficient to support conviction for violation of Article III(c) of the Convention would fall outside of the First Amendment's protection. But the case need not rest there.

Assuming the above judgment were wrong and an activity prohibited by the Convention were held to be protected by the First Amendment, the conviction would simply be reversed. Nothing in the development of the treaty power suggests any other result. Indeed, in *Missouri v. Holland*,[54] the case most often cited as pointing the way toward expanded use of the treaty power, Justice Holmes specifically limited his speculation to "some invisible radiation from the general terms of the Tenth Amendment," [relating to reserved powers of the states] and not to "prohibitory words to be found in the Constitution," such as the First Amendment. Thus reversal of a conviction on free speech grounds would be perfectly within the powers of the Supreme Court (or indeed a lower court), notwithstanding anything in the Convention. Indeed, the Convention itself only requires (in Article V) that states undertake to enact, "in accordance with their respective Constitution" the necessary legislation to give effect to the Convention. If a portion of the implementing legislation were declared unconstitutional, generally or as applied to a given defendant, there would be no breach of the obligation under the treaty.

If the above possibility were very strong (and if incitement to genocide were the major provision of the Convention), there might be some cause for hesitation about the Convention.[55] In fact, it appears that Article III(c) is drawn precisely to satisfy the prevailing interpretations of the First Amendment to the United States Constitution.

Mr. Justice Holmes stated the argument in favor of the constitutionality of a provision such as Article III(c) in speaking for the Supreme Court in *Frohwerk v. United States*,[56] decided just after World War I.

"We think it necessary to add to what has been said in Schneck v. United States * * *[57] that the first amendment, while prohibiting legislation against free speech as such, cannot have been, and obviously was not intended to give immunity for every possible use of language. We venture to believe that neither Hamilton nor Madison, nor any other competent person then or later, ever supposed that to make criminal the counseling of murder within the jurisdiction of Congress would be an unconstitutional interference with free speech."

The same thought was expressed thirty years later in a case involving an injunction against peaceful picketing to induce violation of a state law concerning trade.[58]

"It has rarely been suggested that the constitutional freedom for speech and press extends its immunity to speech or writing used as an integral part of conduct in violation of a valid criminal statute. We reject the contention now."

It is worth pointing out that the author of that opinion, for a unanimous court, was Mr. Justice Black, surely a justice sensitive to violations of the First Amendment.

It is, of course, not easy to distinguish in all cases between permissible and impermissible expression, or between condemnation of a racial, religious, or ethnic group and intent to destroy such a group. The distinction drawn by the Supreme Court in this area—for example, between *Chaplinsky v. New Hampshire*,[59] *Terminiello v. City of Chicago*[60] and *Feiner v. New York*[61] are not easy. If a person were arrested and prosecuted for inciting to genocide, doubtless the factual issues would be scrutinized with great care. The dividing line was expressed best, perhaps, by Mr. Justice Brandeis in his famous concurrence in *Whitney v. California*.[62]

"* * * even advocacy of violation, however reprehensible morally, is not justification for denying free speech *where advocacy falls short of incitement* and there is nothing to indicate the advocacy would be immediately acted on. The wide divergence between advocacy and incitement, between preparational attempt, between assembling and conspiracy, must be borne in mind." (Emphasis supplied.)

In its most recent decision in the free speech area, the Supreme Court, while discrediting *Whitney v. California*, appears to have reaffirmed the distinction drawn by Justice Brandeis in his concurrence. Reversing the conviction of a Ku Klux Klan member who staged a "rally" for television reporters, the Court said:[63]

"* * * the constitutional guarantees of free speech and free press do not permit a State to forbid or prescribe advocacy of the use of force or of law violation except *where such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.*" (Emphasis supplied.)

However hard it is in practice to draw the distinctions between advocacy and incitement, it is clear that in the definition of the crime, the Genocide Convention has drawn them correctly by these standards.

In short, the particular criticisms of the text of the Convention are the sort of objections that can be made to the text of many documents. Singly or together, they do not provide reason to reject the Convention.

FOOTNOTES

[36] *See Senate Hearings* (1950) 154–230.

[37] This point, in the context of the growth of international law in the post-war period, is developed by Bernard G. Segal, President of the ABA, in a recent address to the World Peace Through Law Conference, Bangkok, Thailand, September 1969.

[38] 74 A.B.A. Rep. 320 (1949), *Senate Hearings* (1950) 160.

[39] 252 U.S. 416, 433–434 (1920) .

[40] There were several versions of the Amendment. For the principal one, see S.J. Res. 1 as amended and reported favorably by the Senate Judiciary Comm. S. Rep. No. 412, 83d Cong., 1st Sess. (1953).

[41] U.S. Constitution Art. I, sec. 8, cl. 10.

[42] There have been, of course, deliberate lynchings or murders with racist aims. But such acts have always been unlawful.

[43] *Brown* v. *Board of Education*, 347 U.S. 483 (1954). See also *Cooper* v. *Aaron*, 358 U.S. 1 (1958), *Griffin* v. *Prince Edward School Board*, 377 U.S. 218 (1964).

[44] 71 Stat. 637 (1957), 42 U.S.C. 1971 (1964), sustained in *United States* v. *Missisippi*, 380 U.S. 128 (1965).

[45] 78 Stat. 243 (1964), 42 U.S.C. § 2000a–h, sustained in *Heart of Atlanta Motel, Inc.* v. *United States*, 379 U.S. 241 (1964), and *Katzenbach* v. *McClung*, 379 U.S. 294 (1964).

[46] 79 Stat. 437 (1965), 42 U.S.C. § 1973 (Supp. 1965), sustained in *South Carolina v. Katzenbach*, 383 U.S. 301 (1966).

[47] While the Departments of State and Justice informally discussed implementing legislation for the Genocide Convention, no government draft has been published. The draft has been prepared for this Report, for illustration only, and has no official standing.

[48] It seems no longer necessary to address the possible overlap between the new federal crime and a state crime, such as homicide. Such overlap is by now accepted without question, in areas as disparate as civil rights legislation, kidnapping, bank robbery, possession of narcotics, and as many more. For an early authoritative statement on this point, see *United States v. Arjona*, 120 U.S. 479 (1887).

[49] See *Senate Hearings* (1950) 154–221.

[50] See *Senate Hearings* (1950) 154, 199, 201, 203.

[51] The amendment containing these words was proposed by Norway in the debates of the Sixth (Legal) Committee of the General Assembly in its debates on the draft prepared by the Economic and Social Council. U.N. Doc. E/794 (May 24, 1948). The debates appear at 3 U.N. GAOR 6th Comm. 61, 92–97, Oct. 7, Oct. 13, 1948.

[52] The last time the proposal was seriously discussed appears to have been in the Sixth (Legal) Committee of the General Assembly in 1957. 12 U.N. GAOR 6th Comm. 155 (Dec. 5, 1957).

[53] For a thorough presentation of cases and scholarly discussion, see Emerson, Haber and Dorsen, *Political and Civil Rights in the United States* 512–601 (1967).

[54] 252 U.S. 416, 433–34 (1920).

[55] It would, of course, be possible to ratify the convention but omit the language corresponding to Article III(c) from the implementing legislation. That course is expressly permitted by Article V. For the reasons stated in the text, however, this course is not here advocated.

[56] 249 U.S. 204, 206 (1919).

[57] 249 U.S. 47 (1919).

[58] *Giboney v. Empire Storage Co.*, 336 U.S. 490, 498 (1949).

[59] 315 U.S. 568 (1942—Conviction of a Jehovah's Witness for addressing the police officer as "a damned Fascist" upheld.

[60] 337 U.S. 1 (1948)—Conviction of a speaker addressing a crowd and attacking "Communist Zionist Jews" reversed.

[61] 340 U.S. 315 (1951)—Conviction of a speaker for "endeavoring to arouse the Negro people against the Whites" and refusing to stop when requested by a police officer up-

held. Justice Douglas, dissenting in *Feiner*, wrote "A speaker may not, of course, incite a riot any more than he may incite a breach of the peace by the use of 'fighting words'." 340 U.S. 329, 341.

[60] 274 U.S. 357, 376 (1927).

[61] *Brandenburg v. Ohio*, 395 U.S. 444, 447 (1969).

NO WAR WITHOUT CONGRESS

Mr. CHURCH. Mr. President, despite claims of an end to U.S. involvement in the Indochina war, the ceaseless fire continues to engage American combat forces in hostilities there, without any legal or constitutional basis. Such unlawful military operations on the part of the United States as the bombing of Cambodia and Laos—acts of war—must stop.

To bring this matter to issue, Senator CASE and I plan to offer a revised version of our January 26 bill, S. 578, as an amendment to the State Department Authorization Act, which is currently before the Committee on Foreign Relations, upon the resumption of senatorial business next month.

I ask unanimous consent that an editorial of April 13, 1973, entitled "Congress and Cambodia" that appeared in the New York Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Post, Apr. 13, 1973]

CONGRESS AND CAMBODIA

It is understandable, as matters now stand in their relations with the White House, that members of Congress should be concerned about the functioning of Constitutional checks and balances. They could help restore the appropriate balance by not signing so many checks—including blank ones—payable to the Pentagon and the President.

The situation is grim enough financially. So far this year, Congress has compliantly furnished $2.3 billion additional for past military operations in Indochina. The Dept. of Defense is now demanding another $1.4 billion for the same purpose and will be seeking more; the massive holiday bombing of North Vietnam has not been fully paid for yet and still to come is the last bill for the current saturation raids in Cambodia,

But money is not the only legal tender in Washington. Power is prized even more and it also can be squandered or devalued by imprudent or inept management. The current contention over Presidential war power illustrates the point. Congress, it appears, is perfectly willing to decry Cambodia raids verbally or even pass a "war powers" bill limiting future abuses of Presidential authority but is predominantly afraid to mount a real legislative attack on the Cambodia air war for fear of being blamed if the Lon Nol regime later collapses.

That kind of querulous reasoning basically paralyzed Congressional opposition to Vietnam for years. It repeatedly encouraged the very Executive usurpations that were being deplored. Yet it was never less defensible than it is now. This country has no legitimate stake in the survival of the despotism in Phnom Penh; the current attempts to prop it up only foreshadow renewed American commitments in Indochina.

In recent months, the White House has gone to unusual lengths to disparage Americans who opposed its policies in Indochina; it is alleged they have been proved humiliatingly wrong. In reality, it is due to their patient efforts over the years that rational perspectives were brought to bear on Vietnam; they plainly deserve a large measure of credit for American extrication. Surely that is worth the remembrance of Congress now. It cannot hope to arrest the irresponsibilities of the Cambodia policy by employing the timid tactics that so often failed on Vietnam. There is some small measure of hope in the news that a bipartisan bloc of Senators is challenging a reenactment of that folly.

They will be under heavy pressure to cease and desist. Will they rise to the occasion this time, or let deadly history be reenacted?

U.S. FOREIGN ECONOMIC POLICY

Mr. HUMPHREY. Mr. President, the subject of international trade and the role of the multinational corporation in the world trade picture is one of evergrowing concern and interest to the Congress and the American public. Recently the people of Minnesota were privileged to hear a splendid address on the subject of U.S. foreign economic policy by the former Governor of Minnesota and the former Secretary of Agriculture, Mr. Orville L. Freeman. Mr. Freeman is now president of Business International and in that capacity of leadership has given a great deal of thought to foreign trade and foreign investment. His observations are worthy of our thoughtful and considerate attention.

I particularly wish to note the nine point program that Secretary Freeman outlined in his address. In introducing his program he stated—

> I propose today a Nine Point Program that will make it possible for this country to find itself and once again get the world moving toward the "one world" which is the only way the overwhelming international problems of ecology and pollution and energy and population and hunger are to be solved.

I ask unanimous consent that excerpts from the address by the Honorable Orville L. Freeman be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

U.S. FOREIGN ECONOMIC POLICY ADDRESS

(By Orville L. Freeman, president, Business International)

As the world moves into the second quarter of 1973 the U.S. stands at a critical cross roads. Will this country continue as the world's Number One economic power, with a steady increase in production, trade and standard of living? Or will the U.S. fail to meet its potential, turn inward and be surpassed by Japan and the EEC before the end of this century as many experts now predict? Will a failure of nerve and leadership by the U.S. propel the world back into narrow nation-state parochialism and isolationism? Or will the U.S. continue to lead the way toward one world?

It is my firm conviction that what the U.S. does in the next two to three years will give us the answer to these questions and determine the economic well-being of the U.S. and the world for the balance of this century.

There is no denying that the performance of the U.S. economy for the last five years has been poor. At home, the twin devils of unemployment and inflation have persisted, while at the same time the national debt has climbed precipitously with unparalleled budget deficits year after year.

During this same period our international economic position, with one exception, has steadily worsened. The U.S. chronic balance of payments deficit since World War II soared during this period from $1.6 billion to an estimated $10 billion this year, after having reached the phenomenal level of $22 billion in 1971. (These figures are calculated on a net liquidity basis.) Even more serious, in 1971, for the first time in 88 years, we suffered a balance of trade deficit, which, despite devaluation, climbed in 1972 to over $6 billion. Our official reserves are now down to $10 billion, forcing the U.S. to halt conversion. Significant segments of the American market in electronics, rubber goods, automobiles and consumer goods, have been largely taken over by imports from Asia and Europe.

The only bright spot in this generally bleak five-year record of economic performance is the return on U.S. direct investment abroad which climbed from $5 billion in 1968 to around $10 billion in 1972, totalling $38 billion for the five-year period. Without this exceptional return on investments made abroad by U.S. multinational corporations, the U.S. balance of payment position would be not only serious, it would be catastrophic.

One result of what might be called "these five bad years" has been climbing support for protectionism and pseudo-isolationalism. Powerful segments of organized labor today make Hartke-Burke, the most isolationist bill since Smoot Hawley in 1930, its Number One political and legislative priority. The argument for protectionist policy, setting import quotas and curtailing investments abroad and the export of technology is based on the simple premise that the U.S. in the world of the 1970's, made small by modern communications and transportation, is no longer competitive, that we must turn inward and shield ourselves from outside competition and restrain investment abroad so that the job-producing expansion of American industry will take place at home, not around the world.

The arguments of the protectionists have a familiar ring. With one addition and some differences of emphasis, they repeat the rhetoric of the advocates of the Smoot Hawley Tariff in the debate which took place 40 years ago. The principle addition to the debate in 1973 as compared to that of 1930, results from the effort to restrict foreign investment as well as to curtail imports. With direct investment abroad by U.S. companies reaching a level of $80 billion, the charge that U.S. companies are exporting jobs is being heard with increasing frequency. Careful studies such as that recently completed by Business International, the company I head, which through meticulous research has determined that investment abroad pulls exports to new markets thereby creating rather than exporting jobs within the U.S., are ignored or distorted by the new isolationists.

The path of protectionism followed 40 years ago proved to be a total catastrophe. Smoot Hawley was a significant factor in the breakdown of the world economy in the 1930s that lead to World War II. The question before us today, then, becomes: will the mistakes of 40 years ago be repeated? What can be done to prevent such a debacle from again overwhelming the world?

The United States of America desperately needs a foreign economic policy. Since World War II, international diplomatic, political and security demands have dominated our foreign policy. Repeatedly we have bargained away our economic interests to move toward political objectives. Perhaps such a policy was necessary in the post-war world. But it is no longer practical or feasible in 1973. From now until the end of this century economic matters must command attention at least equal to that paid to international political forces. We must recognize that the US is no longer the world's dominant economic force. Today, Japan and the European Economic Community threaten to surpass us in production, commerce and trade. Competition promises to be fierce in the days ahead. Nonetheless, in the US government, business, labor, agriculture and consumer forces continue to pull in all directions. There is no consensus, nor is there a foreign economic policy. This no policy, no direction; disarray is the road to certain economic disaster. The need is pressing for a national alliance to include all segments of the US economy, bringing together government, business, labor, agriculture and consumers. Such an alliance could reach a national consensus on the elements of a foreign economic policy for the US for the balance of this century.

With such a consensus the foundation for a flexible, meaningful US foreign economic policy could be built. Then with the targets established and the guide-lines clear, the American economy would regain its competitiveness and surge forward to resume its first among equals position in the world. Japan is not yet ready to provide world leadership. The EEC has not yet become the cohesive, strongly led entity necessary to point the way; that leaves the US once again required to take the lead if the world is to move forward rather than to retrogress once again to squabbling nation-states.

I propose today a Nine Point Program that will make it possible for this country to find itself and once again get the world moving toward the "one world" which is the only way the overwhelming international problems of ecology and pollution and energy and population and hunger are to be solved:

1. The formation of a national alliance.

2. A new Cabinet-level Department with the responsibility to develop a national consensus upon which to formulate and execute US foreign economic policy. Today "pieces of the action" are scattered all over the Federal Government. There is no foreign economic policy; and worse, no one has the responsibility to develop such a policy. Repeated efforts to coordinate have failed. It is time to bring all foreign economic matters together in one Cabinet-level Department.

3. Control of inflation has become the most important criterion by which a country's economy is measured by the rest of the world. The development of a firm national program to control inflation is absolutely essential.

4. A long-term Government policy to support research, development and plant modernization is necessary if US output is to meet the competition of industry in other countries.

5. American anti-trust laws should be revamped so that certain kinds of combinations necessary to meet competition from permissible foreign combinations will not be illegal.

6. Foreign source income should be taxed only on return to the US. Otherwise, investment abroad will be sharply curtailed. US foreign investment should be encouraged, not discouraged. It is the only bright spot in five years of dreary national economic performance.

7. A nationwide, integrated manpower policy is an absolute necessity. In the absence of such a policy, it will be impossible for the President to get trade and monetary negotiating authority from the Congress.

8. The US should welcome foreign investment for the capital it makes available and the technology, know-how and competition it fosters.

9. Controls on foreign investment should be promptly removed. In the last five years, the growing return on investment abroad has been the brightest spot in a generally unimpressive US economic performance. It is clear that the return from intangibles will, if permitted, make an increasing contribution to returning the US to a satisfactory balance of payment position.

HOW CONTRIBUTORS ESCAPED GIFT TAXES

Mr. STEVENSON. Mr. President, in recent weeks the attention of the Congress and the Nation has been focused on the sordid uses to which big money was put during the 1972 Presidential campaign. In an excellent column which appeared in the April 16, 1973, Chicago Tribune, Louis Kohlmeier tells a story of how big money was raised.

It, too, is a sordid story. As Mr. Kohlmeier points out, the IRS, in a highly irregular way, issued a ruling in June 1972, which was nothing more than a blueprint for gift-tax evasion by large political contributors. In Mr. Kohlmeier's words, the result was that "the politicians got richer and the taxpayers got poorer." He might have added that the wealthy bought more influence as well.

Five months ago, I submitted a formal statement to the IRS calling for the retroactive recision of the gift-tax ruling. It is regrettable that the IRS has chosen not to act. The conclusion is inescapable that the Nixon administration has added the IRS to a growing list of agencies whose impartiality and professionalism have been subordinated to political expediencies. Consequently, I will at the earliest appropriate time seek corrective legislation.

I ask unanimous consent that Mr. Kohlmeier's column be printed at this point in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

HOW CONTRIBUTORS ESCAPED GIFT TAXES

(By Louis Kohlmeier)

WASHINGTON.—Behind the Watergate and other political scandals now exploding ever closer to the White House was big money. Behind the big money was a tax ruling, almost unnoticed except by political fund-raisers and tax lawyers, that enabled rich contributors to avoid taxes on millions of dollars they gave to President Nixon's reelection campaign.

It has been learned exclusively that some of Nixon's top advisers participated in setting up the tax avoidance scheme, even though the ruling was issued by the Internal Revenue Service as a supposedly routine, technical tax decision.

The formal ruling was under consideration inside the Treasury Department before John Connally on May 16 last year resigned as Treasury secretary to head Democrats for Nixon in the campaign. George Schultz was advised on the rule proposal even before he succeeded Connally on June 12. IRS issued the ruling June 21.

It has been learned, however, that Nixon fund-raisers more than a year earlier were collecting contributions on the assumption that the ruling would be made.

The informal but lucrative fund-raising setup was organized with the help of Thomas Evans, a member of the New York law firm of Mudge, Rose, Guthrie & Alexander, in which Nixon once was a partner and John Mitchell, Nixon's ex-campaign manager, now again is a partner.

The informal arrangement was ultilized by Herbert Kalmbach and Hugh Sloan, Nixon's personal friends and fund-raisers, to collect millions of dollars in 1971 and early 1972, before the formal reelection drive started, according to a court deposition. Kalmbach's name in other sworn court testimony has been linked to the Watergate scandal.

The formal tax avoidance ruling was available to and utilized by Democrats as well as Republicans. But fat cat contributors, able and willing to give $100,000 and more, flocked to Nixon while Democratic candidate George McGovern was scratching for $1 donations.

IRS policy dating back 40 years holds that political contributions are gifts for tax purposes. Under the Gift Tax Law, anyone can give up to $3,000 yearly to a son, niece, political candidate, or anyone else without paying a federal gift tax. Anyone who gives more than $3,000 must file a gift-tax return.

IRS as late as 1970 maintained that political contributions are gifts. IRS took that position in a court case and lost when an appeals court in January 1971, held that contributions are not gifts because big contributors give to specific candidates for the purpose of advancing their own financial and property interests.

IRS, instead of appealing that decision to the Supreme Court, simply ignored it by creating a loophole.

Nixon fund-raisers in spring of 1971 began telling the fat cats they could contribute whatever they wanted without paying gift taxes. The fund-raisers themselves set up 100 phony committees and told contributors to write checks of $3,000 to each of as many committees as they liked it.

Technical tax rulings normally originate in IRS and go to Treasury for final approval. The procedure was reversed for the June 21 ruling.

The ruling said a contributor can give as much as he likes to a candidate without paying any gift tax, so long as the contribution is channeled in $3,000 pieces through separate committees.

Republicans and Democrats set up more than 900 phony Nixon or McGovern committees. Fat cats often sent single checks of $100,000 or more and the fund-raisers themselves divided the contribution into $3,000 pieces.

Only 14 contributors gave $100,000 or more during the 1968 campaign. As many as 50 may have given such huge sums last year.

The politicians got richer and the taxpayers got poorer. The scheme enabled contributors of more than $3,000 to escape probably in excess of $5 million in gift taxes.

MILITARY AID

Mr. FULBRIGHT. Mr. President, on April 3, I introduced a bill which would phase out the military grant aid program over a 2-year period and make other significant changes in the military aid and sales program.

The Fort Smith, Ark., Southwest Times Record of April 12 carried an editorial commenting on that proposal. "Americans," the editorial states:

> Cannot be expected to carry the world on their shoulders for all time. And gradual phasing out of the aid programs would be a good start in a long-indicated direction.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PROGRAMS NEED TO BE PHASED OUT

There's merit in a proposal by Senator Fulbright that the U.S. start reductions of foreign military aid—and the same principle should be applied to a new bill now being drawn on the foreign economic aid program.

This vast outflow of American taxpayer money has been going on now for more than 25 years and the total has run to astronomical billions of dollars.

In many cases, events have proved that neither the military nor economic aid has achieved the goals which were claimed for it at the beginning of the plan.

At that time, it was widely said by economists that the economic aid was designed to produce self-supporting economies abroad in about 20 years, after which no further aid would be necessary.

Not only has this mostly failed to come about, but U.S. aid seems now to be looked on as merely a "handout" to which other countries are "entitled".

They aren't. No country is "entitled" to the dollars earned by American taxpayers and there's no longer justification for it unless those dollars return a benefit to Americans.

Military aid, also, in many cases has utterly failed to achieve long-time results beneficial to Americans.

Mr. Fulbright's military aid bill would gradually phase out the program of grants. In the meantime, it would require matching by the recipient nations. Later, it would be reduced to credit sales, with loans guaranteed, to the countries involved. The same principles should be applied to economic aid.

Americans cannot be expected to carry the world on their shoulders for all time. And gradual phasing out of the aid programs would be a good start in a long-indicated direction.

AIR TRAFFIC CONTROLLER HIRING PLANS

Mr. McGEE. Mr. President, it is with some satisfaction that this Senator has learned that the Federal Aviation Administration has been cleared to move promptly with a program to hire 1,000 additional air traffic controller trainees in this fiscal year.

Just such action is what I called for here in the Senate on February 7 in order that the mounting gap between the manpower needs of the air traffic service and the number of trained specialists available for duty be attacked without delay.

It is rather encouraging to know that the necessary funding has been made available to undertake this program in the public interest. And, Mr. President, I firmly believe it is in the public interest to carefully manage the air traffic control system so that we guard against any degradation of the service and, even more, against any compromise of its safety.

The problem is that it takes upwards of 3 years to fully train a controller, providing he makes the grade at all. Because of the recent freeze on hiring, along with other cost-reduction efforts, the supply of trainees moving up the ladder toward full qualification has been seriously depleted. And because of the rate of attrition in this stressful occupation, delay in recruiting new personnel has added, week by week, to what I termed an obvious and worsening manpower shortage in this vitally important field of air safety in my remarks here 2 months ago. It has so far not been a matter of severe shortages at present, but of the mounting potential for real trouble in a matter of a year or two.

In those 2 months, the administration's understanding and appreciation for the FAA's problem in this regard has obviously improved. That is evident by the fact that the agency is not going to have to wait until the next fiscal year to proceed with its program, but will be able to take on 1,000 trainees out of the 2,700 it plans to recruit through the end of fiscal year 1974 between now and June 30.

This action, for which I wish to commend the FAA and the Secretary of Transportation, puts the program on the track, where we all can hope it will remain.

PRESIDENT AND CONGRESS: TIME FOR COOPERATION

Mr. HUMPHREY. Mr. President, the current battle over the budget points to one central theme:

The necessity of our Government to be run by partnership, not confrontation; comity, not, conflict.

It simply is not in the best interest of our Nation to have one branch of the Government unilaterally set against the other. I believe in checks and balances; I think they are necessary. But neither the Founding Fathers nor the historical tradition suggests that our Government would work best when confronted with a determined President and and equally determined Congress.

There simply must be a greater spirit of cooperation among the branches of Government.

But that cooperation is not forthcoming from the executive branch. Last week, Attorney General Richard Kleindienst threw down the gauntlet of absolutism in the form of asserting blanket Executive privilege. And, he did so in a manner that could be called nothing less than contempt for the constitutional processes the Attorney General is sworn to protect.

Mr. President, I believe it is time that the personnel of the executive branch, especially the inner circle of the White House, realize that political motives and personal loyality—no matter how commendable are not and cannot be above the law or the Constitution.

Executive personnel are servants of their country first; and servants of the President second. There can be no confusion over their roles.

The articles, two from the New York Times, and one from the Wall Street Journal, suggest that the time of confrontation ought to be over, that blanket assertions of piety on both the Congress and the Executive ought to be met with skepticism, and that it is simply time for more cooperation among the branches of Government.

Mr. President, the people of our country are simply tired of all the "doings down here in Washington." People have real needs that must be met and problems to be solved, to do so means that critical matters of public policy must be passed by the normal channels of legislative-executive cooperation.

I do not mean to imply that there cannot be differences of opinion among the President and the Congress over priorities, surely honest differences are part of the legitimate debate between Congress and the President.

But, when unilateral rule and executive predominance is substituted for legitimate debate, the very foundations of our legislative process and constitutional democracy are threatened.

Mr. President, these points are lucidly made in the articles to which I referred earlier in my statement. I now ask unanimous consent that these articles, "Executive Obligation," by Fred M. Hechinger and "The Shock Treatment for Congress," by Allen J. Large, and "Nixon's Power Grab," by Tom Wicker be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Apr. 13, 1973]

THE SHOCK TREATMENT FOR CONGRESS

(By Arlen J. Large)

WASHINGTON.—One of the scariest lessons of the turbulent '60s was that, in a sense, lawbreaking worked.

City riots resulted in a lot more federal money for cities. Student seizure of the college president's office won them, after the fuss died, a louder voice in campus affairs. Even now, the offenses being committed at Wounded Knee are forcing more intense government attention to the problems of Indians generally.

The phenomenon makes politicians squirm. It ought to be possible to do good works without a prelude of lawbreaking and violence. But however deplorable, there's nothing like them for calling attention to a grievance that everybody's been ignoring.

In an entirely different frame of reference, the lesson is being demonstrated again in President Nixon's budget fight with Congress. Mr. Nixon's cancellation of some long-unexamined federal programs is being called illegal on Capitol Hill and even in some federal courtrooms. Cancelling an entrenched federal activity by decree does violence, to say the least, to the traditional Congressional-Executive relationship.

Nevertheless, by not working within the old system, Mr. Nixon has aroused a snoozing Congress and made it mad. He has also made it a little ashamed, and true to the uncomfortable lesson of the '60's, its starting to shape up.

Budget directors of earlier Presidents beefed for years about the bargain interest rates on federal rural electrification loans, for example, but Congress always voted the money and the lending obediently continued. Mr. Nixon last December smashed that traditional interplay by simply ordering a halt to the loans. Congressmen screamed it was illegal, but the President at last had got their attention.

The result has been a reluctant attempt to redirect the cheap loans to rural electric co-ops that really need them. The change recently voted by the House evidently still doesn't go far enough to suit the administration, but no earlier President has forced this much motion with more conventional methods.

His proposed slaughter of several federal health programs, uplift projects for depressed areas and a major part of the anti-poverty program likewise have startled lawmakers into promising reform and overhaul. Congressional committees in charge of housing for years neglected their "oversight" function of monitoring this federal patchwork of programs. Now, at last, the Senate Banking Committee is holding some housing hearings. To be sure, the Senators are trying to prepare a case for continuation of the programs, but they're also promising to make repairs.

More important than these individual instances of deathbed religion on Capitol Hill is the total shock effect of Mr. Nixon's behavior on the way Congress handles the budget as a whole.

THUNDERBOLTS GET RESPONSE

The President asserts he must hurl his economy thunderbolts unilaterally because the undisciplined legislative mobs aren't organized to consider the budget as a whole. It's an old complaint, but for the first time Congress appears to be responding in a serious way.

Nobody is defending the status quo, the easygoing practice of passing a tandem of piecemeal appropriation bills without relating them to final spending and revenue targets. Now everybody has a plan for doing that.

Typically, a special committee has been appointed to come up with new appropriations procedures, and something good very likely will come of it. Every five minutes, it seems, some lawmaker is saying ponderously: "We must get our own house in order."

There is, of course, a high quotient of politics in the exchange of accusations between the spend-happy Democratic Congress and the Republican President who lacks compassion for the poor. But this is the workaday trade of grownup professional politicians, all trying to keep people interested in what they do. For Congress, the special thumb-in-the-eye that's producing the unusual response of outrage and grudging reform is the feeling that the Executive is trying to take over its job. Mr. Nixon's freezes of appropriations are, in this view, legislative actions going beyond his constitutional authority to recommend bills and veto those he doesn't like.

Mr. Nixon's lawyers insist it's perfectly legal, but so far they're doing poorly in the lower federal courts.

In Minnesota, a group of farmers sued the Agriculture Department for its sudden termination in December of a program of supergenerous disaster loans. Federal District Judge Miles Lord ruled last month that in killing the program, Agriculture Secretary Earl Butz improperly substituted his own opinion of its merit for the will of Congress. Said Judge Lord:

"It is the opinion of the court that the defendants have a ministerial duty to implement the emergency loan program as directed by Congress, that the unilateral termination of the program without notice to the plaintiffs in this case was in violation of the statutes, the agency's own regulations and due process of law."

The government likely will appeal the district court's decision. Meanwhile, Congress yesterday passed a bill reinstating the loans for a brief period. Significantly, though, the administration's "unilateral" and possibly illegal deed fixed lawmakers' attention on the huge budget cost of those generous loans; the new bill eventually would tighten up the terms of rural disaster lending.

After President Johnson impounded some highway money in 1967, Congress wrote into the law a new section forbidding it. When Mr. Nixon nevertheless impounded some highway funds in 1971, the Missouri Highway Commission sued and won both in federal district court and, earlier this month, in the Eighth Circuit Court of Appeals.

THE APPEALS COURT RULING

Administration lawyers essentially argued that despite the must-spend section of the highway law, the Secretary of Transportation has legal discretion to control the rate of outlays. Examining the law, the appeals court in its 2-to-1 ruling said the administration is wrong:

"It is impossible to find from these specific grants of authority discretion in the Secretary to withhold approval in projects Congress has specifically directed because of a system of priorities the Executive chooses to impose on all expenditures."

The Supreme Court probably will have the final word. But here again, the impoundments—legal or otherwise—are producing a response from Congress. The pending version of a new highway bill has a must-spend section, but it also cuts back the amount of interstate roadbuilding money authorized. Sponsors frankly say it's intended to induce Mr. Nixon to stop impounding.

The most recent courtroom setback for the administration came just this week when a federal district judge here ruled that the Office of Economic Opportunity is being closed down prematurely. Congress has voted money for OEO's poverty fighters through June 30, and Judge William Jones ruled they can't be disbanded now just because the Nixon budget contains no funds for the following year.

Even though it's losing in court so far, the administration is able to keep freezing money while the cases are pending. Indeed, one Agriculture Department official told a farm meeting in Idaho that if Congress orders reinstatement of a cancelled soil conservation program, Mr. Nixon will veto the bill and not release funds even if a veto is overriden. If somebody sues, he said, there'll be another President before the case is finally settled. Word of the meeting got back to Rep. John Melcher (D., Mont.), who sees the administration's attitude as "a defiance of congressional constitutional authority."

(In this instance, the impoundment produced no congressional promise to reform the soil conservation program, despite longstanding complaints that it subsidized farmers for doing what they'd probably do anyway. Both the House and Senate have passed bills just ordering the administration to start it up again without change.)

How one feels about the legality of the administration's money freezes doubtless depends on the health and whereabouts of one's own ox. Administration officials say special interest groups naturally will scream, but that taxpayers generally will applaud. That's probably true. But the vigor of the Executive's claim of authority has aroused echoes of the old FDR-era complaints about "one-man rule," with Democrats alarmed about a too-strong presidency and loyalist Republicans sounding comfortable with it.

SENATOR HUGHES' VIEW

Sen. Harold Hughes (D., Iowa) puts it this way: "I am worried not so much about the power of Richard Nixon as the precedent that is being set for other Presidents on down the line in the future. I can't begin to determine what their next step of escalation might be down this road, but when I think about it, it scares the hell out of me."

Sen. Hughes is a liberal who disagrees with Mr. Nixon on the merits of many frozen programs, so his protests aren't based on constitutional theory alone. But a parallel point was made in a recent House speech by Rep. Philip Crane (R., Ill.), an articulate conservative:

"It would be good to believe that liberals who now express concern over too much Executive authority really wish to restore the supremacy of Congress. Unfortunately, the goals of far too many seem more partisan.

"Equally unfortunate is the fact that now that conservatives have a real opportunity to implement their principle of limited government and restore Congress to its proper role, many seem subservient to the will of an Executive of their own party.

"In neither instance is the will or the interest of the people really served."

If in search of its "proper role" Congress improves its haphazard budget-handling methods and re-examines entrenched federal programs, Mr. Nixon's unconventional use of Executive power could be a long-range plus for the Legislative Branch. But some observers of Congress worry that the President's actions could generate a backlash harmful to Executive Branch efficiency. Legislation this year already is beginning to bristle with tightly worded mandatory spending clauses. Louis Fisher, a Library of Congress researcher, thinks Congress will try to grant "less discretion at the cost of effectiveness of government and programs."

Like many others, Mr. Fisher would like to see a greater spirit of cooperation on both sides. So would George Washington University law Professor Arthur Miller. "I think what we are seeing is a complete defiance of the law by the Executive," he said at a recent seminar here on Executive-Legislative relations. "I don't think the President knows best. I don't even think the Congress knows best. I do think that working together, they might do a little better than they are now."

Cooperation is pleasant and statesmanlike. But "definance of the law" calls more attention to neglected problems, whether on the campus or the musty chambers of the House Appropriations Committee. It's *deplorable*, but it works.

[From the New York Times, Apr. 16, 1973]

EXECUTIVE OBLIGATION

(By Fred M. Hechinger)

The issue of executive privilege dominates the political debate, but little attention is paid to executive obligation or accountability. "We cannot savor the fullness of the President's duties," wrote the late Prof. Clinton Rossiter in 1956, "unless we recall that he is held primarily accountable for the ethics, loyalty, efficiency, frugality and responsiveness to the public's wishes of the two and one-third million Americans in the national administration." These are the same people whom Attorney General Richard Kleindienst last week took under the protective umbrella of executive privilege.

Mr. Nixon's accountability for the ethics of his aides, however, cannot be spirited away by any such magic. The Senators who have asked for the testimony of such White House aides as John W. Dean 3d, the President's legal counsel, are not denying Mr. Nixon's right to his own privileged relationship with Mr. Dean; they are challenging the extension of that privilege to cover Mr. Dean's alleged involvement with the men who financed, planned or executed the illegal political espionage in the cause of Mr. Nixon's reelection.

The President's advisers apparently believe that Mr. Nixon's general popularity is more potent than the wrath of Congress. Many Americans undoubtedly do give to the White House an extra political status that borders on the quasi-royal. The Presidency is the only elected office whose purity the people truly want to believe, and are therefore loath to question.

Furthermore, the basic concept of executive privilege is reasonable. Government could not function without a privileged relationship between the Chief Executive and his staff.

There are growing indications, however, that the stress on executive privilege has become a cover for something quite different. It seems of a piece with Mr. Nixon's general desire to play his cards close to the chest and to act unpredictably. It is the domestic equivalent of secret covenants secretly arrived at.

Such a doctrine is not necessarily unpopular as long as it works and requires no public sacrifice. Since its application paid off in the secret missions to Peking and Moscow, why not extend similar Presidential powers to the home front? There is an undeniable attraction to the "Let Richard do it" concept of government.

In using the executive privilege issue as a means of extending executive power, the President's hand is strengthened by a widespread feeling that the President is better equipped than Congress to deal with crises. Congress is slow and argumentative; the President, though secretive, is at least quick and decisive.

Unfortunately, these views clash head-on with the original prospectus of American government, one that has not worked too badly for almost 200 years. Even in hard contemporary terms, moreover, the concept of a fast-acting, privileged, tight-lipped executive is not all that commendable. Call Congress talkative or deliberative; yet, without it, the President would have imposed a antibusing order before yast year's elections. The Congressional scrutiny of Mr. Nixon's proposals on crime and punishment may avert some serious mischief.

The question now is whether—or how long—the red herring of executive privilege can effectively divert public attention from the Administration's efforts to make the Presidency an inscrutable command post.

Mr. Klindienst, undoubtedly reflecting the President's mood of confidence, said bluntly last week that White House aides will defy Congress "if the President so commmands."

Yet, Mr. Nixon's apparent tactical advantages will not make him immune to an unexpected stiffening of opposition. The American character usually rebels against official arrogance, and the intricate system of American government is carefully rigged to encourage resistance.

In "The Power of the Contemporary Presidency," Prof. Robert S. Hirschfield of Hunter College recalls that Franklin Roosevelt lost the Supreme Court packing battle "because the same public which had just given him the greatest electoral mandate in history refused to support his attempt to invade judicial independence."

In the current test of strength between the President and Congress, Mr. Nixon has strained the use of his power in a way that arouses suspicion that he is shielding associates whose ethics are questionable.

The American people are quite permissive about political ethics—except within the sanctity of the White House. Thus, the growing rebellion among Republican Senators. Mr. Kleindienst may feel confident of the voter's mandate, but Senator Barry Goldwater warned that the Republicans will pay dearly if the President fails to clean up the scandal.

The new undercurrent of concern suggests that the issue now transcends the Nixon Administration. The American people are beginning to think about the future of the Presidency. They may have become aware that, as Professor Rossiter put it, the President's most important task in safeguarding the ethics of government is" to transmit a clear lead downward through his chief lieutenants to all who help shape the policies by which we live."

[From the New York Times, Apr. 12, 1973]

NIXON'S POWER GRAB

(By Tom Wicker)

On the same day that President Nixon made the reasonable and necessary proposal that he be given executive power to raise or reduce tariffs, his Attorney General made the unreasonable and absurd claim that all 2.5-million Federal employees could be directed by the President not to testify before Congress. There could hardly be a better illustration of how the need for strong executive government, which no one can dispute, can be perverted into an open grab for imperial powers.

The low intellectual and constitutional level of Mr. Kleindienst's astonishing performance is not hard to demonstrate, as in the following examples:

As the Attorney General would have it, if a Federal employee—say a postmaster in Colorado—were summoned by a Congressional committee to tell it how (or if) the mails were going through in his part of the country, the postmaster could not do so if the President directed him not to.

It is probably true that in such a ridiculous instance no President would so order the postmaster. But that does not alter the case, because the President under the Kleindienst doctrine *could* order him not to testify. The plain meaning of that is that any President would have the right to determine what Congress could and could not hear from Federal employees. One can be absolutely certain, for example, that no Pentagon accountant, in that case, would ever tell a Congressional committee about a cost overrun on a new aircraft or submarine.

Again, suppose some Federal employee is ordered by the President not to testify before Congress, and refuses to do so with the impunity Mr. Kleindienst claims. Later, as frequently happens, the employee leaves the Federal service and writes a book about his experience. Does the Attorney General claim that he could stop the man from writing the book? Or that what he might put into a book, Congress had no right to hear?

Or what about instances in which a President would wish to appoint a Federal employe to a Federal position requiring confirmation by the Senate—as just recently happened in the case of L. Patrick Gray and several of the second-term Cabinet members? Does the Attorney General of the United States seriously claim that, if Mr. Nixon so ordered, these Federal employes could invoke executive privilege to avoid confirmation hearings, and damn the Constitution? That is implicit in his fatuous claim, and it does no good to argue that Congress certainly would refuse to confirm a nominee who was ordered to take such a stand; the question is the President's power to claim executive privilege, not the practical political consequence of his doing so.

That is true, too, of Mr. Kleindienst's arrogant prescription for Congress' "remedies" for what it might regard as too much executive privilege. These "remedies" were to cut off funds to the executive branch, to impeach the President, or to defeat him at the next election.

Suppose, for example, Mr. Nixon continues to refuse to let his counsel, John Dean, testify in the Watergate case. Congress decides to take action. According to Mr. Kleindienst, it could either impeach Mr. Nixon or cut off all funds to the executive branch; but for such a relatively limited offense, neither of these sweeping "remedies" makes sense or would ever be practical. They are more like going to war over the outcome of a soccer game, and to all intents and purposes are not remedies at all for the limited kind of offense likely to be an issue.

As for electing another President in protest against executive privilege, Congress and the nation would have to wait nearly four years in the present case, and even then there would be no punishment for Mr. Nixon, who cannot run again anyway—unless Mr. Kleindienst also has a doctrine for surmounting *that* constitutional problem.

The thought is chilling. For by now it is clear that these Nixon men are not merely trying to cover up whatever responsibility they may have for the Watergate affair. They are the same men who have gone to unprecedented lengths to seize the power of the purse from Congress, who are conducting unauthorized war in Cambodia in contradiction of the President's own pledges, who are trying to make it a felony to disclose almost any foreign policy or national defense information and another felony to publish it.

Until thwarted in the Supreme Court, these same men claimed the unlimited right to wiretap and bug anyone they accused of domestic subversion, and imposed the first prior restraint on publication in American history. Is there any limit to the raw and unchecked power they seek?

UNITED STATES SEEMS INDIFFERENT TO WORLD'S SUFFERING

Mr. McGEE. Mr. President, in this morning's edition of the Baltimore Sun there appeared an excellent column by Marquis Childs on the foreign aid program and what it means to the developing world.

Mr. Childs notes that—

> With so many troubles at home—trade deficits and dollar deficits—the door of public opinion has been slammed shut on foreign aid. We can do it, as one official with the broadest knowledge of the whole aid picture puts it, we have the resources, but we do not want to do it. In short, nobody, or almost nobody, gives a damn.

The argument over foreign aid really does not boil down to the issues of military assistance, or economic assistance, or multilateral assistance. The issue involved is whether this Nation feels it has a stake in participating in the development of economic viability on the part of 73 percent of the world's people. It is an issue of whether this Nation in fact possesses the human compassion for bringing those so less fortunate than ourselves out of economic, social, and cultural misery.

As Mr. Childs also notes:

> The United States today is giving .32 per cent of its gross national product to the underdeveloped nations. The average for other advanced Western nations is .485. The American figure is expected to drop in the near future to .24 per cent.

I would also agree with Mr. Childs in another respect. I hope my colleagues do go out and enjoy that big steak dinner. However, I also hope they do so with the realization that some 73 percent of the people of this world may never have that opportunity throughout the course of their entire lifetime and that opportunity will certainly never become a reality unless we have the wisdom, the foresight, and the compassion to utilize those abundant resources of our own for the benefit of all mankind and not just ourselves.

I ask unanimous consent that Mr. Childs' excellent column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

UNITED STATES SEEMS INDIFFERENT TO WORLD'S SUFFERING

(By Marquis Childs)

WASHINGTON.—A strong man wept. With compassion transcending stale officialdom he had read a report on a village in Bangladesh where unremitting hunger and disease are a sentence of early death and misery on the way to a nameless grave. The report was written not in the bureaucratese of graphs and statistics but in the personal experience of a condemned people.

So the foreign aid bill will go up to Congress. It will be chivvied at, chipped away, given the disdainful treatment of those who feel that this pitcher has been brought to the well once too often. The folks in Bangladesh, in Chad, in Upper Volta, in Mali, in Mauritania have no votes. They are not constituents.

With so many troubles at home—trade deficits and dollar deficits—the door of public opinion has been slammed shut on foreign aid. We can do it, as one official with the broadest knowledge of the whole picture puts it, we have the resources, but we do not want to do it. In short, nobody, or almost nobody, gives a damn.

The United States today is giving .32 per cent of its gross national product to the underdeveloped nations. The average for other advanced Western nations is .485. The American figure is expected to drop in the near future to .24 per cent.

Various rationalizations are conveniently at hand to salve the conscience. The Senate majority leader, Mike Mansfield (D., Mont.) says the program has become largely military, with economic aid a mere appendage. While this is true in part, at least a strong lead from Congress might turn it around.

J. W. Fulbright (D., Ark.), chairman of the Senate Foreign Relations Committee, says he would be for multilateral aid with American help funneled through international agencies, but he is opposed to unilateral aid. Since overwhelming majorities are opposed to turning dollars over to United Nations or other international agencies, this is one way of saying no.

The Agency for International Development has a stout persuader in John A. Hannah, its director, who was for many years president of Michigan State University. For the past four years he has carried the case to Congress with an ardor that is not diminished by his awareness he is speaking for a faceless people who cast ballots in no American election.

"What kind of world do you want your children or your grandchildren to live in?" He asks. "Don't think you can shut out for all time the 73 per cent of the world's people living below or close to the subsistence line. The Americans' 6 per cent of the world's population must not think that they can go on using anywhere from 35 to 50 per cent of the world's resources.

"Think of the kind of world your grandchildren will live in, inundated by a tidal wave of poverty driven to despair and open hostility."

Since December, 1971, when Bangladesh, which had been East Pakistan, became independent the aid agency has furnished $367 million. This has come in cash, food under Public Law 480, medical supplies, coastal vessels to restart trade along the coast and advances to United Nations relief agencies. Loans have come from the World Bank and its adjunct, the International Development Agency.

In view of the need it is the proverbial drop in the bucket—and particularly in light of the population increase estimated, which is a guess since statistics are dubious, at 3 per cent a year.

That, incidentally, is another out for the skeptics—why try to bail out a leaking ship when water runs in faster than it can be put out? As the Bangladesh report says, the mud huts have no light and so when the sun goes down they have nothing to do but procreate.

Mr. Hannah cites five sub-Saharan countries nearly as badly off as Bangladesh. They are Mali, Upper Volta, Mauritania, Chad and Niger. The encroachment of the desert casts a dark pall over the future, with survival in doubt.

The agency is promoting an experimental program in growing crops in desert sand. And a trickle of PL 480 surplus food is going to these marginal nations and to five others in Africa where existence is also threatened.

To make any headway against this tidal wave of poverty would require strong dramatic leadership from the White House and Congress, a recasting of priorities, a public willingness to sacrifice. All this is nonexistent. So let's go out and have big steak for dinner. After all, that great sacrifice of meatless week is over, isn't it?

REFUGEE CRISIS IN CAMBODIA

Mr. KENNEDY. Mr. President, just 2 weeks ago a study mission representing the Subcommittee on Refugees, which I serve as chairman, returned from visiting Cambodia and other areas of Indochina. On Mondy, the subcommittee held the first of a series of hearings on the humanitarian problems facing the peoples of Indochina, beginning with the current crisis in Cambodia.

Given the urgency of the situation in Cambodia, I would like to share with my colleagues, the text of the testimony of a member of the subcommittee study mission reporting on the team's preliminary findings. I ask unanimous consent that the statement of Mr. Wells Klein, a consultant to the subcommittee, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF MR. WELLS KLEIN

Mr. Chairman, my name is Wells Klein. I am the Executive Director of the American Council for Nationalities Service in New York City. In late March this year I visited Cambodia in a private capacity as a consultant to this Subcommittee and as a member of the Study Mission which you dispatched to evaluate the post-war humanitarian needs of Indochina. The testimony and recommendations I am presenting this morning are based on my own findings and observations. However, to the best of my knowledge, they also represent the consensus of the Study Mission.

We went to Indochina to evaluate post-war humanitarian needs. Sadly, we were not able to do so. Although American prisoners of war are home and American troops have been withdrawn—major accomplishments which we, as Americans, can be justly proud—in fact the war continues unabated in Vietnam and in Cambodia. So, with deep regret, we once again focused much of our attention, not on post-war humanitarian concerns, but on the continuing causes and dimensions of human misery, and on what must be done to alleviate that misery.

Cambodia is not Vietnam. Its history, its culture, its language, and its religion are totally different from that of its eastern neighbor. Yet the political and military circumstances of Cambodia today are frighteningly similar to those of Vietnam at the end of the Diem regime a decade ago when America was inexorably, and against its will, drawn into war. These similarities—a rapidly deteriorating political and military situation, and an increasingly repressive government losing contact with the people—are compounded by a level of mounting human suffering which may shortly surpass the worst we have seen in Vietnam. I refer specifically to the refugee crisis which is upon us now and for which neither our government nor the government of Cambodia have made any significant plans.

Refugees: Statistics are tricky and subject to various interpretations. This is particularly so with refugee statistics. Who and how do you count? There are no precise statistics available in Cambodia. However, the figures which follow are given in the belief that they are of the right order of magnitude.

Cambodia has a population of some 6.5 million people. Over the past three years, in a cumulative sense, some 2.5 to 3 million people have been, or are now, refugees or persons displaced by the war. This estimate includes some 507,500 persons presently officially registered as refugees and another estimated 500,000 unregistered refugees. (In Svay Rieng there were 24,186 registered refugees as of February. At the time of my visit three weeks ago the province chief and the American Embassy official responsible for refugee matters estimated the refugee population of Svay Rieng at around 100,000 persons.)

In addition to the 1,000,000 current refugees, one must count some 500,000 military dependents who have been forced to move by the fortunes of war, and some 250,000 ethnic Vietnamese who were repatriated or forced to flee to South Vietnam.

Finally, there are some two million people under the control of the Khmer Rouge or other anti-government forces. No refugees or displaced persons statistics are available for this population. However, it is known that the other side has dealt harshly with the civilian population under its control and that extensive forced movement of population has taken place for political and military purposes. This, combined with the resumption of bombing by strategic and tactical aircraft suggests that at least half of the population under non-government control must be classified as refugees or displaced persons. (See Table 1)

These statistics are staggering. But very few Cambodians are peacefully pursuing normal productive lives in the countryside—an observation born-out by the acute shortage of rice in both government and insurgent controlled areas.

To understand the full scope of the tragedy which is overtaking Cambodia one must talk with the refugees. Refugees are the most accurate bell-weather of conditions in the countryside, and at every opportunity the study group stopped at random to interview refugee families.

As always, the reasons why refugees move are complex. Until recently most refugees fled their homes to avoid the cross-fire of war, the bombing and the artillery fire. Others fled in advance of Vietnamese troops—from either North or South—who they greatly fear, and with good reason. It should be said at this junction that these refugees were, in no way, "voting with their feet". In very simple human terms, they were fleeing for their lives from bombing and the violence of war to areas of at least temporary security—a relatively sane and predictable action.

In recent months, however, a combination of three new considerations have led to increased refugee movements. There is clear indication that many refugees have tired of living under what they report to be increasingly repressive circumstances on the other side, circumstances which include heavy taxation, corvee labor, political indoctrination, and forced population movement. The numbers who have fled for these reasons are not yet large, perhaps because they are unable to leave, but the trend is significant.

Secondly, rice is in short supply everywhere as a result of the war and the Nation's stagnating agricultural economy. Many refugees are fleeing to government-held areas in the hope of securing food. Despite the fact that the United States is supplying three-quarters of all the rice consumed in areas under government control, these new refugees may be moving in vain. For a serious nationwide shortage of rice is now compounded in many provincial areas by the government's inability to move rice from Phnom Penh to outlying areas.

Finally, and this element is difficult to assess, recent resumption and intensification of American bombing is inevitably beginning to swell the ranks of the displaced and the homeless. Where once, ostensibly, American bombing was confined to the thinly populated areas of northeast Cambodia, today both strategic and tactical aircraft are being used in close support of government troops in the much more densely populated areas of the south and center. We have no figures on the number of refugees and civilian casualties created by this new new wave of bombing. The number of aircraft and the number of sorties involved is a closely held a secret. We do know, however, that the intensity of our bombing in Cambodia today, and in populated areas, is in excess of previous levels. As a senior American Embassy official in Phnom Penh stated with reference to the recent resumption of B–52 bombing "the ceasefire in Vietnam has released significant resources for Cambodia.".

TABLE 1.—*Refugees/Displaced Persons in Cambodia*

Officially registered refugees	507, 500
Estimated nonregistered	500, 000
Ethnic Vietnamese forced to flee to South Vietnam	250, 000
Military dependents displaced in government areas	500, 000
Total	1, 957, 500
35% of total population is outside of government areas and an estimated half of thesee have been displaced	1, 000, 000
Total	2, 957, 500

But one thing is certain, bombing is the most pervasive reason for refugee movement. Our interviews with refugees—in the camps, the shanty-towns surrounding Phnom Penh, and in the province of Svay Rieng—largely confirm the findings of the GAO interviewers in 1971. The GAO found that some 60% of the refugees interviewed cited aerial bombardment as the principal reason for moving, while about 40% spoke of artillery fire or actual ground fighting from both sides as the cause. Although their interviews, as ours, were not scientific samples but were done at random, nearly all the refugees spoke of their homes either being destroyed by the bombing or artillery, or burned in the conflict. Several spoke of the brutalities of the Vietnamese—referring to both Northern and Southern Vietnamese. Looting by South Vietnamese troops operating in the eastern provinces of Cambodia has been particularly bad—especially during the first year of the war in 1970–71.

Direct statements from refugees themselves are even more revealing of the impact of the bombing and the difficulties of life in rural areas. As one woman from Kampong Speu province, now living in a little shack on the edge of Phnom Penh, told us:

"My house and all my things were destroyed by the bombs. I don't know why they bombed. I never saw a Vietnamese. My whole village was burned by the bombing."

Another refugee, an older man with a family of six from a village in Kampong Thom Province, said he and his family fled because:

"At first we heard artillery in the distance and then the sound of airplanes. Before we knew it, the airplanes were over us. Many felt danger and left for town. Later the airplanes bombed and the artillery fired."

He doesn't know which destroyed his house. He said he was surprised because he did not see soldiers of any kind.

Many Cambodian refugees have had to move two or more times. One woman, who now lives in the Phnom Penh refugee camp at O Bek Kaam, told of this agonizing story:

Her family lived in the eastern province of Svay Rieng, in a village not far from the Vietnamese border. Over the last few years before they moved they had seen Vietnamese, but the Vietnamese had not bothered them or their land. They weren't sure in the beginning if they were North or South Vietnamese. Then the war started and there were Vietnamese all over, some South and some North, they couldn't tell which, and there was fighting and bombing. Her husband and daughter were killed in the bombing—she doesn't know whose airplanes they were. That is when she decided to move into the city of Svay Rieng. She stayed there for two years because they thought it safe to be near the cannons instead of in the fields where they fire. But life was difficult in Svay Rieng; they got no help from anyone and barely made enough to eat. Then conditions this year got worse, and even Svay Rieng did not seem safe. There was fighting nearby and she moved her family to Phnom Penh where she moved into a refugee house of a friend.

Over the past three years these stories have been repeated countless times. Each day of the war has brought more refugees into constantly smaller areas controlled by the Government, and uncounted numbers in other areas outside of government control. As in South Vietnam, most people have crowded into the provincial towns and into the capital city to avoid the fighting and bombing. Surely, as the refugee woman said "it is better to live near the cannon than out in the field where it fires". The effect of the war on Cambodia, as in South Vietnam, is to push the countryside into the city. A rural people, once self-sufficient, are being forced into a false urban situation for which they are totally unprepared and where work and food are desperately short.

As a general statement, there is not now and there never has been, a formal program of refugee assistance in Cambodia. Few government services and even less government aid actually reaches the hands of the refugees. Only some ten thousand of the total refugee population are in camp situations. The vast majority are interspersed among the general population where they makeshift for themselves or rely on friends and relatives with little or no assistance from the government, and, seemingly even less concern.

Much has been said about the self-reliance of the Khmer refugee, how they have been able to accommodate to their new situation by moving in with relatives and providing for their own needs. True, a cursory look at the refugee situation, without the compacted masses of the refugee camp, superficially suggests a state of relative well-being. This, however, is not the case. It is not possible for a rural population crammed into an urban area or provincial town, under wartime conditions, without land to farm, without most of their material belongings, with little or no employment, to be able to provide for their own needs. This is particularly true in view of the mounting inflation and shortage of food in the provinces. A shortage which is driving the price of rice, fish and other staples of the Khmer diet out of reach for the average family to say nothing of the dependent refugee.

Perhaps half of the refugees, to judge by conditions in Svay Rieng, have enough stocks of food or money to last another month or two. The remainder are already facing mal-nutrition and the threat of starvation. Each of the families I talked with said their first concern was food. They didn't have enough food. They didn't know what they were going to eat. This is not self-sufficiency—this is mal-nutrition and the brink of starvation. This, then, is the situation in Svay Rieng. However, we were told that the same conditions, with local variations, pertain in other provincial areas.

Lest I be thought overly emotional and alarmist let me cite the rice statistics for the town of Svay Rieng. The province chief and military governor of Svay Rieng estimates that 43.8 metric tons of rice per day are required to sustain the population. Svay Rieng is completely surrounded by anti-government forces and access is only by air. At the time of my visit, Svay Rieng was receiving only 10 tons of rice per day. However, though there are no remaining government stocks, the province chief believes the town can hold out on deliveries of 20 tons per day for another two months because some rice stocks remain with individual families. This assumes doubling the present delivery rate. I do not know what will happen after two months, three weeks of which have already passed. Capitulation to the other side won't help—they don't have any rice either.

To summarize the refugee situation—the prognosis is dismal. Neither our government nor the Cambodian government have any organized refugee program. Adequate housing, sanitation, and medical service are either non-existent, or in short supply. Increasing numbers of refugees are being generated by an accelerated level of military activity and intensified American bombing. The repression of both sides is increasing with the government losing its precarious control, and relying more and more on American intervention. And in the midst of this are a million refugees, half of them children. They are receiving virtually no assistance and face mal-nutrition, serious food shortages, and, in some areas, the real spector of starvation.

Civilian Casualties and Medical situation: Unlike refugees, who can at least be counted, civilian war casualties are usually buried or, if they survive, are admitted to hospitals or treated at dispensaries. As a result, we will perhaps never know the full number of Cambodians who have died as civilian casualties, nor, because few records are kept on hospital admissions, will we know the number of war victims who survived their wounds.

The available statistics on civilian war casualties from the Cambodian government are incomplete—as they realize. This is largely because many civilians died in the field, or never received treatment in a government hospital, or, if they were admitted to a hospital, were never recorded. As a result, the only statistics the War Victims Directorate has on civilian casualties are those dependents or survivors who have applied for government assistance—a total of 41,750 since 1970. Unofficial estimates, however, place the number of civilian war casualties, dead, and wounded, on the order of 300,000, an inexact but probably more realistic figure which includes civilian casualties on both sides.

Another indicator of the toll the war has taken of human life in Cambodia is the number of children who have been orphaned. According to estimates the Ministry of Interior provided us, there are today some 260,000 children who have lost one or both parents. The same source states that approximately 50,000 war widows have registered with the government. The U.S. Embassy personnel thought these government estimates were high, as do I, particularly the orphan figure, but they are indicative of the problem and the human cost.

A further index of the impact of war on the people is what has happened to the medical system of the country. According to official Cambodian government reports, over 45% of the hospital system has been lost to the other side or destroyed by bombing or artillery, and the pressure of war injured requiring attention has badly overwhelmed the remaining facilities. As in the early stages stages of Vietnam, the war in Cambodia is destroying the hospitals at precisely the time when demands for medical service are the greatest.

According to Ministry of Health estimates, the need for hospital beds in normal times is about 17,500 beds (13,500 for the sick and 4,000 for maternity cases). At present, the Ministry of Health has only 7,438 beds in hospitals throughout the country, hospitals whose normal capacity is 3,000 beds. This means that every available space—hallways, courtyards, and storage closets—is being used for beds. The over-crowding is serious, and the level of medical care is deteriorating

For example members of the Study Mission visited the Preah Ket Melea hospital in Phnom Penh. A government operated facility, the Preah Ket Melea hospital normally handles up to 400 patients. At the time of our visit, the hospital census was between 1200 and 1400—more than 200% over capacity. The extreme crowding made adequate care of patients difficult, and the hospital's corridors were lined with beds. This hospital acts as a staging area for war-wounded, both civilian and military prior to their transfer to other facilities also located in Phnom Penh.

Crowding is complicated by the constant power shortages in Phnom Penh, causing the complete failure of electrically driven equipment, such as operating room lights, sterilization equipment, and the somewhat antiquated radiologic equipment.

In addition to relief from the serious overcrowding, medical and public health officials in Phnom Penh stated that the Preah Ket Melea hospital urgently required:

1. Pharmaceuticals, specifically mentioned were hydrocortisone, antibiotics, plasma, and vitamins:
2. Routine hospital materials, such as dressings, compresses, blood pressure devices, syringes, needles, and stethescopes;
3. Operating room equipment;
4. Equipment for a medical-surgical recovery area;
5. Kitchen rennovation to meet present heavy patient food requirements;
6. Radiology equipment, particularly x-ray units.

These needs, specific, in themselves, are symptomatic of urgent medical requirements at all hospitals and medical facilities throughout Cambodia. Over the short term, the most pressing need is for sufficient pharmaceuticals and routine hospital materials, especially in view of the escalating level of conflict.

Preliminary Recommendations: Given the urgency of the situation in Cambodia it is imperative that a way be found to channel immediate assistance to refugees and war victims. Of greatest concern in the short run are:

1. Food.
2. Logistical support for food distribution.

There are two hundred Americans assigned to the U.S. Embassy in Phnom Penh. Only one of these is primarily concerned with refugee assistance. Some 130 positions are concerned with military assistance or political-military affairs. Since there is already an A.I.D. program in Cambodia it is recommended that ten positions within the present ceiling be utilized for expediting emergency food shipments and monitoring food distribution.

Concurrently, it is recommended that, in every possible way, our government facilitate and support the use of international and voluntary agency mechanisms to meet humanitarian needs among Cambodia's war victims.

Mr. Chairman, this has been a preliminary report with preliminary recommendations for the most urgent questions. The Study Mission will submit a more comprehensive report with detailed recommendations in the near future.

THE SOMBER WORLD FOOD OUTLOOK

Mr. HUMPHREY. Mr. President, it has been my privilege to serve as chairman of the Subcommittee on International Agricultural Policy of the Senate Committee on Agriculture and Forestry.

During the past weeks we have been taking testimony on the world food situation. It is without a doubt one of the most serious problems confronting not only our country but the entire world. Recently I read a very thought-provoking and informative article entitled "The Somber World Food Outlook" by Mr. Lester R. Brown. Mr. Brown is a Senior Fellow at the Overseas Development Council.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SOMBER WORLD FOOD OUTLOOK

(By Lester R. Brown)

As any housewife can tell you, something dramatic is happening in agriculture. Not only are meat and poultry prices setting new records in the U.S., but global demand for American field crops has raised wheat prices by half within a few months and brought the futures price of soybeans close to $7 a bushel, a history-making level. U.S. farm exports are expected to reach $11 billion this calendar year, up from $8 billion in fiscal 1972.

The question on everyone's mind: Is this a temporary phenomenon, the product of an extraordinary convergence of events, or does it signal the beginning of a new era in world agriculture?

So many bad things happened around the world last year—poor weather in India, Bangladesh and Indonesia, the war in Indochina, civil unrest in the Philippines—that many people began to wonder if the so-called Green Revolution had petered out. The answer, in brief, is No. Even with a disastrous monsoon, India plans to import only two million tons of grain roughly the amount it provided as food aid to Bangladesh.

But the Green Revolution of better seeds and cultivation techniques is not in itself a solution to the global problem. At best it has bought us an extra decade or so in which to put the brakes on population growth. Whether the world food problem is ultimately solved satisfactorily depends largely on the success of efforts to curb population growth.

Without doubt, the most dramatic single development in world agriculture during 1972 was the decision by the Soviet Union to import more than 26 million tons of grain, including 16 million tons from the U.S., the equivalent of nearly half the U.S. wheat crop. Although a severe winter kill and subsequent hot, dry weather early in 1972 were the principal reasons for the small Russian wheat crop last year, it's possible the huge Russian grain order may represent a more fundamental decision to turn to cereal imports on a continuing basis in an effort to alleviate the chronic shortage of animal protein in that country.

Soviet efforts to expand livestock production to satisfy the demands of its 248 million consumers at reasonable prices have consistently fallen short. The grazing season is short and the Soviet Union has no corn belt even remotely resembling that of the Midwest.

Under Khrushchev, the Soviets launched their ill-fated "virgin lands" project, plowing up 100 million acres of dry land. All went well at first, but within a few years the residual moisture in the soil had been exhausted and much of this land was eventually abandoned. After considerable soul-searching, the Soviets then decided to intensify production on the existing cultivated land area.

To pursue this strategy more water was needed, and the Soviets devised ingenious plans for diverting southward into low rainfall areas four rivers which currently flow into the Arctic. When these plans were made public, the international meteorological community became alarmed, arguing that cutting off this flow of warm water into the Arctic could alter the earth's climatic system. For the time being these plans are being held in abeyance. The Soviet decision to import grain could be a long term alternative to the pursuit of these ecologically risky proposals.

THE DEMAND FACTORS

So much for the supply side. Now consider the factors influencing demand—the number of people in the world and the amount of food each consumes, the latter determined largely by income. While most of us understand the effect of population growth on food demand, the effect of rising incomes is much less clear. Perhaps the easiest way to visualize it is in consumption of grain, which occupies 70% of world cropland and supplies the bulk of man's calories. The per capita supply of grain in poor countries averages about 400 pounds per year, nearly all of which must be consumed directly just to keep body and soul together. The average North American, by contrast, requires nearly a ton of grain per year, of which only 150 pounds is consumed directly in the form of bread, pasteries and breakfast cereals. The remainder is eaten as meat, milk and eggs.

As incomes rise, per capita claims on the earth's agricultural resources also rise, primarily because consumers demand more animal protein. The rule of thumb for converting grain into protein is seven pounds of grain per pound of beef, four for pork and three for poultry. As incomes in the U.S. have risen, per capita beef consumption has climbed from 55 pounds in 1940 to 114 pounds in 1972; combined with population growth this has tripled total beef consumption in the U.S. Poultry consumption has increased similarly, while pork has remained steady.

Traditionally population growth has accounted for most of the growth in global demand for food, but now rising affluence is emerging as a major claimant on world food resources.

Nearly two-thirds of a billion people living in that vast stretch of the world from Dublin in the West to Vladivostock in the East and another 100 million in Japan are now moving through the same stage of modernization experienced in the past generation in the U.S. But they are four times as many and they are doing it more rapidly. Even within North America, the growing appetite for beef has not yet been stated. The net effect of all this is an enormous growth in claims on the world's livestock production capacity.

Cattlemen, however, are handicapped in their efforts to respond to the surging demand by the inability to obtain more than one calf per cow from the brood herd. For each animal slaughtered, an adult animal must be fed and looked after for a full year. As the demand for beef multiplies, so must the number of animals slaughtered and the number of cows needed to produce them. And this is where the crunch comes, because the grazing capacity for carrying the brood cows is limited.

Often rainfall is the principal determinant of grazing capacity. In much of the world, water not land is the principal restraining factor. Moreover, those areas of the world which can be readily and cheaply irrigated are for the most part already under irrigation. Massive desalting complexes to produce fresh water for agriculture are no longer seriously discussed because the water they produce is costly and with the energy crisis, becoming even more so. Modifying rainfall patterns is clearly within our technological reach, but we lack sufficient knowledge of the consequences of doing so on a broad scale and there is no existing global agency to regulate this tampering with nature.

From the beginning of agriculture to about the middle of the 20th Century, additions to the food supply came primarily from putting new land under cultivation. Since 1950, however, it has come largely from the intensifying production on the existing cultivated area. As of the early 1970s perhaps four-fifths of the annual increase is coming from this source.

The area of new land that can easily be brought under the plow is shrinking while the demand for food grows larger each year. Adding to the problem, more and more agricultural land is being abandoned each year, some because of erosion but also because of the encroachment of highways, factories and human dwellings.

At least since Jules Verne, the oceans have been regarded as a potential panacea for man's food problem. Following World War II, the world fish crop did indeed begin to climb rapidly as the world's fishing fleets expanded. From 1950 to 1968, the global catch increased nearly 5% a year, far outstripping the annual 2% population growth. But then it began to fluctuate unpredictably. In fact, the catch of some table grade species is declining as a result of over-fishing. Many marine biologists now believe that the global catch of table grade fish may be very close to the maximum sustainable limit. Whether this is the case we cannot say with surety, but the evidence is mounting. If the edible fish catch does level off, the pressure on land-based protein supplies would become even greater.

Meanwhile, on land, efforts to expand the world's food supply are beginning to meet with rising costs and environmental problems. The litany of adverse ecological effects of the Aswan Dam in Egypt is familiar. Nutrients in the rich alluvial silt that once fertilized the farm land along the Nile and sustained a sizable fish population are now deposited behind the dam. The fish catch has dropped precipitously and farmers must buy huge tonnages of chemical fertilizer to replenish the soil. Evaporation in the reservoir is high, reducing the quantity of water available for irrigation. And, to top it off, in the irrigated lands schistosomiasis, the debilitating, snail-borne disease which has no ready cure, has reached epidemic proportions.

WHAT ARE THE ALTERNATIVES?

But what are the alternatives to Aswan? The population of the Nile River Valley is increasing nearly one million a year. Is the alternative clearing more land in sub-Sahara Africa where numerous species of wildlife are threatened because their natural habitat is being destroyed? Or is it to use more fertilizer in the Midwestern United States where the state of Illinois has already held hearings on the possibility of limiting fertilizer use?

Farmers in Indonesia attempt to expand food production by clearing the steeply sloping hillsides. The result is soil erosion and the silting of canals in the valleys and a subsequent reduction in irrigation capacity. The expanded use of fertilizer on high-yielding rice in the Philippines causes lakes and ponds to eutrophy, destroying fish which were once the villagers' principal source of animal protein. And so it goes. The cheap and easy possibilities for expanding food production are being used up or are partially self-defeating.

Some of the more exotic expected breakthroughs haven't materialized. The conversion of petroleum into protein via single-celled strains of yeast is being done but not on a wide-scale commercial basis. And in more conventional areas, technological barriers remain: The old ratio of only one calf per cow still persists, and yields of soybeans, a legume with a built-in nitrogen supply, do not respond to nitrogen fertilizer the way corn does.

Beyond this, we are being forced to abandon some of the technologies that do work. DDT is one example. Another is diethylstibestrol (DES), a growth stimulant for livestock. On Jan. 1 we joined 21 other nations in banning the use of DES because of its possible carcinogenic effects. As a result it will take an additional 35 days and 500 or more pounds of feed to produce a 1,000 pound steer. And future beef prices are expected to increase an estimated 3 cents to 10 cents a pound.

Several questions, then, loom large as we look ahead. Is the Soviet grain import temporary, or likely to continue albeit at a reduced level in the years ahead? Will the Green Revolution maintain its recent momentum? Is the world fish catch leveling off? Can we dramatically increase beef and soybean yields? Once we know these answers, then we may know whether the current situation is entirely an aberration or a signal that we are entering a new era

Over the past dozen years an average of one-seventh of U.S. cropland, or roughly 50 million acres out of 350 million, has been idled. Because of the sharp reduction in global reserves of grain and the resulting record prices, the U.S. this year removed many of the constraints on plantings of wheat and feedgrains, permitting farmers to return a major share of the idled cropland to production.

If this cushion of idle U S. cropland disappears as a stabilizer, the market for food comodities could become vastly more volatile. In effect, the era of chronic excess production capacity in world agriculture, which has characterized the postwar era, could be drawing to an end. We may now be witnessing the conversion of the world protein market on a permanent basis, from a buyer's to a seller's market.

THE SITUATION IN SIKKIM

Mr. PELL. Mr. President, I am concerned at recent events in Sikkim as reported in the press.

Sikkim is a small territory, but it is a territory with a national pride, a distinctive culture, and government institutions deeply imbedded in tradition.

News reports indicate that as a result of disorders in Sikkim, the Chogyal, the ruler of the state, requested the Government of the Republic of India, the legal protector of Sikkim, for assistance. The same news reports indicate that order was restored within a short time, but that the Indian Government thereafter claimed a continuing authority within the state.

It is difficult, from this distance, to judge accurately the events in Sikkim. I think, however, there is some basis for concern that Indian forces may, as a result of the recent disorders, attempt to extend their authority and impose far-reaching governmental changes.

The Republic of India has often stated her desire to be counted amongst those nations of the world opposed to force and violence.

I hope very much that, in regard to Sikkim, India will take positive steps to allay concerns over possible abuses of its role as legal protector of Sikkim and will quickly restore authority to the traditional government.

CHICANO STUDIES CLASS REACTS TO 1970 STUDY BY THE COMMISSION ON CIVIL RIGHTS

Mr. KENNEDY. Mr. President, I recently received letters from a chicano studies class in Palo Verde High School in Blythe, Calif.

The teacher of the class, David R. Collins, assigned the class a 1970 study by the Commission on Civil Rights, "Mexican Americans and the Administration of Justice in the Southwest." In lieu of a test on the material, he had the students write to me of their reactions to the study.

Their letters reflect a deep frustration at the denial of justice to many chicanos in America today. And often they relate the conclusions of the Civil Rights Commission with their own experiences.

One student, Anita, wrote:

> Every morning at the beginning of school, we stand to say the pledge of allegiance. Toward the end of the pledge it says "liberty and justice for all" but seeing and reading what has happened to the Mexican American in this country, I find it very hard to believe that there is equal justice for all.

Another student wrote,

> The police frequently interfere at assembly meetings the Chicanos have. We also have a right to assemble without harassment.

Another girl wrote angrily of a man she knew who told her:

> That police interrupted a meeting and they kept me and my 5-year-old son until the next day and we didn't have any drinking water . . . so we had to drink water from a dirty water hole because they wouldn't let us move . . . my son still is very scared and he cries every time he sees a policeman.

These reactions of students reflect a deep alienation and exclusion from the system of justice that we all take for granted. The U.S. Civil Rights Commission report is 2 years old. The people of the Southwest have a right to expect the flagrant denials of equal justice to be remedied.

Mr. President, I ask unanimous consent for several of these letters to be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

March 15, 1973.

Dear Senator Kennedy: I am presently taking a Chicano studies class at Palo Verde High School in Blythe Calif., and we have been studying the results of a U.S. Commission on Civil Rights report about Mexican Americans and the law in the south west U.S. I am sending you this letter to tell you how I feel.

We have been studying this book for 2 weeks and learned a lot. I didn't know at first, like when we get busted (Chicano) for something, we have to go jail or court or maybe pay a find for about $200 or more, and if your in jail you would have to pay bail for about $300 or $200 dollars to get out of jail and I learned that the Texas Rangers just shot down people back in those days and were always threatening the rights of Mexicanes.

I was reading some pages in the book and then I saw something in the book, it was a 13-year-old Mexican American boy in Los Angeles who were severly beaten by three policemen in connection with an arrest for alleged burglary. According to the mother, she was called at 1:30 a.m. by an officer who told her that her son had been arrested the preceding evening and had fallen and injured his head.

And here is another one of those true stories about a man who had attended a gathering at Canjilon. He reported that policemen had put rifles behind his back and he was made to sit down for questioning. And that men was telling those people what happended to him and his son, and this is what happened.

"They kept me and my 5-year-old son until the next day and we didn't have any drinking water for cooking, so had to drink water from a dirty water hole, cause they wouldn't let us move. When I return home my boss had seen my picture on TV or in the news. He called me a crimmal and said we were crimmal and he fired me from my job. My son still is very scared and he cries every time he sees a policeman.

Senator Kennedy doesn't this get you? I think it doesn't get you because you weren't in that position like we were. You know what Senator Kennedy if you were like us you wouldn't be senator right now. So why won't you just think about us for a while and I hope you would think about us, and that will make all of us happy.

Sincerely yours

CATALINA GARCIA.

MARCH 16, 1973.

DEAR SENATOR KENNEDY: I am presently taking a Chicano Studies class at Palo Verde High School in Blythe, California. We have been studying the results of a United States Commission on Civil Rights report about Mexican-Americans (Chicanos) and the law in the Southwestern United States.

Every morning at the beginning of school we stand to say the pledge of allegiance. Towards the end of the pledge it says liberty and justice for all, and reading what we have about Chicanos I find it hard to believe that there is equal justice for all.

There was something I read about bail that really surprised me. About a year ago there was this incident that happened in Blythe. A policeman shot a Chicano while not on duty. This Chicano was announced dead on arrival to the hospital. I don't think anyone would survive with his brains blown out. Anyway, when this cop had his trial he was found not guilty.

I couldn't believe it because to me it was plain cold blooded murder. Also to top it all off, before his trial he had a bail of $500. Can you believe that! There are many Chicanos that get harassed by cops for drunk driving then get put in jail. They have a bail of about $2,000. When a cop gets a bail for murdering a guy, of only $500, and a Chicano gets a bail for $2,000 just for drunk driving. That's really hard to believe!

Sometimes during harvest season, local farmers pay the fines of jailed Chicanos on condition that the men work for the farmer until the fine is paid off. Some Chicanos don't have any money for bail, so they just have to stay in jail until their trial.

Something else I read was about counseling for Chicanos. Most people are afraid to represent a Chicano in court because they think they might lose the case. Most Spanish surnamed families in the Southwest live on incomes of less than $3,000 per year. So as you can see, they cannot afford private counsel in either civil or criminal matters. Most of the Chicano attorneys practice in the cities of the Southwest, but even here, Chicanos are underrepresented in the legal profession.

Some programs, like the Mexican American Legal Defense and Educational Fund (MALDEF), are in process of helping train Mexican American lawyers. So as you can see, it is very hard for Chicanos to get counseling or lawyers for their trials.

I was really glad that I read this little booklet because I found out a lot of things I didn't know. These things were really disgusting.

I hope you will take the time to consider some of these things, and help try to do something about it. I also hope our class will hear from you soon.

Sincerely,

ANITA NAVARRO.

DEAR MR. KENNEDY: Right now I am taking a Chicano History class at Palo Verde High School. We have just finished reading a summary of the book that is about the justice of the Mexican Americans in the Southwest.

There were some things that I read that I feel should be stopped.

Like how Chicanos can't get a lawyer to help make a charge against a policeman. So thus, the policeman can keep on picking on the Chicanos, and get aways with it. We need lawyers who are not afraid.

When Chicanos have been arrested for a crime, they sometimes do not get a fair trial because they do not know English. Courts out of all things should give equal and just treatment. Some people say that if they don't know English it's their fault. But if he's out of school, they have no way of learning, and if his job is just working in some field, he probably figured he never needed to know it. So when people like this do appear in court, I believe they need to have interpreters. This could create a good paying job for Chicanos.

I could go on and on but I start feeling disgusted, when you, I mean I realize that our government is not really that good." You guys are the ones who keep prejudice and discrimination alive." I hope someday I could do something about it, but until I'm old enough to have a voice, I'm depending on you, I hope. Or people who feel like me.

You know, I always want to speak the truth, so one day I hope when I pledge ". . . liberty and justice for all. . ." It'll be true and not something someone thought of to write. Think about it.

Just a student who cares.

DEBBIE BLOECKER.

MARCH 16, 1973.

DEAR SENATOR KENNEDY: I'm taking a chicano studies class in Blythe, Calif. I have been studying the Mexican-Americans and the administration of justice in the Southwest. You know, I never realize that in the U.S. there really is no equal justice for chicanos; like some people are poor in Mexico and think that the chicanos who live in the U.S. are rich, but we really aren't, in this report I found out that chicanos really do get hazled by Americans. You know the Americans think they are the best, I mean the people who have everything, but I really think they are not, cause they haven't given the chicanos or black people a chance.

You Americans say that there's justice and liberty for all? black people are Americans so how come they have never been presidents. This really bothers me. I found out that many times the chicanos get more (higher) bail then others in proportion to others. Will you please write back and tell me if you guys are planning to make some changes at all.

——— ———.

DEAR SENATOR KENNEDY: I am presently taking a chicano studies class at Palo Verde High School, in Blythe, Calif. and we have been studying the results of a U.S. Commission on Civil Rights reports about Chicanos and the law in the Southwest United States.

I just finish reading this book and I learn a lot of things that I didn't know, that really bothered me a lot. It just bugs me to know that this things are going on right now, and there is nothing being done about it.

The treatment of Chicanos is very brutal, and they always are discriminating against the Chicano. The fact is that Mexican American's life is alway subject to unduly harsh treatment by police, to be frequently arrested on insufficient grounds, to receive harassment and penalties disproportionately severe on Chicano for some acts. For example, interference with Mexican American Organizational Efforts. The police frequently interfer at assembly meetings the Chicano's have we hear right to assemble.

Police are doing this thing, interfering in meetings. They are not treating people the way they are suppose to.

Sincerely yours,

CARMEN DE LA O.

MARCH 15, 1973.

SENATOR KENNEDY: I am presently taking a chicano studies course at P.V.H.S. Blythe, Calif. Recently we have been studying results of a U.S. Commission on Civil Rights about Mexican Americans (Chicanos) and the law in south west U.S.

In the book, it says that chicanos are getting mistreated and beaten up by police, and in court they are not getting very good trials. Their bail is higher than what it really should be. I was wondering if you can do something about the mistreatment of chicanos. Maybe you can raise enough money for chicano education, so that they may become something other than lettuce pickers.

RICHARD JIMENEZ.

MARCH 16, 1973.

DEAR SENATOR KENNEDY: I am presently enrolled in a Chicano studies class at Palo Verde High School in Blythe, Calif. We have been studying the results of a U.S. Commission on Civil Rights report about Mexican Americans and the law in the southwest United States.

These are a few things I have found out about that bothers me and I was wondering if you could do anything to help improve this. There is evidence of widespread patterns of police misconduct against Mexican Americans in the southwest, such as, excessive use of arrests for "investigations" and of "stop and frisk".

Inadequate protection. Complaints also were heard that police protection in Mexican American neighborhoods was inadequate in camparison to that of other neighborhoods.

Interference with Mexican Americans organizational efforts. In several instances, law enforcement officers interfered with Mexican American organizational efforts aimed at improving the conditions of Mexican Americans in the southwest. Remedies for police malpractice in the southwest were inadequate. There have been instances of retaliation against Mexican Americans who complained about law enforcement officers to local police departments or to the F.B.I. Federal remedies, agents of the Federal Bureau of Investigation have often failed to interview important witnesses in cases of alleged violations of 18 U.S.C. 242 or interviewed such witnesses in a profanitory and hostile manner.

There is a serious and widespread underrepresentation of Mexican Americans on grand and petit State juries in the southwest. The commission found that neither the lack of knowledge of the English language nor low-incomes of Mexican Americans can explain the wide disparities between the Mexican American percentage of the population and their representation on juries.

Local officials in the southwest abuse their discretion in many ways; one way is to set excessive bail to punish Mexican Americans rather than to guarantee their appearance for trial. There are serious gaps in legal representation for Mexican Americans in the southwest. The lack of appointed counsel in misdemeanor cases results in serious injustices to indigent Mexican American defendants.

These are just a few ways in which the government treats different races, and I would like to know if you would answer this letter and write how you feel about this and whether or not you can do anything to help.

MICHELLE WEST.

MARCH 16, 1973.

DEAR SENATOR KENNEDY: I am presently taking a Chicano studies class at Palo Verde High School in Blythe, California. We have been studying the results of a U.S. Commission on Civil Rights report about Mexican Americans (Chicano) and the law in the Southwest U.S. I am reading the book summary of Mexican Americans and the Administration of justice in the Southwest. This book has some very interesting things about how the police have treated (the Chicano) as in the past. They still don't treat us fair enough. There is one thing in this book that got my mind.

A 13 year old Mexican American boy in Los Angeles was severly beaten by three policemen in connection with an arrest for alleged burglary; to me they had no reason to beat him. They should of just took him to jail. Please try to understand us and reason with us. We are very beautiful people; our ways are beautiful too. So, please read our letters carefully and think them over.

Your truly,

SYLVIA MORALEZ.

P.S.—Write back please.

MARCH 15, 1973.

MR. KENNEDY: I am enrolled in a Mex-American study class at Palo Verde Valley High School in Blythe, Calif. We are studying a report by the United States Commission on Civil Rights. This is only a summary of the real book. Because the school board didn't like it, because it showed some things which happened here at Blythe. Like the Walkout & other things which happened here.

The summary was made in 1970 so it can't have changed much, for good or bad.

The treatment of Mexican Americans is very bad. For example, a 13 year old Mexican American boy in Los Angeles was severely beaten by three policemen in connection with an arrest for alleged burglary. The Mother was called at 1:30 a.m. by an officer who told her that her son had been arrested the preceding evening and had fallen & injured his head. The officer said there was nothing to worry about only a slight cut. As a result the Mother didn't believe her son that he had been beaten up. On the morning after the arrest, profuse bleeding from the head made it necessary for him to be taken to the hospital. There it was discovered that he already had 40 stitches in his head, put in the previous nite. At the same hospital where the officers had taken him between the time of his arrest and their call to his mother.

According to the son and several witnesses, the stitches were required because of the severity of the beating inflicted by the officers.

Some incidents reported to the Commission were so severe that they had resulted in the death of the victim.

As a student this is hard for Mex. Amer. to take. You should try and get a remedy for this crisis. If you're the kind of man I think you are, you will find a remedy.

Write Back.

Your truly,

RICKY L. HOWERY.

NIXON PROPOSAL TO CUT MEDICARE AND MEDICAID IS UNCONSCIONABLE

Mr. BAYH. Mr. President, President Nixon's recent announcement to curtail benefits under the medicare and medicaid programs would have devastating effects on the more than 23 million Americans who qualify and participate in these programs.

Medicare stands in danger of becoming another broken promise. It is helpful to recall the objective of the original medicare program established by Congress in 1965. At that time we made a Federal commitment to provide older Americans, most of whom live on small, fixed incomes, with adequate medical care. Up to that time, senior citizens were often denied proper medical attention because the costs exceeded their means. In 1966, medicare started out paying more than 50 percent of the health bills of older Americans and this year it only paid 42 percent. Should the Nixon recommendations be carried out, medicare may pay well below 40 percent of their health bill.

In a reaffirmation of our original commitment to provide older Americans with adequate medical care, I joined, on March 26, 1973, with a bipartisan Senate majority in a resolution opposing any cutbacks in medicare services. The budget savings which the Office of Management and Budget proposes to secure through the reduction in medicare payments is a false economy, one where the social costs far outweigh, and argue against, any decreased cost to the Federal Government.

I recently received a letter from an elderly lady in Gary, Ind., who, like thousands of Hoosiers, is concerned about this administration proposal to sharply reduce medicare benefits for older Americans, she said in part:

> I am a senior citizen and my check is small and food is so high. I don't see how I can live if Medicare is cut.

The understandable concern of the people of Indiana is shared by our fellow Americans in all parts of the country. A recent nationwide poll found that 92 percent of Americans oppose the medicare cutbacks.

Under present law, medicare patients pay the first $72 of their hospital charges and nothing thereafter until the 61st day in the hospital. But under the President's proposals the charge to patients for the first day of hospitalization would increase from $72 to full hospital charges and the patient would be required to pay 10 percent of actual hospital costs between the first and 61st days—now free under medicare. The cost of an average hospital stay under medicare—13 days—would jump from the present $72 to about $200, and a stay of 60 days a minimum of $500. These figures are based on the 1972 average daily hospital charge of $70 a day. But in many States—such as my own State of Indiana charges may run several times the average daily cost of $70. In Indiana this proposed increase would affect more than 505,000 older Americans who received medicare hospitalization benefits during fiscal year 1972.

Under the President's proposed cuts those covered under part B of medicare will be required to pay the first $85 of bills for physicians' services instead of the first $60 and 25 percent of everything above that instead of 20 percent. In Indiana these proposed increases would affect more than 487,795 older Americans who received medicare medical benefits during fiscal year 1972.

The President's proposals would also eliminate medicare advance payments to hospitals and "low-priority medicaid services to adults" including dental care.

More than 23 million Americans would be affected by these cutbacks, which would more than double the average hospital bill paid by medicare patients. This would be done without any reduction in premiums, further tightening the squeeze on those living on fixed incomes.

The simple and tragic fact is that if these proposals are adopted older Americans would receive less medical care because of an inability to absorb increased costs. In practical terms, the existing deductible and coinsurance amounts deter many senior citizens from seeing doctors, because they do not have the initial $60. If the President's plan is accepted, each senior citizen will have to ask whether he or she is sick enough to spend $85 before deciding to see a physician. This runs counter to the goal of providing decent medical care for senior citizens and is an unconscionable retreat from our earlier commitment to these citizens.

I am optimistic that the cutbacks can be forestalled since a majority of Senators, representing both political parties, joined in our resolution last week. However, in order to be certain that this heartless proposal does not become law, I and my colleagues shall keep close watch and remain vigilant in our opposition to the medicare cutbacks.

At a time when inflation is decreasing the purchasing power of every pension or insurance check, saddling older Americans with impossible medical bills is simply and unequivocally unacceptable.

Mr. President, I ask unanimous consent that a copy of the concurrent resolution may appear at this point in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 18

Whereas, in the National Budget proposed for the fiscal year ending June 30, 1975, the amount of expenditures allocated for the Medicare and Medicaid programs for such year is predicated upon the enactment into law of amendments to titles XVIII and XIX of the Social Security Act which would have the effect of—

(1) increasing the amount of the deductible, which is applicable (under part A of such title XVIII) with respect to the first day of inpatient hospital services received by a patient, to an amount equal to the average per diem cost of inpatient hospital services;

(2) imposing a coinsurance amount, with respect to inpatient hospital services (under part A of such title XVIII) received after the first day a patient receives such services and prior to the 61st day he receives such services, equal to 10 per centum of the actual costs imposed for such services:

(3) reducing coverage for physicians services (under part B of such title XVIII) by increasing the deductible applicable thereto from $60 to $85, and by increasing the patient's share of such costs, above the deductible, from 20 per centum to 25 per centum; and

(4) eliminating (under such title XIX) Federal financial participation with respect to costs, incurred under a State plan approved under such title, attributable to the provision of certain low-priority services (including dental care), to adults: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that no such amendments be enacted.

THE FEDERAL ASSAULT ON CANCER

Mr. NELSON. Mr. President, since enactment of the National Cancer Act in 1971, Federal dollars for cancer research have jumped from $230 million for fiscal 1971 to $432 million for 1973, with a budget proposal of $500 million for 1974. The Office of Management and Budget recently released additional funds for 1973, raising the National Cancer Institute's operating budget from $378 to $432 million.

Considerable controversy arose over the best legislative approach to increase the Federal assault on cancer: whether it should be done by an agency independent of the National Institutes of Health, with its 11 institutes; whether the emphasis should be on targeted or basic research, on contracts or grants.

The law required a 5-year plan to be drawn up, to be updated every year, for the purpose of coordinating the national cancer research effort. It was a unique concept for biomedical science, in that systems analysis was to be applied in an effort to organize a concerted cancer attack.

The plan, although apparently drawn up in three sections, has not yet been released, apparently held up in the Office of Management and Budget, and the controversy still rages over the best approach to cancer research.

The National Institute of Medicine, an institute of the National Academy of Sciences—NAS—was asked by the National Cancer Institute to comment on the cancer plan.

A panel of nine, headed by Dr. Lewis Thomas, dean of the Yale University Medical School and incoming president of the Memorial Sloan Kettering Cancer Center in New York, prepared a critique of the cancer plan, which was completed in December 1972.

I ask unanimous consent that the panel report be inserted in the Record following these remarks, along with several news articles describing the panel's report and the still-unreleased cancer plan.

There being no objection, the material was ordered to be printed in the Record, as follows:

THE NATIONAL CANCER PROGRAM PLAN

I. INTRODUCTION

The National Cancer Program and the Five-Year Plan for its implementation were mandated by Congress in order to accelerate the attack on cancer. The underlying intention of the legislation, which is reflected in the design of the National Cancer Program Plan (NCPP), was to make certain that all leads toward the prevention and cure of cancer—leads currently recognized as well as those still undiscovered—be promptly and systematically pursued, and, as new successful measures become available for prevention or treatment, that these be made available for application by the nation's health care system as rapidly as possible. These objectives have had the overwhelming support of the Congress, the American public, and the President.

This Review Committee was appointed in September, 1972, by the Institute of Medicine of the National Academy of Sciences in response to a request by the Director of the National Cancer Institute that the Academy review the NCPP. Our charge has not been very explicit; we were asked to consider whether the plan is sufficiently comprehensive, balanced and clearly conceived to meet the intended objectives, assuming, of course, that it is skillfully administered. The present report is intended to serve as a preliminary overview of the plan, not as a detailed analysis of its scientific content.

It is essential that the limitations of the scope of this review be stated plainly at the outset. It is by necessity a preliminary review, since the complete, final version of the NCPP itself is not yet available; Volumes I and II have still to be reviewed in depth by the National Cancer Board and Panel, and these bodies may choose to revise the document. Moreover, Volume III, which deals with crucial matters of administrative implementation and management of the plan, is still in the process of preparation by the NCI staff and has not been available to this Committee.

For these reasons, and with these reservations, the present review is limited to a consideration of several key issues raised by the NCPP. For some of these, we believe that further clarification of the text of the plan may be needed in only a few instances do we disagree with what we interpret as the substance of the plan.

It can be stated that the Committee endorses the general intentions of the NCPP, and commends the comprehensiveness and thoroughness which have gone into the construction of the plan. We are impressed by the skill with which the plan has succeeded in organizing, conceptually, a stupendous mass of biomedical scientific material, even though we have reservations concerning the framework within which the study was conducted and the material organized.

II. THE PLAN

Two volumes were available for review, the most important of which was Vol. II, part 1, *The Strategic Plan*. which essentially outlines the research and operational strategies of the Plan. This document sets forth seven objectives which, though arbitrarily conceived, present a reasonably comprehensive and cohesive framework for understanding what is presently known about cancer. Four of the seven objectives apply to the complex and extremely difficult long-range search for the causes of cancer and methods for its prevention. The remaining three objectives are concerned with detection, therapy and rehabilitation, recognized as more short-term objectives, and perceived to become less important as information regarding the causes and prevention of cancer emerges. To achieve these major objectives, the plan presents an elaborate, structural hierarchy of lesser objectives: there are multiple "approaches" around each objective, multiple "approach elements" for each approach, and multiple "project areas" for each approach element. The ordering of the structure is conceptually that of systems analysis, and it is evident that the input of the 250 participating scientists was fitted into this framework.

Volume III, the *Program Operating Plan*, has not been completed and is therefore not available at the time of this review; as stated above, it is recognized by the Committee as probably the most critical portion of the Plan, for it intends to set out the "monitoring," "coordinating" and "implementing" features of the National Cancer Program.

By virtue of the comprehensiveness and quality of information (inputs of 250 outstanding scientists) contained in the seven major objectives, the NCPP, including the operations research "wheel," provides a good instrument for reporting the present national effort in cancer research to the Congress and the Public, and for monitoring the progress made under the National Cancer Act.

There has been some disagreement within the committee concerning our understanding of the basic intent of the NCPP. In the view of some of us, it is not intended to make a major revolutionary shift in the method of programming the wide variety of scientific work which is now done primarily on the initiative of scientists in universities and independent research institutes, but rather to lay out a total inventory of scientific areas to be covered in order to assure that no area of importance is either neglected or underemphasized from want of initiative from existing institutions. In short, it provides an assurance that nothing falls between the cracks, and that leads which hold high promise will be exploited more promptly and thoroughly than they would if no such plan were in existence. On the other side, some of us believe that the systems analysis approach may represent the underlying philosophy of the whole program, and may be extensively used, even become the predominant mode of research management. In particular, we are concerned lest the categories established in the "wheel" become rigid budget categories, which then establish correspondingly rigid priorities. There is no question, of course, that certain types of investigations can be excellently managed by highly centralized planning, utilizing the style of systems analysis, but it seems equally clear that there are other important areas of science, necessary, for the solving of cancer, in which these methods may not work. This matter is considered in the section which follows.

III. THE CENTRALIZATION ISSUE

The NCPP tends to give the impression that all cancer research is pretty much the same sort of activity, and that all of it can be run on highly centralized basis, with "targeted" programs throughout; the way ahead is uniformly clear, and all needed lines of research can be clearly envisioned in an orderly progression. This impression is perhaps unintended, since the NCPP itself, in the introductory section of Vol. II, discusses the major dilemma of cancer, which is that so much of the crucial biological information, needed for solving most varieties of cancer, is totally lacking.

It seems to us that human cancers can be classed under two principal headings, depending upon the relative effectiveness of the therapeutic technology which is either available today or likely to be developed in the near future. The terms *Feasibility* and *Prefeasibility* can be used to indicate the two major sets of problems.

Feasibility denotes the current situation in the prevention and cure of the kinds of cancer in which a highly effective, decisive technology is at hand, with real prospects for its continuing development. In this category belong acute childhood lymphatic leukemia, Hodgkin's Disease, certain other lymphomas, choriocarcinoma, Wilms' tumor, carcinoma of the cervix, and some types of skin cancer.

Prefeasibility denotes the situation for the kinds of cancer in which today's therapeutic technology is unsatisfactory, with little or no evidence of progressive improvement in recent years, and no immediate prospect for change unless some completely new information becomes available. This group includes most of the solid malignancies of adult life, including cancer of the brain, breast, lung, gastrointestinal tract, liver, and bone. This is not to say that all of these represent hopeless problems today; indeed, as the NCPP points out, there are effective things to be done for many on this list, especially when they are detected early, but they share in common an unacceptably high mortality and a general lack of discernible prospects for major change in the immediate future.

Basically, the success of today's technologies depends largely on whether all the neoplastic cells in a particular cancer can be extirpated. The remarkable success in the treatment of cervical cancer is due to the relative ease with which this tumor can be detected early and completely removed by surgery in the majority of cases. The rapidly dividing cells of acute lymphatic leukemia are especially vulnerable to chemotherapeutic drugs, and can be chemically extirpated. For these and a limited number of other cancers, there are highly effective forms of treatment, with excellent prospects that further improvements will be achieved within the near term by accelerated research. Moreover, the direction which this research should take is reasonably clear. The work can best be done if the investigators are centrally organized, with general agreement as to who will be doing what, and when.

The situation in the *Prefeasibility* group of cancers, which actually comprise the considerable majority of human cancers, seems to us altogether different. For example, glioblastoma multiforme, a common neoplasm of the brain, is essentially incurable; it is not cured by surgeory even when detected very early, nor is its growth reversed by irradiation or chemotherapy. Currently, something between 20 and 30% of women with breast cancer (the actual figure is arguable) will die from this neoplasm regardless of when it is detected and what form of therapy is used. The mortality from bronchogenic carcionma of the lung is extremely high, and today's treatment is almost entirely unsatisfactory. And so on. There are many types of cancer for which today's technologies simply do not work, and in which the way ahead for research is not at all clear.

We suggest that the organization and management of research on cancer in the *Prefeasibility* area ought to involve rather less in the way of centralization, and rather more of a tendency toward decentralization. What is most urgently needed for problems of this kind is an abundance of new ideas, and these are most likely to emerge from the imagination and intuition of individual scientists. It is also demonstrably true that when groups of scientists are well organized in collaborative, cross-disciplinary research they can provide a rich source of imagination and new ideas. But it is much less likely that the administrators of large programs, or committees of administrators, at the center of a highly centralized bureaucracy, can generate the kinds of ideas that are needed.

It seems to us a defect of the NCPP that the enormity of our ignorance about cancer receives less emphasis than it merits. Much is said about the lines of research that appear most promising today—virology, cellular immunology and genetics, for example—but too little acknowledgement is made of the genuine possibility that any or all of today's leads, including all of those proposed by the 250 scientists in the Airlie House Conference, could turn out to be the wrong leads.

The NCPP fails in this respect, by not expliciting encouraging and supporting the initiatives of working scientists involved in the system. It leaves the impression that all shots can be called from a central headquarters, that all, or nearly all, of the really important ideas are already in hand, and that given the right kind of administration and organization, the hard problems can be solved. It fails to allow for the surprises which must surely lie ahead if we are really going to gain an understanding of cancer.

The Committee believes that this defect may be less real than it appears, and that it may in fact be largely a problem of language interpretation. The plan certainly leaves open the possibility of flexibility in management, and makes it clear that much of the science can be done with decentralized instrumentalities, by individuals and groups working independently in institutions supported by one or another variant of the grant-in-aid mechanism. It is obvious that a balance of some sort must be struck between total reliance on a centrally managed scientific plan, which is perhaps appropriate for the development of leukemia chemotherapy, for example, on the one hand, and total reliance on completely decentralized, autonomous instrumentalities on the other. From our reading of the plan, we share the impression that the NCPP pushes the balance too far in the direction of centralized scientific planning and imposes too great a risk of bureaucratic rigidity. If, as we hope, this is not the intention of the NCPP, the impression could be rather easily dispelled by some changes in language.

IV. THE ISSUE OF BASIC RESEARCH

In this section, we intend to avoid the conventional doctrinal dispute over which is better or more productive in the short or long run, "pure" or "basic" research without a recognizable target, or "applied" research directed toward a clear, approachable objective. This is not the issue here. The NCPP provides for an abundance of research fields, some at the most profound levels of modern biology, and the documents contain sophisticated presentations of the need for new information from such fundamental sources.

What we mean by basic research, in the present context, is the sort of research which is, to begin with, important for the cancer problem, but is done by investigators who are not labeled as cancer researchers, not based in departments or institutions concerned with cancer, and who may not even recognize that their research preoccupations are relevant to the cancer problem. Such scientists may fail to obtain support under the new cancer initiative simply because their research applications will never reach the NCI through the present NIH system.

This is really a technical problem, not an argument about policy. The NCPP presents with admirable emphasis the need for new knowledge in certain specified fields of biomedical science: cell biology in general, virology, immunology, and so forth. At this level, it makes little difference whether an investigator recognizes himself as a cancer scientist or not, provided that his work is penetrating, sophisticated and of high quality. It would be a dead loss to the cancer effort if research of this kind were to go without support because of fund shortages in the other institutes of NIH—The Institute for General Medical Science, for example, which is chronically underfunded.

What is needed is some better sensing mechanism within NIH for the recognition of the basic science projects which are essential for the ultimate success of the cancer program. Obviously, the totality of biological science cannot be supported by the cancer program. Our suggestion would be for the NCI to prepare a formal listing of the science areas considered to be relevant, regardless of the title of a project or the individual scientist's orientation toward cancer. Such a finite and relatively precise list might, in fact be lifted straight out of the NCPP itself, with a few modifications. We would propose the following areas: *DNA replication, the cell cycle, regulation of transcription, regulation of membrane assembly and function, cell differentiation, regulation of protein synthesis,* and all aspects of *cellular immunity*. Research along these lines should be supported with cancer funds irrespective of the cancer-orientation of the investigator or his institution, and irrespective of the systems used in the research (i.e. eukaryotic or prokaryotic cells, normal or cancer cells, virus or bacteriophage, etc.).

The list should be regarded as flexible, subject to additions or changes depending on the progress of cancer biology itself. To give an example, a few years ago very few people recognized that the delineation of the cellular immune mechanisms in homograft rejection had opened a productive and relevant area for cancer research. The NCPP should possess sufficient flexibility and agility so that new fields with this sort of promise can be recognized early, and developed quickly.

V. THE ISSUE OF CANCER CONTROL AND HEALTH CARE

The text of the NCPP is in need of some clarification with respect to the meaning and content of Cancer Control, which is one of the assigned responsibilities of the National Cancer Program under the Act. This part of the program, and the clinical programs envisioned for the Comprehensive Cancer Centers should be differentiated from the ordinary day-to-day requirements for clinical care which cancer imposes on the nation's health care system as a whole.

In its present form, the NCPP could easily be misconstrued as a plan for a *total* attack on cancer, including the treatment of all cancer patients, which would imply a capacity to deal with the enormous problems of inefficiency and inequity now confounding the health care enterprise throughout the country. It is obvious that the NCI was not assigned such a mission, and is in no position to carry it out if it were. The NCPP is a research plan, not a program intended for implementation of the nation's health care delivery system. It seems to the committee most important that this point be made explicitly and abundantly clear in the NCPP itself, perhaps with a recommendation that such a total strategy be developed under the leadership of HEW, but not in NCI. The Secretary of HEW has under his supervision other agencies of government which spend vastly more in health activities than all of NIH combined—the Social Security Administration (Medicare), the Social and Rehabilitation Service (Medicaid), and the Health Services and Mental Health Administration.

If the Congress and public were to conceive of the NCPP as a total plan designed to mobilize all the institutions, professional practitioners and technicians of our society into a coordinated and rationalized "War on Cancer", it seems unavoidable that the outcome would be the deepest disillusionment. An attempt to define as clearly as possible the limits of this mandate should be part of NCPP.

On the other hand, even under the limited mandate of Cancer Control, providing for research and demonstration but not general health care, the program presents great opportunities for the NCPP. Thus, improvements in today's methods for the education and training of all the health professionals in the cancer fields, technicians, nurses and physicians, would inevitably result in an upgrading of the quality of cancer care. Similarly, there are obviously high stakes in new programs for the education of the public.

If, as an early outcome of the NCPP, the country were to be provided with significant numbers of health professionals, trained in the use of specialized techniques and facilities, this would surely be recognized as a valuable product, solid and highly visible. It is in the Control Program, particularly the activities related to cancer detection, diagnosis and therapy, that the plan offers the greatest promise, in the short term, of decreasing cancer morbidity and mortality. In this area, targeted research is justified. There is, however, considerable ambiguity, and therefore some confusion, in the presentation of this program in the NCPP. It needs more emphasizing that this activity will require high standards, rigorous research and evaluation and careful, detailed planning, if the methods of bringing today's technology to the detection, diagnoisis, treatment and rehabilitation of cancer patients are to be improved.

VI. THE ISSUE OF GRANTS VS. CONTRACTS

In a sense, this problem really lies beyond the scope of the Review Committee, since the available volumes of the NCPP contain no detailed presentation of future policy on the relative use of grant or contract mechanisms; it is possible that further information on this point will be contained in the still-unfinished Volume III.

However, the issue has continued to arise throughout our discussions, particularly in connection with the problem of balance between Centralized and Decentralized planning. It is our view that the need for balance between grants and contracts is a part of the same problem, and we therefore wish to make the following comments.

The NCI is unique among the institutes of NIH in its extensive use of contracts (50% or more of its funds) for carrying out its scientific mission. The reliance on contracts has been steadily increasing in recent years, and there is apprehension within the scientific community that if this trend continues, the traditional project grant system for the support of research programs generated spontaneously within the scientific community and adjudged by peer review may be virtually supplanted by the contract mechanism. The arguments in favor of contracts are chiefly administrative: the initiatives for research come out of the central planning authority, there is more efficiency in the control and coordination of research programs and decisions can be implemented with greater speed. In recent years, the contract mechanism has been used rather widely by NCI in extension of its own, intramural scientific activities, some of these involving quite basic (rather than applied) research programs. This practice has been criticized publicly on the grounds that the peer review system, which sets the standards of scientific quality elsewhere in the research support sytem, is not applied with the same rigor and visibility in the contract program.

The NCPP should deal more explicitly with this problem, and ought to provide new guidelines for the situations in which grants or contracts will be the mode of research support. The review Committee believes that a balance between these mechanisms must be established and maintained.

There are particular kinds of research and development for which the contract system is ideally suited, principally in the *Feasibility* area. These would include large-scale testing or confirmation of therapeutic concepts, or the accumulation of large-scale epidemiologic information, or the rapid and efficient procurement of certain products needed for research (virus stocks, cell lines, enzymes, special isotopes, animal lines, new instruments, etc.). There is need, however, for a more effective, generally visible, and uniform review process for the regulation of the contract system in order to assure standards of excellence throughout.

The grant-in-aid system, with open competition among scientists and peer review by scientists, should be retained and strengthened by the NCPP. These mechanisms, which have grown to the stature of established traditions over the past two decades, are held in high regard and trust by the scientific community; it is general belief that they work well for the benefit of science. Measures must, however, be devised to increase the efficiency and speed of the project grant system. Very likely, there will continue to be a trend toward larger and more comprehensive projects, on the order of today's "program-project" and "center" grants. The committee believes that consideration should also be given to even larger packages, in the form of total institutional support ("institutional agreements") for cancer research programs. This trend toward grants of larger scale serves to stimulate more coordination and collaboration between scientists from different disciplines in the same institution, and seems to us both timely and desirable.

The role of the in-house scientific staff of NCI in decisions about research on the national scene, particularly with respect to contracts, has been actively discussed by the Review Committee. We do not have a single point of view about this complex issue. It is, on one hand, clearly beneficial to have a high degree of scientific expertise immediately available for participation in policy decisions. On the other hand, there are obvious risks for the future in assigning excessive authority for decisions affecting the national course of science to a relatively small group of investigators, with their own favorite ideas about the way to go.

Two members of our Committee have suggested that the "intramural research NCI" should be separated from the "administrative NCI", and one has proposed that the intramural scientific effort should compete for its budget with other cancer institutes and centers across the country. We are agreed that the mechanisms for continuing external review of the in-house NCI research programs need considerable strengthening. The issues are complicated, and it is hoped that a future version of the NCPP will give consideration to the problems raised.

VII. THE ISSUES OF INSTITUTIONAL STABILITY AND INSTITUTIONAL DIVERSITY

Apart from NCI itself, the principal resource to be generated by the NCPP is the national network of medical schools, universities and independent cancer institutes. Many of these institutions are currently under severe financial strain, particularly the country's medical schools, and the continuing stability of these institutions presents a serious problem. Obviously, the National Cancer Program cannot be regarded as a new source of fiscal stability, but some thought must be given to the possible hazards of increased instability as an effect of the NCPP. The institutions will be required to increase their research staffs, and new buildings will be constructed to house the facilities for expanding research. Thus, the institutions will be taking on new, long-term commitments for faculty support and plant maintenance, without a corresponding assurance of long-term continuity of outside support. The NCPP does not deal adequately with this general problem.

The Committee does not have any global solution of its own. The problem of faculty support might be alleviated, to some extent, by a considerable expansion of long-term, renewable stipends along lines of today's Career Development Awards. Perhaps an entirely new program of Senior Fellowships should be devised. The Career Award program, once adopted by NIH but then quickly terminated, should be reexamined for its possible usefulness at this time; the experience of the American Heart Association and American Cancer Society with tenure investigatorships would indicate that this method of recruiting and retaining distinguished scientists is a good one.

The financial dilemma of the medical schools, as institutions, poses genuine hazards for the future success of the National Cancer Program. These institutions will be placed under new stress because of the present requirement for matching funds for the construction of cancer facilities, and they face even greater demands for the future maintenance of these facilities. It might be well to consider a greater degree of flexibility in the requirement for institutional contributions to such facilities, and some better ways to guarantee long-term support.

The Committee discussed the possible advantages of the British Medical Research Council Units, as one way to relieve the financial pressures on institutions. Under this mode of operation, the government would assume total, long-term responsibility for the construction, staffing and maintenance of new facilities in the universities and medical schools. Some experimentation along this line should be considered for the future.

We believe that the critical importance of institutional diversity does not receive sufficient attention in the NCPP. We believe that there will be an increasing need for the widest variety of institutions, ranging from small clusters of individual scientists to huge, coherent organizations totally devoted to cancer research. In many instances such institutions ought to have considerable autonomy, even if their research directions are inconsistent with the views of the central planners. Ways must be devised to foster the development of this diversity, and, at the same time, to encourage coordination of their collective efforts and, above all, to assure that the atmosphere in each will stimulate good science.

VIII. THE ISSUE OF RESEARCH TRAINING

The NCPP perceives the urgent need for more professional manpower during the next decade, if the mission of a major expansion of the national research effort in cancer is to be successful. It is obvious that this will require a considerable expansion of training programs to produce the scientists needed for the future. The only arguments are around the question as to what kinds of training programs, for what kinds of scientists.

Here, as in our consideration of other problems in the NCPP, it seems useful to resort to the *Feasibility—Prefeasibility* categories. For ongoing and future research in the *Feasibility* area there will be increasing needs for professionals at all levels. The field of cancer detection will require technical manpower for various cytological, biochemical and radiological procedures. The disciplines of surgery, radiation therapy, anesthesiology, pharmacology, medical oncology and rehabilitation medicine will need more trained specialists and more technical support. The expanding field of chemotherapy, with the increasingly complex technological requirements involved in patient care, will require its own cadre of specialized personnel. Training programs for these purposes are probably best located in the institutions dedicated primarily to cancer research; the proposed Comprehensive Cancer Centers should be of great value for this mission.

There is, however, another important area of manpower need for which training programs must be provided on an amplified scale, and for which the optimal locations for training may be quite separate from cancer research units. As has been pointed out in the NCPP, and in an earlier section of this review, there are a number of basic science areas on which the future of cancer research may very well depend—*molecular genetics, cellular immunology, membrane regulation*, etc. The NCPP does not make provision for training programs in such areas. Indeed, the scientific areas recognized in the present version of the plan seem extremely limited; pharmacology heads the list, followed by chemistry and epidemiology, but there is no mention of the equally urgent needs for training in other fields of basic science.

It must be recognized that some of the best opportunities for training at this level may be in departments of medical schools and universities which are not themselves committed to cancer research. This must be faced squarely, and training programs in such areas must be supported. The solution to the cancer problem may require, at some future date, intensive research by scientists skilled in problems dealing with cellular immunology or cell membrane assembly, for example, and it is mandatory that the training of such people be started now, in the laboratories where the best work in these fields is currently in progress.

The committee believes that training for cancer research should also involve some exposure to broader aspects of the cancer problem, and it will be important to encourage the development of interdisciplinary collaboration in training. Wherever possible, clinical and basic science trainees should have opportunities to interact with each other; ideally, research trainees should be exposed to problems in human cancer during their period of training in a particular area of basic science.

IX. THE ISSUE OF CONTINUING REVIEW OF THE NCPP

The President's Cancer Panel and the National Cancer Board should have a strong and continuing policy input into the way the NCPP is implemented. This should include their involvement in the preparation of the annual report and renewed 5-year projections, and their supervision over all major operational decisions of the NCI. It is foreseeable that when a breakthrough occurs that might shift the focus of the program within the seven major objectives, readjustments of the allocations scheme among these objectives will become necessary.

When this takes place, the NCPP (Vol. 11, 5.2.2.) provides that the NCI may make "additional investments . . . whenever warranted by significant opportunities and leads", and may also "reduce investments whenever warranted by factors such as completion of the work, achievement of sufficient information, change in priorities due to shifts in the scientific base, etc."

When budget readjustments are minor, they should probably be made by administrative action in NCI. However, when these trade-offs involve alterations of strategy of significant magnitude, the Panel and Board should provide oversight. We assume that this will be the case, but we believe that the provision for Panel and Board involvement in NCI decisions, at all crucial operational stages, should be more explicitly stipulated in the text of the plan. In effect, this assures the participation of "outside" reviewers, with a primary responsibility for determining that there has been a major breakthrough, and that intensive exploitation and a shifting of funds are appropriate.

There may be a need for another kind of periodic "outside" review by a highly competent group, completely extramural to NCI, with enough time to conduct site visits to NCI headquarters and to selected institutions in which major investments are being made by NCI. The individuals chosen to carry out such periodic operational reviews should represent a variety of backgrounds and skills. We are not prepared to recommend how they should be chosen, nor to stipulate their functions in detail, but we are unanimous in the view that formal mechanisms for such review should be established.

[From the Washington Post, Apr. 17, 1973]

CANCER PLAN ACCUSED OF STIFLING CREATIVITY

(By Stuart Auerbach)

In a still secret report, the National Academy of Science's Institute of Medicine says a government plan to conquer cancer will stifle the scientific creativity needed to find cures for the disease.

The institute report accuses the federal cancer planners of trying to direct all research from Washington when what is really needed "is an abundance of new ideas . . . (that) are most likely to emerge from the imagination and intuition of individual scientists."

The plan on how to conquer cancer, the institute report says, "leaves the impression that all shots can be called from a central headquarters; that all, or nearly all, of the important ideas are already in hand, and that given the right kind of administration and organization, the hard problems can be solved.

"It fails to allow for the surprises which must surely lie ahead if we are really going to gain an understanding of cancer."

The report, requested by the National Cancer Institute, was written by a nine-man committe of cancer experts headed by Dr. Lewis Thomas, dean of the Yale University Medical School and the incoming president of the Memorial Sloan Kettering Cancer Center in New York.

Specifically, the committee looked at the first two volumes of the National Cancer Program Plan required under an 18-month-old law setting up an intensified national war on cancer.

The plan itself is long overdue and sources say it is undergoing revision by the White House's Office of Management and Budget.

Louis Carrese, who developed the plan for the National Cancer Institute from the recommendations of 250 scientists, said "a lot of changes" were made as a result of the Institute of Medicine review.

Carrese, a systems analyst who is trying to use that process to direct biomedical research acknowledged that some members of the committee "will think we didn't make enough changes."

He denied that the plan aims to control all cancer research from Washington and said that "quite a few word changes—jargon changes—that were worrying the committee" should erase the impression.

Although the Institute of Medicine report says that some of the plan's "defects" can be corrected with language changes, it points to a more substantive problem in the way science should be managed.

"The National Cancer Program Plan," the committee says, "pushes the balance too far in the direction of centralized scientific planning and imposes too great a risk of bureaucratic rigidity."

Moreover, the committee says that the cancer plan doesn't place enough emphasis on "the enormity of our ignorance about cancer."

"Much is said about the lines of research that appear most promising today—virology, cellular immunology and genetics, for example—but too little acknowledgment is made of the genuine possibility that any or all of today's leads . . . could turn out to be the wrong leads."

Many of the new leads for curing cancer, the Institute of Medicine committee feels, will come from scientists not in the cancer field—indeed from scientists "who may not even recognize that their research preoccupations are relevant to the cancer problem.

"Such scientists may fail to obtain support under the new cancer initiative simply because their research applications will never reach the NCI through the present National Institutes of Health system."

This point is especially important now since President Nixon has cut the budgets of all the institutes at NIH with the exception of his two favored health projects—cancer and heart disease.

The National Institute for General Medical Science, the committee report points out, deals with basic research that could have important implications for cancer. This institute "is chronically underfunded.

"What is needed," the committee says, "is some better sensing mechanism within NIH for the recognition of the basic science projects which are essential for the ultimate success of the cancer program."

The committee says that research involving the replication of genetic material, the behavior of cells and the way their membranes are assembled, the synthesis of proteins and cellular immunity should all be supported with cancer funds.

The committee report also calls for the continuation of the grant system, where scientists receive funds for research projects that are judged by other scientists, over the hiring of labs for specific projects under contracts.

It also opposes the cutting of training grants, as proposed by President Nixon in his 1974 budget. These grants, it is asserted, are needed to insure the continued flow of scientists into research.

[From the Boston Globe, Mar. 7, 1973]

NOBEL WINNER CALLS NIXON'S MEDICAL RESEARCH POLICY "LUNACY"

(By Richard Knox)

WASHINGTON.—Prof. James D. Watson, the Nobel Prize-winning Harvard biologist, yesterday told the US Senate Health Subcommittee that the newly launched Conquest of Cancer effort will be "a massive fraud" if the Nixon Administration implements its plans for the spending of medical research funds.

The mild-mannered scientist, whose discoveries of the structure of the DNA molecule made most modern cancer research possible, used the word "lunacy" to describe the Administration's research spending plans.

Delivering the strongest statement heard thus far against the government's National Institute of Health budget proposal, which was revealed January 29, Watson focused his criticism on two policy decisions:

—A cutback of basic laboratory research in favor of "targeted" research designed to apply what is already known.

—A plan to eliminate all Federal support for training new biomedical researchers, on the assumption that young scientists-in-training should find support elsewhere.

Taken together, Watson said, these decisions will insure that additional funds will be wasted rather than leading to the hoped-for cancer conquest.

"Must the new American tradition be to close our wars and call them victories?" Watson asked. "Is it possible that someday we will have our government say that the real problem is not cancer or strokes or coronaries but the scandalous behavior of research scientists who lack the integrity to carry out its government wish for instant victory."

Watson's testimony capped a day of hearings, chaired by Sen. Edward M. Kennedy, which featured criticism of the government's biomedical research policy by Dr. Michael de Bakey, the Houston heart surgeon and Dr. Lewis B. Thomas, dean of Yale medical school. The Administration's side will be presented tomorrow by Caspar Weinberger, Secretary of Health, Education and Welfare.

Watson, one of the foremost investigators of a possible cancer-virus link, said that the Administration has a "puerile understanding of both how good science is done and how its discoveries have been directed toward human application."

He argued that "targeted" research, "in which the government calls the shots," ignores the fact that "most research advances have resulted from allocating grant money in which the individual scientists decides where the future may lie."

"All too large a proportion of this contract money will go to senior established people as opposed to younger scientists" added Watson.

"Yet almost every important new discovery comes from someone under 35, who at the moment of his breakthrough is essentially unknown to the outside world, and so is unlikely to be given a contract by a government that looks with distaste on the unpredictable."

Watson was 25 when he did the work on DNA structure that won him the Nobel Prize along with Francis Crick and M. H. F. Wilkins.

The elimination of training grants, postdoctoral fellowships and career development awards (which allow young scientists to pursue their own leads), Watson continued, will lead shortly to a shortage of creative young scientists with the stamina needed to devote themselves entirely to basic research.

"All the money will be held by middle-aged entrepreneurs," he said, "but the science itself will have, for the most part, to be done by an age group not noted for working into the night."

Likewise, Watson added, under questioning by Sen. Kennedy, the Administration's assumption that young scientists can find money elsewhere to be trained will lower the quality of research and shorten the span of creative years in which they can devote themselves solely to science.

"Young researchers will have to work their way up through science," he said, "and you can't do good research after driving a cab for eight hours."

Watson said that "not one of my colleagues believe the Administraton is following the proper course in spending cancer research funds, but most "don't have the fight in them."

"You mean they think the government is saying, in effect, 'be quiet or you'll get cut even more?' " asked Sen. Kennedy.

"Yes," answered Waston. "They have the feeling that this isn't the time to speak out."

Watson is a member of the National Cancer Advisory Board, which is supposed to advise the President on how to spend Conquest of Cancer funds.

However he said that policy decisions are being made elsewhere. "The advisory board is not a body that's ever going to be a cohesive group," he said. "They'll just hand out press releases for five years about how great everything is going."

[From the Science magazine, Mar. 30, 1973]

NATIONAL CANCER PLAN: THE WHEEL AND THE ISSUES GO ROUND

(By Barbara J. Culliton)

The national cancer plan may soon be released; then again, it may not. The people at the National Cancer Institute (NCI) who are in charge of such things say that they would like to make the plan public as soon as possible. There are two problems.

The first seems to be that the people at NCI are not really in charge at all. People in the Office of Management and Budget (OMB) and in the White House are. Strictly speaking, the National Cancer Program Plan is a document the NCI submits to the President, who will then transmit it to Congress. The word is that certain OMB staff members are unhappy about parts of the first two volumes of the cancer plan and their unhappiness is forcing a delay. This is hard to prove one way or the other because OMB people will not talk about such things. However, it is certain that, without their approval, the NCI cannot make its plan public. When OMB and the White House are ready, they will release it.

The second problem in getting the cancer plan into the open, so that the entire scientific community can see for itself what the cancer crusade is all about, is that the third volume is not exactly finished yet. This is the volume that NCI leaders say is the most important because it will tell how the cancer program is going to be run, not just this year, but for the next 5—a 5-year plan to be updated every year. Louis Carrese, associate director of NCI for program planning and analysis, describes the third volume as an "operating document, perhaps a manual." It will be completed soon, but that does not mean that it will be available to the public soon. It, like volumes 1 and 2, will have to wend its way through channels.

The cancer plan is a unique document in biomedical science, in that it is a tangible expression of this country's first attempt to wipe out a disease through a coordinated effort on a national scale. The sheer magnitude of the program for the conquest of cancer is unprecedented in biology.

The national crusade against cancer is grounded in the belief that cancer is susceptible to an organized attack. This presumption troubles many scientists today, as it has from the begining. Their conviction that there is a lot of science that just cannot be targeted simply will not go away. The expectation that the cancer crusade would be backed by virtually unlimited money is also proving to be a troublesome presumption. Although it is perfectly true that there is more money for cancer research than for any other kind, it is apparently not true that the coffers of the NCI are overflowing.

As of this writing, the NCI is still operating with $378 million—its budget level for fiscal 1972. There is talk of a special presidential action to raise the level for 1973 to $432 million, as originally planned, but it has not happened yet. Meanwhile, of course, those anticipated extra funds are not available.

Thus, the situation is not an entirely happy one. The story of the cancer plan is, in ways, a reflection of the ups and downs within the national cancer program as a whole.

PLAN IS FOR EVERYBODY

In a recent interview with *Science*, Carrese talked about the plan. Whom is it for? For everybody. The plan, he says, is supposed to be "meaningful" to the lay public, the Congress, the scientific community, and the people in the OMB. At its heart is a single goal—"Develop the means to reduce the incidence, morbidity, and mortaility of cancer in humans." To achieve it, the NCI has laid out seven objectives, which "reflect the aspects of the disease in man." The first is cancer prevention; the seventh is rehabilitation of the cancer patient. The others range from basic research to therapy. To achieve each objective, there is a series of "approaches"; for the approaches, a set of "approach elements," and, to refine the task further, a host of "project areas." It is at the level of a project area that actual research comes in.

Carrese emphasizes again and again that one of the most extraordinary features of the plan is its authorship. Out of a pool of 1000 scientists, the NCI asked about 250 to meet in small groups to decide what the cancer plan should say. From meetings held at Airlie House, a retreat in the Virginia countryside, they generated 40 reports, each of which talked about cancer from a different angle. From these, Carrese and his staff, with the advice of the chairmen of the various groups, put the plan together.

The first steps for the creation of a national cancer plan were taken in the fall of 1970 by Carrese and Carl Baker, who was then the director of NCI. Groups of scientists first began meeting in the late fall of 1971, so by the time the National Cancer Act of 1971 became law that December, the foundations of the master plan had already been laid. (The law required that there be a plan, as Carrese and Baker anticipated.)

Carrese is adamant about the flexibility of the cancer plan. "Its purpose is not to direct daily research; nor is it meant to exclude new ideas." Nevertheless, a lot of the people who have had access to the plan or who have heard a lot about it are pretty uneasy. Certainly one reason for this is that the plan, to a large extent, is written in the jargon of a systems analyst.

Carrese is a systems analyst who has made a career of trying to adapt the traditional concepts of systems analysis to the process of biomedical research. He and Baker shared the view that systems analysis could be appropriately modified, and, in the April 1967 issue of *Management Science* they described their approach in a paper entitled, "The Convergence Technique: A Method for the Planning and Programming of Research Efforts." "Planning," Carrese says, "is not strange to science. Some of the most detailed plans are called experimental designs. I don't know a single scientist who arrives at his lab not knowing what he is doing."

According to Carrese, the cancer plan not only lays out the scientific and medical problems to be solved but does so in a way that allows administrators to know at a glance what is going on. He points out that the plan is designed to have "something for everybody" and that what you see in it depends upon how you look at it. In that regard, he says that he can look at it and tell in dollars and square feet of space how much effort is being committed to research on cancer prevention, causation, or rehabilitation.

To make the whole thing graphically clear, the plan has been drawn up in the form of a wheel that sets out the objectives and approaches of the cancer program. It hangs on the wall in dozens of laboratories and offices throughout the National Institutes of Health (NIH) and, depending upon the wall, is meant to be taken quite seriously, or, alternatively, as pop art.

The systems analysis approach, so foreign to most scientists, bothers many of them, and there is growing concern that the emphasis on supporting only those things that fit into the cancer *program* will lead to unhealthy rigidity. NCI officials, of course, insist such fears are foolish.

One "official" reaction to the first two volumes of the cancer plan comes from a committee of the Institute of Medicine, a part of the National Academy of Sciences. (The NCI asked the institute to review the plan last summer.)

Under the chairmanship of Lewis Thomas, who has recently resigned as dean of medicine at Yale to become president of the Memorial Sloan-Kettering Cancer Center in New York, a committee of nine* spent most of their fall weekends conducting the review in order to meet a crash deadline of 1 December. They read and reread the plan, admitting that the systems analysis jargon made the going rough in spots. (Carrese says most of that jargon was deleted from the final draft.) They interviewed many of the principals involved in the creation and execution of the plan. And they *looked* at the 40 reports from which the plan was synthesized. Then they summed up their feelings about it all in a succinct, 23-page report, which, like the cancer plan itself, remains officially a confidential document, although numerous copies are in existence.

By prior agreement with the NCI, the institute will not release its critique until the plan itself is unveiled. Many members of the review committee concede that they are not particularly happy about the necessity for such confidentiality this long after the review's completion.

On first reading, the institute's review sounds rather innocuous. It is written in language that is neither abrasive nor laudatory, and it sounds in places as if its authors are merely politely asking questions that they are sure can be answered. A second or third look can leave one with the impression that the reviewers' opinion of the plan, and of what it represents, is scarcely as neutral as it first seemed.

In thir introduction they say, "We are impressed by the skill with which the plan has succeeded in organizing, conceptually, a stupendous mass of biomedical scientific material, even though we have reservations concerning the framework within which the study was conducted and the material organized." The framework, of course, is one which assumes that research can be effectively programmed on a massive scale.

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*Lewis Thomas, Yale; David Baltimore, Massachusetts Institute of Technology; Harry Eagle, Albert Einstein College of Medcine; Herman Eisen, Washington University; Judah Folkman, Harvard; Paul Marks, Columbia University; Rufus Miles, Washington, D.C.; George Palade, Rockefeller University; Helen Ranney, State University of New York at Buffalo; Alvin Weinberg, Oak Ridge National Laboratories.

Throughout their review, the authors explicitly or implicitly question this.

They find the plan "reasonably sound" as an inventory of the problems of cancer, an "assurance that nothing falls between the cracks." Carrese points out, in this regard, that the identification of rehabilitation of cancer patients as a primary objective emerged as a result of the comprehensive planning. Rehabilitation has not received much attention in the past.

On the other hand, some of the members of the review committee worried that the systems analysis approach might "represent the underlying philosophy of the whole program." Carrese wants to know why that prospect should worry anyone.

The reviewers addressed themselves to the issue of centralization of planning of research and felt uncomfortable with their impression that there is going to be too much of it.

"It seems to us a defect of the NCPP [cancer plan] that the enormity of our ignorance about cancer receives less emphasis than it merits. Much is said about the lines of research that appear most promising today—virology, cellular immunology, and genetics, for example—but too little acknowledgment is made of the genuine possibility that any or all of today's leads, including all of those proposed by the 250 scientists in the Airlie House Conference, could turn out to be the wrong leads."

The plan fails, they said, because:

"It leaves the impression that all shots can be called from a central headquarters; that all, or nearly all, of the really important ideas are already in hand, and that given the right kind of administration and organization, the hard problems can be solved. It fails to allow for the surprises which must surely lie ahead if we are really going to gain an understanding of cancer."

They went so far as to propose that certain areas of basic research are, per se, relevant to cancer and should, therefore, be funded by the NCI whether the investigators doing the work consider themselves cancer researchers or not. Their choices: DNA replication, the cell cycle, regulation of transcription, regulation of membrane assembly and function, cell differentiation, regulation of protein synthesis, and all aspects of cellular immunity. They indicated they would be perfectly happy to see them changed as cancer biology progresses.

The institute review committee then tried to soften its criticism by saying these defects in the plan may be merely a matter of language, not one of intent on the part of the cancer planners. But they are not very convincing. Their concern with targeted research is pervasive and it is significant because, whether the planners intend centralization and rigidity or not, vast numbers of scientists—young and not so young—believe that this is the effect the plan will have. That in itself is stifling.

One of the primary sources of discontent among "cancer" scientists in both clinical and fundamental research is the feeling that they have surrendered control of the direction of science to the administrators of the NCI. The verbal protestations of those administrators notwithstanding, many members of the scientific community share the impression that the important decisions about what to fund and at what level are being made almost exclusively by content among "cancer" scientists in NCI officials whose interpretation of what is suitably part of the cancer program and what is not does not square with their own.

The authors of the Institute of Medicine's review based their concern about an excess of planning on their reading of the cancer plan. To some extent, their concerns were validated recently at a meeting of the advisory committee of the NCI's "molecular control" program, which could be one of the principal channels for funding basic research in the cancer crusade. Issues raised at that meeting are likely to come up again and again as the cancer program takes shape. The molecular control prorgam, new to the NCI table of organization, is headed by Timothy O'Connor, a virologist by training, who is respected as one of the most scientifically sophisticated administrators in the institute. O'Connor, visibly enthusiastic about his program, is particularly anxious that it foster interdisciplinary research. The advisory committee includes a couple other NCI staff members and several university scientists. Their job is to define the goals of the molecular control program, take a hand in implementing them, and to offer an opinion on whether specific contracts (or possibly grants) should be approved. Such recommendations then go to the NCI brass for final action.

From the outset, it was apparent that some of the university scientists did not fully understand how the NCI operates; nor did they fully agree with some of the premises of the NCI program once they got them straight.

When the meeting opened, O'Connor informed the group of four contracts that had won final clearance. The conversation quickly turned to policy when Christian B. Anfinsen, who shared the 1973 Nobel prize in chemistry, asked about how contracts originate. Do they just come from the "stratosphere" for approval, or can the committee initiate things, he queried.

O'Connor said that the ideas for contracts are often generated by investigators themselves at the annual NCI meeting for contractors. Saul Schepartz added to the answer, saying, "Every once in a while you might get a really good proposal that is unsolicited [by NCI], but then you have to ask whether it fits our program." Anfinsen found the answer "disappointing."

The meeting moved on. The committee set about defining the goals of the molecular control program and, after some discussion, agreed on four, roughly as follows: (i) membrane processes, including structure and membrane interactions with various agents; (ii) replication, integration, and transcription of genetic material; (iii) mechanisms by which messenger RNA is processed and by which it translates the information coded in DNA; and (iv) integration of biophysics into research on all of the above.

The goals won general acceptance as being broad enough to encompass a considerable variety of research, but they were not accepted without reservation. Anfinsen asked, somewhat rhetorically, "Our four goals essentially all say the same thing—control of protein synthesis [is important]. Might we be missing something?" The question passed, but other knotty questions arose as the discussion progressed to the ways of implementing research on the goals.

It seems safe to draw the conclusion that the non-NCI scientists present shared O'Connor's conviction that the program must be interdisciplinary. Britton Chance of the University of Pennsylvania pressed the cause of biophysics and had no trouble winning his colleagues to his view. William Joklik of Duke University was firm in his belief that the fields of protein synthesis and membrane biology and related areas could probably benefit from the help of some good organic chemists. He mentioned the problems that nucleic acid workers are having in getting an iodine tag on the RNA molecule without breaking it and postulated that an organic chemist might have the solution. That sounded sensible. (Years ago, it was an organic chemist who helped James Watson and Francis Crick work out the structure of DNA.) There was a suggestion that one thing to do would be to let the entire scientific community in on the idea of soliciting organic chemists by publishing, in some conspicuous place, the fact that the cancer program was open to the contributions that organic chemists might make.

That did not go over as well. One of the NCI administrators warned that the result of such a general announcement would merely be a flood of grant applications, many of them from "nuts," and that the NCI is swamped with applications as it is. Furthermore, there is the matter of limited funds. A proposal to organize small conferences to which a few investigators from fields not traditionally connected with cancer would be invited won greater acceptance from the NCI people. Some of the committee members just could not shake the feeling that NCI wants to call the shots, relying less on the advice of outside people than ever.

RELEVANT RESEARCH ONLY

The other issue that pervaded the discussion was the matter of relevant versus irrelevant research. Is there such a thing as good membrane research that is relevant to the cancer program and good membrane research that is not? Such a question seemed to some to be marginally out of place at a meeting devoted almost entirely to very fundamental research problems, but the question was very much there nevertheless. O'Connor mentioned several times that the overriding aim of the molecular control program is to use appropriate research findings to develop new, rational approaches to the design of drugs for eventual use at the bedside. O'Connor expressed it simply: "Good science for its own sake, no matter how beautiful it is, will not get funded. Good research that may lead to cancer control will." (After the meeting, O'Connor reiterated his position. The idea is to translate—through deliberate effort—basic discoveries into something practical—namely, a drug. To this end, he hopes scientists can learn to see how their work can be used in ways they might not otherwise have considered. "The end of a good experiment has to be more than just the publication of a paper that sits on a shelf," he said.)

Again Anfinsen, who by his own admission was not happy with the framework he felt he'd been forced into, spoke up. "The nub is that we can tell good science that is relevant from good science that is not. I don't think I can."

In a sense, there are two issues here and, in one regard, less discord than appears on the surface. Certainly, one is the issue of relevant research and the extent to which anybody can be sure what that is. Underneath that is the issue of money and the ways the NCI as a whole chooses to allocate it. Anfinsen is talking about principles. O'Connor is trying to get the most sophisticated science he can for a comparatively meager amount of money. The molecular control program, which, no matter what its limitations, is considered by many cancer workers to be one of the more promising of the NCI programs, has an indefinite budget. So far, it has allocated about $1 million.

If one puts that beside the budget for the traditional NCI drug screening program—as both clinicians and basic researchers do—one raises a question that has come up before but which many people still think needs answering. Under the category of cancer treatment, the drug screening program has $23,900,000 or 46 percent of that category's total budget. Anfinsen, who was not buying much of anything the day of the molecular control program meeting, spoke to the issue with regard to a contract the molecular control program itself has given out.

The program, with the approval of its advisory board, has awarded Litton Industries a $301,000 contract to screen anticancer drugs and antiviral agents. Anfinsen suggested that, if the "silver bullet" approach to curing cancer is to be pursued under the heading of molecular control, it might be wise to award the same contract to two groups to see if competition would lead to a better idea.

"Screening has been going on at NCI for a long time and not much has come of it," he said. "It is like trying to get to Mars by building a more powerful moon rocket. It's not very imaginative." O'Connor defends this drug screen as being different from the rest. It will only look at compounds carefully selected as potential anticancer drugs on the basis of their molecular structure. It will not be a random screen and will limit itself to about 800 compounds a year. (The existing screen-program, which uses an animal system to identify promising agents, tests almost 40,000 compounds a year.)

The advocates of the existing drug screening program, can, of course, point to the present arsenal of anticancer drugs as vindication of their efforts—and they have a case. But the questions being raised address themselves to matters of proportion—priorities, if you will—and in this there is still no resolution. The NCI administrators have the upper hand, or, at least, the scientific community thinks they do. And it has no tangible evidence that it is misreading the situation. It may just be a matter of approach—the two "sides" may not really be hopelessly far apart—but it is hard to believe much significant progress will be made until these issues are set straight.

RECENT EVENTS IN SOUTHERN AFRICA

Mr. KENNEDY. Mr. President, I am pleased to enter in the Record an editorial from the Washington Post and one from the Star-News concerning recent events in southern Africa.

The sorrowful chain of events in recent months has seen an extension of the many repressive policies practiced by the governments of South Africa and Southern Rhodesia. The United States has neither the capacity nor the right to bring about internal change in Rhodesia, according to the Post editorial. I agree with that declaration. But it is undeniable that the United States certainly has the obligation to act in the legal ways open to it in order to serve its own concept of human dignity.

Public concern about our Government's policies regarding the regimes of southern Africa increases each time this country makes another unjustified pact with one of those regimes. Imports of Rhodesian chrome were authorized by the Congress in complete violation of our 1968 United Nations treaty obligation. Moreover, the Office of Emergency Preparedness verified that current stockpiles are more than sufficient to meet domestic needs. Of course, Great Britain, in the meantime, has attempted to nudge Southern Rhodesia toward a reconciliation of its breakaway doctrine. And U.S. action, regarding chrome, clearly contributes little to the British effort.

The editorials from the Washington Post and the Star-News describes another example of the unreasonable policies that ought to discourage our Government from coddling the Rhodesian system.

The United States should be prepared to do the right thing with that government. I intend to continue the struggle to accomplish rational and humane approaches to the problems in the troubled societies of southern Africa. My support will be offered to the chairman of the Subcommittee on Africa, Mr. Humphrey, with efforts that he may deem necessary to repeal the so-called Byrd amendment, that authorized U.S. industry to begin importing chrome ore and other commodities, in 1972.

I ask unanimous consent to enter in the Record, the editorials from the Star-News and from the Washington Post that describe not only the shabby chrome deal, but also the jailing of a journalist who has effectively highlighted the actions of black African freedom fighters in Southern Rhodesia.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Washington Post, Apr. 16, 1973]

Tensions in Southern Africa

Peter Niesewand is a 28-year-old Rhodesian freelance journalist who used to supply a large part of the news about his country to the outside world. We say "used to" because, apparently as a reward for his coverage of the growing guerrilla activities against the Salisbury white-minority regime, he has been arrested on an undisclosed charge, detained in solitary, given a secret trial still with no charge specified, and sentenced to two years' hard labor for breaking Rhodesia's "Official Secrets Act." This Soviet-style treatment of Mr. Niesewand can hardly fail to have some impact on other journalists in Rhodesia who would consider reporting on the black opposition to the Smith government. It has also collapsed what slender hopes remained in Britain that it was still worth trying to deal with Ian Smith in order to steer Rhodesia toward majority rule

Needless to say, the extent of guerrilla activity in Rhodesia is hard to judge. Salisbury is torn between denying that it has a problem and demonstrating that it has the problem in hand. A recent decree establishing collective punishment for tribes thought to be supporting guerrillas offers clear evidence that, despite official protestations, guerrillas are operating as "fish" in a black Rhodesian "sea." Another measure of the insurgents' effectiveness lies in the complications they have caused in Rhodesia's relations with neighboring Zambia and Mozambique, where the insurgents find sanctuary and supplies. The Smith government continues attempting to light political backfires by encouraging those few Rhodesian blacks it can induce to speak out in favor of its racial policies. But there is no broad black support for those policies, and the rest of the world knows this well.

It remains intolerable that the United States—by buying Rhodesian chrome and other minerals—should be lending real support to the Smith regime. These purchases, made under legislation drafted by Senator Harry Byrd (Ind.-Va.) two years ago, totaled about $13 million in 1972. They trample on the United States' earlier international obligation to honor economic sanctions voted against Rhodesia by the United Nations. They should not go on.

The United States has neither the capacity nor the right to bring about internal change in Rhodesia. But the United States certainly has the obligation to act in the legal ways open to it in order to serve its own basic concept of human dignity. Such an effort may amount to gestures of only symbolic or nominal effect—we would not claim that a resumed boycott of Rhodesian chrome products would have any greater weight. But the effort is not to be scorned because the immediate quantifiable payoff may be slight.

In this respect, we point with favor—and, to confess, with surprise—at a new and positive "gesture" of the United States bearing on racial justice in another quarter of southern Africa. The State Department has just issued detailed "suggestions" designed to nudge susbidiaries of American firms in South Africa to "upgrade employment practices and employee services . . . within the laws of South Africa." These guidelines are designed to end the repugnant practice of some American firms' treating their black employees poorly, even by the discriminatory standards of South African apartheid.

"The role of American firms in South Africa is a subject of increasing interest, both to the general public and to the companies themselves," the State Department now acknowledges. It could have added that the new guidelines demonstrate that the United States government accepts the question as one of legitimate official concern. This is a large breakthrough in American policy towards the white-minority states of southern Africa. We trust it is not the last. Rep. Charles Diggs (D-Mich.) deserves much of the credit for his forceful and intelligent lobbying on the issue, and the Nixon administration deserves equal credit for its response.

[From the Washington Star-News,
Apr. 13, 1973]

Rhodesia's Blunder

The breakaway Central African state of Rhodesia has badly tarnished an image that needs all the furbishing it can get. We refer to its treatment of the free-lance journalist, Peter Niesewand.

Several weeks ago, Niesewand was placed under preventive detention. He has since been tried in secret and sentenced to a year at hard labor for an unspecified offense against the Official Secrets Act.

We do not presume to judge the innocence or guilt of Niesewand. Nor do we hold that a man, because he is a journalist, is incapable of an offense against the state or immune to prosecution by it (Kim Philby, after all, was a correspondent for the London Observer in the Middle East at the same time he was operating as a Russian masterspy).

But if Niesewand is guilty of an offense against the state, he or any other Rhodesian, white or black, deserves a fair and public trial. The Rhodesian Official Secrets Act, which makes it an offense to "obtain, collect, publish or communicate to any other person information which might be useful, directly or indirectly, to an enemy" of the state is so loosely drawn as to be ludicrous unless the details of a charge are made public.

Cecil Rhodes, the founder of white-ruled Rhodesia, believed in equal rights for civilized men. If the Niesewand case is any indication, those who profess to be Rhodes's inheritors have strayed far from his dictum.

Niesewand's conviction is under appeal. If the sentence is upheld, Premier Ian Smith would do well to quash it and order a public trial for the 28-year-old writer. Unless this is done—and unless Rhodesia curbs its proclivity for star-chamber proceedings against any of its citizens—it is difficult to see how there can be progress in the negotiation of a settlement of Rhodesia's illegal international status.

As in the case of the detention of former premier Garfield Todd and his daughter, the Smith regime has blundered badly. It ought to recoup what it can of its reputation while that is still possible.

SUMMARY OF HEARING BEFORE HOUSING AND URBAN AFFAIRS SUBCOMMITTEE

Mr. WILLIAMS. Mr. President, last Friday, April 13, 1973, the Housing Subcommittee of the Banking, Housing and Urban Affairs Committee heard witnesses describe the effects of the administration's housing freeze on older Americans. As a member of that subcommittee and as chairman of the Subcommittee on Housing for the Elderly of the Special Committee on Aging, I was privileged to lead off the testimony that morning.

I have spoken out against the moratorium before, and I have commented especially on the frustrating despair this freeze has brought to many elderly persons who have planned and hoped for new and better housing for their remaining years. In light of the excellent testimony we heard last Friday, I think a few more comments are in order.

First, I would like to mention some results I have received from a brief questionnaire that I sent out in preparation for the hearing. These questionnaires were sent to 161 housing authorities and over 500 housing projects built under the section 202 and the section 202–236 conversion programs.

In public housing, 118 housing authorities responded who represented over 112,000 units for the elderly that are now occupied—about 25 percent of the Nation's total. Every housing authority has a waiting list for the elderly. Not one reported vacancies. More than 111,000 older persons are on waiting lists of these housing authorities. In other words, for every occupied unit, there is a person on a waiting list. These same authorities also reported that over 43,000 units for the elderly had been frozen by the moratorium.

Responses from the sponsors of the 202 and the 202–236 conversion projects were also revealing. I received 303 responses representing 46,620 units. These projects reported over 44,000 persons on their waiting lists. Many sponsors also reported that new projects had been stopped by the moratorium.

Adding up waiting lists is not the most scientific method of measuring the need for housing older persons. I submit these figures only as proof of a very large demand.

As compelling as these waiting lists appear, they do not begin to tell the full story. Many responses pointed out that their waiting lists represent only the tip of a very large iceberg. Because their lists are so long, many elderly persons do not even both to apply.

Mr. President, we need more housing for the elderly, and we need it even more today, when older persons are receiving 60- and 70-percent rent increases, and when food prices are rising at a rate we have not seen for decades.

Several witnesses testified to this need last Friday, and spoke out forcefully about the added burden of the current moratorium, and the many recommendations that have been ignored. Some of their comments were particularly worth noting.

Representing the National Council of Senior Citizens, their executive director, Mr. William R. Hutton, testified:

> We believe the policies and the recommendations that came out of the White House Conference on Aging were good recommendations for the policy of housing, but they are gathering dust in the National Archives, Mr. Chairman.
>
> Exactly what President Nixon in his last statement before that Conference said he would not permit them to do. He said they would not gather dust in the National Archives but that is where they are. We are turning to the Congress, and we are going to have a national legislative convention on Capitol Hill in June, because we feel the hope for the older people is in moving the Congress of the United States.
>
> It seems the President and his people have turned away from older people. We are determined in the National Council to work for a better life for older citizens, Mr. Chairman. We have given up on the present Administration.

Speaking as a consultant to the American Association of Retired Persons—National Retired Teachers Association, Mr. John Martin, former Commissioner on Aging, emphasized the sense of urgency in housing for older persons:

> The current moratorium on programs of the Department of Housing and Urban Development is of immediate concern to older Americans. Our elderly citizens do not have time to wait for decent and affordable housing. Their time is limited. We cannot put a 'hold' on growing old. Far too many older people are living in the nation's substandard housing and others are not able to maintain their facilities because of the lack of maintenance personnel or the high cost of such maintenance. Their problem is now—not years from now—following a study, proposed legislation, follow-through on the legislative process, and finally, gearing-up legislation.
>
> Any lengthy delay caused by the moratorium would be most damaging to older Americans. The human and economic results of such an action can only be described as catastrophic. Those with the greatest need and greatest hardships in obtaining decent housing under present market conditions are directly abused by the moratorium.

Mr. H. Ted Olson, executive vice president of the American Association of Homes for the Aging, spoke of his organization's fear of a much accelerated rise in demand during the next few years:

> While we as an Association cannot quarrel with any agency's desire to constantly review its performance and modify programs to assure relevance, we do feel that now more than ever housing needs of older Americans require substantial government financial support.
>
> As everyone knows, our elderly, now number more than one-tenth of our total population, which is expected to increase substantially in the next few years. Consequently, even though only about 4 percent of our older Americans now are served in congregate living and institutional settings, we do have about 500,000 on waiting lists for facilities under the aeges of HUD. If we had many more such facilities, I am sure a much larger percentage could and should be taking advantage of the care and specialized housing programs. We certainly can expect the demand and need for such housing and accompanying care programs to rise drastically during the seventies . . . we are concerned that there does not seem to be, currently, any commitment to proceed with specialized housing for the elderly; we are unaware of present assurances in this regard which would encourage our sponsoring groups to persist in their efforts to add to or improve their programs and facilities. Further delays can only compound the needs of all elderly needing housing and health services.

Mr. President, in conclusion may I say that the Nixon administration has characterized our housing programs as ineffective, wasteful, and counterproductive. In speaking of housing for the elderly those adjectives are sorely misplaced. Housing for older persons has been productive, effective, and tremendously successful.

The elderly are being left out in the cold by an administration which dogmatically condemns past efforts while offering nothing of substance in their place. We need action, not rationales for delay and retrenchment.

CONSIDER ENTIRE ISSUE OF FOOD PRICES

Mr. HRUSKA. Mr. President, we are all acutely aware that rising food prices are a matter of great national concern. Each day brings new talk of price controls, of rollbacks, or of boycotts. And our sympathy goes out to the housewives who must feed their families on a limited budget in the face of sharply rising prices.

But those of us from the food-producing States understandably take a different view of this unfortunate situation. We do so because we represent the farmer and the rancher. We are acutely aware of his problems. And like all situations, there are two sides to the food problem.

It seems apparent therefore that a review and clear understanding of the food-producing process would be helpful in placing our current situation in the proper perspective.

In that connection, two logical and informative communications have been directed to my attention. They provide most persuasive arguments of the farmer's plight in the current situation. A thorough study of them certainly will convince any objective observer that the farmer and rancher are in no way at fault for our food problems.

One of these communications is a full-page newspaper advertisement sponsored by Farmland Industries, Inc., a Missouri farm cooperative. It asks the reader to consider the entire issue of food prices and it states a most convincing case for the farmer and rancher.

The other communication is a letter I have received from Don F. Magdanz, executive secretary-treasurer of the National Livestock Feeders Association. In his letter, he sets forth clearly the same points which I have often brought to this body's attention. I refer to the complex problems which today's cattle producers must solve in order to remain solvent and in order to meet the constantly increasing demands for meat.

With regard to food prices, they have increased 46 percent during the past 20 years and there is no question they have increased sharply in recent months. But during the past 20 years industrial workers' wages have increased 129 percent, and the farmer's income has increased only 11 percent.

Meanwhile the farmer's costs have increased 109 percent, his taxes have gone up 297 percent, his labor up 141 percent, and machinery up 109.

Those are startling facts. They are more startling still when one realizes farmers have during that period increased their productivity more than any other industry.

These increases in productivity have often come in the face of severe natural impediments. Such has been the case in the past year when weather conditions have been directly responsible for serious food shortages.

Let me turn now to the matter of meat prices, where weather conditions again have played a most significant role in recent months. In this connection, let it be remembered that our farmers and ranchers do not sell beef, or pork as the case may be. They sell cattle and hogs and there are many necessary processes which must take place in converting livestock on the hoof to table-ready retail products.

In the past year cattle feeders particularly have faced a material reduction in feedlot gains per day. Standing belly deep in mud, cattle that normally would have gained 2½ to 3 pounds a day were gaining only 2. This reduced rate has substantially increased the feeder's cost which in turn forces consumer prices up.

Add to this the estimated death of 200,000 head of cattle directly caused by the severe weather conditions. This loss is two to three times greater than usually occurs. It further increases the costs for the cattle feeder and the consumer.

We must not overlook the fact the feed ingredients have risen in price. The cost of corn to the cattle feeder and swine producer has risen as much as 30 cents a bushel. Protein supplement costs have gone up much more.

To the above must be added the recent loss of DES. This growth stimulant meant cattle gains were approximately 10 percent faster and the efficiency of gain was improved about the same percentage. In consumer language, the loss of DES means a rise in beef cost of from 5 to 10 cents a pound.

All of these things have been sustained by the cattle feeder almost simultaneously. Since we all would agree that he is entitled to a fair income, these factors are necessarily reflected in rising prices.

It may also be helpful to review a little production history. In 1972, the domestic industry produced about 113 pounds of beef per capita in the United States. Some 20 years ago, beef production per capita was only 55 pounds. This means that production of beef per capita has more than doubled and total production of beef has increased from 2½ to 3 times.

While there were fluctuations in price during this time, production of beef was really increasing a little faster than demand. This meant that, except for occasional periods, producers received low prices and sometimes sustained losses.

Last year demand clearly started catching up with the already increased supplies. This had the effect of bringing prices back up, but to no more than levels attained 20 years ago. It is interesting to note that during this entire period, practically no other products, goods or services held their level. Instead they maintained a steady increase during this entire 20 years.

Mr. President, these facts and many more are contained in the items I have mentioned. They provide a cogent argument for the excellent production which the Nation has received from our farmers and ranchers under conditions which often have been extremely adverse.

Anyone who studies these facts and who understands the situation cannot help but realize that our farmers and ranchers have done a truly outstanding job of feeding our Nation. They have fed us better than any nation in the history of the world.

They deserve and need our support. With it, they will continue to keep us the best fed people on the face of the earth.

Mr. President, I ask unanimous consent to have printed in the RECORD the advertisement from Farmland Industries, Inc., and the letter from Mr. Magdanz of the National Livestock Feeders Association.

There being no objection, the advertisement and the letter were ordered to be printed in the RECORD, as follows:

AMERICA'S FARMERS AND RANCHERS URGE YOU TO CONSIDER THE WHOLE ISSUE OF FOOD PRICES—INSTEAD OF LOOKING FOR SOMEONE TO BLAME IN THE PRESENT FOOD PRICE CONTROVERSY, LET'S LOOK FOR WAYS TO UNDERSTAND IT

The way things are now, nobody's happy. Some people blame the processors for higher prices. But the facts are that processors' profits are held in line by competition, as well as price controls. Meat packers average less than 1¢ profit per dollar of sales. Some others blame the retailers, yet food retailers average less than three-tenths of a cent profit on each dollar of sales. And some consumers blame them all, including the farmer. Nobody's happy. Is one group all to blame? Let's look at all parts of the problem.

Food prices are up, no question about it—but the whole cost of living is up. So are wages and salaries. Over the last 20 years, industrial workers have enjoyed a 129% pay hike. Even with food prices moving up 46% during that period, farmers' income has increased only 11% gross.

The cost of producing food is up, too. Farmers' total costs of producing food have increased 109% over the last 20 years. Taxes are up 297%; labor up 141% and machinery up 100%. On top of all of that, farmers and ranchers are faced daily with the very same cost of living pressures (food, clothing, housing, medical, etc.) we are all feeling.

Are farmers and ranchers entitled to a fair income? Answer quickly. Yes or no? Of course they are—just as we all feel we have earned the right to a decent living. But, did you know, for example, that the average farm family's annual income last year was only about two-thirds of the average industrial worker's?

Yet, the fact is—farmers have increased their productivity more than any other industry. (In just the last 13 years, they've increased productivity over 20%—on 7% fewer acres!) If it weren't for that increased productivity, beef prices might have gone up to match hourly pay increases in industry and cattle would be selling at market for $80 per hundredweight, instead of the recent $45!

So who is to 'blame'? Well, it's really not possible to point fingers at middlemen or farmers or truck drivers or anybody—and blame them for food price levels. Food prices are a reflection of our whole booming, inflating economy. And what inevitably follows that economy—a rising demand. Food producers, of course, will increase production as long as they can make a decent living at it. Import controls, price controls and boycotting can affect demand, but in the main, consumer demand is the one factor that sets the price of food at retail. Just as demand and production costs set the price of clothing, housing and everything else.

What's the answer, then? Farmers and ranchers need your support. They're in this squeeze, too. They need time to increase production. They need a stable situation. They need assurance of fair prices for their present livestock. They need reasonable assurance of a market.

Either an extended, one-sided price freeze or unduly continued boycott can work against production increases.

Thousands of farmers each make their independent business decisions. If, because of uncertainty about the future, each one decides to raise a few less hogs or cattle, instead of more, the result will be an even smaller supply of meat a year from now. And that means even higher prices, perhaps a black market, and truly serious meat shortages. Uncertainty has the same depressing effect on decisions to plant grain or other crops.

Understanding and working together does it. It's not easy, but be patient. It takes 27 months to produce a market-ready steer; 9 months to produce a market-ready hog. But farmers are already working on the problem. At the beginning of this year, cattle and calves on hand were up 4 million head, as compared with a year ago. And this year's calf crop will be 5% to 7% over last year's. In addition, farmers now are expected to return to production more than 40 million acres of farmland.

So, with disposable income rising faster than food costs, the consumers' share of income being spent for food will drop again—to an estimated 15.5%. (Compared to 20% in 1960.) And that's good news.

America's farmers and ranchers are, in the main, dedicated to increased production and efficiency. If thoughtful Americans, and the men they send to Washington, will help, farmers can get the job done.

WHY HAS FARMLAND CHOSEN TO SPEAK OUT FOR FARMERS?

Farmland Industries is owned by some half-million families operating farms and ranches in the nation's mid-section. Our owners have felt a growing need to present to the nation their point-of-view on some of the central issues that are vitally important to them as basic food producers. Four years ago, Farmland began speaking out for farmers, presenting balanced reports on issues vital to farmers but perhaps overlooked or misunderstood by the rest of the nation.

No issue we have explored has been more vital to farmers than the subject of this advertisement. We think this message will help you better understand and appreciate the nation's food supply system—and farmers' and ranchers' place in it.

If you have questions or comments, please write to me.

ERNEST T. LINDSEY,
President, Farmland, Industries, Inc.

NATIONAL LIVESTOCK
FEEDERS' ASSOCIATION,
Omaha, Nebr., January 12, 1973.

Hon. ROMAN L. HRUSKA,
U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SENATOR HRUSKA: We are profoundly concerned over various published comments that are appearing in the press and on television broadcasts having to do with the price of live cattle and hogs as well as price of red meat at retail. Such comments and charges only serve to discourage those persons involved in red meat production at a time when it is necessary that production of red meats be expanded in order to meet increased demands and satisfy the interest of consumers.

It should be known to all persons that the cattle feeders and producers have experienced some serious problems in the past several months and are facing more. In the first place, weather conditions throughout much of the feeding areas in the nation have been unusually severe this last fall and winter with a result that feedlot weight gains per day have been reduced materially, and for short periods of time have been practically nil. This lesser weight gain has substantially increased the total cost of gain which is a real meaningful factor in the cattle feeding business.

Furthermore, though I cannot supply total figures that would be accurate, we do know that the severe weather conditions have caused substantial death losses in various locations both in feedlots and on wheat pasture. This has further added increased costs for the cattle feeder and grower.

Then we must not overlook the fact feed ingredients have risen in price. The cost of corn to a cattle feeder and swine producer has risen as much as 20c to 30c per bushel, and protein supplement costs have gone up much more. Again, we must look to the severe weather conditions that prevailed during the regular harvest as at least a factor in these increased costs.

To the above, we must add the loss of DES effective January 1. This growth stimulant meant that cattle gains were approximately 10% faster and efficiency of gain was improved about the same percentage. All of these things are being sustained by the cattle feeder almost simultaneously and at least the increased costs will continue.

Last summer and early fall, the total cost of gain for a 700 pound feeder steer that was being put up to the choice grade at 1100 pounds was 26.5 per pound on the average. Under conditions prevailing now, this total cost of gain figure rises to at least 31¢ per pound and there are instances of costs materially above 31¢ per pound. Besides, we must point out that the cost of a 700 pound choice feeder steer has been and still is in the neighborhood of 45¢ per pound (some higher) which means that a cattle feeder can little more than break even with the figures I quote when selling a choice feeder steer in the market at 40¢ per pound.

It is true that the price of fed cattle has gone up from a temporary low point late in November to where choice steers are now selling around 40¢ per pound. This rather abrupt increase has apparently disturbed many people. We point out, though, that prices of cattle, hogs, and nearly all agricultural products do go down as well as up which the historical record clearly shows. Also, cattle feeders and producers in 1972 did furnish the domestic market with some increased beef production although the availability in pounds per capita will not be much different from 1971. In the same time, though, we have witnessed a substantial increase in the demand for beef and other red meats and, where products are sold on an open market basis, we must look to price as the leveling factor between supply and demand.

We do not attempt to conceal the fact that pork production in 1972 was somewhat lower than in 1971. As a result, hog prices have reached a higher level which is a normal development in the market structure. As a result of this current price level, we can accurately expect an increase in pork production that will start showing up in the market place around mid-1973. As far as the livestock business is concerned, this again is a normal development meaning that higher prices stimulate increased production which production will then tend to modify the price level. The same will occur with cattle and beef except that the life cycle dictates it takes longer. A 220 pound hog will be marketed around 5½ months after birth, whereas a 1100 pound choice steer will be from 18–24 months of age. Furthemore, a heifer must be much older than the female hog before it can be settled for reproduction.

Perhaps we should review just a little production history. In 1972, the domestic industry produced approximately 113 pounds of beef per capita in the United States. Some twenty years ago, beef production per capita was only 55 pounds. This means that production of beef per capita has more than doubled and total production of beef has been increased from 2½–3 times. While there were fluctuations in price during this time, production of beef was really increasing a little faster than demand which meant that, except for occasional periods, cattle feeders received much lower prices and sometimes they were disastrously low and heavy loses were sustained. In 1972, demand clearly started catching up with the already increased supplies which did bring prices back up, but to no more than levels attained twenty years ago. During this entire period, though, practically no other products, goods or services held their level, but instead maintained a steady increase almost without interruption during the entire twenty years. In this time, per capita disposable income rose decidedly and continues to go up with a corresponding decrease in the overall percentage of per capita income spent for food. The point we attempt to make is that while cattle prices often make rather abrupt changes, they are just ending to catch up with other segments of the economy.

With respect to food, it is clearly a mistake to make comparisons over a short term because abrupt changes, either up or down, which do occur, tend to distort the real picture. Also, people often forget what has happened in the past and may overemphasize the increases without regard for decreases. At this moment, we are hearing much about the increase in price indexes and red meats are charged with contributing to these increases. We almost never hear about instances when decreases in livestock and meat prices contribute to a stable or lower price index.

Also, I think it is wise to mention that a substantial part of increases in food prices occurs after the products leave the producer. At the present time, the producer is receiving somewhere around 40¢ on the average of the consumer's dollar spent for food. This means that 60¢ of the dollar goes to the marketing, processing, and distribution machinery where many other factors have entered in to increase that portion. Fortunately, the cattle feeder and swine producer receive a higher percentage of the consumers dollar spent for beef and pork, but we still have increased costs that have occurred in marketing and distribution processes.

Perhaps this rather general discussion without quoting too many figures will serve to explain what has and is happening in the production and feeding of meat animals and the availability of red meat to consumers. You are at liberty to use this communication in any way you feel it can be helpful.

Respectfully yours,
Don F. Magdanz,
Executive Secretary-Treasurer.

PENSION REFORM

Mr. BAYH. Mr. President, one of the most important issues before the 93d Congress—perhaps more important than any other to the working men and women of this country—is pension reform. I believe that Congress has an urgent obligation to approve strong, fair, and comprehensive legislation protecting working people from inadequate or unfair private pension plans. For this reason, I was happy to note that the Senate Labor and Public Welfare Committee has unanimously approved the Retirement Income Security for Employees Act of 1973 (S. 4). This bill, of which I am a cosponsor, should be acted on promptly and favorably by the Senate. Too many hard-working Americans have suffered financial disaster already for us to permit further delay.

One of the most tragic examples of the need for comprehensive reform of private pension plans occurred several years ago in my home State of Indiana. It was near Christmas time in South Bend when the thousands of employees of the Studebaker Co. learned that they were not only losing their jobs, due to their plant's closing, but also that the company's pension plan was a dismal failure. Many employees had contributed to the plan over years and years and had remained faithful to the company based on the promise of an adequate retirement income. Those men and women walked away from the plant that winter, empty-handed, bitter, and disillusioned. Seven workers committed suicide. Untold members endured the most severe economic hardship because they had trusted in a virtually unregulated private pension plan.

That catastrophe occurred almost 10 years ago, and yet today, 35 million American workers contribute to private pension plans that are potentially as defective as Studebaker's. According to the Department of Labor, one-third to one-half of all those workers who are planning on financial independence during retirement will be let down by their pension plans.

The Senate Subcommittee on Labor estimates that as many as 95 percent of those men and women who have left their jobs in the past 20 years will not get a single penny from the pension plans to which they contributed in good faith. The recent economic recession showed us that failing businesses were far too often accompanied by inadequate pension funds and cheated workers. This is a national scandal that deserves the most immediate and comprehensive action that this body can muster.

How long can we allow workers with more than 20 years of seniority to live in fear of waking up one morning to find themselves out of a job and with no claims whatsoever on a pension they thought was theirs? How long can we allow money to be mismanaged that should be set aside to create sufficient pension funds? How long can we allow accrued pension rights to be the ball and chain by which older workers are tied to inadequate or insecure jobs? The answer to all these questions is, no longer.

S. 4 is the strong, fair, and comprehensive reform we need. Within its 103 pages it contains all the elements that are necessary to protect workers' pension rights. Unlike the Nixon administration's bill, whose inadequate provisions and tax loopholes present the appearance of pension reform without the substance, S. 4 is a hard-nosed, well thought out proposal that protects the worker in virtually every situation. For years, I have argued that there are six essential ingredients to any pension reform legislation that is to achieve the goal of adequate protection. S. 4 embraces all six of these ingredients. We cannot permit any of them to be overlooked if we are—as I am—serious in our efforts to protect the American worker.

1. FULL COVERAGE

All but the smallest private pension plans should be included within the scope of any Federal legislation. The employee of a medium sized firm should not be a second-class citizen when it comes to standards of honesty and fairness in pension programs. The only lower limit on coverage should be administrative feasibility.

2. GUARANTEED RIGHTS

An employee's right to at least part of his pension credits should permanently vest at an early date. Thereafter, his or her guaranteed interest in the pension fund should gradually increase until the day arrives when he can rest assured that he has earned his pension no matter what. S. 4 assures workers of 30 percent vesting after 8 years of service and an additional 10 percent for every year after that up to 100 percent. This is the least we can do for the working man. We can no longer tolerate the horror stories of men and women who put in their share of pension contributions for over 19 years only to have retirement security escape them by weeks or even days.

3. REINSURANCE

S. 4 provides for a federally administered insurance program to protect pensioners if a plan should fail. While President Nixon would only "encourage" the private sector to step into this field, S. 4 mandates a responsible system of protection for the worker who is left out in the cold. If it is necessary and proper to provide Federal insurance for stock investors and bank depositors as we presently do, it is even more necessary and proper to provide the same protection for the poor employee whose life's work is invested in his pension payments. The entire concept of Federal protection for private pensions is meaningless unless we provide this reinsurance. What kind of security are we affording the American worker if we can only vaguely "encourage" that he be protected against the financial failure of his retirement hopes and dreams.

4. ADEQUATE FUNDING

Employers have a moral obligation and they should have a legal obligation to make adequate contributions to pension funds in order to fulfill the promises made to their employees. Workers accept payroll deductions and pay their fair share of a pension program. They deserve to have that pension program adequately funded so as to meet all short- and long-term obligations. S. 4 requires that all pension funds have sufficient funding to cover all obligations for a 30-year period. This is simply the protection which working people deserve and need.

5. TRANSFERABILITY

If a man or woman contributes to a pension plan for years and earns credits toward an adequate income, he should be able to carry those credits with him to a new job. A worker should not lose everything when he or she is forced to seek new employment. Accrued pension credits should not be the basis for a system of slave labor for older employees.

If our national economy is to retain its flexibility, it requires a highly mobile labor force. Workers are constantly called upon to accept new positions for their own advancement and the good of the economy. Are the 35 million workers contributing to over 40,000 private pension plans to be deprived of this mobility? If they do move, are they to be cheated out of their hard-earned pension credits?

To avoid such an unjust situation, S. 4 provides for a central fund administered by the Labor Department so that workers could transfer their vested pension rights from one employer to another. The failure to provide for transferability of pension rights cheats millions of workers each year. It restricts worker mobility and keeps senior workers tied down to inadequate jobs. Adoption of this aspect of S. 4 will be good for both the individual worker and the national economy.

6. STANDARDS OF RESPONSIBILITY

One hundred and sixty billion dollars are presently in the hands of the officials operating private pension plans. Not only do millions of workers depend on these officials for retirement income, but the investment policies of pension fund managers have a significant impact on the course of the national economy. We cannot leave this massive accumulation of workers' funds virtually unregulated. While most pension fund managers are capable and honest, the American worker should not have to worry constantly about their stewardship.

S. 4 demands stricter regulations against fraud and mismanagement of pension funds without penalizing those plans which have been administered honestly. Even more important, it sets new standards to assure that workers will be kept informed of the provisions of their pension plans. It is absolutely essential that all private pension plans meet this high standard of fiduciary responsibility. In order to assure that this standard is met, the responsible officials should make full and candid disclosures of the operation of all pension plans, including the nature of investments. Complete disclosure lets the worker know where he or she stands and is the best way of protecting the public interest.

Mr. President, there are those who may say that such a plan would put too great a financial burden on private pension plans. I say that it only requires them to keep the promises they have made to the American worker.

The extensive use of private pension plans by millions of men and women is something this nation can be proud of. It indicates a commitment to hard work frugality, and planning for the future. Such qualities should not be betrayed by inadequate governmental supervision. Strong, fair and comprehensive reform legislation is urgently needed to protect the fundamental rights of American workers. I cannot emphasize enough my desire for prompt action on the Retirement Income Security for Employees Act of 1973.

HIGH-RISE FIRE HEARINGS: CONTROVERSY AND PROGRESS

Mr. WILLIAMS. Mr. President, my Subcommittee on Housing for the Elderly recently held hearings on fire safety in high-rise buildings for the elderly. Many constructive comments were made during the course of those 2 days, and I would like to express a few of my thoughts about this initial inquiry.

I am convinced that we can produce high-rise apartments for low-income elderly that are safe from the dangers of multideath fires. I heard nothing at our hearings that would change this conviction; if anything, I have received support.

Several tragic fires have forced the conclusion that extra safety is needed in nursing homes, but it is equally clear to me that similar features are needed for older persons outside of the care type institution. As we seek funds for specially designed housing for the elderly, we should also examine the need for special fire-safety features in this type of housing.

The tragic fire at the Baptist Towers apartments in Atlanta, Ga., which took 10 lives last November 30, illustrates the need for special consideration when a building houses only older persons.

Following the Baptist Towers fire, the Atlanta Fire Department and the National Fire Protection Association—NFPA—conducted a survey of occupants on the sixth floor through the 11th—top—floor. Of the 95 persons interviewed, the average age was 71. Nearly 25 percent of the tenants interviewed had physical impairments which conceivably could affect reactions to an emergency situation. For example, some tenants had hearing difficulties and did not recognize the fire alarm when it went off. Also, elderly persons utilize elevators in high-rise buildings and therefore are unfamiliar with emergency stairwells which may be the only exit in a fire. Older persons are more susceptible to disability from fire and smoke. Some elderly will return to their rooms rather than leave the premises.

Most of the recommendations discussed at our hearings applied to all types of tenants, young and old. Nevertheless, the witnesses agreed that improved fire safety requirements are more crucial in buildings housing only older persons because of the factors I have mentioned. The recommendations of our witnesses fit generally into three areas: First, automatic detection and warning systems, second, automatic extinguishing—sprinkler—systems, and third, systems designed to contain a fire to its point of origin. Several witnesses emphasized the need for a "systems" approach that would consider all possibilities.

Many witnesses were outspoken in their assessment of automatic sprinkler systems.

Mr. Richard Bland, chairman of the National Commission on Fire Prevention and Control, stated:

> I submit to this Subcommittee on Housing for the Elderly that the requirement of complete automatic sprinkler systems is the available technical solution toward control of fire in housing for the elderly.

Mr. Chester Schirmer, president of Schirmer Engineering Corp., testified:

> The records of the National Fire Protection Association and records from Australia and New Zealand indicate the best tool available for reduction of life loss from fire is the automatic sprinkler system.
>
> The record of automatic sprinkler performance is good. We have yet to record a

multiple loss of life in a building protected by automatic sprinklers.

Because installation of a complete sprinkler system can be costly, other witnesses strongly favored the smoke detector, or ionization—products of combustion—system. They argued that smoke detectors will sound long before the normal sprinkler system will be set off, thereby providing more safety to persons in the area where the fire starts. Presuming that someone is available to put out the fire in its early stage, smoke detectors with their early warning would therefore bring the needed help before the sprinklers would be set off.

The Department of Housing and Urban Development—HUD—has sent out for comment new fire safety regulations which would combine both sprinklers and smoke detectors. Briefly summarized, HUD's new proposals—HUD Publication 4910—include the following:

First, automatic sprinklers in all corridors, public spaces, service and utility areas;

Second, an automatic smoke detector and alarm system within each living unit;

Third, automatic door closers;

Fourth, compartmentalization: at least two fire divisions per floor; and

Fifth, smoke detectors in each elevator lobby that will program the elevator to bypass a floor where the detector is activated.

HUD has failed to require in these proposals that the automatic alarm system automatically transmit an alarm to the fire department committed to serve the area, although they do require this in their new proposals for "care-type" buildings. By their own testimony, this additional requirement would cost about $200 per building, and therefore, I have recommended that the connection to the fire department should also be required in buildings that are not "care-type" institutions.

Several additional points need consideration. Because HUD's new standards will only apply to new buildings, we are faced with the reality that many already constructed buildings could experience a multideath fire tragedy. HUD estimates that it will be several months before their regulations become effective. At that point, all buildings that are finished in construction, or merely approved, will not be subject to the new standards.

Several experts in fire safety have indicated that the complete automatic sprinkler approach can be included in the construction without excessive cost if it is done at the planning stage, and if certain cost benefits or "trade-offs" in other safety requirements are realized. The proposed HUD regulations do not appear to allow for different alternatives such as the completely sprinklered building, nor do these regulations indicate the cost trade-offs that could be realized by this alternative.

Mr. President, I have written to HUD Secretary Lynn asking that his Department examine some of these questions in light of our hearings, and I ask unanimous consent to have that letter printed in the Record at this time.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Special Committee on Aging,
Washington, D.C., March 26, 1973.

Hon. James T. Lynn,
Secretary, Department of Housing and Urban Development, Washington, D.C.

Dear Mr. Lynn: A few weeks ago my Subcommittee held hearings on "Fire Safety in Highrise Buildings for the Elderly," and we heard testimony from Mr. Quinton R. Wells of your Department.

At our request, his testimony dealt in part with proposed regulations for fire safety (HUD Publication 4910: Minimum Property Standards for Multi-Family Housing). Several other witnesses, both during and since the hearings, have added their comments about these proposed regulations.

I was pleased to hear that your Department has taken active steps to upgrade the fire safety requirements in highrise buildings under your jurisdiction, but I have a few important questions concerning the proposed changes.

Mr. Wells testified that the regulations, when effective, will apply only to new buildings. Existing buildings, or those approved by the date the regulations become effective, will not be subject to the new requirements. I can understand the difficulty of making these regulations retroactive, but we still would be left with many highrise projects where a multi-death fire could occur.

Mr. Wells further testified that owners of existing buildings could apply for a Supplemental Loan which would be approved "if the economics would support it". This statement prompts several questions:

1. How much money is available for Supplemental Loans?

2. Are Supplemental Loans available for projects built under Sections 202, 236, 231, and Public Housing?

3. Are there any other sources of funds available to owners or sponsors wishing to upgrade buildings already in existence?

4. Do you feel there is need for legislation in this area, or can sufficient provisions be made under current administrative authority?

5. I am receiving letters of concern about buildings now under construction. Local HUD offices have refused to approve additional funds because added fire safety features are not now required.

Is there any way we can facilitate the incorporation of added fire safety features in, as yet, unfinished buildings when costs would be cheaper?

If we are to upgrade our existing standards, we should make every effort to upgrade existing buildings, especially where the owner or sponsor is requesting such assistance.

Secondly, I am concerned over several comments that have been addressed to my attention by the National Fire Protection Association (NFPA) regarding the proposed regulations. The comments of the NFPA can be summarized in three areas:

A. Omissions in the new regulations:

(1) Automatic transmission of a fire alarm to the local fire department is not required under HUD 4910;

(2) Labeled apartment entry door and frame assemblies which insure the integrity of the one-hour fire-rated corridor partitions are not required; and,

(3) The use of corridors as a source of make-up air in the design of the ventilation system is not prohibited.

B. Lack of Alternative Systems.

(1) The NFPA recommends that standards and criteria must be developed that allow designers alternatives for solving fire safety problems.

(2) The proposed regulations would not allow for a complete automatic sprinkler system as an alternative which would allow several cost trade-offs.

C. Cost Estimates of the New Regulations Ignore Possible Cost Trade-Offs.

Mr. Wells indicated in his testimony that HUD is considering various trade-offs and is still studying the question. Considering the seriousness the cost question in buildings intended for low and moderate income tenants, possible trade-offs become very important.

I would like to know what the status of the "trade-off" question is at HUD. Will cost trade-offs become part of the new regulations? If so, what are they? In his testimony, Mr. Wells applied the costs of the new regulations to a typical building. I would like to know what cost differences there would be in this same example if all trade-offs are taken into account.

In addition, I would appreciate receiving answers to the other questions I have discussed above. I feel that the suggestions put forth by the NFPA are constructive and well-considered, and I am anxious to know HUD's position with regard to their comments.

Thank you for your cooperation.

Sincerely,
Harrison A. Williams, Jr.,
Chairman, Subcommittee on Housing for the Elderly.

SURFACE MINE RECLAMATION BILLS

Mr. HANSEN. Mr. President, as many Senators are aware, there is a great deal of interest in the various bills now pending action which deal with surface mine reclamation.

A comparative analysis of three bills dealing with surface mine reclamation appeared in the April 16, 1973, issue of the Congressional Record on page 12578.

In an effort to provide additional information, for comparative analysis purposes, I ask unanimous consent that the administration's surface mine reclamation bill, S. 923, be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mined Area Protection Act of 1973".

TITLE I

Sec. 101. Definitions.—For the purpose of this Act, the terms—

(a) "Secretary" means the Secretary of the Interior;

(b) "mining operations" means (1) activities conducted on the surface or underground for the exploration for, development of, or extraction of minerals, organic or inorganic, from their natural occurrences, including strip or auger mining, dredging, quarrying, open pit, in situ distillation or retorting and leaching; and (2) the cleaning, concentrating, refining, or other processing or preparation (excluding smeltering) and loading for interstate commerce of crude minerals at or near the mine site. It does not include the extraction of minerals in a liquid or gaseous state by means of wells or pipes unless the process includes in situ distillation or retorting. For the purposes of this Act, prospecting activities are excluded from this definition;

(c) "prospecting" means the first on-the-ground or airborne phase of a search limited to the gathering of evidence of mineralization of potential commercial worth and is not for the purpose of establishing mineral reserves. Prospecting includes geological reconnaissance, the use of geophysical and geochemical methods, and preliminary sampling but does not include the construction of access roads, mechanical trenching, construction of semi-permanent camp facilities, or other activities which will result in appreciable disturbances to the natural condition of the area;

(d) "underground mining operations" means those mining operations carried out beneath the surface by means of shafts, tunnels, or other underground mine openings and such use of the adjacent surface as is incidental thereto;

(e) "surface mining operations" means those mining operations carried out on the surface, including strip, area strip, contour strip, or auger mining, dredging, and leaching, or any combination thereof, and activities related thereto;

(f) "open pit mining" means that surface mining method in which the overburden is removed from atop the mineral and in which, by virtue of the thickness of the deposits, mining continues in the same area proceeding predominantly downward with lateral expansion of the pit necessary to maintain slope stability and necessary to accommodate the orderly expansion of the total mining operation. For the purposes of this Act, this definition shall include caving methods and leaching activities associated with open pit mining. For the purposes of this Act, the mining of surface coal deposits, except those relating to open pit anthracite coal operations, is excluded from this definition;

(g) "mined area" means the surface and subsurface of an area in which mining operations are being or have been conducted including private ways and roads appurtenant to any such area, land excavations, workings, refuse banks, tailings, spoil banks, and areas in which structures, facilities, machines, tools, or other materials or property which result from or are used in, mining operations are situated;

(h) "operator of a mining operation" means an individual, society, joint stock company or a partnership, association, corporation, or other organization controlling or managing a mining operation;

(i) "previously mined area" means a mined area on which mining operations have been abandoned prior to the enactment of this Act or a mined area on which mining operations are abandoned subsequent to the enactment of this Act due to the impracticability of the mining operation under reclamation standards established by or under regulations pursuant to this Act;

(j) "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam;

(k) "reclamation" means the process of restoring a mined area affected by a mining operation to its original or other similarly appropriate condition, considering past and possible future uses of the area and the surrounding topography and taking into account environmental, economic, and social conditions; and

(l) "soil" means all of the overburden materials that overlay a natural deposit of minerals, organic or inorganic, and also means such overburden materials after removal from their natural state by mining operations.

SEC. 102. CONGRESSIONAL FINDINGS AND DECLARATIONS.—The Congress finds and declares—

(a) that mining operations are essential activities affecting interstate commerce which contribute to the economic well-being, security, and general welfare of the Nation;

(b) that there are mining operations on public and private lands in the Nation which adversely affect the environment by destroying or diminishing the availability of public and private land for commercial, industrial, recreational, agricultural, and forestry purposes, by causing erosion and landslides, by contributing to floods and the pollution of waters and air, by destroying fish and wildlife habitat and impairing natural beauty, by frustrating efforts to conserve soil, water, and other natural resources, by destroying public and private property, and by creating hazards to life and property:

(c) that the initial and principal continuing responsibility for developing and enforcing environmental regulations for mining operations should rest with the States;

(d) that the cooperative effort established by this Act is necessary to the prevention and elimination of the adverse environmental effects of present and future mining operations; and

(e) that it is the purpose of this Act to encourage a nationwide effort to regulate mining operations to prevent or substantially reduce their adverse environmental effects, to stimulate and encourage the development of new, environmentally sound mining and reclamation techniques, and to assist the States in carrying out programs for those purposes.

TITLE II—ENVIRONMENTAL REGULATIONS FOR MINING OPERATIONS

SEC. 201. STATE ENVIRONMENTAL REGULATIONS FOR MINING OPERATIONS.—(a) Each State, after public hearings and within two years of the date of enactment of this Act, may submit to the Secretary for review and approval or disapproval in accordance with this section State environmental regulations for mining operations on all lands within such State, except federally owned land or land held in trust by the United States for Indians. A State may at any time thereafter submit revisions to such regulations to the Secretary for review and approval or disapproval in accordance with this section. The Secretary shall approve the regulations or revision of such regulations submitted to him if in his judgment—

(1) the regulations require that, for any mining operation or mining operation activity, as defined in section 101(b), not in existence on the date of the Secretary's approval of the regulations, the operator proposing to initiate such operation or activity must obtain a permit prior to the commencement thereof from a State agency established to administer the regulations and provide that such a permit will be issued only after the operator (i) files a mining and reclamation plan describing the manner in which his reclamation activity will be conducted showing that such activity will be conducted in a manner consistent with the regulations and (ii) establishes to the satisfaction of the State agency that the operator has the physical and financial capacity to conduct his mining and reclamation activity in accordance with the reclamation plan;

(2) the regulations require operators of mining operations in existence on the date of the Secretary's approval of the regulations to obtain permits in accordance with paragraph (1) of this subsection within one year of such date, except that (i) permits issued for such operations may allow up to two years from the date of the Secretary's approval of the regulations for the operators to come into compliance wtih performance standards adopted or designated under paragraphs (b)(3), (b)(4), and (b)(5) of this section; and (ii) permits issued for such operations producing less than ten thousand tons per year of mine run material may allow departure from the performance standards for up to five years from the date of the Secretary's approval of the regulations, to the extent found by the State agency to be necessary on the basis of the small size of such operations, their significance to the local economy, and the extent of possible environmental damage;

(3) the regulations contain requirements designed to insure that the mining operation (i) will not result in a violation of applicable water or air effluent or emission standards and regulations, (ii) will control or prevent erosion or flooding, release of toxic substances, accidental subsidence of mined areas or land or rock slides, underground, outcrop, or refuse bank fires, damage to fish or wildlife or their habitat, or public or private property, and hazard to public health and safety, and (iii) will be in conformance with any State land use planning process or program;

(4) the regulations require reclamation of mined areas and that reclamation work be performed as an integral part of the mining operation and be completed within reasonable prescribed time limits and in the case of mining operations for which the Secretary has adopted performance standards, reclamation be accomplished in accordance with such standards; except that in order to encourage the reworking and reclamation of previously mined areas, the regulations may allow reclamation to depart from the specifications adopted by the Secretary pursuant to subsection (b)(3)(ii) in those individual cases where the State determines that the cost of reclamation on a previously mined area in strict compliance with such specifications is impracticable, and that the environmental quality of the entire permit area would, on balance, be clearly enhanced;

(5) the regulations allow the State agency, in order to encourage advances in mining and reclamation practices, to authorize departures in individual cases on an experimental basis from the specifications adopted by the Secretary pursuant to subsection (b)(3)(ii) of this section, if the experimental practices are potentially more or at least as environmentally protective, during and after mining operations, as those required by such specifications, and if the mining operation is no larger than necessary to determine the effectiveness and economic feasibility of the experimental practices;

(6) the regulations require posting of performance bonds or other equally appropriate financial arrangements, in amounts and upon conditions at all times sufficient to insure the reclamation of mined areas in the event that the regulations are not complied with or that reclamation is not completed in accordance with the mining and reclamation plan;

(7) the regulations provide for filing, updating, and permanent retention of engineering maps of all active surface and underground mining operations and of all inactive surface and underground mining operations for which engineering or other maps are available;

(8) the regulations provide that the responsible State agency will identify areas or types of areas in the State which, if mined, cannot be reclaimed with existing techniques to satisfy applicable performance standards adopted by the Secretary, and that the State agency will not issue permits to mine such areas until it determines that the technology is available to satisfy applicable performance standards;

(9) the regulations provide that regular reports will be made to the Secretary concerning the progress made by the State in carrying out the purposes of this title;

(10) the regulations require operators to make periodic reports to the responsible State agency, showing the progress of mining operations and of all required reclamation activities, and require regular monitoring by the State agency of environmental changes in mined areas to assess the effectiveness of the environmental regulations for mining operations;

(11) the regulations designate a single agency, or with the Secretary's approval, an interstate organization upon which the responsibility for administering and enforcing the regulations is conferred by the State or

States and will insure full participation of those agencies responsible for State land use planning and management, air quality, water quality, and other areas of environmental protection;

(12) the State agency or interstate organization responsible for the administration and enforcement of the regulations has vested in it the regulatory and other authorities necessary to carry out the purposes of this Act including, but not limited to, the authority to obtain the cessation of mining operations for violation of applicable laws and regulations adopted pursuant to this Act;

(13) the regulations were developed with full participation of all interested Federal departments and agencies, State agencies, local governments, and other interested bodies and groups;

(14) the regulations provide for regular review and updating, and for public notice and an opportunity for public participation in their revision;

(15) funding and manpower are or will be committed to the administration and enforcement of the regulations sufficient to carry out the purposes of this title;

(16) the regulations are authorized by law and will become effective no later than sixty days after approval by the Secretary;

(17) training programs will be established, as necessary, for persons engaged in mining operations and in enforcement of environmental regulations;

(18) the regulations are compatible to the maximum extent practicable with approved regulations of adjacent States; and

(19) the regulations which are developed by the State agency to meet or exceed performance standards should consider, in addition to relative degrees of environmental protection, the relative costs involved;

(b)(1) In choosing among specifications or other requirements which satisfy the performance standards in this subsection the Secretary shall consider, in addition to the relative degrees of environmental protection, the relative costs involved.

(2) The criteria set forth in subsection (a) of this section shall be further elaborated by the Secretary through guidelines which will be issued within ninety days after enactment of this Act and revised periodically as the Secretary deems appropriate.

(3) Within one hundred and eighty days after enactment of this Act, the Secretary shall by regulation adopt performance standards for the reclamation of mined areas affected by surface mining operations. Those performance standards shall include specifications that will insure (i) that mined areas will be returned, as soon as feasible, to their original contour to a contour similarly appropriate considering the surrounding topography and possible future uses of the areas; (ii) that there is no deposition of spoil material, except as necessary to the original excavation of earth in a new mining operation, on the undisturbed or natural surface within or adjacent to the mined area, and that reclamation be conducted concurrently with the mining operation; except that the State agency may allow departures from such specifications either through a State approved program pursuant to (a)(5) of this section or if the operator demonstrates that such departures will provide equal or better protection of life, property, and environmental quality; (iii) that throughout the mined area, soil conditions be stabilized and water management be conducted such that landslides are prevented, erosion is minimized, and water pollution by siltation and by acid, highly mineralized or toxic material drainage is minimized; and (iv) that the original type of similarly appropriate type of vegetation will be reestablished on the area disturbed by the mining operations as soon after the soil handling is completed as feasible. He shall revise all such performance standards periodically as necessary.

(4) Within one hundred and eighty days after the enactment of this Act, the Secretary shall by regulation adopt performance standards for the reclamation of areas affected by open pit mining, taking into consideration the unique nature of such operations. Those performance standards should insure (i) that new mined areas should be returned, to the extent feasible, to approximately their original contour or to a contour similarly appropriate considering the surrounding topography and possible future uses of the area; (ii) that, to the extent feasible, there is no permanent deposition of spoil material on undisturbed or natural surfaces within or adjacent to the mined area; (iii) that, throughout the permit area, soil conditions will be stabilized and water management conducted, such that landslides are prevented, erosion is minimized, and pollution of water, including that in water impoundments created by the mining operation, by siltation, and by acid, highly mineralized and toxic material drainage is minimized; and (iv) that, to the extent feasible, original type or similarly appropriate type vegetation will be reestablished on the disturbed land areas. He shall revise all such performance standards periodically as necessary.

(5) Within one year after enactment of this Act the Secretary shall by regulation adopt performance standards for reclamation of areas affected by underground mining operations in order to prevent, minimize, or correct environmental harm, including standards for minimizing subsidence and the continuing discharge of acid, mineralized, and toxic material drainage. He shall revise all such performance standards periodically as necessary.

(c) To advise the Secretary in developing guidelines and performance standards under subsection (b) of this section, there is established an advisory committee composed of representatives from the Departments of Agriculture and Commerce, the Environmental Protection Agency, the Tennessee Valley Authority, the Appalachian Regional Commission, the Council of State Governments, and such other representatives as the Secretary may designate. In order to insure consistency with the purposes of the Clean Air Act and the Federal Water Pollution Control Act, the Secretary shall obtain the concurrence of the Administrator of the Environmental Protection Agency in those aspects of the guidelines and regulations under subsection (b) which affect air or water quality.

(d) The Secretary shall not approve regulations submitted by a State pursuant to this section until he has solicited the views of Federal agencies principally interested in such regulations. In order to insure consistency with the purposes of the Clean Air Act and the Federal Water Pollution Control Act, the Secretary shall obtain the concurrence of the Administrator of the Environmental Protection Agency in those aspects of each State's regulations which affect air or water quality. The Secretary shall approve or reject the State regulations within one hundred and eighty days after such regulations are filed.

(e) If the Secretary approves the regulations or revision thereof submitted to him by a State for approval, he shall conduct a continuing review and evaluation of the effectiveness of the regulations and the administration and enforcement thereof. As a result of the evaluation and review the Secretary may determine that—

(1) the State has failed to enforce the regulations adequately;

(2) the State's regulations require revision as a result of experience or the guidelines on regulations issued by the Secretary pursuant to section 201(b);

(3) the State has otherwise failed to comply with the purposes of this Act.

Upon making such determination the Secretary shall notify the State and suggest appropriate action, remedies, or revisions to the regulations affording the State an opportunity for a hearing. If within a reasonable time, as determined by the Secretary, the State has not taken appropriate action as determined by the Secretary, the Secretary shall withdraw his approval of the regulations, and issue regulations for such State under section 202 of this title. After withdrawal of his approval and pending the issuance of regulations under section 202, the Secretary may administer and enforce the State regulations. Following the issuance of regulations under section 202 and while they are in effect, the Secretary is authorized to administer and enforce such regulations within such State.

SEC. 202. FEDERAL REGULATION OF MINING OPERATION.—(a) If, at the expiration of two years after the date of enactment of this Act, a State has failed to submit environmental regulations for mining operations, or has submitted regulations which have been disapproved and within such period has failed to submit revised regulations for approval, the Secretary shall promptly issue environmental regulations for mining operations within such State. The Federal regulations issued by the Secretary for a particular State shall meet the requirements of the principles set forth in subsections (a) and (b) of section 201 of this Act.

(b) Regulations under this section shall be issued pursuant to the Federal rulemaking procedures set forth in section 553 of title 5, United States Code.

(c) The Secretary may from time to time revise such regulations in accordance with the procedure prescribed in section 553 of title 5, United States Code.

SEC. 203. Where the Secretary administers and enforces the program for the State, or when the Secretary administers and enforces State regulations under section 201(e) of this title, he shall recover the full cost of administering and enforcing the program through the use of mining permit charges to be lievied against operators of mining operations within the State.

SEC. 204. TERMINATION OF FEDERAL REGULATIONS.—If a State submits proposed State regulation to the Secretary after Federal regulations have been issued pursuant to section 202 of this title, and if the Secretary approves such regulations, such Federal regulations shall cease to be applicable to the State at such time as the State regulations become effective. Such Federal regulations, as changed or modified by the Secretary, shall again become effective if the Secretary subsequently withdraws his approval of the State regulations pursuant to subsection (e) of section 201 of this title.

SEC. 205. INSPECTIONS AND INVESTIGATIONS.—The Secretary is authorized to make such inspections and investigations of mining operations and the mined areas as he considers necessary or appropriate to evaluate the administration and enforcement of any State's regulations, or to develop or enforce Federal regulations or otherwise to carry out the purposes of this Act, and for such purposes authorized representatives of the Secretary shall have the right of entry to any mining operation and into any mined areas. In order to enforce the right of entry into a specific mining operation or mined area the Secretary may obtain a warrant from the appropriate district court to authorize such entry.

SEC. 206. INJUNCTIONS.—At the request of the Secretary, the Attorney General may institute a civil action in a district court of the United States or a Federal district court of the Commonwealth of Puerto Rico, the Virgin Islands, and Guam or the High Court of America Samoa for an injunction or other appropriate order (1) to prevent any operator of a mining operation from engaging in mining operations in violation of Federal regulations issued under section 202 of this title or State regulations which the Secretary is authorized to enforce under section 201(e) of this title; (2) to prevent an operator of a mining operation from placing in commerce the minerals produced by a mining operation in violation of State regulations approved under section 201 of this title; (3) to enforce a warrant issued under section 205 of this title; or (4) to collect a penalty under section 207(a) of this title. The district court of the United States or a Federal district court of the Commonwealth of Puerto Rico, the Virgin Islands, and Guam or the High Court of American Samoa for the district in which such operator of a mining operation resides or is doing business shall have jurisdiction to issue such injunction or order.

Sec. 207. Penalties.—(a) If any person fails to comply with any regulation issued under section 202 of this title for a period of fifteen days after notice of such failure, the Secretary may order cessation of such person's mining operations and such person shall be liable for a civil penalty of not more than $1,000 for each day of continuance of such failure after said fifteen days.

(b) Any person who knowingly violates any regulation issued pursuant to section 202 of this title shall, upon conviction, be punished by a fine not exceeding $10,000, or by imprisonment not exceeding one year, or both.

(c) The penalties prescribed in this section shall be in addition to any other remedies afforded by this title or by any other law or regulation.

Sec. 208.(a) Review of the Secretary's action in (i) promulgating any standards of performance under section 201 (b)(2), (b)(3), (b)(4), and (b)(5); and (ii) approving or disapproving a State environmental regulations and standards or revision to those under section 201(a; may be had by any interested person in the circuit court of appeals of the United States for the Federal judicial district in which such person resides or transacts such business upon application by such person. Any such application shall be made within ninety days from the date of such determination, approval, promulgation, issuance, or denial, or after such date only if such application is based solely on grounds which arose after such ninetieth day.

(b) Action of the Secretary with respect to which review could have been obtained under subsection (a) of this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

Sec. 209. Research.—The Secretary is authorized to conduct or promote research or training programs to carry out the purposes of this title. In so doing, the Secretary may enter into contracts with institutions, agencies, organizations, or individuals and make grants to nonprofit organizations and collect and make available information resulting therefrom.

Sec. 210. Grants.—(a) The Secretary is authorized to make a grant to any State for the purpose of assisting such State in developing, administering, and enforcing environmental regulations under this title: *Provided*, That such grants do not exceed 80 per centum of the program development costs incurred during the year preceding approval by the Secretary and do not exceed 60 per centum of the total costs incurred during the first year following approval, 45 per centum during the second year following approval, 30 per centum during the third year following approval, and 15 per centum during the fourth year following approval, at which time the Federal grants shall cease.

(b) The Secretary is authorized to cooperate with and provide nonfinancial assistance to any State for the purpose of assisting it in the administration and enforcement of its regulations. Such cooperation and assistance may include—

(1) technical assistance and training, including provisions of necessary curricular and instructional materials, in the administration and enforcement of the State regulations or program; or

(2) assistance in preparing and maintaining a continuing inventory of mining operations and mined areas in such State for the purposes of evaluating the effectiveness of its environmental regulations for mining operations programs and identifying current and future needs of the State's activities under this Act.

Sec. 211. In extending technical assistance to States under section 210 and in the enforcement of regulations issued by the Secretary under section 202 concerning matters relating to the reclamation of areas affected by surface mining, the Secretary may utilize the services of the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, and may transfer funds to cover the cost thereof.

Sec. 212. Any records, reports, or information obtained under this Act shall be available to the public, except that upon a showing satisfactory to the Secretary by any person that records, reports, or information, or particular part thereof, to which the Secretary has access under this Act if made public, would divulge methods or processes entitled to protection as trade secrets of such person, the Secretary shall consider such record, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18 of the United States Code, except that such record, report, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.

Sec. 213. Rules and Regulations.—The Secretary is authorized to promulgate such rules and regulations as he considers necessary to carry out the provisions of this title.

Sec. 214. Authorization of Appropriations.—There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out the provisions of this Act.

TITLE III

Sec. 301. (a) The heads of all Federal departments or agencies which have jurisdiction over land on which mining operations are permitted are authorized to promulgate environmental regulations to govern such mining operations. Such department or agency heads shall issue regulations to assure at least the same degree of environmental protection and reclamation on lands under their jurisdiction as is required by any law and regulation established under an approved State program for the State in which such land is situated. Each Federal department and agency shall cooperate with the Secretary and the States, to the greatest extent practicable, in carrying out the provisions of this Act.

(b) Nothing in this Act or in any State regulations approved pursuant to it shall be construed to conflict with any of the following Acts or with any rule or regulation promulgated thereunder:

(1) the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772; 30 U.S.C. 721–740);

(2) the Federal Coal Mine Health and Safety Act of 1969 (83 Stat. 742);

(3) the Federal Water Pollution Control Act (79 Stat. 903), as amended, the State laws enacted pursuant thereto, or other Federal laws relating to preservation of water quality;

(4) the Clean Air Act, as amended (79 Stat. 992; 42 U.S.C. 1857); and

(5) the Solid Waste Disposal Act, as amended (79 Stat. 997; 42 U.S.C. 3251).

Sec. 302. Separability.—If any provision of this Act or the applicability thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

COMPREHENSIVE TEST BAN

Mr. HUMPHREY. Mr. President, the successful negotiation of a comprehensive test ban treaty must be linked to the issue of establishing an effective verification system to detect violations in the treaty.

Persons who have indicated opposition to the concept of a comprehensive nuclear test ban both in the United States and abroad fear that the provisions of the treaty would be evaded by signatory nations who might continue to hold nuclear tests clandestinely.

In the July 1972 issue of Survival, published by the International Institute for Strategic Studies, Danish nuclear physicist P. L. Olgaard addresses himself to this problem. He writes:

> In recent years developments in the field of detection seismology have been very impressive and it is now possible to establish identification criteria which, based on the information available today, seem to be positive identifiers.

I bring this article to the attention of my colleagues because it examines both the obstacles to a comprehensive test ban treaty and the methods to surmount those obstacles. As Mr. Olgaard points out, onsite inspection is not the only way to police a test ban treaty. Advances in technology have made it virtually impossible or impractical to violate a treaty without being caught.

If Mr. Olgaard's conclusions are valid, as I believe them to be, and modern technology has made evasions of a treaty unfeasible, I think that we finally can end testing of all nuclear weapons with the signing of a Comprehensive Test Ban Treaty.

Mr. President, I ask unanimous consent that Mr. Olgaard's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Verifying a Comprehensive Test Ban

(By P. L. Olgaard)

(Note.—Mr. Olgaard is a Danish nuclear physicist, Professor at the Technical University of Denmark in Copenhagen and a member of the Disarmament Commission of the Danish Government.)

In April 1969 Commissioner Tape of the United States Atomic Energy Commission (USAEC) gave a lecture entitled 'Why we test',[1] in which he outlined the reasons for continued American nuclear tests. One reason was the need for the United States to maintain a credible strategic deterrence; another was the fear that a unilateral American test ban and continued nuclear developments in the Soviet Union might lead the Russians to believe that they had obtained a first-strike capability and so destroy the credibility of the American deterrent forces.

No statement of reasons to continue testing has come from the Soviet Union, but they are probably similar to those of the United States.

There is little, if any, cause to believe that the strategic balance would be changed if one super-power were unilaterally to stop nuclear tests. It must be recognized that for political reasons neither of the two super-powers is likely to take such a step. But Commissioner Tape's reasons cannot be taken as an argument against a comprehensive test ban treaty. The conclusion of such a treaty would create a situation in which no nuclear power would be allowed to continue its tests. The credibility of nuclear deterrence would not change. Any cessation of testing, however, presupposes a comprehensive test ban treaty which contains clauses giving reasonable assurances that violations, if any, are detected. This article discusses existing control possibilities.

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[1] G. F. Tape, 'Why We Test', *USAEC Release* No. S–10–69, 1 April 1969.

SEISMIC DETECTION

The detonation of a nuclear weapon produces a violent pressure wave that moves out in the surrounding medium, extremely strong electromagnetic radiations rapidly converted into heat and a very large amount of radioactive material.

The detection of nuclear weapon explosions in the atmosphere and under water is primarily based on the detection of the pressure wave and of the resulting radioactivity. In the case of fully contained underground explosions, however, detection of radioactivity may often not be possible, since such explosions occur so far below the surface that no measurable amount of radioactivity in general escapes to the surface. Consequently, the primary mode of detection is seismic detection of the pressure wave produced by the explosion. However, other possibilities also exist.

To achieve proper control of the observance of a comprehensive test ban treaty through seismic measurements, it is not sufficient to detect the seismic signals from underground nuclear explosions. It must also be possible with reasonable accuracy to determine their geographical position. Finally, since seismic signals are also produced by earthquakes, it is essential that a seismic signal coming from an underground nuclear explosion should be distinguishable from a seismic signal coming from an earthquake. It is this problem of identification which is the most difficult to solve.

A seismic event, i.e., an underground explosion or an earthquake, makes the surrounding earth medium oscillate and these oscillations, or waves, travel through the body of the earth or along its surface. The former are called body waves and the latter surface waves. The velocity of the body waves varies with the depth under the earth's surface. As a consequence, body waves originating in a seismic event can best be detected in the area between 3,000 and 10,000 kilometres from the centre of the event. This area is called the teleseismic zone.

Body waves may also be detected at distances of up to about 500 kilometres from the centre of the seismic event. In recent years this possibility has proved to be of less interest since it only allows surveillance of very limited parts of the territories of the two super-powers, assuming that only seismic situated outside these countries are used. And the Soviet Union insists that all control in connection with a possible comprehensive test ban treaty must be exercised on a national basis; consequently, no intrusion, for example in the form of automatic seismic stations coming in from the outside, would seem acceptable to the Soviet Union.

The seismic waves are detected by means of seismographs—that is, instruments which measure the ground oscillations of movements and which are usually placed in holes in the ground. A seismic station may consist of a number of seismographs situated close to each other. Another type of station is the so-called seismic array, which consists of a number of substations, dispersed over an area with a diameter of something like 100 kilometres.

Each sub-station is provided with seismographs, and the waves registered by these seismographs are transmitted by cable to the main station, where signals from all substations are processed by an electronic computer. The American LASA station in Montana and the Norwegian NORSAR station in the southern part of Norway are examples.

The recording of the ground movements from a seismic event by use of an array or of information obtained from a number of seismic stations, situated in different geographical positions, and the subsequent processing and analysis of the signals, makes it possible to determine the position of the seismic event. The uncertainty margin is 10 to 50 kilometres. It is also possible to determine the depth under the surface of the earth at which the event occurred. Here again the uncertainty margin is 10 to 50 kilometres.

When the position of the centre of the seismic event is fixed, it is possible to determine its magnitude, which is a measure of size or strength. The magnitude of a seismic event is adjusted in such a way that it is independent of the point of detection. This means that an earthquake has the same magnitude independent of the place of detection of the seismic waves. It is important to realize that the magnitude of a seismic event depends not only on the amount of energy released by the event, i.e., on its size but also on the geological formations at the centre of the event. The dependence of the magnitude on geological conditions is very important for the seismic detection of explosions. This is shown in Table I, which gives yields of underground nuclear explosions (in kilotons) in two different media, alluvium (loose deposits of gravel, sand and/or clay) and granite, together with corresponding magnitude values.

TABLE 1.—MAGNITUDE AS A FUNCTION OF EXPLOSION YIELD

	Magnitude	
Explosion yield (kiloton)	Alluvium partly saturated)	Granite
1.0	2.8	3.6
2.5		4.0
10.0	3.7	4.6
15.0		4.75
25.0	4.0	
30.0		5.0
100.0	(4.5)	
240.0	(4.75)	
450.0	(5.0)	

Source: Seismic Methods for Monitoring Underground Explosions (Stockholm International Peace Research Institute, 1969).

Certain reservations must be made about the magnitude values given in Table 1. The magnitude value obtained from an explosion depends on the water content of the medium around the detonation point. The higher the water content, the higher the magnitude, a relation which is of special importance for alluvium. There exist several not quite identical magnitude scales, hence comparisons of magnitude values obtained from different sources must be made with care. The figures given in parentheses have been obtained by extrapolation, and are consequently somewhat uncertain.

Although the magnitude of a seismic event and the position of its centre are of considerable important to the detection of underground explosions, other properties of the recorded seismic signals than those already referred to make it possible distinguish between explosions and earthquakes, that is, to identify explosions. In this connection two different types of identification criteria are used, positive identifiers and diagnostic aids.[2]

The use of these criteria is based on the fact that when a measured seismic signal is processed mathematically in certain ways, dependent upon which criterion is used, the signal can be represented by a numerical value or a number. In the case of positive identifiers, all numbers from explosion signals will, for example, be higher than a given numerical value, while all numbers from earthquake signals will be lower than this value. Therefore, if a positive identifier can be established, an examination of the corresponding number of a seismic event easily shows whether the event was an explosion or an earthquake, depending on whether the number was higher or lower than the given value.

Diagnostic aids are also usually based on the determination from a seismic signal of a number, which is compared with a given value. However, for diagnostic aids the number of an explosion is usually, but only usually, larger than the given value, and the number of an earthquake is usually lower than the given value. Consequently it is not possible by use of diagnostic aids to determine with certainty whether the event was an explosion or an earthquake. However, with some over-simplification it can be said that it is possible to calculate the probability of an event being an explosion (or an earthquake). If the probability so calculated is 50 per cent of an explosion (and 50 per cent of an earthquake), the diagnostic aid is not very useful. If, on the other hand, the probability of an explosion is 90 per cent (i.e., 10 per cent of an earthquake), one can be almost certain that the event was an explosion.

Another type of diagnostic aid is the depth at which the seismic event occurred. If it takes place more than 50 kilometres below the surface of the earth, it cannot, for purely technological reasons, be an explosion. The geographical position may also be used as diagnostic aid. On account of the subsequent ground vibrations it is inconceivable that anybody would perform a nuclear test below, or close to, a major city.

In recent years developments in the field of detection seismology have been very impressive, and it is now possible to establish identification criteria which, based on the information available today, seem to be positive identifiers. In addition, a number of diagnostic aids have been established.

It is, however, important to realize that underground nuclear tests can only be detected and identified with certainty if the magnitude of the event is above a certain level. This threshold value is usually supposed to be about magnitude 4.75, but by the use of improved technology, for example better seismographs and extened use of computers, it is believed that the threshold value could be significantly reduced.

The detection threshold is, of course, considerably lower than the assured identification threshold. Ten years ago, Dr. Harold Brown, then Director of Defense Research and Engineering in the United States stated:

> We feel confident of our detection capability for 10 kilotons in dry alluvium. However, the violator would have to work below 3 kilotons in yield to feel relatively secure of being undetected by seismic means. These numbers have to be scaled downwards by a factor of about 10, if the medium of the tests is of harder material—like tuff, granite, or salt.[3] Today the detection threshold may well be significantly lower.

The reason for these magnitude threshold values is that a number of problems occur when very weak seismic signals are to be measured. One is the need for increased sensitivity of the seismographs used. Another is the unavoidable seismic background "noise" caused by ground vibrations from, for example, traffic, surf and winds. Also, the annual number of events to be analysed increases with decreasing magnitude value. Thus the annual number of earthquakes of a magnitude above 5 is about 1,000 (i.e., 3 per day), while the annual number of a magnitude above 4 is about 10,000 (i.e. 30 per day).

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[2] See source reference to Table I.

[3] Military Aspects and Implications of Nuclear Test Ban Proposals and Related Matters, Hearings before the Committee on Armed Services, US Senate, 1963. Part I. Statement by W. C. Foster.

Considering the rapid development of detection seismology, which has steadily improved the possibilities of distinguishing between explosions and earthquakes and has considerably reduced the analysis time of the seismic signals by the use of computers, there is every reason to expect it will be possible to distinguish between explosions and earthquakes down to a magnitude of 4, or even lower, in the not too distant future.

SATELLITE OBSERVATION

Satellite observation of the territory of the adversary will also contribute to control in connection with a comprehensive test ban treaty. First of all, it is possible to observe preparatory work connected with clandestine tests, for example, the drilling of holes, although such operations may be performed for many other purposes. Second, in the case of underground explosions in alluvium, a subsidence crater usually forms above the point of detonation. During the detonation, a cavity is formed around the detonation point and the alluvium layers above subsequently subside into the cavity. On account of the loose nature of alluvium deposits, this subsidence process continues all the way up to the surface unless the alluvium layer is extremely thick. It has been stated that in order to avoid the formation of a subsidence crater by the detonation of a 20 kiloton weapon in alluvium, the explosion must occur at a depth of 450 meters or more.[4] It is doubtful whether alluvium layers of that thickness exist. Such craters are usually not formed by detonations in hard rock, e.g. granite, but on the other hand, the possibilities of seismic detection are, in such cases, much better. Third, the detection of clandestine tests may be possible by other means, for instance, by measuring temperature increases of the surface of the earth above the point of the explosion. Infra-red optics might be used; this procedure is—at least in principle—possible on account of the very large amount of heat produced by any nuclear detonation. However, very little has been written about the practical possibilities of this method.

There is always the risk that small amounts of radioactive materials may be released by accident when underground nuclear explosions are carried out. Since even very minute amounts of radioactivity can be measured—including amounts much smaller than that representing a health hazard—there is always the risk that a clandestine explosion may be revealed by such an accidental release of radioactivity. Since the conclusion of the partial test ban treaty a small number of underground tests have released radioactivity and this release has been measured in neighbouring countries. Consequently, this form of detection is not entirely academic in possibility.

When control measures connected with disarmament agreements are discussed it seems taboo, probably for political reasons, to mention control through conventional intelligence activities, even when such control has always been used. Each country wanting to carry out clandestine test explosions in spite of a comprehensive test ban treaty would have to consider the possibility that the carrying out of such tests might leak out through conventional intelligence channels. It should also be noted that test explosions require quite an effort on the part of the country concerned, and hence a considerable number of people must be kept informed of the tests. Consequently, the risk of the adversary's finding out about the clandestine test in this manner is not to be dismissed.

It seems to be generally accepted today that it is possible to use seismic detection and identification methods to reveal any explosion of a magnitude of more than 4·75. According to Table 1, this means that all explosions in hard rock with a yield of more than around 15 kilotons and all explosions in loose geological deposits with a yield of more than 200 kilotons will be detected and identified. Concerning explosions in loose deposits, the real detection threshold is probably considerably lower, say around or below 20 kilotons, because of the formation of subsidence craters. Further improvements in seismic technique should make it possible to detect and identify even smaller nuclear explosions. Additional verification methods do exist. These may not *per se* be sufficiently effective, but they will help to deter any country from violating a comprehensive test ban treaty.

However, it will probably never be possible to be 100 per cent certain in the detection of any underground nuclear explosion. The positive identifiers so far established are based on seismic signals from a limited number of explosions (and earthquakes). Even if identification criteria have so far given numerical values for explosions which are clearly separated from the values for earthquakes, certain fundamental physical facts make it impossible for separations to be obtained with 100 per cent certainty—perhaps "only" with 95 or 99 per cent certainty. Seismic signals may occur which originate from earthquakes, but look as if they came from explosions. And the opposite may also happen. But that is not the point. What really matters is the fact that it is not possible to predict under what circumstances such "erroneous" signals occur. And so, in the case of a comprehensive test ban treaty, it would not be possible, in practice, to violate the treaty and yet remain undetected by using such "erroneous" signals as cover. The risk of being caught is quite considerable.

If a treaty is concluded, it is essential that no, or at least very few, explosions remain undetected, but it is equally important that no earthquakes should be taken as explosions in the territory of the adversary. It is therefore essential that control systems should be reasonably reliable, not only to ensure that all violations are revealed, but also—and perhaps even more important—to avoid long-drawn discussions as to whether a certain event was an earthquake or an explosion; these could strain the treaty beyond the breaking point.

EVADING A TEST BAN?

In the course of time various methods of evading a comprehensive test ban treaty have been suggested.

A test explosion may be carried out simultaneously with an earthquake and close to its centre. Provided the magnitude of the earthquake is considerably higher than that of the explosion, the seismic signal from the explosion may be blurred sufficiently by the more powerful signal from the earthquake for the explosion to be revealed. Such a method, however, is subject to important limitations. Test explosions could only be undertaken at a time when a sufficiently violent earthquake occurred. It might, therefore, be necessary, especially in the case of larger test explosions, to wait quite some time before the detonation could take place. This would mean again that only very limited test programmes could be launched using this method. Since the instrumentation of the test must be kept in continual operation until the time of the detonation, in an area with frequent earthquakes, the instrumentation might easily be damaged by ground movements.

In the case of ordinary underground nuclear tests, a hole is drilled into the ground to the desired depth, the nuclear device is lowered to the bottom of the hole, which is then refilled and sealed and the detonation follows. In order to carry out such an experiment quickly and inexpensively, the diameter of the bore hole is made as small as possible, but of course, large enough for the device and the necessary instrumentation to be lowered into the hole. The hole diameter is usually less than 1 or 2 metres.

If, instead, the explosion takes place in a sufficiently large underground cavity, the strength of the seismic signal emitted is considerably reduced. This phenomenon is called "decoupling." By using this technique, the strength of the emitted signal may be reduced by a factor up to a couple of hundred. In the magnitude scale, this corresponds to a decrease in the magnitude value roughly equal to 2. This means that an explosion, which would ordinarily have a magnitude of 5 and consequently be identified as an explosion, appears to have a magnitude of only 3 if carried out in a cavity of sufficient size. Such a detonation would hardly be detected and certainly not identified as an explosion.

It is by no means easy to excavate such cavities. If a fully decoupled test explosion of a 100-kiloton yield is to be performed 1 kilometre below the surface, the amount of material to be removed to create the necessary cavity is around 8 million tons. The diameter of the cavity is about 100 metres. If the yield of the explosion is reduced to 10 kilotons, the amount of material to be removed is reduced to some 8 million tons, still quite a considerable amount. If the detonation is carried out at a smaller depth to facilitate excavation work, the amount of material to be removed increases. The extensive excavation work to be carried out even for small explosions would involve considerable risks of detection, for example by means of satellite observations.

The simplest and cheapest method of producing such cavities would appear to be to send water through a bore hole down to an underground salt dome where the water dissolves the salt. The salt water is then pumped up to the surface. By using this method a cavity large enough for a fully decoupled test explosion of a yield of 30 kilotons can be constructed in 2 to 4 years, at the cost of about $10 million. The seismic signal from such an explosion would look like the signal from an uncoupled explosion of a yield of roughly 0-I kiloton and would therefore not be detected. The construction period of such a cavity is rather long, however, and this in turn increases the risk of detection. Again, salt domes are only found in regions which are in general aseismic, and any seismic signal from such aseismic regions would give rise to suspicion.[5]

It might be possible to avoid, or at least reduce, the excavation work by using existing underground cavities or caves. But this would be of limited value. The number of known caves of sufficient size and depth is small, and there are often cracks or tunnel systems through which radioactivity might leak out and betray the explosion.

Consequently, the practical possibilities for using the decoupling technique to test more than a few weapons of limited yields seem small. Several suggestions have been made that it would be possible to evade the control measures laid down by a comprehensive test ban treaty by making underground nuclear explosions simultaneous or almost simultaneous.

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[4] David Davies, *Seismic Methods for Monitoring Underground Explosions*, Stockholm International Peace Research Institute, 1971.

[5] *Technical Aspects of Detection and Inspection Control of Nuclear Weapons Test Ban. Hearings before the Joint Committee on Atomic Energy, US Congress* 1960. *Part I.* Statements by L. P. Meade and H. A. Bethe.

One method consists of detonating several devices, situated close to each other, with small time delays between the explosions. The purpose of this procedure is to alter the seismic signal produced in such a way as to make it appear like a signal coming from an earthquake. This method might work in connection with some identification criteria. For example, the body waves emitted can be made to look like those from an earthquake; in this way the so-called complexity criterion is invalidated. However, this criterion is only a diagnostic aid. If the signals are processed in a proper way, everything would seem to indicate that they could be identified as coming from an explosion. The practical applicability of the method, therefore, seems to be quite limited.

Another possibility consists in the simultaneous detonation of a number of devices, placed underground and situated in a circle with a radius of, say, 10 to 100 kilometres. The strategem is that, at teleseismic distances, the seismic signals received look as if they come from one big explosion in the centre of the circle, and any inspection team would consequently be misled. Since on-site inspection is not any longer in vogue, this strategem is not of particular interest, and it might not even work at all.

PEACEFUL NUCLEAR EXPLOSIONS

In recent years, interest in the use of nuclear explosions for peaceful purposes has been on the increase. Such explosions can be divided into two types: earth moving explosions intended for the construction of harbours, canals and the diversion of rivers; and underground engineering explosions.

The practical applications of peaceful nuclear explosions are still at the experimental stage. But if such explosions are to be carried out fairly often in the future, it will be very difficult to ensure that the explosions are not also used for weapon development and testing. The nuclear weapon countries are most unlikely to allow non-nuclear weapon countries the right to inspect the interior of their nuclear devices so as to ensure that weapon tests are not performed, since such a practice would help to spread knowledge of nuclear weapon design. It is equally unlikely that they will allow inspectors from adversary nuclear powers to inspect their devices, since this would be tantamount to helping these adversary powers in their own weapon designs. Effective control in this area can, of course, be obtained by banning this type of explosion. Another possibility, probably more practicable, but less effective, is to reduce to an absolute minimum the number of measurements to be performed in connection with peaceful nuclear explosions.

To some limited extent it is possible to evade a comprehensive test ban treaty, but except for peaceful nuclear explosions, such a possibility allows only a very limited number of tests per year, and the yields of the explosions must be small. A considerable risk always exists that clandestine tests are revealed. Since the technical gain from such tests is meagre, it is hardly likely that any nuclear-weapon power will run the risk of being caught violating the treaty. Should any such power find it necessary to resume testing, it would in all probability withdraw from the treaty. A similar step seems to be equally likely for any non-nuclear weapon country which might decide it would be necessary to produce its own nuclear weapons.

The only possibility of evasion which seems to present any real danger to a comprehensive test ban treaty is the peaceful use of nuclear explosives. It is consequently of extreme importance that any rules under which such explosions should be allowed (if allowed at all) be most carefully considered. If this is not done, the conclusion of an effective, comprehensive test ban treaty may well prove to be impossible.

PROGRAM FOR GIFTED AND TALENTED CHILDREN

Mr. TUNNEY. Mr. President, I have once again cosponsored S. 874 introduced by Senator JAVITS to amend the Elementary and Secondary Education Act to provide a program for gifted and talented children.

Today educational programs develop and support curriculum designed to meet the needs of what is commonly referred to as "the majority." What is overlooked in this philosophy of educating children is that "the majority" describes a statistical group and neglects to define each individual child that makes up this group. In reality by designing a system to meet the needs of a statistically defined group, "the majority," we may indeed be failing each and every member of the group—each and every one of our children.

As a country, we provide education for all of our children because we feel it is a necessity for the future of our country and our world. Every child has the right to develop to his full potential and our educational system and philosophy should guarantee this right. The gifted child in society today holds a position of limited status—he is respected by the public at large, he is envied by the parents of his peers, and he is neglected by our educational system. Society and educators alike expect him to be able to cope with his environment because of his special abilities; he is expected to succeed in spite of us rather than because of us.

The gifted child is just like any other child in our society—he is a human being. Just because he is different from other children, different from "the majority", doesn't entitle him to any more than any other child in our educational system, but conversely it does not entitle him to any less.

Today an equal philosophy of education means that both teaching and learning should be directed toward meeting the needs of the individual child. We must strive to strengthen each child in the areas each needs most. In meeting the needs of the gifted child in this country we must create new programs that cut across cultural and economic barriers, programs that bridge the gap between the rich and the poor, between urban and rural, and between slum and suburb: programs that are directed toward meeting the individual needs special to these children.

It is to these needs that the legislation I cosponsored is directed. The legislation is designed to serve those children who have special abilities, the development of which requires activities or services not ordinarily provided by local educational agencies.

First, the legislation would establish a national clearinghouse on gifted and talented children to obtain and disseminate information on education, counseling and identification. Identification of gifted and talented children, as I see it, is an area of major concern and emphasis. I have been informed by experts that restandardizations of current IQ tests would not measurably increase their effectiveness in the identification process. Present measures now fail to locate half of the gifted and talented in our population. I urge educators to start now in developing and instrumenting innovative techniques to attempt to assure the recognition of gifted children, particularly among ghetto youngsters. There is grave reason to believe that existing unfavorable environments—cultural or social, hostile to learning—may result in a substantial failure to discover and develop latent talent among minorities.

For example, in Illinois a standardized test as sole indicator of talent has been abandoned. In any identifiable minority subgroup they take the top 5 percent of that subgroup, whatever their scores were, and treat them as a gifted and talented population. This sometimes amounted to having youngsters of IQ 115 in a talented and gifted group, instead of an IQ of 130. However, to obtain an IQ of 115 under the circumstances and environment, that prevailed, is a substantial accomplishment in itself. This provision of the legislation, as I see it, can aid in the preservation of talent in the same sense that we are trying to preserve our environment and thus rescue children from environmentally "polluted" areas.

Secondly, the bill will authorize funds to States for educational programs for gifted and talented children from preschool through high school. The funds would be allocated to States on the basis of population between the ages of 3 and 18. In addition, 15 percent of the appropriations would be reserved for special project grants outside of the State allocation formula. This will allow for creative projects such as those now existing and under consideration by the exceptional child services department in many school districts.

Thirdly, the bill will authorize funds for the training of personnel for the education of the gifted and talented youth. One of the most important and complex areas of educational quality involves the training and the selection of teachers to work with these exceptional children.

Lastly, funds will be authorized for research and demonstration projects for the education of gifted and talented children. Under this area there must certainly be more attention received than in the past in the specific nature of planned curriculum changes for working with the gifted and talented. These children can understand ideas and concepts beyond that of the average child. They can see linkages between ideas. They have a greater capacity for original thought. What then does this mean for curriculum in mathematics, in the arts, in the sciences, and so forth? There has not been anough existing experimental curriculum adventures based upon these distinctive talents of these distinctive youngsters. This bill could establish the opportunity for curriculum development projects that could become major stimuli for improved program changes in all areas of education.

This is not the first time funds have been proposed or appropriated to meet these recognized existing needs under legislation for exceptional children, but too often, the gifted child is defined as the lowest priority and such funds are non-existent long before his level of priority is ever reached. We must not let this happen again. The gifted child is considered exceptional, not because of his giftedness alone, but because of the special problems he faces as an individual. The gifted child suffers social and emotional problems that are real and grave, not only to his mental health, but also to his ability to function as a part of our social system. Society overemphasizes the academic ability of the gifted child. His brightness is easy to identify and to instruct; it is, however, his social and emotional makeup that contribute to his self-value, which must be taken into account by society and educators alike. We must have programs and legislation alike that concentrate on the gifted child as a whole person with his own special problems that must be recognized as well as solved.

The gifted child is not a miniature adult, and we must not treat him as one, either in our society or in our educational system; rather we must provide the best possible environment both socially and educationally in which he can grow and develop—learning from, as well as enjoying, his childhood. Every child must be allowed to be a child! Today in this age of science we seem to want to relate every child to a hypothetical group that forms a neat, normal curve; but it is the child himself, the why and the how of his behavior that makes him an individual who can never be adequately or completely described by a test or a number. A child is not a symbol but a real person interacting with his environment; he has real needs and real problems; the goals of educators and legislators must be to help the individual child to be understood for his uniqueness rather than categorized for his sameness.

What then is the answer? Many idealists in education have written about the system—change the system, and the problems for all children, including the gifted, will be solved. I find the ideas interesting but far from inspiring. I most definitely agree with the premise that "every child, every person, can delight in learning." The educational system should use every means at its command to make learning, as well as school itself, an intrinsically rewarding and joyful adventure. I agree also that learning should and must be life-long, that joy in learning can aid joy in life. It definitely is the responsibility of every person, parent or teacher, to aid each child to attain a level through school where learning in life is a pleasure.

As long as teachers are human, they will be imperfect just as education itself will be imperfect. Each teacher, parent and child must work toward the ideal knowing that joy is only defined because of sorrow, happiness only known through unhappiness, good exists only in relation to bad. Emotions in extremes are necessary for learning enjoyment in life; is it possible to explain to a child the meaning of hot without his ever feeling something hot and then what is hot without its opposite cold? Learning is exciting because sometimes it is ordinary and sometimes it is insightful. Is it possible to define any act of learning as joyful or ectasy if one has never known boredom? Learning for every child must be more than just knowledge.

At this point I would like to refer to Nietzche to remind us all: "The surest way to corrupt a youth is to teach him to esteem more highly those who think as he does than those who think differently."

Too long has the gifted child been impersonally looked at as a natural resource to be developed for society and then exploited by society. Children—all children—are not inanimate objects because their abilities are not finite, not limited; rather their abilities are limitless in the development of the mind. Gifted children must never be referred to as objects for society—objects which can do things we want done, done in the way we dictate, done to meet our expectations. Rather society must cultivate what our children want, what our children need as individuals in our society.

We can talk about freedom—freedom of choice, unstructured classes and curriculum in education, but until we also allow our children the freedom to be themselves, we are defeating our own purposes as well as the purposes of the new progressive education itself. All children must be free to accept or reject what we as parents, educators and legislators feel is best for them after we have given them the necessary information with which to make their own decision. But more important, if freedom is going to be more than just a meaningless word in their vocabulary, whether we agree or not, we must be prepared to accept their decision. Otherwise the progressive education and legislation are meaningless; merely old ideas rewritten using new terms.

I have heard it said that by neglecting our gifted children we might be losing vast creative potential that could solve problems like manned space flights to Mars and beyond; find solutions to air pollution and overpopulation. I have heard it said that the gifted child trained and educated could develop his creative potential, producing a Nobel Prize winner. I ask, do we have to try to create an Einstein, a Frank Lloyd Wright, a Charles Eames, a Van Cliburn or a Bobby Fischer? I say let us provide the funds, the facilities, the programs, the teachers for the gifted and talented children—then let us let the children be individuals and make their own decisions, live their own lives, find their own success, their own joy.

I ask unanimous consent that the text of the bill be included as part of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Elementary and Secondary Education Act of 1965 is amended by redesignating title VIII and references thereto as title X, and by renumbering sections 801, 803, 805, 807, 808, 809, 810, and 811, and references thereto, as sections 1001 through 1008, respectively, and by inserting after title VII thereof the following new title:

"TITLE VIII—GIFTED AND TALENTED EDUCATION ASSISTANCE

"PART A—GENERAL PROVISIONS

"SHORT TITLE

"SEC. 801. This title may be cited as the 'Gifted and Talented Children's Educational Assistance Act'.

"PURPOSE

"SEC. 802. It is the purpose of this Act to assist State and local educational agencies to develop special educational programs for gifted and talented children and youth.

"PART B—ADMINISTRATION AND INFORMATION

"ADMINISTRATION

"SEC. 811. The Commissioner shall designate an administrative unit within the Office of Education to administer the programs and projects authorized by this Act and to coordinate all Federal programs for gifted and talented children and youth.

"NATIONAL CLEARINGHOUSE ON GIFTED AND TALENTED CHILDREN AND YOUTH

"SEC. 812. (a) The Commissioner shall establish independently or locate in an existing clearinghouse the National Clearinghouse on Gifted and Talented Children and Youth (hereinafter referred to as the 'clearinghouse'). The clearinghouse shall obtain and disseminate to the public information pertaining to the education of gifted and talented children and youth. The Commissioner is authorized to contract with public or private agencies or organizations to establish and operate the clearinghouse.

"(b) There is authorized to be appropriated for the establishment and operation of the clearinghouse $1,000,000 for the fiscal year ending June 30, 1974, and for each of the two succeeding fiscal years.

"PART C—ASSISTANCE TO STATES FOR EDUCATION OF GIFTED AND TALENTED CHILDREN AND YOUTH

"GRANTS AUTHORIZED

"SEC. 821. (a) The Commissioner is authorized to make grants pursuant to the provisions of this part for the purpose of assisting the States in the initiation, expansion, and improvement of programs and projects (including the acquisition of equipment) for the education of gifted and talented children and youth at the preschool, elementary, and secondary school levels.

"(b) For the purpose of making grants under this part there is authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1974, $60,000,000 each for the fiscal year ending June 30, 1975, and for the succeeding fiscal year.

"ALLOCATION OF FUNDS

"SEC. 822. (a) (1) From 85 per centum of the amount appropriated pursuant to section 821 for any fiscal year the Commissioner shall, after reserving the amount required by paragraph (2) of this subsection, allot to each State an amount which bears the same ratio to such amount as the number of children aged three to eighteen, inclusive in the State bears to the number of such children in all the States, except that no State shall be allotted less than $50,000. For purposes of this subsection, the term 'State' shall not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

"(2) For each fiscal year for the purposes of this paragraph the Commissioner shall reserve an amount equal to not more than 3 per centum of the amount to be allotted for such year under paragraph (1) of this subsection. The Commissioner shall allot the amount reserved pursuant to this paragraph among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs.

"(b) The number of children aged three to eighteen, inclusive, in any State and in all the States shall be determined, for purposes of this section, by the Commissioner on the basis of the most recent satisfactory data available to him.

"(c) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reallotment, from time to time and on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly realloted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

"(d) Fifteen per centum of the sums appropriated pursuant to section 821 for each fiscal year shall be used by the Commissioner to make grants to or contracts with public or private agencies or organizations for the establishment and operation of model projects for the identification and education of gifted and talented children and youth, including career education, bilingual programs, programs for the handicapped, programs for the disadvantaged, and development of community resources.

"STATE PLAN

"SEC. 823. (a) Any State which desires to receive grants under this part shall submit to the Commissioner through its State educational agency a State plan in such detail as the Commissioner deems necessary. Each such plan shall—

"(1) provide satisfactory assurance that funds paid to the State under this part will be expended, either directly or through local educational agencies, solely to initiate, expand, or improve programs and projects, including preschool programs and projects, (A) which are designed to meet the special educational and related needs of gifted and talented children and youth throughout the State, (B) which are of sufficient size, scope, and quality (taking into consideration the special educational needs of such children) as to give reasonable promise of substantial progress toward meeting those needs, and (C) which may include the acquisition of equipment. Nothing in this part shall be deemed to preclude two or more local educational agencies from entering into agreements, at their option, for carrying out jointly operated programs and projects under this part;

"(2) provide for proper and efficient State administration (including State leadership activities and consultive services) and for planning on the State and local level, and provide evidence that a person knowledgeable about the educational needs of gifted and talented children and youth is employed in a full-time capacity to administer and coordinate the programs and activities authorized by this part;

"(3) provide satisfactory assurance that the control of funds provided under this part, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property;

"(4) set forth policies and procedures which provide satisfactory assurance that Federal funds made available under this part will be so used as to supplement and, to the extent practical, increase the level of State, local, and private funds expended for the education of gifted and talented children and youth, and in no case supplant such State, local, and private funds;

"(5) provide that effective procedures, including provision for appropriate objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of the programs in meeting the special educational needs of, and providing services for, gifted and talented children;

"(6) provide that the State educational agency will be the sole agency for administering or supervising the administration of the plan;

"(7) provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, including reports of the objective measurements required by paragraph (5) of this subsection, and provide for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(8) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the State, including any such funds paid by the State to local educational agencies;

"(9) provide satisfactory assurance that effective procedures will be adopted for acquiring and disseminating to teachers and administrators of gifted and talented children and youth significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practical practices developed through such projects; and

"(10) provide satisfactory assurance that, to the extent consistent with the number and location of gifted and talented children and youth in the State who are enrolled in private elementary and secondary schools, provision will be made for participation of such children in programs assisted or carried out under this part.

"(b) The Commissioner shall not approve a State plan or a modification of a State plan under this part unless the plan meets the requirements of subsection (a) of this section.

"PAYMENTS

"SEC. 824. From the amounts allotted to each State under section 822 the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"ADMINISTRATION OF STATE PLANS

"SEC. 825. (a) The Commissioner shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State agency administering the plan reasonable notice and opportunity for a hearing.

"(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

"(1) that the State plan has been so changed that it no longer complies with the provisions of section 823; or

"(2) that in the administration of the plan there is a failure to comply substantially with any provisions, the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this part until he is satisfied that there is no longer any such failure to comply.

"JUDICIAL REVIEW

"SEC. 826. (a) If any State is dissatisfied with the Commisioner's final action with respect to the approval of its State plan submitted under section 823(b) or with his final action under section 825(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Commissioner if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"PART D—TRAINING OF PERSONNEL FOR THE EDUCATION OF GIFTED AND TALENTED CHILDREN AND YOUTH

"TRAINING GRANTS

"SEC. 831. The Commissioner is authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to public or other nonprofit institutions of higher learning, a program for training personnel engaged or preparing to engage in educating gifted and talented children and youth or as supervisors of such personnel.

"LEADERSHIP PERSONNEL TRAINING

"SEC. 832. The Commissioner is authorized to make grants to public or other nonprofit institutions of higher learning and other appropriate nonprofit institutions or agencies to provide training to leadership personnel for the education of gifted and talented children and youth. Such leadership personnel may include, but are not limited to, teacher trainers, school administrators, supervisors, researchers, and State consultants. Grants under this section may be used for internships, with local, State, or Federal agencies or other public or private agencies or institutions.

"APPROPRIATIONS AUTHORIZED

"SEC. 833. For the purposes of this part there is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $25,000,000 for the fiscal year ending June 30, 1976. At least 50 per centum but no more than 75 per centum of the annual appropriation for this part shall be expended for section 831 in each fiscal year.

"PART E—RESEARCH AND DEMONSTRATION PROJECTS FOR THE EDUCATION OF GIFTED AND TALENTED CHILDREN AND YOUTH

"PROGRAM AUTHORIZED

"SEC. 841. (a) The National Institute of Education is authorized to (1) conduct, (2) make grants to States, State or local educational agencies, public and nonprofit private institutions of higher learning, and other public or nonprofit private educational or research agencies, for and (3) enter into contracts with States, State or local educational agencies, public and private institutions of higher learning, and other public or private educational or research agencies and organizations for, research and related purposes, relating to the education of gifted and talented children and youth.

"(b) As used in this section, the term 'research and related purposes' means research, research training, surveys, or demonstrations in the field of education of gifted and talented children and youth, or the dissemination of information derived therefrom, or all of such activities, including (but without limitation) experimental and model schools.

"APPROPRIATIONS AUTHORIZED

"SEC. 842. For the purposes of this part there is authorized to be appropriated to the National Institute of Education $14,000,000 for the fiscal year ending June 30, 1974, $16,000,000 for the fiscal year ending June 30, 1975, and $18,000,000 for the fiscal year ending June 30, 1976."

THE INDIAN SUBCONTINENT

Mr. CHURCH. Mr. President, there is good news from the Indian subcontinent. It appears that the deadlock over the exchange of prisoners and private persons now located in Pakistan, India, and Bangladesh is beginning to break.

As long as the United States, the Soviet Union, and China stay out of the area's military and political problems, the chances for peaceful resolution remain good.

Unfortunately, as has been our habit since 1954, the United States restarted transferring arms, ammunition, implements of war, and technical data relating thereto, to Pakistan last month. Such a foreign input is unnecessary and insensitive; it is an irritant to peace and stability. The best policy for the United States toward all the countries of South Asia is a total arms ban on federally funded arms and weapons, a policy I have advocated via legislation for the past 2 years.

I ask unanimous consent that several articles related to development in the Indian subcontinent be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 18, 1973]

INDIA AND BANGLADESH OFFER PLAN FOR END OF DEADLOCK OFFER ON PRISONERS

(By Bernard Weinraub)

NEW DELHI, April 17.—India and Bangladesh, seeking a breakthrough in the political deadlock on the subcontinent, announced a joint initiative today that seeks the return of most Pakistani prisoners of war.

After four days of private talks in New Delhi, the two Governments called for a "simultaneous repatriation" of prisoners in India, Bangladesh and Pakistan. The three-way exchange would involve most of the 90,000 Pakistani prisoners and civilians held in India as well as the 175,000 to 200,000 Bengalis in Pakistan and about 260,000 non-Bengalis in Bangladesh.

[In Rawalpindi, Pakistan, official sources welcomed the announcement but would not comment further on its acceptability, Reuters reported.]

Today's announcement marked a fundamental shift in Bangladesh's policy toward Pakistan, which lost the war with India in December, 1971, that resulted in the creation of Bangladesh, formerly East Pakistan.

Sheik Mujibur Rahman, the Bangladesh Prime Minister, has said repeatedly that he would not agree to release the prisoners, held under joint Indian and Bangladesh command, until Pakistan recognized Dacca. Today's declaration brushed aside the question of recognition, saying that India and Bangladesh "are resolved to continue their efforts to reduce tension, promote friendly and harmonious relations in the subcontinent and work together toward the establishment of a durable peace."

Although the announcement was considered a major step toward solving the bitter stalemate on the subcontinent, the conditions involved stirred uncertainty about a firm agreement between India and Bangladesh, on the one side, and Pakistan on the other.

Two key questions are unresolved. One is the issue of war-crimes trials of Pakistani soldiers accused of murdering Bengali civilians. The other is the fate of the non-Bengali Bihari population in Bangladesh, a minority that Sheik Mujib wants to evict but Pakistan seems reluctant to accept.

PROBLEM FOR BHUTTO

Today's announcement was vague on both issues. "The two Governments," it said, "are ready to seek a solution to all humanitarian problems through simultaneous repatriation of the Pakistani prisoners of war, and civilian internees, except those required by the Government of the People's Republic of Bangladesh for trial on criminal charges, the repatriation of Bengalis forcibly detained in Pakistan and the repatriation of Pakistanis in Bangladesh, i.e., all non-Bengalis who owe allegiance and have opted for repatriation to Pakistan."

With Bangladesh committed to war-crimes trials—and with reports today from Dacca that 195 to 200 Pakistanis are scheduled to be tried before a tribunal at the end of next month—it was uncertain how the Pakistani Government would react to any possible agreement with India and Bangladesh as long as criminal trials were publicly held.

The problem is especially delicate because President Zulfikar Ali Bhutto of Pakistan has been under increasing domestic political pressures from militant Opposition figures who decry any accommodation with India and Bangladesh.

The Biharis of Bangladesh are another fundamental—and unsolved—problem. The non-Benglai Moslem minority, numbering 600,000 to 900,000, are scorned in Bangladesh because many of them collaborated with the Pakistani Army in 1971 during the violent nine-month occupation aimed at crushing the Bengali independence movement.

INDIA SEEKS SOLUTIONS

Sheik Mujib has said that a Government poll indicated that 260,000 Biharis wanted to go to Pakistan while 150,000 wished to stay in Bangladesh. Although the figures are far below the actual number of Biharis in Bangladesh, President Bhutto has indicated that the Pakistani Government was reluctant to accept even 260,000 Biharis.

How this would affect today's proposal on prisoners is unclear. The joint announcement, made in New Delhi and Dacca, came after meetings here between Dr. Kamarl Hussain, the youthful Bangladesh Foreign Minister, and Indian officials, including Prime Minister Indira Gandhi.

In recent months Mrs. Gandhi and her advisers had grown increasingly uneasy and embarrassed over the international reaction to holding the Pakistani prisoners, a deadlocked issue for nearly 16 months. Since Sheik Mujib's landslide election victory last month Indian officials have sought to unravel the Bengali position over prisoners and work out a joint strategy to deal with Pakistan.

Pakistan has charged that the prolonged detention of the prisoners on political grounds was in direct contradiction to the Geneva convention, which stipulates that war prisoners must be released without delay after hostilities end.

India maintained that since the prisoners surrendered to a joint military command, Bangladesh must agree before they are freed. And Bangladesh insisted that this could not take place until Pakistan recognized Dacca. President Bhutto, in turn, has said that talks must first take place with Bangladesh over mutual problems, such as Pakistan's prewar financial debt, before formal recognition takes place.

PAKISTAN IS CAUTIOUS

RAWALPINDI, PAKISTAN, April 17.—Official sources welcomed today's announcement of an initiative to break the diplomatic deadlock on the subcontinent, but would not comment on its acceptability.

They said the reported offer of India and Bangladesh to release most prisoners of war in exchange for the return of Bengalis from Pakistan and the acceptance of Pakistan of Biharis was a forward move. But they declined to comment on the acceptability of the package, which contains items Pakistan has rejected in the past.

A Government spokesman refused to say anything about the offer until officials had studied the text of the declaration.

According to reports from New Delhi, the offer applies to all Pakistani prisoners except those wanted for trial on charges of war crimes allegedly committed during 1971.

President Zulfikar Ali Bhutto has warned that such trials would constitute a "point of no return" in his gradual move toward recognition of Bangladesh. Government spokesmen here have also made clear, that the Urdu-speaking Biharis of Bangladesh would not be welcome in Pakistan.

[From the Washington Post, Apr. 18, 1973]

INDIA, BANGLADESH OFFER PAKISTAN POW TRADE

NEW DELHI, April 17.—India and Bangladesh today offered Pakistan an exchange involving about half a million people, including most of the 90,000 Pakistani prisoners of war that India has held for 16 months.

The proposal would require Pakistan to accept from Bangladesh more than 250,000 non-Bengalis of the Bihari minority, something it has been reluctant to do, in exchange for the repatriation of the Pakistani prisoners. Pakistan would also release 157,000 Bengalis stranded there by the December 1971 war. The exchanges would be simultaneous.

Some 195 Pakistani prisoners, however, will not be released, according to an announcement today by the Bangladesh government. These will be tried by a special war-crimes tribunal in Dacca before the end of May. Pakistan has opposed such trials.

The exchange proposal was the first time that India and Bangladesh have offered to release the Pakistani prisoners without Pakistan's prior recognition of the Dacco government of Prime Minister Sheikh Mujibur Rahman.

The declaration reaffirmed that Bangladesh would not hold talks with Pakistan until Pakistani President Zulfiqar Bhutto recognizes Bangladesh, but the exchanges would not require that talks be held.

The prospects of Pakistan's agreeing to the proposal appeared slim, however.

Official Pakistani sources in Rawalpindi today welcomed the India-Bangladesh initiative to break the diplomatic deadlock in the Subcontinent, but they would not comment on its acceptability until they had studied the text of the declaration.

An Indian Foreign Ministry official described the package deal as "a take-it-or-leave-it offer." He said Pakistan's response must reflect "totality, uniformity and speed." In other words, he said, Bhutto must accept all provisions of the proposal and do it quickly.

He said the text of the declaration has been handed to the Swiss embassy for transmission to Pakistan. India has had no diplomatic relations with Pakistan since the 1971 war which resulted in the creation of Bangladesh, which had formerly been East Pakistan.

The declaration was issued after four days of talks between the foreign ministers of India and Bangladesh, Swaran Singh and Kamal Hossain.

Admission of the Biharis into Pakistan is the most difficult aspect of the proposal for Bhutto to accept. He has said several times that the Biharis are the responsibility of Bangladesh. Most of them lived in the territory that was East Pakistan after the Subcontinent was partitioned in 1947.

The Bengalis accused the Biharis of collaborating with the Pakistan army and administration against the Bengali secessionist movement before and during the 1971 war. Since the war ended, more than 300,000 of them have been confined to internment camps in Bangladesh.

In Islamabad, a Foreign Office spokesman said Saturday that the Urdu-speaking Biharis in Bangladesh have the right to stay there, and that their "option" in favor of moving to Pakistan could not be taken seriously. Their case could not be equated with that of Bengalis stranded in Pakistan, he said.

Meanwhile, the Pakistan government today announced that permits for 11,000 Bengalis to leave Pakistan have been deposited with the International Committee of the Red Cross in Islamabad.

There was no reaction in Islamabad, however, to the Bangladesh announcement of a war-crimes tribunal.

A Pakistan government source said yesterday that if Bangladesh went through with its plans for war-crimes trials, Pakistan would try a number of Bengali military officers and civil servants for treason.

Today's announcement by Bangladesh Foreign Minister Hossain said the government has charged the Pakistan prisoners with genocide, war crimes, crimes against humanity and breaches of the Geneva convention on warfare, murder, rape and arson.

The Bangladesh government claims that 3 million people were killed by the Pakistani army and 200,000 Bengali women raped during the Pakistan army crackdown on the civilian population in the former eastern wing of Pakistan.

The foreign minister said international jurists would be invited to the trials, and the defendants would be allowed legal representation if they liked, including foreign lawyers.

[From the Christian Science Monitor, Apr. 10, 1973]

A BREAKTHROUGH IS HINTED IN INDO-PAK EXCHANGES

(By Razia Ismail)

NEW DELHI.—A repatriation exchange of "wives and children" is rapidly shaping up between Pakistan and Bangladesh.

Sudden fresh impetus for this first step in breaking the diplomatic deadlock over settlement of Bangladesh independence war issues came from two directions during the past few days.

First came the dispatch of India's special emissary, P. N. Haksar, for high-level talks with Bangladesh leaders in Dacca.

Now comes a radio announcement by the Pakistan Government that it will issue exit permits to 15,000 Bengali detainees within a week.

Although Pakistan's motivation in the timing of its announcement is a matter of some speculation in New Dehli, it is nevertheless being accepted by many as an important conciliatory gesture.

TALKS REPORTED FRUITFUL

Coupled with reports from Dacca that the talks are going well between Mr. Haksar and the Bangladesh Prime Minister, Sheikh Mujibur Rahman, there is cautious optimism that a breakthrough is near.

What further India-Bangladesh initiatives may emerge from the Dacca talks is anybody's guess.

India has been ready for some time to release the Pakistan wives and children it holds. The two core issues—recognition of Bangladesh independence by Pakistan, and return of Pakistani POWs by Bangladesh—remain to be resolved before the subcontinent can achieve a full postwar settlement.

But civilian repatriation has long been accepted as the logical first step. India and Bangladesh first offered early last November to return the family members (wives and children) of all Pakistani POWs and civilian prisoners. A complete list of 6,503 names was sent to Pakistan.

REDTAPE HAD PREVAILED

In response, the Islamabad government offered to release 10,000 women and children from among the more than 200,000 Bengalis living in Pakistan, who have become virtual prisoners while they await repatriation of their newly independent Bengal homeland, Bangladesh. The number to be let go was later increased to 15,000 during the conciliation efforts of UN Secretary-General Kurt Waldheim.

But the exchange proposals had seemed hopelessly mired in red tape and mutual recriminations—until events of the past few days.

Further steps are still needed.

In addition to depositing exit permits with the International Red Cross, the Pakistan Government indicated it will transport the 15,000 repatriates to the border. But it did not say which border.

SHIP TRANSIT FAVORED

Bangladesh reportedly favors their being sent by ship directly from Karachi to Chittagong, since most in the group are destitute and overland travel would be a problem for them. On the other hand, if they are to be sent overland through India, New Delhi has made it clear that all facilities will be provided to take them to Bangladesh.

Meanwhile, the 6,503 Pakistani wives and children in Indian protective custody are ready to leave at short notice. All arrangements for their repatriation are complete at the New Delhi end.

It is up to Pakistan and Bangladesh to decide what happens next.

What is most important just now is that a workable system of negotiation is in the process of being established. If it can work to bring about this first exchange of wives and children, then it becomes a proven and ready tool for tackling the other issues.

It could become the basis for long-range stability in the region.

OUTSIDE OFFICES UNWELCOME

Spurred by a strong aversion to any possible "meddling" by the big powers, India has been striving vigorously to establish and protect a system of direct negotiations between "the countries concerned"—bilateralism—as the only way to bring a durable peace to the subcontinent.

Rumors that either China or the United States might soon be offering their good offices in the current dispute were not received with favor here.

It is all right to have personal conciliation efforts by the UN Secretary-General, or by a nearby friend like Indonesian Foreign Minister Adam Malik. They are appreciated.

But not the heavier hand of a superpower. It could undermine the region's independence and hopes for stability.

In a speech to Parliament April 5, Indian Foreign Minister Swaran Singh came out strongly against "any third-party intervention."

PREVIOUS GAINS NOTED

The Simla agreement establishing the basis for a peace settlement in the region was achieved without outside "intervention." The India-Pakistan dispute over the Jammu Kashmir border and the exchange of prisoners captured in the fighting there was settled through "bilateral" negotiations.

India is determined that the rest of the peace settlement be achieved in the same manner.

[From the New York Times, Apr. 3, 1973]

BENGALIS HELD IN PAKISTAN LONG FOR HOME

(By Bernard Weinraub)

KARACHI, PAKISTAN, April 2.—They are huddled in the straw shacks of Musa Colony, in guarded military camps, in bare city apartments where families sit in lonely anguish.

"We are like birds in a cage," said a 48-year-old doctor in an empty room in Islamabad, Pakistan's capital. "We have sold everything—the fridge, the furniture, the carpets, the beds, the car. Our money is gone. We are without hope."

In Karachi, a former city planner said in a tremulous voice: "We are sinking and we don't know the end of the abyss. In a year I have grown old. Look at me. My hands shake. I can't sleep. I have lost weight. I am 43 and I am an old man now."

Sixteen months after the emergence of Bangladesh, formerly East Pakistan, the Bengali community here is stranded and terrified. "We don't belong here and we don't want to stay here," said a former Bengali professor at the University of Karachi. "We want to go to Bangladesh, but we are pawns, we are hostages. What crime have we commited? What have we done?"

There are 175,000 to 200,000 Bengalis in Pakistan, a minority that includes 40,000 military personnel and their families in 16 guarded camps around the country. Before the division of Pakistan in December, 1971, the eastern wing was dominated by Bengalis and the western wing controlled by Punjabis. What tenuously linked the nation—which was separated by 1,000 miles of Indian territory—was the common tie of the Moslem religion.

Racially and ethnically, however, the people of the two wings are radically different. They eat different foods (grain and meat in the west, fish and rice in the east) speak different languages (Urdu in the west, Bengali in the east) and have maintained opposite cultures. The Punjabis of West Pakistan—often tall and light-skinned—prefer soldiering, and the wild natural life. The volatile Bengalis—lithe and dark—are fond of literature and philosophic and political argument. The two groups, despite their religious tie, are bitterly resentful of each other.

At the outbreak of the war, the Bengalis in the west included former senior and middle-level civil servants who worked as teachers, doctors, economists and policemen. There were also businessmen and low-income workers such as factory employees, cooks, servants and street hawkers who had lived in the west for years.

Virtually all the Bengalis have now lost their jobs. Their schools have been closed in Karachi—the port city with nearly 100,000 Bengalis—leaving 15,000 students without classes for the last year. The communities in Karachi and Islamabad are in the grip of despair, anger and wild rumor.

Compounding the fears, there are even hints that Bangladesh, despite the rhetoric welcoming the Bengalis from Pakistan, is now hesitant about a large influx. The reasons vary: the fear of infiltrators who could spur unrest, the addition of thousands of unskilled laborers, the flow of civil servants who will expect their old jobs back and thus create friction with younger officials. Moreover, the release of Bengali soldiers to Bangladesh could lead to demands to create a Bangladesh army, which could cause strains with India.

Nevertheless, the Bengalis of Pakistan, are insistent about leaving. "All we want to do is go to Bangladesh, our home," said a 39-year-old former police official from Lahore. "We are in an alien country. Friends ignore us. No one looks at my wife in the market. Even in the mosque people don't look at us."

Near Musa Colony, a vast Bengali slum in north Karachi, a 28-year-old doctor said quietly: "Many Bengalis in this city were senior people. To suddenly feel this isolation, this insecurity, this deprivation is a powerful shock. Suddenly we have become nonentities. We Bengalis must leave."

What makes their plight especially uncertain now are the war-crimes trials promised by the Bangladesh Prime Minister, Sheik Mujibur Rahman. Relief workers as well as Bengalis fear that the trials of Pakistani soldiers, for the wanton murder of civilians during the war, could lead to bloody reprisals against the Bengalis here.

"The atmosphere is emotional enough now and can get very ugly with the trials," said one British relief worker who, like most Western officials and Bengalis here, declines to have his name published. "The Bengalis are justifiably scared because they're the most obvious and convenient scapegoat."

The Bengalis themselves are key elements in the macabre deadlock between India, Pakistan and Bangladesh. Pakistan's President, Zulfikar Ali Bhutto, refuses to recognize Bangladesh until Sheik Mujib meets him, to discuss prewar financial debts, and until the repatriation of the 90,000 Pakistani prisoners of war, now held in India.

Sheik Mujib will neither meet President Bhutto nor agree to the release of the prisoners until Pakistan recognizes Bangladesh. And India will not return the prisoners until Sheik Mujib agrees to it, since the prisoners are under a joint Indian-Bangladesh command.

In this bitter deadlock, the Bengalis here are, in effect, hostages for the prisoners of war.

So far, Pakistan has tentatively agreed to release 15,000 Bengalis, mostly women, children and the unskilled. Their processing is being handled by the International Committee of the Red Cross. But the situation has now turned murky and complex because, according to relief officials, Bangladesh has been cool to this initial influx. In fact, the 15,000 applications processed in December have been returned by the Dacca Government.

"They said they wanted more information and we had to start the procedure all over again," said one harried official. "They wanted two photos of the applicant, not one. They then wanted photos of the wife and children and they wanted to know the occupation of the father of the applicant as well as the applicant.

"Everything was ready and there was always something else to delay," said the relief official. At present the Bengalis are being assisted by an organization called the inter-Aid Committee. It includes the Roman Catholic Archdiocese here, Catholic social services and the Church of Pakistan. Each month the group distributes $20,000 worth of rice and $5,000 worth of medicine.

Financial hardships have, of course, afflicted most Bengalis. Last July the Government sent a questionnaire to the approximately 16,000 Bengali Civil servants asking whether they would prefer to work in Pakistan or what is called East Pakistan. Virtually all replied East Pakistan, and within days they were discharged.

Initially, most civil servants were allowed to remain in their Government quarters and to receive a monthly living allowance. This allowance had dwindled, payment is sporadic and many families have been ordered to move in with other Bengalis in Government quarters.

"I'm left without teacups, I've sold practically everything that I can," said a short, sad-eyed businessman in Karachi.

"Is it necessary to lose everything and wait, without end?" he asked. "Is it necessary to live with such terrible uncertainty about the future? Some of my friends have escaped. Perhaps I should try, but what about my wife here, my children? What happens if I were caught by the police?"

[From the Washington Post, Mar. 28, 1973]

SOVIET ROLE IN INDIA UNCLEAR DESPITE HEAVY AID

(By Lewis M. Simons)

NEW DELHI, March 27.—Red-shirted and sweating in the mid-afternoon heat, 150,000 members of the Soviet-backed Communist Party of India took to the streets today to protest against the ancient scourges of their country, poverty, hunger, corruption.

But implicit in the mammoth demonstration was the party's effort to dim its image as an appendage of Prime Minister Indira Gandhi's ruling Congress Party and to reaffirm its allegiance to Soviet-style Marxist-Leninist Communism.

In return for this allegiance, the Soviet Union is the party's principal financier. Today, for instance, the Russians were instrumental in paying for transportation to bring thousands of penniless demonstrators to New Delhi from all over the country.

But the party is only one of many threads Moscow uses to penetrate India's social fiber.

With some 5,000 Soviet nationals spread throughout the country, a strong case could be made for persistent and often hysterical right-wing party claims that the Russians are everywhere.

Yet, despite their impressive physical presence, the real influence of Soviet Communism in India is very much open to debate.

"The Russians may, I repeat may, have penetrated the intellectual community of Delhi," said a newspaper editorial writer specializing in agrarian affairs, "but they have had no impact among the peasants. And in India, the countryside means the country."

A Congress Party member of Parliament from the Communist-governed state of Kerala dismissed the danger of Soviet Communism entirely. "The Communist threat is a dead issue worldwide," he said. "Indian Communism is a brand of its own."

A U.S. diplomatic observer who devotes most of his time to watching Indo-Soviet relations was less sweeping in his analysis, but still maintained that Soviet influence in internal affairs was limited. KGB intelligence-gathering and political activities "have made almost no penetration in the northern and central states," he said, "and these are the most populous and influential in the country."

Other Western diplomats noted, however, that the KGB need not be as active, for example, as the U.S. Central Intelligence Agency, which recently underwent a prolonged period of accusations of meddling in Indian domestic affairs. The Indian Communist Party and its front organizations print hundreds of publications and supply the Russians with vast amounts of information.

The return of their propaganda rubles for the Soviet Union is somewhat in doubt. While some 12,000 Indian college students study in the United States each year, only 350 attend Moscow's Patrice Lumumba University, and a few more are spread around other Soviet institutions.

Students returning from the Soviet Union complain that they have great difficulty in getting jobs and, when they do find work, that they're discriminated against by Western-trained colleagues and employers.

On the other hand, merely by making the right noises at the appropriate moment the Russians have gained enormous public relations benefits. Following Moscow's support for India in the Bangladesh crisis, a Gallup Poll taken in major Indian cities showed that 85 per cent of those persons queried had a "favorable impression" of the Soviet Union, while only 2 per cent had such an impression of the United States.

In New Delhi, Soviet diplomats keep a moderate-to-low profile, despite their government's firm position as India's greatest friend and ally. They travel on the cocktail circuit, but with high selectivity. As a result, many Westerners never see them.

Almost all official Russians and their families live in a large walled compound behind the hulking, pink sandstone embassy building. "Any of them who live outside the compound, and that goes for their journalists as well, you can assume are KGB agents," claimed a senior editor of a major English language daily. There are 14 Soviet correspondents in India, twice the number of American newsmen).

This kind of speculation is a natural result of the Russians' reluctance to speak openly on their role in Indian affairs. Pressed repeatedly by a newsman for a briefing on Indo-Soviet relations, an embassy spokesman refused, saying: "There is no tradition of giving this type of information."

Instead, the spokesman offered a large stack of booklets and pamphlets, most of them related to the Soviet Union's role in developing Indian industry.

These booklets and hundreds of other Soviet embassy publications provide an interesting sidelight *on how* Moscow finances the Communist Party of India. The embassy contracts the printing to party-run companies and pays many times over for the work, thus enabling the largest transfer of Soviet funds to the party.

While the Russians are generous to the party, Indian businessmen find them hard to deal with. "They're terribly demanding paymasters," said a source within the Tata organization, one of the country's two largest private corporations.

Businessmen, government leaders and many politicians also attack the Russians and their East European allies for a practice known as "switch trade."

The Communist governments buy Indian-made goods and pay for them in rupees. Then they sell these products on other markets for hard currency, but at a lower rate than the Indians could afford to dispose of them.

While this "switch trading" is of general concern, Indian trade with the Soviet Union, which still trails far behind its trade with the United States, is expected to increase markedly this year.

Conservative political leaders find this prospect ominous as well as what they consider other signs of growing Soviet influence.

At the extreme right, ever vigilant for new Soviet inroads, is the Swatantra Party and its leader, Piloo Mody.

"Every day," says Mody, "there's more and more involvement, more and more collaboration. In the last 18 months, since the signing of the [Indo-Soviet] friendship treaty, they have gained complete freedom in India."

Mody is a classic Red-hunter of the Cold War school, who sees Soviet agents under every bed and in every closet. "There are thousands of KGB agents swarming through our villages and towns," he said in a recent interview. He even accused the leader of India's other major right wing party, the Jana Sangh, of being pro-Soviet.

Mody is just as startling as his views. A man of enormous girth, a tent-like Indian shirt fails to camouflage his great bulk.

An architect by education, Mody has an American-born wife and an almost pixyish sense of humor. During the recent rash of anti-CIA outcries, Mody appeared in Parliament wearing a large plastic button declaring "I am a CIA agent."

He stopped just short of charging Mrs. Gandhi with being a Communist. "I really can't say. But she most certainly is not a democrat," he said.

Slightly to the left of Mody, is Atal Bihari Vajpayee, president and a founder of the Hindu nationalistic Jana Sangh Party.

Like Mody, he sees red everywhere. "Mrs. Gandhi is surrounded by Communists," he said, and proceeded to tick off a list of her most trusted ministers and advisers. "Through their advice India has become far too dependent on the Soviet Union for military weapons and spare parts. If the Russians didn't want to keep us dependent, why don't they let us make our own spares?"

The Jana Sangh, Vajpayee said, is for a "welfare state" and a "decentralized economy." He added that in order to attempt to regain political territory lost to Mrs. Gandhi and the Congress Party, his party had to break its former image of representing the shopkeeper class and "create the image of standing with the common man."

Images and slogans, often no more than that, are very important to parties of all political shades in India. Bhupesa Gupta, secretary of the National Council of the Communist Party of India, is a man who thrives on slogans.

"The CPI has its basis of strength in those places where our slogans of monopoly, land reform, workers' conditions, imperialism, neocolonialism, the Vietnamese people's struggle, Portuguese colonies, apartheid, big business monopolies, et cetera, all evoke sympathy and support from the broad masses of the people, especially those affiliated with the Congress Party," he said, barely pausing for breath as he leaned back on a hard wooden chair in his spartan living room, the words rolling out with mechanical cadence, his eyes half-closed behind thick glasses.

Is there any justification to rightist charges of Soviet interference in Indian domestic affairs, he was asked.

Gupta, who holds a law degree from London's University College, replied in the same rolling cadence: "The people and government of the Soviet Union help us when and where their help is sought. They do not enter into domestic politics."

Were improved relations with the United States desirable?

"The pro-Pakistani reactionary forces of the United States in India are trying to gain leverage in our economy. They are trying to make our industry dependent on American monopolies. The United States and the World Bank are interested only in our private sector and with working their way into the Indian system."

Does the Soviet Union dictate policy to the party?

"Our party is directed by our own leadership. We are capable of handling our own problems."

According to some assessments, the party is not likely to gain all-out support from the Soviet Union. The Russians, while making some effort to move the ruling Congress Party more to the left, seem content in keeping Indian politics and the national economy relatively stable.

"The last thing the Russians want," said one Western analyst, "is chaos in this country and a revolution which would leave the CPI in control. Just think of what a situation like that would cost them."

[From the New York Times, Mar. 16, 1973]

WASHINGTON, March 15.—Following is the transcript of President Nixon's news conference today as issued by the White House:

15. ARMS TO INDIA AND PAKISTAN

Q. Mr. President, I want to ask you about peace. You have concentrated on peace in your Administration. Don't you find an inconsistency there with continuing to give arms to India and Pakistan and perhaps a hundred other countries around the world?

A. First, we are not giving them, we are selling them.

Q. Isn't that worse? That is even worse.

A. I just wanted to be sure that we understood the difference, because of all the concern about aid. But the point that is involved in the India-Pakistan thing has been a very difficult one for this Administration, because it involves commitments that were made before we got here. Those commitments were made during the Johnson Administration. I do not criticize the fact that they were made, but they were made.

As far as we were concerned, once the war between India and Pakistan began, we cut them off, as you recall. We stopped all economic assistance—not all, but some economic assistance to India, and we stopped all military assistance to Pakistan.

Let's look at the numbers: $83-million in economic assistance to India and $14-million in military assistance to Pakistan. We have maintained that embargo up to this point. The difficulty was that there were contracts that had been made, the materials had already been, in effect, sold, and under the circumstances, we felt that it was time to clean the slate.

So what we have done, the Indians are getting their $83-million in economic assistance; the Pakistanis are being allowed to go through with their purchases of the arms, nonlethal arms and spare parts.

Now as far as the whole, the major problem—and Miss McClendon, you have put your finger on the major problem—and that is peace in the area. This in no way, in no way jeopardizes the peace in the area.

After the war that broke Pakistan in half, India's superiority is so enormous that the possibility of Pakistan being a threat to India is absurd.

All we are trying to do is to seek good relations with both, and we trust in the future that our aid to both can be ones that will turn them towards peace rather than war.

I should also say in India's case—while our aid there, our $83-million, was economic—India, as you know, purchases quite significant amounts of arms from the Soviet Union, and also has an arms capability itself. So there is no problem in terms of creating conditions which could lead to another outbreak of war by providing for simply keeping a commitment that the United States had made for the sale of spare parts and nonlethal arms to Pakistan.

[From the New Republic, Mar. 31, 1973]

ARMING PAKISTAN

Senator Frank Church likens the US arms policy in South Asia to the habits of an alcoholic: you swear off because you know it's not good for you; but then you find you have to have just one more little nip. Understandably President Nixon must have found the current situation in South Asia unnerving. The war between India and Pakistan has been over for 15 months. Prime Minister Gandhi and President Bhutto managed to reach a detente at Simla last July and, while much is left to do, at least both sides succeeded in evacuating each other's territory in the Punjab, Kashmir and Rajasthan and in withdrawing troops from the temptation of direct confrontation. Bangladesh now is an independent nation and earlier this month its president, Sheikh Mujibur Rahman, came through the elections with an overwhelming majority and a far freer hand to govern and make concessions in negotiating with Pakistan. On the outside both the Soviet and Chinese participation in events in South Asia seems to have lessened, so much so on the Soviet part that Assistant Secretary of State Joseph Sisco told a House foreign affairs subcommittee a few days ago that the 1971 Indo-Soviet friendship pact apparently had not resulted in any noticeable increase in Soviet military influence in India.

There are indeed unsettled problems aplenty—the unrepatriated Pakistani military prisoners of war still held in India from the Bangladesh conflict; the unrepatriated Bangladesh Bengali civilians stranded and still held in Pakistan; and the "Biharis," the non-Bengali civilians unwanted by either Pakistan, India or Bangladesh yet still pushed and threatened in a corner of Bangladesh. All this has resulted in a deadlock in getting Pakistan's President Bhutto formally to recognize that his old East Pakistan now was Sheikh Mujib's Bangladesh. But at least people were speaking to each other, the problems were identified and active fighting was over.

So what did President Nixon do on behalf of US self-interest? He lifted the six-year embargo on US arms shipments to Pakistan. Of course it was made to appear more equitable than that. The State Department announced that hereafter both India and Pakistan could buy nonlethal arms from the United States. And, to make it even more even-handed, the Nixon administration said it would "clean the slate" of past "commitments" by letting one party, Pakistan, buy 300 armored personnel carriers which Pakistan contracted for in 1970 and made a down payment on, and also take delivery on some $1.1 million in military surplus, parachutes and reconditioned aircraft engines. India now would have the go-ahead on the $87.6 million in US economic aid which had been contracted for but suspended with the outbreak of the 1971 Indo-Pakistani war over Bangladesh. India also now could place orders for the communication computers to expand the radar network along its northeast border which the United States and India jointly began in mutual China-watching self-interest after China's 1962 invasion of India.

"All we are trying to do is to seek good relations with both, and we trust in the future that our aid to both can be such as to turn them towards peace rather than war," President Nixon explained to his press conference on the Ides of March.

Military sources tell us armored personnel carriers, thin-skinned tanks with protective cannon used to hurry soldiers into action, are offensive not defensive weapons. Mr. Nixon's administration does not deny they are "lethal," but contends their commitment is the one exception to the ban on lethal weapons shipments. President Nixon originally made this exception on Pakistan's behalf in 1970. this was just after Pakistan's then president, General Yahya Khan, had visited Washington and then went on to Peking with word that Mr. Nixon was interested in a Sino-American detente. Also at that time the President personally made some other exceptions: F-104 jet fighter planes and B-57 bombers that Pakistan hadn't asked for but that the President thought might be useful in filling out the Pakistan squadrons decimated in her 1965 war with India. In the latest State Department announcement it was explained that the applications for the plane licenses now had "lapsed." But State's spokesman Charles W. Bray III did not absolutely foreclose re-applications.

So at the moment the only "lethal" weapons to be sold to Pakistan are the 300 armored personnel carriers. The cost is estimated at $13 million. But that estimate may not be too meaningful because of the Pentagon's habit of declaring equipment "surplus" in order to provide favored clients with discount prices. Yet even that $13 million might be hard to collect, considering the $3.5 billion debt that Pakistan now is asking its World Bank consortium creditors to reschedule.

In 1971, when "slippages" enabled Pakistan to acquire US arms despite the supposed embargo, it was explained that the ammunition included in those shipments actually was not a lethal end item and therefore it was presumed "nonlethal." That definition still holds. Similarly spare parts for lethal weapons can go forth because they are not lethal in themselves. Also while it used to be true that India obtained most of her arms from the Soviet Union, causing the United States to feel obliged to provide balance by arming Pakistan, things have changed. India has become more and more self-sufficient through its own munitions industry. Pakistan now looks to China as its arsenal.

How does President Nixon explain all this? First he told his press conference that the arms to Pakistan he now has released "involve commitments that were made before we got here. Those commitments were made during the Johnson administration. I do not criticize the fact that they were made, but they were made." Then he started to say that, with the outbreak of the Indo-Pakistan war over Bangladesh in 1971, the United States equitably stopped all economic assistance to both nations. But Mr. Nixon caught himself: "Not all, but some economic assistance to India, and we stopped all military assistance to Pakistan." What he did was permit economic assistance to continue to Pakistan, but not to India. The administration at the time argued that India obviously would have diverted its economic assistance for military use against Pakistan.

Why should President Nixon decide on a policy change at this time? There is his "time to clean the slate" argument over U.S. past "commitments." There is the official State Department explanation that the United States has an obligation to furnish spares to keep operable equipment it has provided in the past. There is the notable coincidence of President Nixon's decision coming within days of his receiving President Bhutto's two special emissaries at the White House, Governor Ghulem Mustafa Khar of Pakistan's Punjab and Aziz Ahmed, one-time Pakistan ambassador to the United States and now minister of state for foreign and defense affairs. But there would appear to be something far more premeditated in this, something of a continuance of Mr. Nixon's "tilt-in-favor-of Pakistan" that Henry Kissinger ordered administration officials to observe during the 1971 Bangladesh crisis.

Mr. Nixon's motives may in part be emotional. In the '50s when Mr. Nixon was Vice President and John Foster Dulles was secretary of State, Nehru's India represented preaching, hypocritical, "immoral" neutralism. It was contrasted with Ayub Khan's Pakistan ("your last friend in Asia," Ayub told Congress) and Pakistan's membership in the anti-Communist alliances called CENTO and SEATO. India connoted "those mushy, moralizing Krishna Menons." And that estimate lingers today with many Americans, not just with Mr. Nixon, Secretary Rogers and Henry Kissinger. By contrast there are residual assumptions about Pakistan, what might be characterized as "the Sandhurst Swagger-Stick Syndrome." Never mind that Bhutto's Pakistan now represents civilian rule. Never mind that neither Field Marshal Ayub's Pakistan nor General Yahya's Pakistan ever thought more of the anti-Communist alliance objectives of CENTO and SEATO than as a convenient cover for Pakistan to obtain U.S. arms against India. The image of Sandhurst-trained, snappy, quick-stepping, "Westernized" Pakistanis persists when, as always, they are in lock-step with the Indians.

Furthermore there is President Nixon's China policy. Of all the third-party probes to Peking sought through various nations, Pakistan's, under President Yahya Khan, apparently proved to be the most persevering and the most productive. When Henry Kissinger finally made that first flight to talk with Chou En-lai in 1970, he made it from Pakistan, with a Pakistani plane and crew and under the protective cover of secrecy provided by Yahya. When the Bangladesh crisis erupted the next year, President Nixon, eager to make his trip to Peking, was aware that Pakistan was useful to China in antagonizing India. Whether Mr. Nixon believed it or not, he put out word that India's motive in backing the Bangladesh independence fight was first to dismember Pakistan, and then to reabsorb at least her western half, reunite the old Punjab and claim itself the rightful heir of the old British Indian subcontinent.

But despite President Nixon's "tilt," events took another course. The Bengalis in East Pakistan broke loose from their stepchild status and formed their own nation of Bangladesh. India, with enough problems handling her more than half billion people, did not see fit to take on the additional headache of Pakistan. And Pakistan, for the first time since its independence from the British in 1947, was reduced to facing reality. It lost its East Bengal province, which it had always exploited as a colony. And it lost its war with India, despite the stockpile of U.S. arms that always had given Pakistan the illusion of feeling co-equal to an India with three times its territory and four times its population.

Mr. Nixon was correct when he told his press conference this month: "After the war that broke Pakistan in half, India's superiority is so enormous that the possibility of Pakistan being a threat to India is absurd." He is correct in implying that whatever the United States does in the way of new arms shipments to Pakistan that situation won't change. He even would be correct should he disdain the "grave concern" which India's Minister of External Affairs Swaran Singh told Parliament India now took of the matter.

President Nixon's change in US policy seems pointless. He could have stuck indefinitely to his policy of declaring the lifting of the US arms embargo "under review." West Pakistan is under no threat externally that requires sophisticated US weapons, lethal or nonlethal. President Bhutto indeed should have concern over keeping his country together internally. But for that he has his assured arms supply from China. The United States, on the other hand, has at stake a very heavy investment in India. India is that sort of democracy successive US administrations have been urging all developing nations to become. And India is the largest of them all. India now feels far more militarily secure because the emergence of Bangladesh removed a hostile border. Her dependence on the enormous US economic aid of the past has diminished. But it promises to be a healthier relationship for both India and the United States with India forced to fend more for herself.

Giving Mr. Nixon the benefit of doubt he may have a two-fold policy: to provide Pakistan with minimal assistance while building up a more mature relationship with India based on open recognition that India is the dominant power of South Asia and no challenge is conceivable. However we must remember that it was the original decision to furnish Pakistan with US arms in 1954 that poisoned Indo-American relations in the first place, and forced India to arm and seek Russian weapons to match the ones the US provided Pakistan. The arms have consistently been the most contentious problem between India and the United States ever since. With Pakistan's defeat in 1971 Indo-American relations were just beginning to recover. Indo-Pakistan-Bangladesh relations were just beginning to recover. But the reintroduction of US arms—no matter how limited, no matter how "nonlethal," touches raw nerves, rekindles persistent suspicions. The arms probably are a disservice even to the old client Pakistan as they divert that humbled country's limited resources from pressing economic needs to fantasies surrounding that old Sandhurst Swagger-Stick Syndrome.

[From the Louisville Courier-Journal, Mar. 20, 1973]

SHOULD THEY ARM THEMSELVES?

Despite President Nixon's promise to bring us a generation of peace, the future looks bright for the arms industry. Business is booming, as governments in trouble or in troublesome areas of the world—which covers most countries—come shopping for jet fighters, tanks or automatic rifles. Iran has just signed the biggest contract the Pentagon has ever arranged, for over $2 billion worth of sophisticated weaponry. And an administration effort is under way to persuade Congress to relax its strict limitations on the sale of arms to Latin America.

Congress should respond warily to the smooth sales talk that State and Defense Department officials are putting over. Certainly it's possible that if the United States refuses arms sales, foreign governments could turn elsewhere, possibly even to the Soviet Union. But U.S. manufacturers have cornered such a large share of the market—$2.8 billion last year, compared with only $700 million each for France and Britain, the two runners-up in the Western world—that it wouldn't be easy for the arms buyers to find immediate alternative sources of supply.

In addition, it's hard to raise the bogey of the Soviet Union when the Cold War is visibly thawing. The administration at least shows signs of realism about ending the East-West rivalry in this field in its reported pledge to the Indian government that, after meeting present commitments to Pakistan (the same orders embargoed during the 1971 Indo-Pakistani war), the United States will no longer supply any "lethal" weapons to either country. This decision was apparently taken despite the possibility that India might turn once more to the Soviet Union for help.

Another argument often used to promote arms sales is that the exports help our balance of payments. In view of the two years of trade deficits behind us, this argument has appeal. And selling the weapons rather than giving them away, as we did right and left at the height of the Cold War, seems to make sense, too, Nevertheless, the fundamental fact is that most of the countries we sell to ought not to waste their meager resources on sophisticated weaponry. Even countries like Iran, with plenty of oil revenues, would do better to use their money improving the living standards of their people. The per capita income in Iran is only a little over $300 a year, yet this year defense spending is to be doubled, to almost one-third of the national budget.

It's certainly not our business to tell other governments how to divide up their budgets, or to try to make them spend more on butter and less on guns. We have enough trouble, it seems, getting our fiscal priorities straight. But it's hardly consistent with our aim of achieving peace and stability in the world by slowing down an arms race between the major powers to turn around and encourage the smaller nations to arm themselves to the teeth. There must be a middle way between the aggressive sales policies of the past and downright paternalism. And there are definitely better products that we could ship abroad stamped "Made in the U.S.A." than tanks and machine guns.

[From the New York Times, Mar. 18, 1973]

DANGER IN PAKISTAN

The Nixon Administration's decision to resume arms shipments to South Asia—principally to Pakistan—marks a disturbing step backward toward a policy which in the past has proved damaging both to Pakistan and to American interests.

It is certainly true that the limited purchases of ammunition, armored personnel carriers and spare parts that have been authorized cannot seriously affect the balance of power on the Indian subcontinent, currently heavily tilted toward India. The danger lies in the potential psychological impact of any renewal of American arms aid on internal political developments in Pakistan and on delicate peace negotiations among Pakistan, India and Bangladesh.

Such aid could help to revive still potent militarist tendencies which have brought tyranny to Pakistan, war to the subcontinent and profound embarrassment to the American people. It might, too easily, divert President Bhutto from his recent commendable efforts to restore civilian rule and to seek reconciliation with India, especially if this week's move should prove to be only the opening wedge for more massive military assistance. India's fears on this score cannot be entirely discounted in light of the past record.

The timing of Washington's announcement is particularly unfortunate because the expectations it may excite in Pakistan and the apprehension it has aroused in India and Bangladesh could endanger efforts to break the peace deadlock on the subcontinent. Now that the Bangladesh elections are safely out of the way and Pakistan is close to agreement on a new constitution, there is at least a chance for a comprehensive settlement that would enable both India and Pakistan to divert scarce resources from arms to development.

The United States interest clearly lies in promoting such a settlement. This can best be achieved through the kind of development assistance that Washington already has been extending to Pakistan and Bangladesh for the last year and which has just been renewed in India. Arms aid to Pakistan, or to any other nation in the area, only subverts the "constructive role" which Assistant Secretary of State Joseph Sisco has told Congress the United States intends to play in South Asia.

[From the Christian Science Monitor, Mar. 17, 1973]

MOYNIHAN REASSURES MRS. GANDHI, BUT INDIA CAUTIONS UNITED STATES ON RESUMING ARMS SHIPMENTS TO PAKISTAN

(By Razia Ismail)

India has warned the United States it may step up its own military strength in response to Washington's decision to resume arms-supply shipments to Pakistan.

New Dehli's ruffled feathers over the U.S. action have obviously not been smoothed—despite American and Pakistani reassurances.

Ambassador Daniel P. Moynihan was all smiles after he emerged from his first meeting with Prime Minister Indira Gandhi, in which he assured her that the United States is only clearing earlier military-supplies commitments to Pakistan and has decided not to supply any lethal arms to any country of this subcontinent in the future.

But Foreign Minister Swaran Singh told an indignant Parliament March 15 that the supply of armored personnel carriers and other military equipment to Pakistan will cause a "district setback" to relaxation of tensions in this region.

He also said that in India's experience the United States has always "prevaricated" after giving assurances in the past.

The Foreign Minister told Parliament that India must now build up its own defense potential as well.

Early this week, U.S. Assistant Secretary of State Joseph J. Sisco had told Congress that India had received military supplies from the Soviet Union. From the Indian point of view, Washington seems bent on making New Delhi seek more.

In Parliament discussion, a leading Communist member, Indrajhit Gupta, said the United States has four unfriendly objectives in mind in resuming arms flow: It wants to retain Pakistan as a military base, it wants to scuttle the bilateral relations so laboriously built, it wants to strengthen the military elements in Pakistan's internal-power struggles, and it wants to force India to divert precious development resources into a defensive military investment.

Minister Swaran Singh expressed agreement. He told Parliament he cannot guarantee that America will keep its word that additional arms would not be transferred to Pakistan through third countries and would not be used against India.

[From the Christian Science Monitor, Mar. 17, 1973]

ON SELLING WEAPONS

The news of recent days underlines one of the facts about the world we live in which can stand being looked over from time to time to see whether things need to go on as they are going.

Washington has agreed to resume shipments of so-called "nonlethal" arms to Pakistan. India is protesting. Washington has agreed to the sale of another round of American war planes to Israel. This will keep up the flow through the supply line into 1975. And it was recently disclosed that Iran has contracted to buy about $2½ billion worth of American arms in a new program of re-equipping its armed forces.

The three incidents underline the fact that the United States is one of the biggest suppliers of weapons to other countries, although by no means the only one. The Soviet Union is the other big supplier. But West European countries are also in the arms export business.

American and Soviets by and large sell arms differently than the others. The British, French, Swedes, etc. are simply in the arms export business. Generally speaking they will sell to any and all comers. As a group they are now the major supplier of arms to Latin America. Their sales are about double those from the U.S. to the countries in the "Monroe Doctrine area."

Americans and Soviets differ in that they give or sell arms mostly for political reasons. The Russians supply primarily countries which are Communist, or are willing to revolve in the Soviet power orbit. Iraq, Syria, and Egypt are examples of the latter.

The U.S. like the Soviet Union, is politically motivated. In fact, it is not U.S. national policy to allow the sales of arms for profit alone. The U.S. Government gives arms free to such countries as are found to be under Communist threat. This is the old Truman doctrine formula. The recipients include Vietnam, Laos, Cambodia, Korea, Turkey, Jordan, Thailand, Indonesia, and the Philippines.

The U.S. Government also allows arms sales to the NATO countries of Western Europe and Canada. This is the largest single market for American weapons sales.

Sales to Israel fall in a special category, since Israel neither is threatened by Communist subversion or aggression (the Truman doctrine) nor is a member of NATO. Special legislation allows the Israelis to buy American weapons on U.S. Government credit. The loans are for ten years and must pay interest at the current government borrowing rate.

The giving of weapons free under the Truman doctrine formula is already becoming a recessive part of the picture. The Vietnam war is receding into a new American relationship to China and Russia. Once Southeast Asia is stabilized, which might happen, there would no longer be an open battlefield between Russian and American "cold-war" clients. A mutual, balanced reduction in the flow of free weapons to such clients is a subject Henry Kissinger can work out in the course of his negotiations with Russians and Chinese. We much hope that he can and will. This sort of thing is getting very much out of date.

Sales to NATO allies are in a special category. So long as NATO seems necessary to the security of the Western Community it seems right and proper that the NATO allies be free to buy such American weapons as they may want.

Sales to Iran, Pakistan, and Israel are different matters. Each one is a special case with its own arguments pro and con. In respect to Iran the question is one of stability in the Persian Gulf. Is a well-armed Iran a stabilizing factor? Washington thinks it is. And since Iran can afford modern weapons and is bound to get them from one source or another the serious question is whether it buys from Russia or the West. Washington prefers Western suppliers—for obvious political reasons. We can't see a basis for any strong objection.

Pakistan is in disarray from its beating in its recent war with India. Its losses were so heavy in men and equipment that there is a serious question whether it could even handle an insurrection. And India is so decisively the military master of the area that it cannot justly claim being threatened by a small supply of replacement vehicles for the Pakistan Army.

Israel—is Israel. Considering how decisive is its military superiority over its Arab neighbors, any more American weapons would seem to be as unnecessary as the proverbial "coals to Newcastle." However, Israel wants the pipeline kept full both currently and prospectively. The Israelis seem to think that it impresses the Egyptians.

All of this makes the U.S. the world's biggest single exporter of weapons. During the year 1967 a total of 67 countries received military assistance or made purchases, or both, through the U.S. Department of Defense. Cash sales were $2.9 billion. Credits of $550 million were granted. Of this $300 million were for Israel. And the U.S. gave $2.5 billion worth of arms to Vietnam and Laos.

Fortunately, the ending of the Vietnam war should see a sharp drop in the total of this kind of export business.

[From the Chicago Tribune, Mar. 16, 1973]

INDIA ASSURED—UNITED STATES VOWS NO MORE ARMS TO PAKISTAN

NEW DELHI, INDIA, March 15.—U.S. Ambassador Daniel P. Moynihan assured Prime Minister Indira Gandhi today that the United States will never again supply lethal weapons to any country on the Indian subcontinent, an Indian spokesman said.

India and Pakistan make up most of the subcontinent. They have been feuding for years.

The spokesman said that Mrs. Gandhi conveyed to the ambassador in a meeting today "Indian's deep concern" over the U.S. decision announced in Washington yesterday to relax its 15-month-old arms embargo in this region.

The spokesman said that Moynihan said the decision had been made to permit the United States to clear earlier commitments.

The State Department announcement said that Pakistan will now be able to take delivery of $1.1 million in military spare parts and 300 armored personnel carriers ordered two years ago.

In another development, India has stopped buying sorghum from the United States because of a "sad experience" in which poison seeds were found in a shipment of grain, an official of the food ministry said here today.

Anna Shakeb Shinde, state minister for food and agriculture, told a news conference that India already has bought 500,000 tons of sorghum from the U.S. India plans to import a total of 2 million tons of grain to make up for a severe drought.

The minister said the first sorghum consignment of 150,000 tons was found to contain poison seeds, known here as "dhatura." The seeds are from the jimson weed that often grows with sorghum in the U.S.

He said he had been informed that the supplies had violated adulteration laws in the U.S. The Indian government was examining a proposal to claim damages for the loss caused by the adulteration, he said.

Following a public outcry, the government has stopped distribution of the American sorghum, which was largely intended for the drought-stricken people of Maharashtra, Gujarat, and Rajasthan states.

American officials were reported puzzled by the incident. One embassy official here was quoted as saying that jimson weed is not considered a poison in the U.S. and that the second-grade sorghum ordered by the India supply mission normally contains some of the seeds, which become mixed with the grain during mechanical harvesting.

This grade of sorghum is fed only to animals in the U.S.

[From the Christian Science Monitor, Mar. 16, 1973]

No Military Impact Seen in Arms Embargo End—Pakistan, India Balance Not Expected To Shift

(By Charlotte Saikowski)

Despite New Delhi's displeasure, Washington's decision to lift its embargo on arms shipments to Pakistan and India is not viewed here as having military significance.

Rather it is an effort to clear away commitments made before the Indo-Pakistani war over Bangladesh in 1971 and hence to remove an irritant in U.S.-Pakistani relations.

Administration officials say it is nonsense to believe that allowing Pakistan to buy $1.1 million worth of spare parts for old American equipment and reconditioned aircraft engines and $13 million worth of armored personnel carriers blocked by the embargo would tip the military balance on the subcontinent.

India, which has received some $1 billion worth of arms from the Soviet Union since 1965, will continue to have an overwhelming military edge over the Pakistanis.

RAPPROCHEMENT ENCOURAGED

President Nixon told newsmen Thursday that India's strength of arms is "so enormous that the possibility of Pakistan being a threat to India is absurd."

Nor, as seen here, does the embargo relaxation prevent India and Pakistan from getting together to resolve their differences and moving toward a rapprochement. That, it is felt, is the relevant question.

On a positive note, Pakistani President Zulfikar Ali Bhutto has told India not to overreact to the lifting of the embargo because the decision will not endanger Indian security. The military equipment is needed, he said, for Pakistan's own defense.

New U.S. ambassador to India Daniel P. Moynihan, meanwhile, has assured Prime Minister Indira Gandhi that the United States will never again supply lethal weapons to any country on the subcontinent, according to a report from New Delhi.

Against the background of Soviet penetration of South Asia, the thinking in the Nixon administration is that the United States must seek to establish normal, pragmatic ties with all countries on the subcontinent. In this context, the arms embargo was of considerable concern to Pakistan, which was truncated with the breakaway of Bangladesh and greatly weakened militarily. Pakistani Minister of State for Foreign Affairs and Defense Aziz Ahmed and Governor Mustafa Khar came here recently to press their government's case and the embargo removal resulted.

Similarly, Washington is moving quietly to restore its once-good ties with New Delhi. On Thursday, less than 24 hours after the announcement on the arms sales, the United States lifted its suspension of an $87.6 million loan to India, freeing the funds to be used for imports of American products and equipment.

The loan, which comprised the major portion of U.S. economic aid to India, was suspended at the outset of the Indo-Pakistani war and has been one of the many problems roiling U.S.-Indian relations.

Relaxation of the arms embargo will also benefit India, which can now, if it chooses complete the purchase of about $19 million worth of communications equipment for its air defense system.

Where the Pakistani arms are concerned, U.S. officials note that last year Washington provided over $200 million worth of economic assistance to Pakistan, yet some aid was drained because Rawalpindi had to buy military spare parts in the world market at higher prices.

POW ISSUE SKIRTED

Under its new policy, the U.S. will sell only "nonlethal" equipment to India and Pakistan. This would have excluded the armored personnel carriers which Pakistan contracted to buy before the 1971 embargo except that shipment is being permitted simply to clear away an old commitment.

Aside from the arms problem, the high Pakistani officials also raised the issue of the 92,000 Pakistani prisoners of war still interned in India as a result of the war but apparently got no assurance of U.S. help in securing their return.

Washington is sympathetic to the Pakistani case and has made clear that it favors implementation of the Geneva convention, under which the POWs should be returned. But, say administration officials, the United States will not publicly involve itself in the dispute, feeling that the parties themselves must work out a solution.

[From the Christian Science Monitor, Mar. 16, 1973]

Grain Pact Backfires, Too—United States-Pakistan Arms Deal Bruises Ties With India

(By Razia Ismail)

The United States sends "arms to Pakistan and jimsonweed to India."

This is the bitter catchphrase now being used in New Delhi to describe American foreign policy.

It's the result of two recent disclosures that have given another setback to Indo-American relations, just when they seemed to be headed for better days. It illustrates how sensitive these relations have become.

The critical blow was Washington's hint that American military equipment would soon be flowing again to Pakistan. It came during a March 12 congressional appearance by the Assistant Secretary of State for South Asian Affairs, Joseph J. Sisco, who said that "the U.S. is looking again at its commitment made in 1970 to Pakistan for the supply of some spare parts."

U.S ISSUES STATEMENT

This was quickly. interpreted in New Delhi as a signal of America's intention to resume supplying Pakistan with large-scale armaments—including promised B–57 bombers, F–104 fighter-interceptor jets and armored personnel carriers.

[The State Department announced March 14 a decision to allow Pakistan to receive $1.1 million in military spare parts and $13 million in armored personnel carriers for which purchase had already been transacted.]

It would mean the end of the 15-month-old embargo placed on all such shipments to this region at the time of the war over Bangladesh, even though the critical settlement phases of this war are far from over.

India's reaction was one of immediate disappointment and dismay.

SECURITY THREAT SEEN

"A grave theat to India's security," said Foreign Minister Swaran Singh in Parliament March 14.

"We are making earnest efforts to normalize relations with Pakistan and establish durable peace," he stated. "The United States intention to resume arms supplies to Pakistan will jeopardize the process of normalization and adversely affect the chances of establishing durable peace on the subcontinent."

The arms-supply news had come on the heels of the discovery that recent American grain shipments to India contain narcotic and poisonous jimsonweed seeds. The Indian press, government, and public were finding the whole affair rather hard to stomach and American explanations that such foreign matter is common in "livestock feed" did not improve matters. The grain had been purchased for famine relief.

But the major concern here is still over "arms to Pakistan."

PROTEST AIRED

Foreign Secretary Kewal Singh summoned U.S. Ambassador Daniel Moynihan to the Foreign Office to formally convey India's "utmost concern."

Coming as it did on the eve of Ambassador Moynihan's first meeting with Premier Indira Gandhi, the American move to give Islamabad previously promised arms can hardly be said to have given the new envoy a good start to his tenure here.

In his statement to Parliament, Foreign Minister Singh reiterated India's conviction that U.S. arms aid has "encouraged the anti-Indian and militaristic policy of Pakistan." He added, "We hope that the U.S. will carefully consider the implications of such an action. . . ."

[Pakistani President Zulfikar Ali Bhutto has issued a statement telling India not to overreact, because the decision will not endanger Indian security, the Associated Press reported March 15. "We need the military equipment for our own defense, to stand on our feet, not for offensive or aggressive uses," Mr. Bhutto said at a conference near Rawalpindi.]

POLICY SPOTLIGHTED

It is clear that New Delhi is keeping a wary eye on Washington's professions of wanting peace in Asia and of keeping out of Indo-Pakistan affairs. Recent U.S. pronouncements in this vein have been greeted with skepticism.

Actually, it had been expected here that when Washington thought the time was proper it would indicate that it did not wish Pakistan to be left without weaponry.

But apart from the fact that this was hardly the proper time in the limited context of envoy Moynihan's so recent arrival—not to mention the much larger context of delicate peace prospects concerning Pakistan, India, and Bangladesh—the announcement has been more a disappointment than a surprise.

New Delhi has been wondering just how serious Mr. Nixon is about peace in this area. Whatever small intangible gains might have been made in the past month, American intentions about bilateral relations with India and the U.S. Government's whole concept of what makes for peace in this region now are most suspect all over again.

"Arms for Pakistan and jimsonweed for India?"

Ambassador Moynihan will have an uphill task convincing New Delhi it isn't so.

[From the Baltimore Sun, Mar. 15, 1973]

United States Halts Arms Ban to Pakistan, India

(By James S. Keat)

Washington.—The resumption of arms sales to Pakistan and India, halted during their war in 1971, was announced yesterday by the State Department.

Charles W. Bray 3d, the department spokesman, said the embargo was being lifted on the sale of "nonlethal" military equipment to both countries. Pakistan will also be permitted to take delivery of 300 armored personnel carriers, valued at $13 million, which it bought in 1970 but which were impounded here by the embargo.

The decision, which benefits Pakistan far more than it does India, restores U.S. Arms supplies to the subcontinent to the same status as between 1967 and the winter of 1971. Before the 1965 war between the two hostile neighbors, the United States was Pakistan's major arms supplier, much of it in military assistance grants.

Mr. Bray said the administration believes the step will not have "a significant effect on the ratio of military power" between the two nations. The United States, he added, wants "to avoid involvement in anything which might be considered an arms race in the subcontinent."

The term "nonlethal" is imprecise. It has included in the past ammunition as well as spare parts for all sorts of weapons, including tanks and aircraft previously supplied by the United States.

India has a substantial domestic armaments industry, manufacturing such items as a British-design medium tank and assembling Soviet-design MIG 21 supersonic jet fighters. It also receives military assistance from the Soviet Union.

Once a staunch member of the U.S.-sponsored ring of anti-Communist alliances, Pakistan now has close relations with China and receives some military aid from Peking.

U.S. officials said the lifting of the embargo, sure to arouse sharp protests from India, was designed to maintain the military balance between Pakistan and its larger neighbor. The two nations have been bitter foes since they were granted independence from Britain in 1947.

Even though the United States halted military aid to Pakistan in 1965 and has never resumed it, the supply of arms, even for cash, has had considerable symbolic importance. President Nixon has demonstrated a personal affinity for Pakistan, rooted partly in its former role as an ally and partly in gratitude for its assistance in his rapprochement with China.

Pakistan considers the evidence of United States support, as much as the equipment itself, necessary to counterbalance the power of its larger neighbor. India sees it as an unsettling factor that encourages Pakistan to maintain a hostile stance it could not otherwise support.

The only tangible gain for India in the lifting of the embargo will be the shipment of communications equipment for a radar network the United States helped India build in the mid 1960's. Ironically, that screen was designed to protect north Indian cities from Chinese aircraft.

AID NOT RESUMED

At the same time it imposed the arms embargo the administration blocked some $87 million in economic aid to India. No decision to resume the economic aid was announced yesterday, but it is expected to follow soon.

The lifting of the arms embargo was decided on following a visit to Mr. Nixon a week ago by Ghulam Mustafa Khar, the governor of Punjab state, as a personal emissary of President Zulfikar Ali Bhutto of Pakistan.

Pakistan's armed forces suffered severe losses in December, 1971, when India intervened in support of Bengali rebels in what was formerly East Pakistan and helped create the new nation of Bangladesh. India still holds some 90,000 Pakistani troops and civilians which it refuses to repatriate to return until Pakistan formally recognizes Bangladesh.

Aside from the armored vehicles, Pakistan will also be able to take delivery of $1.1 million worth of spare parts, parachutes and reconditioned aircraft engines that were on order when the embargo was imposed. Contracts for aircraft authorized in 1970 have elapsed, Mr. Bray said.

[From the New York Times, Mar. 14, 1973]

U.S. Eases Curbs on Pakistan Arms

(By John W. Finney)

Washington, March 14.—The United States relaxed its total embargo on arms shipments to India and Pakistan today, thus permitting the Pakistanis to receive some 300 armored personnel carriers, spare parts for previously supplied arms and some "nonlethal" military equipment.

In announcing the decision, made at the request of the Pakistani Government, the State Department said it would not alter the military balance or stimulate an arms race. Officials explained that India, as a result partly of her military victories over Pakistan in 1965 and 1971 and partly of large-scale Soviet arms aid in recent years, now held an overwhelming military position.

PAKISTAN MAIN BENEFICIARY

The new policy was decided upon at the White House. Under it, the United States will sell "nonlethal" equipment and spare parts to either Pakistan or India, but State Department officials acknowledged that Pakistan would be the principal beneficiary.

The decision was made, officials said, more for political and psychological reasons than for military ones.

They said that Pakistan was in an intracably defensive mood following the destruction of much of her military forces in the war with India in December, 1971, and the loss of her eastern region, which became Bangladesh.

By providing an assurance of renewed American support and limited military aid, the officials said, the Administration hopes Pakistan will become more amenable to a settlement of some of her political problems with India and with Bangladash.

The United States imposed its total embargo on arms shipments to the Indian subcontinent following the Indian-Pakistani war of 1971. The decision announced today returns United States policy basically to what it was in 1967, when a limited embargo was in force.

Pakistan will now be able to receive some $1.2-million in spare parts, parachutes and reconditioned aircraft engines that she ordered but whose export was blocked with the embargo.

In addition, Pakistan will be able to buy 300 armored personnel carriers worth $13-million. Pakistan contracted to buy the vehicles in 1970 and had made a down payment before the imposition of embargo.

"NONLETHAL" AMMUNITION

Officials said that the policy decision made it possible to sell ammunition to either India or Pakistan. They explained that ammunition, according to definitions used by the Defense Department, could be regarded as "nonlethal" equipment.

Weapons, however, are not regarded as "nonlethal," and technically the armored personnel carriers ordered by Pakistan should be excluded. But Charles W. Bray 3d, the State Department spokesman, said their shipment would be permitted "in order to wipe the slate clean" of arms commitments entered into before the 1971 embargo but never fulfilled.

Mr. Bray and other officials stressed that "nonlethal" military aid from the United States to Pakistan was not going to upset the present "military ratio" between the Pakistanis and the Indians.

In announcing the relaxation of the embargo, Mr. Bray also emphasized that it continued to be the administration's intention "to avoid involvement in anything which might be considered an arms race in the subcontinent."

In principle, India would be allowed to complete her purchase of some $91-million in communications equipment for an air defense system that was blocked by the embargo. Whether India, which has now turned to the Soviet Union for arms, intends to purchase the equpment was left unclear by United States officials.

The United States policy on arms sales to the Indian subcontinent has gone through various phases since the shipment of all military equipment was first embargoed after the Indian-Pakistani war of 1965.

This embargo was modified in 1966 to permit the sale to both countries of "nonlethal end items"—a category that was construed to include ammunition.

In 1967, the policy was further relaxed to permit the sale of spare parts for military equipment already provided the two nations, with a further exception made in 1970 to permit Pakistan to order the armored personnel vehicles.

[From the Philadelphia Inquirer, Mar. 12, 1973]

Arms Selling Is Bad Business

The Pentagon and State Department have been trying to persuade a reluctant Senate Foreign Relations Committee to make it easier for the U.S. to expand its sales of arms to foreign countries, especially in Latin America.

In former days, when the Cold War was at its height, any hardware we could sell or give away could be justified as vital to help other other countries face the Red Menace from Moscow and Peking.

Nowadays, the menace is the fading green of the American dollar. With the U.S. balance of payments running its worst deficits in history, the argument is that anything we can sell is so much to our own good.

Besides, business is business, and what business is it of ours if foreign potentates and generalissimos prefer to invest in jet fighters instead of ploughshares and pruning hooks? If we don't sell them what they want, they'll just buy the stuff elsewhere.

These arguments have a certain plausibility, but then countries where the poppy grows, might argue that if they don't meet the demand for heroin someone else will.

The World Bank, in its most recent annual report, declared that the world's burden of poverty has been increasing rather than declining. It is not sheer coincidence that in the decade ending in 1971 global arms trade had also multiplied by more than two and a half times.

In specific cases, sending U.S. arms abroad may surely be justified on moral and security grounds. In a general way, though, we think the business of the U.S. ought to be to promote the ways and works of peace.

[From the St. Louis Post-Dispatch
Mar. 3, 1973]

Merchants of Death

The biggest single U.S. arms deal has been announced in Washington after months of secret negotiations at the Pentagon. The principal beneficiaries, as usual, are U.S. munition makers and the authoritarian government of a developing nation. The losers, as usual, are the people—in this case, Iranians whose per capita income is $350 a year.

The Shah of Iran plans to spend more than two billion dollars for American helicopter gunships, supersonic jet fighters and other such arms of modern warfare. Iran is in no danger of invasion and its forces are quite capable of warding off smaller neighbors such as Iraq. The Shah cannot defend his country militarily from his giant neighbor, Russia. So the question is, why should this nation squander its oil money when nearly half its children die in infancy from disease and malnutrition?

The answer probably lies in the dreams of Shah Reza Pahlavi who speaks often of ancient Persian grandeur and sees himself as a Middle Eastern De Gaulle. The shah may, of course, buy arms from somewhere else and we suspect the Pentagon would use this argument to bolster its position.

It would, however, be ludicrous for Iran to purchase these arms from Russia, the country it presumes to defend itself from. The two other major sources are Britain and France and the U.S. can exert considerable leverage to discourage sales by its allies.

Americans have come a long way from the days when Senator Gerald Nye exposed the "merchants of death." the mostly foreign munitions makers. Until World War II, the U.S. was reluctant to engage in such immoral business and when salesmen were finally authorized by the Pentagon to make calls in foreign capitals, it was justified in terms of national security.

Senator Fulbright says the salesmanship has deteriorated to the point where supporters are defending arms exports in terms of improving the balance of payments. And the U.S. Arms Control and Disarmament Agency reports that more than half of the six billion-plus dollar arms trade in 1971 was conducted by the U.S.

France, the second biggest exporter, complained last week that its arms sales have dropped substantially because of cut-rate pricing by American competitors. America does not need this kind of business and should not be lured into it, whether by the fantasies of the Shah of Iran, the fables of the Greek dictators or by the jinn of Turkish generals. If the Administration continues to permit the promotion of foreign military sales, then Congress should impose restrictions as it did in 1966 when sales to Latin America were stopped.

[From Sea Power, March 1973]

INDIA AND THE TWO "WON'TS"

(By Easwar Sagar)

Easwar Sagar is the Washington Correspondent for India's English-language paper, The Hindu. A former officer in the Indian Navy with service in World War II, he has covered Indo-United States relations from Washington for many years.

Some years ago, Dean Rusk evoked the spectre of a future where there would be a billion Chinese armed with nuclear weapons. Today it is no longer fashionable to think of China as the yellow peril—in American eyes, at least, she has become a *status quo* power like the Soviet Union and the United States, interested not so much in changing the established order, but in maintaining her position within it. The role China played in the Bangla Desh crisis, where she supported the existing order rather than the "liberation," and the part she played, behind the scenes, in bringing about a Vietnam peace agreement are evidence that she has indeed become a *status quo* power.

In the proliferation of power centers that has taken place since World War II there are now five acknowledged entities—the United States, the USSR, the European Economic Community, Communist China, and Japan. It will be interesting to examine whether there will be a further dispersal of power during the next three decades.

By the turn of the century, if the present rate of population growth is not substantially altered, there will be a billion Indians. It is also conceivable that, if present global relationships—based on military, political, and economic power radiating from the existing centers—do not alter radically, India might feel compelled to seek the status of a new center of power in Asia, believing that to be the only way she can change an equation unfavorable to her. Since she is likely to lag behind others in economic power, she might decide that the shortcut to major power status lies in becoming a nuclear power.

India today is, by definition, a mere middle power, although an extremely important one. One attribute of such status is that, while India may be able to influence developments in her immediate region (such as in Bangla Desh) according to her own "enlightened self-interest," she is unable or unwilling (in that order) to influence the course of events in areas farther away from her (such as in Southeast Asia or the Middle East). That ability today rests with the present major powers.

What rankles India even more (and what would therefore impel her to seek an expansion of her status) is that she in turn, by virtue of remaining a middle power, becomes the subject of attempts by the major powers to condition her role in her own region—to the big powers she becomes "an available instrument or an unnecessary obstacle" to the realization of their own often conflicting global designs. This, more than any inherent hostility or friendship, has so far determined India's relations with the United States and China, as well as with the Soviet Union.

China does not love the Pakistanis or dislike the Indians *per se* (in 1956 the *People's Daily* was describing Sino-Indian relations as the "friendship of a thousand million"). Although China now figures more prominently in the U.S. perception, not long ago American policymakers vigorously held the view that a democratic India would be the best answer to a totalitarian China. The Soviet Union and India have close ties at present, but there was a time when Moscow considered Nehru "a running dog of imperialism." Neither altruism nor similar ideological philosophies have been serious factors in choosing up sides, because, as realists know, the superpowers are interested not so much in transplanting their form of government to other countries but in preserving it at home.

After 25 years of independence, India is probably sophisticated enough to understand that this is what the name of the game is. What she resents is the continuation of the game, and the application by the major powers of the "divide and rule" policy (followed by the British in India) to divide and dominate the nations of the subcontinent.

ANATOMY OF A SUBCONTINENT

Can India realistically hope to be anything more than a middle power? A brief resume of her internal conditions and external relationships should help distant viewers arrive at a reasonable estimate of her potential. After 25 years of parliamentary democracy, India remains in the select ranks of that dying breed of countries (no more than a dozen) which still retain the luxury of democracy despite the liability of poverty. Since Mrs. Gandhi's party won a landslide victory in the 1971 elections the country has enjoyed political stability; in the foreseeable future there would seem to be no danger of the country coming under a right-wing, or left-wing, dictatorship.

Unlike the situation in other countries nearby, the Indian Army has always remained completely apolitical, true to the British traditions it inherited. In contrast, though the country has reached the stage of self-sustaining growth, economic well-being still lies in the future. In terms of gross national product India ranks tenth in the world with $53 billion, but because of her vast 560 million population her per capita GNP ranking is toward the bottom of the list.

There have been, however, two slightly heartening developments: (1) the "Green Revolution" in agriculture, and (2) India's decision to become self-reliant. As a result of these two factors India has been able to do without "concessional," or PL 480, foodgrains from the United States since early 1972. India's food production has, in fact, doubled since 1951, and in 1971 reached a peak of 108 million tons. Because of a bad harvest India did have to import two million tons of grain in 1972, but all of it was bought with hard cash. And it should be remembered that the Soviet Union and China have had to meet much larger deficits.

In the last few years the emphasis has also shifted from foreign aid to trade to support India's development—during the third Five-Year Plan (1961–66) 20 per cent of India's net investment came from aid, but that figure has dropped to 8 per cent in the fourth plan, which ends in 1974. Last year, when the United States suspended aid to India, the volume of two-way trade between India and the United States (India's largest trading partner) reached a peak of $800 million, with for the first time, a small surplus in India's favor.

Over the last four years Indo-Soviet two-way trade, on the other hand, has averaged $480 million, resulting in a more substantial trade surplus for India. Most of her trade with the Soviet Union is on a "rupee payment" or barter basis, which has its advantages. The bulk of the aid India receives now comes from a World Bank consortium of countries (excluding the United States), the International Development Association, and the Soviet Union—credits extended by the latter have been used for building steel plants and a heavy machine building complex, production of thermal power, coal mining, and oil and gas production. Although a majority of her people are still below the poverty line, India has built up, economists believe, an industrial infrastructure which should make her self-sufficient economically in 10 or 12 years.

INDIAN OCEAN RAJAH

As for military strength, India, with a million-man armed force (and 100 million men of military age), ranks fourth in manpower of all the military powers and eleventh in terms of resources spent on maintaining a military establishment (the defense budget is $1.7 billion). Compared to the sophisticated arsenals of the major powers, India's own would be considered insignificant, but it is still true that, in the Indian Ocean are extending from South Africa to Singapore, she has the largest and most advanced army, air force, and navy. Their performance during the 1971 war against Pakistan also demonstrated that, unlike Egypt, she knows how to use them.

Although the Soviet Union has, during the last decade, emerged as India's principal military supplier (a role which the United States might have fulfilled had she not been inhibited by her ties to Pakistan at the time of the Chinese attack on India in 1962), India has developed a modern defense industry which manufactures weapons and equipment ranging from self-loading rifles to tanks, frigates, and Mach 2 military aircraft (not counting MiG 21 fighters and SA-series helicopters manufactured under license). Total investment in India's defense industries in the last 10 years is over 2.5 billion rupees ($1.00 equals 7.3 rupees).

With Pakistan no longer posing a credible threat to Indian security, the only hostile power on India's border is China. But Indian planners are reasonably confident that her air force (650 combat aircraft) and army (which includes 10 fully equipped mountain divisions) can cope with China in a conventional war over the border. Part of this confidence also stems from the assumption (proven during the Bangla Desh war, when the Chinese did not move even one soldier across the Ladakh or Nefa borders in support of its Pakistani ally) that the Indo-Soviet Treaty of August 1971 is an effective deterrent to China. India also probably assumes that the broad pledges given by Presidents Johnson and Nixon to act against any country resorting to nuclear blackmail still hold good, despite the improvement in relations between the United States and China.

With the overland threat to her security thus under control, India's thoughts appear to be turning toward the Indian Ocean, which washes her 3,000-mile coastline and acts as her lifeline to the outside world. Until now the Indian Navy has not received the same attention her army and air force have, but there is reason to believe that Indian policy planners now intend to give priority to establishing a more balanced force, capable of being deployed independently both on the Arabian Sea and on the Bay of Bengal.

A phased replacement program for her larger surface vessels, which are vintage British ships (one lone 16,000-ton aircraft carrier and two 8,000–10,000-ton cruisers), is contemplated. It is realized that, even though the existing units were able to completely blockade both Chittagong in East Pakistan and Karachi in West Pakistan in 1971, it would not be a sufficient force against a future Chinese Navy attempting to establish a bridgehead from the sea on the Andaman-Nicobar Islands in the Bay.

Indian policy is also aimed at preventing the Indian Ocean from becoming a staging area for rival naval powers, but since she is powerless to enforce this principle by herself she has sought to do so through diplomatic means. As for India becoming a party to the Soviet Union establishing a permanent presence in the Indian Ocean by leasing bases to her, no less an authority than Admiral Thomas Moorer, Chairman of the U.S. Joint Chiefs of Staff, told a Washington audience of reporters not long ago that this had not happened so far. Since formal military pacts have become distasteful even to such countries as Pakistan, Australia, and New Zealand, a reasonable arrangement would be for the littoral sea powers to cooperate with each other in neutralizing the area, thereby preventing it from becoming a cockpit of big-power rivalries. They may not themselves be able to fill the so-called vacuum, but they could at least try to prevent anyone else from filling it.

The Indian defense posture is supported by a transportation network of impressive dimensions. India's railway system, the world's fourth largest, is based on indigenous production of everything from tracks and freight cars to diesel and electric locomotives. India today has three million tons of shipping, which carries all her coastal trade and 40 per cent of her overseas trade. Three shipyards (in Vishakapatnam, Bombay and Calcutta) turn out ocean-going freighters as well as medium naval vessels. A fourth, in Cochin, will build, beginning in 1976, bulk carriers of 85,000 tons. Other indices of industrial progress: six steel plants producing six million tons annually; cement, 14 million tons; crude oil, eight million tons; refined petroleum, 18 million tons; fertilizers, over a million tons. Although modest by Western standards. India devotes a total of .54 per cent of her GNP to research and development, according to the government's Committee on Science and Technology.

A COMING NUCLEAR POWER

Because in many of India's 560,000 villages the peasants still use dried cow-dung cakes as fuel for cooking, it is usual in Western circles to refer to India's "cow-dung economy." It would, however, be truer to say that Indians live in both the cow-dung age and the nuclear age. Nothing demonstrates this more vividly than the picture of a bullock cart silhouetted against the huge dome of the Bhabha Atomic Research Centre near Bombay. Most Western experts agree that India is so far advanced in nuclear technology, in fact, that, within six months after making the political decision to do so, she could explode her first atomic device.

Today, besides three experimental reactors, India has two heavy-water production facilities and a chemical separation plant (although this can produce weapons-grade plutonium, it is actually being used for a new generation of power plants based on a plutonium/uranium/thorium cycle which produces more nuclear fuel than it consumes). The 380-megawatt Tarapore power plant in Gujerat state is already producing power; the 400-megawatt plant built by Indian engineers and scientists at Rana Pratap Sagar in Rajasthan state "went critical" last August. A third plant is to be located at Kalapakkam in Madras state, and the fourth, fifth and sixth will be built in the northern and western regions of India. The target for power from nuclear energy is 2,700 megawatts by the 1980s.

Preparations are also reportedly being made to detonate an atomic device underground with a view to harnessing atomic energy for peaceful purposes. India has half the world's known reserves of thorium (in Kerala and Bihar states), and a uranium mine and mill which can handle 1,000 tons of ore a day.

A POLICY OF TWO "WON'TS"

Despite the fact that a hostile China has gone nuclear, India has so far refrained from undertaking a weapons program. She has also refused to sign the Nuclear Non-Proliferation Treaty (on the ground that, while it prohibits horizontal proliferation by the have-nots, it permits vertical proliferation by the haves). This policy of two "won'ts" (won't make nuclear weapons and won't sign the treaty) permits India to keep her options open.

The most compelling circumstance in which India might be induced to exercise her option to "go nuclear" would be future aggressive behavior of China toward her. After the South Asian War of 1971, when both Sino-Indian and Indo-U.S. relations sank to a new low, Indian leaders extended the olive branch to both China and the United States. But, while the recent friendly exchanges between President Nixon and Prime Minister Gandhi promise a better climate, China has so far chosen to ignore Indian invitations to effect a reapprochement.

Because the Soviet Union alone stood by her in the crisis, there has naturally been a fund of good will in India toward the USSR. But, having been bitten before, Indian opinion is wary enough not to let present cordial relations develop into overdependence. Future policy will, of course, also depend on how the other major powers behave toward India.

The Gandhi-Bhutto Simla summit was also an Indian attempt to make up once and for all with Pakistan, but what seemed a promising start has not yet produced a detente. With her smaller neighbors—Ceylon, Bhutan, Nepal, Burma, and Bangla Desh—India has tried to project a low profile, in order not to attract the natural hostility that a Big Brother image does.

Presently non-aligned, India undoubtedly would prefer to stay that way. And will, unless one of the bigger superpowers forces her to "join the (nuclear) club" for her own protection.

ACTIONS TO EASE OIL SHORTAGES

Mr. EAGLETON. Mr. President, I am pleased that the House and Senate conferees which met yesterday to work out differences in the bill to extend the Economic Stabilization Act have agreed to report two amendments which I introduced in the Senate.

The first of these was a provision barring the administration from using the Economic Stabilization Act as authority for impounding appropriated funds. Some $3.5 billion in funds have been withheld with this act cited as one of the legal authorities. That was not the intent of Congress and my amendment would prohibit such use of the act in the future.

The second amendment adopted by the conferees would authorize the President to establish a system for the equitable allocation of scarce petroleum products. At the present time, the administration has no authority to give direct relief to the thousands of independent businesses and farm organizations in Missouri and elsewhere in the nation whose livelihood is threatened by oil and gasoline shortages. My amendment would make it possible for the Federal Government to apply some standards of fairness to the fuel allocations which are already being made by oil companies. I believe it is an essential part of the bill.

The administration is relying heavily on increased farm production this year to help bring down food prices.

Its production goals are unlikely to be met, however, unless farmers can obtain the fuel needed for plowing and harvesting existing crop land, to say nothing of the estimated 40-million additional acres scheduled to be brought into production.

Even before the plowing season reaches its peak, farm cooperatives are experiencing serious fuel shortages. I ask unanimous consent that the results of a farm-fuel survey of 12 Midwest cooperatives which was taken by the National Council of Farmer Cooperatives be printed at this point in my remarks.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL OF FARMER COOPERATIVES, 1973 FARM FUEL SURVEY

[Survey conducted on Apr. 6, 1973, of 11 farmer-owned cooperatives that supply petroleum and petroleum products to their farmer members. Results contained herein reflect data from 12 of these cooperatives]

Cooperative	Service area	Demand	Supply	Shortage
Midland Cooperatives, Inc	Minnesota, Wisconsin, upper Michigan, Iowa, North Dakota.	19,000 B/D	4,500 B/D	14,500 B/D.
Indiana Farm Bureau Cooperative, Inc	Indiana	15,000 B/D	11,500 B/D	3,500 B/D.
Texas City Refining, Inc	Kentucky to Maine, provides 2 major cooperatives with petroleum.	80,000 B/D	57,600 B/D	22,400 B/D

NATIONAL COUNCIL OF FARMER COOPERATIVES, 1973 FARM FUEL SURVEY—Continued

Cooperative	Service area	Demand	Supply	Shortage
Agway, Inc	Northeastern United States	(Included in Texas City report.)		
Southern States Cooperative, Inc	Southeastern United States	(Included in Texas City report.)		
Landmark, Inc	Ohio	6,000 B/D	5,100 B/D	900 B/D.
Farmers Union Central Exchange, Inc	Minnesota, North Dakota, South Dakota, Montana, Wyoming, Idaho, Washington, Oregon, Nebraska, Wisconsin.	30,860 B/D		50,000,000 G/A.
MFA Oil Co	Missouri	8,000 B/D	5,000 B/D	3,000 B/D.
Farmland Industries, Inc	North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Minnesota, Iowa, Missouri, Arkansas, Illinois, Tennessee, New Mexico, Colorado, Wyoming, Montana, Wisconsin, Utah.	60,000 B/D	43,500 B/D	16,000 B/D.
FS Services, Inc	Illinois, Iowa, Wisconsin	26,400 B/D	22,030 B/D	4,370 B/D.
National Cooperative Refinery Association	Kansas, Nebraska, South Dakota, North Dakota, Minnesota, Wisconsin, Illinois, Iowa, Missouri.	50,000 B/D	46,000 B/D to 50,000 B/D	0 to 2,000 B/D.
Land O'Lakes, Inc	Iowa, Nebraska, Southern Minnesota	83,592,000 gallons/annual	63,813,000 G/A	19,779,000 G/A.

Mr. EAGLETON. Mr. President, as this survey indicates, there is a shortage in the range of 100,000 barrels per day facing midwest farmers. The remedy of granting emergency import tickets offered by the Oil Import Appeals Board is of little value because of the unwillingness of major oil companies to trade domestic for higher-priced foreign crude.

Some relief could be given, however, through an expansion of the so-called royalty oil program. Under this arrangement, the Federal Government can take its royalties on public lands leased to oil companies in the form of crude oil rather than money. At present, only 68,000 barrels a day are being taken in this form and that is being made available to small refineries where a need exists.

If the Federal Government took full advantage of its right, it could obtain 258,890 barrels of crude oil a day with which to help meet shortages in farm areas and other sectors of the economy. This is an action which the administration could take right now under existing law and I have urged the President to do so.

Mr. President, I ask unanimous consent that the text of my letter to the President be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., April 17, 1973.

HON. RICHARD M. NIXON,
President, The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I want to associate myself with many of the views expressed by members of the Midwest Democratic Conference of Senators in a letter to you on April 10, 1973, concerning the critical oil and gasoline shortages in the Midwest.

While I am a member of the Conference, I chose not to sign the letter so that I would be free to emphasize some additional actions which I think the Administration should take to help relieve the situation.

First, I want to bring to your attention the Eagleton Amendment to the Economic Stabilization Act which would authorize the Administration to establish a system for equitable allocation of scarce petroleum products in order to assure that all areas of the nation obtain a fair share of available fuel and to prevent anti-competitive practices in the petroleum industry. At the present time, no federal agency has authority to allocate fuel except with a declaration of national emergency, a step the Administration is understandably reluctant to take. My amendment would provide a less drastic basis for acting and I hope you will avail yourself of the authority should it be passed by the Congress. As you know, the amendment passed the Senate by a vote of 50–30 and was reported favorably by the House Committee. Such authority is necessary before the Administration would be in a position to carry out the allocation recommendations of the Conference.

An additional step which I want to urge upon you could be taken immediately under existing law. That would be to make use of the contract provision under which the U.S. government can claim payment in the form of crude oil instead of money as royalties on public lands, both on shore and off-shore, which are leased by private firms for oil production.

I am informed that the government could claim from all leases a total of 258,890 barrels of crude oil a day (based on July 1, 1972, production figures) if it chose to do so. At present, however, the U.S. Geological Survey, which administers the program for the Department of the Interior, is taking only 68,000 barrels a day in royalty oil. The 190,000 additional barrels per day which could be but are not claimed would give the federal government a significant reserve with which to meet some of the crude oil shortages which are affecting inland refineries. This action would not increase overall supplies of petroleum but it would give the government some means, other than the almost valueless emergency oil import tickets, of answering critical supply problems.

I hope also you will consider the possibility of diverting any surplus or stockpiled Defense Department fuels to the civilian market with first preference going to those areas of the country like the Midwest where the need is greatest. This week's order to close 274 military installations might make useful quantities of fuel available.

Finally, I want to ask the Administration's support for a possible amendment to any legislation which might be passed by Congress to permit construction of a pipeline tapping Alaskan oil fields. Whatever is decided as to the ultimate route of the pipeline, I am convinced that it should be for the benefit of American consumers first and, second, for consumers in those areas of the country where shortages are most severe.

I have been concerned by reports that part of the oil taken from the Alaskan fields will be exported to Japan and other foreign countries. Therefore, I am considering an amendment to the pipeline bill to assure that this oil remains in the U.S. and, further, that some portion of the net increase to overall U.S. supplies be directed to areas where the need is greatest, namely the Midwest and Northeast.

The support of the Administration for such an amendment would be most helpful. I would appreciate having your views on this and the other matters I discussed.

Respectfully yours,
THOMAS F. EAGLETON,
U.S. Senator.

ENERGY MESSAGE STATEMENT

Mr. STEVENS. Mr. President, for years now, we have listened to environmental histrionics and hysteria to the effect that the trans-Alaska pipeline would be the greatest environmental disaster of our era.

I refuse to accept this any longer. Further delay in the Alaskan pipeline will not mean environmental disaster, it will mean an energy disaster.

The fact is that every day we delay the pipeline, we delay for another day the potential 2 billion barrels we can get from Alaska. Worse still, every day's delay means another day of increased U.S. dependence on foreign oil.

The President's energy message calls for early and decisive action to resolve this needless haggling. I support the President's energy message initiatives, and will urge Congress to act quickly on legislation which will make it possible to bring Alaskan oil to the American marketplace.

I understand that the President's energy message to Congress has been submitted for the RECORD. I ask unanimous consent that a factsheet on the President's energy message, the President's proclamation and the President's Executive order also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S ENERGY MESSAGE
SUMMARY OUTLINE—FACT SHEET

BACKGROUND

The President has forwarded to the Congress his second Energy Message. This message presents a comprehensive program to provide for the Nation's current and future energy needs. The President's program provides for increased domestic production of fuels to minimize risks to the national security of supply interruptions. The program balances these national security considerations with concern for continued protection of the environment and for providing adequate supplies of energy at reasonable prices.

The energy picture has changed significantly in the past several years. Domestic production of fossil fuels—crude oil, natural gas and coal—has peaked. The United States no longer has excess shut-in crude production capacity. Environmental concerns have resulted in delays in siting of energy facilities and greatly increased the need for scarce low sulphur fuels, displacing high sulphur fuels, including coal. Unless the demand for energy is artificially restricted, significantly greater quantities of foreign crude oil must be imported in the next few years. There may also be temporary shortages of fuels under localized conditions.

In the mid-term, there will be increased domestic production of clean fuels; in the longer term, the development of new technologies for providing essentially pollution-free energy will be available.

The President has instituted a number of changes and recommended legislation to provide for increased domestic supplies in a manner compatible with the environment. The President has already forwarded several energy-related legislative proposals to the Congress this year—the Electric Facilities Siting Act and the Mined Areas Protection

Act. He has also already submitted legislative proposals to remedy the current right-of-way difficulties with the Alaska pipeline (Mineral Leasing Act amendments and Bureau of Land Management organic legislation). Today, three additional legislative proposals were forwarded to the Congress. The Natural Gas Supply Act will enable increased supplies of natural gas to be produced because of competitive pricing of new production of natural gas and new dedications of natural gas to interstate commerce. The Deepwater Port Facilities Act will enable more environmentally acceptable and more economical shipment of oil imports to this country through appropriately sited and operated deepwater ports. The third bill resubmits a proposal made to the 92nd Congress to have the Federal Government repurchase the thirty-five oil leases in the Santa Barbara channel. In addition, the President will soon forward a proposal for the creation of a Department of Energy and Natural Resources (DENR), in order to better focus and direct the Federal program. This is a modification of his previous proposal for the Department of Natural Resources (DNR), placing a greater emphasis on the need for a comprehensive organizational focus on energy.

Besides these legislative proposals, the President has also undertaken a number of executive actions, including among others, major changes to the Mandatory Oil Import Program and accelerated leasing of the Outer Continental Shelf.

The President's revised oil import program provides for increasing the incentive for future domestic production of crude oil and refining capacity through phased imposition of license fees on imports of crude oil and products above the 1973 levels. Drilling of new wells, opening of new mines and development of domestic refining capacity will require three to five years. In an effort to minimize the impact on the consumer during this period, the President has eliminated current tariffs on crude oil and products. Thus, imports at the 1973 level will enter the country duty-free; however, these duty-free import rights will be phased out over seven years, and an increasing license fee imposed.

The President's program covers virtually all energy policy areas. Specific information regarding the various components are presented in succeeding sections of this fact sheet.

BASIC U.S. ENERGY DEMAND AND SUPPLY

Over the years, U.S. gross energy consumption has increased steadily at a rate slightly less than the growth of our economy. From 1947 to the early 1960's, energy demand grew at an average annual rate of about 3%. During the period 1965–1971, our total energy demand has accelerated rapidly to an average annual rate of 4.8%. In 1972, consumption by major consuming sectors was fairly evenly divided as follows: industrial, 28.8%; electricity generation, 25.6%; transportation, 25.0%; and household and commercial, 20.6%.

Fossil fuels have historically supplied the vast majority of our energy in the United States. Until 1947, coal supplied more than half the fuels consumed. But for the last decade, petroleum and natural gas have increased to around 75% of total gross energy consumption. Although nuclear power currently supplies only 1% of current energy, it is expected to provide a very large share of future energy growth—up to 60% of electricity generation and 30% of total energy by the end of the century.

The major sources of domestic energy during 1972 were:

Petroleum (including natural gas liquids)—Million barrels, 5,960; Trillion BTU, 32,812; Percent, 46.

Natural Gas—Billion cubic feet, 22,607; Trillion BTU, 23,308; Percent, 32.

Coal (Bituminous, anthracite and lignite)—Thousand short tons, 517,053; Trillion BTU, 12,428; Percent, 17.

Hydropower—Billion kilowatt-hours, 280.2; Trillion BTU, 2,937; Percent, 4.

Nuclear Power—56.9; Trillion BTU, 606; Percent, 1.

Nuclear Power—Billion kilowatt-hours, 56.9; Trillion BTU, 606; Percent, 1.

Total Gross Energy—Trillion BTU, 72,091.

Domestic production of fossil fuels has remained relatively constant for several years and has not expanded adequately to meet rising demand.

New discoveries of natural gas have decreased during the past several years, but increased slightly in 1972 probably due in large part to efforts by the Federal Power Commission to provide higher production prices and to optimism about future changes in regulation. However, since 1966 proven reserves have decreased 21%, while consumption has increased 37%. We are now producing and consuming about twice as much natural gas each year as we are finding and adding to proved reserves.

Production of domestic crude oil and natural gas liquids peaked in November, 1970 and decreased in 1972 to an average of 11.6 million barrels per day, down approximately 5% from the peak. Continued delay of the Alaska pipeline will result in denial of additional U.S. production of up to 2.0 million barrels per day.

In 1972 total U.S. bituminous coal and lignite production is estimated at 590 million tons, down from 603 million tons in 1970. The use of coal has been greatly hampered by competition from lower cost and less polluting alternative fuels, primarily imported residual fuel oil in the mid-60's and low priced, regulated natural gas. Production is currently being restricted due to actual and anticipated constraints on the production and consumption of coal.

In 1907 imports to the United States exceeded reserve capacity, thus the U.S. was no longer self-sufficient. In 1972, the U.S. reached essentially 100% production (no reserve or shut-in capacity) and foreign petroleum imports totaled 4.7 million barrels per day, accounting for 29% of the total oil supply.

The projections are for large increases in imported crude oil and products, particularly during the next three to five years, primarily from the Middle East. In 1972, only about 1.4 million barrels per day, or about 30% of total oil imports came from the Eastern Hemisphere. This amounted to only 8% of the total oil supply. By 1985, if present trends were allowed to continue, the U.S. would have to import from 50 to 60% of its total oil supply and 30 to 40% of this may have to be from Eastern Hemisphere sources. The President's energy initiatives can greatly reduce future foreign imports.

COMPETITIVE PRICING OF NATURAL GAS

The President announced today that he will submit legislation to amend the Natural Gas Act so that prices paid by interstate pipelines to producers for new supplies of domestic natural gas will be determined by the competitive forces of the market system rather than by the Federal Power Commission. This proposal would stimulate new exploration and development of domestic gas resources while maintaining current prices on present interstate supplies and eliminating any possibility of unfair gains at the expense of the consumer. The legislation includes provisions for the Secretary of the Interior to monitor the price of new supplies of natural gas, and impose a ceiling if circumstances should demand such action.

The Natural Gas Act of 1938 was passed in order to allow the Federal Power Commission to regulate the transportation and sales for resale of natural gas by the interstate pipelines. The Act specifically precludes Federal regulation of the local distribution and production or gathering of natural gas. However, in 1954, the Supreme Court held in the *Phillips* case that the Natural Gas Act also applied to sales by producers in interstate commerce. The Congress twice passed legislation to effectively deregulate natural gas, once in 1950 and agan in 1956, which were vetoed by both President Truman and President Eisenhower.

After unsuccessful attempts to regulate producer prices on a case-by-case basis, in 1960 the Federal Power Commission decided to establish ceiling prices for natural gas on an area-wide basis. The first area rate proceeding for the Permian Basin area was begun in 1961, completed in 1965, and affirmed by the Supreme Court in 1968. This proceeding and all subsequent proceedings, was based primarily on the rate base and cost of service approach to regulation, which had been developed over the past half century for rate regulation of monopolistic, low-risk public utilities, such as gas pipelines and electrical power companies.

Consumption of natural gas in 1973 is estimated to be 37% higher than in 1966. Low regulated prices have discouraged development of a corresponding amount of new reserves, so that proven reserves have fallen by 21% since 1966. As a result, the ratio of reserves to production has fallen by 44%.

	Trillion cubic feet	Trillion cubic feet	Ratio
1966	16.9	286	16.4:1
1972	23.8	238	10.0:1
1973[1]	[2]23.0	[3]227	[4]9.2:1

[1] Estimated total potential reserves, 850–2100 Tft^3.

[2] Plus 37 percent.

[3] Minus 21 percent.

[4] Minus 44 percent.

During the past year, 15 of the nation's largest interstate pipelines were forced to curtail their sales of natural gas in an amount equal to about 7% of their total sales. In many communities today, owners of new homes and apartments are deprived access to this clean burning and efficient fuel because of inadequate supplies. Moreover, an increasingly larger share of new natural gas supplies is being purchased within the intrastate market, which is not regulated by the Federal Power Commission, because interstate pipelines are unable to offer competitive prices for new supplies. Wellhead prices in the intrastate market are up to twice as high as in the FPC regulated interstate market. In many markets today, natural gas, the most desirable fossil fuel, is selling for less per comparable heating unit than do alternative and less desirable fuels. At the same time, costs have increased significantly. It costs approximately ten times as much to drill a well in Alaska and six times as much to drill a well offshore as compared to onshore historical costs.

The increased field price of natural gas will result in very modest increase at the home for the average consumer. Because the pipelines and local distributors will remain regulated and because the new supplies of natural gas will be only a small percentage of the total supplies of the interstate pipelines for several years into the future. At the current time, the price paid to the producer for gas supplies is approximately 10–20% of the ultimate price paid by the homeowner in most areas.

The President's proposed legislation provides that the FPC be granted rate jurisdiction over the direct industrial sales of pipelines. This action will allow the Federal Power Commission to assure that industrial customers, who use natural gas, are paying a fair and equtiable share of the costs of obtaining this premium fuel. However, the President's action today does not alter state and local authority over intrastate pipelines and natural gas distributors.

The President's proposed legislation will allow the competitive forces of the market system, through arms length negotiations between producers and pipelines, to determine the price of new supplies of natural gas. It will also allow the interstate pipelines to compete with the intrastate pipelines for new gas supplies and lead to a more desirable distribution and usage of this premium fuel. On balance, the action taken by the President today is expected to provide consumers more supplies of natural gas at a lower cost than any other alternative.

OUTER CONTINENTAL SHELF (OCS)

The President announced today that he has directed the Secretary of the Interior to take steps to triple the acreage leased on the Outer Continental Shelf for drilling for oil and gas by 1979.

He also announced that leasing would begin in new frontier areas including beyond the 200 meter isobath, and beyond the Channel Islands in the Pacific if the environmental impact statements indicate it can be done safely. He directed the Council on Environmental Quality, in cooperation with the National Academy of Sciences and other government agencies, to complete studies within one year on the environmental suitability of drilling on the Atlantic OCS and the Gulf of Alaska. By 1985, this accelerated OCS leasing schedule could increase annual production by approximately 1.5 billion barrels of oil (approximately 16% of our projected requirements) above what would be expected if the current lease schedule were maintained.

The offshore areas of the United States are estimated to contain 186 billion barrels of crude oil and over 844 trillion cubic feet of natural gas resources, which are recoverable with existing technology. These amounts represent approximately 40% of the nation's total undiscovered oil and gas reserves and offer promising opportunities since most onshore areas have already been explored and developed.

The Federal Government has leased OCS lands since 1954. Currently, leases in the OCS are producing over 400 million barrels of oil and about 3 trillion cubic feet of natural gas annually.

In 1969 regulations of the Department of the Interior governing leasing and operations by lessees on the Outer Continental Shelf (OCS) were extensively revised and strengthened after the problem in the Santa Barbara Channel. Since then, improvement of these standards for safety and pollution control has been a continuing effort covering a wide range of operations including drilling procedures, well abandonments, well completion procedures, pollution and waste disposal, and procedures for the installation and operations of platforms and pipelines.

Inspection procedures have been standardized and a statistical basis for inspection strategy has been developed. The OCS field inspection staff has been tripled since 1969. Six fulltime helicopters are in use and a radio communication system has been installed. The revisions and strengthening of OCS operating standards and the increase in surveillance personnel has resulted in a marked improvement in OCS operations with regard to oil spills. There were no major oil spills in 1972. Minor oil spills in 1972 were reduced by 45 percent from 1971.

The President has resubmitted legislation which would authorize the Secretary of the Interior to buy back 35 leases in the Santa Barbara Channel where the Administration suspended drilling.

ALASKA PIPELINE

The discovery of oil in Alaska was announced in February of 1968. Current estimates are that these are 10 billion barrels of proven reserves on Alaska's North Slope. Once construction begins, 2½ to 3 years will be required before delivery of new production. Initial production will be 600,000 barrels per day, rising to 2 million barrels per day in five years.

After the initial discovery, the Interior Department established a task force to study the situation in April of 1969. A pipeline application was received by the Secretary of the Interior in June 1969. After a series of public hearings and the issuance of preliminary and final environmental statements, the Secretary of the Interior announced that he intended to issue a permit for pipeline construction in May of 1972. A series of court actions resulted in Supreme Court refusal to review an earlier Court of Appeals decision, which enjoined construction because of an outmoded legal restriction regarding rights-of-way.

The Administration has submitted two bills to Congress relating to this issue: S. 1040 which amends the mineral leasing laws and S. 1041 which provides new organic legislation for the Bureau of Land Management. Both of these bills incorporate provisions which allow the Secretary of the Interior to provide for adequate rights-of-way for all pipelines over Federal lands to ensure protection of the environment.

The alternative of a pipeline through Canada was thoroughly studied prior to the Secretary's decision to authorize construction of the Trans-Alaska Pipeline (TAPS). The TAPS can be built much more quickly, creating U.S. jobs and utilized entirely for U.S. needs. Much more needs to be done prior to construction of a Trans-Canada line; detailed engineering and environmental studies would be required, hearings would be required, and permits prepared. At least three to five years delay would be involved for a Trans-Canada route which would probably cause greater environmental damage because of increased distance and the greater number of river crossings.

SHALE OIL

President Nixon's June 4, 1971 Energy Message directed the initiation of a leasing program including preparation of an environmental impact statement. On June 29, 1971 the Secretary of the Interior issued a draft environmental impact statement for a proposed prototype oil shale leasing program which would include the offering of six leases under competitive bidding of 5,120 acres each, two each in Colorado, Utah and Wyoming.

The six leases discussed will support a combined production level of no more than 250,000 barrels per day. A final environmental impact statement on the proposed program is nearing completion. If a decision is reached to proceed with the proposed program based on the environmental analysis, lease sales can be held during the summer of 1973. Stringent environmental regulations will be incorporated into any such program, including provisions to monitor changes in the existing environment. Additional oil shale leasing will not be considered until the environmental impact of prototype development has been fully evaluated.

Oil shale is the most significant energy resource known to exist in the world, with possible resources exceeding 2 trillion barrels of hydrocarbons contained in the sedimentary formations of the Rocky Mountain States, in Colorado, Utah, and Wyoming. An estimated 600 billion barrels of oil could be commercially produced from oil shale under technological development already achieved, of which 80 billion barrels are easily accessible.

Of the 11 million acres of land containing oil shale deposits considered to be potentially of commercial value, some 8.3 million acres (about 72%) are owned by the Federal Government. These are primarily "public lands" managed for multiple-use purposes by the Department of the Interior.

Of the two options to producing oil shale, only surface and subsurface mining with retort processing are believed to have been advanced to the point where it may be possible to scale up to commercial production in this decade. *In situ* (or in place) processing is in the experimental phase and commercial application of this technique cannot be expected prior to 1980.

By the mid-1980's, oil shale could contribute approximately one million barrels of oil per day to help meet the nation's growing demands for energy. The ultimate potential has not yet been established, but could exceed several millon barrels per day.

COAL

The President discussed several factors related to national coal production and use in the Energy Message, including the Clean Air Act, mining legislation, and coal research.

In 1972, production of bituminous coal and lignite is estimated at 590 million tons, compared with 603 million tons in 1970. Of the 1972 production, about 57 million tons were exported and about 88 million tons were used for metallurgical purposes, leaving about 445 million tons for use as steam coal in domestic boilers. About four-fifths of this domestic steam coal is burned in power plants.

The President is committed to maintaining a strong industry to produce our most abundant domestic fossil fuel. At present rates of consumption, known reserves could supply the nation's energy needs for at least 300 years, and yet coal presently supplies less than 20% of our energy demands. Production has remained relatively level over the past several years despite rapidly increasing energy requirements. This stagnation has been attributed to some degree to health and safety standards, environmental restrictions on the sulphur content of coal, possible restrictions on strip mining, and until recently, price controls.

Current coal production is split roughly evenly between surface mined and deep mined coal. As of 1972, 4 million acres of land had been disturbed by surface mining, over half of which was unreclaimed. Coal mining may also result in serious damages to water, land, and property due to acid mine drainage.

The President earlier discussed his proposed Mined Area Protection Act in the Natural Resources and Environment Message on February 15, 1973. That bill would establish Federal requirements and guidelines to regulate the environmental consequences of surface and underground mining. The bill calls for stringent standards for mining and reclamation and encourages reworking and reclamation of previously mined areas. In any state that does not enact the necessary regulations or enforce them, the Federal Government would be authorized to do so.

The Clean Air Act affects coal production and utilization because of Federal and state standards on emissions of sulphur oxides. Under the Act, EPA set ambient air quality standards to limit sulphur oxides as well as other pollutants in the air. Primary standards are set to eliminate health damages from air pollution and must be met generally by mid-1975. Secondary standards are set to eliminate welfare damages to plants, materials, and property and must be met within a reasonable time.

The states in complying with the Clean Air Act set regulations on the sulphur oxide emissions from fuel combustion sources to meet air quality standards. Each state has different regulations and in about half the states, regulations vary from region to region. In many cases the state plans were designed to meet both primary and secondary air quality standards simultaneously in 1975, although the Act allows for a reasonable time to meet secondary standards. Many states set stringent sulphur oxide emission limitations in areas already meeting both primary and secondary ambient air quality standards.

If all state regulations were put into effect by 1975, roughly one-third of our present steam coal production could not be burned without sulphur removal equipment. If all of this coal were to be displaced, about 26,000 miners would be out of work.

Utilities have several alternatives for compliance with the state regulations, the most significant of which are burning low sulphur fuels and installation of stack gas cleaning equipment. Increased low sulphur coal production can be attained from accelerated production from existing mines or by opening new mines. The regions where such low sulphur fuel would be mined include Appalachia where most current production of low sulphur coal exists, and in the states west of the Mississippi which have vast, largely untapped reserves.

Stack gas cleaning technology is being rapidly developed. Two stack gas cleaning installatons in Japan have shown high efficiency of sulphur oxide removal and very little lost operating time. These units were developed by U.S. manufacturers. Nine U.S. stack gas cleaning units have been installed in this country, and these are in various stages of solving operating problems. Nineteen additional installations are currently planned or under construction. This technology should begin to become available in relatively small quantities to help meet clean fuel needs in 1975.

The President has urged the states to adopt the policy of the EPA Administrator announced last December to delay implementation of state secondary sulfur oxide regulations beyond 1975 where stringent controls are not needed to meet primary standards. Roughly 40% of current coal consumption occurs in areas already meeting both the primary and secondary standards. This action will insure that limited supplies of clean fuels and sulphur removal technology will be utilized first in areas which need them to meet health protective standards. It should also allow continued use of existing high sulphur coal supplies to meet energy needs until sulphur removal equipment is available in greater quantities.

GEOTHERMAL ENERGY

Geothermal energy is the natural heat of the earth. Water and steam serve to transfer the heat to the earth's surface. These areas of heat concentration may be tapped and utilized as a source of energy.

The present uses of geothermal resources include power generation, space heating and industrial processing. There are a few facilities in operation worldwide which utilize geothermal steam for electric energy, particularly in Europe. In the United States, the Geysers area in California presently has a 298 megawatt (MW) electric generation facility supplying about one-third of the electric power needs of San Francisco and plans are being developed for additional facilities of 404 MW and 510 MW.

About 1.8 million acres of land in our western states have now been classified as being within Known Geothermal Resources Areas (KGRA's), according to the U.S. Geological Survey. An additional 96 million acres are listed as having prospective value for geothermal resources.

Geothermal energy could contribute significantly to our future power needs at the local level. Nationally, geothermal energy will be less significant because our resources are located only in the western states.

It is anticipated that about 4,000 MW of geothermal electrical capacity will be available by the year 1985, less than 0.1% of our total energy needs. By the year 2000, geothermal energy is expected to contribute as much as 1.5% of our total energy needs. Technological breakthroughs may increase the contribution of geothermal energy to our total power supply.

The Geothermal Steam Act of 1970 was signed by the President on December 24, 1970. This Act provides for the leasing of public lands for geothermal resource development under the management of the Department of the Interior. The Administration's program, as emphasized in the President's Energy Message of June 4, 1971, is intended to provide for the utilization of geothermal resources under environmentally safe conditions and sound resource management practices.

It is expected that the leasing of geothermal resources on public lands will stimulate development of this resource. The Department of the Interior is making progress in the preparation of the environmental statement for the geothermal leasing program and the proposed geothermal development and operating regulations. It is anticipated that the final environmental statement will be issued in the near future. If it is decided to proceed with the program, competitive leases incorporating environmentally safe operating and development practices may be offered within a few months after publication of the final environmental statement.

NUCLEAR POWER

The world's first nuclear reactor achieved initial operation in Chicago on December 2, 1942, launching a new technology. The Atomic Energy Commission, organized in 1946 to direct the nation's nuclear programs, proceeded with reactor development and in 1951 an experimental unit produced for the first time a small amount of electric power. Three years later, the AEC formally inaugurated a developmental effort looking toward commercial power reactors. In 1957 the Shippingport (Pa.) plant began operation as the first reactor producing power for commercial consumption.

In the 1950's several utilities began building reactors in the 200,000 kilowatt (KW) size range. The next scale up, to 400,000 to 500,000 KW, came in the early 1960's and by the late 1960's reactors on order had advanced to the 1,000,000 KW size as utilities took advantage of improvements in the economics of larger plants.

At present, 30 nuclear power plants are in operation, 60 are under construction, and 75 others have been ordered.

With 150 reactor years of operating experience in the United States, the safety of nuclear power has been clearly proved.

Nuclear power, now providing about 4% of the nation's electricity, will account for up to 25% by 1985, and up to 60% by the end of the century. Thus, the current nuclear capacity of about 14,700,000 KW is expected to grow to 1,200,000,000 KW by the year 2000.

The AEC has major developmental programs underway in the energy field—the fast breeder reactor, which holds the promise of making reserves of uranium fuel last for centuries, and controlled thermonuclear fusion, which if harnessed in a reactor, would use the virtually limitless supplies of deuterium in seawater as fuel.

MANDATORY OIL IMPORT PROGRAM

A voluntary oil import program was begun in 1957. The Mandatory Oil Import Program was initiated in 1959 on the basis of a national security finding to limit low priced imports, thus providing protection for development of higher cost U.S. production and refining capacity. It was clear that, without regulation, market forces would encourage U.S. integrated oil companies to exploit cheaper foreign reserves of crude oil despite the risk of disruption to supply. This, in turn, could jeopardize the viability of the U.S. domestic oil industry. In the 1960's the program did serve a useful purpose, maintaining a healthy domestic petroleum industry which could not have survived in direct competition with low cost Middle Eastern imports.

Within the industry, the independent refiners, terminal operators, jobbers and marketers have historically all received the great majority of their supplies (crude or products) from the major oil companies, not other independents. Sale of import licenses (tickets) is prohibited under the program. Exchanges of tickets, however, have been common. Exchanges of tickets were attractive to both parties, i.e., inland independent refiners used domestic crude produced by the major oil companies and the major oil companies imported and refined the foreign crude using the inland refiners' tickets.

In 1972, prorationing reached the 100% level; U.S. production capacity had peaked and began declining. Between 1969 and 1972, total oil imports rose by 52% to 4.7 million barrels per day. Imports for 1973 of both crude oil and products are projected at 6.0 million barrels per day. In early 1972, landed foreign crude prices were still lower than domestic prices and the sum of domestic production plus imports was equal to demand. The ticket still had value and could be traded, thus facilitating full operation of inland, independent refineries and providing ample products for the independent marketers.

In 1973, landed foreign crude and product prices rose significantly. This was due to increased OPEC ownership participation in production companies, devaluation of the dollar, high tanker rates, and high spot market prices for scarce low sulphur fuels. With increased ticket allocations (56% increase in 1973), there is now no shortage of tickets. These two factors have made import tickets of little or no value. Under these circumstances, some major oil companies have been less willing to trade tickets. Thus, many independent refiners and marketers have had problems obtaining supplies.

To respond to the need for increasing importation of crude oil and products, the President in 1972 raised the import quota levels twice to ensure adequate supplies. Quotas were totally lifted on heating oil in December, 1972, until April 30, 1973, and the 1973 import quota is 56% higher than in 1972. In addition, in March of this year, the President removed all limitations on the amount of import licenses which can be issued by the Oil Import Appeals Board (OIAB). The OIAB now issues these licenses to any party, usually a refiner, terminal operator, or marketer, based on hardship. These actions, coupled with the longer range actions announced today, are expected to reduce the possible near term fuel shortages.

The President has instituted the most sweeping changes since the Program was begun in 1959. The Program is being restructured to meet both the current needs for fuels at the lowest cost to the consumer by removing the current tariffs, while at the same time, providing longer term stability and additional incentives for increased domestic exploration and production and new refinery construction and expansion by providing for license fees to be imposed on imports above the 1973 levels.

Those presently holding tickets under the 1973 program will be able to trade these valuable, license fee exempt import licenses for domestic crude oil or products. This should help alleviate some of the current distribution problems affecting primarily the inland independent refiners and marketers. The license fee exempt import rights will be phased out over seven years, to minimize Federal involvement and provide for more efficient market operation. The President also announced specific provisions to stimulate the construction of domestic refineries and plans to provide for increased storage to minimize the impact of possible supply interruptions.

DEEPWATER PORTS

There are at least 60 ports or buoy facilities currently in operation worldwide which are capable of handling ships of 175,000 deadweight tons (DWT) or more. These facilities generally have water depths of at least 80 feet. There are no ports in the United States now capable of handling these large ships; consequently, the U.S. is currently not able to benefit directly from the significant economic savings and environmental benefits from the use of offshore ports and supertankers.

With a few exceptions, the United States has a shallow continental shelf and no natural deepwater harbors. Most major U.S. ports are currently dredged to depths between 35 and 45 feet. It is generally not feasible to build deepwater ports in the United States by dredging or improving existing harbors. Thus, most deepwater ports would have to be built offshore beyond state waters in international waters, sometimes at distances of twenty or thirty miles from the shoreline.

At the end of 1971, more than one-fourth of the world's total oil-carrying capacity consisted of ships in the 175,000 DWT class and over. A total of 223 such ships were in operation and 321 more were on order. New orders represent approximately 50% of existing tanker tonnage of all registries.

Total tanker arrivals for the 48 contiguous states in 1971 was 67,770, with 56,700 (84%) of these in Petroleum Administration District I (PAD I) which is the Eastern Seaboard. West Coast arrivals totaled 4,420 and Gulf Coast arrivals were 6,650. Most of the shipments were products from the Gulf Coast and the Caribbean to PAD I. The average size of the ships currently carrying imported crude is about 29,000 DWT.

By 1980, Eastern Seaboard (PAD I) imports of foreign oil by very large crude carriers (VLCC) are expected to average between 1 and 3.5 million barrels per day, virtually all of which will come from Africa or the Persian Gulf. If the U.S. does not rapidly develop deepwater port capability, foreign transshipment terminals in the Bahamas and the Canadian Maritime Provinces will probably be developed by U.S. and foreign companies. The U.S. will then be serviced by increasing numbers of small and medium sized transshipment vessels, increasing the risks of pollution from vessel casualties and operations and requiring expansion of conventional port facilities.

Significant economies can be achieved from use of larger vessels. Dollar per ton freight costs could be reduced nearly 30% by increasing tanker size from 65,000 to 250,000 DWT. Greater economies can be realized utilizing bigger ships.

The environmental advantage of offshore deepwater ports is that they reduce the risks of collision and grounding and minimize the probability that spilled oil will reach beaches or estuaries. The most valid environmental concern involves the impact of primary and secondary economic development, such as refineries and petrochemical plants, associated with the port. These risks are recognized and can be controlled through land use planning and adequate local zoning. Dispersion of facilities versus concentration with only a few ports would probably significantly reduce the environmental impact on any particular region.

The President has proposed legislation which will provide authority for the Secretary of the Interior, in consultation with other concerned Federal agencies and state governments, to issue a license in waters beyond state jurisdiction for the construction and operation of deepwater ports. The legislation is intended to simply provide a complete legal regime for licensing beyond the three mile limit, under strict environmental safeguards and with provisions for navigation and safety. The President recognizes the importance of the states in developing ports and associated onshore facilities. The legislation does not preempt state authority, but extends state laws to any deepwater port licensed by the Department of the Interior, as long as those laws are not in conflict with Federal laws.

The President's legislation makes provision for issuance of the necessary license for the rights-of-way for an associated pipeline by amending the Outer Continental Shelf Lands Act (OCSLA). Under the OCSLA, the Secretary of the Interior currently grants rights-of-way for pipelines constructed to bring oil and gas ashore from offshore drilling operations.

ENERGY CONSERVATION

Current Federal energy conservation programs are diffused in many Federal departments and agencies. The President has directed the establishment of an Office of Energy Conservation within the Department of the Interior. That Office will coordinate Federal energy conservation programs, conduct research on issues related to energy conservation, and work to educate the public on energy efficiency and costs.

Energy demand is growing more rapidly than in the past, now at levels of 4.8% annually. Some sectors, such as consumption of fuels for electricity and transportation, are growing at significantly faster rates. Besides the impact of the continually increasing U.S. standard of living and the availability of more labor saving devices to more Americans, environmental regulations have significantly increased energy consumption. This is particularly apparent with the automobile, where pollution control devices have reduced engine operating efficiencies.

The President directed the Department of Commerce, in cooperation with the Council on Environmental Quality and the Environmental Protection Agency, to develop a voluntary labeling program which would apply to major energy-consuming home appliances, automobiles and auto accessories. Automobiles and home appliances account for approximately 20% of current energy demand. Manufacturers could voluntarily display labels providing data on energy use, as well as a rating based on the product's efficiency relative to other similar projects. Standard testing procedures for appliances would be developed by the National Bureau of Standards and for autos by the Environmental Protection Agency. As a first step toward this goal, the Environmental Protection Agency will shortly release the results of its tests of automotive efficiency.

In the last two years, the President has twice directed the Department of Housing and Urban Development to strengthen FHA insulation requirements for single and multifamily housing. The President has now directed HUD to evaluate extension of insulation standards to mobile homes.

The President directed all Federal agencies to develop programs to conserve energy. These programs include building design and construction, procurement of energy conserving products and through taking into account the energy impacts of their major actions. The new Office of Energy Conservation will work closely with the Federal agencies to implement this directive.

The General Services Administration is constructing a new Federal office building in Manchester, New Hampshire, using advanced energy conservation techniques. The GSA has established a goal of reducing energy use by 20% over typical buildings of the same size. The National Bureau of Standards is now evaluating energy use in an actual full size house in its laboratories in Gaithersburg, Maryland. When this evaluation is complete, analytical techniques will be available to help predict energy use for new structures. This effort, combined with the experience gained in the construction and operation of the demonstration Federal building, will provide guidance for construction of Federal buildings and assist architects and contractors to help them conserve energy.

ENERGY RESEARCH AND DEVELOPMENT

The President indicated today that funding for energy R&D would continue to be monitored carefully and when *additional* funds are essential those funds would be provided.

A detailed summary of the specific programs is attached. The highlights of the President's energy R&D program follow.

Coal. The President's FY '74 budget includes a 27% increase to $120 million for coal R&D—or a 300% increase since 1970. Additional funds to be requested would further increase this level. Major programs at the Department of the Interior to expand the use of coal in a manner compatible with the environment are:

Liquefaction and precombustion removal of pollutants.

High BTU coal gasification to produce pipeline quality gas.

Low BTU coal gasification for industrial and utility use.

Nuclear Fission. The FY '74 budget provides for a $63 million *increase* for AEC's nuclear fission R&D programs.

Highlights are:

A $51 million increase to maintain the pace of the Liquid Metal Fast Breeder Reactor program toward the goal of commercial demonstration by 1980.

An 11% increase in R&D to further ensure the safety of the current generation of light water reactors.

Nuclear Fusion. The AEC's thermonuclear fusion program is increased 35% to $88 million in the FY '74 budget. This program includes:

A 19% increase to develop controlled thermonuclear fusion reactors through magnetic confinement.

A 59% increase to develop the capability to initiate a thermonuclear reaction using a high powered laser.

Solar Energy. The solar energy program would triple, from $4 million in FY '73 to $12 million in FY '74. The program will be administered by the National Science Foundation and emphasize the development of solar energy for:

Heating and cooling of buildings.

Producing and converting organic materials to fuels.

Generating electricity.

Additional Environmental Control R&D. In addition to the substantial efforts to develop cleaner fuel from coal, the FY '74 budget provides for a 24% increase, from $38 to $47 million, for other environmental control research with expected near-term benefits. This inclues a construction of the TVA demonstration SO_x removal plant as well as continued R&D aimed at minimizing the thermal effects of power plants.

Other R&D Programs. Other energy R&D programs include:

An accelerated effort in utilization of geothermal energy.

Development of magnetohydrodynamic (MHD) devices, in cooperation with the Soviet Union, to produce electric power more efficiently from heat.

Electric Utility Participation. The President also cited the importance of non-Federal energy R&D and noted with pleasure the formation of the Electric Power Research Institute. He indicated that this utility R&D organization, with a budget in 1974 exceeding $100 million, would provide additional capability to accelerate and influence the development of energy technology. The President also urged all State utility commissions to consider permitting increased R&D expenditures to be included in utility rate bases.

INTERNATIONAL

The President called for greater cooperation between all nations on energy matters. He specifically noted the need for consuming nations to cooperate to ensure that ample supplies are available to all nations.

Most of the world's oil producing nations have been organized into a cartel of 1960 called the Organization of Petroleum Exporting Countries (OPEC).* The member nations provide over 90% of the world's current oil trade and 75% of the free world oil reserves. Revenues to these nations in 1970 were approximately $7 billion; and are growing.

In early 1972 the exporting states won special price increases from the companies to compensate for devaluation of the U.S. dollar and will receive similar increases in 1973. Recently, the oil companies accepted the host goevrnments as partners in petroleum operations. Under the agreements worked out for the Persian Gulf states, government equity in the properties will rise in steps from an initial 25% to 51% by 1982.

The United States currently imports approximately 6.0 million barrels per day of crude oil and petroleum products. The products, approximately 2.2 million barrels per day, are mostly residual fuel oil for the Eastern Seaboard (2.3 million barrels per day). U.S. imports by source can be summarized as follows:

U.S. OIL IMPORTS (CURRENT—BY SOURCE OF ORIGIN)

	Barrels per day (million)	Percent
Canada	1.2	20
Other Western Hemisphere	2.3	38
Eastern Hemisphere	2.5	42
Total	6.0	33

[1] Percent of demand.

The nations of Western Europe and Japan are highly dependent on foreign sources of supply for fuels, particularly the Middle East.

INTERNATIONAL IMPORT SUMMARY

[Million barrels per day]

	1972	Estimate, 1973	Estimate, 1980	Current dependence on oil (percent)
United States	4.7	6.0	10–12	46
Western Europe	14.4	15.5	22–26	60
Japan	5.0	5.5	10–13	75

The United States meets regularly with these other consuming nations, including Canada and Australia, as a member of the Organization for Economic Cooperation and Development (OECD).

The entire world faces energy-related problems similar to those faced by the United States, although this nation is more fortunate than many with vast reserves of fossil fuels. The President proposed greater international cooperation in solving these problems through research and development. He cited the recent agreements with the Soviet Union to exchange information on fusion, fission, electric generation, transmission and pollution control technology and to jointly pursue research in magnetohydrodynamics (MHD).

ENERGY ORGANIZATION

In March 1971, the President proposed legislation to create a Department of Natural Resources which would have included important energy policy functions and programs. The 92nd Congress did not act on that proposal.

The President has announced a number of changes by executive action better to focus and implement Federal energy programs and coordinate energy matters which affect many agencies and involve both domestic and international considerations. In addition, he will propose shortly new organizational arrangements which require Congressional approval.

Steps taken by the President include:

Established a Special Energy Committee composed of his Assistants for Domestic Affairs, Foreign Affairs, and Economic Affairs.

Appointed a Special Consultant to the President for energy matters who heads a staff in the Office of the President to support the Special Energy Committee.

Issued, today, an Executive Order formalizing the Energy Committee and reaffirming the appointment and role of his Special Consultant for Energy.

Appointed in January 1973 the Counsellor to the President for Natural Resources who coordinates a broad range of domestic natural resources, environment and energy matters.

Directed the Secretary of the Interior to strengthen his Department's organization for energy activities. Actions accomplished to date or planned include creation of a new position with the title of Assistant Secretary for Energy and Minerals, a new Office of Energy Conservation, and increased capability for energy data and analysis. Capabilities for overseeing and coordinating energy R&D are being strengthened.

Placed authority in the Department of Treasury for direction of the Oil Policy Committee, which committee coordinates the oil import program and recommends changes in the program to the President.

These actions will help improve the ability of the Executive Branch to develop, implement and coordinate energy programs, but they are largely interim steps. More fundamental changes are needed and the President will submit legislation to the Congress establishing a Department of Energy and Natural Resources (DENR). This legislation will modify the President's 1971 proposal for DNR to provide more emphasis for energy policy and management.

FEDERAL ENERGY R. & D. FUNDING

	Agency [1]	Fiscal year— 1970	1971	1972	1973	1974
Coal resources development		30.4	49.0	73.5	94.5	119.9
Production and utilization R. & D., including gasification, liquefaction, and MHD	DOI–OCR	13.5	18.8	30.3	43.5	52.5
	DOI–BOM	13.2	15.4	14.7	19.8	18.1
Mining health and safety research	DOI–BOM	3.7	14.8	28.5	31.2	28.3
Interior central fund (part)	DOI					21.0
Petroleum and natural gas		8.8	11.5	12.9	12.8	9.1
Petroleum extraction technology	DOI–BOM	2.7	2.7	3.2	3.1	3.1
Nuclear gas stimulation	AEC	3.7	6.1	7.1	7.2	4.0
Oil shale	DOI–BOM	2.4	2.7	2.6	2.5	2.0
Nuclear fission		283.4	295.2	358.0	412.0	475.4
Liquid metal fast breeder reactor	AEC	144.3	167.9	236.0	269.0	320.0
	TVA			.2	3.0	3.0
Other civilian nuclear power	AEC	108.5	96.6	86.8	98.0	90.5
Nuclear materials process development	AEC	30.6	30.7	35.0	42.0	61.9
Nuclear fusion		37.5	42.2	52.8	65.5	88.5
Magnetic confinement	AEC	34.3	32.2	33.3	39.6	47.3
Laser	AEC	3.2	10.0	19.5	25.9	41.2
Solar energy	NSF			1.7	4.2	12.2
Geothermal energy		.2	.2	1.4	3.4	4.1
	NSF			0.7	0.7	1.4
	DOI–GS	0.2	0.2	.7	2.5	2.5
	DOI–BOM				.2	.2
Electrical generation, transmission and storage			1.3	2.2	4.9	4.1
	NSF		.5	1.3	2.4	.9
	DOI		.8	.9	1.0	1.0
	AEC				1.5	2.2
Control technology (stationary sources)				28.6	38.1	47.5
Air pollution control technology	EPA	19.8	17.4	24.5	29.5	21.5
SOX removal	TVA			1.1	3.0	18.0
Thermal effects	EPA	.8	.6	.7	1.0	1.0
	AEC	1.5	1.8	2.3	4.6	7.0
Miscellaneous				6.3	6.9	11.0
Systems and resource studies	NSF			4.4	5.3	5.3
Energetics research	NSF			1.9	1.6	1.7
Interior central fund (part)	DOI					4.0
Total research and development		382.4	419.2	537.4	642.3	771.8
Recap by agency:						
Atomic Energy Commission		326.1	345.3	420.0	487.8	574.1
Environmental Protection Agency		20.6	18.0	25.2	30.5	22.5
National Science Foundation			.5	10.0	14.2	21.5
Department of the Interior		35.7	55.4	80.9	103.8	132.7
Tennessee Valley Authority				1.3	6.0	21.0

[1] Agency codes: AEC—Atomic Energy Commission; DOI–BOM—Department of the Interior, Bureau of Mines; DOI–GS—Department of the Interior, Geological Survey; DOI–OCR—Department of the Interior, Office of Coal Research; NSF—National Science Foundation; and TVA—Tennessee Valley Authority.

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*The charter members were Iran, Iraq, Kuwait, Saudi Arabia, and Venezuela. Joining later were Qatar (1961), Libya and Indonesia (1962), Abu Dhabi (1967), Algeria (1969), and Nigeria (1971).

MODIFYING PROCLAMATION 3279, RELATING TO IMPORTS OF PETROLEUM AND PETROLEUM PRODUCTS, PROVIDING FOR THE LONG-TERM CONTROL OF IMPORTS OF PETROLEUM AND PRODUCTS THROUGH A SYSTEM OF LICENSE FEES AND PROVIDING FOR GRADUAL REDUCTION OF LEVELS OF IMPORTS OF CRUDE OIL, UNFINISHED OILS AND FINISHED PRODUCTS BY THE PRESIDENT OF THE UNITED STATES OF AMERICA, A PROCLAMATION

The Chairman of the Oil Policy Committee maintains a constant surveillance of imports of petroleum and its primary derivatives in respect to the national security.

He informs me that, in the course of his surveillance, he has reviewed the status of imports under Proclamation 3279, as amended, of petroleum and its primary derivatives in their relation to the national security and that further Presidential action under section 232 of the Trade Expansion Act of 1962, as amended, is required.

He recommends, after consultation with the Oil Policy Committee, that the method of adjusting imports of petroleum and petroleum products be modified by immediately suspending tariffs on imports of petroleum and petroleum products and by shifting to a system whereby fees for licenses covering such imports shall be charged and whereby such fees may be adjusted from time to time, as required in order to discourage the importation into the United States of petroleum and petroleum products in such quantities or under such circumstances as to threaten to impair the national security; to create conditions favorable, in the long range, to domestic production needed for projected national security requirements; to increase the capacity of domestic refineries and petro-chemical plants to meet such requirements; and to encourage investment, exploration, and development necessary to assure such growth.

The Chairman informs me further, that the levels of imports heretofore fixed in calendar year 1973, with respect to Districts I–IV, District V, and Puerto Rico, reflect application of the established policy that for each such area the maximum level of imports shall be the difference between estimated supply and estimated demand, and that he finds that such levels of imports should be continue to be permitted without payment of the fees otherwise provided for in this proclamation.

I agree with the recommendations of the Chairman, and I deem it necessary and consistent with the national security objectives of the Trade Expansion Act of 1962, as amended, that provision be made for a gradual transition from the existing quota method of adjusting imports of petroleum and petroleum products to a long-term program for adjustment of imports of petroleum and petroleum products through the suspension of existing tariffs and the institution of a system of fees applicable to imports of crude oil, unfinished oils, and finished products, which fees may be adjusted from time to time.

Now, therefore, I, Richard Nixon, President of the United States of America, acting under and by virtue of the authority vested in me by the Constitution and laws of the United States, including section 232 of the Trade Expansion Act of 1962, do hereby proclaim that, effective as of this date, that portion of Proclamation 3279, as amended, beginning with section 1 thereof, is hereby amended to read as follows:

"Sec. 1(a) In Districts I–IV, in District V, and in Puerto Rico, no crude oil, unfinished oils, or finished products may be entered for consumption or withdrawn from warehouse for consumption, except (1) by or for the account of a person to whom a license has been issued by the Secretary of the Interior pursuant to an allocation made to such person by the Secretary in accordance with regulations issued by the Secretary, and such entries or withdrawals may be made only in accordance with the terms of such license, or (2) as authorized by the Secretary pursuant to paragraph (b) of this section, or (3) as to finished products by or for the account of a department, establishment, or agency of the United States, which shall not be required to have such a license but which shall be subject to the provisions of paragraph (c) of this section, or (4) as provided in paragraph (c) of this section, or (5) as otherwise provided in this proclamation.

(b) The Secretary of the Interior may, in his discretion, authorize entries, without allocation or license, of small quantities of crude oil, unfinished oils, or finished products.

(c) In Districts I–IV, District V, and in Puerto Rico, no department, establishment, or agency of the United States shall without prior payment of the fees provided for in this proclamation, import finished products in excess of the respective allocations made to them by the Secretary of the Interior. Such allocations shall, except as otherwise provided in this proclamation, be within the maximum levels of imports established in section 2 of this proclamation:

(d) The Secretary may, by regulation, provide that no allocation or license shall be required in connection with the transportation to the United States by pipeline through a foreign country of crude oil, unfinished oils, or finished products produced in the customs territory of the United States or, in the event of commingling with foreign oils of like kind and qualities incidental to such transportation, of quantities equivalent to the quantities produced in and shipped from such customs territory."

"Sec. 2(a) Except as otherwise provided in this proclamation, the maximum level of imports, from sources other than Canada and Mexico which may be made without prior payment of the fees provided in this proclamation, of crude oil, unfinished oils, and finished products (other than residual fuel oil to be used as fuel) shall be:

(1) for Districts I–IV, 1,992,000 average barrels per day per calendar year: *Provided*, That, in addition to the foregoing, there may be imported into District I an average of 50,000 barrels per day of No. 2 fuel oil, manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere under allocations made by the Secretary, pursuant to regulations of the Secretary, to deepwater terminal operators currently receiving allocations and who do not have crude oil import allocations into Districts I–IV; *Provided Further*, That, whenever the Chairman of the Oil Policy Committee finds that, because of supply, price, or other considerations, the requirement that No. 2 fuel oil be manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere is unduly restricting the availability of such oil for importation into District I and is not required for the national security, he shall so advise the Secretary who shall then suspend such requirement by appropriate regulation. No such suspension shall be renewed except upon a new finding by the Chairman as required by the preceding sentence; *Provided Further*, That, the Secretary may, by regulation, provide that a holder of an allocation for the importation of No. 2 fuel oil may import crude oil produced in the Western Hemisphere in lieu of No. 2 fuel oil, barrel for barrel, and exchange such crude oil for No. 2 fuel oil.

(2) for District V, 670,000 average barrels per day per calendar year.

(3) for Puerto Rico 227,221 average barrels per day per year commencing April 1, 1973; *Provided*, That no person who manufactures in Puerto Rico No. 2 fuel oil from crude oil produced in the Western Hemisphere shall incur a reduction of an allocation or be deemed to have violated a condition of an allocation by reason of a shipment of such oil to a person who holds an allocation of imports of No. 2 fuel oil into District I and who does not have a crude oil import allocation into District I; *Provided Further*, That, this limitation shall not apply to long-term allocations of imports into Puerto Rico.

(4) for District I, 2,900,000 average barrels per day per year, commencing April 1, 1973, of residual fuel oil to be used as fuel.

(5) for Districts II–IV, 42,000 average barrels per day per calendar year of residual fuel oil to be used as fuel.

(6) for District V, 75,600 average barrels per day per calendar year of residual fuel oil to be used as fuel.

(b) Imports of asphalt, ethane, propane, and butanes shall not be subject to the level established in this proclamation nor shall any allocation or license be required for their importation.

(c) Crude oil may be imported into District I to be topped for use as burner fuel under such conditions as the Secretary may, by regulation, provide. The quantities of crude oil, unfinished oils, and finished products that may be imported into the United States under the provisions of this proclamation shall not be reduced by reason of imports of crude oil used as fuel under this paragraph.

(d)(1) Except as otherwise provided in this proclamation, the maximum levels of imports from Canada of crude oil and unfinished oils to which license fees are not applicable shall be:

(i) for Districts I–IV, 960,000 average barrels per day per calendar year; *Provided*, That, the Secretary may, within the limits established by subparagraph (1) of paragraph (a) of this section, increase the quantity of crude oil, unfinished oils, and finished products which may be imported from Canada so long as such increase is consonant with the purposes of this proclamation.

(ii) for District V, 280,000 average barrels per day per calendar year; *Provided*, That, the Secretary may, within the limits established by subparagraph (1) of paragraph (a) of this section, increase the quantity of crude oil, unfinished oils, and finished products which may be imported from Canada so long as such increase is consonant with the purposes of this proclamation.

(2) Entries for consumption of imports from Canada by pipeline may be made until midnight January 15 of the calendar year following the calendar year in which any license authorizing such imports from Canada was issued.

(e) Except as otherwise provided in this proclamation, the maximum level of imports from Mexico of crude oil produced in Mexico and unfinished oils and finished products produced in Mexico wholly from Mexican crude oil shall be 32,500 average barrels per day per calendar year.

(f) The levels established, and the total demand referred to, in this section do not include free withdrawals by persons pursuant to section 309 of the Tariff Act of 1930, as amended (19 U.S.C. 1309), or petroleum supplies for vessels or aircraft operated by the United States between points referred to in said section 309 (as to vessels or aircraft, respectively) or between any point in the United States or its possessions and any point in a foreign country.

"Sec. 3(a) Effective May 1, 1973, the Secretary shall, by regulation, establish a system of fees for licenses issued under allocations of imports of crude oil, unfinished oils, and finished products, over the above levels of imports established by section 2 of this proclamation. Such regulations shall require, among other appropriate provisions, that such fees shall be:

FEE SCHEDULE

[Cents per barrel]

	May 1, 1973	Nov. 1, 1973	May 1, 1974	Nov. 1, 1974	May 1, 1975	Nov. 1, 1975
Crude	10½	13	15½	18	21	21
Motor gasoline	52	54½	57	59½	63	63
All other: Finished products and unfinished oils (except ethane, propane, and butanes)	15	20	30	42	52	63

Provided, That, license fees paid for imports of crude oil or unfinished oils will be refunded to the extent that such crude oils or unfinished oils have been incorporated into petrochemical or finished products subsequently exported or that asphalt as defined in this proclamation was produced from the imported feedstocks.

(b) Except for allocation and licenses to which the license fee is not applicable, applications for allocations of imports of crude oil, unfinished oils, or finished products shall be accompanied by the applicant's certified check or a cashier's check payable to the order of the Treasurer of the United States in the appropriate amount chargeable pursuant to this section. Applications not accompanied by a certified or cashier's check in the amount required shall not be considered.

(c) (1) All monies received by the Secretary under the terms of paragraph (b) of this section shall be held by the Secretary of the Interior in a suspense account and may be drawn upon by the Secretary for the payment of any refunds of refundable license fees and for payments to Puerto Rico of sums collected by way of license fees for imports into Puerto Rico. Balances remaining in such suspense account not required for payment hereinabove provided shall be deposited at the end of each fiscal year in the Treasury of the United States and credited to miscellaneous receipts.

(2) Refunds pursuant to subparagraph (1) of paragraph (c) of this section shall be made without interest."

"Sec. 4(a) The Secretary of the Interior is hereby authorized to issue regulations for the purpose of implementing this proclamation.

(b) (1) With respect to the allocation of imports of crude oil and unfinished oils into Districts I–IV and into District V, such regulations shall provide for a fair and equitable distribution of allocations of imports for which license fees are not applicable among eligible persons having refinery capacity in relation to refinery inputs or in relation to storage capacities of such allocation holders. The Secretary may, by regulation, also provide for the making of allocations of imports for which license fees are not applicable, of crude oil and unfinished oils into Districts I–IV and into District V to persons having petrochemical plants in these districts in relation to the outputs of such plants or in relation to inputs to such plants. Provision may be made in the regulations for the making of such allocations on the basis of graduated scales. Notwithstanding the levels prescribed in section 2 of this proclamation, the Secretary may also by regulation make such provisions as he deems consonant with the objectives of this proclamation for the making of allocations of imports of crude oil and unfinished oils to which the license fee is not applicable into Districts I–IV and into District V to persons who manufacture from crude oil and unfinished oils and who export finished products and petrochemicals, subject to such designations as the Secretary may make. Notwithstanding the levels established in section 2 of this proclamation the Secretary may make allocations to which license fees shall not be applicable to new, expanded, or reactivated refinery capacity and petrochemical plants for a period of five years from the date such facility comes on stream. Such allocations shall not exceed 75 percent of estimated refinery inputs or the percentage of petrochemical plant inputs applicable.

(2) Such regulations shall provide for the allocations of imports with respect to which license fees are not applicable of crude oil and unfinished oils into Puerto Rico among persons having refinery capacity in Puerto Rico in the calendar year 1964 on the basis of the allocation of crude and unfinished oils received by such persons for the allocation period commencing April 1, 1973: *Provided*, That, in respect of imports for which license fees are applicable, license fees paid for imports of crude oil and unfinished oils into Puerto Rico will be refunded to the extent that such crude oil or unfinished oils have been incorporated into finished products consumed in Puerto Rico or petrochemicals or finished products exported therefrom.

(3) Except for crude oil or unfinished oils imported under license or licenses for which a fee has been charged, or pursuant to specific relief granted pursuant to section 5, such regulations shall require that imported crude oil and unfinished oils be processed in the licensee's refinery or petrochemical plant, except that exchanges for domestic crude or unfinished oils may be made, if otherwise lawful, if effected on a current basis and reported in advance to the Secretary, and if the domestic crude or unfinished oils are processed in the licensee's refinery or petrochemical plant.

(4) With respect to the allocation of imports of finished products (other than residual fuel oil to be used as fuel) in respect of which license fees are not applicable into Puerto Rico, such regulations shall provide, to the extent possible for a fair and equitable distribution of imports of such finished products among persons who were importers of such finished products into Puerto Rico during all or part of the calendar year 1958, or such higher level as the Secretary may have determined to be required to meet demand in Puerto Rico for finished products that would not otherwise have been met, during the calendar year 1973.

(5) With respect to the allocation of imports to which license fees are not applicable of residual fuel oil to be used as fuel in Puerto Rico, such regulations shall, to the extent possible, provide for a fair and equitable distribution of imports of residual fuel oil to be used as fuel among persons who were importers of that product into Puerto Rico during all or part of the calendar year 1958. In addition, the Secretary by regulation may, to the extent possible, provide for a fair and equitable distribution of imports of residual fuel oil to be used as fuel, the maximum sulphur content of which is acceptable to the Secretary (i) among persons who are in the business in the respective districts or Puerto Rico of selling residual fuel oil to be used as fuel and who had inputs of that product to deepwater terminals located in the respective districts or Puerto Rico and (ii) among persons who are in the business in the respective districts or Puerto Rico of selling residual fuel oil to be used as fuel and who have throughput agreements (warehouse agreements) with deepwater terminal operators. With respect to the allocation of imports into District I of residual fuel oil to be used as fuel, such regulations shall, to the extent possible, provide for a fair and equitable distribution of imports of residual fuel oil to be used as fuel (i) among persons who are in the business in District I of selling residual fuel oil to be used as fuel and who have had inputs of that product to deepwater terminals located in District I, and (ii) among persons who are in the business in District I of selling residual fuel oil to be used as fuel and have throughput agreements (warehouse agreements) with deepwater terminal operators. With respect to the allocation of imports of residual fuel oil to be used as fuel into District I, Districts II–IV, District V, and Puerto Rico, such regulations shall also provide, to the extent possible, for the granting of allocations of imports of residual fuel oil to be used as fuel in accordance with procedures established pursuant to section 5 of this proclamation.

(c) Such regulations may provide for the revocation or suspension by the Secretary of any allocation or license on grounds relating to the national security, or the violation of the terms of this proclamation, or of any regulation, allocation, or license issued pursuant to this proclamation.

(d) For the balance of the calendar year 1973, notwithstanding the levels established in section 2 of this proclamation and the provisions of paragraph (b) of this section, the Secretary may provide by regulation for additional allocations of imports in respect of which license fees are not applicable of crude oil and unfinished oils to persons in District I–IV, and District V who manufacture in the United States residual fuel oil to be used as fuel, the maximum sulphur content of which is acceptable to the Secretary, in consultation with the Secretary of Health, Education and Welfare. These allocations to each of such persons shall not exceed the amount of such residual fuel oil manufactured by that person."

"Sec. 5(a) The Secretary of the Interior is authorized to provide for the establishment and operation of an Appeals Board to consider petitions by persons affected by the regulations issued pursuant to this proclamation. The Appeals Board shall be comprised of a representative each from the Departments of the Interior, Justice, and Commerce to be designated respectively by the heads of such Departments.

(b) The Appeals Board may be empowered, subject to the general direction of the Chairman of the Oil Policy Committee, (1) within the limits of the maximum levels of imports established in this proclamation, to modify on the grounds of error any allocation made to any person under such regulations; (2) without regard to the limits of the maximum levels of imports established in this proclamation, (i) to modify, on the grounds of exceptional hardship, any allocation with respect to which license fees are not applicable made to any person under such regulations; (ii) to grant allocations of imports to which license fees will not be applicable of crude oil and unfinished oils in special circumstances to persons with importing histories who do not qualify for allocations under such regulations; and (iii) to grant allocations of imports, to which license fees shall not be applicable, of finished products on the grounds of exceptional hardship; and to assure that adequate supplies of crude oil, unfinished oils, and finished products are made available to independent refiners or established marketers who are experiencing exceptional hardship or in emergencies requiring, in its judgment, the grant of allocations to them, and (3) to review the revocation or suspension of any allocation or license. The Secretary may provide that the Board may take such action on petitions as it deems appropriate and that the decisions by the Appeals Board shall be final.

(c) Effective April 30, 1980, the jurisdiction of the Oil Import Appeals Board shall expire."

"Sec. 6. Persons who apply for allocations of crude oil, unfinished oils, or finished products, persons to whom such allocations have been made, and persons who hold such allocations shall furnish to the Secretary of the Interior such information and shall make such reports as he may require, by regulations or otherwise, in the discharge of his responsibilities under this proclamation."

"Sec. 7. The Chairman of the Oil Policy Committee shall provide policy direction, coordination, and surveillance of the oil import control program, including approval of regulations issued pursuant to this proclamation. He shall perform * * *

"Sec. 8. The Oil Policy Committee shall consist of the Deputy Secretary of the Treasury, as Chairman, and the Secretaries of State, Defense, Interior, and Commerce, the Attorney General, and the Chairman of the Council of Economic Advisers, as members. The President may, from time to time, designate other officials to serve as members of the Committee. The Chairman may create subcommittees of the Committee to study and report to the Committee concerning specified subject matters."

"Sec. 9. The Oil Policy Committee shall consult with and advise the Chairman on oil import policy, including the operation of the control program under Proclamation 3279, as amended, and on recommendations for changes in the program by the issuance of new proclamations with respect to it, or othewise."

"Sec. 10. The Chairman of the Oil Policy Committee shall from time to time and as, in his judgment is required, review the status of imports of petroleum and its primary derivatives in respect to the national security, and, after consultation with the Oil Policy Committee, he shall inform the President of any circumstances which, in the Chairman's opinion, might indicate the need for further Presidential action under section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862), as amended. In the event prices of crude oil or its products or derivatives should be increased after the effective date of this proclamation, beyond the limits contemplated by the Cost of Living Council, such review may include a determination as to whether such increase or increases are necessary to accomplish the national security objectives of section 232 of the Trade Expansion Act of 1962, as amended, and this proclamation."

"Sec. 11 Annually, beginning May 1, 1974, the maximum levels of imports subject to allocation and license, to which license fees shall not be applicable, shall be reduced as follows:

For the year commencing May 1, 1974, the maximum levels of such imports shall be ninety percent (90%), in barrels per day, of the levels established during the calendar year 1973;

For the year commencing May 1, 1975, the maximum levels of such imports shall be eighty percent (80%), in barrels per day, of the levels established during the calendar year 1973;

For the year commencing May 1, 1976, the maximum levels of such imports shall be sixty-five percent (65%), in barrels per day, of the levels established during the calendar year 1973;

For the year commencing May 1, 1977, the maximum levels of such imports shall be fifty percent (50%), in barrels per day, of the levels established during the calendar year 1973;

For the year commencing May 1, 1978, the maximum levels of such imports shall be thirty-five percent (35%), in barrels per day, of the levels established during the calendar year 1973;

For the year commencing May 1, 1979, the maximum levels of such imports shall be twenty percent (20%), in barrels per day, of the levels established during the calendar year 1973.

Effective April 30, 1980, the system of issuing allocations and licenses not subject to license fee shall be abolished;

Provided, That, with respect to any allocation period expiring prior to May 1, 1974, such allocation period shall be extended to April 30, 1974, and the Secretary shall issue appropriate regulations to issue additional oil import licenses to reflect such extension.

"Sec. 12(a) Commitments and obligations contained in long-term allocations heretofore made of imports of crude oil into Puerto Rico shall be unimpaired by this proclamation or regulations issued thereunder.

(b) Commitments and obligations contained in that certain allocation made to Hess Oil and Chemical Corporation of imports of finished products into Districts I–IV, dated December 12, 1967, effective January 1, 1968, shall be unimpaired by this proclamation or regulations issued thereunder."

"Sec. 13 The Secretary of the Interior may delegate, and provide for sucessive redelegation of, the authority confered upon him by this proclamation. All departments and agencies of the Executive Branch of the Government shall cooperate with and assist the Secretary of the Interior in carrying out the purposes of this proclamation."

"Sec. 14 Executive Order 10761 of March 27, 1958, entitled "Government Purchases of Crude Petroleum and Petroleum Products" (23 F.R. 2067) is revoked."

"Sec. 15. As used in this proclamation:

(a) "Person" includes an individual, a corporation, firm, or other business organization or legal entity, and an agency of a state, territorial or local government, but does not include a department, establishment, or agency of the United States.

(b) "District I" means the states of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Maryland, Delaware, West Virginia, Virginia, North Carolina, South Carolina, Georgia, Florida, and the District of Columbia.

(c) "Districts II–IV" means all of the states of the United States except those states within District I and District V.

(d) "Districts I–IV" means the District of Columbia and all of the states of the United States except those states within District V.

(e) "District V" means the states of Arizona, Nevada, California, Oregon, Washington, Alaska, and Hawaii.

(f) "Crude oil" means a mixture of hydrocarbons that existed in natural underground reservoirs and which is liquid at atmospheric pressure after passing through surface separating processes and does not include natural gas products. It includes the initial liquid hydrocarbons produced from tar sands, gilsonite, and oil shale.

(g) "Finished products" means any one or more of the following petroleum oils, or a mixture or combination of such oils, or any component or components of such oils which are to be used without further processing by any one or more of the processes described in subparagraphs (1) through (3) of paragraph (h) of this section, and which, as of January 1, 1973, under the Tariff Schedules of the United States, were not subject to a duty of more than one cent ($0.01) per pound of the hydrocarbons therein contained:

(1) The term "liquefied gases" means the following liquefied or liquefiable gases, namely, ethane, propane, butanes, ethylene, propylene, and butylenes which are derived by refining or other processing of natural gas, crude oil, or unfinished oils.

(2) "Gasoline" means a refined petroleum distillate, including naphtha, jet fuel or other petroleum oils (but not isoprene or cumene having a purity of 50 percent or more by weight, or benzene which meets the ASTM distillation standards for nitration grade) derived by refining or processing crude oil or unfinished oils, in whatever type of plant such refining or processing may occur, and having a boiling range at atmospheric pressure from 80°, to 400° F.

(3) "Kerosene" means any jet fuel, diesel fuel, fuel oil or other petroleum oils derived by refining or processing crude oil or unfinished oils, in whatever type of plant such refining or processing may occur, which has a boiling range at atmospheric pressure from 400° to 550° F.

(4) "Distillate fuel oil" means any fuel oil, gas oil, topped crude oil, or other petroleum oils, derived by refining or processing crude oil or unfinished oils, in whatever type of plant such refining or processing may occur, which has a boiling range at atmospheric pressure from 550° to 1200° F.

(5) "Residual fuel oil" means a petroleum oil, which is (i) any topped crude or viscous residuum of crude or unfinished oils or one or more of the petroleum oils defined in subparagraphs (2) through (4) of this paragraph (g), which has a viscosity of not less than 45 seconds Saybolt Universal at 100°F. to be used as fuel without further processing other than by mechanical blending or (ii) crude oil to be used as fuel without further processing other than by blending by mechanical means.

(6) "Asphalt" means a solid or semi-solid cementitious crude oil or derivative of crude oil, 50 percent or more of the constituents of which are bitumins, which is not to be used as fuel and which is to be used without further processing except airblowing or blending by mechanical means.

(7) "Lubricating oils" means any lubricant containing more than 50 percent by volume of refined petroleum distillates or specially treated petroleum residuum.

(8) "Natural gas products" means liquids (under atmospheric conditions), including natural gasoline, which are recovered by process of absorption, adsorption, compression, refrigeration, cycling, or a combination of such processes, from mixtures of hydrocarbons that existed in a reservoir and which, when recovered and without processing in a refinery or other plant, fall within any of the definitions of products contained in clauses (2) through (4) of this paragraph (g).

(h) "Unfinished oils" means one or more of the petroleum oils listed in clauses (1) through (4) and clause (8) of paragraph (g) of this section or a mixture or combination of such oils, or any component or components of such oils, which are to be further processed in one or more of the following ways:

(1) By distillation with a resulting yield of at least two distinct finished products or unfinished oils, two of which must be equal to not less than 10 percent of the total charge of such imported unfinished oils to a distillation unit. Different grades or specifications of finished products or unfinished oils will not constitute distinct finished products or unfinished oils for purposes of this subparagraph. Distillation of petroleum oils which have been reconstituted by blending of two or more finished products or unfinished oils does not constitute processing for the purposes of this subparagraph.

(2) By catalytic or thermal conversion in process units such as alkylation, coking, cracking, hydrofining, hydrodesulfurization, polymerization, isomerization, dehydrogenation, or refining.

(3) By physical separation established by means of solvent dewaxing, solvent deasphalting, solvent extraction, or extractive distillation.

(i) As used in paragraphs (g) and (h) of this section, the term "petroleum oil" includes only hydrocarbons derived from crude oil or natural gas.

(j) The term "imports from Canada" as used in this proclamation, means entries for consumption or withdrawals from warehouse for consumption of the following items which have been transported into the United States from Canada, by overland means (pipeline, rail, or other means of overland transportation) or over waterways other than ocean waterways, to-wit: crude oil produced in Canada, unfinished oils which have been derived from crude oil or natural gas produced in Canada, and finished products which have been produced in Canada from crude oil produced in Canada.

(k) The expression "long-term allocation" means:

(1) That certain allocation made to Commonwealth Oil Refining Company, Inc., of imports of crude and unfinished oils into Puerto Rico dated May 10, 1968—effective January 1, 1968 (as amended).

(2) That certain allocation made to Phillips Petroleum Company of imports of unfinished oils into Puerto Rico—dated December 23, 1965—effective January 1, 1966 (as amended).

(3) That certain allocation made to Sun Oil Company of imports of crude oil into Puerto Rico—effective April 18, 1968 (as amended).

(4) That certain allocation made to Union Carbide Corporation of imports of crude oil and unfinished oils into Puerto Rico—dated April 19, 1968—effective April 19, 1968.

(5) That certain allocation made to Hess Oil and Chemical Corporation of imports of finished products into Districts I–IV—dated December 12, 1967—effective January 1, 1968 (Hess Oil and Chemical Corporation now Amerada-Hess).

(l) The term "imports" includes both entry for consumption and withdrawal from warehouse of consumption.

"SEC. 16. Effective as of May 1, 1973, tariffs upon imports of petroleum and petroleum products listed in Schedule 4, Part 10—"Petroleum, natural gas, and products derived therefrom" of the Tariff Schedules of the United States shall be and are suspended."

In witness whereof, I have hereunto set my hand this 18th day of April, in the year of our Lord nineteen hundred seventy-three and of the Independence of the United States of America the one hundred ninety-seventh.

RICHARD NIXON.

EXECUTIVE ORDER—SPECIAL COMMITTEE ON ENERGY AND NATIONAL ENERGY OFFICE

This Administration is determined to continue to develop a more comprehensive, integrated national energy policy to meet the emerging energy challenge. Many steps have been taken toward that end, including measures to increase domestic production of all forms of energy without violating our natural environment, to conserve the energy we produce, to better utilize our current resources, and to use our vast scientific and technological capacities to develop new sources and new forms of energy. I have now determined that in order to protect and promote the interests of the people of the United States as energy users, and to coordinate the policies of the executive branch in this area, it is necessary to establish a Special Committee on Energy and a National Energy Office.

Now, therefore, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is hereby ordered as follows:

SPECIAL COMMITTEE ON ENERGY

SECTION 1. Three Assistants to the President, John D. Ehrlichman, Henry A. Kissinger, and George P. Shultz, shall constitute a Special Committee on Energy. The Director of the National Energy Office shall perform his functions under this order in accordance with policies and guidance provided him by the Special Committee.

ESTABLISHMENT OF THE OFFICE

SEC. 2. There is hereby established in the Executive Office of the President a National Energy Office. The Office shall be under the immediate supervision and direction of a Director who shall be designated by the President. The Director shall report to the President through the Special Committee on Energy.

FUNCTIONS OF THE DIRECTOR

SEC. 3. (a) The Director shall advise the President, through the Special Committee on Energy, with respect to all Federal energy programs, activities, and related matters.

(b) The Director shall recommend policies and guidelines pertaining to energy matters for all energy related programs within the Executive Branch. To the maximum extent permitted by law, Federal officers and Federal departments and agencies shall cooperate with the Director in carrying out his functions under this Order.

(c) In addition, the Director shall—

(1) assure the development of comprehensive plans and programs to insure the availability of adequate and dependable supplies of energy;

(2) assure that Federal energy policy is properly coordinated;

(3) evaluate all such programs;

(4) advise the heads of departments and agencies of his findings and recommendations, when appropriate;

(5) make recommendations to the Director of the Office of Management and Budget concerning proposed funding of energy programs and activities;

(6) constitute a clearinghouse for the prompt consideration of energy problems brought to his attention by Federal departments and agencies and by other public and private entities, organizations, agencies, or individuals; and

(7) report, through the Special Committee on Energy, from time to time, to the President concerning the foregoing.

RICHARD NIXON.

The White House, *April 18, 1973*.

PRESIDENT NIXON'S 1973 ENERGY MESSAGE IS LONG ON RHETORIC AND SHORT ON FEDERAL COMMITMENT

Mr. RANDOLPH. Mr. President, today, President Nixon has transmitted to the Congress his much-delayed energy message.

After many months of consideration, the Chief Executive states in the close of the message:

> The need for action is urgent. I hope the Congress will act with dispatch on the proposals I am submitting. But in the final analysis, the ultimate responsibility does not rest merely with the Congress or with this Administration. It rests with all of us—with government, with industry and with the individual citizen.

To date, however, the Congress has been waiting on the President. Everyone—the consumer, the Congress, and now the President—recognizes that the United States is faced with an energy crisis.

I consider the President's message on energy to be a deficient document in a number of particulars—and I will delineate the deficiencies, now as I see them, and as time goes on in our work in the fuels and energy study.

It is my view that not more than a third of the programs will effectively work toward solving the energy crisis.

Another third of the White House proposals constitute burdens on the American consumers which will not bring compensatory energy benefits and will not materially enhance our country's energy status.

The other third of the over-all energy problem is simply overlooked.

It will be for the Congress to correct the mistakes in the White House energy document—and the Congress must fill in the voids and provide statutory bases for many of the proposals.

I am gratified and encouraged by the fact that we have an experiencd Senate fuels and energy policy study group built around our Committee on Interior and Insular Affairs. It operates under a resolution passed by the Senate 2 years ago with the joint sponsorship of the chairman of the Interior Committee, Senator HENRY JACKSON of Washington, and this Senator, chairman of the Public Works Committee.

I speak of this study group as being "experienced"—and it is experienced in membership and staff because it has been working on fuels and energy and related environmental problems for considerably longer than the life of this Senate Resolution 45—92d Congress—authorized group.

In fact, what we have are the Interior, Commerce, and Public Works committee chairmen and ranking minority members working together on the fuels and energy problems under the capable chairmanship of Senator JACKSON.

Perhaps we have kept our light hidden too much under the proverbial bushel for too long while awaiting the long-promised energy message of the President of the United States.

We and our staffs have not been inactive.

Far from that. We have made good preparation for this day when we face the reality of having the administration position paper before us in this highest of priority subject area.

I have confidence in the leadership that Senator JACKSON has been providing and in the leadership I know he will provide in the critical months ahead. I have confidence in the Interior-Commerce-Public Works joint leadership, along with that provided by the Senate membership of the Joint Committee on Atomic Energy.

There is no doubt in my mind that we will get the job done in the Senate—and in the whole Congress.

We are grateful for having the Nixon administration's program proposals as set forth in the President's energy message.

I have said that I view this program as being considerably deficient, but it is a base for action. I have confidence that Congress will make necessary correction and will build the administration proposals into a more effective national fuels and energy policy for our country than that which is portrayed in the President's message today.

The President's message provides recognition of emerging short falls in supplies of basic energy resources and their conversion products, such as electricity, gasoline, distillate fuel oils, and synthetic gas and oil. However, the program outlined is long on rhetoric and overall short on Federal commitment. The principal thrust of the message is abolition of the mandatory oil import quota program, which is to be replaced by an import permit program. This has all the signs of a revenue measure rather than the means to manage oil imports controls. And, the President proposes to create this program by Executive order—not by statute—without an input or review by the Congress. And, this action is being taken at a time when it appears that the greatest threat to our way of life is not from external sources, but from the lack of an adequate national response to many of the domestic challenges within our own society.

Many of the President's proposals are valid; however, there is very little that is new. And, as has been customary in recent years, the administration has shifted the burden for new technology development, particularly concerning environmentally acceptable means for the use of coal, to the private sector.

I am not encouraged by the President's message to expect the administration to really go to bat for the actual development of new technology needed to make coal the factor it could be and should be for the over-all improvement of domestic energy supplies. The President has taken a very bland approach to the necessary rejuvenation of coal.

In my January 16 energy statement to the Senate proposing 26 actions to cope with our country's emerging energy crisis, I said:

> In the last ten years, the United States has passed from the status of a net exporter of energy resources to a position with all the earmarks of a long-term heavy dependence on foreign supplies of oil and gas and the Federal government has been derelict in permitting this to happen.
>
> A number of clearly identifiable factors have contributed to gaps between energy resource demands and available domestic supplies—
>
> Unrealistic Federal price controls on natural gas have both served as a disincentive for exploration for new domestic gas supplies and encouraged excessive demands for natural gas;
>
> The overall growth in energy demand has exceeded the growth in domestic discovery of replacement energy resources;
>
> Replacement short-term supplies for domestic oil and gas are, principally, from the Mid-East and Africa;
>
> There continues to be delays in the access of Alaskan North Slope oil and gas to markets in the lower 48 States.
>
> There is a coal shortage which is the product of decreased productivity, labor difficulties, unauthorized strikes, a critical shortage of coal-carrying railroad cars, new and more stringent mine safety regulations, and new environmental requirements which affect coal mine operations and create market place demands for cleaner fuels;
>
> Research policies have neglected the long-term role of coal in our energy economy; and
>
> The future is one of indecision and uncertainty which is the consequence of *ad hoc*, piecemeal Federal policies which are held together very fragilely.
>
> It reveals our country, and numerous others, embarked on a gigantic gamble that reliable and abundant production of crude oil, natural gas, and coal from all sources—domestic and foreign—will ensue. Failing this, the assumption is that, hopefully, some immense substitute source or sources of energy will be found in time.

The President's energy message provides little encouragement that these substitutes will be found. I had hoped that after more than 2 years' work, that the White House would be in a position to offer some positive new proposals toward the formulation of a long-term, coherent, rational, and comprehensive national fuels and energy policy. We remember that 2 years ago the President placed within the Domestic Council the mission I had intended, in 1970, for a proposed Commission on Fuels and Energy in legislation I offered that year. As a result, I looked forward with special attention to the President's message. Unfortunately, it is more "words without performance", which the country has been receiving all too long. The effect of the message is to shift the burden to the Congress.

Personally, I believe that a comprehensive national fuels and energy policy must reflect—

An assessment of future energy needs and their relationship to the general economy;

The availability of domestic fuel supplies, including the time period required to make aditional supplies available, the technological needs, their environmental characteristics, and the probable costs;

The availability of foreign energy resources, including the competitive demand for these fuels from other nations; and

The interrelationship between foreign sources and the attendant risks to national security, both military and economic.

After many years of concern, on January 16, 1973, in Senate remarks, I enunciated 26 proposals for consideration in the development of a National Fuels and Energy Policy. The actions I proposed were not new—as the proposals of President Nixon are not new. What was new was the attempt I made to provide a framework for evaluation of their relative merits as essential elements of national policy.

My proposals were as follows:

> *To Coordinate and Administer Federal Energy Programs More Effectively*—We should:
>
> Establish a policy formulating and coordinating body, such as a Council on Energy Policy, within the Executive Offices of the President.
>
> Congressionally restructure the Department of the Interior, or approve a Department of Natural Resources (and Energy), or develop some other suitable department or agency, the principal functions of which would be administration of domestic energy and mineral resources developments in a manner consistent with overall economic, environmental, and societal policies.
>
> Separate the traditional roles of the Office of Emergency Preparedness for energy resources contingency planning and the ongoing administration of a mandatory oil and gas import program and place the latter solely in the newly constituted Department or agency resulting from the above action.
>
> Initiate a joint Congressional-Executive Branch review looking toward consolidation of Federal regulation of energy activities, such as the Federal Power Commission and the Atomic Energy Commission, within a single agency.
>
> Establish a joint Government-Industry corporation to spear-head the demonstration of new and advanced energy technologies.
>
> *To Foster Energy Conservation Practices Nationally*—We should:
>
> Upgrade the 1971 FHA home insulation standard.
>
> Establish Federal guidelines for the incorporation of energy conservation practices in new buildings (mandatory for new Federal and Federally insured buildings and homes). (The Senate Public Works Subcommittee on Buildings and Grounds will study this aspect in detail this year.)
>
> Establish a national program of consumer education to foster more efficient use of energy in our daily lives.
>
> Develop and publish Federal guidelines for the labeling of electrical equipment to reflect efficiency of energy utilization.
>
> Initiate comprehensive national review of the potential for energy conservation within the transportation sector of our economy, hopefully, to lead to the adoption of Federal policies for fostering energy conservation in this end use.
>
> *To Assure Realistic Consideration of Expanded Environmental and Societal Concerns in National Coal Policies*—We should:
>
> Insure that the prices previously allowed for energy supplies by the recently abolished Price Commission are increased, with the concurrence of the Cost of Living Council, to reflect decreased production, the increased costs incurred in meeting rising wages, in developing new coal sources, and in responding to new environmental and occupational policies governing both the production and end-use of coal.
>
> Implement the Clean Air Amendments of 1970 so as to reflect the statutory distinction between the 1975 primary (health) air quality standard and achievement of the secondary (welfare) standards at a reasonable time thereafter.
>
> Implement State plans of implementation approved by the Environmental Protection Agency, so as to appropriately reflect the availability and non-availability of sulfur oxides control technologies and low-sulfur fuel supplies. (These two recommendations will be reviewed by the Senate Public Works Committee's Subcommittee on Air and Water Pollution, later this year.)
>
> Initiate the earlier Congressionally mandated Federal expanded program for the demonstration of sulfur oxides control technologies—an element of the President's June, 1971, energy program that did not materialize.
>
> Undertake a significantly expanded Federal research program which reflects the fact that the vital role of coal in our energy economy rests in its conversion into environmentally clean gaseous and liquid fuels.
>
> We must have:
>
> Immediate enactment of surface mining legislation which—
>
> Covers coal and other mineral resource developments on public lands;
>
> Provides the States with Federal guidelines and minimum standards as the basis for strict State control of surface mining operations and reclamation;
>
> Places in the States the primary responsibility for development and administration of programs for the control of surface mining;
>
> Provides Federal fall-back authority where Federal guidelines or minimum standards are not being met; and
>
> Provides that each applicant for a surface mining permit should file a detailed plan for the mining operation and the reclamation that is to be performed during, and after, commencement of mining operations.
>
> *To Promote the Development of Domestic Energy Supplies*—We should:
>
> Initiate a comprehensive analysis of present trends on oil and gas imports with an assessment of the desirability of arresting current trends toward and increased dependence on Eastern Hemisphere sources of oil and gas.
>
> Establish realistic pricing systems for domestic oil and gas supplies.
>
> Use the Federal Power Commission's existing authority to channel natural gas supplies on Outer Continental Shelf into interstate markets.
>
> Develop energy resources on Federal lands on reasonable terms and time schedules to mitigate dependence on foreign supplies.
>
> Provide for limited Federal decontrol of producer prices for new natural gas supplies under two comprehensive and complementary Federal initiatives—
>
> As the *quid pro quo* for eliminating wellhead price regulation as a determining factor in Federal Power Commission regulatory actions, extend all other jurisdictional in-

> dices, or criteria, other than price into intrastate natural gas producer sales; and
>
> Promulgate national guidelines for the curtailment of natural gas customers during periods of shortage, with authority for the Federal Power Commission to impose the established end-use priorities with regard to both direct and indirect sales.
>
> Initiate immediately a joint Congressional-Executive Branch review of the adequacy of domestic refinery capabilities. This review must consider anticipated short-term and long-term requirements and serve as the basis for legislation to stimulate the development of an expanded domestic refinery capacity consistent with economic, environmental, and societal needs.
>
> Initiate a comprehensive analysis of the adequacy of uranium refinery capabilities to meet the fuel requirements of projected nuclear electric power plants over their operational life. Federal policies must assure that *ad hoc* fuels policies do not commit this country to nuclear power development at a level that cannot be maintained with anticipated uranium supplies.
>
> We Must Also Undertake—
>
> A comprehensive and objective analysis, and action, on the National Petroleum Council's recommendations to improve the economic and political climate to encourage energy development and competition among domestic energy suppliers.
>
> A review of the 15 major areas suggested by the National Petroleum Council for policy guidance initiatives by the Federal government in order to foster the development of increased United States energy supplies.
>
> The necessary steps to establish a national deep-water port policy which requires that any deep-water port development recognize the need for long term reliance on domestic energy supplies. (The Senate Public Works Committee's Subcommittee on Flood Control, Rivers, and Harbors will review this matter in detail.)

Mr. President, my statement reflected that there are no simple, elementary solutions; to the contrary, the contributing factors are very complex and the solutions will be all the more so because they must be arrived at by men—with all their human weakness and all their wisdom—working in a spirit of compromise and concession.

The overriding consideration and effort must be to make our country vastly more energy self-sufficient. Failing to do this, we can expect to experience an overwhelming energy crisis; in relying on imports, we also may be creating a disasterous security problem for the United States of America.

The President states that:

> Now we must build on our increased knowledge, and on the accomplishments of the past twenty-two months, to develop a more comprehensive, integrated national energy policy. To carry out this policy we must:
>
> Increase domestic production of all forms of energy;
>
> Act to conserve energy more effectively;
>
> Strive to meet our energy needs at the lowest cost consistent with the protection of both our national security and our national environment;
>
> Reduce excessive regulatory and administrative impediments which have delayed or prevented construction of energy-producing facilities;
>
> Act in concert with other nations to conduct research in the energy field and to find ways to prevent serious shortages; and
>
> Apply our vast scientific and technological capacities—both public and private—so we can utilize our current energy resources more wisely and develop new sources and new forms of energy.
>
> The actions I am announcing today and the proposals I am submitting to the Congress are designed to achieve these objectives.

Let us review several of the administrations' proposals.

NATURAL GAS

I agree that—

> For more than a decade the prices of natural gas supplied to pipelines under this extended regulation have been kept artificially low. As a result, demand has been artificially stimulated, but the exploration and development required to provide new supplies to satisfy this increasing demand have been allowed to wither.

Consequently, I support deregulation of the wellhead price of new gas, with appropriate Federal controls of other factors. The President proposes "that gas from new wells, gas newly dedicated to interstate markets, and the continuing production of natural gas from expired contracts should no longer be subject to price regulation at the wellhead."

Although this is intended to stimulate new exploration and development, there is no requirement that increased revenues actually be used for this purpose.

Without appropriate Federal controls by the Federal Power Commission, not the Secretary of the Interior, the proposed action may not have the effect of increasing supplies but, rather, it may simply provide windfall profits.

I fail to understand, however, the logic behind the suggestion "that the Secretary of the Interior be given authority to impose a ceiling on the price of new natural gas when circumstances warrant." On its surface, this would appear to simply transfer price regulation from the Federal Power Commission to the Department of the Interior.

As recognized by the President, the increased prices on new unregulated gas would be averaged in with the prices for gas that is still regulated. Thus the consumer should be protected against precipitous cost increases. However, this would be true for both existing and new customers. While the practice of "rolled-in pricing" would appear desirable in the case of existing customers, attention must be given to whether this practice is in the national interest in the case of new customer demands.

ALLOCATION OF GAS

As we are all aware, there currently are shortages of natural gas which are being manifested as regional curtailment of supplies. Recognition is not given to this situation, even though a system of national priorities on the end use of natural gas appears desirable. Consequently, I intend to introduce legislation that would provide for limited Federal decontrol of producer prices for new natural gas supplies under two comprehensive and complementary Federal initiatives—

As the quid pro quo for eliminating wellhead price regulation as a determining factor in Federal Power Commission regulatory actions, extend all other jurisdictional indexes, or criteria, other than price into intrastate natural gas producer sales; and

Promulgate national guidelines for the curtailment of natural gas customers during periods of shortage, with authority for the Federal Power Commission to impose the established end-use priorities with regard to both direct and indirect sales.

OUTER CONTINENTAL SHELF

I am encouraged by the President's proposal to triple the annual acreage leased on the Outer Continental Shelf by 1979. This, however, must be undertaken on reasonable terms and time schedules to mitigate dependence on foreign supplies. Since it takes 3 to 5 years to bring these supplies into production, it remains to be determined whether this proposal will substantially reduce our dependence on oil imports.

I am encouraged, however, by the directive that the Secretary of the Interior has received "to develop a long term leasing program for all energy resources on public lands, based on a thorough analysis of the Nation's energy, environmental, and economic objectives."

ALASKAN OIL

I also oppose any further delay in the Alaskan pipeline in order to restudy the advisability of building the pipeline through Canada. However, it is readily apparent to all that gas pipelines, and possibly future oil pipelines, must go through Canada. Yet, this is not recognized in the President's message. There is a vital need to initiate govenment-to-government negotiations between Canada and the United States on a treaty, as Senator JACKSON has suggested, to provide long term assurance of the means to bring Alaska's energy resources to markets in the lower 48 States.

COAL RESEARCH

I am deeply disturbed by the lack of recognition that is given to Federal support for coal research even though the President states:

> Coal is our most abundant and least costly domestic source of energy. Nevertheless, at a time when energy shortages loom on the horizon, coal provides less than 20 percent of our energy demands, and there is serious danger that its use will be reduced even further. If this reduction occurs, we would have to increase our oil imports rapidly, with all the trade and security problems this would entail.
>
> * * * * *
>
> I urge that highest national priority be given to expanded development and utilization of our coal resources.

But, no increased funding is suggested for fiscal year 1974. Instead, the burden for development of environmentally acceptable means for the utilization of coal is transferred to the private sector.

The administration's proposed 1974 budget for energy research and development remains a token $61.6 million for coal technologies needed for the 1980's and 1990's, and a flagrant $107 million increase to a gigantic $506 million for nuclear technologies for the 21st century.

With coal generally recognized as the only domestic alternative to oil imports, it is obvious that action, not rhetoric, is needed now to insure the future and essential role that domestic resources, principally coal, must serve in our energy economy.

For 20-plus years, the American people have subsidized nuclear power developed on the premise of abundant electric energy, and the President's message rightly continues this precedent.

I had hoped that the President's message would extend this practice to coal to assure abundant supplies of domestic, not foreign, fossil-fuel energy resources, compatible with environmental requirements. It is unrealistic to continue to expect that increased exploration for domestic oil and gas can alone carry the burden for success, even at higher prices.

Instead, the lack of commitment to Federal-supported research and development is defended by the statement that:

> It is foolish and self-defeating to allocate funds more rapidly than they can be effectively spent. At the same time, we must carefully monitor our progress and our needs to ensure that our funding is adequate. When additional funds are found to be essential, I shall do everything I can to see that they are provided.

The President also reiterates the statement made in his June 1971 energy message that—

> I am also stepping up our spending for research and development in coal, with special emphasis on technology for sulphur removal and the development of low-cost, clean-burning forms of coal.

I emphasize that this same statement was made 2 years ago, but the support was never forthcoming. As a consequence, it is now necessary for the President to propose modification of the State plans of implementation of the Clean Air Act to distinguish between requirements to achieve the primary or health standards by 1975 and the secondary or welfare standards "at a reasonable time thereafter."

While I support this action in principle, it is being undertaken by administrative fiat. The Clean Air Act does not provide the EPA Administrator with authority to require the States to undertake the President's proposed extension of State deadlines.

When both the 1967, and 1970, Clean Air Act amendments were under consideration in the Senate Public Works Committee, and in the Senate, I warned that the current situation might develop. I predicted potentially damaging consequences, not only for energy, but, also, for the success of environmental policies. Repeatedly, I offered amendments to increase both authorizations and appropriations for research and development. Most of my amendments were accepted, and are now in the law, but the executive branch consistently has done too little toward the financing of research on energy-related environmental control technologies.

Even when increased funds were fought through the administration's budget councils and the Congress, EPA often declined to obligate them. Admittedly, the Office of Management and Budget, as usual, resisted budget increases; however, in this case, appropriated funds were not even committed to the effort. This was due to the failure of EPA's program managers to focus adequately on this problem and the statutory program to deal with it. The consequence is a badly out-of-balance condition of such proportions that our domestic coal industry—and the people involved in and depending on it—are in a tenuous position, which necessitates the President's action.

Even more disturbing, however, is continuance of the 1974 budget cut for EPA research on sulfur oxide control technology. As stated earlier, the agency's justification for this is that EPA, to date, has devoted more than $86 million to development and demonstration of first-generation technology for reducing and controlling air emissions from stationary and mobile sources. The plan is to move into a second phase where the private sector is expected to further refine and improve this technology.

The administration's position on these budget cuts reflects a policy that the development of sulfur oxide control technology is the responsibility of the private sector, not government; yet, this position does not reflect the congressionally enunciated policy contained in the Clean Air Act, section 104. Is the executive branch under the law or does it consider itself above the law?

I request unanimous consent to insert in the record at this point excerpts from my April 8, 1973, address to the Air Pollution Control Association's first government affairs seminar.

> This budget cut is even inconsistent with recent recommendations of the Interagency Sulfur Oxide Control Technology Assessment Panel (SOCTAP), which states:
>
> In particular, Federal R & D efforts should be expanded to accelerate the development of improved scrubber solid waste management processes. It also is strongly recommended that the Federal government continue support of ongoing government sponsored program (SIC) to develop SO_x processes.
>
> At this point, I wish to emphasize excerpts from an October 13, 1972, letter from EPA Deputy Administrator Fri to the Office of Management and Budget—fourth months before the budget was submitted to the Congress:
>
> (The proposed reductions for stationary source air pollution control technology) will . . . eliminate the funding of the sixth (sulfur oxide) flue gas control technology demonstration and prevent EPA funding of the completion of the fifth. *This abandons the Presidential commitment to fund six of these demonstrations.* (Emphasis added) Eliminating these demonstrations does increase the risk that we will ultimately not be able to sustain the large scale steam generation SO_x new source standard, but we think this risk is not unacceptable in view of the current legal situation and the progress that has been made in the first four demonstrations, in the private sector since the standard was set, and in foreign countries.
>
> These cuts also affect the nitrogen oxide control technology program, which has direct public health implications. Yet, according to Administrator Fri, the proposed 1974 EPA budget represents—
>
> "A risky course as the control technology for NO_x is very primitive. If NO_x does prove to be a major problem our reduction in this program will delay the setting of meaningful source standards and the achievement of the ambient standards."
>
> To me, these statements represent a total lack of commitment by the current Administration to a Congressionally mandated joint government-industry program. This effort was to be geared at implementing Federal environmental policies in a realistic manner through available control technologies. Instead, while the Federal government reverses its position on its commitment to statutory policies, industry is expected, nevertheless, to meet enforcement deadlines.
>
> The irony of this situation is characterized in Administrator Fri's own words:
>
> (EPA is) capable of achieving the most pollution abatement in those areas where we have the best legislative mandate. The Clean Air Act is our best legislative mandate. It also has congressional mandates which would be very embarrassing to do a poor job on.
>
> Yet, while proposing budget cuts for research, EPA proposes to increase the FY 1974 budget by $5.2 million for enforcement of air standards and State implementation plans, and enforcement in auto certification and regulation. I cannot help but ask, "Where is the realism?"

I am reminded of the words of President Nixon in his February 1970 environmental message to the Congress.

> The task of cleaning up our environment calls for a total mobilization by all of us. It involves government at every level; it requires the help of every citizen. It cannot be a matter of sitting back and blaming someone else.

This statement was made by the President in response to a new awareness in America that environmental degradation threatens the public health and the quality of our lives. Today, however, these goals are jeopardized. There has been too much talk and too little action by government and industry, alike. Government actions, short on perspective, have actually threatened the long-term success of Federal environmental policies. I speak principally of energy supply problems, which I have mentioned, which arise out of implementation of the Clean Air Act Amendments of 1970 by EPA and the States of the Union.

Without question, there is a need for realism in our country's implementation of environmental policies. We have not done well in finding a suitable, or equitable, balance between energy and the environment, and I emphasize, "energy and environment." Rather, it seems that we have adopted a national posture of environment versus energy, to the very substantial disadvantage of domestic energy supplies. The consequence has been an exacerbation of an already difficult energy supply problem.

POLLUTION CONTROL EQUIPMENT COSTS

I was encouraged by the President's support of incentives for the use of new environmental control technology, wherein he urges that "all State utility commissions to ensure that utilities receive a rapid and fair return on pollution control equipment, including stack gas cleaning devices and coal gasification processes."

In this regard, I was encouraged by the recent action by the Illinois Commerce Commission toward the achievement of workable solutions to environmental-energy problems.

At the request of Commonwealth Edison Co., that Commission approved a fuel adjustment clause for the utility which, among other things, allows for the recouping of the costs attributable to cleaning up fuels, through such methods as sulfur-oxide devices and precombustion techniques. This represents a significant step forward during a period of constant debate over whether the technology is even available and I intend to introduce a joint resolution providing congressional support of similar actions by other State public utility Commissions.

NUCLEAR ENERGY

As many of my colleagues are aware, the current energy crisis, in part, is the side-effect of the failure of the nuclear electric generation to meet its projected role as a source of energy. Consequently, I am deeply disturbed by the President's statement that although the Atomic Energy Commission is presently taking steps to provide greater amounts of enriched uranium fuel for the Nation's nuclear powerplants, this expansion will not fully meet our needs in the 1980's. The Government now must look to private industry to provide the additional capacity that will be required.

This startling disclosure reinforces my January 16, 1973, proposal to initiate a comprehensive analysis of the adequacy of uranium refinery capabilities to meet the fuel requirements of projected nuclear electric powerplants over their operational life. Federal policies must assure that ad hoc fuels policies do not commit this country to nuclear power development at a level that cannot be maintained with anticipated uranium supplies.

EXPLORATION AND DEVELOPMENT

The President is correct in pointing out that:

> Our tax system now provides needed incentives for mineral exploration in the form of percentage depletion allowances and deductions for certain drilling expenses. These provisions do not, however, distinguish between exploration for new reserves and development of existing reserves.

What is not pointed out is that under current policies, it is not mandatory that depletion allowances be invested in exploration in the United States rather than overseas. Serious attention must be given to whether depletion allowances also should apply overseas, anymore. This may be inconsistent with any policy which advocates long-term self-sufficiency.

In order to stimulate exploratory activities for new oil and gas, it is proposed:

> To extend the investment credit provisions of our present tax law so that a credit will be provided for all exploratory drilling for new oil and gas fields. Under this proposal, a somewhat higher credit would apply for successful exploratory wells than for unsuccessful ones, in order to put an additional premium on results.

Admittedly, this has proved to be a powerful stimulus to development of oil and gas, in the past. However, looking to the future, serious attention should be given to extending such investment credits to the development of other domestic energy supplies, if our national policy is to advocate long-term self-sufficiency.

OIL IMPORTS

It is generally recognized, as the President points out, that:

> In order to avert a short-term fuel shortage and to keep fuel costs as low as possible, it will be necessary for us to increase fuel imports. At the same time, in order to reduce our long-term reliance on imports, we must encourage the exploration and development of our domestic oil and the construction of refineries to process it.

The present quota system for oil imports—the Mandatory Oil Import Program—was established at a time when we were a net exporter of energy resources. Today, we are a net importer of petroleum supplies.

While it is necessary to increase oil imports over the short-term, it must be emphasized that Russia, by policy objective, is the only industrialized nation that is self-sufficient in energy supplies. Meanwhile, the United States is embarked on a misdirected road toward cutthroat competition with Europe and Japan over limited supplies.

I fear that an additional consequence will be severely strained relations with many of our former allies—and this is an added cost we cannot well afford.

It is universally recognized that the consumption of energy is closely tied to a country's standard of living. As quality of life rises, so does the demand for energy. In the United States, for example, we consume more energy than the combined usage by Russia, Germany, Japan, and Great Britain. They all aspire to our standard of living as do the producing countries themselves. Meanwhile, because they have no other choice, England is urging the Common Market countries to shape a unified energy policy in order to assure their fair share of limited oil supplies from Africa and the Middle East.

In the face of this situation, the administration's proposal abolishes the mandatory oil import quota program, thus placing us in direct competition with our allies over limited international supplies of both basic and refined energy resources. Instead, the President is instituting a license-fee quota system, with all the signs of a revenue measure. The proposed fees are one-half cent per gallon—70 cents per barrel—for crude oil and one and one-half cents per gallon on refined products. Anyone would expect it is intended to balance the budget by this single action, alone. How much will this really help the energy situation?

According to the President's message:

> Under the new system, present holders of import licenses may import petroleum exempt from fees up to the level of their 1973 quota allocations. For imports in excess of the 1973 level, a fee must be paid by the importer.
>
> This system should achieve several objectives.
>
> First, it should help to meet our immediate energy needs by encouraging importation of foreign oil at the lowest cost to consumers, while also providing incentives for exploration and development of our domestic resources to meet our long-term needs. There will be little paid in fees this year, although all exemptions from fees will be phased out over several years. By gradually increasing fees over the next two and one-half years to a maximum level of one-half cent per gallon for crude oil and one and one-half cents per gallon for all refined products, we should continue to meet our energy needs while encouraging industry to increase its domestic production.
>
> Second, this system should encourage refinery construction in the United States, because the fees are higher for refined products than for crude oil. As an added incentive, crude oil in amounts up to three-fourths of new refining capacity may be imported without being subject to any fees. This special allowance will be available to an oil company during the first five years after it builds or expands its refining capacity.
>
> Third, this system should provide the flexibility we must have to meet short and long-term needs efficiently. We will review the fee level periodically to ensure that we are imposing the lowest fees consistent with our intention to increase domestic production while keeping costs to the consumer at the lowest possible level. We will also make full use of the Oil Import Appeals Board to ensure that the needs of all elements of the petroleum industry are met, particularly those of independent operators who help to maintain market competition.
>
> Fourth, the new system should contribute to our national security. Increased domestic production will leave us less dependent on foreign supplies. At the same time, we will adjust the fees in a manner designed to encourage, to the extent possible, the security of our foreign supplies.

REFINED PRODUCTS

In recent months, shortfalls in energy supplies have extended beyond natural gas to refinery products, as witnessed in recent shortages of distillate heating oil and transportation fuels.

As we are all aware, petroleum not only serves as a resource supply that can be used directly as source of energy but it also can serve as the feedstock for our refineries and our petrochmical industries. Together, they produce a wide range of conversion products such as heating oil, low-sulfur residual oil, automobile gasoline, and a wide range of other transportation fuels—essential to commerce.

It is obvious to me that among the many factors contributing to this situation, the single most significant influencing shortages in available supplies of petroleum conversion products is the apparent reality that we are fast approaching the limit of our domestic refinery industry's capacity. It also is reported that international refinery capacities also are approaching the limit of their ability to meet demands.

The President's energy message proposes economic incentives to encourage the construction of domestic refineries. It remains to be seen whether this approach will be effective. This, however, must not be left to chance, as I stated on January 16, 1973, I have asked Senator HENRY M. JACKSON, as chairman of the Senate's National Fuels and Energy Policy Study, to undertake immediately a joint congressional-Executive branch review of the adequacy of domestic refinery capabilities. This review must consider anticipated short-term and long-term requirements and serve as the basis for legislation to stimulate the development of an expanded domestic refinery capacity consistent with economic, environmental, and societal needs.

In formulating a long-term national energy policy for domestic refineries, emphasis must be given to reversing the current trend toward export of refinery capacity and the import of high-cost petroleum conversion products. To provide a climate for the expansion of domestic refinery industry's capacity there is need for——

Establishment of a national policy for the siting of domestic refineries and, possibly, other energy facilities consistent with economic, environmental, and societal needs; and

Establishment of Federal economic incentive, such as accelerated depreciation, which will serve to stimulate the construction of domestic refineries in preference to foreign based operations.

Any objective analysis of the current situation must support the conclusion that we must reverse the current trend toward building refineries abroad and importing refined products.

I recognize that there are environmental implications associated with building of additional refinery capacity in the United States and from the standpoint of short-term environmental concerns it might be desirable to import all this country's fuel requirements. However, in the case of refined products these advantages may not be as great as some people think. Besides, this development can be undertaken consistent with environmental, economic, and societal needs and policies.

In building refineries overseas we mortgage this country's security and freedom in the pursuit of imported refined products as well as imported crude oil. I believe this price is more than most Americans are willing to pay.

STRATEGIC RESERVES

On Monday of this week, I joined with Senators JACKSON and MAGNUSON in introducing legislation to create a 90-day reserve of petroleum to protect our economy from unanticipated interruption of imported petroleum. It is unfortunate that the President does not consider this possibility of sufficient importance to offer a specific proposal. Instead, a study is being undertaken by the Oil Policy Committee to examine incentives aimed at increasing our domestic storage capacity or shut-in production. In this way we will provide buffer stocks to insulate ourselves against a temporary loss of foreign supplies.

This is the old, slow way that placed this country in its energy shortage position. We must do better.

DEEP WATER PORTS

Obviously, for the foreseeable future, our country will have to import petroleum supplies in large quantities. I have long been in favor of a Federal policy which recognizes the long-term dependence of our Nation's economy on the development of a deep water port capability. Of necessity, I question any Federal policy which provides a Federal subsidy for deep water port construction. This would have the effect of providing an incentive toward imports and could enable imports to enter our markets and undercut the prices for domestic supplies of coal and oil.

Recognizing that the development of ports has usually been a responsibility of State and local governments and the private sector, the President proposes to transmit to the Congress—

Legislation to permit the Department of the Interior to issue such licenses. Licensing would be contingent upon full and proper evaluation of environmental impact, and would provide for strict navigation and safety, as well as proper land use requirements. The proposed legislation specifically provides for Federal cooperation with State and local authorities.

As I stated during hearings before the Senate's energy policy study on October 30, 1972: Before we, as a Nation, commit ourselves to the implementation of any recommendations from these studies, the Congress must fully understand:

The short- and long-term economic implications for domestic energy supplies of a Federal policy which subsidizes the construction of deep water ports;

The anticipated roles for the Corps of Engineers in the dredging of harbors and the construction of pipeline and terminal facilities on the outer continental shelf as well as the potential long-term environmental consequences of these activities;

The projected attendant development of refineries, and other economic interests, which will affect the environmental quality and land-use concerns of the regions involved;

The potential for oil spills and the existence of adequate oil spill contingency planning by both government and industry; and

The adequacy of existing liability limits covering oil spill clean-up which are the same for all super-tankers greater than 100,000 dead-weight tons.

Therefore, the Senate Committee on Public Works and Interior and Insular Affairs, and others, will review the President's proposed legislation and undertake the necessary steps to establish a national deepwater port policy which requires that any deepwater port development recognize the need for long-term reliance on domestic energy supplies.

ENERGY CONSERVATION

I am disappointed with the thrust of the President's proposals for energy conservation. The areas covered are the same as those mentioned in this June 1971, energy message. Ignored are such issues as the foolish use of natural gas as a boiler fuel.

For the most part, the transportation uses of energy are ignored. Rather than deal with the most inefficient use of energy—the automobile—it is again proposed—that we allow local officials to use money from highway trust fund for mass transit purposes. Greater reliance on mass transit can do a great deal to help us conserve gasoline.

Mass transit system construction of sufficient amount to really influence the environment adequately is years and years away. Why not do more to clean up auto engines now?

Great savings are possible in transportation uses of energy. In the last 30 years of our supposed technological development, the gas mileage of all motor vehicles has actually declined from 13.8 miles per gallon in 1940 to 12.2 miles per gallon in 1969. For passenger cars alone it has declined from 15.3 miles per gallon in 1940 to 13.8 miles per gallon in 1969. Doubling in the gas mileage through more efficient operation of passenger vehicles by 1985, would produce a daily savings of 3.5 million barrels of oil. This action alone could produce a 38-percent decrease in anticipated gasoline requirements. This represents about one-sixth of projected national petroleum and refinery requirements. Within just 10 years, this could result in a 15 to 25 percent savings in the national energy budget for this end-use without affecting services transportation patterns.

This saving could be accomplished voluntarily by the auto industry through the development and introduction of more efficient and economical engine systems; however, as for air pollution control requirements industry action may very well require the imposition of engine size and weight as well as efficiency limits before any action is undertaken. As dramatic as this proposal may seem, this transition to less energy, wasteful passenger vehicles would not, in any way, eliminate growth in the petroleum industry; it would, however, have the effect of slowing down the pace of growth.

Another possibility for energy economy is in the area of electrical equipment.

For example, some air-conditioners consume 50 percent more energy than others, but few buyers are made aware of the difference. The customers' choice usually depends upon appearance or convenience features. Here, too, there is a potential for significant saving in the Nation's fuel bills. Where existing Federal procurement standards for window air-conditioners extended nationwide, by 1980. The energy demand for air-conditioning uses would be cut by 20 percent.

As I stated on January 16, we must undertake aggressive Federal initiatives in energy conservation. We must:

Upgrade the 1971 FHA home insulation standard.

Establish Federal guidelines for the incorporation of energy conservation practices in new buildings (mandatory for new Federal and federally insured buildings and homes).

Establish a national program of consumer education to foster more efficient use of energy in our daily lives.

Develop and publish Federal guidelines for the labeling of electrical equipment to reflect efficiency of energy utilization.

Initiate comprehensive national review of the potential for energy conservation within the transportation sector of our economy, hopefully, to lead to the adoption of Federal policies for fostering energy conservation in this end use.

The President's program to upgrade insulation standards on single and multifamily dwellings is still in a demonstration phase. It is unclear when he will direct the Federal Housing Administration to update its insulation standards.

ENERGY RESEARCH

It is generally agreed that a "crash" program is now needed to achieve self-sufficiency, and at the top of the list are coal based technologies, such as the gasification of coal to supplement dwindling natural gas supplies, the development of low-b.t.u. synthetic gas from coal for cleaner generation of electricity, the development of MHD processes for making power, the development of stack gas cleaning technologies for sulphur oxides, and the development of oil from coal.

With coal and oil shale generally recognized as the principal domestic alternatives to petroleum imports, it is obvious that action, not rhetoric, is needed now to insure the future and essential role that these domestic resources can serve in our energy economy.

The President's message, however, does little to build upon existing programs which are constrained by inadequate funding. The thrust is to continue the Federal Government's previous bias toward nuclear energy research. The cornerstone of the administration proposals, other than nuclear, is:

Creation of a new central energy fund in the Interior Department to provide additional money for non-nuclear research and development, with the greatest part designated for coal research. This central fund is designed to give us the flexibility we need for rapid exploitation of new, especially promising energy technologies with near-term payoffs.

Yet, examination of the 1974 budget reveals only $21 million proposed for the Interior "central energy fund."

Perusal of the energy message convinces me that the Federal Energy Research Management project proposed by Senators JACKSON and MAGNUSON and myself, on March 19, 1973, is an absolute necessity. Our proposed legislation would, in effect, provide $20 billion over the next 10 years to commercially demonstrate technologies for coal gasification, coal liquifaction, shale oil, and geothermal and advanced power cycles for the generation of electricity, to meet U.S. future energy requirements with domestic, not foreign, energy resources.

For 20 plus years, the American people have subsidized nuclear power developed on the premise of abundant electric energy. Let us now apply this same concept and assure abundant supplies of domestic, not foreign, energy resources, compatible with environmental requirements.

It is unrealistic to continue to expect that increased exploration for domestic oil and gas can alone carry the burden for success, even at higher prices.

As I pointed out during hearings before the national fuels and energy policy study on Federal energy research programs and priorities, "our Nation's long-term energy posture depends on the successful development of solar energy, the nuclear breeder reactor, controlled fusion, and other unconventional energy resources. First, however, we must successfully meet the requirements of the 1970's and 1980's when there will be need for the development of sulfur oxide control technology, coal liquifaction, both high- and low-Btu coal gasification, and geothermal energy sources"

Such a crash program would, of course, require massive cooperation from the private sector where the greatest expertise now exists. Yet, the very companies who possess the expertise on such technologies as synthetic fuels from coal are wary of joint government-industry projects for fear of losing title to their proprietary knowledge. The result is unacceptable delays or even failures. This inequitable and unrealistic situation must be corrected.

The National Energy Research and Development Policy Act of 1973, is a step in this direction and was introduced to stimulate discussion of this matter. We agree that there are several points which require clarification in any final legislation. However, these will be discussed in subsequent hearings after which I may offer amendments.

INTERNATIONAL COOPERATION

I support the President's conclusion that:

The energy challenge provides an important opportunity for nations to pursue vital objectives through peaceful cooperation. No chance should be lost to strengthen the structure of peace we are seeking to build in the world, and few issues provide us with as good an opportunity to demonstrate that there is more to be gained in pursuing our national interests through mutual cooperation than through destructive competition or dangerous confrontation.

My view on the need to review our country's foreign policy in light of projected oil imports is best presented in my March 19, 1973, address to National Energy Forum 2. I request that appropriate excerpts be included in the RECORD at this point:

PRIORITIES OF OIL-PRODUCING COUNTRIES

When speaking of national priorities for energy, however, we must also concern ourselves with the national aspirations of the oil producing countries. Their economic future rests predominantly on their development of non-renewable energy resources.

Yes, American society stands as a symbol of success to virtually every other nation. Our ability as a people, and as a Nation, to provide and sustain material prosperity is a goal actively sought by the world's developing nations. Our unparalleled prosperity was achieved, notwithstanding an unprecedented dependence on energy. Somehow, we managed to keep supplies adequate to meet energy demands. But this, unfortunately, is changing.

The Middle East oil-producing countries aspire to achieve our standard for their people. Their principal asset for realization of this objective is oil. Yet, as Saudi Arabia's Oil Minister, Shaykh Yomini, has pointed out, the producing countries are about to enter an era when their income revenues are in excess of what they can spend inside their own countries. Consequently, from the standpoint of their nationalism, they are being forced to reconsider the value of holding cash revenues, and realizing only interest on them, as compared with the future escalated value of oil left in the ground. With the periodic devaluation of the dollar that has taken place, this reassessment by the oil-producing countries is inevitable. It can be expected to lead to their adoption of production programs which insure that revenues are collected consistent with their national aspirations.

We need but look to Canada, our neighbor to the north, to understand the real importance of this situation. On February 16, 1973, Canada announced that it is curbing petroleum exports to the United States to protect its domestic supplies. This action is consistent with Canada's previous policy of exporting only excess crude oil supplies to the United States. Recent U.S. demands threaten their domestic energy supplies, particularly the use of crude oil for the production of gasoline and heating oil. In other words, although the United States is prepared to pay the going price, Canada does not find it in their national interest to increase our supplies.

A similar situation would exist in the Middle East should oil be worth more in the ground than dollars in the bank.

As the era of scarce energy dawns, the oil exporting countries will hold the trump cards. The producing countries can be expected to develop their non-renewable energy resources to reflect their long-term national priorities, rather than the priorities of the consuming countries. Such policies will harm the interest of the consuming countries, and of the oil companies, unless alternative domestic supplies are developed.

Yet, as the Vietnam conflict draws to a close, the remaining outstanding area of turmoil is the Middle East, where stability would assure a reliable flow of essential oil to the American economy. But that is an unstable area and I believe it is incumbent on the United States to accelerate efforts toward peace in the Middle East from whence we plan to import more and more petroleum products.

Some of the Nation's academic economists have suggested that a cut-off of middle eastern oil to the United States will not happen despite specific Arab threats to the contrary. They also have argued that Middle East oil is and will be cheaper than domestic oil. But last week it was higher priced, for the first time. And, our energy conservationists have argued that we should not "drain America dry". Many of them assert that we should buy as much foreign oil as we can.

As usual, realism is needed. The OPEC countries have a 75 percent monopoly on the known "Free World's" oil reserves and they have billions of dollars of excess capital. It also is estimated that by 1983 the OPEC countries will have acquired a 51 percent equity ownership of the operations of international oil companies in their territories.

While United States oil companies need United States Government support in their dealings with these oil producing countries, the greatest need is for a coherent energy resource strategy for our country for the next decade. The United States must undertake diplomatic approaches on our Nation's behalf, not just on behalf of the oil companies. Our government must insure stable supplies to meet our future energy requirements.

At home, we must develop alternative supplies to increase our flexibility in dealing with the oil exporting countries. This will involve costly, and unpopular, domestic decisions and the possibility of curbing domestic consumption. But, in recognizing the national interest of foreign suppliers, we will also help to guarantee that the United States has access to these important energy resources, especially from the Persian Gulf.

Our greatest challenge, however, may very well be our willingness to come to grips with the fact that never before, in the history of mankind, have so many wealthy, industrialized, and militarily powerful countries been at the potential mercy of the small, independent, and potentially unstable states. Yet, for the foreseeable future, these countries will provide the bulk of the fuel for Western Man.

Few of our traditional policies can accommodate this difficult situation in an era of intense nationalism. Never before has the need for new and imaginative foreign policies been more keen, and never before has the interdependence of the rich and poor, the small and large, and the weak and powerful states been so great. Consequently, we must take all possible steps to minimize our future dependence on these energy resources by the development of alternatives—at home.

CONCLUSION

The challenge is there—the question is our national acceptance and a solid commitment to meet our national energy commitments consistent with environmental policies.

The President's program leaves much to be desired. The Congress, as provided for in our Constitution, must formulate our country's energy priorities and programs. The executive branch, in turn, must then implement and administer the resultant statutory policies or recommend their modification.

ORDER FOR RECOGNITION OF SENATOR HUMPHREY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Minnesota (Mr. HUMPHREY) may be recognized for 10 minutes, instead of 5 minutes, in the period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at the conclusion of routine morning business today, the distinguished Senator from Wyoming (Mr. McGEE) may be again recognized for resumption of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Minnesota (Mr. HUMPHREY) be recognized, when he does seek recognition later today, for not to exceed 20 minutes rather than 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered, and the distinguished Senator from Minnesota is recognized for 20 minutes.

THE BUDGET

Mr. HUMPHREY. Mr. President, first, I invite the attention of the Senate to some informative testimony delivered this morning before the Joint Economic Committee, the Subcommittee on Consumer Economics, the testimony being given by the distinguished Comptroller General of the United States, Elmer B. Staats, relating to the President's budget and the Joint Economic Committee's staff analysis of that budget.

I ask unanimous consent that my opening statement and Mr. Staat's testimony at this morning's hearing of the Consumer Economics Subcommittee be printed in the RECORD.

There being no objection, the statement and testimony was ordered to be printed in the RECORD, as follows:

OPENING REMARKS OF SENATOR HUBERT H. HUMPHREY—APRIL 18, 1973

The Budget of the United States may be the Nation's most important public document. The budget sketches out the Government's present and future economic activities, the level and composition of Federal revenues, the overall level of Federal spending, and the details about how much money will be spent for particular government programs. The execution of the budget plan has an enormous effect on the economy and on individual consumers. For this reason, it is clear that Congress and the public need a budget document that is honest and complete.

Yet look at the situation we face today.

First, the current budget document misrepresents the current economic situation, what factors have created that situation, and what actions the Executive has taken to control Federal spending. We are told that Congress is entirely to blame for the current spending increases, that the Administration has a spending reform program that will save the taxpayers a great deal, and that the Administration is also busy weeding out wasteful and ineffective programs. None of these assertions are true, as has been made clear by the Joint Economic Committee staff study analyzing the Administration's spending reform proposals, which I released last Friday.

Second, Mr. Roy Ash, Director of the Office of Management and Budget, has refused to testify before this Subcommittee on the substantive reasons why particular budget cuts were made. Mr. Ash says he won't come because he is only responsible for the overall fiscal outlook, not the details about why certain budget cuts are made. This puts Mr. Ash in the incomprehensible position of being in charge of managing the Budget in general but not in particular. This represents, to me at least, an abdication of Mr. Ash's responsibilities as Director of the Office of Management and Budget.

Third, instead of building their case for the particular budget cuts with hard analysis, and presenting such analysis in open testimony to the Congress, the White House apparently has mobilized the Government's public relations machinery to distort the spending issue. As most of you know, the Administration has distributed a 145 page public relations kit called "The Battle of the Budget 1973." I have looked at that kit and found it goes far beyond the bounds of partisan debate in its contempt for Congress. An entire page is devoted to demeaning statements that speechmakers can make about the Congress, including:

"Just because the Congress passes the buck doesn't mean the President has to spend it."

"When the Congress can't add, . . . the President must subtract, otherwise the budget will keep on multiplying and the taxpayers dollars will keep on dividing."

"When one man helps himself to another man's bank account, it's called embezzlement. But when a big spending Congressman helps himself to the taxpayer's income with higher prices and taxes, then it's called compassion."

"Does the Congress really want programs of compassion for the poor, or does it just want to indulge its passion for poor programs?"

"This may look like a Santa Claus Congress—but it's got a bag full of bad news for the taxpayers."

"All this talk about a constitutional crisis is just a smoke screen—a frantic attempt to divert attention to the crisis of confidence and the ability of Congress to protect the American taxpayer."

"Some people on Capitol Hill seem to have the power of the people mixed up with the power to declare war on the American taxpayer."

"When the report card on the budget comes in, if the Congress flunks arithmetic, the taxpayer is the one who will get a licking."

As one can see, these are demeaning statements that Congress is on a drunken spending spree and only the President is interested in economizing. The Joint Economic Committee staff study I released last Friday has laid that myth to rest by showing that Presidential spending initiatives were responsible for more than half of the spending excesses over the President's original fiscal 1973 Budget proposals.

We in Congress cannot and will not allow such wholesale distortion of the budget and spending issues. We must put a spotlight on what is happening to budget priorities behind the public relations haze, and we must halt the use of Government funds and resources for propaganda purposes. I have therefore written to the Comptroller General and asked him to investigate the Administration's public relations activities in the budget area, particularly the use of the 145 page public relations kit called "The Battle of the Budget 1973."

We can also put the spotlight on these matters by inviting expert witnesses to analyze the Administration's budget spending reform proposals. Today we are fortunate to have the Comptroller General of the United States, who brings considerable expertise to the question of program evaluation. Following Mr. Staats, we will hear from Wilbur Cohen, Former Secretary of the Department of Health, Education and Welfare, and Dr. Lester Thurow, Professor of Economics at the Massachusetts Institute of Technology. Both Dean Cohen and Dr. Thurow have practiced and written extensively in the field of government finance and program evaluation.

STATEMENT OF ELMER B. STAATS

The Committee has furnished us with certain materials supplied by the Office of Management and Budget in response to your requests for justification of the items listed in the fiscal 1974 budget as "Outlay savings from program reductions and terminations, 1973–1975." In your letter of April 12, the Committee requested our analysis of these justifications "in terms of their general professional competence, to what extent they provide an analytical explanation of *why* the budget cuts were made, if adequate consideration was given to the impact the cuts would have on sectors of the economy, and to what extent the Administration's budget cuts represent real savings in budget outlays for fiscal 1974." The Committee further wished to have our judgment as to whether we believe that the material provided the Committee "is an adequate basis for Congress to make decisions about the benefits and costs of the programs being terminated or reduced."

Our response to the Committee's request must necessarily be limited for several reasons. First, we have had an extremely short time to review the material. As you recognize, the material supplied by the Office of Management and Budget is extremely brief. The discussion in the budget documents itself is even less complete. Secondly, we have not obtained backup information from the Office of Management and Budget, and moreover, agency budget justifications prepared for the appropriations committees are not available to us. Normally, the subcommittees of the appropriations committees or the legislative committees, where applicable, would examine through agency hearings the detailed basis for the types of reductions and program modifications outlined in the material supplied to the Committee.

With this overall qualification, we are happy to provide such comments as we can in our presentation today.

First of all, there is nothing new about the idea of having a section in the budget dealing with savings from program modifications and terminations. This has been common practice of different Presidents over many years. Undoubtedly, the reductions listed in the 1974 budget include possibly more items and are probably more controversial than any which I can recall, and there may well be items which are improperly included in a list described as program reductions and terminations. In some instances, for example, it would appear that a reduction below the agency's request is included as an outlay savings. I note, for example, on page 52 an item, entitled "reduce procurement of Safeguard, aircraft, missiles, and ships," involving savings of $650 million in 1974 and $1.3 billion in 1975. I assume that the decision not to proceed with an ABM site in the Washington area accounts for this in part but the portion relating to aircraft, missiles, and ships would appear to be simply a reduction below the Defense Department's request. A cursory review of the list would indicate that this is true with a number of other items.

We all recognize that agency requests almost without exception exceed the amounts which the President finds possible to include within the total which he is prepared to support. If the logic of including these items were to be pursued, the list would have included all reductions below agency requests. It is difficult to understand how these can be accurately considered as "outlay savings."

The second type of question relates to the appropriateness of including as an "outlay savings" the increased return of lease sales on the outer continental shelf to increase domestic oil production which is taken in the budget as an offset to expenditures. The item involves more than $1.5 billion in the two years 1974 and 1975. A similar question relates to the return to the United States of advances to the Organization for European Cooperation and Development resulting from termination of the European Monetary Agreement on December 31, 1972. Under this agreement, the OECD agreed to return the original U.S. contribution and a portion of the funds earnings. $241.5 million, representing 118 million in cash and a 123.5 million in claims against the Treasury, were taken as a receipt in the Budget offsetting 1973 foreign economic assistance outlays. In my opinion, both these items should have been properly considered as receipts rather than savings. If they had been considered as receipts, they would have, of course, entered into the totals of the budget deficit and surplus but not in a list of outlay savings.

Still another question is illustrated by the termination of categorical community development programs in favor of urban special revenue sharing. The termination of model cities, urban renewal and other community development programs is shown as a savings of approximately $750 million. These are more than offset by a legislative proposal of $2.3 billion for special revenue sharing elsewhere in the budget document. Nevertheless, the item is carried as an outlay saving. A similar question arises with respect to the savings which are listed under income security on page 53 where it would appear that the budget takes credit for the lower statutory ceiling enacted by the Congress on social services grants. This action had been taken prior to the preparation of the budget and it is, therefore, difficult to understand the rationale of its inclusion in the list of projected outlay savings. With the legislative change, the amount could not have increased and, therefore, no savings would have taken place.

A different type of question arises with respect to the item on page 57 where savings of $390 million are attributed to a change in the allocation of retirement costs from the Civil Service Retirement Fund to the Postal Service. These costs will be incurred and must be paid for out of one fund or the other, that is, they must be paid for either out of general revenues or postal revenues, or from transitional Postal Service appropriations. Incidentally, the Postal Service disagrees that the change in the funding to the Postal Service can be accomplished without legislation.

These questions are not intended to be critical of the need for the budget formulation process to examine all possibilities for savings whether they be through management improvements, program reductions and terminations or whether they be through recasting programs to achieve the benefits at lower costs or more effectively at the same cost. This is a legitimate and important function of the budgetary process. At the same time, under the Budget and Accounting Act, Congress must examine each such recommendation or proposed action by the President to determine the desirability of the proposed action, including the validity of the claimed savings associated with the proposed action. In other words, are the claimed savings "real" savings or do they appear somewhere else in the budget under a different heading and are the savings realistic appraisals as to desirability of reducing or terminating a program and substituting in its place a different approach? Accordingly, regardless of the existence of or the adequacy of studies in support of proposed budgetary proposals, value judgments will always play an important part in the overall budget forulation and review process.

My general point is that the questions which the Committee is addressing are difficult to separate from the review of the entire budget submitted by the President to the Congress. Unquestionably, the committees which will be reviewing individual agency budget requests and considering legislative proposals of the executive branch will examine them in detail. It is important, however, to recognize at the same time that many questions can legitimately be raised with respect to the validity of the figures which have been included in the total list of outlay savings as well as the propriety of including certain proposed actions on the list. In other cases, the Committee may wish to address itself to analytical studies in greater depth bearing upon the substance of the proposed actions.

ADEQUATELY OF "ANALYTICAL JUSTIFICATION"

With regard to whether adequate consideration was given by the administration to the impact the cuts would have on sectors of the economy, our conclusion is that the material standing alone does not reveal this. We can assume that the administration considered many factors in arriving at decisions as to what and how much to cut. The adequacy of such consideration, however, would be extremely difficult to assess in the time available even if information and data much more in depth than the OMB material were readily available. Some of the kinds of questions which could be addressed in analytical studies and on which information would be necessary or desirable before congressional action can be illustrated by selected examples drawn from those actions requiring substantive legislation listed on page 50 of the Budget.

The first action listed proposes to eliminate a present option for a lump-sum payment with reduction of subsequent monthly benefits for certain beneficaries of the Old Age, Survivors, and Disability Insurance Program, with estimated budget outlay savings of $310 million in each of 1974 and 1975. The OMB material does not discuss the original purpose in granting an option to the beneficiaries and the extent to which this purpose might be compromised by the proposed legislation change. Also, the material does not disclose the basis for the estimates or whether they considered the offsetting effect of higher monthly benefits against the savings from elimination of the lump-sum payments.

The third action listed proposes to legislatively reform cost-sharing under the Medicare program as well as to implement effective utilization reviews in that program. The OMB material does not provide information on how the estimated 1974 and 1975 budget outlays savings of $616 million and $1.3 billion were arrived at, or how much of these amounts are attributable to the proposed legislative and administrative actions, respectively. Also, the material does not indicate whether the estimates considered the extent to which the increased Medicare deductible and copayment amounts and resultant reductions in budget outlays would be offset by increased financing of such deductible and copayment amounts by the Federal and State governments under the Medicaid program.

The fifth action listed would eliminate duplicate burial benefits through legislation requiring that burial benefits for veterans of $250 each be reduced by the amount of burial benefits available under the Social Security Act and other law. The OMB material does not include whether, in estimating reducing budget outlays of $54 million annually, consideration was given to the increased costs of administration which would be required to determine in each individual case the entitlement amount for burial benefits.

The sixth listed action would legislatively require the income of spouses to be considered in determining amounts of veterans' pensions contributing to an estimated savings of budget outlays of $223 million in 1974 and $227 million in 1975. The OMB material does not provide information on how the income of a spouse will be considered in computing pension benefit amounts and does not indicate whether consideration was given in the estimates to the possible disincentive the spouse might have to work to supplement the family income.

These examples suggest only a few of the types of information which should be available to the Congress prior to action on the contemplated legislative proposals.

VALIDITY OF THE AMOUNT OF CLAIMED SAVINGS IN BUDGET OUTLAYS

As pointed out in the Subcommittee staff study released last Friday, the question of whether claimed savings in budget outlays are real presents some problem of definition. In general, we would not disagree with the statements on page 6 of the staff study that an outlay savings could result from either a reduction in the level of program outlays from one year to the next or an action that leads to a reduction in the rate of increase in outlays, as authorized or contemplated by existing law, from one year to the next. In other words, funds which in the absence of the specific action would have been expended, will not be expended.

Although it appears that many of the "savings" shown in the budget listing of program reductions and terminations follow this definition, not all of the "savings" can be considered permanent since many of the actions are in the nature of deferrals of outlays to later periods rather than permanent reductions. Also, although certain of the "savings" appear to be permanent in the context of the particular program being reduced or terminated, they seem to be at least partially offset or eliminated by increases or contemplated increases in other parts of the Budget or by reductions in receipts.

We have prepared a series of schedules which are attached to my statement which classify the different "savings" items for fiscal year 1974 in accordance with the characteristics I have discussed and certain other characteristics. These classifications were prepared by my staff rather quickly and generally using only information contained in the budget and the OMB material. Accordingly, we are sure that with more time and information the classifications could be improved upon and refined.

I believe it would be useful here to illustrate the different kinds of savings with a few examples.

With regard to deferred expenditures or outlays, the first item on page 50 again illustrates a point. Although the legislative elimination of optional lump-sum payments under the OASDI program is estimated to reduce outlays in each 1974 and 1975 by $310 million, the savings will be generally offset by increased monthly benefit payments in future years.

The fiscal year 1974 savings of $471 million for the Corps of Engineers and $123 million for the Bureau of Reclamation (items 30 and 55 in the OMB material) also appear to represent largely deferrals of outlays through deferring or slowing down construction projects.

As previously mentioned, the termination of several community development programs illustrate savings in budget outlays in one part of the budget which will be offset by contemplated increases in other parts of the budget. As another example of possible offset, item 16 of the OMB material indicates that some part of a $94 million 1974 savings will be due to shifting some forest road construction from direct Federal funding to financing by timber purchasers with corresponding allowances against the purchase price. Accordingly, it would appear that much of the outlay savings would be offset by reduced receipts.

In addition to the characteristics I've mentioned and illustrated, many of the savings in budget outlays are dependent upon either substantive legislative action or upon the successful implementation of administrative improvements and reforms. As we all know, many legislative proposals require careful and time-consuming congressional consideration and debate. Accordingly, some of the estimated savings may not be achieved or achieved when expected due to delays in the legislative process.

Also, as much as administrative improvement and reform may be desired and justified, it is often difficult to bring about. For example, item 49 in the OMB material relates to eliminating overpayments and payments to ineligible recipients of public assistance with savings of $592 million in each 1974 and 1975. We all know that this area has been difficult to administer for many years and it is quite likely that, as desirable as improvements may be, all improper payments will not be eliminated.

As mentioned, our testimony today is intended to be responsive to your basic questions rather than to represent a complete or intensive review of the program reductions and terminations proposed in the Budget. We will be happy to lend our assistance to the Subcommittee in the future analysis of selected termination and reduction items in the future.

This concludes my prepared statement. We will be happy to respond to any questions that you or members of the Subcommittee may have.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that an editorial from the Washington Post, dated April 18, 1973, entitled "The Whos and Whys of Budget Cuts," be printed in the RECORD.

There is no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE WHOS AND WHYS OF BUDGET CUTS

For months now, the administration's vast public relations campaign on behalf of the President's budget has featured two themes. One is that, thanks to congressional extravagance, federal spending had been threatening to soar out of sight until President Nixon boldly intervened to save the taxpayers from ruinous inflation, heavy tax increases or both. The complementary theme has been that the program slashes and terminations decreed by the President were based on the most exhaustive systematic review of federal operations ever made. As long ago as November 28, for instance, White House Press Secretary Ronald Ziegler told reporters at Camp David that Mr. Nixon "intends for the Office of Management and Budget to assume a new and expanded role . . . [and] undertake a comprehensive examination of all government programs now in existence to determine whether they are actually meeting the purpose for which they were designated."

Now, however, in a Joint Economic Committee staff study, just released by Senator Humphrey, comes word that those estimates of extravagant spending—and the claims of enormous cuts—are partly fiction and fluff. The real increases which produce legitimate concern, the study points out, are attributable as much to presidential initiatives as to congressional moves. From supposedly authoritative documents submitted to the committee by OMB emerges the impression that the administration's real cuts were not based on any comprehensive assessment of federal programs, but that the weeding was done instead mainly by slashing about in all directions. Finally, from OMB Director Roy Ash himself, comes a refusal to testify on these matters on grounds that OMB in general and Mr. Ash in particular should not be held accountable for the details of those painful cuts.

It is easy to see why the President's top budget officer was not too anxious to be interrogated about the 179 pages of "statements" which his agency submitted to Senator Humphrey to justify all those programs cuts. The material cannot be dignified with the label of serious analysis, much less the exhaustive review, based on consistent standards, which administration rhetoric might lead one to expect. Most of the programs are written off in several lines of generalities. In some policy areas such as housing which are ripe for reform, the OMB papers do not even incorporate the detailed studies which have actually been made. In many other cases, the reason for cutting or ending a program boils down to the autocratic assertion that the government shouldn't be doing that, or shouldn't be doing it that way.

All in all, this material—and Mr. Ash's refusal to discuss it publicly—hardly promote either the President's professed goal of serious reform, or the image of OMB as an agency rich in management capability and analytic skill. The picture which emerges is that of a highly partisan wrecking crew, taking the occasion of a legitimate budget squeeze to demolish every domestic program which anyone thought was shaky in performance or suspect in principle. Senator Humphrey and his staff have performed a real service in debunking the "battle of the budget." Their work will be most valuable if it prods Congress to undertake on its own the serious reassessment which is needed, but which OMB apparently has not done.

Mr. HUMPHREY. Mr. President, in my opening remarks, I noted that I had addressed a letter to the Comptroller General and have asked him to investigate the administration's public relations activities in the budget area, particularly the use of a 145 page public relations kit called, "The Battle of the Budget, 1973."

I ask unanimous consent that the text of my letter to Mr. Staats be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 18, 1973.

Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR ELMER: It has been reported, as you know, that the Administration has mobilized a major public relations effort to convince the public that Congress is an irresponsible spender and that the President is a prudent economizer. I have criticized the substance of this position in my statement releasing the Joint Economic Committee's staff study of the Administration's spending reform proposals. But I believe a further investigation of the Administration's public relations effort in the budget is merited.

I would first like the General Accounting Office to obtain a complete copy of the Administration's 145 page public relations kit, "The Battle of the Budget 1973." I would then ask you to determine who supervises the preparation of this document, what Executive offices assist in its preparation, and how many copies have been produced. I would also like to know who has received copies and what instructions were given on how to use the material. Finally, I would like to know the total costs for producing the material and the government funding sources.

I would also like you to determine if the Budget and Accounting Act, or any Federal statutes or guidelines lay out standards for honesty in the preparation of the Budget.

I would be interested in any suggestions you might have about the relevant questions to raise in reviewing these public relations activities with respect to the Budget. I hope that we can move promptly on this and have at least a preliminary answer in 10 days.

If you have any questions concerning this matter, please contact Mr. Douglas Lee of the Joint Economic Committee staff.

Sincerely,

HUBERT H. HUMPHREY,
Chairman, Subcommittee on Consumer Economics.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that the testimony of Wilbur J. Cohen, former Secretary of Health, Education, and Welfare and now dean of the school of Education of the University of Michigan, be printed in the RECORD.

There being no objection, the testimony of Mr. Cohen was ordered to be printed in the RECORD, as follows:

MAJOR PROGRAM REDUCTIONS AND TERMINATIONS PROPOSED BY THE NIXON 1974 BUDGET IN THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

(Comments by Wilbur J. Cohen, Dean, School of Education, The University of Michigan, formerly, Secretary of Health, Education, and Welfare, before the Joint Committee on the Economic Report, Subcommittee on Consumer Economics, April 18, 1973)

I first appeared before the House Appropriations Committee on a budget request in 1935 for the Social Security Board. We didn't get the appropriation because Senator Huey Long filibustered and the Congress adjourned before enacting the appropriation.

Mr. Chairman, I have concluded that some new and better method is needed to prevent the President's Budget for 1974 being enacted as proposed. I hope these and similar hearings will produce the necessary information to achieve this result.

Real versus imaginary budget savings

I have reviewd the 24 proposed program reductions and terminations for the Department of H.E.W. listed on pages 51–53 of *The Budget for Fiscal Year 1974* and the formal justifications for each one which were submitted to this Committee. The total of these 24 proposals is about $6 billion for 1974 and $9 billion for 1975.

I completely agree with the observation in the staff study that the information provided to the Committee as formal justification for the Budget cuts is inadequate and that Congress cannot rely on it in determining program changes or setting national priorities.

I believe the legislative and appropriation Committees which have jurisdiction over the individual items would need substantial additional information before making a final conclusion on any of the proposals.

Even when the proposed change has considerable merit, the justification fails to present any hard data or any evaluation of the impact of the proposed change.

In all my 38 years of Budget-watching I have never seen such a poor set of Budget Justifications sent to the Congress. I can only guess that any fuller justifications were lost on the way to the Watergate.

I cannot conceive of the present Congress adopting the increased deductibles and coinsurance in Medicare. This would reduce the above totals by $516 million in 1974 and $1,200 million in 1975.[1]

The alleged savings of $2.7 billion in 1974 and $4.7 billion in 1975 by virtue of the Congressional passage of the statutory ceiling on social services last year is taking credit for past legislative action and should not properly be included in any Budget totals.

Excluding these two large items, the total savings of all 22 other items are $3.7 billion for 1974 and $3 billion for 1975.

Two of these amendments [2] (in part) would result in some increases in the costs of hospital services under Medicare. Hence, there would be no real net savings from these actions but a shift from general revenue financing to payroll tax financing. Since the estimated savings for these two proposals are embodied in other proposals, it was not possible for me to make a precise estimate of their impact, but they probably would involve about $250 million in 1974 and $500 million in 1975.

Another proposal [3] is simply a short-time reduction in social security disbursements which would be offset by future increases, and, moreover, would not be reflected in any general revenue savings.

In effect, therefore, part of the alleged savings are cosmetic, and part are misleading insofar as general revenues are concerned.

In addition, it is highly probable that the estimate of $592 million savings for eliminating overpayments and ineligible recipients from welfare is overstated. Only a very careful study of the recently issued revised regulations would throw light on this. I suggest an intensive study by the GAO to produce an evaluation of this policy and its probable cost effects.

Overall, therefore, the maximum possible savings for 1974 if all the remaining proposals were adopted would probably be in the neighborhood of about $3 billion for 1974, and about $2.5 billion for 1975.

Comments and individual proposals

A number of the proposed Budget terminations would adversely affect the aged and the poor. The proposed cut-backs in Medicare have been widely discussed and I sense a broad-based opposition to their adoption.

I wholeheartedly concur in the opposition to the Medicare proposals.

There are, however, other proposals which should be vigorously opposed.

FEDERAL FINANCING TO ELIMINATE DENTAL CARE TO ADULTS IN MEDICAID

I find it difficult to restrain my comments regarding the proposal to eliminate federal financing of dental care to adults under Medicaid ($75 million in 1974 and $100 million in 1975).

The statement submitted to the Committee states that lack of dental care "is seldom life threatening." This statement overlooks the pain and suffering which dental problems cause. On the basis of this argument much of Medicaid and Medicare could be terminated.

It is a callous and heartless approach to utilize the criterion that the service must be life threatening before the federal government will help finance aid to its citizens in need. It should be kept in mind that the Medicaid program only deals with persons determined by the states to be needy.

SOME PROPOSALS WILL ADVERSELY AFFECT MIDDLE-INCOME FAMILIES

Many of the changes proposed by the Nixon Administration have been correctly criticized as adversely affecting the poor, the aged, and minority groups. But the proposed changes also would adversely affect middle-income families which live in the cities, suburbs and rural areas.

Let me utilize as one example of this the proposed reductions by the Nixon Administration in "public libraries and school library resources" estimated at $49 million in 1974 and $135 million in 1975. These cuts could impair our future scientific, technological, and intellectual competence.

LIBRARY FUNDS

All federal support for the nation's libraries would be abruptly terminated on July 1, 1973, according to the 1974 budget which recommends zero-funding for the library programs authorized under the Library Services and Construction Act (LSCA), Title II of the Elementary and Secondary Education Act, and Title II of the Higher Education Act (HEA).

Public libraries—LSCA

Federal support for public libraries began in 1957 with a $2,000,000 appropriation under the Library Services Act. Over the years, this federal support has been modest, only a few cents per capita per year. Its primary role has been to stimulate increased state and local support for library services to all Americans. It has enabled public libraries to develop new patterns of service to meet the special needs of disadvantaged Americans, and it has enabled libraries to pool their resources in various cooperative ways to make their services available to more people. It has also enabled many communities to build libraries where none before existed.

The availability of general revenue-sharing funds, according to the Administration, eliminates the necessity of continuing the Library Services and Construction Act (although it is authorized through FY 1976). States and localities, this line of reasoning holds, will be able to continue the most promising projects and programs formerly supported by federal categorical assistance. Data are not available to support this conclusion.

The outreach library services—those more expensive than traditional library services, to such groups as the homebound, the handicapped, the institutionalized, the aging, would suffer the most serious curtailment if the federal matching funds under LSCA are withdrawn. Interlibrary cooperation, too, would suffer a setback for general revenue-sharing forces each local library to fight for local funds, for local projects. LSCA, on the contrary, urges interlibrary cooperation and coordinative use of all types of libraries within each state and sometimes even across state lines.

School libraries—ESEA title II

Federal support for school libraries has enabled thousands of schools to have a centralized school library for the first time; but still, today, over 30 percent of the nation's elementary schools do not have libraries.

Today many new materials are coming on the market and many new subject areas are being studied in schools; no longer are the nation's school children forced to do their learning from a single textbook. Career education, vocational education, environmental and ecological education are becoming commonplace in school curricula. To cut off federal support for school library resources just as these materials are becoming available would cause many school libraries, both elementary and secondary, both public and private, to cut back or eliminate altogether their acquisition of new resources. Our school children would be the losers if such cutbacks were allowed to become a reality.

The U.S. Office of Education, itself, in a study entitled *An Evaluative Survey Report on ESEA Title II* recommended that funding of ESEA Title II be increased to the level of authorization. Title II has contributed about eight percent of the annual cost of instructional materials and this should be increased to at least 16 percent, and, if possible, to 25 percent. So stated the USOE report. Those most familiar with the program state that substantially increased appropriations are needed in light of rising costs on the one hand, and of growing demands on the part of pupils and teachers alike for a wide range of library resources to meet each individual learner's special needs. The school library plays a central role in the educational process and its services are essential to the national effort to provide equal educational opportunities to all the nation's school children.

College and university libraries, and training in librarianship—HEA title II

Title I, Part A of this Act has served since its passage to help junior college, four-year college and university libraries meet the overwhelming need for books and journals that has been a consequence of the sharply increased student enrollment of the 1960's. It has been a godsend especially to the new junior and community colleges that have been faced with the necessity of starting libraries from scratch. Furthermore, it has been most helpful even to the large university libraries whose own resources have been insufficient to let them keep up with the increased rate of research publication in almost every subject field. Title II of the Act was so worded as to provide small basic grants to libraries, supplemental sums based on size of enrollment (provided evidence was adduced to indicate that lack of adequate library resources was hindering library development), and special grants to institutions which were intent on meeting special national or regional library needs or which had programs to stimulate the joint use of library facilities. As a consequence of the latter provision a great many progressive cooperative enterprises were begun in which libraries shared resources and jointly offered new or improved library services.

The elimination of funds authorized by this Act will come at a time when the inflationary spiral in the price of books and journals, much greater than the price increase in other consumer goods, has robbed libraries of 25 to 40 percent of their purchasing power in the past three or four years and when the financial plight of almost all colleges and universities is such that there are no local resources for the implementation of cooperative library network arrangements. After enjoying a brief period of assistance in their effort to meet overwhelming needs for library materials and to develop modern systems to make library resources and services more widely available, the academic libraries of this country will find themselves facing greater difficulties than they have encountered for decades.

Part B of Title II of this Act authorized funds for grants for training in librarianship and for research and demonstrations relating to libraries and the training of library personnel. Since the passage of the Act, training grants authorized have supported many persons who have gone on to become teachers of library and information science and alleviate a critical shortage of such personnel. More recently the training grants have been used increasingly to train as professional librarians highly qualified students who would have no opportunity to enter the profession without such assistance.

Footnotes at end of article.

This has been an especially helpful program in recruiting people from the minority and underprivileged groups for a profession which is very poorly endowed for such financial aid to students.

The funds available under this Act for research and demonstration continue to be extremely necessary since librarianship/information science is a discipline which has not benefited hitherto from extensive research undertakings as have the natural or applied or social sciences. Librarianship is at the heart of our efforts to understand ourselves and the world we live in. The basic task of librarianship/information science is to organize information for use. Without librarianship there would be no access to accumulated knowledge, no means of retrieving information, developed in the past, on which to build for the future. Funds for library research and demonstration authorized by this Act should not be eliminated if we are to extract maximum benefit from all research undertakings in all fields of knowledge.

FOREIGN LANGUAGE AND AREA TRAINING CENTERS

Several of the proposals submitted by the Administration are clearly inconsistent with their own objectives.

The termination of the foreign language and area training centers ($13 million in 1974 and $14 million in 1975) is clearly contradictory with the efforts of the President to improve relations with China, Russia, and other countries.

At the very moment when we need more persons who can speak the languages of these countries and understand their culture and political systems, the budget proposes to eliminate this excellent and necessary program.

Our government, the Departments of State, the foreign service, the Defense Department and the Department of Commerce initially depends for an effective conduct of our foreign relations and foreign trade on well-trained area and language specialists. These specialists are trained by our universities with the financial assistance of the National Defense Education Act.

Title VI of this Act has in recent years provided federal funding for language and area training in such critical areas as China, Japan, Southeast Asia, the Near East and the Soviet Union. This $15 million supports 1200 student fellowships and provides general support for language and area centers. About half of all fellowship support for foreign area and language training in the country comes from the source. In most cases, whether an area center can exist or not depends on the NDEA support which then has very large multiplier effects in mobilizing other sources of finance.

In this age of financial stringency for all universities there is no way in which they can fill the gap left by the withdrawal of federal funding. Moreover, the development of these skills for government service is a national, federal and not state or private responsibility.

The disastrous effect of NDEA withdrawal is compounded if funds are going to be totally eliminated suddenly. As late as January 1973, that is when more than half of the current academic year was over, every indication was that for most programs, center and fellowship support would continue and that fellowship support would be available to all programs. Universities and students made their plans accordingly and in good faith. The sudden and unforeseen cutoff in funding will leave a large number of students stranded in midstream. Students who have started their training will not be able to continue so that a large government investment in their training heretofore will have been wasted. It would almost seem as if the government intended to deliberately harm the programs it had such a major role in fostering.

This program was enacted in 1958 to help remedy the serious national shortage of specialists in the non-Western world required to serve the growing needs of education, government, and business. It is the Administration's unsupported contention now that the institutions can support such foreign language centers on their own. However, the financial pressures facing all colleges and universities today would not indicate such to be the case. And as international interdependence becomes increasingly necessary in the last years of the twentieth century, it seems inconceivable to even imagine that America's urgent need for highly trained specialists in foreign language and area studies has largely been met. We have, on the contrary, hardly begun. The United States must keep abreast of developments throughout the world.

GRANTS TO STATE DEPARTMENTS OF EDUCATION

The Nixon Administration urges that greater responsibility be given to the states in various areas. Yet the Budget proposes to eliminate the funds which have been appropriated in recent years to strengthen State Departments of Education to handle their increased load. ($36 million in 1974 and $13 million in 1975.)

The recent U. S. Supreme Court decision which places responsibility on the States to remedy the inequities in the financing of elementary and secondary education would indicate a need to further strengthen the capacities of State Departments of Education.

While the form of such federal aid may be in need of some revision, I cannot see how a good case can be made for a reduction of aid at this time. In fact, the evidence is all in the other direction. In this case, it would appear to be desirable for the Congress to postpone action on this item until it is examined in relation to the total education legislation.

GRANTS TO SCHOOLS OF PUBLIC HEALTH

I feel particularly strongly about the proposal to stop funding students and faculty in the Schools of Public Health. The Nixon Administration on the one hand supports a proposal for national health insurance expansion and at the same time cuts out the financing of staff to make such a policy effective. Without competent trained public health personnel, the efforts to improve the health delivery system will be more difficult.

These grants in 1972 totalled about $18.5 million, and about $15 million in 1973. I strongly urge retention of this successful and essential program. A detailed statement by the Deans of the Schools of Public Health to the House Committee on Interstate and Foreign Commerce amply justifies retention of this program.

FEDERAL FINANCING FOR LOCAL MENTAL HEALTH PROGRAMS

The Nixon Administration proposes to not extend the authorization for new grants for community mental health centers ($63 million in 1974 and $75 million in 1975).

In part, this is based upon their expectation that "Essential mental health benefits will be included in the Administration's national health insurance proposal."

The Administration's national health insurance proposal has not yet been submitted to the Congress. In any case, it will be several years before any new health insurance legislation becomes fully effective. The legislation should be continued until the Congress has a full opportunity to examine the inter-relations between both pieces of legislation.

HILL-BURTON MEDICAL FACILITIES PROGRAM

The proposal to terminate the Hill-Burton program is a case of failure to make the treatment correspond with a proper diagnosis. While it is true that in many areas there is now sufficient hospital beds, it is also true that the need for modernization of facilities is very great in some communities. Moreover, outpatient facilities should be encouraged and supported. Skilled nursing homes should be linked up with hospitals.

Moreover, the Hill-Burton planning functions should be retained and supported as part of assuring the most effective use of capital resources for facilities and equipment in a national health insurance program.

This whole area requires substantial reexamination and careful study by the appropriate legislative Committees.

REEXAMINATION OF GENERAL REVENUE SHARING

I also urge a reconsideration of the revenue sharing law passed last year. The President has used this legislation as an excuse to curtail existing programs which it was not intended to do. In my opinion much of the $30 billion to be distributed under the revenue sharing law during its 5-year life will be utilized for relatively low-priority projects. I believe that at least $10 billion of this program over the next four years should be reallocated to high priority programs by specific Congressional action. In any case, I recommend a comprehensive review by the legislation by the Joint Economic Committee, with the aid of the General Accounting Office, of the law and its benefit-cost effectiveness with a view to assuring that the available appropriations are utilized effectively.

I am particularly disturbed that the revenue sharing legislation acts as a disincentive for localities to reduce property taxes. I believe some way should be found to give localities an incentive to reduce property taxes. I urge the Joint Economic Committee to give this issue high priority in its future studies.

IMPACT ON STATES

The total impact of all of the Nixon Administration's Budget proposals on the states needs careful consideration. This issue transcends the consideration given by the various appropriation subcommittees which cannot see the total impact. I strongly recommend that the necessary staff be assigned to this endeavor.

An important development which has not yet been fully realized is that the Social Security amendments enacted last year which established the Supplemental Security Income program and amended Medicaid will place an increased financial cost on many states. These important amendments become effective January 1, 1974. The combined effect of these amendments and the Nixon Budget proposals may have a very adverse effect on many states. Since the Senate Committee on Finance has jurisdiction over both the revenue sharing and the social security legislation, I believe it is imperative that immediate consideration be given to some changes in the Supplemental Security Income provisions before January 1, 1974; otherwise, the states will be placed in a very difficult financial situation.

Finally, the President's proposals relating to terminations and reductions in Medicare and Medicaid should be postponed until the Senate Finance Committee has considered the various medical care proposals which members of the Senate have introduced or have indicated they will introduce in the near future.

FOOTNOTES

[1] An additional point worth considering (which is not included in the justification submitted) is that the additional amount to be paid by the aged and their families would increase in future years. The total would be $1,516 million in 1976, $1,655 million in 1977, and $1,797 million in 1978. In effect, some of these savings should show up in reduced future payroll taxes, but the Administration's statement does not even recognize this fact.

[2] These are: Eliminate Unnecessary Advance Payments for Hospitals ($277 million and $431 million) and Rely on Federal Health Financing Mechanisms to Pay Depreciation Charges ($189 million and $206 million).

[3] Eliminate certain optional payment procedures under OASDI ($310 million in 1974 and $310 million in 1975).

Mr. HUMPHREY. Mr. President, let it be noted in my remarks that I have alluded to and referred to an administration public relations kit called "The Battle of the Budget, 1973."

I should like to inform the Senate that I now have been able to obtain a copy of that 145-page document. It is much more extensive and elaborate in its rhetoric and verbiage than the program evaluation material that was requested from the Office of Management and Budget by the Joint Economic Committee.

The Director of the Office of Management and Budget, Mr. Ash, was asked to present the evaluations and studies made of programs that were considered in the budget, many of those programs being either reduced in amount or terminated.

The Director of the Office of Management and Budget had said that each program had been carefully evaluated. In fact, the former Director of the Office of Management and Budget, Caspar Weinberger, had stated that the President had initiated the most comprehensive and exhaustive study of programs ever undertaken by the Government. We find, however, that when the documentation presented to justify budget cuts and program terminations, was as best meager and at worst was feeble.

This matter has been commented on by none other than Mr. Staats, a man whose objectivity and professional competence is highly regarded and respected by all Members of Congress.

I would urge my colleagues to read very carefully what Mr. Staats had to say about the budget and about the Joint Economic Committee's study on the budget which I placed in the RECORD this week.

Now, Mr. President, let me also make note of the propaganda kit to which I have referred. First of all, it was difficult to get a copy of it. I have merely a Xerox copy.

This kit of propaganda prepared within the executive department of the Government, is available to a selected number of administration appointees to carry the message of the administration to the public as the administration wishes it to be carried.

In fact, I invite the attention of the Senate to the New York Times story entitled, "White House Pushes Budget Publicity." I ask unanimous consent to have the news article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHITE HOUSE PUSHES BUDGET PUBLICITY

WASHINGTON.—The White House has mobilized the Government's extensive public relations machinery to rally support for the Administration's budget cuts.

The themes and tactics of the publicity campaign were outlined in "The Battle of the Budget 1973," a 145-page kit that was sent 10 days ago to every Presidential appointee in the Cabinet departments by the White House's deputy communications director, Ken W. Clawson.

Each kit contains background information on President Nixon's positions. "One-liners" and ancedotes that can be used in speeches are included, along with a list of "horror stories" describing the programs that Mr. Nixon would like to end.

The major theme of the campaign, according to the kit, is that President Nixon's budget has moved the United States toward a goal it has not achieved "in nearly 20 years: prosperity without war and without inflation."

The key to the budget, according to the material, is "its tight lid on spending." If the "big spenders in Congress" ignore it, the kit says, "the increase in our tax bills could be as much as 15 per cent." Taxpayers are thus urged to write their Congressmen to tell them "where you stand."

A "basic spending speech" is included in the kit, as well as such anti-Congress "one-liners" as, "They may look like a Santa Claus Congress—but it's got a bagful of bad news for the taxpayer."

Under the heading "Defense Spending: At the Razor's Edge," the kit preparers suggest responses to the charge that the Administration's budget cuts have crippled human welfare programs while the military budget is full of waste.

"The fashionable charge that the defense budget is bloated at the expense of spending for human needs is a pernicious myth which has no foundation in fact," the Federal officials are told. For documentation, there are figures that show that in the fiscal year 1974, defense spending will consume only 29.2 per cent of the budget, compared with 43.9 per cent in 1968.

And in response to the charge that more money would be available if tax loopholes were closed, a countercharge is suggested: "It could be argued that the biggest loophole of all in the national economy is excessive Federal Government spending."

"FAILURES" ARE NOTED

The kit cities Community Action, urban renewal and Model Cities as "program failures." The Concentrated Employment Program in New York City is cited as an "example of horror stories might be used."

"In East Harlem, the program established the commendable goal of 1,400 enrollees," the kit states. "Only 616 persons were actually enrolled while 170 of them dropped out. Instead of the hoped-for-job placements of 920, the magic figure for the number of persons placed in jobs was—6."

The kit says that such an example shows that it is often the poor "who are most hurt by the inflated expectations that these programs have a habit of creating."

"But worse yet," the publicists say, "is to see money which might help the poor go to the wealthy." The example given involves Mrs. Katherine Graham, the publisher of The Washington Post, who according to newspaper reports has received nearly $1,000 for use on country property from the Rural Environmental Assistance Program, which Mr. Nixon proposes to abolish.

The moral of this "horror story," according to the kit:

"Less the pity that cutbacks in such adjectly bankrupt programs affect most the Sunday English saddle-set. They shall have to make do without."

RESULTS BEGIN TO SHOW

Mr. Clawson said last week that no one in a Federal department was specifically ordered to defend the Administration's budget along these lines. "We simply said, 'Where appropriate, talk about the budget.'" he said.

At least one office took Mr. Clawson's advice very seriously, and that was in the Labor Department. Each assistant secretary, according to reliable sources, was told by Frank Johnson, the department's director of public information, to make at least one statement on the budget every week.

As a result, every day this past week, the department's audio news service, which provides recorded statements to out-of-town radio stations, featured a Labor Department official discussing President Nixon's budget, often using the same phrases suggested in the "Battle of the Budget, 1973."

Mr. HUMPHREY. This article merely states that the White House has ordered an extensive public relations campaign to rally support for the administration's budget cuts. I read from the article:

> The themes and tactics of the publicity campaign were outlined in "The Battle of the Budget 1973," a 145-page kit that was sent 10 days ago to every Presidential appointee in the Cabinet departments by the White House's deputy communications director, Ken W. Clawson.
>
> Each kit contains background information on President Nixon's positions. "One-liners" and anecdotes that can be used in speeches are included, along with a list of "horror stories" describing the programs that Mr. Nixon would like to end.

Mr. President, some of those horror stories, as they are referred to in the article, relate to comments by the executive branch in this kit on Congress. For example, my colleagues will be interested to note that an entire page is devoted to demeaning statements that Nixon administration speechmakers can make about Congress, including suggestions such as these:

> Just because Congress passes the buck does not mean the President has to spend it.

The next one:

> When Congress cannot add, the President must subtract. Otherwise, the budget will keep on multiplying and the taxpayers' dollars will keep on dividing.

That is a very cute arithmetical equation.

Here is one:

> When one man helps himself to another man's bank account, it is called embezzlement. But when a big-spending Congressman helps himself to the taxpayer's income with higher prices and taxes, that is called compassion.

There are a number of others which I have noted in my opening statement before the Consumer Economic Subcommittee that I have asked to have printed in the RECORD.

Mr. President, the Cabinet officers are surely entitled to make political speeches and to engage in political rhetoric, to engage in half-truths—in which they are experts—to engage in speeches that tend to distract and deceive. They do that. We recognize that this happens in the political arena. But the executive branch is also responsible to Congress and to the public, and there is a law that prohibits this kind of propaganda being printed at public expense. If the White House wishes to say that it was printed by the surplus funds left over from the Watergate and from the Committee To Reelect the President, well and good. We have had no such information.

In fact, I have asked the Comptroller General to investigate the entire situation, and that is what the letter to the Comptroller General says.

But I direct the attention of the Senate to section 608(a) of the Treasury, Post Office, and General Government appropriations for fiscal year 1973. Here is the law:

> No part of any appropriations contained in this or any other Act, or of funds available for expenditure by any corporation or agency shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

Mr. President, this book is filled with specific attacks upon legislation pending in this Congress, attacks that mention specific bills and specific Senators. This 145-page propaganda kit is a direct assault upon Congress itself, upon the individual Members, listed by name, and upon proposed legislation before this Congress now and legislation that has been made public law by Congress. I charge on this floor that this kit being circulated by the White House Communications Office is in violation of public statute.

I further charge that it is an assault not only upon individuals in Congress but also upon the institution of Congress itself.

I have written the distinguished Comptroller General as follows:

> I would first like the General Accounting Office to obtain a complete copy of the Administration's 145 page public relations kit, "The Battle of the Budget 1973." I would then ask you to determine who supervises the preparation of this document, that Executive offices assist in its preparation, and how many copies have been produced. I would also like to know who has received copies and what instructions were given on how to use the material. Finally, I would like to know the total costs for producing the material and the government funding sources.

Mr. President, this is not just an ordinary political matter. There is a question of law and a question of adherence to law.

I am of the opinion that the propaganda kit, the publicity kit, to give it the benefit of the doubt, stands in violation of both respect for the separation of powers and for the law I have just stated, section 608(a) of the Treasury, Post Office, and General Government appropriations of 1973.

(The remarks Senator HUMPHREY made at this point on the introduction of Senate Joint Resolution 98, dealing with the fuel shortage emergency, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

THIRTY-MINUTE RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 30 minutes, and I ask unanimous consent that I be recognized on the reconvening of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the motion is agreed to.

Thereupon, at 4:25 p.m., the Senate took a recess for 30 minutes.

The Senate reassembled at 4:55 p.m. when called to order by the Presiding Officer (Mr. HELMS).

TEN-MINUTE RECESS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate stand in recess for another 10 minutes, without the Senator from West Virginia losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

At 4:56 p.m. the Senate took a recess until 5:06 p.m., when called to order by the Presiding Officer (Mr. CLARK).

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REACTION TO THE PRESIDENT'S ENERGY MESSAGE

Mr. ROBERT C. BYRD. Mr. President, the energy message that the President sent to Congress today recognizes the realities of our current energy crisis. I am disappointed, however, that the message did not spell out in more detail the administration's plans for coal.

The President proposes to remove the oil import limits, which is a step that this country is apparently forced to take under the present circumstances. According to the Department of Interior, crude oil production in the United States is at a peak, but it is still at least 3 million barrels a day short of what is needed to meet our present requirements. Obviously, a removal of the import limits is called for, under such conditions.

But this step should be viewed only as a short-range solution to the energy problem, and we should be ever mindful of the threat to our national security if lifting the oil import limits makes the United States even more dependent on foreign fuels for our domestic needs, especially if such imports are to come from nations that use U.S. dollars to promote anti-U.S. policy.

The only long-range solution to the energy crisis is to fully develop our most plentiful resource—coal. It currently comprises 88 percent of our recoverable reserves of all fuels. Unless we move quickly to utilize coal, unless we greatly expand our research to solve the environmental problems inherent in the use of coal, we would, in effect, place beyond reach this great national asset as an answer to the energy crisis.

I commend the President for his proposal to delay implementation of air standards for 3 or 4 years past the 1975 deadline, thereby allowing industry and powerplants to continue burning coal. I urge that, during that interim period, the Federal Government make the kind of national commitment to coal that this valuable fuel deserves—that the Federal Government initiate a crash program of expanded coal research aimed at lowering the sulfur emissions, and that the gap between the amount of research funds spent on coal and the amount spent on nuclear energy research be closed.

The figures contained in the President's message are particularly troublesome. According to the message, fiscal year 1974 will see $475.4 million poured into nuclear power research—an increase of $63.4 million over the amount expended in fiscal year 1973. For coal research, the message lists only $119.9 million, compared with the fiscal year 1973 expenditures of $94.5 million. I am troubled by this disparity, considering the proven value of coal and the still unproven potential of nuclear power.

It is my hope that the President's proposed Department of Energy and Natural Resources will come to grips with the question of coal and will place a greater emphasis on this fuel—because the utilization of coal is the best long-range answer to the energy crisis.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The legislative clerk proceeded to read sundry nominations in the National Oceanic and Atmospheric Administration.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

The legislative clerk proceeded to read sundry nominations in the Uniformed Services University of the Health Sciences.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. AIR FORCE

The legislative clerk read the nomination of Lt. Gen. George J. Eade, U.S. Air Force, to be general.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Mr. ROBERT C. BYRD. Mr. President, there is a nomination at the desk which inadvertently was left off the calendar, I understand—the nomination of David Luke Norman to be an associate judge of the Superior Court of the District of Columbia. I ask unanimous consent that the Senate proceed to the consideration of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk read the nomination of David Luke Norman, of the District of Columbia, to be an associate judge, Superior Court of the District of Columbia.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE HOUSE OF REPRESENTATIVES DURING THE ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment over until 12 o'clock noon on April 30, 1973, the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR DULY ENROLLED BILLS AND JOINT RESOLUTIONS TO BE SIGNED DURING ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until 12 o'clock meridian on Monday, April 30, 1973, the Vice President, the President pro tempore, and the Acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may have until midnight tonight to make reports and, again, that committees may be authorized to file reports on Friday, April 27, during the hours of 10 a.m. until 3 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SENATE'S PROGRESS AT EASTER RECESS

Mr. MANSFIELD. Mr. President, before we adjourn for a few days in celebration of Easter and Passover, I would like to review our accomplishments so far this year.

The 93d Congress convened on January 3 this year and after internal organization, and with an unusual degree of unity, the Senate began work in committee and on the floor promptly.

Senate Democratic Senators met in conference and agreed upon the legislation to which priority would be given. This priority legislation consisted of the 12 measures the President pocket vetoed after the adjournment of Congress last year and other major legislation which went to House-Senate conference or which passed only one of the legislative bodies.

I am happy to note that of the 12 measures pocket vetoed by the President, the following six measures have been passed this year by the Senate: veterans medical care, national cemeteries, older Americans, airport development, flood control, and vocational rehabilitation.

Of the four major items which went to House-Senate conference but which, for a variety of reasons, did not receive final action, two have now been passed by the Senate: Antiaircraft Hijacking and the Federal-Aid Highway Act.

The Senate has also acted promptly with regard to the urgently needed Omnibus Vicitms of Crime Act which was debated and passed last fall, but which did not pass the House.

With almost a third of the year behind us, the Senate has met 55 days and passed a total of 149 measures. Nineteen of these have become public law. We have acted on 5 treaties and 15,696 nominations. There have been 103 rollcall votes, and I foresee many more.

All in all, the record to date is substantial, and I wish to thank each of you for helping make these accomplishments. Looking ahead, I would point out that legislative action is still needed in such areas as pension reform, housing, health insurance, and tax reform. To each of you I extend my wishes for a few days of effective recharging so that we may return with renewed determination to work on behalf of the American people.

A summary of the legislation which has passed the Senate this year has been prepared by the staff of the Senate Democratic Policy Committee. I ask unanimous consent that this summary along with an index to Senate Legislative Activity be inserted at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

INDEX TO SENATE LEGISLATIVE ACTIVITY, 93D CONGRESS, FIRST SESSION—BY SENATE DEMOCRATIC POLICY COMMITTEE

Agriculture:

Emergency Loan Program for Disaster Areas (H.R. 1975).

Feed Grain Set-Aside Program (S. 1572).

Meat and Poultry Inspection Amendments (S. 1021).

Rabbit Meat Inspection (S. 43).

Rice Allotment Transfer (H.R. 6883).

Rural Electric and Telephone Direct Loan Programs (S. 394).

Rural Environmental Assistance and Water Bank Programs (H.R. 2107).

Rural Water and Waste Dispsoal Grant Program (H.R. 3298) (Vetoed April 5, 1973. Veto sustained by House April 10, 1973).

Appropriations, 1973:

Further Continuing Appropriations(H.J. Res. 345).

Urgent Supplemental Appropriations (H.J. Res. 496).

Congress:

Budget Message, Economic Report, and Impounded Funds (H.J. Res. 1).

Committee Meetings—Rule XXV (S. Res. 69).

Joint Economic Report—Extension (H.J. Res. 299).

Rules of Evidence—Congressional Consideration (S. 583).

Secret Government Documents (S. Res. 13).

Select Committee on Presidential Election Campaign Activities (S. Res. 60).

Senate Confirmation of Nominations:

Cost of Living Council (S. 421).

Office of Budget and Management (S. 518).

Crime-Judiciary:

Civil Remedies for Victims of Racketeering and Theft (S. 13).

Public Safety Officers' Benefits Act of 1973 (S. 15).

Public Safety Officers' Group Life Insurance Act of 1973 (S. 33).

Victims of Crime Act of 1973 (S. 300).

Victims of Crime Act of 1973 (Omnibus) (S. 800).

Defense: Promotions of Military Personnel in a Missing Status (S. 1493).

District of Columbia: International Center Complex (S. 1235).

Economy-Finance:

Economic Stabilization Act Amendments of 1973 (S. 398).

Interest Equilization Tax Extension Act of 1973 (H.R. 3577).

Par Value Modification (S. 929).

Education: National Commission on the Financing of Post Secondary Education (H.J. Res. 393).

General government:

American Revolution Bicentennial Commission (H.R. 3694).

Commission on Highway Beautification—Extension (S.J. Res. 42).

Commission on Productivity—Extension (S.J. Res. 93).

Flood Insurance (S.J. Res. 26).

*Older Americans Comprehensive Services Amendments of 1973 (S. 50).

Uniform Relocation Assistance and Real Property Acquisition Policies Act Amendments (S. 261).

Government employees: Central Intelligence Agency Retirement Act Amendment (S. 1494).

Health:

Child Nutrition Programs (H.R. 4278).

Little Cigar Act of 1973 (S. 1165).

Public Health Service Act Extension of 1973 (S. 1136).

Indians:

Indian Claims Commission (S. 721).

Joint Committee on Navajo-Hopi Administration—Abolishment (S. 267).

International:

Atlantic Union Delegation (S.J. Res. 21).

People's Republic of China—Diplomatic Privileges (S. 1315).

Treaties:

Consular Convention with Hungary (Ex. W, 92d-2d).

Consular Convention with Poland (Ex. U, 92d–2d).

Footnote at end of article.

Consular Convention with Romania (Ex. V, 92d–2d).

Convention with Japan for the Protection of Birds and their Environment (Ex. R, 92d–2d).

Exchange of Notes with Ethiopia Concerning the Administration of Justice (Ex. B, 93d–1st).

Labor:

Penn Central Rail Dispute (S.J. Res. 59).

*Rehabilitation Act of 1972 (S. 7) (Vetoed March 27, 1973. Veto sustained by Senate April 3, 1973).

Memorials, tributes, and medals:

Cable Car Medals (S. 776).

Law Day (S.J. Res. 11).

Lyndon B. Johnson (S. Res. 24), (H. Con. Res. 90), and (S. Res. 34).

Lyndon B. Johnson Space Center (S.J. Res. 37).

Monument to 1st Infantry Division (S.J. Res. 66).

Vietnam War Memorial (S.J. Res. 45).

Natural Resources—Environment:

Clean Air Act Extension (S. 498) and (H.R. 5445).

*Flood Control Act of 1973 (S. 606).

Solid Waste Disposal Act Extension (S. 498) and (H.R. 5446).

Nominations (Action by Roll Call Vote):

Nomination of Peter J. Brennan, of New York, to be Secretary of Labor (81–3).

Nomination of William P. Clements, Jr., of Texas, to be a Deputy Secretary of Defense (74–11).

Nomination of Elliot L. Richardson, of Massachusetts, to be Secretary of Defense (81–1).

Nomination of James R. Schlesinger, of Virginia, to be Director of Central Intelligence (85–0).

Nomination of Caspar W. Weinberger, of California, to be Secretary of Health, Education, and Welfare (61–10).

Proclamations:

International Clergy Week in the United States (H.J. Res. 163).

Jim Thorpe Day (S.J. Res. 73).

National Arthritis Month (H.J. Res. 275).

National Clean Water Week (H.J. Res. 437).

National Employ the Older Worker Week (H.J. Res. 334).

National Historic Preservation Week (S.J. Res. 51).

National Hunting and Fishing Day (H.J. Res. 210).

National Moment and Day of Prayer and Thanksgiving (H.J. Res. 246).

Nicolaus Copernicus Week (H.J. Res. 5).

Warsaw Ghetto Uprising (H.J. Res. 303).

Transportation and communications:

Aircraft Hijacking (S. 39).

*Airport Development Acceleration Act of 1973 (S. 38).

Federal Aid Highway Act of 1973 (S. 502).

Highway Safety Act of 1973 (S. 893).

Interstate Apportionment (S. Con. Res. 6).

Rail Freight Car Shortage (S. Res. 59).

Veterans:

Drug and Alcohol Treatment and Rehabilitation Act (S. 284).

*Health Care Expansion Act (S. 59).

*National Cemeteries Act (S. 49).

Vetoes 1973:

Rehabilitation Act of 1972 (S. 7) Vetoed March 27, 1973. Senate sustained veto April 3, 1973.

Rural Water and Waste Disposal Grant Program (H.R. 3298). Vetoed April 5, 1973. House sustained veto April 10, 1973.

Days in session	253:15
Hours in session	253:15
Total measures passed	149
Public laws	19
Treaties	5
Confirmations	15, 696
Record votes	103

Symbols: P/H—Passed House; P/S—Passed Senate; *Vetoed 1973.

Following is a brief summary of major Senate activity:

AGRICULTURE

Emergency loan program for disaster areas: Amends the Farmers Home Administration emergency loan program under the Consolidated Farm and Rural Development Act, which was curtailed by the Department of Agriculture by action announced on December 27, 1972, to provide a source of funds for farmers and ranchers in areas determined to be disaster areas by either the Secretary of Agriculture or the President; eliminates certain features, including the loan forgiveness feature and low interest rates, which became a part of the emergency loan program as a result of the Disaster Relief Act of 1970, Public Law 91–606, and the "Agnes-Rapid City" Act, Public Law 92–385 requires the Secretary to make, insure or guarantee loans to eligible applicants sets the maximum interest rate on loans at 5 percent; requires that applicants be unable to obtain credit elsewhere at reasonable rates; makes it mandatory that the Secretary designate areas eligible for emergency loans where the criteria for such designation exists; repeals section 232 of the Disaster Relief Act of 1970, which, effective July 1, 1973, requires the Secretary of Agriculture to cancel a part or all of the principal amount of certain loans and charge interest at a rate to be determined by the Secretary of the Treasury; applies the same interest rate to and eliminates the forgiveness feature for Small Business Administration disaster loans made under the Small Business Act in connection with any disaster occurring on or after the date of enactment of this act; and contains other provisions. H.R. 1975. Public Law 93– , approved 1973.

Feed grain set-aside program: Increases the payment rate for option B participants in the 1973 feed grain program to the amount by which 70 percent of parity exceeds the average price received by farmers for the first five months of the marketing year. S. 1572. P/S April 18, 1973.

Meat and poultry inspection amendments: Amends the Federal Meat Inspection Act and the Poultry Products Inspection Act to increase (beginning fiscal year 1974) the maximum Federal contribution to the cost of any State meat or poultry inspection system from 50 to 80 percent, and provides that the total cost of any cooperative arrangement for meat or poultry inspection purposes to be contributed under the Talmadge-Aiken Act (Public Law 87–718) shall be equal to the highest percentage contributed to any State under either of these acts. S. 1021. P/S April 2, 1973.

Rabbit meat inspection: Makes rabbit meat inspection mandatory, at Federal cost, by extending the provisions of the Poultry Products Inspection Act to rabbits and rabbit products, and sets the effective date of the provisions of the bill at July 1, 1973. S. 43. P/S February 21, 1973.

Rice allotment transfer: Permits rice growers who are unable to plant part or all of their farm acreage allotments in 1978 because of flood or other natural disaster to transfer their allotments to other farms in the same or adjoining county. H.R. 6883. Public Law 93– . approved 1973.

Rural electric and telephone direct loan programs: Reactivates the program of direct loans to rural electric and telephone borrowers of the Rural Electrification Administration of the Department of Agriculture, which was terminated by the Department of Agriculture on December 29, 1972; requires the use of funds appropriated for each fiscal year, including the $740 million appropriated for fiscal year 1973 under the Consumer Protection Appropriation Act, 1972 (P.L. 92–399), approved August 22, 1972; and contains other provisions. S. 394. P/S February 21, 1973; P/H amended April 4, 1973; In conference.

Rural environmental assistance (REAP) and water bank programs: Requires the Secretary of Agriculture (1) to make payments under the rural environmental assistance program (REAP) in the full amount appropriated therefor, and (2) to enter into agreements under the water bank program to the full extent permitted by available appropriations therefor. H.R. 2107. P/H February 7, 1973; P/S amended March 1, 1973; In Conference.

**Rural water and waste disposal grant program:* Requires the Secretary of Agriculture to make grants in the full amounts appropriated for the Farmers Home Administration water and waste disposal grant program which was terminated by the Department of Agriculture effective January 1, 1973. H.R. 3298. Vetoed April 5, 1973. House sustained veto April 10, 1973.

APPROPRIATIONS

1973

Furthering continuing appropriations, 1973: Extends the existing continuing resolution (Public Law 92–334) from February 28, 1973, to June 30, 1973, at the annual funding level, to provide further continuing appropriations for the activities covered by the Foreign Assistance and Related Programs Appropriation Act, the Departments of Labor and Health, Education, and Welfare, and Related Agencies Appropriation Act, neither of which have yet been enacted, and authorizes $6,224,000 for the American Revolution Bicentennial Commission; requires the President to submit periodic reports on impoundments to Congress; and contains other provisions. H.J. Res. 345. Public Law 93–9, approved March 8, 1973.

Urgent supplemental appropriations 1973: Appropriates $1,368,600,000 for supplemental appropriations for fiscal year 1973 for the Civil Aeronautics Board, the Veterans Administration, the Department of Health, Education, and Welfare, and the General Services Administration, of which $122.1 million is for the basic educational opportunity grant program, $210.3 million for the supplemental educational opportunity grant program, $270.2 million for the college work-study program, and $269.4 for the direct student loan program under the Department of Health, Education, and Welfare. H.J. Res. 496. P/H April 12, 1973; P/S amended April 17, 1973; Senate agreed to conference report April 18, 1973.

CONGRESS

Budget message, economic report, and impounded funds: Extends to January 29, 1973, the time for the President to submit to Congress the budget for fiscal year 1974; extends to January 31, 1973, the time for transmittal of the economic report; extends the time for the Joint Economic Committee to file its report on the President's economic report not later than March 10, 1973; and requires the President to transmit to Congress by February 10, 1973, a report with respect to all funds impounded from October 27, 1972, and before January 29, 1973, and from July 1, 1972, and before October 27, 1972. H.J. Res. 1. Public Law 93–1, approved January 19, 1973.

Committee meetings—rule XXV: Amends Senate rule XXV to provide that meetings for the transaction of business of each standing committee of the Senate shall be open to the public, except during closed sessions for making up bills, for voting, or when the committee by majority vote orders a closed session: Provided that any such closed session may be open to the public, if the committee by rule or majority vote so determines. S. Res. 69. Senate adopted March 6, 1973.

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*Pocket Vetoed 1972.

Joint economic report—extension: Extends from March 10, 1973, to April 1, 1973, the time for the Joint Economic Committee to submit its report on the President's Economic Report. H.J. Res. 299. Public Law 93-7, approved February 16, 1973.

Rules of evidence—Congressional consideration: Provides that notwithstanding any other provisions of law, that the proposed Rules of Evidence for United States Courts and Magistrates, the Amendments to the Federal Rules for Civil Procedure, and the Amendments to the Federal Rules for Criminal Procedure which are contained in the orders entered by the Supreme Court on November 20, 1972, and December 18, 1972, and transmitted to Congress by the Chief Justice on February 5, 1973, shall have no force and effect except to the extent, and with such amendments, as they may be expressly approved by Act of Congress. S. 583. Public Law 93-12, approved March 30, 1973.

Secret Government documents: Establishes an ad hoc committee of the Senate to conduct a study and submit to the Senate by June 30, 1973, a report and recommendations on all questions relating to the secrecy, confidentiality, and classification of government documents committed to the Senate or any member thereof. S. Res. 13. Senate adopted January 9, 1973.

Select Committee on Presidential Election campaign activities: Establishes a Select Committee on Presidential Campaign Activities, consisting of 7 members of the Senate, to conduct an investigation and study of the extent to which illegal, improper, or unethical activities were engaged in by persons acting either individually or in combination with others in the presidential election campaign of 1972, and to determine whether, in its judgment, there is a necessity to enact new legislation to safeguard the electoral process by which the President of the United States is elected; provides for the appointment, by the President of the Senate, of the 7 member panel to consist of 4 members of the majority party and 3 members of the minority party, upon the recommendation of their respective leaders; empowers the committee to make a complete investigation and study of matters relating to the breaking, entering, and bugging of the Democratic National Committee in the Watergate Building in Washington, D.C., and sets the time for the committee to file a report of its findings at not later than February 28, 1974; authorizes an amount not to exceed $500,000 for committee expenses to be paid from the contingent fund of the Senate; and contains other provisions. S. Res. 60. P/S February 7, 1973.

Senate confirmation of nominations:

Cost of Living Council: Requires that appointments to the Office of Director of the Cost of Living Council shall be made by the President by and with the advice and consent of the Senate. S. 421. P/S January 23, 1973.

Office of Management and Budget: Requires that appointments by the President to fill the offices of Director and Deputy Director of the Office of Management and Budget be subject to the advice and consent of the Senate, and contains other provisions. S. 518. P/S February 5, 1973.

CRIME-JUDICIARY

Civil remedies for victims of racketeering activity and theft: Amends title 18 of the United States Code to strengthen civil remedies for victims of racketeering activity and provide a civil action for damages resulting from violations of section 659 title 18 of the United States Code, which relates to crime involving property in interstate or foreign commerce. S. 13. P/S March 29, 1973.

Public Safety Officers' Benefits Act of 1973: Amends the Omnibus Crime Control and Safe Streets Act of 1968 to provide a gratuity of $50,000 to the dependents of public safety officers killed in the line of duty where the crime or death occurs on or after October 17, 1972, and authorizes the Law Enforcement Assistance Administration to make an interim payment, not to exceed $3,000, to an entitled dependent when it is determined such person is eligible to receive the gratuity under the provisions of this act. S. 15. P/S March 29 1973.

Public Safety Officers' Group Life Insurance Act of 1973: Amends the Omnibus Crime Control and Safe Streets Act of 1968 to establish a means of meeting the financial needs of public safety officers or their surviving dependents through group life, accidental death, and dismemberment insurance (the amount of coverage to be based on individual salary with a minimum coverage of $10,000 and a maximum coverage of $32,000) and to assist State and local governments to provide such insurance. S. 33. P/S March 29, 1973.

Victims of Crime Act of 1973: Amends the Omnibus Crime Control and Safe Streets Act of 1968 to establish a direct Federal crime compensation program for territorial areas of direct Federal concern to provide a means of meeting the financial needs of the innocent victims of violent crime, intervenors acting to prevent the commission of a crime or assisting in the apprehension of suspected criminals, or their surviving dependents; establishes an independent board to administer the program; defines the acts or omissions considered to be crimes for purposes of the program; sets the amount of $100 as the minimum amount for which a claim may be filed and the amount of $50,000 as the maximum amount of a claim; creates a Criminal Victim Indemnity Fund in the Treasury to consist of moneys from (1) criminal fines paid in the various courts of the United States, (2) additional appropriated funds, and (3) contributed funds; authorizes the appropriation of $5 million for fiscal year 1973 and, until specific appropriations are made, authorizes the use of funds appropriated for the Department of Justice or the Law Enforcement Assistance Administration; authorizes the use, through the established mechanisms of the Law Enforcement Assistance Administration, of LEAA grant funds on the usual 75-25 percent basis to assist substantially comparable State programs. S. 300. P/S March 29, 1973.

Victims of Crime of 1973 (omnibus): Establishes a Federal crime compensation program for territorial areas of direct Federal concern for innocent victims of violent crime, intervenors, or their surviving dependents, and provides for Federal assistance to substantially comparable State programs; provides group life insurance coverage for public safety officers or their surviving dependents, and assistance to States and local governments to provide such insurance; provides gratuities for dependents of public safety officers killed in the line of duty; strengthens civil remedies for victims of racketeering activity; provides for additional sentences for persons convicted in a United States court of a felony threatening life or property when a firearm is used or carried during the commission of the felony; provides for additional sentencing of persons as a public menace who are convicted of the manufacture, distribution, or dispensing of one-tenth or more of pure heroin or morphine, who are not addicts at the time of the offense; and contains other provisions. S. 800. P/S April 3, 1973.

DEFENSE

Promotions of military personnel in a missing status: Amends section 552(a) of title 37, United States Code, to insure that promotions of personnel carried as missing are valid for all purposes, including Federal benefits to survivors, even when the date of death of the missing member is later determined to have occurred prior to the promotion date. S. 1493. Public Law 93- , approved 1973.

DISTRICT OF COLUMBIA

International center complex: Authorizes an additional appropriation of $2.2 million for improvements to the land (streets, sidewalks, water mains, etc.) which was transferred to the Department of State under the authority of Public Law 90-553, for use as sites for foreign chanceries. S. 1235. P/S April 2, 1973.

ECONOMY-FINANCE

Economic Stabilization Act Amendments of 1973: Extends for 1 year, to April 30, 1974, the Economic Stabilization Act of 1970 which authorized the President to issue such orders and regulations as he may deem appropriate to stabilize prices, rents, wages, and salaries; places statutory controls on rents, other than on luxury residences, in low vacancy areas (those where the vacancy rate is lower than 5.5 percent among low and moderately priced units); provides that no person may charge a monthly rent under a lease or implied contract for occupancy entered into during a low-vacancy period which exceeds the highest monthly rent previously charged for the same residence plus (1) a 2.5 percent increase for each 12 month period beginning at the end of the preceding period of occupancy, and (2) the actual amount of any increase in State or local tax, fee, or service charges, any necessary capital improvement, and any reasonable increased costs of services and materials; provides that rents under leases on property not previously rented within a 48 month period shall not exceed the market rental value of the residence; requires the credit or refund of any rent collected pursuant to a lease or implied contract for occupancy entered into after January 11, 1973, that exceeds the maximum amount permitted in a low vacancy period; gives the President authority to establish, after public hearings, priorities of use and an allocation system of supplies of petroleum products, including crude oil, in order to meet essential needs in various sections of the country and to prevent anti-competitive effects which could develop from shortages of petroleum products; states as a sense of the Congress that the President and the Congress should pursue appropriate policies for bringing unemployment down to an overall level of 4 percent by April 30, 1974; exempts workers earning less than $3.50 an hour from wage controls; states as the intent of Congress that nothing in this act be construed to authorize or require the President to impound or withhold funds appropriated, authorized, or authorized to be obligated by the Congress; requires business enterprises required to make price reports to the Cost of Living Council (firms with annual sales or revenues of $250 million or more) to make public disclosure of reports, except for proprietary information, which cover periods during which the firm charges a price for a substantial product that is 1.5 percent over the price lawfully in effect for such product on January 10, 1973, or on the date 12 months preceding the end of such period, whichever is later; requires the President to submit quarterly reports to Congress describing changes in food prices and in health insurance rates, any actions he has taken, and any recommendations for congressional action to stabilize these prices; and contains other provisions. S. 398. P/S March 20, 1973. P/H amended April 16, 1973. Reported from conference April 17, 1973.

Interest Equalization Tax Extension Act of 1973: Extends the application of the interest equalization tax for 15 months, to June 30, 1974; provides, with certain exceptions, that the interest equalization tax exclusion for stock or debt obligations issued by a less developed country corporation shall not apply to stock or debt obligations issued by a less-developed country shipping corporation after

January 29, 1973; provides for an exclusion from the interest equalization tax for: original or new issues of stock or debt obligations; stock acquired by conversion of a debt obligation if no additional consideration is paid and the debt obligation itself qualifies for the exclusion; or for a debt obligation issued to refund or refinance an original or new issue which qualified for the exclusion, to finance direct investment in the United States except for the acquisition and exploitation of natural resources, subject to the foreign issuer or obligor agreeing to meet certain conditions with respect to that investment for a period of ten years; provides that a qualified lending or financing corporation, or a U.S. Corporation engaged in a lending or financing business through offices located outside the United States, may use domestic source funds to lend for qualified export credit transactions or to buy goods made in the United States for leasing or sale outside of the United States; requires the Secretary of the Treasury to study the effect on international monetary stability of the Canadian exemption from the interest equalization tax and make a report to the Congress not later than September 30, 1973; and contains other provisions. H.R. 3577. Public Law 93–17, approved April 10, 1973.

Par value modification: Directs the Secretary of the Treasury to take the necessary steps to establish a new par value of the dollar of $1 equals 0.828949 Special Drawing Right (SDR) or the equivalent in terms of gold of $1 equal 0.023684 of a fine troy ounce of gold, thus devaluating the U.S. dollar by 10 percent and changing the official price of gold from $38 to $42.22 per ounce; requires the President, whenever any funds are impounded by an officer or employee of the United States, to transmit within 10 days to both houses of Congress a special message identifying the amount, date, department or agency affected, period of time, reasons for, and the fiscal, economic and budgetary effect as far as is practicable, regarding the impoundment; requires the cessation of the impoundment within 60 days of continuous session after the message is received by the Congress unless the Congress acts by ratifying the specific impoundment by concurrent resolution, or if the Congress disapproves the impoundment in whole or in part by concurrent resolution, and provides that the effect of failure to ratify or of disapproval shall not only make the obligation of the budget authority mandatory but also preclude the reimpoundment of that specific budget authority; sets a ceiling of $268 billion on expenditures for fiscal year 1974, and provides a mechanism by which the Executive Branch can reduce expenditures by proportional cuts by budget category in order to stay within the ceiling if appropriations exceed it; provides that, after submission of the Budget and upon recommendation of the President, the Congress shall prescribe a ceiling on expenditures every fiscal year; directs the Secretary of the Treasury to prescribe regulations requiring the submission of reports on foreign currency transactions; repeals, effective December 31, 1973, sections 3 and 4 of the Gold Reserve Act of 1934 and provides that no provision of law shall be construed to prohibit any person from purchasing, holding, selling, or dealing in gold; provides that no funds may be obligated or expended to provide assistance of any kind, directly or indirectly, to or on behalf of North Vietnam, unless specifically authorized hereafter by the Congress, and contains other provisions. S. 929. P/S April 5, 1973.

GENERAL GOVERNMENT

American Revolution Bicentennial Commission: Authorizes an appropriation of $2,868,000 between February 16, 1973, and June 30, 1973, for expenses of the American Revolution Bicentennial Commission, of which not to exceed $1,200,000 would be for grants-in-aid to the States. H.R. 3694. Public Law 93–11, approved March 15, 1973.

Commission on Highway Beautification—extension: Extends to December 31, 1973, the date for the Commission on Highway Beautification to submit to the President and the Congress its final report concerning implementation of the Highway Beautification Act of 1965 and authorizes therefor an additional appropriation of $250,000. S.J. Res. 42. Public Law 93–6, approved February 16, 1973.

Commission Productivity—extension: Extends for an additional 2 months, to June 30, 1973, the President's Commission on Productivity. S.J. Res. 93. P/S April 17, 1973.

Flood insurance: Amends the Housing and Urban Development Act of 1968 to increase from $2.5 billion to $4 billion the limitation on the face amount of flood insurance coverage authorized to be outstanding. S.J. Res. 26. Public Law 93–4, approved February 2, 1973.

Older Americans Comprehensive Services Amendments of 1973: Extends and amends the Older Americans Act of 1965 to enlarge the scope of the services provided therein; improves the organizational structure at the Federal, State, and local level of the agencies having responsibiltiy for the delivery of such services; creates a Federal Council on the Aging to act as an advocate for the elderly with respect to Federal government policies and programs relating to their particular needs and problems; places the Administration on Aging in the Office of the Secretary of Health, Education, and Welfare and assigns primary responsibility for carrying out the act to the Commissioner on Aging; expands the existing program of formula grants to the States by providing funding for a range of social services in accordance with approved State plans; authorizes funds for direct grants to model projects with priority to projects in the areas of housing, employment, transportation and special services for the physically and mentally handicapped elderly; authorizes grants for centers of gerontology and for research and development in the field of aging; authorizes grants for facilities for multipurpose senior centers; expands educational program opportunities for the elderly; establishes an Older American Community Service Employment program and a Middle-Aged and Older Workers Training and Mid-Career Services program in the Department of Labor; and contains other provisions. *Note:* (H.R. 15657 [92d–2d], a measure containing similar provisions, was pocket vetoed by President Nixon on October 30, 1973.) S. 50. P/S February 20, 1973; P/H amended March 13, 1973: P/S amended April 18, 1973.

Uniform Relocation Assistance and Real Property Acquisition Policies Act Amendments: Amends the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to provide, until July 1, 1976, for full Federal funding of the first $25,000 for any single relocation payment for persons displaced by federally assisted programs and projects; expands coverage of the act to persons displaced by eight specified Federal programs; authorizes, through June 30, 1973, the head of a Federal agency to pay a State not in compliance with the act such funds as are necessary, in excess of the first $25,000 of cost, to make all payments and provide all benefits required by the act; and contains other provisions. S. 261. P/S February 2, 1973.

EDUCATION

National Commission on the Financing of Postsecondary Education: Extends the authorization of the National Commission on the Financing of Postsecondary Education and the period with which it must make its final report; provides that if fiscal year 1973 appropriations are $385 million or less for the basic educational opportunity grant program that the basic grant shall be available to full time freshman students. H.J. Res. 393. P/H March 5, 1973; P/S amended April 18, 1973.

GOVERNMENT EMPLOYEES

Central Intelligence Agency Retirement Act Amendment: Amends section 236 of the Central Intelligence Agency Retirement Act of 1964 for certain employees to (1) increase the quota on retirements from 800 to 2,100 for the period July 1, 1969, to June 30, 1974, and (2) establish a quota of 1,500 for retirement between July 1, 1974, and June 30, 1979. S. 1494. P/S April 10, 1973.

HEALTH

Child nutrition programs: Amends section 6 of the National School Lunch Act which authorizes expenditures for commodities to provide a means to enable the Department of Agriculture to meet school lunch and breakfast program needs for this fiscal year; requires the Secretary of Agriculture, for this fiscal year only, to make an estimate as of March 15 of the amount of commodities which the Department will deliver to schools; requires the Secretary (if this estimate is less than 90 percent of the value of the amount the Department originally planned to deliver to schools) to pay the States, no later than April 15, a cash amount equal to the difference between the initial estimate and the amount to be delivered this fiscal year as determined by the March 15 estimate, and to distribute the money to the States according to their ratio of meals served under the school lunch and breakfast program; directs the Secretary to use 32 funds and funds from section 416 of the Agricultural Act of 1949 for the purposes of this act and to request, if necessary, a supplemental appropriation; waives the matching requirements for the funds distributed under this bill; and contains other provisions. H.R. 4278. Public Law 93–13, approved March 30, 1973.

Little Cigar Act of 1973: Amends the Federal Cigarette Labeling and Advertising Act (15 USC 1331–1340) as amended by the Public Health Cigarette Smoking Act of 1969 by expanding the *prohibition* on advertising media to include "little cigars"; defines the term "little cigar" to mean any roll of tobacco wrapped in leaf tobacco or any substance containing tobacco (other than cigarettes) and weighing not more than 3 pounds per 1,000 units; and provides that it shall be unlawful to advertise little cigars on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. S. 1165. P/S April 10, 1973.

Public Health Service Act Extension of 1973: Extends the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act for 1 year, to June 30, 1974, including Federal programs regarding: public health services research and development and statistics, public health training, domestic agricultural migrant health, comprehensive health planning and services, medical library construction and development, the Hill-Burton hospital construction program, allied health professions personnel training and other programs, the establishment and operation of regional and medical programs, family planning and population research training and services, community mental health centers' construction and staffing, alcoholism and drug addiction prevention and treatment and children's mental health programs, and facilities and services for persons with developmental disabilities; declares it to be the policy of the Federal government in the administration of Federal programs that religious beliefs or moral convictions regarding the performance of abortions or sterilization procedures shall be respected; provides that requirements shall not be imposed in connection with the administration of any program financed wholly or in part by the Federal government that would cause or obligate any physician or other health care personnel, hospital or institution, to provide facilities for or to perform or to assist in an abortion or a sterilization procedure if contrary to the religious beliefs or moral convictions of the physician, other health care personnel, or those administering the hospital or institution; prohibits discrimination by a hospital or other health care institution in the employment, staffing privileges, or termination of employment of physicians and other health care personnel because of their religious or moral convictions in this regard. S. 1136. P/S March 27, 1973.

INDIANS

Indian Claims Commission: Authorizes appropriations not to exceed $1.2 million for the expenses of the Indian Claims Commission for fiscal year 1974. S. 721. P/S March 6, 1973.

Joint Committee on Navajo-Hopi Administration—abolishment: Abolishes the Joint Committee on Navajo-Hopi Indian Administration created during the 81st Congress to consider the problems peculiar to the Navajo and Hopi Tribes and oversee the expenditure of funds appropriated for the development of their reservations, construction of facilities, and other needed improvements, work which was principally completed in 1964. S. 267. P/S February 5, 1973.

INTERNATIONAL

Atlantic Union delegation: Authorizes the creation of a delegation of 18 eminent citizens (6 each to be appointed by the House of Representatives, the Senate, and the President) to meet with similar unofficial delegations "from such North Atlantic Treaty parliamentary democracies as desire to join in the enterprise" in order to explore the possibility of agreement on a "declaration that the goal of their peoples is to transform their present relationship into a more effective unity based on Federal principles," and empowers the convention to invite other parliamentary democracies to participate in the process, which would also explore the possibilities for a timetable and a commission to move toward the goal by stages. S.J. Res. 21. P/S March 26, 1973.

People's Republic of China—diplomatic privileges: Authorizes the President to extend to the Liaison Office of the People's Republic of China in Washington and to the members thereof the same privileges and immunities subject to corresponding conditions and obligations as are enjoyed by diplomatic missions accredited to the United States and by members thereof. S. 1315. Public Law 93– , approved 1973.

Treaties:

Consular convention with Hungary: Establishes consular relations between the United States and the People's Republic of Hungary which will afford American citizens in Hungary a greater degree of consular protection and guarantee quick and unhindered communication between a citizen and his consul and prompt notification to the consul of any detention or other limitation, and provides for the establishment of consulates and the exchange of consular appointments according each country the facilities, privileges, and immunities afforded under similar bilateral consular conventions in force with a number of other countries. Ex. W, 92d–2d. Resolution of Ratification agreed to March 27, 1973.

Consular convention with Poland: Establishes consular relations between the United States and the Polish People's Republic; guarantees early notification of detention of a country's nationals and access thereto; describes consular functions and responsibilities in such fields as the issuance of visas and passports and the performance of notorial services; provides for the inviolability of consular personnel with regard to legal proceedings in the host country; and contains other provisions afforded under similar bilateral consular conventions in force with a number of other countries. Ex. U, 92d-2d. Resolution of Ratification agreed to March 27, 1973.

Consular convention with Romania: Replaces the convention currently in existence between the United States and the Socialist Republic of Romania; improves consular services in both countries to include the issuance of passports and visas, performance of notorial services, and representation of the interests of nationals in estate matters; assures that consuls whose nationals are detained or whose personal freedom is limited will be notified promptly and will have the right to visit and communicate with such nationals; and contains other provisions afforded under similar bilateral consular conventions in force with a number of other countries. Ex. V, 92d-2d. Resolution of Ratification agreed to March 27, 1973.

Convention with Japan for the protection of birds and their environment: Provides for the protection of species of birds which are common to the United States and Japan or which migrate between them, and provides that each country will develop programs to preserve and enhance the environment of the birds protected by this agreement. Ex. R, 92d-2d. Resolution of Ratification agreed to March 27, 1973.

Exchange of notes with Ethiopia concerning the administration of justice: Terminates the notes exchanged on September 7, 1951, concerning the administration of justice and constituting an integral part of the Treaty of Amity and Economic Relations Between the United States and Ethiopia. Termination of the notes, which set forth special commitments on the part of the Ethiopian Government regarding the trial of cases involving American citizens, would be in conformity with the U.S. policy of basing international agreements, in general, on the principles of equality and reciprocity. Ex. B, 92d-2d. Resolution of Ratification agreed to March 27, 1973.

LABOR

Penn Central rail dispute: Provides for Federal intervention to bring about a temporary halt in the strike of certain employees of the United Transportation Union against the Penn Central Transportation Company arising out of the Penn Central's plan to eliminate approximately 5,700 train crew positions by applying the final paragraph of section 10 of the Railway Labor Act (45 USC 160) and extends the 30-day period provided for in section 10, to 12:01 A.M., May 9, 1973, in order to secure additional time for an agreement to be reached; requires the Secretary of Transportation, not later than 45 days following enactment, to file a report to the Congress providing a full and comprehensive plan for the preservation of essential rail transportation services in the northeast section of the Nation; requires the Secretary of Labor, not later than 30 days following enactment, to submit to Congress a report detailing the progress, if any, of all negotiations, and any recommendations for a proposed solution; and contains other provisions. S.J. Res. 59. Public Law 93-5, approved February 9, 1973.

**Rehabilitation Act of 1972:* Amends the Vocational Rehabilitation Act to provide for more services to handicapped individuals; places greater emphasis on research and training of rehabilitation personnel and the development of innovative rehabilitation techniques, equipment, and devices which would make employment more feasible for a handicapped individual; establishes an Office for the Handicapped within the Department of Health, Education, and Welfare; creates a Federal Interagency Committee on Employment of the Handicapped, a National Commission on Transportation and Housing, and an Architectural and Transportation Barriers Compliance Board to continue and expand services to the handicapped and provide for an order of priority to serve those individuals with the most severe handicaps; and contains other provisions. *NOTE:* (A similar measure, H.R. 8395 [92d-2d], was pocket vetoed by President Nixon on October 27, 1972.) S. 7. Vetoed March 27, 1973. Senate sustained veto April 3, 1973.

MEMORIALS, TRIBUTES, AND MEDALS

Cable Car Medals: Authorizes the Secretary of the Treasury to strike and furnish to the San Francisco Cable Car Centennial Committee not more than 150,000 medals commemorating the 100th anniversary of the invention of the cable car, and contains other provisions. S. 776. P/S March 14, 1973.

Law Day: Pays tribute to the law enforcement officers of the United States on Law Day, May 1, 1973. S.J. Res. 11. P/S March 15, 1973.

Lyndon B. Johnson: Expresses the profound sorrow and deep regret of the Senate on the announcement of the death of Lyndon B. Johnson, a former President of the United States and a former Representative and Senator from the State of Texas, and designates the Presiding Officer of the Senate to appoint a committee to consist of all the members of the Senate to attend the funeral of the former President. S. Res. 24. Senate adopted January 23, 1973. H. Res. 152. House adopted January 23, 1973.

Expresses the sense of the Congress that in recognition of the long and distinguished service rendered to the nation and to the world by Lyndon B. Johnson, 36th President of the United States, his remains be permitted to lie in state in the rotunda of the Capitol from January 24 to January 25, 1973. H. Con. Res. 90. House adopted January 23, 1973. Senate adopted January 23, 1973.

Provides for payment out of the contingent fund of the Senate of all necessary expenses incurred as a result of S. Res. 24, which provides for members of the Senate to attend the funeral of Lyndon B. Johnson. S. Res. 34. Senate adopted January 24, 1973.

Lyndon B. Johnson Space Center: Designates the manned spacecraft center in Houston, Texas, as the "Lyndon B. Johnson Space Center" in honor of the late President, S.J. Res. 37. Public Law 93-8, approved February 17, 1973.

Monument to 1st Infantry Division: Authorizes the erection, in the District of Columbia, of a monument to the dead of the First Infantry Division, United States Forces in Vietnam. S.J. Res. 66. P/S February 19, 1973.

Vietnam War Memorial: Provides for the erection in the District of Columbia of a memorial in honor of those who served in the Armed Forces of the United States in the Vietnam war; and contains other provisions. S.J. Res. 45. P/S April 12, 1973.

NATURAL RESOURCES—ENVIRONMENT

Clean Air Act extension: Extends for 1 year, to June 30, 1974, the Clean Air Act, as amended; authorizes the appropriation therefor of $475 million for fiscal year 1974; and contains other provisions. S. 498. P/S January 26, 1973.

Extends for 1 year, to June 30, 1974, the provisions of the Clean Air Act of 1970 and extends, at constant dollar amounts, the authorization of appropriations in the act, which would otherwise expire June 30, 1973, in the total amount of $475 million. H.R. 5445. Public Law 93-15, approved April 9, 1973.

Flood Control Act of 1973: Authorizes development of flood control, multi-purpose and related projects and provides for studies and surveys to determine whether other plans should be developed. Note: (S. 4018 [92d-2d], a similar measure, was pocket vetoed by President Nixon on October 27, 1972.) S. 606. P/S February 1, 1973.

Solid Waste Disposal Act extension: Extends for 1 year, to June 30, 1974, the Solid Waste Disposal Act, as amended; authorizes the appropriation of $216 million for fiscal year 1974 to the Administrator of the Environmental Protection Agency and $22.5 million for fiscal year 1974 to the Secretary of the Interior, to carry out the provisions of this act; and contains other provisions. S. 498. P/S January 26, 1973.

Extends for 1 year, to June 30, 1974, the Solid Waste Disposal Act of 1967 (as amended by the Resource Recovery Act of 1970) and extends for 1 year, at constant dollar amounts, the authorization for appropriations therefor in the total amount of $238.5 million. H.R. 5446. Public Law 93–14, approved April 9, 1973.

NOMINATIONS

(Action by rollcall vote)

Nomination of Peter J. Brennan, of New York, to be Secretary of Labor: Nomination confirmed January 31, 1973. (81–3)

Nomination of William P. Clements, Jr., of Texas, to be a Deputy Secretary of Defense: Nomination confirmed January 23, 1973. (74–11)

Nomination of Elliot L. Richardson, of Massachusetts, to be Secretary of Defense: Nomination confirmed January 29, 1973. (81–1)

Nomination of James R. Schlesinger, of Virginia, to be Director of Central Intelligence: Nomination confirmed January 23, 1973. (85–0)

Nomination of Caspar W. Weinberger, of California, to be Secretary of Health, Education, and Welfare: Nomination confirmed February 8, 1973. (61–10)

PROCLAMATIONS

International Clergy Week in the United States: Authorizes the President to designate the week of January 28, 1973, as "International Clergy Week in the United States." H.J. Res. 163. Public Law 93–2, approved January 26, 1973.

Jim Thorpe Day: Authorizes and requests the President to issue a proclamation designating April 16, 1973, as "Jim Thorpe Day". S.J. Res. 73. Public Law 93–19, approved April 16, 1973.

National Arthritis Month: Authorizes and requests the President to issue a proclamation designating the month of May 1973, as "National Arthritis Month" and contains other provisions. H.J. Res. 275. Public Law 93– , approved -------- 1973.

National Clean Water Week: Authorizes the President to designate the period beginning April 15, 1973, as "National Clean Water Week." H.J. Res. 437. Public Law 93–18, approved April 14, 1973.

National Employ the Older Worker Week: Designates the second full calendar week in March 1973 as "National Employ the Older Worker Week." H.J. Res. 334. Public Law 93–10, approved March 15, 1973.

National Historic Preservation Week: Authorizes and requests the President to issue a proclamation designating the calendar week beginning May 6, 1973, as "National Historic Preservation Week." S.J. Res. 51, P/S April 11, 1973.

National Hunting and Fishing Day: Requests the President to declare the fourth Saturday of September 1973 as "National Hunting and Fishing Day." H.J. Res. 210. Public Law 93– , approved ---------- 1973.

National Moment and Day of Prayer and Thanksgiving: Authorizes the President to issue a proclamation designating the moment of 7:00 P.M. E.S.T., January 27, 1973, a national moment of prayer and thanksgiving for the peaceful end to the Vietnam war and the 24 hours beginning at the same time as a national day of prayer and thanksgiving, and contains other provisions. H.J. Res. 246. Public Law 93–3, approved February 1, 1973.

Nicolaus Copernicus Week: Authorizes the President to designate the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quinquecentennial of his birth. H. J. Res. 5. Public Law 93–16, approved April 9, 1973.

Warsaw Ghetto Uprising: Authorizes and requests the President to proclaim April 29, 1973, as a day of observance of the 30th anniversary of the Warsaw ghetto uprising. H.J. Res. 303. Public Law 93– , approved ------ 1973.

TRANSPORTATION AND COMMUNICATIONS

Aircraft hijacking: Amends the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy on both the international and domestic levels; implements, in Title I, the Convention for the Suppression of Unlawful Seizure of Aircraft (Hague Convention—Ex. A. [92d-1st]) to which the United States is a party and which came into effect on October 4, 1971; provides the President authority to suspend air service between the United States and any foreign nation he determines is not acting consistently with the provisions of the Hague Convention, in effect imposing, unilaterally, a U.S. air transport boycott; permits the Secretary of Transportation, with the approval of the Secretary of State, to restrict, limit, or revoke the operating authority of any foreign air carrier failing to afford necessary security safeguards to the traveling public; provides, in Title II, for the screening of all passengers and carry on baggage by weapons detecting devices prior to their being boarded on the aircraft; establishes under the Administrator of the Federal Aviation Administration an Air Transportation Security Force to provide a Federal law enforcement presence at the nation's major airports; and contains other provisions. S. 39. P/S February 21, 1973.

Airport Development Acceleration Act of 1973: Amends the Airport and Airway Development Act of 1970 and the Federal Aviation Act of 1958 to increase Federal financial assistance for airport development throughout the United States; increases the present minimum annual authorization for airport development grants to a total of $420 million per year for fiscal years 1974 and 1975, and the five year limit on obligational authority for the fiscal years 1971–1975 to $1.69 billion, funds which will come from the Airport and Airway Trust Fund; prohibits the levying by State and local governments of passenger "head" taxes or use taxes on the carriage of persons in air transportation; states it is the sense of the Congress that no funds authorized to be appropriated or appropriated pursuant to the provisions of this act shall be subject to impoundment by any officer or employee in the executive branch of the government; and contains other provisions. *NOTE:* (S. 3755 [92d–2d], a similar measure, was pocket vetoed by President Nixon on October 27, 1972.) S. 38. P/S February 5, 1973.

Federal-Aid Highway Act of 1973: Reduces the authorization for Interstate highway programs for each of the fiscal years 1974–1976 from the present $4 billion level to $3.25 billion; requires the realinement by June 30, 1975, of the Federal-aid primary, secondary and urban systems based upon functional usage for the year 1980; provides for transfer of Interstate system mileage within a State; strengthens environmental controls over roadbuilding and the highway beautification program; earmarks urban system funds for each urbanized area of 400,000 population or more; allows urban system funds to be "passed-through" to municipalities of 400,000 or more authorized under State law and equipped to manage urban system projects, thus making urban system funds directly available to large cities; authorizes the use of urban system highway funds for fixed rail mass transit systems and the use of urban system and urban extension highway funds for the purchase of buses, in addition to the use of those funds for the construction of bus lanes, highway traffic control devices, and passenger loading areas and facilities as authorized by the Federal-Aid Highway Act of 1970; provides that equipment purchased for mass transit systems must meet environmental standards set pursuant to the Clean Air Act and the Noise Control Act of 1972, and that the special needs of the elderly and handicapped, as defined in the Urban Mass Transportation Act of 1964, must be considered in planning and designing the mass transit systems; makes highway funds available for bicycle transportation, pedestrian walkways, and equestrian trails; establishes a new toll road reimbursement program; establishes a new special urban high density traffic program; authorizes a rural highway public demonstration program; amends the Urban Mass Transportation Act of 1964 to provide operating subsidies for mass transit systems via contract authority, in an amount not to exceed $800 million through fiscal year 1974, with grants or loans for operating expenses to be made on a two-thirds Federal, one-third local matching basis, and to provide an additional $3 billion in contract authority, for a total of $6.1 billion, through fiscal year 1977 for capital expenditures of mass transit systems and to change the Federal share of cost-sharing for this purpose from two-thirds to 90 percent; prohibits the impoundment or withholding from obligation of highway funds appropriated by Congress for expenditure; and contains other provisions. S. 502. P/S March 15, 1973.

Highway Safety Act of 1973: Authorizes $455 million for fiscal year 1974 and $475 million for fiscal year 1975 for highway safety programs, including $100 million for each of fiscal years 1974 and 1975 for the bridge replacement program; establishes a Federal-aid safer roads system, and authorizes $200 million of the total amounts authorized for each of fiscal years 1974 and 1975, to be available on a 90 percent Federal, 10 percent State matching basis, for the correction of highway hazards on that system requires States to identify, by June 30, 1974, projects on the Federal-aid safer roads system which have to be corrected and assign priority to the correction of hazards falling within the following three major categories: (1) projects to improve highway marking and signing, (2) elimination of roadside obstacles, and (3) elimination of hazards at railroad-highway grade crossings; includes bicycle safety in the areas to be covered by highway safety standards and adds bicycle safety to required driver education programs; authorizes the use of appropriated funds for State highway safety programs for use in developing and implementing manpower training and demonstration programs; increases the minimum apportionment to any State for highway safety programs from one-third of one percent to one-half of one percent authorizes the Secretary to carry out research on the relationship between the consumption of drugs and highway safety and to promulgate a highway safety program standard on drug use and highway safety; and contains other provisions. S. 893. P/S April 12, 1973.

Interstate apportionment: Directs the Secretary of Transportation to apportion, out of the Highway Trust Fund, $1 billion of the funds authorized for fiscal year 1974 for expenditure on the Interstate and Defense Highway systems. S. Con. Res. 6. P/S March 6, 1973.

Rail freight car shortage: In view of the current railroad transportation crisis caused by a freight car shortage and other factors, declares it to be the sense of the Senate that (1) the Commodity Credit Corporation should make available to farmers the option to reseal loans on farm-stored wheat and feed grains with respect to the 1971 and 1972 crops; and (2) the President is urged and requested to appoint a special committee to conduct a study of the railroad freight car shortage problem and to submit to the President and the Senate Committees on Agriculture and Forestry and Commerce, within thirty days after its appointment, a report along with its recommendations for the most effective and practical means of (A) delivering adequate quantities of wheat to millers and feed grains to farmers and stockmen in the United States dependent upon such grain for feeding their livestock, and (B) alleviating the backup at those ports where numerous ships and railroad cars are waiting to be loaded and unloaded. S. Res. 59. Senate adopted February 19, 1973.

VETERANS

Drug and Alcohol Treatment and Rehabilitation Act: Provides for a fully-funded comprehensive drug and alcohol treatment and rehabilitation program for addicted veterans regardless of service connection or the nature of their discharge; establishes a special medical treatment and rehabilitative services program for any veteran with a drug dependence or drugs abuse disability, stressing highly individualized community-based, multimodality, in-house and contract services, including a wide range of vocational and educational counseling and rehabilitative services and job placement assistance; requires the Administrator to carry out a program of vocational rehabilitation for those Vietnam era veterans with addiction disabilities broadens the eligibility for basic V.A. hospital care and medical services for service-connected disabiilties; and contains other provisions. S. 284. P/S March 6, 1973.

Health Care Expansion Act: Improves the ability of the Veterans' Administration (VA) to deliver quality medical care to its beneficiaries by widening the scope of treatment (particularly for ambulatory and nursing care); expands coverage to certain dependents of beneficiaries or former beneficiaries; provides for a voluntary, comprehensive sickle cell anemia screening and counseling program; expands the primary function of the Veterans Administration Department of Medicine and Surgery to include assisting in providing an adequate supply of health care manpower; improves the personnel system of the Department of Medicine and Surgery to provide for major emphasis on recruitment, training and employment by the V.A. of recent veterans with medical military occupation specialities and to make that Department more attractive to skilled health care personnel; improves the staff-to-patient ratio in V.A. medical facilities; ensures that V.A. facilities are structurally safe; and contains other provisions. *Note:* (H.R. 10880 [92d–2d], a similar measure, was pocket vetoed by President Nixon on October 27, 1972.] S. 59. P/S March 6, 1973.

National Cemeteries Act: Establishes within the Veterans' Administration (V.A.) a National Cemetery System consisting of those cemeteries presently under the jurisdiction of the V.A. and those to be transferred to the V.A. from the Department of Army with the exception of certain specified cemeteries, including Arlington National Cemetery and those located at the service academies; directs the V.A. to conduct a comprehensive study and submit its recommendations on or before July 1, 1973, as to what our National Cemetery System and national burial policy should be; authorizes a special burial plot allowance of $150 (in addition to the present V.A. allowance for burial and funeral expenses of $250) in any case where a veteran is not buried in a national or other Federal cemetery; authorizes the burial of an unknown soldier from the Vietnam Conflict at Arlington National Cemetery; and contains other provisions. *Note:* (H.R. 12674 [92d–2d], a similar measure, was pocket vetoed by President Nixon on October 27, 1972.) S. 49. P/S March 6, 1973.

ADJOURNMENT OF THE TWO HOUSES

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 22.

The PRESIDING OFFICER (Mr. Clark) laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 22) providing for adjournment of the Senate from Wednesday, April 18, 1973, to Monday, April 30, 1973—which were, in line 4, strike out "1973.", and insert: "1973, and that when the House adjourns on Thursday, April 19, 1973, it stand adjourned until 12 o'clock meridian, Monday, April 30, 1973."

And amend the title so as to read: "Concurrent resolution providing for the adjournment of the Senate from April 18, 1973 to April 30, 1973, and the adjournment of the House from April 19, 1973 to April 30, 1973."

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate today has completed action on the emergency rice bill, the emergency feed grain bill, the Older Americans Act, the urgent supplemental appropriations conference report, and has acted on an amendment to the voter registration bill. When the Senate adjourns today, in accordance with the provisions of Senate Concurrent Resolution 22, it will stand in adjournment until 12 o'clock meridian on Monday, April 30, 1973.

The Senate will adjourn without action having been taken on the economic stabilization conference report. The law will expire at midnight on April 30. The Senate will return on April 30 and attention, hopefully, will be given to that matter at that time.

When the Senate convenes on April 30 at 12 o'clock meridian, immediately following the prayer and the recognition of the two leaders or their designees under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Mr. Mathias, Mr. Mansfield, Mr. Griffin, and Mr. Robert C. Byrd.

After conclusion of the aforementioned orders for the recognition of Senators, the 1 hour for debate, under rule XXII, on the motion to invoke cloture on S. 352 will begin running. At the conclusion of the hour there will be an automatic quorum call. This would occur at about 2 o'clock p.m. When a quorum of Senators has been established, there will immediately be a yea-and-nay vote on the motion to invoke cloture on S. 352, the voter registration bill.

If the motion to invoke cloture fails of adoption, the distinguished Senator from Wyoming (McGee), the manager of the bill, will be recognized under the order previously entered; if the motion to invoke cloture is adopted, then rule XXII will govern until the unfinished business is disposed of.

I would anticipate additional yea-and-nay votes in either event on Monday, following the vote on the motion to invoke cloture.

There may be an opportunity that afternoon—and it all depends—to call up the conference report on the Economic Stabilization Act. In any event, I repeat, there will be yea and nay votes on that day in addition to the vote on the motion to invoke cloture.

I wish to congratulate all Senators for the excellent work that has been done thus far. The calendar does not have on it any bills that I can see that are cleared for action at this time. Hopefully, upon the return of the Senate, some of the bills thereon will have been cleared. Moreover, the leadership would express the hope that all committees will act expeditiously to report bills for floor action, keeping in mind the June 30 cutoff date for reporting of "must" legistion.

The leadership also expresses the hope that there will be a high attendance of Senators when the Senate returns on April 30. I know that the distinguished majority leader would want me to add that it is necessary that the Senate committees, upon our return following the Easter holiday, give every attention to "must" legislation, in the hope that floor action can be taken on the major bills—including the appropriation bills, once they have come over from the other body—prior to the August recess, which would then mean that following the August recess most of the tough, rough, major, controversial legislation would be behind us. I realize that these are only hopes at this moment, but we are now entering into a hopeful period of the year.

Looking ahead, may I say that the leadership wishes all Senators a felicific respite from their lucubrations here. May Senators, after a reposeful holiday, return to these difficile tasks with renewed verve and reviviscent strength.

ADJOURNMENT UNTIL MONDAY, APRIL 30, 1973

Mr. ROBERT C. BYRD. Mr. President, in accordance with the provisions of Senate Concurrent Resolution 22, as amended, I move that the Senate stand in adjournment until 12 o'clock meridian on April 30, 1973.

The motion was agreed to; and at 5:26 p.m., the Senate adjourned until Monday, April 30, 1973, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 18, 1973:

DEPARTMENT OF LABOR

Richard F. Schubert, of Pennsylvania, to be Under Secretary of Labor, vice Laurence H. Silberman, resigned.

DEPARTMENT OF JUSTICE

Paul J. Curran, of New York, to be U.S. attorney for the southern district of New York for the term of 4 years vice Whitney North Seymour, Jr., resigning.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 18, 1973:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be ensigns

Kenneth R. Anderson
Stephen J. Kott
Earl W. Fenstermacher
Peter E. Gadd
Alan D. Anderson
Richard H. West
David C. McConaghy
Joseph J. Kapler
Kevin T. Mahoney
Thomas A. Bergner
John A. Murphy
Edward E. Seymour
Kevin P. Regan
Kent J. Stong
Michael H. Allen
John J. Kineman
Paul B. Loiseau, Jr.
John L. Oswald
Roger W. Mercer
Alan H. Yanaway
Kenneth F. VanTrain
George J. Hauser, Jr.
Garth W. Stroble
Edward Gastaldo
Andrew M. Snella
Robert J. Pawlowski
Thomas L. Meyer
Dennis M. Kuhl
Larry E. Gholson
Chris J. Nelson
John B. Nelson
Kenneth M. Holden II
David L. Rogers
Donald D. Winter
Dennis J. Sigrist

To be lieutenant (junior grade)

Bradford B. Meyers

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

The following-named persons to be members of the Board of Regents of the Uniformed Services University of the Health Sciences for the terms indicated:

For a term of 2 years

David Packard, of California.

Lt. Gen. Leonard D. Heaton, U.S. Army, retired.

Malcolm C. Todd, of California.

For a term of 4 years

Anthony R. Curreri, of Wisconsin.

For a term of 6 years

H. Ashton Thomas, of Louisiana.

Durward G. Hall, of Missouri.

U.S. AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. George J. Eade, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

David Luke Norman, of the District of Columbia, to be an associate judge, Superior Court of the District of Columbia, for the term of 15 years.

HOUSE OF REPRESENTATIVES—*Wednesday, April 18, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us not be weary in well doing; for in due season we shall reap, if we faint not.—Galatians 6: 9.

Almighty God, from whom all thoughts of truth and love proceed, kindle, we pray Thee, in the hearts of all people a true love for peace and for justice. Guide with Thy wisdom the leaders of our Nation and of all nations that quietly and sincerely Thy kingdom may go forward, Thy will be done, and men learn to live together with respect and good will.

By the might of Thy spirit quench the pride, the prejudice, and the pettiness which cause men to strive against men and people against people. Lead our country and all countries into the ways of justice and truth and establish among us all the enduring peace which is the fruit of righteousness. Thus may we be led into the stream of Thy creative purpose for all mankind.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on April 14, 1973, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 437. Joint resolution to authorize the President to designate the period beginning April 15, 1973, as "National Clean Water Week."

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a joint and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 93. Joint resolution to provide a temporary extension of the authorization for the President's National Commission on Productivity; and

S. Con. Res. 22. Concurrent resolution providing for adjournment of the Senate from Wednesday, April 18, 1973, to Monday, April 30, 1973.

CHANGES IN ALLOWANCES FOR MEMBERS

(Mr. THOMPSON of New Jersey asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. THOMPSON of New Jersey. Mr. Speaker, House Resolution 457, 92d Congress, provided the Committee on House Administration the authority to fix and adjust from time to time various allowances of Members of the House of Representatives. Pursuant to this authority the committee has issued orders No. 5 and 6, both of which are effective May 1, 1973.

COMMITTEE ORDER NO. 5

Resolved, That effective May 1, 1973, until otherwise provided by order of the Committee on House Administration, upon written request to the Committee on House Administration, a Member, the Resident Commissioner from Puerto Rico, or a Delegate to the House of Representatives may employ in lieu of 1 of the 16 clerks allowed under his clerk hire allowance, a research assistant at such salary as the Member may designate. The Member's annual clerk hire allowance will then be increased at the rate of $20,000.

There shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to carry out this order until otherwise provided by law.

COMMITTEE ORDER NO. 6

Resolved, That effective May 1, 1973, until otherwise provided by order of the Committee on House Administration, upon written request to the Committee on House Administration, a Member, the Resident Commissioner from Puerto Rico or a Delegate to the House of Representatives may allocate up to $250 a month of any unused portion of his clerk hire allowance for the leasing of equipment necessary for the conduct of his office.

There shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to carry out this order until otherwise provided by law.

PAYMENT OF EXPENSES OF HOUSE DEMOCRATIC STEERING COMMITTEE AND HOUSE REPUBLICAN CONFERENCE

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 283 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 283

Resolved, That that part of the amount appropriated for the fiscal year ending June 30, 1973, under the heading "HOUSE OF REPRESENTATIVES" and the caption "SPECIAL AND MINORITY EMPLOYEES" for the House Democratic Steering Committee, and of the amount for the House Republican Conference, in the Legislative Branch Appropriation Act, 1973 (86 Stat. 437; Public Law 92-342), which is not used to pay the salary of the Clerk and of the Assistant Clerk of the House Democratic Steering Committee, or the salary of the Executive Director and of the Research Director of the House Republican Conference, as the case may be, may be used, without limitation, by the House Democratic Steering Committee, or by the House Republican Conference, as applicable, for the payment of all its necessary expenses in such fiscal year. Until otherwise provided by law, that part of the amount appropriated for the fiscal year ending June 30, 1974, for the House Democratic Steering Committee and of the amount for the House Republican Conference for such fiscal year, which is not used to pay the salaries of its employees referred to above, as applicable, may be used by the organization concerned, without limitation, for the payment of all its necessary expenses in such fiscal year.

SEC. 2. (a) Until otherwise provided by law, effective with respect to each fiscal year beginning after June 30, 1974, there are authorized to be appropriated such sums as may be necessary for the payment of all necessary expenses of the House Democratic Steering Committee and of the House Republican Conference.

(b) As of the date of enactment of this resolution as permanent law, H. Res. 661, Eighty-ninth Congress, enacted as permanent law by section 103 of the Legislative Branch Appropriation Act, 1967 (80 Stat. 369; Public Law 89–545), is repealed.

Mr. HAYS. Mr. Speaker, this is a resolution, if I may take a few seconds in explanation, which is sponsored jointly by Mr. TEAGUE of Texas and Mr. ANDERSON of Illinois for the Democratic steering committee and the House Republican conference, respectively, allowing them to expend any unexpended balance of the money which has been appropriated for the steering committee for the salaries of the directors of the conference and the steering committee. It will not cost anything additional. It is simply clarifying legislation to say what can be paid out of these two funds.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR JOINT COMMITTEE ON BUDGET CONTROL TO FILE REPORT

Mr. ULLMAN. Mr. Speaker, I present a report from the Joint Committee on Budget Control and unanimous consent that it may be printed as a Government document.

The SPEAKER. The report will be printed.

CALL OF THE HOUSE

Mr. HUNT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 101]

Archer
Badillo
Biaggi
Blatnik
Boggs
Boland
Chisholm
Clark
Corman
Daniel, Robert W., Jr.
Dulski
Edwards, Ala.
Frelinghuysen
Gibbons
Gray
Griffiths
Hanna
Harvey
Hébert
Heckler, Mass.
Hillis
Jones, Ala.
King
Lent
McKinney
Macdonald
Maraziti
Mathias, Calif.
Morgan
Passman
Pepper
Podell
Rodino
Rooney, N.Y.
Rosenthal
Ryan
Satterfield
Smith, N.Y.
Stanton, James V.
Talcott
Teague, Tex.
Thornton
Treen
Waldie

The SPEAKER. On this rollcall 389 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RICE ALLOTMENT TRANSFER

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 6883) to amend the Agricultural Adjustment Act of 1938 with respect to rice and peanuts.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill as follows:

H.R. 6883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 353 of the Agricultural Adjustment Act of 1938 be amended by adding a new subsection (g) to read as follows:

"(g) Notwithstanding any other provision of this Act, if the Secretary determines for 1973 that because of a natural disaster a portion of the farm rice acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the rice acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made wil be engaged in the production of rice and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be released acreage for the purpose of acreage history credits under subsection (e) of this section and section 377 of this Act: *Provided,* That, notwithstanding the provisions of subsection (e) of this section, the transfer of any farm allotment under this subsection shall operate to make the farm from which the allotment was transferred eligible for an allotment as having rice planted thereon during the five-year base period."

SEC. 2. Section 358 of the Agricultural Adjustment Act of 1938 is amended by adding a new subsection (j) to read as follows:

"(j) Notwithstanding any other provision of this Act, if the Secretary determines for 1973 that because of a natural disaster a portion of the farm peanut acreage allotments in a country cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the peanut acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of peanuts and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be released acreage for the purpose of acreage history credits under subsection (g) of this section and section 377 of this Act: *Provided,* That notwithstanding the provisions of subsection (g) of this section, the transfer of any farm allotment under this subsection shall operate to make the farm from which the allotment was transferred eligible for an allotment as having peanuts planted thereon during the three year base period."

With the following committee amendment:

Page 2, line 17, strike section 2.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Agricultural Adjustment Act of 1938 with respect to rice."

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 398, TO EXTEND AND AMEND THE ECONOMIC STABILIZATION ACT OF 1970

Mr. PATMAN submitted the following conference report and statement on the Senate bill (S. 398) to extend and amend the Economic Stabilization Act of 1970:

CONFERENCE REPORT (H. REPT. No. 93–148)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Economic Stabilization Act Amendments of 1973".

AUTHORITY TO ALLOCATE PETROLEUM PRODUCTS

SEC. 2. (a) The first sentence of section 202 of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and that in order to maintain and promote competition in the petroleum industry and assure sufficient supplies of petroleum products to meet the essential needs of various sections of the Nation, it is necessary to provide for the rational and equitable distribution of those products."

(b) The first sentence of section 203(a) of such Act is amended—

(1) by striking out "and" at the end of clause (1);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof a new clause as follows:

"(3) provide after public hearing, conducted with such notice, under such regulations and subject to such review as the exigencies of the case may, in his judgment, make appropriate for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anticompetitive effects resulting from shortages of such products."

DEFINITION OF SUBSTANDARD EARNINGS

SEC. 3. Section 203(d) of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new sentence: "The President shall prescribe regulations defining for the purposes of this subsection the term 'substandard earnings', but in no case shall such term be defined to mean earnings less than those resulting from a wage or salary rate which yields $3.50 per hour or less."

CLARIFICATION OF AUTHORITY CONFERRED BY ACT

SEC. 4. Section 203 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsection:

"(i) Nothing in this title may be construed to authorize or require the witholding or reservation of any obligational authority provided by law or of any funds appropriated under such authority."

DEFINITION OF WAGES AND SALARIES

Sec. 5. Section 203(g) of the Economic Stabilization Act of 1970 is amended to read as follows:

"(g) For the purposes of this title, the term 'wages' and 'salaries' do not include reasonable contributions by any employer pursuant to a compensation adjustment for—

"(1) any pension, profit sharing, or annuity and savings plan which meets the requirements of section 401(a), 404(a)(2), or 403(b) of the Internal Revenue Code of 1954;

"(2) any group insurance plan; or

"(3) any disability and health plan;

unless the President determines that the contributions for such purposes made by any such employer are unreasonably inconsistent with the standards for wage, salary, and price increases issued under subsection (b) or under any other provision of this title. Employees in all industries subject to controls under this title shall be treated equally for purposes of this title."

PUBLIC DISCLOSURE

Sec. 6. Section 205 of the Economic Stabilization Act of 1970 is amended—

(1) by striking "All" and inserting in lieu thereof "(a) Except as provided in subsection (b), all"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Any business enterprise subject to the reporting requirements under section 130.21(b) of the regulations of the Cost of Living Council in effect on January 11, 1973, shall make public any report (except for matter excluded in accordance with paragraph (2)) so required which covers a period during which that business enterprise charges a price for a substantial product which exceeds by more than 1.5 per centum the price lawfully in effect for such product on January 10, 1973, or on the date twelve months preceding the end of such period, whichever is later. As used in this subsection, the term 'substantial product' means any single product or service which accounted for 5 per centum or more of the gross sales or revenues of a business enterprise in its most recent full fiscal year.

"(2) A business enterprise may exclude from any report made public pursuant to paragraph 1 any information or data reported to the Cost of Living Council, proprietary in nature, which concerns or relates to the amount or sources of its income, profits, losses, costs, or expenditures but may not exclude from such report, data, or information, so reported, which concerns or relates to its prices for goods and services.

"(3) Immediately upon enactment of this subsection, the President or his delegate shall issue regulations defining for the purpose of this subsection what information or data are proprietary in nature and therefore excludable under paragraph (2), except that such regulations may not define as excludable any information or data which cannot currently be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a substantial product as defined in paragraph (1). Such regulations shall define as excludable any information or data which concerns or relates to the trade secrets, processes, operations, style of work, or apparatus of the business enterprise."

AGENCY HEARINGS

Sec. 7. Section 207(b) of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting the following in lieu thereof: ": *Provided,* That such agency shall issue no order which has the effect of reducing wages, or salaries in effect, or proposed to be put into effect, in an appropriate employee unit unless such order is made on the record after opportunity for a hearing. Not less than thirty days after issuance of such an order a statement of explanation shall be directed to the affected parties and made available to the public. Such statement shall include a full explanation of the reasons why the existing wage or salary, or proposed wage or salary adjustment, does not meet the requirements of or the standards established by the regulations prescribed by the agency."

EXTENSION OF ACT

Sec. 8. Section 218 of the Economic Stabilization Act of 1970 is amended by striking out "April 30, 1973" and "May 1, 1973" and inserting in lieu thereof "April 30, 1974" and "May 1, 1974", respectively.

And the House agree to the same.

Wright Patman,
Leonor K. Sullivan,
Henry S. Reuss,
Fernand J. St Germain,
Frank Annunzio,
Thomas M. Rees,
William R. Cotter,
Parren Mitchell,
Managers on the Part of the House.
John Sparkman,
William Proxmire,
Harrison A. Williams, Jr.,
Thomas McIntyre,
Bob Packwood,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment.

The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for clarifying clerical, and conforming changes, the differences are noted below:

The House amendment did not contain a short title. The Senate bill contained a short title and the conferees agreed to accept the Senate short title.

The Senate bill authorized the President to set priorities of use and systematic allocation of petroleum products. There was no comparable provision in the House amendment. The conferees accepted the Senate provision.

The Senate bill contained a provision establishing an unemployment goal of 4 percent by April 30, 1974, and declared it the sense of the Congress that the Congress and the President should pursue policies to attain this result. There was no comparable provision in the House amendment. The Senate receded to the House.

The Senate bill defined "substandard earnings", for purposes of the title, as earnings of $3.50 an hour or less. There was no comparable provision in the House bill. The House receded to the Senate.

The Senate bill contained a provision stating that nothing in this title authorizes or requires the withholding or reservation of any obligational authority provided by law or of any funds appopriated under such authority. No comparable provision was included in the House amendment. The conferees accepted the Senate provision.

The Senate bill imposed rent control on residential units in standard metropolitan statistical areas where vacancy rates are less than 5.5 percent among low and moderately-priced rental units. The House amendment contained no comparable provision. The Senate conferees receded to the House.

The Senate bill required businesses making periodic reports to the Cost of Living Council to make such reports public if the price of a substantial product increased by more than 1.5 percent over the price lawfully in effect for such product on January 10, 1973. It also provided for the exclusion from disclosure for certain information proprietary in nature. No comparable provision was included in the House amendment. The House agreed to accept the Senate provision with an amendment which would prohibit the disclosure of trade secrets.

The Senate bill directed the President to transmit quarterly reports to Congress on food prices. The House amendment contained no comparable provision. The Senate receded to the House.

The Senate bill directed the President to transmit quarterly reports to Congress on health insurance prices. The House bill contained no such provision. The Senate receded to the House.

The House amendment required the opportunity for a hearing before any agency issued an order reducing wages in effect or proposed to be put into effect with respect to an employee unit. The Senate bill contained no comparable provision. The conferees agreed to the House provision.

The House amendment amended the definition of "wages and salaries" to insure that reasonable employer contributions to legitimate fringe benefit plans were not considered wages or salaries under the title. The Senate bill contained no such provision. The Senate agreed to accept the House provision with a clarifying amendment.

Leonor K. Sullivan,
Henry S. Reuss,
Fernand J. St Germain,
Frank Annunzio,
Thomas M. Rees,
William R. Cotter,
Parren Mitchell,
Managers on the Part of the House.
John Sparkman,
William Proxmire,
Harrison A. Williams, Jr.,
Thomas McIntyre,
Bob Packwood,
Managers on the Part of the Senate.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 496, SUPPLEMENTAL APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the joint resolution (H.J. Res. 496) making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object since this is an unusual procedure, I wonder if the gentleman from Texas would state whether all amendments which were adopted in the conference are germane to the bill?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, let me explain.

The House passed an urgent supplemental specifically for the purpose of making it possible for veterans who get readjustment benefits for education and other purposes, to get their checks about the first of the month. It was required that action be taken before the recess if we were to make possible these payments to the veterans. So we passed this urgent supplemental providing $468 million for this purpose.

This was required entirely as a result of a law passed last October. Then, we added to it $26.8 million to pay for additional subsidies for small airlines.

Both of these items were of an emergency nature. The readjustment benefits supplemental was required to make the big monthly payment due at the end of this month. The Civil Aeronautics Board supplemental provided for nine airlines which are not receiving payments under the feeder airline subsidy program. The CAB has been out of money since last month and these are valid obligations of the Government.

When this emergency resolution was considered on the floor, there was an appropriation of $872 million added to the measure for various student assistance programs in the higher educational field.

There was also a sum of $1.8 million added for the national industrial equipment reserve program.

I would then say to my friend, the gentleman from Iowa, that when this joint resolution went to the other body, there were two amendments agreed to on the floor. The distribution of funds under the higher education item was changed by the Senate to provide a substantially larger sum for basic opportunity grants. The appropriation total was left the same but the Senate changed the allocation of funds within the appropriation total.

In conference the Senate receded and we bring back to you today the original House-passed version for this higher education item.

The only change between the bill as agreed to in conference and the bill as it passed the House is that an amendment involving no money was added involving impacted aid to schools. It relates to impacted aid for category "A" students.

Mr. GROSS. Does this deal with the impounded funds which were released a few days ago by the President?

Mr. MAHON. The President has, as the gentleman knows, impounded funds appropriated by the Congress totaling over a half billion dollars for impacted aid. He announced release of some $415 million of that money in the past few days.

In conference language was added to the bill making it possible for the administration to distribute funds under the impacted aid school program for the so-called class "A" students in school districts which have 25 percent or more of the total number of students in the so-called "A" category.

I have been advised that a couple of schools had to close because of a failure to have the "A" category support.

As I stated, the administration announced on April 13 that some $415 million in impacted aid funds were to be released; it was proposed that this money would cover 54 percent of the "B" students and 54 percent of the "A" students. The Senate amendment would simply allow a greater allocation of already appropriated funds to the heavily impacted "A" student school districts. The amendment does not appropriate additional money. In order to implement the language additional funds over and above the $415 million would have to be released by the administration.

The bill has been changed in a very minor degree, really.

Mr. GROSS. This does not provide for additional funding for impacted school aid for fiscal year 1974; is that correct?

Mr. MAHON. It does not. The funds released for impacted school aid are still tens of millions of dollars below the appropriation which was provided.

Mr. GROSS. If impacted school aid funds are made available for fiscal year 1974 it will have to be in a later appropriation?

Mr. MAHON. It would have to be in a later HEW appropriation bill, which will be handled by the gentleman from Pennsylvania (Mr. FLOOD), the gentleman from Illinois (Mr. MICHEL), and others on that subcommittee.

I would say further that the conference agreement which we bring back today is not one nickel in appropriations over the figure approved by the House last Thursday.

Mr. GROSS. I thank the distinguished gentleman from Texas for his explanation.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 17, 1973.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FLOOD. Mr. Speaker, I do not intend to speak at length, but I believe that it is necessary to explain briefly the agreement reached by your conferees last night. First, with respect to the student assistance programs, the Senate conferees receded to the House. The conference report incorporates the House bill, without change, it provides $269,400,000 for national defense student loans. Together with $23,600,000 already available, this makes a total of $293,000,000 in Federal funds available for these loans in the 1973–74 academic year.

The bill also provides $270,200,000 for college work-study programs, and $210,300,000 for supplementary educational opportunity grants. These are the same amounts as are available to these programs in the current school year. In addition, the bill provides $122,100,000 for the new basic opportunity grant program. As I said when this bill was under consideration in the House, if it turns out that it is already too late to put this new program into effect for the 1973–74 school year, the bill will permit the entire amount earmarked for basic opportunity grants to be added to the $210,300,000 available for the supplementary educational opportunity grants. It is still the definite intent of the committee that these funds should be so used.

Both the Senate and the House bills provided the same total for the student aid programs—$872,000,000, which was also the amount of the budget request. The Senate Appropriations Committee recommended adoption of the House bill without change. However, an amendment adopted on the Senate floor, while agreeing to the total of $872,000,000, changed the distribution of this amount among the various programs. The Senate bill, as amended, provided $385,000,000 for basic opportunity grants, $130,100,000 for supplementary educational opportunity grants, $237,400,000 for college work-study, and $120,000,000 for national defense student loans. Thus, the Senate bill would increase the funding of the new basic opportunity grants at the expense of the existing student aid programs. We knew that this proposal would be totally unacceptable to the House, which passed this bill unanimously by a rollcall vote of 367 to 0, and so we insisted on the House bill.

The other Senate amendment to the bill relates to our old friend, impacted area aid.

The continuing resolution for fiscal year 1973 provides a total of $635,495,000 for this program. A few days ago, the Department of Health, Education, and Welfare announced that they intend to allocate only $415 million of this amount for the regular impacted area aid program. Under the law, the money must be prorated equally among the "A" and "B" children. For anyone who does not know, the "A" children are those whose parents live on Federal property, and the "B" children are those whose parents do not live on Federal property. The amount that HEW plans to allocate would provide 54 percent of full entitlement for both A's and B's. The Senate amendment would simply permit the payments on behalf of "A" children to be made at 90 percent of full entitlement or at 100 percent of full entitlement in school districts where they constitute 25 percent or more of the total enrollment. The payments for the "B" children would be at 54 percent of full entitlement, which is the level proposed in HEW's spending plan. The Senate amendment does not appropriate any additional money, but in order to fund the higher percentages of entitlement for the "A" children, it will be necessary for the administration to release approximately $85 million over and above their current spending plan.

Mr. Speaker, the House conferees agreed to the Senate amendment. It is consistent with language which has been approved by the House on numerous occasions in the past, and it seems eminently reasonable under present circumstances. It may also keep some schools open which might otherwise have to close early.

Mr. Speaker, I urge the adoption of the conference report.

Mr. DELLENBACK. Mr. Speaker,

apart from being very dissappointed with the dollar figures the conference report has for the new basic education opportunity grant program, I would like to point out a technical legal problem with the amount provided for the new supplemental education opportunity grant program. Basically, the conference report exceeds the authorization ceiling of $200 million for initial year spending under the SEOG. Some background to last year's Education Amendments of 1972 (Public Law 92–318) will explain the problem. I hope the Office of Education will study carefully the legislative history of the Education Amendments of 1972, including both the House-passed bill and the Senate-passed bill in relation to the final conference report.

The House bill made important changes in the old EOG program. The EOG as amended was the only student aid grant program in the House bill. The Senate bill created a new basic grant—BEOG—program and extended with only minor amendments the old EOG, but gave it the new title of supplemental education opportunity grant—SEOG. The conference accepted some provisions from each bill. The result was a new SEOG program and some confusion about "initial year" and "continuing" grants.

Under the old law, there were two authorizations for EOG grants—one for initial year and one for renewals. The "duration" of the EOG was the period required for completion of undergraduate study. In practice, this meant a freshman who got an EOG had a right to "first call" an available money the next 3 years. Appropriations always met all these "renewal grants" first, before any EOG could be given to those who had never received one. This provision was changed in the House bill and adopted by the conference so that the "duration" of a grant under the new SEOG program is now 1 year. All students—whether previous recipients or not—must apply and be considered as one applicant group by the institution awarding the grants.

The fact that the conference also adopted the Senate continuation of the old two-authorization approach is confusing. To be consistent with the major House change it adopted, the conference should also have adopted the House provision for a single authorization. The two went together. But the conference procedure of discussing each item of difference separately resulted in what looks to be—but technically is not—inconsistent provision.

If the Congress appropriates more than the statutory ceiling of $200 million for SEOG it is making the assumption there is a need for continuing grants next fall. But there can be no continuing SEOG grants until there are first some initial year SEOG's.

Would a $200 million-plus appropriation imply there are continuing needs for old EOG recipients? The House bill provided a grandfather clause to treat the old EOG recipients under the old law until they graduated. This was dropped in conference because all students are now eligible for the basic grant as well. To protect the old EOG students at their previous levels of grant aid and give them their entitlement under BOG would have been unfair and might have violated the limitations in the law as to how much Federal grant money a student can receive in 1 year. So the grandfather clause was dropped.

Thus, not only will there not be continuing SEOG grants in the fall of 1973 under the new SEOG program, but the law does not provide for continuing grants under the old program either. All 1973 appropriations for SEOG will therefore be for initial year awards.

Finally, Congress could technically appropriate funds under the two authorizations next year if it decides to do so. Although it might appropriate money under the separate provision for continuing grants after the first year, institutions and students no longer have the right to first call on funds to meet all requests of students previously on SEOG before meeting the needs of students never before on SEOG.

The conference report we are now considering appears to violate the provisions of Public Law 92–318 in another way. Section 413A(b)(1) reads as follows:

> Funds appropriated pursuant to this paragraph shall be appropriated separate from any funds appropriated pursuant to paragraph (2).

Translated, that says that any funds appropriated for the initial year of this supplemental grant program—for which the $200 million authorization ceiling applies—must be separate from any funds appropriated for the continuing grants. On the latter, such sums as may be necessary are authorized.

So, Mr. Speaker, I do not know how the Office of Education can legally spend more than $200 next fall for supplemental education opportunity grants. If impoundment of the excess funds is necessary, then surely we will have to bear the burden of causing that kind of action.

Mr. HAMMERSCHMIDT. Mr. Speaker, due to a visit to Arkansas with Vice President AGNEW, I was not on the floor of the House on April 12 to support House Joint Resolution 496, making supplemental appropriations for fiscal year 1973. I had been in touch with the Appropriations Committee, urging favorable report of the measure and would have voted for the bill had I been present.

I was most gratified by final congressional approval of the measure today. The bill contains $468 million in emergency funds needed to pay veteran students monthly educational allowances. As ranking minority member on the Veterans' Affairs Committee, I had been informed that the VA would be unable to make payments due on May 1 to veterans in school under the GI bill, unless the additional funds were appropriated.

The increased alowances for veterans in school approved late last year resulted in a higher veteran enrollment than anticipated. I am deeply pleased by the expeditious action by both Houses of Congress to insure no interruption in the monthly allowances so desperately needed by veterans in school.

Also of importance in this conference agreement on the supplemental appropriations bill is an allocation to continue the national industrial equipment reserve program (NEIR). I was cosponsor on legislation introduced by Congressman ANDERSON to provide an emergency appropriation to revive this fine program which allows for loaning of Government machine tools to schools for vocational training.

The $1.8 million appropriated is an investment which yields a considerable return to our education system throughout the Nation. In 44 States, some 35,000 youths and disadvantaged persons taking vocational training will utilize this equipment to learn new skills. The potential contribution that this program can make to the national economy is sound justification for continuing the program. In the State of Arkansas alone, we have over $1.9 million worth of NIER's equipment on loan for training purposes in 25 public and vocational schools. Since Congress failed to appropriate funds for fiscal 1973 in the prior session, the program was in danger of extinction. I am deeply grateful to my colleagues for taking this corrective action.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 2, after line 17, insert:

"SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

"None of the funds made available by the Continuing Resolution as amended (Public Law 92–334, Public Law 93–9) for carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), shall be available to pay any local educational agency in excess of 54 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of said title I and none of the funds shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein.

The motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include tables and extraneous matter on the conference report on the joint resolution and on the amendment thereto, just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT OVER TO MONDAY, APRIL 30, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate concurrent resolution (S. Con. Res. 22) providing that when the Senate adjourns on Wednesday, April 18, 1973, it stand adjourned until 12 o'clock meridian Monday, April 30, 1973.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate Concurrent Resolution as follows:

S. CON. RES. 22

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Wednesday, April 18, 1973, it stand adjourned until 12 o'clock meridian, Monday, April 30, 1973.

AMENDMENT OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL: Strike out the period at the end of the Senate concurrent resolution, insert a comma and the following clause: "and that when the House adjourns on Thursday, April 19, 1973, it stand adjourned until 12 o'clock meridian, Monday, April 30, 1973."

The amendment was agreed to.

The Senate concurrent resolution as amended was concurred in.

The title was amended so as to read: "Concurrent resolution providing for the adjournment of the Senate from April 18, 1973 to April 30, 1973, and the adjournment of the House from April 19, to April 30, 1973."

A motion to reconsider was laid on the table.

PROVIDING FOR MOTIONS TO SUSPEND THE RULES AND CALL OF CONSENT CALENDAR ON MONDAY, APRIL 30, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that on Monday, April 30, 1973, it shall be in order for the Speaker to entertain motions to suspend the rules notwithstanding the provisions of clause 1, rule XXVII, and that it shall also be in order to consider business under clause 4, rule XIII, the Consent Calendar rule.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, will the gentleman from Massachusetts (Mr. O'NEILL) explain this request a little further?

Mr. O'NEILL. Mr. Speaker, it is proposed that on April 30, it being the fifth Monday of the month, it would be in order to call the Consent Calendar. The request is for the Consent Calendar; consequently in case there is any emergency that would arise between now and April 30, we would want that privilege.

Mr. GROSS. Which is it, the Consent Calendar or suspensions?

Mr. O'NEILL. Both.

Mr. GROSS. Could the gentleman give us any idea as to what he might have in mind for that day?

Mr. O'NEILL. We have no idea or knowledge of any legislation that is pending or would be pending. We just want this in case there is an emergency. There is no legislation pending at the present time.

Mr. GROSS. Mr. Speaker, I am not going to object to the request in this case, but I thought that when the rules were changed to provide 4 days a month for suspensions instead of 2, that you were doing pretty well. I hope the gentleman will not present this request on every occasion of this kind.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS, 1974

The SPEAKER. The unfinished business is the question on the passage of the bill (H.R. 6691) making appropriations for the legislative branch for the fiscal year ending June 30, 1974, and for other purposes.

The Clerk read the title of the bill.

MOTION TO RECOMMIT OFFERED BY MR. BELL

Mr. BELL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BELL. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BELL moves to recommit the bill H.R. 6691 to the Committee on Appropriations with instructions to report the bill back to the House forthwith with the following amendment: "On page 17, strike out lines 14 through 22."

The SPEAKER. The gentleman from California (Mr. BELL), is recognized for 5 minutes on the motion to recommit.

Mr. BELL. Mr. Speaker, the motion to recommit is on the so-called Roybal amendment.

What it simply does is to strike out the appropriation of $58 million involving the expenditure for the extension of the Capitol.

My colleagues, I think that we have our priorities askew or mixed up. We are telling our people in America to tighten their belts, to economize, so that we can fight inflation, and can avoid a tax increase. Yet on the first appropriation bill of this year we are spending $60 million for what amounts to our convenience in the extension of the Capitol.

Mr. Speaker, I hold that the priorities are not only wrong, but the timing is wrong also. We are saying to our people in effect that we must cut back programs such as aid to the handicapped.

We must have cuts in aid to unemployment; we must have cuts in aid to fight poverty; we must have cuts in compensatory compensation; we must have cuts in medicare. But we must and we can add the additional space to the Capitol at a cost of $60 million.

My friends, I think there is something else we must consider in this situation. In all modesty, I must say I think we are representatives of the people here and we represent to some extent the leadership in this Nation of ours. We represent a leadership cause. Therefore, I hold it is our duty to set a pattern as to what our Nation should do, and the direction in which our Nation should go. We set the pattern.

It is not so much the exact expenditure as it is the pattern we are laying out for the American public to accept or to follow. We say we must economize because we have to fight these things such as inflation and we have to cut down on other things, but we are spending money here on something that helps us. I do not think the American people will buy it.

Mr. YATES. Will the gentleman yield?

Mr. BELL. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I understood the distinguished Speaker of the House, the majority leader, and the minority leader yesterday to give the impression that the Architect of the Capitol, was wholeheartedly in support of the extension. He is not wholeheartedly in support of the extension. Let me read from page 716 of the hearings the testimony of Mr. White, the Architect of the Capitol:

Mr. WHITE. I would like, if I may, to say another thing.

As a personal matter, I, as do most architects, strongly support the basic principles of preservation and restoration of our historic buildings. They are the physical heritage that we have. I support those as a personal matter. This particular matter is not a simple decision to make. It is a very difficult decision. It is a soul-searching decision and I have spent 2 years of study and have had numerous conversations with other professionals in order to learn as much about it as I could. I have talked to the people that have been involved in this, not only Mr. Praeger who wrote the restoration report, but Mr. Severud, who is a world renowned structural engineer. One of the reasons that I began to be greatly concerned with these matters is that I found that the world renowned experts disagree. I was asked by the Commission and various Members of Congress to offer my opinion. I found myself in the difficult position of finding experts, who presumably knew more than I did, taking opposite views. I began to have to sift through the reasons for some of the opposite views. I tried to balance them very carefully. For me it is not a very simple decision nor is it a 90–10 decision. For me it is a 55–45 decision. I would love to be able to say from my personal views that preservation and restoration are the only answer. I cannot do that.

Mr. Speaker, that is Mr. White's testimony. The fact is that the wall can be restored at a third of the cost that will have to be spent for the extension of the Capitol.

I agree with the motion of the gentleman from California and hope that the House will support it.

Mr. CEDERBERG. Will the gentleman yield?

Mr. BELL. I yield to the gentleman.

Mr. CEDERBERG. The Architect of the Capitol called me this morning to assure me of his concern about what was going to take place today. He is 100 percent behind the committee action.

Mr. BELL. Mr. Speaker, I cease to yield to the gentleman from Michigan, and I yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, I thank the gentleman for yielding. I support the gentleman from California.

This is the first opportunity this House has to vote on the 1974 budget. We have been talking about holding the line and accepting the President's spending ceiling, but to do that we are going to have to save money so that we can give more money to the people who need it. And yet here we are, in the very first action being asked to spend $58 million that we do not need to spend. I believe we must support the motion to recommit with instructions to delete this unnecessary $58 million.

Mr. BELL. Mr. Speaker, I urge the defeat of this legislation.

Mr. CASEY of Texas. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, this is a head-on decision. What are we going to do with the west front? Something has to be done. Many have said, as the gentleman from California has, that we cannot afford the cost of extension. I think the people of this country want this Capitol to look as nice as any capitol in the world, and it will not look any better after you punch it full of holes and force grouting into it and then give it a new coat of paint.

The gentleman from California who just spoke is worried about all the construction that is going on in our Nation's Capitol. Let me tell him that there is $100 million worth of Federal construction going on in the State of California right now. Maybe he would like to stop the construction of public buildings in his State.

I think it is good economics to improve our Nation's Capitol so that it will be a beautiful edifice.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I will be happy to yield to the distinguished Speaker, the gentleman from Oklahoma (Mr. ALBERT).

Mr. ALBERT. Mr. Speaker, I hesitate to take this time, and I hesitate to say what I am going to say, but three Members of this House have come to me this morning and said that their offices received calls purportedly from my office saying that I was not interested in their maintaining the positions they expressed in their votes for the extension of the west front yesterday. That statement is absolutely untrue. I cannot imagine who would have made such calls to these Members. It certainly was not my office, and it certainly was not me.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I will be glad to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I wish to make two points. Point No. 1, I will lay my record on the line in this House this year or any year in being in favor of holding the line on Federal expenditures. Despite the controversy I believe that this project is needed, and it is needed now.

Let me add this: If we appropriate the amount of money in the bill hardly any of it will be spent in fiscal year 1974. The funds will be spent over a period of 4 years. There will not be an immediate drain on the Treasury if you approve the extension of the west front.

The second point, Mr. Speaker: I am amazed that anybody would indicate that the Architect of the Capitol, Mr. George White, is not in favor of the extension of the west front. I have a copy of a letter in my hand written by Mr. Elmer Botsai to one of our colleagues, the Honorable HAROLD T. JOHNSON, dated March 12, 1973. Mr. Botsai is the treasurer of the American Institute of Architects. And in this letter Mr. Botsai endorses the extension of the west front, and he says that he agrees with the Architect of the Capitol, who agrees that we ought to extend the west front.

Members of the House, this is an important item, if you want our Capitol to be the kind of Capitol that we need in Washington, D.C.

Mr. CASEY of Texas. Mr. Speaker, I thank the distinguished minority leader.

Mr. Speaker, there is no question but what the distinguished minority leader said with reference to the American Institute of Architects is correct. The last time they were not in agreement was in 1966 at their annual convention when a resolution was brought forth to oppose the extension of the west front. It was debated, and the debate became so hot that the resolution was tabled without any action being taken. So I do not think we can say that the American Institute of Architects has a record for opposing the extension of the west front.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, I would like to make the observation that Members of the House should not be misled by the fiscal argument here, because money appropriated for extension of the west front is a prudent investment that will be used for a constructive purpose, where money appropriated for restoration is a complete waste. We ought not to throw away $20 million in this manner.

We should also remember with reference to the historical argument that a wall shot through with 5,700 holes is, like a cheese grate or a sieve, no longer the same historical edifice.

The only correct course for us to take this day is to vote for the extension of the west front, which will provide 270,000 square feet of additional space, space that is critically needed in the National Capitol, which is the premium real estate and the vital working center of the United States of America.

Mr. CASEY of Texas. Mr. Speaker, the gentleman from New Hampshire is correct, The additional space that will be secured through extension will be beautiful space, and it will be useful space. If we restore the west wall, that old wall will continue to be the color of the gray paint we have had for years and paint that will have to be replaced every 2 or 3 years.

We would still have the space problem that is so desperate now if we go ahead with merely the so-called restoration. After restoration our constituents would come to our Capitol and they would say what has happened that we still have such an old gray painted wall on the west side of the building?

Mr. LONG of Maryland. Mr. Speaker, if the gentleman would yield, I would say that if we go ahead and complete the restoration of that wall that then I would like to call it the Architect's wailing wall.

The SPEAKER. The time of the gentleman has expired.

Mr. CASEY of Texas. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

PARLIAMENTARY INQUIRY

Mr. STRATTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from New York will state his parliamentary inquiry.

Mr. STRATTON. Mr. Speaker, my parliamentary inquiry is this: If a Member is opposed to the extension of the west front, would he then vote "yea" on the motion to recommit?

The SPEAKER. The Chair will state that the gentleman from New York is correct.

Mr. STRATTON. I thank the Speaker.

The SPEAKER. The question is on the motion to recommit.

Mr. STRATTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—ayes 185, nays 215, answered "present" 2, not voting 31, as follows:

[Roll No. 102]

YEAS—185

Abdnor
Abzug
Adams
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Beard
Bell
Bennett
Biester
Bingham
Blatnik
Breckinridge
Brinkley
Brotzman
Brown, Mich.
Broyhill, N.C.
Burgener
Burke, Fla.
Butler
Byron
Carter
Chisholm
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conlan
Conyers
Crane
Cronin
Daniel, Dan
Davis, S.C.
Dennis
Devine
Dorn
Drinan
Duncan
du Pont
Edwards, Ala.
Fish
Flowers
Flynt
Fountain
Fraser
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Giaimo
Ginn
Goodling
Grasso
Green, Pa.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Holt
Holtzman
Howard
Huber
Hudnut
Hunt
Johnson, Colo.
Jordan
Keating
Kemp
Ketchum
Koch
Landgrebe
Lott
Lujan
McCloskey
McDade
Macdonald
Mallary
Mann
Martin, N.C.
Mathis, Ga.
Mayne
Mazzoli
Mezvinsky
Miller
Mills, Md.
Minish
Mink
Mitchell, N.Y.
Moakley
Montgomery
Moorhead, Calif.
Mosher
Nedzi
Nelsen
Nichols
O'Brien
Parris
Pettis
Peyser
Pike
Preyer
Pritchard
Quie
Railsback
Randall
Rarick
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roncalio, Wyo.
Roncallo, N.Y.
Roush
Roybal
St Germain
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Skubitz
Spence
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Studds
Symms
Taylor, Mo.
Teague, Calif.
Thompson, N.J.
Thone

Towell, Nev.
Udall
Van Deerlin
Vander Jagt
Vanik
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Widnall
Wilson, Charles, Tex.
Winn
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Zion
Zwach

NAYS—215

Addabbo
Alexander
Andrews, N. Dak.
Annunzio
Arends
Barrett
Bergland
Bevill
Blackburn
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Camp
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clausen, Don H.
Clay
Conable
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Dickinson
Diggs
Dingell
Donohue
Downing
Eckhardt
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Frenzel
Fulton
Gaydos
Gilman
Goldwater
Gonzalez
Gray
Green, Oreg.
Hanna
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Helstoski
Henderson
Hinshaw
Hogan
Holifield
Horton
Hosmer
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Karth
Kastenmeier
Kazen
Kluczynski
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McClory
McCollister
McCormack
McEwen
McFall
McKay
McSpadden
Madden
Madigan
Mahon
Mailliard
Martin, Nebr.
Matsunaga
Meeds
Melcher
Metcalfe
Michel
Milford
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Mizell
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nix
Obey
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Pickle
Poage
Powell, Ohio
Price, Ill.
Price, Tex.
Quillen
Rangel
Rhodes
Roberts
Robinson, Va.
Roe
Rogers
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Saylor
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Stark
Steed
Stephens
Stokes
Stubblefield
Stuckey
Sullivan
Symington
Taylor, N.C.
Thomson, Wis.
Tiernan
Ullman
Veysey
Vigorito
White
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Wyman
Yatron
Young, Tex.
Zablocki

ANSWERED PRESENT—2

Conte
Edwards, Calif.

NOT VOTING—31

Badillo
Biaggi
Boggs
Bray
Clark
Corman
Daniel, Robert W., Jr.
de la Garza
Dulski
Gibbons
Griffiths
Harvey
Hillis
Jones, Ala.
Jones, Tenn.
King
McKinney
Maraziti
Mathias, Calif.
Morgan
Passman
Podell
Rooney, N.Y.
Ryan
Shoup
Stanton, James V.
Talcott
Teague, Tex.
Thornton
Treen
Waldie

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Conte for, with Mr. Talcott against.

Mr. Edwards of California for, with Mr. Waldie against.

Mr. Bray for, with Mr. Morgan against.

Mr. Robert W. Daniel, Jr. for, with Mr. Podell against.

Mr. de la Garza for, with Mr. Clark against.

Mr. Jones of Tennessee for, with Mr. Passman against.

Mr. Thornton for, with Mrs. Griffiths against.

Until further notice:

Mr. Biaggi with Mr. King.

Mrs. Boggs with Mr. Hillis.

Mr. Jones of Alabama with Mr. Mathias of California.

Mr. Rooney of New York with Mr. Maraziti.

Mr. Dulski with Mr. McKinney.

Mr. Gibbons with Mr. Shoup.

Mr. Ryan with Mr. Treen.

Mr. Teague of Texas with Mr. James V. Stanton.

Mr. Corman with Mr. Badillo.

Mr. CONTE. Mr. Speaker, I have a live pair with the gentleman from California (Mr. Talcott). If he had been present he would have voted "nay." I would have voted "yea." Therefore, I vote "present."

Mr. EDWARDS of California. Mr. Speaker, I have a live pair with the gentleman from California (Mr. Waldie). If he had been present he would have voted "nay." I would have voted "yea." Therefore I vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DELLENBACK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. A quorum has been established by the rollcall, and there has been no intervening business.

Mr. DELLENBACK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. TIERNAN. Mr. Speaker, yesterday here, on rollcall No. 100, the vote on the Roybal amendment to strike out the funds for the extension of the west front of the Capitol, I voted "no."

Mr. Speaker, I placed my card in the box. It registered "no." I actually took the card back out and put it back in, and it showed a red "no" again.

Last night, to my chagrin, I was told that I was not recorded as voting. I was here. Other Members of the House were present with me and saw me vote and record my vote as "no."

I hope that the House committee which is in charge of this electronic voting system will check that out, because there is no question of it.

The SPEAKER. The Chair hopes the same thing.

Mr. TIERNAN. Apparently there is no way of correcting the Record at this time.

The SPEAKER. Not under the procedure which has been adopted. The Chair is powerless to act.

ENERGY RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-85)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

At home and abroad, America is in a time of transition. Old problems are yielding to new initiatives, but in their place new problems are arising which once again challenge our ingenuity and require vigorous action. Nowhere is this more clearly true than in the field of energy.

As America has become more prosperous and more heavily industrialized, our demands for energy have soared. Today, with 6 percent of the world's population, we consume almost a third of all the energy used in the world. Our energy demands have grown so rapidly that they now outstrip our available supplies, and at our present rate of growth, our energy needs a dozen years from now will be nearly double what they were in 1970.

In the years immediately ahead, we must face up to the possibility of occasional energy shortages and some increase in energy prices.

Clearly, we are facing a vitally important energy challenge. If present trends continue unchecked, we could face a genuine energy crisis. But that crisis can and should be averted, for we have the capacity and the resources to meet our energy needs if only we take the proper steps—and take them now.

More than half of the world's total reserves of coal are located within the United States. This resource alone would be enough to provide for our energy needs for well over a century. We have potential resources of billions of barrels of recoverable oil, similar quantities of shale oil and more than 2,000 trillion cubic feet of natural gas. Properly managed, and with more attention on the part of consumers to the conservation of energy, these supplies can last for as long as our economy depends on conventional fuels.

In addition to natural fuels, we can draw upon hydroelectric plants and increasing numbers of nuclear powered facilities. Moreover, long before our present energy sources are exhausted, America's vast capabilities in research and development can provide us with new, clean and virtually unlimited sources of power.

Thus we should not be mislead into pessimistic predictions of an energy disaster. But neither should we be lulled into a false sense of security. We must examine our circumstances realistically, carefully weigh the alternatives—and then move forward decisively.

WEIGHING THE ALTERNATIVES

Over 90 percent of the energy we consume today in the United States comes from three sources: natural gas, coal and petroleum. Each source presents us with a different set of problems.

Natural gas is our cleanest fuel and is most preferred in order to protect our environment, but ill-considered regulations of natural gas prices by the Federal Government have produced a serious and increasing scarcity of this fuel.

We have vast quantities of coal, but the extraction and use of coal have presented such persistent environmental problems that, today, less than 20 percent of our energy needs are met by coal and the health of the entire coal industry is seriously threatened.

Our third conventional resource is oil, but domestic production of available oil is no longer able to keep pace with demands.

In determining how we should expand and develop these resources, along with others such as nuclear power, we must take into account not only our economic goals, but also our environmental goals and our national security goals. Each of these areas is profoundly affected by our decisions concerning energy.

If we are to maintain the vigor of our economy, the health of our environment, and the security of our energy resources, it is essential that we strike the right balance among these priorities.

The choices are difficult, but we cannot refuse to act because of this. We cannot stand still simply because it is difficult to go forward. That is the one choice Americans must never make.

The energy challenge is one of the great opportunities of our time. We have already begun to meet that challenge, and realize its opportunities.

NATIONAL ENERGY POLICY

In 1971, I sent to the Congress the first message on energy policies ever submitted by an American President. In that message I proposed a number of specific steps to meet our projected needs by increasing our supply of clean energy in America.

Those steps included expanded research and development to obtain more clean energy, increased availability of energy resources located on Federal lands, increased efforts in the development of nuclear power, and a new Federal organization to plan and manage our energy programs.

In the twenty-two months since I submitted that message, America's energy research and development efforts have been expanded by 50 percent.

In order to increase domestic production of conventional fuels, sales of oil and gas leases on the Outer Continental Shelf have been increased. Federal and State standards to protect the marine environment in which these leases are located are being tightened. We have developed a more rigorous surveillance capability and an improved ability to prevent and clean up oil spills.

We are planning to proceed with the development of oil shale and geothermal energy sources on Federal lands, so long as an evaluation now underway shows that our environment can be adequately protected.

We have also taken new steps to expand our uranium enrichment capacity for the production of fuels for nuclear power plants, to standardize nuclear power plant designs, and to ensure the continuation of an already enviable safety record.

We have issued new standards and guidelines, and have taken other actions to increase and encourage better conservation of energy.

In short, we have made a strong beginning in our effort to ensure that America will always have the power needed to fuel its prosperity. But what we have accomplished is only a beginning.

Now we must build on our increased knowledge, and on the accomplishments of the past twenty-two months, to develop a more comprehensive, integrated national energy policy. To carry out this policy we must:

—increase domestic production of all forms of energy;

—act to conserve energy more effectively;

—strive to meet our energy needs at the lowest cost consistent with the protection of both our national security and our national environment;

—reduce excessive regulatory and administrative impediments which have delayed or prevented construction of energy-producing facilities;

—act in concert with other nations to conduct research in the energy field and to find ways to prevent serious shortages; and

—apply our vast scientific and technological capacities—both public and private—so we can utilize our current energy resources more wisely and develop new sources and new forms of energy.

The actions I am announcing today and the proposals I am submitting to the Congress are designed to achieve these objectives. They reflect the fact that we are in a period of transition, in which we must work to avoid or at least minimize short-term supply shortages, while we act to expand and develop our domestic supplies in order to meet long-term energy needs.

We should not suppose this transition period will be easy. The task ahead will require the concerted and cooperative efforts of consumers, industry, and government.

DEVELOPING OUR DOMESTIC ENERGY RESOURCES

The effort to increase domestic energy production in a manner consistent with our economic, environmental and security interests should focus on the following areas:

NATURAL GAS

Natural gas is America's premium fuel. It is clean-burning and thus has the least detrimental effect on our environment.

Since 1966, our consumption of natural gas has increased by over one-third, so that today natural gas comprises 32 percent of the total energy we consume from all sources. During this same period, our proven and available reserves of natural gas have decreased by a fifth. Unless we act responsibly, we will soon encounter increasing shortages of this vital fuel.

Yet the problem of shortages results less from inadequate resources than from ill-conceived regulation. Natural gas is the fuel most heavily regulated by the Federal Government—through the Federal Power Commission. Not only are the operations of interstate natural gas pipelines regulated, as was originally and properly intended by the Congress, but the price of the natural gas supplied to these pipelines by thousands of independent producers has also been regulated.

For more than a decade the prices of natural gas supplied to pipelines under this extended regulation have been kept artificially low. As a result, demand has been artificially stimulated, but the exploration and development required to provide new supplies to satisfy this increasing demand have been allowed to wither. This form of government regulation has contributed heavily to the shortages we have experienced, and to the greater scarcity we now anticipate.

As a result of its low regulated price, more than 50 percent of our natural gas is consumed by industrial users and utilities, many of which might otherwise be using coal or oil. While homeowners are being forced to turn away from natural gas and toward more expensive fuels, unnecessarily large quantities of natural gas are being used by industry.

Furthermore, because prices within producing States are often higher than the interstate prices established by the Federal Power Commission, most newly discovered and newly produced natural gas does not enter interstate pipelines. Potential consumers in non-producing States thus suffer the worst shortages. While the Federal Power Commission has tried to alleviate these problems, the regulatory framework and attendant judicial constraints inhibit the ability of the Commission to respond adequately.

It is clear that the price paid to producers for natural gas in interstate trade must increase if there is to be the needed incentive for increasing supply and reducing inefficient usage. Some have suggested additional regulation to provide new incentives, but we have already seen the pitfalls in this approach. We must regulate less, not more. At the same time, we cannot remove all natural gas regulations without greatly inflating the price of gas currently in production and generating windfall profits.

To resolve this issue, I am proposing that gas from new wells, gas newly-dedicated to interstate markets, and the continuing production of natural gas from expired contracts should no longer be subject to price regulation at the wellhead. Enactment of this legislation should stimulate new exploration and development. At the same time, because increased prices on new unregulated gas would be averaged in with the prices for gas that is still regulated, the consumer should be protected against precipitous cost increases.

To add further consumer protection against unjustified price increases, I propose that the Secretary of the Interior be given authority to impose a ceiling on the price of new natural gas when circumstances warrant. Before exercising this power, the Secretary would consider the cost of alternative domestic fuels, taking into account the superiority of natural gas from an environmental standpoint. He would also consider the importance of encouraging production and more efficient use of natural gas.

OUTER CONTINENTAL SHELF

Approximately half of the oil and gas resources in this country are located on public lands, primarily on the Outer Continental Shelf (OCS). The speed at which we can increase our domestic energy production will depend in large measure on how rapidly these resources can be developed.

Since 1954, the Department of the Interior has leased to private developers almost 8 million acres on the Outer Continental Shelf. But this is only a small percentage of these potentially productive areas. At a time when we are being forced to obtain almost 30 percent of our oil from foreign sources, this level of development is not adequate.

I am therefore directing the Secretary of the Interior to take steps which would triple the annual acreage leased on the Outer Continental Shelf by 1979, beginning with expanded sales in 1974 in the Gulf of Mexico and including areas beyond 200 meters in depth under conditions consistent with my oceans policy statement of May, 1970. By 1985, this accelerated leasing rate could increase annual energy production by an estimated 1.5 billion barrels of oil (approximately 16 percent of our projected oil requirements in that year), and 5 trillion cubic feet of natural gas (approximately 20 percent of expected demand for natural gas that year).

In the past, a central concern in bringing these particular resources into production has been the threat of environmental damage. Today, new techniques, new regulations and standards, and new surveillance capabilities enable us to reduce and control environmental dangers substantially. We should now take advantage of this progress. The resources under the Shelf, and on all our public lands, belong to all Americans, and the critical needs of all Americans for new energy supplies require that we develop them.

If at any time it is determined that exploration and development of a specific shelf area can only proceed with inadequate protection of the environment, we will not commence or continue operations. This policy was reflected in the suspension of 35 leases in the Santa Barbara Channel in 1971. We are continuing the Santa Barbara suspensions, and I again request that the Congress pass legislation that would provide for appropriate settlement for those who are forced to relinquish their leases in the area.

At the same time, I am directing the Secretary of the Interior to proceed with leasing the Outer Continental Shelf beyond the Channel Islands of California if the reviews now underway show that the environmental risks are acceptable.

I am also asking the Chairman of the Council on Environmental Quality to work with the Environmental Protection Agency, in consultation with the National Academy of Sciences and appropriate Federal agencies, to study the environmental impact of oil and gas production on the Atlantic Outer Continental Shelf and in the Gulf of Alaska. No drilling will be undertaken in these areas until its environmental impact is determined. Governors, legislators and citizens of these areas will be consulted in this process.

Finally, I am asking the Secretary of the Interior to develop a long-term leasing program for *all* energy resources on public lands, based on a thorough analysis of the Nation's energy, environmental, and economic objectives.

ALASKAN PIPELINE

Another important source of domestic oil exists on the North Slope of Alaska. Although private industry stands ready to develop these reserves and the Federal Government has spent large sums on environmental analyses, this project is still being delayed. This delay is not related to any adverse judicial findings concerning environmental impact, but rather to an outmoded legal restriction regarding the width of the right of way for the proposed pipeline.

At a time when we are importing growing quantities of oil at great detriment to our balance of payments, and at a time when we are also experiencing significant oil shortages, we clearly need the two million barrels a day which the North Slope could provide—a supply equal to fully one-third of our present import levels.

In recent weeks I have proposed legislation to the Congress which would remove the present restriction on the pipeline. I appeal to the Congress to act swiftly on this matter so that we can begin construction of the pipeline with all possible speed.

I oppose any further delay in order to restudy the advisability of building the pipeline through Canada. Our interest in rapidly increasing our supply of oil is best served by an Alaskan pipeline. It could be completed much more quickly than a Canadian pipeline; its entire capacity would be used to carry domestically owned oil to American markets where it is needed; and construction of an Alaskan pipeline would create a significant number of American jobs both in Alaska and in the maritime industry.

SHALE OIL

Recoverable deposits of shale oil in the continental United States are estimated at some 600 billion barrels, 80 billion of which are considered easily accessible.

At the time of my Energy Message of 1971, I requested the Secretary of the Interior to develop an oil shale leasing program on a pilot basis and to provide me with a thorough evaluation of the environmental impact of such a program. The Secretary has prepared this pilot project and expects to have a final environmental impact statement soon. If the environmental risks are acceptable, we will proceed with the program.

To date there has been no commercial production of shale oil in the United States. Our pilot program will provide us with valuable experience in using various operational techniques and acting under various environmental conditions. Under the proposed program, the costs both of development and environmental protection would be borne by the private lessee.

GEOTHERMAL LEASES

At the time of my earlier Energy Message, I also directed the Department of the Interior to prepare a leasing program for the development of geothermal energy on Federal lands. The regulations and final environmental analysis for such a program should be completed by late spring of this year.

If the analysis indicates that we can proceed in an environmentally acceptable manner, I expect leasing of geothermal fields on Federal lands to being soon thereafter.

The use of geothermal energy could be of significant importance to many of our western areas, and by supplying a part of the western energy demand, could release other energy resources that would otherwise have to be used. Today, for instance, power from the Geysers geothermal field in California furnishes about one-third of the electric power of the city of San Francisco.

New technologies in locating and producing geothermal energy are now under development. During the coming fiscal year, the National Science Foundation and the Geological Survey will intensify their research and development efforts in this field.

COAL

Coal is our most abundant and least costly domestic source of energy. Nevertheless, at a time when energy shortages loom on the horizon, coal provides less than 20 percent of our energy demands, and there is serious danger that its use will be reduced even further. If this reduction occurs, we would have to increase our oil imports rapidly, with all the trade and security problems this would entail.

Production of coal has been limited not only by competition from natural gas—a competition which has been artificially induced by Federal price regulation—but also by emerging environmental concerns and mine health and safety requirements. In order to meet environmental standards, utilities have shifted to natural gas and imported low-sulphur fuel oil. The problem is compounded by the fact that some low-sulphur coal resources are not being developed because of uncertainty about Federal and State mining regulations.

I urge that highest national priority be given to expanded development and utilization of our coal resources. Present and potential users who are able to choose among energy sources should consider the national interest as they make their choice. Each decision against coal increases petroleum or gas consumption, compromising our national self-sufficiency and raising the cost of meeting our energy needs.

In my State of the Union Message on Natural Resources and the Environment earlier this year, I called for strong legislation to protect the environment from abuse caused by mining. I now repeat that call. Until the coal industry knows the mining rules under which it will have to operate, our vast reserves of low-sulphur coal will not be developed as rapidly as they should be and the under-utilization of such coal will persist.

The Clean Air Act of 1970, as amended, requires that primary air quality standards—those related to health—must be met by 1975, while more stringent secondary standards—those related to the "general welfare"—must be met within a reasonable period. The States are moving very effectively to meet primary standards established by the Clean Air Act, and I am encouraged by their efforts.

At the same time, our concern for the "general welfare" or national interest should take into account considerations of national security and economic prosperity, as well as our environment.

If we insisted upon meeting both primary and secondary clean air standards by 1975, we could prevent the use of up to 155 million tons of coal per year. This would force an increase in demand for oil of 1.6 million barrels per day. This oil would have to be imported, with an adverse effect on our balance of payments of some $1.5 billion or more a year. Such a development would also threaten the loss of an estimated 26,000 coal mining jobs.

If, on the other hand, we carry out the provisions of the Clean Air Act in a judicious manner, carefully meeting the primary, health-related standards, but not moving in a precipitous way toward meeting the secondary standards, then we should be able to use virtually all of that coal which would otherwise go unused.

The Environmental Protection Agency has indicated that the reasonable time allowed by the Clean Air Act for meeting secondary standards could extend beyond 1975. Last year, the Administrator of the Environmental Protection Agency sent to all State governors a letter explaining that during the current period of shortages in low-sulphur fuel, the States should not require the burning of such fuels except where necessary to meet the primary standards for the protection of health. This action by the States should permit the desirable substitution of coal for low-sulphur fuel in many instances. I strongly support this policy.

Many State regulatory commissions permit their State utilities to pass on increased fuel costs to the consumer in the form of higher rates, but there are sometimes lags in allowing the costs of environmental control equipment to be passed on in a similar way. Such lags discourage the use of environmental control technology and encourage the use of low-sulphur fuels, most of which are imported.

To increase the incentive for using new environmental technology, I urge all State utility commissions to ensure that utilities receive a rapid and fair return on pollution control equipment, including stack gas cleaning devices and coal gasification processes.

As an additional measure to increase the production and use of coal, I am directing that a new reporting system on national coal production be instituted within the Department of the Interior, and I am asking the Federal Power Commission for regular reports on the use of coal by utilities.

I am also stepping up our spending for research and development in coal, with special emphasis on technology for sulphur removal and the development of low-cost, clean-burning forms of coal.

NUCLEAR ENERGY

Although our greatest dependence for energy until now has been on fossil fuels such as coal and oil, we must not and we need not continue this heavy reliance in the future. The major alternative to fossil fuel energy for the remainder of this century is nuclear energy.

Our well-established nuclear technology already represents an indispensable source of energy for meeting present needs. At present there are 30 nuclear power plants in operation in the United States; of the new electrical generator capacity contracted for during 1972, 70 percent will be nuclear powered. By 1980, the amount of electricity generated by nuclear reactors will be equivalent to 1.25 billion barrels of oil, or 8 trillion cubic feet of gas. It is estimated that nuclear power will provide more than one-quarter of this country's electrical production by 1985, and over half by the year 2000.

Most nuclear power plants now in operation utilize light water reactors. In the near future, some will use high temperature gas-cooled reactors. These techniques will be supplemented during the next decade by the fast breeder reactor, which will bring about a 30-fold increase in the efficiency with which we utilize our domestic uranium resources. At present, development of the liquid metal fast breeder reactor is our highest priority target for nuclear research and development.

Nuclear power generation has an extraordinary safety record. There has never been a nuclear-related fatality in our civilian atomic energy program. We intend to maintain that record by increasing research and development in reactor safety.

The process of determining the safety and environmental acceptability of nuclear power plants is more vigorous and more open to public participation than for any comparable industrial enterprise. Every effort must be made by the Government and industry to protect public health and safety and to provide satisfactory answers to those with honest concerns about this source of power.

At the same time, we must seek to avoid unreasonable delays in developing nuclear power. They serve only to impose unnecessary costs and aggravate our energy shortages. It is discouraging to know that nuclear facilities capable of generating 27,000 megawatts of electric power which were expected to be operational by 1972 were not completed. To replace that generating capacity we would have to use the equivalent of one-third of the natural gas the country used for generating electricity in 1972. This situation must not continue.

In my first Energy Special Message in 1971, I proposed that utilities prepare and publish long-range plans for the siting of nuclear power plants and transmission lines. This legislation would provide a Federal-State framework for licensing individual plants on the basis of a full and balanced consideration of both environmental and energy needs. The Congress has not acted on that proposal. I am resubmitting that legislation this year with a number of new provisions to simplify licensing, including one to require that the Government act on all completed license applications within 18 months after they are received.

I would also emphasize that the private sector's role in future nuclear development must continue to grow. The Atomic Energy Commission is presently taking steps to provide greater amounts of enriched uranium fuel for the Nation's nuclear power plants. However, this expansion will not fully meet our needs in the 1980's; the Government now looks to private industry to provide the additional capacity that will be required.

Our nuclear technology is a national asset of inestimable value. It is essential that we press forward with its development.

The increasing occurrence of unnecessary delays in the development of energy facilities must be ended if we are to meet our energy needs. To be sure, reasonable safeguards must be vigorously maintained for protection of the public and of our environment. Full public participation and questioning must also be allowed as we decide where new energy facilities are to be built. We need to streamline our governmental procedures for licensing and inspections, reduce overlapping jurisdictions and eliminate confusion generated by the government.

To achieve these ends I am taking several steps. During the coming year we will examine various possibilities to assure that all public and private interests are impartially and expeditiously weighed in all government proceedings for permits, licensing and inspections.

I am again proposing siting legislation to the Congress for electric facilities and for the first time, for deepwater ports. All of my new siting legislation includes provision for simplified licensing at both Federal and State levels. It is vital that the Congress take prompt and favorable action on these proposals.

ENCOURAGING DOMESTIC EXPLORATION

Our tax system now provides needed incentives for mineral exploration in the form of percentage depletion allowances and deductions for certain drilling expenses. These provisions do not, however, distinguish between exploration for new reserves and development of existing reserves.

In order to encourage increased exploration, I ask the Congress to extend the investment credit provisions of our present tax law so that a credit will be provided for all exploratory drilling for new oil and gas fields. Under this proposal, a somewhat higher credit would apply for successful exploratory wells than for unsuccessful ones, in order to put an additional premium on results.

The investment credit has proven itself a powerful stimulus to industrial activity. I expect it to be equally effective in the search for new reserves.

IMPORTING TO MEET OUR ENERGY NEEDS

OIL IMPORTS

In order to avert a short-term fuel shortage and to keep fuel costs as low as possible, it will be necessary for us to increase fuel imports. At the same time, in order to reduce our long-term reliance on imports, we must encourage the exploration and development of our domestic oil and the construction of refineries to process it.

The present quota system for oil imports—the Mandatory Oil Import Program—was established at a time when we could produce more oil at home than we were using. By imposing quantitative restrictions on imports, the quota system restricted imports of foreign oil. It also encouraged the development of our domestic petroleum industry in the interest of national security.

Today, however, we are not producing as much oil as we are using, and we must import ever larger amounts to meet our needs.

As a result, the current Mandatory Oil Import Program is of virtually no benefit any longer. Instead, it has the very real potential of aggravating our supply problems, and it denies us the flexibility we need to deal quickly and efficiently with our import requirements. General dissatisfaction with the program and the apparent need for change has led to uncertainty. Under these conditions, there can be little long-range investment planning for new drilling and refinery construction.

Effective today, I am removing by proclamation all existing tariffs on imported crude oil and products. Holders of import licenses will be able to import petroleum duty free. This action will help hold down the cost of energy to the American consumer.

Effective today, I am also suspending direct control over the quantity of crude oil and refined products which can be imported. In place of these controls, I am substituting a license-fee quota system.

Under the new system, present holders of import licenses may import petroleum exempt from fees up to the level of their 1973 quota allocations. For imports in excess of the 1973 level, a fee must be paid by the importer.

This system should achieve several objectives.

First, it should help to meet our immediate energy needs by encouraging importation of foreign oil at the lowest cost to consumers, while also providing incentives for exploration and development of our domestic resources to meet our long-term needs. There will be little paid in fees this year, although all exemptions from fees will be phased out over several years. By gradually increasing fees over the next two and one-half years to a maximum level of one-half cent per gallon for crude oil and one and one-half cents per gallon for all refined products, we should continue to meet our energy needs while encouraging industry to increase its domestic production.

Second, this system should encourage refinery construction in the United States, because the fees are higher for refined products than for crude oil. As an added incentive, crude oil in amounts up to three-fourths of new refining capacity may be imported without being subject to any fees. This special allowance will be available to an oil company during the first five years after it builds or expands its refining capacity.

Third, this system should provide the flexibility we must have to meet short and long-term needs efficiently. We will review the fee level periodically to insure that we are imposing the lowest fees consistent with our intention to increase domestic production while keeping costs to the consumer at the lowest possible level. We will also make full use of the Oil Import Appeals Board to ensure that the needs of all elements of the petroleum industry are met, particularly those of independent operators who help to maintain market competition.

Fourth, the new system should contribute to our national security. Increased domestic production will leave us less dependent on foreign supplies. At the same time, we will adjust the fees in a manner designed to encourage, to the extent possible, the security of our foreign supplies. Finally, I am directing the Oil Policy Committee to examine incentives aimed at increasing our domestic storage capacity or shut-in production. In this way we will provide buffer stocks to insulate ourselves against a temporary loss of foreign supplies.

DEEPWATER PORTS

It is clear that in the foreseeable future, we will have to import oil in large quantities. We should do this as cheaply as we can with minimal damage to the environment. Unfortunately, our present capabilities are inadequate for these purposes.

The answer to this problem lies in deepwater ports which can accommodate those larger ships, providing important economic advantages while reducing the risks of collision and grounding. Recent studies by the Council on Environmental Quality demonstrate that we can expect considerably less pollution if we use fewer but larger tankers and deepwater facilities, as opposed to the many small tankers and conventional facilities which we would otherwise need.

If we do not enlarge our deepwater port capacity it is clear that both American and foreign companies will expand oil transshipment terminals in the Bahamas and the Canadian Maritime Provinces. From these terminals, oil will be brought to our conventional ports by growing numbers of small and medium size transshipment vessels, thereby increasing the risks of pollution from shipping operations and accidents. At the same time, the United States will lose the jobs and capital that those foreign facilities provide.

Given these considerations, I believe we must move forward with an ambitious program to create new deepwater ports for receiving petroleum imports.

The development of ports has usually been a responsibility of State and local governments and the private sector. However, States cannot issue licenses beyond the three-mile limit. I am therefore proposing legislation to permit the Department of the Interior to issue such licenses. Licensing would be contingent upon full and proper evaluation of environmental impact, and would provide for strict navigation and safety, as well as proper land use requirements. The proposed legislation specifically provides for Federal cooperation with State and local authorities.

CONSERVING ENERGY

The abundance of America's natural resources has been one of our greatest advantages in the past. But if this abundance encourages us to take our resources for granted, then it may well be a detriment to our future.

Common sense clearly dictates that as we expand the types and sources of energy available to us for the future, we must direct equal attention to conserving the energy available to us today, and we must explore means to limit future growth in energy demand.

We as a nation must develop a national energy conservation ethic. Industry can help by designing products which conserve energy and by using energy more efficiently. All workers and consumers can help by continually saving energy in their day-to-day activities: by turning out lights, tuning up automobiles, reducing the use of air conditioning and heating, and purchasing products which use energy efficiently.

Government at all levels also has an important role to play, both by conserving energy directly, and by providing leadership in energy conservation efforts.

I am directing today that an Office of Energy Conservation be established in the Department of the Interior to coordinate the energy conservation programs which are presently scattered throughout the Federal establishment. This office will conduct research and work with consumer and environmental groups in their efforts to educate consumers on ways to get the greatest return on their energy dollar.

To provide consumers with further information, I am directing the Department of Commerce, working with the Council on Environmental Quality and the Environmental Protection Agency, to develop a voluntary system of energy efficiency labels for major home appliances. These labels should provide data on energy use as well as a rating comparing the product's efficiency to other similar products. In addition, the Environmental Protection Agency will soon release the results of its tests of fuel efficiency in automobiles.

There are other ways, too, in which government can exercise leadership in this field. I urge again, for example, that we allow local officials to use money from Highway Trust Fund for mass transit purposes. Greater reliance on mass transit can do a great deal to help us conserve gasoline.

The Federal Government can also lead by example. The General Services Administration, for instance, is constructing a new Federal office building using advanced energy conservation techniques, with a goal of reducing energy use by 20 percent over typical buildings of the same size. At the same time, the National Bureau of Standards is evaluating energy use in a full-size house within its laboratories. When this evaluation is complete, analytical techniques will be available to help predict energy use for new dwellings. This information, together with the experience gained in the construction and operation of the demonstration Federal building, will assist architects and contractors to design and construct energy-efficient buildings.

Significant steps to upgrade insulation standards on single and multi-family dwellings were taken at my direction in 1971 and 1972, helping to reduce heat loss and otherwise conserve energy in the residential sector. As soon as the results of these important demonstration projects are available, I will direct the Federal Housing Administration to update its insulation standards in light of what we have learned and to consider their possible extension to mobile homes.

Finally, we should recognize that the single most effective means of encouraging energy conservation is to insure that energy prices reflect their true costs. By eliminating regulations such as the current ceiling on natural gas prices and by insuring that the costs of adequate environmental controls are equitably allocated, we can move toward more efficient distribution of our resources.

Energy conservation is a national necessity, but I believe that it can be undertaken most effectively on a voluntary basis. If the challenge is ignored, the result will be a danger of increased shortages, increased prices, damage to the environment and the increased possibility that conservation will have to be undertaken by compulsory means in the future. There should be no need for a Nation which has always been rich in energy to have to turn to energy rationing. This is a part of the energy challenge which every American can help to meet, and I call upon every American to do his or her part.

RESEARCH AND DEVELOPMENT

If we are to be certain that the forward thrust of our economy will not be hampered by insufficient energy supplies or by energy supplies that are prohibitively expensive, then we must not continue to be dependent on conventional forms of energy. We must instead make every useful effort through research and development to provide both alternative sources of energy and new technologies for producing and utilizing this energy.

For the short-term future, our research and development strategy will provide technologies to extract and utilize our existing fossil fuels in a manner most compatible with a healthy environment.

In the longer run, from 1985 to the beginning of the next century, we will have more sophisticated development of our fossil fuel resources and on the full development of the Liquid Metal Fast Breeder Reactor. Our efforts for the distant future center on the development of technologies—such as nuclear fusion and solar power—that can provide us with a virtually limitless supply of clean energy.

In my 1971 Energy Special Message to the Congress I outlined a broadly based research and development program. I proposed the expansion of cooperative Government-industry efforts to develop the Liquid Metal Fast Breeder Reactor, coal gasification, and stack gas cleaning systems at the demonstration level. These programs are all progressing well.

My budget for fiscal year 1974 provides for an increase in energy research and development funding of 20 percent over the level of 1973.

My 1974 budget provides for creation of a new central energy fund in the Interior Department to provide additional money for non-nuclear research and development, with the greatest part designated for coal research. This central fund is designed to give us the flexibility we need for rapid exploitation of new, especially promising energy technologies with near-term payoffs.

One of the most promising programs that will be receiving increased funding in fiscal year 1974 is the solvent refined coal process which will produce low-ash, low-sulphur fuels from coal. Altogether, coal research and development and proposed funding is increased by 27 percent.

In addition to increased funding for the Liquid Metal Fast Breeder Reactor, I am asking for greater research and development on reactor safety and radioactive waste disposal, and the production of nuclear fuel.

The waters of the world contain potential fuel—in the form of a special isotope of hydrogen—sufficient to power fusion reactors for thousands of years. Scientists at the Atomic Energy Commission now predict with increasing confidence that we can demonstrate laboratory feasibility of controlled thermonuclear fusion by magnetic confinement in the near future. We have also advanced to the point where some scientists believe the feasibility of laser fusion could be demonstrated within the next several years. I have proposed in my 1974 budget a 35 percent increase in funding for our total fusion research and development effort to accelerate experimental programs and to initiate preliminary reactor design studies.

While we look to breeder reactors to meet our mid-term energy needs, today's commercial power reactors will continue to provide most of our nuclear generating capacity for the balance of this century. Although nuclear reactors have had a remarkable safety record, my 1974 budget provides additional funds to assure that our rapidly growing reliance on nuclear power will not compromise public health and safety. This includes work on systems for safe storage of the radioactive waste which nuclear reactors produce. The Atomic Energy Commission is working on additional improvements in surface storage and will continue to explore the possibility of underground burial for long-term containment of these wastes.

Solar energy holds great promise as a potentially limitless source of clean energy. My new budget triples our solar energy research and development effort to a level of $12 million. A major portion of these funds would be devoted to accelerating the development of commercial systems for heating and cooling buildings.

Research and development funds relating to environmental control technologies would be increased 24 percent in my 1974 budget. This research includes a variety of projects related to stack gas cleaning and includes the construction of a demonstration sulphur dioxide removal plant. In addition, the Atomic Energy Commission and the Environmental Protection Agency will continue to conduct research on the thermal effects of power plants.

While the Federal Government is significantly increasing its commitment to energy research and development, a large share of such research is and should be conducted by the private sector.

I am especially pleased that the electric utilities have recognized the importance of research in meeting the rapidly escalating demand for electrical energy. The recent establishment of the Electric Power Research Institute, which will have a budget in 1974 in excess of $100 million, can help develop technology to meet both load demands and environmental regulations currently challenging the industry.

Historically the electric power industry has allocated a smaller portion of its revenues to research than have most other technology-dependent industries. This pattern has been partly attributable to the reluctance of some State utility commissions to include increased research and development expenditures in utility rate bases. Recently the Federal Power Commission instituted a national rule to allow the recovery of research and development expenditures in rates. State regulatory agencies have followed the FPC's lead and are liberalizing their treatment of research and development expenditures consistent with our changing national energy demands.

I am hopeful that this trend will continue and I urge all State utility commissions to review their regulations regarding research and development expenditures to ensure that the electric utility industry can fully cooperate in a national energy research and development effort.

It is foolish and self-defeating to allocate funds more rapidly than they can be effectively spent. At the same time, we must carefully monitor our progress and our needs to ensure that our funding is adequate. When additional funds are found to be essential, I shall do everything I can to see that they are provided.

INTERNATIONAL COOPERATION

The energy challenge confronts every nation. Where there is such a community of interest, there is both a cause and a basis for cooperative action.

Today, the United States is involved in a number of cooperative, international efforts. We have joined with the other 22 member-nations of the Organization for Economic Cooperation and Development to produce a comprehensive report on long-term problems and to develop an agreement for sharing oil in times of acute shortages. The European Economic Community has already discussed the need for cooperative efforts and is preparing recommendations for a Community energy policy. We have expressed a desire to work together with them in this effort.

We have also agreed with the Soviet Union to pursue joint research in magnetohydrodynamics (MHD), a highly efficient process for generating electricity, and to exchange information on fusion fission, the generation of electricity transmission and pollution control technology. These efforts should be a model for joint research efforts with other countries. Additionally, American companies are looking into the possibility of joint projects with the Soviet Union to develop natural resources for the benefit of both nations.

I have also instructed the Department of State, in coordination with the Atomic Energy Commission, other appropriate Government agencies, and the Congress to move rapidly in developing a program of international cooperation in research and development on new forms of energy and in developing international mechanisms for dealing with energy questions in times of critical shortages.

I believe the energy challenge provides an important opportunity for nations to pursue vital objectives through peaceful cooperation. No chance should be lost to strengthen the structure of peace we are seeking to build in the world, and few issues provide us with as good an opportunity to demonstrate that there is more to be gained in pursuing our national interests through mutual cooperation than through destructive competition or dangerous confrontation.

FEDERAL ENERGY ORGANIZATION

If we are to meet the energy challenge, the current fragmented organization of energy-related activities in the executive branch of the Government must be overhauled.

In 1971, I proposed legislation to consolidate Federal energy-related activities within a new Department of Natural Resources. The 92nd Congress did not act on this proposal. In the interim I have created a new post of Counsellor to the President on Natural Resources to assist in the policy coordination in the national resources field.

Today I am taking executive action specifically to improve the Federal organization of energy activities.

I have directed the Secretary of the Interior to strengthen his Department's organization of energy activities in several ways.

—The responsibilities of the new Assistant Secretary for Energy and Minerals will be expanded to incorporate all departmental energy activities;

—The Department is to develop a capacity for gathering and analysis of energy data;

—An Office of Energy Conservation is being created to seek means for reducing demands for energy;

—The Department of the Interior has also strengthened its capabilities for overseeing and coordinating a broader range of energy research and development.

By Executive order, I have placed authority in the Department of the Treasury for directing the Oil Policy Committee. That Committee coordinates the oil import program and makes recommendations to me for changes in that program. The Deputy Secretary of the Treasury has been designated Chairman of that Committee.

Through a second Executive order, effective today, I am strengthening the capabilities of the Executive Office of the President to deal with top level energy policy matters by establishing a special energy committee composed of three of my principal advisors. The order also reaffirms the appointment of a Special Consultant, who heads an energy staff in the Office of the President.

Additionally, a new division of Energy and Science is being established within the Office of Management and Budget.

While these executive actions will help, more fundamental reorganization is needed. To meet this need, I shall propose legislation to establish a Department of Energy and Natural Resources (DENR) building on the legislation I submitted in 1971, with heightened emphasis on energy programs.

This new Department would provide leadership across the entire range of national energy. It would, in short, be responsible for administering the national energy policy detailed in this message.

CONCLUSION

Nations succeed only as they are able to respond to challenge, and to change when circumstances and opportunities require change.

When the first settlers came to America, they found a land of untold natural wealth, and this became the cornerstone of the most prosperous nation in the world. As we have grown in population, in prosperity, in industrial capacity, in all those indices that reflect the constant upward thrust in the American standard of living, the demands on our natural resources have also grown.

Today, the energy resources which have fueled so much of our national growth are not sufficiently developed to meet the constantly increasing demands which have been placed upon them. The time has come to change the way we meet these demands. The challenge facing us represents one of the great opportunities of our time—an opportunity to create an even stronger domestic economy, a cleaner environment, and a better life for all our people.

The proposals I am submitting and the actions I will take can give us the tools to do this important job.

The need for action is urgent. I hope the Congress will act with dispatch on the proposals I am submitting. But in the final analysis, the ultimate responsibility does not rest merely with the Congress or with this Administration. It rests with all of us—with government, with industry and with the individual citizen.

Whenever we have been confronted with great national challenges in the past, the American people have done their duty. I am confident we shall do so now.

RICHARD NIXON.

THE WHITE HOUSE, *April 18, 1973.*

THE PRESIDENT'S MESSAGE ON ENERGY

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GERALD R. FORD. Mr. Speaker, I commend the President for his far-reaching message on energy, transmitted to the Congress today.

The administration has done a most thorough job of exploring every feasible way out of the energy crisis.

It is now up to the Congress to accept the challenge posed by the President's recommendations and to consider them most carefully and with the greatest of urgency.

The President has outlined a number of steps that might be taken to resolve our energy problems. Each of his recommendations deserves the most meticulous study. The Congress has its work cut out for it.

There is no question that the already evident shortage of energy in the United States is one of the most critical challenges facing the Congress. We must deal with it on the basis of highest priority. The President's recommendations will be most helpful as we tackle this task.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it stand adjourned to meet at 10 a.m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TRIBUTE TO THE LATE WILLIAM CULLERTON

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, throughout the years in the city of Chicago, the name Cullerton has become synonomous with public service. The Cullerton family has been active in governmental affairs for decades. But, with the recent passing of Alderman William Cullerton, the Chicago City Council has lost one of its strongest voices, and I have lost a true friend.

Although short in stature, William Cullerton was long on the things that truly counted in life: Concern, compassion, and heart. Coming from a large, close-knit family on the Northwest Side of our city, his contributions to his community, and to organized labor in particular, shall indeed stand as his legacy.

The 38th ward shall miss its alderman, the city government shall miss one of its hardest workers, but most of all, the community shall miss his boundless energy and his strong spirit. On behalf of my wife, Laverne, I would at this time, like to offer our condolences to Alderman Cullerton's wife, Martha, his daughter, Betty, and to all the other members of the Cullerton family.

FRESHMAN DEMOCRATIC CAUCUS

(Mr. MILFORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, this afternoon a number of my Democratic freshman colleagues will take the floor in an effort to bring public attention to some issues facing this Nation. I commend them for their efforts, but I will not be among them.

I am a member of the informal freshman Democratic caucus. I was present when this special order was proposed as a means of discussing the budget control problem, and I supported this concept. Since then the proposition has exploded in all directions, and has been labeled in the press as "antiadministration" and "antileadership." One caucus memorandum calls it the "special order on constitutional crisis." This is not what I signed up for, and I have, therefore, withdrawn.

There seems to be so much smoke of battle around here this year that it is hard to see the real issues. Important bills have come before this House, and the final outcome has been labeled as "victory" for the administration or "victory" for the Congress. The effect of the legislation on the American people gets lost in this rhetoric.

I believe I was elected to assess legislation on the basis of its effect on my district and the Nation, not as a skirmish between feuding elements of government.

Too many battlelines are already drawn, and the media, at least, is looking at today's exercise as another battle. I did not come here to fight that kind of battle, and that is why I have respectfully withdrawn.

CALL OF THE HOUSE

Mr. DAVIS of South Carolina. Mr. Speaker, I made the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MADDEN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 103]

Archer
Badillo
Biaggi
Blatnik
Boggs
Bowen
Bray
Brown, Mich.
Buchanan
Carney, Ohio
Cederberg
Clark
Corman
Daniel, Robert W., Jr.
Davis, Ga.
Dulski
Erlenborn
Fish
Giaimo
Gibbons
Griffiths
Hanrahan
Harsha
Harvey
Hays
Hébert
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Kemp
King
Leggett
McKinney
Madigan
Maraziti
Martin, Nebr.
Mathias, Calif.
Metcalfe
Moorhead, Pa.
Morgan
Murphy, Ill.
O'Neill
Passman
Pepper
Peyser
Podell
Price, Ill.
Rees
Reid
Rodino
Rooney, N.Y.
Rostenkowski
Ryan
Symington
Talcott
Teague, Tex.
Thornton
Treen
Waldie
Widnall
Wilson, Bob

The SPEAKER. On this rollcall 372 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ENERGY CRISIS IS AN IMMEDIATE AND PRESSING PROBLEM

(Mr. CARTER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CARTER. Mr. Speaker, the energy crisis in our Nation is an immediate and pressing problem. Independent gasoline dealers, in many cases, have had their supplies completely and suddenly terminated. Greatly limited sources of fuel supplies are apparent throughout the country.

It appears to me that we have been laggard in developing new energy sources. One area that we should more closely examine is the production of high-grade crude oil from the vast resources of oil shale in the western section of our country.

Also, the huge deposits of low-sulfur coal in our Western States could be used as a source of energy. Coal can be converted by a process of hydrogenation into a usable form of gas. This process has been used in Germany, and it was used by the city of Toronto until natural gas became cheap and abundant.

Positive action in these areas should have been taken some years ago. Whatever we do now, we shall certainly feel the fuel shortage this summer and winter, but we must take immediate action in these and similar directions in order to insure that our country will have adequate energy supplies.

SENATE ACTION ON CONFERENCE REPORT ON ECONOMIC STABILIZATION ACT

Mr. WYLIE. Mr. Speaker, the other body has just voted 31 to 35 not to recommit the conference report on economic stabilization. I think we should make every effort to sustain the House position on this conference report.

The proceedings on the Economic Stabilization Act have represented the grossest of raw politics I have seen since I have been in Congress. It is one thing to have an opinion and yet another to force it on someone else to the point of stifling a dissenting view. Anyone considering himself the expert on how to stop inflation and stabilize the economy is deluding himself. The solution requires the application of many principles and much flexibility.

The Committee on Banking and Currency in an obvious attempt to put politics above principle, first voted a rollback of prices to May 2, 1972. Overnight members of the majority party on the committee realized that this would bring them nothing but ridicule, so they changed it to January 10, 1973. Through a series of five motions, during which no member of the minority on the committee was recognized, the bill was sent to the Committee on Rules, where it was obvious there was much divisiveness even among the members of the majority party as to the correct approach. So overnight the members of the majority party saw the light and voted the rule that the House rejected.

Yesterday we went to conference. Senator TOWER suggested that the Senate recede and concur and accept the House position. The chairman of the Committee on Banking and Currency and the chairman of the conference objected. He proceeded to recognize Mr. REUSS who moved that the House recede and concur in the first of several Senate amendments. The Chairman then recognized one majority Member of the House after another who offered similar motions.

About half way through the proceedings Senator SPARKMAN again suggested that in view of the April 30 deadline and the urgency of extending the Economic Stabilization Act he felt it would be the best procedure just to accept the House bill. Again the chairman of the House Committee on Banking and Currency objected.

It was my impression, Mr. Speaker, that the House conferees are supposed to make at least a feeble effort to maintain the position of the House. At no time except on two House amendments, which sort of clutter up the bill anyhow, was this done. I guess the theory is when you have the horses, stampede.

PROVIDING FOR CONSIDERATION OF H.R. 4204, EMERGENCY EMPLOYMENT AMENDMENTS OF 1973

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 360 and ask for its immediate considerations.

The Clerk read the resolution as follows:

H. RES. 360

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d) (4) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4204) to provide for funding the Emergency Employment Act of 1971 for two additional years, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of the consideration of H.R. 4204 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto except one motion to recommit with or without instructions.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA) pending which I reserve the balance of my time.

Mr. Speaker, this House Resolution 360 provides for an open rule with 2 hours of general debate on H.R. 4204, which extends for another 2 years the Employment Act of 1971.

This legislation is a continuation of the bill Congress passed at that time. The employment situation is more critical today than it was 2 years ago. By the extending of this act it will avert the necessity of the Congress reinstating it later on this summer.

There are still over 5 million workers that are unemployed. There are about 300,000 unemployed Vietnam workers in the country today, which we did not have 2 years ago. Even these figures do not represent the full extent of the unemployment problem, because they do not include millions of others for whom the present economy is not providing full employment.

In addition to the national figures, they do not show the crisis situation of certain minority groups in areas throughout the country. There are more than 800 areas of persistent and substantial unemployment over the country. It is a well-known fact that unemployment rates in the ghettos of our large cities and our rural areas are many times more than the national rate.

In circumstances such as these one cannot say that the unemployment and the emergency has ended. In the slightly over 18 months of experience which we have had under the Emergency Employment Act, approximately 300,000 persons have received jobs under this act. These jobs have been created throughout the Nation, and they have benefited all sections of the unemployed.

In slightly over 18 months of experience that we have had, millions of families over the Nation have been affected by this legislation. The jobs that have been created in this act have been real jobs; not dead-end, leaf-raking jobs, but jobs providing real needed public services.

The public employment program has been more closely evaluated than any other manpower program, and the testimony to its effectiveness is overwhelming. The administration in the Manpower Report of the President states:

> The jobs created under the program are perceived as useful rather than make work both by persons holding them and persons they serve.

Now, those endorsements comes from the administration's department in charge of this program.

The General Accounting Office found that agents generally made genuine efforts to meet the requirements of the act and to provide advantageous job opportunities to emergency employment participants.

This comes from the Deputy Assistant Secretary of Manpower. He is the official spokesman for the administration. He described the program as "very effective" in his testimony before the subcommittee.

Similarly, a study of the North Carolina program shows that jobs created have been real rather than make-work, providing useful if not particularly creative public service.

Most employment agencies feel that they would suffer if this program were not continued.

In California the officials of the Department of Human Resources view this program as far superior to such other programs as NYC, NAB, and MTTA, institutional camps, and so forth.

We were told repeatedly by knowledgeable administrators that this program has come closer to achieving its goals than any of the previous manpower programs.

A final clear indication of the value of the program is that the administration has requested and the Congress has passed the appropriation for the full amount of the authorization for the 2-year program.

Mr. Speaker, House Resolution 360 provides for an open rule with 2 hours of general debate on H.R. 4204 extends for 2 years and all points of order against clause 27(d)(4) of rule XI of the Rules of the House of Representatives, the 3-day rule, are waived. The rule also makes it in order to consider the committee substitute as an original bill.

H.R. 4204 extends for 2 additional years the public employment program authorized by the Emergency Employment Act of 1971. The public employment program includes both a national program which operates when unemployment is 4.5 percent or more and a special assistance program for local areas with unemployment rates of 6 percent or more.

The total appropriation for H.R. 4204 is $4,500,000,000. Of this total, $2,000,000,000 is for fiscal year 1974 and the remaining $2,500,000,000 is for fiscal year 1975.

This program was instituted in order to provide jobs for the unemployed and to enable State and local governments to provide needed public services. This is not the time to terminate this successful job-creation program which has employed over 150,000 persons since its inception just 2 years ago.

Mr. Speaker, an unemployment emergency still exists and we must continue this highly effective program. I urge adoption of House Resolution 360 in order that we may discuss and debate H.R. 4204.

Mr. LATTA. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, let me say that I oppose this rule, and I hope the House will vote down the previous question in order that the gentleman from Michigan (Mr. ESCH) may have the opportunity of offering his bill as a substitute for the bill that was reported by the committee.

For reasons unknown to me the Committee on Rules decided on yesterday not to give the gentleman from Michigan this opportunity. I believe, in view of the fact that he has a substitute worthy of consideration by this House, he should be given an opportunity to present it. The only way he could do that is for this House to vote down the previous question, because his bill would not be in order under the rules of the House.

Mr. Speaker, the bill that we have under consideration today is really only a drop in the bucket when it comes to helping the unemployment situation in this country. We have had this legislation on the books for 2 years and has required $2,250 million of taxpayers' funds. However, there are only 134,000 people employed under the program. If we are talking about helping the unemployment situation in this country, we should not be looking in the direction of this program.

We cannot help the record of employment under this program by extending the identical legislation.

The Committee on Labor and Education proposes only to double the authorization and spend not $2,250,000,000 of taxpayers' money for this little program, but $4,500,000 over the next 2 years.

What has been happening during the time this legislation has been in effect? At the time it was presented to the House for fiscal year 1971, we had an unemployment rate in this country of 6 percent, today that figure is down to 5 percent. With economy moving up as rapidly as it is, and considering our budgetary restrictions, it seem to me that the economy could use these 134,000 people in the private sector.

If the Members will just look at the committee report and consider the few people in their districts who have been employed under this program, I think they will vote down the previous question and give the gentleman an opportunity to offer a substitute for this bill.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentleman from California (Mr. TEAGUE).

Mr. TEAGUE of California. Mr. Speaker, I concur fully with the gentleman's opposition to the rule.

Here we have what seems to be the identical situation we had when the Committee on Rules brought out the rule on the REA, the rural electrification bill. It is a half-open, half-closed rule, and once more I would hope that Ralph Nader and Common Cause and the League of Women Voters and those who have been crying loud and clear for congressional reform and open rules would take note of this fact.

Mr. Speaker, to me this is an inexcusable rule and one which should be defeated.

Mr. LATTA. Mr. Speaker, I thank the gentleman for his comments.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I will yield to the gentleman from Illinois (Mr. COLLIER).

Mr. COLLIER. Mr. Speaker, along these lines, I would like to relate an incident which I think has some significance.

One of the communities in my district, namely, Maywood, Ill., had 11 employees under this program at a cost of about $81,000 a year. They now suggest that they will have to discontinue the program. Yet this same community will get $315,324 under revenue sharing.

I suggested to the mayor that they take the $81,000 or $82,000 out of the $315,000 and continue the program in that way if it is an essential program.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I would be happy to yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I wonder if this session is going to end before the House gets one rule that does not do violence to the proper consideration of legislation in the House. I wonder if we will ever get a truly open rule from the Committee on Rules in this session of Congress?

The SPEAKER. The time of the gentleman from Ohio (Mr. LATTA) has expired.

Mr. LATTA. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I might say to the gentleman from Iowa (Mr. GROSS) they have been few and far between. If we had had sufficient votes in Rules Committee, we would have given the gentleman an opportunity to offer his amendment. The gentleman will notice we are waiving the 3-day rule in order that we can have legislation to consider today.

I think probably a more orderly scheduling of bills in the House would eliminate the need for waiving this 3-day rule.

Mr. GROSS. Mr. Speaker, if this is the result of all this reformation that has been taking place, the Lord knows we do not need any further reformation.

Mr. LATTA. Mr. Speaker, I thank the gentleman for his comments.

I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, the first thing I want to state is that if we fail to adopt the previous question on this rule and make in order a comprehensive manpower program as a substitute, it will take, in my judgment, at least several months before we can come in here with a comprehensive manpower program to recommend what programs could be consolidated at the State level, if any, by this committee and by the House of Representatives. So, to my way of thinking the comprehensive manpower program that the gentleman from Michigan (Mr. ESCH) wants to offer as a substitute is entirely extraneous to the employment issue involved here today.

It is no exaggeration to say that the Emergency Employment Act and the public employment program—known as "PEP"—which it authorized is the most popular legislation our committee has produced in many years. We have been swamped with support for this program from practically every public official in the country. Mayors, Governors, and county officials all agree that this has been an extremely beneficial program for them and a real model of the way they would like to see a Federal program run. Even my good friends in the minority begin their minority views on this bill with the statement that "transitional public service employment should be one of the tools available to State and local government."

No public witness appearing before the committee raised any question of the need for the program or its effectiveness, and I know the minority members will agree that they were given every opportunity to call their own witnesses. The only people who testified against the bill were the representatives of the Labor Department. They argued that the legislation was no longer needed because the unemployment situation was improving and that the private sector would create the necessary jobs.

I do not share their official optimism. I do not accept the proposition that unemployment is no longer a serious problem when between 4½ and 5 million people are still unemployed. They also say that only one-third of the people hired under the PEP program are really disadvantaged. Let me say that this statement is false. It is not true in my area, and I will wager that it is not true in any other district.

In order to be hired under this program you have got to be unemployed. Now if a man who is unemployed is not "disadvantaged" then how would you describe him? Well off? These critics also miss the point of this program. It is not a program designed exclusively for the so-called hard core poor. It is a program designed for all of our citizens whose lives are disrupted by the economic conditions of today and the massive unemployment that has resulted.

I would also point out to my colleagues that this bill has built into it a trigger mechanism that would terminate the nationwide PEP program as soon as the national aggregate unemployment rate goes below 4.5 percent for 3 consecutive months. If the administration is really confident that things will get better, they should not have any problem with this bill. If they will just get the national unemployment rate below 4.5 percent the national PEP program will self-destruct. And, I say, that 4.5 percent is still very high unemployment—at least 4 million people.

Now you will hear a lot about the cost of this program and about the fact that we have doubled the authorization in the face of lower unemployment rates. Let me address those points. First, the major increases in authorizations occur in section 6 of the act. This section channels additional PEP money into pockets of high, long-term unemployment—such as central cities and depressed rural areas—where the local unemployment rate is at least 6 percent or more. These areas are the ones that have chronic unemployment problems, even when the national aggregate unemployment rate is good. We have seen the truth of this during the 1960's when the national rate was down to 3.5 percent, yet in areas such as the one I represent, local unemployment was as high as 15 and 20 percent. So we are truly putting the money where it is most needed.

Now as to the costs of this type of program, you do not have to have more than a small amount of commonsense about you to understand this is the least costly way the Government can deal with unemployment. A dollar spent in this program goes right into salary for an employee. Under the old system of more Federal spending in general or tax cuts, the direct and immediate benefit to employment does not exist, and you are lucky if 30 cents on the dollar eventually goes toward employing someone.

Hear what these distinguished economists have to say about it:

Prof. V. Lewis Bassie, director of the bureau of economic and business research at the University of Illinois, put it this way:

> Direct employment of workers as in your proposal is the most efficient method of dealing with the unemployment problem. For any given number of new jobs, trickle-down procedures are more costly—whether by tax relief, subsidies, or expenditures on sophisticated programs such as military-space hardware. With the federal deficit running at a rate of over $30 billion, efficiency in job creation becomes increasingly important.

Prof. Richard A. Gordon of the University of California at Berkeley, and probably the leading expert in the country on problems of unemployment, had this to say:

> This direct and immediate hiring contrasts with the employment effects generated either by Federal purchases of goods and services or by increased private expenditures resulting from a tax cut. Private employers do not necessarily and immediately respond to increased spending by increasing employment. ... In contrast, for the same amount of government expenditure, public service employment would put a larger number of people to work considerably more promptly. Public service vacancies bid directly for the unemployed, for labor which by definition is in surplus. A general increase in spending, in contrast, bids across the board for all kinds of labor and also for capital. Skilled labor is likely to become scarce while unskilled labor is still in surplus. . . . Thus, it is the best way to achieve low levels of unemployment with minimum inflation.

So with both commonsense and the economic experts telling us that this program is the least costly, least inflationary way to deal with unemployment, it is ridiculous to argue that the program is too costly.

The argument was also advanced by my friends in the minority that this program has had only a small impact on the general unemployment picture because it has created only roughly 300,000 jobs. Let me respond in two ways. First, that is why we propose to double the size of the program. We have asked virtually every economist who works in this area of policy whether the program should or should not be expanded. And we asked the same of some younger economists who have studied the PEP program in detail. Not one of them advocated anything less than a doubling of the present program, and many of them wanted to see it expanded far beyond that. Second, the 300,000 figure does not really tell us the whole tale. The most conservative estimates indicate that for every 10 PEP jobs that are created, 4 additional jobs in the private labor market are generated by the increased demand for goods and services. So there is a definite multiplier effect to this program.

In summary, the conditions which gave rise to the Emergency Employment Act in 1971 still persist today. The unemployment rate remains high; there are more than 4½ million people unemployed. We know now that this type of approach is successful and well-received. The jobs have not been leaf-raking or dead end. They have been real and productive, providing needed public services. Every evaluation of this program, and there have been many, has given it high marks. It is, by all accounts, the least costly, least inflationary way to deal with persistent unemployment. I can think of no valid reason to oppose this bill. It is the most sensible, successful legislation the House has passed in recent memory.

We should not jeopardize this vital

legislation by confusing the issues with a manpower bill that has not been studied by the Committee on Education and Labor, because it was only introduced last week. It would be utter chaos to try to write a comprehensive manpower bill on this floor.

I hope the previous question is adopted.

Mr. WYDLER. Mr. Speaker, regular order.

Is the gentleman from Indiana speaking on someone's time, or what?

POINT OF ORDER

Mr. Speaker, a point of order. Is the gentleman from Indiana speaking on someone's allotted time?

The SPEAKER. The Chair will state to the gentleman from New York that the Chair is unable to hear the statement made by the gentleman from New York.

Evidently the gentleman from New York has made a point of order that the Chair did not hear.

Mr. WYDLER. Mr. Speaker, my point of order is that I do not understand if the gentleman from Indiana is speaking on someone else's allotted time. I did not hear the gentleman allot time to anyone.

The SPEAKER. The Chair will state the gentleman from Indiana has control of all the time.

The gentleman from Indiana has been recognized for 30 minutes.

Mr. WYDLER. I thank the Speaker.

Mr. MADDEN. Further, Mr. Speaker, I know that it is difficult to justify some of the statements regarding the effort to abandon a program that will provide employment for the next 2 years, and has provided work for the last 2 years, for over 300,000 unemployed in this country. The Deputy Assistant Secretary of Manpower says it is a very effective program, one of the best. The National Manpower Task Force says it is a great program for the unemployed, one of the best, and they put it ahead of three other programs. The manager in charge of the program in North Carolina stated, most importantly:

> I just feel that they would suffer if this program were now not extended.

In California the officials of the department of human resources backs this program as far superior to anything they ever had in California.

It is no wonder, my friends on the other side of the aisle, when I see such actions as the veto of rehabilitation for the handicapped and when I see Presidential vetoes on legislation to help the elderly.

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. COLLIER).

Mr. COLLIER. The distinguished chairman made a reference to a town in Ohio, and obviously he was as inaccurate in establishing the geographical location in his comments as he was in interpreting the point of my earlier remarks.

I clearly stated that in a town in Illinois in my district—where I focus most of my attention, gets $315,000 in revenue-sharing funds annually. I merely suggested that the program could continue just as it has in the past with the employees paid the sum of $81,000 out of the proceeds of revenue sharing. This would not end the program but it would save a little money which is just what we should be doing.

Mr. LATTA. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I take this time to correct the RECORD. I had hoped that the gentleman from Kentucky, the chairman of the committee (Mr. PERKINS), would correct his statement that there were 300,000 people presently employed in this program. His committee report disputes this statement. Page 20 of the committee report reads as follows:

> Employment, February, 1973, the national total: 134,356. Cumulative persons hired between August, 1971, and February, 1973: 298,911.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Kentucky.

Mr. PERKINS. Perhaps I did not make myself clear. The record is that the 300,000 is the cumulative figure.

Mr. LATTA. I hope the gentleman will correct the record.

Mr. PERKINS. The record will be corrected. There have been 300,000 people employed under this program since the program started.

Mr. LATTA. I thank the gentleman.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, I think it is first important to see where we are in this area of legislation pertaining to job training. The Rules Committee has asked us to act on a bill today that most of us have not even seen the report on, that report not being available until late yesterday afternoon. They are asking us to extend one category in the job training effort for 2 years.

POINT OF ORDER

Mr. MADDEN. Mr. Speaker, a point of order. The gentleman is talking about job training. This is employment we are talking about, not job training or apprenticeship.

The SPEAKER. The gentleman will proceed in order.

Mr. ESCH. I thank the Speaker.

The Rules Committee and the majority party in this House are asking us to extend one categorical program at a cost of $4.5 billion. Then they are going to say that somehow sometime in the future we are then going to combine into a comprehensive job-training package.

Let us go back 2 years and see where we were 2 years ago. They asked us then to provide funds for the so-called Emergency Employment Act, some almost $2.5 billion.

What have those $2.5 billion accomplished or effected? Well, about 134,000 people are employed under that at a cost of more than $2 billion.

What has happened during those 2 years? The total number employed in 1971 when this act went into effect was 79 million people. Today there are 83.7 million people employed, 4.7 million more people employed, but remember that this $2 billion-plus accomplished the hiring on a part-time give-and-take basis of less than 300,000 of those more than 4.7 million.

What is the better part of wisdom? The better part of wisdom today is to vote down the previous question to allow this House once and for all to get to work on comprehensive manpower legislation. Witness after witness in our committee, be it the mayor, be it the Governor, be it the county official has stated that he wants a total package. The legislation we hope to get before the House allows for a comprehensive approach to the job training effort. Right now it is categorized and centralized into program after program without an effective way of getting funds out to where they belong, to the local areas where we can begin to train people to put them to work. Our legislation provides that if the local officials want to use those funds for public employment they may do so but it is at the discretion again of the local official.

Where do we stand from the standpoint then of this bill? We are asking Members to vote down the previous question to allow our bill to be put in order, and if that fails the better part of wisdom would be to vote against the rule. This act has 2 months before expiration and it will be September to October before the funds presently obligated and appropriated can be used, and I would suggest in that time certainly the Committee on Education and Labor can come up with a more effective bill than just beginning to extend one more category.

We have heard assurances from the subcommittee chairman and I have great respect for him and from the chairman for the last 3 years that as soon as we pass an Emergency Employment Act we are then going to have a comprehensive manpower reform.

I say that it is time to stop extending one more categorical program. Let us begin to reform the total manpower problem now. We do that by voting down the previous question.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I appreciate the opportunity to stand before my colleagues and explain my support of H.R. 6170, the comprehensive manpower reform bill, offered as a substitute for H.R. 4204, which would extend the Emergency Employment Act for 2 years and increase authorizations to $2.5 billion by fiscal year 1975.

The substitute manpower reform package would authorize $2.5 billion for each of fiscal years 1974, 1975, and 1976, for comprehensive manpower programs, including an optional public employment component. This total, to be apportioned among the States by formula, is almost 50 percent more than the total outlay proposed by the administration for fiscal year 1975—$1.74 billion—and would restore overall manpower spending levels to their current level.

My point of difference in urging the support of my colleagues for the substitute reform bill is not over the concept of a public employment program. In the almost 2 years of its existence, the PEP program has been beneficial from several points of view. As a temporary public employment program, PEP served to take up the slack when national unemployment rates were unacceptably high in 1971 and 1972. PEP jobs provided much-needed sources of income and self-respect for many workers in areas of high unemployment who were unable to find any other employment. Finally, PEP funds allowed State and local governments to provide additional public services with the created job slots.

Yet there are a number of compelling reasons for my position that these benefits are no longer realizable under existing economic conditions. First, State and local governments no longer lack the resources to meet public sector service demands. We have seen a sharp rise in their fiscal capability in the last 2 years. During the fourth quarter of 1970, the State and local budgetary surplus, as measured by the national income accounts, was $0.9 billion at an annualized rate. This figure is well within the $2 billion deficit to $2 billion surplus range that has prevailed in this sector for most of the postwar period. But by the second quarter of 1972, this normal slight surplus had enlarged to a $15 billion annual rate. A recent study published by the American Enterprise Institute suggests that this surplus could continue to grow to more than $23 billion by 1975 even if no new Federal aid program is added beyond those already included in the fiscal year 1973 budget. To be sure, this is an aggregate trend which is by no means applicable to every State or political subdivision within the States. Nevertheless, these figures suggest that State and local budgets as a whole are now suddenly in far better fiscal health than is the Federal budget. A recent article in the New York Times indicated that California would run a $500 million surplus during the current fiscal year, Florida a $300 million surplus, and even New York State would show up in the black with between a $250 and $300 million surplus.

Figures for total employment in the State and local public sectors also cast doubt on the thesis of a starved public sector. State and local public employment has actually grown nearly three times faster than nonagricultural employment as a whole. The State and local share of total nonagricultural employment has steadily increased from about 8.2 percent at the end of World War II to almost 15 percent at present. In light of this steady growth in the State and local work force and the accumulation of sizable budgetary surpluses at the State and local levels, the argument of a starved public sector seems to have fallen on rather lean times.

It is just as doubtful whether the benefits of a large public employment program can be felt at a time of rising employment in the private sector, as our economy picks up steam during 1973. The latest BLS figures for unemployment show that 5 percent of the labor force is currently unemployed—a figure the administration expects to decline to about 4.5 percent by the year's end. As the economy approaches full employment, the unemployed labor pool shifts notably away from prime-age workseekers. For example, in 1968, the last full-employment year, the unemployment rate for males aged 22 to 45 was a mere 2.4 percent—a figure well below the aggregate unemployment rate of 3.6 percent. On top of this is the fact, well known by now, I trust, that fully 51 percent of those employed in the current public employment program, as of October 1972, were in this prime employment category—males aged 22 to 45. Now these two trends suggest what is important for our consideration today. If the PEP program were funded at a level of $2.5 billion in 1975, as the committee proposes, it can be projected, on the basis of past PEP enrollment figures, that over 168,000 of its total of enrollees would be males aged 22 to 45. The rate of unemployment of this highly sought after segment of the labor force would fall below 2 percent and the total of unemployed to just over 550,000 out of a total of 83 million workers. And if PEP were funded at a $5 billion level, as some advocates have proposed, the resulting unemployment figure for this segment would be pushed down to 1.3 percent. This competitive bidding among public and private employers for these high quality workers sets off severe inflationary pressures from the wage side that would endanger the administration's efforts to bring under control the inflation of the last 7 or 8 years.

The bill before us to extend and enlarge the public employment program should be tabled not only because it fails on the points I have just cited. It will contribute to inflationary pressures not merely by exerting excess demand on the most employable segment of our labor pool, the 22- to 45-year-old male workers, but its cost in doing so is prohibitive.

The committee bill will increase the cost of the public employment program by 150 percent in just 3 years, from an actual 1972 level of $1 billion to a projected level of $2.5 billion by 1975. I need not belabor the point here about the overwhelming urgency, from whatever grounds, be they moral, fiscal, or political, of the need to bring the Federal budget under control. We are on the verge of repeating a mistake of 1967 and 1968—of back-to-back full-employment deficits of more than $10 billion. The results of that, I need not remind my colleagues, was an inflation rate of 6 percent and an economy that faltered and lagged for more than 4 years. Without serious efforts to get Federal spending under control during the next 2 years, we are inexorably destined for either a sharp Federal tax increase or a repeat of the disastrous economic performance of the 1967–71 period. It is time for the Congress to take another step now to prevent either of these alternatives from happening.

It is not merely for these reasons that I would urge my colleagues today to defeat the committee bill and substitute the manpower reform bill. This substitute bill represents a major step in fulfilling the administration's popular mandate to return to the people and to their governing units at State and local levels some of the power they have lost to the Federal Government in recent decades. Under title I, the reform bill would encourage the State to establish comprehensive plans dividing each State into functional manpower areas. Manpower programs to be approved by the State government would be administered by a unit or combination of units of general local government. Any unit of general local government with a population of over 100,000, such as a city, would have to approve the manpower program within its jurisdiction. The overall thrust of title I of this reform bill, I would emphasize, is to return to the States and localities the authority to establish manpower programs suitable to their own needs.

In so doing, this manpower reform bill moves to halt the bewildering proliferation of Federal manpower and job-training programs. The urgency of doing this is highlighted by the fact that these and other categorical grant-in-aid programs are the primary stimulus to the awesome and dangerous growth of the Federal budget in the last decade. In fiscal year 1965, the total of Federal aid to State and local governments amounted to slightly under $11 billion. Yet by fiscal year 1973, this figure had grown to almost $45 billion. The expansion of this category of the budget averaged only 10 percent of total Federal budget growth during the period prior to 1965, but in fiscal year 1973 this category of grants-in-aid had shot up to 45 percent of total Federal budget growth. Clearly, the tail is wagging the dog, and the combined effect of the grant-in-aid approach on the Federal Treasury is proving impossible to control.

Yet this bill recognized in title III that special Federal responsibilities exist in alleviating problems in certain areas of our national manpower pool. Manpower programs are authorized for Indians, those needing bilingual instruction, migrant farm workers, and youth, among others. In section 306 of the reform bill, "Manpower Programs for Youth" is designed to serve the needs of school-age youth, 16 to 24 years old, both in school and out of school, and to also provide summer programs. A minimum of $450 million in each fiscal year is reserved for this much-needed job program for our young workers.

Finally, in recognition of the merit of the public employment concept and its contribution to meeting the needs of the unemployed, the *reform bill* authorizes a program of transitional public employment in title II. These programs are to be administered in accordance with State plans approved under title I by prime sponsors who qualify under title I. These programs, unlike those in the present program, are not to be triggered on or off when the national unemployment rate exceeds or drops below 4.5 percent.

The funding level authorized in the reform bill is $2.5 billion each for fiscal years 1974, 1975, and 1976. This figure represents a reasonable compromise between the two extremes of overspending on just one aspect of an overall manpower strategy, as a proposed extension of public employment would do, and the underfunding of some of the necessary components of it that the administration is then forced to accept.

Mr. Speaker, for all these reasons, I would repeat to my colleagues the urgency of accepting this far-reaching proposal for manpower reform and enacting it into law.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, normally I do not speak on a rule, but I am doing so this time because I am opposed to the bill and I am opposed to the rule. I do not believe we ought to pass this legislation.

When the unemployment was 6 percent we passed a bill, an emergency employment bill of $2,250 million. Now the unemployment is down to 5 percent, and I doubt there is the same emergency.

It does not seem to make much sense to double the authorization when we have come two-thirds of the way to 4.5 percent which phases out the present law automatically.

If we were going to have the same amount of appropriation for the amount of unemployment above 4½ percent as the present law, the authorization should be only one-third, or $725 million. But if we do not pass this legislation the program will not terminate at the end of June of this year. Approximately $800 million will still be available through the next fiscal year, as we will fulfill the obligations under this program. So there will not be an immediate cutoff. It will take care of the problem as we see unemployment reduced even further.

Unemployment is going down. There is not the necessity for extending this act.

At the time the bill was passed we did not have general revenue sharing. Now these employees can be hired with those funds. We had a long struggle to see whether we were going to make a transitional public service employment law out of the bill in the last Congress or not. The only thing really that has made this a transitional program is that authorization terminated at the end of 2 years. If we continue this for another 2 years we will not be able to wean away the local governments from the Federal Government paying a part of the salaries of their employees.

About two-thirds of the employees hired were ones which could have gotten nonsubsidized employment. Only approximately one-third were disadvantaged individuals.

The gentleman from Michigan mentioned the increase in employment in the country, and he was low because he did not have the latest figures. There are 4,790,000 additional jobs, since this bill was passed in July of 1971, that have been added to the employment in the country. As indicated by previous colloquy, the cumulative amount of jobs under this program was just a little under 300,000. It never went higher than 180,000 jobs at any one time, and something a little less than 140,000 PEP jobs are held right now.

So I say to the Members, let us not even pass the rule on this bill. We should go back to the committee and work on comprehensive manpower legislation, if that is what the Members would like for us to do. The gentleman from Michigan has a comprehensive manpower bill available, if the Members want to do that at this time.

Public service employment I believe should only be utilized with job training as a part of a total manpower package to enable the disadvantaged to get into the job market. That is the way it ought to be used, as a terminal program. It is not being used that way in the Emergency Employment Act if we extend it. So we just should not continue the program in its present form with doubled authorization.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, the exercise we go through today is in large part an exercise in futility.

I suspect it may soothe consciences of Members of the House, who would like to go home for the Easter recess having said they had stabilized prices, extended the Emergency Employment Act, and passed the highway bill.

But this bill, the Emergency Employment Act, clearly will not survive. It will not become law even if it passes both Houses, under a decision of the President who wants to terminate, in my judgment wisely, this effort.

I believe one of the things missed thus far in this debate is the question of how substantively the Committee on Education and Labor dealt with the Emergency Employment Act. The gentleman from Michigan and the gentleman from Minnesota both have wisely pointed out that we are no longer faced with the same kind of unemployment problem we were faced with before.

But let us look up the examples that are available to us about the Emergency Employment Act itself. For example, the minority views attached to the committee report, which I trust all the Members will read, point to the problems of the very real fragmentation of goals which the Emergency Employment Act seeks to reach.

Mr. Speaker, the goals are not clear, and the Committee on Education and Labor in my judgment failed miserably to successfully deal with the kinds of issues before us.

What are we trying to do with the program? Are we serving the disadvantaged, the Vietnam veterans, welfare recipients, older Americans, or younger Americans? None of those goals come through clearly and the Committee on Education and Labor has missed the opportunity that was available to it, even if one is in favor of the Emergency Employment Act, to successfully make the program rational.

This is a single extension of this categorical grant program. Local governments, mayors and county officials, will not be able to solve the problems of training young men and women, training those who have been technologically displaced, those who are in need of employment, and we are not now going to meet these needs because of the artificial separation of training programs and employment programs.

Mr. Speaker, the substitute suggested by the gentleman from Michigan is an alternative which is preferable if we are to solve the problems facing us as a nation. This allows us, if the Members vote down the previous question, to put together training and employment programs, and it allows us to serve rationally the needs of those who are on welfare, as well as those who are Vietnam veterans, and as well as those who are, in fact, among the long-term disadvantaged.

So, Mr. Speaker, it is much better for this House today to vote down the previous question and authorize the substitute. Failing that, we will not meet the needs of the people. We have no choice but to vote down the rule and consider the substitute; it is something that should be done.

The SPEAKER. The time of the gentleman from Wisconsin (Mr. STEIGER) has expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentleman from Wisconsin (Mr. STEIGER).

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I will be pleased to yield to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, may I ask the gentleman, am I correct that of all the people who are served under the Emergency Employment Act less than one-third are classified as disadvantaged?

Mr. STEIGER of Wisconsin. The gentleman is correct.

Mr. ESCH. So that, in effect, we are not by the Emergency Employment Act really reaching out to the problem of the disadvantaged and the unemployed; this does not solve that problem.

Mr. STEIGER of Wisconsin. Mr. Speaker, without any question the gentleman from Michigan is absolutely right.

Beyond that, the employment situation for Vietnam veterans fortunately is not the same as it was in 1970. Today fewer veterans are facing employment difficulties, and yet the provision for preference of the recipients being Vietnam era veterans remains the same and many communities cannot maintain such a preference.

Mr. Speaker, I appreciate the gentleman's comment.

Mr. LATTA. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, earlier I mentioned that I hoped the House would vote down the previous question and give the gentleman from Michigan an opportunity to offer his substitute. I believe the debate on this resolution has indicated that we ought to follow this procedure.

We are coming in at 10 o'clock in the morning and this will give us ample time to debate the highway bill—we should take the time to consider the substitute of the gentleman from Michigan.

Mr. Speaker, I ask the House to vote "no" on the previous question so that I can offer the resolution to make the gentleman's substitute in order.

Mr. Speaker, I yield back the balance of my time.

Mr. MADDEN. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I was amazed; I never thought anybody would stand on the floor of the House, as my good friend, the gentleman from Michigan (Mr. Esch), did and talk about revenue sharing when practically 98 percent of the mayors in the country have been misled about revenue sharing.

In fact, there were 50 of them in a convention up in Massachusetts about a month ago who denounced revenue sharing as a failure, a political fraud.

So if the gentleman wants to depend on revenue sharing for any kind of aid as far as employment is concerned, I think it is a complete fallacy.

The president of Purdue University was in my office last week, and the president of Indiana University was working along with him, interviewing the Indiana members, to try and see what we could do to get some of the money impounded by President Nixon so that the students could continue and matriculate on university programs—Purdue University has been curtailed by $3¼ million. There are several thousand students who were rejected from both universities on account of seven programs that they said are being canceled from Indiana University and from Purdue University on account of impounding of funds by President Nixon.

The SPEAKER. The time of the gentleman has expired.

Mr. MADDEN. Mr. Speaker, I yield myself 1 additional minute.

Mr. LATTA. Will the gentleman yield for a question?

Mr. MADDEN. Not right now.

Mr. LATTA. Will the gentleman yield now?

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. Sisk).

Mr. LATTA. Mr. Speaker, will the gentleman yield for a question?

Mr. SISK. Make it very brief. I only have 3 minutes. Yes.

Mr. LATTA. I asked you to yield so my chairman could answer a question which I would like to pose to him.

He mentioned there were X number of mayors up in New York denouncing revenue sharing. I wonder how many of them have turned back the money to the Federal Treasury that they received under revenue sharing.

Mr. SISK. Mr. Speaker, I think we are faced here with a very practical matter. I do not know what is in Mr. Esch's bill. I have a feeling—and I had hoped he would remain on the floor, my good friend from Minnesota, Mr. Quie, but I doubt Mr. Quie knows, although maybe he does. I wanted to inquire because it may very well be that it is a kind of a program that might have some appeal.

The only thing I would like to say—and I would like to say it to my good friends on the Republican side as well as those on the Democratic side—is that in the Rules Committee we did not so much as even have the bill before us.

Mr. ESCH. Will the gentleman yield?

Mr. SISK. I will in just a moment, since I mentioned the gentleman's name.

The only thing we saw up there was a group of mimeographed copies about so thick. I do not want to criticize Mr. Esch's bill, because it may very well have possibilities, but it is astounding to me, if we are going to proceed, I think, in a legitimate manner here to try to deal with the subject, to try to write that kind of legislation on the floor.

Therefore I agree with Mr. Quie's position. I do not agree with him as to the way to vote but as to the issue. He indicates you should vote against this rule. It is a legitimate position to take. If you are against this public employment program, then vote against the rule. I will vote for the rule, because I think the committee is entitled to discuss this issue.

It seems to me—and that is the only appeal I am making—it is impossible for anyone, as I understand it, based on the experience we had before the Committee on Rules, to have any idea of what is in the gentleman's bill.

I now yield to the gentleman.

Mr. ESCH. I appreciate the gentleman yielding.

The bill was available for the Members if they asked. I understand the only thing the Committee on Rules had available in terms of the report was a printout of the report itself.

I will say to the gentleman that the bill embodies the principle of manpower revenue sharing. We have had 3 years in the development of that legislation. I would hope if this House does not vote down the previous question, that they would vote against the rule finally to allow the Committee on Education and Labor to live up to their responsibility of bringing in a comprehensive manpower legislation bill.

I appreciate the gentleman yielding.

Mr. SISK. I appreciate the gentleman's statement.

As I said, I do not take a position on his bill, but I do not know anything about his bill, and based on questions I have asked, I know of no one else who does. All I am saying is I think we should vote the rule up or down. It would not be logical to attempt to write a major program on the floor.

I urge the adoption of the resolution.

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. Dominick V. Daniels).

Mr. DOMINICK V. DANIELS. Mr. Speaker, some reference was made by one of the prior speakers to the fact that this bill would be vetoed. May I remind all of the Members of this House that when this bill originally came to the floor 2 years ago, that was all I heard, not only in the subcommittee but in the full committee and in the Rules Committee and on this House floor.

But when the conference report was adopted, the President did not veto it. I am convinced that we cannot legislate under the threat of a veto. Instead, why do we not be men and stand up to our consciences, and do what we think is necessary, and what we think is in the best interest of our Nation?

Mr. Speaker, one of the previous spokesmen said that this program was a failure. If it was such a failure, why did the Office of Budget and Management ask us to appropriate the full $1 billion in the year 1972? Why did the Office of Budget and Management ask us to appropriate the full $1.25 billion for fiscal year 1973?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am sorry, but I do not have the time to yield to the gentleman. I have only a very short time in which to speak. When I conclude my remarks then I will be very happy to yield to the gentleman for any time remaining.

Mr. Speaker, the fact also is in spite of the reports that we have heard, that the administration does not want to cancel out this program when it expires on June 30 of this year. May I say that the Labor Department has withheld, according to the testimony of Paul Fasser, the Acting Secretary of Labor in Charge of Manpower given, when he appeared before the subcommittee 2 or 3 weeks ago, $700 million to $800 million. To phase out the program? No, not on your life; he is going to continue this program, continue it until the end of the year, and possibly dole out the dollars until the end of fiscal 1974.

Let me say to the Members of the House that we held 7 days of hearings on this bill, and every witness who appeared before the committee recommended the program. As a matter of fact, the President's Manpower Report says this is a good program. The Secretary of Labor said it is a good program. Mr. Fasser, when he recently appeared before the committee, said it was a good and effective program. I have not heard any word of criticism about this program insofar as job creation is concerned. And of all of the manpower programs that we have in existence——

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. MADDEN. Mr. Speaker, I yield 2 additional minutes to the gentleman from New Jersey (Mr. Dominick V. Daniels).

Mr. DOMINICK V. DANIELS. Mr. Speaker, as I said, of all of the manpower programs that we have in existence this is the best one. For that reason it should be continued.

May I point out to the House that our full committee last Thursday met and approved of the bill under consideration by a vote of 21 to 10. A substitute was offered by my distinguished colleague, the ranking minority member, the gentleman from Minnesota (Mr. Quie), a bill that no member of the committee had seen. It is 95 pages long. We do not know what is in this bill. I remember the other day one of the gentlemen on this side of the aisle, when we had the economic stabilization rule under consideration, said that we should not consider legislation hastily. If we believe in that, then we should vote for this rule because we do not know what is in this bill.

I took a look at the bill this morning, and if you look at section 101(a) instead of decategorizing, there are 26 manpower programs in here.

In addition to that, if you look at title III of the bill, instead of eliminating programs, instead of doing away with them, it reestablishes them. For example, on page 43, we have special programs for the Indians; we also have bilingual manpower programs, on page 45. On page 47, we have a migrant manpower program. On page 48, we have the middle aged and older persons work program. On page 49, we have manpower for youth. And finally on page 51 we have the Job Corps.

Now, who is kicking whom here?

I might say to the Members that the administration may not approve of the committee bill, but I will also tell the Members that it will never approve of this mishmash that we have before us under the guise of H.R. 6710.

Mr. Speaker, I urge the Members to vote for the rule.

Mr. MADDEN. Mr. Speaker, I yield the remainder of the time to the gentleman from California (Mr. Hawkins).

Mr. HAWKINS. Mr. Speaker, I think the issue before us is not a comprehensive manpower bill. I think most of us will agree that such a bill should be passed and will eventually be passed, but I think that no one in this House, with possibly the exception of Mr. Esch, is familiar with what is in this 95-page bill. If the Members feel that we can between now and July 1 consider this very complicated issue and meet the needs of the people of this Nation, then I think such Members are very naive.

The issue, rather, is one of a crisis which is impending as of July 1 of this year. The neighborhood youth program for the summer will be terminated. One million young people will be out of school and on the streets looking for jobs. The administration has announced that local officials can use part of the surplus which has been left in the emergency fund of the public service employment program for this purpose.

In other words, they are suggesting that the Members can go back to their districts and tell their constituents that a choice must be made as to whether jobs are going to be taken away from veterans under the emergency employment program, where veteran's preference is given, and given to the youth; that money must be taken away from heads of families in order to be given to the youth.

Mr. Fasser, the Manpower Administrator, has said that is where some of the youth money is going to come from. We are faced, therefore, with a crisis which is not near the end of this session, but is in 2 months, and the Members are going to have to decide today whether or not they are willing to meet that crisis by throwing in a monkey wrench in the form of the Esch substitute at this particular time to consider a very complex problem—that of consolidation into one of a comprehensive manpower program.

The Subcommittee on Equal Opportunities, which I head, has just concluded hearings throughout this country. We have heard from at least 15 different mayors of our cities, including the mayors of Detroit, Boston, and New York, and at least 10 other large cities. They all indicate they want the emergency employment program to continue. They do not want to be placed in the position of making the difficult, if not impossible choice of taking money from one group and giving it to another. Remember, 40 percent of those who benefited from the emergency employment fund have been veterans. Many of them have been disadvantaged, but they were veterans. We gave that privilege to these veterans. Do we want that to continue? Do we want this money to be taken away from heads of families and then given to the young people, or do we want to set up something for the young people in addition?

I recognize, as Mr. Esch in his "Dear Colleague" letter said, that he is giving $450 million annually to the youth under his proposal, but he did not say this was for all youth programs, not just for the summer programs, where at least twice this amount is needed. So his position in the "Dear Colleague" letter, I submit, has been very misleading. The chairman of the subcommittee has dealt very well, I think, with the deficiencies of the Esch proposal, and certainly it does have many deficiencies, but I submit that it certainly should be voted down.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

Mr. LATTA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 193, nays 209, not voting 31, as follows:

[Roll No. 104]

YEAS—193

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bergland
Bevill
Bingham
Blatnik
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Chisholm
Clay
Conyers
Cotter
Cronin
Culver
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Flood
Foley
Ford, William D.
Fraser
Fulton
Gaydos
Giaimo
Gilman
Gonzalez
Grasso
Green, Pa.
Gude
Hamilton
Hanley
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hillis
Holifield
Holtzman
Howard
Hungate
Hunt
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
Long, Md.
McCormack
McFall
McKay
McSpadden
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Roberts
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
St Germain
Sarbanes
Schroeder
Seiberling
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steele
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Udall
Van Deerlin
Vanik
Vigorito
Walsh
Whalen
White
Williams
Wilson, Charles H., Calif.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NAYS—209

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bennett
Biester
Blackburn
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Camp
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Fisher
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gettys
Ginn
Goldwater
Goodling
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hébert
Heinz
Henderson
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McKinney
Madigan
Mahon
Mailliard
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nelsen
Nichols
O'Brien
Parris
Pettis
Powell, Ohio
Price, Tex.
Quie
Quillen
Railsback
Rarick
Regula
Rhodes
Robinson, Va.
Robison, N.Y.
Rogers
Rousselot
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Towell, Nev.
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOT VOTING—31

Alexander
Biaggi
Boggs
Clark
Corman
Daniel, Robert W., Jr.
Dulski
Evins, Tenn.
Gibbons
Gray
Green, Oreg.
Griffiths
Hanna
Hansen, Wash.
Harvey
Jones, Ala.
Jones, N.C.
King
Maraziti
Mathias, Calif.
Morgan
Passman
Podell
Rooney, N.Y.
Ryan
Talcott
Teague, Tex.
Tiernan
Treen
Ullman
Waldie

So the previous question was not ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Morgan for, with Mr. Robert W. Daniel, Jr., against.

Mr. Gray for, with Mr. King against.

Mr. Rooney of New York for, with Mr. Mathias of California against.

Mr. Clark for, with Mr. Passman against.

Mr. Podell for, with Mr. Talcott against.

Mr. Waldie for, with Mr. Treen against.

Mr. Biaggi for, with Mr. Jones of North Carolina against.

Until further notice:

Mr. Corman with Mr. Maraziti.

Mrs. Boggs with Mr. Alexander.

Mr. Dulski with Mrs. Green of Oregon.

Mr. Gibbons with Mrs. Hansen of Washington.

Mr. Hanna with Mrs. Griffiths.

Mr. Ullman with Mr. Tiernan.

Mr. Teague of Texas with Mr. Ryan.

Mr. Jones of Alabama with Mr. Evins of Tennessee.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS OFFERED BY MR. LATTA

Mr. LATTA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Latta: In lieu of the language of House Resolution 360, insert the following:

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d)(4) of Rule XI to the contrary notwithstanding that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4204) to provide for funding the Emergency Employment Act of 1971 for two additional years, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against section 5 of said substitute for failure to comply with the provisions of clause 4, Rule XXI are hereby waived. It shall also be in order to consider without the intervention of any point of order the text of the bill H.R. 6710 if offered as an amendment in the nature of a substitute for the committee amendment in the nature of a substitute. At the conclusion of the consideration of H.R. 4204 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. LATTA. Mr. Speaker, this resolution is similar to the resolution that was just voted down on the previous question. It provides, however, for a waiver of points of order against section 5 for failure to comply with clause 4, Rule XXI, appropriation in a legislative bill, and makes in order the text of H.R. 6710, the Esch substitute.

Mr. Speaker, I move the previous question on the amendment.

The SPEAKER. The question is on ordering the previous question.

Mr. DOMINICK V. DANIELS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 157, nays 245, not voting 31, as follows:

[Roll No. 105]

YEAS—157

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Beard
Bell
Bennett
Biester
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Camp
Cederberg
Chamberlain
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conte
Coughlin
Dellenback
Dennis
Donohue
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Fisher
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Gilman
Goldwater
Goodling
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hébert
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Keating
Kemp
Ketchum
Landgrebe
Latta
Lott
McClory
McCloskey
McDade
McEwen
McKinney
Macdonald
Madigan
Mahon
Mailliard
Mallary
Martin, N.C.
Mayne
Michel
Miller
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moorhead, Calif.
Mosher
Myers
Nelsen
Perkins
Poage
Powell, Ohio
Price, Tex.
Quie
Quillen
Railsback
Regula
Rhodes
Robison, N.Y.
Rogers
Ruppe
Ruth
Sarasin
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Skubitz
Smith, Iowa
Smith, N.Y.
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Taylor, Mo.
Teague, Calif.
Thomson, Wis.
Thone
Towell, Nev.
Vander Jagt
Veysey
Wampler
Ware
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NAYS—245

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Baker
Barrett
Bergland
Bevill
Bingham
Blackburn
Blatnik
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Broyhill, Va.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Chappell
Chisholm
Clancy
Clawson, Del
Clay
Conlan
Conyers
Cotter
Crane
Cronin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Dorn
Downing
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Flood
Flowers
Foley
Ford, William D.
Fraser
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Ginn
Gonzalez
Grasso
Green, Pa.
Gross
Grover
Gude
Gunter
Hamilton
Hanley
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Holifield
Holtzman
Howard
Huber
Hungate
Hunt
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
McCollister
McCormack
McFall
McKay
McSpadden
Madden
Mann
Martin, Nebr.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Mills, Ark.
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Pettis
Peyser
Pickle
Pike
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rarick
Rees
Reid
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
St Germain
Sandman
Sarbanes
Satterfield
Saylor
Schroeder
Seiberling
Shipley
Shoup
Sikes
Sisk
Slack
Snyder
Staggers
Stanton, James V.
Stark
Steed
Steele
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, N.C.
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waggonner
Walsh
Whalen
White
Whitten
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex
Zablocki

NOT VOTING—31

Alexander
Biaggi
Boggs
Clark
Corman
Daniel, Robert W., Jr.
Davis, Wis.
Dulski
Evins, Tenn.
Gibbons
Gray
Green, Oreg.
Griffiths
Hanna
Hansen, Wash.
Harvey
Jones, Ala.
Jones, N.C.
King
Maraziti
Mathias, Calif.
Morgan
Passman
Podell
Rooney, N.Y.
Ryan
Talcott
Teague, Tex.
Treen
Waldie
Wilson, Charles H., Calif.

So the previous question was not ordered.

The Clerk anounced the following pairs:

Mr. Rooney of New York with Mr. Maraziti.

Mr. Morgan with Mr. Talcott.

Mr. Clark with Mr. Alexander.

Mr. Dulski with Mr. King.

Mr. Evins of Tennessee with Mr. Davis of Wisconsin.

Mr. Gray with Mr. Treen.

Mrs. Green of Oregon with Mr. Biaggi.

Mr. Podell with Mr. Hanna.

Mr. Teague of Texas with Mr. Robert W. Daniel, Jr.

Mr. Waldie with Mr. Mathias of California.

Mrs. Boggs with Mr. Ryan.

Mr. Passman with Mr. Charles H. Wilson of California.

Mr. Gibbons with Mr. Corman.

Mr. Jones of Alabama with Mrs. Hansen of Washington.

Mr. Jones of North Carolina with Mrs. Griffiths.

The result of the vote was announced as above recorded.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am opposed to the Latta amendment.

Mr. Speaker, in the event the Latta amendment is adopted, I shall ask the House to vote down the rule because I do not believe the House today is in the mood to vote on this bill.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, as I understand it, the parliamentary situation at this time is that because of the defeat of the previous question, a motion on the previous question, we are right back to the Latta amendment for more debate; am I correct in my understanding?

The SPEAKER. The gentleman is correct. The gentleman from New Jersey has control of all time.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask for a vote on the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Ohio (Mr. Latta).

The amendment was rejected.

The SPEAKER. The question is on the resolution.

Mr. DOMINICK V. DANIELS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The resolution was rejected.

PARLIAMENTARY INQUIRY

Mr. MATSUNAGA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MATSUNAGA. Mr. Speaker, there appears to have been a bit of confusion. The parliamentary situation now, as I understand it, is that the Latta amendment to the rule was voted down, and so we are now back to the rule?

The SPEAKER. No. We are now back to some other legislation.

FEDERAL-AID HIGHWAY ACT OF 1973

Mr. WRIGHT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Mr. Speaker, what is the parliamentary position? Was a motion to reconsider the vote by which the rule was rejected laid on the table?

The SPEAKER. It was not.

The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 502, with Mr. Udall in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from Texas (Mr. Wright) had 45 minutes remaining and the gentleman from Ohio (Mr. Harsha) had 1 hour remaining.

The Chair recognizes the gentleman from Ohio (Mr. Harsha).

(Mr. HARSHA asked and was given permission to extend his remarks at this point in the Record.)

Mr. HARSHA. Mr. Chairman, even the proponents of the Anderson amendment allege that not necessarily all of the $700 million to be authorized for the Federal aid urban highway system would be used for mass transit. Just how much would be used no one seems to know. They all, I believe, will admit if it were all used it would not be sufficient to meet the mass transit needs. As a matter of fact, the Department of Transportation's National Transportation Report of 1972 says $63 billion are needed for mass transit, exclusive of operating subsidies for the period from 1970 to 1990. So obviously there is not enough money in the Federal aid urban highway program to resolve the needs for rail mass transit. This means that you neither solve the mass transit needs nor the needs of the highway improvements program.

Obviously there must be something else behind this desire to open the highway trust fund for mass transit. The administration has made its position clear in that regard. In the administration's original Transportation Revenue Sharing Act of 1971 which was introduced in the other body as S. 1693, there were provisions for taking about $2 billion per year out of the highway trust fund for any transportation activity, including the construction, acquisition, and purchase of equipment and operating and maintenance of transportation systems. In other words behind the scenes the plan is to divert the highway trust fund money not only for construction of mass transit facilities but to use it for subsidizing transit fares and operating and maintenance costs.

In addition to that the administration's proposal at last Congress would have terminated the entire Federal aid highway program, except for the Interstate System. Under the administration's proposed concept of special transportation revenue sharing, the highway trust fund could even be used to finance the development of the SST.

Again, in the Department of Transportation's National Transportation Report of 1972, the Department states that it supports making trust funds available for the local governments for operating subsidies, and I submit, Mr. Speaker, that is the ultimate effort behind the Department's move to divert the highway trust fund money.

Needless to say, an effort to subsidize mass transit operating and maintenance costs would be a never-ending one which would surely and quickly take all of the funds, and more, in the highway trust fund.

Dr. George W. Hilton, a respected transportation expert from UCLA, in his text before the House Transportation Subcommittee on March 23, 1973, stated, and I quote:

> The present popularity of rapid transit lines is invariably short lived. The demand is a political one as distinct from a market demand . . . Fixed rail transit will not reduce traffic congestion, reduce atmospheric pollution or increase the mobility of the poor, the young or the aged . . . By facilitating the building of rail transit lines, Congress would assist the building of facilities which are incapable of producing benefits which are sought of them . . . Funds that are being put into rail transit systems will be looked upon retrospectively as waste.

One other point I would like to make, Mr. Chairman, is this: Many of us are concerned, and properly so, with the rising food costs. In this respect, the proposed curtailment or abandonment of 800 miles of mainline track of the Penn Central Railroad and plans to abandon 5,000 miles of other railroad track, together with efforts of the railroads of the Northeastern section of the United States to consolidate lines and abandon mainline tracks, throws an inordinate burden on our already overburdened highway system and leaves the highway system as the sole source of method of moving goods and services. If the highways are unable to move the goods and services in and out of a community, the community will not be able to receive its goods and services. In addition those people providing goods and services will have to rely solely on truck transportation.

This industry is not regulated and the cost of transportation is governed by economic factors. When the demand for goods and services is high and the facilities to provide the necessary transportation are scarce the costs of such transportation greatly increases, thereby increasing the cost of such goods and services to our citizens. As an example in point, there appeared in the Washington Post on March 22 of this year an article directly relating to this discussion. The farms in Montgomery County, Md., raise both dairy and beef cattle which are fed on hay. Due to a shortage of hay it was necessary to go to the Midwest, Ohio in fact, to purchase the hay. They did so for $10 a ton in Ohio, but the delivered price for Ohio hay in Maryland was $65, the $55 difference being primarily transportation costs. Obviously this was reflected in the price of milk, dairy products, and beef.

As more railroads are abandoned and the highways degenerate in the rural areas, this situation will become far worse, and food prices will continue to climb. This is another reason, Mr. Chairman, why highway improvement funds must not be diverted for mass transit facilities.

In addition, Mr. Chairman, traffic into central business districts during the peak rush hours in the morning and again in the evening represent no more than 5 percent of the total traffic patterns in metropolitan areas. It makes little sense to me to spend a large portion of funds, diverted from highway improvements, and jeopardize the mobility of 95 percent of the traveling public for the benefit of 5 percent. In addition thereto, the movement of people in peak rush hours does not take into consideration the transportation of goods and services. When you jeopardize the movement of goods and services into and out of a community you jeopardize as well the community services, such as ambulances, police, emergency vehicles, et cetera, both in the central business district and the entire metropolitan area. This, Mr. Chairman, does not seem to be a prudent investment.

Mr. Chairman, word has reached me that spokesmen for the administration have been contacting Members of Congress, suggesting that diversion of highway trust fund moneys will have no impact on the Federal-aid highway program. They argue, I am told, that the diversion which would be authorized by the so-called Anderson amendment would apply only to cities; that only $700 million of the $6 billion annual revenues of the highway trust fund would be involved; and that diversion would in no way reduce authorizations for other highway programs.

I take issue with this view. The National Transportation Report, submitted to the Congress last year by the Department of Transportation, estimated that between now and 1990, $600 billion would be required to meet essential highway needs—those which will have to be financed with Federal funds.

The highway trust fund, however, during this period, will raise only $135 billion—a sum less than half of the amount needed to finance even the essential highway needs set forth in the report.

A second fallacious argument made by mass transit proponents is that there is a surplus of money in the highway trust fund which is just sitting there doing nothing and which could be fruitfully utilized by the cities for mass transit purposes. Nothing could be further from the truth. At the close of fiscal year 1973, the balance in the highway trust fund will be $5.4 billion. Arrayed against this, will be unpaid obligations in the amount of $7.7 billion. The cash balance in the highway trust fund would undoubtedly be less and the obligations more if the $2.6 billion of funds presently impounded by the administration had been released. What this means is this: If the highway program were to be closed out tomorrow, there would not be enough money to liquidate obligations already incurred, let alone finance other programs.

From the foregoing, it does not take a mathematician to see that any diversion of trust fund moneys for nonhighway purposes will further aggravate an already difficult situation. Diverting up to $700 million from the highway program for mass transit will mean that there will be $700 million less for meeting the highway needs of urban areas. By doing this, we will end up meeting neither the mass transportation needs of our cities, nor their highway needs. In the long run, as surely as night follows day, the pressure will increase for yet more money to be diverted to the cities for both mass transit and for their diversion-starved highway programs. Such moneys will have to come from the rural highway program and from the Interstate program because there is only one trust fund available and its revenues are limited.

I hope these facts have set the arguments of administration highway opponents in perspective for you.

Mr. Chairman, I wish to address myself to title II of S. 502, as reported by the Committee on Public Works, the Highway Safety Act of 1973, which I authored and which was cosponsored by every member of the Public Works Committee.

We are a crisis-oriented society. Like the ostrich, we hide our heads in the sand until an earth-shattering occurrence shakes us from that position. Then we marshal our tremendous talents and resources—and, yes, good old American ingenuity—to solve the crisis. We proved, as an example, what could be done when Sputnik jostled our heads out of the sand of indifference over a decade ago.

We are constantly having our attention called to crises either here in America or elsewhere in the world. The crash of a large aircraft, for instance, commands the attention of all who read their newspapers and who listen to radio and television newscasts. It is a tremendous and sorrowful tragedy.

When Managua, Nicaragua, experienced its devastating earthquake, the whole world took notice and sent its sympathy and its assistance.

I can reveal to you today that a crisis far outweighing the Managua earthquake—or, for that matter, the deaths and suffering generated by any single disaster in world history—is occurring right now in America.

To approach the dimensions of this disaster, we would have to look at the great plague of London, which in 1665 claimed the lives of 68,000 people.

The great American plague is here and threatening to brutally annihilate over 56,000 men, women, and children this year alone.

The plague I am talking about will kill 1,000 people on our Nation's highways this week. And not only will it kill, but it will maim as well, without regard to age or position in society.

Our committee has heard many knowledgeable witnesses tell about the severity of this highway carnage. I cite here testimony by National Safety Council President Howard Pyle, to focus in closer on the catastrophic consequences of letting this plague run its course.

According to Governor Pyle, 1972 records will show 56,300 deaths, 2 million disabling injuries, and a cost of $17½ billion as that year's traffic accident toll.

But that is just part of an even more devastating picture. Governor Pyle went on to tell us what will happen if we do not arrest this horrendous trend:

> If we continue this present rate of highway deaths during the remainder of this decade about 600,000 persons will lose their lives, over 20 million will be seriously injured and the economic waste will approach 200 billion dollars."

Who are these 600,000 persons who might die during this decade? 18,000 will be under 5 years of age; 40,000 from 5 to 14 years old; 188,000, 15 to 24 years old; 157,000, from 25 to 44 years of age; 107,000, in the age range of 45 to 64 years; and 90,000, 65 years of age and over.

Where will these accidents occur?

According to testimony before our committee approximately 70 percent of total deaths are on rural two-lane highways, twice as many as on any other category of road. These highways are even more dangerous at night. Specifically, they are six times more dangerous to drive on at night than on urban streets in the daytime.

Federal Highway Administration figures show that the annual increase in rural road travel was the highest in 1971 since 1954. More significantly, from these statistics we can project that for each additional 100 million miles of travel on these highways we will suffer more than twice as many deaths and injuries as on any other type of road.

In many cases the two-lane rural roads are underdesigned for the traffic they now carry. But reconstruction of these roads is a long-term and costly process. It is possible, however, with relatively small expenditures, to significantly upgrade their safety potential. The action programs in title II of S. 502 are safety improvements which will do much to improve the conditions that so evidently cause accidents.

Can this bill really improve safety on our Nation's highways? According to William L. Sacks, executive director of the Highway Safety Foundation in Mansfield, Ohio, the answer is a decided yes.

Let me share with you a brief portion of his testimony.

> The answer is not complex. On the Interstate System the driver is essentially relieved of making and executing all decisions with respect to pedestrians, crossroad traffic, signals, opposite direction passing and mid-block points of access and egress. His decisions with respect to passing, destination recognition, roadway entrance and departure, closeness of adjacent vehicles, etc. are all greatly simplified. For the most part, superior pavement markings are found on the Interstate System, not only between the lanes but along the edges. At-grade railroad crossings are essentially non-existent. Atlhough many mistakes were made, the higher design standards with respect to curves and hills, lane widths and shoulder widths, eliminated many potentially hazardous locations.
>
> Thus we have some precedent for projecting the success of work completed through the provisions of this act. We are not dreaming. Instead, we will again be simplifying driver decisions, not so much by design and construction of roadways, but by provision of proper control mechanisms and guidance features.

Programs for spot improvements and pavement markings will begin producing results almost immediately. This is important because, as Will Sacks also testified:

> For the most part, we have been juggling numbers to gain those inferences that say "proceed." Some may take issue with this methodology but to those so inclined, take heed: At present we are not juggling numbers but, instead, lives.

In conclusion, let us ask ourselves some fundamental and important questions. First, is there a problem? The answer is an unchallengeable "yes." Look, for example, at what we consider to be the Nation's—and the world's—great disasters. In 1906, during the San Francisco earthquake, 452 people lost their lives. During the Chicago fire, total deaths were approximately 250. In the Coconut Grove Nightclub fire in 1941, loss of life was 491. The greatest single disaster in world history, a tidal wave on the Yangtze River following an earthquake, killed approximately 20,000. Vietnam war deaths can barely hold a candle to the annual slaughter on our Nation's highways. Yes, this is the great American plague and it is growing worse each year. The carnage is devastating. It must be halted.

Second, is there sufficient proof that something significant can be achieved? Again, an affirmative response. Testimony before our committee did indeed reveal more than sufficient proof that by concentrating on a few highway-related problem areas—such as improved markings, elimination of high-hazard locations, removal of roadside obstacles, protection of railroad crossings, and reconstruction or replacement of dangerously deficient bridges, can substantially reduce deaths and severe injuries. All of these programs are contained in this legislation.

Third, how many lives can we expect to save through implementation of these and other measures contained in the Highway Safety Act of 1973? Though the estimates vary depending on the statistical approach and methodology used, there is wide agreement that the number of lives saved will be substantial. The committee believes that 8,000 to 10,000 lives annually is a reasonable expectation. These estimates are based on the interaction of the various programs contained in the bill.

This does not take into account a most important, if not the most important, feature of the bill, which relates to incentives to the States for compliance with highway safety programs.

Where mandatory seat belt laws have been adopted, fatality reductions exceeding 25 percent have been achieved. At a minimum, a 25-percent reduction would represent a saving of 10,000 lives each year in this country. S. 502 provides substantial incentives to encourage the States to adopt such laws. It also provides additional incentives to those States which make the most progress each year in reducing fatality rates on their highways.

In combination, these two provisions should encourage the implementation of the kind of safety programs which could reduce the annual highway slaughter by 20,000 or more each year.

Ladies and gentlemen, knowing these facts, you must act affirmatively on this legislation. We cannot let 20,000 Americans die because of our reluctance to act—and act now.

(Mr. MIZELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MIZELL. Mr. Chairman, I rise at this time to express my strong commitment to keeping intact the highway trust fund, which will provide the bulk of financing for this Federal-Aid Highways Act.

Again this year, just as last year and in the last several years, efforts are being made to stage a massive raid on this trust fund, which has been so instrumental and so valuable in the construction and maintenance of an excellent system of interstate and other federally assisted highways.

The leaders of this trustbusting effort have as their goal a reallocation of this fund to finance urban mass transit systems as well as highway construction, but the effect of this dilution of resources would be to make impossible the adequate financing of either the highways or the rapid transit systems.

As a member of the Committee on Public Works and its Subcommittee on Transportation, I have taken an active interest in protecting the highway trust fund, and I am committed to its protection now as much as ever before.

The Senate has adopted a proposal allowing $2.5 billion from the trust fund to be allocated to urban mass transit systems over the next 3 years, and there are now similar proposals being offered in this body.

These proposals are most distressing to me, Mr. Chairman. We are literally the keepers of a public trust, which we as a body assumed 17 years ago with the creation of this fund.

The foundation of that trust was that we would employ highway user taxes to benefit highway users, by constructing a system of Interstate highways that would—and has—greatly improved America's transportation capabilities.

With the legislation we have before us today, we expand this work to include construction of 10,000 miles of primary roads to connect with the Interstate network and make it more easily accessible from more places.

None of us denies that there are tremendous and urgent problems associated with urban mass transit requirements. We have been working on those problems with a high degree of intensity and commitment since 1964, with the passage of the Urban Mass Transportation Act, and we have spent millions of dollars in studying the problems and implementing improvements in mass transit capabilities.

Certainly there is more to be done in this area, and the legislation we have before us today provides $3-billion to help meet our responsibilities and our goals for mass transit.

Raiding the trust fund for additional revenues will not provide the solution to the mass transit problem. It will not significantly improve mass transit systems in America's major cities; there is not enough money in the fund to do that. But it would significantly impair the highway construction and maintenance effort we have already begun and which we seek to expand.

Therefore, I strongly urge my colleagues to join me in voting to protect the highway trust fund, to keep it intact, and to keep faith with the millions of Americans who have paid the highway user taxes that have sustained this fund.

There can surely be a peaceful coexistence of mass transit systems and highway systems without jeopardizing the efforts we are making with the current legislation to provide adequately for both.

This, my colleagues must agree, is the most responsible and realistic course for us to follow.

(Mr. DON H. CLAUSEN asked and was given permision to extend his remarks at this point in the RECORD.)

Mr. DON H. CLAUSEN. Mr. Chairman, we are taking up the highway bill today after many months of debate on the concepts involved. Unfortunately, much of the debate has been based on a total lack of understanding of what we need in the way of a balanced national transportation system.

The development of a modern, efficient system of highways since 1956 when we began the interstate highways has enabled us to achieve a degree of national economic integration that was undreamed of before the potential became reality.

To detail the benefits of this system is far beyond the scope of our debate here today. Suffice it to say that our food markets carry goods from every part of the Nation during every season of the year; our colleges and universities have students enrolled who can only afford to attend because they can live at home and commute to the campus; and, our growing leisure time is more rewarding and safer because of the mobility our highway system provides.

This highway network was developed because it was funded through an adequate, positive method of finance. To eliminate this positive financing mechanism would destroy the concept and bring about a serious reduction in our transportation capability.

In addition, our long-run economic potential would be severely reduced at a time when we can least afford it.

I refuse to accept the impression many are trying to convey that those of us who support the highway trust fund are unsympathetic to the need for public transportation and particularly for public rail mass transportation.

Let us understand first of all the very narrow limits of the benefits from rail mass transit. For one thing, the benefits would be limited to the largest of the metropolitan areas.

Also, rail mass transportation carries only people. These riders are primarily those commuting between their homes and their work. Rail mass transportation does nothing at all to help in the movement of freight and it also overlooks the question of how to provide for utility, public and business services which depend entirely on the highway and street network—services which are absolutely essential.

Recognizing these limitations, I support provisions in the highway bill authorizing the Federal share of fixed rail facilities in metropolitan areas from the general fund when requested by local officials in lieu of a highway project.

This approach preserves the integrity of the highway trust fund while recognizing the need our major cities have for financial assistance when they make the decision to go ahead with a rail transit system.

Actually, in my judgment this approach does not go far enough. I have suggested a third trust fund for urban area transportation systems to complement the existing highway and airports and airways trust funds. I hope this is the direction we will be going.

Diversion of the resources of the trust fund would be totally irresponsible in light of the Department of Transportation's own highway needs study which projects that between now and 1990 we will need about $600 billion to take care of the Nation's highway needs. Half of this amount, $300 billion, is considered absolutely essential.

These figures compare with the roughly $125 billion in revenues expected to be generated by the highway trust fund. In other words, we should be doing more—twice as much—rather than less.

I can assure every Member of this body that funds diverted for rail mass transit will not reduce in the least the ultimate highway needs we are going to have to fulfill.

In rural areas, where automobiles are the primary and perhaps sole means of transporting people from point to point, public mass transit will contribute little to alleviating transportation problems. And, if rural areas do not contain most of our people, they contain most of the miles of highways we travel.

There is a staggering backlog of highway needs. None of which are luxuries because we are talking of new bridges to replace those which are utterly anachronistic, the elimination of high hazard locations, separation of grade crossings where train tracks meet roadways and, of course, completion of the highway system.

The highway trust fund has allowed us to make great progress. Today the death rate on our highways is 4.5 per 100 million miles of motor vehicle traffic. In 1962 it was 5.3; in 1952 it was 7.4 and in 1936 it was 15.1.

Even so, I doubt if many know that the 3.8 million miles of highways in this country represent only an 18-percent increase in mileage since 1921. Even more interesting is the fact that less than half of this mileage is paved road.

S. 502, as approved by the House Public Works Committee will help continue the progress we have made in making our highways safer and more functional. It represents a very honest and, I think, very successful effort to be responsive to the needs of the country.

I would like to outline a number of the ways we have attempted to meet our social and economic needs. First, if my colleagues will permit me to discuss a subject I have discussed here many times, is the question of overpopulation which I believe is more aptly described as overconcentration.

The problem of traffic congestion, perhaps, can be alleviated to some extent by new and improved rail public transportation facilities in the metropolitan areas. But, from the long-range viewpoint, motor vehicles, highways and the highway-related public transportation systems constitute the only hope for a real solution to the problem of population congestion trends that must be checked and hopefully reversed.

The only sensible answer to overconcentration is dispersal of population. Migration to metropolitan areas must be stopped—and reversed.

S. 502 as amended by the Wright-Clausen amendment makes permanent the concept of "economic growth center" highways to encourage development in those areas that have the potential for planned, economic growth with emphasis on the need to reverse the flood of people pouring into our existing metropolitan centers.

While outmigration has been primarily a problem for the Midwest and South, there are nearly 18,000 cities with populations of less than 2,500 for which economic growth and/or stability is necessary.

Overconcentration is readily apparent to those of us from California. There used to be a great immigration to the State but the result very clearly was a deterioration in the quality of life. Because of this we are now witnessing a more stabilized situation and there are some indicators which suggest the possibility of a trend toward overall outmigration.

In each of the counties of the Redwood Empire, we have a program of coordinated land use planning working toward a balance between the "green-belt, open-space" concept of agricultural usage with the areas for cities and towns. We are determined to maintain the high quality of living conditions by decisions and directions that will avoid the problems of the congested Bay Area and the Los Angeles Basin.

This legislation reflects our continuing objective to maintain the highest quality of life in coordinating wise land-use management with transportation policies. We are addressing ourselves to a key factor of developing the best balanced and integrated transportation system our transportation and traffic engineers can devise.

Additionally, our goal is to achieve the best attainable and reliable air transportation system that can be coordinated with the best highway-related public transportation system in our urban communities and improved, safer, more efficient and functional highways in the rural areas of the six counties of our First Congressional District.

For the first time, we have included in this bill a provision for Federal assistance in the development and construction of bicycle trails and paths as well as preferential lanes for cyclists. The provision is virtually identical to the bill I introduced on the subject last month and authorizes these bicycle lanes in conjunction with Federal-aid highways as well as on other public lands such as national forests, parks, and Indian reservations.

The bill also authorizes the initiation of a National scenic highway system study to consider the feasibility of creating scenic highways developed on esthetic grounds and selected as a means to link together areas of historic, recreational, scientific, and scenic importance.

I strongly support the committee report on this subject and its endorsement of the "Yellowstone to the Redwoods" scenic route which would connect the oldest national park at Yellowstone with the Redwood National Park which was the most recently created.

The bill as reported authorizes $170 million for forest development roads and trails which more than doubles the authorization contained in the Senate bill and which more fully recognizes the increasing need for these access roads.

This provision is particularly important to northern California since the area relies on tourism as an important segment of its economy. We have vast areas of public lands available for fishing, camping, and other compatible recreational activities.

There are some 6 million acres of public lands in the backyard or immediately to the east of our beautiful redwood empire in California. This can and will provide recreation unlimited for many Americans seeking that unparalleled experience in the mountains, rivers, and forests of northern California. It is truly America's family playground.

During my time of service on the Public Works Committee, for over 10 years now, I have heard indepth testimony on economic development highway legislation, harbor system development, and now mass transit. In addition, I, having an extensive aviation background, was heavily involved in the airport-airways trust fund legislative efforts.

As a result, I have been privileged to obtain a great deal of experience and information in all segments of transportation—land, sea, and air.

Therefore, I am dedicated to using transportation systems that are coordinated, integrated, and balanced to bring about a more balanced population pattern in America and the resultant improvement in the quality of life for all Americans.

A number of people have heard me comment in depth, on the concept of "reverse migration" through the establishment of a program of fiscal and institutional decentralization and the revenue allocation formula revisions that will make it possible—particularly in the transportation field.

In order to carry out such a massive long-range program, however, three requisites must be met.

First, the scope and the resources involved demand the strength and backing that only the Federal Government can supply.

In the United States today, 70 percent of Americans live on only 2 percent of the land. What this means, in human terms, is that 142 million people are living on 74,000 square miles—in a country of over 3 million square miles.

Congestion of this kind is unquestionably a contributor to many of the problems we face: Poverty, crime, drugs, youth rebellion, ecological abuses. It has led many American leaders to believe that the Nation's environmental problems are definitely related to this lopsided imbalance of population and resource utilization.

The solution, we believe, is the decentralization of our growing population. The geographical dispersal of people and industry to achieve a better balance of both population and resources.

Great reliance must be placed upon good highways and a smoothly functioning highway transport system. Only highway transportation has the flexibility that can make dispersal practical—linking industrial complexes and communities with the rest of the Nation. Only highway transportation can facilitate the flow of both goods and people that would support such a program.

When 70 percent of our people live on only 2 percent of the land, correcting the imbalance is not just the geography of relocation.

In our opinion, it could prove to be the geography of our survival.

In order to place the State of California's official position into the RECORD of this debate, I herewith read the contents of a wire I received today:

SACRAMENTO, CALIF.,
April, 17, 1973.

Hon. DON H. CLAUSEN,
Capitol Hill, District of Columbia:

This concerns the Federal-aid Highway Act which will be debated in the House and go to floor vote Monday, April 16.

We recognize that differing views exist on how to marry provision for highway and transit financing into Federal law. The following points focus on this issue and reiterate California's position provided you in recent letters, statements and testimony.

1. Strong support for increasing UMTA capital improvement grants for transit development from the general fund.

2. Strong support for maintaining interstate funding level of 4 billion dollars to assure early completion of this system of national significance.

3. Strong support for comprehensive reassessment of Federal transportation roles based on multimodal system planning efforts now under way before:

A. Substantial expansion into new programs is undertaken.

B. The state's role is seriously impaired by Federal "pass through" provisions.

JAMES A. MOE,
Director of Public Works,
State of California.

In order to relate my comments to the contents of the Wright-Clausen amendment, and the committee-passed bill now being considered, I want to repeat the substance and a summary of both:

(1) Permissive substitution by an urban area of mass transit facilities including rails and/or rolling stock in lieu of highway improvements under the Urban system. Funds for such purpose would be made immediately available by the Secretary in advance obligational authority against General Revenues. This would give urban areas exactly the same flexibility they would have under the Cooper-Muskie version and the Senate bill. The only difference is that such moneys would come from General Revenues and not from the Highway Trust Fund.

(2) Inclusion of $3 billion as provided in the Senator Williams amendment for capital improvements to mass transit, to be funded on an 80-20 matching formula as proposed in the bill reported last year by the House Committee on Banking and Currency.

(3) A Highway Safety title identical to the provisions of H.R. 2332 introduced this year by Bill Harsha and co-sponsored by every member of the Public Works Committee.

(4) Flexibility for the states in optional inter-program transfers of highway funds (in other words, if a given state needs more money for rural roads and less for urban expressways, or vice versa, it would have the flexibility to make such transfers within given limits).

1. There simply isn't enough money in the Trust Fund for both. If that amendment should prevail, both programs will be short-changed.

2. It would set a precedent of Trust Fund diversions which could be disastrous to the long-range solution of our nation's highway needs. Already one HUD spokesman has suggested diverting highway moneys to urban housing projects.

3. The committee bill, without amendment, is generously responsive to the needs of cities. About three-fourths of all authorizations in the bill already go to cities, and two-thirds of the Trust Fund moneys.

4. The bill already gives cities the flexibility to substitute mass transit for urban highways. Only difference is that this money would come in advance contractual authority out of general revenues.

5. Under the committee bill, released highway money would go back into the Fund for redistribution to all the other cities and states. The amendment would deny them this money. It would deny the majority for the dubious benefit of the few.

6. The bill already authorizes an additional $3 billion expressly for mass transit. With this, it would seem unnecessary to rob highway moneys for mass transit needs.

THE HIGHWAY BILL—WHAT'S IN IT FOR WHAT—AND WHY

1. *What's in it for highway construction?*

$3.5 billion annually for completion of the Interstate System.

$1.1 billion a year for urban roads ($700 million of this for Urban Highways and $400 million for Primary and Secondary improvements in urban areas).

$1.1 billion a year for Primary and Secondary work in rural areas ($700 million of this for Primary and $400 million for Secondary).

$100 million a year for Urban High-Density routes.

$150 million a year for Economic Growth Center highways to serve medium-sized cities.

$300 million for Priority Primary system—where growth of traffic forecasts need for upgraded design.

2. *What's in it for local Mass Transit systems?*

$3 billion in new and additional authorizations to UMTA (one billion a year if considered for three years) for capital investments under a new 80/20 matching formula (the old formula was two/one).

Also, a new system of local flexibility permitting a city to substitute all or part of its Urban Highways money for Mass Transit investments (either fixed rail or rolling stock or bus operations). This would be made available in *advance obligational authority* against General Revenues. The $700 million earmarked for Urban Highways would be available for such optional use.

The same identical flexibility to substitute Mass Transit for monies involved in any part of the *Interstate System* which a city does not desire to build and which it can demonstrate as being unnecessary to the completion of a national Interstate network.

(At least two-thirds of the $3.5 billion annual allotment to Interstate completion is for work *within the urban areas.*)

Use of any Interstate, Primary, Secondary or Urban money wherever the need exists for construction of *Preferential Bus Lanes* (such as the one on the Shirley Highway) and *Fringe Parking Facilities* to assist in converting daily automobile commuters to use of public transportation facilities.

The bill also authorizes the free use of land in highway median strips and rights of way by local Public Transportation Authorities for the establishment of fixed rail or elevated facilities.

Additionally, the bill provides $75 million for completion of a long-needed national study of Mass Transit needs, including methods of financing, fare structures and possible means of operating subsidization.

3. *What's in the bill for cities, then?*

Clearly the lion's share of the annual total which the bill authorizes will go to the nation's cities. Considering the preponderance of the remaining work on the Interstate which is earmarked for urban use, the setting aside of exactly one-half of the regular 70/30 money for use within the cities, and the availability for redistribution of Trust Fund monies where Mass Transit substitutions are made, it is clear that approximately *two-thirds of all monies coming from the Trust Fund will be for use within the cities.*

When we add the *General Fund* revenues authorized for Mass Transit, the cities will get more than *three-fourths* of the total authorizations contained in the bill.

4. *What's in it for Highway Safety?*

Most highway improvements serve safety. Better highways save lives. On the Interstate System, for example, the death toll—measured per million passenger miles traveled—is *less than half* that suffered on roads in general.

In particular, this bill contains authorizations of more than $1 billion annually which are *specifically directed* to safety needs. These include such new programs as replacement of obsolete bridges, re-design of high hazard locations, removal of roadside obstacles and hazardous rail-highway crossings. Approximately four-fifths of this money comes from the Trust Fund, the remainder from General Revenues.

Unquestionably, this is one of the major features of the bill. The highway accident is the number one cause of violent death in the United States. Last year 55,000 Americans lost their lives to highway fatalities in this country—more than were killed in all the years of the Vietnam war combined! Considered in this light, Highway Safety clearly deserves the high priority which it is given in this bill.

SUMMARY OF MAJOR PROVISIONS OF FEDERAL-AID HIGHWAY ACT OF 1973, AS REPORTED BY HOUSE COMMITTEE ON PUBLIC WORKS, APRIL 15, 1973

The 1973 highway legislation approved by the House Public Works Committee would extend most of the existing Federal-aid highway programs for another three years and provide $18.276 billion in new spending authority for highway construction and $4.295 billion for an enlarged highway safety program.

About $20 billion of the authorized spending would come from the Highway Trust Fund, which is financed through highway-related taxation, such as gasoline, oil and tire taxes. $3 billion would provide mass transit grants for urban areas from the general revenue, and about $2.5 billion would be available for other programs and projects, also from general revenues.

Principal provisions of the Committee bill, which is subject to amendment on the House floor, include:

INTERSTATE HIGHWAY SYSTEM

Funding authority for completion of the 42,500-mile System by June 30, 1979, with allocations from the Highway Trust Fund to be made as follows:

$3.5 billion for each of the fiscal years 1974 through 1978, and $2.5 billion in fiscal year 1979, of which $12 billion is authorized in existing law.

Authorizations for 1974, 1975, and 1976 had been set in the 1970 Highway Act at $4 billion annually.

80% of the Interstate System, or about 34,000 miles, is now open to traffic. On completion of the remaining mileage with authorizations through 1979, the Interstate System will have cost an estimated $76.3 billion based on present estimates.

The deadline for States to schedule the construction of their remaining Interstate segments is extended in the Committee bill from July 1, 1973, to July 1, 1974.

URBAN MASS TRANSIT

Authority for $3 billion in contract authority for Federal grants for capital investment in mass transit facilities to be financed from the Federal Government's general revenues, leaving the Highway Trust Fund intact for highway purposes only. The bill sets no time limit for distribution of the grants, but the entire amount would become immediately available for obligation on enactment of the legislation.

This $3 billion authorization is in addition to $3.1 billion already authorized for such grants under the Urban Mass Transportation Act of 1964, much of which has been obligated.

Urbanized areas would be permitted to "trade" their Federal aid urban systems allocations and allocations for "controversial" Interstate segments for an equal dollar amount of mass transit grants from the general revenues. The grants could be used to build rail lines or to buy rolling stock for any mode of public transportation. The money originally earmarked for the "traded" highway projects would remain in the Highway Trust Fund for highway purposes.

NON-INTERSTATE FEDERAL-AID HIGHWAYS—URBAN AREAS

For extension of primary and secondary highways in urban areas (the so-called "C" system) $400 million annually for fiscal years 1974, 1975, and 1976.

For the urban highway system, such as arterial highways within an urban area (the so-called "D" system), $700 million annually for fiscal years 1974, 1975, and 1976.

The urban total of $1.1 billion annually would come from the Highway Trust Fund.

NON-INTERSTATE FEDERAL-AID HIGHWAYS—RURAL AREAS

For primary road systems in rural areas (the "A" system), $700 million annually for fiscal years 1974, 1975, and 1976.

For secondary road systems in rural areas, (the "B" system), $400 million annually for fiscal years 1974, 1975, and 1976.

The rural total of $1.1 billion annually would come from the Highway Trust Fund.

PRIORITY PRIMARY SYSTEM

$300 million annually for fiscal years 1974, 1975, and 1976, to be taken from the Highway Trust Fund for improvement of not more than 10,000 miles of heavily-travelled sections of Federal-aid primary highways which connect to the Interstate System in both rural and urban areas.

The highway sections to be improved under this provision would be selected by the various States from 66,000 miles of primary highway designated by the 1968 Highway Needs Report of the Department of Transportation as most urgently needed.

These priority roads would be built to the highest standards required for the traffic they would handle, but need not be built to Interstate standards. They could be two or four-lane roads, or high-capacity city streets which could be upgraded or redesigned as an alternative to the construction of new freeways.

TRANSFERABILITY

The Committee bill would permit a State to give up a planned segment of Interstate Highway in one section of the State and use that allocation from the Trust Fund for Interstate mileage in another part of the State. Alternatively the Secretary of Transportation may determine that the unused allocation may be transferred to another State or States where there is a more pressing need.

A bill provides for 50 percent transferability of funds between the Federal-aid rural and primary highway systems and 50 percent transferability between urban extensions of the primary and secondary systems and the urban system.

The bill does NOT authorize any transfer of Federal-aid funds between the urban and rural highway systems.

EARMARKING OF URBAN SYSTEM FUNDS

The Committee bill requires the States to earmark a share of its urban system funds for incorporated municipalities with a population of more than 400,000. This provision would guarantee each such municipality a percentage of the State's urban system funds based on the relation of the municipality's population to the State's entire urbanized population. The 1970 Census showed 33 such municipalities in the United States, including San Juan, Puerto Rico.

A sum of $20 million for each of fiscal years 1974, 1975 and 1976 is authorized from the Highway Trust Fund, to be allocated among the ten states bordering the Mississippi River, for construction and reconstruction of a scenic highway along the Mississippi from the Gulf of Mexico to Lake Itasca in Minnesota. The 2,000 miles of its length utilizes both Federal highways, highways on Federal lands and State highways where appropriate.

An additional $10 million for each of these three fiscal years is authorized from general revenues, for construction and reconstruction of roads not on a Federal aid highway system.

HIGHWAY PUBLIC TRANSPORTATION

Highway funds for the A, B, C, D and Interstate System may be used for exclusive or preferential bus lanes, fringe and corridor parking areas, and other facilities to assist public mass transportation.

Additionally, publicly owned transportation authorities may use, without charge, any portion of a Federal-aid highway right-of-way where sufficient land is available to accommodate needed rail or non-highway public transit facilities.

SPECIAL URBAN HIGH DENSITY TRAFFIC PROGRAM

Authorization of $300 million, out of the Highway Trust Fund, for the three years ending June 30, 1976, for construction of short segments of highway connected to the Interstate System in urban areas with high traffic density. These segments can be no longer than ten miles and must serve the urgent needs of commercial, industrial, airport, or national defense installations. No more than one such route may be built in any one state.

ECONOMIC GROWTH DEVELOPMENT HIGHWAYS

Authorization of $450 million for the three years ending June 30, 1976, for highway construction to serve new "economic growth centers" in rural and semi-rural areas of the country. These centers, limited to areas with no more than 100,000 population, would be designated by the State Governors, subject to approval by the Secretary of Transportation. The objective of this provision is to encourage development of industries and economic opportunity in areas that have been losing population to the big metropolitan centers and, where possible, to reserve that trend.

HIGHWAY SAFETY

A total authorization of $1.3 billion for the three years ending June 30, 1976, to carry out safety programs administered by the Federal Highway Administration and the National Highway Traffic Safety Administration. That includes $155 million for safety research.

$600 million for the three years ending June 30, 1976, to survey and eliminate rail-highway crossing hazards. Two-thirds of the money would come from the Highway Trust Fund, the remainder from general revenues. Two-thirds would go into projects on Federal-aid highways outside the Interstate System, and one-third into grade-crossing projects on highways not included in any Federal-aid system.

$1.125 billion for the three years ending June 30, 1976, for highway bridge reconstruction and replacement, of which two-thirds would come from the Highway Trust Fund. Two-thirds of the funds would be for bridges on any Federal-aid highway system, and one-third on non-federal highways.

$250 million for the two years ending June 30, 1975, for pavement-marking demonstration projects in the various States, all to be allocated from the Highway Trust Fund. These demonstrations may be carried out on any highways, other than Interstate, whether or not they are in the Federal-aid system. Funds not used by a State for pavement-marking demonstrations may be used to eliminate or reduce hazards on high-accident-rate sections of highway.

$300 million for the three years ending June 30, 1976, for spot improvement of hazardous highway sections, of which $200 million would come from the Highway Trust Fund and $100 million from the general revenues.

$225 million for the three years ending June 30, 1976, for the elimination of roadside obstacles on both Federal-aid and non-Federal highways, of which $150 million would come from the Highway Trust Fund and $75 million from the general revenues.

The safety section of the Committee bill also includes provisions for studies into the relation between drug use and driver safety, highway safety education, and pedestrian safety problems.

The Committee bill also contains provisions to extend and refine the highway beautification program, to permit States to use their Federal aid funds for bicycle trails, and to make planning loans available to local transportation agencies.

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CLEVELAND, Mr. Chairman, as we open debate on the highway bill, I should like at the outset to suggest certain key points to keep in mind as we proceed. This is particularly in order due to the fact that the record of our hearings has not been printed and made available for the benefit of Members.

I regret the fact. The Transportation Subcommittee of the House Committee on Public Works held a full week of exhaustive hearings in late March, some running late into the evening. I was present for most of those proceedings and was impressed by the amount of factual material and expert interpretation the committee was able to develop. In particular, I was struck by the testimony of Prof. George W. Hilton, of

UCLA, who delivered a statement absolutely devastating to the bust-the-trust position. I inserted extensive excerpts from his testimony—documenting the decline of rail transit usage, its trival potential for diverting motorists from automobiles to rail, and its tendency to worsen congestion by generating high-density development burdening all forms of transportation—in the RECORD on page H2688 on April 12. I commend it to the attention of all Members.

The overriding issue to keep in mind is whether we will yield to pressures to divert funds from the highway trust fund for urban rail transit. In this connection, we will hear forceful arguments in favor of rapid transit, invoking considerations of balance, flexibility, fairness, State and local prerogatives, pollution, energy and the like.

But if the past is any guide, none of this rhetoric will justify invading the trust fund for two fundamental reasons.

First. The needs for highway-related improvements are so great, and anticipated used tax revenues so limited by comparison, that the trust fund will be overwhelmed by highway demands alone.

Second. Whatever the need for transit, the case cannot be made for requiring those who contribute to the trust fund to foot the bill. I am not about to see the New Hampshire farmer help pay the commuting cost for the affluent New York suburbanite.

There is another complex of problems which I hope this body will recognize, because they relate directly to the staggering increase in transit demand to be anticipated if we once abandon the principle that the highway trust fund is for highways.

These problems stem from apparent failures of metropolitan areas to plan their own development in coordination with transportation improvements. This is a critical area and one to which I shall return at a later point in my statement. It involves the urban environment in the *fullest sense*. And I mean to see the same concerns raised in connection with urban highways are raised as they apply to transit.

But first consider the highway-related demands on the trust fund. The Department of Transportation has estimated total requirements between 1970 and 1990 at approximately $603 billion, including approximately $600 billion for highway transportation. Mass transportation needs have been put at $63 billion of which $50 billion is for rail and $13 billion for bus transit.

At the same time, anticipated revenues from highway user taxes are put at $125 to $135 billion for that period.

No less an advocate of urban mass transit than Senator HARRISON WILLIAMS of New Jersey took note of the trust fund's limitations during last year's debate on the issue. His statement, quoted again in this year's debate on the other side, is instructive:

> I understand and agree that the Highway Trust Fund is not large enough to include the extensive needs of all rail systems.
>
> This problem can only be dealt with by increasing the contract authority, under the Urban Mass Transportation Act.

It is worth recalling that also last year, Senator WILLIAMS sponsored a measure to continue the contract authority under the Federal and Urban Mass Transportation Act for 3 years at the rate of $1 billion a year in general revenue, plus operating subsidies. But this was opposed by these who sought to pry open the trust fund. When a conference deadlock ensued, the gentleman from New Jersey made a statement directly relating to our deliberations here. He said:

> This is a program which both the American Transit Association and the National League of Cities and Conference of Mayors—the groups which knew America's transit needs at the grassroots level—considered the most important and essential transit program now before the Congress—transit's No. 1 priority legislative proposal.
>
> I herefore can only say that the Senate members of the conference who rejected this proposal in my judgment were sadly misguided. I would suggest soul searching on the question of whether the effort was to aid mass transit or to break up the trust fund.
>
> Sadly, it seems to me the majority of the Senate confereees chose the latter course.

Not long ago, a sponsor of an unsuccessful amendment to authorize a far greater diversion from the trust fund than enacted in the bill on the other side said:

> Let us clear this highway trust fund off the highway and get America moving again.

Doubtless we again will hear misinformed statements apout the mythical huge surpluses in the trust fund, dangers of paving over America" or chopping up the country with superhighways. Inherent in each is undue emphasis interstate highways as a purpose of the trust fund. This view ignores the need for upgrading existing highways—resurfacing, widening and relocating roadways, bus-related highway improvements and highway safety. As to this last, Howard Pyle, president of the National Safety Council, hs said in response to questioning at our hearings that the trust fund should be preserved to protect the source of critically needed funds for highway safety. He estimated that, unless something drastic was done, 600,000 Americans would die in highway mishaps in the coming decade.

A final point as to costs versus revenues. Our colleague, the Honorable FRED SCHWENGEL, asked Theodore Kheel, chairman of the Highway Action Coalition at our hearings last year how much New York needed. Replied Kheel:

> I could not give your precise figure. I think there is no limit, really, on our true needs. We have neglected mass transportation so extensively in the postwar years that the needs that we have are frightening.

They certainly are frightening to those of us fighting to preserve the funding for highways.

Estimates of total mass transit needs in the tri-state New York metropolitan region alone run up to $13.6 billion for operating deficits and $7.3 billion for capital improvements through 1985, according to the Governors' Special Commission on the Financing of Mass Transportation.

As to my second point, the equity of the highway user subsidizing the urban transit rider, New York's experience again is significant. The basic subway fare of a nickel was in effect from the late 1800's up until 1948, when it went to a dime. It was raised again to 15 cents in 1953, remaining at that level and only went to 20 cents in 1966, 10 years after we launched the Interstate System and the trust fund. It now stands at 35 cents.

Attempts often are made to justify this subsidy as aid to the poor. Yet the Tri-State Regional Planning Commission's regional profile, Subway Riders and Manhattan Autos, October, 1971, said:

> About 90 per cent of the subway riders are New Yorkers, and they have family incomes that are slightly above the average for New York City. The remaining subway trips are accounted for by middle and upper-income suburbanites.
>
> Subways are not primarily the vehicle of the poor; rather, the poor of the region simply do not, or cannot, travel extensively. Current riders can afford—in terms of money and time—to use the subway if the service is good.

A recent column by Joseph Kraft in praise of Atlanta's mass transit development, showed that the New York phenomenon is not unique:

> Obvious benefits from this project flow to the white community. Commuting from the suburbs to the downtown offices and stores and cultural centers will be vastly improved.

And what of the poor and black?

> The benefits that flow to the low-income blacks are equally important. First and most important of all, there are low fares—right now, not a decade hence—on an expanded and improved bus service . . .
>
> Among the 10 new bus routes there are three—one to an industrial park, a second to a hospital cluster, and a third to a new shopping center—designed to bring blacks from the center city to jobs in the suburban ring. Buses, not subways.

Thus our urban transit systems, or one of our oldest and one of our newest, benefit the affluent. It is not fair to the highway users who pay their money into the trust fund with the understanding the money is to build safer, more attractive and better roads, along with safety and highway-related transit facilities, to shoulder this cost.

Mr. Chairman, I have strongly urged that the Committee on Public Works look into the entire matter of urban planning and development controls related to urban transit. This matter falls clearly within the jurisdiction of that committee for a number of reasons. First, we are being asked to divert funds from the trust fund to urban mass transit; the volume of this diversion ultimately will be determined by the degree of demand, which in turn stems from transit-generated development. Second, there are requirements for coordination of rapid transit with highways, the latter clearly within the province of that committee. Third, there is doubtless a parallel between a metropolitan area's ability to coordinate overall development with highways and its coordination of development and transit.

My basic concern is that either of the two possibilities is likely to occur. First, that development around subway facilities is allowed to become so dense as to render the facility obsolete, thereby generating demand for further costly improvements. Second, that development is allowed to take place in disregard of the need for transportation, again generating demand for costly improvements.

As we already know, the Urban Mass Transportation Administration can make two-thirds capital grants provided certain planning requirements are met. It has been allowed to make 50 percent grants pending compliance with planning requirements with the difference between the two figures—one sixth—held available for payment if the requirements are met within 3 years.

There are comprehensive planning requirements imposed in connection with the highway program, and I understand that some 30 cities are not certified as meeting even the minimal requirements of establishing a planning process or an agency responsible for its execution.

This suggests that a review of planning is in order.

There is evidence at hand that this planning and land-use control is not being performed. Here in Washington, for example, there have been complaints that the transit-related development at Friendship Heights is likely to create congestion and environmental disruption.

In New York City, the World Trade Center is expected to create a nightmare of congestion, according to a March 20, 1972, article in the Wall Street Journal entitled: "Critics Say World Trade Center Will Complicate Mass-Transit, Pedestrian Snarls in Manhattan."

According to the article, Mr. Theodore Kheel said of the Port Authority which is developing the Trade Center:

> This is going to be a great irony, that any agency created to solve our transportation problems winds up creating one of the worst traffic jams in history.

I see even greater irony in his attempts to use the trust fund to bail out New York. No wonder, again in his words, "there is no limit, really, on our true needs."

There is a parallel here, between uncontrolled development being used to justify public improvements, such as a flood plain development being used to justify dams which later become obsolete because of further development, or dense development around airports, which later generate complaints about the noise.

So there is a fruitful field for investigation here.

Requirements for environmental impact statements, which have been used to cripple so many urban highway projects, require:

> A statement of any environmental impacts which will result in any irreversible and irretrievable commitment of resources. This statement should include an analysis of the likelihood of adverse environmental impacts which will be caused by future developments generated by this proposed project.—Exhibit L, Excerpts from External Operating Manual, UMTA, August, 1972.

Environmental impacts listed include effects upon population growth and dispersal within the area, increases or decreases in the traffic or congestion levels on streets and highways, and division or disruption of established communities, such as "disrupting orderly, planned development."

Mr. Chairman, I have no wish to have the Federal Government dictate local patterns of development. What we have a right and a responsibility to endure is that local plans meet national policy objectives and that those locally formulated plans are followed.

So I have urged exploration of this field with the thought that any funding of urban mass transit be accompanied with a more meaningful and explicit "impaction" statement, a position supported by testimony at our hearings.

And only when these questions are answered can a realistic determination be made as to the even partial justification for diversion of highway funds for mass transit.

I am confident that the real costs identified by such an inquiry will support the case that diversion is not justified.

Let us also recall that the objectives stated by UMTA include:

> Relief of traffic congestion. This objective seeks improvement in overall traffic movement and travel time in urban regions especially during peak hours of travel demand. . . .
>
> Improving quality of urban environment. This objective requires achievement of land use patterns and environmental conditions that effectively contribute to the physical, economic and social well-being of urban communities. Land use patterns and transportation networks are to be developed with a view to minimizing the need for transportation facilities and their demands on urban space.

I submit, Mr. Chairman, that there is a grave question whether this is being met here in the Washington metropolitan area, and strong evidence to the effect that it is most decidely not in New York City.

The Highway Users Federation has calculated that for the average commuter trip to the central business district—10 miles in our major metropolitan areas—the economic cost of the automobile trip with average occupancy is two-thirds to three-quarters that of rail transit. This drops dramatically with increased car occupancy. Bus costs, with facilities supported partially by the trust fund, are half those of rail because "buses share highway capital, maintenance and operating costs with automobiles and trucks."

Finally, another frequently heard argument is to the effect that the trust fund was created to assure funding of the Interstate System. This is not correct. But even if it were, how in the name of reason can trustbusters find justification for the trust in support of a system to cost $76 billion, but none for total needs of $593 billion in highway needs over the next 20 years?

Abandonment of the trust fund concept as applied to this most vital public service would represent a tragically misinformed step backward. Massive diversion to rail transit ultimately to ensue would shortchange our accumulated need for primary, secondary, and highway safety improvements without appreciably benefiting the urban commuter.

(Mr. HAMMERSCHMIDT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HAMMERSCHMIDT. Mr. Chairman, 6 months ago I rose to speak before my colleagues to urge support for H.R. 16656, the Federal Aid Highway Act of 1972. As a member of the Transportation Subcommittee and cosponsor of the 92d Congress bill, I participated in 15 days of hearings in which we heard 126 witnesses and studied an additional 75 statements submitted for consideration. Since this legislation died in the House on the final day of the 92d Congress, we convened the 93d Congress strongly committed to discharging our responsibility in this priority item of unfinished business.

Again in this new Congress, the Committee on Public Works has studied the great needs of the Nation toward development of a legislative vehicle for carrying forward the Federal-State highway program. Following a week of full-day hearings and a 3-day markup session in the 93d Congress, the committee has reported in the House S. 502, amended. Our goal is the same in 1973 as it was in 1972. The bill we are debating today further refines a sound approach to meeting the diverse transportation requirements of America.

The House version of the Federal Aid Highway Act of 1973 strikes a balance in allocating revenues to various programs and projects designed to fulfill congressional responsibility toward keeping a growing country on the move. It provides funding authority for completing the 42,500-mile Interstate System. It allows continued development of Federal-aid primary and secondary highway and road arteries. It recognizes the need for economic growth centers and environmental enhancement. It establishes strong precedent for the Federal obligation in solving our crucial but still unmet problem in highway safety. It features a new title to provide extensive assistance to the specialized requirements of urban mass transit.

At issue before the House today is highway legislation. It is in the best interests of the entire Nation that we further advance our modern system of highways. Due to many complex factors, highways will continue into the foreseeable future to serve as the principal means of transportation in moving goods, services and people throughout the vast geography of the country. Since 1956, emphasis on the Interstate System has deferred attention to other Federal highway systems; the Nation today is linked from coast to coast with obsolete and unsafe highways which are as important to our economy as the Interstate System. The 1972 National Transportation Report studied our Federal aid highway program through the year 1990 and found that $600 billion worth of improvements will be needed. The Federal Aid Highway Act of 1973 carries a total authorization of $25.5 billion in new spending authority through fiscal year 1976. Based on the highway needs determined by the U.S. Department of Transportation, we would still need around $575 billion for improvement purposes in the 14-year period from 1976 to 1990. This would amount to an annual outlay of over $41 billion—a figure which more than doubles the 3-

year authorization for highway purposes in S. 502.

Although I will support attempts to remove the anti-impoundment section 302 of the Urban Mass Transportation Act, I strongly urge my colleagues to support the House version of the Federal Aid Highway Act. Considerable deliberation and study have been invested in this multiple-program bill. In addition to the conventional highway program authorization, major new features offer comprehensive efforts toward highway safety and urban mass transit improvement.

Interstate System completion will of course continue at the 90–10 matching ratio. For example, a total $154,103,000 of Federal and State funds are estimated as needed to complete interstate segments in Arkansas; $138,693,000 is the estimated Federal share of funds required to complete the system.

The 1973 bill will provide an equitable authority for the diverse needs of our urban and rural areas under the ABCD systems. The primary and secondary systems funds—A and B—can be spent solely in rural areas, with $1.1 billion allocated for this function. Extensions of the primary and secondary systems in urban areas—C and D—are specifically reserved likewise for an expenditure of $1.1 billion during the 3-year authorization period. In essence, the legislation offers fivefold increase for urban systems without subtracting from the rural program.

The entire Nation has suffered the consequences of the recent escalation in price of lumber and wood products. We are now deeply committed to a program of forest resource management that will help insure a stable economy and preclude the chaotic economic situation of this past winter. With a view toward better access and management of our Nation's timberlands, the bill authorizes $170 million for forest development roads and trails out of the general fund and $33 million for forest highways out of the trust fund.

S. 502, amended, pays recognition to the role of highways in promoting the development of new communities with economic growth potential away from established population centers. With the growing congestion of our cities and degradation of the quality of life brought on by overpopulation, it is now a matter of national priority to revitalize and diversify the economy of rural areas, disperse industrial growth and encourage balanced population patterns. Without adequate transportation access, a community cannot advance. The 1970 Highway Act established economic growth center development highways as a demonstration project. The 1973 Highway Act authorizes this vital concept as an ongoing program at the rate of $150 million per year. The State of Arkansas is an ideal example of the type of area that can benefit from this program and, in return, contribute substantially to the economic welfare of the Nation.

The Federal-aid highway system is now over 50 years old, and the time has come to remove the "Federal red-tape" which has begun to impair the efficiency of the entire program. State highway departments have "grown up" since 1916 when the Federal-State program was launched. They now possess expertise, professionalism and experience which calls for a better way of processing projects than the present Federal Highway Administration technical procedure. Although FHWA will continue to scrutinize the comprehensive planning and design, this new approach calls for certification acceptance for all Federal-aid systems except the interstate. The State highway department would certify that it has met the relevant responsiblities and step-by-step review on projects would be substituted for by spot-check monitoring.

In many of our urban areas, short span connections are badly needed for access to facilities such as airports or industrialized isolated areas. With a view toward filling this gap, the 1973 bill provides for a special urban high density traffic program for short, urban routes connecting to an interstate.

With good cause, past legislation has given considerable emphasis to the interstate while much of our intermediate system of roadways at the next level have become deteriorated, congested and hazardous. This approximately 10,000-mile network—or intermediate system—today serves around one-sixth as much travel as the interstate on one-fourth of the total expanse. Although these primary routes are predominately rural, they, along with the Interstate System, could serve as access to over 90% of the urban population in the country. The 1973 Federal Aid Highway Act authorizes $300 million for each of the 3 forthcoming fiscal years for improvement of this high-volume supplementary system so vital to our overall transportation needs.

Mr. Chairman, yesterday I placed in the RECORD an article that contains views of one of our leading transportation specialists, Mr. Francis C. Turner. Most all of you know him and have great respect for his credentials and high regards for his outstanding service. As the former Federal Highway Administrator, I commend his statement to you toward perhaps your gaining a fuller understanding of this complex matter. You may find it on page 12831 in the April 17 Congressional Record.

Now with regard to highway safety, Congress cannot continue to provide for highway systems development without a major effort in reversing the death toll on our Nation's roads. In addition to the human suffering caused by the 56,000 deaths in 1972, the economic loss was estimated at $40 billion. If this could be cut in half by next year, we would recoup the entire 3-year expenditure for Federal-aid highways. The 1973 bill includes title II, Highway Safety Act of 1973 which I cosponsored. Such programs authorized include a pavement marking project for the rural highways where two-thirds of our traffic fatalities occur. Also provided for are traffic control devices at high-hazard locations, removal of roadside obstacles, protection at railroad crossings and replacement or improvement for deficient bridges.

In conclusion, the debate over using highway trust fund moneys for mass-transit projects has been extensive and heated, both in the last Congress and the 93d. I agree that the problems facing our cities are urgent and that the Federal responsibility in transportation does not stop at the perimeter of an urban community. For this reason, I strongly support title III of the 1973 Federal Aid Highway Act, Urban Mass Transportation Act. This section authorizes $3 billion in Federal grants for urban facilities from the general revenues, leaving the highway trust fund intact for highway purposes only. Now our cities will be able to "trade" their Federal aid for an equal dollar amount of mass transit grants from the general revenues of the U.S. Treasury. All funds traded in such a manner would revert to the highway trust fund. This program is viable and workable in presenting a solution to the present controversy.

I have presented to you already a strong reason for leaving the trust fund intact for highways. There is no surplus in the fund, and we cannot possibly—at the present level of authorization—adequately meet the Nation's highway needs by 1990. The highway program, since trust fund establishment in 1956, has been self-supporting. Look at the last annual report of the highway trust fund and the receipts of revenue. These moneys come from motor fuel taxes, tire and oil, parts and accessories taxes. We must meet the needs of mass transit from the general revenues and leave the trust fund for constructing and improving roadways which have been paid for by the highway user. Those citizens using our national highway system are presently compensating for any environmental impact. If you pay $1 in trust fund taxes, 12½ cents of that dollar will be spent on environmental improvement.

We have before the House today a well-balanced and comprehensive program for advancing national transportation. It gives fair treatment to rural and urban areas alike, increased safety and attention to further developing and improving of our primary roadways. I urge the support of my colleagues in passage of the Federal Aid Highway Act of 1973.

(Mr. BROYHILL of Virginia asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROYHILL of Virginia. Mr. Chairman, there really is no question about the need to provide more and better mass public transportation facilities in the urbanized areas of our country.

The need is clear and growing, and I am most anxious to see the Congress take truly constructive action in this direction.

However, I do not believe that diverting money from the highway trust fund is the best—or even the proper—way to meet this need.

Under the financing concept on which the Highway Trust Fund is based, a tax is imposed on users of facilities in proportion to the use they make of those facilities. The proceeds are then expended on construction of the facilities, which are for the primary benefit of the users who have paid for them.

From one point of view, the tax is in the nature of a governmental charge on users which varies according to the demands they make on the facilities.

Therefore, diverting the proceeds of a user tax to the construction of facilities which do not provide benefits to the users that correspond to the proportionate use which they make of them would undermine the very foundation of the user tax-trust fund concept.

Such diversion also would involve the credibility of government, in a very real sense. Unless we keep faith with those who pay the user taxes, it will be extremely difficult for us in the future to justify the imposition of other user taxes for special purposes which might seem appropriate at the time.

In short, if we tell a large segment of the American people that we are going to use specific taxes which are imposed on them for specific purposes—and we establish a trust fund to do so—then we should live up to that bargain.

I submit that it would be dishonorable to do otherwise.

I submit further that we do not have to resort to circuitous and questionable methods in order to fund public mass transportation improvements in congested metropolitan areas where they are so urgently needed.

There are, I am sure, a number of feasible ways in which we can achieve this worthwhile end. One such plan is embodied in legislation which I introduced earlier and which is pending before the Committee on Ways and Means.

My plan is simple. It would employ the new general revenue sharing law—the State and Local Fiscal Assistance Act of 1972—as a vehicle to distribute $800 million a year to local units of government within urbanized areas for the sole purpose of providing and improving public mass transportation services.

I emphasize that this sum of money would be over and above the general revenue sharing funds already provided in the Act.

As defined in the law, urbanized areas are those consisting of a central city or cities with 50,000 or more inhabitants, plus adjacent territory which is densely populated. In form these urbanized sections closely resemble the standard metropolitan areas which are, perhaps, more familiar designations on the map. This is where the need is, and this is where the money would go.

Each unit of Government would receive a share of the $800 million annually which would be proportionate to its general revenue sharing allocation. The same basic distribution formula and the same safeguards against misuse of funds, which already are provided in the general revenue sharing act, would apply to these additional funds.

Local governments could use the additional money for capital expenditures—and for maintenance and operating expenditures as well—in connection with the transportation of people by systems which are either publicly or privately owned, and which provide service on a regular or continuous basis.

Public mass transportation facilities would include, but would not be limited to, rapid rail facilities, fringe parking, purchase of passenger equipment, special bus lanes and highway traffic control devices.

Recognizing that many localities have joined in a regional approach to meeting their mass transportation needs, the bill provides that recipient units of government could use the money as their contributions to areawide mass transit projects or authorities.

Equally important, localities which are within urbanized areas but which are not participating in areawide efforts, could apply their shares to improve, expand or establish their own mass transportation services.

I would think that legislation along this line, designed to apply to a wide range of services based on local as well as regional requirements, would have broad support, particularly among those who have so vigorously advocated the diversion of highway trust fund money as a means of meeting our mass transportation needs. It would attain the goals which they ostensibly seek, without jeopardizing any other program and without breaking faith with those who now pay user taxes.

Of course, if the primary aim of any of these parties is not to provide improved mass transportation facilities, but is simply to "bust" the highway trust fund, then obviously this plan will have little appeal to them.

To any of that persuasion, let me suggest that the best way to accomplish their objective is to cut the user taxes, diminish the trust fund, and thus reduce road construction.

But for those of us who have been primarily concerned with charting a fair, equitable and uncomplicated course for the Federal Government to follow in helping to solve the pressing mass transportation problems our country faces, I believe that H.R. 6765 provides an avenue worth pursuing.

(Mr. PARRIS asked and was given permission to extend his remarks at this point in the Record.)

Mr. PARRIS. Mr. Chairman, I would like to take this opportunity to express my support for section 145 of S. 502, as amended, which directs the Secretary of Transportation to complete the draft environmental impact statement on Interstate Route 66 from the National Capital Beltway to the Potomac River, and to finalize all necessary determinations for construction of that portion of I-66 prior to January 1, 1974. I firmly believe that approval of this section of the bill will constitute a great public service, not only to those who daily commute from Virginia to the District of Columbia, but also to the many visitors who annually arrive in our Capital City.

Interstate Route 66 was originally designed in 1956 as an integral portion of our nationwide system of interstate and defense highways. For the past 17 years, construction of all but 25 of the planned 75-mile highway has been delayed for a number of reasons, in spite of the fact that all traffic studies which have been conducted point out the urgent need for I-66 as part of a balanced transportation system for the Metropolitan Washington area. Further, much preliminary work has already been completed to insure that overall construction meets environmental requirements.

Balanced transportation for the National Capital area is going to require a thorough mix of modern urban highways and adequate and economical rapid transit for commuters and visitors alike. Completion of the I-66 project will play a large part in meeting our transportation needs, and I was particularly pleased to learn that the Senate had approved a similar section in its version of the highway bill. I strongly urge my colleagues in the House to do likewise in giving their approval to section 145 of the Federal-Aid Highway Act.

(Mr. HOWARD asked and was given permission to extend his remarks at this point in the Record.)

Mr. HOWARD. Mr. Chairman, I appreciate having this opportunity to comment briefly on that portion of the Federal-Aid Highway Act of 1973, which provides for construction of exclusive or preferential bicycle paths.

As we all know, the vast increase in bicycle usage in this country has been a nearly unprecedented phenomenon. This low-cost, low-maintenance, healthful, and nonpolluting means of transportation is a technological development from which we need never fear environmental damage. Indeed, as the Nation's energy challenge threatens shortages of fuel supplies, we will begin to rely more and more on those means of transportation which use "people-power" as their primary energy source. Consequently, I think it is most appropriate that the Public Works Committee has recognized this need by providing for the development of bike paths along our roadways.

I think it is also appropriate today, as we consider this part of the bill, to recognize the tremendous work done in this area by our colleague from New York (Mr. Koch). During the 92d Congress, he introduced the original legislation providing for these paths, and, although we were unsuccessful in including it in the highway legislation last year, I think it appropriate to recognize his energy and determination in accepting this amendment today. The credit for this amendment is due to the gentleman from New York for his foresightedness in supporting this environmentally progressive legislation.

(Mr. WYLIE asked and was given permission to extend his remarks at this point in the Record.)

Mr. WYLIE. Mr. Chairman, the only controversy with respect to this bill is the Anderson amendment. I want to associate myself with the position of the gentleman from California and state why I think this is an amendment whose time has arrived. Basically, I am convinced that State and local officials must have more latitude in determining how transportation funds should be used. To force a city to accept more highways when mass transit is what is needed there does not make any sense. The Anderson amendment provides this flexibility that I feel is essential, but it does so in a way that does not jeopardize the Interstate program nor the rural highway programs. Moreover, the Anderson amendment does not compel anybody to put 1 cent of highway money into mass transit. It merely provides them with the opportunity to select mass transit if they believe that such projects can best solve the problems facing them.

Under this amendment, no State gets any more or less money than they otherwise would receive under the bill. Further, this amendment does not increase urban funding at the expense of rural areas, nor does it have any effect on the Interstate System. It only promotes balanced transportation by providing essential flexibility for urban areas and by maintaining a firm commitment for highways in our rural areas.

In supporting this amendment, I do not believe that I can be accused of breaking any trust with citizens who pay gasoline taxes. Payment of gas taxes can in no way be viewed as a vote for more highways. After all, you only have the opportunity to vote when confronted with a choice, and for most Americans, given the inadequacy of existing mass transit, their only choice of transportation is the automobile. Enactment of the Anderson amendment will help insure that taxes that are paid into the highway trust fund are used effectively, and frankly that is far more important than just insuring that more and more highways get built.

Mr. WRIGHT. Mr. Chairman, I yield such time as he may consume to the chairman of the full Committee on Public Works, the gentleman from Minnesota (Mr. BLATNIK).

Mr. BARRETT. Mr. Chairman, I rise in support of the bill, S. 502, the Federal Aid Highway Act of 1973. This bill represents an enormous commitment on the part of the Committee on Public Works to provide much needed assistance to complete the interstate highway program and to provide the massive assistance needed to build and improve our Nation's highway system. For the first time since the Congress has been considering Federal aid to highways, this bill contains provisions to greatly increase the amount of funds available for urban mass transportation.

While I feel that the bill does not go far enough in its commitment to urban mass transportation, I commend the committee for including provisions to provide the needed funds to expand and improve urban transportation throughout the country. The most glaring defect in the bill, I believe, is the absence of the so-called Anderson amendment, or as it was called in the Senate, the Muskie-Baker amendment. The Anderson amendment which will be shortly considered by the House under the 5-minute rule would provide $700 million per year for fiscal years 1974, 1975, and 1976 from the urban system funds which are presently allocated from the highway trust fund to urban areas of 50,000 population or more. The Anderson amendment is the first step and a vitally necessary step to permit the greater use of Federal highway funds for our total transportation needs. Our greatest transportation need at this time is, as many would agree, for urban mass transportation.

The highway trust fund is a fund that in the future should provide the revenue for all modes of transportation, particularly since we will be completing the Federal interstate highway program within the next 10 years, which has taken the lion's share of the Federal highway trust fund. At the present time, our urban areas can only use the urban system funds for highways and related construction projects. This is a much too limiting use for our cities. The Anderson amendment simply permits our cities the discretion in using the funds under this urban system's program for whatever they deem necessary. They could devote it totally to highway related needs or could commit part of it for urban mass transportation, such as subways or buses or could, in fact, use all of it for urban mass transportation needs.

As I stated earlier, I believe this is a first step, using the great amount of the massive funds in the Federal highway trust fund for our total transportation needs.

I have strongly supported, over the lifetime of the Federal highway program, all of the Federal highway bills that the Committee on Public Works has submitted to this body. I still strongly support commitments toward the completion of the Interstate Highway System, which under this bill would total $3.5 billion per year for the next 3 fiscal years, as well as large amounts of money for our rural areas for primary and secondary highway systems, highway systems for our public lands, and the urban extension highway system.

While I support all of the titles of S. 502, I regret that the Committee on Public Works saw fit to amend the Urban Mass Transportation Act of 1964, which falls within the jurisdiction of the Committee on Banking and Currency, of which I am a ranking Democratic member. I understand the situation with which the Committee on Public Works found itself, particularly since the Senate had approved amendments to the Mass Transportation Act as part of the highway bill.

I am, of course, not opposed to the provisions in title III, but I feel the Committee on Public Works should have yielded this title to the Committee on Banking and Currency. I will support title III, but I hope in the future the Committee on Public Works will leave this matter to the Committee on Banking and Currency. The Committee on Banking and Currency has reported to the House H.R. 6452, the Urban Mass Transportation Assistance Act of 1973, which goes further than the provisions of title III of the bill presently under consideration. I would hope that the House will shortly consider this bill also.

During November of 1972, I visited a number of European countries to study their urban mass transportation assistance programs. I was greatly impressed with the total commitment to urban mass transportation assistance by the national governments in Great Britain, the Federal Republic of Germany, Spain, and France. These governments not only provided the necessary financing for their capital grant needs, but provided the day-to-day operating assistance that every one of the urban mass transportation systems in these countries required. No such commitment on the part of our Federal Government exists here. But, I believe, that the action we take on this bill, if it is to include the Anderson amendment, and the action the House will take later on H.R. 6452, the Urban Mass Transportation Assistance Act of 1973, will begin to totally commit our Federal Government to providing the needed assistance for urban mass transportation.

(Mr. SHUSTER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SHUSTER. Mr. Chairman, I think it is important in our consideration of this bill to make very sure that we fully understand what is involved. Some people would have us believe that the main reason for the highway program is to feed the insatiable appetite of a munificent malevolent monster known as the highway lobby which seeks to pave over America. I think this represents a grave misunderstanding, which should and can be countered with hard facts. I have here in my hand a volume entitled "The 1972 National Transportation Needs Report." It is a result of a study mandated by Congress in the Highway Act of 1970 and conducted by the U.S. Department of Transportation.

Let us look at some of those facts: The first thing we learn is that the projected needs of our highway network between 1970 and 1990 are estimated to cost $600 billion, of which $300 billion are considered absolutely essential. During the same period, the highway trust fund is expected to generate only $125 billion, or just 41 percent of the projected critical need. It is worthwhile noting also that in the latest quarterly report, the fund contained $4.7 billion balanced against obligations of $6.9 billion. So here we come to the first misconception: Rather than being the rich bag of money ripe to be tapped for other purposes, the fund does not even contain enough money to finance our highway system's most critical needs.

There are other fascinating facts to be gleaned from this volume. To those who have us believe that the highway fund is aimed at paving over America, I would point out that of all the moneys spent on arterial highways, only about 7 percent go for the construction of new highways or the relocation of existing ones. What this means is that the great bulk of highway moneys go to upgrading our existing highway network, making it safer and more efficient.

The next misconception deals with who needs highways. There are some people who believe that the urban areas no longer need highways and only the rural areas need them. That may be true for some of the 40 largest cities with populations over 400,000, although I doubt it, but what about the 200 smaller urban areas who badly need highways. The transportation needs study tells us that of the $600 billion projected needs, fully $240 billion are located in urban areas.

The report also gives another insight into who needs highways. For the Nation, 93 percent of all passenger-miles traveled were traveled in highway vehicles—automobiles and buses. In urban areas, contrary to what you might think, that figure rises to 98 percent. Even in our largest cities, where bus and rail mass transit is available, mass transit still accounts for only 5 percent. Who needs highways? The cities do.

Now this brings us to the most important point: What is the urgency? Why are we in such a rush to spend these vast sums of money? In 10 years of bitterly fought war in Southeast Asia, U.S. forces suffered about 45,000 combat-related deaths. Just last year, our killer roads around the Nation caused some 56,000 deaths. At least another 56,000 are likely to die this year on those roads, and next year and the year after that. In fact, the death toll on roads is expected to climb to 80,000 by 1980. The tragedy of all this is 50 percent of those lives can be saved. In hearings last year, the Secretary of Transportation testified that for each 5 miles of highway constructed or brought up to standard saves one life each year.

I know only too well the accuracy of that statement. My district in central Pennsylvania is highway poor. We desperately need new and improved highways. According to the highway death rates there, it is more than three times as dangerous to drive on the major roads in my district as it is to drive on the Pennsylvania Turnpike, which passes through the district, and it is almost three times as dangerous to drive in my district as it is to drive in Philadelphia or Pittsburgh.

This is the reason for the urgency in upgrading our highway network. We have a huge highway system literally boobytrapped with dangerous hazards, rail crossing, unsafe bridges, poor pavement markings, excessively narrow lanes, rigid and bulky roadside obstacles just waiting for their next victims to stray off the road. These must be eliminated. But that takes money, a lot of it. We need every penny we can muster to make our highways safe, because in reality, it is not pavement we are buying; it is human lives.

Mr. Chairman, what I am talking about is the saving of 25,000 to 40,000 lives a year. We can do it right here in the Congress by passing this bill. And if we do not, Mr. Chairman, we will not be guilty of taking thousands of lives a year that could have been saved? Mr. Speaker, I urge the passage of this bill.

PARLIAMENTARY INQUIRY

Ms. ABZUG. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Ms. ABZUG. Mr. Chairman, I would like to inquire as to what the parliamentary situation is at this time. Are we engaging in a continuation of general debate?

The CHAIRMAN. The Chair will state in response to the parliamentary inquiry that we are in general debate.

When we began, the gentleman from Texas (Mr. WRIGHT) had 45 minutes remaining, which he still has. The gentleman from Ohio (Mr. HARSHA) had 1 hour remaining of general debate.

Ms. ABZUG. Mr. Chairman, was there any other discussion on the parliamentary situation? There was a little lack of order here as to whether we were going to go beyond that to a discussion of amendments after that.

The CHAIRMAN. The Chair cannot advise the gentlewoman from New York as to that. That is a matter under the control of the Committee of the Whole, and the managers of the bill.

Mr. BLATNIK. Mr. Chairman, the Federal-Aid Highway Act of 1973 on which we now begin debate in this body today is one of the finest pieces of transportation legislation that the Public Works Committee has ever reported for this body's consideration. It contains within it provisions of major importance for our future highway program, highway safety program, and mass transit program.

After comprehensive hearings and deliberate scrutiny in open session, the committee in this legislation, S. 502, offers a successful solution to the problem of implementing for the future our highway programs and our mass transit programs.

There is no question in anyone's mind that there is a need for both programs. There is no question in anyone's mind that these programs must be properly funded and carried out. The committee—always a strong advocate and supporter of a comprehensive national transportation planning program—has had the unique opportunity to consider both of these programs side by side. It has reached the conclusion that they can and will work together; that they are an integral part of the future transportation development of this Nation.

Over the years in refining the highway program we have cranked into it: protection of the environment, assistance to the urban citizenry, reduction of pollution, conservation of energy sources, and greater participation of citizens in the planning and development stages of the program.

We have, in addition, emphasized, and continue to highlight, the need for a meaningful highway safety program. All of these features are continued by this legislation, the details of which will be explained by other members of the committee who will speak today.

In the field of mass transit, we have recognized in this legislation the need for proper Federal funding, and for proper participation by the Federal Government on a percentage basis with a firm commitment to contract authority.

Within the framework of this legislation we have provided the apparatus to help both urban, suburban, and rural America. We are implementing the new urban system within this program; we are allowing for direct planning funding to the cities; we have allowed for the availability of the redistribution of trust fund money where mass transit substitutions are made.

And I might say that, totaled in all, more than half of the funding for this legislation goes to help the urban and suburban areas. We have continued to properly fund the primary and secondary rural areas and to recognize in the highway safety title the need to upgrade the protection of these routes on which most of our deaths and accidents have occurred.

As I have stated before, there is considerable funding in contract authority for mass transit. This is indeed an earnest effort by a dedicated committee to resolve a tremendous problem.

Step by step, over the years, we have found ways to implement and enlarge upon the development of our transportation program for this Nation. This bill is another giant step in that direction.

It is not a be all or an end all, but it is a way by which our transportation needs can be met for the present, and it lays the groundwork for future planning for our cities and greater development of both our highway and mass transit programs.

If I may be permitted an aside, I am particularly pleased that the bill contains two provisions of particular interest to my home State of Minnesota. The first, contained in section 224 of title II, is an underpass demonstration project at Anoka, Minn., authorizing the Secretary of Transportation to construct an underpass at the 7th Avenue and County Road 7 railroad-highway grade crossing—$3 million is authorized for this purpose.

Over 7,000 schoolchildren move back and forth over this crossing daily. It is a potential hazard and possible killer; it must be made safe. This section does just this.

The need to develop the Great River Road in the middle portion of our Nation as a scenic and recreational route for the use of all of our citizens has been a dream unfulfilled for many years. There is a need to make this dream a reality. Part of this road is in Minnesota. Under section 131, further impetus for the fulfillment of this Great River Road development is brought about.

The project for building a scenic highway along the Mississippi from the Gulf of Mexico to Lake Itasca in Minnesota has been in various stages of planning and construction since 1936. The 2,000 miles of its length utilize both Federal highways, highways on Federal lands, and State highways where appropriate. There has been authorized for the Great River Road to date $500,000 for planning purposes. This act adds $100,000 to be apportioned to the 10 States bordering the Mississippi River.

Section 131 of the act would provide construction funds in the amount of $20 million for fiscal years 1974, 1975, and 1976 from the highway trust fund for highways on the Federal-aid system chosen as part of the Great River Road, and $10 million for each of fiscal years 1974, 1975, and 1976 out of the general fund for projects on Federal lands.

From 1954 to 1962, over $250 million has been spent on this road from various Federal-aid highway funds and local funds. Since that time, mostly planning money has been spent, with many of the States ready to proceed to construction.

The funds provided under this section will be apportioned according to need among the 10 States in an effort to proceed with the construction of the road as a prototype of a national scenic highway system.

I urge support for this legislation.

I would also like to take this opportunity at this time to include with my remarks a series of highlights of the legislation and its major provisions, prepared most effectively and efficiently by two members of the Public Works staff, Bob Loftus and Clyde Woodle. They have put together an excellent explanation of the various features of the bill, and, for the benefit of the Members, I include it with my remarks:

SUMMARY OF MAJOR PROVISIONS OF FEDERAL-AID HIGHWAY ACT OF 1973

FEDERAL-AID HIGHWAY ACT OF 1973

The 1973 highway legislation approved by the House Public Works Committee would extend most of the existing Federal-aid highway programs for another three years and provide $18.276 billion in new spending authority for highway construction and $4.295 billion for an enlarged highway safety program.

About $20 billion of the authorized spending would come from the Highway Trust Fund, which is financed through highway-related taxation, such as gasoline, oil and tire taxes. $3 billion would provide mass transit grants for urban areas from the general revenue, and about $2.5 billion would be available for other programs and projects, also from general revenues.

Principal provisions of the Committee bill, which is subject to amendment on the House floor, include:

INTERSTATE HIGHWAY SYSTEM

Funding authority for completion of the 42,500-mile System by June 30, 1979, with allocations from the Highway Trust Fund to be made as follows:

$3.5 billion for each of the fiscal years 1974 through 1978, and $2.5 billion in fiscal year 1979, of which $12 billion is authorized in existing law.

Authorizations for 1974, 1975, and 1976 had been set in the 1970 Highway Act at $4 billion annually.

80% of the Interstate System, or about 34,000 miles, is now open to traffic. On completion of the remaining mileage with authorizations through 1979, the Interstate System will have cost an estimated $76.3 billion based on present estimates.

The deadline for States to schedule the construction of their remaining Interstate segments is extended in the Committee bill from July 1, 1973, to July 1, 1974.

URBAN MASS TRANSIT

Authority for $3 billion in contract authority for Federal grants for capital investment in mass transit facilities to be financed from the Federal Government's general revenues, leaving the Highway Trust Fund intact for highway purposes only. The bill sets NO time limit for distribution of the grants, but the entire amount would become immediately available for obligation on enactment of the legislation.

This $3 billion authorization is in addition to $3.1 billion already authorized for such grants under the Urban Mass Transportation Act of 1964, much of which has been obligated.

Urbanized areas would be permitted to "trade" their Federal aid urban systems allocations and allocations for "controversial" Interstate segments for an equal dollar amount of mass transit grants from the general revenues. The grants could be used to build rail lines or to buy rolling stock for any mode of public transportation. The money originally earmarked for the "traded" highway projects would remain in the Highway Trust Fund for highway purposes.

NON-INTERSTATE FEDERAL-AID HIGHWAYS—URBAN AREAS

For extension of primary and secondary highways in urban areas, (the so-called "C" system) $400 million annually for fiscal years 1974, 1975, and 1976.

For the urban highway system, such as arterial highways within an urban area (the so-called "D" system), $700 million annually for fiscal years 1974, 1975, and 1976.

The urban total of $1.1 billion annually would come from the Highway Trust Fund.

NON-INTERSTATE FEDERAL-AID HIGHWAYS—RURAL AREAS

For primary road systems in rural areas (the "A" system), $700 million annually for fiscal years 1974, 1975, and 1976.

For secondary road systems in rural areas, (the "B" system), $400 million annually for fiscal years 1974, 1975, and 1976.

The rural total of $1.1 billion annually would come from the Highway Trust Fund.

PRIORITY PRIMARY SYSTEM

$300 million annually for fiscal years 1974, 1975, and 1976, to be taken from the Highway Trust Fund for improvement of not more than 10,000 miles of heavily-travelled sections of Federal-aid primary highways which connect to the Interstate System in both rural and urban areas.

The highway sections to be improved under this provision would be selected by the various States from 66,000 miles of primary highway designated by the 1968 Highway Needs Report of the Department of Transportation as most urgently needed.

These priority roads would be built to the highest standards required for the traffic they would handle, but need not be built to Interstate standards. They could be two or four-lane roads, or high-capacity city streets which could be upgraded or redesigned as an alternative to the construction of new freeways.

TRANSFERABILITY

The Committee bill would permit a State to give up a planned segment of Interstate Highway in one section of the State and use that allocation from the Trust Fund for Interstate mileage in another part of the State. Alternatively the Secretary of Transportation may determine that the unused allocation may be transferred to another State or States where there is a more pressing need.

A bill provides for 50 percent transferability of funds between the Federal-Aid rural and primary highway systems and 50 percent transferability between urban extensions of the primary and secondary systems and the urban system.

The bill does NOT authorize any transfer of Federal-aid funds between the urban and rural highway systems.

"EARMARKING" OF URBAN SYSTEM FUNDS

The Committee bill requires the States to earmark a share of its urban system funds for incorporated municipalities with a population of more than 400,000. This provision would guarantee each such municipality a percentage of the State's urban system funds based on the relation of the municipality's population to the State's entire urbanized population. The 1970 Census showed 33 such municipalities in the United States, including San Juan, Puerto Rico.

A sum of $20 million for each of fiscal years 1974, 1975 and 1976 is authorized from the Highway Trust Fund, to be allocated among the ten states bordering the Mississippi River, for construction and reconstruction of a scenic highway along the Mississippi from the Gulf of Mexico to Lake Itasca in Minnesota. The 2,000 miles of its length utilizes both Federal highways, highways on Federal lands and State highways where appropriate.

An additional $10 million for each of these three fiscal years is authorized from general revenues, for construction and reconstruction of roads not on a Federal aid highway system.

HIGHWAY PUBLIC TRANSPORTATION

Highway funds for the A, B, C, D and Interstate System may be used for exlusive or preferential bus lanes, fringe and corridor parking areas, and other facilities to assist public mass transportation.

Additionally, publicly owned transportation authorities may use, without charge, any portion of a Federal-aid highway right-of-way where sufficient land is available to accommodate needed rail or non-highway public transit facilities.

SPECIAL URBAN HIGH DENSITY TRAFFIC PROGRAM

Authorization of $300 million, out of the Highway Trust Fund, for the three years ending June 30, 1976, for construction of short segments of highway connected to the Interstate System in urban areas with high traffic density. These segments can be no longer than ten miles and must serve the urgent needs of commercial, industrial, airport, or national defense installations. No more than one such route may be built in any one state.

ECONOMIC GROWTH DEVELOPMENT HIGHWAYS

Authorization of $450 million for the three years ending June 30, 1976, for highway construction to serve new "economic growth centers" in rural and semi-rural areas of the country. These centers, limited to areas with no more than 100,000 population, would be designated by the State Governors, subject to approval by the Secretary of Transportation. The objective of this provision is to encourage development of industries and economic opportunity in areas that have been losing population to the big metropolitan centers and, where possible, to reverse that trend.

HIGHWAY SAFETY

A total authorization of $1.3 billion for the three years ending June 30, 1976, to carry out safety programs administered by the Federal Highway Administration and the National Highway Traffic Safety Administration. That includes $155 million for safety research.

$600 million for the three years ending June 30, 1976, to survey and eliminate rail-highway crossing hazards. Two-thirds of the money would come from the Highway Trust Fund, the remainder from general revenues. Two-thirds would go into projects on Federal-aid highways outside the Interstate System, and one-third into grade-crossing projects on highways not included in any Federal-aid system.

$1.125 billion for the three years ending June 30, 1976, for highway bridge reconstruction and replacement, of which two-thirds would come from the Highway Trust Fund. Two-thirds of the funds would be for bridges on any Federal-aid highway system, and one-third on non-federal highways.

$250 million for the two years ending June 30, 1975, for pavement-marking demonstration projects in the various States, all to be allocated from the Highway Trust Fund. These demonstrations may be carried out on any highways, other than Interstate, whether or not they are in the Federal-aid system. Funds not used by a State for pavement-marking demonstrations may be used to eliminate or reduce hazards on high-accident-rate sections of highway.

$300 million for the three years ending June 30, 1976, for spot improvement of hazardous highway sections, of which $200 million would come from the Highway Trust Fund and $100 million from the general revenues.

$225 million for the three years ending June 30, 1976, for the elimination of roadside obstacles on both Federal-aid and non-Federal highways, of which $150 million would come from the Highway Trust Fund and $75 million from the general revenues.

The safety section of the Committee bill also includes provision for studies into the relation between drug use and driver safety, highway safety education, and pedestrian safety problems.

The Committee bill also contains provisions to extend and refine the highway beautification program, to permit States to use their Federal aid funds for bicycle trails, and to make planning loans available to local transportation agencies.

Mr. KLUCZYNSKI. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I am pleased to yield to the gentleman from Illinois.

Mr. KLUCZYNSKI. I thank the chairman of my committee, the Committee on Public Works, for yielding to me.

Mr. Chairman, I want to indicate to the Members of this House today that we have brought to the floor a highway bill that is the most comprehensive transportation measure ever brought out of the Committee on Public Works.

We prepared for this bill by holding the most complete set of hearings before our Transportation Subcommittee that has ever been held on the subjects of highway and mass transportation.

We had all the people in the mass transportation industry before us as well as those people who are actively running rail mass transit operations such as the new BART system in San Francisco.

We had the labor representatives and the equipment manufacturers.

All of these were in addition to the members who testified on the regular highway portion of the bill.

So our bill is comprehensive. There are those who may believe it is not comprehensive enough. The rule will allow the House to work its will in this regard and that is the way it should be.

Our markup session went for 3 days and was open for all the public to see. We came out with a good bill and the public watched us do it. We had a standing room only crowd every day.

We have a great committee and all the members take part. Many of them will speak to you during this debate in more detail on various parts of the bill.

There are many new Members of the House this year. We have 11 of them on our committee. They have played a great part in putting this act together and have contributed wonderful new ideas.

As chairman of the Subcommittee on Transportation, I thank them for their efforts and congratulate the whole committee for its action on this bill.

I am not going to take a lot of your time on the bill because different parts of the bill will be covered by various members of the committee in their floor statements.

I commend this bill to the House and urge you to pass it.

Mr. WRIGHT. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Chairman, I want to take this moment to commend our chairman, the chairman of the Committee on Public Works; the ranking minority member, the gentleman from Ohio, Mr. HARSHA; the gentleman from Alabama (Mr. JONES) who is not with us as he is ill at the present time; the chairman of our subcommittee; and the gentleman from Texas (Mr. WRIGHT), who has been our expert in developing a bill which I am in full support of as it now pends before this body.

I want to commend the gentleman from Texas (Mr. WRIGHT) for the very fine and lengthy explanation of the bill in detail that he made yesterday in general debate.

Mr. Chairman, the Federal Aid Highway Act of 1973 recognizes the need to complete the National System of Interstate and Defense Highways, authorized by the Congress in 1944 and funded in 1956. The original completion date for the system was 1972. Due to circumstances beyond the control of any individual or group, such as rising inflationary costs and executive impoundment, that date has come and gone. We now, in this legislation, hope to give the final impramatur to the completion of the system.

The legislation authorizes an additional $8 billion for the completion of the Interstate System. It funds the program through fiscal years 1974–1978 at a $3.5 billion figure and for 1979 at a $2.5 billion figure. This, it is anticipated, will complete the system.

The Interstate System has proved its worth in lives saved and in accidents prevented. It has been the basis in many areas of the Nation for economic growth and development of those areas. It is one of the great national highways in the history of the world and its effectiveness increases with each day of use.

The legislation then turns its attention to funding for the long neglected primary and secondary systems in rural areas and for the development of our urban system. It divides equally the funding of $1.1 billion for the rural primary and secondary systems, and $1.1 billion for urban systems and urban extensions.

The committee has increased on a 5 to 1 level the funding for the urban system recognizing the need for highway development in urban areas.

This legislation also provides the funding for forest highways, public land highways, forest development roads and trails, public land development roads and trails, park roads and trails, parkways, Indian reservations, and an extremely important economic growth center development highways.

It funds the highway programs in the Virgin Islands, Guam, and American Samoa. It creates a special urban high density program which is funded at $100 million per year for fiscal years 1974, 1975, and 1976. This allows special highway connections to the Interstate System in urban areas of high density. The Federal share for any such project could not exceed 90 percent of the cost of construction. The roads could be not more than 10 miles long and would have to serve areas of concentrated population and heavy traffic congestion. The type of route that comes to mind is the proposed Cline Avenue facility connecting Interstates 80 and 90 in East Chicago; Interstate 30 in Little Rock, Ark., to the Adamsfield Terminal and the port of the city of Little Rock and an overhead roadway project connecting West Vickersberg Boulevard to West Rosedale at Forest Park Boulevard in Fort Worth, Tex.

I go into some detail in these authorizations of the future highway program to point out that the committee has covered the spectrum of all anticipated future highway needs. This takes us from the remotest rural section to the heart of our great metropolitan areas.

I am personally gratified by the fact that we continue to authorize in this legislation for forest development roads and trails at $170 million for the fiscal years 1974, 1975, and 1976. There is a great need to develop these roads and trails to help our national forest products industry in all sections of the country and of course in my own great State of California and in my congressional district. As one of the chief advocates of the "beefing up" of funds for forest development roads and trails it is good to see the committee provide for the continued funding of this needed system.

There are many other portions of this bill on which my colleagues will speak. Because I know what the highway program has done for my State of California and because I know it will continue to do, I am very pleased to point out to the Members today just how well we have provided for our highway needs.

Mr. WRIGHT. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Chairman, I thank the gentleman from Texas (Mr. WRIGHT) for yielding.

Mr. Chairman, I support this legislation wholeheartedly.

Mr. WRIGHT. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia (Mr. GINN).

Mr. GINN. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, it has been one of my pleasures as a new member of the Public Works Committee to have had the opportunity to participate so actively in the hearings, in the markup, and now on the floor in what I consider to be one of the major pieces of highway legislation this body has considered in many years. I refer, of course, to the Federal Aid Highway Act of 1973 (S. 502) which we have before us today.

Some of my other colleagues will go into some detail about the many facets of the bill, running the gamut from highway authorizations to mass transit funding. I would simply point out at the outset that I strongly support this legislation. I believe it is of inestimable benefit to the future transportation development of all sections of this Nation, be they rural, urban, or suburban.

The funding for the highway authorizations in this legislation is more than sufficient to take care of the various highway needs in all sections of the Nation. The funding for the mass transit program and the additional changes in the law, such as the amendments offered by my distinguished colleague from Texas (Mr. WRIGHT), embodying assistance to mass transportation, and in the field of interstate transfers and flexibility, go a long way, I believe, toward providing the needed funding and assistance in getting a meaningful mass transit program moving.

I would point out to my colleagues, as well, that the legislation attempts to cut through the plethora of redtape that has bogged down so many of our programs by the language contained in section 109, asking for a minimization of paperwork.

Section 108 establishes a policy that, with the completion of the Interstate System which we hope has been finally funded to the needed extent in this bill, there will be a national policy to place increased emphasis on the "accelerated" construction of the other Federal aid systems in the country, recognizing the need to build within those systems the safety that is required to make them usable for all citizens.

I strongly support this provision because I realize that there is a need to turn our attention to the primary and secondary rural systems of our nation, and the urban extensions thereof, which have been neglected for so many years.

I note with interest that the legislation provides that every urbanized area of 50,000 population or over is entitled, under this program, if determined to be for the development of an urban system within that population center, to participate in the program for an urban system. In the case of those three States which do not have such a city of 50,000 or over, those being Wyoming, Alaska, and Vermont, we specifically provide in section 110 of the legislation that they may designate their largest population center as being eligible to participate.

I would point out that in conformity with our new approach to divide the Federal funding equally between the urban and rural areas we change the allocation formula for the rural primary and the rural secondary from one-third population to one-third rural population.

I would additionally point out that in this legislation, for the first time, to aid the urban areas, we authorize apportionment of 0.5 percent of the planning funds authorized under this legislation the urban areas for the purpose of carrying out the continuous comprehensive planning authorized under section 134 of this title.

We extend the authority for advance acquisition of rights-of-way from 7 to 10 years to give the States greater leeway in planning and acquiring property, and to cut down the resultant cost of a highway project.

I would point out that in section 115 of this legislation the Secretary now can control and establish highway noise levels for highways on any Federal aid system for which project approval has been secured prior to July 1, 1972. The Secretary will do this after consultation with appropriate Federal, State, and local officials. To achieve this, and to control the noise levels, the Secretary may, among other things, acquire additional rights-of-way along the highway to separate the traffic from the areas it moves through, construct actual physical barriers, such as sound proofing of buildings, and, where appropriate, landscaping.

Main effort to expedite the approval of projects, we, in section 117, allow the Secretary to accept the certification by the State Highway Department of its performance of responsibilities under conditions set forth in this section. This is an effort to further minimize redtape and to allow faster approval of highway projects.

I would point out that we fund economic growth development center highways as a regular highway program under the Federal aid program, and not as a demonstration program. In many areas the construction of these highways could be a part of the cornerstone for the development of a new area, or for the rehabilitation of a depressed area.

There are many more features of this bill that I could discuss with you, but I think I have hit some of the individual points that show the great detail and consideration that the Public Works Committee brought to the consideration of this bill, and the effort it made not only to funding programs, but to providing the mechanism to implement the programs.

The Federal Aid Highway Act of 1973 is major legislation. I am proud to support it. I urge its adoption.

Mr. WRIGHT. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. MILFORD).

Mr. MILFORD. Mr. Chairman, I rise in support of this bill.

The record of what highways have done for the economy and the well-being of this country, particularly since inception of the past Federal Aid Highway Act of 1916, is one of the finest records of achievement of any major public works project that has ever been authorized by the Congress of the United States.

Highways have opened up new areas in various sections of our nation spawning new industries in dying towns and villages. Two hundred million citizens of this great Nation can move comfortably from one area of this country to the other. In case of conflict, our defense capability will exceed any country in the world. They are indeed one of the lifestreams of our Nation.

The Highway Act of 1973 continues to implement and develop an intelligent program to further carry out what highway construction has previously done for this nation. At the same time, it recognizes the views of the seventies. It continues to contain modifications, that the Committee on Public Works has written over the years into the highway program, to protect the environment; to assist our urban citizenry; to reduce pollution; and to conserve energy resources. Most important, before these highways are constructed, it provides for the full and complete participation of the citizens in the planning and development stages of the highway program.

Along with the highway authorization contained in title I of this act, we have an important Title II—Highway Safety.

In 1966 the committee began the authorizations for the highway safety program and this title in S. 502 continues this program, at a higher funding level, with numerous innovative approaches to develop our safety program as effectively as possible.

Some of these approaches contain sophisticated traffic control devices—reduction, amelioration or adequate protection for railroad crossings, and construction or replacement of dangerous bridges.

The interstate program is by far our safest major Federal-aid arterial highway. We must make that even safer than it is now, and in the process extend that degree of safety to our other systems—primary, secondary, and urban. This can be done; it will be done.

Title III of the legislation provides the needed proper funding for further capital improvements for our mass transit program. It increases the Federal participatory share and emphasizes the Federal contractual obligational feature of the program.

Title V of this legislation permits the apportionment of Federal-aid funds for fiscal year 1974. They should have been apportioned on January 1 of this year but because of the failure to enact highway legislation last year that was not possible. This title simply allows their apportionment as rapidly as possible, and it is badly needed.

Thus we have a bill carefully worked out; a bill that the committee considered after comprehensive hearings and a vigorous open markup. It creates a balanced program to meet the needs of our highways, to make them safer, and to aid mass transit.

It recognizes, also, as I have stated, what the effects of these programs will be on our environment and the protection of our environment. It permits full citizen participation in these transportation programs.

This is truly a major bill for all Americans. It will help all of us by making our transportation system stronger and better so that in moving across from one section to another we will learn to know each other better and have a better understanding of what America means to all of us. I am proud to be associated with the bill.

Mr. WRIGHT. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Chairman, I wish to thank the gentleman. I rise also in support of the bill.

S. 502, the Federal Aid Highway Act of 1973, as reported by the Committee on Public Works, is legislation which provides a meaningful and effective approach to resolving the many transportation problems that this Nation faces across the country, from coast to coast, in its urban, suburban, and rural areas.

It is legislation that continues to fund at an effective rate the authorizations to complete the Interstate System; it is legislation that gives the proper funding on an equal basis to the rural, urban, and suburban areas of our country; it is legislation that funds the continuation of our many other types of highway programs, ranging in length from money for our forest highways down through and including funding for economic growth center development highways. It goes a long way in many sections of the bill, both in title I dealing with highways, and in title III dealing with urban mass transit, to providing needed assistance and relief to the many congested sections of our country where comprehensive planning must provide the implementation and joint use of highways, for buses and autos that move thereon, and mass transit that can move on the median strips of highways, and on fixed rail operations.

It recognizes the need to beef up and continue the action of the Public Works Committee in 1966 when it created the Highway Safety Act of 1966 by establishing in this bill funding for the existing Federal and State programs, and placing an emphasis on a number of new ones that will be a particular help to the primary and secondary rural routes of our country on which, unfortunately, the bulk of our deaths and accidents occur.

It is a well-rounded, well-developed bill, and I am proud to have played a part in its creation.

I would reemphasize, as I did in the committee report on the legislation, my gratification in the fact that the legislation contains authorizations for the development of a 10,000-mile priority primary system. This appears specifically in section 128 of S. 502. These routes would be the feeder links into the Interstate System. They would not be—and I wish to lay to rest the canard—a "Junior Interstate System." They are not junior interstate systems. They are part of a recommendation submitted by the Department of Transportation in 1968. They do not add additional mileage to the systems. They simply highlight in specific States the need to implement immediately the construction and development of certain essential primary routes such as the one that I called to the attention of the committee in my views on the report. And I quote in part from the report with some editorial comments:

There is no major north-south highway in Louisiana today. Strange as it may seem, we have two interstates, I–10 and I–20, running from east to west through Louisiana. However, in order to reach I–10 in the southern portion of the State, from I–20 in the northern part, a motorist must travel secondary highways that, as Congressman WAGGONNER pointed out, are dangerous deathtraps, and result in many needless highway fatalities each year.

In subcommittee testimony, Congressman WAGGONNER provided statistics showing that the death rate on the Louisiana Interstate System in 1971 was 3.04 fatalities for every 100 million vehicle miles, compared to 6.70 and 7.20 for secondary and State roads.

The specific need in Louisiana is for a north-south road built to appropriate primary specifications and standards, which will connect Alexandria—located in the middle of the State—with Shreveport and Monroe, both located in the northern portion of Louisiana. The route then should connect Alexandria with the southern part of Louisiana, thereby providing adequate and safer highways from north to south.

Congressman OTTO PASSMAN of Louisiana, who represents the Fifth Congressional District which includes the city of Monroe, also supports a north-south road built to Interstate specifications. In recent discussions with Congressman PASSMAN, who serves as appropriations subcommittee chairman for foreign affairs, he stressed his concern that such highways be provided, especially in connecting Monroe with southern portions of the State.

Such a north-south system of roadways would open up much of Louisiana for additional commerce and industry. One of the problems facing our State is that of highway transportation between northern and southern points. As long as this problem exists, Louisiana's expansion in commerce and industry must remain hampered. Our connecting routes running east and west are adequate for highway transportation. But to get from Shreveport or Monroe, both thriving cities, to Alexandria or Lake Charles, Lafayette or Baton Rouge—also thriving cities in the central and southern parts of the State—is hazardous, to say the least.

I briefly attempted to highlight the main principles involved in this legislation. This is one of the most important transportation packages submitted to the House in some years, and I strongly urge its adoption by this body.

Mr. WRIGHT. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Chairman, if I can have the attention of the distinguished manager of this bill, my colleague from Texas (Mr. WRIGHT), I would like to call to his attention that title III of S. 502, the Federal Aid to Highway Act Amendments, amends the Urban Mass Transportation Act of 1964 which, of course, falls within the jurisdiction of the Committee on Banking and Currency. I brought this to the attention of the distinguished chairman of the Committee on Public Works (Mr. BLATNIK), on March 30, and I received a reply on April 11 from Chairman BLATNIK concerning this matter. In his letter to me, the chairman stated—

> We have been brought into this problem unwillingly. It has been imposed upon us by the Senate. The jurisdiction of the mass transit program still rests in your capable hands. Bear with us at this time so we can resolve this entanglement of the highway program and the mass transit program and work out a solution that will help both programs to move ahead.

I would like to clarify this matter on the floor today and would ask my distinguished colleague to reaffirm Chairman BLATNIK's statement to me that the urban mass transportation program is a matter of jurisdiction for the Committee on Banking and Currency and that after the action on this highway bill is completed, that all matters pertaining to urban mass transportation and the Urban Mass Transportation Act of 1964 will be considered and acted upon by the Committee on Banking and Currency. Is that the understanding of my colleague, the distinguished manager of this bill?

I include the following:

CONGRESS OF THE UNITED STATES,
COMMITTEE ON PUBLIC WORKS,
Washington, D.C., April 11, 1973.
Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: May I briefly and sincerely respond to your letter of March 30 last, and your comments on H.R. 6288, the Federal Aid Highway Act of 1973.

As you know, on Tuesday of this week the Committee on Public Works ordered reported to the House S. 502, the Senate passed highway bill. S. 502, as reported by the House Public Works Committee, contains therein a Title III.

Title III deals with certain amendments to the Urban Mass Transportation Act of 1964. This same title was in the Senate passed bill, S. 502, as it was referred to the Committee on Public Woks of the House several weeks ago.

This is the second time in less than a year that the Committee on Public Works has had thrust upon it amendments to the Urban Mass Transportation program. The first time this occurred was when the House and the Senate Public Works Committees met in conference on last year's Federal Aid Highway Act which failed of enactment. At the conference the House conferees faced the fact that the Senate highway bill contained a title dealing with the Urban Mass Transportation Act.

The House conferees accepted this title and it was in the conference report that was reported back to the House, and on which the House failed to act.

We have been brought into this problem unwillingly. It has been imposed upon us by the Senate. The jurisdiction of the mass transit program still rests in your capable hands. Bear with us at this time so we can resolve this entanglement of the highway program and the mass transit program and work out a solution that will help both programs to move ahead.

You have been a strong supporter of the Highway Trust Fund in the past. We need your help now, and I assure you I will work shoulder to shoulder with you in the mass transportation program.

I thank you for your help and cooperation in the past, and I look forward to working with you to resolve this problem together, and to working with you in the future.

With warmest personal regards.

Sincerely,

JOHN A. BLATNIK,
Chairman, Committee on Public Works.

MARCH 30, 1973.

Hon. JOHN A. BLATNIK,
Chairman, Committee on Public Works, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that the Committee on Public Works will begin markup on H.R. 6288, the Federal Aid Highway Act of 1973, beginning on Tuesday, April 3. Title III of the bill, H.R. 6288, would amend the Urban Mass Transportation Act of 1964; this Act falls within the jurisdiction of the Committee on Banking and Currency. As you may know, the Committee on Banking and Currency has set up a separate Subcommittee on Urban Mass Transportation chaired by our distinguished colleague from New Jersey, Joseph Minish. This Subcommittee has already conducted hearings on a number of urban mass transportation proposals and has already concluded its markup session on a 1973 urban mass transportation package, and has already submitted its proposals to the full Committee on Banking and Currency.

The Subcommittee proposals would make substantial changes in the operations of the urban mass transportation program, among which are an increase in the amount of funds authorized for the capital grant program and an increase in the Federal grant ratio to a flat 80 percent Federal grant. Both of these proposals, I note, are contained in Title III of H.R. 6288. I would strongly urge your Committee to forego any legislative action which would amend the Urban Mass Transportation Act.

The Urban Mass Transportation program was initiated by the Committee on Banking and Currency in 1964 and the Committee, as early as 1959, was considering a number of urban mass transportation proposals. We have spent a considerable amount of time on this program and feel that as the authors of our urban mass transportation program that we are the Committee that should make any proposed changes in the Act.

There is a strong feeling in the Committee against any action by your Committee on Public Works which would infringe upon the jurisdiction of the Committee on Banking and Currency. I certainly hope we may be able to work out something beneficial for both the Committees which would provide for greatly needed assistance for our urban mass transportation systems and our Federal aid highway program.

Sincerely,

WRIGHT PATMAN.

Mr. WRIGHT. Mr. Chairman, I yield 2 minutes to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO of Wyoming. Mr. Chairman, I thank the chairman of my subcommittee for the chance to express the fact that in the third week of November last year my good friend, the gentleman from Indiana (Mr. MYERS) whom I regret is out of the Chamber now, stood up and asked for a call for a quorum that was heard around the Nation. It jeopardized highway construction in many, many States, including my own. It ended the 2d session of the 92d Congress of the United States.

It brought to my mind again the fact that at that time it is a physical impossibility to legislate a day or two before a general election. That is what happened in this administration last year, faced as it was with the Anderson amendment on mass transit and on all the other matters that were in the bill. So this year the Public Works Committee began early, and the committee has worked hard on this legislation. I think it is an eminent bill, and it is fair and just.

Mr. Chairman, I commend the gentleman from Texas (Mr. WRIGHT) for an excellent compromise on mass transit. It considers in full the cities' unique needs; it applies funds for mass transit and still fulfills the statutory responsibility all of us have to complete the interstate highway program pursuant to the law of 1956. It has not yet been fulfilled.

Mr. Chairman, until that program is completed, I think a bill along the lines of the one we have now ought to be adopted. I urge the Members to adopt this legislation.

Mr. WRIGHT. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman and Members, there is not enough time to discuss the highway problem, but it is interesting to note that for many, many years before we created trust funds in the various States and in the Federal Government, roads were appalling all over this great Nation of ours.

We talk about mass transit. Certainly it is a serious problem.

But so are the primary highways. The great primary highways are primarily toll roads created and bonded in indebtedness by the States.

My people in Pennsylvania were the first ones to put in modern toll roads. We are paying not only for the bonds and the interest on them, but we are paying for the gasoline and oil used as we go across the road, and we are paying into the trust fund and in that way are paying for the roads.

When they build mass transit facilities will they return any money to the highway trust fund? They will not be paying taxes because they will not be using gasoline. They are not powered by gasoline, and therefore the taxes they receive will be in the form of fees charged for the service. Will they return any money to the trust fund then? They will not.

There are thousands of roads in Pennsylvania and, as a matter of fact, there is still the old Pinchot type of road. There are 84,000 miles of them. We are still fighting in the State legislature for another $100 million worth of indebtedness in order to pay for some of these roads. We collected $687 million last year for the trust fund in our State, but when we got down to use it in road construction last year there were only $338 million available for us.

Where does it go? Well, $60 million went to the State police and $70 million went for education in the form of relief, where they got into the trust fund. Half of the money that is collected is not spent for building roads. Sure, you want to help the cities and make them able to build transit facilities, but let them pay it out of tolls charged on the use of those facilities, like we do in order to pay for the roads that we build. We have done it with revenues derived from toll funds. Let them do it in the same way.

Mr. HARSHA. Mr. Chairman, I yield as much time as he may use to the gentleman from Illinois (Mr. HANRAHAN).

Mr. HANRAHAN. Mr. Chairman, railroad grade crossings have been one of our deadliest, least publicized highway killers, not to mention a public inconvenience, in this country for some time.

According to the Department of Transportation's Federal Railroad Administration, only a meager 20 percent of the 232,000 public crossings in the United States are properly protected.

Each year, nearly 1,500 fatalities and 7,000 injuries are the result. Since 1920, 86,000 persons have been killed in rail-highway accidents.

Schoolbus safety is also a part of the problem. Since 1967, schoolbuses have been involved in an average of 250 near misses annually. We cannot allow our children to be subjected to such dangers because of inadequate protective devices at our railroad crossings.

In some instances, homes have burned down because a fire truck could not get across the tracks to fight the fire. Policemen have similar problems getting across tracks which are blocked for lengthy periods by trains. It is not uncommon to be delayed for 20 to 30 minutes in my district by a passing train.

In 1971, in the State of Illinois alone, there were 242 accidents at rail-grade crossings in which 89 persons were killed and 275 injured.

We have before us the 1973 Highway Safety Act which would allocate funds for badly needed improvements in our railroad crossings. It is imperative that we act favorably on this legislation to provide adequate protection at these hazardous crossings.

Mr. HARSHA. Mr. Chairman, I yield such time as he may use to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Chairman, I have already discussed this bill at some length in previous remarks. I wanted to take the floor at this time to bring out in the open a situation that has troubled me and I believe may have troubled other Members as we legislate in this vital area of financing transportation.

The situation to which I refer—and I refer to it very bluntly—is the misleading coverage accorded the real issue before us today which we have gotten from the national media.

In introducing the highlights of key testimony in the RECORD last week I took occasion to refer to a paradox: Support for diversion of funds from the highway trust fund for urban rail transit has diminished. The best example of this diminishing support for diversion is found by two Senate votes. Last year there was a vote of 48 to 26 to divert, and this year the vote was far closer—49 to 44. However, at the same time we have this dramatic proof that people who are exposed to the facts are increasingly against diversion, but at the same time that is going on, there seems to be increasing support for diversion. I believe misleading press coverage is the explanation.

Today I intend to point out a particularly distressing example wherein CBS indulged in what I term the selling of the subways. Before doing so I want to remind all concerned about my own conviction regarding the press.

I am a cosponsor of a newsman's shield and broadcast license renewal legislation to protect both categories of the press from harassment and intimidation. Equally, in the interests of a free flow of information, I have also supported the opening of our committee markup sessions. We in the Committee on Public Works had an open markup session. I was disappointed, however, because although there was good press coverage of our markup session on the highway bill that we are discussing now, there was almost a total lack, almost a total lack, of press coverage of full hearings wherein we developed the facts, the facts that undergirded much of what we were doing in the markup session.

On the evening of Monday, March 26, immediately following the long week of hearings on this issue of diversion and related matters, CBS radio carried such a one-sided account of the dispute that I filed a protest last Friday seeking correction under the fairness doctrine. A similar complaint went to Station WTOP here in Washington, the station which carried the broadcast in question that was heard by two of my staff members.

To its credit, WTOP has offered me air time to challenge that CBS report, delivered by Mr. Mudd, substituting that evening for Walter Cronkite. This was confirmed today by Mr. Snyder, vice president of WTOP. I regard this offer as eminently fair, and intend to accept it.

But unfortunately, to date I have not received similar satisfaction from the network. Mr. Blum, writer-producer of the Cronkite broadcast, acknowledged receipt of my complaint which, under previously obtained unanimous consent, I will insert in the Record immediately following these remarks. As of noon today my letter was under study by CBS, and Mr. Blum informed my office he would have difficulty in issuing a more balanced report prior to our action.

My letter stated:

> Material compliance with the fairness doctrine would in my judgment dictate action on your part prior to House action now scheduled for Tuesday.

CBS was informed that the vote would not be taken before today, but ample material has been available in my office with my staff. The network's staff of professional journalists would have no problem in putting together a broadcast in the terms I indicated would be fair on a deadline basis.

I mention this, in concluding my remarks—and I thank the gentleman from Ohio for having yielded to me—but I mention this simply because I do not want any Member of this House when they come to vote on the Anderson amendment, which is going to be one of the key votes, to do so without thorough and fair knowledge of the facts.

I want to remind them of the tremendous shift in the U.S. Senate, a shift from last year where the vote on diversion was 46 to 28 to this year, when the vote was 49 to 44. I also want to remind them that in the Committee on Public Works the vote has been slightly stronger, certainly as strong as it was last year, almost three to one against diversion. The people who have and know the facts have consistently opposed diversion.

The letter that I referred to is as follows:

April 13, 1973.

Mr. Gordon Manning,
Senior Vice President, CBS News, New York, N.Y.

Dear Mr. Manning: On the evening of Monday, March 26, the report by Mr. Roger Mudd concerning the dispute over the future of the highway trust fund was so incomplete, misleading and factually in error as to constitute one-sided reportage concerning a controversial issue of public importance warranting corrective action under the fairness doctrine.

After three introductory pargraphs, the report stated:

"In 1956, Congress set up the highway trust fund to finance what was to become the biggest public works project in American history: the 42,500-mile $80 billion interstate highway system. The fund operated entirely outside the regular federal revenue structure. Instead, it was financed by special automobile user taxes—on tires, trucking tonnage and particularly by a tax on gasoline, which is now up to 4 cents a gallon. With the passage of time, construction costs went up, but fund revenues kept up with them. And now the interstate highway system is in large part completed."

This is dead wrong. In 1956, when Congress established the trust fund, the interstate system's requirements were the motivating force for its establishment. But all other types of highways in the federal-aid system were also included at the outset among the purposes for its use. And given priority. Under the Byrd amendment, the interstate system was given last—not first—claim on the trust fund dollar in the event revenues failed to meet demand. I believe any fair-minded individual would therefore conclude that the report is factually incorrect in this respect.

Continuing, your report stated: "But in the meantime, we've come to regard new highways as a mixed blessing. They're very big with truckers and tourists, but they also glut our major metropolitan areas with traffic congestion and air pollution."

Comment: This appears to suggest that the future uses of the trust fund are to consist solely or mainly of *new* highway construction. (Later the report talked of "whether we're to continue blindly going on building more highways as usual, or whether the growing problem of congestion and pollution, and now impending gasoline shortages as well, have finally gotten through to us.") This utterly ignored the other eligible needs of the federal-aid system, including the reconstruction, widening and relocation of existing roads, and a wide range of other needs such as highway safety, urban traffic improvements and facilities in support of bus transportation. Thus the omission of substantial material fact represented misleading reportage.

Your report was carried immediately following one week of exhaustive hearings by the transportation subcommittee of the House Committee on Public Works, which you apparently ignored. Testimony elicited indicated that the problem of congestion, cited in your report, is not substantially relieved by rail transit. Rather, the riders for new or expanded rail mass transit lines come largely from competing bus lines. The normal growth in traffic more than offsets any diversion from car to rail in our metropolitan areas. Moreover, the same hearings produced testimony to the effect that the existence of a rail transit facility reinforces pressures for urban concentration in high-density development, generating demands for even more transportation of all modes, of which only a small proportion is met by rail transit. In short, it can serve to worsen congestion.

As to pollution, this stems from both mobile and stationary sources of emissions, again partly a function of the density which our hearing testimony attributed in part to rail transit. Pollution also is aggravated by the stop-start cycle of traffic in densely congested areas, of which New York City with its high rate of rail transit use was cited as an example. Furthermore, Administrator William D. Ruckelshaus of the Environmental Protection Agency indicated in response to my questions at the hearings that the principal potential source of immediate relief from automotive pollution in some severely afflicted areas is the bus, a highway-related mode.

Your report also noted that trust-busting advocated include the Administration. Yet your report ignored the same Administration's data in the 1972 Needs Report of the Department of Transportation, a document long in the public domain, indicating that $600 billion would be needed for highway-related improvements through 1990. A vast amount of this represents an accumulation of needs unmet during concentration on the interstate system, including needed improvement to *existing highways*.

This $600 billion figure compares to an estimated $135 billion in anticipated revenues. There was no mention of this in your report. It thus was incomplete, to state the case most generously. And this is what the fight is all about in Congress, in the view of those of us who favor both the trust fund, and financing of rail transit from other sources.

There are many arguments for preserving the highway trust fund, and against diversion, which I do not wish to rehearse here. The purpose of this letter is to register a complaint concerning the material of your broadcast.

At minimum, a good-faith effort to set the record straight in terms of the broadcast in question would include a correction concerning the purpose for which the trust fund was established, a balanced enumeration of currently eligible uses, citation of the degree of demands on the trust fund in relation to anticipated revenues, an indication that there is contrary evidence concerning the diversion potential of rail transit, the implications of transit for increased urban congestion, the relation of pollution to that congestion, and the potential for alleviation represented by buses. (For your background, estimates have indicated that buses are far more economical than rail transit, party because the capital investment is shared by buses, automobiles and trucks.)

I have had occasion to observe that this is paradoxical that support for diversion has diminished on the House Public Works Committee since last year, while support seems to be growing among House Members at large. Members who do not enjoy the advantage of the knowledge I have gained from 10 years of service on the Committee may well be swayed by press reports or constituent views in turn reflecting those news reports. In view of the proportion of the public deriving its entire ration of news from the electronic media, I look for correction by CBS which is—as your promotional copy has it—"Where the listeners are."

The highway bill has been passed by the Senate, and the House version is due for action next week. Material compliance with the fairness doctrine *would in* my judgment dictate action on your part prior to House action now scheduled for Tuesday.

I make no claim to be informed as to the full extent of your coverage of this issue. If you feel that other news treatment of the controversy has provided sufficient material to counter the misleading effect of the specific broadcast to which I am registering this complaint, please inform me at your earliest convenience. It would be helpful if you accompanied your reply with transcripts.

If you have observed my actions in support of newsmen's shield laws and broadcast license renewals, you will doubtless recognize that I do not register this complaint lightly. At the same time, I do not intend to remain silent in the fact of any journalistic selling of the subways.

Please keep me informed of any steps you take in response.

Sincerely,

James C. Cleveland,
Member of Congress.

Mr. HARSHA. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. Saylor).

Mr. SAYLOR. Mr. Chairman, we are faced, once again, with the question of honoring a pledge to the American people. The Committee on Public Works of the House of Representatives has, in its report on the Federal-Aid Highway Act of 1973, honored the pledge to construct, maintain, and complete the interstate highway system. The committee has done this, in my opinion, in a manner which recognizes the legitimate aspirations and goals of a changing society. On the one hand, the committee has provided for the construction of a much-needed system of subsidiary highways to complement the Interstate System—the priority primary routes. This system will bring to economically depressed areas of the country the values and necessities we associate with prosperity and economic growth. On the other hand, the committee has met the demands—justified demands—of urban areas to do something to meet the increasing problem of congestion and overbuilding which are making our inner-cities places to flee from.

As one of those many Members of Congress devoted to the cause of environmental protection, and one concerned about the degradation of our living space by all sorts of development, I am sympathetic to the plight of those urban areas where highway transportation construction has become a detriment to a high quality of life. The committee has recognized this situation and provided for an alternative means of creating transportation systems in areas where such systems are needed. The committee has accomplished this without going back on pledge and "promise" of a system of highways to link all segments of our vast society together.

To those who have seen in the highway trust fund, the "solution" to the problems of financing other means of transportation to urban areas, I suggest they examine the letter of Congressman BLATNIK and Congressman HARSHA, of April 17, concerning the availability of funds to do more than merely meet the needs of the bill before us. They point out, and I concur, that any diversion of highway trust fund moneys for nonhighway purposes will further aggravate an already difficult situation. In the State of Pennsylvania, should the trust fund be broken as desired, the bulk of the citizens, in the nonurban areas of the State, would be severely handicapped in their ability to meet the requirements of economic growth. Our State can ill afford to tamper with an already fragile economic picture.

As one of the representatives of an area which is in desperate need of economic "upgrading," I can say in all sincerity that the means to that end is embodied in the committee's bill to construct the priority primary route system. Hundreds of thousands of citizens, in the five-state corridor comprised of parts of West Virginia, Virginia, Maryland, Pennsylvania, and New York, are today, literally cutoff from the mainstream of commerce because of their lack of adequate North-South highway communication. We cannot expect improved opportunities for the people of the area unless the Congress acts to bring them the same benefits which have been generously bestowed on other parts of the country in the form of rapid, safe, and efficient highways.

The question always comes up—why not turn to some other form of transportation? Of course, the only other "system" is rail transportation. As an experienced observer of the railroad system in the northeastern part of the United States, all I can say is that one is then asking our citizens to follow the lead of the railroads and file for bankruptcy. The plain matter of fact is that there is no efficient alternative to an improved highway system for my part of Pennsylvania and I daresay, for many other parts of the country. It is for these reasons that I wholeheartedly support the committee's position on building a supplementary system to the Interstate System, and why I congratulate the committee on recognizing the plight and need of the total population rather than just the demands of the vocalists of the urban areas who are so well represented in the Congress and supported by the mass media.

I do not deny the need for more efficient means of transportation for urban areas. The means is suggested in the committee's report when it calls for increased funding level for the new Federal-aid urban system while at the same time liberalizing the criteria for providing mass transportation facilities, such as special bus lanes, traffic control devices, passenger loading areas, shelters, and parking facilities, all from the apportioned highway funds. A heathy urban transit program can only be achieved in concert with a healthy urban highway program and there are numerous examples of such compatability throughout the United States already in being.

The committee has attacked the many-faceted problems connected with our national transportation system with comprehensiveness and compassion. The committee has looked at the trees and the forest, and done its legislative best to answer the nearly insoluable problems within the constraints of limited financial resources. The committee is to be commended for its job; for handling a now "unpopular" cause with fairness; and for providing solutions of which all Members can be proud.

Mr. WRIGHT. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I think it is important to recognize that as we debate this bill that we really stand at a threshold of transportation legislation. The Federal highway trust fund program is 16 years old. It has known some important success in the creation of a safe and efficient Interstate Highway System, but it has also known some failures. The highway trust fund program is, by definition, when one considers modern-day transportation, one of imbalance and distortion. This Nation has built fine highways, but it has congested them with too much traffic and pollution, because it has ignored the needs of mass transit. These roads lead to and pass through our cities, but the cities suffer from the magnitude of pollution problems they bring without the means to correct them. The cities have never received their rightful share of the huge level of Federal transportation dollars, nor have they been permitted discretion in the use of the funds that they receive.

While we have addressed this one major transportation problem, we have created and aggravated others. It seems to me that the Government has got to bring our transportation policy into balance.

While it is not easy to solve this very complex problem, there is one fundamental and logical step toward a solution establishing an interrelated, intermoded transportation plan. That can begin with our looking upon the highway trust fund as a general transportation fund. It is not a revolutionary idea, but it is a logical one.

As a matter of fact, I think it is the next step to take in the natural developmental process that began 16 years ago. The major point of difference in this debate, which will be presented by Mr. ANDERSON's amendment, is whether we will provide flexibility to localities in the use and distribution of transportation moneys. It is fundamental that localities, with the adequate safeguards of Federal DOT guidelines and State, metropolitan, and municipal responsibility, know best what their transportation requirements are.

In many, if not most cases, this would still mean priority for the construction of highways and streets. This is another misconception that I think a lot of people have, that we in the cities are only interested in one form or one modality of transportation. That is not so. We are seeking a balanced transportation system, one which will give us the opportunity to create our own priorities as to what is essential for us.

In some cases, it will mean money for roads. In other cases it might mean the allocation of funds for buses, for subways, for mass transit, or various kinds of people movers. I think it has got to be recognized that the Anderson amendment, which will be discussed here, provides for a mix of transportation. We simply do not have room for all the cars, nor can our health and physical well-being survive the present level of auto-generated pollutants of the air.

The Anderson amendment would permit the officials of urban areas in which funds from the urban system are to be spent to ask the State officials who control those funds to permit them to buy mass transit equipment instead of building roads.

It in no may affects any rural funds. The two rural systems—the primary and the secondary systems—and the other urban system, the urban extension system, will still be reserved entirely for highway uses. Those Members who are from the rural areas, or those who are in the urban extension fund areas, must recognize this.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. WRIGHT. Mr. Chairman, I yield 5 additional minutes to the gentlewoman from New York.

Ms. ABZUG. This amendment in no way takes any money from any State or any locality. The apportionment formula for the urban system is not altered by the Anderson amendment. All that it changes is the uses to which these funds may be put. If, as the provision provides, there is $700 million now being proposed for a flexible use, it is the same $700 million which these very same urban systems are presently entitled to. It is their share of the highway trust fund. It is not anybody else's share, and it does not take any money from anybody else. It merely says that those in the urban system can use that $700 million according to the uses which meet the needs of the particular urban system area.

It does not affect the Interstate Highway System. Interstate funds are entirely separate from urban system funds, and the completion of the Interstate System will not be delayed or otherwise affected by this provision.

This amendment in no way requires any State to spend any money for mass transit. It is entirely permissive in nature. Under it, urban system funds could be spent for mass transit purposes only if the localities so request and the State, which retains control over the funds, agrees.

All that this amendment does is to permit urbanized areas to take money which they will receive in any case and to use it for mass transit instead of for their own roads, if they decide that is what they need.

It has been claimed that because highway funds come from an account in the Treasury known as the "Highway Trust Fund," they should not be permitted to be used for any purpose other than the construction of roads. It is further argued that in collecting the money which is in this account, we promised those who paid it in taxes that it would be used for no purpose other than the construction of roads. Neither fact nor logic supports either of these contentions.

The Federal Government has been in the business of assisting highway construction since 1916, but until 1956, all highway funding came out of general revenues. The formation of the highway trust fund in that year did not involve the imposition of all new taxes, but rather the assignment of existing taxes to a single account instead of to the general fund and the addition of some additional taxes. Despite the fact that some of the taxes going into the trust fund have been increased since 1956, half of the tax money now going into the trust fund comes from taxes that already existed when it was created in 1956.

As for the claim that the trust fund is to be used only for the construction of roads, it is interesting to note that its present uses include funding for housing relocation, ferryboats, land acquisition for parking lots, traffic courts and traffiic signals, and the training of State and local highway employees. The fact is that the trust fund is presently being used—and properly so—for various aspects of our Nation's transportation needs. The Anderson amendment is entirely consistent with this existing policy.

We are told that the "Wright proposal" contained in the committee bill is every bit as good as the Anderson amendment. This provision would permit an area entitled to receive urban system funds for highway construction to return those funds to the highway trust fund and become entitled to an equivalent amount out of general revenues for mass transit purposes. This general fund money would be provided under "contract authority," which is said to insure that it will be available. As my learned colleague, the gentleman from Illinois (Mr. MURPHY), said when this bill was before the Rules Committee:

> You are offering us a piece of pie that will never be baked.

We are all aware of the administration's budget cutbacks, and Congress itself has recently taken steps in the direction of imposing an overall budget ceiling. In the face of those facts, it is folly to think that an additional $700 million from general funds is going to be made available by the Department of Transportation.

As for the much-touted "contract authority," it is of no help if the DOT refuses to enter into contracts altogether. Finally, the anti-impounding provision of existing highway law, which was the subject of the recent decision in the Missouri State Highway Commission case, applies only to money available "for expenditure upon any Federal-aid—highway—system." Under the terms of the Wright proposal, an alternative mass transit project is not a part of any of the Federal-aid systems. In short, the promise of the Wright proposal, well intentioned though it may be, is entirely illusory. If it is enacted into law, I do not expect that our urban areas will ever see one penny of that alternative money.

The Anderson amendment does not affect any rural funds. It does not alter the allocation formula for any State or any area. It does not affect the completion of the interstate system or the funds available for that system. Finally, it is permissive in nature, and simply allows localities to decide to use funds which would come to them in any case for mass transit purposes instead of for highways.

Despite all the publicity and opposition it has engendered, this amendment is not antirural and is not designed to "bust the trust." It asks nothing more than flexibility in the use of urban funds in urban areas. I urge its adoption.

DISTRICT OF COLUMBIA HIGHWAYS

Mr. Chairman, section 139 of the bill would repeal the District of Columbia Highway Act of 1893, as amended, as it relates to interstate highways in the District of Columbia. The committee's report suggests that section 139 refers only to a provision in the act which prohibits construction of a highway at a width greater than 160 feet. That statement is not correct. Section 139 would, by its terms, repeal all the provisions of the 1893 act in relation to interstate highways in the District. It is identical with section 140 of H.R. 16659, last year's proposed Fderal-Aid Highway Act amendments. I shall not move to strike section 139 from the House bill, but I wish to make the RECORD clear by referring to the portion of my additional views on this section in the committee's report on H.R. 16659 last year:

> Section 140 of H.R. 16656 would repeal the District of Columbia Highway Act of 1893, as amended, as it relates to Interstate highways. The bill does not contain anything to replace these provisions, thereby leaving a total void in District laws relating to planning and construction of Interstate highways.
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> The District of Columbia Highway Act of 1893, as amended, provides the only general authorization the District government has to build highways. It includes, either originally or by amendment, sections 7-108 through 7-115 and, by implication, section 7-122 of the District of Columbia Code. Section 7-108 directs the District of Columbia Commissioners (under the 1967 Reorganization Plan the D.C. City Council) to prepare "a plan for the extension of a permanent system of highways," and section 7-122 empowers the Commissioners to change this plan "whenever in their judgment the public interests requires it."
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> The basic procedure for adopting the intial plan and for adopting changes in the plan is set out in D.C. Code section 7-109. The District Commissioners are directed to prepare a map which shows the boundaries, dimensions, and square-footage of all planned streets and highways; to hold a public hearing for the benefit of landowners within the rights of way of the planned highways after giving notice of the hearing for fourteen consecutive days; to submit the plan to the National Capital Planning Commission, which is empowered to "make such alterations * * * as it shall deem advisable"; and to record the plan with the surveyor of the District of Columbia after the plan has received the written approval of the NCP. Section 7-108 prohibits the highways from being less than 90 or more than 160 feet wide, in order to conform their dimenisons to the L'Enfant Plan for the City of Washington.
>
> In addition, section 7-110 authorizes references to be made to the surveyor's permanent highway map in deeds and wills and section 7-111 authorizes the District government's agents to enter private lands to make surveys for proposed highways. Section 7-114 permits property owners affected by proposed highways to use their properties until condemnation proceedings have begun.
>
> Section 140 of H.R. 16656 would sweep away all these provisions with respect to Interstate highways—public hearings for affected property owners; public notice to affected property owners from detailed maps and plans; the right of property owners to use their property until condemnation begins. The effect would be the same as if Congress were to abolish the *provisions* of the Iowa Code, the New York Laws, or the Oklahoma Statutes as they relate to Interstate highways. It takes little imagination to forsee that the result will be utter chaos in planning, approving and constructing Interstate highways in Washington, D.C.
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> Some members of Congress have complained publicly about the District government's failure to complete the Interstate highway system within the District. Many of the segments proposed in 1968 and referred to in section 23 of the Federal-Aid Highway Act of 1968, including the Three Sisters Bridge, appear to be misconceived. Some may not be. But whatever one may think about the merits of any proposed segment, section 140 is an open invitation to the District government to plan nothing, approve nothing and construct nothing in the foreseeable future.
>
> By sweeping away all applicable local laws, section 140 raises such elementary questions as these: Who has responsibility for planning highways in the Nation's Capital—the D.C. Department of Highways and Traffic, the Mayor-Commissioner, or the D.C. City Council? Are public hearings of any kind necessary and, if so, who should hold them? Is any public notice of proposed Interstate highway construction necessary and, if so, what kind and who should give it? Do D.C. Department of Highways and Traffic Engineers have a right to trespass on private property to make surveys for a proposed Interstate highway? Or could one disgruntled property owner prevent a survey from being made and thereby hold up construction indefinitely? Even those not intimately familiar with the conduct of District government affairs can confidently predict that several years could be consumed in attempting to find answers to those questions.

This committee is obviously not equipped by jurisdiction or expertise to review and, if necessary, revise the District of Columbia's highway laws. That responsibility rests with the Committee on the District of Columbia. It would be foolhardy and fruitless for Congress to repeal those laws in amendments to the Federal-Aid Highway Act without replacing them and providing the best possible framework for informed local decision-making. Section 140 should be deleted from the bill.

Mr. WRIGHT. Mr. Chairman, I yield 10 minutes to the gentleman from California (Mr. ANDERSON).

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Chairman, I think there is an agreement upon all sides that we will complete debate on the bill and then go into the 5-minute rule and take up the Anderson amendment. There will be a time limit set by agreement on the Anderson amendment. At the completion of the time limit, the committee will rise, and that will preclude any debate tomorrow on the Anderson amendment, and the first item for business tomorrow will be the vote on the Anderson amendment and then we will continue on the 5-minute rule.

Mr. HARSHA. Are there any other amendments to be considered this evening?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Texas.

Mr. WRIGHT. It is my understanding, in response to the gentleman from Ohio (Mr. HARSHA) that the agreement genenerally acceptable, which I have discussed with the gentleman from California (Mr. ANDERSON) and some of the members of the minority, is that upon completion of general debate, we go into the 5-minute rule, read the first title for amendment; the gentleman from California (Mr. ANDERSON) be recognized first for his argument.

Then, we would have approximately 1 hour, hopefully, of debate upon that amendment; concluding debate on that amendment, I would move that the committee rise so that the first order of business tomorrow would be a vote upon the Anderson amendment.

The reason for this is that the Anderson amendment seems to be that which is of greatest interest.

Mr. HARSHA. I understand that. I just want to make sure there were no other amendments which were going to be recognized later on.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Chairman, for the information of those Members who were not here earlier, we had a unanimous consent earlier in the day for the House to meet at 10 o'clock tomorrow morning.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, the majority leader has mentioned a 1-hour limit as far as debate is concerned upon the amendment which will be offered by the gentleman from California (Mr. ANDERSON).

I would think that 1 hour of debate would, indeed, be sufficient. I wonder if he is prepared to give us some assurance that an effort would be made to see how many people care to speak on the amendment, to see that everyone is treated fairly and no one is short-changed.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Chairman, may I say that I did not come up with any time limit of 1 hour. I thought that was agreed upon among those who were the sponsors of the amendment.

The only reason I say a time limit must be set is in order that we finish at that particular time. In other words, a previous question cannot be moved.

If we do not set a time limit, we could come in tomorrow and start the entire debate all over again. I do not care whether it is an hour or an hour and a half. However, that is between the gentlemen here to establish by unanimous consent. If there is an objection, then it would have to be moved, but we must have a time set, a definite time that the debate ends in order that we can prevent further debate tomorrow on the Anderson amendment.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I have no objection to this. However, I would further suggest that we could have some assurance that the time would be equitably divided as between the proponents and opponents of the amendment.

Mr. O'NEILL. That would have to be between the gentlemen in charge of the bill.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Ohio (Mr. HARSHA).

Mr. HARSHA. Mr. Chairman, I was not under the impression that there was any agreement as to the time on that particular amendment. I was under the impression that the understanding was that we would try to expedite it and move it along, but if it got out of hand and was delayed and was carried on to an inordinate hour, then there would be an effort to close debate and limit it to a certain length of time after a reasonable number of Members had an opportunity to be heard.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield further?

Mr. ANDERSON of California. I yield, but my time is running out.

Mr. O'NEILL. Mr. Chairman, a time must be set in order to end the debate. When the Members come to that agreement, 3 minutes before the hour of debate if they wish, and say that all debate will end at 6 o'clock or 6:15, whatever it is, as long as the debate is ended at that time so that we will not start over again tomorrow.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield further?

Mr. ANDERSON of California. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, I can give some assurance to the gentleman from Illinois. Let me say that it would not be my disposition to have the debate end in any way with foreclosing Members from having time to discuss the amendment.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Chairman, I fully agree with the intent and purpose of what has been the tenor of the Members who are deeply involved in the bill and in the amendment. I wonder, however, if we get down to 6 o'clock or 6:30, I think we will find a minimum number of Members of the body on the floor.

If the gentlemen come to any agreement, could they say that at the resumption of consideration of the bill tomorrow there will be 10 minutes on each side, so at least we would have the Members here to hear the concluding arguments? I believe that would be a fair and reasonable solution.

Mr. ANDERSON of California. I would prefer that, because otherwise we might feel we should put on a quorum call to get the Members here.

Mr. WRIGHT. Mr. Chairman, if the gentleman will yield to me, I should like to say this makes sense to me. I would be amenable to that kind of an arrangement.

I believe the gentleman would like to make some remarks to the House, and we shall be glad to hear them.

Mr. ANDERSON of California. Mr. Chairman, I should like to speak for a moment about the bill before us this afternoon, the Federal Aid Highway Act of 1973. As a member of the Committee on Public Works, I can attest to the many, many hours of work put in by that committee on this particular bill under the able leadership of our great chairman, JOHN BLATNIK and, of course, under our able subcommittee chairman, JOHN KLUCZYNSKI.

I wish to say that the committee was most courteous to me and gave me all the time I needed in the presentation of my amendment before that committee.

With the inclusion of the amendment which I intend to offer this act, I believe, will become landmark legislation, but without that amendment the bill will fail. It will fail a very important part of America, the urban centers, where most of our people live and work.

The amendment I will offer is very simple. It will affect one portion of the highway trust fund only, the urban systems fund, $700 million per year which is presently allocated to urban areas, those with 50,000 or more people.

It will permit State and local officials greater flexibility in the use of the share of the urban funds they presently receive, by allowing the construction or purchase of bus or rail transit systems as well as the construction of highways. Presently they can expend those urban system funds for highway and highway construction related projects only.

I believe it might be wise to say what my amendment will not do, because of the many rumors that are afloat.

First, it will not in any way affect the Interstate System. That will be completed. Incidentally, according to the Secretary of Transportation, Claude Brinegar, work has either been completed or is underway on 98 percent of the 42,500-mile Interstate System.

Nor will my amendment affect the primary or secondary rural highway system. It will not alter, add to or delete any of the funds authorized for any system by the Public Works Committee. It will merely permit the urban areas to use their funds in a manner that they feel will best solve their transportation needs.

Some may continue to use their urban system funds to construct highways. Others may allocate a portion to buy buses or to construct a rail transit system. Still others will use a combination of concrete, rubber and steel.

No State will get less money if my amendment passes, and it is purely permissive. No State or county area is required to spend 1 cent for mass transit.

For further details on this, Members might look at the report put out by the committee, on page 125. There is a chart that certifies each of these, and how my amendment affects only that one urban area system.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WRIGHT. Mr. Chairman, I yield the gentleman an additional 7 minutes.

Mr. ANDERSON of California. Mr. Chairman, some may even contend that the amendment breaks faith with the user when the transit fund was established in 1956. I contend, however, that mass transit will benefit the user by increasing the usefulness of our highways, by attracting the commuters off those roads.

I know of what I speak, because I have an area where during the time when people go to work in the morning and come home in the evening, our freeways and our interstate systems are all but worthless; no one can get anywhere on them.

I want to get those marginal commuters, the one-to-a-car drivers—we call them the one-to-a-car syndrome—we want to get them, if possible, into mass transit, so people going to and from other areas can get across the city.

Mr. Chairman, I happened to be in Detroit this past weekend, and we drove all the way to Detroit as fast as the speed limit would allow us, but when we got into Detroit, we ran into traffic which stalled us, so as a result we were going along at speeds far less than what the highway said the speed was.

There is another point that is also raised, and that is the sanctity of the trust fund. I want to say that the sanctity of the trust fund has been somewhat diminished when we recognize that trust fund moneys have been used to purchase ferryboats, construct homes, move businesses displaced by highway programs, build police barracks, purchase ambulances, salvage archeological sites in conjunction with highway projects, purchase automobiles for driver training, pay the salaries of clerks in traffic courts, and purchase computer time for traffic courts and, of course, two-thirds of the entire highway safety program is paid from the trust fund.

Mr. Chairman, when one considers these wide varieties of uses of highway trust fund moneys, none of us are affected by my proposals, but when one thinks of those, then I am sure it makes my amendment most appropriate, since my amendment makes the highways and transportation systems most workable for the highway user.

There are many facets affected by the mass transit tie-in needed for our highway building program. I cite briefly energy pollution and land usability. Today throughout our country conditions are calling for the adoption of my amendment.

Let us take energy first. The gasoline shortages throughout the Nation are apparent; actually there are shortages in all forms of energy for that matter, but these shortages are becoming more and more apparent. Each day we are witnessing the closing down of stations and refineries in many parts of the country. Every 2 or 3 days in the newspapers we read where Florida, Minnesota, and Illinois are the ones being hit. Will it be your State tomorrow?

Obviously mass transit is not the only answer, but it is an answer. If we can cut down the one-person-to-a-car syndrome by the utilization of mass transit, if we could cut automobile usability by 25 percent, we could save half a million barrels of oil every day.

What about pollution? According to the Environmental Protection Agency, gas rationing is in the future of as many as 33 American cities. In Los Angeles, some weeks back, the Administrator recently told us we would probably have to have gasoline rationing to cut our gasoline usability by 82 percent to meet clean air standards and, of course, such action would completely cripple the southern California community.

Their population, their jobs, like everything else, is geared to the automobile.

I think efficient mass transit systems would solve a major part of this problem.

What about land usability? Another factor that enters into the program of highway construction and its environment is the best usability of our land. Today we have almost 4 million miles of roads in the United States which cover approximately 35,000 square miles, an area roughly equal to the size of Connecticut, Massachusetts, Vermont, and Rhode Island combined. In addition, highways make it necessary to devote large amounts of land to interchanges, parking facilities, and the lot. In the central area of many of our big cities land devoted to streets and parking approaches 60 percent.

Rather than take more and more of our land off the tax rolls by building highways, we should use existing rights-of-way for mass transit and thus use land more effectively and more efficiently.

The committee bill says take the $700 million for mass transit out of general revenues by the use of contract authority, but you know and I know there is not any money lying around in the general fund. We have been running into the red roughly in the amount of $20 billion to $25 billion a year for these past 4 years and we have passed bills for pollution control, hospitals, education, and we could go on and on, which are not being acted on, because of the shortage of money in the general funds.

If my amendment is not adopted and even if the President signs the order, do you think the Secretary of Transportation would be allowed to approve any contract authority for mass transit and thereby force either more deficit spending, new additional taxes, or a fund cut in necessary programs?

Some will argue that the need for highway construction is too great to take money out of the trust fund for any purpose other than highway construction.

We had the Department of Transportation study which identified approximately $600 billion in highway needs over the next 17 years, until 1990. However, they failed to reveal one-third of this money is to construct roads locally funded and not even under the federal system, and also they conveniently neglect to cite the part of the Department of Transportation study which states $3 billion of the remaining $4 billion in needs would cost more to construct than the accrued benefit to the users. In other words, only $100 billion of the needs are truly *justifiable*, and 85 percent of this is located in the urban areas of 50,000 or more population where transit might be preferable to building yet more highways.

Also the same Department of Transportation report concludes:

Flexibility is essential to our urban areas.

I could go on and on with these, but I want to close by saying I know you have been getting loads of letters. Almost every day I get letters from various radio and television stations that have endorsed my program. You have seen in the last 2 or 3 days where the two main Washington papers, the Washington Evening Star and the *Washington Post*, both endorsed the position, and the Los Angeles Times and the New York Times and labor pretty widely supported it.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MATHIS of Georgia. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. MATHIS of Georgia. Mr. Chairman, I withdraw my point of order.

Mr. WRIGHT. Mr. Chairman, I have no further requests for time.

Mr. HARSHA. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. DON H. CLAUSEN. I yield to the gentleman.

Mr. ANNUNZIO. Mr. Chairman, I rise in support of the Anderson amendment.

During my many years in the Congress I have alway believed that one day we would reach the brink of disaster in the urban areas of America as far as the mass transit problem is concerned. Today that brink has been reached.

The problem is greater than it has ever been because of the mass production of automobiles. Already approximately 94 percent of all travel in urbanized areas is by automobile. Our cities, States, and main thoroughfares are jammed, bumper to bumper. Our cities, as a result, are severely polluted, and if you are caught in bumper-to-bumper traffic, you can actually see the smog and feel the irritation in your eyes and your lungs.

The problem has been further compounded by the fuel shortage. We must face the fact that America can no longer provide the gas and oil necessary to maintain millions of automobiles in the cities of America.

The time has come for my colleagues who represent the farm areas of America to realize that 70 percent of the American people live in urban areas, and that these people are demanding cheap, efficient, and fast transportation in order that they may go to and from work.

In just a few decades, the number of people living in and close to the cities is expected to double. The problem of moving people and goods around and through our urban areas is already critical. Unless we make provisions to meet and solve the urban transportation snarl, it will grow progressively worse.

Mr. Chairman, we all know that the highway trust fund currently generates about $6 billion a year. We know that this money is paid into the trust fund by the highway users of America who pay highway and gasoline taxes. But it is these same taxpayers who want fast and efficient transportation to and from work, less crowded highways and freeways, less traffic, less congestion, and less air pollution. We can resolve the problem by giving the commuter a choice—an efficient mass transit system as well as an efficient highway system.

The urban expressways already built with the help of the massive Federal aid highway program have influenced the urban traveler to depend more and more on his automobile. In fact, 60 percent of the total Federal transportation budget is spent on highways and only 4 percent on mass transit.

We would be taking a long step forward toward resolving our transportation problem, which affects every American, by passing the Anderson amendment. The Anderson amendment would permit cities to use their shares of a $700-million-per-year urban systems fund for roads, mass transit, or both.

Mr. Chairman, I feel priorities have changed in transportation since the enactment of the highway trust fund in 1956. History shows us that if transportation is to be viable, it has to adjust to the times; and I cannot stress too strongly that the time for a new start is now.

We have made much progress in America. We have the finest highway system in the world, but the time for us has come to have an equally fine mass transit system. We have the know-how, we have the technology, we have the resources, and we must demonstrate to the American people today that we have the will and the desire to resolve this problem and the way we can resolve this problem is to support the Anderson amendment which would permit cities to use their shares of the urban system fund, from the highway trust fund, to meet nonhighway transit needs such as mass transit bus systems, mass transit rail systems, and other similar systems.

Mr. DON H. CLAUSEN. Mr. Chairman, I want to rise to offer some counterpoints to my good friend from the southern part of my own State of California.

Mr. Chairman, supporters of the Anderson amendment and the Secretary of Transportation attempt to make light of the "sanctity" of the highway trust fund asserting that it has already been breached, and, therefore, it may be further breached for rail mass transit purposes without violating any trust. They cite on behalf of this approach the use of trust fund moneys to finance such things as the purchase of ferryboats, the construction of homes for families displaced by highway programs, the salvage of archaeological sites in conjunction with highway projects, and a number of other similar items. Without dwelling on the obvious merits of the examples used, it is important to note the distinction between what the Anderson amendment proposes and these illustrations.

To begin with, all of the uses cited are highway related. That is an important point. Comptroller General's decisions, as well as decisions of the legal counsel of the Department of Transportation, have carefully defined over the years what kinds of expenditures may be made under the authority of the Highway Revenue Act of 1956. It has consistently been held that the language of the act that they must be "attributable to Federal-aid highways," not "related to" or "provide benefits" to Federal-aid highways, means what it says.

The fact that expenditures are attributable to transportation is not enough. They must be attributable to highways on the Federal-aid system.

The exact words of the statute reads as follows:

> Section 209(f) of Title II of Public Law 627—84th Congress:
>
> (1) Federal-Aid Highway Program.—Amounts in the Trust Fund shall be available, as provided by Appropriation Acts, for making expenditures . . . which are attributable to Federal-aid highways.

The accompanying report on that bill, together with the legislative history, hearings, and other material more fully and clearly define what was intended by this language. It does not authorize any item which is not attributable to Federal-aid highways. While bus roadways and appurtenances are highway items under this language, rail mass transit clearly is not an item attributable to Federal-aid highways. Buses are highway-type vehicles mentioned in the act. They are taxed as contributors to the highway trust fund. Rail transit clearly is neither a highway-type vehicle, nor is it a contributor to the highway trust fund.

Congress sets up particular programs and funds them, prohibiting the switching of such authorizations from one program to another. It makes separate appropriations for the Department of Defense and HEW, and does not permit the switching of funding between them. If the logic of Anderson amendment proponents were followed, however, it would be but a small step to permitting switching of such appropriations.

To my mind, it would be just as logical to permit use of the highway trust fund to finance Amtrak operations, airport programs, maritime subsidy programs, the ICC, and other governmental functions as to permit such funds to be used for mass transit. Think of the fiscal management mess we would be creating. Use of the highway trust fund to finance items not attributable to Federal-aid highways would certainly produce citizen suits and other legal challenges to the action. Of course, the language of the Revenue Act could be changed by Congress. But the authority for doing that does not rest with the Committee on Public Works.

Another argument used by the antihighway lobby is that moneys in the highway trust fund are really general funds and, thus, may be used for other purposes than highways. The definition of highways as contained in the statute clearly covers such things as "acquisition of rights-of-way, relocation assistance, elimination of hazards of railway grade crossings, acquisition of replacement housing sites—and construction of replacement housing." There is no mention, specific or implied, of use for anything attributable to rail mass transit.

The highway trust fund is a special account within the Treasury, to which amounts are automatically appropriated which are equivalent to the taxes received by the Treasury from specified tax levies. The tax itself does not go directly to the highway program. Nor are these taxes available to the program except by normal Appropriation Committee actions, exactly like all other programs of the Government.

But leaving aside arguments and discussions of the legalities and philosophy of "busting the highway trust," the more important question is how can we best assist cities to solve pressing problems of congestion. The committee feels that diverting critically needed highway and street improvement funds to rail mass transit will, in the long run, only compound the problem. That is the reason it proposed separate authorization and funding for mass transit as an addition to the highway program, rather than an "either-or" solution. We feel that even if the "trust-busters," or their well-intentioned supporters who simply want a solution to city congestion, are successful in securing adoption of the amendment, it will prove to be an illusion and a hollow victory. Diversion will not provide the amount of relief that is needed. What little relief it does provide will have to be given at the expense of needed street and highway improvements.

The amendment only applies to so-called D funds which this year amount to $700 million nationally and which must be apportioned by a statutory formula which gives individual cities far less than is needed for mass-transit purposes as shown in testimony before the committee.

A final point. Questions have been raised whether the President might impound the authorizations contained in title III of S. 502 for rail mass transit and bus mass transit. It would seem unlikely that the administration would do so. Both the amount of funding and the source of funding—the General Fund—was proposed by the Secretary of Transportation in a letter dated February 21, 1973.

What is more, the President has consistently stated in communications, the administration wants a mass transit program exactly like the one included by the committee in title III of the bill before us. Budget documents also convey this intent. Under the circumstances, it seems incredible to suppose that the authorizations contained in title III would be unacceptable to the administration, or that if approved by the Congress, that the President would impound the funding provided which he, himself, proposed.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. DON H. CLAUSEN. I will be happy to yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

As I understand the Anderson amendment—and the gentleman can correct me if I am wrong—it does not really compel anyone or anybody to put 1 cent of the money into urban mass transportation if a community does not so choose. Am I right about that?

Mr. DON H. CLAUSEN. It does not compel. But let me direct my remarks to the alternate, the so-called Wright-Clausen amendment, which would provide the same degree of flexibility except for the fact that the funds would come from the general revenues.

It may be that my friend, the gentleman from Ohio (Mr. HARSHA) and my friend, the gentleman from Texas (Mr. WRIGHT) would like to respond further.

Mr. HARSHA. Mr. Chairman, if the gentleman will yield, I would like to say in response to the question asked by the gentleman from Ohio that it does not compel anyone to build a rapid rail transit system.

Mr. DON H. CLAUSEN. That is correct.

Mr. WYLIE. Mr. Chairman, if the gentleman will yield for another question, does not the Anderson amendment provide the kind of flexibility that we need in order to try to help cities as far as mass transportation is concerned?

Mr. DON H. CLAUSEN. Would the gentleman repeat his question, please?

Mr. WYLIE. Does not the amendment which the gentleman from California (Mr. ANDERSON) is to offer, provide the kind of flexibility that is essential to the solving of the problem of urban mass transportation?

Mr. DON H. CLAUSEN. Both of the amendments provide flexibility. It is just a question of whether or not you are going to tap the trust fund for that purpose. We believe we should maintain the integrity of the trust fund rather than to deplete it by using it for the purposes of urban mass transportation in the metropolitan areas.

Mr. HARSHA. Mr. Chairman, if the gentleman will yield further, in line with that inquiry, both bills provide the same amount of flexibility. The bill from the Committee on Public Works gives both alternatives, or both methods, but the Anderson amendment gives you one or the other. You have to sacrifice one for the other. Under the bill from the Committee on Public Works, there is no sacrifice, you get both programs.

Mr. WYLIE. I understand. Will the gentleman yield for just one more question?

Is it the gentleman's position that the payment of gasoline tax funds into the highway trust fund in every instance can be viewed as a vote for additional interstate highways?

Mr. DON H. CLAUSEN. No; that is not true. In the first place, the reason that the committee moved in the direction of establishing the urban highway system was the congestion problems of our cities. We recognized the desirability, in some instances, to move toward preferential bus lanes, such as the Shirley Highway experiment, which provides maximum in relief, once constructed and put into action. We wanted to provide the kind of flexibility in those areas which they needed, but utilizing general fund moneys. S. 502, as reported by the committee, does this.

Mr. DORN. Mr. Chairman, will the gentleman yield?

Mr. DON H. CLAUSEN. I yield to the gentleman from South Carolina.

Mr. DORN. Mr. Chairman, my remarks will deal with $1¼ billion annually provided in this bill for proposed highway safety. This is a very important section of this bill.

I wish to commend the distinguished gentleman from Ohio for his diligence and persistence in working in the committee and throughout the country for highway safety.

I do commend this section of the bill to the committee and to the House.

Mr. Chairman, contained within the framework of our highway program is the need to insure the American motorist that the roads upon which they move on a daily basis are safe for travel.

Beginning in 1966, with the enactment of the Highway Safety Act of that year, the Committee on Public Works recognized the need to develop a proper safety program for our Nation's roads.

Title II of S. 502 continues this highway safety program and underlines the committee's concern, and my personal concern, with the need to develop a safety program that will make our highways the safest in the world for the American public.

We have heard over and over again that on a yearly basis over 56,000 lives are lost on our roads; 4 million people are injured, and our economic loss reaches a staggering figure of $40 billion.

The 1973 figures project an even higher death rate, a greater increase in accidents, and subsequent greater economic loss.

I repeat now what I have said for a number of years—this must stop. We are moving toward realistic programs in this field and I, for one, strongly support the committee's position to further develop these realistic programs as they are outlined in title II of the legislation.

The Interstate System, measured per million passenger miles of travel, has a death toll that is less than one-half that suffered on our other roads in general. The obvious reason for this is we have developed the proper construction standards for our Interstate System. We have installed the proper safety devices and the result of these actions has made the Interstate System our safest highway route. If we can do this for one of our systems, we must extend it under all of them. It is on the primary and secondary system that our greatest safety hazards exist.

S. 502 authorizes more than $1¼ billion annually which is specifically directed to safety needs. This includes such new programs as replacement of obsolete bridges, redesigning of high hazard locations, removal of roadside obstacles, and hazardous rail-highway crossings. Five specific action programs authorized in title II of this legislation will make a measurable dent in our accident injury toll. These programs include:

Install pavement markings on those rural highways where two-thirds of traffic fatalities now occur and where pavement markings are expected to produce cost-effective countermeasures.

Provide traffic control devices and improvements at thousands of already identified high hazard locations where the expected safety and mobility benefits suggest cost-effective benefits.

Remove or ameliorate roadside obstacles, both natural and manmade, that vehicles are apt to hit or incur further loss of control from, when they leave the traveled way either, because of driver loss of control or as part of a collision avoidance maneuver.

Provide protection at all railroad crossings through the development and installation of passive control signing and, where cost-effectiveness warrants provide the means for yet more efficient transportation through either separation, relocation or installation of appropriate active warning devices.

Supplementing these ongoing programs, the committee recommends that three research efforts offering great promise and potential be funded. They are:

First, a pavement marking research and demonstration program aimed at (1) developing new devices and related delineating technology to provide motorists with effective means for control and guidance under normal, as well as, adverse weather conditions; (2) advancing the technology of traffic control markings by (a) analysis of application methodology, and (b) continuous, significant evaluation of pavement markings with respect to both safety and capacity objectives.

Second, a new research program concentrating on drug-using and high-accident probability drivers. At the present time, very little is known about either type. If we are to successfully cope with the highway safety problem, we must learn more about the role and contribution to the accident picture that these drivers play. It may be we will find that, in combination, alcoholic, drug-using and high-accident probability drivers responsible for a major share of traffic fatalities.

Third, a driver education evaluation program—DEEP—wherein, through wide scale controlled field application training programs, better understanding of various educational methods and strategies can be achieved.

Five additional studies of great promise are also recommended by the committee, all of which could yield handsome safety dividends. The first would explore the potential of using mass media, principally television, for alerting, educating, and involving the American driving public in the cause of highway safety. Preparation of a series of educational safety films for use on TV and elsewhere would also be authorized and funded.

The second study would address itself to question of how to involve the American people in the cause of highway safety. No safety effort can hope to succeed if people remain indifferent and uninvolved. Finding ways and means to encourage greater participation in the traffic enforcement and rescue process could save lives and go far toward converting the safety effort into a safety crusade.

The third study would explore the feasibility of establishing a National Center for Statistical Analysis of Highway Operations. One of the greatest weaknesses of the present program is the paucity of specific, up-to-date, comprehensive data to support action programs. The trouble is that without adequate information, untold millions in safety moneys may be spent unwisely. Many States are now engaged in upgrading their accident investigation procedures. The next logical step will be to establish a national center to correlate and, where appropriate, disseminate the information gathered. With such a center in operation, we can be sure that we are putting our safety moneys where our safety problems really are.

The fourth study is most important. The Highway Safety Act of 1966 directed the Secretary of Transportation to conduct a study of highway safety needs to serve as a guide for the funding and implementation of that landmark legislation. That finding, conclusions, and recommendations of that report require updating. Particularly is this important in view of the alarming increase in traffic mishaps in recent years. An up-to-date needs study is necessary to assure that realistic high safety goals are planned, programed, funded, and successfully implemented.

A fifth and final study of pedestrian safety would also be authorized. Approximately 10,000 pedestrian deaths occurred last year alone, roughly one-fifth of all traffic fatalities. Children and the elderly are the principal victims of this type of mishap. While concerted efforts have been made to reduce the pedestrian toll, a full and complete investigation and study is needed to develop new methods and techniques for coping more effectively with the pedestrian safety problem. Accordingly the committee has authorized $5 million of highway trust fund moneys to carry out a review and evaluation of all State and local pedestrian safety activities. The role and relationship of alcohol in pedestrian mishaps would also be studied. The aim would be to develop new ways and means for protecting pedestrians in our ever more mobile society.

It is my fervent hope that with the proper implementation of these new programs, and with the necessary funding contained therein, we will move as swiftly as possible to make our primary systems, our secondary systems, and our city streets as safe as our Interstate Highway System, and that eventually in the foreseeable future there will come a day when all of us can move on all of our Federal aid systems with the knowledge that our safety of movement is such that an accident on these roads will be an exception to the general rule.

Mr. DON H. CLAUSEN. I yield back the balance of my time.

Mr. HARSHA. I yield 2 minutes to the gentleman from Minnesota (Mr. ZWACH).

Mr. ZWACH. Mr. Chairman, first of all, may I commend my colleague from Minnesota (Mr. BLATNIK), the subcommittee, and the committee for the bill that they brought up, a bill that will take care of mass transit without destroying the integrity and the need for the trust fund moneys.

Let me tell the Members a little bit about my State of Minnesota. Sixty percent of our two-lane highways are inadequate, are narrow, and are very dangerous. Thirty thousand miles of our spring highways have restrictions of 5 tons are less, so that our communities are immobilized. Two hundred seventy-seven of our small communities do not have year-round 9-ton roads and, therefore, are paralyzed.

Our railroads, Mr. Chairman, are in a complete crisis. We cannot transport our farm products to the markets. The eastern dairy area needs our corn. There are no railroad cars to move that feed into that area. We have an ocean of it to move, and so we need this trunk highway money very, very badly. We need it to bring the products of the sea out there to produce the best and cheapest food in the world and move it back into the Members' cities.

Let us not now, until we have some roads out in the agricultural producing areas, break open this trust fund.

Mr. HARSHA. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I take this very brief portion of time merely to reflect on the fact that this is the day when we have received from the pen of the President of the United States a very long-awaited energy message.

I recalled the speech that was delivered here on the floor yesterday afternoon by my good friend, the gentleman from Texas (Mr. WRIGHT), in which he gave us some very interesting statistics, that 98 percent of the people moved along the streets in the great cities of our country by traveling in automobiles, and I think he also told us there are 113 million automotive vehicles in this country for a population of something like 210 million. I thought of that when I read the passage in the President's energy message which is entitled "Conserving Energy":

> We as a Nation must develop a national energy conservation ethic.

The President goes on to say he is directing the Office of Energy Conservation to be established in the Department of the Interior, and then there is this very significant phrase:

> There are other ways, too, in which government can exercise leadership in this field. I urge again, for example, that we allow local officials to use money from Highway Trust Fund for mass transit purposes. Greater reliance on mass transit can do a great deal to help us conserve gasoline.

We in the Middle West are faced with the very real prospect of gas shortages this summer. I saw in the Washington Post this morning an advertisement for one of the major oil companies in the Nation saying that yes, there is a very great likelihood of shortages of gasoline for periods of time during the summer of 1973.

So I want to associate myself with the remarks of the gentleman from California (Mr. ANDERSON) and what he is trying to do to open up to a limited extent the trust fund to the extent that we can begin a conservation of energy policy in this country as the President of the United States has recommended in his message today.

Mr. GROVER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from New York (Mr. GROVER).

Mr. GROVER. Mr. Chairman, the gentleman will recall last year there was a last-minute compromise when we put it on the back burner and decided to have some $900 million and to move the expenditures to be 3 years from now. The crisis in transportation is today. The committee tried to approach that problem, and in the Wright amendment we have $700 million which is supposed to be available for this purpose, but the $700 million is to come out of the general funds. Where are the general funds in this kind of fiscal crisis?

Mr. Chairman, I merely want to point out that we ought to have the vision to look forward to the transportation crisis in this country, and the committee ought to look forward and give us the money in this year. The gentleman from Texas (Mr. WRIGHT) in his wisdom has put in the bill a provision for immediate help, but the money we cannot put our hands on. There is this new concept of moving the populace but this money has to come from general funds, and we know the money is not going to come from the general funds.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Minnesota (Mr. FRENZEL.)

Mr. FRENZEL. Mr. Chairman, I rise in support of the Anderson amendment to S. 502. This proposal fits the trend toward increased local government decisionmaking. In addition to being consistent with the President's concept of "The New Federalism," the amendment is consistent with the administration's, and DOT's, well publicized position on financing mass transit.

I believe that local government will not abuse the authority offered by the amendment. Transit is not an unworthy use of highway funds, which are already used for a variety of nonhighway, but highway-related purposes.

The committee maintains that it will take care of transit needs from "general revenue." That is a pious thought, but this House knows that no funds will be appropriated for this purpose. New spending programs simply will not be funded this year. I do not challenge the committee's good faith, but I do point out that its transit alternative brings no hope whatsoever.

I wish there were another way to finance transit development, but there seems to be none. Therefore, because of the urgency of demand for transit and because of the encouragement for local governments, I urge my colleagues to support the Anderson amendment.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I associate myself with the remarks of the gentleman from Illinois.

Much as I respect this committee and admire the tremendous work it has done, I think on this particular point the gentleman has made a most compelling argument.

Mr. HARSHA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me point out there is nothing sacrosanct in this $700 million in this bill for the urban system. While we authorized it, that does not mean it is there. As a matter of fact, the President's budget for fiscal year 1974 is far below the money we have authorized in this bill for urban area highway systems. We authorized a total of $1.1 billion, and $400 million is for the extension of primary and secondary systems in urban areas, and $700 million is for the urban system. Yet the President's budget requests only $800 million for both of these programs. If that were divided on the same basis as we have divided the primary and secondary extensions and urban systems, it would leave only $500 million available for use on mass transit.

So, there is nothing sacrosanct about the figures we put in the authorization, and there is no assurance that they will be released. The administration is totally committed to mass transportation and I would assume they would honor the contract authority as much as they would the trust fund expenditures.

The administration has a billion dollars in its budget to pay for the mass transit program; they have urged that other funds be used for mass transit. I want to address myself to the question of energy consumption. The 1972 National Transportation Report, the report submitted to the Congress by the Department of Transportation, states that the diversion of large sums of money from highway improvements to mass transit will have little—very little—change on air pollution. It will cause very little change in air pollution. In fact, that report states that the diversion of large amounts of highway trust funds to mass transit and rapid transit alternatives would result in high carbon monoxide and hydrocarbon levels.

Therefore, let us not delude ourselves into thinking that we are curing the pollution problem by diverting highway trust funds to mass transit. As a matter of fact, if we increase the hydrocarbons and increase the carbon monoxide, it is obvious that we do not decrease the consumption of fuel and energy. Carbon monoxide and hydrocarbons are generated by the consumption of fuel and obviously there will be little savings in fuel consumption. That is waving a red flag on the issue.

According to the Department of Transportation personal transportation study of 1972, the average passenger car on our highways contains 1.9 persons. If we assume the average car gets 12 miles to the gallon, we get an average yield of 1.9 times 12 or 22.8 passenger miles per gallon of gasoline. Let us compare this with buses.

The 1972 National Transportation Report—page 45—tells us that the average number of passengers per bus mile is 2.58. We also know that the average bus gets 4 miles per gallon. Thus, a gallon of gasoline in a bus yields 4 times 2.58 or 10.3 passenger miles per gallon. Where did the savings in fuel go? Our public buses are using twice as much fuel per passenger mile. What are we doing to our energy supply problems by using buses?

Another question must be asked.

How much diversion will mass transit produce? I would like to quote from a statement by George W. Hilton, a professor of economics from UCLA, who testified before our committee. He discussed situations in the Chicago area and Boston as follows:

> The Skokie Swift rapid transit line in Chicago, which was an early transit line built by UMTA, and the Quincy extension of the Massachusetts Bay Transportation Authority in Boston, are each estimated to take between 900 and 1,000 vehicles a day off parallel freeways, and in both cases the vehicle counts on the freeways are in excess of 100,000 per day.
>
> The Southeast Expressway in Boston, the freeway rival to the Quincy line regularly carries between 80- and 120,000 vehicles per day. Its peaks have been 135,000 per day. The diversion of 1,000 vehicles is imperceptible relative either to the daily variance or to the growth in vehicle counts.

There are long-term solutions to the energy crisis. Rapid transit will not be a major factor.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, to further amplify on what my friend from Ohio (Mr. HARSHA) stated we had Mr. Ruckelshaus, the EPA Administrator before our committee and I addressed questions relating to the Los Angeles area in particular, because Los Angeles is considered to have one of the higher smog levels in the United States, due to the unique atmospheric conditions and the heavy concentration of automobile traffic.

In summarizing his response, he said:

> If we are going to resolve the congestion and pollution problems in the Los Angeles area within an early time frame, the quickest way to get some results is to go in the direction of the highway-related preferential-bus-lane concept. The Los Angeles area is unique and the right-of-way problems are many.

I am sure the same thing would apply in some of the other areas of the country.

In those areas that do have rail mass transit, and we will use New York rail, as an example, New York still has a major congestion problem. They are going to need the highway-related public transportation system to supplement the rail mass transit systems. This would apply in Chicago, Philadelphia, the San Francisco Bay area, and other major metropolitan areas.

The only point I am attempting to make is that we will need every dollar we can allocate from the highway trust fund to develop the highway-related public transportation system, which will help most of the urban communities in the country, large and small alike.

The leadtime requirements, the right-of-way problems, the environmental impact requirements are of major significance and magnitude.

The Wright-Clausen alternative to the Anderson amendment is designed to provide the desired flexibility and the positive financial commitment to both mass transit and a safer, more efficient and functional national highway system for both urban and rural America alike.

I hope the committee will reject the Anderson amendment and support the committee position that was approved by the commitee on a recorded 29-to-8 vote.

Mr. HARSHA. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. BRAY.)

Mr. BRAY. Mr. Chairman, much of the debate has been revolving around the great need for funds for mass urban transportation and for the great need of funds for our highways.

The issue is not whether each of these transportation media is in need of money. Many of those speaking on this subject have ignored one of the prime issues in this legislation. We are debating the use of a trust fund—a highway trust fund which was established in 1956. A trust fund is a dedicated fund, that is a fund that should be used for a definite purpose. Everyone in this body who is a lawyer is aware of the legal peril of misusing a trust fund.

To adequately understand the purpose of the highway trust fund and the method in which it should be handled, it is necessary to go back and study the congressional history and the creation of the highway trust fund.

I was on the floor when this highway trust fund was debated. At no time was there any suggestion made that this money was to be used for any other purpose than—"the highway trust fund."

On April 27, 1956, the legislation that created the highway trust fund, H.R. 10660, which ultimately became Public Law 84–627, the Highway Act of 1956, was being debated on the floor of the House. The late Honorable Dan Reed of

New York, then Republican chairman of the Committee on Ways and Means stated—

> . . . It is important to emphasize that the bill provides for the establishment of a highway trust fund . . . The existence of this fund will insure that these receipts will not be diverted to other purposes.

And, our late, highly respected colleague, Mr. Hale Boggs of Louisiana, at that a Democratic member of the Ways and Means Commitee, clearly stated the purpose of this legislation—

> . . . this bill . . . establishes the highway trust fund which dedicates most of these funds to highway construction and for that purpose *only*. . . . Thus, for the first time, the American motorist will pay these taxes with the assurance that he will be the direct beneficiary of every penny which he pays and he will pay with the knowledge that every cent derived from these taxes will be devoted exclusively to his personal convenience and safety. . . ."

This taxes collected under this legislation should by every moral and legal standard be used for the purpose set out in this original legislation.

If this body desires that this highway tax be discontinued, repeal it. Thus place any other tax to care for mass transportation that is proposed, but let us not misuse a trust fund.

Mr. HARSHA. Mr. Chairman, I yield to the gentleman from Tennessee (Mr. BAKER) a member of the committee.

Mr. BAKER. Mr. Chairman, the issue we must directly point toward is the fact that mass transit will be financed either in the general fund or out of the trust fund. The logic of the situation is that there is not enough money in the trust fund, and the trust fund is not generating enough money to do both jobs. Three billion dollars of general revenue is provided in the bill for mass transit, if the urban centers decide that is what they have to have.

It becomes a contractual obligation of our Federal Treasury if the urban government decides that this is what it wants to do. It forfeits its trust fund money, it goes back into the trust fund, it stays right where it should be directed toward the needs which are so pressing for Interstate Highway Systems.

Some say that there is money in the trust fund. There is some money in the trust fund, but it is overobligated. All the money in the trust fund is obligated for specific problems which affect districts which we represent throughout the Nation.

The Interstate System is designed to move traffic through or around our urban centers. We are placed at a distinct disadvantage if we allow urban areas to say, "We do not need interstate highways through our city; we want a mass transit system." Then the motoring public will have to devise some method to go around the city or get through it on its own.

I believe the point of wisdom directs us to follow the course which has been so completely thought out and worked out, as it is set out in this bill. I insist that we do consider seriously holding what we have in the bill.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from California.

Mr. ANDERSON of California. The gentleman has mentioned the use of contractual authority for solving the problem of mass transit, but having it paid out of the general fund.

If they did that—which I doubt—where would they get the additional money? Would they get it from additional taxes? Would they get it by cutting out some of the services we are cutting out right now? Or would they go into further deficit financing to pay for that contractual authority out of the general fund?

Mr. BAKER. I am sure other Members could answer better than I, but it would be money from the same source as otherwise provided.

Mr. ANDERSON of California. Which would mean increasing the taxes or increasing the deficit in the general fund.

Mr. BAKER. Mr. Chairman, I yield to the gentleman from Ohio (Mr. HARSHA).

Mr. HARSHA. Mr. Chairman, in response to the gentleman from California, he is a member of the committee and he knows the language in the bill. Any money spent for mass transit out of the provisions of the highway section of the bill, on contract authority, means an equal sum will be deducted from expenditures authorized by the trust fund, and will go back into the fund.

Mr. ANDERSON of California. It is not earmarked. All that would be done is to earmark an amount of money, but the money would be paid out of the general fund, so the money to pay the contractual authority would have to come out of the fund.

Mr. HARSHA. I have not yielded to the gentleman. If he will be kind enough to let me finish explaining, I shall be glad to yield to him.

The gentleman knows that any money spent on mass transit out of the funds available in the Public Works Committee bill are such that the sum will be deducted from the apportionment of the trust fund; the trust fund will not be affected.

The money for mass transit comes from the general fund. So there is no total overall expenditure above what is in the bill.

Mr. ANDERSON of California. But they did not provide for the money to come out of the general fund to pay for the contractual authority.

Mr. HARSHA. We get money out of the general fund for the contracts, just as we get money for other projects.

Mr. ANDERSON of California. That is my question that the gentleman was so willing to rise to answer. If we do take money out of the general fund, where there is not any money today, will we then have to provide more deficit financing, or will we increase taxes, or will we cut some of the other programs, like education, health, and pollution, which we are cutting today, because there is a deficit?

Mr. HARSHA. Getting the money out of the general fund is just like money for housing or anything else. We do not have to increase taxes to do it, because the overall spending of the budget is not affected by reducing highway funds.

Mr. ANDERSON of California. That stays over in the highway fund and does not come out.

Mr. HARSHA. The gentleman knows it is a unified budget. Every expenditure, whether it comes out of the trust fund or the general fund, is reflected in that budget. So there is no additional spending in our proposal over what the gentleman's proposal would do.

Mr. ANDERSON of California. Yes, there is.

Mr. HARSHA. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, I come from an area that has two desperate needs in the area of transportation. I come from the New York City area, we need money for mass transportation, and money for highway construction and rebuilding many of the old and antiquated roads.

I have some questions I should like to ask, and I should like to direct them to the chairman of the subcommittee.

Now, I would like to ask this: If the committee bill is passed with the Anderson amendment, does this take money away from the construction of highways?

Mr. WRIGHT. Well, the answer is that it does. It would take as much money away from the construction of highways as was given over to mass transit out of the trust fund. Under the committee bill, that money given over to the construction of mass transit in lieu of urban highways would come in advance obligational authority out of general revenues, and the equivalent amount would remain in the trust fund for redistribution to all the other cities.

Mr. PEYSER. Mr. Chairman, I thank the gentleman.

The next question I have, then is: If the committee bill is passed, and, let us say, New York City chooses to use moneys that were allocated under the highway trust for mass transportation, is that money then guaranteed to New York City, that they will get that money?

Mr. WRIGHT. Mr. Chairman, I think the answer to the question is "Yes," if we assume that the Secretary of Transportation is serious in what he says about being in favor of mass transit.

Now, there is no absolute guarantee that I or any other Member of this Congress could give to the gentleman that money would not be impounded by the President or that all the money would be released, either out of the trust fund or out of general revenues, and I cite the gentleman these facts——

The CHAIRMAN. The time of the gentleman from New York (Mr. PEYSER) has expired.

Mr. WRIGHT. Mr. Chairman, I yield 1 additional minute to the gentleman from New York (Mr. PEYSER).

Mr. Chairman, if the gentleman from New York (Mr. PEYSER) will yield further, I will cite these facts.

Mr. PEYSER. I yield to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I cite these facts: Last year out of the amounts appropriated for highways, $4,467,000,000, more than half, or $2,477,000,000, was impounded and not released. By contrast, out of the moneys that were appropriated for mass transit, $980 million, only $20 million was not released.

So it appears to me on the basis of the record that one has a better chance to get that money out of general revenues than one would out of the trust fund.

Mr. PEYSER. Mr. Chairman, if I may, then, continue: Is there an action pending now to challenge the authority of impounding highway trust funds?

Mr. WRIGHT. Mr. Chairman, there is, and there are also actions pending challenging the authority of the President to dismantle other programs and to impound other funds. There is also contained in this bill an anti-impoundment feature that applies to mass transit.

Mr. HARSHA. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. Frelinghuysen).

Mr. FRELINGHUYSEN. I rise, Mr. Chairman, to ask a question of the chairman of the committee or anyone else on the committee about the significance of section 140(a) on page 125 of the bill. This is a reference to the necessity for new corridor hearings on Interstate Highway I-287 between Montville and Mahwah, N.J.

I notice in another section of the bill there is a suggestion that the environmental impact statement with respect to another highway in New Jersey be expedited, so I assume the committee is interested in expediting action on interstate highways.

Is there anyone who could clarify the justification for the curious provision in 140(a)?

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New Jersey (Mr. Roe).

Mr. ROE. Mr. Chairman, being a Member of the House from New Jersey, and in view of the fact that this section of I-287 is located in my district, this may not seem too strange to anyone else. The fact remains that we have tried for the last 2 years to have the New Jersey Transportation Department and the Federal DOT hold new corridor hearings. These new hearings have been requested for 2 years without any response from the highway department.

Now, our feeling is that the people of our district and the people of our State have a right to be heard on new corridor hearings on that particular route and, of course, I am concerned hopefully that this House would support that contention and that our people will be heard.

Mr. FRELINGHUYSEN. Well, Mr. Chairman, I might say to the gentleman from New Jersey (Mr. Roe) that his assurance and his clarification do not convince me that the language applies. The language suggests corridor hearings have been held, the people have been heard, decisions have been made, and the State would like to finish this highway. This highway has been under construction or planned for over 25 years, yet only 22 miles out of the 64 miles are finished.

I would hope we are not deliberately going to try to delay the completion of this needed highway.

Mr. HARSHA. Mr. Chairman, under rule XXIII(6) of the Rules of the House, I submit, for printing in the Congressional Record, three amendments to the bill, S. 502, presently under consideration, which I plan to offer at the appropriate time.

The amendments, together with explanations of each, follow:

Amendment to S. 502 Offered by Mr. Harsha

Page 121, line 24, strike "1974" and insert in lieu thereof "1975".

Page 122, line 1, strike "1974" and insert in thereof "1975".

Explanation

The purpose of this amendment is to extend the eligibility period established under the program to free interstate toll bridges an additional year.

Amendment to S. 502 Offered by Mr. Harsha

P. 168, strike lines 11 through 20, inclusive.

Explanation

The purpose of this Amendment is to strike Section 302 relative to the Impounding of Funds.

Amendment to S. 502 Offered by Mr. Harsha

Page 124, strike line 10 down to but not including line 13, on page 125.

Explanation

The purpose of the amendment is to eliminate the provision requiring earmarking of Federal aid urban funds to cities over 400,000.

Mr. VEYSEY. Mr. Chairman, I rise to call to the attention of my colleagues, legislation I have introduced which is perhaps the most acceptable answer to all interests as we approach a point of compromise on opening the highway trust fund for mass transit.

My legislation would allow use of the trust fund for mass transit—only if such transportation systems are highway oriented. My bill, H.R. 5816, would open the highway trust fund to facilitate the fullest and the most rapid development of bus mass transit, including the purchase of rolling stock—again, other than rail.

Mr. Chairman, I cannot support legislation to open the Federal highway trust fund to rail mass transit for several important reasons.

First, rail transit is a long term project at the best—it is 10 years away at the very earliest for southern California where immediate relief is most necessary.

Second, fixed rail transit will have a cost factor which dwarfs highway oriented transit systems, and a cost-benefit ratio which will be prohibitive under most situations.

Third, to open the possibility of fixed rail construction from highway trust funds will significantly dilute the impact such funds will have on immediate, rifleshot attention to developing sophisticated bus mass transit systems. This factor is especially crucial in southern California, where the need for effective, efficient mass transit is so great, and the time so short. We cannot afford to waste years toying with multibillion-dollar fixed rail schemes. Buses can be put to work tomorrow.

And finally, regardless of the justification for it, and regardless of the arguments against it—there are still millions of Americans who strongly feel the highway trust funds should be used for highway-oriented projects. My legislation maintains the original purpose of the highway trust fund, and at the same time, offers the most practical and the hardest hitting approach to immediately feasible mass transit in metropolitan areas throughout the country.

Mr. Chairman, specifically, my legislation would prescribe that urban and urban extension sections of the highway trust fund shall be available to construct highway oriented mass transit systems, related facilities, and to purchase buses or rolling stock other than rail.

It also will open the interstate highway trust funds to encourage such highway-oriented mass transit systems, but excluding the purchase of rolling stock.

Finally, it specifies that all such rolling stock purchased for mass transit must meet standards prescribed by the Environmental Protection Agency under the Clean Air Act.

Mr. Chairman, I see this legislation as the immediate and practical answer to providing vital funds for mass transit.

Let us put our resources to work to reduce smog and congestion now, and save the grandiose, science-fiction approaches to mass transit until we can breathe again in our cities.

Mr. BINGHAM. Mr. Chairman, at the appropriate time in the course of the amending process on this legislation, S. 502, the Federal Aid Highway Act of 1973, I intend to support an amendment I understand will be proposed by the gentleman from California (Mr. Anderson) to make urban highway funds available for mass transit purposes at the option of local officials.

In 1965, Mr. Chairman, then-Senator Joseph Tydings of Maryland and I introduced legislation to open up the highway trust fund to meet pressing mass transit needs. At that time, Mr. Chairman, we said:

> In great metropolitan areas, highways must be part of a balanced transportation system. Our cities cannot continue to be the shopping, cultural and professional centers they are today if they are inaccessible. The ideal urban transportation plan . . . would combine a rapid transit system of high quality with a freeway system adequate to carry the balance of the traffic. Paradoxically, however, the nature of present federal (transportation) aid is such as to predetermine that every community will best be served by a basic reliance on highways. . . . at a time when mass transportation service should be improving it is deteriorating at a frightening pace. And it is the federal government which is largely to blame. What must be done in order to provide for an integrated transportation system is to correct the gross inequity which exists between the funds available for highways and those available for rapid transit.

The reasons for more mass transit in relation to highways are the same today as they long have been. Air pollution—much of it from cars—has reached crisis proportions. With the deadline for compliance with air quality standards set by the Clean Air Act of 1970 now only 2 years away and auto manufacturers pleading for exemptions, 67 cities still exceed Clean Air Act standards. Mass transit is undeniably cleaner than the automobile.

The social and financial costs of highways to cities are far higher than mass transit. Highways divide communities, gobble up scarce housing units, and steal property from city tax rolls to a far greater extent than mass transit systems.

Then there is the so-called energy crisis. It is estimated that if use of automobiles in urban areas were reduced just 25 percent, the saving of scarce petroleum would be a staggering 1 million barrels a day—the full operating capacity of the proposed trans-Alaska pipeline.

There are, of course, several ways of encouraging a more balanced transportation system through Federal assistance. I personally feel that creation of a general surface transportation trust fund, consisting of the current highway trust fund and such moneys from general revenues as the Congress might see fit to add is the best solution because it would assure a sufficiently large quantity of funds to meet the extensive need for development of our transportation systems, and it would provide maximum flexibility in the use and allocation of those funds among various transportation modes. I introduced in the 92d Congress legislation creating such a general surface transportation trust fund. I am reintroducing that legislation in the House today with the expectation that it will again be referred to the Committee on Ways and Means.

Creation of a separate "public transit or "urban mass transit" trust fund, which has been proposed and supported by some officials, is a risky and inadequate solution for several reasons. Funds for such a trust fund would have to come mostly, if not exclusively, from general revenues. With competition for such revenues as stiff as it is, there is little likelihood that sufficient funds could be allocated to make such a trust fund effective. Furthermore, a separate trust fund would further restrict local officials and reduce the flexibility that is needed to bring balance to our transportation system. Finally, with the highway trust fund untouched, cities and States would continue to be seduced into building and improving roadways just because the money would be there—roadways that add more to local social, fiscal, and environmental problems than they eliminate.

Mr. Chairman, the Anderson amendment would not require a single cent to be spent for bus or rail transit. It would not touch a single dollar or mile of the Interstate System. It would not permit rural funds to be spent in urban areas, or vice versa. It would not alter or shift allocations among the States.

It would simply end the use-it-or-lose-it policy that has forced Governors and mayors and county executives to build and spend on roads regardless of local needs for bus or rail mass transit.

No violation of public trust would be incurred by this proposal. Six of the eight taxes which go into the highway trust fund existed before 1956 when the highway trust fund was created. Those six taxes provide over 90 percent of the trust fund moneys, and before 1956 they went into general revenues for use for everything from social and military programs to foreign aid. In 1956 they were earmarked for a need that existed then—particularly, a modern national interstate highway network. That network is now 80 percent complete and 98 percent under construction, and there is no reason the Congress cannot now choose to redeploy those funds to meet needs and conditions which have emerged since 1956.

The promises of aid for mass transit contained in the committee bill are empty promises. There is absolutely no assurance that the additional funds from general revenues for mass transit that are authorized will be forthcoming to local jurisdictions that would choose to invest in mass transit rather than roads. With the Federal Treasury overburdened as it is to meet social needs here at home, the highway trust fund is the only sure source of funds for mass transit, and the only source of funds sufficiently large to provide significant aid.

With these considerations in mind, Mr. Chairman, I urge my colleagues to join me in support of the Anderson amendment to bring flexibility to transportation funding and to end the highway bias in our Federal transportation investment policies.

Mr. JONES of Alabama. Mr. Chairman, I am in total support of this legislation as it was reported from the Committee on Public Works.

The committee has devoted many hours to hearings, study, and consideration of the details involved in providing for an adequate transportation system for this Nation, and particularly to the highway segments of the system which is the subject of S. 502.

I have repeatedly stated my support for proper development of a complete and balanced transportation network for the United States. This is essential if we are to have the kind of progress and development necessary for the people to realize their needs and enhance the quality of their personal lives.

Part of a balanced transportation system will include rapid transit for the cities and hopefully other forms of public transportation in other areas. The needs are great and I will continue to support efforts to service those needs through proper levels of funding.

We cannot properly service rapid transit requirements by diversions from the highway fund. There is simply not enough money in the fund to execute the responsibilities for highway needs at the present.

The lost time, unnecessary deaths and injury, and greater inconvenience and cost to which motorists are already exposed because of delays and stretchouts in the highway construction program during recent administrations are testimony to the unfilled requirements on highway funds.

Completion of the Interstate is particularly critical in urban areas where unfinished sections expose out-of-State travelers and local citizens alike to delay, expense, and potential accident hazards.

Previously, the Congress has been moving away from parochial interests toward a national program of arterial routes—a concept which expands the ability and right of a citizen to move beyond the confines of his own community for work, trade, or recreation. Interruption of the national system by diversion of vital highway funds would be a step backward.

In establishing the highway trust fund, the Congress made a commitment to all the people that those who were going to use the highways would pay for them. There was a parallel commitment to the motorist that his user taxes would be engaged to make highway improvements to save time, help prevent accidents and deaths, and reduce the cost of movement.

We can justify the user taxes only to the extent that the payer receives an adequate return for his special tax. If a trust fund is put to other purposes, the user tax which supplies it is either discriminatory or too high.

Even now there is a staggering backlog of road-related needs: new bridges, elimination of high hazard locations, separation of grade crossings, improvement of major corridors and completion of the Interstate System.

Diversion of highway user taxes in face of the legitimate highway improvement needs would be a failure of the Government to fulfill an obligation to the vast motoring public which has participated in the fund with the promise of improved roadways.

Those who urge a diversion in the highway trust fund for rail transit in an effort to realize fiscal goals or economy suffer the greatest of illusions. They completely ignore the total costs associated with construction and operation of such systems in an effort to temporarily solve a vexing problem—serving a need while restraining new expenditures.

The motorist, on the other hand, comes closer to completely paying for his transportation through the user taxes which build the roads and his private investment in automobile and fuel.

He is going to be severely short-changed, however, if the trust fund resources are diverted from programs needed to improve safety and economy of operation of our Nation's road system.

The rapid transit case should be presented on its own merits and funds should be made available from general revenues to service these urgent requirements.

Because of the limitations of the highway trust fund, diversions will leave the public with neither adequate rail transit nor adequate roads.

I urge support for the program provided in S. 502.

Mr. GRAY. Mr. Chairman, the Federal Aid Highway Act of 1973 has many facets to it as it works out and develops what I believe is a meaningful approach to our transportation needs in the highway field and the mass transit field, with the additional factor of a highway safety program being cranked into it as well. The chairman has addressed himself most ably to the general concept of this legislation, and the gentleman from California (Mr. JOHNSON) has gone into a detailed analysis of how this bill meets the future highway needs of our country. May I move to another facet of this legislation.

This deals with those sections of the legislation that give aid and assistance to the handicapped, that allow for novel approaches to carry out highway transportation needs, and that aid and help the environment.

This bill repeats, in section 144, the fact that in the development and construction of the Metro system in Washington, D.C., that necessary facilities must be installed to allow accessibility to the Metro for our handicapped citizens. I, and the other members of the committee, have been deeply concerned with this problem over the years, and before my Subcommittee on Public Buildings and Grounds we developed the legislation in Public Law 90–480 and 91–205 that made it clear that in all public facilities constructed with Federal funds they would be available and accessible to the handicapped.

The Metro falls within this category. In last year's Federal Aid Highway Act, a similar section, authorizing the funding of $65 million to install elevators in the transit system, appeared. That bill failed of enactment.

The committee repeats this section this year and emphasizes the fact that it wants immediate action taken on these facilities for the handicapped. So, as I have stated above, the Metro will be available for their use.

For the purpose of carrying out this section, $65 million is authorized to be funded to the Secretary of Transportation to make payments to Metro to do what we want them to do—make the subway system and the transit system, including buses, available to all our citizens in the greater Washington metropolitan area.

My second point deals with the fact that under this legislation we authorize Federal assistance to construct ferry boats for operation between the States of Alaska and Washington. The unique geographic system, and the miles that separate Alaska and Washington, point out the fact that in this case a road is really a waterway. The same thing surely applies to the State of Hawaii, a group of seven islands separated by miles of international waters. Under present law Alaska, Washington, and Hawaii would be barred from the benefits of this legislation in several instances. We attempt to resolve this by this direction, to construct ferry boats to meet the unique transportation problems.

Third, let us move to the environment. Today over 80 million Americans own bicycles, and for the first time last year more bicycles than automobiles were sold. A bike is a nonpolluter; it is a cheap mode of transportation. And many more of our citizens, young, middle age, and even the older ones, will use a bike to and from work. We in the committee have thus developed—recognizing the fact that the American public is moving more and more to the two-wheeled approach to resolving this transportation problem, and recognizing the fact that there is a definite place for the bicycle in our transportation scheme—in section 126 of the bill, a system to permit the use of Federal funds apportioned for the primary, secondary, urban extension and urban systems, to construct, in conjunction with Federal aid projects—separate or preferential bicycle lanes, bicycle traffic control devices, shelters, and parking facilities to serve bicycles and persons using bicycles.

It further allows the use of funds authorized for forest highways, forest development roads and trails, parkways, Indian reservation roads and bridges, public lands highways, and public lands development roads and trails, for constructing bicycle routes in conjunction with such trail roads, highways or parkways. It prohibits the use of motorized vehicles on these trails except for maintenance purposes, but it does allow the snow birds to take advantage of these trails by allowing them to use their snowmobiles when weather permits.

Finally, section 136 of the Federal Aid Highway Act of 1973 authorizes a national scenic highway system study by the Department of Transportation to determine the feasibility of establishing a national system of scenic highways to link together and make more accessible to the American public recreational, historical, scenic, and other similar areas of importance. The Secretary, in making this study, should work with, and consult with, other agencies of the Federal Government, the Commission on Highway Beautification, the States and their political subdivisions and various private organizations and individuals.

Thus, we move from the gamut of environment—to unique transportation solutions—to aid to our handicapped. The Federal Aid Highway program has become a broad umbrella that recognizes the needs of all of our citizens in the transportation field and adapts on a day by day basis to the necessary changes to carry out the fulfillment of these needs.

The Federal Aid Highway Act of 1973 is no exception. It is a sweeping, affirmative declaration in the future of America's transportation, and I endorse and urge its support.

Mr. MOAKLEY. Mr. Chairman, 7 months ago, almost to this day, this House voted against allowing cities like Boston to choose how best to spend its share of highway trust fund money. At that same time, September 21, 1972, as a candidate in Massachusetts Ninth Congressional District, I pledged that if elected to Congress, my first priority would be to try to change your mind.

Of course, I am prejudiced.

If you allow cities like Boston to decide for themselves how best to spend its share of the highway trust fund, no other congressional district in the United States would be as immediately and totally benefited as my own.

Boston, as you know, wants to spend Federal money on rail transit. If you give Boston the green light on rail transit, over 5 billion transportation and transportation-related dollars will be generated in Metropolitan Boston during the next decade—and most of that money will be spent in my district.

Governor Sargent's plans call for $1.5 billion in transportation expenditures in Metropolitan Boston. The economic multiplier effect is threefold. Add in inflation and $5 billion is just the beginning.

Besides being prejudiced, I am also desperate.

With all due respect, regardless of your decision, the odds are great that no more highways will ever be built in Boston. One good lawyer could keep away the cement trucks from Boston for at least 15 years.

All the roadbuilders in America would not stand a chance against one Boston lawyer clad in the armor of the Department of Transportation Act, the National Environmental Policy Act, and the Clean Air Act.

Mr. Chairman, I could testify about a Boston-wide epidemic of carsickness; I could tell you how, in the Metropolitan Boston area, 160,000 cars now vie for 28,000 offstreet parking spaces, how over 56 percent of the city of Boston is now devoted to servicing, parking, and driving cars, how half of all Bostonians over 65, half of all Boston blacks, and 67 percent of Bostonians with incomes under $3,000 do not have cars; I could tell you about rush-hour parking lots, drive-in streets, and whole neighborhoods that are only a drawing board away from being paved over by concrete and painted over with soot—but such testimony would be based on the false premise that your choice is between highways or no highways.

Such, obviously, is not the case. Your choice is no more between highways or no highways than it is between rail transit or highways. Your choice is simply whether to allow cities like Boston to spend funds already earmarked for its use alone on the transportation mix best suited to meet its particular transportation needs.

To allow Boston that choice, you do not have to lift a single dime from the Interstate Highway pot nor do you have to commit a single dollar to rail transit.

Granted, however, if you give Boston that choice, we will spend money on rail transit. And so will 16 other American cities. And for good reasons.

Rail transit is 23 times safer than autos, uses 7 times less fuel, gives off no pollutants, and can move up to 50,000 people an hour compared to 4,000 an hour for the auto. A double-tracked rail transit line can carry as many commuters as 20 lanes of freeway at existing average rates of passengers per vehicle.

Still, Mr. Chairman, some think it irresponsible to allow cities a rail transit option. They say that all the money that could conceivably be authorized by this Congress for rail transit for the next 3 years would barely pay for one rail transit system, let alone 17. In fact, they argue, due to any likely urban system fund distribution formula and the varying nonrail transit needs of those cities likely to be eligible for such funding, allowing cities a rail transit choice offers them a false and empty promise.

I disagree. Give Boston a rail transit option and we will build rail transit. Capital grants from the urban mass transportation fund and Massachusetts' share of the urban systems part of the highway trust fund will supplement State and local money. And rail transit will be built in Boston.

What is more, give Boston a rail transit option, and the 1970 Clean Air Act standards will be met by 1985 instead of 2001.

Mr. Chairman, right now 67 American cities are having serious trouble meeting

1970 clean air standards. Regardless of whether you grant those cities a rail transit option, many of them still will not meet Environmental Protection Agency deadlines. But with rail transit, many of America's worst-polluted cities, Boston among them, could show compliance and meet the standards, if not the deadlines.

By providing these cities a rail transit option, those of you who voted for the Clean Air Act could take pride in the fact that not only did you vote for clean air but you went the extra mile to make clean air possible.

Mr. Chairman, I want to thank you for this opportunity to speak here today. Purposely, I have tried to avoid rhetoric or tell the pollution, energy and urban environment horror stories you have heard before.

In closing, I would simply like to point out that the most significant and perhaps the pivotal point in the long fight to allow cities a rail transit choice occurred earlier this year here in the House. It happened when the House Public Works Subcommittee on Roads changed its name to the House Public Works Subcommittee on Transportation.

And I think that is all anybody is realyly trying to say. Transportation in 1973 means more than simply roads.

Mr. NIX. Mr. Chairman, the highway trust fund receives its revenue from several sources: taxes on gasoline, lubricating oil, trailers, trucks, tires, diesel oil, and so forth. Currently, the trust fund is about $8 hundred million. This is the sum remaining from the $5.28 billion that existed in the trust fund on July 1, 1972. The outlays from this fund is $4.69 billion which have been granted to States, counties, and cities. The receipts for the trust fund each year from the excise taxes have been averaging $5 to $6 billion.

The report of the Committee on Public Works has this to say about trust funds:

> The greatest concern about the highway program during the past few years has involved its urban portions and particularly the debate about "flexibility" in the use of highway funds for either mass transit or highways. It is clear to the Committee that it is not simply a question of these being alternatives one to the other, but that provision needs to be made for the separate fiancing of both types of transportation independently of each other, so that both needs can be met simultaneously without one need having to be sacrificed to meet the other one as would be the case if only one choice could be made. The Committee therefore, has developed the reported bill to permit both needs to be met at the same time.
>
> Proposals that have been made to stop highway construction and to use the highway trust fund for mass transit do not provide an acceptable answer to the urban areas' needs for transportation of persons, goods, and services. We must continue to provide our urban areas with the modern system of highways and streets that are their very lifelines—because in all of our major urban areas, due to economic, geographic, and populations reasons, highways will continue into the foreseeable future to serve as the principal means of transportation for people, and the sole means of transportation for most or all goods and service functions.
>
> The Committee therefore, has significantly decreased the funding level for the new Federal-aid urban system while at the same time liberalizing the criteria for providing public mass transportation facilities, such as special bus lanes, traffic control devices, passenger loading areas, shelters, and parking facilities, all from the apportioned highway funds. This Committee recognizes that bus mass transit is now, and will undoubtedly in the future continue to be, the major part of all mass transit (it is ¾ at present), and because of its operational flexibility is eminently suitable for utilizing the vast capital investment represented by the nation's highways and streets. A healthy urban transit program can only be achieved in concert with a healthy urban highway program."

A pertinent item follows:

[From the Washington Star, Apr. 17, 1973]

THE HOUSE'S TRANSIT TEST

> With the nation facing a fuel shortage, on top of its auto-exhaust pollution troubles, about everyone in Congress is speaking kindly of mass transit these days. But this week we'll see how deep the commitment goes, for the House will vote a Senate-approved proposal to make just a small portion of the highway trust fund available for financing urban bus and rail transit systems.
>
> We hope the House, which refused to concur with the Senate last year on a similar plan, will give its assent this time around. This won't be easy for many of the representatives, especially those from predominantly rural districts whose residents still plead for road improvements that are justified in many cases. There is a powerful core of resistance to using the highway trust money—derived from levies on road-users—for non-highway purposes. But the times demand it. The trust fund is incredibly opulent, while the problems of swelling auto use inflict ever-larger social costs that cannot be alleviated simply by building more highways with every last penny of highway revenues.
>
> It seems to us that the fund has a partial obligation to other concerns. Cars are creating much of the air pollution, and much of the fossil-fuel shortage, which must be remedied in large degree by mass transit. As lawmakers begin to appreciate the astonishing dimensions of the country's energy problem, they should bear in mind that five times as much energy is required to move a passenger by car as by bus. And a great many auto commuters would gladly switch to public transit if adequate service were available. Moreover, if rural areas are hit by gasoline shortages—as seems likely—it will be due in some measure to the lack of sufficient mass transit, which forces millions of urbanites to rely excessively on automobiles.
>
> The hard fact is that the effort to control air pollution is exacting heavier fuel penalties than most people expected, and aggravating the energy-depletion dilemma. Some observers now say that Congress shouldn't have passed the 1970 clean-air law without launching a major federal mass-transit program at the same time. In any case, a sizable program at last is getting underway, and committee- approved legislation in the House provides a rather hefty authorization for mass transit. But there is too much uncertainty whether all or even most of this money would ever be appropriated, or spent by the administration, since it would have to come from the Treasury's general fund. Urban areas desperately need the assurance of being able to use a portion of their regular federal highway turnback funds for helping to finance mass transit, and cover its operating losses in some cases.
>
> To achieve this, the House will have to approve amendments that are contrary to the wishes of its Public Works Committee, and in line with the Senate's approach. We hope a majority in the House can summon the foresight and determination to do that.

Mr. YOUNG of Illinois. Mr. Chairman, I would like to rise in general support of the Federal Highway Act of 1973, and its authorizations for continued efforts to build safe and efficient road systems linking the major population centers of this country. These systems should be carried through to completion, especially in those areas of the United States and the Midwest where there are gaps in construction.

I would also, at this time, like to express my support for the Anderson amendment to the committee bill. Passage of this critical amendment would give local authorities the option of using some of their trust fund allocation for specific types of capital improvements and construction on urban transit systems. I believe that such use of the trust funds is highly consistent with the original purpose of the trust—the promotion and implementation of rapid and safe transit from one place to another in this country.

If we are to enjoy the continued use of the automobile in metropolitan areas, if we are to relieve the congestion that plagues our cities, and if we are to meet air pollution standards of the future, we must immediately upgrade and expand our urban mass transit systems. If we do not take this step, our only alternative is to restrict the use of the automobile in the central city.

Just about every major city in the United States, as well as the smaller municipalities, is facing a major crisis in urban transit of one sort or another. In my own area, the 10th Congressional District of Illinois, the city of Evanston is about to lose one of its two mass transit alternatives, the Evanston Bus Co. Approval of the Anderson amendment to open up the trust fund would give Evanston the option of using its share of trust funds to aid the busline, and thereby relieve the highway traffic congestion in the city and surrounding areas.

Mr. Chairman, I would like to congratulate my distinguished colleagues on the committee for their efforts on the Federal Highway Act, and urge my colleagues on the floor to support the Anderson amendment to round out the full intent of the act.

Mr. FINDLEY. Mr. Chairman, the city of Springfield is plagued by the fact that it is dissected by several different railroad lines. When a train comes through Springfield, traffic comes to a screeching halt, backs up for blocks in all directions, and waits, sometimes for up to half an hour.

In the Federal Aid Highway Act of 1970, the Secretary of Transportation was authorized to "carry out a demonstration project for elimination or protection of certain public ground-level rail-highway crossings in, or in the vicinity of, Greenwood, South Carolina."

Springfield desperately needs a similar project, and last year the subcommittee recognized that and included provision for a railroad relocation project in H.R. 16656, agreed upon by the House-Senate conference committee. A similar provision is included in section 229 of the amended version of S. 502 being considered today. It states:

> "SEC. 228. (a) The Secretary of Transportation shall carry out a demonstration project for the elimination or protection of certain public ground-level rail-highway crossings in, or in the vicinity of, Springfield, Illinois.

"(b) The Secretary shall make a report to the President and Congress with respect to his activities pursuant to this section.

"(c) There is authorized to be appropriated not to exceed $36,000,000 to carry out subsections (a) and (b) of this section."

The need for a further demonstration project is evident. The project at Greenwood is so small as to be of limited value, involving the movement of only one major rail line. Officials of the Federal Railroad Administration with whom I have spoken tell me that there is a great need for another and larger demonstration project on railroad relocation. Only through such a project can a satisfactory methodology be worked out to serve as a model for use throughout the Nation.

Springfield has already done a great deal of work toward relocating various railway facilities for the convenience of both the public and the affected railroads. The Capital City Railroad Relocation Authority has been established and has developed a detailed plan for relocation. Costly engineering work already has been undertaken by the city. Thus, in every respect, Springfield is far ahead of other cities in the Nation which have a similar problem, and the relative cost to the Federal Government would therefore not be as great.

Most important, the project would add immeasurably to safe transit in the capital city of Illinois. Each day, Springfield city buses cross railroad tracks almost 1,000 times. Each day, school buses cross the tracks almost 500 times. Many accidents have occurred at these crossings in recent years. These could be eliminated if this relocation project is completed.

The Springfield railroad relocation proposal has been carefully worked out with all railroads involved. They favor it. The citizens of Sprinfield favor it.

I hope that the House will pass this highway bill today including this provision and that it will do everything possible to assure that it remains in the final bill reported from conference.

Mrs. HECKLER of Massachusetts. Mr. Chairman, I recently had the privilege of serving as moderator on the public television program "The Advocates." This nationally televised public debate addressed the question: "Should highway funds be diverted to mass transit at the option of the individual States?" The points brought out in that forum were to the points being made on the amendment that is before us today. The debate on TV was as intense as the debate in this Chamber.

While viewers of this program do not have the benefit of electronic balloting, they are invited to mail their votes to public television and the results are announced the following week. I am delighted to report that this nationwide poll gave a resounding "Yes" to the question on diversion of highway funds. In fact the tally was 74 percent "yes" against 26 percent "no." That was the vote of the people.

I rise in support of the amendment before us. I say it is a very realistic attempt to solve a problem that the Committee on Public Works recognizes so well. Public transportation must be helped. That is my first point.

Secondly, I resist the dictum that public transportation moneys should come from general appropriations. I suggest that we must look upon highway users in their larger role—that of transportation users. They have a direct interest in unimpeded mobility in all modes of surface transportation. Our colleagues have often heard the very sensible argument that if public transportation can get even 20 percent of the commuters off the highways during rush hours, then the highways will serve far better the purpose for which they were designed. Let us give a choice to the commuter, so we can open up the highways for those who have no choice—such as the truckers and the bus lines.

Third, the amendment does not break faith with the taxpaying highway user. The calling-in of a debt is not a breaking of faith, and I submit that despite our highway system's very obvious benefits over the years since the enactment of President Eisenhower's Federal Aid Highway Act of 1956, our overreliance on highways has created some very serious problems to go along with the benefits. If indeed 97 percent of all traffic movement of individuals within the cities is performed by highways, roads and streets; and if indeed 94 percent of all traffic is carried by automobiles and trucks within our urban areas, then I say that is a problem—not something to boast about. It is a fact of life that must be changed. If the highway user has paid his excise taxes and helped cause this problem, then I say it is not breaking faith if we ask him to pay excise taxes to help solve the problem.

Finally, I suspect our highway needs studies will have to be revised if we are now looking ahead to $592 billion worth of highway building between now and 1990. Even today, one-fifth of all energy consumed in the United States goes through the fuel tank of the private automobile. How can we expand on that in view of the pending fuel crisis? Furthermore, the highway needs study assumes utilization of highway transportation by all segments of our society.

To my way of thinking, that is a callous disregard of the hundreds of thousands of the elderly, the very young, the poor and the handicapped—for whom access to an automobile is either far-fetched or impossible. In an auto-oriented world, those people are prisoners of our own prosperity. At the same time, their lives are disrupted by noise pollution and highway landtakings. Their health is endangered by the killing poisons of accumlated exhausts. I say such a future is not worth $592 billion.

The amendment before us today—timid as it is, small as the amount of money is, and flexible as the guidelines are—represents Federal legislation at its finest. With the adoption of this amendment, we will have passed one of the most carefully-crafted pieces of legislation in history. We will allow for the construction of highways where they are needed, yet we will allow for sensible funding of subways, busways, and transit lines as well.

We will have obligated ourselves to the principle of solving transportation problems with transportation money; we will firmly declaim a rational set of transportation priorities for the Nation; and we will allow those who know their own local problems best to choose the solutions most appropriate for their own people.

I urge the adoption of this amendment.

Mr. BINGHAM. Mr. Chairman, this amendment would strike from the bill the provisions for the priority primary routes.

This has been characterized in the additional views—and I would refer those to the Members—in the committee report, pages 111 and 112, which is an excellent statement as to why this amendment should be adopted.

This is in effect a coming extension of the Interstate System. But there is a big difference. When the Interstate System was authorized it was authorized only after intensive and extensive studies. The same studies have not been made for this extension of the Interstate System.

The 1968 National Highway Needs Report commented on the proposals but indicated that additional study was necessary. It did not recommend it.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield for a minor correction?

Mr. BINGHAM. I yield to the gentleman from Texas.

Mr. WRIGHT. This is not an extension of the Interstate System.

Mr. BINGHAM. I said it had been so characterized, and I should like to stand on that statement.

Mr. WRIGHT. But that is a characterization. Is it not.

Mr. BINGHAM. I know from the distinguished gentleman's statement that the committee did remove from the provisions for this section the provision that was there before, that it should be up to interstate standards, but the fact is that the chances are this will build into an extension of the Interstate System, and there is no telling how much it is going to cost in the long run. It is in here for $900 million, but if we extrapolate the kinds of costs that will be incurred on this additional system it may well run as much as $10 billion before we get through.

This is not supported by the administration. It is opposed by the administration. It is an unnecessary expenditure of funds. Why not just go ahead with the Federal primary system, and develop that to the extent we need to? Why do we have to come in with an additional amount for a new system which has not been thoroughly studied, which has not been recommended by the national highway needs report, which is opposed by the administration? It is just another foot in the door for what will amount to, I am convinced, in the end, an extension of the Interstate System.

Mr. HARSHA. Mr. Chairman, I have no further requests for time.

Mr. WRIGHT. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read by title the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SHORT TITLE

SEC. 101. This title may be cited as the "Federal-Aid Highway Act of 1973".

REVISION OF AUTHORIZATION FOR APPROPRIATIONS FOR THE INTERSTATE SYSTEM

SEC. 102. Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended by striking out "the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1974, the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1975, and the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1976", and by inserting in lieu thereof the following: "the additional sum of $3,500,000,000 for the fiscal year ending June 30, 1974, the additional sum of $3,500,000,000 for the fiscal year ending June 30, 1975, the additional sum of $3,500,000,000 for the fiscal year ending June 30, 1976, the additional sum of $3,500,000,000 for the fiscal year ending June 30, 1977, the additional sum of $3,500,000,000 for the fiscal year ending June 30, 1978, and the additional sum of $2,500,000,000 for the fiscal year ending June 30, 1979."

AUTHORIZATION OF USE OF COST ESTIMATES FOR APPORTIONMENT OF INTERSTATE FUNDS

SEC. 103. The Secretary of Transportation is authorized to make the apportionment for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, of the sums authorized to be appropriated for such years for expenditures on the National System of Interstate and Defense Highways, using the apportionment factors contained in table 5, of House Public Works Committee Print Numbered 92–29, as revised in House Report Numbered 92–1443.

HIGHWAY AUTHORIZATIONS

SEC. 104. (a) For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $700,000,000 for the fiscal year ending June 30, 1974, $700,000,000 for the fiscal year ending June 30, 1975, and $700,000,000 for the fiscal year ending June 30, 1976. For the Federal-aid secondary system in rural areas, out of Highway Trust Fund, $400,000,000 for the fiscal year ending June 30, 1974, $400,000,000 for the fiscal year ending June 30, 1975, and $400,000,000 for the fiscal year ending June 30, 1976.

(2) For the Federal-aid urban system, out of the Highway Trust Fund, $700,000,000 for the fiscal year ending June 30, 1974, $700,000,000 for the fiscal year ending June 30, 1975, and $700,000,000 for the fiscal year ending June 30, 197. For the extensions of the Federal-aid primary and secondary systems in urban areas, out of the Highway Trust Fund $400,000,000 for the fiscal year ending June 30, 1974, $400,000,000 for the fiscal year ending June 30, 1975, and $400,000,000 for the fiscal year ending June 30, 1976.

(3) For forest highways, out of the Highway Trust Fund $33,000,000 for the fiscal year ending June 30, 1974, $33,000,000 for the fiscal year ending June 30, 1975, and $33,000,000 for the fiscal year ending June 30, 1976.

(4) For public lands highways, out of the Highway Trust Fund, $16,000,000 for the fiscal year ending June 30, 1974, $16,000,000 for the fiscal year ending June 30, 1975, and $16,000,000 for the fiscal year ending June 30, 1976.

(5) For forest development roads and trails, $170,000,000 for the fiscal year ending June 30, 1974, $170,000,000 for the fiscal year ending June 30, 1975, and $170,000,000 for the fiscal year ending June 30, 1976.

(6) For public lands development roads and trails, $10,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $10,000,000 for the fiscal year ending June 30, 1976.

(7) For park roads and trails $30,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

(8) For parkways, $75,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976.

(9) For Indian reservation roads and bridge, $100,000,000 for the fiscal year ending June 30, 1974, $100,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for the fiscal year ending June 30, 1976.

(10) For economic growth center development highways under section 143 of title 23, United States Code, out of the Highway Trust Fund, $150,000,000 for the fiscal year ending June 30, 1974, $150,000,000 for the fiscal year ending June 30, 1975, and $150,000,000 for the fiscal year ending June 30, 1976.

(11) For carrying out section 319(b) of title 23, United States Code (relating to landscaping and scenic enhancement), $10,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $10,000,000 for the fiscal year ending June 30, 1976.

(12) For necessary administrative expenses in carrying out section 131, section 136, and section 319(b) of title 23, United States Code, $3,000,000 for the fiscal year ending June 30, 1974, $3,000,000 for the fiscal year ending June 30, 1975, and $3,000,000 for the fiscal year ending June 30, 1976.

(13) For carrying out section 215(a) of title 23, United States Code—

(A) for the Virgin Islands, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, not to exceed $5,000,000 for the fiscal year ending June 30, 1975, and not to exceed $5,000,000 for the fiscal year ending June 30, 1976.

(B) for Guam not to exceed $2,000,000 for the fiscal year ending June 30, 1974, not to exceed $2,000,000 for the fiscal year ending June 30, 1975, and not to exceed $2,000,000 for the fiscal year ending June 30, 1976.

(C) for American Samoa not to exceed $500,000 for the fiscal year ending June 30, 1974, not to exceed $500,000 for the fiscal year ending June 30, 1975, and not to exceed $500,000 for the fiscal year ending June 30, 1976

Sums authorized by this paragraph shall be available for obligation at the beginning of the fiscal year for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(14) Nothing in the first ten paragraphs or in paragraph (13) of this section shall be construed to authorize the appropriation of any sums to carry out section 131, 136, 319(b), or chapter 4 of title 23, United States Code.

(b) Any State which has not completed Federal funding of the Interstate System within its boundaries shall receive at least one-half of 1 per centum of the total apportionment for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, under section 104(b)(5) of title 23, United States Code, or an amount equal to the actual cost of completing such funding, whichever amount is less. In addition to all other authorizations for the Interstate System for the two fiscal years ending June 30, 1974, and June 30, 1975, there are authorized to be appropriated out of the Highway Trust Fund not to exceed $50,000,000 for each such fiscal year for such system.

SUBMISSION OF CERTAIN REPORTS

SEC. 105. The Secretary of Transportation is hereby directed to forward to the Congress within thirty days of the date of enactment of this Act final recommendations proposed to him by the Administrator of the Federal Highway Administration in accordance with section 105(b)(2), section 121, and section 144 of the Federal-Aid Highway Act of 1970 together with those recommendations of the Secretary of Transportation to the Director of the Office of Management and Budget unless these recommendations have been submitted to the Congress prior to the date of enactment of this Act.

DEFINITIONS

SEC. 106. Subsection (a) of section 101 of title 23 of the United States Code is amended as follows:

(1) The definition of the term "construction" is amended by striking out "Coast and Geodetic Survey in the Department of Commerce)," and by inserting in lieu thereof: "National Oceanic and Atmospheric Administration in the Department of Commerce), traffic engineering and operational improvements,".

(2) The definition of the term "urban area" is amended by inserting immediately after "State highway department" the following: "and appropriate local officials in cooperation with each other".

(3) The definition of the term "Indian reservation roads and bridges" is amended to read as follows:

"The term 'Indian reservation roads and bridges' means roads and bridges that are located within or provide access to an Indian reservation or Indian trust land or restricted Indian land which is not subject to fee title alienation without the approval of the Federal Government, or Indian and Alaska Native villages, groups, or communities in which Indians and Alaskan Natives reside, whom the Secretary of the Interior has determined are eligible for services generally available to Indians under Federal laws specifically applicable to Indians."

EXTENSION OF TIME FOR COMPLETION OF SYSTEM

SEC. 107. (a) The second paragraph of section 101(b) of title 23, United States Code, is amended by striking out "twenty years" and inserting in lieu thereof "twenty-three years" and by striking out "June 30, 1976", and inserting in lieu thereof "June 30, 1979".

(b)(1) The introductory phrase and the second and third sentences of section 104(b)(5) of title 23, United States Code, are amended by striking out "1976" each place it appears and inserting in lieu thereof at each such place "1979".

(2) The last four sentences of such section 104(b)(5) are amended to read as follows: "Upon the approval by Congress, the Secretary shall make a revised estimate of the approved estimate in making apportionments for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1975. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the fiscal years ending June 30, 1977, and June 30, 1978. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1977. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal year ending June 30, 1970. Whenever the Secretary, pursuant to this subsection, requests and receives esti-

mates of cost from the State highway departments, he shall furnish copies of such estimates at the same time to the Senate and the House of Representatives."

DECLARATION OF POLICY

SEC. 108. Subsection (b) of section 101 of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"It is further declared that since the Interstate System is now in the final phase of completion that after completion of that system it shall be the national policy that increased emphasis be placed on the accelerated construction of the other Federal-aid systems in accordance with the first paragraph of this subsection, in order to bring all of the Federal-aid systems up to standards and to increase the safety of these systems to the maximum amount possible by no later than the year 1990."

MINIMIZATION OF REDTAPE

SEC. 109. Section 101 of title 23 of the United States Code is amended by adding at the end thereof the following new subsection:

"(e) It is the national policy that to the maximum extent possible the procedures to be utilized by the Secretary and all other affected heads of Federal departments, agencies, and instrumentalities for carrying out this title and any other provision of law relating to the Federal highway programs shall encourage the drastic minimization of paperwork and interagency decision procedures and the best use of available manpower and funds so as to prevent needless duplication and unnecessary delays at all levels of government."

FEDERAL-AID SYSTEMS

SEC. 110. Section 103 of title 23, United States Code, is amended as follows:

(1) The second sentence of subsection (d) is amended by inserting immediately after "such area" the following: "and shall provide for the collection and distribution of traffic within such area".

(2) Subsection (d) is further amended by inserting immediately following the next to the last sentence the following new sentences: "Any State not having a designated urbanized area may designate routes on the Federal-aid urban system for its largest population center, based upon a continuing planning process developed cooperatively by State and local officials and the Secretary. For the purposes of sections 104(b) (6) and 142 of this title, such largest population center shall be held and considered to be an urbanized area."

(3) Subsection (g) is amended by striking out "1973" wherever it appears and inserting in lieu thereof "1974" and by striking out "1975" and inserting in lieu thereof "1977".

(4) Subsection (g) is further amended by adding at the end thereof the following new sentence: "This subsection shall not be applicable to any segment of the Interstate System referred to in section 23(a) of the Federal-Aid Highway Act of 1968."

APPLICATION TO URBAN SYSTEM OF CERTAIN CONTROLS

SEC. 111. The last sentence of subsection (d) of section 103 of title 23, United States Code, is amended to read as follows: "The provisions of chapters 1, 3, and 5 of this title that are applicable to Federal-aid primary highways shall apply to the Federal-aid urban system unless determined by the Secretary to be inconsistent with this subsection, except that sections 131, 136, and 319(b) are hereby made specifically applicable to such system and the Secretary shall not determine such sections to be inconsistent with this subsection."

APPORTIONMENT

SEC. 112. Section 104 of title 23, United States Code, is amended as follows:

(1) Paragraph (1) of subsection (b) is amended by striking out "one-third in the ratio which the population of each State bears to the total population of all States" and inserting in lieu thereof the following: "one-third in the ratio which the rural population of each State bears to the total rural population of all the States".

(2) Paragraph (6) of subsection (b) is amended by adding at the end thereof the following: "No State shall receive less than one-half of 1 per centum of each year's apportionment."

(3) Subsection (c) is amended by striking out "20 per centum" in each of the two places it appears and inserting in lieu thereof in each such place the following: "50 per centum" and by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1) or (2)".

(4) Subsection (d) is amended to read as follows:

"(d) Not more than 50 per centum of the amount apportioned in any fiscal year to each State in accordance with paragraph (3) or (6) of subsection (b) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest. The total of such transfers shall not increase the original apportionment under either of such paragraphs by more than 50 per centum."

(5) The last sentence of subsection (c) is hereby repealed.

APPORTIONMENT OF PLANNING FUNDS

SEC. 113. Subsection (f) of section 104 of title 23, United States Code, is amended to read as follows:

"(f) (1) On or before January 1 next preceding the commencement of each fiscal year, the Secretary, after making the deduction authorized by subsection (a) of this section, shall set aside not to exceed one-half per centum of the remaining funds authorized to be appropriated for expenditure upon the Federal-aid systems, for the purpose of carrying out the requirements of section 134 of this title.

"(2) These funds shall be apportioned to the States in the ratio which the population in urbanized areas or parts thereof, in each State bears to the total population in such urbanized areas in all the States as shown by the latest available census, except that no State shall receive less than one-half per centum of the amount apportioned.

"(3) The funds apportioned to any State under paragraph (2) of this subsection shall be made available by the State to the metropolitan planning organizations designated by the State as being responsible for carrying out the provisions of section 134 of this title. These funds shall be matched in accordance with section 120 of this title unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

"(4) The distribution within any State of the planning funds made available to agencies under paragraph (3) of this subsection shall be in accordance with a formula developed by each State and approved by the Secretary which shall consider but not necessarily be limited to, population, status of planning, and metropolitan area transportation needs."

ADVANCE ACQUISITION OF RIGHTS-OF-WAY

SEC. 114. (a) The last sentence of subsection (a) of section 108 of title 23, United States Code, is amended by striking out "seven years" and inserting in lieu thereof "ten years".

(b) The first sentence of paragraph (3) of subsection (c) of section 108 of title 23, United States Code, is amended by striking out "seven years" and inserting in lieu thereof "ten years".

HIGHWAY NOISE LEVELS

SEC. 115. Subsection (i) of section 109 of title 23, United States Code, is amended by adding at the end thereof the following: "The Secretary after consultation with appropriate Federal, State, and local officials, may promulgate standards for the control of highway noise levels for highways on any Federal-aid system for which project approval has been secured prior to July 1, 1972. The Secretary may approve any project on a Federal-aid system to which noise-level standards are made applicable under the preceding sentence for the purpose of carrying out such standards. Such project may include, but is not limited to, the acquisition of additional rights-of-way, the construction of physical barriers, and landscaping. Sums apportioned for the Federal-aid system on which such project will be located shall be available to finance the Federal share of such project. Such project shall be deemed a highway project for all purposes of this title."

SIGNS ON PROJECT SITE

SEC. 116. The last sentence of subsection (a) of section 114 of title 23, United States Code, is amended to read as follows: "After July 1, 1973, the State highway department shall not erect on any project where actual construction is in progress and visible to highway users any informational signs other than official traffic control devices conforming with standards developed by the Secretary of Transportation."

CERTIFICATION ACCEPTANCE

SEC. 117. (a) Section 117 of title 23 of the United States Code is amended to read as follows:

"§ 117. Certification acceptance

"(a) The Secretary may discharge any of his responsibilities under this title relative to projects on Federal-aid systems, except the Interstate System, upon the request of any State, by accepting a certification by the State highway department of its performance of such responsibilities, if he finds—

"(1) such projects will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to, this title;

"(2) the State meets the requirements of section 302 of this title;

"(3) that final decisions made by responsible State officials on such projects are made in the best overall public interest.

"(b) The Secretary shall make a final inspection of each such project upon its completion and shall require an adequate report of the estimated, and actual, cost of construction as well as such other information as he determines necessary.

"(c) The procedure authorized by this section shall be an alternative to that otherwise prescribed in this title. The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this section.

"(d) Acceptance by the Secretary of a State's certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do so.

"(e) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), section 4(f) of the Department of Transportation Act (49 U.S.C. 1653(f)), and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.), other than this title."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by striking out

"117. Secondary road responsibilities."

and inserting in lieu thereof the following:

"117. Certification acceptance.".

MATERIALS AT OFF-SITE LOCATIONS

SEC. 118. Section 121(a) of title 23 of the United States Code is amended by inserting after the period at the end thereof the following: "Such payments may also be made in the case of any such materials not in the vicinity of such construction if the Secretary determines that because of required fabrication at an off-site location the materials cannot be stockpiled in such vicinity."

TOLL ROADS, BRIDGES, TUNNELS, AND FERRIES

SEC. 119. (a) After the second sentence of section 129(b) of title 23, United States Code, insert the following: "When any such toll road which the Secretary has approved as a part of the Interstate System is made a toll-free facility, Federal-aid highway funds apportioned under section 104(b)(5) of this title may be expended for the construction, reconstruction, or improvement of that road to meet the standards adopted for the improvement of projects located on the Interstate System."

(b) The first sentence of subsection (e) of section 129, title 23, United States Code, is amended by striking out "on the date of enactment of this subsection". The third sentence of subsection (e) of section 129, title 23, United States Code, is amended by striking out "1968" and inserting in lieu thereof "1973".

CONTROL OF OUTDOOR ADVERTISING

SEC. 120. (a) The first sentence of subsection (b) of section 131 of title 23, United States Code, is amended by inserting after "main traveled way of the system," the following: "and Federal-aid highway funds apportioned on or after January 1, 1974, or after the expiration of the next regular session of the State legislature, whichever is later, to any State which the Secretary determines has not made provision for effective control of the erection and maintenance along the Interstate System and the primary system of those additional outdoor advertising signs, displays, and devices which are more than six hundred and sixty feet off the nearest edge of the right-of-way, located outside of incorporated cities and villages, visible from the main traveled way of the system, and erected with the purpose of their message being read from such main traveled way,".

(b) Subsection (c) of section 131 of title 23, United States Code, is amended to read as follows:

"(c) Effective control means that such signs, displays, or devices after January 1, 1968, if located within six hundred and sixty feet of the right-of-way and, on or after July 1, 1974, or after the expiration of the next regular session of the State legislature, whichever is later, if located beyond six hundred and sixty feet of the right-of-way, visible from the main traveled way of the system, and erected with the purpose of their message being read from such main traveled way shall, pursuant to this section, be limited to (1) directional and official signs and notices, which signs and notices may include, but not be limited to, signs and notices pertaining to information in the specific interest of the traveling public, such as, but not limited to, signs and notices pertaining to rest stops, camping grounds, food services, gas and automotive services, and lodging, and shall include signs and notices pertaining to natural wonders, scenic and historical attractions, which are required or authorized by law, which shall conform to national standards hereby authorized to be promulgated by the Secretary hereunder, which standards shall contain provisions concerning lighting, size, number, and spacing of signs, and such other requirements as may be appropriate to implement this section (except that not more than three directional signs facing the same direction of travel shall be permitted in any one mile along the Interstate or primary systems outside commercial and industrial areas), (2) signs, displays, and devices advertising the sale or lease of property upon which they are located, and (3) signs, displays, and devices advertising activities conducted on the property on which they are located."

(c) Subsection (d) of section 131 of title 23, United States Code, is amended by striking out the first sentence thereof and inserting the following in lieu thereof: "In order to promote the reasonable, orderly and effective display of outdoor advertising while remaining consistent with the purposes of this section, signs, displays, and devices whose size, lighting, and spacing, consistent with customary use is to be determined by agreement between the several States and the Secretary, may be erected and maintained within areas adjacent to the Interstate and primary systems which are zoned industrial or commercial under authority of State law, or in unzoned commercial or industrial areas as may be determined by agreement between the several States and the Secretary."

(d) Subsection (e) of section 131 of title 23, United States Code, is amended to read as follows:

"(e) Any nonconforming sign under State law enacted to comply with this section shall be removed no later than the end of the fifth year after it becomes nonconforming, except as determined by the Secretary."

(e) Subsection (f) of section 131 of title 23, United States Code, is amended by inserting the following after the first sentence: "The Secretary may also, in consultation with the States, provide within the rights-of-way of the primary system for areas in which signs, displays, and devices giving specific information in the interest of the traveling public may be erected and maintained: *Provided*, That such signs on the Interstate and primary systems shall not be erected in suburban or in urban areas or in lieu of signs permitted under subsection (d) of this section, nor shall they be erected where adequate information is provided by signs permitted in subsection (c) of this section."

(f) Subsection (g) of section 131 of title 23, United States Code, is amended by striking out the first sentence and inserting the following in lieu thereof: "Just compensation shall be paid upon the removal of any outdoor advertising sign, display, or device lawfully erected under State law."

(g) Subsection (m) of section 131 of title 23, United States Code, is amended to read as follows:

"(m) There is authorized to be apportioned to carry out the provisions of this section, out of any money in the Treasury not otherwise appropriated, not to exceed $20,000,000 for each of the fiscal years 1966 and 1967, not to exceed $20,000,000 for the fiscal year 1970, not to exceed $27,000 000 for the fiscal year 1971, not to exceed $20,500,000 for the fiscal year 1972, and not to exceed $50,000,000 for the fiscal year ending June 30, 1973, and $50,000,000 for the fiscal year 1970, not to exceed $27,000,000 000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976. The provisions of this chapter relating to the obligation, period of availability, and expenditure of Federal-aid primary highway funds shall apply to the funds authorized to be appropriated to carry out this section after June 30, 1967."

(h) Section 131 of title 23, United States Code, is amended by adding at the end thereof the following new subsections:

"(o) No directional sign, display, or device lawfully in existence on June 1, 1972, giving specific information in the interest of the traveling public shall be required to be removed until December 31, 1974, or until the State in which the sign, display, or device is located certifies that the directional information about the service or activity advertised on such sign, display, or device may reasonably be available to motorists by some other method or methods, whichever shall occur first. A State shall give preference, with due regard to the orderly scheduling of the removal of signs, displays, and devices and to highway safety, to the purchase and removal of any nonconforming sign, display, or device voluntarily offered by the owner thereof to the State for removal if funds are available to such State for such purpose.

"(p) In the case of any sign, display, or device required to be removed under this section prior to the date of enactment of the Federal-Aid Highway Act of 1973, which sign, display, or device was after its removal lawfully relocated and which as a result of the amendments made to this section by such Act is required to be removed, the United States shall pay 100 per centum of the just compensation for such removal (including all relocation costs)."

URBAN AREA TRAFFIC OPERATIONS IMPROVEMENT PROGRAMS

SEC. 121. Subsection (c) of section 135 of title 23, United States Code, is hereby repealed and existing subsection (d) is relettered as subsection (c), including any references thereto.

CONTROL OF JUNKYARDS

SEC. 122. (a) Subsection (j) of section 136 of title 23, United States Code, is amended by striking out the first sentence and inserting in lieu thereof the following: "Just compensation shall be paid the owner for the relocation, removal, or disposal of junkyards lawfully established under State law."

(b) Subsection (m) of section 136 of title 23, United States Code, is amended to read as follows:

"(m) There is authorized to be appropriated to carry out this section out of any money in the Treasury not otherwise appropriated not to exceed $20,000,000 for each of the fiscal years 1966 and 1967, not to exceed $3,000,000 for each of fiscal years 1970, 1971, and 1972, not to exceed $5,000,000 for the fiscal year ending June 30, 1973, and not to exceed $15,000,000 for the fiscal year ending June 30, 1974, and $15,000,000 for the fiscal year ending June 30, 1975, and $15,000,000 for the fiscal year ending June 30, 1976. The provisions of this chapter relating to the obligation, period of availability, and expenditure of Federal-aid primary highway funds shall apply to the funds authorized to be appropriated to carry out this section after June 30, 1967."

HIGHWAY PUBLIC TRANSPORTATION

SEC. 123. Section 142 of title 23, United States Code, is amended to read as follows:

"§ 142. Highway public transportation

"(a) To encourage the development, improvement, and use of public mass transportation systems operating motor vehicles (other than on rail) on Federal-aid highways for the transportation of passengers (hereafter in this section referred to as 'buses'), so as to increase the traffic capacity of the Federal-aid systems for the movement of persons, the Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential bus lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters), and fringe and transportation corridor parking facilities to serve bus and other public mass transportation passengers. Sums apportioned under section 104(b) of this title shall be available to finance the cost of these projects.

"(b) Sums appropriated in accordance with paragraph (5) of subsection (b) of section 104 of this title shall be available to finance the Federal share of projects for exclusive or preferential bus, truck, and emergency vehicle routes or lanes. Routes constructed under this subsection shall not be subject to the third sentence of section 109(b) of this title.

"(c) Whenever responsible local officials of an urbanized area notify the State highway department that, in lieu of a highway project the Federal share of which is to be paid from funds apportioned under section 104(b)(6) of this title, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a contractual obligation of the United States for payment out of the general funds of its proportional share of the cost of such project in an amount equal to the Federal share which would have been paid if such project were a highway project under section 120(a) of this title. Funds previously apportioned to such State under section 104(b)(6) of this title shall be reduced by an amount equal to such Federal share. No financial assistance shall be provided under this subsection for the purchase of buses to any State or local public body or agency thereof which, after the date of enactment of this subsection, has engaged or proposes to engage directly or indirectly in charter bus operations in competition with private bus operators outside the urbanized area within which such State or local public body or agency provides mass transportation service.

"(d) The establishment of routes and schedules of such public mass transportation systems in urbanized areas shall be based upon a continuing comprehensive transportation planning process carried on in accordance with section 134 of this title.

"(e) For all purposes of this title, a project authorized by subsection (a) of this section shall be deemed to be a highway project, and the Federal share payable on account of such project shall be that provided in section 120 of this title.

"(f) No project authorized by this section shall be approved unless the Secretary of Transportation has received assurances satisfactory to him from the State that public mass transportation systems will have adequate ridership to fully utilize the proposed project.

"(g) In any case where sufficient land exists within the publicly acquired rights-of-way of any Federal-aid highway to accommodate needed rail or nonhighway public mass transit facilities and where this can be accomplished without impairing automotive safety or future highway improvements, the Administrator may authorize a State to make such lands and rights-of-way available without charge to a publicly owned mass transit authority for such purposes wherever he may deem that the public interest will be served thereby.

"(h) No financial assistance shall be provided under this section to any State or local public body or agency thereof which engages directly or indirectly in the transporting of schoolchildren and school personnel to and from school and school-authorized functions or which proposes to expand present routes, schedules, service, or facilities for the purposes of providing transportation for schoolchildren and school personnel to and from school and school-authorized functions in competition with or supplementary to the service currently provided by a private transportation company, or other person, engaged in so transporting such children and personnel. This subsection shall not apply unless such private transportation company is able to provide adequate transportation, at reasonable rates, and in conformance with applicable safety standards, and this subsection shall not apply with respect to any State or local public body or agency thereof if it (or a direct predecessor in interest from which it acquired the function of so transporting such children and personnel along with facilities to be used therefor) was so engaged any time during the twelve-month period immediately prior to the date of the enactment of this subsection.

"(i) The provision of assistance under subsection (c) of this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.

"(j) Funds available for expenditure to carry out the purposes of subsection (c) of this section shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended.

"(k) The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out subsection (c) of this section."

ECONOMIC GROWTH CENTER DEVELOPMENT HIGHWAYS

SEC. 124. (a) Section 143 of title 23, United States Code, is amended by striking out "demonstration projects" each place it appears and inserting in lieu thereof "projects", and by striking out "demonstration project" each place it appears and inserting in lieu thereof in each such place "project", by striking out "the Federal-aid primary system" in each place it appears and inserting in lieu thereof in each such place "a Federal-aid system (other than the Interstate System)", and in subsection (d) by striking out "Federal-aid primary highways" and inserting in lieu thereof "highways on the Federal-aid system on which such development highway is located".

(b) Section 143(e) of title 23, United States Code, is amended to read as follows:

"(e) Except as otherwise provided in subsection (c) of this section, the Federal share of the cost of any project for construction, reconstruction, or improvement of a development highway under this section shall be the same as that provided under this title for any other project on the Federal-aid system on which such development highway is located."

(c) Section 143(a) of title 23, United States Code, is amended by striking out "to demonstrate the role that highways can play".

FEDERAL-STATE RELATIONSHIP

SEC. 125. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 145. Federal-State relationship

"The authorization of the appropriation of Federal funds or their availability for expenditure under this chapter shall in no way infringe on the sovereign rights of the States to determine which projects shall be federally financed. The provisions of this chapter provide for a federally assisted State program."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"145. Federal-State relationship."

BICYCLE TRANSPORTATION

SEC. 126. (a) Chapter 2 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 217. Bicycle transportation

"(a) To encourage the multiple use of highway rights-of-way, including the development, improvement, and use of bicycle transportation on or in conjunction with highway rights-of-way, the States may, on Federal-aid highway projects, include to the extent practicable, suitable, and feasible, the construction of separate or preferential bicycle lanes or paths, bicycle traffic control devices, shelters and parking facilities to serve bicycles and persons using bicycles in conjunction or connection with Federal-aid highways. Sums apportioned in accordance with paragraphs (1), (2), (3), and (6) of section 104(b) of this title shall be available for bicycle projects authorized under this section and such projects shall be located and designed pursuant to an overall plan which will provide due consideration for safety and contiguous routes.

"(b) For all purposes of this title, a bicycle project authorized by subsection (a) of this section shall be deemed to be a highway project, and the Federal share payable on account of such bicycle project shall be that provided in section 120 of this title.

"(c) Funds authorized for forest highways, forest development roads and trails, public lands development roads and trails, park roads and trails, parkways, Indian reservation roads, and public lands highways shall be available, at the discretion of the department charged with the administration of such funds, for the construction of bicycle routes in conjunction with such trails, roads, highways, and parkways.

"(d) No motorized vehicles shall be permitted on trails and walkways authorized under this section except for maintenance purposes and, when snow conditions permit, snowmobiles."

(b) The analysis of chapter 20, title 23, United States Code, is amended by inserting at the end thereof the following:

"217. Bicycle transportation."

SPECIAL URBAN HIGH DENSITY TRAFFIC PROGRAM

SEC. 127. (a) Chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following new section:

"§ 146. Special urban high density traffic program

"(a) There is hereby authorized to be appropriated out of the Highway Trust Fund $100,000,000 for the fiscal year ending June 30, 1974, $100,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for the fiscal year ending June 30, 1976, for the construction of highways connected to the Interstate System in portions of urbanized areas with high traffic density. The Secretary shall develop guidelines and standards for the designation of routes and the allocation of funds for this purpose which include the following criteria:

"(1) Routes designated by the Secretary shall not be longer than ten miles.

"(2) Routes designated shall serve areas of concentrated population and heavy traffic congestion.

"(3) Routes designated shall serve the urgent needs of commercial, industrial, airport, or national defense installations.

"(4) Any routes shall connect with existing routes on the Interstate System.

"(5) Routes designated under this section shall have been approved through the planning process required under section 134 of this title and determined to be essential by responsible local officials.

"(6) A route shall be designated under this section only where the Secretary determines that no feasible or practicable alternative mode of transportation which could meet the needs of the area to be served is now available or could become available in the foreseeable future.

"(7) The designation of routes under this section shall comply with section 138 of this title, and no route shall be designated which substantially damages or infringes upon any residential area.

"(8) Routes shall be designated by the Secretary on the recommendation of the State and responsible local officials.

"(9) No more than one route in any one State shall be designated by the Secretary.

"(10) Any route designated by the Secretary under this section must be on a Federal-aid system prior to such designation.

"(b) The Federal share payable on account of any project authorized pursuant to this section shall not exceed 90 per centum of the cost of construction of such project."

(b) The table of contents of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"146. Special urban high density traffic program."

PRIORITY PRIMARY ROUTES

SEC. 128. (a) Chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following new section:

"§ 147. Priority primary routes

"(a) High traffic sections of highways on the Federal-aid primary system which connect to the Interstate System shall be selected by each State highway department, in consultation with appropriate local officials, subject to approval by the Secretary, for priority of improvement to supplement the service provided by the Interstate System by furnishing needed adequate traffic collector and distributor facilities. A total of not more than ten thousand miles shall be selected under this section. For the purpose of this section such highways shall hereafter in this section be referred to as 'priority primary routes'.

"(b) The Federal share of any project on a priority primary route shall be that provided in section 120(a) of this title. All provisions of this title applicable to the Federal-aid primary system shall be applicable to priority primary routes selected under this section except section 104. Funds authorized to carry out this section shall be deemed to be apportioned on January 1 next preceding the commencement of the fiscal year for which authorized.

"(c) The initial selection of the priority primary routes and the estimated cost of completing such routes shall be reported to Congress on or before July 1, 1974.

"(d) There is authorized to be appropriated out of the Highway Trust Fund to carry out this section not to exceed $300,000,000 per fiscal year for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976. One-half of such funds shall be apportioned among the States in accordance with section 104(b)(1) of this title, and one-half shall be apportioned among the States in accordance with section 104(b)(3) of this title."

(b) The table of contents of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"147. Priority primary routes."

ALASKA HIGHWAY

SEC. 129. (a)(1) Chapter 2 of title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

"§ 218. Alaska Highway

"(a) Recognizing the benefits that will accrue to the State of Alaska and to the United States from the reconstruction of the Alaska Highway from the Alaskan border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to the south Alaskan border, the Secretary is authorized out of the funds appropriated for the purpose of this section to provide for necessary reconstruction of such highway. Such appropriations shall remain available until expended. No expenditures shall be made for the construction of such highways until an agreement has been reached by the Government of Canada and the Government of the United States which shall provide, in part, that the Canadian Government—

"(1) will provide, without participation of funds authorized under this title all necessary right-of-way for the reconstruction of such highways, which right-of-way shall forever be held inviolate as a part of such highways for public use;

"(2) will not impose any highway toll, or permit any such toll to be charged for the use of such highways by vehicles or persons;

"(3) will not levy or assess, directly or indirectly, any fee, tax, or other charge for the use of such highways by vehicles or persons from the United States that does not apply equally to vehicles or persons of Canada;

"(4) will continue to grant reciprocal recognition of vehicle registration and drivers licenses in accordance with agreements between the United States and Canada; and

"(5) will maintain such highways after their completion in proper condition adequately to serve the needs of present and future traffic.

"(b) The survey and construction work undertaken pursuant to this section shall be under the general supervision of the Secretary."

(2) The analysis of chapter 2 of title 23 of the United States Code is amended by adding at the end thereof the following:

"218. Alaska Highway."

(b) For the purpose of completing necessary reconstruction of the Alaska Highway from the Alaskan border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to the south Alaskan border there is authorized to be appropriated the sum of $58,670,000 to be expended in accordance with the provisions of section 217 of title 23 of the United States Code.

BRIDGES ON FEDERAL DAMS

SEC. 130. (a) Section 320(d) of title 23, United States Code, is amended by striking out "$16,761,000" and inserting in lieu thereof "$25,261,000".

(b) All sums appropriated under authority of the increased authorization of $8,500,000 established by the amendment made by subsection (a) of this section shall be available for expenditure only in connection with the construction of a bridge across lock and dam numbered 13 on the Arkansas River near Fort Smith, Arkansas, in the amount of $2,100,000 and in connection with reconstruction of a bridge across the Chickamauga Dam on the Tennessee River near Chattanooga, Tennessee, in the amount of $6,400,000. No such sums shall be appropriated until all applicable requirements of section 320 of title 23 of the United States Code have been completed by the appropriate Federal agency, the Secretary of Transportation, and the State of Arkansas for the Fort Smith project, and the State of Tennessee for the Chattanooga project.

GREAT RIVER ROAD

SEC. 131. (a) Section 14 of the Federal-Aid Highway Act of 1954, as amended (68 Stat. 70; Public Law 83–350), is amended by striking out "$500,000" and inserting in lieu thereof "$600,000".

(b) Chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

"§ 148. Development of a prototype of a national scenic and recreational highway program

"(a)(1) The Congress finds—

"(A) that there are significant esthetic and recreational values to be derived from making places of scenic and natural beauty and historical, archeological, or scientific interest accessible to the public;

"(B) that there is a deficiency in the number and quality of scenic roads, parkways, and highways available to the motoring public;

"(C) that with increased population, greater leisure time and higher percentage of privately owned automotive vehicles, more families than ever are seeking suitable areas in which to drive for pleasure and recreation;

"(D) that the growth of cities and large metropolitan centers has decreased the quantity of open-space and recreational areas available to the general public, especially urban dwellers; and

"(E) that substantial economic, social, cultural, educational, and psychological benefits could be gained from a nationwide system of attractive roadways making possible widespread enjoyment of natural and recreational resources.

"(2) It is therefore the purpose of this section to provide assistance to the States and to other Federal departments and agencies having jurisdiction over Federal lands open to the public in order to develop highways throughout the Nation to satisfy such needs and to prove the actual national feasibility of such a system through direct Federal participation in the improvement and construction of the Great River Road and attendant facilities and to further provide for Federal participation in the celebration of the tricentennial of the discovery of the Mississippi River.

"(b) As soon as possible after the date of enactment of this section, the Secretary shall establish criteria for the location and construction or reconstruction of the Great River Road by the ten States bordering the Mississippi River in order to carry out the purpose of this section. Such criteria shall include requirements that—

"(1) priority be given in the location of the Great River Road near or easily accessible to the larger population centers of the State and further priority be given to the construction and improvement of the Great River Road in the proximity of the confluence of the Mississippi River and the Wisconsin River;

"(2) the Great River Road be connected with other Federal-aid highways and preferably with the Interstate System;

"(3) the Great River Road be marked with uniform identifying signs;

"(4) effective control, as defined in section 131(c) of this title, of signs, displays, and devices will be provided along the Great River Road;

"(5) the provisions of section 129(a) of this title shall not apply to any bridge or tunnel on the Great River Road and no fees shall be charged for the use of any facility constructed with assistance under this section.

"(c) For the purpose of this section, the term 'construction' includes the acquisition of areas of historical, archeological, or scientific interest, necessary easements for scenic purposes, and the construction or reconstruction of roadside rest areas (including appropriate recreational facilities), scenic viewing areas, and other appropriate facilities determined by the Secretary for the purpose of this section.

"(d) Highways constructed or reconstructed pursuant to this section (except subsection (g)) shall be part of the Federal-aid primary system except with respect to such provisions of this title as the Secretary determines are not consistent with this section.

"(e) Funds appropriated for each fiscal year pursuant to subsection (h) shall be apportioned among the ten States bordering the Mississippi River on the basis of their relative needs as determined by the Secretary for payments to carry out the purpose of this section.

"(f) The Federal share of the cost of any project for any construction or reconstruction pursuant to the preceding subsections of this section shall be 80 per centum of such cost.

"(g) The Secretary is authorized to consult with the heads of other Federal departments and agencies having jurisdiction over Federal lands open to the public in order to enter into appropriate arrangements for necessary construction or reconstruction of highways on such lands to carry out the purpose of this section. To the extent applicable criteria applicable to highways constructed or reconstructed by the State pursuant to this section shall be applicable to highways constructed or reconstructed pursuant to this subsection. Funds authorized pursuant to subsection (h) shall be used to pay the entire cost of construction or reconstruction pursuant to this subsection.

"(h) There is authorized to be appropriated to carry out this section, out of the Highway Trust Fund, for construction or reconstruction of roads on a Federal-aid highway system, not to exceed $20,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, for allocations to the States pursuant to this section, and there is authorized to be appropriated to carry out this section out of any money in the Treasury not otherwise appropriated, not to exceed $10,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, for construction and reconstruction of roads not on a Federal-aid highway system."

(c) The table of contents of chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof the following:

"148. Development of a prototype of a national scenic and recreational highway program.".

ALASKAN ASSISTANCE

SEC. 132. Subsection (b) of section 7 of the Federal-Aid Highway Act of 1966 is amended by striking out at the end of the last sentence "June 30, 1972 and June 30, 1973." and substituting "June 30, 1972, June 30, 1973, June 30, 1974, June 30, 1975, and June 30, 1976."

ROUTE 101 IN NEW HAMPSHIRE

SEC. 133. (a) The amount of all Federal-aid highway funds paid on account of those sections of Route 101 in the State of New Hampshire referred to in subsection (c) of this section shall, prior to the collection of any tolls thereon, be repaid to the Treasurer of the United States. The amount so repaid shall be deposited to the credit of the appropriation for "Federal-Aid Highways (Trust Fund)". At the time of such repayment, the Federal-aid projects with respect to which such funds have been repaid and any other Federal-aid project located on said sections of such toll road and programed for expenditure on any such project, shall be credited to the unprogramed balance of Federal-aid highways funds of the same class last apportioned to the State of New Hampshire. The amount so credited shall be in addition to all other funds then apportioned to said State and shall be available for expenditure in accordance with the provisions of title 23, United States Code, as amended or supplemented.

(b) Upon the repayment of Federal-aid highway funds and the cancellation and withdrawal from the Federal-aid highway program of the projects on said sections of Route 101 as provided in subsection (a) of this section, such sections of said route shall become and be free of any and all restrictions contained in title 23, United States Code, as amended or supplemented, or in any regulation thereunder, with respect to the imposition and collection of tolls or other charges thereon or for the use thereof.

(c) The provisions of this section shall apply to the following sections:

(1) That section of Route 101 from Route 125 in Epping to Brentwood Corners, a distance of approximately two and thirty one-hundredths centerline miles.

(2) That section of Route 101 in the vicinity of Sells Corner in Auburn, beginning approximately two and forty one-hundredths centerline miles east of the junction of Interstate Route 93 and running easterly approximately two miles.

FREEING INTERSTATE TOLL BRIDGES

SEC. 134. Section 129, title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding the provisions of section 301 of this title, in the case of each State which, before January 1, 1974, shall have constructed or acquired any interstate toll bridge (including approaches thereto), which before January 1, 1974, caused such toll bridge to be made free, which bridge is owned and maintained by such State or by a political subdivision thereof, and which bridge is on the Federal-aid primary system (other than the Interstate System), sums apportioned to such State in accordance with paragraphs (1) and (3) of subsection (b) of section 104 of this title shall be available to pay the Federal share of a project under this subsection of (1) such amount as the Secretary determines to be the reasonable value of such bridge after deducting therefrom that portion of such value attributable to any grant or contribution previously paid by the United States in connection with the construction or acquisition of such bridge, and exclusive of rights-of-way, or (2) the amount by which the principal amount of the outstanding unpaid bonds or other obligations created and issued for the construction or acquisition of such bridge exceeds the amount of any funds accumulated or provided for their amortization, on the date such bridge is made free, whichever is the lesser amount."

STUDY OF TOLL BRIDGE AUTHORITY

SEC. 135. The Secretary of Transportation is authorized and directed to undertake a full and complete investigation and study of existing Federal statutes and regulations governing toll bridges over the navigable waters of the United States for the purpose of determining what action can and should be taken to assure just and reasonable tolls nationwide. The Secretary shall submit a report of the findings of such study and investigation to the Congress not later than July 1, 1974, together with his recommendations for modifications or additions to existing laws, regulations, and policies, except that in the case of the toll bridge at Chester, Illinois, the Secretary shall submit a report to the Congress not later than December 31, 1973.

NATIONAL SCENIC HIGHWAY SYSTEM STUDY

SEC. 136. The Secretary of Transportation shall make a full and complete investigation and study to determine the feasibility of establishing a national system of scenic highways to link together and make more accessible to the American people recreational historical, scientific, and other similar areas of scenic interest and importance. In the conduct of such investigation and study, the Secretary shall cooperate and consult with the other agencies of the Federal Government, the Commission on Highway Beautification, the States and their political subdivisions, and other interested private organizations, groups, and individuals. The Secretary shall report his findings and recommendations to the Congress not later than July 1, 1974, including an estimate of the cost of implementing such a program. There is authorized to be appropriated $250,000 from the Highway Trust Fund to carry out this section.

PARTICIPATION IN TOPICS AND FRINGE PARKING PROGRAMS

SEC. 137. In the administration of title 23 of the United States Code the Secretary of Transportation shall take such actions as he deems necessary to facilitate broad participation by the States in the urban area traffic operations improvement programs and projects for fringe and corridor parking facilities authorized by sections 135 and 137 of such title.

ALLOCATION OF URBAN SYSTEM FUNDS

SEC. 138. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 149. Allocation of urban system funds

"(a) Funds apportioned to any State under paragraph (6) of subsection (b) of section 104 of this title which are attributable to incorporated municipalities having populations of four hundred thousand or more and located within urbanized areas shall be allocated among such incorporated municipalities within any such State in the ratio that the population within each such incorporated municipality bears to the population of all urbanized areas, or parts thereof, within such State.

"(b) Funds allocated in accordance with subsection (a) of this section shall be available for expenditure within any such incorporated municipality for projects on the urban system and projects authorized by section 142 of this title, which shall be planned in accordance with the planning process required by section 134 of this title.

"(c) Funds allocated to any incorporated municipality under subsection (a) of this section shall be available for expenditure in another incorporated municipality within such State only where the responsible public officials in both such incorporated municipalities agree to such availability."

(b) The table of contents of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"149. Allocation of urban system funds."

DISTRICT OF COLUMBIA

SEC. 139. None of the provisions of the Act entitled "An Act to provide a permanent system of highways in that part of the District of Columbia lying outside of cities", approved March 2, 1893 (27 Stat. 532), as amended, shall apply to any segment of the Interstate System within the District of Columbia.

CORRIDOR HEARINGS

SEC. 140. (a) The Secretary of Transportation shall permit no further action on Interstate Route I-287 between Montville and Mahawk, New Jersey, until new corridor hearings are held.

(b) The Secretary of Transportation shall permit no further action on the Corporation Freeway, Winston-Salem, North Carolina, until new corridor hearings are held.

INTERSTATE SYSTEM

SEC. 141. (a) Paragraph (2) of subsection (e) of section 103 of title 23, United States Code, is amended as follows:

(1) The first sentence is amended by striking out "additional mileage for the Interstate System of two hundred miles, to be used in making modifications" and inserting in lieu thereof "such additional mileage for the Interstate System as may be required in making modifications".

(2) The fourth sentence is amended by striking out "the 1968 Interstate System cost estimate set forth in House Document Numbered 199, Ninetieth Congress, as revised." and inserting in lieu thereof the following: "the 1972 Interstate System cost estimate set forth in House Public Works Committee Print Numbered 92–29, as revised in House Report Numbered 92–1443."

(3) The fifth sentence is amended by striking out "due regard" and inserting in lieu thereof the following: "preference, along with due regard for interstate highway type needs on a nationwide basis,".

(b) Subsection (e) of section 103 of title 23, United States Code, is amended by adding the following:

"(4) Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of any route or portion thereof on the Interstate System within that State selected and approved in accordance with this title prior to the enactment of this paragraph, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System or will no longer be essential by reason of the application of this paragraph and will not be constructed as a part of the Interstate System, and if he receives assurances that the States does not intend to construct a toll road in the traffic corridor which would be served by such route or portion thereof. The mileage of the route or portion thereof approval for which is withdrawn under this paragraph shall be available for designation on the Interstate System in any other State in accordance with paragraph (1) of this subsection. After the Secretary has withdrawn his approval of any such route or portion thereof, whenever responsible local officials of an urbanized area notify the State highway department that, in lieu of a route or portion thereof approval for which is withdrawn under this paragraph, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a contractual obligation of the United States for payment out of the general funds of its proportional share of the cost of such project in an amount equal to the Federal share which would have been paid for the route or portion thereof approval of which is withdrawn under this paragraph. Funds previously apportioned to such State for the Interstate System shall be reduced by an amount equal to such Federal share. No nonhighway public mass transit project shall be approved under this paragraph unless the Secretary has received assurances satisfactory to him from the State that public mass transportation system will have adequate capability to fully utilize the proposed project."

PUBLIC MASS TRANSPORTATION

SEC. 142. (a) The Secretary shall, in cooperation with the Governor of each State and appropriate local officials, make an evaluation of that portion of the 1972 National Transportation Report, pertaining to public mass transportation. Such evaluation shall include all urban areas. The evaluation shall include but not be limited to the following:

(1) Refining the public mass transportation needs contained in such report.

(2) Developing a program to accomplish the needs of each urban area for public mass transportation.

(3) Analyzing the existing funding capabilities of Federal, State, and local governments for meeting such needs.

(4) Analyzing other funding capabilities of Federal, State, and local governments for meeting such needs.

(5) Determining the operating and maintenance costs relating to the public mass transportation system.

(6) Determining and comparing fare structures of all public mass transportation systems.

(b) The Secretary shall, not later than July 1, 1974, report to Congress the results of this evaluation together with his recommendations for necessary legislation.

(c) There is hereby authorized not to exceed $75,000,000 to carry out this section.

FERRY OPERATIONS

SEC. 143. (a) The last subsection of section 129 of title 23, United States Code, is hereby redesignated as subsection (g).

(b) Paragraph (5) of subsection (g) of section 129 of title 23, United States Code, as redesignated in subsection (a) of this section, is amended to read as follows:

"(5) Such ferry may be operated only within the State (including the islands which comprise the State of Hawaii) or between adjoining States. Except with respect to operations between the islands which comprise the State of Hawaii and operations between the States of Alaska and Washington, or between any two points within the State of Alaska, no part of such a ferry operation shall be in any foreign or international waters."

METRO ACCESSIBILITY TO THE HANDICAPPED

SEC. 144. The Secretary of Transportation is authorized to make payments to the Washington Metropolitan Area Transit Authority in amounts sufficient to finance the cost of providing such facilities for the subway and rapid rail transit system authorized in the National Capital Transportation Act of 1969 (83 Stat. 320) as may be necesary to make such subway and system accessible by the handicapped through implementation of Public Laws 90–480 and 91–205. There is authorized to be appropriated, to carry out this section, not to exceed $65,000,000.

ENVIRONMENTAL IMPACT STATEMENTS

SEC. 145. (a) The Secretary of Transportation shall, not later than forty-five days after the date of enactment of this section, complete all necessary action on (1) the environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, and (2) the application for approval under the General Bridge Act of 1946, with respect to the proposal for construction by the Department of Transportation of the State of New Jersey of a bridge over the Raritan River in such State for the purpose of such State's Highway Route 18.

(b) The Secretary of Transportation shall—

(1) by October 1, 1973—

(A) complete the draft environmental impact statement pursuant to section 102(2)(c) of the National Environmental Policy Act, and his determination under section 4(f) of the Department of Transportation Act and section 138 of title 23 of the United States Code, on the project for Interstate Route Numbered 66 in the State of Virginia from the National Capital Beltway to the Potomac River, which project is described in the 1972 estimate of the cost of completing the National System of Interstate and Defense Highways as estimate section termini E 10.4.2 at the Beltway to E 10.11.1 in Rosslyn,

(B) circulate such statement to all interested Federal, State, and local agencies and to the public for comment within forty-five days, and

(C) insure that notice of a public hearing on the design and location of such project is issued;

(2) insure that a public hearing is held within forty-five days after issuance of the notice pursuant to paragraph (1)(C) of this section; and

(3) not later than December 31, 1973, complete consideration of the information received at the hearing, review any comments on the statement received within the forty-five-day notice period referred to in paragraph (1)(B) of this section and any other information received by the end of such forty-five-day period and file the final version of such statement on the basis of such comments and information, together with any other final determination which he is required by law to make in order to permit the construction of such project to proceed. The determination of the Secretary shall be conclusive with respect to all issues of fact.

TRUCK LANES

SEC. 146. (a) Chapter 1 of title 23, United States Code, is amended by adding to the end thereof the following new section:

"§ 150. Truck lanes

"The Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential truck lanes."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"150. Truck lanes.".

HIGHWAY STUDY

SEC. 147. The Secretary of Transportation shall report to Congress by January 1, 1975, on the feasibility and necessity for constructing to appropriate standards proposed highways along the following route for the purpose of including such highways in the National System of Interstate and Defense Highways:

A route from Brunswick, Georgia, or its vicinity, to Kansas City, Missouri, or its vicinity, so alined to serve the following intermediate locations, or vicinities thereof: Columbus, Georgia; Birmingham, Alabama; Tupelo, Mississippi; Memphis, Tennessee; Batesville or Jonesboro, Arkansas; and Springfield, Missouri.

INTER-AMERICAN HIGHWAY

SEC. 148. Section 4 of the Federal-Aid Highway Act of 1962 (Public Law 87–866; 76 Stat. 1145) is amended by striking out "$32,000,000" and inserting in lieu thereof "$42,000,000".

Mr. WRIGHT (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENTS OFFERED BY MR. ANDERSON OF CALIFORNIA

Mr. ANDERSON of California. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ANDERSON of California: Page 102 strike out line 5 and all that follows down through and including line 8 on page 103 and insert in lieu thereof the following:

"(c) To encourage the development, improvement and use of public mass transportation systems for the transportation of passengers, so as to increase the transportation efficiency of the Federal-aid systems for the movement of persons and goods, the Secretary may approve as a project on the Federal-aid urban system, public mass transportation projects involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of public mass transportation. Sums apportioned under section 104(b)(6) of this title shall be available to finance the cost of those projects."

Page 103 line 15 strike out "subsection (a) of".

Mr. MATHIS of Georgia. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 106]

Badillo
Barrett
Biaggi
Bingham
Boggs
Bolling
Carney, Ohio
Chappell
Chisholm
Clark
Clausen,
  Don H.
Corman
Cronin
Culver
Daniel, Robert
  W., Jr.
Diggs
Dulski
Evins, Tenn.
Frenzel
Gibbons
Gray
Griffiths
Hansen, Wash.
Harvey
Hawkins
Hébert
Holifield
Howard
Jones, Ala.
Karth
King
Kuykendall
McCormack
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mills, Md.
Morgan
Murphy, N.Y.
O'Hara
Passman
Podell

Powell, Ohio
Price, Tex.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Ryan
Sandman
Talcott
Teague, Tex.
Thompson, N.J.
Tiernan
Treen
Waldie
Wiggins
Wilson, Bob
Wilson,
  Charles H.,
  Calif.
Wilson,
  Charles, Tex.
Wydler

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Udall, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill S. 502, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 372 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from California (Mr. Anderson) had been recognized to offer amendments, the amendments had been reported, and the Chair now recognizes the gentleman from California (Mr. Anderson).

Mr. ANDERSON of California. Mr. Chairman, the amendment which I have just offered is a very simple amendment. It affects one portion of the highway trust fund only; the urban systems fund, $700 million per year, which is presently allocated to urban areas. Urban areas are those with 50,000 or more people.

My amendment permits State and local officials, with greater flexibility in the use of the share of urban funds they presently receive, by allowing for the construction of bus or rail transit systems, as well as the construction of highways. Presently they can only expend those urban system funds for highway and highway related construction projects.

Because there have been so many questions asked of me during the quorum call, I want to again say that perhaps the most important thing I can say about my amendment is not what it will do, but what it will not do.

First, it does not in any way affect the Interstate System. The Interstate System will be completed. As I reported a few moments ago, according to the Secretary of Transportation, work has either been completed or is underway on 98 percent of the 42,500 mile Interstate System.

My amendment does not touch that, nor does it affect the primary or secondary rural highway system. It does not alter, add or delete any of the funds authorized to any system by the Public Works Committee.

It merely permits the urban areas to use their funds in a manner that they feel will best solve their transportation needs. Some may continue to use their funds to construct highways. Others may allocate a portion to buy buses or to construct rail transit systems, and still others will use a combination of concrete, rubber, or steel.

No State will get less money if my amendment passes. My amendment is purely permissive. And no State or county area is required to spend 1 cent for mass transit. It is purely up to the local people. That is the reason I think that the Secretary of Transportation has been supporting and is working hard for my bill.

In his statement, the Secretary says:

> We believe that the Anderson amendment which permits States and localities the option of using the urban highway funds for either highway or mass transit capital investments, provides the essential flexibility for our urban areas, but not at the cost of committing funds to more programs earmarking funds exclusively for highways.

During the general debate, we heard some comments about contractual authority by Mr. Harsha of Ohio.

He said that under the Anderson amendment it would be "either/or," and under the committee bill it would be "both."

My contention is that under the committee amendment it would probably be "neither" because this contractual authority is a kind of gimmick, trying to tell us that we are going to get money from somewhere without touching the highway trust fund. They say it does come from the highway trust fund, but also they will not admit it has to take money out of the general fund—a fund in which there is not sufficient money today to meet our current needs. They say that yes, it is earmarked for that; they try to give you a sleight of hand——

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Texas (Mr. Wright).

Mr. WRIGHT. Mr. Chairman, I really take exception to the gentleman's remarks about sleight of hand, pretending, and things like that. Does the gentleman know that 90 percent of the money which is provided by this Congress comes out of the general revenue? Since when is that second-class money?

Mr. ANDERSON of California. Mr. Chairman, as long as the gentleman admits the money for their proposed contractual authority is going to be paid out of the general fund——

Mr. WRIGHT. Of course it is.

Mr. ANDERSON of California. I want to make that clear.

Mr. WRIGHT. What is wrong with that? Ninety percent of the money Congress appropriates come out of the general revenue. Is that second-class money? Has anybody ever turned it down?

POINT OF ORDER

Mr. DANIELSON. Mr. Chairman, a point of order. As I understand, under the rules of the House Members are to stand while debating.

The CHAIRMAN. The Chair sustains the point of order.

The time of the gentleman from California has expired.

Mr. SHUSTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose this amendment. I rise to oppose it for at least three reasons why I believe the highway trust fund should not be diverted.

The first is that there is not enough money in the highway trust fund to meet the critical highway needs for this Nation between now and 1990. Just last year the Transportation Department put out the most comprehensive study of the transportation needs in the history of this Nation, the 1972 National Transportation Report. This report concludes that between now and 1990 we will need $600 billion to complete our highway programs, and of that amount approximately $300 billion is absolutely essential. It also goes on to state that the highway trust fund will generate only $125 billion during that period of time, or the highway trust fund will generate only 41 percent of the funds needed to complete the critical portion of our highway program.

So the first reason for rejecting this diversion is that there just will not be enough money in the highway trust fund to complete the essential programs.

The second reason why we should reject this diversion is because there is not enough money in the highway trust fund to meet the urban needs for highways. The proponents of this amendment would have us believe that they speak for urban America. I do not doubt that they speak for a large portion of the 32 largest urban areas of America, those areas which represent over 400,000. But I would point out to the Members of the House that there are 243 urban areas in America, and 211 of those 243 urban areas are less than 400,000, between 50,000 and 400,000.

I represent one of those urban areas, and I can tell the Members it is my belief that most of smaller urban America does not want the highway trust fund to be raided, because we need our highways in smaller urban America.

I would suggest that the exalted 32, the 32 largest cities in America, indeed do not speak for all of urban America, and there are 211 important smaller communities in this country which by and large do not want this trust fund busted.

This report states that between now and 1990 we are going to need $245 billion for the urban highway program, and at the same ratio of 50 percent that breaks down to over $100 billion needed for urban highways. There won't be that much available in the trust fund.

So that is the second reason for not diverting these funds, because there is not enough money to satisfy the needs of urban America.

The third reason why we must not permit the diversion of funds from this trust fund is because there is additional funding required to provide an adequate safety program in this Nation. We are killing more than 50,000 people in America each year. It is projected that this figure is going to go to 80,000 people in the next decade. We have to take dramatic action.

This highway bill does provide for a significant safety program. But that costs money. It costs lots of money.

Indeed, this report tells us that we can save approximately 50 percent of the lives which we are losing on America's highways. We can save 50 percent of the lives if we face up to funding a solid safety program in this country. I would suggest that we need every penny we can get to fund our program, so we can have modern and safer highways. We need every penny to save lives. We can save 25,000 American lives a year if we have a solid safety program.

I would suggest it is up to us in this Congress to stand up and be counted and to fund this program to protect the highway trust fund so we can save 25,000 American lives.

These are the reasons why we should not divert funds from this trust fund.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. SHUSTER) has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania (Mr. SHUSTER) be allowed to proceed for 3 additional minutes.

Mr. MIZELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. KLUCZYNSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from California.

There is probably no one in this House that has been a more vocal and ardent supporter of the highway trust fund over the years than I have. I still believe it is the most successful mechanism ever put forward for financing a program and I believe the highway program is one of the most successful Federal-aid programs ever conducted by the Federal Government. I also believe that the highway program is still of vital necessity to this country and it will be for years to come.

What we are talking about in this amendment is using a small portion of the highway trust fund money for mass transit users in some of our cities.

My city of Chicago has one of the finest freeway networks of any city in the world and also one of the first transit systems. The transit system is, however, in trouble. No longer can we rely on the fare box to keep the system solvent. Increased costs of labor, equipment, and maintenance have made it impossible to operate in the black. Outside financial help of some kind is essential.

The amendment of the gentleman from California will not provide the total answer but it will be a help in moving toward some solution to the problem of decreasing mass transit patronage and even in some instances complete loss of transit service.

Combined with the other provisions in the bill such as title III which provides $3 billion of new money out of the general fund we can try our best to improve these conditions in our cities and bring balance into the total transportation picture.

Mr. BREAUX. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, proponents of the movement to expand the use of the highway trust fund for mass transit under the Anderson amendment base most of their arguments on three points: First, there is a surplus in the highway trust fund available to be used for mass transit; second, enactment of the Anderson amendment would provide substantial relief for the cities; and third, Enactment of the amendment would not affect the allocation of funds to any State. These arguments continue to be made when in fact, all three have little basis in fact and are subject to serious question.

First, with regard to the so-called surplus in the highway trust fund. The 17th annual report on the financial condition and operations of the highway trust fund published by the Office of the Secretary of the Treasury actually shows a deficit in the fund. The status of the fund as of June 30, 1972, shows a balance in the fund of $4.5 billion, but charged against this balance are liabilities for unpaid obligations totaling $7.9 billion. These liabilities against the fund are based upon the Federal share of the cost of Federal-aid projects for which the Federal Government has entered into contracts with the States for the completion of work on these projects. These contracts have already been awarded and construction is now underway on the projects. The Federal Government is obligated to reimburse the State for the Federal share of the costs of these projects. The balance in the trust fund is committed to pay off the obligations.

So rather than a surplus of $4.5 billion in the trust fund, we actually have a deficit of $3.4 billion. If revenues into the highway trust fund were cut off tomorrow, there would be insufficient funds in the trust fund to liquidate present obligations.

Secondly, it should be made clear that all of the $700 million of urban system funds, although available for mass transit use, will not be used for that purpose but will be used for its intended purpose—in other words for highways. So it is unfair to hold out to the cities that such an amount will be used when in fact it will not. There is no question that this is solely an effort to break open the highway trust fund.

For example, there is a provision in the bill for the urban system, which is similar to all other systems, and that is that no State shall receive less than one-half of 1 percent of the urban system funds. Seventeen States fall in this category. Their transit needs, according to the 1972 national transportation report, from now until 1990 are practically all minimal.

Many of these 17 States will receive in the 3 years of this bill, under their urban system funding, amounts greater than their entire transit needs until 1990. Obviously, the small transit needs of the States compared to the urban funds received assures that practically all these funds will be spent on highways.

Even the city of New York, in testifying before the committee, indicated that their urban highway system needs for 1974 alone are $132 million. Under the "earmarking" provisions of this bill, New York City will receive $42.59 million, the largest in the country; yet, combined with the matching money under the 70-to-30 ratio, they cannot meet half their highway needs. Obviously, if they chose to spend some of this earmarked money for transit, then more of their highway needs will be set aside, or they will pay for them with their own money. If the latter is the case, then there is no need for the so-called flexibility in the first place.

On the other side of the coin, those cities with high indicated transit needs in the 1972 transportation report cannot even approach these needs if they use all of their urban system funds for transit. For example, New Jersey's transit needs are estimated at $2.47 billion by 1990. Their urban highway system funds for the entire 3 years in this bill total $98,865,000. Texas requires $2.34 billion in transit money by 1990 and will only receive $112,512,000 in the total 3 years of this bill. California requires $14.8 billion in transit money by 1990 and receives only $262,644,000 for their 3-year urban highway system money under this bill.

None of these States can use the amounts in this bill allocated out of the $700 million annual urban system apportionment as a satisfactory base for a major rail transit system because they have no idea of what will be in store after 1976.

So from either the standpoint of the smaller cities or the larger cities, there appears to be no measurable advantage in the Anderson amendment for transit.

It is obvious that the only issue concerned is breaking open the highway trust fund.

Finally, with regard to the point that enactment of the Anderson amendment would not affect the allocation of Federal-aid funds to any State. This is an argument repeated quite often which should be subjected to closer examination.

It seems to me that if we begin to fund both highways and mass transit from the urban system fund, pressures will be exceedingly intense in future years to increase the authorizations for the urban system, to meet the total transportation needs of the cities. Since funds in the highway trust fund are limited, it is obvious that the increased authorizations for the urban system would be at the expense of authorizations for the rural systems and could even cause extension of the date of completion of the Interstate System.

Let me pursue this line of reasoning further and show how the States would be affected by the increased authorizations for the urban system. Urban system authorizations benefit States more urbanized in character, since apportionment to the States is based upon urbanized area population. On the other hand, authorizations for the rural systems benefit the larger more rural States, since apportionment of these funds is based upon land area, route mileage, and population. So you see, if future authorizations are to favor the urban system and the urban States, the rural systems and rural States will suffer. The urban system cannot be funded in a vacuum without affecting the funding for the other systems. The resources in the trust fund are limited. It is pure nonsense to suggest that opening up the urban "D" system for both highways and mass transit would not affect the amount of money the States would receive for their interstate and other Federal-aid systems. Of course it would.

In the long run, all States would suffer under the Anderson amendment, particularly the larger more rural States. I urge my colleagues to join me in defeating this unwise amendment.

Mr. WRIGHT. Mr. Chairman, I rise to see if it is possible to get some general agreement as to a limitation of debate on this particular amendment. It is an important amendment and no doubt the most important one on this bill.

We have debated the matter now for 20 minutes, and I would like to suggest that we debate this amendment until 6 o'clock tonight, and then conclude debate on it tomorrow morning, reserving the debate time tomorrow morning to 30 minutes, that time to be divided equally between the proponents and opponents. That is, 5 minutes to each of the following proponents of the amendment: the gentleman from California (Mr. ANDERSON) the gentleman from Illinois (Mr. ANDERSON) and whoever they two jointly care to select as a third; and the opponents to the amendment to be heard tomorrow, to include the gentleman from Ohio (Mr. HARSHA) the gentleman from Michigan (Mr. GERALD R. FORD) and myself.

The CHAIRMAN. The gentleman from Texas (Mr. WRIGHT) has asked unanimous consent that debate on the pending amendment and all amendments thereto conclude this evening at 6 o'clock, and reconvene when the House resolves itself into the Committee of the Whole House on the State of the Union tomorrow. Then at that time there be 30 minutes of debate, to be divided as follows: 15 minutes to the proponents of the amendment, the gentleman from California, (Mr. ANDERSON) the gentleman from Illinois (Mr. ANDERSON) and such other persons as they may select for the remaining five minutes; and then the 15 minutes for the opponents of the amendment to be divided as follows: Five minutes to the gentleman from Ohio (Mr. HARSHA) 5 minutes to the gentleman from Texas (Mr. WRIGHT) and 5 minutes to the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD).

Is there objection to the request of the gentleman from Texas?

Mr. SEIBERLING. Mr. Chairman, reserving the right to object, if we put a cutoff time tonight at 6 o'clock, I notice that there were over 20 people standing, and that gets us down to less than 2 minutes apiece. If that is part of the unanimous consent request, then I would object.

Now, if we could extend the time so that we allow each person a reasonable length of time, that might be all right, but I do not believe that 2 minutes for each person is reasonable, and that would be something else to consider.

But as the proposal has been made, I will object.

The CHAIRMAN. Objection is heard.

Mr. ZION. Mr. Chairman, I move to strike the last word.

The SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ZION. I am pleased to yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I am very concerned about the possibility that this Congress might transfer money from the highway trust fund to purposes for which the money was never intended. Certainly no one would deny that the cities need alternate means of transportation. The traffic jams and pollution in our cities is a serious problem. However, stealing money from the highway trust fund is not the way to solve the problem. The money in the trust fund is needed to finish the present highway system. To divert it to some other use at this time would cripple the highway system, and would not begin to supply the amount of money needed by our cities anyway. The sensible thing is to finish our highway system with the funds provided for that purpose, and work out a new and realistic program to build transit systems in the cities.

I am convinced, in spite of assurances to the contrary, that if this legislation is passed the rural States will suffer a considerable loss. I can see at least three ways in which this could happen.

First, the interstate funds have been allocated to build interstate highways across the Nation. Several large cities originally believed that they would need high speed corridors through certain areas. Now, because of expense, noise, pollution, and inconvenience to local inhabitants, those plans may not be carried out. Under existing law, if those expressway are not built, the funds designated for them will go back into a common pool, and be used to finish interstate highways somewhere else in the United States. If the trust funds is raided by the Congress, the cities can use that interstate money for alternative transportation systems.

Second, if a city decides to use its highway money to build rapid transit or some other form of transportation, it stands to reason that it will neglect the task of finishing its own roads. You cannot spend the same dollars twice. The effects of this neglect will probably not show for 2 or 3 years, but then we will hear an outcry that there is not enough money to build needed roads. When that happens we will be right back here with a proposal to solve the problem by sharing some more of the highway trust funds.

Third, the purpose of the trust fund was to build highways. Once we establish the principle that it is all right to steal a little from the trust, it will be easier the next time to steal a little bit more. There is a severe need in our Nation's cities for the construction of rapid transit. That need is not going to be satisfied by the dollars which they receive from this legislation. They will need far more than the trust fund can supply, and will be looking for every source which can be tapped. If we now establish the principle that trust funds can be used, they will be back for more next time.

We need to build transit systems, and we need to finish our highway system. The trust fund moneys are not adequate to build the city systems. Let us not destroy our road system by spreading our money so thinly that neither job is finished. I urge my colleagues to vote down this amendment.

Mr. ZION. Mr. Chairman, back in 1956 the Congress of the United States made a firm commitment to the highway users. They said, "You people out there using the highways, paying your taxes for highway use, put your money into a special fund and we are going to give you the best transportation system in the history of the world."

This was a firm commitment that was made by the Congress of the United States. We said, "We are going to provide safe and dependable highways." We have not done too well in this regard because of inflation and impoundment, and a few other things. We have not kept our commitment. As the gentleman from Pennsylvania said, we lose a lot of lives as a result.

Last year 56,300 people were killed on our outmoded, old-fashioned, horse-and-buggy highways. So we see that delay in completing this important highway system for which we have committed ourselves is resulting in deaths.

And here is something that has not been touched on. This system is about 80 percent completed. A highway system that is 80 percent completed is about as effective as a chain with three or four missing links. It is practically useless.

Let us take, for example, the stretch of I–64 between St. Louis and Louisville. Sure, there are some great, big, beautiful four-lane highways, beautiful bridges, and there are some well decorated landscapes, but it does not do you much good if it does not go anywhere, does not start anywhere, and does not end anywhere.

So, although it might be 80 percent completed, it certainly is not 80 percent utilized because it is not finished. And until we finish these missing links, until we have an unbroken chain, it is not going to do us much good. Then as was pointed out, the amount of money that we are talking about for mass transit that could be taken from the trust fund is really a drop in the bucket.

We have testimony in our committee about the need for subways, and there is no question but what we need subways and other methods of mass transit, but they cost $4 or $5 billion each. We understand about 65 cities are interested in building subways, so the Members can see the amount of money that is required certainly is not going to come in any effective amount from the highway trust fund.

My point is that, surely, they have a problem in mass transit, but we have at least an equally serious problem in moving the completion of our Interstate System and the rest of our ABC system. The fact that we are doing such an inadequate job does not, in my opinion, justify doing a worse job of saving lives on the highways by adopting this amendment.

I urge its defeat.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. ZION. I yield to the gentleman from Minnesota.

Mr. NELSEN. I would like to comment that the missing link is there, and the gentleman used the example of I–64 in Indiana. Southern Minnesota Highway 90, joining from the west, to the east is incomplete, and the transportation system is totally impaired. Until links like this are completed, I feel it is devastating to dip into this trust fund. I thank the gentleman for his statement.

Mr. ZION. I thank the gentleman from Minnesota.

Mrs. BURKE of California. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague from California (Mr. ANDERSON).

The U.S. Department of Transportation's 1972 National Transportation Report, a 2-year study based on reports from State and local governments, found that between 1970 and 1990, approximately $63 billion will be needed to meet mass transit needs of our cities. We in Los Angeles know how desperately we must have a balanced, multi-modal transportation system to serve the complex needs of our people. The amendment offered by Mr. ANDERSON would give local officials the option of using up to $700 million each year from the highway trust fund for rail and bus systems, new highways, or any combination thereof.

In Los Angeles, such flexibility would be responsive to the area's transportation needs. Los Angeles County encompasses about 4,000 square miles, an area larger than Delaware and Rhode Island. It contains over 7 million people, a population greater than 42 States. There are more than 4¾ million vehicles in the county, more vehicles than are registered in 44 States. We need to have assurance that Federal funds will be available to develop alternative means of public transportation.

Our reliance on the automobile has made the air we breathe unsafe. At the same time, we are learning that we may not have enough gasoline for our cars, and they may have to remain unused in our garages. Accordingly, it is shortsighted to rely on one mode of transportation and the Anderson amendment provides our local officials with greater flexibility by which to meet the communities' transit needs.

To help our major population centers meet these needs and provide the flexibility in the use of their share of funds to purchase buses or rail transit systems as well as the construction of highways, the Anderson amendment provides financial support essential to the development of a balanced transportation system, including rapid transit, buses, and highways. It is for these reasons that I support the Anderson amendment and urge its adoption.

Mr. Chairman, I would also like to rise to explain and clarify my intent in proposing the amendment adopted by the Public Works Committee relating to rail-highway crossings.

The adopted amendment appears as section 203(f) of the House version of S. 502, the Federal-Aid Highway Act of 1973. This amendment would allow local governments to use Federal funds for construction of rail-highway separation and relocation projects and protective devices when States require that local governments produce matching funds as a prerequisite to receiving any Federal funds.

As I tried to make clear in the committee when I offered this amendment, the purpose of my amendment is to insure that States do not place any financial restriction or qualification on the use or availability of Federal funds for railroad-highway crossing projects or devices.

One such restriction which I had in mind is the requirement of the State of California that local governments provide matching funds of approximately 45 percent of the total cost before a project or device will be authorized. This financial qualification has not only discriminated against the smaller, poorer cities which can't afford, in many cases, to meet the large matching requirements, but also prevents those projects and devices from being constructed where the highest need exists. The results of this local matching requirement has caused about $25 million in California to remain unspent which could otherwise be used to remove many of the killer crossings in California, which took 78 lives and injured a total of 387 people in 1971.

Since grade-crossing protection is essentially a safety improvement program with its objective being the reduction of accidents and the resulting prevention of fatalities, injuries, and property damage, the prime criterion for construction of such protection projects should logically be the accident rate, taking into consideration such items as the total number of accidents at a given intersection, the highway traffic volume and the train traffic volume over a given period of time. It is my expectation that my amendment will cause the appropriate State agencies to allocate Federal funds solely on the basis of safety improvement and not on the ability of a locality to meet the financial matching requirement.

Mr. Chairman, I believe my amendment will make it possible for financially hard-pressed local entities to use Federal funds to obtain available matching State funds and thereby enable the elimination of many hazardous railroad-highway grade crossings. Unless this is done, the unnecessarily high death and accident rate attributable to grade-crossing accidents will continue.

Mr. MATSUNAGA. Mr. Chairman, will the gentlewoman yield?

Mrs. BURKE of California. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, today, April 18, will go down in congressional history as a day of confusion.

A distinguished British parliamentarian who served in the British Parliament for 40 years, and who became known as Back Bench Hamilton, after 40 years of service in the Parliament made this observation: If you cannot refute, confuse.

It seems that the opponents of the Anderson amendment have taken a lesson from Back Bench Hamilton, for, judging by the arguments they have made, there is more of an attempt to confuse the issue than to elucidate.

Mr. Chairman, as a sponsor of a bill which is virtually identical to the pending amendment, offered by the distinguished gentleman from California (Mr. ANDERSON), I urge its adoption.

I believe it is important, Mr. Chairman, to note what the amendment would not do.

It would not change the State-by-State allocation of funds.

Rural highway funds will not be made available for mass transit use; it will still be reserved for highway use.

It will not affect the Interstate System itself.

It does not even require that one additional dollar be spent on mass transit instead of highways.

What the Anderson amendment would do, Mr. Chairman, is to permit the State and local officials, who bear the immediate responsibility for coordinating an areawide transportation system, to make a choice of diverting some urban highway funds to other, higher priority transportation uses.

Transportation problems in my own State of Hawaii are unique. There are eight major islands which comprise the State, and they are separated by miles of ocean water. Moreover, 85 percent of the State's 800,000 people live on the island of Oahu, which I represent in part. Even though the total population of Hawaii is relatively small, my district on Oahu contains some of the most highly urbanized areas in America. Regrettably, traffic jams have invaded the paradise of the Pacific and are causing frustrations and unhappiness among otherwise happy Hawaiians.

Indeed, because of Hawaii's unique transportation needs, I have for several years sponsored legislation to grant officials in Hawaii the same choice in the use of highway trust funds which would be provided the entire country by the Anderson amendment.

Mr. Chairman, the Anderson amendment if adopted will help Hawaii; it is my firm conviction that it will also help America, in a most meaningful way.

State and local officials in Hawaii and every other urban area of the country are now required to develop comprehensive transportation plans related to local needs. It is time that they were given the flexibility they need to pursue the goals set forth in those comprehensive plans in a realistic way.

I urge the adoption of the Anderson amendment.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentlewoman yield?

Mrs. BURKE of California. I yield to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, we heard earlier today two very fine speeches from two very fine Members of the House on this amendment and I commend each of them on their presentation even though I think they were wrong.

I would like to comment on the reasons why I think they were wrong. First of all, the gentleman from Pennsylvania referred to a national transportation report which estimated $300 billion would be perhaps needed to meet the essential highway needs and over the period of the next 20 years only $125 billion would flow into the fund. The fact is that the same report points out the estimate of the economically justified highway investments is roughly $100 billion, of which the Federal share equals $70 billion, and this is the figure that ought to be compared with the $135 billion in the projected trust fund and not the $300 billion.

On the second point, if I may pursue the point which the gentleman from Louisiana (Mr. BREAUX) made, he tried to suggest that with $7 billion in outstanding obligations at the end of fiscal year 1973, perhaps the fund is bankrupt, or with only $5.4 billion in the fund at the end of the fiscal year. Now it is true that there are $7.7 billion in outstanding obligations. The fact of the matter is that most of the $7.7 billion in outstanding obligations will be paid over the period of 2 years. During the same 2-year period $12 billion will flow into that fund, so that money plus the $5.4 billion currently on hand will be more than enough to meet the current obligations of the fund.

I can reassure the Members of the House they need not fear there is not going to be any money there for these obligations.

The CHAIRMAN. The time of the gentlewoman from California has expired.

Mr. SHUSTER. Mr. Chairman, I ask unanimous consent that the gentlewoman from California may proceed for 1 additional minute.

Mr. SEIBERLING. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. SEIBERLING. Mr. Chairman, I rise in support of the Anderson amendment.

Mr. Chairman, it would be heresy for a person from Akron, Ohio, to proclaim that he did not support Federal aid highway legislation, and I am not about to commit any such heresy. I have supported it and will continue to support it. But that is not enough. There is probably not one single official of one single tire company who would publicly admit that he is in favor of the Anderson amendment. Yet if you talked with them privately, many would concede that we cannot go on as we are going, trying to build ever more highways to solve our transportation problems. The reason is simple; we have discovered that we can build automobiles faster than we can possibly build highways.

Twenty years ago I lived in New York City, and one of the first things I learned was that you just do not take your car to go anywhere in New York City during business hours. In fact, without its subway system, New York then and now would be almost totally immobilized then and now, most of the time.

This is happening today in Akron, Ohio and Washington, D.C. and practically every other large city without an effective mass transit system. It took me 55 minutes this morning to go in my car from my house on Capitol Hill to a meeting in the Washington Hilton Hotel. Yet today mass transit is on the verge of disintegration in Akron, Washington and many other cities.

How are we going to solve that problem? Unless we provide adequate funds for mass transit, the problem is simply not going to be solved. One of the reasons we have such horrendous traffic problems in our urban centers is that the Interstate Highway System funnels tremendous numbers of automobiles in and out of the city, yet it is impossible to make enough space in city streets to take care of them, unless we simply tear down huge areas of the inner city and turn them into streets.

So if we are going to have a successful use of our highway system and our streets and our system of automobile transportation, then we are going to have to provide some way to end this congestion, and the way is to provide mass transit. It is not at all illogical to take the money out of the highway trust fund because the highway trust fund is one of the reasons we have the problem in the first place. I submit that those who wish the automobile to be the convenient and useful thing that it has been and can be are going to have to make some of that money available for mass transportation in those cities that need it.

The point has been made here that we have an energy crisis and in today's message from the President he says:

> We as a Nation must develop a national energy conservation ethic.

Last week the Science and Astronautics Committee's Task Force on Energy published a report of its findings. I was most gratified to be a member of that task force. I hope all members will read it. If they do, I believe they will begin to get a clear picture of the element of the energy crisis. It is real, it is here, it is going to get worse, and it is going to be years before it gets better.

In simple terms, it means we can no longer afford to be almost totally dependent on the automobile. This is, in fact, the logical time to start moving in the other direction. If we authorize local communities to take the money from the highway fund for mass transit, we will not only be making funds available for an urgent need, we will also be sending a message to the Nation that the Congress itself is developing an energy conservation ethic.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, the gentleman is aware, is he not, that the bill provides $3 billion in new contract authority?

Mr. SEIBERLING. I am aware of that. In fact, I was going to commend the committee for doing an absolutely outstanding job in this bill. That is one of the aspects that is outstanding. However, to provide, as the bill does without the Anderson amendment, that all money for mass transit must come out of the general revenue, is to postponing a decision which we should take now. Let us "bite the bullet," and tell the country, in the most tangible possible way—by cash on the line—that we are going to reduce our Nation's over-dependence on the automobile.

Mr. WRIGHT. Mr. Chairman, I wonder if it would be possible at this point for us to get some general agreement on a limitation of debate on this amendment.

I would like to renew my earlier unanimous consent request that we continue until 6 o'clock this evening and rise at that time; that tomorrow there be 30 minutes of debate on the amendment to be divided equally between the proponents and opponents in the manner I have suggested.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas (Mr. WRIGHT)?

Ms. ABZUG. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. WRIGHT. Mr. Chairman, may I amend that suggestion, then, so as to allow an additional 5 minutes tomorrow for the gentlewoman from New York?

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MYERS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Ms. ABZUG. Mr. Chairman, I rise in support of the amendment.

POINT OF ORDER

Mr. HAYS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. HAYS. Mr. Chairman, I withdraw the point of order.

Ms. ABZUG. Mr. Chairman, I rise in support of the Anderson amendment and will try to clarify some misstatements which have been made with respect to the impact of this amendment.

One of the previous speakers tried to leave the impression that the Anderson amendment would provide flexibility in transportation choices only in places where the population is 400,000 or over. That is not true.

The Anderson amendment addresses itself to what are known as "urban system" funds. Urban system funds are spent in areas of 50,000 population or more. Also, in States where there is no urbanized area of 50,000 or more, the largest urban area would be eligible for these funds.

Therefore, we are actually speaking of flexibility for localities which are very large in number across this country and whose total population is 120 million people.

The purpose of the Anderson amendment is to recognize the realities of modern times, as others have indicated here. That is, it becomes important, in order to provide for balanced and flexible transportation systems, to take the funds for urban systems already allocated to certain areas and let them determine what mix they want, be it roads, buses, rails, what have you.

As has been said before, this amendment does not affect the Interstate System and does not touch the two rural systems. It affects only moneys already allocated to urbanized areas of 50,000 or more.

Such locality, together with the State, will then determine how best to use the money. Various cities will spend it in some instances for roads, in some instances for buses, and in some instances for mass transit. That would have to be decided by each locality, in conjunction with the State.

Another thing which has been stated is that we do not need the Anderson amendment because the committee bill has a very interesting proposal by the gentleman from Texas (Mr. WRIGHT) which says we can get our $700 million out of general funds.

There is an interesting thing about that $700 million. We have had a great deal of difficulty getting any appropriations here in the Congress, but, more than that, in order for us to get the $700 million out of general funds under the Wright proposal, an equivalent $700 million in the Highway Trust Fund will be self-impounded by us. We will not be able to use that $700 million. It will be effectively impounded. We cannot use those moneys. We cannot use them for anything—not for schools, not for housing, not for any of our needs. And, because of this double-funding feature, we might get a tax increase to boot.

It is fiscally irresponsible, because we are putting up $1.4 billion in order to get $700 million. We who support the Anderson amendment do not seek to be fiscally irresponsible. We are seeking, in supporting the Anderson amendment, merely to recognize the reality that that $700 million which is already committed to the urban system areas, those of 50,000 or more, should merely be left to them to determine how it should be spent.

We are not seeking to get more money. We are not taking more money away from the interstate fund. This cannot touch the Interstate Highway System or the rural systems. It is very important to recognize this.

The fact is we know that our transportation needs, as indeed our needs for housing, health care and child care are far more than we can find in any fund. The fact is that we need far more than the $700 million at issue here, but this is not an argument against our using the $700 million already available to us in the best possible way to meet our current needs and to try to solve our current problems.

To suggest that it will not give us any relief is wrong. I believe it is also self-defeating for those who need increased work and completion of the highway system, to oppose this.

The 1970 census showed that 73.5 percent of the American people—about 150 million of us—lived in urban areas; in addition, a substantial portion of the remaining 26.5 percent commute to and from urban areas to earn their living. As our Nation has become more and more crowded, the use of the private automobile as a basic form of transportation in our urban areas has become increasingly inefficient and damaging to our environment. It is now clear that the future of transportation in our urban areas must be in the form of such modes as bus and rail transportation.

We simply do not have room for all the cars.

Also, we cannot breathe the air. In southern California, a serious attempt is now being made to cut back substantially on the availability of gasoline for private cars. The absence of mass transportation in and around our urban areas has led to such a glut of private cars on the road that even the commercial traffic for which the Interstate System was in large part built is unable to move expeditiously from place to place.

We have the Interstate Highway System, and there is going to be increased work on this Interstate Highway System. That is not inconsistent with our suggestion that in order to make that system more effective is to alleviate congestion, to alleviate pollution, to alleviate the problems that have been described with respect to energy, by finding alternate modalities of transportation.

It has been suggested here by our colleague from Ohio (Mr. Harsha) that we cannot reduce the carbon monoxide level. I find that a very strange suggestion indeed. The Anderson amendment will not cure this, but it is a significant step in the right direction.

Mr. WRIGHT. Mr. Chairman, I should like to try one more time. I should like to renew my earlier unanimous-consent request.

The CHAIRMAN. Is there objection to the unanimous-consent request of the gentleman from Texas (Mr. Wright)?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent agreement was entered into will be recognized for approximately three-quarters of a minute each.

The Chair recognizes the gentleman from Ohio (Mr. James V. Stanton).

Mr. JAMES V. STANTON. Mr. Chairman, I rise in support of the Anderson amendment.

Mr. MURPHY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JAMES V. STANTON. I yield to the gentleman from Illinois (Mr. Murphy).

Mr. MURPHY of Illinois. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, earlier in the debate the gentleman from Pennsylvania argued about the fact that all the urban areas do not wish to use the money that would come to them for highways for mass transportation.

The Anderson amendment gives the local officials that option, to use it for mass transportation on or for highways. I do not think there could be anything more fair.

I shall refrain from giving an historical analysis of the Highway Trust Fund since many of my colleagues will perform this task admirably. I shall not delineate the varied uses of the Highway Trust Fund over the years in order to justify opening the fund for mass transit. Other colleagues will mention these facts.

I shall not give statistics on the dollars spent for highways versus the dollars spent for mass transit. This subject also will be exhaustively covered. Finally, I will not address myself to rural needs. I would not presume to speak for them and the Anderson amendment in no way affects them.

What I would like to do however, is give a few observations on what I view as a transportation crisis in our urban areas.

Traffic congestion used to be a rare occurrence, a weekly annoyance. But who among us is not now involved in a traffic tieup on a daily basis. If our methods of transportation in our cities were modern, safe and uncrowded, I would look upon the trust fund as inviolable. But our population has drastically increased this last decade, the number of automobiles has skyrocketed and pollution is beyond acceptable levels.

Highway officials suggest that we build more highways and widen existing ones. But is this truly an acceptable or adequate solution? What happens when additional highways are built and widened and problems of congestion and pollution continue to plague us? Should we not seek alternative solutions now while time remains for experimentation and research? Should we wait until the maze of freeways permanently destroys the physical appearance of our urban areas?

I am a member of Mr. Anderson's bipartisan Mass Transit Committee organized to urge fellow Members to release urban system funds for mass transit, rather than restrict these funds for highway construction and improvement. The Anderson amendment to the Federal-Aid Highway Act of 1973 would preclude spending for highways in instances where the funds could be better used for bus or rail transit systems.

The Anderson amendment gives local officials the opportunity to decide how the Federal Highway Funds should be spent. The Federal Government would not be responsible for ascertaining the transportation needs of all the localities in the Nation. The Anderson amendment is a direct, flexible, foolproof method of legislating for the needs of all people. Money would go where the needs of the people would best be served.

There is an inherent flaw in the bill reported from the committee in its response to mass transit needs; namely, that locales would be hesitant to return highway trust funds because there is no guarantee that an identical amount of general funds would be available for mass transit.

Chicago contributed interesting statistics to the 1974 national transportation study regarding freeways in the Chicago urbanized area in 1972. There was a comparison between the vehicular miles traveled and the miles of freeway available. The findings indicated that the Chicago freeways were then handling a capacity 110 percent greater than had been anticipated.

Unfortunately, Chicago is not unique in this regard. I do not profess to know all the answers to our urban transportation crisis but I do know the first step toward a sane solution—the Anderson amendment.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. MURPHY of Illinois. I yield to the gentleman from Pennsylvania (Mr. Shuster).

Mr. SHUSTER. Mr. Chairman, what that means is that if a dollar out of the urban system is spent for mass transit, that is one less dollar that can be spent in the urban system for highways; is that not a fact?

Mr. MURPHY of Illinois. What I was saying is this——

Mr. SHUSTER. May I ask the gentleman, is that not a fact?

Mr. MURPHY of Illinois. Mr. Chairman, it is contributing to the people in the major cities in any event, the cities like New York or Chicago. That is our money, too. There is nothing inviolate about the trust fund.

(By unanimous consent, Messrs. Rousselot, Hunt, and Symms yielded their time to Mr. Shuster.)

The CHAIRMAN. The gentleman from

Pennsylvania (Mr. Shuster) is recognized.

Mr. SHUSTER. I thank the Chairman.

The distinguished gentleman from Illinois (Mr. Anderson) said that he had information concerning my reference to the 1972 National Transportation Act, that there is a critical need for $300 billion for highways between now and 1990. The gentleman suggested that he had information which said this was not so, that indeed it was only $100 billion.

Now, Mr. Chairman, I would not only point to this exhaustive study as a basis for my statement, but I would also point to the extensive hearings by the Committee on Public Works, where we were told time and time again that the figure of $300 billion was a reasonable figure, and this has been corroborated time and time again.

Mr. Chairman, I would ask the gentleman from Illinois (Mr. Anderson) where he got his information.

Mr. ANDERSON of Illinois. Mr. Chairman, if the gentleman will yield, I have a letter which I will read.

Mr. SHUSTER. Yes, I will yield to the gentleman from Illinois (Mr. Anderson) for an answer to my question.

Mr. ANDERSON of Illinois. Mr. Chairman, I have in my hand a letter signed by the Secretary, Mr. Claude S. Brinegar. The letter is dated April 18, 1973, from the Secretary of Transportation, and I quote:

> The same report cited by Congressman Harsha does state—

Because this was cited in a statement delivered to the Member yesterday—

> also states that the cost of justifiable highway investments is well below $300 billion. The estimate of economically justified highway investments in the Report is roughly $100 billion, of which the Federal share equals $70 billion.

This is the figure that should be taken into consideration.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman from Illinois (Mr. Anderson) for the information. That information is nowhere in this comprehensive report, and if the gentleman can show this House where it is, I will be happy to eat this book.

Mr. Chairman, I yield back the balance of my time.

Mr. KOCH. Mr. Chairman, I think everybody in this Chamber is aware of what is being sought under the Anderson amendment, which I support.

There are Members who recognize the need for this amendment and yet are concerned that their constituents misunderstand its provisions and think it will take money away from the rural road and interstate program. May I urge these Members to vote for the amendment and educate their constituents on what it really means. We in the urban areas have stood with people in rural areas time and time again. It is time for you to stand with us.

For those who need the arguments, may I suggest that the inadequacies of our cities' mass transit systems are adversely affecting auto drivers—as well as transit riders. Too often today the highway is used for daily commuting purposes when mass transportation, if available, could carry persons going to and from work far more economically and efficiently. If more people use mass transit, the automobile driver will benefit from decreased congestion—his trip will be both faster and safer.

In New York City the problem is compounded by unacceptable air pollution levels. If the city is to meet air quality standards required by the 1970 Clean Air Act, even while the most stringent auto emission standards are imposed, fundamental changes will have to take place in the center city's transportation patterns. This means that private automobile travel will have to be reduced and mass transit use increased.

If more people do not willingly switch to mass transit in coming years, the city may find itself forced to restrict auto traffic in the central city if it is to meet the Federal air quality standards. It would be better for everyone if mass transit were improved and those who by choice could use public transportation did so, leaving the roads to those who need to drive their private cars.

For too long urban communities have had to choose highways over mass transit even if transit might better serve the public, because only highway moneys have been available. The time has come for the Congress to give our States and localities the flexibility needed to allocate these transportation dollars for that form of transportation most suitable for their needs; sometimes this will be highways, and other times mass transit.

What the cities are asking for is merely the option of using these dollars for mass transit facilities. If the cities want highways, as those who oppose the amendment would have us believe, then highways will be built. What then is to be feared in providing this option?

The highway lobby argues that the gasoline, oil, and tire taxes are held in "trust" for highway users. But, I would submit that there is nothing more sacred about collecting taxes on gasoline than on cigarettes or liquor, the proceeds from which go into the General Treasury. All taxes bear on the taxpayer and diminish the public's ability to carry other taxes. Furthermore, prior to 1956 they were not earmarked for the highway trust fund. They went into the General Treasury, instead. There is no transgression committed in the Congress broadening the list of eligible expenditures to better accommodate today's transportation needs.

This is an amendment whose time has come. It is supported by the National League of Cities-U.S. Conference of Mayors, the National Governors Conference, Common Cause, the United Auto Workers, the Teamsters, the Sierra Club, and many other such organizations. And it has been accepted by our colleagues in the Senate. We are at a significant crossroads in the history of our Nation's transportation program, and I urge the House to respond affirmatively in passing the Anderson amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. I thank the Chair for recognizing me.

Mr. Chairman, I rise in support of the amendment of the gentleman from California (Mr. Anderson).

On past occasions I have voted against similar amendments. But, after listening to testimony taken before the Urban Mass Transportation Subcommittee on this subject, I am now persuaded that the problem of urban mass transit is much more serious than whether we construct additional Interstate highways. This has not always been true; but, the theory behind the establishment of the highway trust fund was to move mass numbers of people from one place to another with a minimum of delay and difficulty. We have constructed 34,393 miles of Interstate Highway at a cost of $49,000,000,000. And it is not as if none of the money has ever been used for other than interstate highways. The more serious problem now facing the Nation in this regard is providing funds for urban mass transportation systems. Besides, I recently sent out 160,000 questionnaires. On the questionnaire I asked as my very first question—

> Should a portion of the gasoline tax money collected and pledged for the highway trust fund be directed to finance urban mass transit systems?

To date, we have received somewhere in the neighborhood of 25,000 responses. Approximately 70 percent of those responding have answered "yes" to this question. This is the most persuasive argument I have heard.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Van Deerlin).

Mr. VAN DEERLIN. Mr. Chairman, I am in complete support of the Anderson amendment to permit a degree of local option in the expenditure of highway trust fund moneys.

I am also pleased that the Rules Committee made possible consideration of the Anderson amendment by the full House membership. It was the closed rule which accompanied the same bill last year that prompted me to vote against the legislation on final passage, even though I recognize its provisions are urgently needed.

An honest argument can and has been made in defense of the present freeway funding system. There have been eloquent appeals here for retention of the existing system, and many well intentioned people in my district have sought to persuade me toward that viewpoint.

But critics of the Anderson approach often overlook the fact that at most only a small proportion of trust moneys would be siphoned off for bus or rail transit—a maximum of $700 million a year against a total annual authorization of $5.5 billion. There would be plenty of money left over for full highway development, even in the highly unlikely event that local governments chose to use all the urban system funds available to them for nonhighway purposes.

I also strongly believe that it is not good enough to simply write a separate authorization for mass transit to be funded later through regular appropriations. As recent events have so amply demonstrated, an authorization these days is no guarantee of funding even approximating the amount authorized. It is fair to use the gasoline tax to pay for transit since the proliferation of automobiles is after all the primary reason we have such a crying need for alternative modes of transportation today.

Yesterday, the San Diego City Council in my home area went on record in support of broadening uses of the highway trust fund to include "alternative transit modes." I am pleased to include the council's resolution at this point with my remarks.

RESOLUTION No. —

Whereas, San Diego citizens urgently need alternate forms of transportation to reduce their dependence on automobiles; and

Whereas, rapid or other transit modes could provide alternatives and help reduce San Diego's air pollution problem; now, therefore,

Be it resolved, by the Council of the City of San Diego, as follows:

That the United States Congress is urged to approve expenditure of a portion of gasoline tax revenues for alternative transit modes by broadening the use of the highway trust fund.

Approved: John W. Witt, City Attorney.

By ROBERT S. TEAZE,
Assistant City Attorney.

Adopted unanimously by San Diego City Council, April 17, 173.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. MYERS).

Mr. MYERS. Mr. Chairman, I rise in opposition to the amendment.

This should not be construed that I am opposed to a balanced system of transit. I certainly support a balanced system. But to use the analogy we are only talking about home rule that has been used now, but I wonder if the sponsor of the amendment and Mr. VAN DEERLIN would appreciate it if when they drive from here to California they would go through Indiana and if the Government should decide that we will spend all the money on railroads, if they would appreciate it if they would have to park their car at the State line and go across Indiana in a railroad car. I do not think they would really appreciate it.

I think our friends would like to see a balanced system of transportation in the cities across the country and in Washington, D.C., but when they come to a city they do not want to have to leave their car in the suburbs and ride through the city on a questionable means of transportation.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. GINN).

Mr. GINN. Mr. Chairman, the Anderson amendment suffers from one fatal falacy. It seems to be founded upon the assumption that there is an unlimited supply of money in the highway trust fund.

This, unfortunately, just is not so. The balance in the highway trust fund is more than committed to existing highway needs.

There simply is not enough money in the trust fund to serve the purposes of both highways and mass transportation.

The proponents of the Anderson amendment have said that it would not hurt anybody else for them to take moneys out of the trust fund. This is absolutely not so. The truth is that it would hurt everybody else.

Under the committee bill, a city substitutes a mass transit project for a portion of its highway money, it gets its money for mass transit in contractual obligation against the general revenues. But the money it does not use for highways goes back into the trust fund and is available for later use in liquidating obligations of the highway program.

So the Anderson amendment in effect would only apply to a handful of cities—and it would not give them anything they cannot get otherwise out of the committee bill—and it would penalize all the other cities and small towns throughout the country.

In my opinion, to divert funds from the highway trust fund would be like putting a screen door in a submarine. It does not make sense. I think we should vote down the Anderson amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Chairman, I rise in support of the Anderson amendment. To those of us who know them, rush-hour traffic jams are no joke. The wasted man-hours, to say nothing of the aggravation, are no joke. Yet we insist on providing funds—and the committee bill does this—that can be used only to build more highways in urban areas that are already strangling with traffic. This is ridiculous.

We talk of pollution. This is our chance to do something about it. Auto emissions account for 80 percent of the pollution in some areas. We are talking of barring cars from our cities because of pollution.

The Anderson amendment is a chance to allow these communities the flexibility to combat the pollution problem by encouraging public ground transportation. We should do more than just talk about pollution—we should put our money where our mouths are.

We talk about an energy crisis and a shortage of fuel. The automobile is only about 5 percent efficient in its use of energy. A commuter bus is 4 times more efficient; rail ground transportation is 7 times more efficient. Why cannot we pass the Anderson amendment to permit greater use of these more efficient forms of transportation?

We talk of an energy crisis. The Anderson amendment could help do something about it.

This amendment takes nothing away from the Interstate System, or the primary system, or the secondary system, or rural America. No State gets less money. Nothing is compulsory. It is permissive only.

I join in asking my colleagues to permit those of us from urban communities to decide for ourselves how our transportation dollars—our tax dollars—should be spent.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Chairman, I rise to support the Anderson amendment, which gives local officials greater flexibility in the use of their share of the highway trust fund. This amendment, which also reflects the views of the Nixon administration, would allow the funds to be used for bus or rail transit systems or for the construction of highways, depending on the needs of the local urban areas as determined by local officials. Under current law, urban areas can use urban systems funds only for highway projects, whether or not such projects are needed.

I support the Anderson amendment for many reasons. One of the most important of these reasons is the potential effect which this amendment will have on the energy crisis now bearing down on us. The approach to the energy problem by our country has been fragmented and without direction. Too often we have failed to consider the energy ramifications of actions taken here in these Chambers. But recently we have seen that our oil and gasoline supplies can no longer be taken for granted. In fact, the front pages of our newspapers this week contain reports of coast-to-coast gasoline shortages. We have seen that our energy needs, our national defense, our balance of trade and payments, the strength of the dollar, and the health of our national economy all lean on each other. If one is weakened, so are the others. The Federal-Aid Highway Act of 1973, if it contains the Anderson amendment, provides us with a good opportunity to deal with the energy problem in the area of transportation, which accounts for nearly half of the U.S. petroleum consumption.

Exclusive emphasis on highway building could severely aggravate an already teetering energy balance. The question has to be asked: What good are more and more highways if we do not have the fuel needed to travel on them?

We all know what highways have done for America. I have said here on an earlier occasion that our highways are the threads which hold together the economic and social fabrics of our Nation, that our highways are the concrete conveyor belts for goods, services, people, and ideas.

But these threads are fraying in some areas and the time has come to give serious consideration to what continued emphasis on highway construction may do to America, if other means of surface transportation are not factored into the transportation equation.

The gasoline used in private cars represents one-fifth of all energy used in the United States. Of the 5½ billion barrels of oil which represented the total U.S. demand for petroleum products last year, 42 percent were for highway purposes. In 1972 our cars and trucks consumed 4.6 million barrels of gasoline a day. Consumption is increasing at a rate of 4 percent annually, and may climb even more steeply as the new emission control devices—which could reduce mileage 15 to 25 percent—come into use.

In terms of fuel consumption, the private car today is approximately as efficient as a 747 jetliner—that is, both deliver about 22 passenger miles per gallon. By comparison, a commuter train gets 200 passenger miles per gallon of fuel, and a city bus better than 100 passenger miles per gallon.

If just 1 in 10 of today's auto trips were by bus, we would save 3 billion gallons of fuel per year.

People drive their own cars because the modern highway—and the highway culture it has created—make the car an unmatched convenience.

Yet, in many of our cities today that convenience is more illusion than fact.

The 60 mile-per-hour efficiency of the Interstate System often ends abruptly at the suburbs. The crawl pace common during the commuter hours produces tons of exhaust fumes, and convoys of exhausted and fuming motorists. Truckers and intercity travelers caught in the urban congestion can hardly be satisfied that they are getting full value for their highway dollar.

Citizens in areas of the Nation where there is not yet a great traffic problem will still feel the pinch of the energy crisis. In fact, some of my constituents already are being effected in a very serious way by fuel shortage. Every citizen, regardless of whether he lives in an urban area or a rural area, has an interest in seeing that our cities are not energy-guzzling centers of congestion and pollution.

The root problem is that our demand for personal mobility has run headlong into the national commandments for pollution control and energy conservation. The alternative to greater flexibility in the use of the highway trust fund today may be inflexible constraints on the free and unfettered use of the private car tomorrow.

Current law says to officials in an urban area: "Use these funds for highways or lose them." Faced with this unhappy choice and prodded by the thought of lost jobs and lost money for the local economy, officials are very likely to build highways whether or not this is the most pressing transportation need. The Anderson amendment says to these same urban officials:

> If you need more highways, build them. But if your need for a bus or rail transit system is greater, use the money for that.

I favor spending our tax dollars where they will do the most good. And I believe local officials are in the best position to determine an urban area's transportation needs.

Our needs and our problems change very quickly in transportation as in other areas. It is important that we build as much flexibility into our programs as possible. The Anderson amendment maximizes maneuverability at the State and local level, and provides a means for solving unique local transportation problems.

A central fact to be remembered is that the Anderson amendment will not reduce in any way funds for the Interstate or rural highway programs. I am well aware of what both these programs have meant to the people of my district and my State, and I have worked and will continue to work for both of these programs.

My colleagues may be interested in a letter I received last week from the Honorable Claude S. Brinegar, Secretary of Transportation. This letter states unequivocally that the Anderson amendment will not diminish the Interstate and rural highway programs. The letter reads as follows:

> In response to the inquiry from your office, I can assure you that the proposed Anderson Amendment would not impede the Interstate and rural highway programs. We would not support the amendment if it did, for we are unequivocally dedicated to completing the Interstate program and to continuing improvement of the rural highway system.
>
> The amendment applies only to the urban portions of our highway programs, and gives to local urban officials, at their option, some flexibility. It absolutely does not affect the level of authorizations, nor does it affect the formulas by which funds are distributed.
>
> I am aware of your great concern for I-65 and I-10, in addition to the rural highway system, and can assure you that the "urban" amendment would in no way operate to delay or impair these highways.
>
> Sincerely,
>
> CLAUDE S. BRINEGAR, *Secretary*.

Finally, Mr. Chairman, I commend the Committee on Public Works for trying to deal with the problem of mass transit by including in the Federal Aid Highway Act of 1973 the amendment of the gentleman from Texas (Mr. WRIGHT). The real question here is whether we accept the Wright approach or the Anderson approach in trying to solve the problem. The compelling difference in my opinion is that the Wright proposal would call for increased Federal spending from the general fund of at least $700 million each year. This is a burden the taxpayer of this country ought not to have to bear. The Anderson amendment makes the same amount of money available to the cities without using general fund money and without causing the cities to lose one dime of Federal money to which they would otherwise be entitled. At the same time, adoption of the Anderson amendment will not in anyway impede the interstate and rural highway programs.

Mr. Chairman, this is not an easy decision to make in view of all the factors involved, but on balance I believe the Anderson amendment is preferable to the Wright proposal.

It is important to remember that the goal of transportation is to move people and goods in the most efficient, economical way. In many areas of our country, the best way to achieve this goal is to build more highways and to improve existing roads. But in other areas, the noose of traffic congestion, pollution, and energy waste is tightening, and the development of mass transit would appear to be the answer. We should act, and we should act now, to give local officials the opportunity to decide this question for themselves at a minimum cost to the taxpayers of this Nation.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. MATHIS).

Mr. MATHIS of Georgia. Mr. Chairman, I rise in opposition to this amendment, and wish to associate my remarks with those of the distinguished chairman of the subcommittee, the gentleman from Texas, and the gentleman from Georgia (Mr. GINN).

It is hard for me to add to those arguments that have been made against opening up the Highway Trust Fund, but I can tell the Members of this House that the need for highway construction in rural America today is still tremendous. The principal city in the district I represent has more than 80,000 people, and yet there is no four lane highway access to the city of Albany. There are other urgent highway needs in Georgia, and especially in southwest Georgia. I could name a number of projects that we need; that we should have completed, in fact, years ago.

And to those proponents of this amendment who say they are speaking for the cities—I also speak for cities. The cities I represent are not as large, of course, as New York, Chicago, Boston, or many other major cities in this Nation. But, Mr. Chairman, my cities have transit problems just the same as the big cities, and their problems are not going to be solved by destroying the Highway Trust Fund.

Mr. Chairman, I consider this amendment to be one of the most important votes we will have during this session of the Congress, and I sincerely *hope that* Members will listen to debate on both sides of this question. I made a point of order that a quorum was not present, Mr. Chairman, because I feel this amendment deserves the attention of all of us.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, of course I do not accuse the members of the Committee on Public Works of bad faith in the draft of the provisions that they have included in this bill on mass transportation, but listen to what the people who administer the program say:

> . . . the bill establishes a complicated procedure for funding mass transit, as opposed to the clean and simple approach of the proposed Anderson amendment.

They want the Anderson amendment adopted so that they can administer this program consistent with section 109 of the very same bill that says that highways and mass transit programs, in order to prevent unnecessary delays, shall be carried out with a minimum of paper work. The provisions of the committee bill simply do not meet the test of their own section 109 of the bill.

I would suggest that we ought to listen to the people in the Department of Transportation who administer the highway program when they plead with this House to adopt the Anderson amendment.

The letter referred to reads as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., April 18, 1973.

Hon. JOHN ANDERSON,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. ANDERSON: This is in response to your request for our views on the letters of April 17 from Congressmen Blatnik and Harsha concerning the pending highway legislation.

Chairman Blatnik's letter in support of the Committee bill states that mass transit assistance is available through two provisions which are not described in very much detail. In essence, both provisions continue to require that Highway Trust Funds be used exclusively for highway projects. Specifically, if State and local officials chose to use a portion of their urban system highway funds for transit projects, general funds must be used to finance these projects. The unused highway trust funds must be turned back to the Trust Fund, and such funds would be available only for future *highway* construction.

We object to these provisions on three grounds. First, the bill offers the possibility of short term flexibility at the price of maintaining the long term rigidity of the program. It requires that Highway Trust Funds be available exclusively for highway construction on a "use it or lose it" basis. This rigid, stifling approach to the use of Highway Trust Funds is clearly not consistent with the needs of modern America.

Secondly, the bill is grossly inequitable to urban areas. Approximately half of the revenues in the Trust Fund are generated in urban areas. Now we are asking urban citizens to pay twice if they choose mass transit in preference to highways; once through the substituted general funds provided by the bill, and a second time in highway taxes that they cannot use in the fashion they believe will best solve their local transportation problems.

Finally, the bill establishes a complicated procedure for funding mass transit, as opposed to the clean and simple approach of the proposed Anderson amendment. This point is particularly troubling and inconsistent with Section 109 of the same House bill. That section declares that the "drastic minimization of paperwork" in carrying out highway and mass transit programs in order to prevent "unnecessary delays at all levels of government" shall be national policy.

Congressman Harsha's letter cites both the National Transportation Report and the current finanical position of the Highway Trust Fund as arguments against the Anderson amendment. As evidence that there is not enough money in the Trust Fund to cover highway requirements, let alone transit needs, he first cites the National Transportation Report and claims that it estimates that "$300 billion would be required to meet essential highway needs." He compares that $300 billion figure to estimated revenues of $135 billion going into the Highway Trust Fund over the next 20 years and concludes that there is not enough money to pay for required highways. The same report cited by Congressman Harsha also states that the cost of justifiable highway investments is well below $300 billion. The estimate of economically justified highway investments in the Report is roughly $100 billion, of which the Federal share equals $70 billion. This is the figure that should be compared with the $135 billion in projected Trust Fund income. Further, there is a reasonably high probability that some of these "justified highway needs" could better be met with transit investments.

The other evidence cited in support of his argument that the money in the Trust Fund is insufficient to cover highway needs comes from a recent Treasury report on the status of the Fund. That report shows a projected cash balance of $5.4 billion in the Fund at the end of fiscal year 1973. It also shows $7.7 billion in outstanding obligations as of that date. From those facts, Mr. Harsha argues that there is not enough money to liquidate obligations already incurred, let alone finance other programs.

The numbers are right, but the conclusion is wrong. A similar analogy would require that a person have sufficient cash on hand to pay for his home when he signs the mortgage papers, otherwise he could not incur expenditures for food or clothing. In signing a mortgage, one takes future income into account. Thus, while your outstanding mortgage balance may be higher than your savings, you would not consider yourself in default. Similarly, the Trust Fund has both income and outlays. Cash is only required when bills come due, not when obligations are incurred. Most of the $7.7 billion in outstanding obligations will be paid over the next two years. During this period, there will be almost $12 billion in additional receipts to the Trust Fund. That money plus the $5.4 billion currently on hand will be more than enough to cover current obligations, as well as any additional outlays required.

Thus the evidence Mr. Harsha cites simply does not justify, let alone require, rejection of the Anderson amendment. Our urban areas' desperate needs, on the other hand, require the meaningful, long term flexibility which the amendment offers, and which the Committee bill does not.

I hope that the information is of assistance and that the House sees fit to adopt the Anderson amendment.

Sincerely,

CLAUDE S. BRINEGAR.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Chairman, I rise in opposition to the Anderson amendment. I just want to say to the Members present tonight that we went over this very carefully with our State highway engineers, the State highway and public works department, the State highway commission, and also the Governor of our State, and they are in opposition to the Anderson amendment, and they so testified. I think the experience of the State of California, that has had a very fine highway program for a long time, certainly proves that they know what they are doing, and what the provisions of the committee bill allow them to do in solving our mass transit and highway problems in the State of California.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HARSHA).

Mr. HARSHA. Mr. Chairman, the distinguished gentleman from Illinois mentioned the fact that the administrators of the highway program say that the Wright amendment is cumbersome and difficult to deal with, and I am not surprised that the administrators of the Department of Transportation say that. They have been trying to destroy this program for years, and they have tried, as a matter of fact, to terminate the Federal aid to highway program. They sent legislation up here on the Hill and had it introduced in behalf of the administration, which would terminate the Federal aid program as of January 1, 1972. They want to do completely away with it. So why would they not put up every argument that they could, and that is what they have done, of course.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. WRIGHT) to close debate for this evening.

Mr. WRIGHT. Mr. Chairman, first, I should like to ask my friends one question, and that is: Do you remember revenue sharing? You thought it was going to be a good thing. You thought revenue-sharing assistance was going to be "in addition to" rather than "in lieu of" everything else. Do you want this same sucker bait a second time? There is not enough money in the highway trust fund to fund both programs. We will not be able to do it. And the administration will use this money as it chooses to attend to your problems.

Think. Think for yourselves before you bite that Department of Transportation sucker bait a second time.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WRIGHT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. UDALL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject matter of the bill we have been discussing, S. 502.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUSE RESOLUTION 360, PROVIDING FOR CONSIDERATION OF H.R. 4204

PRIVILEGED MOTION OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer a privileged motion.

Mr. Speaker, I move that the action of the House on the resolution (H. Res. 360) on the Emergency Employment Act be reconsidered, and that motion be laid upon the table.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. O'HARA. I object, Mr. Speaker.

Mr. GROSS. Mr. Speaker, I did not ask unanimous consent. I made a motion.

The SPEAKER. Did the gentleman from Iowa move to lay the matter on the table?

Mr. GROSS. Yes, Mr. Speaker.

The SPEAKER. The question is on the motion to table.

The question was taken, and on a division (demanded by Mr. GROSS) there were—ayes 32, noes 37.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 183, nays 173, not voting 77, as follows:

[Roll No. 107]

YEAS—183

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Ashbrook
Bafalis
Baker
Beard
Bell
Bennett
Biester
Blackburn
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Camp
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Fisher
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gettys
Ginn

Goldwater
Goodling
Gross
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hébert
Heinz
Henderson
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Jones, N.C.
Keating
Kemp
Ketchum
Landgrebe
Landrum
Latta
Lent
Lott
McClory
McCollister
McEwen
McKinney
Madigan
Mailliard
Mallary
Mann
Martin, Nebr.
Mathis, Ga.
Mayne
Michel
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nelsen
Nichols
O'Brien
Parris
Powell, Ohio
Quie
Quillen
Rarick
Regula
Rhodes
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Rousselot
Ruppe
Ruth
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Thone
Towell, Nev.
Ullman
Veysey
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Wiggins
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Tex.
Zion
Zwach

NAYS—173

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Annunzio
Aspin
Bergland
Bevill
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Byron
Carey, N.Y.
Carter
Casey, Tex.
Clay
Cohen
Conyers
Cotter
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Eckhardt
Edwards, Calif.
Fascell
Flood
Foley
Ford, William D.
Fraser
Fulton
Gaydos
Giaimo
Gilman
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Gude
Gunter
Hamilton
Hanna
Harrington
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hillis
Holifield
Holtzman
Hungate
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McDade
McFall
McKay
McSpadden
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Obey
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pike
Poage
Preyer
Price, Ill.
Pritchard
Railsback
Randall
Rangel
Rees
Rinaldo
Rodino
Roe
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
St Germain
Sarbanes
Schroeder
Seiberling
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steele
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Vigorito
Whalen
White
Williams
Wilson, Charles H., Calif.
Wolff
Wright
Yatron
Young, Ga.
Zablocki

NOT VOTING—77

Armstrong
Ashley
Badillo
Barrett
Biaggi
Broyhill, Va.
Carney, Ohio
Chappell
Chisholm
Clark
Corman
Cronin
Daniel, Robert W., Jr.
Davis, Ga.
de la Garza
Dulski
Eilberg
Evans, Colo.
Evins, Tenn.
Findley
Fish
Gibbons
Gray
Griffiths
Grover
Gubser
Hanley
Hansen, Wash.
Harvey
Hawkins
Horton
Howard
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Karth
Kastenmeier
King
Kuykendall
McCormack
Mahon
Maraziti
Martin, N.C.
Mathias, Calif.
Milford
Mills, Md.
Mollohan
Morgan
Nix
Passman
Pettis
Pickle
Podell
Price, Tex.
Reid
Reuss
Riegle
Roberts
Rooney, N.Y.
Rooney, Pa.
Ryan
Sandman
Saylor
Shipley
Talcott
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Treen
Waldie
Widnall
Wilson, Bob
Wilson, Charles, Tex.
Yates
Young, Ill.
Young, S.C.

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6883. A bill to amend the Agricultural Adjustment Act of 1938 wtih respect to rice and peanuts.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 393. Joint resolution to amend the Education Amendments of 1972 to extend the authorization of the National Commission on the Financing of Postsecondary Education and the period within which it must make its final report.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 496) entitled "Joint resolution making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans Administration, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 22. Concurrent resolution providing for the adjournment of the Senate from April 18, 1973 to April 30, 1973, and the adjournment of the House from April 19, 1973 to April 30, 1973.

The message also announced that the Senate agrees to the amendment of the House with a Senate amendment to a bill of the Senate of the following title:

S. 50. An act to strengthen and improve the Older Americans Act of 1965, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1572. An act relating to payments to producers for participation in the 1973 feed grain program.

COMPREHENSIVE OLDER AMERICANS SERVICES AMENDMENTS OF 1973

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 50) to strengthen and improve the Older Americans Act of 1965, and for other purposes, with a Senate amendment to the House amendment thereto, and consider the Senate amendment to the House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment, as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment insert:

That this Act may be cited as the "Older Americans Comprehensive Services Amendments of 1973".

TITLE I—DECLARATION OF OBJECTIVES

FINDINGS AND PURPOSES

SEC. 101. The Congress finds that millions of older citizens in this Nation are suffering unnecessary harm from the lack of adequate services. It is therefore the purpose of this Act, in support of the objectives of the Older Americans Act of 1965, to—

(1) make available comprehensive programs which include a full range of health, education, and social services to our older citizens who need them,

(2) give full and special consideration to older citizens with special needs in planning such programs, and, pending the availability of such programs for all older citizens, give priority to the elderly with the greatest economic and social need,

(3) provide comprehensive programs which will assure the coordinated delivery of a full range of essential services to our older citizens, and, where applicable, also furnish meaningful employment opportunities for many individuals, including older persons, young persons, and volunteers from the community, and

(4) insure that the planning and operation of such programs will be undertaken as a partnership of older citizens, community agencies, and State and local governments, with appropriate assistance from the Federal Government.

SEC. 102. Section 101(8) of the Older Americans Act of 1965 is amended by inserting after "services" the following: ", including access to low-cost transportation,".

TITLE II—ADMINISTRATION ON AGING

SEC. 201.(a) Section 201 of the Older Americans Act of 1965 is amended to read as follows:

"ESTABLISHMENT OF ADMINISTRATION ON AGING

"SEC. 201. (a) There is established in the Office of the Secretary an Administration on Aging (hereinafter in this Act referred to as the 'Administration') which shall be headed by a Commissioner on Aging (hereinafter in this Act referred to as the 'Commissioner'). Except for title VI and as Amendments of 1973 otherwise specifically provided by the Older Americans Comprehensive Services, the Administration shall be the principal agency for carrying out this Act. In the performance of his functions, the Commissioner shall be directly responsible to the Office of the Secretary. The Secretary shall not approve any delegation of the functions of the Commissioner to any other officer not directly responsible to the Commissioner unless the Secretary shall first submit a plan for such delegation to the Congress. Such delegation is effective at the end of the first period of calendar days of continuous session of Congress after the date on which the plan for such delegation is transmitted to it: *Pro-*

vided, however, That within thirty days of such transmittal, the Secretary shall consult with the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives respecting such proposed delegation. For the purpose of this section, continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day and sixty-day periods. Under provisions contained in a reorganization plan, a provision of the plan may be effective.

"(b) The Commissioner shall be appointed by the President by and with the advice and consent of the Senate."

(b) (1) Section 202(4) of the Older Americans Act of 1965 is amended to read as follows:

"(4) develop plans, conduct and arrange for research in the field of aging, and assist in the establishment of and carry out programs designed to meet the needs of older persons for social services, including nutrition, hospitalization, preretirement training, continuing education, low-cost transportation and housing, and health services;"

(2) Section 202 of the Older Americans Act of 1956 is amended by striking out "and" at the end of paragraph (7), by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraphs:

"(9) develop basic policies and set priorities with respect to the development and operation of programs and activities conducted under authority of this Act;

"(10) provide for the coordination of Federal programs and activities related to such purposes;

"(11) cordinate, and assist in, the planning and development by public (including Federal, State, and local agencies) and nonprofit private organizations of programs for older persons, with a view to the establishment of a nationwide network of comprehensive, coordinated services and opportunities for such persons;

"(12) convene conferences of such authorities and officials of public (including Federal, State, and local agencies) and nonprofit private organizations concerned with the development and operation of programs for older persons as the Commissioner deems necessary or proper for the development and implementation of policies related to the purposes of this Act;

"(13) develop and operate programs providing services and opportunities as authorized by this Act which are not otherwise provided by existing programs for older persons;

"(14) carry on a continuing evaluation of the programs and activities related to the purposes of this Act, with particular attention to the impact of medicare and medicaid, the Age Discrimination Act of 1967, and the programs of the National Housing Act relating to housing for the elderly and the setting of standards for the licensing of nursing homes, intermediate care homes, and other facilities providing care for older people;

"(15) provide information and assistance to private nonprofit organizations for the establishment and operation by them of programs and activities related to the purposes of this Act; and

"(16) develop, in coordination with other agencies, a national plan for meeting the needs for trained personnel in the field of aging, and for training persons for carrying out programs related to the purposes of this Act, and conduct and provide for the conducting of such training."

(3) Section 202 of the Act (as amended by the preceding provisions of this subsection) is further amended by inserting "(a)" after "Sec. 202.", and by adding at the end thereof the following new subsection:

"(b) In executing his duties and functions under this Act and carrying out the programs and activities provided for by this Act, the Commissioner, in consultation with the Director of Action, shall take all possible steps to encourage and permit voluntary groups active in social services, including youth organizations active at the high school or college levels, to participate and be involved individually or through representative groups in such programs or activities to the maximum extent feasible, through the performance of advisory or consultative functions, and in other appropriate ways."

(c) Title II of the Older Americans Act of 1965 is further amended by adding at the end thereof the following new sections:

"FEDERAL AGENCY COOPERATION

SEC. 203. Federal agencies proposing to establish programs substantially related to the purposes of this Act shall consult with the Administration on Aging prior to the establishment of such services, and Federal agencies administering such programs shall cooperate with the Administration on Aging in carrying out such services.

"THE NATIONAL INFORMATION AND RESOURCE CLEARING HOUSE FOR THE AGING

"SEC. 204. (a) The Commissioner is authorized and directed to establish and operate a National Information and Resource Clearing House for the Aging which shall—

"(1) collect analyze, prepare, and disseminate information related to the needs and interests of older persons;

"(2) obtain information concerning older persons from public and private agencies and other organizations serving the needs and interests of older persons and furnish, upon request, information to such agencies and organizations, including information developed by Federal, State, and local public agencies with respect to programs of such agencies designed to serve the needs and interests of older persons;

"(3) encourage the establishment of State and local information centers and provide technical assistance to such centers, including sources established under section 304(c)(3) and section 305(a)(7), to assist older persons to have ready access to information; and

"(4) carry out a special program for the collection and dissemination of information relevant to consumer interests of older persons in order that such older persons may more readily obtain information concerning goods and services needed by them.

"(b) The Commissioner shall take whatever action is necessary to achieve coordination of activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to the collection, preparation, and dissemination of information relevant to older persons. To the extent practicable, the Commissioner shall carry out his functions under this section through the National Information and Resource Clearing House for the Aging.

"(c) There are authorized to be appropriated to carry out the purposes of this section during the fiscal year ending June 30, 1973, and the fiscal year ending June 30, 1974, and for the fiscal year ending June 30, 1975, such sums as may be necessary.

"FEDERAL COUNCIL ON THE AGING

"SEC. 205. (a) There is established a Federal Council on the Aging to be composed of fifteen members appointed by the President with the advice and consent of the Senate for terms of three years without regard to the provisions of title 5, United States Code. Members shall be appointed so as to be representative of older Americans, national organizations with an interest in aging, business, labor, and the general public. At least five of the members shall themselves be older persons.

"(b) (1) Of the members first appointed, five shall be appointed for a term of one year, five shall be appointed for a term of two years, and five shall be appointed for a term of three years, as designated by the President at the time of appointment.

"(2) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office.

"(3) Any vacancy in the Council shall not affect its powers, but shall be filled in the same manner by which the original appointment was made.

"(4) Members of the Council shall, while serving on business of the Council, be entitled to receive compensation at a rate not to exceed the daily rate specified for grade GS-18 in section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

"(c) The President shall designate the Chairman from among the members appointed to the Council. The Council shall meet at the call of the Chairman but not less often than four times a year. The Secretary and the Commissioner on Aging shall be ex officio members of the Council.

"(d) The Council shall—

"(1) advise and assist the President on matters relating to the special needs of older Americans;

"(2) assist the Commissioner in making the appraisal of needs required by section 402;

"(3) review and evaluate, on a continuing basis, Federal policies regarding the aging and programs and other activities affecting the aging conducted or assisted by all Federal departments and agencies for the purpose of appraising their value and their impact on the lives of older Americans; and

"(4) serve as a spokesman on behalf of older Americans by making recommendations to the President, to the Secretary, the Commissioner, and to the Congress with respect to Federal policies regarding the aging and federally conducted or assisted programs and other activities relating to or affecting them;

"(5) inform the public about the problems and needs of the aging, in consultation with the National Information and Resource Clearing House for the Aging, by collecting and disseminating information, conducting or commissioning studies and publishing the results thereof, and by issuing publications and reports; and

"(6) provide public forums for discussing and publicizing the problems and needs of the aging and obtaining information relating thereto by conducting public hearings, and by conducting or sponsoring conferences, workshops, and other such meetings.

"(e) The Secretary and the Commissioner shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities.

"(f) Beginning with the year 1974 the Council shall make such interim reports as it deems advisable and an annual report of its findings and recommendations to the President not later than March 31 of each year. The President shall transmit each such report to the Congress together with his comments and recommendations.

"(g) The Council shall undertake a study of the interrelationships of benefit programs for the elderly operated by Federal, State, and local government agencies. Following the completion of this study, but no later than eighteen months after enactment of this Act, the President shall submit to Congress recommendations for bringing about greater uniformity of eligibility standards, and for eliminating the negative impact that one program's standards may have on another.

"(h) The Council shall undertake a study of the combined impact of all taxes on the elderly—including but not limited to income, property, sales, social security taxes. Upon completion of this study, but no later than eighteen months after enactment of this Act, the President shall submit to Congress, and to the Governor and legislatures of the States, the results thereof and such recommendations as he deems necessary.

"(i) The Council shall undertake a study or studies concerning the effects of the formulae specified in section 303 for allotment among the States of sums appropriated for area planning and social service programs authorized under title III of this Act. Upon completion of this study, but no later than January 1, 1975, the results of such study, together with recommendations for such changes, if any, in such formulae as may be determined to be desirable, and the justification for any changes recommended, shall be submitted to the Commissioner, the Secretary of Health, Education, and Welfare, the Committee on Labor and Public Welfare of the Senate, and the Committee on Education and Labor of the House of Representatives.

"ADMINISTRATION OF THE ACT

"SEC. 206.(a) In carrying out the purposes of this Act, the Commissioner is authorized to:

"(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations;

"(2) provide short-term training and technical instruction;

"(3) conduct research and demonstrations;

"(4) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this Act; and

"(5) provide staff and other technical assistance to the Federal Council on the Aging.

"(b) In administering his functions under this Act, the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organization, in accordance with agreements between the Commissioner and the head thereof, and is authorized to pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

"(c) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

"EVALUATION

"SEC. 207. (a) The Secretary shall measure and evaluate the impact of all programs authorized by this Act, their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

"(b) The Secretary may not make grants or contracts under section 308 or title IV of this Act until he has developed and published general standards to be used by him in evaluating the programs and projects assisted under such section or title. Results of evaluations conducted pursuant to such standards shall be included in the reports required by section 208.

"(c) In carrying out evaluations under this section, the Secretary shall, whenever possible, arrange to obtain the opinions of program and project participants about the strengths and weaknesses of the programs and projects.

"(d) The Secretary shall annually publish summaries of the results of evaluative research and evaluation of program and project impact and effectiveness, the full contents of which shall be available to Congress and the public.

"(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

"(f) Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this section shall be made available to him, upon request, by the departments and agencies of the executive branch.

"(g) The Secretary is authorized to use such sums as may be required, but not to exceed 1 per centum of the funds appropriated under this Act, or $1,000,000 whichever is greater, to conduct program and project evaluations (directly, or by grants or contracts) as required by this title. In the case of allotments from such an appropriation, the amount available for such allotments (and the amount deemed appropriated therefor) shall be reduced accordingly.

"SEC. 208. Not later than one hundred and twenty days after the close of each fiscal year, the Commissioner shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include statistical data reflecting services and activities provided individuals during the preceding fiscal year.

"JOINT FUNDING OF PROJECTS

"SEC. 209. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to any agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

"ADVANCE FUNDING

"SEC. 210. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

"(b) In order to effect a transition to the advance funding method of timing appropriation action, the amendment made by subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year."

SEC. 202. Title VIII of the Older Americans Act of 1965 is hereby repealed.

TITLE III—GRANTS FOR STATE AND AREA PROGRAMS

SEC. 301. The Older Americans Act of 1965 is amended by striking out title III and inserting in lieu thereof the following new title:

"TITLE III—GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

"PURPOSE

"SEC. 301. It is the purpose of this title to encourage and assist State and local agencies to concentrate resources in order to develop greater capacity and foster the development of comprehensive and coordinated service systems to serve older persons by entering into new cooperative arrangements with each other and with providers of social services for planning for the provision of, and providing, social services and, where necessary, to reorganize or reassign functions, in order to—

"(1) secure and maintain maximum independence and dignity in a home environment for older persons capable of self-care with appropriate supportive services; and

"(2) remove individual and social barriers to economic and personal independence for older persons.

"DEFINITIONS

"SEC. 302. For purposes of this title—

"(1) The term 'social services' means any of the following services which meet such standards as the Commissioner may prescribe:

"(A) health, continuing education, welfare, informational, recreational, homemaker, counseling, or referral services;

"(B) transportation services where necessary to facilitate access to social services;

"(C) services designed to encourage and assist older persons to use the facilities and services available to them;

"(D) services designed to assist older persons to obtain adequate housing;

"(E) services designed to assist older persons in avoiding institutionalization, including preinstitutionalizaton evaluation and screening, and home health services; or

"(F) any other services;

if such services are necessary for the general welfare of older persons.

"(2) The term 'unit of general purpose local government' means (A) a political subdivision of the State whose authority is broad and general and is not limited to only one function or a combination of related functions, or (B) an Indian tribal organization.

"(3) The term 'comprehensive and coordinated system' means a system for providing all necessary social services in a manner designed to—

"(A) facilitate accessibility to and utilization of all social services provided within the geographic area served by such system by any public or private agency or organization;

"(B) develop and make the most efficient use of social services in meeting the needs of older persons; and

"(C) use available resources efficiently and with a minimum of duplication.

"AREA PLANNING AND SOCIAL SERVICE PROGRAMS

"SEC. 303. (a) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, $103,600,000 for the fiscal year ending June 30, 1974, and $130,000,000 for the fiscal year ending June 30, 1975, to enable the Commissioner to make grants to each State with a State plan approved under section 305 (except as provided in section 307 (a)) for paying part of the cost (pursuant to subsection (e) of this section and section 306) of—

"(1) the administration of area plans by area agencies on aging designated pursuant to section 304(a) (2) (A), including the preparation of area plans on aging consistent with section 304(c) and the evaluation of activities carried out under such plans;

"(2) the development of comprehensive and coordinated systems for the delivery of social services; and

"(3) activities carried out pursuant to section 306.

"(b) (1) From the sums authorized to be appropriated for the fiscal year ending June 30, 1973, under subsection (a) of this section, (A) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of such sum, (B) each other State shall be allotted an amount equal to one-half of 1 per centum of such sum, and (C) from the remainder of the sum so appropriated, each State shall be allotted an additional amount which bears the same ratio to such remainder as the population aged sixty or over in such State bears to the population aged sixty or over in all States.

"(2) From the sums appropriated for the fiscal year ending June 30, 1974, and for the fiscal year ending June 30, 1975, each State shall be allotted an amount which bears the same ratio to such sum as the population aged sixty or over in such State bears to the population aged sixty or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted no less than one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (C) no State shall be allotted an amount less than that State received for the fiscal year ending June 30, 1973. For the purpose of the exception contained in clause (A) of this paragraph only, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(3) The number of persons aged sixty or over in any State and in all States shall be determined by the Commissioner on the basis of the most recent and satisfactory data available to him.

"(c) Whenever the Commissioner determines that any amount allotted to a State for a fiscal year under this section will not be used by such State for carrying out the purpose for which the allotment was made, he shall make such amount available for carrying out such purpose to one or more other States to the extent he determines such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from an appropriation for a fiscal year pursuant to the preceding sentence shall, for purposes of this title, be regarded as part of such State's allotment (as determined under the preceding provisions of this section) for such year.

"(d) The allotment of a State under this section for the fiscal year ending June 30, 1973, shall remain available until the close of the following fiscal year.

"(c) From a State's allotment under this section for a fiscal year—

"(1) such amount as the State agency determines, but not more than 15 per centum thereof, shall be available for paying such percentage as such agency determines, but not more than 75 per centum, of the cost of administration of area plans; and

"(2) such amount as the State agency determines, but (beginning with the fiscal year ending June 30, 1975) not more than 20 per centum thereof, shall be available for paying such percentage as such agency determines, but not more than 75 per centum, of the cost of social services which are not provided as a part of a comprehensive and coordinated system in planning and service areas for which there is an area plan approved by the State agency.

The remainder of such allotment shall be available to such State only for paying such percentage as the State agency determines, but not more than 90 per centum of the cost of social services provided in the State as a part of comprehensive and coordinated systems in planning and service areas for which there is an area plan approved by the State agency.

"ORGANIZATION

"State Organization

"SEC. 304. (a) In order for a State to be eligible to participate in the programs of grants to States from allotments under section 303 and section 306—

"(1) the State shall, in accordance with regulations of the Commissioner, designate a State agency as the sole State agency (hereinafter in this title referred to as 'the State agency') to: (A) develop the State plan to be submitted to the Commissioner for approval under section 305, (B) administer the State plan within such State, (C) be primarily responsible for the coordination of all State activities related to the purposes of this Act, (D) review and comment on, at the request of any Federal department or agency, any application from any agency or organization within such State to such Federal department or agency for assistance related to meeting the needs of older persons; and (E) divide the entire State into distinct areas (hereinafter in this title referred to as 'planning and service areas') in accordance with regulations of the Commissioner, after considering the geographical distribution of individuals aged sixty and older in the State, the incidence of the need for social services (including the numbers of older persons with low incomes residing in such areas), the distribution of resources available to provide such services, the boundaries of existing areas within the State which were drawn for the planning or administration of social services programs, the location of units of general purpose local government within the State, and any other relevant factors: *Provided*, That any unit of general purpose local government which has a population aged sixty or over of fifty thousand or more or which contains 15 per centum or more of the State's population aged sixty or over shall be designated as a planning and service area; except that the State may designate as a planning and service area, any region within the State recognized for purposes of areawide planning which includes one or more such units of general purpose local government when the State determines that the designation of such a regional planning and service area is necessary for, and will enhance, the effective administration of the programs authorized by this title, the State may include in any planning and service area designated pursuant to this provision such additional areas adjacent to the unit of general purpose local government or region so designated as the State determines to be necessary for, and will enhance, the effective administration of the programs authorized by this title, and

"(2) the State agency designated pursuant to paragraph (1) shall—

"(A) determine for which planning and service areas an area plan will be developed, in accordance with subsection (c) of this section, and for each such area designate, after consideration of the views offered by the unit or units of general purpose local government in such area, a public or nonprofit private agency or organization as the area agency on aging for such area; and

"(B) provide assurances, satisfactory to the Commissioner that the State agency will take into account, in connection with matters of general policy arising in the development and administration of the State plan for any fiscal year, the views of recipients of social services provided under such plan.

"Area Organization

"(b) An area agency on aging designated under subsection (a) must be—

"(1) an established office of aging which is operating within a planning and service area designated pursuant to subsection (a) of this section, or

"(2) any office or agency of a unit of general purpose local government, which is designated for this purpose by the chief elected official or officials of such unit, or

"(3) any office or agency designated by the chief elected official or officials of a combination of units of general purpose local government to act on behalf of such combination for this purpose, or

"(4) any public or nonprofit private agency in a planning and service area which is under the supervision or direction for this purpose of the designated State agency and which can engage in the planning or provision of a broad range of social services within such planning and service area,

and must provide assurance, found adequate by the State agency, that it will have the ability to develop an area plan and to carry out, directly or through contractual or other arrangements, a program pursuant to the plan within the planning and service area. In designating an area agency on aging, the State agency shall give preference to an established office on aging, unless the State agency finds that no such office within the planning and service area will have the capacity to carry out the area plan.

"Area plans

"(c) In order to be approved by the State agency, an area plan for a planning and service area shall be developed by the area agency on aging designated with respect to such area under subsection (a) and shall—

"(1) provide for the establishment of a comprehensive and coordinated system for the delivery of social services within the planning and service area covered by the plan, including determining the need for social services in such area (taking into consideration, among other things, the numbers of older persons with low incomes residing in such area), evaluating the effectiveness of the use of resources in meeting such need, and entering into agreements with providers of social services in such area, for the provision of such services to meet such need;

"(2) in accordance with criteria established by the Commissioner by regulation relating to priorities, provide for the initiation, expansion, or improvement of social services in the planning and service area covered by the area plan;

"(3) provide for the establishment or maintenance of information and referral sources in sufficient numbers to assure that all older persons within the planning and service area covered by the plan will have reasonably convenient access to such sources. For purposes of this section and section 305 (a)(7), an information and referral source is a location where the State or other public or private agency or organization (A) maintains current information with respect to the opportunities and services available to older persons, and develops current lists of older persons in need of services and opportunities, and (B) employs a specially trained staff to inform older persons of the opportunities and services which are available, and assists such persons to take advantage of such opportunities and services and

"(4) provide that the area agency on aging will—

"(A) conduct periodic evaluations of activities carried out pursuant to the area plan;

"(B) render appropriate technical assistance to providers of social services in the planning and service area covered by the area plan;

"(C) where necessary and feasible, enter into arrangements, consistent with the provisions of the area plan, under which funds under this title may be used to provide legal services to older persons in the planning and service area carried out through federally assisted programs or other public or nonprofit agencies;

"(D) taken into account, in connection with matters of general policy arising in the development and administration of the area plan, the views of recipients of services under such plan;

"(E) where possible, enter into arrangements with organizations providing day care services for children so as to provide opportunities for older persons to aid or assist, on a voluntary basis, in the delivery of such services to children; and

"(F) establish an advisory council, consisting of representatives of the target population and the general public, to advise the area agency on all matters relating to the administration of the plan and operations conducted thereunder.

"STATE PLANS

"SEC. 305. (a) In order for a State to be eligible for grants for a fiscal year from its allotments under section 303 and section 306, except as provided in section 307(a), it shall submit to the Commissioner a State plan for such year which meets such criteria as the Commissioner may prescribe by regulation and which—

"(1) provides that the State agency will evaluate the need for social services within the State and determine the extent to which existing public or private programs meet such need;

"(2) provides for the use of such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Commissioner shall exercise no authority with respect to the selection, tenure of office, or compensation of an individual employed in accordance with such methods) as are necessary for the proper and efficient administration of the plan;

"(3) provides that the State agency will make such reports, in such form, and containing such information, as the Commissioner may from time to time require, and comply with such requirements as the Commissioner may impose to assure the correctness of such reports;

"(4) provides that the State agency will conduct periodic evaluations of activities and projects carried out under the State plan;

"(5) establishes objectives, consistent with the purposes of this title, toward which activities under the plan will be directed, identifies obstacles to the attainment of those objectives, and indicates how it proposes to overcome those obstacles;

"(6) provides that each area agency on aging designated pursuant to section 304(a) (2) (A) will develop and submit to the State agency for approval an area plan which complies with section 304(c);

"(7) provides for establishing or maintaining information and referral sources in sufficient numbers to assure that all older persons in the State who are not furnished adequate information and referral sources under section 304(c) (3) will have reasonably convenient access to such sources;

"(8) provides that no social service will be directly provided by the State agency or an area agency on aging, except where, in the judgment of the State agency, provision of such service by the State agency or an area agency on aging is necessary to assure an adequate supply of such service; and

"(9) provides that, subject to the requirements of merit employment systems of State and local government, preference shall be given to persons aged sixty or over for any staff positions (full time or part time) in State and area agencies for which such persons qualify.

"(b) The Commissioner shall approve any State plan which he finds fulfills the requirements of subsection (a) of this section.

"(c) The Commissioner shall not make a final determination disapproving any State plan, or any modification thereof, or make a final determination that a State is ineligible under section 304, without first affording the State reasonable notice and opportunity for a hearing.

"(d) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency, finds that—

"(1) the State is not eligible under section 304,

"(2) the State plan has been so changed that it no longer complies with the provisions of subsection (a), or

"(3) in the administration of the plan there is a failure to comply substantially with any such provision of subsection (a), the Commissioner shall notify such State agency that no further payments from its allotments under section 303 and section 306 will be made to the State (or, in his discretion, that further payments to the State will be limited to projects under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments shall be made to such State from its allotments under section 303 and section 306 (or payments shall be limited to projects under or portions of the State plan not affected by such failure). The Commissioner shall, in accordance with regulations he shall prescribe, disburse the funds so withheld directly to any public or nonprofit private organization or agency or political subdivision of such State submitting an approved plan in accordance with the provisions of section 304 and section 306. Any such payment or payments shall be matched in the proportions specified in sections 303 and 306.

"(c) A State which is dissatisfied with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Commissioner may modify or set aside his order. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioners' action.

"PLANNING, COORDINATION, EVALUATION, AND ADMINISTRATION OF STATE PLANS

"SEC. 306(a) (1) Amounts appropriated as authorized by section 303 may be used to make grants to States for paying such percentages as each State agency determines but not more than 75 per centum, of the cost of the administration of its State plan, including the preparation of the State plan, the evaluation of activities carried out under such plan, the collection of data and the carrying out of analyses related to the need for social services within the State, the dissemination of information so obtained, the provision of short-term training to personnel of public or nonprofit private agencies and organizations engaged in the operation of programs authorized by this Act, and the carrying out of demonstration projects of statewide significance relating to the initiation, expansion, or improvement of social service.

"(2) Any sums allotted to a State under this section for covering part of the cost of the administration of its State plan which the State determines is not needed for such purpose may be used by such State to supplement the amount available under section 303(e) (1) to cover part of the cost of the administration of area plans.

"(3) Any State which has designated a single planning and service area pursuant to section 304(a) (1) (E) covering all, or substantially all, of the older persons in such State, as determined by the Commissioner, may elect to pay part of the costs of the administration of State and area plans either out of sums allotted under this section or out of sums made available for the administration of area plans pursuant to section 303 (e) (1), but shall not pay such costs out of sums allotted under both such sections.

"(b) (1) From the sums appropriated for any fiscal year under Section 303 for carrying out the purposes of this section, each State shall be allotted an amount which bears the same ratio to such sum as the population aged sixty or over in such State bears to the population aged sixty or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $160,000, whichever is greater, and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted no less than one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $50,000, whichever is greater. For the purpose of the exception contained in clause (A) of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) The number of persons aged sixty or over in any State and in all States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

"(c) The amounts of any State's allotment under subsection (b) for any fiscal year which the Commissioner determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (b) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Such reallotments shall be made on the basis of the State plan so approved, after taking into consideration the population aged sixty or over. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (b) for that year.

"(d) The allotment of a State under this section for the fiscal year ending June 30, 1973, shall remain available until the close of the following fiscal year.

"PAYMENTS

"SEC. 307. (a) Payments of grants or contracts under this title may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments, as the Commissioner may determine. From a State's allotment for a fiscal year which is available pursuant to section 306 the Commissioner may pay to a State which does not have a State plan approved under section 305 such amounts as he deems appropriate for the purpose of assisting such State in developing a State plan. From a State's allotment for a fiscal year which is available pursuant to section 303, the Commissioner may, during the period ending one year after the date of enactment of the Older Americans Comprehensive Services Amendments, pay, in accordance with such regulations as he may prescribe, to a State which does not have a State plan approved under section 305, such amounts as he deems appropriate for the purpose of continuing Federal financial assistance for activities assisted under the plan of such State approved section 303 of this Act prior to enactment of the Older Americans Comprehensive Services Amendments.

"(b) Beginning with the fiscal year ending June 30, 1975, not less than 25 per centum of the non-Federal share (pursuant to section 303(e)) of the total expenditures under the State plan shall be met from funds from State or local public sources.

"(c) A State's allotment under section 303 for a fiscal year shall be reduced by the percentage (if any) by which its expenditures for such year from State sources under its State plan approved under section 305 are less than its expenditures from such sources for the preceding fiscal year.

"MODEL PROJECTS

"SEC. 308. (a) The Commissioner may, after consultation with the State agency, make grants to any public or nonprofit private agency or organization or contracts with any agency or organization within such State for paying part or all of the cost of developing or operating statewide, regional, metropolitan area, county, city, or community model projects which will expand or improve social services or otherwise promote the well-being of older persons. In making grants and contracts under this section, the Commissioner shall give special consideration to projects designed to—

"(1) assist in meeting the special housing needs of older persons by (A) providing financial assistance to such persons, who own their own homes, necessary to enable them to make the repairs and renovations to their homes which are necessary for them to meet minimum standards, (B) studying and demonstrating methods of adapting existing housing, or construction of new housing, to meet the needs of older persons suffering from physical disabilities, and (C) demonstrating alternative methods of relieving older persons of the burden of real property taxes on their homes;

"(2) provide continuing education to older persons designed to enable them to lead more productive lives by broadening the educational, cultural, or social awareness of such older persons, emphasizing, where possible, free tuition arrangements with colleges and universities;

"(3) provide preretirement education, information, and relevant services (including the training of personnel to carry out such programs and the conducting of research with respect to the development and operation of such programs) to persons planning retirement; or

"(4) provide services to assist in meeting the particular needs of the physically and mentally impaired older persons including special transportation and escort services, homemaker, home health and shopping services, reader services, letter writing services, and other services designed to assist such individuals in leading a more independent life.

"(b) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975."

TITLE IV—TRAINING AND RESEARCH

SEC. 401. The Older Americans Act of 1965 is amended by striking out title IV and V and by inserting immediately after title III the following new title:

"TITLE IV—TRAINING AND RESEARCH

"PART A—TRAINING

"STATEMENT OF PURPOSE

"SEC. 401. The purpose of his part is to improve the quality of service and to help meet critical shortages of adequately trained personnel for programs in the field of aging by (1) developing information on the actual needs for personnel to work in the field of aging, both present and long range; (2) providing a broad range of quality training and retraining opportunities, responsive to changing needs of programs in the field of aging; (3) attracting a greater number of qualified persons into the field of aging; and (4) helping to make personnel training programs more responsive to the need for trained personnel in the field of the aging.

"APPRAISING PERSONNEL NEEDS IN THE FIELD OF AGING

"SEC. 402. (a) The Commissioner shall from time to time appraise the Nation's existing and future personnel needs in the field of aging, at all levels and in all types of programs, and the adequacy of the Nation's efforts to meet these needs. In developing information relating to personnel needs in the field of aging, the Commissioner shall consult with, and make maximum utilization of statistical and other related information of the Department of Labor, the Veterans' Administration, the Office of Education, Federal Council on the Aging, the National Foundation on the Arts and Humanities, State educational agencies, other State and local public agencies and offices dealing with problems of the aging, State employment security agencies, and other appropriate public and private agencies.

"(b) The Commissioner shall prepare and publish annually as a part of the annual report provided in section 208 a report on the professions dealing with the problems of the aging, in which he shall present in detail his view on the state of such professions and the trends which he discerns with respect to the future complexion of programs for the aging throughout the Nation and the funds and the needs for well-educated personnel to staff such programs. The report shall indicate the Commissioner's plans concerning the allocation of Federal assistance under this title in relation to the plans and programs of other Federal agencies.

"ATTRACTING QUALIFIED PERSONS TO THE FIELD OF AGING

"SEC. 403. The Commissioner may make grants to State agencies referred to in section 304, State or local educational agencies, institutions of higher education, or other public or nonprofit private agencies, organizations, or institutions, and he may enter into contracts with any agency, institution, or organization for the purpose of—

"(1) publicizing available opportunities for careers in the field of aging;

"(2) encouraging qualified persons to enter or reenter the field of aging;

"(3) encouraging artists, craftsmen, artisans, scientists, and persons from other professions and vocations and homemakers, to undertake assignments on a part-time basis or for temporary periods in the field of aging; or

"(4) preparing and disseminating materials, including audiovisual materials and printed materials, for use in recruitment and training of persons employed or preparing for employment in carrying out programs related to the purposes of this Act.

"TRAINING PROGRAMS FOR PERSONNEL IN THE FIELD OF AGING

"SEC. 404. (a) The Commissioner may make grants to any public or nonprofit private agency, organization, or institution or with State agencies referred to in section 304, or contracts with any agency, organization, or institution, to assist them in training persons who are employed or preparing for employment in fields related to the purposes of this Act—

"(1) to assist in covering the cost of courses of training or study (including short-term or regular session institutes and other inservice and preservice training programs),

"(2) for establishing and maintaining fellowships to train persons to be supervisors or trainers of persons employed or preparing for employment in fields related to the purposes of this Act,

"(3) for seminars, conferences, symposiums, and workshops in the field of aging, including the conduct of conferences and other meetings for the purposes of facilitating exchange of information and stimulating new approaches with respect to activities related to the purposes of this Act,

"(4) for the improvement of programs for preparing personnel for careers in the field of aging, including design, development, and evaluation of exemplary training programs, introduction of high quality and more effective curricula and curricula materials, and

"(5) the provision of increased opportunities for practical experience.

"(b) The Commissioner may include in the terms of any contract or grant under this part provisions authorizing the payment, to persons participating in training programs supported under this part, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he determines to be consistent with prevailing practices under comparable federally supported programs. Where the Commissioner provides for the use of funds under this section for fellowships, he shall (in addition to stipends for the recipients) pay to colleges or universities in which the fellowship is being pursued such amounts as the Commissioner shall determine to be consistent with prevailing practices under comparable federally supported programs.

"PART B—RESEARCH AND DEVELOPMENT PROJECTS

"DESCRIPTION OF ACTIVITIES

"SEC. 411. The Commissioner may make grants to any public or nonprofit private agency, organization, or institution and contracts with any agency, organization, or institution or with any individual for the purpose of—

"(1) studying current patterns and conditions of living of older persons and identifying factors which are beneficial or detrimental to the wholesome and meaningful living of such persons;

"(2) developing or demonstrating new approaches, techniques, and methods (including the use of multipurpose centers) which hold promise of substantial contribution toward wholesome and meaningful living for older persons;

"(3) developing or demonstrating approaches, methods, and techniques for achieving or improving coordination of community services for older persons;

"(4) evaluating these approaches, techniques, and methods, as well as others which may assist older persons to enjoy wholesome and meaningful lives and to continue to contribute to the strength and welfare of our Nation;

"(5) collecting and disseminating, through publications and other appropriate means, information concerning research findings, demonstration results, and other materials developed in connection with activities assisted under this part; or

"(6) conducting conferences and other meetings for the purposes of facilitating exchange of information and stimulating new approaches with respect to activities related to the purposes of this part.

"SPECIAL STUDY AND DEMONSTRATION PROJECTS ON THE TRANSPORTATION PROBLEMS OF OLDER AMERICANS

"Sec. 412. (a) The Commissioner shall, after consultation with the Secretary of Transportation and the Secretary of Housing and Urban Development, conduct a comprehensive study and survey of the transportation problems of older Americans with emphasis upon solutions that are practicable and can be implemented in a timely fashion. In conducting the study and survey, the Commissioner shall consider—

"(1) the use of all community transportation facilities, particularly public transportation systems, the possible use of school buses, and excess Department of Defense vehicles; and

"(2) the need for revised and improved procedures for obtaining motor vehicle insurance by older Americans to be implemented for use in a coordinated transportation system.

"(b) In connection with the study required by subsection (a), the Commissioner, in coordination with the Secretary of Transportation and the Secretary of Housing and Urban Development, shall conduct research and demonstration projects, either directly or by grants or contracts with public or private nonprofit agencies and organizations, in order to—

"(1) demonstrate possible solutions of economic and service aspect of furnishing adequate transportation to older persons in rural and urban areas including transportation services furnished by social service agencies;

"(2) demonstrate improvement of transportation services available to older persons with emphasis on (A) establishing special transportation subsystems for older persons or similar groups with similar mobility restrictions, (B) providing portal-to-portal service and demand actuated services, (C) making payments directly to older persons to enable them to obtain reasonable and necessary transportation services;

"(3) demonstrate improved coordination between transportation systems and social service delivery systems; and

"(4) demonstrate innovative solutions for other special transportation problems confronting older Americans.

"(c) At least half of the projects authorized under subsection (b) of this section shall be conducted in States that are predominantly rural in character.

"(d) Not later than January 1, 1975, the Commissioner shall prepare and transmit to the Secretary, to the President, and to the Congress, a report on his findings and recommendations, including a plan for implementation of improved transportation services for older Americans and recommendations for additional legislation, administrative and other measures to provide solutions to the transportation problems of older Americans not later than January 1, 1975, as he deems advisable.

"(e) In carrying out the study and survey, and the demonstration and research projects under this section, the Commissioner is authorized to—

"(1) procure temporary or intermittent services of experts and consultants in accordance with section 3109 of title 5, United States Code, and

"(2) secure directly from any executive department, bureau, agency, board, commission, office, independent establishment or instrumentality information, suggestions, estimates, and statistics for the purpose of this section; and each such department, bureau, agency, board, commission, office, independent establishment or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commissioner upon request made by him.

Part C—Multidisciplinary Centers of Gerontology

"Sec. 421. The Commissioner may make grants to public and private nonprofit agencies, organizations, and institutions for the purpose of establishing or supporting multidisciplinary centers of gerontology. A grant may be made under this section only if the application therefor—

"(1) provides satisfactory assurance that the applicant will expend the full amount of the grant to establish or support or multidisciplinary center of gerontology which shall—

"(A) recruit and train personnel at the professional and subprofessional levels,

"(B) conduct basic and applied research on work, leisure, and education of older people, living arrangements of older people, social services for older people, the economics of aging, and other related areas,

"(C) provide consultation to public and voluntary organizations with respect to the needs of older people and in planning and developing services for them,

"(D) serve as a repository of information and knowledge with respect to the areas for which it conducts basic and applied research,

"(E) stimulate the incorporation of information on aging into the teaching of biological, behavioral, and social sciences at colleges or universities,

"(F) help to develop training programs on aging in schools of social work, public health, health care administration, education, and in other such schools at colleges and universities, and

"(G) create opportunities for innovation, multidisciplinary efforts in teaching, research, and demonstration projects with respect to aging;

"(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for funds paid to the applicant under this section;

"(3) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"Part D—Authorization of Appropriations

"AUTHORIZATION

"Sec. 431. There are authorized to be appropriated for the purposes of carrying out this title such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975.

"PAYMENTS OF GRANTS

"Sec. 432. (a) To the extent he deems it appropriate, the Commissioner shall require the recipient of any grant or contract under this title to contribute money, facilities, or services for carrying out the project for which such grant or contract was made.

"(b) Payments under this part pursuant to a grant or contract may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Commissioner may determine.

"(c) The Commissioner shall make no grant or contract under this title in any State which has established or designated a State agency for purposes of title III of this Act unless the Commissioner has consulted with such State agency regarding such grant or contract."

TITLE V—MULTIPURPOSE SENIOR CENTERS

Sec. 501. The Older Americans Act of 1965 is further amended by inserting immediately after title IV the following new title:

"TITLE V—MULTIPURPOSE SENIOR CENTERS

"Part A—Acquisition, Alteration, or Renovation of Multipurpose Senior Centers

"GRANTS AUTHORIZED

"Sec. 501. (a) In order to provide a focal point in communities for the development and delivery of social services and nutritional services designed primarily for older persons, the Commissioner may make grants to units of general purpose local government or other public or nonprofit private agencies or organizations and may make contracts with any agency or organization to pay not to exceed 75 per centum of the cost of acquiring, altering, or renovating existing facilities to serve as multipurpose senior centers (including the initial equipment of such *facilities*). Facilities assisted by grants or contracts under this part shall be in close proximity to the majority of individuals eligible to use the multipurpose senior center, and within walking distance where possible.

"(b) The total payments made pursuant to grants or contracts under this section in any State for any fiscal year shall not exceed 10 per centum of the total amount appropriated for the year for the purposes of carrying out this part.

"(c) The term 'multipurpose senior center' means a community facility for the organization and provision of a broad spectrum of services (including provision of health, social, and educational services and provision of facilities for recreational activities) for older persons.

"REQUIREMENTS FOR APPROVAL OF APPLICATIONS

"Sec. 502. (a) A grant or contract for purchase under this part may be made only if the application therefor is approved by the Commissioner upon his determination that—

"(1) the application contains or is supported by reasonable assurances that (A) for not less than ten years after purchase, the facility will be used for the purposes for which it is to be purchased, (B) sufficient funds will be *available* to meet the non-Federal share of the cost of purchase of the facility, (C) sufficient funds will be available, when purchase is completed, for effective use of the facility for the purpose for which it is being purchased, and (D) the facility will not be used and is not intended to be used for sectarian instruction or as a place for religious worship;

"(2) the application contains or is supported by reasonable assurances that there are no existing facilities in the community suitable for leasing as a multipurpose senior center;

"(3) the plans and specifications are in accordance with regulations relating to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with the requirements of the Architectural Barriers Act of 1968 (Public Law 90–480)); and

"(4) the application contains or is supported by adequate assurance that any laborer or mechanic employed by any contractors or subcontractors in the performance of work on the facility will be paid wages at rates not less than those prevailing for similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a5). The Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C 276c).

"(b) In making grants or contracts under this part, the Commissioner shall—

"(1) give preference to the acquisition of multipurpose senior centers in areas where there is being developed a comprehensive and coordinated system under title III of this Act; and

"(2) consult with the Secretary of Housing and Urban Development with respect to the technical adequacy of any proposed alteration or renovation.

"PAYMENTS

"SEC. 503. Upon approval of any application for a grant or contract under this part, the Commissioner shall reserve, from any appropriation available therefor, the amount of such grant or contract. The amounts so reserved may be paid in advance or by way of reimbursement, and in such installments consistent with progress in alteration or renovation, as the Commissioner may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of altering or renovating the facility.

"RECAPTURE OF PAYMENTS

"SEC. 504. If, within ten years after purchase of any facility for which funds have been paid under this part—

"(a) the owner of the facility ceases to be a public or nonprofit private agency or organization, or

"(b) the facility ceases to be used for the purposes for which it was purchased (unless the Commissioner determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so),

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facilly is situated.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 505. (a) There are authorized to be appropriated for the purpose of making grants or contracts under section 501. Such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975.

"(b) Sums appropriated for any fiscal year under subsection (a) of this section and remaining unobligated at the end of such year shall remain available for such purpose for the next fiscal year

"MORTGAGE INSURANCE FOR MULTIPURPOSE SENIOR CENTERS

"SEC. 506. (a) It is the purpose of this section to assist and encourage the provision of urgently needed facilities for programs for the elderly.

"(b) For the purpose of this part the terms 'mortgage', 'mortgagor', 'mortgagee', 'maturity date', and 'State' shall have the meanings respectively set forth in section 207 of the National Housing Act.

"(c) The Secretary of Health, Education, and Welfare is authorized to insure any mortgage (including advances on such mortgage during acquisition, alteration, or renovation) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

"(d) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers a new multipurpose senior center, including equipment to be used in its operation, subject to the following conditions:

"(1) The mortgage shall be executed by a mortgagor, approved by the Secretary, who demonstrates ability successfully to operate one or more programs for the elderly. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary may make such contracts with and acquire for not to exceed $100 such stock interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Multipurpose Senior Center Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

"(2) The mortgage shall involve a principal obligation in an amount not to exceed $250,000 and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the multipurpose senior center, when the proposed improvements are completed and the equipment is installed.

"(3) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market.

"(4) The Secretary shall not insure any mortgage under this section unless he has determined that the center to be covered by the mortgage will be in compliance with minimum standards to be prescribed by the Secretary.

"(5) In the plans for such Multipurpose Senior Center, due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project).

"(e) The Secretary shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Multipurpose Senior Center Insurance Fund (established by subsection (h)) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments of prepayments. In addition to the premium charge herein provided for, the Secretary is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during acquisition, alteration, or renovation; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

"(f) The Secretary may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(g) (1) The Secretary shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act.

"(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Multipurpose Senior Center Insurance Fund, and all references in such provisions to 'Secretary' shall be deemed to refer to the Secretary of Health, Education, and Welfare.

"(h) (1) There is hereby created a Multipurpose Senior Center Insurance Fund which shall be used by the Secretary as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Multipurpose Senior Center Insurance Fund.

"(2) The general expenses of the operations of the Department of Health, Education, and Welfare relating to mortgages insured under this section may be charged to the Multipurpose Senior Center Insurance Fund.

"(3) Moneys in the Multipurpose Senior Center Insurance Fund not needed for the current operations of the Department of Health, Education, and Welfare with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Multipurpose Senior Center Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(4) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary in connection therewith, and all earnings as the assets of the fund, shall be credited to the Multipurpose Senior Center Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

"(5) There are authorized to be appropriated to provide initial capital for the Multipurpose Senior Center Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary.

"ANNUAL INTEREST RATES

"SEC. 507. (a) To assist nonprofit private agencies to reduce the cost of borrowing from other sources for the acquisition, alteration or renovation of facilities, the Secretary may make annual interest grants to such agencies.

"(b) Annual interest grants under this section with respect to any facility shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the acquisition, alteration or renovation of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were 3 per centum per annum: *Provided,* That the amount on which such grant is based shall be approved by the Secretary.

"(c) (1) There are hereby authorized to be appropriated to the Secretary such sums as may be necessary for payment of annual interest grants in accordance with this section.

"(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation acts.

"(d) Not more than 12½ per centum of the funds provided for in this section for grants may be used within any one State.

"PART B—INITIAL STAFFING OF MULTIPURPOSE SENIOR CENTERS

"PERSONNEL STAFFING GRANT PROGRAM AUTHORIZED

"SEC. 511. (a) For the purpose of assisting in the establishment and initial operation of multipurpose senior centers the Commissioner may, in accordance with the provisions of this part, make grants to meet, for the temporary periods specified in this part, all or part of the costs of compensation of professional and technical personnel for the initial operation of new multipurpose senior centers and for the delivery of social services established therein.

"(b) Grants for such costs of any center under this title may be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day. Such grants with respect to any center may not exceed 75 per centum of such costs for the first year of the project, 66⅔ per centum of such costs for the second year of the project, and 50 per centum of such costs for the third year of the project.

"(c) In making such grants, the Secretary shall take into account the relative needs of the several States for community centers for senior citizens, their relative financial needs, and their population of persons over sixty years of age.

"(d) For the purpose of this part, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and for each of the next two succeeding fiscal years."

TITLE VI—NATIONAL OLDER AMERICANS VOLUNTEER PROGRAM

SEC. 607. Section 601 of the Older Americans Act of 1965 is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of law, no compensation provided to individual volunteers under this part shall be considered income for any purpose whatsoever."

SEC. 602. Section 603 of the Older Americans Act of 1965 is amended by inserting immediately before the period, at the end thereof the following: "and $15,000,000 for the fiscal year ending June 30, 1973, $17,-500,000 for the fiscal year ending June 30, 1974, and $20,000,000 for the fiscal year ending June 30, 1975."

SEC. 603. (a) The heading of part B of title VI of the Older Americans Act of 1965 is amended to read as follows:

"FOSTER GRANDPARENT PROGRAM AND OLDER AMERICANS COMMUNITY SERVICE PROGRAMS"

(b) Section 611 of such Act is amended to read as follows:

"SEC. 611. (a) The Commissioner is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects designed to provide opportunities for low-income persons aged sixty or over to render supportive person-to-person services in health, education, welfare, and related settings to children having exceptional needs including services as 'Foster Grandparents' to children receiving care in hospitals, homes for dependent and neglected children, or other establishments providing care for children with special needs.

"(b) The Commissioner is also authorized to make grants or contracts to carry out the purposes described in subsection (a) in the case of persons (other than children) having exceptional needs, including services as 'senior health aides' to work with persons receiving home health care and nursing care, and as 'senior companions' to persons having developmental disabilities.

"(c) Payments under this part pursuant to a grant or contract may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, in such installments and on such conditions as the Commissioner may determine.

"(d) Notwithstanding any other provision of law, no compensation provided to individual volunteers under this part shall be considered income for any purpose whatsoever."

(c) The first sentence of section 613 of such Act is amended to read as follows:

"In administering this part, the Commissioner shall consult with the Office of Economic Opportunity, the Department of Labor and Health, Education, and Welfare and any other Federal agencies administering relevant programs with a view to achieving optimal coordination with such other programs and shall promote the coordination of projects under this part with other public or private programs or projects carried out at State and local levels."

SEC. 604. Section 614 of the Older Americans Act is amended to read as follows:

"SEC. 614. (a) (1) There are authorized to be appropriated for grants or contracts under subsections (a) and (b) of section 611, $25,000,000 for the fiscal year ending June 30, 1973, $32,500,000 for the fiscal year ending June 30, 1974, and $40,000,000 for the fiscal year ending June 30, 1975, respectively, of which (A) $25,000,000 for the fiscal year ending June 30, 1973, $26,500,000 for the fiscal year ending June 30, 1974, and $32,000,000 for the fiscal year ending June 30, 1975, respectively, shall be available for such years for grants or contracts under subsection (a) of section 611, and (B) $6,000,000 for the fiscal year ending June 30, 1974, and $8,000,000 for the fiscal year ending June 30, 1975, respectively, shall be available for such years for grants or contracts under subsection (b) of such section.

"(2) If the sums authorized to be appropriated under paragraph (1) of this subsection for fiscal years bginning after June 30, 1973, are not appropriated and made available for each such fiscal year, then such sums as are so appropriated and made available for each such fiscal year shall be allocated so that—

"(A) any amounts appropriated not in excess of a sum which when added to carryover balances otherwise available for obligation under subsection (a) of section 611 equals $25,000,000 shall be used for grants or contracts under such subsection; and

"(B) any amounts appropriated in excess of a sum which when added to carryover balances otherwise available for obligation under subsection (a) of section 611 equals $31,-000,000 for the fiscal year ending June 30, 1974, and $33,000,000 for the fiscal year ending June 30, 1975, respectively, shall be used for grants or contracts for such fiscal years under subsection (a) of such section."

SEC. 605. The authorities conferred upon the Commissioner of the Administration on Aging by the amendments made in this title shall be carried out pursuant to delegations of authority, reorganization plans, and transfers made effective prior to the date of enactment of this Act with respect to authorities conferred upon the Secretary of the Department of Health, Education, and Welfare under title VI of the Older Americans Act of 1965, as amended.

TITLE VII—NUTRITION PROGRAM

AVAILABILITY OF SURPLUS COMMODITIES

SEC. 701. Section 707 of the Older Americans Act of 1965 is amended to read as follows:

"AVAILABILITY OF SURPLUS COMMODITIES

"SEC. 707. (a) Agricultural commodities and products purchased by the Secretary of Agriculture under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) may be donated to a recipient of a grant or contract to be used for providing nutritional services in accordance with the provisions of this title.

"(b) The Commodity Credit Corporation may dispose of food commodities under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) by donating them to a recipient of a grant or contract to be used for providing nutritional services in accordance with the provisions of this title.

"(c) Dairy products purchased by the Secretary of Agriculture under section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a–1) may be used to meet the requirements of programs providing nutritional services in accordance with the provisions of this title."

SEC. 702. Section 705(a) of the Older Americans Act of 1965 is amended by adding at the end thereof the following new paragraph:

"(5) provide that, when mutually agreed upon by recipients of grants and contracts and area planning and service areas agencies, nutrition projects assisted under this title shall be made a part of the comprehensive and coordinated systems established under title III of this Act."

STATE PLANNING

SEC. 703. Section 705(a)(2)(B) of the Older Americans Act of 1965 is amended by inserting "for the fiscal year ending June 30, 1973," following "administrative cost,"; by striking out "any fiscal year" in this section and substituting in lieu thereof "such fiscal year"; and by adding at the end of the first sentence thereof the following sentence: "For the fiscal years ending after June 30, 1973, funds allotted to a State for State planning and administration pursuant to section 306 of this Act may be used for the administration of the State plan submitted pursuant to this section, except that wherever the governor of the State designates an agency other than the agency designated under section 304(a)(1) of this Act, then the Commissioner shall determine that portion of a State's allotment under section 306 which shall be available to the agency designated under section 705(a)(1) for planning and administration."

CONFORMING AMENDMENT

SEC. 704. (a) The first sentence of section 705(a) of the Older Americans Act of 1965 is amended by striking out "303" the first time it appears in such sentence and inserting in lieu thereof "304" and by striking out "303" the second time it appears in such sentence and inserting in lieu thereof ,"305".

(b) Section 705(a) (1) of the Older Americans Act of 1965 is amended by striking out "303" and inserting in lieu thereof "304".

(c) Title VII of the Older Americans Act of 1965 is amended by striking out "Secretary" wherever in such title the term refers to the Secretary of Health, Education, and Welfare, and inserting in lieu thereof "Commissioner".

TITLE VIII—AMENDMENTS TO OTHER ACTS

AMENDMENT TO LIBRARY SERVICES AND CONSTRUCTION ACT

SEC. 801. (a) The Library Services and Construction Act (20 U.S.C. 351 et seq.) is amended by adding at the end thereof the following new title:

"TITLE IV—OLDER READERS SERVICES

"GRANTS TO STATES FOR OLDER READERS SERVICES

"Sec. 401. The Commissioner shall carry out a program of making grants to States which have an approved basic State plan under section 6 and have submitted a long-range program and an annual program under section 403 for library services for older persons.

"USES OF FEDERAL FUNDS

"Sec. 402. (a) Funds appropriated pursuant to paragraph (4) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of carrying out the Federal share of the cost of carrying out State plans submitted and approved under section 403. Such grants shall be used for (1) the training of librarians to work with the elderly; (2) the conduct of special library programs for the elderly; (3) the purchase of special library materials for use by the elderly; (4) the payment of salaries for elderly persons who wish to work in libraries as assistants on programs for the elderly; (5) the provision of in-home visits by librarians and other library personnel to the elderly; (6) the establishment of outreach programs to notify the elderly of library services available to them; and (7) the furnishing of transportation to enable the elderly to have access to library services.

"(b) For the purposes of this title, the Federal share shall be 100 per centum of the cost of carrying out the State plan.

"STATE ANNUAL PROGRAM FOR LIBRARY SERVICES FOR THE ELDERLY

"Sec. 403. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for library services for older persons. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation and shall—

"(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (4) of section 4 (a) will be used, consistent with its long-range program for the purposes set forth in section 402, and

"(2) include an extension of the long-range program taking into consideration the results of evaluations.

"COORDINATION WITH PROGRAMS FOR OLDER AMERICANS

"Sec. 404. In carrying out the program authorized by this title, the Commissioner shall consult with the Commissioner of the Administration on Aging and the Director of ACTION for the purpose of coordinating where practicable, the programs assisted under this title with the programs assisted under the Older Americans Act of 1965."

(b) Section 4(a) of the Library Services and Construction Act is amended by adding at the end thereof the following new paragraph:

"(4) For the purpose of making grants to States to enable them to carry out public library service programs for older persons authorized by title IV, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, the fiscal year ending June 30, 1975, and the fiscal year ending June 30, 1976."

(c) (1) Section 5(a) (1) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(2) Section 5 (a) (2) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(3) Section 5(a) of such Act is amended by striking out the word "and" at the end of such paragraph (B) thereof, by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon and the word "and", and by inserting after subparagraph (C) thereof the following:

"(D) with respect to appropriations for the purposes of title IV, $40,000 for each State, except that it shall be $10,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands."

(4) The last sentence of section 5(a) (3) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(5) Section 5(b) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(c) Section 6(a) of such Act is amended by striking out "and III" and inserting in lieu thereof "III and IV".

(d) (1) Section 7(a) of such Act is amended by striking out "or (3)" and inserting in lieu thereof "(3), or (4)".

(2) Section 7(b) (1) of such Act is amended by inserting "and title IV" after "title III".

(e) The amendments made by subsections (a), (b), and (c) of this section shall be effective after June 30, 1973.

AMENDMENT TO NATIONAL COMMISSION ON LIBARIES AND INFORMATION SCIENCE ACT

Sec. 802. (a) Section 5(a) (2) of the National Commission on Libraries and Information Science Act is amended by striking out "and" after "areas" and inserting a comma in lieu thereof, and by inserting after "deprived persons," the following: "and of elderly persons,".

(b) The second sentence of section 6(a) (20 U.S.C. 1505(a)) of such Act is amended by inserting before the period at the end thereof the following: ", and at least one other of whom shall be knowledgeable with respect to the library and information service and science needs of the elderly".

AMENDMENT TO HIGHER EDUCATION ACT OF 1965

Sec. 803. Title I of the Higher Education Act of 1965 is amended by redesignating sections 110, 111, and 112 (and cross references thereto) as 111, 112, and 113, respectively, and by inserting after section 109 the following new section:

"SPECIAL PROGRAMS AND PROJECTS RELATING TO PROBLEMS OF THE ELDERLY

"Sec. 110. (a) The Commissioner is authorized to make grants to institutions of higher education (and combinations thereof) to assist such institutions in planning, developing, and carrying out, consistent with the purpose of this title, programs specifically designed to apply the resources of higher education to the problems of the elderly, particularly with regard to transportation and housing problems of elderly persons living in rural and isolated areas.

"(b) For purposes of making grants under this section, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1977.

"(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating, where practicable, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965."

AMENDMENT TO ADULT EDUCATION ACT

Sec. 804. (a) The Adult Education Act (20 U.S.C. 1201 et seq.) is amended by redesignating sections 310, 311, and 312 (and cross references thereto) as sections 311, 312, and 313, respectively, and by inserting after section 309 the following new section:

"SPECIAL PROJECTS FOR THE ELDERLY

"Sec. 310. (a) The Commissioner is authorized to make grants to State and local education agencies or other public or private nonprofit agencies for programs to further the purpose of this Act by providing educational programs for elderly persons whose ability to speak and read the English language is limited and who live in an area with a culture different than their own. Such programs shall be designed to equip such elderly persons to deal successfully with the practical problems in their everyday life, including the making of purchases, meeting their transportation and housing needs, and complying with governmental requirements such as those for obtaining citizenship, public assistance and social security benefits, and housing.

"(b) For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1975.

"(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating, where practicable, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965."

(b) Section 313(a) of such Act, as redesignated, is amended by inserting before the period at the end thereof the following: "(other than section 310)".

ADDITIONAL AUTHORIZATION FOR SENIOR OPPORTUNITIES AND SERVICES

Sec. 805. In addition to the amounts authorized to be appropriated and allocated pursuant to the Economic Opportunity Amendments of 1972, there is further authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and the succeeding fiscal year, to be used for the Senior Opportunities and Services program described in section 222 (a) (7) of the Economic Opportunity Act of 1964.

TITLE IX—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SHORT TITLE

Sec. 901. This title may be cited as the "Older American Community Service Employment Act".

OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM

Sec. 902. (a) In order to foster and promote useful part-time work opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter referred to as the "Secretary") is authorized to establish an older American community service employment program (hereinafter referred to as the "program").

(b) In order to carry out the provisions of this title, the Secretary is authorized—

(1) to enter into agreements with public or private nonprofit agencies or organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or Indian tribes on Federal or State reservations in order to further the purposes and goals of the program. Such agreements may include provisions for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make the program effective or to supplement it. No payments shall be made by the Secretary toward the cost of any project established or administered by any such organization or agency unless he determines that such project—

(A) will provide employment only for eligible individuals, except for necessary technical, administrative, and supervisory personnel, but such personnel shall, to the fullest extent possible, be recruited from among eligible individuals;

(B) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities;

(C) will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code of 1954 (other than political parties), except projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

(D) will contribute to the general welfare of the community;

(E) will provide employment for eligible individuals whose opportunities for other suitable public or private paid employment are poor;

(F) will result in an increase in employment opportunities for eligible individuals, and will not result in the displacement of employed workers or impair existing contracts;

(G) will utilize methods of recruitment and selection (including, but not limited to, listing of job vacancies with the employment agency operated by any State or political subdivision thereof) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project;

(H) will include such training as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance;

(I) will assume that safe and healthy conditions of work will be provided, and will assure that persons employed in public service jobs assisted under this title shall be paid wages which shall not be lower than whichever is the highest of (i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (ii) the State or local minimum wage for the most nearly comparable covered employment, or (iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(J) will be established or administered with the advice of persons competent in the field of service in which employment is being provided, and of persons who are knowledgeable with regard to the needs of older persons;

(K) will authorize pay for necessary transportation costs of eligible individuals which may be incurred in employment in any project funded under this title in accordance with regulations promulgated by the Secretary; and

(L) will assure that to the extent feasible such projects will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State;

(2) to make, issue, and amend such regulations as may be necessary to effectively carry out the provisions of this title.

(c)(1) The Secretary is authorized to pay not to exceed 90 per centum of the cost of any project which is the subject of an agreement entered into under subsection (b), except that the Secretary is authorized to pay all of the costs of any such project which is (A) an emergency or disaster project or (B) a project located in an economically depressed area as determined in consultation with the Secretary of Commerce and the Director of the Office of Economic Opportunity.

(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair market value to services and facilities contributed from non-Federal sources.

ADMINISTRATION

SEC. 903. (a) In order to effectively carry out the purposes of this title, the Secretary is authorized to consult with agencies of States and their political subdivisions with regard to—

(1) the localities in which community service projects of the type authorized by this title are most needed;

(2) consideration of the employment situation and the types of skills possessed by available local individuals who are eligible to participate; and

(3) potential projects and the number and percentage of eligible individuals in the local population.

(b)(1) The Secretary is authorized and directed to require agencies and organizations administering community service projects and other activities assisted under this title to coordinate their projects and activities with agencies and organizations conducting related manpower and unemployment programs receiving assistance under this Act and under other authorities such as the Economic Opportunity Act of 1964, the Manpower Development and Training Act of 1962, and the Emergency Employment Act of 1971. In carrying out the provisions of this paragraph, the Secretary is authorized to make necessary arrangements to include projects and activities assisted under this title within a common agreement and a common application with projects assisted under this Act and other provisions of law such as the Economic Opportunity Act of 1964, the Manpower Development and Training Act of 1962, the Emergency Employment Act of 1971.

(2) The Secretary is authorized to make whatever arrangements that are necessary to carry out the programs assisted under this title as part of any general manpower legislation hereafter enacted, except that appropriations for programs assisted under this title may not be expended for programs assisted under that title.

(c) In carrying out the provisions of this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies, and instrumentalities in the use of service, equipment, and facilities.

(d) The Secretary shall establish criteria designed to assure equitable participation in the administration of community service projects by agencies and organizations eligible for payment under section 902(b).

(e) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

(f) The Secretary shall not delegate his functions and duties under this title to any other department or agency of Government.

PARTICIPANTS NOT FEDERAL EMPLOYEES

SEC. 904. (a) Eligible individuals who are employed in any project funded under this title shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

(b) No contract shall be entered into under this title with a contractor who is, or whose employees are, under State law, exempted from operation of the State workmen's compensation law, generally applicable to employees, unless the contractor shall undertake to provide either through insurance by a recognized carrier, or by self insurance, as allowed by State law, that the persons employed under the contract, shall enjoy workmen's compensation coverage equal to that provided by law for covered employment. The Secretary must establish standards for severance benefits, in lieu of unemployment insurance coverage, for eligible individuals who have participated in qualifying programs and who have become unemployed.

INTERAGENCY COOPERATION

SEC. 905. The Secretary shall consult and cooperate with the Office of Economic Opportunity, the Administration on Aging, the Department of Health, Education, and Welfare, and any other related Federal agency administering related programs, with a view to achieving optimal coordination with such other programs and shall promote the coordination of projects under this title with other public and private programs or projects of a similar nature. Such Federal agencies shall cooperate with the Secretary in disseminating information about the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects funded under this title.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 906. (a)(1) From the sums appropriated for any fiscal year under section 908 there shall be initially allotted for projects within each State an amount which bears the same ratio to such sum as the population, aged fifty-five or over in such State bears to the population aged fifty-five or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made. For the purpose of the exception contained in this paragraph, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) The number of persons aged fifty-five or over in any State and for all States shall be determined by the Secretary on the basis of the most satisfactory data available to him.

(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects within such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

(c) The amount apportioned for projects within each State under subsection (a) shall be appropriated among areas within each such State in an equitable manner, taking into consideration the proportion which eligible persons in each such area bears to such total number of such persons, respectively, in that State.

DEFINITIONS

SEC. 907. As used in this title—

(a) "State" means any of the several States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands;

(b) "eligible individual" means an individual who is fifty-five years old or older, who has or would have difficulty in securing employment, except that pursuant to regulations prescribed by the Secretary any such individual who is sixty years old or older shall have priority for the work opportunities provided for under this Act;

(c) "community service" means social, health, welfare, educational, library, recreational, and other similar services; conservation, maintenance or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services which are essential and necessary to the community as the Secretary, by regulation, may prescribe.

AUTHORIZATION OF APPROPRIATIONS

Sec. 908. There are hereby authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1973, and $100,000,000 for fiscal year ending June 30, 1974, to carry out the provisions of this title.

Mr. BRADEMAS. (during the reading) Mr. Speaker, I ask unanimous consent to dispense with further reading of the Senate amendment to the House amendment and that it be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mrs. GREEN of Oregon. Mr. Speaker, reserving the right to object, may I inquire of the gentleman from Indiana (Mr. Brademas) if he can give assurance to this body that there are no nongermane amendments attached to the Older Americans Act?

Mr. BRADEMAS. Mr. Speaker, I can.

Mrs. GREEN of Oregon. Further reserving the right to object, Mr. Speaker, can the gentleman from Indiana (Mr. Brademas) assure us that there is no amendment in the Older Americans Act which has to do with the student financial aid programs which are a part of the law?

Mr. BRADEMAS. Mr. Speaker, I can.

Mrs. GREEN of Oregon. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I am delighted to be able to report to this body that after extensive negotiations between the Committee on Labor and Public Welfare of the other body, and the Committee on Education and Labor, on S. 50, the Comprehensive Older Americans Services Amendments, we have reached a consensus which is embodied in the Senate substitute amendment for the House amendment passed by this body on March 13.

Mr. Speaker, I am extremely grateful for the efforts of all the principals on the committee who have cooperated in bringing this matter to a successful resolution.

In particular, Mr. Speaker, I would like to thank the chairman of the Education and Labor Committee, the gentleman from Kentucky (Mr. Perkins) and the ranking minority member of the Committee on Education and Labor (Mr. Quie) and the other members of the committee for their efforts.

I would also like to take this opportunity to thank the Members of the other body for their leadership in this legislation, Senator Eagleton and Senator Stafford.

Mr. Speaker, at this point, I would like to make these observations:

The bill before us is basically the same as that passed by the House 1 month ago with these specific changes:

Title X, providing training programs for middle-aged and older workers, has been removed. It is my hope, however, that provisions for these workers will be contained in the next manpower training bill considered by the Congress.

The authorized funding levels are a significant reduction below those provided in the measure vetoed by President Nixon last October.

And I cite in particular, Mr. Speaker, with regard to the funding levels, the fact that the authorized spending provided in the compromise before us today, $543.6 million over 3 years, is $1.424 billion below the funding provided in the vetoed measure, which was $1,978,400.

Mr. Speaker, the full picture of the authorization levels and the compromise as compared to S. 50, as passed by the House and the Senate amendment, are set forth in materials which I insert in the Record at this point:

S. 50—AUTHORIZATIONS

Title and fiscal year	House	Compromise figures	Senate
Title II:			
National information and resource clearinghouse:			
1973	$750,000	(1)	$750,000
1974	1,000,000	(1)	1,000,000
1975	1,250,000	(1)	1,250,000
Administration of the act [1]			
Title III:			
Area planning and social service:			
1973	85,000,000	(1)	100,000,000
1974	150,000,000	$103,600,000	150,000,000
1975	200,000,000	130,000,000	200,000,000
Planning, coordination, evaluation, and administration of State plan:			
1973	20,000,000	(2)	20,000,000
1974	20,000,000	(2)	20,000,000
1975	20,000,000	(2)	20,000,000
Model projects:			
1973	40,000,000	(1)	20,000,000
1974	75,000,000	(1)	25,000,000
1975	100,000,000	(1)	30,000,000
Title IV:			
Training:			
1973	11,000,000	(1)	10,000,000
1974	15,000,000	(1)	15,000,000
1975	20,000,000	(1)	20,000,000
Research:			
1973	15,000,000	(1)	15,000,000
1974	25,000,000	(1)	20,000,000
1975	30,000,000	(1)	25,000,000
Special transportation R. & D.:			
1973		(1)	7,500,000
1974		(1)	15,000,000
1975		(1)	20,000,000
Title V:			
Multipurpose senior centers:			
1973	10,000,000	(1)	10,000,000
1974	15,000,000	(1)	15,000,000
1975	20,000,000	(1)	20,000,000
Loan insurance for centers [1]			
Annual interest grants:			
1973	1,000,000	(1)	1,000,000
1974	3,000,000	(1)	3,000,000
1975	5,000,000	(1)	5,000,000
Personnel staffing grants:			
1973	10,000,000	(1)	10,000,000
1974	10,000,000	(1)	10,000,000
1975	10,000,000	(1)	10,000,000
Title VI:			
RSVP:			
1973	$20,000,000	$15,000,000	$20,000,000
1974	30,000,000	17,500,000	30,000,000
1975	40,000,000	20,000,000	40,000,000
Foster grandparents and other senior volunteer programs:			
1973	41,000,000	25,000,000	41,000,000
1974	52,000,000	32,500,000	52,000,000
1975	63,000,000	40,000,000	63,000,000
Title VII:			
Nutrition program, authorized in Public Law 92-258			
Title VIII:			
Older readers services:			
1973	11,700,000	(1)	11,700,000
1974	12,900,000	(1)	12,300,000
1975	12,000,000	(1)	12,900,000
1976	13,700,000	(1)	13,700,000
Special programs (title I, Higher Education Act:			
1973	5,000,000	(1)	5,000,000
1974	5,000,000	(1)	5,000,000
1975	5,000,000	(1)	5,000,000
1976	5,000,000	(1)	5,000,000
1977	5,000,000	(1)	5,000,000
Senior opportunities and services:			
1973	7,000,000	(1)	7,000,000
1974	7,000,000	(1)	7,000,000
1975		(1)	
Title IX:			
Community Service Employment:			
1973			100,000,000
1974	50,000,000	60,000,000	150,000,000
1975	100,000,000	100,000,000	
Title X:			
Middle-aged and older workers training:			
1973		(3)	
1974		(3)	150,000,000
1975		(3)	
Fiscal year total:			
1973	277,450,000	40,000,000	378,950,000
1974	470,300,000	213,600,000	680,300,000
1975	627,150,000	290,000,000	472,150,000
1976	18,700,000		18,700,000
1977	5,000,000		5,000,000
Cumulative total	1,398,600,000	543,600,000	1,555,100,000

[1] Such sums as may be necessary.

[2] Included in figures for area planning and social services.

[3] Deleted.

Summary of House-Senate Compromise Amendment to S. 50 Resolving Differences Between the Senate Bill and the House Amendment

TITLE II

Section 201: The compromise amendment provides that the Commissioner shall report to the Office of the Secretary, rather than to the Secretary himself. The provisions respecting non-delegability of the Commissioner's powers are revised so as to require that the Secretary may not approve any delegation of powers assigned to the Commissioner by this Act to officers not directly responsible to the Commissioner unless the Secretary first transmits a plan for such delegation to Congress sixty days prior to the effective date of such delegation and consults with the appropriate committees of Congress within thirty days of such transmittal.

Sec. 205.

Sec. 205(i): Compromise amendment retains Senate provision, deleted by the House amendment, directing the Federal Council on Aging to undertake a study of the effects of the allotment formula in Sec. 303 under which funds are distributed to the states. Deadline date for report changed from June 30, 1975, to January 1, 1975.

Compromise amendment further deletes provisions in House amendment requiring a study of the transportation needs of the elderly since similar provisions are contained in Sec. 412.

Sec. 209: Compromise amendment adopts language of the Senate bill with respect to joint funding of projects. Principal difference is that Senate bill, but not the House amendment, authorizes a single non-federal share requirement when a project receives funds from more than one federal agency.

TITLE III

Sec. 303: Compromise amendment contains authorizations for grants to the states in the amounts of $103,600,000 for FY 74 and $130,000,000 for FY 75. Such sums as may be necessary authorized for FY 75.

Sec. 304 and Sec. 305.

Sec. 304(a)(1). The compromise amendment retains language contained in the Senate bill, but not in House amendment, authorizing the Commissioner on Aging to prescribe regulations regarding division of states into planning and service areas pursuant to state plan requirements.

Sec. 304(a)(1). Compromise amendment combines provisions of the Senate bill and the House amendment regarding the mandatory designation as planning and service areas of units of government meeting certain population criteria.

Sec. 304(c)(3) and Sec. 305(a)(7). The compromise amendment adopts a modified version of language in the House amendment regarding the requirement that state and area plans provide for the establishment or maintenance of information and referral services for older persons.

Sec. 304(c)(5) and Sec. 305(a)(10). The compromise amendment deletes provisions of the Senate bill requiring state and area plans to specify the disposition of projects funded under the Older Americans Act prior to the enactment of these amendments.

Sec. 306.

Sec. 306(a)(1). The compromise amendment incorporates authorization for state planning and administration under Sec. 306 into the authorization for grants to the states under Sec. 303.

Sec. 306(a)(3). The compromise amendment adopts provisions contained in the Senate bill covering the manner in which federal funds may be used for planning and administration in states which designate a single planning and service area covering all or most of the state.

Sec. 306(b)(1). The compromise amendment provides that no state shall receive less than $160,000 under the allotment formula for state planning and administration. The comparable Senate and House figures are $150,000 and $200,000 respectively.

Sec. 307. Agreed amendment adopts language of the Senate bill placing a one year limitation on the period during which the Commissioner may make payments to states which do not have an approved state plan.

Sec. 308.

Sec. 308(a)(2). The compromise amendment deletes the provisions in both the Senate and the House versions directing that special consideration be given in making model project grants to projects involving transportation project authority provided in Sec. 412.

Sec. 308(a)(3). The compromise amendment also deletes the model project designation for community service employment projects for older persons in view of the provisions of Title IX authorizing the Department of Labor to conduct such projects.

TITLE IV

Sec. 412. Provisions contained in the Senate bill, but not in the House amendment, relating to special research and demonstration projects in transportation adopted in the compromise amendment.

TITLE V

Sec. 501–507.

Sec. 501. The compromise amendment adopts the Senate language authorizing grants and contracts for acquisition, alteration, or renovation of multi-purpose senior centers, but not for the construction of such centers as provided in the House amendment. The agreed amendment also authorizes mortgage insurance and interest subsidies for such projects. The agreed amendment further adopts the language of the House amendment defining "multi-purpose senior centers."

TITLE VI

Sec. 604. Compromise amendment adopts the authorization structure provided in the Senate bill which requires that initial funds appropriated, up to stated levels, must be used for the existing Foster Grandparents program, with a modification providing that any carryover balances may be applied to such requirement. Authorization figures reduced as indicated in the following table.

TITLE VIII

Sec. 802. Technical matter. The compromise amendment adopts the House rather than the Senate language for amending the National Commission on Libraries and Information Sciences Act.

TITLE IX

Sec. 908. The compromise amendment provides authorization of $60 million for FY 74 and $100 million for FY 75, a total reduction of $90 million less than the Senate bill and a total increase of $10 million more than the House amendment.

TITLE X

The compromise amendment deletes all of Title X for a total reduction of $100 million from the Senate bill.

Authorization Figures

In lieu of the authorization figures contained in the House and Senate bills, there is substituted an authorization for such sums as may be necessary in all titles except portions of Title III, Title VI, and Title IX. The preceding table illustrates these figures.

It is clear, I think, Mr. Speaker, that the Senate has gone more than halfway to reach an accord with the House and to respond to the fiscal reservations expressed by the President.

It is clear, also, Mr. Speaker, that we in Congress have gone more than halfway in trying to respond to the President's concerns either real or imagined.

And I would remind my colleagues also, that the compromise before us today is an authorizing, and not an appropriating measure. For the Congress, through the appropriating process, has yet to provide funds for these programs for older Americans, and the measure can have, therefore, no effect on the President's budget plans for fiscal 1974 or succeeding years.

Mr. Speaker, I consider this compromise a truly significant victory for the elderly of our land. For it will go a long way toward responding to the recommendations of the White House Conference on the Aging, while honoring the budget ceiling agreed upon both by the Congress and the President.

I urge my colleagues, therefore, to join with me to approve the compromise.

The SPEAKER. Without objection, the Senate amendment to the House amendment is concurred in.

PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Speaker, are we at the point where a rollcall on the Senate amendment is in order?

The SPEAKER. The Chair will inform the gentleman from Michigan, (Mr. Gerald R. Ford) that we have concurred in the Senate amendment.

Mr. GERALD R. FORD. Mr. Speaker, I was on my feet.

The SPEAKER. The Chair stated, Without objection, the amendment is concurred in.

Mr. GERALD R. FORD. Mr. Speaker, I was on my feet. We want a rollcall on the action.

The SPEAKER. The Chair, of course, always respects the right of the minority leader to ask for a rollcall. The Chair had hoped he would not, but the Chair will have to respect that right.

POINT OF ORDER

Mr. HAYS. Mr. Speaker, a point of order.

The SPEAKER. The gentleman from Ohio (Mr. Hays) will state his point of order.

Mr. HAYS. Mr. Speaker, the gentleman from Michigan (Mr. Gerald R. Ford) was on his feet, as he says, and when he was recognized, he made a parliamentary inquiry. Now, what was he on his feet for? If he was on his feet, he should have said, "I want a vote."

Mr. GERALD R. FORD. Mr. Speaker, I have to make a parliamentary inquiry to learn what the situation is.

The SPEAKER. The question is on concurring in the Senate amendment to the House amendment.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 348, nays 0, not voting 85, as follows:

[Roll No. 108]

YEAS—348

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Aspin
Bafalis
Baker
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Conyers
Cotter
Coughlin
Crane
Culver
Daniel, Dan
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Fascell
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Gross
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanna
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Keating
Kemp
Ketchum
Koch
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Mallary
Mann
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills, Ark.
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Peyser
Pike
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zion

NAYS—0

NOT VOTING—85

Armstrong
Ashley
Badillo
Barrett
Biaggi
Blatnik
Broyhill, Va.
Burleson, Tex.
Carney, Ohio
Chappell
Chisholm
Clancy
Clark
Corman
Cronin
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
de la Garza
Derwinski
Dorn
Dulski
Eilberg
Evans, Colo.
Evins, Tenn.
Findley
Fish
Gibbons
Gray
Griffiths
Grover
Gubser
Hanley
Hansen, Wash.
Harvey
Hawkins
Howard
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Karth
Kastenmeier
King
Kluczynski
Kuykendall
McCormack
Mahon
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Milford
Mills, Md.
Morgan
Nichols
Nix
Passman
Pettis
Pickle
Poage
Podell
Price, Tex.
Reid
Riegle
Roberts
Rooney, N.Y.
Rooney, Pa.
Ryan
Sandman
Saylor
Shipley
Talcott
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Treen
Ullman
Waldie
Widnall
Wilson, Bob
Wilson, Charles, Tex.
Yates
Young, Ill.
Young, S.C.
Zwach

So the Senate amendment to the House amendment was concurred in.

The Clerk announced the following pairs:

Mr. Morgan with Mr. Zwach.

Mr. Rooney of New York with Mr. Grover.

Mr. Barrett with Mr. Cronin.

Mr. Dulski with Mr. Fish.

Mr. Gibbons with Mr. Harvey.

Mr. Kluczynski with Mr. Findley.

Mr. Passman with Mr. Clancy.

Mr. Teague of Texas with Mr. Broyhill of Virginia.

Mr. Ullman with Mr. Gubser.

Mr. Waldie with Mrs. Chisholm.

Mr. Hawkins with Mr. Howard.

Mrs. Griffiths with Mr. Kuykendall.

Mr. Ashley with Mr. Johnson of Pennsylvania.

Mr. Evins of Tennessee with Mr. Derwinski.

Mr. Gray with Mr. Young of Illinois.

Mr. Hanley with Mr. Sandman.

Mrs. Hansen of Washington with Mr. Martin of Nebraska.

Mr. Karth with Mr. Bob Wilson.

Mr. Jones of Alabama with Mr. Pettis.

Mr. Kastenmeier with Mr. Maraziti.

Mr. Nichols with Mr. Robert W. Daniels, Jr.

Mr. Pickle with Mr. Thomson of Wisconsin.

Mr. Podell with Mr. Nix.

Mr. Reid with Mr. King.

Mr. Riegle with Mr. Price of Texas.

Mr. Blatnik with Mr. Mathias of California.

Mr. Dominick V. Daniels with Mr. Widnall.

Mr. Davis of Georgia with Mr. Martin of North Carolina.

Mr. Clark with Mr. Saylor.

Mr. Mahon with Mr. Mills of Maryland.

Mr. Roberts with Mr. Treen.

Mr. Shipley with Mr. Teague of California.

Mr. Biaggi with Mr. de la Garza.

Mr. Carney of Ohio with Mr. Badillo.

Mr. Burleson of Texas with Mr. Chappell.

Mr. Eilberg with Mr. Milford.

Mr. McCormack with Mr. Rooney of Pennsylvania.

Mr. Ryan with Mr. Young of South Carolina.

Mr. Corman with Mr. Talcott.

Mr. Yates with Mr. Evans of Colorado.

Mr. Dorn with Mr. Charles Wilson of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the measure just passed.

The SPEAKER (Mr. McFALL). Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE ROLE OF THE COMMISSIONER ON AGING

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRADEMAS. At this point, Mr. Speaker, I would like to draw attention to the fact that the bill, S. 50, on which the House has just agreed provides that the Commissioner shall report to the Office of the Secretary, rather than to the Secretary as provided in the House and Senate bills.

The compromise bill, S. 50, also provides that with regard to delegation of powers assigned to the Commissioner, the Secretary must consult with Congress and that Congress shall be given 60 days notice of any intention to delegate the Commissioner's functions to any other part of the Department.

This compromise represents an attempt by Congress to be reasonable with regard to the delegation of functions within the authority of the Secretary, but it is also to serve notice that Congress will be carefully observing the actions of the administration regarding the role of the Commissioner on Aging.

In this regard, I would like to ask my colleague, the gentleman from Minnesota (Mr. QUIE), if in his recent conversations with the White House and the Department of Health, Education, and Welfare, he was made aware of any plan to transfer any of the functions including research authority which this act invests in the Commissioner to any other officer of the Department.

Mr. QUIE. Mr. Speaker, the Administration has assured me that it has no plans or intentions to delegate the functions vested in the Commissioner on Aging to any other officer of the Department. Any research authority that may have previously been handled by other officers of the Department will be vested in the Commissioner on Aging.

I have, however, been advised that decentralization through regionalization is being pursued and that cooperative regional activities will hopefully be a reality in the next few years.

Mr. BRADEMAS. I share the gentleman's view with regard to regionalization. The question of regionalization or decentralization, if you will, is a matter which we will observe carefully. In addition, I think it has been made clear through legislative history that it is our intention to upgrade the Office of the Commissioner on Aging and that it is our hope that the new language in the bill just passed will allow useful and honest dialog to take place in order to prevent much of the misunderstanding that has forced upon us the necessity of this conversation.

Can the gentleman from Minnesota give us assurances that the President will not veto the Comprehensive Older Americans Services Amendments?

Mr. QUIE. I have been talking with the administration and surely would not expect any veto.

Mr. BRADEMAS. I thank my friend from Minnesota.

PERMISSION FOR SPECIAL LABOR SUBCOMMITTEE OF THE COMMITTEE ON EDUCATION AND LABOR TO SIT DURING 5-MINUTE RULE ON THURSDAY

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the Special Labor Subcommittee of the Committee on Education and Labor be permitted to sit during the 5-minute rule on Thursday on the subject of H.R. 1236, relating to nonprofit hospital employees.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WHY ISRAEL?

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, Arab nations with Soviet backing have threatened to seek the ouster of Israel from the United Nations. Why Israel?

Israel has sought to defend itself and other nations from terrorist attacks. These have ranged from Germany to Sudan. Time and time again terrorist tactics have been marked by hijacking, property destruction and murder. Why should not Israel try to put a stop to it?

Why should not the nations which harbor terrorists be the ones on trial in the United Nations?

It is the nations which fail to stand for law and order or which countenance and encourage unmasked aggression that are the trouble makers of the world. These are the nations that should be on trial.

I applaud Israel. The government and people of that little nation have commendable courage. They are not afraid to face up to ugly problems. They do not beg the question; they do not yield to pressure when their country's best interests are at stake.

The United States would do well to borrow Israel's tactics when we deal with gangster nations. It would help us avoid strife, embarrassment, and long drawn out involvement.

H.R. 6500: JUST BENEFITS FOR THE MARRIED WORKING COUPLE

(Mr. PATTEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATTEN. Mr. Speaker, I have once again introduced H.R. 6500, a bill that would permit a working couple to add together their social security earnings if it would give them a higher monthly payment. In addition, where the combined earnings of the couple exceed the maximum earnings that one person can have, additional benefits, based on higher earnings, would be payable.

H.R. 6500 is identical to the H.R. 6500 introduced in the 92d and 91st Congresses. The rationale for reintroduction is quite simple—in the past years, I have received overwhelming support for this legislation, not just from my colleagues, but from hundreds of working wives from all around the country who have written of their support for this bill.

A modified version of H.R. 6500 was included in H.R. 1 of the 92d Congress, but was deleted on the Senate side. My strong belief in this legislation, backed by so many supporters, has convinced me of the great need to reintroduce it.

Mr. Speaker, because of this past support among my colleagues for H.R. 6500, I have again called on the Members of this body to join with me by cosponsoring this important reform bill. A list of the Members of the House of Representatives who have indicated their desire to cosponsor this bill follows:

LIST OF COSPONSORS OF H.R. 6500

Mr. Baker of Tennessee.
Mr. Burgener of California.
Ms. Chisholm of New York.
Mr. Cleveland of New Hampshire.
Mr. Davis of Georgia.
Mr. Diggs of Michigan.
Mr. Fisher of Texas.
Mr. Forsythe of New Jersey.
Mr. Helstoski of New Jersey.
Mr. Horton of New York.
Mr. Howard of New Jersey.
Mr. Lehman of Florida.
Mr. Madden of Indiana.
Mr. Minish of New Jersey.
Mr. Moakley of Massachusetts.
Mr. Mollohan of West Virginia.
Mr. Moorhead of California.
Mr. Moss of California.
Mr. Murphy of New York.
Mr. Murphy of Illinois.
Mr. Won Pat of Guam.
Mr. Podell of New York.
Mr. Price of Illinois.
Mr. Roe of New Jersey.
Mr. Rosenthal of New York.
Mr. Roybal of California.
Mr. Sarbanes of Maryland.
Mr. Sikes of Florida.
Mr. Williams of Pennsylvania.

Mr. Speaker, the present problem is an accidental result of a change in the law that came about not long after the original Social Security Act was enacted. The original 1935 act provided for the payment of retirement benefits only. There were no dependent's or survivor's benefits. Before any monthly benefits were paid, however, the law was changed in 1939 so as to provide dependent's and survivor's benefits. In this way, it was thought that meaningful income protection could be provided at a reasonable cost to single workers, to married workers and their wives, and their families.

In general, this system has worked out fairly well. But, as more and more married women have worked and earned significant retirement benefits in their own right, the shortcomings of the present system in providing some married couples with a meaningful return for their social security taxes has become apparent.

As long ago as 1963, the social security problems of working women were recognized by the President's Commission on the Status of Women. In a report to the Commission, its committee on social insurance and taxes said:

> In many cases a married woman who is potentially eligible for benefits on both her husband's and her own earnings feels that she receives little or no return from her contributions to the program. If she had not worked and made contributions to the program, she nevertheless would get a wife's or widow's benefit based on her husband's earnings, and it might be as high as the benefit she gets as a result of her own work, or higher. Basically, the feelings of married working women that they do not get enough of a return for their contributions arises from such situations.

This situation is bad enough but there is an even worse situation in which a husband and a working wife can pay the same amount in social security taxes as a husband whose wife never worked and get less benefits than the couple where the wife never worked. For example, the benefit paid to a person with average monthly earnings of $200 is $101.60; thus when the husband and wife both have average earnings of $200, the total monthly payment is $203.20. On the other hand, the monthly benefit payable to a man with average monthly earnings of $400 is $153.60 and his wife who has never worked can be paid an additional benefit equal to one-half of that amount—$76.80—making a total monthly payment to the couple $230.40, or $27.20 a month more than is paid when the same amount was earned equally by a husband and his wife.

Mr. Speaker, H.R. 6500 is intended to correct these situations which come about because of the way social security benefits are computed. When a husband and wife both have earnings covered under the social security program, the husband is paid a retirement benefit based on his own earnings; if the wife has worked long enough to be entitled to a benefit based on her own earnings she is, in effect, paid the higher of the wife's benefit based on her husband's earnings or the retirement benefit based on her own earnings.

Mr. Speaker, I have had a table prepared which shows additional examples of how the present law works to pay more in benefits if the wife has not worked than if she has. I insert the table in the RECORD at this point in my remarks:

TABLE I.—HUSBAND'S AND WIFE'S SOCIAL SECURITY BENEFITS UNDER PRESENT LAW

Average monthly earnings [1][2]	Total monthly benefits for couple	
	If husband and wife have equal earnings [1]	If benefit is based on husband's earnings [2]
$50	$110.00	$82.50
$100	110.00	107.30
$200	143.00	152.40
$300	176.80	190.70
$400	203.20	230.40
$500	230.00	266.30
$600	254.20	306.00
$650	268.60	[3] 323.00
$800	307.20	
$1,000	355.00	
$1,200	408.00	
$1,300	436.00	

[1] Earnings of husband and wife are each equal to ½ of the amounts shown in 1st column.

[2] Husband's earnings are equal to amounts shown in 1st column.

[3] Maximum amount payable under present law is based on average monthly earnings of $650. Husband's benefit is $218 and wife's benefit is limited to $105 when ½ of the husband's benefit exceeds amount.

To eliminate this situation H.R. 6500 would provide that, for the purpose of computing the benefits paid to a husband and his wife, their earnings may be combined if the total payments to the couple would be increased. In order to qualify for this computation, the husband and wife must be living together or, if they are not, both the husband and wife must agree to have their benefits combined under the alternative procedure. If the husband's and the wife's earnings are combined, a benefit would be computed, as it is under present law, on the basis of average earnings up to the maximum amount, currently $450, that could be credited to a single person who retires in the same year that the couple's benefit is computed.

If the couple's combined earnings exceed the highest amount of earnings that a single person could have, a special rule would apply to those earnings above the single person maximum and up to twice that amount. In that case an additional amount equal to 28.43 percent of the excess would be computed and added to the amount described earlier. The reason for using the 28.43 percent factor is to be found in the present formula for determining social security benefits. Although benefits under the present law are determined by a table in the law, the table is based on the following formula: 71.16 percent of the first $110 of average monthly earnings, plus 25.88 percent of the next $290, plus 24.18 percent of the next $150, plus 28.43 percent of the last $100. Since 28.43 percent is the factor used in present law at the top of the formula, it seems logical to extend it to the amount of combined average earnings in excess of the amounts used in computations under the present law.

Under any new alternative computation, the benefit paid to a husband and his wife would be 75 percent, each, of the benefit computed in the way I have outlined. Because the benefit paid to a wife is 50 percent of the amount paid to her husband, the alternative benefit computation guarantees that when a husband and his wife both work, they will be paid an amount which is at least equal to the amount which would have been paid to them had the husband's earnings been equal to the combined earnings. Also, where the husband and wife have worked and paid social security taxes which are in excess of the maximum amount that could have been paid by an individual retiring in the same year, the couple will get an additional amount related to the additional earnings.

Mr. Speaker, I have had four additional tables prepared which compare the social security benefits payable to a married couple under present law and under H.R. 6500. I will include the tables in the RECORD immediately following the conclusion of my remarks.

Table II shows how the provisions of H.R. 6500 would be applied to the benefits of a husband and wife and contrasts the benefits paid to a husband and wife under present law and under H.R. 6500. In making this table, it was assumed that the husband and wife both retire at age 65 in 1969 and that their average monthly earnings are equal. In every case, except where the minimum benefit provisions of present law apply, the benefits under H.R. 6500 are greater than those paid under present law. At the lower earnings levels, the increased payment would be the smallest, and at the highest level, it would be the largest.

Table III, also, is based on the assumption that the husband and wife retire at age 65 in 1969. However, the husband is assumed to have the maximum possible earnings, $450, while the wife's average earnings vary from $25 to $450. Here too, the total payments to the couple under H.R. 6500 are shown to be higher than under present law in every case in which the wife has any earnings. Where the wife has no earnings, the total payment is the same under both present law and under H.R. 6500. It is worth noting that under present law the wife's earnings have no effect on the total payment to the couple until the benefit paid on her own earnings exceeds the wife's benefit paid on the husband's earnings. Where the husband has average earnings of $450, this point is not reached until the wife's average earnings are $151 a month. At this level, the benefit based on her own earnings is $89.50 a month, $2 a month more than the wife's benefit based on the husband's earnings.

In this connection I might point out that in 1969, a woman who works and earns $150 a month pays social security taxes of $86.40 a year and her employer pays an equal amount. And, for these taxes they get nothing, if the husband happens to have paid the highest possible amount in social security taxes.

As bad as the situation is under present law, it will gradually grow worse until in 2006, when creditable earnings will have grown so that average monthly earnings can be as much as $650, a woman whose husband has maximum possible earnings will need average earnings of at least $212 a month before the couple will get any increased benefits because of her work. Then the increase would be 20 cents a month. If her average earnings are only $210 a month, the couple will get nothing for the extra social security taxes paid on her earnings. And, under the present law the tax paid by the wife on $210 a month will rise from the present $120.96 a year to $172.68 starting in 1987; the employer will, of course, pay an equal amount.

Tables IV and V are similar to tables II and III except that they illustrate the effects of H.R. 6500 in the year 2008, the first year in which a man retiring at age 65 can receive the highest benefits contemplated by the present law.

Mr. Speaker, I feel that justice and equity call for a change in the social security laws along the lines proposed in H.R. 6500. If we are going to require married working women to pay the same social security taxes as a single or married man, and that is what we require, then we should also guarantee them some return for their taxes. I find the situation I have outlined intolerable. Therefore, I urge the Committee on Ways and Means to look carefully at H.R. 6500 when next they consider social security legislation. And, I hope that the next social security bill to come to the floor contains a provision based on H.R. 6500.

TABLE II.—HUSBAND'S AND WIFE'S SOCIAL SECURITY BENEFITS UNDER PRESENT LAW AND UNDER H.R. 6500

Average monthly earnings of husband and wife, each [2]	Total monthly benefit for couple	
	Present law	H.R. 6500
$25	$110.00	$110.00
$50	110.00	110.00
$100	143.00	152.40
$150	176.80	190.80
$200	203.20	230.40
$225 [3]	215.40	247.60
$250	230.00	268.80
$300	254.20	311.60
$350	280.80	354.20
$400	307.20	396.80
$450	330.00	439.00

[1] Assumes that husband reaches age 65 in 1970; the highest possible average monthly earnings for such a man is $450.

[2] The combined earnings of the couple are twice the amounts shown.

[3] Highest amount to which regular computation applies. Above this amount the 24.18 percent factor is used.

TABLE III.—HUSBAND'S AND WIFE'S SOCIAL SECURITY BENEFITS UNDER PRESENT LAW AND UNDER H.R. 6500 WHERE HUSBAND HAS AVERAGE MONTHLY EARNINGS OF 450 [1]—AT VARIOUS LEVELS OF WIFE'S EARNINGS

Average monthly earnings of wife	Total monthly benefit for couple [1]	
	Present law	H.R. 6500
	$247.50	$247.50
$25	247.50	258.20
$50	247.50	269.00
$100	247.50	290.20
$150	253.40	311.60
$200	266.60	332.80
$250	280.00	353.20
$300	292.10	375.60
$350	305.40	396.80
$400	318.60	418.20
$450	330.00	439.60

[1] Maximum average possible for a man who retires at age 65 in 1970.

TABLE IV.—HUSBAND'S AND WIFE'S SOCIAL SECURITY BENEFITS UNDER PRESENT LAW AND H.R. 6500

Average monthly earnings of husband and wife, each [2]	Total monthly benefit for couple [1]	
	Present law	H.R. 6500
$25	$110.00	$110.00
$50	110.00	110.00
$100	143.00	152.40
$150	176.80	190.80
$200	203.20	230.40
$250	230.00	266.40
$300	254.20	306.00
$325	268.60	327.00
$350	280.80	348.40
$400	307.20	391.00
$450	330.00	433.80
$500	355.00	476.40
$600	408.00	561.60
$650	436.00	604.20

[1] Assumes that husband reaches age 65 in 2006, the 1st year in which average monthly earnings of $650 is possible for a man retiring at age 65.

[2] The combined earnings of the couple are twice the amounts shown.

TABLE V.—HUSBAND'S AND WIFE'S SOCIAL SECURITY BENEFITS UNDER PRESENT LAW AND UNDER H.R. 6500 WHERE HUSBAND HAS AVERAGE MONTHLY EARNINGS OF $650, AT VARIOUS LEVELS OF WIFE'S EARNINGS

Average monthly earnings of wife	Total monthly benefit for couple	
	Present law	H.R. 6500
	$323.00	$323.00
$25	327.00	337.80
$50	327.00	348.40
$100	327.00	369.80
$150	327.00	391.00
$200	327.00	412.40
$250	333.00	433.80
$300	345.10	455.00
$350	358.40	476.70
$400	371.60	497.60
$450	383.00	519.00
$500	395.50	540.40
$600	422.00	583.00
$650	436.00	604.20

CONGRESSIONAL CONTROL OF BUDGETARY OUTLAYS

(Mr. WHITTEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHITTEN. Mr. Speaker, the Joint Committee of the House and Senate on Congressional Control Improvement and Congressional Control Over the Budgetary Outlays has filed its report and introduced a bill carrying out those recommendations.

The gentleman from Oregon (Mr. ULLMAN) and I are cochairmen on the part of the House, as the Members know. I am glad to say that all 32 Members of this joint committee have joined in introducing this bill.

Mr. Speaker, today inflation threatens this country far more than any other thing I know of. This is an effort by experienced Members of Congress, the House and Senate, to obtain better control over the budget. It provides for a budgetary expert on a full-time basis, who is responsible to the Congress. The report presents the goals toward which we are working, and provides that at the end of each session, if by chance we have approved more spending than we have agreed on in advance, we will provide the necessary additional taxes to finance it.

Mr. Speaker, I commend these recommendations to my colleagues. The report outlines the details and in my extension of remarks I will include a summary of the proposed organization and procedures.

Mr. Speaker, I want to repeat again that all 32 members of the joint committee have joined in introducing this bill, and I commend it to your attention.

The membership includes:

Co-Chairmen: Jamie L. Whitten, *House Appropriations;* Al Ullman, *House Ways and Means.*

Co-Vice Chairmen: John L. McCellan, *Senate Appropriations; Roman L. Hruska,* Senate *Appropriations;* Russell B. Long, *Senate Finance;* Herman T. Schneebeli, *House Ways and Means.*

Senate Appropriations Committee: John C. Stennis, John O. Pastore, Alan Bible, Milton R. Young, Norris Cotton.

Senate Finance Committee: Herman E. Talmadge, Vance Hartke, J. W. Fulbright, Wallace F. Bennett, Carl T. Curtis, Paul J. Fannin.

Senate at Large: William Proxmire, William V. Roth, Jr.

House Appropriations Committee: George H. Mahon, John J. Rooney, Robert L. F. Sikes, Elford A. Cederberg, John J. Rhodes, Glenn R. Davis.

House Ways and Means Committee: James A. Burke, Martha W. Griffiths, Dan Rostenkowski, Harold R. Collier, Joel T. Broyhill.

House at Large: Henry S. Reuss, James T. Broyhill.

BUDGETARY CONTROL

(Mr. ULLMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, I want to concur in the remarks of my able and distinguished friend, the gentleman from Mississippi (Mr. WHITTEN) the cochairman of the Joint Study Committee on Budget Control. It is unusual to have cochairmen on a committee of Congress, but I think in this case it has proved to be highly desirable. We have in this manner been able to bring together important considerations both from the point of view of the appropriations committees and from the standpoint of the tax committees. My able and distinguished colleague from Mississippi (Mr. WHITTEN) has proved to be a really hard working and creative individual in this effort. Without his contributions, I do not believe we could have succeeded.

The report which we submitted today represents the recommendations of the joint Study Committee on Budget Control for improving congressional control over budgetary outlay and receipt totals. At the same time, we have introduced a bill, H.R. 7130, to carry out the recommendations of the Joint Study Committee. This bill has been referred to the House Rules Committee. An identical bill has been introduced in the Senate, S. 1641. That bill was introduced by Senator McCLELLAN who is a vice-chairman of the Joint Study Committee.

H.R. 7130 was cosponsored by all 16 of the House members of the Joint Study Committee. Similarly, S. 1641 was cosponsored by all 16 members from the Senate on the Joint Study Committee. I know of no comparable piece of legislation which has received unanimous backing from such a large group as this. The membership of the committee includes not only members from the House Appropriations Committee and House Ways and Means Committee but also members representing the legislative committees generally. A similar representation came from the Senate side.

All of these members believed that we have worked out a good bill to deal with the problem that Congress faces; namely, a bill to consider the budget as a whole under a procedure which enables us to establish our own priorities. We all know too well how the executive branch will establish those priorities for us if we do not do it. Wholly apart from that, it is my view that the Congress wants to be fiscally responsible, but we have had no institutional procedures in the past to make this possible.

The idea here is to create a budget committee for the House and for the Senate—not fundamentally new committees but ones rather which are representative of the financial committees of the House and Senate and which at the same time has a substantial representation from the legislative committees at large. The committee we have established would consist of seven members from the Appropriations Committee, seven members from the Ways and Means Committee, and seven members from the legislative committees generally. A similar committee would be set up on the Senate side.

This committee would be served by a joint staff headed by a legislative budget director. This is to be a nonpartisan professional staff which will provide essential functions for the House and Senate budget committees and will also be available for use, and for budget analysis, by all Members of the House and Senate, whether or not they are on the committee. I will pledge my effort to whatever extent I have influence in this regard to assure the House that this staff and its director will be available for use by the entire House membership. I think it is absolutely essential that we have this type of technical knowledge made available to us, if we are to construct what amounts to a legislative budget.

We will construct the legislative budget by reporting out early in each session a concurrent resolution indicating the committee's view as to the appropriate outlay level, the appropriate new budget authority and the appropriate level of revenue. This same resolution would also allocate the budget outlay total and the new budget authority total among the various subcommittees of the Appropriations Committee and also on a program basis to any other committees which may be involved in determining spending.

Once this resolution reaches the floor, any Member of the House will be free to offer amendments either with respect to the totals on budget outlays and new budget authority, or as to how these funds are divided up. To me, this is the feature of the bill which gives assurance to the House and to the Senate that the full membership can work its will in arriving at the appropriate figures. Any member can offer an amendment increasing expenditures for program A so long as he at the same time indicates where the additional funds for program

A are to come from. He can indicate that they will come from decrease in program B, or he can indicate that they will come from increasing the expenditure total. He has his choice. I foresee this as a comprehensive House floor debate on the budget—something that we have been missing—and it will make the difference between congressional control over the budget and no real effective control.

The Senate, of course, would take similar action on the concurrent resolution which we send over to them, and any differences will be worked out in conference.

We, of course, recognize, that early in the session it is difficult to arrive at fully satisfactory totals and allocations. We recognize that there must be flexibility because more information is available later in the session and also events themselves may require changes. In effect this is what occurs when the President first presents his budget and then subsequently presents what is known as the midyear review. Congress also would have its review toward the end of the session, and at this time it could change these totals if it found this desirable.

Another feature of the bill in my opinion is also especially important. The concurrent resolutions presented to the House and then subsequently to the Senate will carry a figure indicating what is believed to be the appropriate deficit or surplus in view of economic conditions and other important factors affecting our economy. If the expenditures called for in the concurrent resolution for expenditures and receipts create a larger deficit than is desirable from the standpoint of the economy, then before additional appropriations can be made available, provision is also to be made for imposing a tax surcharge on individuals and corporations.

Provision is also made for the tax committees to change this from a tax surcharge to some other form of taxation, if they consider that appropriate. The idea here is to use the tax surcharge as the last way of giving us a fiscally sound policy, if we otherwise are unable to work this out in terms of our expenditure and revenue totals. Frankly, I hope and expect that this will be used rarely. I think it is important, however, to have this device available to us.

There are many other features of this bill which I commend to you. Perhaps the best way to get a good understanding of it is for you to read the recommendations which we have submitted in the report filed today. A summary of the recommendations can be found beginning on page 1 of the report, but I believe that you will find the entire report one of substantial interest to you. Because of its importance, my cochairman JAMIE WHITTEN and I have provided for its distribution to each of your offices tomorrow.

At this time I would like to compliment the staff on its diligent work in carrying out the committee's instructions. We have made use of existing staffs on the Hill in carrying on this project because in the short time we have had available to prepare this report—namely, since the first of this year—it would have been impossible to train new staff for this purpose. Those who have so ably assisted us in that respect are listed in the committee report.

Mr. Speaker, it is my judgment that this is one of the most thoroughly worked out and comprehensive pieces of legislation which has been introduced in this body for a long time. The concept of a congressional budget encompassing one of the most far-reaching changes in the fiscal operations of the Congress that I know of.

BUDGETARY CONTROL

Mr. SCHNEEBELI. Mr. Speaker, the earlier speeches made by my colleagues the gentleman from Oregon (Mr. ULLMAN) and the gentleman from Mississippi (Mr. WHITTEN) have the full endorsement of all 16 Republican members of the Joint Budget Committee. The recommendations of the bipartisan committee constitute responsible, necessary, and forward-looking legislation and should afford the Congress a good mechanism with which to meet its responsibility for effective budgeting control.

It is quite obvious that as a legislative body we have passed the point of no return—we must face up to our responsibility and enact legislation in this area at this time.

Our committee has had the advice and counsel of much of the best congressional expertise in the field of budgetary control and I feel that the committee is recommending good legislation.

Our committee hopes that all the Members of Congress will give careful study to the recommendations, following which it is believed that most of the Members will give their approval to the committee study.

MORE SHADOWY OPERATIONS IN RELATION TO THE BIG GRAIN DEAL

(Mr. MELCHER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, the Commodity Exchange Authority certainly has a queer concept of public regulation when it allows accused parties to investigate themselves and carefully try to keep hands off when complaints are lodged against commodity markets.

Recently the American Bakers Association filed a complaint that the wheat future market was rigged to boost Federal export subsidies to U.S. grain firms in connection with the big grain sale to Russia.

Following an almost unbelievable policy for regulatory agencies, Commodity Exchange Authority handled this complaint of a responsible group by assigning the investigation to one of their own men who in turn called upon the Kansas City Board of Trade to conduct the actual investigation. Nowhere in any other regulatory agency can I find a parallel for asking a group who is being charged with wrongdoing to conduct the investigation to ascertain whether the complaint is valid.

It is time the commodity markets were placed under strict, impartial supervision of their day to day activities. The CEA must no longer tell them if they have dirty linen they can wash it themselves in private as they have been doing. With billions of dollars being traded in commodity futures—and the amount is growing rapidly as described by legions of commodity traders seeking investors—we can no longer permit the Commodity Exchange Authority's ridiculous policy to continue.

I am not advocating that the commodity markets end their own self-policing. That should be a part of their function as good business people; they should try to conduct their business so it will not be subject to criticism by a regulatory agency. But their current self-policing is certainly subject to criticism. Parties against whom charges have been made should not be allowed to serve on the investigating committee, as occurred in the Business Conduct Committee's investigation of the bakers' charges.

I have had complaints previously that a similar situation occurred in Chicago, not too long ago, where traders who were short on pork belly futures were allowed to investigate a market situation and take action on it detrimental to those who were long, in their own financial interest. It seems almost elementary that business conduct and ethics committees of the exchanges should see that such panels are unbiased—not packed with partisans.

But whether the exchanges reform their internal policing or not, certainly any Government regulatory agency that turns its responsibility to conduct an investigation over to the exchange against which the complaint has been lodged is completely avoiding its own responsibility.

There can be no justification for letting the Kansas City Board of Trade handle the investigation of a complaint made to the Federal Commodity Exchange Authority against occurrences at the Kansas City Board of Trade. Such impropriety is only compounded by the fact that the Kansas City Board of Trade in turn allowed officers of the large grain companies who sold wheat to Russia, against whom the complaint was lodged, to serve on the investigating team.

Congress has an obligation to take prompt action to rectify this situation. We should see to it that the agency regulating commodity exchanges make their own thorough and impartial investigations of irregularities or market rigging when complaints are lodged with it. We must see to it that, with billions of the public's money involved in the markets' transactions, that they are not shielded but are subjected to full public scrutiny.

The Commodity Exchange Authority must be completely reformed or abolished and replaced.

For the information of Members, I am placing in the RECORD an article by George Anthan and James Rissner of the Des Moines Register revealing how a lid of secrecy has been clamped on the investigation of complaints made by the American Bakers Association, charging irregularities at the Kansas City Board of Trade, and the manner in which that investigation was turned over to the board itself, which then allowed officers of firms involved to handle the case.

COMMODITIES PROBE VEILED WITH SECRECY—DOUBT SELF-POLICING IS EFFECTIVE

(By George Anthan and James Risser)

KANSAS CITY, Mo.—Federal officials and professional grain traders have clamped a lid of secrecy on an investigation into complaints of price manipulations in the wheat futures market here at the time of last summer's grain sales to Russia.

Shortly after receiving a complaint from the American Bakers Association that the market was being rigged to boost federal subsidy payments to U.S. grain export firms, the federal government turned the matter over to the Kansas City Board of Trade for investigation.

THE PROBERS

The board assigned the task to a committee composed of professional commodities traders, some of them representing large grain exporters who sold wheat to the Soviets.

After what board officials call " a thorough investigation," the committee decided there was "no basis for complaint."

But offcials of the Board of Trade, which was the scene of hectic wheat futures trading during the big Russian grain deal, refuse to make public their report on the alleged price rigging.

They will not discuss the procedures followed by the board in investigating the complaint, which was directed at its own members. Also, board officials refuse to make public the trading records upon which they based their decision that there was no price rigging.

At the same time, officials of the U.S. Commidity Exchange Authority (CEA), which turned the case over to the board, refuse to discuss the case or to reveal what the agency itself is doing to determine independently if there is merit to the bakers' association complaint.

POLICE THEMSELVES

The Kansas City case points up the CEA's long-standing practice of permitting the commodity exchange to police themselves, a policy that has drawn severe criticism from the inspector general of the U.S. Department of Agriculture (USDA), parent agency of the CEA.

Inspector Gen. Nathaniel Kossack, in a 1971 internal report only recently made public, declared that the CEA no longer should rely primarily on professional traders at the exchange to investigate alleged commodity market abuses.

He said there was no assurance that the exchanges were complying with the law and carrying out their responsibilities under the system.

Kossack also questioned whether the traders who make up the exchange regulatory committee "could render an objective decision."

This is disputed by Kansas City Board of Trade President Hearne Christopher, who said the wheat price-rigging charge resulted "in a very thorough investigation," but insisted the report is "highly confidential."

Christopher, who heads a brokerage firm that deals both in commodities and stocks, said the exchange's report was turned over to the CEA and that it would be up to that agency to make it public.

NO OUTSIDERS

On the question, generally, of whether the commodity exchanges should be allowed to investigate complaints against their members, Christopher said: "We are better qualified to judge that than outsiders."

Christopher, like many other top commodity market officials, emphasizes that professional traders have a major stake in insuring the markets operate legally and in the public interest.

"It means a lot more to us in the business because we want this futures market properly handled," he said. Stressing that the exchanges are vital to orderly marketing of commodities, he said: "We don't want anything to mar or disturb that in any way. Why wouldn't we want to regulate ourselves and punish those who are violators?"

But the man who made the original complaint to the CEA, Joseph Creed, general counsel of the American Bakers Association, expressed surprise later in Washington when he was told the matter had been referred to exchange officials for investigation.

"I had just assumed," said Creed, "that when you filed a complaint with the CEA, that they have the personnel to investigate it."

CEA PROBE?

Creed said the CEA informed him July 23, 1972—two days after he filed the complaint—that it was being turned over to Sam Gordon, director of the agency's regional office in Kansas City, for investigation.

Asked how he had handled the bakers' complaint, Gordon refused to answer, saying only: "You'll have to ask our administrator, Mr. Caldwell, in Washington."

Gordon was asked to provide some details on the handling of the case by the Kansas City Board of Trade, but gave the same response.

Alex C. Caldwell, the CEA's administrator, said in Washington that it has been "long-standing policy" not to reveal any details concerning complaints to the CEA. He would give no details on the current status of the case.

Creed, of the bakers' association, said of this procedure: "I'm always finding out something new about my government.

"I suppose, in a sense, turning this over to the exchange is like if you allow a criminal, if such it is, to determine if he really violated the law. I was completely unaware they turned this over to the exchanges."

WORKED UPWARD

The bakers contend there are indications that during the period July 11 through July 23, 1972, wheat futures prices in Kansas City were manipulated upward to artificially raise the government export subsidy, which is paid to firms handling overseas grain shipments.

In his letter to CEA Administrator Caldwell July 26, Creed stated:

"Our office has received expressions of concern from some of our members concerning recent price movements in the Kansas City wheat market. Their concern is that, despite the large surplus of wheat, the domestic price level in the past few weeks has moved upward very strongly. They are aware, of course, of the agreement with the Russians to purchase substantial quantities of wheat and the impact that this obviously has had pricewise on commodity markets."

Creed continued: "However, they point out that on at least two days, specifically July 11th and 19th, final purchases of September futures were made at prices higher than levels which prevailed during the day.

"Since the export subsidy on wheat is based on the preceding day's market prices, these last-minute purchases on the 11th and 19th had the effect of raising the subsidy payment on exports for the following day, thereby benefiting wheat exporters. This, in turn, resulted in domestic futures moving to levels higher than warranted by supplies."

Some officials at the Board of Trade and one long-time observer of trading there contend the bakers complained because they had waited too long to buy wheat they needed for flour, and that they were upset at price advances that were only natural outgrowths of increased demand.

But Creed said that explanation is "too simplistic." He said: "This complaint was made by professional traders and buyers. We just said that if there was something going on, we wanted it stopped."

Walter Vernon III, secretary of the Board of Trade, insisted that the exchange's report on the bakers' complaint, though it found no price-rigging, "was not a whitewash." He said it involved "weeks and weeks" of investigation.

Vernon and board president Christopher did disclose that the investigation was conducted mainly by the board's Business Conduct Committee.

At that time, the committee was headed by an official of Christopher's Company, and its members included a vice-president of Continental Grain Co. and an official of Garnac Grain Co., two major firms that were heavily involved in buying wheat for export to Russia.

This year, the committee includes officials of Far-Mar-Co., and of the Pillsbury Co., both major agribusiness companies. The current committee chairman is the Continental vice-president.

The board's Complaint and Investigations Committee is headed by an official of Garnac Grain Co. One of its members is with Cargill, Inc., and the other is with Louis Dreyfus Corp., both major grain exporting firms that handled substantial portions of the Russian grain deal.

Initially, Des Moines Register reporters were assured the Board of Trade would cooperate in revealing details of its investigatory procedures by explaining how its officials handled the American Bakers Association complaint.

Horace W. Johnston, vice-president of Simonds-Shields-Theis Grain Co. and Board of Trade president in 1972, indicated information on the investigation was available from Vernon, the secretary.

Johnston had offered to assist in examining the files if Vernon, who is new in the job, was unable to explain them fully.

Johnston's own view was that the Business Conduct Committee had made a thorough study and that there was no "rhyme or reason" for the price-rigging complaint. He said, however, that board officials act upon all complaints quickly to dispel any charges of favoritism.

Later, however, current board president Christopher refused to permit inspection of any records or *reports dealing* with the board's disciplinary actions and investigations, even if the names of individuals and companies were deleted from the documents.

Critics of the CEA's regulation of the commodity markets contend the reliance of the agency on the exchanges to police themselves gives little assurance to the public that charges of price-rigging and other abusive practices are adequately investigated.

USDA Inspector General Kossack expressed concern in his report that the CEA has no effective system of surveillance that would bring to its attention serious deficiencies in the self-regulatory functioning of an exchange.

And Kossack's report states the CEA "only rarely" questions actions taken by the exchanges in regard to a penalty imposed on a violator.

In the Kansas City case, Christopher said of the Board of Trade investigation: "We made our report to the CEA. If they come back to us, which I don't think they will, we'll give them any substantiation or back it up if they want."

WHEN WILL IT END?

(Ms. ABZUG asked and was given permission to address the House for 1 minute, to revise and extend her remarks and include extraneous matter.)

Ms. ABZUG. Mr. Speaker, the troops and the POW's are home now—but the United States is still bombing Cambodia daily, and has now started bombing Laos, and our Defense Appropriations Subcommittee has just approved $150 million for this illegal activity.

Article 20 of the Vietnam agreement ruled out foreign military activity in Laos and Camobdia as well as in Vietnam. But it did not say when this activity had to stop. Administration officials, according to the New York Times, have maintained that under a private understanding with North Vietnam, the United States was permitted to continue bombing in Laos and Cambodia until cease-fires were worked out in those countries. But Dr. Kissinger had assured us that there were no "private understandings." A cease-fire in Laos in February brought a halt to the bombing, which is now resumed, because of alleged North Vietnamese violations. A unilateral cease-fire announced by President Lon Nol in Cambodia brought a temporary halt to U.S. bombing—which was resumed as soon as insurgents threatened to topple the Lon Nol government.

In short, we are still doing precisely what we did in Vietnam: giving military aid to regimes that are merely strawmen for the Nixon administration and could not survive without its aid.

Deputy Secretary of State Arthur W. Hummel told Senator KENNEDY's committee he could not "with any confidence predict in the very near future the beginning of negotiations." That is to say, in effect, that the United States is still deeply committed to involvement in Indochina—an involvement repudiated overwhelmingly by the American people, an involvement which violates the cease-fire agreement, the Paris Accord, and our own Constitution.

Why do we sit here and permit this to continue? Many bills, including my own, have been introduced to terminate this war immediately and prevent any reinvolvement. But nothing is happening.

What is the House Foreign Affairs Committee doing to investigate the situation and move legislation? What is the House Appropriations Committee doing to cut off funds for this war? The Cambodian bombing alone is said to cost us $4.5 million a day—what is the new bombing of Laos costing?

Why are we not asking the administration what kind of priorities justify cutting off aid for the old and the poor and the middle-income citizen, to spend millions bombing Asians in their homeland?

There are now a million refugees from the Cambodia bombing alone—and half of them are children. Executives of relief services say the situation "defies description" with malnutrition, food shortages, and the real specter of starvation.

Their plight is no less urgent because American troops are not there; American bombs are. And if we continue, there will soon be American fliers shot down, and more POW's, and more "justification" for intervention, and the whole cycle will start up again; it has never really stopped.

Only the Congress can stop it.

TRANSPORTATION STRIKES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RONCALLO) is recognized for 60 minutes.

Mr. RONCALLO of New York. Mr. Speaker, I rise to deliver my maiden speech before the House with whatever hesitancy I may otherwise have had at the thought of addressing this august body overshadowed by the urgency of the problem I wish to discuss and the overriding need for its early solution by this Congress. The problem I refer to is the one created by the massive strikes which regularly erupt in this country, crippling the economy and threatening the national health and safety. The worst of these crippling strikes in recent years have occurred in the transportation industries, particularly on the railroads and among longshore workers. These large-scale work stoppages have become increasingly frequent, despite the Government's best efforts to prevent them under the two major Federal statutes which regulate labor-management relations. The two statutes I refer to are the Railway Labor Act, which lays down collective bargaining standards for railroad and airline employees, and the Labor-Management Relations Act of 1947, popularly referred to as the Taft-Hartley law, which covers labor matters in all industries in commerce other than the rails and airlines.

Even as we deliberate here today, dark clouds gather ominously on the labor horizon—clouds which presage possible storms of strikes, lockouts, and general labor unrest. Tomorrow, April 19, marks the expiration of the 90-day cooling-off period in the deadlocked Long Island Railroad contract negotiations, a cooling-off period which only through the good offices and personal intervention of the Secretary of Labor temporarily ended a 7-week walkout of over 6,000 employees of that carrier.

Failing settling of this dispute by April 19, what then? Gratefully I understand this strike will be settled. Will we see the resumption of this painful strike, this depressing spectacle which already has severely disrupted a metropolitan area of over 15,000,000 people and prevented that area from making its full contribution to the economy of the Nation? All procedures of the Railway Labor Act have been exhausted in connection with this impasse, without accomplishing a settlement. The same can be said about the crew consist dispute between the sadly buffeted Penn Central Railroad and the United Transportation Union, a dispute which led to a 1-day strike of 28,000 rail employees on February 8 of this year. That strike was terminated only through special emergency legislation by the Congress—legislation which did not end the strike with finality but only postponed it until May 9, less than a month from now. What will happen then? Will the Congress be forced once again to form itself into a 535-person arbitration panel to ram through, under the most unfavorable, hurried, and political of conditions, some sort of mandatory settlement to the impasse?

We are all aware that 1973 will be a busy year for labor-management contract negotiations, with some very major agreements coming up for renegotiation. We also know that the resurgence of inflation in this country and the uncertain state of the phase III wage-price control program will complicate these negotiations and make it harder to reach agreements without strike or lockout.

More than half a million railroad workers, belonging to 16 individual unions, are covered by contracts which expire on June 30 of this year. This will be the first time since enactment of the Railway Labor Act in 1926 that the contracts of so many rail unions will end on the same date. The press has been playing up the tentative accord for renewal of these contracts already reached by the unions and the carrier, but what has not been publicized is the fact that the accord must be ratified by the membership of at least some of the unions involved. The constitutions of some of the labor organizations require ratification by the union membership before the agreement can be accepted. The membership of at least two of the organizations, the sheet metal workers and the machinists—two of the Nation's toughest bargaining unions—are already balking about ratifying the agreement. These negotiations are still far from certain as to their outcome. They represent a very real danger zone on this year's labor-management horizon.

Other major contracts in the transportation industries are expiring soon. The Teamsters national master freight agreement, covering 450,000 workers, expires the same day as do the rail contracts—on June 30, only a little more than 2 months from now. The next day, July 1, will see expiration of the contract which now covers the 15,000 west coast longshoremen. The negotiation of that longshore contract, as we all can ruefully recall, was not achieved until after a strike of 135 days in 1971 and 1972.

On February 21 of this year, I introduced a bill, H.R. 7131, cited as the Emergency Public Interest Protection Act of 1973 and referred to the House Commerce Committee, which is intended to provide more effective means for protecting the public interest in large-scale labor disputes affecting the transportation industry. I sincerely believe that my bill will protect the public welfare, whereas present Federal law does not do so in any effective way, and at the same time will assure continuance of a free and vigorous collective bargaining climate such as exists today.

In many respects my bill is similar to the strike-settlement recommendation made by President Nixon in the 91st and 92d Congresses, but in a few very important respects my bill, I believe, is an improvement over that proposal. The President's recommendation to the 91st Congress was made on March 2, 1970—transmitted as House Document No. 91-266—the proposal in that Congress was introduced by our distinguished majority leader GERALD R. FORD as H.R. 16226 and by Senator GRIFFIN as S. 3526. The President repeated his proposal in the 92d Congress, on February 3, 1971—transmitted as House Document No. 92-43—it was introduced in that Congress as H.R. 3596 by Representatives STAGGERS and SPRINGER and as S. 560 by Senator GRIFFIN and others. Hearings on the President's recommendation and other strike-settlement proposals were held by the House Commerce Committee and the Senate Labor Committee, but unhappily neither committee reported out a bill. Had they done so, we would not now be faced with the current sorry state of affairs.

My bill is similar to the administration's proposal in the following respects. First of all, it seeks to protect the health and safety of the Nation against damaging work stoppages while at the same time keeping collective bargaining as free as possible from Government interference. It covers labor disputes only in the transportation industries—that is, the railroad, airline, maritime, longshore, and trucking industries. The Nation's experience has shown that the area in which work stoppages have created the greatest problem is transportation; our highly interdependent economy is extraordinarily vulnerable to any major interruption in the flow of goods.

My bill, like the administration's proposal, would abolish the Railway Labor Act and bring the rails and airlines under the Taft-Hartley law. The Railway Labor Act has proved to be very ineffective in settling major labor disputes, especially those relating to work rules. Most observers agree that the act actually discourages genuine bargaining in many instances. The major deficiencies of the Railway Labor Act do not appear in the Taft-Hartley Act. Therefore, it seems logical to abolish the Railway Labor Act and concentrate our best strike-settlement procedures in one statute—the Taft-Hartley law, especially so since whatever justification may have existed in the early years of the 20th century for a special labor law for the railroads no longer obtains.

Like the administration proposal, my bill would provide the President with three new options following the 80-day cooling-off period provided for in the present Taft-Hartley law in cases of emergency-creating work stoppages. The three options, in my bill as in the administration proposal, consist of a further cooling-off period, partial operation of the industry, and final offer selection—although, as I shall explain later, my version of final offer selection differs from the President's recommendation. These options may be exercised only if the 80-day cooling-off period failed to produce a settlement, and only subject to the provision that either House of Congress would have the opportunity—within 10 days—to reject the Presidential option under a procedure similar to that established by the Reorganization Act of 1949.

However, whereas the earlier plan would permit him to select only one of the new optional procedures, my bill would allow him to invoke the options, subject to congressional veto, in succession or even in combination—until settlement is reached. For example, he may invoke the partial operation and final offer selection options concurrently, or consecutively.

Another major difference between previous proposals and my bill, H.R. 7131, is in our versions of final offer selection. The other version already is well known. It would require each of the disputant parties to submit a final proposal—or two, at the party's option—for full resolution of all the issues in the controversy. An impartial 3-member panel, using prescribed selection criteria, would choose without modification one of the final offers as the binding settlement of the dispute. The panel may pick no settlement other than one of the final offers; the panel's determination, unless found to be arbitrary and capricious by a Federal district court, would become the contract between the parties.

When the President first introduced his plan for final offer selection, it was called by the press "innovative," "imaginative," "ingenious." Soon thereafter, however, the criticisms began. The plan was seen as too rigid, too inflexible. It was viewed as an all-win or all-lose proposition, with no room for compromise, for face-saving by union leaders or management personnel. One major weakness was clearly seen early in the game: that even the most reasonable offer might include some unreasonable provisions which would have to be accepted as part of the total package. Finally, such scanty empirical evidence as existed concerning final offer selection, in cases where it had been tried in State and local collective bargaining, indicated that it had proved to be largely unworkable. The evidence showed that the procedure might be feasible in disputes where the issue was wages and/or hours. But where the issues became less quantitative, in work-rules disputes, for example—such as are common in transportation impasses—the either-or requirement of that version of final offer selection made it a vehicle for producing arbitrary and capricious solutions—the very kind nobody wants. In fact, there is little doubt that one important reason why no strike-settlement legislation was enacted in the 92d Congress was that many Members of the Congress, though aware that something should be done, realized that final offer selection, as had been proposed, was an answer which would create more problems than it would solve.

My bill would revise the final offer selection procedure to make it a workable and equitable tool for major-strike settlement. Under my proposal, the final offer selection panel may look at the final offers on an issue-by-issue basis. The panel may select one of the final offers in its entirety, or it may settle each issue at some point within the boundaries submitted by the parties. To repeat, my proposal permits the panel to select on an item-by-item basis, and for each item to select either the exact offer of one of the parties or else some position between the offers.

So that there is no confusion as to whether or not disputes having a major effect on a single region of the country can be considered "National Emergencies," I have added language to specifically include regional disputes under the proposals.

Another feature of my proposal which should be noted is that, in cases of multiemployer bargaining, any agreement entered into by a labor organization or organizations with any of the employers shall be offered immediately to all the other employers party to the bargaining. The purpose of this provision is to prevent using an earlier settlement as a springboard to negotiate better settlements from successive employers, the so-called "whipsawing" technique.

I believe that my bill incorporates the best features of the President's former recommendations and improves and strengthens them as I have outlined to you today. I am pleased to note that my good friend New York State Senator John D. Caemmerer, chairman of the New York joint legislative committee on transportation is offering a similar measure in my home State. I welcome critical scrutiny of my proposal by labor, management, and impartial observers. I earnestly hope that hearings in both Houses will be conducted at the earliest date on strike-settlement bills, and that legislation along the lines of my proposal will be enacted soon in this session.

DISCUSSION OF THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 60 minutes.

Mr. MEZVINSKY. Mr. Speaker, members of the House Freshman Democratic caucus have requested the floor in order to discuss what we consider the critical need for Congress to assert its budgetary authority.

We realize that we plan to use an unusually long period of time, but we believe that our subject both necessitates and justifies it. As new Members, we are the latest product of the grassroots. And we can offer a fresh insight into the problems which confront us.

I think it is clear that there is a growing imbalance of power between the Congress and the Executive—and Congress is definitely getting the short end of the stick.

This is the result of the major offensive by the White House to take away our powers as well as a default on the part of Congress. The President has taken advantage of Congress by firmly stepping into the vacuum created by Congress inability to exercise its authority.

Our debate this afternoon, and into the evening, will focus on the budget bemause it represents the most glaring example of this problem.

Our hope is that by speaking out, we will be able to prompt our colleagues here in the House, and in the other Chamber, to join with us in a unified effort to make Congress rear up and take the offensive so it can plan its dynamic role in our Government.

I believe it is imperative that we act immediately to improve Congress to enable it to demonstrate that Congress can truly, effectively, and responsibly represent the public's voice in government.

I think most of you will agree that one of the primary issues during last fall's campaign was alienation of the voters who are turning off Congress because of its inability to enact changes.

Since the election, I think the disillusionment with government has grown rather than diminished.

The light in which Congress is viewed by the public has been further dimmed by the well-orchestrated public relations campaign unleashed by the President to unsell the public on the value of Congress.

The magnitude of the public relations campaign is as unbelievable as it is frightening.

The executive branch is spending millions of tax dollars—the money that we are supposed to control—to further its image, usually at the expense of ours.

The fantastic White House public relations machine is focusing on the budget now. Political appointees of the President are expected to make at least three appearances a week to promote and defend the Presidents' budget proposals. Plans have also been well mapped out to assure maximum use of the media for the selling of the budget.

The public relations men who crowd the White House are trying to mesmerize the public and sell Congress down the river.

This is why we have got to take the offensive and prove with our actions that Congress is not the varied assortment of budgetary villains that we are being made out to be.

We need to demonstrate, as Congress has in the past, that we are not spendthrifts who want to spend, spend, spend. I think we all agree that the President's proposed $268.7 billion budget calls for plenty of spending. And, I do not think any of us want to spend more tax dollars, and most of us believe that we can spend less. The record shows that during the President's first 4 years, Congress chopped off some $20 billion from the amount the President wanted to spend.

We must show the public that our quarrel is not over the amount of money to be spent, but rather how and where it will be spent.

We must demand, both of ourselves and from the executive branch, that Congress exercise its prerogatives over spending priorities.

And I think we have made a strong beginning toward this goal. Our joint study committee on budget control has unanimously endorsed the creation of a special budget committee in each Chamber.

We now need to dedicate our support to these committees and provide them the necessary resources to do their job effectively and enhance congressional budgetary control.

Making Congress as able as we are willing—to handle the budget—will be a long step toward solving another serious problem which confronts us and weakens Congress in the public eye. That is the inaccessibility of the President.

We, in Congress, are supposed to be our constituents' closest link with the Government. We are supposed to listen to our home districts and bring their message to the Federal Government—but somehow the message lies dormant in Congress. We cannot get through to the White House.

So far this session, the President has effectively ignored our existence.

We have been here for 4 months, and he is not yet felt inclined to come to the Hill and address us personally.

And the first months of this new session have shown our actions have little or no effect on his.

He has surrounded himself with the White House whiz kids—like Haldeman, Ehrlichman, Dean and Ash—whose influence on the direction of the Government is much greater than that of the 225 million people we represent.

These whiz kids are the ones with access to the President, not Congress. The President follows their advice, not congressional directives, on what Federal programs to carry out, which to cut back, and which to abolish. The most dangerous aspect of this situation is that none of the whiz kids are accountable to Congress or the public.

The longer Congress allows itself to be ignored by the White House, the greater the danger that the public will be mesmerized into believing that Congress' role is supposed to be no more than that of a debating society.

If as the people's branch, we cannot have an impact, then who are the people to turn to? As long as Congress is ignored, so are the people.

This is why we have got to rear up and take the offensive in order to return the power of decision to the hands of the people.

We must assert our authority and make Congress more of a force to be reckoned with than the President's friends.

To be successful, we must challenge the frighteningly broad interpretation of executive privilege that shields the whiz kids from our questions.

And we have got to test the legality of the Executive's growing classified stamp collection that now hides vital information from us.

We will discuss this and other areas in which Congress must move quickly and firmly to secure the power of the purse and bring the people back into this Government.

I believe we can do this without surrounding ourselves with men who used to sell 7-Up and Disneyland. That is the Executive's game, not Congress.

To reassert our authority as the people's branch of Government, we must unite among ourselves and inspire public confidence and support by actions that show that we can effectively respond to the needs and wishes of the public.

I include the following:

RESOLUTION

Whereas, this nation faces an increasingly grave constitutional crisis stemming from a growing imbalance between the Legislative and Executive Branches of the Federal Government; and

Whereas, the Congress, under the Constitution, has the sole authority to raise and appropriate the peoples' money and to set priorities for its expenditures; and

Whereas, congressional reform of the Budgeting Process for review and control of expenditures is needed to maintain constitutional congressional authority and responsibility for budgeting and establishment of national objectives and priorities; and

Whereas, a Joint Committee on the Budget composed of Democrats and Republicans, Senators and Representatives has been established in the United States Congress;

Now, Therefore, be it resolved that the undersigned freshman members of the 93d Congress hereby express their endorsement of the Joint Committee on the Budget and affirm their commitment to the people to assist the Congress in providing an adequate means for comprehensive congressional review of the budget and to formulate more equitable laws for the purpose of raising revenues and to reassert that the raising of these revenues and the establishment of national priorities is the responsibility and duty of the legislative branch of the government.

Edward Mezvinsky, John Breaux, Bill Gunter, Barbara Jordan, Wayne Owens, Gerry Studds, Ray Thornton, Ike Andrews, Jaime Benitez, and David Bowen.

John Breckinridge, Yvonne Burke, Ron de Lugo, Bo Ginn, Elizabeth Holtzman, James R. Jones, William Lehman, Jerry Litton, Gillis Long, and Clem McSpadden.

Dale Milford, John Moakley, Charles Rose, Leo J. Ryan, Patricia Schroeder, Fortney H. Stark, Jr., Charles Wilson, Antonio Won Pat, Andrew Young, and Lindy Boggs.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. MEZVINSKY. I am glad to yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, I want to commend heartily to the Democratic freshmen for their initiative in taking this special order in response to the administration's actions of impoundment, abuse of Executive privilege, and indiscriminate budgetary cuts.

Let us look at the facts. I have to agree with the gentleman from Iowa, the real issue of the confrontation between the Congress and the Executive is programs and priorities.

But the President is distorting the question to one of spending. Nixon's demand for a formal budget ceiling and his unfair and derogatory remarks about a big spending Congress are designed to conceal his real motive, which is seizing full control of the policymaking authority.

The truth of the matter is that when the President of the United States speaks out, whether he is on television or in a press conference, he gets the front page of every paper in the world. But when we, the leadership in the House, try to respond, we are fortunate if we get two or three lines on a back page.

I believe it is of great significance what the freshmen Democratic Members are saying here today, in trying to bring this to the public.

What is the President doing? He says that the Congress must fund everything in his budget, including the $13 billion deficit. The American people do not realize that the budget which has been sent to the Congress of the United States has a $13 billion deficit. The way Mr. Nixon talks, one would think this was a wild-spending Congress. It is the manner in which this administration has handled the economy since the election of 1968 which caused the $114 billion of deficits in the past 4 years.

The President says Congress can formulate no policy nor fund any program except that is in his budget. Well, it is a question of priorities.

He has asked for $268.7 billion. That is at least a $13 billion deficit.

We say that the priority is ours under the Constitution. We say that the first article of the Constitution gives to the Congress, both the House and Senate, the power to authorize, the power to appropriate.

The President has the right to sign legislation. The President has the right to veto legislation. But when we authorize and when we appropriate, and after he has signed the bill, then the Constitution says that he must spend the money.

But the truth of the matter is, he wants to formulate all the policy while the Constitution says the priority is ours. If the Congress initiates a program which he personally disapproves, he vetoes it; and if we pass it over his veto, as we did last year, he impounds the funds, thus committing an unconstitutional action.

If Congress overides his veto, he says that he will impound the funds, and that is what he has done.

Mr. Speaker, what are we trying to do about it? We should have the people of America on our side, and as I say, the polls now are fast coming over to our side. The last poll showed, I think, that 59 percent of the American people thought he was acting incorrectly in his efforts to thwart the will of Congress.

What are we doing here? Well, as the gentleman from Iowa (Mr. MEZVINSKY) stated, we have created a budget control committee which has recommended that Congress consider the budget as a whole, including its impact on the economy, the national debt, and the taxes. We have begun hearings on impoundment legislation, which would give Congress a way to deal with the President's high-handed and injudicious impounding of funds; and this legislation would reassert the congressional role in the funding and policymaking processes of this Nation.

Mr. Speaker, I want to congratulate, once again, the freshman Democratic Members for their study and for this innovative approach they have chosen here today to bring this issue before the American public.

Mr. MEZVINSKY. Mr. Speaker, I want to thank the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. MATSUNAGA. Will the gentleman yield?

Mr. MEZVINSKY. I am glad to yield to the distinguished deputy majority whip.

Mr. MATSUNAGA. I wish to commend the gentleman in the well for his leadership among the Democratic freshman Members of the 93d Congress, and for bringing to the attention of the Congress the truth which every Member of the Congress should take back to his State and to his district. That truth is that the issue which the gentleman discusses is not a partisan one; rather it is one which should concern all members of Congress, regardless of party affiliation, for it goes to the basic fundamentals of our system of government; namely, the separation of powers among three coequal branches. It is a system which is unique to our form of government and which has made this Nation the great nation that it is—a system which each of us in the Congress swore to uphold.

I plead with Members across the aisle to take it upon themselves as Members of that great body known as the Congress of the United States to help this cause in maintaining the equality of the Congress with the other two branches.

If we let the trend which we see now continue, that is, the usurpation of the powers of the Congress by the Executive, then in short order we will find that our system will decay as other democratic governments in the past have. We will then find that mankind's great dream of establishing and maintaining a true democracy on the face of this earth will have vanished.

Again I commend the gentleman and all those who will be joining him in bringing to the attention of the American people the great issue which now faces the American people and one which must be resolved if we are to continue as a nation in which the people court and govern.

Mr. MEZVINSKY. Thank you.

Mr. Speaker, I yield to the gentleman from Louisiana (Mr. LONG).

Mr. LONG of Louisiana. If I may, Mr. Speaker, I would like to direct this to the attention of the gentleman from Hawaii.

I have often heard of the analogy of what was going to happen to our country in the event of the continuation of the usurpation of power by the executive branch. It appears to me what has been commonly said is going to happen is not necessarily what is going to happen.

We look at it in terms of absolute power rather than just in degrees of power. The absolute power with respect to the running of the U.S. Government is in the people's branch of the Government—the Congress. The Presidency, the executive branch, can carry on no function at all without appropriations. What really worries me is the fact that if we are allowed to continue without negotiations and without politics, in the good sense of the term, of looking at his view and expressing our view—if we allow that to continue, we are likely to come to an impasse which can result in very, very catastrophic relationships which, in turn, could mean chaos and an impasse between the executive and the legislative branches of our Government.

If such an impasse does develop, it would appear to me that we, in the Congress, have to be the winner in any fight such as that.

I think in our dealings with the executive branch, should we not be dealing from a position of strength? We as the elected representatives of nearly half a million people which each of us represents have the absolute authority and the continuing authority with respect to the pursestrings of this Nation.

I may say I am not worried about our power eroding away at all, because I have always felt we could take it back if we have to, but let us think what would happen if we did.

I would appreciate the view of the gentleman from Hawaii on what would happen if this situation is allowed to continue and where we will be when the time comes, not for his consideration of the request that we have been making but when the time comes for our consideration of the requests that the executive branch of the Government starts making.

What if we are as inconsiderate, what if we are as irreconcilable as has been the executive branch with respect to our point of view, what effect does the gentleman think that would have upon the United States?

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. MEZVINSKY. I will be glad to yield to the gentleman from Hawaii.

Mr. MATSUNAGA. In response to the gentleman from Louisiana, I will say that we would have such a *chaotic situation* and an inoperable government, that we would not be serving the people whom we represent here in the Congress at all. Neither will the President of the Untied States be serving the people whom he claims gave him a mandate to do what he is doing. In truth, we would in time cease to exist as a nation.

Mr. MEZVINSKY. Mr. Speaker, I yield to the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. Mr. Speaker, I thank the distinguished gentleman from Iowa for yielding me this time.

Mr. Speaker, since the Continental Congress there has been recurrent tension between the Congress and the President on the issue of who controls Federal spending. That issue has returned with a vengeance. Actions by the President and inaction in the Congress have precipitated a genuine constitutional crisis as the national Government lurches toward a system of one-man rule on the crucial question of how and where the national Government is to spend money.

As freshman Members of Congress, we have a unique perspective on this crisis. Whereas we expect to endure a certain amount of individual impotence in terms of our ability to influence congressional actions and national policies we do not expect powerlessness of Congress as an institution. Whatever power we do have rests largely in the importance of our vote on national issues confronting the Congress, especially those dealing with the application of Federal funds according to national priorities. When the power and influence of the congressional role in this area declines, we are hurt the most.

We are here because the American people voted against monolithic government in the 1972 elections. They clearly wanted some restraints on executive branch power and they hope to get it by electing Democrats to Congress while a Republican President maintained control of the White House.

Article I of the Constitution spells out the powers of the Congress with the following words: "All legislative powers herein granted shall be vested in a Congress of the United States * * *" which "shall have power to lay and collect taxes * * * and provide for the common defense and general welfare of the United States." Article I further states that: "No money shall be drawn from the Treasury, but in consequence of Appropriations made by law." The Constitution describes the role of the President in article II by stating that "The executive power shall be vested in a President of the United States of America" who shall "recommend to (Congress) consideration such measures as he shall judge necessary and expedient" and "take care that the laws be faithfully executed."

These few words, encrusted with traditions, customs and statutes over the years, provide the basis for two coequal branches of the Federal Government, with the Federal courts supplying the third balancing force. The Constitution puts Congress at the center of Government, making laws and setting policies, while the President recommends or rejects congressional actions and administers what Congress decrees. This apparently neat division of administrative and policymaking powers between the President and the Congress is, of course, not nearly so neat in reality, nor should it be. Both branches of Government share these powers with the other.

But in control of the Federal pursestrings, the Congress is clearly meant to be preeminent. As described in the Federalist papers:

> This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any Constitution can arm the immediate representatives of the people.

The President annually recommends a plan of spending to the Congress, based on both congressionally authorized or mandated programs as well as new initiatives which the President recommends to the Congress. The President's recommendations are deliberated, adjusted, and then approved by the Congress.

In 1973, this delicate balance has been destroyed. The President, flouting the Constitution, laws, and tradition, is attempting to completely dominate all decisions about how and where the Federal Government is to spend money.

He has chosen the political gambit of demanding that his suggested budget be accepted in entirety without change or else the Congress will be responsible for increasing inflation or a 15-percent tax increase or both. In some ways this is a traditional political ploy used to overcome congressional opposition to a President's budget. The President is attempting to prevent the Congress from exercising its proper role in budget matters of setting the objectives the Nation should seek, deciding what share of the Nation's resources should be devoted to each of those objectives, and weighing program effectiveness and improvements that may be necessary to achieve those objectives.

These are not questions which the President alone should decide. These questions should properly be jointly decided on the basis of congressional consideration and amendment of Presidential recommendations.

The President goes even further however, by dismantling agencies and programs of which he disapproves or no longer sees a need for without awaiting congressional approval. I do not think that the Founding Fathers intended faithful execution of the laws to encompass death of legislation by execution. The Office of Economic Opportunity, the Hill-Burton hospital construction program, numerous aid to education programs, health training programs, housing assistance programs, all have been single-handedly terminated by the administration with only scant justification. Congress is told that these programs have either failed or accomplished their purposes. This cursory evaluation is completely inadequate.

The President is also vastly extending the discretionary power employed by previous Presidents to withhold from expenditure funds appropriated by the Congress. He has thus impounded billions of dollars for a wide range of programs without congressional authorization, thereby reversing legislative policies through executive power. These impoundments reflect a unparalleled contempt for the laws of Congress, as the President ignores appropriation laws which he has sworn to faithfully execute.

This practice is even more dangerous when the President and his advisors threaten to impound funds which might be appropriated as a result of the override of a Presidential veto. In other words, if the President should veto a congressional spending measure, which is a constitutionally legitimate practice, and the Congress then overrides that veto and directs that the funds be expended, the President would still refuse to spend the money. This trampling of the Constitution cannot be permitted.

This is not a complete list of examples of the Presidential power grab. The sweeping doctrine of Executive privilege employed by the administration threatens the Congress' access to information and has no basis in the Constitution. The administration is actively opposed to legislation which would reestablish the constitutional role of Congress in decisions about the employment of military forces abroad. There are still more examples of the Executive push for power, but this is more than enough evidence to disturb everyone who has even the most elementary understanding of the U.S. Constitution.

These Presidential actions constitute a fundamental threat to the constitutional role of the Congress as a coequal branch of Government. They are done in the names of efficiency and economy to overcome irresponsible actions or lack of action by the Congress. The President justifies his extra-legal actions as the only available means for controlling runaway Federal spending.

The administration points an accusing finger at the uncoordinated, piecemeal nature of the congressional appropriations process and says that Congress responds only to special interests and not national needs. Whatever it is called and however it is disguised this usurpation of congressional power must be recognized and reversed. If the Congress loses its power over the budget and Federal spending, it loses the essential core of its power to set priorities and programs for the Nation and to act as a check and balance to Presidential power.

Such loss of congressional power could not come at a worse time. This is a decade of major challenge and change. The Nation is reexamining its priorities, how money is to be raised to address those priorities, and what public functions should be carried out at which level of government. It is a time of discouragement with the progress and prospects for the ambitious programs of social change enacted in the 1960's. If the Congress and the people who elected us to represent them are to have any influence on the future directions of this Nation, we must have effective influence over the purse strings of Government.

There are many critics of the Congress who are convinced that this institution is incapable of responding to the challenge this crisis represents. They charge that Congress is hopelessly divided by parochial concerns and tied in knots by archaic procedures. The 20th century trend of increasing Presidential power and prestige is, they say, bound to continue, since it is impossible for 435 Members of Congress and 100 Senators to be galvanized into a flexible yet forceful partner in the federal system.

But Congress is not a static institution, as the major procedural reforms of the last 3 years demonstrate. I am convinced that Congress can reform itself and thereby regain and capably exercise the power of the purse. We not only can, but we must, and we must do it soon. The needed changes are clear and will be discussed in great detail by many of my colleagues. The exact details of these changes must become the priority business of this Congress. This is a difficult and tricky task, and everyone of us needs to consider and avoid the many pitfalls that await us as we search for the mechanisms and the statutes we will need to regain our prerogatives.

There is a desperate need for more and better information in Congress on the entire budgeting process. Information is the necessary prerequisite to control, especially when Congress is confronted with a budget that is best characterized by sham, sleight of hand and confusion. We must overcome the traditional reluctance of Congress to increase its own supporting services for fear of seeming indulgent and lavish with the peoples money. Increasing the information resources of the Congress will also threaten the executive branch's present near monopoly over information on the budget and programs it supports. Nonetheless, we must provide more staff and resources for such congressional investigative arms as the General Accounting Office and the new Office of Technology Assessment. At the same time, more concerted efforts at regular oversight and program review must be undertaken by every committee of the Congress.

The Congress must also develop new mechanisms for examining and shaping the budget in a coherent, coordinated manner which matches income and outgo and sets a ceiling on spending. However, the wide agreement in Congress on these general goals could well evaporate when specific proposals are drafted, since any such proposal concentrates powers over Federal spending in a few Members of Congress who may not be representative of the collective interests of Congress and the Nation as a whole. They also contain the potential for further rigidifying the appropriations process which already places severe limits on the ability of Members not on the Appropriations Committee to influence the appropriations process.

For example, when a spending ceiling has been adopted, it has been proposed that any floor amendment to an appropriation bill must be two pronged, that is, matching any proposed addition or subtraction from a program appropriation with a complementary addition or subtraction in another program. This increases the likelihood that appropriations measures will reach the House floor in a form which is all but final and unlikely to be changed. Some such sacrifices are necessary if Congress is to reassert its preeminence in fiscal matters, but we must weigh them carefully.

We must also press the attack on the executive practice of impoundment without in effect legitimizing the practice in the name of controlling it. We must consider the possibility of mandating expenditures through the use of such language as order, require, or direct in appropriations measures, thus denying the executive branch the flexibility which they have so widely abused.

But even beyond these tricky, debatable but crucial changes, the Congress must regain the will to govern. We cannot forget that last October the House passed a spending ceiling which surrendered all discretion over budget cuts to the President, reflecting Congress' appalling willingness to shrug off the responsibility for difficult decisions and leave them to the President. We must be willing to take the political heat involved in making hard choices between competing public needs. Recently, a U.S. district court ruled that the executive branch has been illegally abolishing the Office of Economic Opportunity without prior congressional approval. The court has thrown the problem back into the legislative arena. Yet, I fear that the Congress will not respond to this challenge by confronting the issue of the continuance of OEO, but will instead bow to Executive initiative and let the program die through lack of action. Millions of poor and forgotten Americans deserve better than that.

We must also resist the temptation to accede to the administration's tactics in this confrontation because we might agree with some of the program changes the President is making, or because we fear the political appeal of the inflationary/tax increase strawman he has constructed. The goal of a particular program termination cannot be allowed to justify the arbitrary means used to end it. The administration's political argument can be easily deflated by reminding the Nation that this administration in the short period of 5 years will have accumulated a Federal funds deficit of $134 billion or 26 percent of the total national debt, a deficit which would have been even greater if the Congress had not reduced every single budget request the President has made.

This is a battle the Congress must win. This is also a battle that Congress can win. The tools for victory are the Constitution of the United States and a Congress which believes what the Constitution says. Let us stiffen our resolve so that we can get on with the business of charting the course for the Nation in the years ahead.

Mr. STUDDS. Mr. Speaker, will the gentleman yield?

Mr. MEZVINSKY. I yield to the gentleman from Massachusetts.

Mr. STUDDS. I thank the gentleman for yielding.

I compliment the gentlewoman on her speech. It is eloquent; it is superb; and I want to add one observation.

While the gentlewoman was placing the Congress of the United States in its constitutional and historical perspective in terms of what is unique about this House in which we serve, I assume that before the evening is over we will not be uncritical of our own institution. This is not an evening which will simply be devoted to criticism of the executive branch of the Government. But while we are placing it in historical perspective—the House of Representatives—I think it ought to be pointed out what seems to me to be unique about our branch.

This is the only office in the Federal Government of the United States to which one can only be elected by the people.

In the Constitution as it was first written, that was the case. Members of the Senate were twice removed from the people. The Senators were elected by State legislators who were elected by the people. The Presidency was three times removed from the people because the President was elected by electors who were elected by the legislators who were elected by the people. Only the people's branch, the House of Representatives, was elected by the people.

The Constitution also provides for the Representatives a 2-year term of office, which I suspect in some emotional and personal ways many of us regret, but I submit it is every bit as sound today, if not more so than it was when the document was first written. This branch is supposed to remain directly in touch with the people. It is a sort of popular barometer directly representing the people.

The Senators were given longer terms of 6 years but the Senators, in the language of the 18th century, were supposed to have been aristocrats and dignified and aloof and removed and not as much in touch with the daily and weekly and monthly feelings and passions and emotions of the people, but it is uniquely our responsibility, in the House of Representatives, to be precisely responsive to the people. I think that at this point in the gentlewoman's remarks that historical perspective should be added.

Mr. Speaker, I commend the gentlewoman for her remarks.

Miss JORDAN. Mr. Speaker, I thank the gentleman very much for his comment.

Mr. Speaker, I thank the gentleman from Iowa for yielding to me so that I might talk about the constitutional perspective, and as we continue I hope I will have a further opportunity to make remarks.

Again I thank the gentleman for yielding.

Mr. MEZVINSKY. Mr. Speaker, I yield now to the distinguished Speaker of the House, the gentleman from Oklahoma (Mr. ALBERT).

Mr. ALBERT. Mr. Speaker, I thank the gentleman for yielding to me.

I am happy that I was able to get here and hear at least a considerable portion of the remarks of the very distinguished gentlewoman from Texas who has joined us this year. I would have been here at the time this special order started but I was rushed down to the National Portrait Gallery to join Mrs. Lady Bird Johnson in presenting a bust of the late Speaker Sam Rayburn to the Smithsonian Institution. I am sorry I was not here when the other speeches were made.

I concur in everything that has been said. I not only concur with what the gentleman from Massachusetts said but also I think he could have gone a step further. Not only is the House of Representatives the only body that is next to the people in all this vast Federal Government but the office of Representative is the only office in the land to which one can succeed, even after death or resignation, solely by election of the people. Senators can be appointed, and Presidents can be succeeded by Vice Presidents and others, but Members of the House of Representatives are just exactly what the term says. They are representatives of the people. They may only hold office by election of the people.

In that respect Representatives have, as I view it, a dual role. In the first place, they represent their districts. Every person is here by the same process that brings every other Member here, whether he has been here for 1 term or for 20 terms. He is an equal as a representative of the people. He has the same commission that the chairmen of the committees and the leaders of the House have. He is here with all the emoluments of the office and all the powers of the office.

The old statement we sometimes hear that new Members are to be seen and not heard is simply hogwash. It is the duty of every Member of Congress to represent his district. This is his first and essential duty: to bring the voice and the needs of his district into the national picture.

Every Representative here is not only a representative from his district, but he is a national Congressman. He is here to contribute to the sum total of the law of the land, and unless his district has input, we do not have all that we are capable of giving to the Nation.

This is the duty of freshman Members—and I do not call them freshman Members; I call them new Members, because there are no freshmen or sophomores here. There are Members of Congress, some having served longer than others.

It is the duty of every Member to uphold the prerogatives of his own district and the prerogatives of this House. This House is no better from generation to generation than those who serve in it. This House, in this generation, is the men and women who make up its membership.

But this House, in my opinion, is the most important democratic institution in the Nation. I did not say the most important institution. It is the most important democratic institution, because it is totally democratic. It has powers coequal with the Senate, but it has powers over the purse of the Nation that not even the Senate possesses, because only the House of Representatives can initiate revenue measures and appropriations measures.

The framers of our Constitution have often been called very wise men, and I think they were. I think their wisdom was seen first in what they set out to do: to build a country of free men and free women.

They set up a tripartite system of government; executive, legislative, and judicial, with the legislative the first branch mentioned in the Constitution, and the House of Representatives being the first discussed in article I.

But, in every crisis in the history of this Nation in which one body, one of the three legs upon which the Government rests, is the victim of oppression from another agency of the Government, or another department of the Government, the people suffer. We keep our liberties and our rights because we keep all three branches strong.

Following the Civil War, we almost had anarchy when they came very near impeaching a very good President, the first President Johnson.

The legislature practically took over, and we almost had legislative tyranny in this country at that time.

Today it seems to me that we have a President, whether well-intentioned or not, who is taking steps which if not checked will lead to what amounts to Executive tyranny. This country was not established to be the most efficient country in the world. It was established in an effort to make it the freest country in the world. It is only when we make a nation free, where justice prevails, where every person of whatever race, religion, or national origin, has the opportunity and the right to use his talents freely, only in such a country do we have great problems.

When the Founding Fathers set out to make us the freest country in the world, they laid the foundation for making this the strongest, the richest country in the history of the world, because they gave more and more opportunity to more and more people to participate. The history of our country has been a history of expanding democracy. It started out growing slowly to the democratic roles which Jefferson expressed in the Declaration of Independence.

I am glad the new Members of the House have taken this special order. I do not believe this should be the only special order they should take. I believe they should take special orders frequently and they should participate in the activities of their committees frequently. They should participate in the debate on the floor frequently.

New Members must prepare themselves now, not for the positions they will hold on their committees 5 years from now. They should do their thing this year.

We need you. We want you. We welcome you. You are going to make a contribution if you keep on going as you have started that will be equaled by very few new classes in the House of Representatives in my time.

Congratulations and best wishes to all of you.

Mr. MEZVINSKY. I thank the distinguished Speaker. Certainly on behalf of the freshman class we shall try to make this the dynamic body it was intended to be.

Mr. Speaker, I yield to the gentleman from Mississippi.

Mr. BOWEN. Mr. Speaker, I would like to discuss for a few minutes the critically important subject of impoundment, an instrument of policy by the present administration which has generated considerable debate here and around the country and is largely responsible for bringing the whole issue involving the relationship of Congress and the executive branch to a head.

History has again been cited by the impounders. So-called precedents claimed to have been established during our Nation's infancy have been hurled at us from the White House by spokesmen for the administration's newly conceived politics of impoundment.

Let us examine three of the most interesting cases of impoundment and discuss their relationship to the present situation.

Perhaps the most famous so-called precedent is Thomas Jefferson's impoundment of $50,000, appropriated by Congress in 1803 for gunboats on the Mississippi River. President Jefferson contended the famous Louisiana Purchase made the gunboats unnecessary and declined to spend the money for the purpose intended by the Congress. In his message to Congress, Mr. Jefferson said the Louisiana Purchase ended any immediate need for the gunboats, but the record indicates that President Jefferson did, however, spend the appropriated funds within a relatively short period, for improved gunboats.

Interesting enough, Jefferson used the phrase "deferred" instead of "impounded" when he held up spending the money for the 15 gunboats.

During the depression in the 1930's, Herbert Hoover, under extreme pressure to stabilize the Nation's rapidly sinking economy, withheld funds to effect savings in the Federal budget.

Mr. Hoover's attempts to avert economic disaster by controlling the rate of program implementation, of course, proved to be counterproductive and the electorate rather effectively ended his withholding policy in the 1932 elections.

Even Hoover, however, did obtain congressional approval for his economy cutbacks in contrast with President Nixon.

The next major disagreement between Congress and the executive branch over Presidential action circumventing the lawful authorization and appropriation of funds for specific purposes by Congress came in 1941, on the eve of World War II.

Franklin Delano Roosevelt announced that because of war emergencies, he was not going to allocate any funds for any water resource project that did not have an important national defense value. As Members know, the congressional outcry was bitter, but as in the case of Jefferson, national defense was the overriding issue, though there were clear differences of opinion about how that defense could best be served. War powers of Presidents, including preparations for what appear to be impending wars, always involve expansions of executive authority, rightly or wrongly, but President Nixon has not argued that the military survival of the Nation is involved in his actions.

Since World War II, impoundments have been largely in the area of military spending, where Presidents have exercised special authority as Commander in Chief, or Antideficiency Act impoundments to accomplish needed economies in programs.

We are now confronted with the most massive Constitutional crisis between the Executive and Congress on the question of impoundment in our history.

The truth is that Mr. Nixon is using impoundment as a de facto line item veto of the budget approved by Congress last year. This budget was, in most instances, approved by the President himself.

No President has in our history impounded so much money for so many programs for such unacceptable reasons. He has impounded 100 different programs and $8.7 billion, plus another $6 billion in contract authority, all in the name of fiscal responsibility.

But what kind of fiscal responsibility has the administration which now arbitrarily impounds and cuts off worthy programs actually practiced the past 4 years? As Speaker ALBERT so forcefully pointed out publicly on national television recently, the Congress has annually reduced the budget requests of the Nixon administration below the total requested amount.

More specifically, during the 4 years of Mr. Nixon's first administration, Congress cut appropriations by some $20 billion below the President's budget requests.

Despite these fiscal restraints by Congress, Mr. Nixon has succeeded in running up over $100 billion in deficits in only 4 years, more than all the combined deficits of the three previous administrations, dating 16 years back from 1968 to 1952.

Even today, there is every indication that Congress may, in the 1974 budget, vote to spend less than Mr. Nixon has requested. His proposed $268.7 billion ceiling has already been lowered to $268 billion by the Senate and I hope we in the

House can cut the budget as much or more.

Apparently the President wants Congress to appropriate a blank check for the White House to spend as it sees fit, perhaps for such curious priorities as 17 new helicopters for the palace guard, millions in flight pay for military personnel who do not fly, or reparations for Hanoi.

I believe in economy in Government, but I believe the Constitution makes both the Congress and President partners in the legislative process. Neither party has the authority to abrogate or ignore statutory obligations unilaterally. It matters not whether the President agrees or disagrees now with what he signed into law last year. The fact is that public laws authorizing and appropriating for these programs are still on the statute books and the President is required by the Constitution to see that the laws are faithfully executed. That he is not doing.

He is not making simple efficiency cutbacks, where less expensive means have been found to do a job, or making military judgments, or deferring expenditures within a fiscal year, but rather he is making massive legislative decisions about the value of dozens of major programs which have been administered for up to 40 years in this country.

He has given himself what the Confederate President had but what the American President never had—an item veto. He wants large sums appropriated so that he may administer what he pleases.

In some cases there is not even a pretense of economy being the issue, as in the recent veto of the farmers home sewer and water bill. The Under Secretary of Agriculture made it clear in testimony before our House Agriculture Committee that there would be no significant long-term savings under the President's impoundment action, but rather that the President has simply decided that the Environmental Protection Agency was a better place to administer the program than the Farmers Home Administration. The President, strangely enough, described the FHA program in his veto message as a "budget buster."

The transfer of this program, in my opinion, is a legislative decision, and I believe the American people understand this. I do not believe the American people buy the idea that just because the President is trying to accomplish a desirable goal—cutting Federal spending—that he is justified in resorting to any means he chooses.

Sadly, it was only a few years ago that a member of the legislative branch of our Government was trampling on the constitutional rights of American citizens and attempting to justify his actions by saying that the ends justified means whatever he found necessary.

One of President Nixon's recent Supreme Court appointees, William Rehnquist, summed up the constitutionality of the issue in this way:

> With respect to the suggestion that the President has a Constitutional power to decline to spend appropriated funds, we must conclude that the existence of such a broad power is supported by neither reason nor precedent.

I am pleased, as most of us are, by recent Federal court decisions holding that the President cannot refuse to administer laws which he does not care to administer. But I feel we in the Congress must protect our own rights and those of the American people by passing legislation in this area.

We may differ on whether Congress should approve of Executive impoundments before they are valid or whether they should be valid unless Congress dissents, but I hope we all agree we need to restore the constitutional balance between the executive branch and the people's branch of our great Federal Government.

Mr. MEZVINSKY. Mr. Speaker, I yield to the Delegate from the Virgin Islands (Mr. DE LUGO).

Mr. SEIBERLING. Will the gentleman yield to me for a moment?

Mr. DE LUGO. I am happy to yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I am scheduled to replace the gentleman sitting in the chair, and I thought I had better make my comments before I do.

I want to commend Mr. MEZVINSKY and you and the other freshmen for taking this time to address yourselves to this most fundamental matter as far as the survival of democracy and constitutional government in this country is concerned.

I think it is a noteworthy thing that the Speaker of the House and the majority leader have joined in this and made very memorable comments on your efforts and on the position this great institution finds itself in.

I was thinking today—as we discussed this matter in the Democratic caucus and the question of impoundments—of my study of Roman history when I was a schoolboy and how the executive gradually usurped the powers of the Roman senate and the senate gradually abdicated its powers until finally one, Julius Caesar, by a sweep of the hand, ended what was by then a farce and took over the supreme power. Democracy was dead after several hundred years in Rome.

That situation could occur here. Our Founding Fathers, who were steeped in classical history, had great concern about just that very problem. One of the reasons why they set up a system of checks and balances, as anyone could see who studies the Federalist Papers, was because of their fear of having executive dictatorship. It was that very fear which caused them to give the Congress the power of the purse and the power alone to make legislation and to require that the President faithfully execute the laws.

I think we would all concede over a period of time the Congress by its very inaction or by its transfer of blank check authority to the President lost some of that power it was given by the Founding Fathers.

Once power has been lost it is very, very hard to get it back, as we find, but never in our history have we had such a concerted assault on the constitutional character of our Government as we are witnessing today on the part of the President of the United States.

I happen to be one Member—and I am sure that is true of most Members—who wants the President to be respected and who does not want the President to be looked upon with scorn or fear on the part of the people of this country and one who is willing to accommodate the reasonable requests of the executive branch. However, we are beginning to realize what we are witnessing is a concerted attack on the very fundamentals of our constitutional system.

I think you are most in line with the real duties of a Congressman to be bringing this to our attention.

Mr. Speaker, I would also like to say I think in terms of the debate we had in the caucus this morning we should be very careful that we do not by further grant of legislative authority to impound, even though it is approved by legislation in the first place, that we do not grant any more authority than the Constitution itself gives. I think some very strong arguments were made that we had better take a very careful look at some of the legislation we are considering in that quarter.

I am not going to take more of your time, because this belongs to the new Members, but, having just been here for a little over one term, perhaps you might say despite my gray hair, I am a freshman at heart.

Mr. DE LUGO. I thank my colleague, the gentleman from Ohio (Mr. SEIBERLING).

Mrs. BURKE of California. Mr. Speaker, would the gentleman yield?

Mr. DE LUGO. I yield to the gentlewoman from California.

Mrs. BURKE of California. Mr. Speaker, may I just say at this point that I certainly join all of the freshmen and to say that as a freshman I am deeply concerned with the constitutional crisis, and most of all with the attempt by the executive branch and by the executive pen to destroy programs that have given so much hope to millions of people all over this country. What the executive is doing is by regulation eliminating some of the programs that grew out of the 1960's, that grew out of the poverty programs, and that grew out of the Democratic Congresses, and that grew through some of our great Democratic Presidents.

We have to speak out and say that we are going to try to support those programs, and we will make sure that those programs continue to exist, and to give some hope to those people who have no other place to look except to this Congress.

Mr. Speaker, I am greatly concerned about the critical situation in day care programs that is a direct result of this administration's usurpation of legislative prerogatives.

Specifically, I am referring to the proposed Federal regulations issued on February 16, 1973, relating to social and rehabilitation services for children, families, the aged, blind, and disabled.

These regulations, if allowed to be implemented, would have a serious impact on the lives of thousands of children and parents of low-income families in California and throughout the country.

It is estimated that 30,000 out of 45,000 federally eligible children now in California child care programs would be disqualified.

The proposed regulations would completely undermine California's attempts at developing innovative programs designed at breaking the poverty cycle. They would force many mothers back onto welfare rolls and would eliminate the opportunity of many to become self-dependent and productive, working citizens. Most important, they would prevent many children from receiving health, nutrition, education, and social services.

Specifically, these regulations would preclude donated private funds from such sources as the United Fund and church groups from being considered as the State's share in claiming Federal reimbursement. State preschool programs would no longer be eligible for any Federal reimbursement under the revised regulations. If the regulations are adopted as is, California would lose as much as $30 to $40 million in child care money. Further the scope of eligible recipients would be restricted, particularly as they effect past or potential welfare recipients.

Under the new definitions of former and potential welfare recipients, over 11,000 children in California in the children's centers programs would no longer be eligible for Federal funds, forcing many of these children's mothers to give up their jobs and return to welfare. Many employees of these centers would also lose their jobs and would likely to be forced onto the welfare rolls.

The impact of the new definitions of former and potential welfare recipients would completely eliminate nearly all children of migrants from receiving day care benefits. Because of the reported accidents and injuries caused to these children in the fields when they are not in day care centers, all efforts should be made to expand, not contract, the Federal participation. In California, this would translate into a loss of $1½ million for fiscal years 1973 and 1974.

Campus child care centers in California and child care contracted out by county welfare departments will feel the ax most heavily as a result of the loss of private funds as an eligible source in claiming Federal reimbursement. The 25 percent now provided for campus children centers through private funding would no longer be possible.

All 25 campus child care centers in California rely on private funds to qualify for Federal funding and would be forced to close immediately if these regulations went into effect.

Further, I have received reports from county public welfare departments indicting that they will not be able to handle the day care load for even present welfare recipients who would qualify under the new regulations.

In Santa Clara County, for example, this would mean that nearly 55 percent or 300 present welfare families, although entitled, would not be able to receive child care benefits. The other 45 percent or 250 families of former and potential welfare recipients, because of inability to pay the high price of private day care, would be forced onto the current welfare rolls and thus overcrowd already inadequate county facilities.

Mr. Speaker, as you know, the subject regulations are issued pursuant to Public Law 92-512—H.R. 14370—which authorizes State welfare agencies to contract for services which they cannot directly provide economically or effectively. The laws says that such contracting is to be "under conditions which shall be prescribed by the Secretary of HEW." However, there is no reference in this law or any other relevant law which authorizes the elimination of private funds or in-kind contributions as a State share in claiming Federal reimbursement.

Indeed the letter from Secretary of HEW, Elliot Richardson, to Hon. WILBUR MILLS, concerning day care contributions, the Secretary said:

> I believe a prohibition on public-private partnership in this field would be a great mistake.

Since that time, 125,000 letters have been received at HEW regarding the regulations. These have had a strong impact on rethinking some of the regulations.

In California we have seen that the use of private funds to qualify for Federal reimbursement has eased the strain on the already overworked social services budget and lifted the burden on State and local tax resources. It has helped encourage cooperation between the public and private sectors in meeting the demanding needs of low-income families.

I believe the proposed regulations would take us back, not ahead, and cause many potentially productive people from escaping the poverty cycle and from becoming productive working citizens. The opportunities that many of these programs provide for meaningful vocational plans and self-support would be lost. And the start that many potential and former welfare recipients have gotten at beating welfare dependency would be undercut.

Despite many bills and resolutions that have been introduced this session to clarify the meaning of Congress social services legislation, no House committee has announced that it would hold hearings on this matter.

I have supported a number of bills and resolutions to try to modify the proposed social services regulations. As a freshman Member of Congress, I had hoped that because of the national outcry over the proposed regulations the House would take prompt action. To date, none of these bills or resolutions will be considered in time to have any impact on the Secretary's action or provide any clear guidance on what Congress expects in the way of regulations.

What is particularly upsetting is that there seems to be general agreement both in the Senate and in the House that the regulations go way beyond the language of the bill which authorized the Secretary to promulgate the regulations. Indeed, as the chairman of the Ways and Means Committee stated on the House floor, nothing in the act required the issuance of more stringent regulations either as to services which could be provided or persons who could receive such services.

The Senate Finance Committee, however, has decided to hold hearings on the proposed regulations on May 8 and call Mr. Weinberger as its first witness. Senator LONG has stated that—

> Portions of the proposed Regulations of HEW go well beyond last year's legislative action or intent. In particular, the Regulations would severely restrict eligibility for child care and family planning which are important services in any effort to help welfare recipients to work their way off of welfare and to allow them to remain off welfare.

I earnestly hope that the House will see fit to hold similar hearings before the anticipated date that the regulations will take effect on May 1, 1973. In this way, the final regulations would be much more consistent with congressional intent, and provide the social services that Congress deemed essential.

Mr. DE LUGO. Mr. Speaker, a decade ago, while applying for admission to the New York bar, Richard Nixon wrote:

> Above all else, the framers of the Constitution were fearful of the concentration of power in either individuals or government. The genius of their solution in this respect is that they were able to maintain a very definite but delicate balance between the executive, legislative, and judicial branches of the Federal government.

As President, Mr. Nixon has styled himself a "strict constructionist" on the Constitution. While there has been no definition of this phrase, it is intimated that this means that in questions of constitutional debate the President favors that argument which does not have a broad interpretation of what the Constitution says.

Mr. Speaker, there is little debate over whether or not the Congress is entrusted with the responsibility to legislate and the authority to appropriate funds. The document is very precise on this point and there is little room for interpretation. Neither is there any question that article II of the Constitution assigns the President the duty of executing the law. It is, therefore, shocking that the executive branch apparently would like to shirk its own responsibility of executing the law and instead desires to legislate laws.

When the Congress enacts a bill to appropriate money, the President may or may not approve the legislation. As we have seen with many worthwhile social programs, the President has had no compunctions about exercising this function of his office. However, after a bill is signed into law, the President's responsibility is mandated: He is to execute the provisions of the statute. He is not empowered to choose to carry out just those laws he wishes, substituting his own appropriation for what is specified by law. Yet this is exactly what is being done.

By refusing to spend funds duly appropriated, the President is assuming the power of Congress. He is, in effect, exercising a line item veto. This is done at his discretion, irregardless of the wishes of Congress, over programs and projects that have already become law.

That the President considers this practice within the legitimate conduct of his office has made this an audacious bid for executive supremacy. As an assault on the legislative prerogative of the Congress, it has precipitated a grave constitutional crisis.

At stake is the separation of powers, the basic underlying principle of our Constitution that has endowed our system with lasting strength and vitality. This is a battle which threatens the continuance of the present form of government. For the legislative branch to capitulate to this attack on its domain by the Executive, would be to substantially alter the Constitution; not by the process of amendment but by the weakness of acquiescence.

There are apparently three arguments that the administration is propounding to counter congressional outcry over impoundment practices. The President contends that accepted precedent justifies the present administration's failure to carry out the law. Administration aides cite the 1972 election, purporting that its results give the President a free hand to selectively carry out the law. The administration finally maintains that the Congress is on a reckless spending spree, and this fiscal irresponsibility allows the President to carry out only those laws that will restore budgetary sanity. Let us examine each of these justifications.

The SPEAKER pro tempore. The time of the gentleman from Iowa (Mr. MEZVINSKY) has expired.

IMPOUNDMENT, AN ASSAULT ON THE CONSTITUTION AND ON OUR PEOPLE

The SPEAKER pro tempore. Under a previous order of the House the gentlewoman from Texas (Miss JORDAN) is recognized for 60 minutes.

Miss JORDAN. I now yield to the gentleman from the Virgin Islands (Mr. de LUGO).

Mr. DE LUGO. I thank the gentlewoman from Texas.

First let us investigate whether there is historic precedent for such mass impoundments. It is alleged concerning impoundment that the administration is "doing not only nothing different than any other President since Thomas Jefferson has done; we are doing it in no greater degree."

This claim is entirely without merit although it is true that in 1803 President Jefferson did not spend $50,000 appropriated for 15 gunboats. In actuality, impoundment was used by Jefferson not to rework the programs of the law, but to avoid wasteful spending due to a change in international conditions.

The power of impoundment to the degree asserted by President Jefferson is one possessed by all chief executives. There is no question that if there are important changes in international politics or if programs can be effectively managed with more efficiency than originally thought, that the President is not compelled to squander funds no longer needed. But there is little relation between this situation and the crisis which currently faces us. Mr. Nixon is not impounding funds in isolated, specific instances suggested by prudence and commonsense. To the contrary, he has assumed it as a permanent legislative power of the presidency, exercising it across the board to kill programs designed to help millions of Americans, programs with which he disagrees.

Second, it is asserted that because Mr. Nixon won an overwhelming victory last fall, he is endowed with prerogatives that exceed merely the Presidency. It follows that a landslide election then, is a mandate to ignore the Constitution. And that the programs and policies enunciated by candidate Nixon all are to be carried out, at the expressed will of the voters, with no regard for the formal process of governance.

This notion is reprehensible to me and an unmitigated challenge to our constitutional process. Election to office grants no individual unrestricted power for the term of that office. Mr. Nixon was elected to the Presidency to carry out the provisions of article II, not to subvert them.

Third, we are told that impoundment is legitimate because of the irresponsibility of the Congress, that the Congress appropriates without concern for the fiscal impact of such appropriations, and that as a result of this inflation and higher taxes are certain to burden the American consumer.

There is no evidence to suggest that Mr. Nixon's impoundment is in reality based on these concerns. If it were, we would see impoundments of funds for military programs similar to impoundment of money destined for domestic programs. This we have not seen. What is true is that there are alternatives to inflationary spending which will not require mass impoundment. But, the administration believes, despite what they term, an end to the war in Southeast Asia, fully 69 percent of controllable funds must go to military use. If there is concern that Government spending may result in higher taxes or inflation, I suggest that the defense budget can be pared to save us from these dangers.

Mr. Speaker, while this peril to our constitutional system far and away exceeds in importance the programs involved, to millions of Americans the imperative concern is the restoration of vital services. We, in the Congress, can speak about the trend to one man rule. We, in the Congress, can become alarmed that the President's bold grab for the purse strings of the Government is a further continuation of this trend. But throughout the Nation, our people respect assertive action.

Surveys have shown that vast majorities of the American people disagree with most of the impoundments of money for social programs. The President has simply ordered that nearly $15 billion not be spent which the Congress duly appropriated last year for programs as varied as mass transit, water pollution control, mental health facilities, higher education, job training, sewage treatment, and federally subsidized housing for low- and moderate-income families.

There is little controversy in these programs. They are of unquestioned necessity and undebated value. Consider, moneys for land-grant colleges. What could be of more obvious merit than furnishing funds for instructor salaries to our land-grant institutions? Yet the $10 million appropriated for fiscal 1973 under the Bankhead-Jones Act of 1935 was not spent. The victims are students from low- and middle-class families, families caught in the Nixon economy. Families who depend upon land-grant institutions for the education of their children, and whose children will not now receive the best education possible because of these pernicious impoundments.

Mr. Speaker, action is demanded, action as bold and assertive as that of the President. On behalf of the social needs of our people and on behalf of the separation of powers within our system, the Congress must once and for all define the power of impoundment and legislate safeguards against its improper use.

Mr. STUDDS. Mr. Speaker, will the gentleman yield?

Mr. DE LUGO. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Speaker, I thank the gentleman for yielding.

I would like to add an observation on the discussion of impoundment. In my brief experience on committees of Congress, the administration is no longer secretive or covert about this. They are stating it as their right in the Subcommittee on Economic Development of the Committee on Public Works. With respect to the Economic Development Administration the Secretary of Commerce, testifying on behalf of the administration, an administration which has impounded most of the funds appropriated into law by this Congress and signed by that President to create that program, comes to the Congress and no longer proposes to us, he simply informs us.

The testimony of the Secretary of Commerce was not a proposal to this institution. It was a statement informing us of the intention of the administration to abolish the program altogether. Apparently and clearly, so far as I could see, it was in total disregard of whatever action this Congress chose to take or not to take.

We are getting similar treatment from the administration and officers of the executive branch with respect to the President's proposals for special revenue sharing. The President has impounded billions of dollars in categorical grant programs in areas of human need throughout this Nation, and he is going to ask us for special revenue-sharing legislation allegedly sometime in the future to replace those programs. In the absence even of our having seen that legislation however, Executive officials throughout the regional offices in this country are calling in mayors, and are calling in representatives of our governors, and are calling in local, city, and town officials and briefing them on how special revenue sharing will function.

Not only has the Congress not enacted this into law but it has not been even submitted to Congress, and the mayors of this Nation are being asked to come to us, and they are doing so, I must regretfully say, and beseeching us to enact legislation we have not even seen, at a time when the programs in their own areas have been wiped out from under them, and, I submit, illegally, by the President of the United States.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. DE LUGO. I yield to the Speaker of the House, the gentleman from Oklahoma (Mr. ALBERT).

Mr. ALBERT. Mr. Speaker, I think the colloquy between the two gentlemen is directly to the point in issue. It seems to me the matter can almost be summarized in this way: The political thrust of what the President is saying is that he is trying by impoundment to save the country from inflation brought about by a reckless Congress. But when we get down to specifics, what he is actually trying to do is to use impoundment to shape the legislative policy of the Nation and to dismantle programs that have been on the books for years, passed by Congress and signed by Presidents. He is, therefore, in effect, and in the long run, if he gets by with it, trying to take on the legislative jurisdiction of this body and the other.

Mr. STUDDS. Mr. Speaker, will the gentleman yield further?

Mr. DE LUGO. I yield to the gentleman from Massachusetts.

Mr. STUDDS. I would like, if I could, to address a question to the distinguished Speaker. Would the Speaker agree that the issue at stake here far transcends the wisdom of lack of wisdom of any categorical program?

Mr. ALBERT. Absolutely. Of course, while inflation is dangerous, the President plays footsie with the question of inflation. The Congress gave him all sorts of authority in his Economic Stabilization Act. For about a year and a half he would not do anything. He said he would never use it. He should use any legitimate power that he has to help control inflation, but he should not use any power that he has legitimate or illegitimate, to take over the responsibilities of the legislative branch of Government.

Mr. STUDDS. I thank the Speaker. I would further point out that this particular usurper of legislative power cannot even make the claim, as have some of his historical predecessors, that he has made the trains run on time. We do not have any, any more.

Mr. LONG of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. DE LUGO. I yield to the gentleman from Louisiana (Mr. LONG).

Mr. LONG of Louisiana. Mr. Speaker, further evidence of the validity of the points the Speaker made, which were made by the gentleman from Massachusetts and also by the Speaker, is that in many of the public statements that have been issued by this administration, it has said that it is spending more money in its special programs than has been handled in the past, than has been spent in the past.

This would explain to me that it is completely undercutting any argument that it is making that they are taking this action and making these impoundments to protect the country from inflation.

On the one hand, they say they are doing it to protect the country from inflation, and on the other hand, they say they are going to quit spending more money to fight these particular problems and these particular ills that face us here in America, as it has been in the past.

The illogical conclusion that comes from that is clear evidence of the fact that they are really not at all concerned with the inflation problem.

What they are interested in is, illegal and unconstitutional methods of imposing their will on the direction in which this Nation is going to go, rather than having it pointed out and the direction charted by the elected representatives of the American people.

Mr. DE LUGO. Mr. Speaker, I thank the gentleman from Louisiana.

Miss JORDAN. I thank the gentleman from the Virgin Islands.

I now yield to the gentleman from California (Mr. STARK) for such time as he may consume.

Mr. STARK. I thank the gentlewoman from Texas.

Mr. Speaker, I should like to talk a little bit about Executive privilege.

Executive privilege, as it was defined by the Executive's attorney, Mr. Kleindienst, is significantly broader than the definition of Senator ERVIN. Just to review it for the Members, who have all read about it in the paper—it changed drastically this morning—if we follow the theory of the Attorney General on Executive privilege, it can be invoked only by the President. It can be invoked to prevent persons from testifying about their knowledge of criminal conduct. It can be invoked to prevent persons from testifying before Congress even in impeachment proceedings. It confers broad authority.

Mr. Kleindienst even has a serious question as to whether the Congress could change any laws concerning Executive privilege and, if we did, indeed the Supreme Court, in his opinion, would have to find it unconstitutional.

The privilege, according to Mr. Kleindienst, can be invoked against the GAO, and it extends to every one of the employees of the executive branch under any circumstances.

We find that this morning the Chief Executive found, after extensive discussions and review of the questions involved, particularly in the Watergate case, that he had a change of heart. Indeed, after the press conference Mr. Ziegler declared—and this I believe is an exciting statement—that Mr. Nixon's past statements were inoperative.

I am not an attorney, and I do not know, really, all that much about where this privilege starts and stops, but I am concerned about Mr. Nixon being inoperative, or at least his past statements being inoperative.

Mr. Nixon now seems to be taking the position of the Savior and the leader for light, truth, and justice in the Watergate case. I expect him to come up through his own investigation with startling discoveries, and to lead us from the position of not wishing to discuss anything to where we find him the guardian of freedom and the leader of truth, if we can forget every previous statement, because those statements were inoperative.

I should like to think, as we find the 93d Congress performing its duties, that we will stand as moving toward fuller disclosure and moving toward more responsible reporting, and I would hope that we could establish that same concept for the executive branch of the Government. I should like to see fuller disclosure, and I am sure we will see legislation to that effect for all of the officers under the direction of the President. I should like to say that we find increasing pressure on Members of Congress and, indeed, many of us do that willingly.

I believe the question of Executive privilege now gets away from that test. I believe it is obvious to the American people that Mr. Nixon is a thorough Executive who knows exactly what everybody in his executive department or, indeed, in his campaign staff is doing every minute all the time.

I would rather suspect, if we think the Watergate Democratic Headquarters was bugged, that the Republican offices and the people working for the President are twice as bugged and twice as watched.

It seems to be a question of just how far up the line we are going to go before the President throws us a sacrificial lamb of sufficient stature to quiet the obvious indignation that is welling up in the people of this country. When it happens, I believe it will prove what I think is the undercurrent of the country, that the privilege is merely the President "taking the fifth," as we used to say some years ago, not being willing to understand the embarrassment he will suffer and, indeed, the indignity he brings on the Office of the President, which is terribly serious.

It is too bad. The President has done an exemplary poor job of controlling runaway inflation. It is only when the housewives have marched in the streets to protest the high prices of meat that he will invoke the Executive privilege to indeed control beef prices while allowing wages to be held down and all other prices to rise irresponsibly.

Congress passes laws which provide funds for child care centers, for working mothers, and the President invokes Executive privilege to nullify them, to put women who would otherwise want to work back on the welfare rolls.

I ask if that is Executive privilege?

When the President is unable to exact a peace settlement on the terms he wants, he will recklessly and carelessly bomb and kill 50,000 or 100,000 Asians to get the kind of settlement he wants, and is that Executive privilege?

Recently, in 1971 the Cooper-Church amendment stated that it was the expressed intention to the President of the United States that none of the funds authorized or appropriated pursuant to that act could be used to finance the introduction of U.S. ground combat troops into Cambodia or to provide U.S. advisers to or for use in Cambodia.

I would like to ask the President the question that is puzzling to me, because I can recall in my youth Hitler. I can recall we were fighting Ho Chi Minh. I am not clear at this point as to who we are fighting in Cambodia, but because we are expending so much effort, there must be an enemy there, because the President in all his wisdom would not be just tilting with windmills.

But we do hear each day several denials; we hear more denials from the White House in 15 minutes from the office of the Chief of Naval Operations than you can imagine, but the information we have is to the effect that 3,000 Marines have been or will be sent to Cambodia from bases in Okinawa. All are from divisions of ground troops, motor transports, and amtraks. The first battalion, fourth regiment left on April 5 to the Philippines, but are now in Cambodia. They left from Camp Hanson.

Motor Transport Battalion 9-1 have seen orders for Cambodia. One half have left April 17; the other half will leave Monday, April 23—Sunday, our time. They left from Camp Schwab.

Amtrak Battalion 9-2, in charge of amphibious tractors, has been sent to Cambodia.

Battalion 1-9:3-9 of the 2d Regiment has received orders to Cambodia; and the 2d Battalion, 9th Regiment, Bravo, Charlie, and Fox Companies; half were sent April 18, the other half sent April 24. These are all from Camp Schwab.

These reports have been vigorously denied, and I suspect if the denials become as inoperative as the rest of the denials that we have heard from the White House, these 3,000 Marines, much to our shame and much to our dismay, I am sure, will show up in Cambodia to find an enemy and thus justify all the bombs we will have to direct on Cambodia to defend the Marines we have sent to find the enemy in the first place.

Mr. Speaker, this again is an example of Executive privilege which allows a person who wants to usurp and recklessly use power to lead us in a way that I think no one in the constitution of previous Congresses ever thought we would be led.

Mr. Speaker, I would like to just speak to my colleagues in the 93d Congress about this point and think now about what might have been done otherwise, and that is this: We may think that had we some time back followed a different course, we might not have faced the problem of what any one of us could do alone.

The statement I always like to think about, when thinking about not giving up hope for those of us who would like to change the course of the world is this: There are going to be four roadblocks put in our way, and the first one is the roadblock of futility. And the man who talked about these roadblocks said that we should think about the monk who changed the course of history in Europe and about the woman who changed the map of France. Another roadblock is the one of expediency, which says we will bow to expediency. And you can think of expediency in terms of bowing. The answer is that in such situations we should not bow to expediency.

The third roadblock is timidity. No one likes to suffer the ridicule of his peers in life, but he should do what he thinks is right.

The fourth roadblock is the comfort which is so grandly laid before so many of us who enjoy the privileges of education and comfort that have been provided to us.

But the Chinese proverb said that no one man can ever achieve greatly unless he dares to fail greatly.

These words were written just 5 years ago in March of 1968, exactly 4 months before Robert Kennedy was killed in Los Angeles, after he wrote that.

Mr. Speaker, I think perhaps we can take heart to think that there are people who might employ the responsibilities of leadership, of executive power, responsibly. We do not have it now. If we rally around and continue to work, we can change somewhat the course of the world, and I hope we all keep the faith to that end.

Mr. BURTON. Mr. Speaker, will the gentleman yield?

Mr. STARK. I yield to my distinguished friend, and colleague, the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Speaker, I would like to commend our distinguished colleague, the gentleman from California (Mr. STARK) and associate myself with his remarks.

I wish to make known the unassailable truth that there has been no grander group of newly elected Members, under less than the most favorable of circumstances as witness the last election, than those who are the newly elected colleagues and Members of the House on the Democratic side of the aisle.

I hope that this special order is read by all of my senior colleagues as well as all of those who are concerned about the well-being of our Nation. I say that because certainly a thoughtful and determined presentation of the state of the Nation is being so well done here. As we would say in my constituency, telling it as it is, is a very important contribution to the national dialog, which in itself is imperative if we are going to come to meaningful grips with the problems confronting our troubled people.

Miss JORDAN. Mr. Speaker, I thank the gentleman from California (Mr. BURTON) and I now yield such time as he may consume to the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. MOAKLEY. Mr. Speaker, I would like to thank the gentlewoman from Texas for this opportunity.

Mr. Speaker, as a new Congressman I am deeply troubled at the state of the Union.

Lyndon Johnson launched the war on poverty; but it appears that Richard Nixon has declared war on the poor.

It was a special and proud moment in our history when the Office of Economic Opportunity was born. It was the first agency in our history to speak for the poor, the voiceless, and the weak. There have been countless agencies of Government for the protection of the rich; but never before, an agency for the poor. OEO was an agency that aggressively reminded comfortable America that the poor existed and would have a say in their own lives. And now Richard Nixon is destroying OEO—and with it, the hope of millions of Americans.

The news of OEO's impending death has shocked so many of our people, to whom it has come to symbolize the very fight against poverty.

It will mean that the war against poverty is over, and that poverty has won.

It will mean that the Community Action agencies, the cradle-to-grave referral agencies of the poor, will have to close their doors to individuals needing their help.

It will mean a loss of jobs to 185,000 people that the CAA's employ across the country—and a loss of more than $500 million annually in purchasing power to the communities.

It will mean the legal service program—that courageous experiment in social justice—will be a thing of the past.

And so will the storefront lawyers for the poor, who have represented the indigent in city slums, in old-age homes, and on Indian reservations.

It will signal the end of manpower training, the Job Corps programs, and the Neighborhood Youth Corps. Hundreds of thousands of young people, formerly employed in the Youth Corps, will be milling about on our Nation's streets this summer unemployed.

It will mark the sudden death of senior citizens programs, and child day care centers.

It will mean, in effect, the tragic termination of programs that go to the deepest human needs of millions of Americans.

And all this will come to pass by June 30, 1973—if Mr. Nixon has his way.

It is perfectly clear to all of us that the President intends to dismantle all the great social and human service programs of the past 40 years.

We have had the New Deal of Franklin Roosevelt; we have had the Fair Deal of Harry Truman; and now, it appears we have the Raw Deal of Richard Nixon.

I say it is a raw deal when more than 115 vital domestic programs are to be scrapped or crippled. There will be employment cutbacks, housing cutbacks, health cutbacks, and education cutbacks. And all this at a time when the war in Vietnam is ending—and we thought there would be a peace dividend—to provide employment, to initiate badly needed national health insurance, to revitalize our decaying cities.

It is a raw deal when those who have worked the hardest in our society, should have to pay the most—and the favored few who have benefited the most, do not pay their fair share.

You know it is a raw deal when Nixon's budget proposals mean that our elderly will pay twice as much tomorrow on medicare hospitalization, as they do today.

The Nixon budget would slam closed the door on hospital construction, and kill vital medical research, and children's mental health programs.

It is a raw deal when Federal funds, for low- and moderate-income housing are wiped out, when compensatory education for poor children is slashed, when 280,000 badly needed jobs are eliminated.

It has got to be a raw deal when Nixon freezes meat at the highest price in 23 years. There has been an incredible jump on food prices as we all know. But the President has said that "the American plate is too full."

Well, let him try to feed a family of five or six at today's prices. Maybe he should get out of the White House for a visit to the neighborhood supermarket and see how full his plate would be on the ordinary worker's paycheck.

This is the same President who tells us there is no urban crisis. I have the strange feeling he was talking about San Clemente and Key Biscayne. Maybe he should take a walk on the streets of New York, or Boston, or Chicago and tell us that there is no urban crisis.

The Nixon raw deal would end landmark social programs and it will perpetuate the condition of the Nation's poor and disadvantaged.

Under Kennedy and Johnson, there was great progress in wiping out degrading poverty in the Nation. The number of those at the poverty level fell from 40 million to 25 million. Now we have 30 million at the poverty level, with an additional 50 million living on the edge of poverty. Now I submit that is unconscionable in an affluent society. We have an administration that is unconcerned about its poor, that lacks compassion for the sick and elderly. What we have under Richard Nixon is capitalism for the poor and socialism for the rich.

It would cost a mere $328 million to retain the community action programs for the poor of this country—the equivalent of one lone subsidy for a giant corporation. But Nixon spends to bail out Lockheed and Litton Industries, while he cuts off jobs and health care for the disadvantaged. Is it not better for the future of this country that we attempt to house, heal, and educate people than spend the money for military hardware?

Is it not worthier of a great nation to cut the tax loopholes that profit only the rich than to close the doors of hope on the poor?

We have all been victims of these distorted social priorities. It is a national disgrace that we have allowed a tragic and senseless war drain our human and economic resources, and turn our cities into wastelands. It is a national disgrace that our military budget grows increasingly fatter, while our human needs are literally starved.

And I say that it's a national scandal that all the great social gains of the recent past are to be dismantled and destroyed by a callous and uncaring administration.

One thing is perfectly clear in all this. Dick Nixon has a budget for big business. It is a budget that punishes the poor and afflicts the weak. It is characterized by lopsided priorities, broken promises, and a cynical disregard for economic and social justice.

Here in Washington, the battle lines are drawn, with the Congress on one side, acting now as the peoples' advocate—and on the other, a President who has been carried away by his so-called mandate.

But he has no mandate to balance his budget at the expense of the poor.

A recent Harris poll shows overwhelming public support—two-thirds of all those samples—for medicare, Headstart, the Job Corps, and day care. And it shows broad public sentiment for curtailing the military, and eliminating subsidies for the rich.

Now the big question is what are we going to do about it? What is at stake here is whether we are to have one-man rule, or our constitutional system of shared and balanced powers.

What I have been talking about, is the brazen usurping of the spending powers of Congress. The President, in an arrogant exercise of power, has unilaterally attempted to reorder our budget priorities. And this action has precipitated a serious constitutional crisis. I am talking about a fundamental constitutional question: That of congressional authority, over the Nation's purse strings.

It is this area which directly affects the lives of most Americans—and it is in this area that the constitutional crisis will finally be resolved.

Well, we have had our first victory against the White House in just this area. This time it was the Federal courts that came to the rescue and stopped the Howard Phillips wrecking crew.

Just a week ago today, Federal Judge William Jones blunted the administration's ax when he ordered that OEO's programs must be continued until Congress changes that command.

That decision gave a new lease on life to antipoverty agencies across the country—but it has yet to be tested in the Supreme Court. In the meantime, the 93d Congress must take the offensive. In the final analysis, it is the Congress that will have to be the battleground on the budget war.

We freshmen Democrats have high hopes of what can be accomplished, if Congress will but take the initiative. I can tell you one thing; we are not going to sit back and let the White House meat ax all our people programs without a fight.

Our commitment is to salvage vital programs from wholesale demolition: To save model cities, to insure needed health care, to provide decent housing, to care for our young and our old, and to restore the war against poverty.

One thing Congress can do is provide a forum for the American people to articulate their problems and to develop alternatives. Those of us who have not yet done so should schedule factfinding budget hearings in our congressional districts, possibly during the April recess.

A well-informed and well-organized citizenry, is the best tool Congress has to provide needed support, for critical social legislation in the battle of the budget. People across America are calling for a strong voice in Congress to speak for them. They do not expect Congressmen to be miracle workers. But they do expect—and rightfully so—that Congress will take up the challenge to the President.

But we cannot do it alone. It will take the broadest coalition of affected groups, cutting across all classes, and allied with a lobby of big-city mayors, to back up Congress against the President. Even now such vital coalitions are being formed, reminiscent of the early days of the civil rights movement. Their members come from all walks of life—and their goals are simply to restore the social programs, and to better human life.

Together, we must continue to work for a more humane tomorrow, when people come before profits, peace above war, compassion over computers, and justice over inequality.

I thank the gentlewoman from Texas for yielding to me.

Mr. STUDDS. Will the gentlewoman yield?

Miss JORDAN. I yield to the gentleman from Massachusetts.

Mr. STUDDS. I should like to address a question to my colleague, the gentleman from Massachusetts, if I may. First of all, I should like to commend him on the eloquence of his statement on behalf of the poor, but I should also like to point out that the gentleman from Massachusetts (Mr. MOAKLEY) represents, in addition to a good many Americans who would be classified as poor, a good many others whom the President would undoubtedly call middle American, who are middle-income people.

I should like to ask my colleague what he can see in the President's budget or the President's performance that does anything for, or speaks to, the direct interests of what he would call those middle-income Americans. Is there anything, for example, in that budget about tax reform?

Mr. MOAKLEY. I could not see anything about tax reform, and I think if anybody classifies himself as a middle American, thinking that by the President's cutting poverty programs in any way it is going to benefit him, he is certainly mistaken.

Mr. STUDDS. The gentleman undoubtedly remembers the President's magnificent speech a few years ago about the second American revolution, a great aspect of which was to be welfare reform. I assume the gentleman did not see any more than the rest of us did in the President's budget on the subject of welfare reform.

I assume also the gentleman did not see anything more than the rest of us did about perhaps the single most unfair tax we have in this Nation affecting the middle-income citizens of our country, more unfair than any other; namely, the property tax.

Mr. MOAKLEY. I saw nothing about it. I read articles in the newspaper where the President was going to remodel the property tax to make it easier to be paid, but I am still waiting for a message to come in.

Mr. STUDDS. And I suspect the gentleman noted with the same alarm and discouragement we all did the recent decision of the Supreme Court on a 5-to-4 basis, including the four appointees of the current President, that it is, in fact, constitutional to finance education with the property tax. I think it is fair to point out with all the emotionalism and rhetoric directed from the White House to what they conceive to be a contented and self-centered people of this Nation, that those people of this Nation are neither as stupid nor as unconcerned as the White House thinks they are.

Mr. MOAKLEY. I thank the gentleman from Massachusetts.

Mrs. SCHROEDER. Will the gentleman yield?

Mr. MOAKLEY. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I commend the gentleman highly for his comments. I would like to add this comment: Let us get the rich and the defense ministry off of welfare and reorder it in the manner in which we hope.

I also commend the gentleman for the different methods he brought up as to how we can combat the administration's selling of its budget, and while we are at it I would like to comment that we hear a great deal about the battle of the budget, but even with the wars in the last 20 years Congress has consistently cut the executive budget.

Since assuming office in January, most of us freshmen have spent 4 months in just learning the ropes. We have dealt with all the problems in undertaking this new job, from trying to figure out our office accounts to finding the right tunnel to the Rayburn Building.

The most difficult thing we have had to deal with, however, has nothing to do with being freshmen. In one very important respect we have been treated as equals with the more senior Members of Congress, and that is in the Nixon administration's usurpation of our congressional rights.

All of us were sent to Congress to serve our constituents by exercising the rights and fulfilling the obligations of Members of Congress as set forth in the Constitution. Yet since our arrival this January, these rights and duties have been openly attacked by the Nixon administration. The administration claims that it has a mandate from the people to determine what course the country will take, and that it has the right to exercise the powers that are constitutionally granted to Congress to pursue this course.

Nowhere is this more apparent than in the battle of the budget.

It might be more appropriate to call it the selling of the budget, for that is what the administration has tried to do. It has tried to convince the American people that Congress cannot be allowed to exercise its constitutional right to determine spending priorities, for if allowed to do this, Congress would raise taxes. Congress is painted as spendthrift and irresponsible. The administration peddles its budget as the only alternative to higher taxes.

This, of course, is nonsense. The fact is that Congress is not spendthrift. Just look at the record: for the past 20 years Congress has cut the Executive budget. Last year Congress cut almost $6.5 billion from the President's budget. It is time the American public realized who is fiscally irresponsible. We must also make it clear the President's budget is merely a proposal. There is nothing sacrosanct about it.

The fact is that Congress can develop a budget that does not raise taxes, and that does not cut the heart out of needed domestic programs. It is not, as the President suggests, an either/or situation. I believe that the President's budget ignores the alternative of increasing revenues through tax reform and in making cuts in defense spending.

We are now a nation at peace. We have long anticipated the end to the Vietnam war. We are ready to get with solving the problems here at home. The Nixon budget clearly does not reflect this. Instead of showing a decrease in military spending, the President's budget proposes an increase. Where is the peace dividend we have all anticipated? Not in the President's budget.

It is difficult for us—as the closest representatives of the American people—to make our voices heard over the din of the public relations campaign being waged by the administration. But it is essential that we continue to speak out and to fight for our rights.

We must question the administration's claim that every dollar it requests for the Defense Department is necessary for the national security. A number of fine analyses have been done that demonstrate that this is not the case.

A soon to be released study shows that, at a minimum, $10 billion can be trimmed from the Defense Department's request without endangering our national security. For example, research and development on the Trident missile system could be continued at a cost of approximately $200 million. We could defer hull development of the Trident submarine and production of this new weapon system until it is demonstrated that both are feasible and necessary, as the Defense Department now claims. This $200 million is $1.512 million less than the amount requested.

This same study indicates that another area where substantial reductions could be made in the $1.330 million sought by the administration for "military assistance." The administration claims that it is "trying to reduce the cost of an adequate defense posture and the degree of our involvement overseas by promoting improvements in self defense capabilities of selected allies." This is an admirable principle which most of us would probably agree with. However, it is not what is happening. Instead, military assistance has often been used for offense and internal security, not for self defense. This does not add to our national security or to international peace. It is estimated that $500 million could be cut from the military assistance program without endangering our own security or that of our allies.

These are but two examples, and I cite them here today to demonstrate that there are ways to cut the defense budget without jeopardizing our security. Whether these are the areas where the cuts should be made is not the point. There are numerous counter budgets and analyses available to study and chose from. The point is that we can make reductions in the defense budget and use this money for domestic purposes. We can do this and not exceed the $286.7 billion ceiling.

We are faced with an enormous task in countering the administration's propaganda machine. Each of us must go back to our districts and speak out on this subject. We must educate the American public as to what is being done in their name.

Miss JORDAN. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for his comments.

At this time I yield to the gentleman from Oklahoma (Mr. McSPADDEN) such time as he may consume.

Mr. McSPADDEN. Mr. Speaker, I thank the gentlewoman from Texas for yielding.

First of all I want to express my appreciation to a great American and a great Oklahoman, the Speaker of the House, our very beloved colleague, CARL ALBERT who more than two decades ago shared exactly what we are sharing now, freshmen Members of the body that is closest to the people, in expounding back in those days the programs that needed to be written as we expound tonight the programs we feel and we know should be written for the betterment of the citizenry of our great country.

The gentleman from Ohio (Mr. SEIBERLING) I think has gone. When I came back a few moments ago he was talking about the Roman Senate. I would remind the gentleman that is the reason that Rome fell perhaps.

But we are those who are closest to the people and we are those who have gone through one and two and three campaigns in the last few months, and we have talked these issues through at the crossroads of America and in the heartland of America, in my country.

Tonight I should like to address the Members on the energy crisis and I shall refer from time to time to the recent message from the President on the energy crisis, which came to us only this afternoon at about 4 o'clock.

A recent energy expert categorized the energy crisis with these words:

> The energy crisis is not as bad as it has been painted—it's worse.

From those who come from a great agricultural section in addition to a section noted for oil and gas production, we have been echoing these words for almost a decade, warning that we were running out. In the decade in which we live now, from 1790 to 1980, the world consumption of fuel will be more than since fire was first started by prehistoric man. That is, the fuel which will be consumed in this one decade.

Concern for energy sources is not new: Congress itself as long as 10 or 12 years ago investigated the problem of imported energy because of the possible threat to national security with reliance based on imported oil. Projections now indicate that vulnerability, showing we will need to import $14 billion in petroleum products in 1975; $30 billion by 1980; and $54 billion by 1985. Until only a few months ago the import rate was $5 billion. It is now in excess of $7 billion, about the same as our overall trade deficit. Think on that fact for just a moment.

These projections are fantasies because long before 1985, as pointed out by J. T. Claiborne, Jr., of the New York Times, such import needs would bankrupt America.

Three alternatives face us.

First, a resurgence of domestic exploration for new sources of fossil fuels, including petroleum, coal, and gas;

Second, continued reliance on Arabian fuels, providing the Arabian bloc cares to continue to sell:

Three, stringent domestic controls on fuels which could lead to an economic collapse of our country. Whether we like it or not, no country is any stronger than its energy pocketbook at home; let it be.

Thinking back to the devaluation of the dollar twice in the past few months under this administration who did not, as we say in Oklahoma, see the light. Friday the National Science Foundation announced a grant of $491,000 to Colorado State University for research and analysis of power production systems using solar energy and relatively conventional turboelectric generators.

Atomic energy can supply, using current technology, only a minor portion of energy needs. Practicable applications will be decades in the future while we are running out of time. Geothermal investigations are likewise far in the future. Much of the domestic coal is of unsuitable quality and the coal industry has found that workers are not really interested in becoming miners. The domestic oil and gas industries are in capital dearth.

The movie portrayal of the free-spending, rich Tulsa oil man, my colleague from Tulsa, drilling hundreds of gushers, is a fable.

The gas industry in 1966 had a 20-year reserve. Today it has a 12-year reserve. Since the 1954 FPC pricing of natural gas at the wellhead, the price has been unnaturaly depressed. In those days, natural gas was found in Oklahoma and the Panhandle of Texas at depths of 7,000 or 8,000 feet, but today they are drilling in excess of 20,000 feet in the Anadarko Basin. One dry hole costs $6½ million.

Geologists at the University of Oklahoma tell me the hole is now more than 3 miles in the bowels of the earth, but is dry. Approximately $10 or $11 million is out of the window.

Net imports of all fuels rose by 24.5 percent over 1971. On the domestic scene, production of bituminous coal and lignite increased by 6.8 percent from 1971. Crude oil output rose by only .2 percent. Natural gas, rose by 1.9 percent. Petroleum production in Louisiana, Texas, and Oklahoma has peaked.

It is ironic, I think, that with enough energy still in the ground to last the United States at least 500 years, we are now short of energy. Gasoline stations are being closed all over the country because of lack of supplies. My great colleague who sits with me on the Committee on Rules said the day before yesterday a man in his district, having worked with the Cities Service Oil Co. for more than three decades, now is going to be rationed.

My colleague from North Carolina spoke with me this week, because some of his people who buy propane from gathering tanks and lines from Williams Brothers in Oklahoma are now going to be rationed.

Why? No new refineries have been opened since the late fifties. I can tell you what it is; it is simple. We do not have to know much mathematics, just a little simple arithmetic. This is lack of capital.

My first trip home in January, and I live in the country 2 miles off U.S. 66, it was subfreezing with a chill factor below zero. Our distributors were out of propane. Thank God the electricity was on. I plugged in the electric blanket and I spent the night under it. I might have been the only Member of Congress to do so.

Trucks were immobilized because of a shortage of fuel in the midwest.

Let me repeat, the situation is not as bad as it is painted. It is probably worse. There are, I think, some choices available to us to relieve this. I was delighted to read this morning the FPC had won four cases in New Orleans which will allow increases in the price of natural gas. This is in keeping with the reversal of FPC regulation of price of natural gas at the wellhead.

It must be removed so as to allow the domestic natural gas industry a realistic price for a badly needed fuel. Incentives can be further offered the domestic expansion of exploration for new reserves of oil and gas through such measures as those introduced.

I am informed that approximately 75 percent of the petroleum in the Smackover, Ark., field remains in the ground. At today's prices it is not economically feasible for recovery.

We need, I believe, a crash program sufficiently funded to find new sources of energy. This big research and development program should be confined to one agency at the Federal level, perhaps of Cabinet or sub-Cabinet status.

In sum, the gap between production capability and energy demands is already too large, and unless immediate steps are taken it will grow larger. The first priority has got to be a major expansion to find and develop new conventional fuels. Then we will have the ability to develop synthetics and nonconventional energy resources.

Finally, we must come to the realization that fuels of all kinds will rise in price, and the consumer has to face the reality.

A fact to consider is whether or not the Arabian sources of oil will be available in dependable supplies. With more capital now in their hands than is needed, why should they sell in a context of sound business practice?

I had lunch last week with a gentleman originally from my home State who has been with Kerr-McGee for many years. He just returned from that part of the world. One small tribal chieftain, with fewer than 100,000 followers, now has more than a billion dollars in his hands. Where will we be in the decade, with more than $50 billion for these people to turn loose on the money markets?

Oil which brings $3.50 or $3.75 in devalued American dollars, when they can keep the oil in the ground for a few more years, will sell, probably to a more dependable American, for $7 or $8 or $10, and where will be then?

I read as quickly as I could, Mr. Speaker, and my colleagues, what the President proposed to do today. I must say that several of the steps were good.

He talked about the Alaska line, which must be built, which I will support with all the fervor I have.

He spoke of the Continental Shelf, which we have talked about for years and years.

He spoke of using coal in a manner in which the environmentalists would not be run out of the country, if you will.

But there was a hooker. There was a ringer. There were some things that go between the lines if we read what the President said.

I quote this from under his dissertation on natural gas:

> To resolve this issue I am proposing that gas from new wells, gas newly dedicated to interstate markets, should no longer be subject to price regulation.

He forgets the small independent, that has been working for a meager income for years and years and years and he turns the power structure and the big men loose under this one sentence.

If we flip the page, there is another ringer. Again I quote:

> To add further consumer protection against unjustified price increases I propose that the Secretary of the Interior be given authority to impose a ceiling on the price of new natural gas when circumstances warrant.

He says:

> when circumstances warrant.

One man is to be given the power. Who are these new people? What are their party affiliations? Whom do they represent? I do not know.

I do not want to turn this power over to one man.

In the next decade, whether we like it or not, the energy crisis, from our Nation's point of view, from our dollar's point of view, is just as important as the issues that have been so beautifully set forth this evening by my freshman colleagues; no more important, perhaps, but just as important.

Again I should like to thank the leadership, from a biased standpoint, for the best freshman class I have seen in the Congress.

Mr. Speaker, I appreciate the wonderful cooperation and I thank both our distinguished Speaker and our distinguished floor leader.

Mr. BREAUX. Mr. Speaker, will the gentleman yield?

Mr. McSPADDEN. I will be happy to yield to the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Speaker, the distinguished gentleman from Oklahoma (Mr. McSPADDEN) pointed out a few things, and I would like to ask a question if he would answer it.

I represent a gas district in Louisiana, and I would like to ask this question:

It is my understanding one of the reasons why we had this energy shortage, particularly in the area of natural gas, is the problem we had with the Federal Power Commission, which was arbitrarily depressing the price of natural gas, and it is my understanding that by relieving the restrictions, since the Federal Power Commission has the ability to depress the price of natural gas or newly mined gas, we would be allowing the law of supply and demand to control the price, and we would encourage the additional mining of natural gas and eventually alleviate the shortage which we have in this country.

Mr. McSPADDEN. The gentleman from Louisiana (Mr. BREAUX) is eminently correct.

Mr. BREAUX. Mr. Speaker, it was my thought initially when I heard the President's message that there was an attempt to support the concept and philosophy behind removing the price control of natural gas. Is that the gentleman's understanding?

Mr. McSPADDEN. Mr. Speaker, I would answer my distinguished colleague, the gentleman from Louisiana (Mr. BREAUX) in this vein: He did and he did not, by the types of production that he would place the ceiling on.

For the little independent natural gas or oil producer, the old boy in the oil patch, the one who produces 20 or 30 barrels a day and pumps it himself, the small natural gas producer, that is one deal.

But as to the new exploration and at today's inflated prices, it is not the small dedicated independent who has the capital to do this. So that is the ringer as I read it.

Mr. Speaker, I would say further to the gentleman that there is nothing in the President's message that says anything about secondary and tertiary recovery. If we could recover an additional 1 percent of the recoverable oil that we have in this country, it would mean 2,300,000 barrels a day for 12 years. If the Alaskan pipeline was built it would bring in 2 million barrels, just as the 1 percent in reserves would. He said nothing about this.

Mr. BREAUX. Mr. Speaker, I thank the gentleman.

Mr. THORNTON. Mr. Speaker, will the gentleman yield?

Mr. McSPADDEN. I yield to my colleague, the gentleman from Arkansas (Mr. Thornton).

Mr. THORNTON. Mr. Speaker, I thank the gentleman for yielding.

In certain areas of the country the small producers of oil and gas are not reaping enormous economic benefits. The gentleman mentioned the Smackover Field, which was at one time the world's largest oil-producing area in which at the present time 80 percent of the reserves are still in place, but inert, because of the pressurization of the field which has been depleted and the oil is laying ingrained in the rocks.

Now, in that area is the gentleman aware that the producers often have to close down wells when the machinery used to pump the oil from the field is broken or wears out?

Mr. McSPADDEN. It is a beautiful point, and I wish I would have thought of it first.

In addition to the reserves in Smackover, if my memory serves me correctly, there is the halfbacker that could run over there pretty well.

Mr. THORNTON. The halfbacker, yes.

Miss JORDAN. Mr. Speaker, I thank the gentleman from Oklahoma (Mr. McSpadden).

I yield now to the gentlewoman from New York (Miss Holtzman). There are 3 minutes left in this particular hour, so I hope that the Member who has requested the next special order will be ready to proceed so that the gentlewoman from New York (Miss Holtzman) will have to suffer only a minor interruption.

Miss HOLTZMAN. Mr. Speaker, I wish to thank the gentlewoman from Texas (Miss Jordan).

Mr. Speaker, few issues that confront this Nation today are as critical as those involving the war-making powers. The issue is not simply whether the Constitution will remain a viable document, shaping our lives and our governmental policy, but is also whether the Congress will be able to control the course of events here at home.

For 10 years we waged a war in Vietnam, although Congress never declared war and although ultimately a majority of our population opposed the continuation of that war. The country became restive about the unilateral conduct of the war and the inability of the Congress to control it. Nonetheless, in spite of the tragic expenses of the Vietnam war President Nixon recently began a massive daily bombing of Cambodia. Congress has not declared war against Cambodia. To my mind the President's unilateral action is unconstitutional, and I would like to discuss the constitutional issues involved here.

Article I of the Constitution explicitly says that the Congress shall have the power to declare war and raise armies. As we examine the history of this constitutional position, we understand why Congress and not the President was granted the power to initiate war.

The first reason was the bitter experience with the English monarchy in which the English monarch had the absolute and unlimited right to commence war without parliamentary restraint. The Founding Fathers did not want this experience to occur in the United States of America.

The second reason for giving the Congress and not the President the power to initiate war was, very frankly, to give peace a helping hand. As Thomas Jefferson stated in a letter to James Madison:

> We have already given in example one effectual check to the dog of war by transferring the power of declaring war from the Executive to the Legislative body, from those who are to spend to those who are to pay.

Finally, the reason for placing the power to declare war in the Congress is that we are especially accountable to our constitutents. We in the House of Representatives, face our constituents every 2 years and must be able to justify the decisions to send their sons to be killed and the expenditure of their tax dollars for war.

ORDERING OUR PRIORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. Owens) is recognized for 1 hour.

Mr. OWENS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York.

Miss HOLTZMAN. I wish to thank the gentleman from Utah.

As a freshman Representative, I was elected in part because my constituents were deeply concerned about the need for the Congress to reassert its authority over the military interventions abroad as well as our domestic policy at home.

As a freshman, I am very pleased by our special order today and the opportunity to participate with my colleagues in presenting to the American public serious constitutional issues which affect all of us.

We are, as I said before, involved now in the Cambodian intervention. Let me recount to you the facts as we can glean them, although the President has shrouded much of this activity in secrecy. We have been conducting massive B–52 and fighter-bomber raids on an average of 250 strikes a day with 60 to 120 B–52's being used. We are spending a minimum of $1 million a day. We do not yet know the human toll of this war.

There is no justification under the Constitution for this bombing. Congress has not declared war. The Gulf of Tonkin resolution which may have served as a justification for the Vietnam war, has been repealed. We do not have troops and prisoners of war in Cambodia whom we have to protect. Even our treaty obligations do not apply here, since Lon Nol himself rejected application of SEATO to Cambodia.

What justification does the administration offer despite the constitutional prohibition against an Executive unilateral declaration or entry into war?

As Mr. Sullivan, Deputy Assistant Secretary of State for East Asia, said:

> For now I'd just say the justification is the reelection of President Nixon.

But, let me say that the Constitution says otherwise, and if we are not to abide by the Constitution in this respect we will undermine very seriously the foundations of this Government that have served this country so well for so long.

I would also like to point out one other aspect of the unilateral entry into war by the President, and the failure to adhere to the constitutional requirement of having Congress declare war, or at least approve it.

Permitting the President to conduct a war without the approval of Congress ultimately preempts the ability of Congress to shape or control events here at home. If we are going to have a spending limit, then the extent to which the President can unilaterally decide to spend money on military activities in essence determines the amount available for domestic needs. The Congress cannot capture control over domestic priorities if the pie to be divided here at home is going to shrink as a result of the President's warmaking powers.

The price of war was a rapid inflation, and the price of that inflation in one respect was the fact that we in Congress cannot enact desperately needed social programs in health, education, job training, and economic development, except by overriding a Presidential veto—justified in part on the grounds of inflation that was created in the first place by a war that the executive entered into unilaterally.

The second price we pay similarly is in the area of impoundment in which the President ostensibly on the basis of inflation imposes restrictions on spending in housing, water pollution, and veterans' benefits. Thus, this Congress is left to pick up the pieces of a war that it never in the first place declared.

Finally I would like to point out that a war gains a momentum of its own, and reaches a point beyond which controls as a practical matter can no longer be imposed. Our experience in Vietnam shows that once men and money were committed, then more men and money had to be committed to justify the sacrifices previously made.

The war in Cambodia can be stopped now, and if we do not stop the war, as my colleague, the gentleman from California pointed out, we may be in the same position that we were 10 years ago in Vietnam.

It is critical not only to preserve the constitutional integrity of our Government, but to preserve our domestic needs at home and our ability to control them, for the Congress has to have some say over whether or not we are going to have a war in Cambodia.

Mr. Speaker, again I thank the gentleman for yielding to me this time.

Mr. OWENS. Mr. Speaker, I congratulate the gentlewoman from New York for her very excellent remarks.

Mr. GINN. Mr. Speaker, will the gentleman yield?

Mr. OWENS. Mr. Speaker, I yield to the gentleman from Georgia.

Mr. GINN. Mr. Speaker, one of the principal reasons that I am in Congress is to voice the opinion of the people of the First District of Georgia. My constituents want their voice heard with a fresh approach to old problems which do not seem to go away, but just end up costing them more. They feel that the grassroots opinion of the American voter has become lost among the rigidity of the traditions of the Congress and the bureaucracy of the Federal Government.

We are here to serve the people, to stand up and debate, and to vote for the people of this Nation who are seeing their hard earned wages being eaten up by taxes and prices being driven up by inflation whose root cause is the deficit spending of the Federal Government.

Past administrations and Congresses have overspent and have given away billions of dollars without, it seems, much regard for the average workingman. But the blank check spending of the past has caught up with us and now is the time to make up for past mistakes and remedy the problem.

If we do not do something to clean our air and water now, there will be nothing for future generations to use. So it is with our fiscal responsibility. Now is an excellent time to do something. Actions speak louder than words, so if this Congress really wants to do something about the problem of high taxes and inflation, now is the time for us all to work together in this endeavor.

The administration has already acted to do what it feels should be done to combat this situation. When the President slashed the budget, he delivered a slap in the face of Congress. I believe that it was a shock that Congress needed.

The President proclaimed that the time for spending more money than we take in should come to an end. I agree.

The Congress and the President both feel that spending must be decreased. The question is, who will cut it—the President or the Congress.

Mr. Speaker, I believe that the Congress must take its constitutional responsibility to manage the budget, cut it where necessary, and it must start facing those hard decisions right away.

It should do so for two reasons.

First, the Constitution clearly gives Congress the mandate and the power to mold the programs that move our country. To surrender that power to the President is to turn our backs on the most basic principle of our system of government.

There is yet another reason why Congress must assert its authority to set the budget. That is the reason to which I wish to address myself today.

No President, no matter how wise or skillful, can effectively bear the responsibility of life or death power over the legislative programs of our Government. What we have is a question of judgment, and I think Congress—when it begins to face reality—is best equipped to exercise good judgment in these matters.

Who knows best what programs are best suited to the needs of his district—the Congressman, as he is the one who knows the real, personal necessities, and not some faceless bureaucrat in the Office of Management and Budget.

The recent mandates of this bureaucrat have cut back sorely needed funds in my district—funds needed by the people who paid their taxes for government services—the farmers, the businessmen, the low-income families, the working mothers, the handicapped children, the mentally retarded students, the small towns struggling for decent water and sewer facilities, those towns seeking aid for industrial growth which would mean jobs, a decent living, and an improvement in the quality of life for thousands of Georgians. It is difficult to explain to these citizens why needed Federal funds are being cut back by the administration when they elected Congressmen and Senators to determine how tax money would be spent.

Federal funds being used in my district are not the free-wheeling easy money programs that have led our national budget to the brink of disaster. These are not welfare giveaways, they are programs that give a chance for a better life to hard-working people with the will to help themselves. For every Federal dollar invested or loaned, many times that amount will ultimately be generated for the benefit of local communities.

But I want to make it clear that I do not consider these programs untouchable. They should not necessarily be spared their day on the budget chopping block.

We live in a time when we must tighten our economic belts, and the people of my district are ready to bear their share of the hardships. But they are not ready to surrender the job of determining priorities to someone who is not answerable to the people as are elected officials . . . someone who makes descisions affecting my constituents behind the closed doors of the Office of Management and Budget. The people of America want their budget priorities made in the public view, in the committee rooms and the chambers of the House and Senate, and not by someone who wears the cloak of executive privilege who does not have to answer to the Congress or the people.

I think that the people of the First District of Georgia have a right to know why our Government does not have enough money to approve an FHA loan that will give a deserving family a decent place to live at the same time our Government has approved a $12 million loan to Zambia to increase its tobacco production.

I need to be able to explain to the mayors of small towns why there is no money to build a sewer system that would be a major boon to the town's economic growth. I have to explain why Congress cannot appropriate money for the towns but the administration can request an increase in defense expenditures while we are having hundreds of bases closed and the Nation is not supposedly involved extensively in any foreign conflicts.

I have to explain why there is no money for farm conservation and why the rural electric and telephone program must be cut back at the same time that the administration is contemplating spending billions of taxpayers money to rebuild North Vietnam.

I have to be able to tell my constituents why our Nation must cut back on domestic programs at the same time that billions are being spent for economic and military foreign aid.

Let us, through cooperation between the administration and the Congress, do what every American family must do—sit down and budget our expenses.

Webster's dictionary defines budget as the "amount of money available for a particular purpose." Past Congresses and administrations have defined it differently it seems. Now is the time for the Congress, through the voice of 535 elected officials from all over the Nation to indeed budget, by spending no more than is taken in.

For the long range, I believe Congress should set a spending limit for each fiscal year, and then live within that limit when it appropriates funds. It would be an agonizing process, just as agonizing as it is for any American family who must budget.

For the current fiscal year, because time is short, I would suggest that Congress set a percentage for an across the board reduction in spending in all departments of Government and let everyone bear their share of the burden in bringing order back to Government spending.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, I thank the gentleman for yielding, and I take this time so that I too might congratulate the gentlewoman from New York (Miss HOLTZMAN) on her very, very eloquent remarks.

Mr. Speaker, I can recall that back around 1965, when I was following the Johnson administration with respect to the war, and was in part what they called a "hawk" at the time, I found that after making complete study of the situation, and having talked to many generals and naval admirals, and with high people in the State Department, and people in the CIA, and every other branch of the Government, that I became concerned over the fact that I could not justify within my own heart that the war in Vietnam was anything else but a civil war, and I could justify no longer politically, morally or spirtually its continuation at the expense of our Nation.

I recall being at the briefing with the President of the United States, and with Mr. Kissinger earlier in the year, and it was explained to us about the peace and how we were wanting the boys home—and we do want the boys home and are happy that the prisoners have returned—and we do want a full accounting of those who are missing in action.

We do hope that the peace that is glued together stays permanently together.

At that time I recall Mr. Kissinger saying that with regard to Cambodia, it was the will of the Cambodians that there be a cabinet made up of both sides of the argument that was going on, and that they thought perhaps that in a month or so the war in Cambodia would be over. But actually I am becoming terrifically concerned, as I know other Members of the House are—as Miss HOLTZMAN is in her remarks, saying how we are spending a million dollars a day there. I would hate to see us get involved in Cambodia as we are involved in Vietnam.

If there was anything that ever showed that the power of Congress was eroding, it was the war when we sat by here and merely debated, and I do not believe that, but in one instance, we ever had an opportunity to actually vote on the issue of the war itself. We always were voting on the previous question, or on an amendment to an amendment. But I think only on one issue did this Congress ever have an opportunity to vote on the war itself.

I think it is time, with us going home, that we take some deep concern of what is happening in Cambodia. I think we all ought to dedicate ourselves to getting the knowledge from the President as to what is happening over there. I think we ought to make a real effort when we come back to make sure that this war never gets into our hands exactly as the Vietnam war did, because it broke the hearts of millions of Americans and split this country down the middle.

I think it is high time that the Congress took a good look at what the President of the United States is doing and never make the same mistake we made in Vietnam.

Mr. OWENS. I thank the distinguished majority leader.

On behalf of my fellow freshmen, I express our appreciation for his spending the evening with us.

Now I should like to yield to our colleague from the State of Oklahoma (Mr. JONES) such time as he may consume.

Mr. JONES of Oklahoma. I thank the gentleman from Utah for yielding to me.

Mr. Speaker, I am delighted to participate with my colleagues and new Members of the 93d Congress in this special order, because much of what we have been talking about tonight I think is an issue that has been much heralded in the past few years across America. It is a very basic issue, and it is called law and order.

We are talking tonight not about crime in the streets and not about that kind of law and order which was misused in some campaigns. We are talking about law and order as it pertains to the basic law of the land: the Constitution of the United States. We are talking about whether or not the Congress of the United States shall maintain and reassert the constitutional responsibility and authority which have been its from the time this country was founded. We have seen much happen in this country through tradition and precedent in the loss of constitutional powers.

I think we are seeing through tradition and precedent the loss of those powers by the Congress of the United States. For the past three Presidential administrations, Congress partly by its own fault and partly by the actions of the executive branch, has been losing its constitutional authority. I think this year 1973 is a crucial time for Congress to regain and reassert those responsibilities and authorities, because it has a great deal to do with the kind of country that we are going to have in the future.

When I go back to my district—which, incidentally, gave well over a 100,000-vote plurality to President Nixon—we talk very frankly about this issue of congressional responsibility and authority.

I point out that it is important to them, because even though 80 percent of them may today agree with the cuts that the President is making, the cuts and the impoundments of the bills authorized and appropriated by the Congress and signed into law by the President set a dangerous precedent. The issue is 3 years from now when we will have another President. And if we in 1973 give up those constitutional responsibilities to one man, it does me little good to voice the opinions of my district and to act on their behalf in 1977 when another President may be making decisions with which they do not agree.

In order for Congress to reassert that authority, I think it is terribly important that we look to two or three things,

First of all is the reform of Congress itself, and here I think we as the freshman class owe a great debt of gratitude to the leadership of the House of Representatives for taking the lead in reforming this great body. In reforming it by making it more open to the public, something which the executive branch, according to tonight's Washington Star, still has not done, and reforming it in the way we select our leaders through the committee system. So that has been done and it is working and I think this is going to be one of the milestones of this decade of legislative government at the Federal level.

The other issue has to do with impoundment, and we are going to have an opportunity to vote on that, to statutorily draw the line between the powers and authority of the legislative and executive branches.

Third is the budget question itself. The administration would make us believe that this is a question of who is fiscally irresponsible, and they would have us believe that the Congress is the fiscally irresponsible body of this Nation. Of course, as other speakers have said tonight, that is not the case. It has been the Congress which has been cutting back the budget request of the Executive. But we also have to admit to ourselves that we simply do not have the mechanisms at this point to look at the entire revenue picture and to look at the expenditure picture and to try to bring them into balance. But again, with gratitude to the leadership, we are getting that mechanism and we are getting that through the Joint Committee on the Budget and their report. I am sure that the freshman class will support this effort.

Now, what other things can we do? Specifically the point I wanted to talk about tonight is one area in which we can show we are fiscally responsible, and it has to do with the General Revenue Sharing Act of 1972. It has to do with the amendment I introduced, which was cosponsored by many of this class and by 26 other Members of this body, just a week ago. It amends the 1972 General Revenue Sharing Act very simply and says that no general revenue sharing funds shall be spent unless those funds were included by the President as a part of a balanced or surplus budget.

In the 1974 fiscal year this means we would be saving $6 billion in Federal expenditures. This means we would be cutting the President's red ink budget in half in the fiscal year 1974. I think it would also mean that Congress would be reasserting its authority on an annual basis to take a look at the revenue and expenditure picture. Last year Congress voted $30.2 billion for general revenue sharing over a 5-year period, and Congress gave up all responsibility for succeeding years by saying that there should be $6 billion spent in each year.

Mr. THORNTON. Mr. Speaker, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Arkansas.

Mr. THORNTON. Mr. Speaker, how is it possible for the United States to share revenues when it has a deficit budget?

Mr. JONES of Oklahoma. This is the whole point of this amendment which the gentleman from Arkansas cosponsored. For once it says we must be honest in our rhetoric as well as our legislation with the American people. If there is no revenue to share, all we are talking about is debt sharing. As a matter of fact in the review of the general revenue sharing bill that my office has conducted, we found it is not the State governments who are insolvent, it is not the local governments who are insolvent and who need revenue sharing, it is the Federal Government which is the insolvent body.

Thirty-one of the 50 States will have surpluses this year. We have looked into how some of this money is being spent. We found that in a small community in my home State a $10,000 general revenue sharing check was issued. They had no mechanism as to how to spend it, so they redecorated, repainted, recarpeted and put new drapes into city hall. This was at a time when programs which are helping the poor and middle-income families in that community were being cut off, and those people were being hurt. In one State in this country they did not know what to do with their millions of dollars of general revenue sharing funds, so they put them into certificates of deposit. At the same time, their children were being denied funds from the Federal Government for education. The college students were being denied help to get a college education.

There are a number of examples such as this. I think that if this House of Representatives would put its force behind an amendment such as this and would force the administration to admit that the irresponsible fiscal body has not been the Congress, but has been the executive branch, and to force them to either accept the fact that we are going to cut their deficit by this method and accept the fact that they have to be honest with the American people and recognize that we do not have any revenue to share in a deficit budget, then I think we could be striking a very significant blow for the taxpayer who has demanded that the Government take the lead and hold down spending; hold down nonessential spending and put the money that we can save into the programs that are going to provide the housing, going to provide the education for our children, going to give particularly our elderly citizens the needed health care that they so desperately need today and are being denied.

I thank the gentleman.

Mr. McSPADDEN. Mr. Speaker, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Oklahoma (Mr. McSPADDEN).

Mr. McSPADDEN. Mr. Speaker, I would like to associate myself with the great remarks made by my colleague from Oklahoma, and commend him especially on the legislation which he mentioned as to the deficit spending revenue sharing as being one of the most sane approaches to fiscal responsibility that has been introduced in this session of Congress.

Mr. JONES of Oklahoma. Mr. Speaker, I thank my distinguished colleague from Oklahoma.

Mr. OWENS. Mr. Speaker, I commend the gentleman from Oklahoma for his very fine remarks.

I am now pleased to yield to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I thank the gentleman for yielding.

I suspect the Members of the freshman class should offer their condolences, if not their apologies, to the employees of the House whose evening plans have been somewhat destroyed by our undertakings. I suspect, however, that they will understand, given the magnitude of what we are talking about; that things far more important than their evening plans, or ours, have been destroyed in the last few years and decades; that there are people in this Nation who have no homes; that there are people in this Nation who have no food; that there are people in this Nation who have no health care.

There are tens of thousands of Americans who are not here tonight in this hall, or anywhere else in this Nation or on this earth to discuss this or any other crisis, because of the imbalance and the irresponsibility to which we are trying to address ourselves this evening.

We recognize the unusualness of freshman Members doing anything quite so unconventional or—I cannot use the word "dramatic" I think in all fairness—but as lengthy and wordy as this.

This freshman class of Democrats in the 93d Congress decided very early on that we would not content ourselves simply with the traditional social functions of what is called the 93d club. We discovered that we had come from every corner of this country with a great deal in common to a very surprising extent.

We have in common, first of all, and most obviously, the fact that has been referred to earlier by some of our colleagues, that most of us, and I think perhaps all of us, are fresh from 1 or 2 or, in some cases, 3 years of intensive grassroots campaigning.

That has brought us inevitably as close as possibly can be to the feelings and the pulse of the people. We have discovered, in spite of the diversity of geography which we represent, that we came to this institution with a great deal in common in terms of how we read the feelings of the people whom we now represent. We have come here and we now speak with all the accumulated knowledge, wisdom, and experience of 3½ months of service in this institution. But we believe we do have a right to speak not only because, as the Speaker earlier indicated, we represent roughly some half million people, as does every other Member of this body, but because as a group we can claim to be at least as close in rapport and understanding to the people of this Nation as the other Members of this Congress.

The freshman Democratic Members at this point stand, I believe it can be said, very concerned and very frustrated. We feel that that concern and that frustration are a legitimate and accurate reflection of the feelings of the people we represent. We represent all kinds of people. I, too, as does the gentleman from Oklahoma, represent a district that was carried by Mr. Nixon. My mail, coming from the most traditionally Republican parts of my district, is now full of letters from people who say such things as, "I am a Republican. I have been a Republican all my life. I have voted twice for Mr. Nixon, but this is not what I voted for."

I believe that points up what has also been said earlier here. What we are talking about tonight is not a question of partisan politics. It is not Democrats versus Republicans. It is not a Democratic Congress versus a Republican President. What is at stake is the Constitution of the United States.

Each of us within this broad general theme this evening has been assigned a specific focus. Before I get to mine, without repeating too much what has been said before, without going back, as we have earlier this evening, into the uniqueness of the House of Representatives and into the nature of the constitutional crisis, I should like to say a word beyond what was said by the gentlewoman from New York (Miss HOLTZMAN) about what is going on now in Laos and Cambodia.

We all learned this morning by listening to the radio that the Subcommittee on Defense of the Committee on Appropriations of the House yesterday approved a supplemental appropriation of roughly one-half billion dollars for the Department of Defense. It is my understanding that the testimony before that subcommittee, which I believe was in a closed session, indicates that somewhere in the nature of $150 million of that money has already been spent directly for the costs of the bombing in the first 3 months of this year.

I submit, as did the gentlewoman from New York, that the President's conduct of that bombing is illegal. It is in violation of the Constitution of the United States, which specifically and clearly gives to the Congress the power to declare war. And it is in violation of a statute passed by the Congress at the end of last year, which states that the defense of Cambodia is not the policy of the United States.

There are no American troops, so far as we know, in Cambodia or Laos. There are no longer American prisoners of war in Laos, and there are none, so far as we know, in Cambodia.

I believe I can speak on behalf of most Members of the freshman class here, and I would hope on behalf of most of my colleagues in the Congress, in saying that we all go to bed each night with a nightmarish vision of waking up the next morning to discover that the first B-52 has been shot down, the first American airmen have been taken prisoner, and that the whole vicious war in Southeast Asia has begun again and that we will again be confronted from the President with the old tired rationale of the necessity for continuing the bombing for the protection of American prisoners.

It is with great sadness and great frustration that we note in the 3½ months we have been here, throughout almost all of which that bombing has continued, and so far as we know it is continuing at this moment, there has been no action in this Congress.

No voices of any note, of any power, have been heard; no action has been taken by this Congress.

Mr. Speaker, I think that we must in all fairness say at this point, after all the criticism that has been leveled by our colleagues at the executive branch of the Government, that the horrendous imbalance which now exists in the American constitutional system is not simply a case of executive usurpation of power constitutionally assigned to the Congress. It is also a case of the Congress not having exercised the will and the courage to assert the powers which the Constitution very clearly and very wisely gives it.

There has been a great deal of informal joking on the floor of this House in the last few weeks. Members have been heard halfheartedly to say, "I wonder if a resolution will be introduced formally to abolish the Congress of the United States."

Mr. Speaker, if this institution should ever cease to exist, I think it will not have been entirely a case of murder; a significant part of it at least will have to be put down as suicide of a body which did not have the courage and the will, although it clearly has the power, to stand on its own constitutional feet.

We have the same question and the same problem which has been brought up before on the question of executive impoundment of funds.

The Constitution very clearly states that the job of the President of the United States is to execute the laws of this land, not to make them. It is the sole and special responsibility of the Congress of the United States to make the laws.

Mr. Speaker, this President of the United States has boldly and clearly asserted his authority to decide for himself what will and what will not be done with the people's money.

The distinguished Speaker of the House pointed out earlier that it is only the House of Representatives that can originate appropriations bills and revenue bills. A great deal of history went into the experience and the wisdom of the men who wrote the Constitution. They had seen unchecked executive power in their own lives, in their own land. They feared it more than they feared anything else, and they wrote a Constitution designed to see to it that we would not end up again in this Nation with a king or with a President or with any kind of an executive who had authority of his own to reach into people's homes and take out their sons and send them to war or to reach into the people's pockets and take out their money and do with it as he would.

The President of the United States now asserts increasingly his authority to do that, and this Congress has not yet acted to take that authority away from him.

Mr. Speaker, I should echo, I think, at this point the gratitude expressed by my colleague, the gentleman from Oklahoma (Mr. JONES), in expressing his appreciation to the leadership of this House for the reforms that have been accomplished to date. A great deal has been done, and as we understand it, a great deal is in the process of being done, particularly with regard to the form and the procedures by which this House deals with the budget.

The President of the United States is quite right when he accuses the Congress of the United States of fiscal irresponsibility in this particular regard. The structure and the procedure, the method by which we deal with appropriations in this Congress, do not, in fact, permit us to take a comprehensive overview of the budget. We vote on appropriations one at a time. The subcommittees of the Committee on Appropriations deal with one department, one agency, one branch, one area, at a time. No one in this Congress, given the present method of proceeding and dealing with the budget, has an overview. We do not set a spending ceiling; we do not set priorities within that ceiling and hold ourselves to them.

Mr. Speaker, that is why I think I can speak on behalf of all the freshman Democrats in expressing our great appreciation for the work of the Joint Committee on the Budget, that it has our complete and wholehearted endorsement of what we hope and understand will be accomplished by this Congress to remedy that situation. If and when we can do that, if and when this Congress can set for itself the spending limit and the priorities which the Constitution clearly intends us to do, we will have removed the one weapon the President uses to confuse the people of this country by charging the Congress with fiscal irresponsibility.

As has been pointed out earlier, the President, who uses the words "fiscal irresponsibility," himself submitted a budget more than $13 billion out of balance. Not only that but by a wonderful bit of sleight of hand in the use of accounting procedures, that budget would be more than twice as much out of balance were it not for the change instituted by this administration in which for the first time trust funds, such as social security, were counted in as a part.

There is not one shred of legitimacy for the criticism by the President, in general terms, of fiscal irresponsibility on the part of Congress except in the crucial regard which we hope will be corrected as a result of the very welcome work of the Joint Committee on the Budget.

My own focus—and I will be brief in it—is a pedestrian and routine one. It has to do in a specific sense with such mundane matters as allowances, as travel, as telephones, as printing, as the tools to do the job of what is supposed to be a coequal branch of government. You can see that through a couple of examples.

The Office of Management and Budget has 660 employees to review the budget and has at its command untold thousands of professional employees in the executive agencies of the Government. Our own House and Senate Appropriations Committee combined have 117 employees. In our case, in the case of my office here in Washington, we would have ceased to exist several months ago were it not for the dedicated work of one dozen handling research assignments.

I find it difficult to picture the Secretary of Defense or the Director of the Office of Management and Budget trying to rely on volunteer help to fulfill their responsibilities.

The entire staff of the House of Representatives numbers less than 8,000 and the Senate less than 5,000. The Executive branch employees 2,446,000 people. One of my favorite examples, at least when I am in a masochistic mood, is our FTS telephones which sit on the desk of every Member of this House. Those phones, as our colleagues know, work wonderfully. They can call anywhere free in this Nation except between 9 to 5, Monday to Friday. As I understand it, even that service is by courtesy of the Executive branch.

The allowances of this institution do not allow a conscientious Member of this House to do his job in serving his constitutents as he ought to be doing. It now appears to us, for example, that our telephone allowances for our three district offices will be exceeded by approximately $135 a month. There is nowhere for that to come from except the personal pocket of a Member.

Our allowance for such essential equipment as telecopiers and Xerox machines in district offices we now estimate will be exceeded by approximately $120 a month, and there is nowhere for that to come from except from the pocket of a Member.

We heard a great deal of criticism on this floor earlier this week about the amount of money spent by this institution in franking mail for the people we represent. Last year $24 million was spent to cover the cost of all congressional franked mail. The executive branch spent $272 million in free mail, interestingly enough. I point out the figure in order to put a few things in perspective. The budget last year for the Public Affairs Division of the Department of Defense was $27 million, $3 million more than the entire budget for all congressional correspondence with our constituents, who constitute every person in this Nation.

We are allowed generously 18 round trips a year as Members of this institution to our home districts. We have been here 3 months, and I have used 11 of those 18 trips, and when that allowance is gone, again there is nowhere for that to come from but from Members' own personal resources.

We have allotted to us three round trips for our entire staff to our districts per year.

Our entire travel allowance pales in comparison to one single Presidential trip on Air Force One.

The entire legislative branch, including the General Accounting Office, has fewer than 10 computers in use, and less than half of these are used to supply the Congress with information, while the executive branch, so far as I can determine, has over 6,000 computers in use.

There has been some talk recently of a recommendation to raise the salaries of Members of the Congress from the present $42,500 a year level to $55,000. I am against that, and I suspect that most of our colleagues in the freshman class are against that. Because there is no sense arguing with the people of this Nation that the salaries we receive are inadequate. But I would like to see us have the courage to say that the allowances we are given to do our job are inadequate.

I think that the general point that we would like to make, with these fairly trivial and mundane observations, is that the timidity that we as Members of the House exercise as we move among our colleagues is not necessary. Unless we very badly misread the people we represent in the great diversity of the districts we represent, they are demanding that this institution stand on its own two feet.

I for one am prepared to go anywhere in my district before any public audience and argue that we should double the staff allowance for Members of the Congress. And I am prepared to say that I would have the support of most of the people I represent.

And I think that I should hasten to add, as I said earlier in my remarks, that we do appreciate what has been done to date. We are aware of our newness in this body. We are aware that the allowances were woefully less adequate only a short time ago. We are aware that only yesterday the distinguished chairman of the Committee on House Administration was able to make some progress in our behalf, and we are deeply grateful.

But I think perhaps what we are trying to say to the people is that when this Congress begins to stand up on its own congressional feet, and when we begin to override vetoes of the President, and when we begin to withhold funds for the bombing of Laos and Cambodia, or anywhere else, that the President may decide to continue this operation tomorrow morning, or next week, or next month, that we do not have to display feelings of timidity over what we may do or say, but that we will have the people behind us—in fact, they are there now. I think in some respects they are ahead of us.

Mr. Speaker, I would like to say in conclusion, if I may, to our leadership that we are with them, that we are behind them, and the stronger they are the happier we will be.

Mr. OWENS. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Massachusetts (Mr. STUDDS).

Mr. Speaker, it is with considerable pleasure that I join my freshman colleagues on this side of the aisle today in a joint statement outlining our hopes and our aspirations for the 93d Congress. More particularly at this time, we join in restating our firm belief that the Congress of the United States now embroiled, as it is, in a constitutional conflict with the executive branch, is in danger of losing outright its historical power to determine the direction and the parameters of Federal activity.

It is curious that Members of the Congress, the branch which has historically and without serious challenge heretofore, carried out this function of writing the laws, should now feel an obligation to restate our claim to that authority. But faced, as we are, by a powerful Chief Executive who, without color of constitutional authority, has used administrative power to strangle program after program, governmental activity after governmental activity, it is not suprising, I suppose, that we should meet together to reassure ourselves and each that the lawmaking authority of this country is, in fact, alive and well right here in the Congress. But while the Congress has given up power from time to time, it retains the legal and constitutional authority to legislate—indeed, we could not constitutionally give that legislative authority away if we compulsively tried. The question now is whether we will assert that authority, or agree to its expropriation by the Executive.

How has the Congress responded to this threat? By acquiescing, Mr. Speaker, in large measure, to the President's initiatives. Just last week in a thoroughly disappointing display of the lack of congressional backbone, this House sustained the President's veto of the Farmers Home Administration water and sewer grant program, even though the program had passed this very House earlier this year by almost a 6-to-1 majority. Why is it that Members have abdicated their prior resolve to provide farming communities with water and sewer assistance? Speaking not to impute a motive to Members but in judgment on why that veto was not overridden by an indignant, angry Congress as might be expected, it seems clear that the political pressures and the impact of the President's budget impoundments, in a day of rampant inflation, was felt by many and forced an unseemly, graceless compromise on the part of the Congress.

I do not desire to participate in degrading of this institution. I respect this Chamber. Having come to this body from lengthy staff service on the other side of the Capitol, my prejudices prepared me to be bored here, to expect little, to count on nothing. Instead, I found excitement, a resolve in the majority to reject the worst manifestations of seniority and secrecy and a tolerance, even respect for newer, younger Members. We are a dynamic force, Mr. Speaker, a House of Commons where it can still be said, as Hamilton said years ago:

> Here, Sir, the people govern.

What must the Congress do? We must, it seems to me, reform our procedures and our legislative machinery to overcome the outdated restrictions Congress has voluntarily allowed to exist, to permit ourselves to deal in an intelligent, informed manner with the facts and problems as they come to us.

First. I suggest that we must first redefine our budgetary process, which we are moving to accomplish primarily through the bipartisan Joint Study Committee on the Budget under the able direction of the gentleman from Oregon (Mr. ULLMAN) and the gentleman from Mississippi (Mr. WHITTEN). Preliminary reports indicate that this committee shortly will provide for our action, not a superficial spending ceiling like that passed 2 weeks ago by the other body, but a comprehensive budget limitation, capable of enforcement. After refinement by the Congress, I hope we will enact their recommendation.

Second. We must work out an approach to deal constructively with Presidential impoundments—to maintain congressional power over spending. Both these problems—budget limitation and impoundments control—require simultaneous solution because to impose a budget limitation without a solution to the impoundment problem is tantamount to a conveyance of authority to the President to redirect spending just like he has been doing, in an extralegal way, this year.

As if between parentheses, Mr. Speaker, may I say that the greatest source of frustration to this freshman Congressman has been the public misunderstanding about the role Congress has played in past years in setting fiscal policy. It is an axiom in politics that the successful politician chooses well both his enemies and his friends. This President has always carefully chosen his adversaries. The low esteem into which Congress has fallen in recent years has made the legislative branch the perfect Presidential scapegoat for ineffectual economic policy.

How is it, Mr. Speaker, that this President, with four straight budgets of monumental deficits, whose budgets every year of his administration have been cut by a Congress determined upon setting spending priorities, how can he, with a straight face, present to the country a proposition that Congress is composed of irresponsible spenders? The truth is, Mr. Speaker, that it is the Congress which has acted responsibly, which, over each of the last 4 years has cut from Presidential requests, a total of more than $21 billion. They have cut from the areas of defense and space and foreign assistance, and they have added in the areas of education and health and pollution control, among others. Congress has cut from President Nixon's spending requests an average of almost $6 billion a year.

Now, belatedly, insulated with 4 more years, the President of the United States in pursuit of his own legislative and political ends, terminates by arbitrary administrative fiat, programs which he could not defeat in the orderly, lawful process of our Government. And Congress, in its docile, dependent mood, at times seems determined to give the President what he wants, up to, and including, the congressional birthright.

So, in summary of what I consider the first two imperatives, it is necessary that we set out clearly our budget limitation and define the basis and procedures under which we might allow funds to be impounded. In an orderly democratic fashion we can then set the spending priorities we collectively determine to be wise, and see our determination through by refusing to be bullied about by raw Presidential power, aided by organized telegram campaigns from home.

Third. To accomplish this end, Mr. Speaker, it is necessary that we establish a division within the legislative branch comparable to the Office of Management and Budget, staffed with an adequate number of expert personnel, responsible only to the Congress.

I learned firsthand last week how little Congress really knows or can ascertain about Federal spending. In an attempt to prepare an alternative budget for fiscal 1974 for the consideration of this freshman Democratic Caucus, the gentleman from Iowa (Mr. MEZVINSKY) and I, with expert help from the Congressional Reference Service, set out to learn where we are spending our resources. We were unable to find out how much money, for example, is spent to maintain the 300,000 American troops in Europe. That information is simply not available to us in any understandable fashion.

It is intolerable that, as a legislative branch charged with responsibility of oversight and control over the executive branch, that we are dependent upon the experts, the information, and statistics available only from the very executive branch we are supposed to be policing. It is impossible for Congress to meet its constitutional responsibilities to govern intelligently without independent sources of information and information evaluation. We are 30 years behind the technology because, to use a popular phrase around here, the Congress is "penny wise and pound foolish."

I am told that the Pentagon, to prepare its budget for submission to the Congress, spends more money each year than Congress appropriates for its own operations. Senator MONDALE of Minnesota has said it well:

> When I stand up in the Senate to move to delete funds for the space shuttle, it is one Senator and one bright legislative assistant against the unified resources of NASA, the Pentagon, and the entire Executive Branch.

Is it not time, Mr. Speaker, that the Congress provide itself with adequate data processing, equipment, staff, and space to allow us to deal intelligently with the questions of the budget and oversight of the executive branch. I voted yesterday and again today to expand the size of the Capitol because of our desperate need for space. I will vote too, when appropriate, for another House office building and for a legislative office of management and budget, a legislative ombudsman, and other services and facilities needed to do our job intelligently. Without doing violence to the memory of the late Winston Churchill, I think I can paraphrase his request to the United States at the time of the threatened invasion of England early in World War II with my own request to fellow legislators:

> Give us the tools and we will do the job.

Mr. Speaker, I am now delighted to yield to our colleague, the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Speaker, I want to thank my honored colleague, the gentleman from Utah, for yielding.

Mr. Speaker, our lives are deeply affected when our Government makes secret commitments to foreign nations.

A free society cannot allow its men and resources to be used overseas in the name of secret agreements.

Starting 3 years ago, the Senate Subcommittee on U.S. Security Agreements and Commitments Abroad, chaired by Senator SYMINGTON, uncovered a number of military agreements with foreign governments which had initially remained unknown to Congress and the American people.

These included an agreement with Ethiopia in 1960, agreements with Laos in 1963, with Thailand in 1964 and again in 1967, with Korea in 1966 and certain secret annexes to the Spanish base agreement.

More recent action by the Senate Foreign Relations Committee has focused on executive agreements concluded in December 1971, with Portugal for an airbase in the Azores and with the Persian Gulf State of Bahrain.

Let us focus on just two of these cases—our support of two countries on opposite sides of the world—Spain and Laos.

In 1967 and 1968, a series of military exercises were held in Spain. In those exercises, several thousand U.S. airborne forces took part along with Spanish forces.

The war game scenario described an insurgent uprising in north-central Spain where the Spanish were able to contain the insurgent forces within a certain area, but could not eliminate them. The United States forces were called upon to fly from Germany and be airdropped in the insurgent area. There they linked up with the Spanish forces and participated in the final defeat of the insurgent group.

After such an exercise, can anyone believe that we have not made a commitment to assist the Spanish Government in the event of an internal uprising?

This commitment is further reinforced by the very presence of American bases on Spanish soil. Spain is not a member of NATO. The Spanish base agreements have never been submitted to the Senate as treaties. Yet the simple fact of the presence of U.S. military forces in Spain, as General Wheeler, the former Chairman of the Joint Chiefs of Staff, has pointed out to the Spanish, represents a stronger commitment than anything in a written agreement.

The other case I wish to mention is Laos. At this very moment, there is no treaty obligation to Laos nor any other agreement with that country which commits the United States to undertake military activities there. Yet we spent millions of dollars supporting a secret 30,000-man Army led by the CIA. We spent millions more to bomb areas in Laos far from the Ho Chi Minh Trail. And we are still bombing in Laos even today.

For Christmas week we bombed Hanoi and now for Easter week we are bombing Laos.

We must reestablish the rule of law in this country. The Constitution clearly states that law for declarations of war and ratifications of treaties.

Congress should look more closely at our current military agreements with other countries. We should support legislation as proposed in the Senate which bars the use of funds to implement any future agreement with another nation for military base rights overseas unless approved by the Senate as a treaty. And we must insist that our Government disclose all current and future agreements which would commit our forces abroad.

Mr. OWENS. Mr. Speaker, I commend the gentleman for his excellent statement.

I am happy to yield to the gentleman from Kentucky (Mr. BRECKINRIDGE).

Mr. BRECKINRIDGE. Mr. Speaker, I wish to associate myself with the remarks of my conferees this evening. I have been associated in many circumstances in the past with many men under similar situations, but none with a group who I found were so articulate or, if I might say so, so cognizant of the burdens that rest upon them.

I would like to say, Mr. Speaker, that there are two matters that are of primary concern that have been touched upon generally here this evening but not with a degree of specificity which I think they merit.

I am concerned about the fact that there has been what appears to me to be a studied and a determined and purposefully duplicitous attempt to mislead the citizenry of these United States. I attribute this to two areas which we have discussed in detail from every vantage point this evening. They have to do, first, with the reckless and irresponsible charge by a reckless administration that the Congress is wasteful and spendthrift. Second, it has to do with that magnificent piece of boondoggling which leads the public to think that general and special revenue sharing are the answers to the programs to which they have become accustomed.

If I may, Mr. Speaker, I am going to read for the RECORD a brief series of statements which I think will put in perspective the transition from the conception of general revenue sharing as it was accepted during the course of the conduct of the campaign in which we all participated and that which is now generally being sold to the public in terms that are quite clearly calculated to make it appear that if only they would persuade the Congress to yield to the President, that then and only then will that program survive.

I wish to refer to the President's statement of January 22, the year before the last election, 1971, in which he said:

> I propose that the Congress make a $16 billion investment in renewing State and local governments. $5 billion of this will be new and unrestricted funds.

In March of that year the President went further in enlarging on his concept:

> One point that should be made very clearly understood, is that no program currently funded by categorical programs need to be discontinued under the new arrangement. Every community would have the capacity to expand any of the current programs.

Then, to skip a year, Mayor Moon Landrieu, the mayor of New Orleans, was quoted by the New York Times in February of this year. The mayor of New Orleans quoted President Nixon and former Secretary of the Treasury John Connally as having pledged last year that no cutbacks in Federal funds reaching States and cities would result from the enactment of the administration's revenue-sharing legislation.

Mr. Landrieu also cited a Treasury Department booklet on revenue sharing that said the purpose of the revenue-sharing law is to allocate additional funds to the States and to local governments to augment existing programs.

The Wall Street Roundup, taken from the Wall Street Journal of February 26 of this year, stated as follows:

> Congress, last year went along with the President part way. The legislators enacted a general revenue sharing bill, a five year program to distribute $30 billion. But this was in addition to, not a substitute for, the existing categorical aid programs.
>
> Confronted with a reluctant Congress Mr. Nixon is trying in his new budget to bend the lawmakers to his will by decreeing a death sentence both for the Great Society programs he doesn't like and for the programs of specific purpose he wants converted into special revenue sharing system.
>
> In effect the President is telling the Congress to enact his special revenue sharing program promptly or face the prospects of a rapidly dwindling distribution of federal funds to their communities.
>
> The general revenue sharing funds that the cities intended to use for public safety and recreation may now have to go for shoring up projects that were formerly federally supported.

THE FEDERAL BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. BREAUX) is recognized for 60 minutes.

Mr. BREAUX. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. BRECKINRIDGE).

Mr. BRECKINRIDGE. Mr. Speaker, the Federal budget and the cities, as found in the February 1973 issue of the National League of Cities, U.S. Conference of Mayors, stated:

> In August of 1969 the White House, The Mayors, and the County Officials, Governors and the President reached agreement to support general revenue sharing. They explicitly agreed that general revenue sharing was not

> to be a substitute for ongoing federal categorical programs.

The fiscal year 1974 budget goes directly against that statement. It says:

> If constituencies desire to continue providing financial support to local communities general and special revenue sharing could be used.

Now, gentlemen, what has happened, very simply, between the conducting of the general election concluded last November and the presentation of the President's program to the people this year is a "pea game" without match in history. We have gone from a proposition where general revenue sharing—not debt sharing, as pointed out earlier this evening—was to supplement and be used as an extension of and in addition to those categorical programs which the President signed into law with congressional approval.

Now we find, in the Wall Street Journal, the mayors of the United States, the Governors, and everyone who has taken the trouble to follow the record, that the people are being told Congress is responsible for doing two things. No. 1 is spending us into a deficit posture, and No. 2 is failing to implement these programs.

I submit that the answer is, as has been suggested by those who have gone before me, to be found in the budgetary process.

Mr. Speaker, I was interested to learn in going through the papers on the subject that it was about a hundred years ago that we began to lose our grip on this budgetary process. For the first hundred years the Congress retained strict controls; there were no arguments. As has been pointed out, President Jefferson in his first and initial impoundment was doing no more nor no less than proceeding with the advice and consent of Congress, but when the Civil War came along, the budgetary process and the fiscal changes in the Congress resulted in the decentralization of what you and I have now come to accept as the usual practice. Prior to that time both the revenue raising and the appropriations and the disbursement functions were centralized in two committees, in the Senate in the Finance Committee, and in the House in the Committee on Ways and Means.

Mr. Speaker, at that time decentralization created two new Appropriation Committees, separating for the next hundred years the consideration of both factors, a practice which I submit no housewife in her right mind would undertake.

Now, we have before us various propositions. The Senator from Tennessee, Senator BROCK, has modeled a proposal along the lines as to be found in the Brookings Institute report and recommendations on national priorities, and he submits some tangible proposals which you and I will pass on, I trust, before too much time has gone by.

He submits that our programs be reviewed on a 5-year basis, not on an annual basis, such as we are accustomed to, and that no major program be reviewed more than once every 3 years, the concept being, as I gathered from Mr. Charles Schultz of the institute, that we cannot as a Congress, department by department and program by program, rationally and practically address ourselves to a budget, the magnitude of which we pass upon these days. But by limiting ourselves to major program evaluations over a 3-year program and cycling our program through these methods, we cannot only determine and balance revenue receipts and revenue disbursements, but also review the long-range effects and projections of that particular program.

It has been suggested and it will be advanced, I know, by the Joint Budget Committee, that we set up a May and a September proposal, whereby we pass a concurrent resolution making each of the legislative committees, in fact, the overview and the oversight of the Congress in determining within those ceilings what moneys we shall disburse and at what priorities.

You and I are fortunately arriving at a time when it will be possible in cooperation, I trust, with the executive branch of Government—and surely it takes the cooperation of both—you and I will arrive at a time when it will be possible to review in practice the extent of the plan, and evaluate and adjust revenue receipts, the sources of revenue and their disbursements.

This, I think, is the course that lies ahead of us.

I would like to say this in conclusion: The gentleman from Utah is going to introduce a bill, if he has not already, which merits our close attention. His proposal is for an ombudsman arrangement.

I would like to say and submit that in our consideration of the budgetary process, whatever it may be and in whatever form it may come to us, that we should undertake this additional view.

Mr. Speaker, I do not wish to remain dependent upon the the attorneys of the Department of Justice for the purpose of determining and advising me when the executive branch is or is not derelict in its duty and in the discharge of that duty as mandated by this Congress.

I would like to see attached to the Congress of the United States its own prosecutorial staff, if you will, with an investigative staff, with an ombudsman staff, for the purpose of assuring, when our oversight functions brings to our attention a program that has been directed, that has been ordered and that has not been implemented, that we proceed in the judicial system, in the third branch of Government, and see that that law is followed.

I submit that if we balance our administrative tools with counsel, with investigative staffs, with a planning program and a budgeting process, we will find there will be very few questions about who is in command in Washington.

Mr. BREAUX. Mr. Speaker, I would like to yield now to our distinguished colleague, the gentleman from North Carolina (Mr. ROSE) such time as he may use.

Mr. ROSE. I thank the gentleman from Louisiana, and I thank my colleagues here in the Chamber at this time. I have not made it a habit to be easily impressed by the speeches of people, but I find it hard to resist the temptation to be very impressed with what I have heard here tonight. I am happy for the Congress of the United States that we have the people who have spoken here on the subjects and the issues that face this country. The American people should take heart at what has been said here tonight on the issues that my colleagues have raised in this most important way.

The Democratic leadership of the House of Representatives should take heart at what has been said here tonight, because it says to them that the Democratic Members of the 93d Congress are not willing to sit still, are not willing to march to the death knell of any Congress in these United States, but are ready to join them in the fight they know they must wage to make this branch of Government as responsive to the needs of our people as our Founding Fathers intended that it be.

There is not really a whole lot that we can say that is new at this hour of the night. I want to emphasize only one or two of the points that have already been offered by the many speakers who have preceded me and leave a few thoughts with you.

We must unify ourselves, Mr. Speaker. As Members of the 93d Congress, we must unify ourselves to make Congress what you and I know it should be. We must unify ourselves with the Democratic leadership of the Congress to carry out the mandate that is ours.

I say for myself and I feel for the other Members of the 93d Congress to our leaders and to our Speaker and to our majority leader what we have said here tonight is not in any sense a rebellious statement, but a statement of our willingness to cooperate, a statement of our concern and our interest in seeing this group go forward together.

The thought I want to leave mainly concerns our people back home. We have come very recently from many political battles. We have an unusual closeness and an unusual relationship as we stand here today with our people back home. We are new in the Congress, and they are in constant touch with us and we with them.

Probably more than at any other time in our career we can feel the mood of our people and sense what is troubling them.

We can spend hours debating the deep and the philosophical questions of our Government, but the things that affect our people back home are the things that affect them every day, and they are the things that concern them where they live.

My colleagues, our people are concerned about inflation. Our people are concerned about the cost of living, and the President of these United States has us in a strategic bind, because of this problem, and because we have failed to do some of the things that we can do simply to correct the corner in which he has us tonight.

Whenever the President of the United States speaks, the Nation listens on the radio and on the television, and the media are instantly there down at the end of Pennsylvania Avenue whenever our President says anything. Yet we must struggle to be heard back home in a way that he does not have to struggle to be heard back at home where we live.

And what is it the President is telling our people? The President is telling our people that we are against a balanced budget, and that he is for a balanced budget; that we are not in favor of cutting Federal spending, and that he is in favor of it; that we are the big spenders; that the Democratic Congress is aiming a knife at the heart of the pocketbooks of every American tonight.

I submit to my colleagues here that this is not true. But because this body has failed to set for itself a reasonable limit on the amount of money that it will appropriate in the new Federal budget, the President has us in a corner.

I submit to my colleagues that before this group of people, before this Congress of the United States is going to get excited about overriding the President's veto or about passing anti-impoundment legislation, that it is going to have to face squarely the question, once and for all, of a ceiling on the Federal budget.

I am impressed with the action of the Joint Committee on the Budget. I share the hopes of my colleagues that their deliberations will result in quick, new aids toward solving this problem. But from the debate that I heard this morning it seems to me there is going to have to be considerable discussion had before such a point is reached. But I say to my colleagues that as long as the President can point to us in front of our people back home and say, "They have not set a ceiling on the budget," he will continue to have the public sentiment behind him when he argues against overriding his vetoes, and when he argues against legislation that would require him to release funds that he has impounded.

These have already been expressed as thoughts here today. I offer them for what they are worth to those who may read the RECORD produced by this special order, and for what it may be worth for those Members who are here in this Chamber at this late hour.

I think the call is for us to join together among ourselves, and with our colleagues bring back home to the people where we live the message that we are for fiscal responsibility, and fiscal soundness. The call for us to do this is clear. It is a strategic move that we must make to take away from the President a club that he now holds above our heads.

I submit to my colleagues that once we pass this point we can with greater confidence at home reshape the priorities of this country, which is our duty in the first place.

Mr. Speaker, I thank the Members who have stayed here tonight to hear these remarks.

Mr. BREAUX. I thank our distinguished colleague, the gentleman from North Carolina, for his fine, very sound, and reasoned remarks.

I now yield to our distinguished colleague, also a former attorney general, the gentleman from the State of Arkansas (Mr. THORNTON).

Mr. THORNTON. I thank the gentleman from Louisiana for yielding to me.

Mr. Speaker, sharing a moment with the distinguished Members of this body who have addressed this House this evening has caused me to think about the words that the gentleman from California used in describing our duty to tell it like it is. I think that tonight perhaps we have gone beyond that duty. I think perhaps tonight we have had the courage to see it like it is and tell it like it ought to be, and now to work to make what ought to be come true. That is, as I see it, the task of this body, the task of the legislative branch of Government, in a time of constitutional crisis, in a time when the problems are enormous, when the solutions are not easily seen.

We have talked tonight about a number of things, and all of them are complicated. Certainly budgetary matters cannot be easily understood or easily expressed. But in considering how this body may grapple with the problems of the budget, the observations of Francis Bacon in "Novum Organum" are just as appropriate today as they were when he said them. He said:

> It would be unsound and contradictory to suppose that things which have never yet been accomplished can be accomplished, except by means which have not yet been tried.

And so tonight I think we are searching for such means. As in any form of scientific research, in conducting this search, we must explore all possible paths in the hope of finding one useful avenue. In this endeavor this House has a tremendous advantage, because this is the place where most of the new ideas which come before our Government are first discussed. Historically we know that such things as the vocational rehabilitation programs, the Hill-Burton funds, supplemental medicare, the National Defense Education Act and, indeed, most of the proposals which later come back in the form of Executive recommendations are first mentioned and discussed here on the floor of this House. In our efforts to regain congressional authority over the budget, it seems to me that we must first diligently explore the recommendations which have been made by the Joint Study Committee on Budget Control just this week.

But tonight I should like to look for just a moment at our budgetary items for military and foreign aid, asking the question whether through these items we are really providing for defense against those ancient enemies of mankind: ignorance, poverty, illness, and fear. The defense against these enemies is through programs which educate, which employ, which provide better health, and which fulfill the lives of the people of this Nation.

And in considering how to meet these challenges, one of the most serious problems is that which was discussed so well by the gentleman from Oklahoma, the energy crisis, which really stands as one of the major problems of our civilization. All that need be done is to superimpose a graph of the world's expanding population, which remained fairly steady until 1860, with a graph of the consumption of the fossil fuels to see that the Malthusian laws were mitigated by an enormous expenditure of energy to sutain the increased agricultural productivity and the increased populations which are now being supported through the use of energy.

The energy problem can be quickly summarized: Our domestic production of oil and gas is decreasing at the rate of 3 percent per year. Our energy consumption is increasing at the rate of 4.6 percent per year. The consumption curve and the production curve have already crossed and, we are already importing large quantities of crude oil. There is today no excess refinery capacity in the United States with which to refine additional imports of crude oil.

Correcting these problems is going to require a minimum of 3 to 5 years and the utilization of coal and development of nuclear energy. The immediate outlook for the United States is that in the next 3 to 5 years we will become for the first time in history not merely an importer of petroleum, but that we will be importing refined petroleum products including gasoline, diesel oil, and refined fuel oil. Even this solution has great problems, because the world refinery capacity in the ground is just about adequate to make up the fuel shortages in the United States, if all of the excess world capacity is used for that purpose.

Compounding this problem is the fact that during the past year over 61 steam generating plants which had formerly consumed coal have been converted to consume oil, at a time when our supplies of oil are running low.

By 1975, it is estimated we will be requiring 20 million barrels of oil per day and with perhaps another million and three-quarter barrels per day being required to offset lagging nuclear, coal, and hydroelectric production facilities. Our refinery capacity extrapolated to that date is 13.35 million barrels per day for a shortage in the U.S. refinery capacity of 8.64 million barrels per day if the energy shortfall is to be made up by oil. There exists in the world a total excess refinery capacity of 8.11 million barrels per day, throughout the world, less than that required for the use of the United States. Unless additional refinery capacity is started in the ground immediately, we are looking at a U.S. shortage of refinery capacity on the order of 2¾ million barrels per day, even with all we can purchase from the rest of the world by 1975.

Faced with shortages of these magnitudes, we can no longer afford to require the conversion of coal burning steamplants to oil and indeed I think it may become necessary to reconvert such steam plants back to coal, in order to meet our Nation's short-term energy requirements. To accomplish this, Federal assistance may be required. I think it is also vital that we attempt to store 60 days reserves of oil.

Simultaneously, we need to accelerate, as recommended by the task force headed by the gentleman from Washington (Mr. MCCORMACK), our commitment to the development of long-term energy sources. Specifically, the administration's budget does not provide adequate funding for fusion research or for the development of alternative gas cooled nuclear breeder concepts. Nor, according to the gentleman from Washington, does the budget provide sufficient funding for the development of deep and safe mining of coal and for gasification and liquefaction of coal.

The need for such funding cannot be overemphasized. Should our resources for energy break, our population must return to preindustrial levels. People are slow about agreeing to be in that segment of the population which must be reduced.

It seems to me that this body has the authority and must demonstrate the will to allocate our resources to maintain our energy resources, to assist our agricultural productivity and our industrial capacity and basically our ability to feed, house, educate, and clothe the people who live here.

Surely, the development of improved relationships with China and the Soviet Union, the SALT agreement and the other accomplishments which we have noted, have given us some room to shift military spending into special programs. It is unthinkable that we should fail to take action in this area immediately.

Our budget priorities must be reviewed by the Congress because, even if we accept, as so eloquently presented tonight, that the executive branch has monumental resources, it is still true that monumental resources can lead to monumental mistakes. I sincerely believe that the future of the United States and its leadership role in the world depends more upon our development of human resources here at home than upon our maintenance of an enormous overseas Military Establishment and foreign aid.

I thank the gentleman from Louisiana.

Mr. BREAUX. Mr. Speaker, I thank the gentleman from Arkansas. I would also like to associate myself with his remarks and with what he had to say on the subject.

I, as a new Member, am also deeply disturbed about a great deal of talk we hear around the country about whose fault is fiscal irresponsibility. I for one am deeply concerned that perhaps we in Congress are not doing enough to correct this impression. I am deeply concerned that the President is doing much too much about trying to lay the blame on the Congress rather than trying to find a reasonable solution to the problems that exist.

Unless we reassert congressional control over spending, consideration must be given to some method of imposing a justified budget ceiling, to impose a figure which is realistically in line with expected revenue, a figure with which we are prepared to live and with which the administration realizes that it has to live. The need for such a ceiling is, I think, very positive for fiscal 1973.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from Kentucky (Mr. MAZZOLI).

Mr. MAZZOLI. Mr. Speaker, I appreciate and thank the gentleman for yielding.

I would like to mention that it was my privilege to come to Congress in 1971 as part of the 92d Class, the 92d Club. I guess all of us, as we remember back to our college days or to our days of entry in any organization, believed fervently that our class was the superior class; our class had all the brains; had all the looks, had all the oratorical skills; had really the sum and essence of all the high qualities we could think about.

I have had a chance to preside tonight, and I will resume the chair shortly, and I have had a chance to listen to the ladies and gentlemen from the 93d Club. While I still feel the 92d Club was the brightest and the smartest and probably the best looking and had the best oratorical skills, I think that gap has closed markedly. I think that the gap is perhaps almost nonexistent as of this evening.

Perhaps in a little more serious fashion, I would like to commend all of the freshmen on a very high quality, very perceptive set of statements tonight.

I believe it would do credit to all of us, supposedly elder and supposedly senior, to give very strong support to what the gentlewomen and gentlemen have said tonight, and to join with them in trying to make this House, this Congress, this legislative branch and therefore this country better as a result of our efforts than it has been previously.

I thank the gentleman very much. I should like to join with him and to associate myself with the remarks made tonight.

Mr. BREAUX. I thank the gentleman from Kentucky, and I particularly thank him and appreciate his staying with us during these long hours.

Mr. Speaker, in our efforts to reassert congressional control over spending in this Nation, consideration must be given to a method of imposing a justified budget ceiling. This must be a figure which is realistically in line with expected revenues. A figure with which we are prepared to live and with which the administration realizes it has to live.

The need for such a ceiling is obvious. For fiscal 1973, the administration requested a ceiling on spending to be set at $250 billion. Such a ceiling was not set by Congress. Yet, an artificial ceiling has gone into effect through Presidential action—such as through impoundments, vetoes, and other means of refusal to spend allocated funds.

What is most interesting is that the administration claimed that such a ceiling would be sufficient to curb inflation. I think it is fair to say it has not. Inflation is with us today in the worst way and continues to be a problem that is not going to disappear very soon.

Having acted apart from congressional directive, the administration now must assume the responsibility for the inflated prices consumers are experiencing. To blame it on Congress is simply not in keeping with reality. Congress did not impose the ceiling—the President did.

And that brings us to the heart of the matter.

The imposition of budget ceilings is not an arbitrary thing. Rather, it is carefully calculated on the basis of expected revenues. This Nation no longer can expect to spend more than it has a legitimate right to spend. A ceiling must be fixed according to expected revenues. Then Government agencies must learn to live within the limits of that ceiling.

This is an action which belongs to Congress. Let us now take the initiative in this matter. The people want spending held to realistic limits. We represent the people. Therefore, it is up to us to meet the demands and the needs of the people. Especially when both demands and needs go hand in glove as in the case of spending.

Further, Congress needs desperately to have at its disposal adequate budget study tools which afford maximum information. This we do not have at the present time. We receive the Presidential budget in January—late January. Six months later we are expected to have finalized a document with which the Nation must live for that fiscal period. The Executive has had more than twice that amount of time to prepare a budget. As Congressional consideration of that same budget is underway, a host of committee hearings must be conducted, bills considered and a maze of information dissected before the budget can be finalized.

Federal agencies and program requirements must conform to congressional standards. Presently, these are totally in the domain of the Executive. Through the powerful Office of Management and Budget, he exercises authority in budgetary areas which rightfully belong in Congress. Therefore, we must find methods to determine agency and program needs in concert with the President—not a full year after he has had a chance to decide what we will do to support these agencies.

In this way—by following the budget making process more closely from beginning to end—Congress can wisely set spending limits according to agency and program needs. It can act more wisely in funding appropriations beyond the agencies and existing programs—in accordance with the ceiling it has imposed. But it can do so only with adequate information at its disposal.

Further, we must assert our right to decide the levels of spending within the ceiling imposed for a given fiscal year. We must assert our right to delineate spending within Federal agencies and make certain that these levels of spending are kept. We must make certain that the exercise of impoundment is not substituted for the exercise of veto by the Executive.

The imposition of a budget ceiling is not a catchall solution. But it does start the process. As Senator ERVIN noted, in testimony concerning the $268 billion ceiling imposed by our colleagues in the Senate—legislation of this nature recognizes the power of the purse belongs to Congress—it recognizes that the only way a President can disapprove an act of Congress is through a veto—the Senate version further provides that any impoundment action shall be reported to Congress within a specified time—in effect, it brings spending matters back within the domain of Congress—where they belong.

It is my position, then, that Congress must define the limits of expected revenue for a given fiscal period—fix a ceiling within those limits—hold agencies to spending programs within their individual budgets—and evolve a budgetary consideration program which is equal to that of the Executive.

We must begin to reacquire our constitutional rights in this vital area. This Nation is facing economic problems which must be borne by this administration.

Since the administration has not done its job in curbing inflation and stabilizing the economy, Congress must act. We can begin by fixing a realistic budget ceiling and demanding that Federal spending be held within the limit of that ceiling.

Mr. Speaker, at this time I would like to yield to my close personal friend and distinguished colleague, a member of the Committee on Rules, the gentleman from Louisiana (Mr. Long).

Mr. LONG of Louisiana. Mr. Speaker, there have been statements tonight from representatives of all points on the political spectrum and covering a broad range of topics. There is one theme, however, which runs through everything that has been said: It is that many in Congress are angered at the usurpation of power by the executive branch and the administration's challenge to the tradition of cooperation between Congress and Executive.

If Congress were as weak as some would like to see it, this anger would be of little consequence. The President could shrug off our protests and follow whatever course he chose. The country might suffer, but the Government would continue.

But Congress is not a weak and helpless body. It is a strong, immensely powerful institution. It is renewed every 2 years by elections all over the country. It controls the Nation's budget. It is the lawmaker for our country, and in a society where the law is a primary force, the lawmaker will always be a primary institution.

So, when the Executive steadily encroaches on the legislative power and, in the face of protest from the Congress refuses to stop or even discuss its action with the Congress, legislative anger can easily grow to more than harsh rhetoric.

Mr. Speaker, this Government is headed for a monumental impasse: the President disagrees with Congress judgment so he vetoes the bills we pass; the Congress is angered by the President's disregard for our programs, so we refuse to assist him in promoting his ideas for new programs.

The President mobilizes a massive public relations effort to discredit and denigrate Congress. Respected senior Members of Congress consider ugly ideas of retaliation.

Some of Congress favorite programs die from impoundments and administration cutbacks. The President sees his appointments rejected by the Senate and his legislative hopes not even being considered by congressional committees. Congress fights for programs that should be abolished. The President slashes programs that should be expanded.

Government grinds down to nongovernment. The news from the Nation's Capital is less and less the news of the Nation's business and more and more the news of partisan political battles.

You might quote Pogo and say: "It's a hell of a way to run a country."

If the total impasse toward which we are headed does in fact develop, Mr. Speaker, it is quite clear that Congress will emerge on top. The power of absolute budget control which the Congress has absolutely could reduce the Presidency to an insignificant force in America. It is the ultimate sanction of Congress, and it will be a sad day for the country if Congress is driven to use it against our executive branch.

We can avoid this danger. For nearly 200 years the executive and legislative branches have worked together in a spirit of cooperation, within the boundaries set out in the Constitution, for the benefit of the country.

Politics within a constitutional system is the art of negotiation, cooperation, and compromise. This Congress and President can work together, and for the sake of the country, we had better start doing it.

It is important that we recognize that the real issue in the struggle between the President and Congress is which branch of Government will set the priorities for the Nation.

As has been stated here tonight, the issue is not just one of fiscal responsibility. During the years Mr. Nixon has been President, Congress has appropriated less than the executive budget requested in all but 1 year. In fact, final appropriations are generally remarkably close to budget requests.

The issue is no longer budget control. Congress has now moved definitively to establish control of its appropriation levels, and few Members will deny the need for operating under a spending limit.

The issue is not just the right to impound funds. Many Presidents have done it, and Congress seldom protests. The process does need tightening up, and Congress is doing just that.

By attempting to make fiscal responsibility, budget control, and Presidential right to impound funds into major issues, the administration is trying to divert attention from the efforts of the executive branch to take the running of their country from the elected Representatives of the people.

In a democracy, ideally, the people determine the direction of their country's efforts. In our country the people are supposed to speak through their elected Representatives. Last November the people elected one President for the whole country and 435 Representatives from 435 congressional districts. Can the President truthfully claim a mandate to singlehandedly direct the country? Should not the direction actually come from those elected Representatives who are closer to the people?

The President rides high and aloof from the people as though upon a huge elephant. He consults only his few chosen advisers who are responsible to no electorate. He is inaccessible to all but a select few intimates. His view is far and wide, but he knows little about the grassroots, the common man.

A Congressman, on the other hand, reports back to his constituency frequently and returns to be passed upon by them every 2 years, 6 in the other body. His political survival, especially if he is a first-term Member, depends on his ability to stay in touch with the voters, with their needs and opinions.

The Constitution rightly provides that our Nation's priorities and direction should be set by the Congress.

So the problem addressed today by the freshman Democrats is a simple one, Mr. Speaker. It is that we have a President who is trying to impose his philosophy of Government and ideas for America's development on a Congress which in many instances does not share those views and which holds some definite ideas of its own.

Our protest is that the President has overstepped the authority of his office in the actions he has taken.

Our warning is that the Congress will not stand by idly as the President reaches for more and more power, at the expense of the Congress, and that we, as freshmen Members, will vigorously promote whatever action is necessary to regain and retain traditional, constitutional congressional powers.

Our message to the President is that he is risking retaliation from the Congress for his power grabs, that support for the counteroffensive is found in the whole range of congressional membership—old Members and new, liberal and conservative, Democratic and Republican—and that if Congress and President lock horns in a wasteful and destructive battle, there is no chance of either the President or the Congress achieving the goals set for the country.

And finally, Mr. Speaker, our statement to our new colleagues in the Congress is that we have come to Washington with the intention of joining the effort to strengthen and reform Congress and to restore it to its place as the branch of the people—and the leading policymaking institution of the U.S. Government.

Mr. BREAUX. Mr. Speaker, I would like to take this opportunity to thank our distinguished colleague, the gentleman from Louisiana (Mr. Long), for his excellent summary of the purpose of our being here this evening to point out our concern.

I would also like to take the opportunity to particularly thank the other Members who have participated in our discussions, and to pay our thanks to the chairman of our freshman organization, our colleague, the gentleman from Iowa (Mr. Mezvinsky), for the time and personal effort that I know he has put in to produce what I feel to be a very successful program this evening.

Mrs. BOGGS. Mr. Speaker, from a unique perspective, as both a longtime congressional veteran and as the freshman in the 93d Congress who has most recently arrived from the grassroots, I have some observations to make on the social, economic and political climates at home and in Washington; on the similarities and contrasts of 1941 and 1973; and, on the requirements of the House Members to effectively handle the demands of their jobs.

In 1941, along with four other new Members from Louisiana, Hale was sworn in to the 77th Congress. They were members of a "reform" movement, impatient to bring new integrity into the politics at home and new vigor into the congressional establishment. They were the products of a generation which abhorred war and which had withstood the rigors of the great depression. In addition, Hale and EDDIE HÉBERT had to cut their political teeth on iconolastic journalism. They traveled to Washington for two nights and a day by train. They arrived at a monumentally beautiful, leisurely paced Capital City whose inhabitants endured congressional personnel for the few months the Congress was in session. One went to New York to see a play; to Philadelphia to hear a concert; to Baltimore to buy clothes.

A few Embassies entertained regularly and formally; a very limited group of Washington hostesses held salons; the State societies frequently got together with their members and their congressional delegations; the White House gave formal receptions serving coffee, tea and unspiked punch; and everybody paid formal calls upon everybody else in their rented homes and apartments situated mostly in pleasant northwest neighborhoods. Congress reflected this unsophisticated pace. It was geared to at most a 6-month annual session. Communication was by mail—occasionally by air—by wire, by infrequent long-distance calls and by radio. Two or three highly qualified and dedicated staff members in Washington operating comfortably in two rooms with typewriters and mimeograph machines combined their efforts with a lone district secretary who worked in a small rented office.

Committees were similarly staffed and housed. There was a marked rapport among congressional leaders, members, officers of the House, staff members and often members of the press.

Hale, at 26, had unseated an able and popular member of the Ways and Means Committee. With five new members from Louisiana to place, you must know that his initial committee assignments were not significant. However, even under this highly personalized system, his capabilities were soon recognized and he was placed on Banking and Currency which assumed the wartime responsibilities of rationing, rent, wage and price controls, industrial and commercial priorities. The establishment was open then as it is now to leadership potential.

The year 1941 was when Congress was thrust into 12-month sessions and into some of the most crucial decisions and actions of our Nation's history. Congress, Washington and the country were forced to come of age.

Government became intimately involved in the personal and business lives of every citizen. President Roosevelt used the media of radio to most effectively calm and inform and influence the people.

Following World War II, when we awakened to the atomic age, the United States assumed world leadership in the United Nations, the Truman Doctrine, disarmament followed to quickly by Korea and so on and the role of Congress was set. Advances in communications, especially in the advent of television, in electronics and in air travel brought Congress directly to the constituencies and made mass appeals available to the people.

There was little time to plan and to reorganize. Mostly, changes in Congress have necessarily been reactions to crushing needs. Along the way, some congressional reforms well studied and planned have resulted. Congressmen finally faced up to salary and retirement needs for themselves and their enlarged staffs. They have adjusted over the years to new modes of travel, of communication, and accelerated methods of getting the people's business done.

In 1973, I have arrived to serve in Congress with three other new members from Louisiana. The social and economic climate of my home constituency is now nationally oriented. There is rejoicing at the return of our prisoners of war at the conclusion of the unpopular Vietnam conflict, but apprehension and distress at the curtailment of the dismantling of the programs considered vital to the quality of our social, physical and economic life. At the same time, the people must cope with all of the trials of spiraling inflation. They are dismayed that congressional programs can be terminated through impoundment of funds and directives by the President and are looking to the Congress for a reassertion of its powers.

Of course, I arrived by jet aircraft in 2 hours time in a physically beautiful, sophisticated, international city filled with cultural performances, with limitless selections of couture, and with an exhausting and varied social schedule. In my two rooms—there is another around the corner—where I greeted the seven members of the Washington staff, I phoned the three members of my district staff in their offices in the Federal Building. They sent an important New Orleans afternoon newstory to me by telecopier. I was assigned to Banking and Currency Committee, joining the other Louisiana freshmen on important committee assignments.

As in 1941, I found the same enthusiasm for service, the same dedication to purpose, the same impatience with the established practices among my fellow freshmen, and the same understanding and helpfulness from the leadership. Unlike 1941, it is easier now to have a voice in the caucus, in the party councils, in setting our goals and priorities. This very special order this afternoon exhibits the respect which the leadership holds for the views of the freshmen.

Much catching up in the computer and electronic fields is needed. A computer and stenographic pool would be helpful. More staff researchers would greatly enhance the effectiveness of a freshman's service. More space is needed. The country grows bigger with ever more insistent demands upon the Congress. We should face up forthrightly to our needs in personnel, equipment, and space.

As freshmen we have a remarkable opportunity for effecting change in the organization, jurisdiction, and operation of all House committees by participation in the hearings of the Select Committee on Committees chaired by Representative BOLLING.

An institution that has grown along with the country, perhaps cumbersome in its operation, the House is still that instrument of Government that is closest to the people, the most responsive to their needs and aspirations.

As Stephen K. Bailey said:

> The House is the supremely humanizing agency of our government, critic, educator, balance wheel, stubborn insistor that technology be discussed in terms of its human effects, at best prudent provider, sister and refiner of legislative proposals, compromiser of conflict . . . our long term freedom depends upon it.

Hale had a life long romance with the House. I am glad I have shared it.

Mr. GUNTER. Mr. Speaker, we are in serious danger of losing what has been billed the "battle of the budget." The more I study the whole area of budgeting and fiscal policy, the more I realize how complex the questions are. But the problem is of such great urgency I feel we must take steps quickly to restore Congress to its rightful and constitutional role in the budgetary process.

I have several suggestions—five steps that I feel will put the Congress well on the road to constructive budgetmaking. Five steps that will permit us to make the hard choices on national priorities that need to be made.

First, there is a tendency for Congress to splinter the appropriations process through a variety of trust funds, mandatory entitlements, contract authority and other budgetary authoriy. Equally as mindless is the failure of Congress to take a clear look at overall fiscal policy.

As a first step at remedying this situation, I suggest we create a Joint Committee on the Budget, which would propose a legislative budget. This suggestion, I realize, is not new. Included in the Legislative Reorganization Act adopted in 1946, were provisions to establish both a joint committee and a legislative budget. However, because the committee was encumbered with 102 members, and furnished with hardly any staff, the original Joint Committee on the Budget was a disastrous flop.

To avoid these problems, I would create a streamline committee of 18 members—three from the Senate Finance Committee, three from the Senate Appropriations Committee, three from the House Ways and Means Committee, three from the House Appropriations Committee, and three each from the House and Senate at large. In addition, the committee would be staffed adequately with professional, nonpartisan employees. The existing battle of the budget puts too few congressional troops onto the battlefield, and without the proper staff Congress can do little.

The legislative budget prepared by the joint committee would include, first, estimates for receipts and expenditures for the coming fiscal year; second, maximum amounts of proposed expenditures for each major category; and third, 5-year projections for the major categories.

To keep the legislative budget at the forefront of the authorization and appropriation process, neither the House nor the Senate would be permitted to consider a bill without a statement from the Joint Budget Committee indicating whether or not the bill could be funded from within the existing legislative budget.

I would require the Joint Budget Committee to present the legislative budget to Congress by March 31 of each year, which would assure timely congressional participation in the budget making process.

Second, the requirement for 5-year projections of receipts and expenditures forms the core of sound budgetary action. Not only would the legislative budget contain such projections, but any bill reported by a committee would contain a projection of the 5-year costs associated with it. We are all familiar with the type of bill that has a first year cost of $20 million—only to be followed by hundreds of millions of dollars in future years. To make an intelligent decision about individual programs, at the very least we need to know the price of the full iceberg—not just the first year tip.

Third another aspect of the budgetary problem has been our tendency to either require annual authorizations that slow the appropriations process and hobble our oversight function, or to permit permanent authorizations that avoid the oversight process altogether. To strike an intelligent middle ground that should both smooth the path to early appropriations and yet permit adequate oversight, I would require all programs to be reauthorized every 3 years. In some cases, Congress may eventually move to 5-year authorizations. But in the early stages of reform of the budgetary process, I feel 3 years represents a good beginning.

Fourth, I would require the pilot testing for 2 years of all new major programs. No corporation in the world would rush a new product on the market without a careful study of what the market demanded. Nor would the production engineer cavalierly accept a new process without adequate testing. Yet Federal programs are often adopted with a hope and a promise and little else.

Testing is not, of course, a perfect science. Good sound theory is always a scarce commodity and that is especially true with regard to social programs. The current debate about compensatory education is a perfect example—no pilot test will give a sure answer where none exists.

But without a serious attempt to assess the value and operation of major new programs, areas of uncertainty will surely become areas of dark fumbling.

Pilot testing will also relieve many existing pressures for annual authorizations. That in turn will permit time to be devoted to more serious oversight of ongoing programs.

Fifth, the last and perhaps most important step in my program involves annual appropriations for every expenditure—including all existing trust funds. I am perfectly aware that Congress is unlikely to cut social security expenditures, or to reduce veterans pensions, but until each and every appropriation is scrutinized annually, the budget is going to remain a wild animal on the loose.

The recent record of executive impoundments and the continuing specter of inflation have finally forced us to take a hard look at the congressional role in the budgetary process. None of us likes what he sees. We certainly would not run our business this way and we certainly should not allow the public's business to continue in such a State.

We owe it to the public, we owe it to the thousands of local governments that depend on us, we owe it to the average citizen fearful of rising prices, and we owe it to the Constitution to take hold of the budgetary process.

It is in this spirit that I offer these suggestions for reform for your consideration. I invite your thoughts, welcome your cooperation and anxiously await your action.

Mr. WON PAT. Mr. Speaker, I rise to add my support to the leadership of this Congress and that of my colleagues here today who are deeply concerned about the crisis which exists between the legislative and executive branches of our Government, and the overall impact these differences will have on the American people.

The issue we address ourselves to is of major consequence to all Americans, both here on the mainland and in the territories. Does the executive branch of the Federal Government have the constitutional right to nullify the legislative dictates of Congress whenever it feels the need?

Let me say from the outset that I speak not as a Democrat, nor do I wish to engage in simple partisan dialog, for the problem at hand is of equal concern to both sides of the aisle. Rather, I speak as a Member of this august body, elected by the people of my district, and as a citizen with a deep-rooted faith in the institutions of our system of democratic government and our separation of powers as provided in the Constitution.

During the past two decades, Congress has enacted, with the support of various administrations, a series of landmark measures to help our fellow man and to fight our growing environmental problems.

These socially-oriented programs have benefited millions of Americans. And we, on Guam, have particularly benefitted from such programs as the Elementary and Secondary Education Act, aid to higher education, OEO, the school lunch program, aid to federally impacted schools, the various water and sewer measures, and, of course, the many major health care measures, including the famous Hill-Burton Act.

Now, these and many other worthwhile programs are destined to die without the benefit of congressional review or approval. The reason? We are told that Congress is incompetent to control spending, and really does not know what the voters want anyway.

To begin with, I doubt that there is one Member in Congress, whether he be Democrat or Republican, who does not want to control excessive spending. Most of us, I believe, are in agreement to keep spending down to the President's proposed ceiling of $269 billion for fiscal 1974. As my colleagues have pointed out previously today, it is not Congress that has been responsible for record-breaking requests. Rather, it is Congress that has found it necessary to slash $20 billion from the administration's requests during the past several years. But the public is demanding that Congress assume greater control. For that reason, I was pleased when a special joint committee to gauge the effect of each major appropriation measure on the total Federal budget was established several days ago. Such action is a responsible step forward.

But the main difference between Congress and the Executive is not spending per se; rather, it is how each branch wants to spend the money.

As the duly elected representative of my people, and as one who must face the electorate every 2 years. I believe that I and the majority of Congress know what our people want from the Federal Government. Apparently our forefathers thought so, too, for they included in article I, section 1 the proviso that vests Congress with all legislative powers.

If the Executive branch has reservations about certain programs, and we all do, then they should place their questions before the Congress. They should not presume to legislate by some mysterious de facto mandate. Congress has put a great deal of effort and time into these programs. It is our duty and right under the Constitution to do so. Yet, we are now being told that the destiny of legislation we enact is no longer going to be in our hands. And we are being informed that administration officials can even refuse to appear for questioning before their Congress.

Were such an outright attack on our tripartite form of government to go unchecked, the very fabric of our democratic society would be sorely strained. To fight back without exercising full control of our constitutional mandate, however, will be fruitless.

Congress must not only assert itself, but must take full command of the Nation's legislative goals by first following through with the leadership's excellent plans to firmly resist an encroachment upon our unique powers, and to begin a reassessment of all major programs now under attack. If these programs have proven themselves, then they must be continued. But if Congress does find waste, then we, and not some faceless bureaucrat, must do the trimming. To allow these programs to be ended without a proper review, however, is not in the best interest of anyone.

By working together, I am certain that Congress will be able to gain the initiative in this crucial test of wills. We must, for the good of our citizens and that of future generations depends on Congress and the other branches of the Federal Government being kept in equal check.

GENERAL LEAVE

Mr. MEZVINSKY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special orders that the freshmen Members of the House have taken this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ELIMINATE USER FEES AT CORPS OF ENGINEERS' LAKES AND RESERVOIRS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 30 minutes.

Mr. RANDALL. Mr. Speaker, I have asked for this time today to announce the introduction of a bill which I believe is a necessary step toward the solution of the aggravating problem of recreation use fees imposed by the Corps of Engineers on lakes and reservoirs under its jurisdiction.

There has been some misinformation distributed. There have also been clear and plain statements by the corps that they do intend to fix and collect certain fees for enjoying the perimeter of land round the corps lakes and reservoirs.

The first alarm that was sounded was by the appearance of an erroneous press report in the Kansas City papers that our fishermen and boaters would be charged $5 just to put their own boats in the water at such places as Pomme de Terre, Stockton Lake, Table Rock, and elsewhere. This quite properly generated an immediate roar of protest. Our office quickly explained that such a report was completely erroneous, because nowhere under the law is it possible for the corps to charge for the use of one's own boat on a public lake.

But so much disbelief continued to exist about user fees that a public meeting was agreed to and held in the high school in Stockton, Mo., on the evening of March 14. Our office sent a representative, who reported to me that approximately 100 persons attended the meeting. Col. W. R. Needham of the Kansas City office of the Corps of Engineers was present. There was a full and complete discussion of proposed fee charges. My representative reported that about 80 percent of those present expressed opposition to fees of any kind for the use of any of the facilities of Corps of Engineers lakes. Those present were also concerned that once the fees were imposed they could or might be increased again and again in the future.

After the misstatements had been corrected, it became quite clear that it was never intended there be a charge to use ones own boat on any of these Corps of Engineers lakes or reservoirs. By law there can be no fee of any kind charged for use of the water on these lakes. It was only as to the land perimeter around these lakes, for which certain fees were proposed.

Way back in the 90th Congress under Public Law 90-483 there was a prohibition against collection of entrance fees, but there was reference to user fees for highly developed areas that required constant maintenance and supervision. It is true that the new law, Public Law 92-347, enacted in July of 1972, does provide for certain fees for use of fully developed areas such as tent or trailer spaces, flush toilets, showers, and electrical outlets.

A look at Public Law 92-347 will show it covers a wide range of subject matter, including golden eagle passports, admission fees to the national park system administered by the Department of the Interior, and also admission to those national recreation areas administered by the Department of Agriculture. In my judgment this act confuses the justified imposition of admission fees to the national parks, which could be said to be access fees, and user fees which should never be imposed for use of the more primitive areas of land around most Corps of Engineers lakes and reservoirs.

If nothing else good came from the meeting at Stockton, or from the mail which has been received by our office, it served as a sort of safety value for the emotions of our boaters and fishermen. Some of the fire went out of the protest when it was found that there was no truth to the rumor that the corps was about to charge a $5.00 boat fee to put ones own boat on these lakes. It turned out the charge was for boat rental. There was still quite a bit of heat and an ongoing undercurrent of hostility against a fee schedule, no matter how nominal the fees. There was a feeling that these lakes have been paid for by the taxpayers and should be permitted to be used by the taxpayers free of any fees of any kind.

Mr. Speaker, I am convinced that the proposal for certain fees to be charged by the Corps of Engineers is the result of pressure from the Office of Budget and Management. These budget people have simply said to the corps that they should try to stretch the provisions of Public Law 92-347, primarily intended to apply to national parks and national forests—to stretch these user fees almost to access fees, in order to bring revenue into the Federal Treasury. Of course an admission fee to a National Park is one thing. But there should never be any admission fee to use the perimeter of the admission fee to a national park is one Even user fees should be strictly limited to the specialized services that the Corps of Engineers may render at these lakes.

After the meeting at Stockton, not only was it clear there would be no charge for using a boat on corps waters, but the corps retracted its proposed $1.50 per person fee for daytime use of a corps area and said that they had intended the rate to be $1.50 a car. Colonel Needham indicated at the meeting that there were several fine lines that would have to be drawn about the method of collection of any proposed fees, such as the choice between the honor system or collection by Rangers. One thing was settled definitely, and that is that the corps' lakes and reservoirs are open to the public without the imposition of access or entrance fees, and the only existing fees or future fees are for use of specialized services.

Now, Mr. Speaker, the bill which I have introduced today will clearly separate Corps of Engineers lakes and reservoirs from the recreation areas in the national parks system or the national forests. My bill would amend section 210 of the Flood Control Act of 1968. It would simply provide that no provision of law enacted after the date of the old bill, Public Law 90-483, shall authorize the collection of special recreation use fees for the use of sites, facilities, equipment or services furnished at public expense. It further provides that Public Law 92-347, enacted in 1972, shall have no application to public recreation areas located at lakes and reservoirs under the jurisdiction of the Corps of Engineers.

If we can get this bill out of committee and get it enacted by the Congress, such enactment should clearly solve the confusion between the use of corps projects and the use of national parks and national forest areas. I think it can be shown that the cost of collecting these fees would be greater than the total of the fees themselves. Our people would simply use the primitive areas and avoid the more improved flush toilet restrooms, showers, and tent and trailer spaces with electrical outlets. But that point will never have to be debated or considered if we can pass legislation of the type that I have introduced.

I have talked with members of the Public Works Committee, and I am encouraged to learn that we can get a hearing and perhaps even get this measure ready for action on the floor before the summer season is over. When any Member introduces any bill, there is no assurance that it will pass. However, I want to take this means to pledge to the sportsmen of our congressional district that it has and will continue to be my belief they should not have to pay their taxes twice, first to build an impoundment that creates a lake or reservoir, and then be further tax to be charged for use of any part of the land perimeter around the lake. I intend to continue to fight for legislation to amend and correct what the corps seems to be trying to do to the users of our several Corps lakes in Missouri, Arkansas, Oklahoma, and Kansas.

PRESIDENT'S ENERGY MESSAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachuetts (Mr. CRONIN) is recognized for 5 minutes.

Mr. CRONIN. Mr. Speaker, President Nixon's long-awaited Energy Message is a welcome first step towards an ultimate solution to our Nation's urgent energy needs. I am personally gratified that the President has chosen to adopt several of the suggestions which I made to him in a recent letter. For instance, the President's order to remove all existing tariffs on imported crude oil and related products, something which I called upon him to do 2 months ago, will help keep down the cost of gasoline for the consumer and increase the supply, particularly in the Northeast where the problem has reached crisis proportion.

I was similarly pleased that the President has sought to create incentives for the construction of new oil refineries in the United States, also something which I have been consistently calling for. The new license-fee system which the President has unveiled will encourage the construction of new refineries because the fees will be higher for refined products than for crude oil. In addition, the President has ordered that crude oil in amounts up to three-fourths of the new refining capacity may be imported without being subject to any fees. This, too, should result in the construction of additional oil refineries.

There are some parts of President Nixon's message, however, which are in desperate need of elaboration. The creation of four new Energy Offices within the executive branch may be a good idea, but only if these offices are given viable coordinating powers and do not simply add to the existing confusion and bureaucracy. There are presently 44 agencies in the executive branch which administer specific energy programs. An additional 20 agencies have an impact on the U.S. energy pattern. The creation of four additional Federal offices, at least on the surface, seems hardly an ultimate solution.

I might add in reference to the duplication of effort which surrounds our efforts to resolve energy problems that the Congress is no better than the executive branch. Thirty committees and subcommitees out of a total 54 in the Congress have some jurisdiction over energy-related matters. As a member of both the Subcommittee on Energy and the Subcommitee on Mines and Mining, I have heard the same testimony from the same individuals appearing before these two separate subcommittees. In response to this problem, I have introduced legislation to create a Joint Committee on Energy to serve as the major coordinating congressional body for all energy-related legislation.

I wholeheartedly agree with the President's judgment that we need to encourage the exploration and development of new sources of energy. However, the President must realize that such activity requires adequate levels of funding. To date, the amount of money expended for research and development of energy sources is flatly insufficient. We are a Nation that spends approximately 10 percent of its annual DOD budget on research and development, and yet only 4.4 percent of our total Federal research and development expenditures go toward research of energy sources. This must be changed if we are to effectively meet the energy challenge. Moreover, we need to make a national commitment comparable to the one which made it possible for us to place a man on the Moon in the 1960's if we hope to succeed in this endeavor.

Finally, the President was quite correct in suggesting that we need to seek ways of conserving our existing reserves. Toward this end, I hope that he will give adequate consideration to my recent proposal to establish a minimum mileage requirement of 20 miles to the gallon with which automobile manufacturers would have to legally comply. Such a requirement would serve to reduce the high levels of gasoline which we consume annually, in addition to reducing the level of pollutants which are discharged into the air by cars.

TO PROHIBIT FUNDS FOR FUTURE BOMBING MISSIONS IN SOUTHEAST ASIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, like all Americans, I was greatly relieved when the Vietnam Cease-fire Agreement was signed in Paris. This accord not only portended the end of the suffering which this conflict had wrought; it also gave promise of ushering in the generation of peace which we all so fervently desire. Happily for my legislative career, the Paris pact appeared to put me out of the "end-the-war amendment" business.

Obviously, in the light of our continued aerial bombing in Indochina these expectations have diminished. More alarming, however, is the fact that this action cannot be defended on any legal grounds.

The Tonkin Gulf Resolution, which was cited as the authority for expanding our military presence in Indochina, was repealed by Congress. Since all American troops have been withdrawn from Vietnam, Laos, and Cambodia, the bombings cannot be justified as protective raids. Too, Laos and Cambodia are not members of the Southeast Asia Treaty Organization. Our air attacks in these countries, therefore, do not emanate from any treaty commitments.

Our national interest demands that we end, once and for all, our illegal warmaking role in Indochina. To that end, I have joined Congressman JONATHAN BINGHAM and 70 other colleagues today in introducing a resolution to prohibit the use of funds heretofore or hereafter appropriated—for the conduct by United States forces of bombing missions or other combat operations in or over or from off the shores of Indochina, including Cambodia, Laos, the Republic of Vietnam and the Democratic Republic of Vietnam without the prior specific authorization by Congress.

SPENDING OUR FEDERAL DOLLARS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. LUJAN), is recognized for 5 minutes.

Mr. LUJAN. Mr. Speaker, during the past few months, we have heard quite a bit about how and where we should be spending our Federal tax dollars in order to achieve a more sensible economic policy. In fact, most of what we have seen, heard, and read in the news media seem to point to one main concern: Mr. Average Citizen is beginning to worry about the fiscal situation facing this country today.

In short, Mr. Speaker, the American public is starting to ask themselves, "When is Congress going to act responsible to the fiscal needs of the country?" The public attitude on this matter has been heightened in light of the spiraling increases in meat prices and the skyrocketing prices in home buying, clothes, and the other necessities of life. The public is demanding to know where the Federal dollar is going and for what purpose.

I speak only for my State and district but the majority of letters that I receive show deep concern for the Nation's fiscal problems and the concurrent hope that a solution can be found.

There is a solution to this problem and part of the answer lies in the forthright determination of Congress to act fiscally responsible in all spending matters that come before us. Yet, how can we here undertake this change when for over four decades we have been spending beyond our means. During this span of time, Congress kept approving higher and more costly subsidies, giving more and more of this Nation's resources in the name of social progress and spending billions upon billions of the taxpayers' money to countries abroad for the sake of friendship.

Now, the heavy-burdened American taxpayer is tired of it all and is simply asking us to help solve some of his fiscal problems; problems that we have created for him by wasteful neglect throughout these years.

Mr. Speaker, for years Congress, and I might add, those who hold position of leadership within our powerful body, have sidetracked the issue of spending reform. Our present leadership has not seen the need to limit spending in line with our income.

With their help, Congress has not seen fit to discipline itself in the area of appropriations. We have continually passed appropriation bill after bill without the slightest regard to the Government's income. Look at last year's record as an example: In fiscal 1972, Congress appropriated almost $249-billion on an income of a little less than $209-billion. Suppose an American family found themselves in this situation, what would they do? If a man, as head of the household, earns only $209 a month, could he possibly expect his wife to pay $249 a month in bills? Of course not. He is behind in bill payments to the tune of $40 a month. His only alternative in this situation is either to cut down his spending or to borrow more money to cover the $40 a month that he cannot pay. If he cannot eliminate some of his bills and continues to borrow money then all he is doing is, "robbing Peter to pay Paul."

Mr. Speaker, I personally feel that there is a need to develop a method whereby we could provide for a better balance between income and outgo. Such a system should be used by the various agencies and departments as a check to insure that money allocated is used properly within the limit of appropriation.

Often the case is in reverse. We allocate more funds than what has been appropriated—thus we are robbing Peter to pay Paul. Sooner or later the Congressional leadership will have to come to grips with this problem of controlling priorities itself.

If we can achieve the business of managing Government well in the coming months ahead, then there should be no need for a higher Federal tax rate. The only way this can come about is to assure ourselves here in Congress that we are fiscally responsive to the needs of the American people within the budget.

I have personally taken a stand against overriding a Presidential veto and I shall vote to sustain every veto if it is designed to reduce the amount of Government spending. Congress should be able to spend within the budget and this in turn would limit the amount of inflation that has beset us over the past decade.

THE 50TH ANNIVERSARY DINNER OF TIME, INC.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFall) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, several Members of Congress, from both sides of the aisle, were asked to respond to remarks made by Senator Hugh Scott of Pennsylvania and our Speaker Carl Albert, at the 50th anniversary dinner of Time, Inc. Their remarks are brief, but their thoughts are expansive. Hedley Donovan is the moderator, and respondents include Senator Adlai Stevenson of Illinois, Representative Jerry Ford of Michigan, Senator Ernest Hollings of South Carolina, Representative Patsy Mink of Hawaii, and Representative John Anderson of Illinois. I include the text in the Record today:

Mr. Donovan. To wind up our birthday party, we are attempting what may be considered a rather daring experiment. We have asked six members of the Congress if they would be willing to comment very briefly, indeed two or three minutes was suggested, on points made either by Senator Scott or the Speaker this evening.

One of those who agreed to do so is Senator Adlai Stevenson of Illinois who last year, with Senator Mathias of Maryland, conducted ad hoc bipartisan hearings on the possibility of congressional reform.

I would like to ask Senator Stevenson if he would come to the platform and give us his estimate of how much public awareness and response his hearings drew on this subject.

Sen. Stevenson. Mr. Donovan, Mr. Speaker, Senator Scott, my colleagues in Congress and friends.

This is a daring experiment. I come here tonight speaking with all of the authority of an ex-State Treasurer and very conscious of my juniority in the Congress and very concerned, too. Concerned about whether a form of government carefully convinced and, the issues that overtake us, can survive the rapidity with which events overtake us, as we attempt day-in and day-out to resolve our differences within a highly complex and highly pluralistic society.

I believe that we can do so. As Mr. Donovan mentioned, Senator Mathias and I held hearings after adjournment last year. Those hearings met with interest far beyond our expectations. I say that because it was quite apparent, from the response of the media and from the response of the grass roots, that the concern that we felt is widespread.

That concern is basically whether the vision of our founders has not now been overtaken by events, whether the balance that they attempted to enshrine in our Constitution can be maintained.

We are concerned, and I dare say many if not most of our colleagues in the Congress are concerned, that one branch of our Government now is less equal than the others.

We want to reclaim our constitutional powers and we want to exercise them well. We don't seek government by computation. We seek, as the Speaker mentioned, a partnership of equals.

I think that the issues of politics are not likely to be resolved by bleak jurisdictional boundaries, but by a continuing and, hopefully, a healthy pulling and hauling, with the issues in the end resolved by those arguments that are most powerful.

In short, it is not enough to merely curtail the powers of the Executive. It is also necessary for us to reclaim our powers and to strengthen our own branch of Government. That work is hard. It will not be done overnight. It is not very glamorous work. It requires attention to the overview responsibilities of the Congress, the adequacy of our office and staff facilities, access to information through improved computer facilities. It requires regaining public confidence and new access to the media for our own defense.

We could regain some of the lost public confidence in Congress through attention to our internal habits, procedures, attention to lobbying reform, disclosure of our economic interests. We could improve our internal procedures with attention to our committee structures and to such questions as "secrecy" and "seniority."

In the end, and perhaps most important of all is the heart of congressional power, the budget. We must recognize that our financial resources are limited, and that we must exercise fiscal responsibility. We must appraise our resources and establish ceilings on spending, and then within those ceilings establish procedures for weighing the costs and benefits of one program against another.

That work, too, is going on in the Congress.

I would conclude by just saying that it seems to me that in the end we have to recognize that the integrity of our political institutions, the quality of the policies that they make, all depend upon the quality of the men and women in those institutions. The integrity, the qualities of character, of energy, of industry, of the members of the Congress have never been higher. They could be still higher and it will always be that way.

Let me conclude by saying that in the end the quality of our institutions depends upon the people, and that means it depends upon campaign financing. We must not only have men in the Congress and in all of our Government of the highest character, integrity and ability, but we must also emancipate them from the pull and haul of special interests. And that, I think, means an end to large campaign contributions, contributions which now are quite capable of buying influence in the Executive and Legislative Branches of our Government and in state and local governments, too.

That, I suspect, more than any other single step we can take, would restore public confidence in our public institutions and help to preserve the vision of our founders.

Mr. Donovan. Thank you very much, Senator Stevenson.

I am determined to work and applaud for another of our magazines, Sports Illustrated, so I would remind you that Congressman Gerald Ford of Michigan was chosen in 1959 by Sports Illustrated for one of its Silver Anniversary, All America awards to the football players who have contributed most to their country in the quarter century since they left college.

One of the other distinctions is that he is the minority leader of the House. We wanted to ask him also, in his capacity as a long-time member of the House Appropriations Committee, how he would answer Speaker Albert's difficult question. Namely, where does the congressional power end and the presidential power begin in the budgetary process?

Rep. Ford. Thank you very much, Mr. Donovan, Speaker Albert, and distinguished colleagues in the Congress and guests.

As I look at the time and look at the audience, I would probably be most persuasive if I would offer to revise and extend my remarks. But let me say that probably the quick answer would be that I would get Speaker Albert's brief in which I understand the Speaker, before he came to Congress, offered a brief in some lawsuit defending the right of the President to impound federal funds.

But let me be more serious, if I might. Despite all of the alleged modernization in our procedures, in our practices—and I think we have progressed—I think that it should be noted that the last Congress did not finish final action on two major appropriation bills; two major appropriation bills that involved not only substantial amounts of money, but substantial policies as far as foreign affairs are concerned.

So I don't think it is necessarily any modernization of procedures that determines whether the Congress draws the line properly, but whether the Congress has the will to do its business in the time allocated under the Constitution. And in this case in the last Congress we didn't, and we haven't thus far in 1973.

Let me reiterate the three areas where there is considerable public concern about when you draw the line between the Executive and the Legislative Branches: the power to make war, the Executive privilege, and the right to impound appropriated funds.

There is an ambiguity in all three areas, and as I look back over 20 some years in the Congress and recall certain speeches on both sides of the aisle and actions by both Democratic and Republican Presidents, it would be my observation that both the Congress on the one hand, whether Democratic or Republican, and the President, regardless of political party, has rather enjoyed the ambiguity that exists in the law in all three instances.

I am not so sure that ambiguity shouldn't continue to exist as our President and as our Congress have to meet emergency problems today, whether it is in the settlement of problems involving war and peace or the expenditure of money or in the privilege of the Executive as far as certain of his counsellors are concerned.

I know that there are lawsuits underway at the present time to determine the right of the Executive to impound funds appropriated by the Congress. I presume that one or more of those lawsuits will get to the highest court. I am not sure if there will be a unanimous decision by that court and I am not sure that Congress in the final analysis, regardless of whether it is Democratic or Republican, will be happy with that decision. They may be happy this year, but I am not so sure they will be happy next year. I am not so certain it is good that this gray area be so neatly defined, if the court can so define it.

One final observation: some of the allegations about the impotence of the Congress seem to have stemmed from the inability of this last Congress to curtail or restrict the authority of the President to do certain things involving Viet Nam. Now, if you are a member of the Senate, I can imagine your frustration because you weren't successful in so ham-stringing the President, but if you are a member of the House, I think you can take certain pride in the fact that you stood up for the President and also stood up against the other body.

I think that is the proper working of the Legislative Branch. Neither of the two branches of the Congress have the omnipotence to make a final determination or a final decision. We have coequal Executive and Legislative Branches, but the House and the Senate are also coequal. And just because the House didn't capitulate, doesn't mean that the Congress as a whole is subservient to the Executive.

And I, for one conclude only by saying that if the House and the Senate rightly or wrongly want to change their relationship with the President, they can do so if they have the will and the votes.

Thank you very much.

Mr. DONOVAN. Congressman Ford, thank you very much.

I want to call next on Senator Ernest Hollings of South Carolina. He was quoted in a very eloquent speech a year or two ago as saying: "There is a new kind of America around the corner."

Could we ask the Senator if he sees a new kind of Congress around the corner?

Sen. HOLLINGS. Senator Scott, distinguished colleagues, friends.

I hope that there will be a new kind of Congress because therein is the issue. It is not the Constitution. It is not changing any of the statutory laws, in my opinion. It is not a crisis about the presidency and the Executive power. It is whether the Congress itself will get off its duff and do its job.

The President has posed the issue after we both, on a four-year binge, have expended some $100 billion more than we brought in, and we are equally guilty. The $100 billion total received three readings in the House and three readings in the Senate and it was signed by the President.

Now, we cannot hide behind a wall, the ox is in the ditch fiscally. TIME magazine has declared the time late. There is public attention upon the Congress and the people are looking upon the unmet needs.

So, yes, I hope we do find a new Congress. Speaker Albert has pointed to what Henry Luce said eloquently some two weeks before he died. He cited the need for 200 million can-do Americans with not only the capacity to do, but the courage to be.

And, I would submit, the need for 535 Congressmen and Senators is not the capacity to do but the courage to be.

You pointed out the capability and the rules changes and the attention-giving and the awarenesses and the responsibilities and the modifications in seniority, and everything except one thing: you haven't set a spending limit on the House side. You say, well, why haven't you on the Senate side? When I first came here I put in a revenue-sharing bill, Mr. Speaker, and they told me there wasn't any use to have a hearing on it because you would blue-slip it and buck it back, and wouldn't even consider it.

Where does the power lie? In your House. You taught me that. There is no education in the second kick of a mule. There is no use in putting in all these rules changes, constitutional amendments, study commissions and what-have-you. All we need is to have the House set that limit and the Senate will follow that discipline, and then we can call on the President to come in line.

We can exercise power. I have seen that power exercised by the House. I have seen it exercised within the Senate. And I think, rather, at this time, instead of quoting John Adams and Woodrow Wilson and everyone else, a better one is Pogo: "We met the enemy and it is us."

Thank you.

Mr. DONOVAN. Thank you very much, Senator.

I would call next on Congresswoman Patsy Mink of Hawaii. She was described in Current Biography as the most prominent woman in Hawaiian politics since Queen Liliuokalani, and I am sure that is an understatement.

Congresswoman Mink, could you respond to Senator Scott's particular point that the drift of power from the Legislative to the Executive, to the extent it has taken place, began in the Depression and continued in World War II? Now that we have peace and presumably impending high level economic activity, what are the prospects of reversing the drift, in your opinion?

Rep. MINK. Thank you very much, Mr. Donovan, Mr. Speaker, Senator Scott, distinguished colleagues of the Congress.

I think that the message that was brought to us this evening by the Speaker of the House is one that all of the members of the Congress have taken to heart very seriously on both sides of the aisle. I think that our country, not only as reflected by our constituencies, but certainly by all of the people in the press and the scholars who have studied our institutions, all would have to agree that one of the things that challenges our nation is the ability of the Congress to function.

While I think most of our attentions are directed upon the war powers issue because of the prolongation of the Viet Nam war and, secondly, upon the ability of Congress to control appropriations and to mandate their expenditures by the Executive, I think fundamentally the most important issue is one that we have been facing quite directly as members of the Congress, in terms of the ability to get the kinds of information that are necessary for us to legislate. Not only in terms of the limitations of staff and of space, and all of the other issues that have been discussed, but in terms of getting that same kind of knowledge and input that is available to the Executive Branch.

And I call to the attention of this very distinguished audience a suit that was filed by 33 Members of the House of Representatives against the White House and five Executive agencies for reports that have been compiled on an issue that was of utmost importance to many members of the House of Representatives during the debate on an appropriations bill. We were confronted with being asked to expend moneys for a test in the Aleutian Islands, an underground nuclear test referred to as the Cannikan Test. We had attempted very dilegently to secure information and reports from the Executive Branch and only because of a leak in the press did we learn one day before the final deliberations in the House that there were, in fact, five executive agency reports that had been discussed in the White House; two of them from enviromnental agencies that had been established to protect the public interest.

We attempted to secure these documents and were told that because of Executive privilege, because the agencies themselves had stamped them with the words, "Secret", "Top Secret", that these reports were not available to Members of Congress.

Although the issue was moot and the test was conducted without incident, I still believe that the most important question that we have got to face, not only as members of a coequal branch of the Government, but as responsible members of the American electorate, is the degree to which executive agencies are responsible for providing the kind of information that is essential to make intelligent decisions.

It is not only a matter of sifting what is available, but having available to us, without having to resort to theft and all of the acts of civil disobedience that are now confronting this country, those facts and information.

So I would submit that in discussing the whole issue of the Congress we also grapple with the basic problem of freedom of information. The Freedom of Information Act was passed for that specific purpose. It has now been totally relegated to an extinct document in the statutes by the decision two weeks ago of the Supreme Court that denied the right of members of Congress to have access to this kind of information merely because the information had been stapled together in a report with other documents that were considered necessary to safeguard the national security.

So, I submit, that along with all of the other issues that are of current importance, we not only consider the matter of the function of the Congress, but also our ability to get this kind of information made available to us, and through us to the American public. I know that this is a fundamental question that also faces the press as they grapple with the right of newsmen to acquire this kind of information and to distribute it to the American people.

Thank you very much.

Mr. DONOVAN. Thank you very much, Mrs. Mink.

Congressman John Anderson of Illinois is the Chairman of the House Republican Conference. Just so I don't seem always to be quoting Time Inc. publications, let me mention an item from the *New York Times*. The *Times* quoted Congressman Anderson as complaining to his wife: "The reporters always call me articulate. Why don't they call me adroit?"

I wonder if the Congressman, in either capacity, would like to address himself to the Speaker's remarks.

Rep. ANDERSON. Thank you very much, Mr. Donovan, Mr. Speaker, Senator Scott, and my distinguished colleagues in Congress. I think at this point in the evening we are all reminded that we are here in the National Portrait Gallery of the Smithsonian and I have been sitting here reading a section in this information booklet that was given to each of us as we came in, entitled "The Permanent Collection."

I realize that all of the Senators here tonight expect to become a part of The Permanent Collection, but those of us who are here from the House are glad to be here just for the evening.

We have lost public esteem. There isn't any question about that. Any index, any poll that you look at says that the Congress has lost esteem as far as the American public is concerned. Mr. Agronsky told me not long ago when I was talking with him that he saw a survey that indicated we were 19th: we were just above used car dealers. That is about as far as we have ascended.

Why is that? Is it because of Presidential impoundment? Is that at the root of the great crisis, which we heard about in very effective, if somewhat inflammatory, fashion, from the distinguished Speaker? I think not. I think the public applauds what the President has done.

I think that the public realizes that it is Congress which has created the mess and until we are willing to assume the responsibility of putting our house in order—we aren't going to retain or recover the respect of the American people.

In other words, let's accept the wisdom of the old Biblical expression to cast the beam and the mote out of our own eye, or we aren't going to get to first base on this issue of congressional reform.

Now, I think, in short, that it is the failure of the Congress to develop a rational approach to the budgetary process that has produced this crisis, as far as fiscal affairs are bility, when we prove to the American people that we are responsible in fiscal affairs, I am not too worried about what their ultimate concerned. When we demonstrate our capa- assessment of us is going to be.

Let me close with just these very general observations that we do, of course, have to put this issue of the present role and, in fact, the reduced estate of the Congress in perspective. First of all, there is a crisis generally of Western values in the world. It is inevitable, I think, when you have a Republican President and a Democratic Congress, that there is an adversary relationship that develops. And I would add this cautionary note; we aren't going to reform the Congress if we get bogged down in a debate about the current occupant of the White House and what he has done.

One reason we got into all of the trouble that we did back in the decade of the 1960s is that we saw the total and utter collapse of a bipartisan foreign policy. Unless we can get together—we in the Congress—on a bipartisan basis to try to solve the problems of organization and some of the other matters that have been referred to, we are not going to succeed in this very important area of congressional reform.

So, I would hope—and I would add this final admonition to my colleagues—that as we approach this very important issue in the days, the weeks and the months ahead, that we realize that it didn't begin under President Nixon. It began long ago. It began in the field of foreign affairs, and more recently we have seen the manifestations of disrepair as far as domestic policy is concerned.

I am not going to let my own Administration off completely scot-free tonight either. I am going to try to maintain my reputation, I hope, for speaking frankly. I think there has got to be more consultation on the part of the people of the Executive Branch with those of us in the Congress. There has to be a freer flow of, and exchange of, information. We have to work together to that extent if we really want to get the job done.

ATLANTIC UNION RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Hamilton) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, I am pleased that the House last week rejected House Joint Resolution 205, to create an Atlantic Union delegation.

I join all Members of Congress in believing that close cooperation between the United States and Europe is essential for mutual security and prosperity. I support the advancement of European unity and Atlantic partnership, and I opposed this resolution because I felt it would have hampered the achievement of both of these goals.

To elaborate, I opposed the resolution for these reasons:

First, the proposal ran counter to the mood of the American people. The resolution proposed the transformation of our Atlantic relationship into "a more effective unity based on federal principles." The dictionary definition of a federation is a union of states "by agreement of each member to subordinate its power to that of the central authority in common affairs."

What power would the United States have subordinated to a central authority under this resolution?

I do not believe the American people want to join a central government, based on federal principles, with the Atlantic states and I suspect the Europeans do not either, immersed as they now are in strengthening the European Community. Indeed, I read the mood of the American people to be precisely the opposite of the thrust of the proposal in House Joint Resolution 205. They are increasingly disillusioned and frustrated with an American activist role abroad, and they want America to cut down its foreign responsibilities. They want us to turn our energies and resources to the problems at home, not vastly expand them abroad—as we would be doing in any kind of federal union.

Second, the proposal was unrealistic because neither the American people nor the Europeans are ready for such a federation at this time. The necessary climate to create a central government over all the Atlantic states simply does not exist.

The time to enact this resolution may have passed, or may not have arrived yet, but it certainly is not now.

Third, the proposal to create a federal union of Atlantic states was counterproductive to the goals of European unity and Atlantic cooperation.

The idea of federation was such an abrupt and drastic change from the current policy of partnership between the United States and Western Europe and recent steps regarding development of the European community that this resolution, which supported the concept of a federation, was apt to cause considerable alarm to the many Europeans already skittish about encroaching American influence.

The European community has regained its momentum recently and is hard in pursuit of economic and political union by 1980. Member nations are preoccupied with the problems indigenous to such a union and they are not favorably disposed toward discussing an Atlantic federation.

Former U.S. Ambassador to the European Communities Robert Schaetzel recently commented in congressional testimony that—

> It cannot be excluded that the United States could come to replace the Soviet Union . . . Europe could come to see America as the external threat against which they were unifying.

By enacting the proposal for a federal union, the United States could have been seen as developing an approach for reestablishing American hegemony in Western Europe. The result could have been Atlantic discord, not cooperation. The Europeans might well have feared that the United States was seeking to exploit them and undermine the progress toward union that has been made.

Fears of a hegemonial relationship are quite pronounced among Europeans. At a recent European-American conference in Amsterdam, European participants were urged to ward off being pressed into economic subservience to the United States. These fears, if fueled by passage of this resolution, could have been revealed in the European negotiating stance in the forthcoming GATT trade negotiations.

Fourth. In addition to these fundamental objections, I opposed the resolution because its language was vague and left important questions unanswered, among them the following:

What was meant by a commission to "facilitate advancement" in stages to a federal union?

What was the Congress supposed to do with the recommendations on federal union that were submitted to it?

Though American delegates to the convention to be called under the provisions of the resolution were to be "free from official instructions would they not still have been seen as speaking on behalf of the United States?

Was Greece considered a "parliamentary democracy" and therefore eligible to participate in the convention?

Mr. Speaker, these and other questions should be answered before we even consider committing ourselves to the goal of a federal union of Atlantic nations.

THE U.S. POSTAL SERVICE SHOULD RESPECT THE SPIRIT OF THE LAW AS WELL AS THE LETTER OF THE LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Charles H. Wilson) is recognized for 5 minutes.

Mr. CHARLES H. WILSON of California. Mr. Speaker, as most of my colleagues are aware, my Subcommittee on Postal Facilities, Mail, and Labor Management has been holding hearings on labor-management relations in the U.S. Postal Service. As a ranking member of the House Post Office and Civil Service Committee, I have been concerned with the U.S. Postal Service's policy of cutting service and penalizing its employees in the name of "breaking even" financially.

An example of postal management's disregard for employee rights is their refusal to give the National Association of Postal Supervisors consulting rights as specified in the Postal Reorganization Act. Prior to the enactment of Public Law 91–375, the Postal Reorganization Act, enacted in 1970, the National Association of Postal Supervisors was accorded formal recognition by the Post Office Department and had regular consultative sessions which were most productive.

Realizing the need for recognition of an organization such as the National Association of Postal Supervisors, which represents more than 90 percent of the supervisors in the U.S. Postal Service, the Congress included in Public Law 91–375 section 1004(a) and (b) which I strongly supported.

Section 1004(a) provides that there shall be "compensation, working conditions, and career opportunities that will assure the attraction and retention of qualified and capable supervisory and other managerial personnel." It also provides for a reasonable pay differential between clerk and carrier grades and supervisory levels with the realization that the role of management "is particularly vital to the process of converting general postal policies into successful postal operations."

Section 1004(b) provides that the Postal Service "shall provide a program for consultation with recognized organization of supervisory and other managerial personnel." It further provides that "upon presentation of evidence satisfactory to the Postal Service that a supervisory organization represents a majority of supervisors—such organization or organizations shall be entitled to participate directly in the planning and development of pay policies and schedules, fringe benefit programs, and other programs relating to supervisory and other managerial employees."

Unfortunately, the law did not provide any recourse if the U.S. Postal Service did not comply with these important provisions of the law. In what appears to becoming a general policy of arbitrarily using or ignoring certain provision of the postal law, the U.S. Postal Service is ignoring or paying little attention to section 1004 in dealing with the National Association of Postal Supervisors. Their idea of "consultation" is to make a decision and then inform the NAPS of the results of the decision.

There were discussions, but not consultations, on the now infamous Westinghouse contract, which the House Committee on Post Office and Civil Service under the able leadership of Chairman Dulski spent about a month in 1971 investigating and made recommendations that the contract be canceled and the Department of Justice notified. These recommendations were also ignored.

The Westinghouse "evaluation" led to the job evaluation program which has led to the downgrading of at least 50 percent of the postal supervisory positions. This was done in spite of the fact that all other Federal employees have received substantial salary increases.

The National Association of Postal Supervisors had no part in the "planning and development of pay policies and schedules" except to be told what had been done and were refused the point system or any system which shows how the evaluations were made.

NAPS had no recourse but to bring suit against the U.S. postal supervisors for not complying with the law. A Federal judge has ruled that in his opinion direct participation in the planning and development of pay policies and schedules does not mean that the association must be in at the conception. NAPS is now appealing this decision.

Because of these events, I have decided that there must be stronger provisions in the law. Therefore, I am introducing a bill today that would amend the postal law to permit the association of supervisors to seek arbitration by a three-man arbitration board in case of disputes concerning policies "which affect all or a substantial portion of supervisory personnel on a long-term or permanent basis." There is no intent to bring any trivial matters before the arbitration board. Without such protection, the postal supervisors are at the complete mercy of the top management of the U.S. Postal Service and the provisions of the law approved by the 91st Congress on August 12, 1970, as Public Law 91-375 will continue to be flouted by the U.S. Postal Service.

Mr. Speaker, it must be emphasized that postal supervisors who are entitled to consultative rights are not top management but the fifth level of management with the U.S. Postal Service headquarters, the Postal Service regions, the district offices, and postmasters—all above them in the chain of command. Such consultative rights for the association's members are most important. Strengthening of the law is essential.

Mr. Speaker, without objection, I will enter into the Record at this time a draft of my bill, to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service:

H.R. 7202

A bill to establish an arbitration board to settle disputes between supervisory organizations and the United States Postal Service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Part II, chapter 10, section 1004 of the Postal Reorganization Act is amended by the addition of the following subsections (c) and (d):

(c) If the Postal Service and a supervisory organization representing a majority of supervisors, as such terms are used in subsection (b) above, are unable to agree upon a program for consultation or a plan for participating directly in the planning and development of pay policies and schedules, fringe benefit programs, and other programs relating to supervisory employees, the dispute shall be referred to an arbitration board in accordance with the provisions of subsection (d) below.

Further, if said supervisory organization is unable to reach agreement with the Postal Service with respect to pay policies and schedules, fringe benefit programs, and other programs relating to supervisory employees after participating directly in the planning and development thereof, the dispute shall be referred to an arbitration board in accordance with the provisions of subsection (d) below: *Provided,* That only those disputes concerning said policies which affect all or a substantial portion of supervisory personnel on a long-term or permanent basis can be referred to arbitration. In the event that the Postal Service and the supervisory organization are unable to agree upon whether or not a particular issue is eligible to be referred to arbitration, that issue shall first be referred to arbitration in accordance with the provisions of subsection (d) below. The supervisory organization recognized pursuant to subsection (b) above, shall have the exclusive right to invoke the arbitration provisions of subsection (d) on behalf of supervisory employees.

(d)(1) The arbitration board shall consist of 3 members, 1 of whom shall be selected by the Postal Service, 1 by the recognized organization of supervisory personnel, and the third by the 2 thus selected. If either of the parties fails to select a member, or if the member chosen by the parties fails to agree on the third person within 5 days after their first meeting, the selection shall be made by the Director of the Federal Mediation and, Conciliation Service.

(2) The arbitration board shall give the parties a full and fair hearing, including an opportunity to present evidence in support of their claims, and an opportunity to present their case in person, by counsel or by other representative as they may elect. Decisions of the arbitration board shall be conclusive and binding upon the parties. The arbitration board shall render its decision within 45 days after its appointment.

(3) Costs of the arbitration board shall be shared equally by the Postal Service and the organization of supervisory personnel.

NEEDED FOR THE NORTHEAST RAILROADS: A FREE ENTERPRISE SOLUTION WITH FEDERAL ASSISTANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. Adams) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, when Secretary of Transportation Brinegar appeared before the Subcommittee on Transportation on Tuesday, April 17, he stated that his proposal for a solution to the Northeast railroad crisis, which would rely entirely on private financing had received widespread support from the rail industry, shippers, and the financial community. At that time, he submitted for the record a number of letters and telegrams, addressed either to him or to Mr. Jarman, chairman of the Subcommittee on Transportation.

As I stated at the opening of these hearings, one of the issues which the Congress must decide is what the Federal involvement in the solution of the Northeast railroad crisis should be, what form this should take, and what sums of money might be involved. One of the main issues discussed during Secretary Brinegar's testimony was whether or not any Federal aid at all was needed to bring about a solution to the Northeast rail problem. The Secretary insisted that no Federal aid should be offered and the private sector would come forward with the large sums which all parties agree are necessary for the restructuring and rehabilitation of essential rail service.

At the same time the Secretary was testifying the Association of American Railroads was releasing its statement to the ICC in Ex Parte 293, Investigation of Northeast railroads. The industry solution proposed by the AAR calls for Federal acquisition of the passenger corridor between Washington and Boston and for Federal assistance in paying the costs of any adverse impact on labor that a major restructuring of the Northeast railroads might have. Thus, the official position of the railroad industry is that Federal assistance is required to bring about a solution within the private sector which could allow a privately owned rail freight system to survive in the Northeast.

I have reviewed carefully the documents submitted by Secretary Brinegar to support his contention that a solution to the Northeast railroad problem can be found solely by using private financing. These documents, offered for the public record, do not support the Secretary's belief and argument. What they do support is the view that the best solution would be one that left the Northeast rail system in private hands within the free enterprise system. On this principle there is common agreement. I believe that a free enterprise solution is the best and I know this belief is shared by many of my colleagues. Thus an argument on that point is for now simply destroying a straw man. The argument, now, is about what Federal participation there should be in arriving at a free enterprise solution.

To make the record of this hearing clear, I would like to point out what the documents submitted by Secretary Brinegar had to say on this point.

Mr. John Fishwick, president of the Norfolk & Western, in a letter to Secretary Brinegar dated April 14, 1973 stated:

> I believe, however, that when DOT attempts to formulate a viable railroad system in the Northeast which will be in the public interest, it will find that some government funding is essential.

Later, in the same letter, Mr. Fishwick said:

> As a matter of fact, I believe the federal government should now purchase the passenger lines in the corridor between Washington and Boston.

Mr. W. Graham Claytor, president, Southern Railway System in a letter to Secretary Brinegar dated April 16, 1973:

> As I stated at the TAA Forum, however, I feel quite strongly that it will not be practically or politically feasible to implement your plan without significant Federal funding to achieve acquisition, operation or both by a Government agency or corporation of the essentially passenger oriented northeast corridor between Boston and Washington, with essential freight service continued over these corridor lines by private enterprise operation on a trackage rights or similar basis. I also feel that initial Federal funding will be required for labor protection costs that will inevitably result from reduction in the mileage of freight lines to be operated by a new core freight system, and at least some type of Federal aid will be needed to accelerate capital improvement on such a core system.

In a telegram to Secretary Brinegar, dated April 16, Mr. Thomas Rice, president of the Seaboard Coast Line gave his entire support to "your proposal for maintaining the railroad industry as part of the private sector, *although some Federal funding may be necessary at least for an interim period*." (Emphasis added)

In a telegram to Secretary Brinegar, April 16, 1973, containing the text of a telegram to Mr. JARMAN, Mr. Lee Cisneros, director of corporate transportation, Firestone Tire and Rubber Co., stated that he had endorsed the DOT proposals subject to two qualifications one of which was:

> That short term federal aid was essential in order to allow for the development of a program that would attract private investors' confidence to permit the eventual private ownership solution.

Finally, Mr. John Reed, chairman and president of the Santa Fe stated in a telegram dated April 16, 1973 to Secretary Brinegar:

> While many problems remain to be worked out, including the vexing problem of providing needed financial assistance, we think the Department's plan provides a framework on which an eventual solution can be based.

All of the statements submitted by Secretary Brinegar, which I gather were written with some encouragement from DOT, were polite, and Mr. Reed's is truly a paragon of tact. But it gets to an essential point: The vexing problem of providing needed financial assistance. This is a vexing point, but one that will not go away by wishing it were gone. The realities of everyday economics cannot be answered by economic theory.

A purely private sector solution, with no Government assistance, would be welcomed by every Member of Congress. No one wants to vote for Federal assistance. No one wants to just throw money at a problem. But we do want a solution that will work, not in textbook theory, but in the realities of economic life.

From my discussions with members of the financial community, the railroad industry, and with representatives of rail labor, I am convinced that there must be some Federal financial involvement in any practical working out of the northeastern railroad crisis. If Secretary Brinegar is right that there is healthy railroad system within the Northeast that can be made economically viable, then any Federal investment will ultimately be recovered. I believe he is right, that a private freight corporation can emerge and I would hope that we could work together to develop such a solution. However, the economic importance of rail service in the Northeast is too great to be lost in a sterile debate of ideologies. We are not in an adversary proceeding, and any solution should be bipartisan. It seems to me that a dispute of over whether or not Federal aid is needed to restore the northeastern railroads is unrealistic and a waste of time. And we do not have that time to waste. The legislative process moves slowly. If we wait too long, the time will run out and the judges in bankruptcy will be forced, by constitutional considerations, to order liquidation, or the bankrupt railroads will simply run out of cash. In the crisis that would result, we might well be forced to a hasty solution and one worse than any now under consideration.

In conclusion, I want to reaffirm my belief that a private sector solution can be developed and that simple nationalization of the bankrupt railroads is not a desirable solution to the problem.

I look forward to seeing the formal legislative proposals which will spell out the DOT's plan. I hope that in them we will find points of agreement. But most importantly, I urge the Secretary of Transportation to talk with the members of this subcommittee about the realities of the situation and to suggest to us a conclusion to the chronic Northeast rail crisis that meets the economic and social realities. Of all the problems besetting the relations between the executive and legislative branches, the economic life of the Northeast is the last which should be trapped in a confrontation. So I ask the Secretary to look again at the testimony of the witnesses he has submitted in his own behalf and to listen to what they have to say. Then we can begin the serious talk that will lead to a common, bipartisan agreement among all the many interests involved—management, labor, creditors, shippers, State and local government—as to what needs to be done.

UNITED STATES FOREIGN RELATIONS: PROPOSAL FOR A DEPUTY SECRETARY OF STATE OF THE AMERICAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. WAGGONNER) is recognized for 15 minutes.

Mr. WAGGONNER. Mr. Speaker, Louisiana is a great coastal State with large seaports and immense shipping interests operating vessels to various countries of the Americas with many of them making transits through the Panama Canal. My State is also an area over which the flags of Spain and France have flown. Thus, as a Representative in the Congress from Louisiana, closely associated with the Latin cultures as well as English, I have long recognized the necessity for improved relations between the United States and all countries of the Americas.

It was, therefore, gratifying to read in the RECORD of February 27, 1973, an address by my able and most scholarly colleague from Pennsylvania (Mr. FLOOD) in which he proposed the restructuring of the Department of State by consolidating all that agency's hemispheric affairs from the Arctic to the Antarctic under one official. He also pointed out that Canadian relations are now included under European affairs despite the fact that since the 1931 Statute of Westminster it has been independent.

In a followup address in the Congress on March 14, Representative FLOOD recommended the creation by statutory enactment of a Deputy Secretary of State for the Americas charged with responsibility for supervision over U.S. relations with all countries of the Western Hemisphere, including Canada, and announced that the necessary legislation would be introduced at an early date.

The indicated proposal for improvement of the State Department, made on the day preceding the opening on March 15 of the United Nations Security Council sessions in Panama, attracted immediate favorable attention in the Latin American press as ushering in a new era in hemispheric relations. Its constructive nature was in sharp contrast to the United Nations Security Council "polemical fiasco" at Panama March 15–21, 1973.

Now that U.S. forces have been withdrawn from Southeast Asia and further withdrawals from other parts of the world are clearly indicated, the time has come to stress the interests of the Americas. As the first step in that direction, Representatives FLOOD, CRANE, SNYDER, and myself have cosponsored and introduced on Tuesday a measure to effect the necessary changes in existing law.

The most significant point in the proposed legislation is that it would provide for a Deputy Secretary of State for the Americas, responsible only to the Secretary of State.

In order that the full text of the indicated measure may be widely disseminated, I quote it as follows:

ADDRESS BY REPRESENTATIVE FLOOD

> Mr. Speaker, as a former member of the House Committee on Foreign Affairs with assignment to its Subcommittee on Inter-American Affairs and student of our Isthmian canal policy, I have long felt the need for the United States to stress its relations with other countries of the Western Hemisphere. The necessity for such emphasis was dramatically illustrated at the time of the

15–21 March 1973 meeting of the U.N. Security Council in Panama, when the United States was made the propaganda whipping boy of the pro-Red revolutionary government now in power in that country. Certainly such a performance, which was clearly foreseen, could and should have been avoided by the able conduct of our policies under responsible leadership.

In anticipation of threatened violence at Panama during the March 15–21 sessions and to help in avoiding it, I addressed this body on 8 February 1973 on "The Crisis At Panama: A Three-Pronged Assault on the Canal Zone." I have good reason to believe that this address helped to prevent serious trouble. But preventing demonstrations at a time of crisis is not enough. There should be sustained direction in policy matters aimed at a steady improvement of relations. The re-structuring of the Department of State as provided in H.R. 7116, introduced by our distinguished colleague from Louisiana (Mr. Waggonner) and which I glady co-sponsored, should be a step in the right direction. I wish to commend the distinguished gentleman from Louisiana (Mr. Waggonner) for his leadership in this important measure and urge prompt action by the Committee on Foreign Affairs.

GENERAL LEAVE

Mr. MEZVINSKY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the special order today of the gentleman from Louisiana (Mr. WAGGONNER).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

KEEPING HAWAII'S LIFELINE OPEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 30 minutes.

Mr. MATSUNAGA. Mr. Speaker, hopefully today marks the beginning of a long-sought relief for the people of Hawaii and the Pacific territories. I have in cosponsorship with the gentlewoman from Hawaii (Mrs. MINK) and the gentleman from Guam (Mr. WON PAT) legislation which will provide Hawaii and the U.S. Pacific Islands a means for assuring them continued uninterrupted ocean commerce.

Ocean shipping is the lifeline of Hawaii. Hawaii residents and businesses depend for survival on sea shipments from the mainland. Hawaii's two major exports, sugar and pineapple, cannot reach their markets unless ships carry them.

Yet the average citizen in Hawaii spent much of the past 2 years anticipating, experiencing, or recovering from, interruptions in ocean shipping between Hawaii and the west coast. During the period from July 1, 1971, through December 31, 1972, Hawaii was deprived of mainland shipping service for 179 days—1 day out of every 3.

The consequences have been severe. Unemployment reached its highest point since statehood. Many small businesses failed; many others, large and small, were sorely damaged. There were shortages of vital consumer goods.

Each of the Members of the Hawaii Congressional Delegation has taken action, through calls for voluntary action and through legislative initiatives, to provide Hawaii with a measure of protection from disruptions in surface commerce.

Early this year, for instance, I introduced legislation to prevent abuse of Presidential discretion from delaying relief to Hawaii. My bill, H.R. 1601, would permit the Taft-Hartley Act's emergency disputes procedures to be used in regional, as well as national, emergencies, and would require, rather than merely permit, the President to start process to end interstate transportation strikes through a Taft-Hartley injunction. I still believe that H.R. 1601, if enacted, would guarantee virtually complete assurance that the people of Hawaii would not become innocent pawns in a dispute over which they had no influence.

The bill we have introduced today, however, represents a joint effort on the part of all four Members of the Hawaii congressional delegation. It is legislation behind which the entire delegation is united, in the hope of enhancing its chances for speedy enactment.

The bill would simply assure the continuation of ocean commerce between the west coast and the U.S. Pacific islands, for the first 160 days of any strike or lockout in the west coast longshore or maritime industries.

This I believe, would provide adequate protection to Hawaii, Guam, American Samoa, and the Trust Territory of the Pacific, without affecting the economic positions of either side in a dispute.

The trade between the west coast and Hawaii represents, for example, less than 3 percent of the workload on the west coast ports. The U.S. Pacific islands' trade increases that figure less than two-tenths of 1 percent.

Of those who actually man ships, the affected trade is approximately 7 percent.

There is a solid precedent for the exemption which this legislation would provide. Already, west coast military cargo shipments continue despite any stoppages.

Mr. Speaker, the people of Hawaii recognize the need to maintain a strong defense posture; they also believe that their own vulnerability to ocean commerce tie-ups should be recognized.

Several days ago, Mrs. MINK, Mr. WON PAT and I joined to introduce another bill, one which would provide identical expiration dates for all labor-management agreements involving the west coast maritime and longshore industries.

These two measures, Mr. Speaker, deserve speedy and favorable action by the Congress, and I pledge my highest efforts to bring about that action as quickly as possible.

Mr. Speaker, I include at this point the text of the bill introduced today, the text of the common expiration date bill introduced earlier this week, and the text of the joint statement issued by all of the members of the Hawaii congressional delegation concerning the bills:

H.R. 7189

A bill to amend title II of the Railway Labor Act to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa or the Trust Territory of the Pacific Islands and the West Coast and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hawaii and Western Islands Surface Commerce Protection Act of 1973".

Sec. 2. Title II of the Railway Labor Act (45 U.S.C. 181–188) is amended by adding at the end thereof the following:

"Sec. 209. (a) (1) No strike or lockout in the longshore or maritime industry in the States of Washington, Oregon, or California (hereinafter in this section such States are referred to as the 'West Coast') shall be permitted to interrupt normal shipping from any port on the West Coast to Hawaii, the Trust Territory of the Pacific Islands, Guam, or American Samoa (hereinafter in this section any such Territory shall be individually referred to as 'any United States Pacific Island') or from Hawaii or any United States Pacific Island to any port on the West Coast for a period of 160 days beginning on the first day of such strike or lockout.

'(2) An employer or labor organization who is a party to a strike or lockout described in paragraph (1), the Governor of Hawaii, Guam, or American Samoa, or the High Commissioner of the Trust Territory of the Pacific Islands, or the designated representative of any such Governor or of such Commissioner (if such a strike or lockout interrupts normal shipping of Hawaii or any United States Pacific Island where such Governor or High Commissioner is the executive) may petition any United States district court having jurisdiction to issue an injunction or temporary restraining order to enforce the provisions of paragraph (1). Any such injunction and temporary restraining order shall in the aggregate remain in effect until the end of the 160 day period provided by paragraph (1). Such injunction may not be requested while an injunction issued under section 208 *of the Labor Man*agement Relations Act, 1947 (29 U.S.C. 178) is in effect. If, while an injunction issued under this section is in effect, an injunction is issued under section 208, the counting of the 160 day period referred to above shall be suspended until the injunction under such section 208 is discharged pursuant to section 210 of such Act.

"(b) (1) Any employee (the terms or conditions of whose position of employment are governed by the agreement entered into between the employer and the labor organization which resolves a strike or lockout described in subsection (a) (1) who performs work or services for his employer during the period of 160 days required by subsection (a) (1) shall perform such work or services pursuant to wages, hours, and other terms and conditions of employment of the last agreement between such employer and labor organization prior to such strike or lockout.

"(2) Each employee shall receive additional wages for performing work or services described in subsection (b) (1) at a rate equal to the difference between the wage provided for that employee (or that employee's position) under the agreement which resolves the labor dispute and the wage such employee actually received for performing such work or services.

"(c) The provisions of the Act entitled 'An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes', approved March 23, 1932 (29 U.S.C. 101–115) shall not apply to any injunction issued under subsection (a) (2).

"(d) For the purposes of this section—

"(1) the term 'interrupt normal shipping' means (A) a refusal to load cargo aboard a ship (or to permit the loading of cargo aboard a ship) at a port on the West Coast if such cargo is destined for use in Hawaii or any United States Pacific Island, (B) a refusal to unload cargo from a ship (or to permit the unloading of cargo from a ship) at a port on the West Coast if such cargo was shipped from Hawaii or any United States Pacific Island, (B) a refusal to unload cargo from a ship (or to permit the unloading of cargo from a ship) at a port on the West Coast if such a cargo was shipped from Hawaii or any United States Pacific Island, and (C) a refusal to operate (or to permit the operation of) a ship from a port on the West Coast with cargo destined for use in Hawaii or any United States Pacific Island or a ship from Hawaii or any United States Pacific Island with cargo destined for a port on the West Coast; if any such refusal was a cause of a ship leaving the dock facility in Hawaii or any United States Pacific Island or at a port on the West Coast more than 48 hours after its scheduled time of departure, or a cause of cargo from Hawaii or any United States Pacific Island not being unloaded at any such dock facility at a port on the West Coast for at least 48 hours after the ship carrying such cargo arrived at such facility;

"(2) the term 'strike' has the same meaning as it has in section 501(2) of the Labor Management Relations Act of 1947; and

"(3) the terms 'employer', 'employee', and 'labor organization' have the same meanings as such terms have in section 2 (2), (3), and (5) respectively, of the National Labor Relations Act".

SEC. 3. The provisions of section 209(a) of the Railway Labor Act shall take effect on the date of enactment of this Act unless a strike or lockout in the longshore or maritime industry on the West Coast is occurring on such date of enactment, in which case such provisions shall take effect on the fifth day after such date of enactment.

H.R. 7065

A bill to provide for uniform expiration dates for agreements in the longshore and maritime industries in the States of Washington, Oregon, or California

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any agreement between an employer and a labor organization governing any terms and conditions of employment in the longshore or martime industry in the States of Washington, Oregon, or California which is entered into—

(1) on or after the date of enactment of this Act but before July 1, 1975, shall expire, notwithstanding any terms of the agreement, either on June 30, 1976, or on June 30, 1979, and any subsequent agreement between such employer and labor organization shall expire on June 30 of each third year thereafter;

(2) after June 30, 1975, but before July 1, 1976, shall expire, notwithstanding any terms of the agreement, on June 30, 1979, and any subsequent agreement between such employer and labor organization shall expire on June 30 of each third year thereafter; or

(3) after June 30, 1976, shall expire, notwithstanding any terms of the agreement, on the first June 30, of any multiple of three years from 1976 (after the conclusion of such agreement), and any subsequent agreement between such employer and labor organizations shall expire on June 30 of each third year thereafter.

Joint Statement by Representatives Patsy T. Mink and Spark M. Matsunaga, and Senators Daniel K. Inouye and Hiram L. Fong, Members of Congress from Hawaii

The State of Hawaii exists on a lifeline, one that connects the State with the rest of the United States. That lifeline is ocean shipping. If ocean shipping between Hawaii and the mainland is disrupted, that lifeline is severed and an emergency begins.

When ships cannot serve Hawaii, essential foodstuffs and other necessities of life disappear from store shelves. Construction projects, dependent on shipped-in materials, shut down, throwing hundreds out of work. Small businesses, unable to resupply, lose customers and risk bankruptcy. Hawaii's two major exports, pineapple and sugar, cannot be shipped to markets and overflow available storage space.

In short, Hawaii is extremely vulnerable to disruptions in surface shipping.

Tragically, such disruptions are all too frequent. During the period from July 1, 1971, through the end of December, 1972, Hawaii was deprived of mainland shipping service for a total of 179 days—one day out of every three.

These stoppages were all the more frustrating to the people of Hawaii because, except for one three-day period, no one in Hawaii was directly involved in the disputes which caused them.

To deal with this problem, each of us has proposed legislation which would keep Hawaii's lifeline functioning in the face of such tie-ups. Each of these proposals resulted from much thought, and each represents what its individual sponsor judges to be the best approach to dealing with this problem.

In addition to our individual legislative initiatives, we have jointly sought to protect Hawaii by approaches to labor and management.

In February, we jointly addressed identical letters to Harry Bridges, President of the International Longshoremen's and Warehouseman's Union, and Edmund J. Flynn, President of the Pacific Maritime Association, requesting that they agree to continue normal shipping to and from Hawaii for the first 60 days of any West Coast longshore tie-up.

Last month, we again joined to urge all parties to labor-management agreements affecting the West Coast-Hawaii trade to agree to a common expiration date for all of their contracts, in order to avoid a series of debilitating stoppages. We have had some affirmative responses to these proposals, and we are hopeful that others will be received.

In the meantime, we have been working very hard on other legislative solutions which each of us could support, and which would provide a statutory guarantee to the people of Hawaii that their lifeline will not be severed for a substantial period.

We are today proposing two new bills:

The first bill would assure that, in the event of a strike or lockout in the West Coast longshore or maritime industries, normal ocean commerce would continue for 160 days between the West Coast and Hawaii, and between the West Coast and the U.S. Pacific Islands of Guam, American Samoa and the Trust Territory of the Pacific.

The second bill would require all West Coast longshore and maritime contracts to have identical expiration dates and 3-year renewals.

Enactment of these two measures would help greatly to overcome the unique geographical handicaps of Hawaii, Guam, American Samoa and the Trust Territory of the Pacific, and allow these island economies to move forward with somewhat greater assurance.

We who represent Hawaii will continue to seek additional safeguards. But we are appealing to colleagues in Congress from our 49 sister states to accord Hawaii and the other Pacific Island areas, at a very minimum, the protection provided in the two bills we introduce today.

REVISE THE MILITARY CODE OF CONDUCT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, the return of our prisoner of war from their long incarceration in Indochina has brought joy, pride, and relief to the American people. These men paid an awesome price in suffering and deprivation, and along with the American dead and wounded of the Indochina conflict they served as the lightning rod of sacrifice for the United States during this Nation's traumatic involvement in the carnage which devastated North and South Vietnam, Laos, and Cambodia.

As the prisoners begin to reintegrate into American society, highly disturbing reports are filtering out through the national press that court-martial charges may be filed by some of the prisoners against other military personnel who were in captivity with them. The basis of these charges is reported to be misconduct in the form of "willing cooperation with the enemy."

It is too early to speculate whether charges will actually be filed, whether courts-martial will take place, and what the Defense Department's policies in these cases will be. However, the fact that court-martial proceedings are being considered, reopens a fundamental issue which last surfaced in the Pueblo case—the Military Code of Conduct.

If any of the returning prisoners are to be made defendants in military court-martial proceedings, it will be on the ground that their behavior while in captivity violated the Code of Conduct. This is a troublesome matter, Mr. Speaker, because of the very nature of the Code of Conduct.

Promulgated as Executive Order 10631 by President Eisenhower on August 17, 1955, the code was formulated in response to the questionable actions of some Americar. POW's during the Korean war.

The provisions of the code are as follows:

Code of Conduct for Members of the U.S. Armed Forces

I

I am an American fighting man. I serve in the forces which guard my country and our way of life. I am prepared to give my life in their defense.

II

I will never surrender of my own free will. If in command I will never surrender my men while they still have the means to resist.

III

If I am captured I will continue to resist by all means available. I will make every effort to escape and aid others to escape. I will accept neither parole nor special favors from the enemy.

IV

If I become a prisoner of war, I will keep faith with my fellow prisoners. I will give no information or take part in any action which might be harmful to my comrades. If I am senior, I will take command. If not, I will obey the lawful orders of those appointed over me and will back them up in every way.

V

> When questioned, should I become a prisoner of war, I am bound to give only name, rank, service number, and date of birth. I will evade answering further questions to the utmost of my ability. I will make no oral or written statements disloyal to my country and it allies or harmful to their cause.

VI

> I will never forget that I am an American fighting man, responsible for my actions, and dedicated to the principles which made my country free. I will trust in my God and in the United States of America.

Two basic problems are inherent in the present Code of Conduct.

First, the code is vague and ambiguous. Instead of providing clear and unequivoal guidelines for U.S. servicemen, the code is full of terms which are liable to very subjective interpretation. By way of example, section II speaks of "free will" and "means to resist," section III contains the words "resist by all means available" and "special favors," and section V uses the phraseology "bound to give only," "evade—to the utmost of my ability," and "disloyal to my country." Legal scholars have grappled with the meaning of these expressions and have been unable to reach accord on their interpretations. If contributors to legal periodicals cannot achieve agreement on the meaning of the code and the precise parameters of its proscriptions, then how can U.S. servicemen be expected to know the standards of behavior which are required of them?

If this vagueness existed in a civilian statute, the courts would almost certainly declare the statute unconstitutional and discard it as a substantive violation of due process on the ground that the persons bound by the statute could not reasonably be expected to know what was required of them. Clarity and precision must characterize military directives as well as civilian statutes if basic fairness is to be attained.

Second, the code is a product of the executive branch and not of deliberation by the Congress. In contrast to the Uniform Code of Military Justice, all provisions of which must undergo the scrutiny of the legislative process before being enacted into law, the Code of Conduct was issued by President Eisenhower pursuant to his authority as Commander in Chief of the Armed Forces. Although an advisory commission evaluated the code's provisions prior to its issuance by the President, the fact remains that, in the last analysis, responsibility for the code lay with one man, and not with the elected representatives of the American people.

If we are to have a meaningful code of military conduct at all, and if our fighting men are to be held to it under penalty of court-martial and criminal punishment for violations, then what is required is a clear and precise code of conduct, formulated by the Congress, which will afford to American servicemen an understandable and unambiguous set of guidelines on behavior while in action and while a prisoner of war. It is to be fervently hoped that America has finished with international conflict, but the current status of hostilities in Cambodia and Laos and the patterns of mankinds' history indicate that lasting peace is an elusive goal. In the event that American servicemen again enter armed combat or find themselves in hostile captivity, they must be provided in advance with coherent and unmistakable directives on the standards of conduct which they are expected to meet.

I am not suggesting that the present code of conduct is too strict or too lenient, nor am I discounting the necessity of maintaining discipline and morale among American prisoners of war. What I am proposing is that the Congress should undertake the formulations and enactment of a Military Code of Conduct which takes into account the realities of modern warfare and current standards, or lack thereof, for treatment of prisoners of war.

THE PRESIDENT'S ENERGY MESSAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, the President's energy message provides a low-voltage approach to a critical national problem.

Where a massive, national mission in energy development is required, small, token programs such as a $12 million research effort in solar energy are ludicrous.

The President's message pays homage to the producers of oil and gas by recommending the deregulation of future supplies of gas. In addition, it provides new tax subsidies to the industry without eliminating costly present subsidies which accelerated the depletion of existing supplies.

The President's tax incentives would substantially eliminate taxation of domestic producers.

The proposal will give the industry a free hand to do almost anything it desires to the American consumer and our Nation's environment. The oil and gas industry appear to be the prime beneficiaries of the President's thinking on the energy issue.

TAX SUBSIDIES—FOR WHAT?

The President has proposed an extension of investment credit to exploratory drilling, yet he does not propose any change in our present system of tax subsidies—subsidies which cost the American taxpayer $1.5 billion annually. With these benefits, the industry has succeeded in lowering its effective tax rate to under 10 percent. The President's proposed changes would virtually eliminate any remaining taxation of the industry altogether. Further subsidies through the tax system provide more welfare to the oil industry.

NATURAL GAS: THE NEW GOLD MINE

The President ignores the consumer when he proposes the deregulation of natural gas prices for newly discovered gas and newly contracted gas. Deregulation of wellhead prices has been an industry goal for almost two decades. It appears that they are finally close to winning the battle.

The President maintains that the consumer "should be protected against precipitous cost increases." But deregulation guarantees higher prices unrelated to the cost of production. The framers of the National Gas Act realized the danger of industry manipulating the consumer when they called for the regulation of natural gas. Deregulation of natural gas could lead to a doubling of the wellhead price. No longer would the price of natural gas be related to the cost of producing it. This would mean an inflated cost of billions of dollars each year to the consumer—and inflated, unrestrained profits to the industry.

RESEARCH AND DEVELOPMENT FUNDING

The Task Force on Energy of the House Science and Astronautics Committee recently released its study on energy research and development. The task force concluded:

> Report-writing, discussion, and debate have gone far enough to identify where additional emphasis is needed—adequate research and development programs must get underway now.

There is a lot of smoke but little fire in what the President proposes.

The President states in his opening paragraphs:

> Research and development can provide us with new, clean and virtually unlimited sources of power.

We all know this. But we need hard policy to direct a well-funded effort into research and development.

The President provides neither adequate funding or good policy. We need a massive commitment for the development of environmentally safe energy sources. I have suggested the creation of a NASA-type agency to oversee a $3 billion trust fund—a proposal which offers an imaginative solution to our energy future. The President's message, on the other hand, offers no plan or commitment for the funding of necessary research.

TAP: THE DANGEROUS MYTH

Today's energy message is an environmental sellout. The President has fallen prey to the inflated fears of the industry that if the trans-Alaskan pipeline is not built immediately, the Nation's economy risks collapse. In order to ramrod the trans-Alaskan pipeline through to completion, the President has resorted to a number of myths about the pipeline and the alternative Canadian route. We should look for a moment at the arguments used to advance TAP.

In order to begin construction on either line, the sufficiency of the environmental impact statement must still be decided in court. Additional time required for consideration of the Canadian line is negligible.

Much of the U.S. portion of the Canadian line has been studied and reported on in the TAP impact statement, leaving only a small part for final study. The Canadian portion of the route has already been studied in detail by the Mackenzie Valley Pipeline Research, Ltd. I would like to quote Canadian Energy Minister, Donald MacDonald in his statement to Parliament on February 4, 1973:

> Since [last year] we have completed a great many studies with regard to environmental, ecological and other impacts of a pipeline on the Mackenzie Valley . . . and at present we do not plan to take any fresh initiative.

The finality of Canadian studies is readily visible from Mr. MacDonald's letter to U.S. Secretary of Interior Morton on May 4, 1972:

> I would confirm to you my comments in Washington on March 30th last, that in the opinion of our technical advisers there should be no reason why regulatory and governmental considerations could not be given in an expeditous manner commencing with an application filed by the end of this year.

In response to the argument that Canadian interests will demand a major portion of the line for their own oil, present studies show that Canadian oil supplies will not reach a point where they can occupy 50 percent of the pipe until 1985. By that time increased Canadian oil production and a projected 3 million barrels a day of oil from the North Slope will probably warrant another line.

Finally, considering the job effects of a Mackenzie line, many American jobs will be created during the construction of the portion of the pipeline within the Alaskan territory. Also, looping existing facilities in the "lower 48" will entail great numbers of American workers. It might be wise to consider remaining labor discrepancies in light of the fact that pipeline construction jobs are of a temporary nature, and many of the jobs included in the 26,000 figure cited by Secretary Morton are not new jobs, but are actually transfers of existing labor forces from one part of the Nation to another.

ENERGY CONSERVATION

Another vital aspect of the solution to our present energy problems must be conservation. We are a nation of extravagant energy consumers. The President has taken an encouraging step in proposing the creation of an Office of Energy Conservation. However, we need more than reorganization and further study. We need positive policies of encouragement. Our idolatrous worship of the gas-guzzling automobile costs us millions of gallons of gasoline a day. A more efficient automobile can and must be developed.

Symptomatic of the administration's hollow commitment to conservation is the proposal for voluntary disclosure of energy requirements on appliances. Voluntary compliance cannot be effective; manufacturers of inefficient appliances will merely ignore any disclosure. Further, this proposal does not help advance a national policy of conservation. We must become energy conscious. Only mandatory disclosure requirements will work.

The proposed changes in home insulation requirements are another smoke-screen. Pilot projects and demonstration sites have had their time. We need positive incentives to increase insulation in residential homes. Residential energy use represents 20 percent of our energy budget—and much of that can be conserved through techniques we have today.

Revision of the 1970 Federal Housing Authority standards is required immediately. Considerable energy savings can be made. A home with enough insulation to meet the homeowners economic optimum requires 40 percent less energy for space heating than one which is in compliance with FHA standards. Although FHA standards are used generally as building guides, they apply directly to only a small portion of the total housing market. More comprehensive policies must be devised. If all homes in the United States were constructed with the optimum level of insulation, the Nation's total energy need could be reduced by 5 percent.

The energy message which the President has introduced today does little to serve the public interest. The consumer is guaranteed higher prices in return for an "if—maybe" supply. The environment once again becomes an industry door mat with full speed ahead on the Alaskan pipeline, oil shale leasing, nuclear power, Outer Continental Shelf leasing, and superports with their supertankers.

A national energy policy demands more than just a patchwork of past failures. Unfortunately, the Executive has failed to exercise sufficient leadership in ensuring that this vital issue does not become industry's plaything. We in Congress must take steps to insure that a comprehensive national energy policy—one reflecting the true needs and interests of the American people—is formulated to guide our Nation to a healthy and prosperous future. Related to the dimension of the problem, the President's energy recommendations are insignificant.

WEST-CENTRAL ILLINOIS DESPERATELY NEEDS AN INTERSTATE HIGHWAY

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, to get right to the point, west-central Illinois desperately needs an interstate highway. Over the years, Congress has done much to provide for highways across the Nation so that today the United States has the finest transportation system in the world. No other single factor has contributed more to our country's unparalleled success in the fields of commerce and industry, travel, and tourism.

Unfortunately, west-central Illinois has not shared in the interstate road system, and consequently its people have been fighting an uphill battle in their attempt to contribute to and share in the economic development of the Nation.

Of the 42,500 miles of interstate highways which the Congress has authorized, the State of Illinois received 1,725—about 4 percent. West-central Illinois received none. That fact alone might give you some idea of the present shape of our highways.

Nowhere in the State is the situation more critical than in west-central Illinois. This area was virtually ignored during planning for the Interstate System, and the folly of this neglect has since been amply demonstrated. Residents of west-central Illinois have for years waited patiently for the construction of a link between Chicago and Kansas City. Such a major artery would logically come through the industrial areas of Peoria, Bloomington, and Quincy, then across the Mississippi River and on to Kansas City. We are still waiting.

The major neglect of west-central Illinois in the planning of the Interstate System has left this important industrial and agricultural region virtually isolated from major markets in Chicago, Saint Louis, and the eastern portion of the State. Progress and development in west-central Illinois have been slowly strangled and suffocated because, as the saying goes, "you just can't get there from here."

The result has been predictable and should concern all of us, whether we represent small towns or huge metropolitan areas. Because the growth of this area has been stunted by an inadequate transportation system which discourages industry from moving in and bringing with it jobs, many of its citizens have been forced to seek employment in Chicago and St. Louis. Farmers who have lost to the agricultural revolution often must leave west-central Illinois to get a job. If they do not leave, their sons and daughters do. This familiar pattern of migration from rural areas to major cities has placed tremendous burdens upon each. While smalltown America loses the young men and women who are its future, our metropolitan areas become choked with people, cars, pollution, poverty, and crime.

Of all the steps which Government can take to prevent this chain of circumstances from developing, or to reverse it once it has started, none is as important as a system of highway transportation which will permit business and industry to decentralize, to go where the manpower is, and to economically and rapidly ship raw materials in and finished products out to markets.

In the next two decades, the population of Illinois is expected to increase to over 15 million, and these people will derive 70 percent more miles than they do today. Therefore, it is essential that the highway system in Illinois continues to develop as expeditiously as possible.

The people of Illinois realize how essential that development it. Former Gov. Richard B. Ogilvie initiated an emergency program of essential road construction throughout the State in addition to plans for long-term needs. Hopefully, Gov. Dan Walker will continue this vital program. Illinois does not expect the Federal Government to pick up the tab for all of the highways that must be constructed in the State.

At the same time, the people of Illinois believe that the Federal Government can provide a vital stimulus and aid to the highway construction which the State has already begun. And the citizens of west-central Illinois, having been ignored for several decades, are especially hopeful that they can now share in the development and progress which was accorded to other areas in the past.

In section 146(f) of S. 502 the Federal-Aid Highway Act which passed the Senate, on March 15, a provision was made to study "the feasibility and necessity" for constructing an interstate highway from Kansas City to Chicago, "so alined to cross the Mississippi River in the vicinity of Hannibal, Mo., and Quincy, Ill." A similar provision was included in the bill which passed the Senate last year.

On behalf of the people of west-central Illinois, I urge the House to include a similar provision in the bill, such as suggested in the amendment that will be offered by my colleague from Illinois (Mr. RAILSBACK).

I know that the Public Works Committee has great reservations about the wisdom of adding to the interstate system and that they are anxious to provide a different method of funding new road construction. Frankly, the people of west-central Illinois would be delighted with any funding formula, just so long as they get that road. I am hopeful that the House, in weighing carefully all of the considerations, will agree that a new highway, constructed to interstate standards, needs to be built between Kansas City and Chicago. And I am hopeful that provision for a feasibility study of such a highway will be included in the bill we are considering today.

WRITE YOUR CONGRESSMAN CLUB

(Mr. RANDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RANDALL. Mr. Speaker, there is an organization in Dallas, Tex., known as the National Write Your Congressman Club, Inc. I am sure all of the Members of this body have received mail from their constituents who are members of this club that prepares and distributes what is known as an Opinion Ballot from time to time, and at other times mails to its members to be completed a card described as the "Voter's Voice."

I have told my friends who pay to subscribe to this club that membership is not necessary in order to have the privilege to write to their Congressman and/or to receive a timely answer on any subject of Federal jurisdiction. On the other hand, I believe that preparation of questions for the membership of this club does pinpoint certain issues that need to be emphasized, for those members who are truly concerned citizens.

Earlier this year there was an opinion ballot which had as its subject, "The most important issues in 1973 and the action Congress should take on them." The major issues listed on that opinion ballot were as follows:

Drug abuse, crime in the streets, welfare, busing students out of their neighborhood for racial balance, restore death penalty, national health insurance, get prisoners-of-war home, gun control laws, pornography, no-fault insurance, occupational safety changes, child development laws, unemployment, foreign aid, Supreme Court rulings, trade with Communist countries, forced union membership, pollution, prayer in public schools, limit Federal spending, farm income, strike legislation, rent subsidies, aid to education, political campaign spending, tax reform, our balance of payments, right-to-work laws, devalue the dollar, support the United Nations, quotas on foreign imports, minimum wage law, immigration, big bus bill, family planning, new Panama Canal Treaty, teaching sex education in public schools, fair-trade laws, our policy toward Rhodesia, waste in Government, Government control of pension funds, tax-free, nonprofit organizations, amnesty to draft dodgers, job training, consumer protection, telephone privacy, metric system, citizens buy and sell gold, absenteeism of Congressmen at time of voting on bills.

The foregoing list, while all-encompassing, was thoughtfully added to or supplemented by our own constituents. According to our tabulation they added their own selection of what they believed to be the most important issue in 1973 before Congress. They added the following to the long listing above:

Northern Ireland, cost of White House staff, Senator KENNEDY's "worker alienation," congressional junkets, end farm subsidies and production controls, housing, no loans for people to buy houses, House Internal Security Committee, low cost housing, energy crisis, prevent censorship of news, Martin Luther King's birthday as a holiday.

While a wide range of choices was provided those members of the Write Your Congressman Club, our tabulation from several hundred ballots received showed that there were seven issues which were far out in front of all the others as being most important in the minds of those in our district who were members of the club, as follows:

First. Restore death penalty;

Second. Busing students out of their neighborhood for racial balance;

Third. Drug abuse;

Fourth. Crime in the streets;

Fifth. Welfare;

Sixth. Prayer in public schools; and

Seventh. Amnesty.

I am sure most of my colleagues would agree that the volume of correspondence received by all of our offices since the first of January has been the heaviest in several years. Along about the first of March, for the first time in all of our years as a Member of Congress, the deluge of mail became so heavy that we commenced the practice of "logging in" mail in order to have some control over the length of time required to make response. For a long while we had remarked facetiously that the office received from 50 to 100 first-class letters a day. By actual count in the month of March our office received on an average of 200 letters for each of the business days of that month.

The foregoing mention of the deluge of mail, is made only to explain to those who are members of the Write Your Congressman Club and other correspondents that from time to time, in order to keep abreast of our mail, we must provide a generalized reply rather than one specially tailored to each individual item of mail. My staff has tabulated the seven most frequently listed issues out of the wide range of approximately 50 proposed by the Write Your Congressman Club. In order to facilitate response to the large numbers of opinion ballots reaching our office. I am supplying for the RECORD herewith my views in summary of the seven issues pinpointed to be of greatest concern to my constituents. The issues are as follows:

1. DEATH PENALTY

Present discussion of the death penalty has been generated because of the decision by the Supreme Court last year which reversed the death penalty imposed in Georgia for a murderer and two rapists as "cruel and unusual punishment in violation of the 8th and 14th amendments."

In that decision, once more the Supreme Court inserted itself into the legislative sphere. It could not resist the temptation to agree with the current social vogue that the death penalty is cruel and unjust, simply because certain elements of our society are presently inclined toward the philosophy of permissiveness.

Our legislature in Missouri is now considering a new law which will spell out and correct the objections of the Supreme Court to the Georgia law, which was the basis of its decision. Whether serious crime has finally come under control or not depends upon whose statistics we prefer to believe.

One thing should be clear to those who are not afraid to think about the issues: If we remove the death penalty, at that moment we remove a strong deterrent to murder, rape, kidnaping, hijacking, and all the other very serious and deadly crimes. If we reimpose the death penalty, one who contemplates murder will consider carefully whether he might or could have to pay for the crime with his own life. It is my hope that the other legislatures of the several States will follow the lead of our Missouri Legislature and quickly enact State laws to fill the void created by the decision of the U.S. Supreme Court.

2. BUSING OF SCHOOL CHILDREN

The busing of students to correct racial imbalance has become one of our most controversial issues of the day, particularly in those areas where it is proposed to bus children from the inner cities into the suburbs and children from the suburbs into the inner cities. I supported the amendment to the Higher Education Act of 1972 which would prohibit the use of Federal funds to overcome such racial imbalance. I should also hasten to point out that I have supported the Equal Educational Opportunities Act of 1972, which provides for schools in the inner cities to have equal facilities, teachers of equal quality, and courses of instruction equal in all respects to those schools in the suburbs.

A series of studies by the Brookings Institution, Harvard University, the State of New York, and the State of Michigan has concluded that busing is of no benefit to any students. It does not help the quality of instruction given those bused from the inner city to the suburbs, and studies clearly show detrimental consequences to those bused from the suburbs to the inner city.

I will continue to support attendance of students at their neighborhood schools, but also support equal educational opportunities for all schoolchildren wherever they live or wherever they may be required to attend their neighborhood school.

3. DRUG ABUSE

The very serious problem of drug abuse, in my judgment, is one which we will have to continue to attack from several directions. One of the first efforts, I believe, is to try to cut off at their source the entrance of drugs into the United States. We are told repeatedly that most of our heroin comes from Turkey by way of the "French connection." We must pursue this fight against drugs at the diplomatic level, in our extension of economic assistance, and by every other conceivable means to stop the entry of drugs into the United States, whether from the Middle East or from Central and South America or from Mexico.

The President on March 14, along with his message on law enforcement, made certain proposals on drug abuse prevention. He pointed out that money alone will not solve all of our drug problems in this country. I agree. It is a matter of education as well as control of supply. Moreover, it has been quite appropriately suggested that there must be a greater control over the volume of what is called legal drugs in this country, which have of late been used excessively and illegally. For my part I regard drug abuse as public enemy No. 1. Drugs do the worst damage to our young people. Use of drugs leads to lawlessness, violence, and in many sorrowful cases, to early death. Funds have been increased from $82 million in 1969 to a proposed $785 million in 1974, or nearly 10 times the 1969 amount. In 1972 a new agency, DALE, or the Office of Drug Abuse Law Enforcement, was set up within the Department of Justice.

I am in accord with and will support the President in his call for the enactment of a new Drug Trafficking Act to contain severe sentences for heroin and morphine offenses. I will continue to be opposed to legalizing the sale or use of marihuana. There is no question that marihuana is dangerous. The only question is how dangerous.

4. CRIME IN THE STREETS

For a long while major public opinion polls have shown that Americans consider lawlessness to be one of the Nation's top domestic problems. I have always strongly supported the Law Enforcement Assistance Administration and its annual funding. I shall continue to do so. LEAA's efforts should be expanded. I believe that money spent on LEAA should be considered as an investment in justice and safety on our streets, an investment which has already yielded encouraging dividends.

The President pointed out in his March 14 message on law enforcement that the Criminal Code was in need of reform. I intend to support most if not all of his proposals. I have especially noted the innovation concerning the elimination of "insanity" as a defense. The reform of the Federal Criminal Code will, of course, require detailed consideration. One thing I firmly believe to be needed is better parole supervision in order that every hardened criminal will receive stricter supervision following his release. Of course, the Federal Government cannot do everything to control crime in the streets and carry the entire load of law enforcement. But it can enact legislation to provide better tools to State and local law enforcement officers in the never-ending fight against crime.

5. WELFARE

The question on the opinion ballot on welfare centered on whether the Government should require persons on welfare to work. Such catch phrases as "workfare" were used instead of the expression "welfare." For my part I firmly believe that welfare should be limited to help for those who are unable to work and support themselves. Welfare should not be a giveaway program or a free ride for any individual when he or she refuses to do a day's work. Every able-bodied person on welfare should be required to accept such work as may be offered, or face being cut off the rolls.

Of course, I do not include those Americans who are physically unable to work, or those who have young children that require constant attention. Who can forget that during the days of the great depression, roads were built, productive programs were established, and when no other jobs were available people were put to work on certain engineering projects that proved to have a lasting value? We should consider programs of this kind today instead of pure welfare handouts with nothing returned to the public in the way of public benefits from these expenditures.

There is a difference between productive projects and make-work-for-work's-sake. On the other hand, there is no reason that work required of welfare recipients should somehow be considered immoral, or to perpetuate the myth that welfare recipients become mentally depressed due to the menial jobs they may be required to perform. Anyone can do a good job if they try, and become interested in it if they have the will to, no matter what the work assignment may be.

6. PRAYER IN SCHOOLS

I was encouraged that the Write Your Congressman Club included a question on prayer in public schools. In the last Congress I supported the constitutional amendment by the gentleman from Ohio. We did not prevail, but that does not lessen my support of the right of our young people to a few moments of voluntary prayer each day.

I emphasize that prayer in our public schools must be voluntary. The period of time set aside in public schools need not be called a prayer period, but perhaps a period of meditation. A few moments of silent meditation does not constitute religious instruction. I can understand those who fear that a particular prayer or religious instruction by some one denomination might be imposed in the public schools. That will never happen. Public opinion would prevent any such effort. I remain convinced, however, that the door must not be closed to prayer, provided it is voluntary, or to a period of meditation, or silent prayer.

7. AMNESTY

I cannot at this time support the concept of amnesty for either draft dodgers or deserters. These young men certainly knew the consequences of their acts. They knew that sooner or later they would have to answer for their misconduct. Somehow I feel more generous toward those who were conscientious objectors. Many of them did perform a noncombat service to their country.

To grant general amnesty at this time, in my judgment, would amount to the greatest possible disrespect to those young men who gave their lives or suffered injuries for their country. I suppose there are no veterans of Vietnam who can say they enjoyed serving there. I think most of them served as a matter of patriotism and duty to their country. Those who left their country should not expect to be pardoned now for their sins.

In my judgment, one of the worst consequences of amnesty is the dangerous precedent it sets. We are out of Vietnam now, but we have no assurance there will be no future conflicts that might require some form of compulsory military duty. If we pardon all deserters and draft dodgers at this time, it becomes an announcement that in the future any young man can choose to leave his country with a degree of assurance that he will not have to suffer the consequences of his conduct. It means that there may be no penalty in the years ahead for refusal to serve one's country. Amnesty for draft dodgers and deserters will set a very dangerous precedent, that would impair our military requirements in the future.

RESOLUTION TO END WAR IN VIETNAM

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, I am introducing today, with 66 cosponsors, a joint resolution reading as follows:

Resolution To End the War in Indochina

Resolved, That no funds heretofore or hereafter appropriated shall be expended for the conduct by United States forces of bombing missions or other combat operations in or over or from off the shores of Indochina, including Cambodia, Laos, the Republic of Vietnam and the Democratic Republic of Vietnam, without prior, specific authorization by Congress.

This resolution is essentially an updating of H.R. 3349, the House version of the Church-Case bill in the Senate, of which I had the honor to be the principal House sponsor. This updated version is an improvement in that it reflects the fact that the American prisoners of war have now been released and also in that it clearly would prohibit the continuation of bombing in Cambodia and Laos as well as a resumption of the bombing in North Vietnam.

I am delighted that Chairman Nix of the House Subcommittee on Asian and Pacific Affairs is a cosponsor of this joint resolution, and that he has scheduled hearings on legislation of this type for shortly after the Easter recess. By virtue of the joint resolution we are introducing today, the subcommittee will have before it a simple one-sentence resolution which if enacted into law would effectively cut off funds for continued U.S. participation in hostilities in Indochina.

It is not my intention that the introduction of this legislation should preclude other efforts that may be made to stop the war in Indochina by amending other legislation. On the contrary, if we in the Congress mean what we say about restoring the constitutional prerogatives of the Congress and ending a Presidential war that has no constitutional or statutory basis, it is essential that we should seize every opportunity to restrain the President from continuing a war solely on the basis of his own say-so. Hopefully, the supplemental appropriation bill which will come before the House soon after the Easter recess will afford such an opportunity.

It is also important, however, that a straightforward joint resolution be introduced and considered at hearings. If other efforts to stop the war fall short, then a concerted drive should be mounted to bring this legislation to the floor of the House for a vote. The American people will then be able to judge whether the Congress is in fact prepared to live up to its responsibilities.

AMENDMENT TO S. 502

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, in accord with paragraph 6 of rule XXIII of the Rules of the House of Representatives, I wish to notify the House that I intend to offer the following amendment at the appropriate time during consideration of S. 502, the "Federal Aid Highway Act of 1973", as reported by the House Public Works Committee:

AMENDMENT OFFERED BY MR. BINGHAM

On page 111, strike line 1 and all that follows down through and including the material that appears immediately following line 14 on page 112, and renumber succeeding sections accordingly.

NATIONAL LIVING INCOME PROGRAM ACT OF 1973

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter notwithstanding that the cost including extraneous matter will be $510.)

Mr. BINGHAM. Mr. Speaker, few national problems are the object of so much political rhetoric and so little action as the problem of welfare. Over the years, candidates for public office have succeeded in inflaming the emotions, fears, and passions of the people against the institution of welfare, and against its unfortunate victims. Yet few viable solutions to this national malaise have been offered, and little concrete discussion is likely for the 93d Congress. Nevertheless, we will continue to be barraged with incessant haranguing.

In the last Congress, the House approved a modest but significant family assistance plan which carried the support of the present administration. Earlier, the President had declared reform of the bureaucratic, inefficient, degrading, and cost-burdensome welfare system to be "White House priority No. 1." Former HEW Secretary Elliot L. Richardson was reported to have commented after a House-Senate conference committee deleted the family assistance provisions from H.R. 1 on October 14, 1972, that the cause of welfare reform would be delayed another 5 years.

Mr. Speaker, congressional consideration of legislation to overhaul this most unsatisfactory welfare system cannot be laid aside for another 5 years. Our Nation cannot long remain economically and morally solvent with more than 15 million people tied to a system that humbles their initiative and incentive, breaks up their families, bankrupts our cities, weakens our national purpose, pits citizen against citizen, poor against middle class, black against white, and poor against poor. To call welfare recipients "chiselers" or "free-loaders" gains us nothing and fails to recognize the fundamental question. That fundamental question is "How do such conditions exist in a Nation with a gross national product of more than a trillion dollars and the highest per capita income in the world?"

I have noted recent books and studies by some of our most distinguished academicians who suggest that maybe it is not possible or plausible for Americans to continue to hold to the "romantic" notion that equality of opportunity and equality under the law can be achieved. Well, Mr. Speaker, I am not prepared to surrender to such cynicism, nor will I attempt to redefine what have been our national goals and principles for nearly 2 centuries in order to justify our own limitations and feeble mistakes.

During the past several years, the approach of Federal, State, and local governments to welfare programs has been a patchwork quilt of policies weak in coordination and efficiency. Even with the best of intentions, those in command have seen their efforts become little more than a holding action against a flood of difficulties which will not end.

In a time of economic inflation, our cities have become virtually bankrupt and lack the resources to resolve what is essentially a national problem. In this crisis of welfare lies a challenge to the Federal Government. That challenge is, simply, to provide the direction and strength to create for each American the best conditions in which to live and develop and to become a fully contributing member of our society. The existing welfare programs have not succeeded. Poverty continues as an abject sore with little prospect for improvement under the present approach.

To provide a basic framework so that Congress can again actively consider the possible direction the Federal Government should take legislatively, I am introducing today a bill titled "The National Living Income Program Act of 1973." This bill is similar to legislation I cosponsored in 1969 with Congressman WHALEN and CONYERS. The outline of the measure was drafted in 1969 by the editors of the Yale Law Journal under the direction of Prof. James Tobin, the noted economist. I hope that this proposal may serve as the basis—the beginning point—or renewed congressional discussions of what can be done to come to grips with the grievous blight of poverty.

The NLIP is similar to the family assistance plan contained in H.R. 1 of the 92d Congress in that it represents a radical departure from the present welfare system, particularly the aid to families with dependent children program, which clearly has become totally unsatisfactory. This plan, like the family assistance plan, contains built-in incentives for work and provides supplemental allowances, where needed, to an employed head of a family.

However, the legislation I am introducing today differs sharply from the family assistance plan in the following areas:

First. The minimum allowances reflect the realities of what it costs to live today and therefore are substantially more generous. The basic allowance for a family of four is $4,200, the current poverty line or "threshold at the low-income level" as determined by the Census Bureau. The corresponding figure under the FAP was $2,400.

Second. The NLIP provides for regional cost-of-living differentials, which the family assistance plan did not.

Third. My plan provides that the Federal Government match, on a 50–50 basis, supplementary allowances which individual States may decide to institute. There was no such provision under the FAP.

Fourth. Unlike the FAP, the NLIP covers individuals, childless couples, and couples with grown children, as well as families.

Another unique aspect of the national living income program is that it not only aims to eliminate poverty and provide work incentives, but also to encourage stable family structures, to protect the rights and dignity of the recipients, and to do all this without impossible administrative burdens.

Recipients of benefits would have their payments reduced by an amount equal to one-half of any income they receive. For example, a hypothetical family of four—two adults, two children—would be eligible for a $4,200 basic allowance. With no earnings or income, the family could keep the entire amount. However, if one member of the family earned $3,000 during the year, half that amount—$1,500—would be subtracted from its basic $4,200 entitlement. Thus, it would retain the earned $3,000 plus its adjusted entitlement—$2,700—for a total of $5,700. The family would have substantial incentive to work; in effect, the family woulld be allowed to keep half of what it makes.

The amount of the basic allowance would be as follows: For one adult alone, $1,600; for one adult and one child, $2,400; for two adults, $2,600; for two adults and one child, $3,400; for two adults and two children, $4,200. Each additional child would increase the entitlement by $800. These benefits would be supplemented from time to time by regional cost-of-living allowances and also by such additional payments as the States might care to make, on a 50-50 matching basis.

An obvious question is that of cost. A precise estimate of the overall expense is extremely difficult. I have requested that the Assistant Commissioner for Research and Statistics in the Social Security Administration develop a thorough cost analysis of this legislation at the earliest possible date.

I recognize that the goal of a comprehensive and adequate program cannot be achieved overnight. The failure of Congress to enact the family assistance plan last year indicates this difficulty. I must reaffirm, however, that this legislation is being offered as a vehicle for the development of an effective and realistic program that will attack the problem directly. It also reemphasizes dramatically the need for sharp reductions in our military and defense-related expenditures, and the enactment of concrete tax reform measures, if we are to be able to cope adequately with our domestic problems.

What follows is a table comparing the benefits of my national living income program with those of the family assistance plan as passed by the House in 1972, and a section-by-section summary of the legislation I am introducing today:

COMPARISON OF NATIONAL LIVING INCOME PROGRAM WITH THE FAMILY ASSISTANCE PLAN

	Family assistance plan, H.R. 1—92d Cong.		National living income program, 1973		
Col. 1: earnings	Col. 2: new benefit	Col. 3: total income	Col. 4: Net income suppl. transfer	Col. 5: total income	Difference in benefits (Cols. 4–2); in income (cols. 5–3)
0	$2,400	$2,400	$4,200	$4,200	$1,800
$500	2,400	2,900	3,950	4,450	1,550
1,000	2,213	3,213	3,700	4,700	1,487
1,500	1,880	3,380	3,450	4,950	1,570
2,000	1,547	3,547	3,200	5,200	1,653
2,500	1,213	3,713	2,950	5,450	1,737
3,000	880	3,880	2,700	5,700	1,820
3,500	547	4,047	2,450	5,950	1,903
4,000	213	4,213	2,200	6,200	1,987
5,000	0	5,000	1,700	6,700	1,700
6,000	0	6,000	1,200	7,200	1,200
7,000	0	7,000	700	7,700	700
8,000	0	8,000	200	8,200	200

Note: Calculations based on a hypothetical family of 4—2 adults, 2 children.

OUTLINE OF NATIONAL INCOME PROGRAM ACT OF 1973

Section 1—Title: National Living Income Program Act of 1973.

Section 2—Declaration of Intent.

(a) Findings.

1. Congress declares that general welfare and security of nation, and the health and happiness of its people, require that all families have adequate incomes.

2. Congress finds present welfare programs cannot assure all Americans freedom from want and that legislation is needed which provides everyone a decent standard of living while preserving individual liberties.

(b) Objectives and policy of this Act.

1. to entitle all families to an income supplement.

2. to recognize and protect the personal dignity and legal rights of recipients.

3. to leave recipients free to dispose of benefits as they deem proper.

4. to encourage the productive employment of recipients by allowing them to retain a substantial portion of earned and other income.

Section 3—Election of Income Supplement.

(a) Time and manner of election.

1. by filing a return at the end of the supplement period as provided in section 8(a) of this Act.

2. by filing a request for semimonthly payments at any time during the family unit's supplemental period or during the two months preceding such period as provided in section 8(d) of this Act.

(b) Effective period of election—for only one supplemental period.

Section 4—Family Unit Income Supplement.

(a) General rule—income supplement equal to unit's adjusted supplement (determined by subsection (b) less special tax imposed by section 6).

(b) Adjusted supplement.

1. base supplement (determined under subsection (c)) multiplied by the low income consumer price index for such family unit (determined under subsection (d)) plus any state supplement provided.

(c) Base supplement.

1. per year: $1,600 for the first claimant, $1,000 for the second claimant, $800 for each dependent.

2. short periods or dependents in family unit for less than a supplemental period—on percentage of yearly rate.

(d) Low income consumer price index.

1. the price index determined under paragraph (3) for the 12-month period ending on September 30 of the calendar year preceding the calendar year in which the supplemental period begins, and for the area in which the family unit resides.

2. 15 days residency.

3. Bureau of Labor Statistics shall compile and price annual family budgets for all consumer goods and services necessary to a minimum adequate standard of living, including but not limited to diet, housing, transportation, house furnishings, clothing, personal care, regular medical and dental services, recreation, entertainment, education and personal communication—regional and urban/rural differences also are to be considered.

(e) Determining Minimum Adequate Standard of Living.

1. **BLS within one year after enactment of** Act and at least every five years thereafter, shall provide reports on annual family budgets and submit the report to Congress.

2. ten days after report submitted, the Secretary of Labor shall cause it to be published in the Federal Register.

3. within sixty days, the Secretary of the Treasury shall transmit to Congress recommendations for amending income supplements to reflect the findings of the BLS.

Section 5—Optional State Supplementation.

(a) State election of increased income supplements.

1. additional income supplements, amount determined by state legislatures, must be provided for *all* family units within the state. Supplement must be increased by the same proportion for all.

(b) Residency—15 days.

(c) State sharing of additional costs.

1. state shall pay each year one-half the cost of such increase into the federal treasury at time and in manner designated by the Secretary.

(d) Period of election—60 days after Secretary receives notice of election or on later date as specified in notice, until the state revokes, terminates or modifies it.

(e) Other sections applicable.

1. program shall operate in electing States exactly as it operates in nonelecting States.

Section 6—Special Tax—Fifty Percent.

Section 7—Supplement Period.

(a) General rule.

1. family unit's supplement period is taxable year of the claimant or claimants under the provisions of section 441(b) of the Internal Revenue Code.

2. if claimants have differing taxable years either may be used unless Secretary requires otherwise.

Section 8—Annual and Semimonthly Payments.

(a) and (b) General.

1. unit shall file a return at the local or district office of the Bureau of Income Maintenance, whether by mail or in person, on or before the 15th day of the fourth month following the close of the supplemental period for which the return is made.

2. within 30 days Secretary shall provide payment of income supplement due.

(c) through (k) Semimonthly payments.

1. election of such a payment is a matter of right.

2. election may take place at any time; it must be in writing signed by all claimants in the family unit; it must be filed at local office of Bureau of Income Maintenance by mail or in person.

3. election shall be approved and implemented by the Secretary within seven days of the date of filing unless claimants request later date.

4. payments made on first and fifteenth of each month—each payment 1/24.

5. changes in family unit must be told to Secretary within 30 days; such notice will terminate semimonthly payments; unit may file new election for semimonthly payments.

6. termination of semimonthly payments.

a. by request of family unit.

b. by the Secretary, if he finds election is improper on its face, but hearings must be held and findings reviewed by appeals board before termination.

c. unit is liable for payments to which it was not entitled.

7. family unit must submit estimate of income upon election and within 30 days of end of each succeeding quarter and must indicate whether income may increase or decrease by ten percent or more; Secretary shall include the increase or decrease in the declared amount.

8. Secretary withholds from each semimonthly payment a tax equal to 1/12 of the estimated quarterly available income.

9. underpayments may be deducted from future semimonthly payments but not in excess of ten percent of such payment.

Section 9—Family Unit Defined.

(a) General: unit consists of at least one claimant, and not more than two claimants, plus any dependents to which claimant or claimants, individually or jointly, are entitled (if dependent is 16 or older, he must agree in writing to be claimed as a dependent).

(b) Claimants.

1. U.S. citizen or resident aliens, 21 or older.

2. any person 19 or 20 who maintains a domicile separate from his parents or guardian and does not receive more than half his support from them, and is not a student within the meaning of IR Code, Section 151 (e)(4).

3. any married person under 21 provided he and spouse maintain a common domicile.

(c) Dependent (U.S. citizen or resident alien).

1. son or daughter or any person for whom claimant is legal guardian provided (1) claimant provides significant portion of support, (2) dependent lives with claimant, (3) or dependent is student.

2. claimant must substantiate evidence of dependency.

(d) Required family units—those who must file as unit.

1. husband and wife who are not informally or legally separated or divorced.

2. man and woman, domiciled together, and common parents of at least one child.

(e) "informal separation."

1. if have not lived together for 30 consecutive days.

2. if separate residences are maintained.

3. one of spouses files affidavit with Secretary swearing above and stating intention to remain separated.

(f) Determination of dependency—by laws of state; if one claimant refuses to support dependent, money for that dependent will go only to other claimant.

(g) no person can be claimed as member of more than one family unit.

Section 10—Computation of Available Income of the Family Unit.

Sum of the available incomes of all family unit members during such part of that period as they are claimed as members of the family unit.

Section 11—Determination of Available Income of Persons.

(a) General: available income means adjusted gross income (section 62, IP Code).

(b) Includable in adjusted gross income.

1. all annuity, pension, or retirement benefit payments (including railroad retirement and veterans benefits).

2. amount or value of prizes and awards.

3. proceeds of life insurance policy in excess of amount equal to premiums paid personally by beneficiary or spouse.

4. gifts, support, alimony, and inheritances (in excess of $50 a year total) except gift or support payment or other transfer received from member of same unit, or from private charity, and except property inherited from deceased spouse.

5. interest on all government obligations.

6. amounts received in form of damages, insurance payments, workmen's compensation or in any form as (1) compensation for physical, mental, or any other personal injuries or sickness, (2) wage or income continuation, or (3) medical expenses.

7. rental value of parsonages.

8. quarters or subsistence allowance, gratuity pay, and combat and mustering out payments to members of Armed Forces.

9. all dividends, scholarships or fellowships.

10. amount equal to reduction in living expenses that occurs by employer supplying meals or lodging at less than their fair market value.

11. amount of current or accumulated income that could, within the discretion of any person with a nonadverse intereest, be paid to an individual from a trust or estate of which he is a designated beneficiary, except that any such amount not exceeding $3,000 and in fact paid to some other person shall not be included.

12. all amounts deductible under section 1202 of IR Code.

13. unemployment compensation, excluding payments made under section 407 of the Social Security Act (Title 4).

14. strike benefits.

15. Social Security benefits under Titles II and XVIII (excluding Titles I, IV, XIV, XVI, and XIX) and payments from government programs where financial need is essential prerequisite for award.

16. foreign source income excludable under IR Sections 893–94, 911–12, 931, 943.

17. loans from Commodity Credit Corporation.

18. deductions under sections 173, 175, 180, 182, 263(c), 615, and 616 of the IR Code.

19. imputed income and capital utilization income (sections 12 and 13 of this Act).

(c) Deductions—adjusted gross income reduced by—

1. medical expenses within meaning of IR Code, section 213(e) except.

a. deduction not applicable to expenses compensated for by insurance or otherwise where such compensation has been excluded from available income.

b. deduction only to extent that total medical expenses of unit exceeds $25 for each person.

2. alimony, separate maintenance, and support payments.

3. gift to member of another unit if signed statement from donee.

4. deductions under section 162 and 212 of IR Code plus the cost, in excess of $10 per month, of all transportation to and from work.

5. deductions under IR Code section 214 (in applying section 214 any dependent (within the meaning of section 9 of this Act) shall be "a person with respect to whom the taxpayer is entitled to an exemption under section 151(e)(1)" for purposes of section 214(d)(1)).

6. deductions under section 404 IR Code.

7. twice the amount of taxes imposed by IR Code, Subtitle A, including amounts paid pursuant to chapter 24 of IR Code, less twice amount of credits allowed against such taxes by sections 33, 35, 37, 38 IR Code, except maximum deduction allowable to unit under this section may not exceed supplement.

8. employee contributions under Social Security and Railroad Retirement.

(d) Losses may be deducted under sections 165 and 172 of IR Code—except.

1. deduction for losses from sales or exchanges of capital assets only to the extent of gains—no deduction for capital losses unless during time supplement received was in excess of the special tax liability.

2. section 172 IR Code—"Net Operating Loss"—definition for purpose of this Act shall mean the excess of deductions allowed by this Act over the income obtained by the operation of Section 11(b) on adjusted gross income.

3. no carryover or carryback of net operating loss shall be allowed unless during time in which individual was receiving supplement in excess of the special tax liability.

4. no loss deducted under IR provisions during time person not a member of a unit receiving supplement in excess of special tax liability.

(e) Depreciation and depletion allowed under sections 167 and 611, IR Code, but not those under section 613.

(f) Other deductions not specifically allowed by this section are disallowed.

(g) Subchapter S Corporations—any amount attributed to the available income of a member of the unit by operation of section 1373 IR Code shall be increased by an amount proportional to the amount by which the taxable income of the electing corporation would be increased if computed under this section.

Section 12—Imputed Income.

(a) general: available income includes.

1. an amount equal to five percent of the fair market value, at the close of the supplemental period, of the gross available capital, less the amount of any income derived from any interest included within the gross available capital to the extent that:

a. such income is otherwise within available income.

b. such income does not exceed five percent of the value of the such interest from which the income is derived.

2. retail market value of food grown by a person or some member of unit and consumed by such person minus the costs not otherwise deducted of producing such food.

(b) "gross available Capital" defined.

1. gross capital, minus an exemption for clothing, furniture, automobiles, and other personal effects not used in a trade or business, the exemption not to exceed $1,500 for a claimant or $500 for a dependent; provided that the unused amount of an individual's exemption may be used by any other member of the unit.

(c) "gross capital" defined.

1. all property, real or personal, tangible or intangible, wherever situated, but excluding pensions and annuities, to the extent of any interest of the person therein. The value of any interest in any property shall be diminished by the amount of any mortgage or indebtedness in respect to such property, to the extent that interest or other payments arising out of the mortgage or indebtedness have been deducted in the computation of available income.

Section 13—Capital Utilization Income.

(a) general: available income includes an amount equal to 30 percent of the fair market value computed at the close of the supplement period of the person's net available capital.

(b) net available capital defined—gross available capital minus.

1. any mortgage or indebtedness in respect to the property.

2. any other indebtedness not otherwise deducted.

3. difference between the current fair market value of principal residence of unit and the maximum amount for which such property commercially could be mortgaged if it were otherwise unencumbered.

4. an exemption of $5,000 for a claimant or $3,000 for a dependent.

5. an additional exemption, not to exceed $5,000 for a claimant for property used in a trade or business.

6. an additional exemption of $5,000 for claimant provided that such claimant be age 60 or over and provided that there be only one such exemption for each family unit.

Section 14—Basis.

(a) general: adjusted basis for determining the gain or loss from the sale or other disposition of property as defined in Section 1011, IRS Code.

(b) exceptions: adjusted basis of any property (other than cash) used in trade or business held for production of income, shall be increased by:

1. the amount of income attributed to the property (Section 12) and included within available income, less the amount of income includable within adjusted gross income as defined by Section 62, IRS Code.

2. the amount of any deduction with respect to property disallowed in computing available income to the extent that such deduction would result in a reduction of the adjusted basis of the property under Section 1016, IRS Code.

Section 15—Valuation.

(a) General: Secretary of Treasury or his delegate shall prescribe all rules and regulations for valuation of interest under this Act.

1. when fair market value not readily ascertainable, Secretary or his delegate shall prescribe methods for approximating the value.

2. Secretary or taxpayer may establish greater or lesser value—burden of proof on person claiming differing value.

(b) Jointly held property shall be treated as if owned in separate, proportional shares.

(c) Interests subject to a contingency or condition, which may not otherwise be valued, shall be valued as if contingency did not exist unless—

1. it is real and substantial.

2. it does not depend upon a power exercisable by person who is a member of the same unit or who does not have an adverse interest.

3. failure of interest would not result in interest passing beneficially to another member of the unit.

Section 16—Methods of Accounting.

(a) General.

1. as in computing income tax liability.

2. if methods of two claimants differ, claimant's method whose taxable year is used as basis for unit's supplement period.

3. if no method, Secretary or his delegate

may choose one which clearly reflects income.

(b) Special rule: Where an item of income or deduction may not be properly attributed to a specific period of time, such item of income or deduction shall be deemed to accrue ratably during the calendar year.

(c) Secretary or his delegate may apportion items (income, deductions or credits) among individuals if he determines such apportionment is necessary in order to prevent evasion of taxes or clearly to reflect the income of such individuals for accounting purposes.

Section 17—Assignment and Taxation Prohibited.

(a) Supplement payments shall not be assignable or taxable.

(b) Supplement payments are exempt from claim of creditors and from attachment or levy or from seizure by or under any legal or equitable process before receipt by beneficiary—except claims of the U.S.

Section 18—Records and Returns.

Every claimant in unit shall keep records, render statements and make such returns as required by this Act. Disclosure provisions subject to review provisions of section 19 of this Act.

Section 19—Procedural Rights and Review.

(a) Secretary shall make all rules and regulations which will be reviewable in federal court of competent jurisdiction—hearings as prescribed by Chapter II of the U.S. Code except as modified by this section.

(b) Recipient organization.

1. it have more than 50 people in membership receiving benefits under the Act, entitled to receive proposed rules and regulations from the Secretary when they are published in the Federal Register.

2. have standing to participate in public hearings on rules and regulations and to challenge any proposals in federal court.

(c) Bureau shall publicize benefits of Act and apprise persons of rights to benefits and due process.

(d) "due process" hearing.

1. upon request in writing, opportunity for hearing before examiner to be afforded by Secretary or his delegate with respect to denying, withholding or modifying supplement.

2. shall take place prior to effective date of denial, withholding or modification, unless all individuals agree in writing for later date.

3. open to public unless aggrieved individual requests in writing a closed one.

4. all aggrieved individuals shall be entitled to representation by counsel, to present evidence in own behalf, to know evidence against them and to challenge reasonableness of rules, regulations, and practices adopted pursuant to this Act and as applied to his case.

5. upon conclusion of hearing, Secretary or delegate shall make findings of fact and issue written decision.

(e) Right of administrative appeal.

1. Board of Appeals—established by Secretary to review findings, rulings, and decisions of trial examiner and publish its decisions and state reasons therefor.

2. Secretary bound by ruling unless judicial review sought.

3. decision effective when rendered.

(f) Judicial review.

1. decisions of Secretary or delegate reviewable in U.S. district court regardless of amount involved in controversy.

(g) Paid expenses.

1. reasonable expenses in hearing or judicial review.

2. district court may disallow any or all expenses if it finds a party or his attorney acted frivolously or in bad faith.

(h) Complaint review board.

1. to review any complaint that a Bureau employee is not performing his functions properly or is not following properly issued regulations.

2. Board shall report findings in writing to person or organization making the complaint within 60 days.

3. if employee found guilty of willful or grossly negligent disregard of rights of any person under this Act and regulations issued pursuant to it, Secretary or delegate shall conduct a hearing on the charge.

4. if hearing sustains findings of Board, Secretary shall take disciplinary action, not excluding discharge or suspension without pay, as he deems proper and as authorized by Civil Service laws.

(i) All records of Bureau confidential except claimant shall have access to his own file by submitting written request (IRS may have access to records).

(j) Investigations.

1. Secretary or delegate may not conduct invesetigations with respect to more than five percent, randomly selected, of all units.

2. except—Secretary or delegate may investigate whenever probable cause exists to believe a unit is not entitled to receive benefits and except limitations shall not apply to routine investigations undertaken in conjunction with hearings.

Section 20—Application of Income Supplement Laws.

(a) Powers and duties of Secretary.

1. the administration and enforcement of Act.

(b) Bureau of Income Maintenance.

1. within Department of the Treasury.

2. Commissioner, head of Bureau, to be appointed by President, by and with consent of Senate; serves at pleasure of President.

(c) Appointment—by Secretary or delegate—or personnel. Secretary or delegate shall issue all necessary directions and rules applicable to such persons.

(d) Regulations—all necessary for administration and enforcement of Act—to be issued by Secretary or delegate.

Section 21—Definitions.

1. "Secretary"—Secretary of the Treasury.

2. "Secretary or his delegate"—as under definition contained in IRS Code, section 7701(a)(12)(A).

Section 22—Amendments.

1. exemption of income supplement, section 124 IRS Code.

2. income averaging, section 1303 IRS Code "individual not eligible if at any time during the year or base period, he was claimant under the "National Living Income Act of 1969".

Section 23—Effective Date.

Benefits may be paid under this Act with respect to supplemental periods beginning on or after the first day of the first calendar year which begins more than 180 days after the date of enactment of this Act.

THE REPUBLIC OF CHINA IS A VIABLE FORCE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, it is worth noting that the Government and people of the Republic of China are successfully withstanding the diplomatic buffeting they are receiving as the result of overtures to Communist China by other nations.

The United States retains its ties with the Republic of China, yet we have contributed to the problems of free China by our own flirtation with Communist China.

When the Republic of China was summarily dismissed from the United Nations a year and a half ago, some people said this was the beginning of the end for that valiant government. They said it was only a matter of time before foreign investment would dry up in Taiwan and economic disaster would prove the forerunner of a Communist takeover.

This is not the case, Mr. Speaker. Today, the economic status of Taiwan is sounder than ever. Exports and imports are expected to reach $5.5 billion this year, outstripping the trade generated by Communist China with 50 times more people. Per capita income is nearing $500 a year, several times that of Communist China. Foreign investments continue to pour into the nation as do businesses and technicians from other countries. United States and Japanese trade and industry participation are in the forefront.

Equally impressive is the fact that Taiwan does not now and has not since 1965, been on the receiving end of U.S. foreign aid. In fact, The Republic of China is a donor of foreign assistance to several nations. They have been prominent in help with disaster relief as in the recent case of the Philippine floods.

The nation itself is larger in population than 100 nations of the world. It ranks 12th among the trading partners of the United States. It is a nation laced with modern highways, served by major airlines, its ports filled with ships from every corner of the globe. This doughty and dependable country shows a sense of vitality evidenced by the construction boom—which reveals the courage and optimision of its people and government.

There are some, even in our own country who are willing to have us turn our backs on Taiwan. But I believe those here and elsewhere who would sacrifice free China reckon without the spirit of that island nation. The government and the people on Taiwan are not ours to give away. They are a free people and they will exercise that freedom and defend it to the end before they will submit to being used as a pawn in the diplomatic chess game now underway with Communist China.

The time may soon come, when the Congress will be faced with a critical decision concering the future of free China. We should not be dazzled by the Communist representatives of mainland China who will be in our midst when we return from recess.

Instead there should be renewed determination on the part of the people of America that we will not forget our friends on Taiwan and that we will strengthen, rather than weaken, our ties with the people of the Republic of China.

BETTER JUDGES AND A STRONGER JUDICIARY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I have today submitted for the consideration of the Congress a joint resolution proposing an amendment to the Constitution of the United States. My proposal generally relates to the procedure of appointment and tenure of Supreme Court and other Federal judges. In addition, my proposal would establish qualifications for nomination to the Supreme Court.

Specifically, section 1 of the proposed amendment would require reconfirmation by the Senate every 10 years for Supreme Court Justices and judges of certain lower Federal courts, the so-called Article III Courts. The provision would change the nature of what is now an appointment which is periodically reviewable.

Section 3 of the proposed amendment would prohibit service on any Federal bench by any judge who attains the age of 70, while providing for continued retirement compensation.

Taken together these two aspects of the proposed amendment would have the combined effect of providing for a legislative check on what is now unlimited judicial conduct. Appointment for a period of years would allow for a periodic opportunity to review a judge's performance on the bench. Reconsideration of performance and temperment are presently not available since the Senate currently has little indication of how a nominee to the Federal bench may perform in advance of confirmation.

Since the adoption of the Constitution in 1789, the general language of specific clauses of the Constitution have been judically expanded. As a result the powers of the judiciary have greatly increased beyond the intent of the framers of the Constitution who envisioned three equal and coordinate branches of government. Today the Supreme Court enters into controversies formerly considered outside their jurisdiction because the questions raised were political. Judicial legislation has forged opinions in the areas of legislative apportionment, school desegregation and abortion-areas other courts have said were political. The Constitution itself has not changed, but it has been changed by courts despite the fact that it contains what Justice Frankfurter described as—

> Constitutional . . . commands that are not enforceable by courts because they clearly fall outside the conditions and purposes that circumscribe judicial action.

The result has had the effect of preempting the constitutional prerogatives of both the executive and the legislative branches of the Government. My proposal would restrike the balance which was intended by the framers of the Constitution and return the Court to its proper function of application of the law.

The provision which would require the retirement with continued compensation would provide the mechanism which has long been advocated to insure that judges are physically and mentally capable of performing the rigors of what is quite obviously a very demanding workload. Currently, the only avenue of removal is impeachment which is not an avenue of retirement. In nearly all walks of life age seventy is regarded as a reasonable age for retirement. The judiciary should be no exception.

In addition my proposal would also require that a nominee to the Supreme Court also have a minimum of 5 years of judicial experience as the judge of a state court of record or as a judge of an "Article III Court."

The wisdom of such a requirement is obvious. A nominee would then be able to present his credentials in terms of actual judicial experience. His previous performance could be evaluated and his confirmation would add skill and ability as a judicial scholar. Currently, there are no constitutional or other requirements for appointment. Presumably, a person could be nominated even though he is not a lawyer or had no experience with the law. Some minimum requirement is desirable and I would suggest that no better requirement could be advocated than prior judicial experience.

THIRD OAS GENERAL ASSEMBLY, APRIL 4-15, 1973

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, last week, as a congressional member of the U.S. delegation to the General Assembly of the Organization of American States, I reported to the House on the Assembly's activities up until April 9. Today, I would like to take time to briefly review the entire meeting which lasted from April 4 to 15 with particular emphasis on the last several days' actions.

Mr. Speaker, when the OAS General Assembly opened on April 4, 1973, the U.S. delegation recognized that while most OAS members recognized the need for cooperation, the tactics of confrontation nevertheless had become an attention-getting device in our relationship with many of the organization's members. While the opening addresses of some delegations contained elements of the confrontation approach that had characterized recent inter-American meetings, even the Chilean and Panamanian statements were noticeably less strident and the large majority of the foreign ministers' speeches reflected a serious and responsible approach to the central issues before the Assembly, the relevance of the OAS and the Inter-American system in present international circumstances.

Beginning with the President Nixon's message to the delegates and the Secretary of State's speech, the United States indicated its concerns, but made very clear that it was prepared to examine all proposals for reform and modernization of the system, and emphasized its willingness to participate loyally and fully with suggestions of its own.

Even before all of the Foreign Ministers had addressed the Plenary of the Assembly, four committees—First, juridical and political, second, economic and social, third, educational, scientific and cultural, and fourth, administrative and budgetary—had been formed and were hard at work studying the more routine proposals and programs in their respective spheres.

The plenary early in the final week transformed itself into a general committee in order to deliberate on the more important questions before the Assembly—named, the restructuring of the inter-American system and the mission and destiny of the OAS. On this central issue a resolution was approved appointing a special committee, made up of representatives of each member state, to study the matter in depth and make recommendations to the next General Assembly. The resolution was fully acceptable to the United States and had our support.

The Cuban issue was approached obliquely with a resolution presented by Colombia, Costa Rica, Ecuador and Uruguay maintaining that "ideological pluralism" is "compatible with regional solidarity." The resolution was passed after an all-night working session in which Brazil took the lead in securing modifications and a guarantee for Charter adherence. The small working group made up of the delegates from Brazil, Chile, Colombia and Uruguay debated the terms of the resolution for 6 hours availing themselves of the good offices of the principal members of the U.S. delegation, while the General Committee simultaneously continued its work. "Ideological pluralism" became "plurality of ideologies," and a paragraph was added affirming that this declaration did not supersede the terms and obligations of existing treaties included in the Charter of the Organization, thus referring to the sanctity of the provisions of the Rio Treaty under which sanctions were imposed against Cuba.

Just as there was no basic modification of the present situation with respect to sanctions against Cuba, neither did the Panama Canal question figure prominently in the discussions. Two resolutions were directed at the United States with respect to: First, intervention in internal affairs by multinational corporations, and second, the disposal of strategic stockpiles. The United States abstained on both resolutions giving a cogent explanation for the vote in each case.

On Saturday, April 14, the Assembly again met in plenary session to approve the resolutions adopted by the general committee and the other four committees and to take up questions which the committees had been unable to resolve. It continued its work until Sunday evening, April 15 when the Assembly was officially declared to be at an end.

Secretary Shultz met with the Assembly on the afternoon of April 11 for an hour's discussion on international monetary reform. His visit made a favorable impression.

Latin American media gave extensive coverage to the opening days of the General Assembly, and interest held as the debate on restructuring the OAS went on. While editorial comment has been mixed, it has been less critical of the United States and more appreciative of some residual value in the OAS than had been expected. Both President Nixon's message, most frequently headlined by Latin papers "Paternalism is Dead, says Nixon," and Secretary Rogers' speech to the OAS received front-page coverage and largely favorable comment. For example, editorial comment on the President's message praised his "courage in announcing an end to paternalism," found it an "undoubted clarification of American policy," proposing "a policy based on mutual faith and confidence."

Secretary Rogers' speech was characterized by one editorial as "a satisfactory response to all countries which desire a constructive revision of inter-American relations," while another credited the Secretary with having made "a temperate and conciliatory speech" which had "lowered tensions in the debates of the first days of the OAS General Assembly session."

Mr. Speaker, because of its importance to the future of the OAS I include at this point the text of the resolution establishing a special committee to review the organization's structure:

ESTABLISHMENT OF A SPECIAL COMMITTEE TO STUDY THE INTER-AMERICAN SYSTEM AND TO PROPOSE MEASURES FOR RESTRUCTURING IT

Whereas, At its third regular session the General Assembly has studied the topics:

"Consideration of the ultimate purpose and the mission of the Organization of American States and ways of achieving that purpose and carrying out that mission under the international circumstances existing in the world today" and

"Review of the system of inter-American cooperation for development, with a view to improving it and bringing it up to date, and thereby strengthening the action of regional solidarity in that field and avoiding acts or measures that serve unilateral positions or interests, alien to the objectives of cooperation";

The Inter-American Economic and Social Council has presented to the General Assembly the declaration adopted at its Eighth Annual Meeting (CIES/RES. 50–VIII/73), in which it sets forth considerations concerning subsequent decisions as to future action within the inter-American system of cooperation for development (AG/doc. 311/73);

There is general dissatisfaction with regard to the functioning and results of the inter-American system, and several member states have stated that the restructuring or general reform of the inter-American system is urgent and necessary, and have presented proposals, suggestions and observations to properly orient the political, economic, social and cultural relations among the member states of the inter-American system on the basis of respect for the principles of juridical equality of states, self-determination, nonintervention, and recognition of the plurality of political, economic and social systems;

The inter-American system must be equipped to serve and cooperate with the member states to effect the changes they adopt, of their sovereign will, in their internal social and economic structures;

The inter-American system also must be organized to facilitate and promote an international social justice that will take suitable account of the differing levels of development among nations as a necessary precondition to hemisphere peace and security;

The peoples of America demand respect for and effective application of the fundamental principles of the inter-American system, and condemn and repudiate all actions tending to create or to consolidate situations of dependency and subordination, or to threaten their sovereign rights, and;

It is among the principal powers of the General Assembly to consider any matter relating to friendly relations among the American states;

The General Assembly, Resolves:

1. To create a Special Committee composed of representatives appointed by each member state, taking into account the principles and purposes of the inter-American system and of the Charter of the Organization; this Special Committee shall conduct a comprehensive critical study, analysis, and evaluation of the philosophy, instruments, structure, and functioning of the inter-American system and propose its restructing and the necessary reforms and measures to enable it to respond adequately to the new political, economic, social, and cultural situations in all the member states, and to hemisphere and world conditions. The Special Committee shall be guided in its work by the need to secure just terms to provide security for the free and comprehensive development of each of the member states.

2. That, to carry out its work, the Special Committee shall take into account all elements that it considers pertinent, and among others the following:

(i) The statements made by the heads of delegations at the third regular session, the working document presented by Venezuela (AG/doc.363/73), and the pertinent documentation of the General Assembly;

(ii) the statements, observations, recommendations, and proposals that the governments of member states have made or will make;

(iii) the observations of the Permanent Council, the Secretary General of the Organization, the Chairman of the Inter-American Committee on the Alliance for Progress (CIAP), and the Chairman of the Permanent Executive Committee of the Inter-American Council for Education, Science, and Culture (CEPCIECC), and also the observations, statements, and proposals that have been or will be made by the other organs, agencies, and entities of the inter-American system, especially the Declaration of the CIES concerning subsequent decisions as to future action within the inter-American system of cooperation for development (CIES/RES. 50 (VIII–73)) and the recommendations that the Inter-American Economic and Social Council adopts at its meeting in September 1973, in accordance with resolution CIES/51 (VIII–73);

(iv) the studies, reports, resolutions, and recommendations of organs and agencies of the United Nations, CECLA, and the organizations for Latin American integration dealing with inter-American political, economic, social and cultural relations, especially as regards systems for financing, foreign investment, trade, and transfer of technology.

3. That the organs, subsidiary agencies and other bodies of the Organization shall provide any cooperation requested by the Special Committee for the better fulfillment of its purposes.

4. The Special Committee shall meet in a capital or city of any of the member states.

Considering all offers the member states may make, the Preparatory Committee of the General Assembly shall determine the place and date of the first session of the Special Committee. If more than one offer is made, the decision shall be made by lot.

If no offer is made within a reasonable time, or if for any reason the Special Committee cannot meet in the place selected, the headquarters of the Organization shall be the meeting place.

The Special Committee shall determine the place or places of its future meetings.

Except as provided in the second paragraph of this section, all decisions regarding the places of the meetings of the Special Committee shall be adopted by a two-thirds vote of the member states.

5. The Preparatory Committee of the General Assembly shall prepare draft rules of procedure for the Special Committee and take responsibility for the available material referred to in paragraph 2, and for gathering and compiling all suggestions and proposals that the Governments of the member states have presented or may present with regard to topics 9 and 10 of the agenda of the third regular session of the General Assembly, or to this resolution.

6. The General Secretariat of the Organization shall provide the Special Committee with any secretarial services it may request and all necessary help in performing its duties.

7. The Special Committee shall submit to the governments of the member states periodic reports on the progress of its work, and a general report no later than November 30, 1973.

8. The Special Committee shall approve its own rules of procedure, work methods, and schedule of activities.

9. The Preparatory Committee of the General Assembly shall include on the agenda of the fourth regular session a topic calling for consideration of this matter.

10. In accordance with the standards in Force, the pertinent organs shall provide the funds needed by the Special Committee to carry out its functions.

THE PRESIDENT'S ENERGY MESSAGE

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, this morning I had the benefit of a White House briefing on the President's energy message to the Congress. In addition I have since had the opportunity to scan the full text of the message. I am not prepared, however, at this time to comment on all aspects of the message. It is an important message and I plan to study it in detail and comment additionally at a later time. I would, however, like to comment briefly on certain portions of the message.

I agree fully with an initial thought expressed by the President as follows:

> Clearly, we are facing a vitally important energy challenge. If present trends continue unchecked, we could face a genuine energy crisis. But that crisis can and should be averted, for we have the capacity and the resources to meet our energy needs if only we take the proper steps—and take them now.

I believe that there are steps which can and should be taken to provide high confidence that we can meet our future energy needs while, at the same time, protecting our National defense posture and providing the energy that we as an industrial Nation need to protect our present world position.

In the President's historic first energy message of June 1971, he announced supplemental requests for funding for a number of energy research and development efforts. Although today's message does not include a request for additional funding beyond those increases in energy-related programs already established in the fiscal year 1974 proposed budget the President clearly stated:

> When additional funds are found to be essential, he would do everything possible to see that they are provided.

Relative to the current level of energy research and development funding I think that this matter can be put in some perspective by reviewing the development of the civilian nuclear power program. As everyone knows, this program was supported at a level of several hundred million dollars a year for over a decade. I recall in the late 1950's when the Joint Committee was faced with the decision of whether or not to develop nuclear power for civilian use and how we approached the issue. Realizing the large sums of money that would be needed to complete the development of civilian nuclear power, we reviewed the need for a supplemental energy source and then asked what the new source, if it were needed, should be. We reached our conclusion over a decade ago. It was agreed in and out of government that a supplemental energy source was needed and that the only practical energy source to meet our long-term needs was nuclear power—that is, fission, fusion, or both.

We had, at the time of the decision, already spent about a billion dollars on nuclear power development. We realized that several billion dollars more would be needed to complete the job. We then laid out a program for carrying out such an effort. In this instance the Congress and the public faced up to the commitment and has been providing the funds to do the job ever since. It is indeed fortunate that this need was faced and met since now we have, for the first time, a new energy source coming into being. The reason why nuclear energy has been receiving the largest amount of support is because it is a development program for which the support needed for success was properly evaluated and then funded. Still, we must all realize that the job of nuclear power has not been completed. We still must develop the breeder and continue our efforts on fusion and therein is the source of one of my concerns.

Realizing that nuclear energy development has been taking most of the Federal funds for research and development in the energy field, I am concerned that with the relatively severe short-term energy problem we face—mainly over the next two or three decades—some will advance the argument that funds from the nuclear program should be diverted to areas such as improving our utilization of indigenous fossil fuels. This, of course, would be fatal. In fact, the nuclear program is not even now receiving the funds it should receive in order to assure maximum progress. Basically, the nuclear program funding should be increased in order that we can proceed with greater confidence to meet our energy needs for the unlimited future.

I am pleased to notice the President's comment that the major alternative to fossil fuel energy for the remainder for this century is nuclear energy. I believe this to be so. I have and will continue to work toward assuring that nuclear energy makes the contribution that it is capable of and that it is expected to make.

The President reiterates his comment of June 1971 that the development of the liquid metal fast breeder reactor is of highest priority.

It is my personal view that funds in addition to those which have been requested for next year will be needed for research and development on energy. I firmly believe we must face the problem of developing other energy sources as we did in the nuclear field and fund them accordingly. Improvements in the utilization of coal by such methods as liquification and gasification will require expenditures of several hundred million dollars. Such funds are necessary to assure progress and attain meaningful goals.

For example, large-scale experiments, prototype plants, and demonstration plants must be built to assure success. This has not been the approach in the past and it is obvious it must be the approach we must use in the future. I do not believe the level of effort which has been proposed thus far approaches what is needed to do the job.

I believe it is of value to consider the support we have been giving to other research and development efforts to give us perspective. For example, the proposed funding level for the coming fiscal year for research and development in the Department of Defense is $8.8 billion. This is the funding which is proposed for 1 year and which, in its magnitude, is approximately the total amount we propose will be needed to solve our energy problem for the indefinite future.

In this comparison with the effort which is being proposed for research and development in Defense, it is also important to consider the relative priorities between providing for adequate defense and adequate energy supplies. Of course, both are vital to our national security and world position. It is obvious that in an industrial nation such as ours adequate and assured energy supplies are of primary importance. It seems to me this fact should be recognized and reflected to a reasonable degree in our funding plans.

I might add that the Joint Committee is considering additions to the Atomic Energy Commission's authorization request to the Congress for fiscal year 1974 in order to provide for increased efforts in the energy research field. It appears obvious to me that added effort is needed in both the nuclear and nonnuclear fields.

I agree with the observation made in the President's message that we must reduce the excessive regulatory and administrative impediments which have which have delayed or prevented construction of energy-producing facilities. The interaction of the laws of our land, the regulatory actions by the Federal agencies, and the matters taken before our judicial system have not yet found a way to strike the proper balance between the need for energy and the desired rate of improvement in our environment. This, in part, is the reason we find ourselves today approaching the crisis in energy which has been addressed by so many in both the legislative and executive branches of Government.

In closing I would like to comment briefly with respect to the proposals referenced by the President which are to be submitted to the Congress on reorganization in the energy field must and will be studied closely.

My primary concern in this area is to assure that nothing be done which will impede the progress now being made. I am particularly concerned that nothing be done which would subjugate any of our present nuclear development efforts. The accomplishments in the nuclear field, the unprecedented scientific talents and scientific and engineering facilities which have been amassed for this program should be recognized as a vauable national resource and utilized as the vanguard of our energy development effort. This unique competence that we, as a Nation, have built up within the Atomic Energy Commission and its laboratories, was recognized when the Congress 2 years ago amended the Atomic Energy Act to give the AEC authority and responsibility for the performance of research and development on nonnuclear energy sources. Any reorganization plan should clearly recognize the value of utilizing the scientific manpower and facilities of the AEC now in place and operative. I am afraid that if the great national asset we have built up in the AEC is not utilized as the base of any new organization within the energy field, then our efforts may well be doomed to failure. We just cannot afford to take any route that does not utilize the management approaches of the nuclear program and the unequalled scientific and engineering talents we have put together in that program to lead the way in the development of new energy sources. This Nation cannot afford to duplicate such an organization, nor should we fail to utilize the full potential of the existing one.

KILLING PUBLIC BROADCASTING

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, our former colleague, Tom Curtis, appears the latest victim of the administration's campaign to gut public broadcasting.

It was reported this morning that Mr. Curtis is resigning the chairmanship of the Corporation for Public Broadcasting, a post he has held for less than a year.

Most of us remember Mr. Curtis from his long service in the House as a demonstrably conservative Member of rock-not stomach the behind-the-scenes machinations of Nixon henchmen to strip broadcasters of any control whatsoever over programing for the public television network. National programing now evidently is to be the sole responsibility of a public broadcasting board dominated by Nixon appointees who may not be as independent and fairminded as Tom Curtis.

One White House operative, Patrick Buchanan, has been quite blunt in conveying what this administration expects of public broadcasting. His attitude seems to be, "if you are not for us, you are against us—and until you shape up, do not expect anything but the back of our hand."

And Dr. Tom Whitehead, the ubiquitous chief of the White House Office of Telecommunications, has also taken a direct hand in shaping public broadcasting to the administration's liking.

In a 2-day period last week, Dr. Whitehead placed at least five calls to CPB board members, to pressure them into rejecting a carefully wrought compromise agreement that would have given local stations at least some say in the selection and transmission of programs for the national television service.

Dr. Whitehead seems to have a distinct double standard for broadcasters, depending on whether they are commercial or public. As he reiterated to our Commerce Subcommittee on Communications and Power yesterday, he is vigorously opposed to the government setting performance standards for commercial stations; but he is obviously far less leery about a politically motivated board dictating programing for noncommercial operators.

Now that it has "packed" the governing board of CPB, the White House apparently will get its way. Public affairs programing that is in any way stimulating or provocative could be on the way out. To pass muster with the administration, public television evidently must settle for a steady diet of bland educational fare and ballet, with little if any room for the type of documentaries that might cause people to think or wonder about the directions in which their government is headed.

An article from this morning's Washington Post describing Mr. Curtis' departure from the CPB board follows:

Public TV Chairman Resigns

(By John Carmody)

Thomas B. Curtis, an administration appointee undercut by the White House in his attempts to mediate a bitter battle between factions of the public broadcasting industry, has resigned as board chairman of the Corporation for Public Broadcasting, it was learned yesterday.

The sudden resignation of the 61-year-old Curtis was seen as a clear victory for the administration-backed forces on the CPB board who have sought to control public broadcasting's network and, in the process, greatly limit the amount of national public affairs programming.

Public broadcasting already is far behind in planning its fall program schedule. Curtis' resignation and the ruptured negotiations are likely to cause irreparable damage by further reducing the time available to produce quality public affairs shows.

Curtis, a former Republican congressman from Missouri, yesterday refused to comment pending an announcement from the White House. He was named to the CPB board by President Nixon last July.

A White House spokesman also declined comment, saying the resignation letter had not yet been received.

Curtis was described as "very, very upset" last Friday when the CPB board turned down his recommendation to approve a compromise with a negotiating group representing the nation's 147 public TV licensees who presently control the Public Broadcasting Service network.

The board chairman had assured members of the licensee negotiating team as late as the previous Thursday night that a majority of his board would support the effort at a compromise.

The vote Friday to "defer action" on the recommendations was seen as a direct slap at Curtis.

It followed an intense, 48-hour telephone campaign by White House staff members—reportedly including Clay T. Whitehead, director of the Office of Telecommunications policy, and Patrick J. Buchan special assistant to the President—to members of the presidentially appointed CPB board urging the rejection.

The negotiators worked out a compromise favorable to the licensee over a "censorship" plan that would give each side the right to contest a given program for the "fairness and balance" of its content. Each side would have had a 3-member monitoring team, but a 4 to 2 vote would have been necessary to kill a contested program.

Under the terms of the compromise, the local broadcasters would have remained in control of scheduling on PBS; CPB would have had final say on how federal funds were spent for programming; and the licensees, in turn, would have had access to the network for programs privately funded.

This last compromise point referred to an estimated $15 million which the Ford Foundation is currently "holding" for PBS. Ford, in the past, has designated much of its aid for public affairs shows.

It has withheld a decision this year, however, pending resolution of the fight in favor of PBS.

The Public Broadcasting Service network is now under the nominal control of the licensees who run the nation's 234 public TV stations.

Last fall, when the Nixon administration gained a majority on the 15-member board, the CPB moved to take over complete control of the network, which the administration and congressional critics had long complained was oriented toward controversial and "unbalanced" public affairs programming.

The licensee group fought back under a new leadership headed by Dallas industrialist Ralph Rogers, board chairman of Station KETA there. He united the other leaders of the "lay boards" who control the local stations with the licensee group to form a new negotiating power, itself called "Public Broadcasting Service."

The "Rogers Group" agreed to dicker with a 3-man subcommittee appointed by the CPB board which included Dr. James Killian of Cambridge, Mass., and Jack Valenti and Thomas Moore, both of New York. After four months of effort, a compromise agreeable to both the CPB subcommittee and the Rogers group was reached last week.

It has been learned that Curtis took a leading role in the negotiations between the CPB board and the Rogers group, often bypassing the Valenti-Killian-Moore team.

When the Friday meeting indicated that 10 of the 14 members present, including Moore, supported a hard line backing a complete CPB takeover, Curtis was reportedly astounded. "The old fox," said one board member, "had taken a wrong nose count and it really hurt him."

Immediately following the rejection of the compromise Friday, the CPB board named a new negotiating team headed by Neal B. Freeman, a King Features executive from New York. Also included on the new subcommittee was Jack Wrather, a TV producer from Beverly Hills, Calif., who is regarded as the leader of the "no-compromise" CPB faction.

Rogers, himself furious at the turndown of the promised compromise, immediately left for a 1-month stay in Europe leaving the negotiation effort stalled.

Dr. Killian, as vice chairman, is expected to move up to Curtis' position temporarily. Among those who could be considered candidates for the chairman's post are Freeman and Wrather, the latter a frequent White House visitor.

REPORT OF BUREAU OF CONSUMER FRAUDS AND PROTECTION

(Mr. GILMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GILMAN. Mr. Speaker, the New York Bureau of Consumer Frauds and Protection, under the able guidance of Attorney General Louis J. Lefkowitz, recently published its 1972 report.

Because of heightened awareness of consumer problems manifesting itself in a wide variety of legislative and administrative actions at all levels of Government, I am particularly pleased to commend the New York attorney general's report of its 1972 consumer protection accomplishments. The beneficiaries are, in fact, otherwise have gone unheeded without effective direction and assistance.

I encourage a reading of this material as an example of what is being done at State level in the very important area of consumer affairs. More importantly, I am hopeful that the ideas embodied in the report will serve to encourage other agencies to follow and improve upon where possible.

The report follows:

Report of Bureau of Consumer Frauds and Protection, Department of Law, State of New York, 1972

Louis J. Lefkowitz, Attorney General of the State of New York.

"Prosumerism"—A new word—and a new philosophy is born:—*1972*—the year it had to happen!

Established in 1957, as a separate division within the Department of Law, a first under the aegis of an Attorney General, the Bureau of Consumer Frauds and Protection has as its prime function the protection of the consumer.

While our experience has shown that the majority of business people do operate with honesty and integrity, there still remains that relatively small, but very active group of dishonest operators who have raised much havoc and done immeasurable economic damage to thousands of people and honest businesses. Using every trick available, and adding more sophisticated ploys as time passes, they have added to the higher cost of living and inflationary pressures and undermined the public faith, trust, and confidence so vital to a sound and healthy economy. The servicing of some 343,000 people since its establishment, with a recovery of 15 million dollars for victimized consumers, is indicative of the active forces and energies exerted to combat and stop these increasing discreditable business practices.

During 1972—the Bureau of Consumer Frauds and Protection provided additional and expanded services to the consuming public. Staff activities increased in areas involving fraud and incompetency in: automobile sales and repairs (new and used), travel industry failures and deceptive practices, pressure tactics exerted by collection agencies, misrepresentation and deceptive bait and switch advertising schemes, warranties and guarantees, overpricing, home improvement frauds, deceptive packaging frauds, incompetency in the repair of television sets, air conditioners, refrigerators and home appliances, referral selling deceptions, business opportunity frauds, deceptive weight reducing and other medical get well quick and vanity pandering preparations, false trade school representations, and deceptive selling techniques used in selling organic and/or natural foodstuffs, food freezer plans, furniture, books, jewelry, furs, hair-pieces, subscriptions to dance studios, health spas, etc., to those with language barriers as well as "educated" consumers.

In the majority of matters brought to our attention, a fair and equitable settlement was reached. The success of the Bureau's efforts is reflected daily with thousands of thank you letters received from satisfied people from all walks of life, from all parts of the world. Attempts were made to assist in the adjustment or cancellation of contracts, return of deposits, refunds or exchange of goods where guarantees had been breached, return of rent security, and cancellation of charges for goods or services on a credit which went astray, elimination of health hazards, such as unlicensed mental therapy clinics and questionable sight improvement clinics.

1972 THE BANNER YEAR

The year which witnessed the opening of the first consumer information center in the Country established under the aegis of a community college and an Attorney General's office.

1972—A new State law is passed as an outgrowth of our investigation outlawing the sale, or offering for sale of term papers, theses, essays, or matters related to school assignments in New York State, and restitution of $35,416 to students who were caught up in this operation during the time period alleged in the complaint, was ordered by the court.

1972—A great year for refunds to thousands of new car purchasers who had been assessed "documentary fees" to cover the cost of car registration pick up and drafting of forms, with $2 refunds returned to new car purchasers in New York State who purchased cars during the period of January 1, 1971—December 31, 1971—, and were charged for these services.

1972—We go "organic"—as our investigations and subsequent public hearing revealed better than 25 percent of the products we sampled and analyzed contained pesticide residues despite labeling to the contrary.

The Bureau opened some 26,844 files, and 22,688 were officially closed, leaving a carry over of 16,656 files for 1973. This represented an 11% increase in matters opened. Miscellaneous activity increased 9.0% with 3,490 matters handled. As a result of mediation and court action $2,845,418.20 was returned to the public in money, goods, and services, a 41.9% increase over the previous year, and the largest amount returned to date in the history of the Bureau. Costs assessed by us in the sum of $258,150.01 were turned over to the State Treasury, an increase of 192.1% over 1971. Incoming mail numbering 106,222 showed a decrease of 12.9% over 1971. Telephone activity as in previous years was on the increase.

(1) Mediation—By means of conferences, telephone calls and letters, members of the staff mediate problems for the complaining consumer with other individuals, companies, or corporations. Our most rewarding dialogue in this area occurs with ethical and outstanding business concerns. Their willingness to cooperate with us, and to appreciate the problem of the consumer, affords the consumer the opportunity of redress, and at the same time maintains the good will of the business establishment. By this means, over 15 million dollars has been returned to the public by way of goods, services, or money, and over 343,000 people have visited the Bureau since it opened its doors in 1957. In order to provide the proper setting for this type of activity, a consumer complaint section is maintained, where any person can, without an appointment or red tape, come in, fill out a complaint form, and then discuss his problems with a staff attorney. Interpreters are always on hand to aid those with language barriers.

The development and subsequent expansion of the complaint room has been one of the foremost accomplishments of the Bureau to date. This personalized public service provided to the public by sympathetic, capable, and interested staff members has been accorded much praise by those it has served, as well as by visiting dignitaries and officials from other states and countries.

The continued use by so many people of the services of our Bureau only serves to reinforce the idea that (1) there has been an increased public awareness of the work and effectiveness of the Bureau in its daily endeavors to protect the consumer as well as the legitimate businessmen; (2) ethical and honest businessmen willingly cooperate with staff members to mediate consumer problems; (3) there is increased effort exerted to point out and put a halt to consumer frauds that affect the health, welfare, and safety of the consumer and reputable business community.

Space does not permit the outlining of each and every significant complaint mediated, but the following are some interesting samples of our successors, with comments by some of the recipients of our services.

Meetings with representatives from the major automobile manufacturers resulted in the resolution of 1600 warranty connected complaints, 846 were from residents of New York City, and 754 from upstate residents.

When a lonely retired pensioner who used part of her retirement severance pay to purchase half a dozen dance contracts which culminated in a 10-year "lifetime" contract and paid $11,345 wrote to us and said there were still many lessons left on earlier contracts, although she had signed subsequent larger and larger ones, we managed to get back $7,000 for her from a leading dance studio and a dance club, its franchise holder.

When our investigation of laboratory fees revealed widespread cost abuses and blatant disregard of a State law requiring labs to bill patients directly, a large laboratory consented to modify its billing procedures as well as its costs substantially.

Purchasing a sofa for which he had paid $757, a White Plains resident noted that a year after delivery, the sofa had changed in color from green and gold, to gold, red, and brown, and had developed a creaking sound as well. Although both retailer and manufacturer disclaimed liability for the fabric, we prevailed upon the manufacturer to look into the matter. They picked up the sofa and recovered same.

A pair of orthopedic shoes ordered by a Bay Island resident were left with a $75 deposit. When they were picked up, they were found to be poorly made, and requests for refund were ignored. We intervened and were able to obtain a $40 refund for the consumer.

A door-to-door salesman sold a color television set to a Bronx woman for $403.50, on an installment contract. One week after delivery, the set stopped working. Having already paid $117.15, she was at a loss what to do. We interceded on her behalf, had the contract cancelled, and obtained a refund.

After an initial Crypt internment cost of $1,215.40 in 1967, persistent odor necessitated disinternment of the body of a New York resident's husband—at a cost in 1971 of $715. The funeral chapel refused to make more than a $90 allowance until we intervened. At that time, and only after much pressure from this office that their poor workmanship was responsible for the need to remove and reintern the body, did the Chapel refund to the widow the total costs of disinternment and resealing.

A 10 year old consumer who failed to receive her "Mr. Peanut Calendar Watch" after sending the required amount of money for it, contacted the company. When her letters were not answered, she contacted us. Communication from this office resulted in her receiving both the "Mr. Peanut Calendar Watch" and an apology for its delay.

When a New York resident whose 2-year effort to correct billing errors with a large credit charge account failed, he wrote to us. Through our efforts he was able to finally obtain a statement of his account, and thereby correct the existing errors. His response: "Your kind cooperation, interest and help in this matter was most appreciated—you were able to do what I was unable to accomplish in two years. Thank you so very much for your help.

A doctor in Great Neck for whom we obtained satisfaction wrote—"A check for $325 arrived today, but most important was the company's promise that they will no longer mislead others. Your efforts to be sure were responsible for this change of heart and refund."

A New York City resident whose money from an aborted trip was refunded wrote—"We were overjoyed to know that an agency such as yours really is concerned about consumers, and does its best to protect them. May God bless you and keep you for many more years. It was wonderful to see that a government agency, especially in New York City, had done something for consumers. Our many, many thanks."

From residents all over the State who are finally receiving their gifts from a trading stamp company which relocated—"Many thanks, much appreciation—for fruitful and conscientious efforts which really pay off." "The work being done by your agency on behalf of consumers is most needed and necessary. How good it is to know that somewhere—someone really cares."—"As taxpayers we feel that our taxes are being spent for a government department that is more than giving the consumer his money's worth." From a Maryland legislator whom we helped—"I have received a certified check for the fraudulent travel scheme from the company. I would like to congratulate you and members of your staff for your quick action in closing down the operations of this criminal outfit. The citizens of New York should be most appreciative of the actions of such an efficient State agency."

A note from the Vice Consul of the Australian Consulate on behalf of an Australian citizen for whom we obtained a refund—"We would like to take this opportunity to thank you for your interest and assistance in this matter." A resident of Upper New York whose complaint was successfully resolved wrote—"I do want to thank you for the trouble you went to. It is indeed a nice feeling to know that the State of New York through its Attorney General Lefkowitz and his staff is looking out for all people of the State, but in particular, the little man."

A Monsey resident wrote: "I appreciate beyond words your efforts to obtain the refund. Your agency alone, of several I contacted was able to effect the return of the money, Attorney General Lefkowitz and his staff may well be proud of their accomplishments in the field of consumer frauds. I shall continue to support him in all his efforts."

Education—Preparing consumers for tomorrow—today, our education program expanded the old, and initiated the new in 1972!

A comprehensive program of consumer education is carried out in all areas of public and private endeavor. Student, social, trade, educational, fraternal, business, charitable, community, professional and para-professional groups are frequently the recipients of lectures by our staff members and shown our film, "The Fine Art of Fraud." Our Cautious Consumer" leaflets the result of a survey of the 12 most frequent areas of fraud and deception have reached over a million distribution statewide, and a 7,000 distribution nationwide. Consumers Union has used them as part of their "teacher training kits," and the Board of Education is using them in schools throughout the city as lesson plan overviews. They have formed the basis of several of our radio programs, as well as a two part television series used for High School and continuing education students. Overhead projectuals have been made of the series in many secondary schools throughout the city teaching courses in consumer problems, and many states have used them as a basis for presenting similar materials. They were recently made available in Spanish, and requests for about 500,000 have already been received.

Our revised "A.B.C's of Careful Buying" has been mailed to almost 2 million people. This updated version includes recent consumer protection legislation passed by the New York State Legislature, as well as "basic buying tips" and a brief synopsis of the many ways we provide protection to New York State residents.

This publication is also available in Spanish, as well as large type (for the visually handicapped) and Braille, with a Chinese version in the offing shortly. Like all of our educational materials, these are distributed at all meetings, upon request, and are free.

Consumers were advised that consumerism is a two way street, and were alerted on how to avoid baby contests, fortune telling, modeling schools, C.O.D's, computer dating, sale of stolen property, get-rich-quick schemes and vanity pandering devices through communications in the various media.

Frequent complaints and inquiry into the area of health foods resulted in an open hearing on December 1, 1972, in order to clarify much of the existing confusion for today's food shopper as to what constitutes organic and natural foods, and whether the doubled cost is in effect affording double the nutrition, and perhaps lay the groundwork for establishing with industry a voluntary code of ethics designed to rid the industry of the fraudulent promoter and establish legal definitions for the terms organic and natural.

Our summer student volunteer program, open to law students interested in enriching their education, has been attracting large numbers of students who apply for these jobs annually. Special projects in all areas of consumer protection are given to them as assignments designed to give practical experience in the investigation and preparation of cases for trial and appeal.

Letters from all over the world are received expressing appreciation for our efforts, achievements, and contributions.

Litigation—where the public interest is concerned, administrative court action is instituted against the offending person, business organization or corporation. Where it is necessary to examine books and records, the same are obtained by issuance of the subpoena duces tecum.

The basic statutory provisions under which the Bureau operates and receives its jurisdictional powers are as follows:

(1) Business Corporation Law, Article XI.

(2) Executive Law—Article 5, Sec. 63, Subd. 13 and 15.

(3) General Business Law, Articles 22-A, 26, 29-B, etc.

(4) Personal Property Law, Articles 9 and 10.

(5) Penal Law.

(6) Agriculture and Markets Law.

(7) Uniform Commercial Code.

(8) CPLR Article 23 (subpoena).

(9) General Obligations Law.

The Attorney General's recommendations for 1973 will bear down hard on the unscrupulous promoter. The following 30 bills lend credence to this fact:

(1) *Licensing Home Improvement Business Contractors*—License under Secretary of State. License could be suspended or revoked upon proof of fraud or misrepresentation in obtaining license, a practice of failure to perform contacts, fraud or the manipulation of accounts or bad faith.

(2) *Authority of the Attorney General To Seek Damages Pursuant to Section 63 (12) Executive Law*—Add corrective language specifically providing the authority of the court in a proceeding thereunder to direct restitution, now contained in that subdivision, including damages.

(3) *Require Interest on Escrow Accounts of Homeowners*—Requires all banks, trust companies, private bankers, savings banks, industrial banks, savings and loan associations, credit unions and investment companies which receive deposits from mortgagors for the purpose of paying taxes, insurance premiums and water rents, to pay interest upon such deposits in the same manner and at the same rate as is paid to other savings depositors.

(4) *Licensing Travel Agencies*—Requires the licensing and regulation of the travel agency business.

(5) *Holder-in-Due-Course (Claims and Defenses)*—Will eliminate the so-called "holder-in-due-course" defense in retail installment sales transactions relating to the purchase of motor vehicles, and eliminate remaining limitations upon buyers asserting claims or defenses against assignees.

(6) *Rental Security Deposits*—Requires that rent security on an apartment house of *more than two dwelling units* be deposited by the landlord in a bank interest bearing account, instead of the present law that covers only those apartment houses of six or more dwelling units.

(7) *Exemption of Earnings to Satisfy Money Judgments*—Would exempt the wages, salary, compensation or other earnings of a judgment-debtor from execution to satisfy a money judgment.

(8) *Interest on Christmas Club Accounts*—Requires all banks, trust companies, saving banks, savings and loan associations, or other banking organizations to pay interest on monies deposited in Christmas club, vacation plan or similar depositors accounts at the same rate payable on regular savings accounts in such instituttions.

(9) *Advertising of Interest on Christmas Club Accounts*—Requires all banks, trust companies, savings banks, savings and loan associations, or other banking organizations offering Christmas club, vacation plan or similar depositor accounts to state in any advertising pertaining to such accounts whether or not interest is paid on monies so deposited. If interest is paid, the bill requires the advertisement to also state the rate of interest or the form of interest paid.

(10) *Class Actions*—Allow consumer class action, and permit the Attorney General to institute an action on behalf of consumers as a class and would allow other interested governmental agencies to take similar action if they are so authorized by law.

(11) *Service Charges on Retail Installment Credit Agreements*—Mandates the mailing of billing statements at least fifteen days prior to the payment date before service charges can be imposed, to the benefit of the open end credit customer.

(12) *Assignment of Earnings*—Makes the minimum for wage assignment purposes the same as for executions against income. Income exempt from wage assignment is presently $25 or $30 a week depending upon population of city, while the exemption for executions against income minimum is $85 a week.

(13) *Children's Hazardous Toys*—Would prohibit the importation, manufacture or sale of toys intended for use by children under the age of 14 years, which present electrical, mechanical or thermal hazards. Attorney General is authorized to enjoin importation, sale or manufacture and recover civil penalty of not more than $5,000 for each violation.

(14) *Consumer Product Warranty Protection*—Afford the consumer greatly increased warranty protection in connection with the purchase of a "consumer product." Consumer product is defined as any product which has electrical, mechanical or thermal components, that is purchased primarily for personal, family or household purposes, and would cover automobiles and household appliances. This bill prohibits the waiver, limitation or modification of the implied warranties of merchantability and fitness for particular purposes, these warranties being basically the same as set forth in the Uniform Commercial Code.

(15) *Creditor Billing Errors*—Provides consumers with an orderly procedure whereby they can have an error, in a bill sent to him by those creditors who regularly extend consumer credit, rectified. The consumer would have to send written notice of his complaint, by registered or certified mail, within 30 days from the time of the mailing of the statement by the creditor. The creditor would have to respond in writing within 15 days and within 60 days take action to correct the error or dispute the consumer's claim, giving reasons for such dispute. Creditors could take no action to collect such disputed amounts or to affect the consumer's credit rating related thereto during the time allotted for resolving the dispute. Penalties are provided if the creditor fails to comply with this procedure, including forfeiture of his right to collect the amount in error, actual damages, if sued, the costs of the action together with reasonable attorneys' fees, and a penalty of twice the actual error but not greater than $100. In addition, every statement of account rendered by a creditor would have to contain the address and telephone number for inquiries by the consumer about such statement.

(16) *Cooperatives—Filing of Offering Statements or Prospectus for Sale of Real Estate Securities*—Empowers the Attorney General to refuse to issue a letter permitting the filing of a cooperative or condominium conversion plan where the plan itself does not require at least 51% consent of existing tenants.

(17) *Promotion and Operation of Art Exhibitions*—Regulates the promotion and operation of art contests and competitions where prizes are offered as an inducement to compete as an artist or as an inducement to display art work.

(18) *Registration of Sporting Event Personnel*—Extends jurisdiction of Department of Law from theatre box offices to box offices involving professional sports. Requires registration of ticket sellers.

(19) *Unlawful Charges of Theatre Tickets*—Eliminates the accomplice corroboration rule of evidence from provisions involving regulation of the theatrical industry.

(20) *Prohibiting Chain Distributor Schemes*—Prohibit chain distributor schemes, multi-level of pyramid schemes, e.g., Koscot, Best Line, Golden Products.

(21) *Licensing of Collection Agencies*—Require licensing by Department of State of all persons, firms, joint-stock associations and corporations who are engaged in the business of collection agency.

(22) *Rental Security Deposits-Commercial leases*—Commercial tenants would receive bank interest on their rent security advances.

(23) *Fair Trade Laws*—Adds medicines and drugs to the list of transactions excepted from the provisions of that section.

(22) *Fair Trade Laws—Signers To Contract*—Provides that only signers to fair trade contracts are subject to judicial action in event such persons fail to maintain the price fixed in such contracts.

(25) *Licensing of Management and Relocation Companies*—Amend Article 12-A Real Property Law—to require the licensing by the State of companies and individuals engaged in the business of managing residential buildings and relocating tenants from buildings that are going to be demolished or substantially altered. Those holding licenses will have to demonstrate same degree of trustworthiness now required for the licensing of real estate brokers.

In addition—propose the enactment of

strict statutory standards governing the services required to be provided in buildings undergoing relocation activity. (e.g. heat, hot and cold water, repairs, etc.). Failure to adhere would result in strict monetary penalties and/or revocation of license.

(26) *Furniture Sales*—Requires that all money deposited with a furniture store pursuant to a contract for sale of household furniture be held in a trust fund in a bank for the benefit of the purchaser until said money is applied to the purchase price when delivery of the furniture is effected or repaid to him.

(27) *Automobile Insurance*—Takes away immunity afforded brokers for false statements made in connection with cancellation, non-renewal and changes in automobile insurance policies.

(28) *Three-Day Cooling Off*—Amend the present law by eliminating the 5% cancellation fee; applying the law to any purchase that takes place other than in seller's place of business; and requiring a notice of cancellation must appear in the contract as well as cancelation card being given.

(29) *Registration of Automobile Repair Dealers*—The Attorney General supports the bill to register automobile repair dealers with the Secretary of State.

(30) *Registration of Electronic Repair Dealers (TV)*—The Attorney General supports the bill to register electronic repair dealers (TV) with the Secretary of State.

1972—A year in which some of the Attorney General's recommendations were enacted into law. These are as follows:

(1) A law was passed prohibiting the sale, or offering for sale of term papers, theses, essays or matters related to school assignments in New York State.

(2) To amend the general business law in relation to requiring the use of safety glazing materials in hazardous locations in industrial, educational, commercial, and public buildings.

Industry and Business Orientation—Lines of communication are always open between staff members and legitimate and ethical associations, trade groups, and organizations.

Reputable businesses worked closely with the Bureau in exploring the most feasible methods of combating deceptions, frauds, and misleading advertisements. We met with finance companies, magazine subscription and encyclopedia officers, representatives of the funeral industry, banking institutions, travel agents, furniture dealers, automobile dealers, toy manufacturers, and home appliance service organizations.

Hearing aid dealers came from all over the State and Nation to meet with us at regular intervals to implement the voluntary Code of Ethics we set up with them. This Code concerns itself with solving problems relating to hearing aid dissatisfactions, making plans for new licensing legislation and offering protection to the hard-of-hearing consumer and the hearing aid dealer.

In line with this thinking, after many meetings with the home appliance industry, a voluntary Code of Ethics has been prepared with their assistance, in hopes of ameliorating many of the consumer-business problems which do exist in this industry, and at years end, it was to be presented to them in its final form for their review.

When complaints by the score concerning Hong Kong tailored clothes started to reach our office, concerning shabby workmanship, misleading advertisements, exorbitant and frequently hidden additional costs, unmentioned duty and taxes, and non-receipt of ordered merchandise, we decided to meet with the Hong Kong Development Association to present these grievances. They came, introduced us to additional New York contacts in the field, we made known our displeasures, and they presented corrective measures in the form of membership requirements and a code of business practices which they hoped would correct many, if not all, of the existing areas of consumer concern.

When public hearings are scheduled, industry and business members have given of their time, effort, and energy to attend prebearing meetings, obtain expert testimony, and in many instances testified themselves, always generously giving us the benefit of their expertise regarding the problems at hand.

At our recent organic food hearing, geared to provide the public with the answers to many questions concerning the purchase of these foodstuffs, their value, cost and representations, industry members as well as the professional community gave freely and generously of their knowledge and time, and provided consumers who attended with much useful information. Most significant were their findings that although these foodstuffs were two times as costly as regular products consumers were just not getting better nutrition from eating these foodstuffs than from eating regular products. They were in addition as angered as were the legitimate merchants of these products, to be made aware through our investigation in cooperation with the New York State Department of Agriculture and Markets, that although these foodstuffs were clearly and conspicuously labeled "organic and/or natural" (allegedly pesticide and additive free) on testing 55 products, better than 25 percent of them contained one or more pesticide. We were at the year's end beginning to explore with the organic food growers the possibility of correcting many of the existing irregularities through a voluntary code of ethics.

A public hearing was also held to expose the shoddy and deceptive practices of "mental health" therapists, when a six month investigation revealed widespread quackery, sexual misconduct, and deception of clinics through the use of phony academic credentials and titles. Under discussion were those purporting to be psycho-therapists, psychoanalysts, hypnotists and marriage counselors. As the year drew to a close, consideration was underway for legislative licensing of the mental therapist, as well as careful screening by the New York Telephone Company of individuals listing themselves with professional degrees.

Forwarding of auto warranty complaints, and meetings with the Big Four in the automobile industry served to resolve about 1,600 warranty connected complaints.

Meetings with Consolidated Edison Company and the New York Telephone Company regarding erroneous and faulty billing, resulted in the assignment by the company of a designated representative who would be responsible for direct communication with the complaint.

Meetings with the Advisory Committee to the Bureau of Consumer Frauds and Protection have provided new impetus, momentum and direction to our future programs. Established in 1957 by the Attorney General, this Committee is made up of representatives of industry, labor, news media, financial institutions, and civic organizations.

Governmental, Quasi-Governmental and new Governmental Coordination—Governmental, Quasi-Governmental, and Non-Governmental coordination are enhanced by assisting, advising, cooperating and conferring with Federal, State and local officials, as well as legislators and quasi-governmental staff members.

As a result of the national and world wide acclaim and recognition accorded the Bureau's activities and its effectiveness in all phases of consumer protection, officials have visited with us to observe, confer, review and study our operations and procedures on a day-to-day basis, frequently following suit and opening similar operations in their own areas.

Our staff members frequently appear before community action groups, Federal, State, and local governmental departments, and legislative hearings, working closely with them to advise on the problems facing the consumer in the marketplace, and to testify with regard to proposed consumer legislation.

Coordination of consumer protection through liaison with County, City, State, and Federal officials has been undertaken by the New York Regional Consumer Protection Council, which had the Attorney General as its first Chairman.

Utilization of our "Cautious Consumer" leaflets by Consumers Union as part of their teacher training kits, and by the Board of Education of our A.B.C.'s as lesson planners to some 6,000 schools and by the blind and visually handicapped people all over the States of the A.B.C.'s (now available in Braille, and large type) is indicative that through the mutual exchange of information, and good interagency communication, the consumer will emerge the ultimate beneficiary.

LEGAL CASES

(1) As a result of a 3-year investigation, (1) costs of $100,000 the largest ever assessed by the Bureau, were paid when a nationwide encyclopedia company was charged with engaging in deceptive and unfair sales and hiring practices.

The company, without admitting violating the law, agreed to halt the following practices:

(a) Telling new salesmen that the district sales managers would supply them with leads and arrange appointments;

(b) Telling customers it is offering them a discount;

(c) Claiming teachers and librarians qualify for a discount price;

(d) Claiming the book is a new edition unless it is substantially new or revised;

(e) Claiming, when calling on a customer that the salesman is conducting a survey, rather than selling books.

In addition, the company agreed that it would warn new salesmen they would have to pay for their own sales leads, and complete all raffle type drawings for encyclopedias within 90 days of their start, without using entry blanks as sales leads until the drawing is over.

(2) An Assurance of Discontinuance was signed, and costs of $2,500 paid when the Bureau's investigation of an automobile repair service revealed that it had fraudulently added a separate and distinct administration charge of $2.00 to consumers seeking automobile repairs. The company agreed that for a period of nine months from the date of the Assurance of Discontinuance, it will grant a credit of $2.00 in reduction of the stated amount of the repair bill to any customer who had previously paid the $2.00 administration charge, and in addition will discontinue charging this, or any other separate and distinct charge for similar purposes.

(3) A New Jersey mail order company agreed to discontinue the practice of offering for sale any merchandise within New York State which was not actually ordered by the recipient orally or in writing, and then attempting to collect a bill by falsely claiming that the debt had been turned over to an attorney or any other third party for collection. Costs of $250 were paid.

(4) Misleading advertising charges were leveled at an up-state appliance dealer when a Bureau investigation disclosed that home freezers were offered for sale through advertisements falsely depicting them with exterior lights, locks and keys and priced at $138. The firm agreed to refrain from these practices, and paid costs of $250.

(5) A Long Island bicycle service paid $250 in costs, and consented to discontinue its practices of incomplete advertising disclosures concerning clear and conspicuous statement of the true price of the item to be purchased.

(6) An Assurance of Discontinuance was signed, and costs of $500 were paid, when the Bureau's investigation revealed that a large cruise ship company had falsely represented that spaces for certain cruises were available at minimum prices. It had failed to clearly disclose there were only a certain number of these accommodations available at this minimum price, and that in all cases, the advertised cruise price was based upon two persons sharing a room.

(7) In the case of a New York City distributor of magazines, who sent dunning notices with such specifics absent as: the amount of the debt, to whom it was owed, the date and nature of transaction, and the person to contact by mail if the charge is at issue. These activities were brought to a quick halt through the Bureau's investigation. Costs of $250 were paid.

(8) A Queens Village automobile dealer agreed to discontinue his misrepresentations and paid costs of $250. He agreed to halt his misleading advertisement which represented that free brand new snow tires would be given with every car sold during any specified period unless this was true.

(9) In the Bureau's unending crackdown on health frauds, a New York company was halted from perpetrating further deceptions on many over-weight consumers, because they were selling a tablet alleged to effect a specified weight loss. The company was enjoined permanently from advertising and selling the product, and in addition had to make restitutions to anyone filing a complaint with the Attorney General, and offering proof of purchase. Costs of $4000 were paid.

(10) In the Bureau's continuing pursuit of travel frauds, a large airline company paid costs of $2,000 and agreed to discontinue its deceptive practices. The firm agreed to stop claiming in its television commercials and newspaper ads that it would supply 747 T.W.A. coach passengers free music, movies, cocktails, and access to and use of a self-service kitchen if this were not so. In addition, clear and conspicuous statements in its advertisements would state, that charges of $2.50 and $.50—$1.00 were to be charged respectively, for a headset and cocktails.

(11) Costs of $250 were paid when a car rental service company agreed to discontinue misleading advertising representing that reservations will be made by the company unless this was so. They further agreed to maintain records of all reservations, the scheduled return dates of all rental vehicles, and discontinue the practice of providing cars in unsatisfactory operating conditions, and different than those originally ordered by its customers.

(12) Six large Motor Inns in New York were charged with falsely advertising the availability of free parking for its guests, and each paid costs of $1,000 when investigation by the Bureau revealed that this was not the fact.

Actually the motels charged $1.00–$2.00 each time the vehicle was moved in or out of its parking area, with the free charge available only at the initial parking, and ultimate departure from the motel. Both agreed to conspicuously reveal in all brochures and advertisements, that an extra charge would be made for each parking.

(13) Paying $250 in costs, a Queens automobile dealer agreed to discontinue advertising that a new 1971 car could be purchased for $2,375 when actually the car was available for sale by the company for $2,890 or more than $500 over the advertised price.

(14) In accordance with a court order obtained by the Bureau, a nationwide mail order firm which failed to fill orders of consumers, and also failed to return money forwarded for the purchase of products, returned $92,953.90 to some 13,810 dissatisfied consumers during the period between May 24 and June 30, 1972.

(15) Travel frauds hit a new high in 1972, as yet another travel promoter who offered cut-rate charter flights to London, Paris, and other European cities took deposits from economy minded consumers, failed to provide transportation, went out of business and never returned the money. He was enjoined from engaging in business in the State, and paid $750 in restition to victimized consumers, and costs of $250 to the State.

(16) Paying costs of $1,500 and $2,000 respectively, a Long Island and New York City rent-a-car service agreed to offer credit to any customer who was charged the "administrative surcharge" or the "Metro Rentals Auto Surcharge" which was added on to the bill for reporting the names of customers who received tickets charging vehicle law and traffic violations, and to discontinue this practice on its customers in the future.

(17) In the case of a New York City collection agency, using verbiage intending to mislead consumers into believing they were written by an attorney and dealing with one—the company agreed to cease forwarding such letters and paid costs of $750.

(18) A crackdown on food retailers and processors for misrepresentations, unsanitary conditions, unsatisfactory food handling practices, and misbranding resulted in fines of $8,745 being paid by some 172 merchants, with fines ranging from $25–$400.

(19) In an unprecedented judgment obtained in Supreme Court, the New York City producers of ghost written term papers, essays, and theses for students must make restitution of $35,416. to about 1,000 students who purchased them. In addition, the company is permanently enjoined from conducting of carrying on any business as sellers of ghost written term papers, theses, or essays, and forbids them to offer such papers for sale to any persons enrolled in an educational institution in New York State.

(20) Paying costs of $500 a New Jersey dealer of foreign cars agreed to place conspiciously a federally required statement on cars sent to dealers, and to insert in advertising brochures that the car, designed low to the ground, could sustain serious engine damage in New York City streets which contain potholes and debris.

(21) Paying costs of $2,000, an upstate New York bank which had illegally collected more than $80,000 in "official fees" from consumers who purchased automobiles on installment contracts, agreed to discontinue this practice and make restitution to all consumers who paid this fee.

(22) When our investigation revealed that a New York City dog kennel operation had violated City Health Ordinances in keeping sick dogs on the premises, and in addition misleading individuals who purchased there, the firm agreed to discontinue their practices and paid costs of $1,000. They agreed to provide purchasers with a health certificate certified by a licensed veterinarian attesting to the animal being disease and defect free, and in addition, to maintain humane treatment of animals in its custody.

(23) In our continuing pursuit of hotel frauds, we were successful in obtaining refunds for over 600,000 consumers in excess of $750,000, when an investigation sparked by a "Misc." charge on a bill received by a guest at one of the largest New York City hotels was questioned. Investigation of 18 other New York City hotels of four leading hotel chains indicated that hidden and phantom charges of 2 percent were also indicated and listed as "SUND's" or "Misc." and at no time was the guest advised that a further charge would be added to his final bill.

(24) A leading Long Island school paid $1,000 in costs, and consented to discontinue its advertising misrepresentations which claimed that it was geared to meet the needs of special children, its director had various earned degrees, and that it was chartered by the New York State Board of Rights.

(25) Two major New York new car dealer associations paid costs of $25,000, and will refund to thousands of new car purchasers (during 1/1/71–12/31/71) the $2.00 documentary fee they had been assessed to cover the cost of a car registration and drafting of forms. They further agreed to discontinue the practice of picking up car registrations and charging for that service which can only be carried on if a license is obtained from the Motor Vehicle Bureau.

(26) Costs of $2,000 were paid, and a large New York bank agreed to discontinue its practices of delayed credit and gift offers.

In an Assurance of Discontinuance, the bank agreed to credit deposits from the day received, and to deliver gifts within the time specified by them.

(27) A judgment against a Queens collection agency was obtained when investigation revealed that various deceptive means were used to collect past due bills or debts. The order prohibits them from:

(1) Communicating with an employer about an employee's debt without having obtained a money judgment;

(2) Threatening the employee that it will communicate with his employer regarding his debt;

(3) Falsely claiming or implying that a consumer's past due account will be turned over to a credit organization.

Costs of $1,000 were paid.

(28) A judgment against two related sewing machine and stereo firms was obtained when our investigations revealed that their "prize contests" were nothing more than schemes to sell goods and services, using "bait" advertising as the "come on." Paying $1,000 in costs, the company was barred from engaging in these practices, and must give refunds to all customers who so desire.

(29) Paying $2,000 in costs, a large Federal Savings and Loan Association agreed to disclose in its advertising the interest which is payable on new accounts. Disclosure in all advertising would be made of the date interest was to begin, or whether it was payable from the date of deposit to the date of withdrawal.

(30) A leading consumer magazine paid costs of $1,500 and agreed to discontinue its deceptive advertising practices when our investigation disclosed that the advertised price of $10 for a yearly subscription was not in fact the regular price of the magazine, and the advertised bargain one year subscription offers, based on a reduction from this subscription price, did not provide the subscribers with the advertised savings.

(31) In still another instance of advertising deception, a leading New York department store paid costs of $250 and agreed to discontinue its misleading practice of depicting a clock radio advertised in a newspaper magazine to be available at the advertised price equipped with a snooze alarm or music alarm system if this was not so.

(32) Charging a leading manufacturer of foreign automobiles with misrepresenting the trade-in values of its cars in advertisements placed in hundreds of newspapers as well as other media throughout the State of New York, a suit filed in Supreme Court, New York County by the Bureau, is seeking restitution for all consumers who relied on the advertisement, and were misled into believing that they would receive high trade-in allowances or prices for their used cars. In addition, penalties of $500 for each publication of the advertisement (which based its cost on a Port of Entry price—which does not include state and local taxes, enclosed freight charged, dealer preparation, or optional equipment) amounting to upwards of $50,000, and a permanent injunction against this type of advertising together with costs is being sought.

(33) In the case of another savings bank that played "Indian giver," by misleading advertisements which did not inform the public that there was a service charge for withdrawals of their deposited money before a certain date, and in addition, recipients of gifts had to pay for them if they withdrew funds before that time—costs of $2,000 were paid, and the bank agreed to discontinue these deceptive practices.

(34) Travel—travel and more travel—and with it more complaints—as a leading European airline promoting tours abroad, is charged by the Bureau with misrepresenting the cost. Paying $500 in costs, the airline agreed to discontinue:

(1) Falsely advertising the amount charged for the summer car tour;

(2) Falsely advertising a price for a tour to any country, state, or city which is not the price;

(3) Its inconspicuous disclosures of conditions and limitations of the advertised offer.

(35) Handling the complaints of thousands of consumers who failed to get either money or merchandise when a large trading stamp company went out of business, we managed to obtain redemption for 125 consumers for a total of $1,970 in 1972.

(36) Costs of $200 were paid, and a large appliance store on Long Island agreed that it would halt its deceptive selling practices. Customers who offered cash or check for an advertised items and offered to take their purchases out of the store, would not be charged a delivery charge, nor would there be a delay or postponement of delivery of possession of the goods.

(37) In a never-ending crackdown in travel frauds, a major airline was halted from perpetrating further deceptions on many voyaging consumers because their advertising was misleading.

Paying costs of $750, the airline agreed to discontinue:

(1) Claiming or implying that the price of an after-dinner coach flight to Miami is $40, contrary to fact;

(2) Claiming or implying that the price of a day coach fare from New York to Miami is $50, contrary to fact;

(3) Using, in connection with its after-dinner flights, an advertisement in which the figures of $40 and $50 are used to demonstrate a 20 percent savings as the after-dinner flight from the normal day coach fare.

(38) In its continuing crackdown on health frauds, the Bureau obtained an order in Supreme Court of New York State enjoining a Long Island unlicensed former school teacher and his wife from operating a psychotherapy center that treated disturbed and retarded children, as well as sexually disturbed adults.

Operating the center without New York State license or accreditation, charging up to $45 per hour for psychotherapy services which were administered by fraudulently represented counselors, they were put out of business and paid costs of $2,000.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Corman, for today, on account of official business.

Mrs. Hansen of Washington, for April 19 and April 30, on account of official district business.

Mr. Mills of Maryland (at the request of Mr. Gerald R. Ford), for April 19, on account of official business.

Mr. Morgan (at the request of Mr. McFall), for today and April 19, on account of illness.

Mr. Young of Illinois (at the request of Mr. Gerald R. Ford), through April 30, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Randall to address the House for 30 minutes.

(The following Members (at the request of Mr. Gilman) and to revise and extend their remarks and include extraneous matter:)

Mr. Schneebeli, for 17 minutes, today.

Mr. Frenzel, for 5 minutes, today.

Mr. Cronin, for 10 minutes, today.

Mr. Whalen, for 5 minutes, today.

Mr. Lujan, for 5 minutes, today.

(The following Members (at the request of Mr. Owens) and to revise and extend their remarks and include extraneous matter:)

Mr. McFall, for 5 minutes, today.

Mr. Reuss, for 5 minutes, today.

Mr. Hamilton, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Harrington, for 10 minutes, today.

Mr. Charles H. Wilson of California, for 5 minutes, today.

Mr. Adams, for 5 minutes, today.

Mr. Waggonner, for 15 minutes, today.

Mr. Matsunaga, for 30 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Vanik, for 10 minutes, today.

Mr. Owens, for 30 minutes, on May 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Thompson of New Jersey (at the request of Mr. Hays) in the body of the Record and to include extraneous material, including two orders of the Committee on House Administration.

Mr. Boland and to include extraneous matter in two instances.

Mr. Cleveland and to include extraneous matter in debate in Committee of the Whole on highway bill.

Mr. Don H. Clausen and to include extraneous matter with remarks on S. 502.

Mrs. Heckler of Massachusetts to revise and extend her remarks during debate on the Anderson amendment.

Mr. Anderson of Illinois to revise and extend and include extraneous matter with his remarks on the Anderson amendment.

Mr. Gilman and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $722.50.

(The following Members (at the request of Mr. Gilman) and to include extraneous material:)

Mr. Bob Wilson in three instances.

Mr. Wyman in two instances.

Mr. Thomson of Wisconsin.

Mr. Rousselot.

Mr. McClory in two instances.

Mr. Hudnut.

Mr. Symms.

Mr. Don H. Clausen in two instances.

Mr. Miller in six instances.

Mr. Whalen.

Mr. Hogan in two instances.

Mr. Huber.

Mr. Young of Alaska in two instances.

Mr. Carter in two instances.

Mrs. Heckler of Massachusetts.

Mr. Parris in five instances.

Mr. Shriver.

Mr. Archer.

Mr. Esch.

Mr. Collins in three instances.

Mr. Broyhill of Virginia.

Mr. Goldwater.

Mr. Veysey in two instances.

Mr. Hastings.

Mr. Mizell in eight instances.

The following Members (at the request of Mr. Owens) and to include extraneous matter:)

Mr. Jones of Tennessee.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Culver in six instances.

Mr. Nix.

Mr. Rees in five instances.

Mr. Bingham in three instances

Mr. Waldie in three instances.

Mr. O'Neill.

Mr. Anderson of California in three instances.

Mr. Mahon.

Mr. Fraser in five instances.

Mr. Patten.

Mr. Roy.

Mr. James V. Stanton.

Mr. Evins of Tennessee in three instances.

Mr. Brown of California in 10 instances.

Mr. Eckhardt.

Mr. Mazzoli.

Mr. Dellums in two instances.

Mr. Badillo.

Mr. Fountain.

Mr. Zablocki in five instances.

Mr. Edwards of California.

Mr. Moorhead of Pennsylvania in five instances.

Mrs. Chisholm in five instances.

Mr. Annunzio in two instances.

Mr. Leggett in three instances.

Mr. Brasco in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1572. An act relating to payments to producers for participation in the 1973 feed grain program; to the Committee on Agriculture.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6883. An act to amend the Agricultural Adjustment Act of 1938 with respect to rice; and

H.J. Res. 496. Joint resolution making supplemental appropriations for the fiscal year ending June 30, 1973, for the Civil Aeronautics Board and the Veterans' Administration, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1315. An act to extend diplomatic privileges and immunities to the Liaison Office of the Peoples Republic of China and to members thereof, and for other purposes.

ADJOURNMENT

Mr. MEZVINSKY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 39 minutes p.m.) under its previous order, the House adjourned until tomorrow, Thursday, April 19, 1973, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

780. A letter from the Assistant Secretary of the Interior, transmitting certification that an adequate soil survey and land classification that an adequate soil survey and land classification has been made of the lands in the Central Arizona project and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation, pursuant to Public Law 83–172; to the Committee on Appropriations.

781. A letter from the Chairman, National Labor Relations Board, transmitting lists containing (1) the names, salaries, and duties of all employees and officers of the Board, (2) cases heard and/or decided by the Board, and (3) the fiscal statement showing total obligations and expenditures for fiscal year 1972, pursuant to section 3(c) of the Labor Management Relations Act of 1947; to the Committee on Education and Labor.

782. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting the annual reports of the seven river basin commissions (Pacific Northwest, Souris-Red-Rainy, Great Lakes, Ohio, Missouri, Upper Mississippi, and New England) for fiscal year 1972, pursuant to 42 U.S.C. 1962b–3(2); to the Committee on Interior and Insular Affairs.

783. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to terminate and to direct the Secretary of the Interior and the Secretary of the Navy to take actions with respect to certain leases issued pursuant to the Outer Continental Shelf Lands Act in the Santa Barbara Channel, offshore of the State of California; to explore Naval Petroleum Reserve No. 4, and for other purposes; to the Committee on Interior and Insular Affairs.

784. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend the Natural Gas Act to extend its application to the direct sale of natural gas in interstate commerce, and to provide that provisions of the act shall not apply to certain sales in interstate commerce; to the Committee on Interstate and Foreign Commerce.

785. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in docket No. 218, *The Cowlitz Tribe of Indians, Plaintiff*, v. *The United States of America, Defendant*, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

786. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on efforts to assign Public Health Service physicians to counties that are currently without the services of a resident physician, pursuant to section 203 of Public Law 92–157; to the Committee on Interstate and Foreign Commerce.

787. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 so as to specifically provide that remedial orders issued by the Civil Aeronautics Board in enforcement may require the repayment of charges in excess of those in lawfully filed tariffs; to the Committee on Interstate and Foreign Commerce.

788. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 so as to clarify the powers of the Civil Aeronautics Board in respect of consolidation of certain proceedings; to the Committee on Interstate and Foreign Commerce.

789. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for their contribution to retirement plans, by increasing contribution limitations for self-employed individuals and shareholder-employees of electing small business corporations, by imposing an excise tax on prohibited transactions, and for other purposes; to the Committee on Ways and Means.

790. A letter from the Secretary of Health, Education, and Welfare, transmitting a report for the quarter ended March 31, 1973, on grants approved by his office which are financed wholly with Federal funds, pursuant to section 1120(b) of the Social Security Act; to the Committee on Way and Means.

Received From the Comptroller General

791. A letter from the Comptroller General of the United States, transmitting a report on revisions needed in financial management policies of the Federal Government's Automatic Data Processing Fund administered by the Office of Management and Budget and the General Services Administration; to the Committee on Government Operations.

792. A letter from the Comptroller General of the United States, transmitting a report on the enlisted aide program of the military services; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN; Committee of conference. A conference report to accompany S. 398 (Rept. No. 93–148). Ordered to be printed.

Mr. ULLMAN. Joint Study Committee on Budget Control. A report on recommendations for improving congressional control over budgetary outlay and receipt totals (Rept. No. 93–147). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce. H.R. 6458. A bill to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions (Rept. No. 93–149). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ULLMAN (for himself, Mr. Whitten, Mr. Schneebeli, Mr. Reuss, Mr. Broyhill of North Carolina, Mr. Mahon, Mr. Burke of Massachusetts, Mr. Rooney of New York, Mrs. Griffiths, Mr. Sikes, Mr. Rostenkowski, Mr. Cederberg, Mr. Collier, Mr. Rhodes, Mr. Broyhill of Virginia, and Mr. Davis of Wisconsin):

H.R. 7130. A bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a legislative budget director and staff, and for other purposes; to the Committee on Rules.

By Mr. RONCALLO of New York (for himself, Mr. Derwinski, and Mr. Rees):

H.R. 7131. A bill to provide more effective means for protecting the public interest in national emergency disputes involving the transportation industry, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Massachusetts (for himself, Mr. Biaggi, Mr. Clark, Mr. Davis of Georgia, Mr. Hays, Mr. Kyros, Mr. Metcalfe, Mr. Rooney of Pennsylvania, and Mr. Studds):

H.R. 7132. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of United States capital, jobs, technology, and production, and for other purposes; to the Committee Ways and Means.

By Mr. CORMAN:

H.R. 7133. A bill to grant full credit for military service in the computation of railroad retirement annuities for disability in the case of persons also eligible for pension, compensation, or other benefits as a result of such service; to the Committee on Interstate and Foreign Commerce.

By Mr. DAN DANIEL:

H.R. 7134. A bill to increase the duty on rubber filament; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 7135. A bill to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by civilian officers and employees for damage to, or loss of, personal property incident to their service; to the Committee on the Judiciary.

By Mr. DANIELSON (for himself, Mr. Brown of California, and Mr. Corman):

H.R. 7136. A bill to enable nonprofit sheltered workshops to compete with the foreign labor market for contracts with manufacturers located in the United States, and for other purposes; to the Committee on Education and Labor.

By Mr. DELANEY (for himself, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Mr. Biaggi, Mr. Bingham, Mr. Brasco, Mr. Carey of New York, Mrs. Chisholm, Mr. Dulski, Mr. Gilman, Mr. Hanley, Ms. Holtzman, Mr. Horton, and Mr. Kemp):

H.R. 7137. A bill to eliminate racketeering in the sale and distribution of cigarettes and to assist State and local governments in the enforcement of cigarette taxes; to the Committee on the Judiciary.

By Mr. DELANEY (for himself, Mr. King, Mr. Koch, Mr. Mitchell of New York, Mr. Murphy of New York, Mr. Peyser, Mr. Pike, Mr. Podell, Mr. Rangel, Mr. Reid, Mr. Robison of New York, Mr. Rosenthal, Mr. Stratton, Mr. Walsh, Mr. Wolff, and Mr. Hastings):

H.R. 7138. A bill to eliminate racketeering in the sale and distribution of cigarettes and to assist State and local governments in the enforcement of cigarette taxes; to the Committee on the Judiciary.

By Mr. DICKINSON:

H.R. 7139. A bill authorizing the Secretary of Defense to utilize Department of Defense resources for the purpose of providing medical emergency transportation services to civilians, and limiting Government and individual liability incident to providing such services, and for other purposes; to the Commission on Armed Services.

By Mr. DORN:

H.R. 7140. A bill to amend title 10 of the United States Code to require the presentation of full military honors at the burial of veterans; to the Committee on Armed Services.

By Mr. DORN (by request):

H.R. 7141. A bill to provide additional authority for the Administrator of Veterans Affairs to prescribe standards of conduct, and to authorize investigation of, and arrests for, crimes committed, on lands and in buildings under the jurisdiction of the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. EDWARDS of Alabama:

H.R. 7142. A bill to repeal the bread tax, and for other purposes; to the Committee on Agriculture.

By Mr. ERLENBORN (for himself, Mr. Perkins, Mr. Brown of California, Mr. Broyhill of North Carolina, Mr. Buchanan, Mr. Forsythe, Mr. Frelinghuysen, Mr. Hansen of Idaho, Mr. Helstoski, Mr. Horton, Mr. Johnson of Pennsylvania, Mr. Kemp, Mr. Lent, Mr. McDade, Mr. Michel, Mr. Moakley, Mr. Mosher, Mr. Pepper, Mr. Podell, Mr. Steiger of Wisconsin, and Mr. Whitehurst):

H.R. 7143. A bill to authorize a White House Conference on Education; to the Committee on Education and Labor.

By Mr. ERLENBORN (for himself, Mr. Anderson of Illinois, Mr. Conable, Mr. Derwinski, Mr. Howard, Mr. Ruppe, Mr. Sarasin, Mr. J. William Stanton, Mr. Thompson of New Jersey, and Mr. Wyatt):

H.R. 7144. A bill to amend the Freedom of Information Act to require that all information be made available to Congress except where Executive privilege is invoked; to the Committee on Government Operations.

By Mr. ESCH (for himself, Mr. Mazzoli, and Mr. Moakley):

H.R. 7145. A bill to establish a national adoption information exchange system; to the Committee on Education and Labor.

By Mr. ESCH (for himself, Mr. Robison of New York, Mr. Broyhill of North Carolina, Mr. Anderson of Illinois, Mr. Erlenborn, Mr. Brown of Ohio, and Mr. McEwen):

H.R. 7146. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes; to the Committee on Education and Labor.

By Mr. FOUNTAIN:

H.R. 7147. A bill to provide that certain changes in the loan and purchase program for the 1973 peanut crop which the Department of Agriculture is contemplating shall not be made; to the Committee on Agriculture.

H.R. 7148. A bill to amend the Freedom of Information Act to require that all information be made available to Congress; to the Committee on Government Operations.

By Mr. GUYER:

H.R. 7149. A bill to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; to the Committee on Banking and Currency.

By Mr. HANLEY:

H.R. 7150. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. HARRINGTON (for himself, Ms. Abzug, Mr. Burton, Mr. Conyers, Mr. Corman, Mr. Diggs, Mr. Eilberg, Mr. William D. Ford, Mrs. Grasso, Mr. Helstoski, Mr. Koch, Mr. Leggett, Mr. Moakley and Mr. Mollohan):

H.R. 7151. A bill to provide adequate mental health care and psychiatric care to all Americans; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself, Mr. Nix, Mr. Podell, Mr. Rangel, Mr. Rooney of Pennsylvania, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, Mr. Stark, Mr. Steele, Mr. Tiernan, Mr. Waldie, Mr. Won Pat, and Mr. Yatron):

H.R. 7152. A bill to provide adequate mental health care and psychiatric care to all Americans; to the Committee on Interstate and Foreign Commerce.

By Mr. HÉBERT (for himself, and Mr. Bray) (by request):

H.R. 7153. A bill to authorize the disposal of various materials from the national stockpile and the supplemental stockpile, and for other purposes; to the Committee on Armed Services.

By Mr. HUDNUT:

H.R. 7154. A bill to provide that Federal expenditures shall not exceed Federal revenues, except in time of war or grave national emergency declared by the Congress, and to provide for systematic reduction of the public debt; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 7155. A bill to establish a program of nutrition education for children as a part of the national school lunch and child nutrition programs and to amend the National School Lunch and Child Nutrition Acts for purposes related to strengthening the existing child nutrition programs; to the Committee on Education and Labor.

By Mr. MAYNE:

H.R. 7156. A bill to amend section 301 of the Federal Meat Inspection Act, as amended, and section 5 of the Poultry Products Inspection Act, as amended, so as to increase from 50 to 80 percent the amount that may be paid as the Federal Government's share of the costs of any cooperative meat or poultry inspection program carried out by any State under such sections, and for other purposes; to the Commmittee on Agriculture.

By Mr. MILLS of Arkansas (for himself, Mr. Schneebeli, Mr. Collier, Mr. Broyhill of Virginia, Mr. Conable, Mr. Chamberlain, Mr. Pettis, Mr. Duncan, Mr. Clancy):

H.R. 7157. A bill to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for their contributions to retirement plans, by increasing contribution limitations for self-employed individuals and shareholder employees of electing small business corporations, by imposing an excise tax on prohibited transactions, and for other purposes; to the Committee on Ways and Means.

By Mr. PATTEN (for himself, Mr. Baker, Mr. Burgener, Ms. Chisholm, Mr. Cleveland, Mr. Davis of Georgia, Mr. Diggs, Mr. Fisher, Mr. Forsythe, Mr. Helstoski, Mr. Horton, Mr. Howard, Mr. Lehman, Mr. Madden, Mr. Minish, Mr. Moakley, Mr. Mollohan, Mr. Moorhead of California, Mr. Moss, Mr. Murphy of New York, Mr. Murphy of Illinois, Mr. Won Pat, Mr. Podell, Mr. Price of Illinois, and Mr. Roe):

H.R. 7158. A bill to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record where that method of computation produces a higher combined benefit; to the Committee on Ways and Means.

By Mr. PATTEN (for himself, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, Mr. Sikes, and Mr. Williams):

H.R. 7159. A bill to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record where that method of computation produces a higher combined benefit; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 7160. A bill to amend title 5, United States Code, to include as creditable service for civil service retirement purposes service performed on public works projects under the Works Progress Administration, Works Projects Administration, and Federal Works Agency, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PICKLE:

H.R. 7161. A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission certain authority over railroad car service when an emergency is or may be imminent; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL:

H.R. 7162. A bill to amend section 210 of the Flood Control Act of 1968; to the Committee on Public Works.

By Mr. ROBINSON of Virginia:

H.R. 7163. A bill to amend title 39 and title 18, United States Code, to provide for licensing and protection of distinctive designs, legends, and insignia of the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. ROGERS (for himself and Mr. Bafalis):

H.R. 7164. A bill to authorize the Secretary of the Interior to develop areas suitable to provide for the continued existence of the Everglades Kite; to the Committee on Merchant Marine and Fisheries.

By Mr. SMITH of New York:

H.R. 7165. A bill to authorize a program to develop and demonstrate low-cost means of preventing shoreline erosion; to the Committee on Public Works.

H.R. 7166. A bill to amend the act of August 13, 1946, relating to Federal participation in the cost of protecting the shores of the United States, its territories and possessions, to include privately owned property; to the Committee on Public Works.

By Mr. SEIBERLING (for himself, Mr. Regula, Mr. Vanik, Mr. Hays, Mr. Ashbrook, Mr. Ashley, Mr. Brown of Ohio, Mr. Carney of Ohio, Mr. Guyer, Mr. Keating, Mr. Minshall of Ohio, Mr. Miller, Mr. Mosher, Mr. J. William Stanton, Mr. James V. Stanton, Mr. Stokes, Mr. Whalen, Mr. Moorhead of Pennsylvania, Mr. Dent, Ms. Abzug, Mr. Hechler of West Virginia, Mr. Waldie, Mr. Williams, Mr. Stark, and Mr. Murphy of New York):

H.R. 7167. A bill to provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. WHITEHURST (for himself, Mr. Archer, Mr. Aspin, Mr. Brown of Michigan, Mr. Brown of California, Mrs. Burke of California, Mr. Robert W. Daniel Jr., Mr. Dent, Mr. Esch, Mr. Frenzel, Mr. Frey, Mrs. Grasso, Mr. Hansen of Idaho, Mr. Harrington, Mr. Helstoski, Mr. MacDonald, Mr. Murphy of Illinois, Mr. Pike, Mr. Rodino, and Mr. Sarasin):

H.R. 7168. A bill to amend the Federal law relating to the care and treatment of animals to broaden the categories of persons regulated under such law, to assure that birds in pet stores and zoos are protected, and to increase protection for animals in transit; to the Committee on Agriculture.

By Mr. WOLFF (for himself, Mr. Grover, Mr. Brasco, Mr. Carey of New York, Mr. Reid, Mr. Pike, and Mr. Delaney):

H.R. 7169. A bill to extend the Long Island Railroad strike cooling-off period for 120 additional days; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Illinois:

H.R. 7170. A bill to amend the Coastal Zone Management Act of 1972 for the purposes of determining the causes and means of preventing shoreline erosion; to the Committee on Merchant Marine and Fisheries.

H.R. 7171. A bill to amend the act of August 13, 1946, relating to Federal participation in the cost of protecting the shores of the United States, its territories, and possessions, to include privately owned property; to the Committee on Public Works.

H.R. 7172. A bill to amend the Disaster Relief Act of 1970 for the purposes of making clear that disaster assistance is available to those communities affected by extraordinary shoreline erosion damage; to the Committee on Public Works.

H.R. 7173. A bill to authorize a program to develop and demonstrate low-cost means of preventing shoreline erosion; to the Committee on Public Works.

H.R. 7174. A bill to amend section 426 of title 33, United States Code, for the purpose of providing the right of reimbursement to local interests for undertaking repair of shore damages attributable to Federal navigation works pursuant to section 426i; to the Committee on Public Works.

H.R. 7175. A bill to amend section 426 of title 33, United States Code, for the purpose of authorizing the Army Corps of Engineers to undertake emergency erosion control projects; to the Committee on Public Works.

H.R. 7176. A bill to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; to the Committee on Public Works.

H.R. 7177. A bill to amend the Internal Revenue Code of 1954 to provide that certain losses from shoreline erosion shall be deductible for purposes of the individual income tax; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 7178. A bill to establish a national program to provide income supplements to every family in need thereof; to the Committee on Ways and Means.

By Mr. BLATNIK:

H.R. 7179. A bill to limit the authority of the Secretary of Health, Education, and Welfare to impose, by regulations, certain additional restrictions upon the availability and use of Federal funds authorized for social services under the public assistance programs established by the Social Security Act; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 7180. A bill to require the Consumer Product Safety Commission to promulgate standards applicable to plastic bags and other commercial articles utilizing plastic sheeting with dangerous adhesive characteristics, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CAREY of New York:

H.R. 7181. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DEL CLAWSON:

H.R. 7182. A bill to improve and implement procedures for fiscal controls in the U.S. Government, and for other purposes; to the Committee on Rules.

By Mr. CLAY:

H.R. 7183. A bill relating to collective bargaining representation of Postal Employees; to the Committee on Post Office and Civil Service.

By Mr. COUGHLIN (for himself, Mr. Andrews of North Dakota, Mr. Buchanan, Mr. Burgener, Mr. Cleveland, Mr. Collins, Mr. de Lugo, Mr. Dickinson, Mr. Fisher, Mr. Flowers, Mr. Frenzel, Mr. Hansen of Idaho, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Mr. Huber, Mr. Hunt, Mr. Mazzoli, Mr. Podell, Mr. Ryan, Mr. Sarasin, Mr. Walsh, and Mr. Won Pat):

H.R. 7184. A bill to amend the Internal Revenue Code of 1954 to allow individuals an income tax credit for certain expenses of elementary or secondary education; to the Committee on Ways and Means.

By Mr. COUGHLIN (for himself, Mr. Andrews of North Dakota, Mr. Buchanan, Mr. Burgener, Mr. Chappell, Mr. Cleveland, Mr. Cohen, Mr. Collins, Mr. Davis of Georgia, Mr. de Lugo, Mr. Dickinson, Mr. Eshleman, Mr. Fisher, Mr. Flowers, Mr. Forsythe, Mr. Frenzel, Mr. Goodling, Mrs. Grasso, Mr. Gray, Mr. Hansen of Idaho, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Mr. Huber, Mr. Hunt, and Mr. Johnson of Pennsylvania):

H.R. 7185. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred is providing higher education; to the Committee on Ways and Means.

By Mr. COUGHLIN (for himself, Mr. Kemp, Mr. Lehman, Mr. Mayne, Mr. Mazzoli, Mr. Miller, Mr. Parris, Mr. Podell, Mr. Robinson of Virginia, Mr. Ryan, Mr. Sarasin, Mr. Walsh, Mr. Wampler, Mr. Won Pat, and Mr. Zion):

H.R. 7186. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. HANSEN of Idaho (for himself, Mr. Baker, Mr. Derwinski, Mr. Donohue, Mr. Esch, Mr. Fisher, Mrs. Grasso, Mr. Hammerschmidt, Mr. Hechler of West Virginia, Mr. Hosmer, Mr. Mayne, Mr. Mollohan, Mr. Robinson of Virginia, Mr. Whitehurst, and Mr. Won Pat):

H.R. 7187. A bill to establish a National Flag Commission; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 7188. A bill to modify the boundary of the Cibola National Forest and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MATSUNAGA (for himself, Mrs. Mink, and Mr. Won Pat):

H.R. 7189. A bill to amend title II of the Railway Labor Act to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa or the Trust Territory of the Pacific Islands and the West Coast, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MELCHER:

H.R. 7190. A bill to provide for thorough health and sanitation inspection of all livestock products imported into the United States, and for other purposes; to the Committee on Agriculture.

By Mr. NELSEN:

H.R. 7191. A bill to provide equity in the feed grain set-aside program by allowing participants in plan B to switch to plan A; to the Committee on Agriculture.

By Mr. ST GERMAIN:

H.R. 7192. A bill to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7193. A bill to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married; to the Committee on Post Office and Civil Service.

H.R. 7194. A bill to increase the contribution by the Federal Government to the costs of Federal employees' health benefits insurance, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7195. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 received as civil service retirement annuity from the United States or any agency thereof shall be excluded from gross income; to the Committee on Ways and Means.

By Mr. SANDMAN:

H.R. 7196. A bill to designate certain lands in the Brigantine National Wildlife Refuge, Atlantic, Burlington, and Ocean Counties, N.J., as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H.R. 7197. A bill to amend the Immigration and Nationality Act to increase immigration from Western Hemisphere nations; to provide that certain aliens illegally in the United States may have their status adjusted to that of permanent residents; and for other purposes; to the Committee on the Judiciary.

By Mr. SISK (for himself, Mr. Biester, Mr. Brown of Michigan, and Mr. Roncalio of Wyoming):

H.R. 7198. A bill to create a National Agricultural Bargaining Board, to provide standards for the qualification of associations of producers, to define the mutual obligation of handlers and associations of producers to negotiate regarding agricultural products produced or sold under contract, and for other purposes; to the Committee on Agriculture.

By Mr. SISK (for himself, Mr. Quie, and Mr. Meeds):

H.R. 7199. A bill to establish more orderly bargaining procedures, to enable dairy cooperatives to negotiate more effectively for terms and conditions of the sale of milk, to provide compensation for performance of services essential to the marketing of milk, to eliminate inequities in existing marketing practices, to insure an adequate regular supply of good, healthful milk to consumers, and for other purposes; to the Committee on Agriculture.

By Mr. STAGGERS:

H.R. 7200. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to revise certain eligibility conditions for annuities; to change the railroad retirement tax rates; and to amend the Interstate Commerce Act in order to improve the procedures pertaining to certain rate adjustments for carriers subject to part I of the act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. UDALL:

H.R. 7201. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES H. WILSON of California:

H.R. 7202. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. WON PAT:

H.R. 7203. A bill to provide for the extension of credit to Guam for the development of community facilities on Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Illinois:

H.R. 7204. A bill to improve the regulation of Federal election campaign activities; to the Committee on House Administration.

By Mr. WON PAT:

H.R. 7205. A bill to provide for the removal of the public debt limitations contained in section 11 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM (for himself, Mr. Nix, Mr. Forsythe, Mr. Fraser, Mr. Rosenthal, Mr. Diggs, Mr. Culver, Mr. Wolff, Mr. Hamilton, Mr. Addabbo, Ms. Abzug, Mr. Drinan, Mr. Rangel, Mr. Stark, Mr. McCloskey, Mr. Sarbanes, Mr. Won Pat, Mr. Conyers, Mr. Harrington, Ms. Grasso, Mr. Tiernan, Mr. Aspin, Mr. Koch, Mr. Badillo, and Mr. Yatron):

H.J. Res. 514. Joint resolution to end the war in Indochina; to the Committee on Foreign Affairs.

By Mr. BINGHAM (for himself, Mr. Yates, Mr. Brademas, Mr. Eilberg, Mr. Young of Georgia, Mr. Burton, Mr. Hechler of West Virginia, Mr. Howard, Mr. Moorhead of Pennsylvania, Mr. Whalen, Mr. Riegle, Mr. Gude, Mr. Mosher, Mr. Lehman, Ms. Jordan, Mr. Van Deerlin, Mrs. Burke of California, Mr. Reid, Mr. Fascell, Mr. Matsunaga, Mr. Thompson of New Jersey, and Mr. Nedzi):

H.J. Res. 515. Joint resolution to end the war in Indochina; to the Committee on Foreign Affairs.

By Mr. BINGHAM (for himself, Mr. Studds, Mr. Reuss, Mr. Mezvinsky, Mr. Donohue, Mr. Adams, Mr. Edwards of California, Mr. Seiberling, Mr. Stokes, Mr. Roybal, Ms. Mink, Mr. Brown of California, Mr. Annunzio, Mr. Symington, Ms. Chisholm, Mr. Moakley, Mr. Helstoski, Mr. Mitchell of Maryland, Mr. Clay, Mr. Dellums, Mr. Carey of New York, Miss Holtzman, Mr. Vanik, Mr. Bergland, and Mr. Brasco):

H.J. Res. 516. Joint resolution to end the war in Indochina; to the Committee on Foreign Affairs.

By Mr. DANIELSON (for himself, Ms. Abzug, Mr. Bergland, Mr. Matsunaga, Mr. Veysey, and Mr. Wolff):

H.J. Res. 517. Joint resolution to direct the Secretary of Transportation to conduct a comprehensive study of the relationship of motor vehicle size to air pollution, fuel consumption, and motor vehicle accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EVANS of Colorado:

H.J. Res. 518. Joint resolution relating to the taking of the 1974 Census of Agriculture; to the Committee on Post Office and Civil Service.

By Mr. HUBER:

H.J. Res. 519. Joint resolution to amend the joint resolution which codifies the rules and customs pertaining to the use and display of the U.S. flag to permit the display of the flag, if illuminated, at night; to the Committee on the Judiciary.

By Mr. WHITEHURST (for himself, Mr. Gunter, Mr. Rarick, Mr. Wampler, and Mr. Wright):

H.J. Res. 520. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ZWACH:

H.J. Res. 521. Joint resolution providing for a 5-year moratorium on railroad line abandonment; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS of Arkansas:

H. Con. Res. 200. Concurrent resolution providing for the printing of the compilation of the social security laws; to the Committee on House Administration.

By Mr. RODINO:

H. Con. Res. 201. Concurrent resolution to reprint brochure entitled "How Our Laws Are Made"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

160. The SPEAKER presented a memorial of the Legislature of the State of Montana, relative to rural medical programs; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DEL CLAWSON:

H.R. 7206. A bill for the relief of James F. Nugent and Catherine F. Nugent; to the Committee on the Judiciary.

H.R. 7207. A bill for the relief of Emmett A. and Agnes J. Rathbun; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 7208. A bill for the relief of Salvatrice and Giovanni Galafi; to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 7209. A bill for the relief of Estelle M. Fass; to the Committee on the Judiciary.

By Mr. WYMAN:

H.R. 7210. A bill for the relief of Victor L. Jones; to the Committee on the Judiciary.

By Mr. KOCH:

H. Res. 362. Resolution, to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

176. By the SPEAKER: Petition of the city council, Middleburg Heights, Ohio, relative to the meat boycott; to the Committee on Banking and Currency.

177. Also, petition of William R. Tusay, Trenton, N.J., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

178. Also, petition of Domenic T. Inzillo, Philadelphia, Pa., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

179. Also, petition of Garle C. Halstead, St. Albans, W. Va., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.